

**MINUTES OF WESTERN BAY OF PLENTY DISTRICT COUNCIL
ANNUAL PLAN AND LONG TERM PLAN COMMITTEE MEETING NO. APLTP23-6
HELD IN THE COUNCIL CHAMBERS, 1484 CAMERON ROAD, TAURANGA
ON THURSDAY, 10 AUGUST 2023 AT 1.00PM**

1 KARAKIA

Whakatau mai te wairua	Settle the spirit
Whakawātea mai te hinengaro	Clear the mind
Whakarite mai te tinana	Prepare the body
Kia ea ai ngā mahi	To achieve what needs to be achieved.
Āe	Yes

2 PRESENT

Deputy Mayor J Scrimgeour (Chairperson), Mayor J Denyer, Cr R Joyce, Cr G Dally, Cr M Grainger, Cr A Henry, Cr M Murray-Benge, Cr D Thwaites and Cr A Wichers.

VIA ZOOM

Cr A Sole.

3 IN ATTENDANCE

R Davie (Deputy CEO/General Manager Strategy and Community), A Curtis (General Manager Regulatory Services), A Henderson (General Manager Corporate Services), G Allis (General Manager Infrastructure Group), G Golding (Governance Manager), A Ali (Chief Financial Officer), S Bedford (Finance Manager), M Leighton (Policy and Planning Manager), P Osborne (Senior Governance Advisor) and H Wi Repa (Governance Systems Advisor)

OTHERS IN ATTENDANCE

R Goudie (Waihi Beach Community Board Chairperson)

4 APOLOGIES

APOLOGY

RESOLUTION APLTP23-6.1

Moved: Cr M Grainger

Seconded: Cr M Murray-Benge

That the apology for absence from Cr Coxhead and Cr Crawford be accepted.

CARRIED

5 CONSIDERATION OF LATE ITEMS

Nil

6 DECLARATIONS OF INTEREST

Nil

7 PUBLIC EXCLUDED ITEMS

Nil

8 PUBLIC FORUM

Nil

9 PRESENTATIONS

Nil

10 REPORTS

10.1 DELIBERATIONS ON PROPOSED FINANCIAL CONTRIBUTIONS FOR 2023/24

The Committee considered a report dated 10 August 2023 from the Strategic Policy and Planning Programme Director. The report was taken as read with a brief background and overview of the report provided by the Deputy Chief Executive/General Manager Strategy and Community, and the General Manager Corporate Services.

Staff responded to pātai in relation to the 'Specific Projects' options as follows:

- There was no change to the costs in relation to Option 2.
 - In relation to the submissions received, the Committee was advised that Council's infrastructure staff had responded to the submitted who queried specific projects, through a separate process. The responses outlined the defensibility, in their view, for the projects being identified as 'growth projects', as well as the proportion of growth that had been attributed to these projects.
 - Staff advice highlighted that there was agreement with the submission point to move the timing of the 'Northern Harbour Boat Ramp' project. This was due to the
-

fact that Council was yet to finalise its planning on where and when this project may occur. This was moved to be outside the 10 year period of the model.

- There was a general theme that the cost of FINCOs was too high, with the exception of one submission that challenged a bespoke project within the model.
- It was not unusual for the degree of attribution from growth to rates to change from year to year. This was the rationale for Council revisiting rates through FINCOs annually through the Annual Plan process.
- The disclosure table (which could be found on Council's website) highlighted the various projects, including whether they were funded district wide.
- Staff were not in a position to comment on why a particular group did not speak to their submission. It was noted that in relation to North 12, there had been concurrent processes in terms of FINCOs conditions on resource consents, as well as this process. The themes raised through the FINCOs submission were similar to those raised through the resource consent process.
- In relation to the Te Puke Wastewater Treatment Plant upgrade project, the costs of the project had been appropriately attributed to Rangiorua Business Park, the existing Te Puke community currently reticulated for wastewater and the future community up to a population of 13,000. Further, a proportion of these costs had also been attributed to the future population of Te Puke should it grow beyond 13,000. The costs of the treatment plant upgrade beyond 13,000 were not included in the current FINCO calculation for wastewater. Rangiorua Business Park had its own financial contributions model. Council had closely examined the Te Puke Wastewater Treatment Plant upgrade funding splits and believed they were attributed correctly.
- The Northern Boat Ramp project would be considered through the 2024-34 Long Term Plan, however for the purposes of the 2023/24 financial contribution for reserves and facilities, it was excluded.
- If the financial assistance rate in relation to Waka Kotahi's contribution to walking and cycleways was to change, Council would be asked to re-prioritise its Levels of Service.
- The discrepancies that had occurred with the FINCOs model were due to distortions that occurred over time.
- New projects for consideration were determined by Council through the Long Term Plan process.
- In regard to the implications of Option 3, it was noted that the disadvantages outlined in the Issues and Options paper made it clear that if all projects were deleted from the Financial Contributions schedule, Council would have a significant funding gap. Council would either not undertake the project, which would affect our Levels of Service, or they would need to be rate funded.
- Option 1 as it was presented in the report was the preferred option.
- The Ōmokoroa Active Reserve was ready to proceed, as valuations had been received. Council was working on the strategy for purchase, and where the property owners sat within that space.

Staff responded to pātai in relation to the 'Affordability' option as follows:

- Councils tools were limited in relation to funding options however, SmartGrowth was undertaking a significant piece of work that explored other funding and financing options for Local Government, as it was a significant barrier to being able to respond to the growth challenge. It was noted that this was affecting every growth council in Aotearoa, and there was no immediate answer.
- The 'District Plan Policy' approach, regarding intensification, was a tool that Council used, and had to ensure that the greater density developments paid for their share of the capacity that it consumed, specifically in relation to roading and water.
- Active and passive reserve requirements were planned for through Structure Plan processes and were guided by Council's Levels of Service, noting that the master plan for Ōmokoroa was based on more intensive urban development.
- The Committee was advised that the financial contributions work was undertaken in two stages, noting that the second stage of this work would include the investigation of the sustainability of the Financial Contributions model verses a Development Contributions model, or a hybrid of the two. Elected Members would be presented with this decision at the Strategy and Policy Workshop scheduled 17 August 2023. This would include a review of the policy drivers.

RESOLUTION APLTP23-6.2

Moved: Mayor J Denyer

Seconded: Cr M Grainger

1. That the Strategic Policy and Planning Programme Director's report dated 10 August 2023 titled 'Deliberations on Proposed Financial Contributions for 2023/24' be received.
2. That the report relates to an issue that is considered to be of medium significance in terms of Council's Significance and Engagement Policy.
3. That all written and verbal views presented through the Annual Plan consultation period from 30 March to 30 April 2023 (relating to financial contributions) and the further consultation process undertaken from 19 June to 9 July 2023 be received and considered, as set out in the document titled 'Financial Contributions 2023/24 submissions pack' and contained in **Attachment 2** of this report.
4. That the Committee notes the matters considered outside of the scope of setting Financial Contributions for 2023/24 (as set out in section 10 of this report) and endorses the corresponding commentary as the basis for a response to people who have presented their views on these matters.
5. That the Committee recommends to Council the adoption of the final Financial Contributions 2023/24 that will apply to resource consent processes in accordance with the District Plan and will be included in the Schedule of Fees and Charges 2023/24, and subject to the following decisions:

a. Affordability

i. Option 1

That Council **does not** reduce the financial contributions with rate payer subsidy for the 2023/24 financial year, but agrees to consider this as part of the 2023–2024 Long Term Plan.

b. Specific projects

i. Option 1

That Council confirms all identified specific projects listed below in the Financial Contributions models as released for further consultation:

- Project 243002 – reticulation improvements.
- Project 287112 – Pongakawa WTP enhancement eastern zone alternative supply.
- Project 287118 – Te Puke Infra Area 3+4 2024 and 2025.
- Project 226620 – Te Puke growth related assets.
- Project 225632 – Te Puke wastewater treatment plant upgrades.
- Project 244912 – District-wide Reserve Acquisition Funding.
- Project 345401 – Ōmokoroa Active Reserves.
- Project 345301 – Reserves – cycleways and walkways funding.
- Project 295203 – Ōmokoroa Domain Funding.

And that Council defers the Northern Boat ramp project beyond 2021/31 Long Term Plan period and reconsiders it through the Long Term Plan process for 2024/34.

6. That the Committee notes that a decision document will be prepared as the formal response to those who presented their views, for adoption by Council alongside the final Financial Contributions 2023/24, and that the decision document will be in general accordance with the Long Term and Annual Plan Committee resolutions contained in the minutes of APLTP23–6 dated 10 August 2023, and the Strategy and Policy Committee resolutions contained in the minutes of SPC23–5 dated 17 August 2023.

CARRIED

11 INFORMATION FOR RECEIPT

The Meeting closed at 1.56pm.

Confirmed as a true and correct record by Council on 30 August 2023.