

Mā tō tātou takiwā
For our District

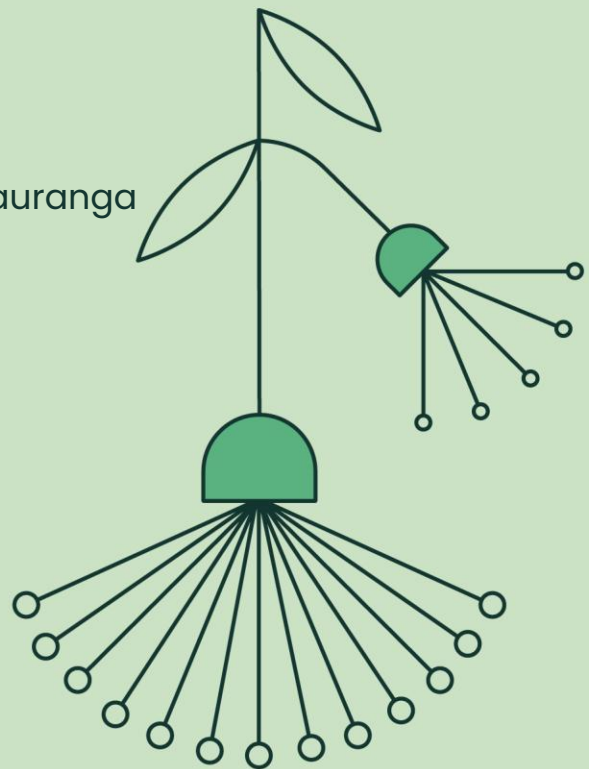
Annual Plan and Long Term Plan Committee

Komiti Kaupapa Tiro Whakamua

APLTP25-1

Wednesday, 26 February 2025, 1.30pm

Council Chambers, 1484 Cameron Road, Tauranga



Annual Plan and Long Term Plan Committee

Membership:

| | |
|---------------------------|---|
| Chairperson | Deputy Mayor John Scrimgeour |
| Deputy Chairperson | Cr Rodney Joyce |
| Members | Cr Tracey Coxhead Cr Grant Dally Mayor James Denyer Cr Murray Grainger Cr Anne Henry Cr Margaret Murray-Benge Cr Laura Rae Cr Allan Sole Cr Don Thwaites Cr Andy Wichers |
| Quorum | Six (6) |
| Frequency | As required |

Role:

To manage the process of development of the Annual Plan, Long Term Plan and amendments, including the determination of the nature and extent of community engagement approaches to be deployed.

Scope:

To undertake on behalf of Council all processes and actions precedent to the final adoption of the Annual Plan, Long Term Plan and any amendments including, but not limited to:

- The development of consultation documents and supporting information,
- Community engagement approaches and associated special consultative processes (if required), and

- The review of policies and strategies required to be adopted and consulted on under the Local Government Act 2002 including the financial strategy, treasury management strategies and the infrastructure strategy.
- In relation to the Annual Plan and Long Term Plan, listen to and receive the presentation of views by people and engage in spoken interaction in relation to any matters Council undertakes to consult under the Local Government Act 2002. Receive audit reports in relation to the Long Term Plan and any amendments (prior to adopting a Consultation Document).

Power to act:

- To make all decisions necessary to fulfil the role and scope of the Committee subject to the limitations imposed, including the adoption for the purposes of consultation under the Local Government Act 2002 of the Consultation Document and Supporting Information.
- Receive audit reports in relation to the Long Term Plan and any amendments (prior to adopting a Consultation Document).

Power to recommend:

To Council and/or any Committee as it deems appropriate.

Power to sub-delegate:

The Committee may delegate any of its functions, duties or powers to a subcommittee, working group or other subordinate decision-making body subject to the restrictions on its delegations and provided that any sub-delegation includes a statement of purpose and specification of task.

Notice is hereby given that a Annual Plan and Long Term Plan Committee Meeting will be held in the Council Chambers, 1484 Cameron Road, Tauranga on:
Wednesday, 26 February 2025 at 1.30pm

Order Of Business

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| 2 | Present | 5 |
| 3 | In Attendance | 5 |
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| 10.1 | Annual Plan 2025/26 – Issues and Options Papers | 6 |

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

3 IN ATTENDANCE

4 APOLOGIES

5 CONSIDERATION OF LATE ITEMS

6 DECLARATIONS OF INTEREST

Members are reminded of the need to be vigilant and to stand aside from decision making when a conflict arises between their role as an elected representative and any private or other external interest that they may have.

7 PUBLIC EXCLUDED ITEMS

8 PUBLIC FORUM

A period of up to 30 minutes is set aside for a public forum. Members of the public may attend to address the Board for up to five minutes on items that fall within the delegations of the Board provided the matters are not subject to legal proceedings, or to a process providing for the hearing of submissions. Speakers may be questioned through the Chairperson by members, but questions must be confined to obtaining information or clarification on matters raised by the speaker. The Chairperson has discretion in regard to time extensions.

Such presentations do not form part of the formal business of the meeting, a brief record will be kept of matters raised during any public forum section of the meeting with matters for action to be referred through the customer relationship management system as a service request, while those requiring further investigation will be referred to the Chief Executive.

9 PRESENTATIONS

10 REPORTS

10.1 ANNUAL PLAN 2025/26 – ISSUES AND OPTIONS PAPERS

File Number: A6641583

Author: Rebecca Gallagher, Acting Policy and Planning Manager

Authoriser: Rachael Davie, Deputy CEO/General Manager Strategy and Community

EXECUTIVE SUMMARY

This report seeks the Committee’s direction on the options provided in the attached Issues and Options Papers and the proposed capital programme, to inform the development of the draft Annual Plan 2025/26.

RECOMMENDATION

1. That the Acting Policy and Planning Manager’s report dated 26 February 2025 titled ‘Annual Plan 2025/26 – Issues and Options Papers’ be received.
2. That the report relates to an issue that is considered to be of low significance in terms of Council’s Significance and Engagement Policy.
3. That the Committee resolves the following decisions as set out in **Attachment 1** to inform the development of the draft Annual Plan 2025/26:
 - a. Community Board Funding
 - i. [option 1 or 2 or 3]AND
 - ii. [option 1 or 2]
 - b. Dave Hume Pool Roof Project
 - i. [option 1 or 2 or 3]
 - c. ERP Upgrade Costs
 - i. [option 1 or 2]
 - d. Katikati Arts Junction
 - i. [option 1 or 2]
 - e. Concept Plan Implementation for Beach Road and Tahawai Reserves
 - i. [option 1 or 2]
 - f. NZTA/Waka Kotahi Subsidy Impacts
 - i. [option 1 or 2 or 3]

- g. Water Targeted Rates and Volumetric Charging
- i. [option 1 or 2 or 3 or 4]
4. That following consideration of **Tabled Item 1**, which will be provided at the meeting, the Committee resolves for the purposes of developing the Annual Plan 2025/26 the UAGC be set at:
- (a) \$656 (incl. GST)
- OR
- (b) \$700 (incl. GST).
5. That for the purposes of developing the Annual Plan 2025/26 the updated Long Term Plan Strategic Assumptions as per **Attachment 6** are adopted.
6. That the Committee resolves that the revised Structure Plans as set out in **Attachment 2** of the agenda report are approved for the purposes of the Annual Plan 2025/26 and proposed Financial Contributions 2025/26.
7. That the Committee endorses the capital and operational programme as per **Attachment 3** to inform the development of the draft Annual Plan 2025/26.
8. That the Committee endorses the Financial Statements (**Attachment 7**) and the Rating Information (**Tabled Item 1** which will be provided at the meeting) to inform the development of the draft Annual Plan 2025/26.
9. (a) That the Committee endorses the Assessment of Materiality and Significance in **Attachment 4** and considers that there are no material or significant differences from the Long Term Plan for 2025/26 and therefore will not consult on the Annual Plan 2025/26, pursuant to section 95(2A) of the Local Government Act 2002.
- OR
- (b) That Committee will undertake consultation in accordance with section 82 of the Local Government 2002 on its Annual Plan 2025/26 pursuant to section 95(2) of the Local Government Act 2002, as it considers that the following matters are material or constitute significant differences from the Long Term Plan for 2025/26:
- [x]
10. That the Committee directs the Chief Executive to prepare a communications and engagement plan to give effect to resolution [9a/9b] for approval at the Committee's next meeting on 12 March 2025.

BACKGROUND

1. The Annual Plan is Council's updated plan for the coming financial year, setting out the work scheduled to be undertaken over the next financial year (1 July 2025 – 30 June 2026).
2. Preparation of the Annual Plan must meet the requirements of the Local Government Act 2002, in particular section 95.
3. The draft Annual Plan 2025/26 rates increase is currently calculated to be **7.42%**, lower than the 10.13% signalled for 2025/26 in the Long Term Plan 2024-34.
4. There are a number of matters which require direction for the draft Annual Plan 2025/26. These are outlined in Issues and Options Papers in **Attachment 1**.
5. A review of the 2025/26 Structure Plan for District wide growth-related infrastructure projects to reflect the timing and cost changes has been undertaken. The review paper can be found in **Attachment 2**. Attachment 4 of that review paper provides the revised 10 year Structure Plan schedule.
6. The capital and operational programme has been reviewed for timing, costs and deliverability. **Attachment 3** sets out the operational and capital programme list for 2025/26. The attachment is broken down by activity area and the funding sources outlined in the document. The programme also provides the variances from what was planned in year 2 of the Long Term Plan. The deferred projects are primarily structure plan related and are addressed through **Attachment 2**.
7. An assessment of the significance or materiality of the projects is contained in **Attachment 4**.
8. The Annual Plan workshop notes from 29 January 2025 and 5 February 2025 have been provided as **Attachment 8**.

STRATEGIC ASSUMPTION UPDATE

9. Since developing our Long Term Plan, we continue to face economic challenges, legislative reform uncertainty and a slowdown in the construction sector. Latest GDP data shows New Zealand is still in a technical recession, although CPI has continued to trend downwards, and interest rates are falling. Economic growth is slower than anticipated, and the slowdown in the construction sector has impacted anticipated development.
10. The Long Term Plan strategic assumptions were approved on 9 May 2024. As part of developing this Annual Plan, our underlying assumptions have been revisited. Generally, these remain fit for purpose, with only some minor changes required to other assumptions.
11. These minor changes are set out below, noting that they do not have impacts on Council's budgets:

- (a) Land Use – minor updates to reflect the adopted SmartGrowth Strategy and FDS.
 - (b) Climate Change – minor wording updates to implication text to remove references to the Climate Change Adaption Act.
12. The following assumptions will have an impact on Council’s budgets:
- (a) Inflation rates – The latest 2026 BERL Cost Adjusters (October 2024) have been released. We have applied the latest BERL cost adjusters in the draft budget.
 - (b) Interest Rates – The latest 2026 interest rate assumption for the 2025/26 Annual Plan forecasts a lower rate compared to what was assumed in the Long Term Plan for 2026 (0.9% decrease). We have applied the updated interest rate, rather than the LTP assumption.
 - (c) Population Growth – Our assumptions have been compared to the latest Statistics New Zealand Census data. Adjustments have been made to the timing of lot and dwellings in Te Puke and Ōmokoroa and this is reflected in the overall numbers. **Attachment 5** contains further information regarding the updates from Census.
13. On the whole, the majority of the Long Term Plan assumptions continue to provide a sound basis for planning and will be retained, with the above exceptions. These differences will be noted in the final Annual Plan document. **Attachment 6** contains the updated assumptions for adoption by the Committee.

DRAFT FINANCIALS

14. The draft financials are not materially different to those budgeted for in year two of the Long Term Plan 2024-34. **Attachment 7** contains the following financial information:
- (a) Statement of Comprehensive Revenue Expenditure
 - (b) Statement of Financial Position
 - (c) Forecast Statement of Changes in Equity
 - (d) Statement of Cashflow
 - (e) Funding Impact Statement
 - (f) Reconciliation between FIS and SOCRE
 - (g) Funding Impact Statement – By Group of Activities
15. The following table provides an overview of our high level financials:

| Key Financial Metric | 2024/25 \$'000 | LTP | 2025/26 (Year 2) LTP \$'000 | 2025/26 Annual Plan \$'000 |
|---|-------------------|--------|--------------------------------|-------------------------------|
| Total rates \$m (excludes water volumetric rates) | | 96,856 | 106,665 | 104,041 |

| | | | |
|------------------------|---------|---------|---------|
| Rates increase % | 13.47% | 10.13% | 7.42% |
| Volumetric Water Rates | 6,693 | 6,815 | 6,164 |
| Capital Projects* | 137,242 | 169,683 | 153,463 |
| Operational Projects | 10,631 | 12,290 | 11,184 |
| Net Debt | 164,254 | 226,497 | 254,074 |
| Debt to revenue Ratio | 91% | 113% | 144% |

*Note: this does not include adjustment for delivery assumption.

16. Draft budgets have been prepared based on the current recommended options in the Issues and Options papers. Changes to the proposed options may impact the final draft budget and rates.
17. The proposed rates requirement increase of 7.42% is lower than was planned in year 2 of the Long Term Plan 2024-34, which was 10.13%.

Uniform Annual General Charge

18. The Uniform Annual General Charge is the fixed portion of the general rate that all properties pay.
19. The Uniform Annual General Charge is the major element of the 30% cap (also called the Uniform Annual Charge calculation). This is a calculation of the proportion of rates that are a set amount (the rates to be considered as part of this percentage are set by criteria in Section 21 of the Local Government (Rating) Act 2002). Legislation prevents councils from setting this above 30% of their rates income.
20. The Uniform Annual General Charge is a tool to increase the percentage of rates included in this calculation. This affects how costs are spread amongst properties of differing values. Generally, the higher the fixed charges, the greater the impact on lower value properties. Alternatively, the lower the fixed charges the greater the impact on higher value properties.
21. The calculation for 2024/25 was 17%. To maintain the 17% calculation, the Uniform Annual General Charge for 2025/26 would be required to be \$656.
22. The Committee may choose to increase the Uniform Annual General Charge. The impacts of a Uniform Annual General Charge set at \$656 (incl. GST) and \$700 (incl. GST) are set out in **Tabled Item 1**, which will be provided at the meeting. This tabled item provides draft Funding Impact Statements, rating and rating information for sample properties for both scenarios.

BUDGETED SAVINGS

23. As part of the development of the Annual Plan 2025/26 we have reviewed the operational costs. The Annual Plan budget has been reviewed and several changes made to reflect known variations in timing and cost, and where savings could be made.
24. This has involved looking closely at the services we provide, considering if positions could be unfilled and considering what the future needs of Council and the community may be following the potential impacts of three waters reform.
25. These savings have contributed to the Annual Plan 2025/26 achieving a proposed rate requirement increase of 7.42%.
26. Although these savings reduce operational budgets, the budget still ensures that we are continuing to deliver on our capital and operational projects and levels of service as agreed with the community.

SIGNIFICANCE AND ENGAGEMENT

27. The Local Government Act 2002 requires a formal assessment of the significance of matters and decision in this report against Council's Significance and Engagement Policy. In making this formal assessment there is no intention to assess the importance of this item to individuals, groups, or agencies within the community and it is acknowledged that all reports have a high degree of importance to those affected by Council decisions.
28. The Policy requires Council and its communities to identify the degree of significance attached to particular issues, proposals, assets, decisions, and activities.
29. In terms of the Significance and Engagement Policy, this decision is considered to be of **low** significance. The recommendations of this report will result in a proposed rate increase which is 3% less than what is proposed through the Long Term Plan. We are continuing to deliver on the projects as outlined in year 2 of the Long Term Plan, with only minor changes in project cost and timing being proposed. An assessment of the significance or materiality of the planned projects is contained in **Attachment 4**.

ENGAGEMENT, CONSULTATION AND COMMUNICATION

30. When determining whether consultation is required for an Annual Plan, the Local Government Act 2002 requires an assessment of whether there are any significant or material changes from the Long Term Plan. These terms are defined in legislation. A significant or material change may be a one off or a result of multiple changes which have the cumulative impact of being material or significant.
31. For a matter to be deemed 'significant' it needs to be assessed as having a high degree of significance under Council's Significance and Engagement Policy.

32. A matter may be considered 'material' if it could, by itself or in conjunction with other differences, influence the decisions or assessment of those reading or responding to a consultation document.
33. The proposed rates increase, changes to the capital and operational programme and the recommended options outlined in the Issues and Options papers have been assessed as not materially or significantly different from the Long Term Plan (this assessment is contained in **Attachment 4**). When considering the collective impact of these changes, it is considered that they do not reach the threshold of being materially or significantly different from the Long Term Plan.
34. The community have had an engagement opportunity through the Long Term Plan 2024-34, which was adopted in September 2024. When considering the scope of any engagement on the Annual Plan, it is important to also consider the ability for the community to influence change, otherwise it increases the risk of raising community expectations.
35. If consultation is not undertaken on the Annual Plan 2025/26, ongoing feedback channels for our community will continue to be available, such as online through Your Place, as part of engagement opportunities on individual projects as they progress, contacting Elected Members, the Chief Executive or coming to speak at public forums.
36. Consultation is required on the Draft Schedule of Fees and Charges and Financial Contributions for 2025/26. These will be brought to the Committee meeting on 12 March 2025 for consideration.

ISSUES AND OPTIONS ASSESSMENT

37. **Attachment 1** consolidates the seven Issues and Options papers that need to be considered to develop the draft Annual Plan. These contain individual assessments on their respective advantages and disadvantages. Decisions on the following Issues and Options Papers are required:
 - (a) Community Board Funding
 - (b) Dave Hume Pool Roof Project
 - (c) ERP Upgrade Costs
 - (d) Katikati Arts Junction
 - (e) Concept Plan Implementation for Beach Road and Tahawai Reserves
 - (f) NZTA/Waka Kotahi Subsidy Impacts
 - (g) Water Targeted Rates and Volumetric Charging
38. **Attachment 2** contains the updates to the Structure Plans, which have been revised for 2025/26.

39. **Attachment 3** sets out the operational and capital programme list for 2025/26. The programme is broken down by activity area and the funding sources outlined in the document. The programme also provides the variances from what was planned in year 2 of the Long Term Plan.

ASSESSMENT OF OPTIONS

| | |
|--|---|
| Option 1A That the Committee provides decisions on the Issues and Options Papers, Structure Plan update and capital programme list to inform the development of the draft Annual Plan 2025/26 | |
| Assessment of advantages and disadvantages including impact on each of the four well-beings <ul style="list-style-type: none"> • Economic • Social • Cultural • Environmental | <p>Enables Council to meet its legislative requirements.</p> <p>Is consistent with the decisions made through the Long Term Plan 2024-34.</p> |
| Costs (including present and future costs, direct, indirect and contingent costs). | <p>Costs are currently outlined in the Issues and Options papers.</p> |
| Option 1B That the Committee does not provides decisions on the Issues and Options Papers, Structure Plan and capital programme list, but direct staff to provide further information. | |
| Assessment of advantages and disadvantages including impact on each of the four well-beings <ul style="list-style-type: none"> • Economic • Social • Cultural • Environmental | <p>The Committee may require further information to come to a decision.</p> <p>Should significant changes or rework be required, this may put at risk Council's ability to meet its legislative requirement to adopt the Annual Plan by 30 June 2025 and gain effective community input into the decision-making process.</p> |
| Costs (including present and future costs, direct, indirect and contingent costs). | <p>Should significant changes or rework be required, then significant staff time will be involved and with further Committee meetings required.</p> |

AND

| | |
|---|--|
| <p>Option 2A That the Committee endorses the assessment of materiality and significance and determines that consultation on the Annual Plan 2025/26 is not required.</p> | |
| <p>Assessment of advantages and disadvantages including impact on each of the four well-beings</p> <ul style="list-style-type: none"> • Economic • Social • Cultural • Environmental | <ul style="list-style-type: none"> • Aligns with previous direction and decisions of the Council. • Consistent with the decisions made in the Long Term Plan. • Does not raise community expectation through consultation. • Legislation enables Council not to consult where there are no material or significant differences from the Long Term Plan. • Council can inform key stakeholder groups and individuals that ordinarily have an interest in the Annual Plan. • Existing opportunities for feedback remain. |
| <p>Costs (including present and future costs, direct, indirect and contingent costs).</p> | <p>If there is no formal consultation process, there will be a significant reduction in staff resources required and costs associated with finalising the Annual Plan 2025/26.</p> |
| <p>Option 2B That the Committee does not endorse the assessment of materiality and significance and directs staff to develop a Consultation Document and supporting information for public consultation on the Annual Plan 2025/26.</p> | |
| <p>Assessment of advantages and disadvantages including impact on each of the four well-beings</p> <ul style="list-style-type: none"> • Economic • Social • Cultural • Environmental | <ul style="list-style-type: none"> • The Committee may require further information to come to a decision. • Should significant changes or rework be required, this may put at risk Council's ability to meet its legislative requirements and gain effective community input into the decision-making process. • Some members of the community may expect Council to consult on its Annual Plan, because that has previously been required by legislation. • Any new funding requests will need to be deferred to the next financial year. |

| | |
|--|---|
| <p>Costs (including present and future costs, direct, indirect and contingent costs).</p> | <p>Costs are involved if consultation is undertaken – in terms of staff time to run the consultation process (e.g. submission analysis, providing feedback to submitters, undertaking any events) and the collateral produced for the consultation (e.g. consultation document). However, these costs can be managed within existing budgets.</p> |
|--|---|

OTHER ANNUAL PLAN MATTERS

Community Halls

40. Through the Long Term Plan, the Community Halls budgets increased over the 10 year period. This results in some of the Community Halls targeted rates increasing to above \$50 per rateable property. The Community Halls budgets have been reviewed for the 2025/26 financial year, with the decreases due to a review of insurance and loan repayments.
41. This results in each of the Community Hall targeted rates being under \$50 per rateable property, and therefore consultation with those impacted will not be required in accordance with Council's Community Halls Policy.













STATUTORY COMPLIANCE

42. The recommendations of this report meet the requirements of:
 - (a) the Local Government Act 2002.



FUNDING/BUDGET IMPLICATIONS

| Budget Funding Information | Relevant Detail |
|-------------------------------|---|
| Annual Plan development costs | All costs associated with the production and consultation on the Annual Plan Consultation Document are included in current budgets. |

ATTACHMENTS

1. **Issues and Options Papers**  
2. **Structure Plan Update**  
3. **Project List 2025/26**  
4. **Significance and Materiality Assessment**  
5. **Population Growth Projections and Assumptions Revised**  
6. **Updated Long Term Plan Strategic Assumptions**  

7. Financial Statements 2025/26  

8. Annual Plan Workshop Notes – 29 January and 5 February 2025  

| Issues and Options Paper | Page |
|--|------|
| Community Board Funding | 2 |
| Dave Hume Pool Roof Project | 15 |
| ERP Upgrade Costs - Replacement of OZONE System | 21 |
| Katikati Arts Junction | 26 |
| Beach Road & Tahawai Reserve Concept Plan Implementation Funding | 31 |
| NZTA/Waka Kotahi Subsidy Impacts | 36 |
| Water Targeted Rates and Volumetric Charging | 49 |

Annual Plan 2025/26 – Issues and Options Paper

26 February 2025

File Number: A6534189

Author: Matthew Leighton, Policy and Planning Manager

Authoriser: Rachael Davie, General Manager Strategy and Community

COMMUNITY BOARD FUNDING

PURPOSE

1. This paper considers potential rating changes for Community Boards, as a result of the Representation Review final proposal.

RECOMMENDATION

1. That the Maketu-Te Puke Community Board, the Kaimai Community Board and the Katikati-Waihi Beach Community Boards be funded by way of General Rates;

And

That \$17.25 (inclusive of GST) per rateable property for the 2025/26 year, be allocated to fund Community Boards via the Uniform Annual General Charge;

And

That the five existing Community Board targeted rates be removed for the 2025/26 year and that the existing community boards are funded by way of reserves for the transition period.

2. That the existing community board reserve accounts are ring fenced for future expenditure in the current areas of benefit.
3. That if the Local Government Commission Representation Review Determination results in retaining the five existing Community Boards, that the current funding approach will also remain unchanged.

EXECUTIVE SUMMARY

4. The Representation Review will determine the Council's approach to Community Boards for the next two trienniums (2025-2028 and 2028-2031). Council resolved its final proposal at the 20 November Council meeting.
5. The changes proposed to the number and boundaries of Community Boards would result in a rating change. This change would occur in the 2025/26 Annual Plan year.

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The amount required and who will become eligible for the rate (the area of benefit) would change.

6. The Local Government Commission will make a determination, following hearings of any appeals or objections. Any determination must be made no later than 11 April 2025. This may mean that further changes would be required.
7. If the Local Government Commission Representation Review Determination results in retaining the five existing Community Boards, the current funding approach will also remain unchanged. The budgets will be amended to reflect this in the final Annual Plan document.

STRATEGIC ALIGNMENT

8. This contributes to the promotion or achievement of the following strategic priorities:

| Strategic Priorities | Contributes? |
|---|-------------------------------------|
| Enabling housing | <input type="checkbox"/> |
| Empowering communities. | <input checked="" type="checkbox"/> |
| Growing authentic Te Tiriti based relationships. | <input type="checkbox"/> |
| Providing resilient, well maintained, and efficient infrastructure. | <input type="checkbox"/> |
| Responding to climate change | <input type="checkbox"/> |

BACKGROUND

1. The Representation Review final proposal was resolved at the 20 November Council Meeting ([agenda link](#)). It determine the Council's approach to Community Boards for the next two trienniums (2025-2028 and 2028-2031).
2. The five Community Boards are currently funded via a targeted rate on properties in a defined area of benefit. This area of benefit generally reflects the community of interest that the Community Board represents.
3. The key aspects of the final proposal, relating to Community Boards, and the rating implications are set out below:

| Final Proposal | Rating impact |
|-----------------------------------|---|
| Three ward based community boards | New rating requirements (some people will be required to pay for a community board for the first time). |

| | |
|--|--|
| | <p>Funding of the community boards will change the amount ratepayers pay.</p> <p>Funding of the existing Community Boards in the interim will need to be considered (July – October 2025).</p> <p>Approach to existing Community Board Reserve funds to be determined.</p> |
|--|--|

4. Currently there is approximately 8,270 properties not within an existing Community Board area of benefit. These properties would become liable to the new rate. Introducing a new rate would require public consultation.
5. Due to the timing of the elections part way through the Annual Plan 2025/6 year, consideration of funding for the transition and the current Community Board arrangements (for July-October 2025) is required.
6. The existing five existing Community Boards have substantial reserve accounts. These have been accumulated from the existing areas of benefit for use in that area. Consideration should be given to how these reserve balances are to be used going forward, noting that any change to the purpose of a reserve requires public consultation.

| Community Board | Reserve account balances (as at 1 July 2024) | 2024/25 Closing balance after committed expenditure |
|-----------------|--|---|
| Waihī Beach | \$163,769.45 | \$128,978 |
| Katikati | \$100,384.43 | \$ 80,010 |
| Ōmokoroa | \$253,163.33 | \$ 96,982 |
| Te Puke | \$163,763.71 | \$110,402 |
| Maketu | \$171,369.06 | \$ 54,869 |

ISSUES AND OPTIONS ANALYSIS

9. The tables below set out the advantages and disadvantages of the options for the committee's consideration:

Please note that the recommended option is highlighted in bold.

Issue 1 – Community Board Funding

Option 1:

| | |
|--------------------------|--|
| Option 1: RECOMMENDED | <p>That the Maketu-Te Puke Community Board, the Kaimai Community Board and the Katikati-Waihi Beach Community Boards be funded by way of General Rates;</p> <p>And</p> <p>That \$17.25 (inclusive of GST) per rateable property for the 2025/26 year, be allocated to fund Community Boards via the <u>Uniform Annual General Charge</u>;</p> <p>and</p> <p>That the five existing Community Board targeted rates be removed for the 2025/26 year and that the existing community boards are funded by way of reserves for the transition period.</p> |
| Advantages | <p>Reflects the Representation Review final proposal.</p> <p>Provides a consistent approach across our communities on how Community Boards are funded and a clear departure from the existing approach.</p> <p>Community consultation would not be required, reducing potential costs and avoids relitigating the representation review decision.</p> <p>The scale of the funding would deliver a budget that should allow the new Community Boards to deliver on their aspirations (see Attachment B).</p> <p>Targeted Rates could be introduced at a later date to reflect individual Community Board approaches and budgets. This could be aligned with the findings from the review of community board delegations and functions as indicated through the adoption of the final proposal.</p> <p>Some properties will see their rates contribution to local representation decrease. The existing Community Board targeted rates are greater than the amount proposed to be recovered via the Uniform Annual General Charge.</p> <p>The rating change is relatively simple to implement.</p> <p>Transitional approach is simple and utilises existing funds.</p> |
| Disadvantages | <p>Does not comply with the Revenue and Financing Policy, as adopted alongside the Long Term Plan 2024-34, which says that Community Boards will be funded by Targeted rates. The decision would be made with consideration of section 80 of the Local</p> |

| | | | | |
|--------------------------------------|--|---------------------|-----------------|----------------|
| | <p>Government Act, 'Identification of Inconsistent Decision'. This requires an explanation the inconsistency and reasons for it. As set out in this report, the inconsistency is the use of the General Rate (UAGC) rather than targeted rates to fund Community Boards in order to reflect a new approach to Community Board structures for their first year. A change to the Revenue and Financing Policy to reflect this approach is not expected be required and instead the funding of community boards and use of targeted rates can be reconsidered in the 2026/27 Annual Plan.</p> <p>May be perceived to reduce transparency around the cost of community boards, as it is not a separate rate.</p> <p>Some properties will pay a new rate. Matakana Island ratepayers would contribute funding, but are not represented by a community board. To address this allowance for \$2,622 of grants to Marae on Matakana and Rangiwaea has been made.</p> <p>The new community boards may not feel they are empowered to set their own budgets. Consideration of establishing targeted rates for the 2026/27 year may be required through the next Annual Plan.</p> <p>Reduced community board budget for Katikati-Waihī Beach and Maketu-Te Puke, compared to the existing community board rates combined (See Attachment A for the current rates). Currently the rates requirement is \$176,000 (Waihī Beach plus Katikati) and \$195,988 (Maketu plus Te Puke), compared to \$115,535 proposed, however this is likely offset by efficiencies from interdepartmental charges being amalgamated (this is subject to refinement).</p> <p>Transitional approach may not meet the expectations of the current Community Boards.</p> | | | |
| Risks | <p>That there are appeals/objections and the Local Government Commission requires a Council to take a different approach to Community Board arrangements. Hearings are expected in February with decisions before 11 April 2025. This may lead to a change in rating approach and Annual Plan budgets.</p> | | | |
| Financial Implications – Capital | | | | |
| None | | | | |
| Financial Implications – Operational | | | | |
| Project/GL code | Original budget (\$000's) | Proposed adjustment | Proposed budget | Funding Source |

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| | | | | |
|------------------------------------|---|-------|-----|------|
| Community Board funding (excl GST) | 449 | (146) | 303 | UAGC |
| Financial Summary | | | | |
| Ongoing impact on future years | <p>These rates would be ongoing for future years.</p> <p>The individual community boards will be able to have greater input into their own budgets going forward and this may result in future changes.</p> | | | |

Option 2

| | |
|---------------|--|
| Option 2 | <p>That new targeted rates be established for the Maketu-Te Puke Community Board, the Kaimai Community Board and the Katikati-Waihi Beach Community Boards.</p> <p>And</p> <p>That the new targeted rates be set at \$17.25 (inclusive of GST) per rateable property for the 2025/26 year.</p> <p>and</p> <p>That the five existing Community Board targeted rates be removed for the 2025/26 year and that the existing community boards are funded by way of reserves for the transition period.</p> |
| Advantages | <p>Reflects the Representation Review final proposal.</p> <p>Provides clarity to the community on how they fund Community Boards and a clear departure from the existing approach.</p> <p>Community consultation allows input on the quantum of the rate and cost of Community Boards.</p> <p>The scale of the targeted rates would deliver a budget that should allow the new Community Boards to deliver on their aspirations (see Attachment B).</p> <p>Some properties will see their rates contribution to Community Boards decrease.</p> <p>Matakana Island would not be included in the rating areas of benefit.</p> <p>Aligns with the Revenue and Financing Policy.</p> <p>Transitional approach is simple and utilises existing funds.</p> |
| Disadvantages | <p>There may be some community confusion, as it introduces a completely new rate for some properties.</p> |

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| | | | | |
|--------------------------------------|---|---------------------|-----------------|---|
| | <p>Staff time to set up new areas of benefit in the rating system.</p> <p>Would require costs associated with consultation, as these are new rates and for some properties this will be their first time contributing towards a Community Board.</p> <p>Transitional approach may not meet the expectations of the current Community Boards.</p> | | | |
| Risks | <p>That there are appeals/objections and the Local Government Commission requires a Council to take a different approach to Community Board arrangements. Hearings are expected in February with decisions before 11 April 2025. This may lead to a change in rating approach and Annual Plan budgets.</p> <p>That the community does not understand what the new rate will be used for.</p> <p>That consultation on the new rate may be used by some to relitigate the representation arrangements decision.</p> | | | |
| Financial Implications – Capital | | | | |
| None | | | | |
| Financial Implications – Operational | | | | |
| Project/GL code | Original budget (\$000's) | Proposed adjustment | Proposed budget | Funding Source |
| Community Board funding (excl GST) | 449 | (148) | 301 | Targeted Rate of \$17.25 (incl. GST) per property in the area of benefit. |
| Financial Summary | | | | |
| Ongoing impact on future years | <p>These rates would be ongoing for future years.</p> <p>The individual community boards will be able to have greater input into their own budgets going forward and this may result in future changes.</p> | | | |

Option 3

| Option 3 | <p>That new targeted rates be established for the Maketu-Te Puke Community Board, the Kaimai Community Board and the Katikati-Waihi Beach Community Boards.</p> <p>And</p> <p>That the new targeted rates be set at \$17.25 (inclusive of GST) per rateable property for the 2025/26 year.</p> <p>and</p> <p>That the five existing Community Board targeted rates be <u>retained for 2025/26 year, at a pro-rata amount, to fund the four months of the transition period.</u></p> | | | |
|--------------------------------------|---|---------------------|-----------------|------------------------------|
| Advantages | <p><i>As per above option, except:</i></p> <p>Transitional approach allows the existing Community Boards to fully utilise budgets and deliver on their plans for the remaining four months of their tenure.</p> | | | |
| Disadvantages | <p><i>As per above option, except:</i></p> <p>Transitional approach is not simple and would require more administration.</p> <p>Transitional approach would require some properties to pay two separate Community Board Rates for the 2025/26 year. This may lead to confusion amongst the community.</p> <p>Area of benefit of properties would change part way through the year as a result of the new structure meaning some would have two separate rates and some would not.</p> | | | |
| Risks | <p><i>As per above option, except</i></p> <p>Increased risk of community confusion due to inclusion of existing and new Community Board rates.</p> | | | |
| Financial Implications – Capital | | | | |
| None | | | | |
| Financial Implications – Operational | | | | |
| Project/GL code | Original budget (\$000's) | Proposed adjustment | Proposed budget | Funding Source |
| New Community | 0 | 301 | 301 | \$17.25 (incl. GST) targeted |

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| | | | | |
|--|--|-------|-----|---|
| Board funding (excl GST) | | | | rate for the full year |
| Current Community Board Funding (excl GST) | 449 | (337) | 112 | Current community board targeted rate pro-rata for 3 months |
| Financial Summary | | | | |
| Ongoing impact on future years | These rates would be ongoing for future years. The individual community boards will be able to have greater input into their own budgets going forward and this may result in future changes. | | | |

Issue 2 – Community Board Reserve Accounts

Option 1

| | |
|----------------------------------|--|
| Option 1: RECOMMENDED | That the existing community board reserve accounts are ring fenced for future expenditure in the current areas of benefit. |
| Advantages | Ratepayers that have contributed to a reserve will receive the corresponding benefit. The new Community Boards can continue to deliver on specific projects in the existing areas. |
| Disadvantages | May lead to administrative issues in maintaining the separate reserves for an extended period. May cause Governance issues for the new Community Boards, as all members could vote on there use but only to be used for a specific part of the ward. Some areas in the new Community Board areas may feel that they are left out, as they have no immediate funds available. |
| Risks | Ensuring funds are spent by Community Boards and do not accumulate has previously been a challenge. |

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| Financial Implications – Capital | | | | |
|--------------------------------------|--|---------------------|-----------------|----------------|
| Project/GL code | Original budget (\$000's) | Proposed adjustment | Proposed budget | Funding Source |
| No further financial implications. | | | | |
| Financial Implications – Operational | | | | |
| Project/GL code | Original budget (\$000's) | Proposed adjustment | Proposed budget | Funding Source |
| No further financial implications. | | | | |
| Financial Summary | | | | |
| <i>Impact on rates per annum</i> | Reserves would decrease over time as they are used and will eventually zero out. | | | |

Option 2

| Option 2: | That the existing community board reserve accounts be repurposed as ward-wide reserves and be available to the new Community Boards without geographic restriction. | | | |
|--------------------------------------|---|---------------------|-----------------|----------------|
| Advantages | Empowers the new Community Boards to make decisions on spending of the existing reserve amounts, across their ward. Enables some areas to have funding available for projects, that would otherwise may not be available from the start. | | | |
| Disadvantages | May not be considered fair by some communities who had contributed to the reserves. | | | |
| Risks | Ensuring funds are spent by Community Boards and do not accumulate has previously been a challenge. | | | |
| Financial Implications – Capital | | | | |
| Project/GL code | Original budget (\$000's) | Proposed adjustment | Proposed budget | Funding Source |
| No further financial implications. | | | | |
| Financial Implications – Operational | | | | |
| Project/GL code | Original budget (\$000's) | Proposed adjustment | Proposed budget | Funding Source |

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| | |
|------------------------------------|--|
| No further financial implications. | |
| Financial Summary | |
| <i>Impact on rates per annum</i> | Reserves would decrease over time as they are used and will eventually zero out. |

ATTACHMENTS

Attachment A – Community Board Targeted Rates 2024/25

Attachment B – Draft Budgets for Ward based Community Boards 2025/26

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Attachment A – Community Board Targeted Rates 2024/25

Community Board Targeted Rates

The community board rates are targeted rates set under section 16 of the Local Government (Rating) Act 2002. The community board rate part funds community board activity. The different categories of land are based on where the land is situated (location). The rates are outlined in the table below:

| Categories | Matters | Factor of liability | 2023/24 Annual Plan Revenue \$ (GST excl.) | 2024/25 General Rate in the dollar of capital value (GST incl.) | 2024/25 Annual Plan Revenue \$ (GST excl.) |
|--------------------------------------|----------|------------------------------|--|---|--|
| Waihi Beach | Location | Fixed charge per rating unit | 87,602 | 29.50 | 81,591 |
| Katikati | Location | Fixed charge per rating unit | 107,124 | 23.41 | 95,811 |
| Ōmokoroa | Location | Fixed charge per rating unit | 95,094 | 34.80 | 73,269 |
| Te Puke | Location | Fixed charge per rating unit | 128,090 | 31.57 | 115,228 |
| Maketu | Location | Fixed charge per rating unit | 72,513 | 184.64 | 80,760 |
| Total Community Board targeted rates | | | 490,423 | | 446,659 |

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Attachment B – Draft Budgets per Ward based Community Boards 2025/26 as rate via the UAGC.

| Account | Katikati/Waihi Beach | Te Puke/Maketu | Kaimai | Matakana and Rangiwaea grants |
|---------------------|----------------------|----------------|--------------|-------------------------------|
| \$17.25 (incl. GST) | \$ 115,535.00 | \$115,535.00 | \$115,535.00 | \$2,622 |

Draft Budgets per Ward based Community Boards 2025/26 as rate via targeted rates.

| Account | Katikati/Waihi Beach | Te Puke/Maketu | Kaimai |
|---------------------|----------------------|----------------|---------------|
| \$17.25 (incl. GST) | \$ 118,410.00 | \$111,620.00 | \$ 116,560.00 |

Note: Based on 2024/25 property numbers.

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File Number: A6533859

Author: Janine Field, Reserves and Facilities Asset Manager

Authoriser: Cedric Crow, General Manager Infrastructure Services

DAVE HUME POOL ROOF PROJECT (258204)**PURPOSE**

1. To obtain direction on the Dave Hume Pool roof project and outline options as part of developing the Annual Plan 2025/26.

RECOMMENDATION

1. THAT Council approves the Dave Hume Pool roof project be deferred till FY2033.

EXECUTIVE SUMMARY

2. The Dave Hume Pool roof project was deferred to the Annual Plan 2025/26 process to allow for further investigation of the existing facility design.
3. With the Bulkhead and Liner project being completed over the 2025 winter period, this mahi will improve the pools levels of service with a new learn to swim pool, upgrade of the existing learn to swim pool systems, disability hoist and extending the pool season by 2 months with heating the buildings.
4. Due to the escalating costs of the pool roof build it is recommended to investigate an indoor pool facility in the FY2033.

STRATEGIC ALIGNMENT

5. This contributes to the promotion or achievement of the following strategic priorities:

| Strategic Priorities | Contributes? |
|---|-------------------------------------|
| Enabling housing | <input type="checkbox"/> |
| Empowering communities. | <input checked="" type="checkbox"/> |
| Growing authentic Te Tiriti based relationships. | <input type="checkbox"/> |
| Providing resilient, well maintained, and efficient infrastructure. | <input checked="" type="checkbox"/> |
| Responding to climate change | <input type="checkbox"/> |

BACKGROUND

6. The 2021-2031 Long Term Plan included Council funding of \$1.32m towards the then estimated \$2m overall project cost (66% of \$2m). The funding was increased in the 2023/24 Annual Plan to:
 - Roof Project: \$2,663,700 (including Dave Hume Pool Trust contribution of \$905,658- 34%)
 - Pool Bulkhead & Liner: \$729,100 (including Dave Hume Pool Trust contribution of \$123,947- 17%)
7. During the Long-Term Plan 2024-34 deliberations, Council decided to redirect existing funding to complete the Bulkhead and Liner project.
8. The roof project was deferred to the Annual Plan process for further analysis and a decision.

That Council approve completion of the bulkhead, pool liners and make improvements to the existing learn to swim pool which will enable the pool to run for the extended summer season funded through existing budgets from the 23/24 financial year and Dave Hume Pool Trust secured funding AND for future operational costs for the Dave Hume Pool to be considered through the Annual Plan 2025/26. Pending the results of the further work, the roof project shall be referred to the Annual Plan 2025/26 to resolve additional budget requirements, if necessary.
9. Since the 2024/34 Long Term Plan decision, both change of purpose requests made by the Dave Hume Pool Trust (DHPT) to TECT and Bay Trust have been declined. Consequently, their secured roof project funding (\$850,000) has been lost. DHPT have been invited to resubmit new funding applications for their contribution towards the Bulkhead project. They have had favourable discussions with various Trusts and it seems very likely they will get funding for this project.
10. The below defines the main items within the scope of Dave Hume Pool Roof Project 258204:
 - Design (civil and architectural)
 - Fabric roof structure
 - Walls- glazing and solid wall construction
 - Concreting the surfaces around the pool
 - HVAC system
 - Fire system
 - Lighting and emergency lighting
 - Acoustic engineering for HVAC
 - Additional Showers poolside
 - Secondary entrance doors
 - Connection to existing building and demolition of awning
 - Relocation of services

- Additional structural bracing for HVAC system ducting
 - Additional heat pumps to supplement the energy requirements
11. Some current members of the Dave Hume Pool Trust have indicated that the Bulkhead and Liner project will be their legacy project and are no longer prepared to fundraise for the Roof Project.
 12. Once the Bulkhead and Liner Project is completed, the liner will not need replacing for 10years.
 13. Due to the escalation of costs from when the Pool Roof project was initiated, a consideration could be to investigate building an indoor pool in FY2033. This is 2 years before the liner is due for replacement and would allow enough time for a full investigation. This could consider whether by an enclosing the existing pool/s or building a new facility. This planning and full investigation to understand which would offer the best value for money and what would be suitable to cater for the community's changing needs.
 14. Council's level of service for swimming pools identifies a new replacement pool in Katikati in 2040. Council could review its level of service and complete a feasibility study during the FY2030 as to whether the indoor pool facility is viable based to the usage of the pool after the Bulkhead, pool filtration and liner project is completed.
 15. To complete the Dave Hume Pool Roof Project based on the current design the following funding would be required from council:

| Components of Roof Projects Construction | Budget |
|--|--------------|
| Engineering, Design & Fees | \$ 114,202 |
| Project Management | \$ 182,769 |
| Steel fabrications, coating and installation | \$ 497,753 |
| Fabric supply and Fabrication | \$ 198,359 |
| Track and Hardware | \$ 79,767 |
| Gutters and Downpipes | \$ 8,606 |
| Installation of Roof Fabric | \$ 325,374 |
| Foundations, Storm water and Civil | \$ 834,176 |
| Aluminium joinery | \$ 281,768 |
| End walls | \$ 152,963 |
| Lighting and Electrical | \$ 152,759 |
| Ventilation/ HVAC | \$ 641,201 |
| Architectural Drafting and Engineering fees | \$ 124,119 |
| Pool side showers & connections | \$ 59,681 |
| Connection to existing building/ landscaping | \$ 133,270 |
| Direct Pool Water Heat Pumps | \$ 970,000 |
| Subtotal | \$ 4,756,767 |

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| | |
|----------------------|--------------|
| Contingency 20% | \$ 951,353 |
| Subtotal | \$ 5,708,120 |
| CPI Adjustment | \$ 227,212 |
| Roof Budget Estimate | \$ 5,935,332 |

ISSUES AND OPTIONS ANALYSIS

16. The tables below set out the advantages and disadvantages of the options for the committee's consideration:

Please note that the recommended option is highlighted in bold.

Option 1:

| | | | | |
|---|---|---------------------|-----------------|----------------|
| Option 1: RECOMMENDED | THAT Council approves the Dave Hume Pool roof project be deferred till FY2033. | | | |
| Advantages | <ul style="list-style-type: none"> No additional funding required at this time Enables more time for rescoping of the project including further investigation and robust financial modelling. | | | |
| Disadvantages | <ul style="list-style-type: none"> Delays the project further. Pool remains a summer season only pool for at least 10 more years. | | | |
| Risks | <ul style="list-style-type: none"> Costs could escalate further due to increasing construction costs Council reputation may be negatively affected. | | | |
| Financial Implications – Capital | | | | |
| Project/GL code | Original budget (\$000's) | Proposed adjustment | Proposed budget | Funding Source |
| 258204-001 | | | | |
| Financial Implications – Operational | | | | |
| Project/GL code | Original budget (\$000's) | Proposed adjustment | Proposed budget | Funding Source |
| | | | | |
| Financial Summary | | | | |
| <i>Impact on rates per annum</i> | | | | |
| Ongoing impact on future years | None | | | |

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Option 2

| | | | | |
|--------------------------------------|--|---------------------|-----------------|-----------------------------|
| Option 2: | THAT council approves the Dave Hume Pool roof project budget of \$5,935,332. | | | |
| Advantages | <ul style="list-style-type: none"> Pool facility can be used year round Meets councils levels of service | | | |
| Disadvantages | <ul style="list-style-type: none"> Full funding required | | | |
| Risks | | | | |
| Financial Implications – Capital | | | | |
| Project/GL code | Original budget (\$000's) | Proposed adjustment | Proposed budget | Funding Source |
| 258204-001 | | \$ 5,936 | \$ 5,936 | 15.5% FINCOs 84.5% Rates |
| Financial Implications – Operational | | | | |
| Project/GL code | Original budget (\$000's) | Proposed adjustment | Proposed budget | Funding Source |
| | | | | |
| Financial Summary | | | | |
| <i>Impact on rates per annum</i> | \$1,387,087 | | | |
| Ongoing impact on future years | n/a | | | |

Option 3

| | | | | |
|----------------------------------|---|--|--|--|
| Option 3: | THAT Council does not approve the budget of \$5,935,332 to be included in 2025/26 Annual Plan budget for implementation Dave Hume Pool Roof Project | | | |
| Advantages | <ul style="list-style-type: none"> No additional funding required at this time | | | |
| Disadvantages | <ul style="list-style-type: none"> Delays the project further. Pool remains a summer season only pool for at least one more year. | | | |
| Risks | <ul style="list-style-type: none"> Council reputation may be negatively affected. | | | |
| Financial Implications – Capital | | | | |

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| Project/GL code | Original budget (\$000's) | Proposed adjustment | Proposed budget | Funding Source |
|--------------------------------------|---------------------------|---------------------|-----------------|----------------|
| 258204-001 | | | | |
| Financial Implications – Operational | | | | |
| Project/GL code | Original budget (\$000's) | Proposed adjustment | Proposed budget | Funding Source |
| | | | | |
| | | | | |
| Financial Summary | | | | |
| <i>Impact on rates per annum</i> | No rates impact | | | |
| Ongoing impact on future years | n/a | | | |

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File Number: A6534176

Author: Marion Dowd, Chief Information Officer

Authoriser: Adele Henderson, General Manager Corporate Services

ERP UPGRADE COSTS – REPLACEMENT OF OZONE SYSTEM - (PROJECT 3533)

PURPOSE

This paper considers the budget requirements for the purchase and implementation of an Enterprise Resource Planning (ERP) cloud software solution specific to local government to replace the existing Ozone system.

RECOMMENDATION

1. We recommend that we loan fund \$3,479,000 in year 2025/2026 for the implementation costs currently spread over 5 years in the LTP so the project implementation can begin in the 2025/2026 year.

EXECUTIVE SUMMARY

1. A new ERP will enable the design of more customer-centric services, better integrating the services of suppliers and partners, being able to plan and track achievement of broader outcomes including community wellbeing measures and deliver significant financial and non-financial process efficiencies.
2. Council has budgeted in the Long Term Plan 2024-34 for continued investment in information technology to support the rate of change and innovation in technology, requiring Council to be future ready through two projects – the ERP replacement and the corporate business improvement programme.
3. At the time the LTP budget was prepared it was unknown how and when the ERP procurement and implementation would take place, so budget was spread over 5 years. The budget was an estimate at that time as Council had not yet been to market for a more accurate view.
4. To meet the funding needs of the investment objectives we are recommending changes to the funding model and spread of the LTP project.
 - (a) We recommend that we loan fund in year 2025/2026 the full implementation costs that are currently spread over 5 years in the LTP, this will enable the project implementation to occur in the year 2025/2026 but the cost of the project to be fairly spread over 5 years, reflecting the cost timing in the LTP and also as a better reflection of the life of the 'asset'.

STRATEGIC ALIGNMENT

5. This contributes to the promotion or achievement of the following strategic priorities:

| Strategic Priorities | Contributes? |
|---|-------------------------------------|
| Enabling housing | <input type="checkbox"/> |
| Empowering communities. | <input checked="" type="checkbox"/> |
| Growing authentic Te Tiriti based relationships. | <input type="checkbox"/> |
| Providing resilient, well maintained, and efficient infrastructure. | <input checked="" type="checkbox"/> |
| Responding to climate change | <input type="checkbox"/> |

BACKGROUND

6. Council has used Datacom's Ozone ERP suite of modules for over thirty years. The functionality in Ozone, developed over many years means that it has become more than an out of the box ERP, with bespoke functionality designed for Council. Ozone is now at its end of life and a new modern cloud ERP is required to replace it.
7. In 2020 Council undertook an assessment as an organisation to determine its readiness as a future ready organisation. This assessment identified the need to replace the existing ERP (Ozone) as an opportunity to build a platform to deliver on the recommendations.
8. One of the recommendations was to take a staged approach to replacing the ERP by taking the opportunity to move to more customer centric services. This resulted in a business case to Council to pilot Datascape (Datacom's replacement for Ozone) by migrating to its Customer Relationship Management (CRM) product.
- For the past two years we have used the Datascape CRM for service requests and workflow and customer records are synced back to Ozone. The intention at the time of writing the business case was to go to market for an ERP replacement following the pilot and this was agreed then with the Council.
- Due to work programme commitments, progressing to this stage hasn't been possible until 2024 to go to market for a replacement ERP.
9. Council has budgeted \$3,479,000 over 5 years in the LTP for continued investment into our information technology to support the rate of change and innovation in technology, requiring Council to be future ready with a replacement for Ozone.
10. Council has initiated an open Request for Proposal process. The Request for proposal closed on 20 November 2024.

11. An investment case will then be completed, in collaboration with the preferred vendor, to detail the required investment for the agreed staged implementation and approach for consideration by Council's leadership. The timeframe for the investment case (preferred vendor) is February 2025.
12. Council wishes to make an investment with the following objectives: -
 - An innovative, future-proofed ERP web solution that is built native for the cloud offering Software as a Service (SaaS). delivering efficiency, performance and interoperability
 - An ERP solution through innovation and design that provides efficiencies for staff and realises benefits to Council's customers through a single view of the customer both inwards and outwards facing by understanding the customer journey and associated back-office workflow and process
 - An ERP solution that provides a platform for becoming a future ready organisation, both future ways of working for staff and opportunities for new and enhanced services to customers

ISSUES AND OPTIONS ANALYSIS

13. The tables below set out the advantages and disadvantages of the options for the committee's consideration:

Please note that the recommended option is highlighted in bold.

Option 1:

| | |
|----------------------------------|---|
| Option 1: RECOMMENDED | We recommend that we loan fund \$3,479,000 in year 2025/2026 for the implementation costs currently spread over 5 years in the LTP so the ERP project implementation of core functionality can occur in the 2025/2026 year. |
| Advantages | <p>There would be no impact on rates in year 2025/2026 as the request to bring funds forward as loan funded would impact from 2026/27 year.</p> <p>Utilises existing project LTP 24-34 budget.</p> <p>The ERP core functionality would be implemented during the LTP year 2 – 2025-2026 with the intent of having less operational impact on the organisation than implementation during year 3 of the LTP when the organisation is preparing for the next LTP.</p> <p>The ERP procurement process will have completed evaluation stages by February 2025 with preferred vendor chosen.</p> |
| Disadvantages | Financing cost to loan fund would be additional cost to the total project. |

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| | | | | |
|--|---|--|-----------------|----------------------------------|
| Risks | | Project costs unknown until completion of procurement process – selection of preferred vendor not until February 2025. The organisation is unable to commit resources during an LTP preparation year. | | |
| Financial Implications – Capital – UNINFLATED | | | | |
| Project/GL code | Original budget (\$000's) | Proposed adjustment | Proposed budget | Funding Source |
| 353301-001 | 1,109 | 2,370 | 3,479 | Loan Fund 25/26 |
| Financial Implications – Operational - UNINFLATED | | | | |
| Project/GL code | Original budget (\$000's) | Proposed adjustment | Proposed budget | Funding Source |
| 353301-001 | - | - | - | No additional opex in 25/26 year |
| | | | | |
| Financial Summary | | | | |
| <i>Impact on rates per annum</i> | The change to the impact on rates would come in from 2026/27 year. This would have a net decrease in the rate requirement for the first 3 years (being 2026/27-28/29). This is because the original budget was 100% rates funded in the year in which the expenditure was planned. The total net decrease in the first 4 years is \$1,962,000 because we would only rate for principal and interest | | | |
| | 2025/26 | 2026/27 | 2027/28 | 2028/29 |
| Original budget (100% Rate funded) | 1,109 | 890 | 950 | 530 |
| Proposed budget | 3,479 | - | - | - |
| Rate requirement for loan | - | 523 | 505 | 489 |
| Net rate increase/(decrease) | (1,109) | (367) | (445) | (41) |

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Option 2

| | |
|---------------|---|
| Option 2: | That we do not loan fund in the year 2025-2026 and the LTP budget for the ERP Project in the Annual Plan remains the same |
| Advantages | No loan fund required, or interest payments made or any changes needed on the existing budget. |
| Disadvantages | Inability to negotiate and undertake contractual arrangements with preferred ERP vendor if funding is not available. |
| Risks | Project costs unknown until completion of procurement process – selection of preferred vendor not until February 2025. |

Annual Plan 2025/26 – Issues and Options Paper

26 February 2025

File Number: A6534171

Author: Kerrie Litte, Operations Manager

Authoriser: Cedric Crow, General Manager Infrastructure Services

KATIKATI ARTS JUNCTION

PURPOSE

1. The purpose of this paper is to seek the funding required to carry out repairs to ensure the Katikati Arts Junction building is weathertight and remains fit for purpose.

RECOMMENDATION

THAT Council agree to include in the Annual Plan 2025/26 loan funding \$350,000 for repairs to the building located at 34-36 Main Road, Katikati, known as Katikati Arts Junction.

EXECUTIVE SUMMARY

2. It was identified last year that there were moisture issues in an office at the front of the Katikati Arts Junction building. Investigation showed this had developed into an area of black mould. The office was vacated, and the mould treated. Remedial works need to be carried out to make the building watertight and safe.
3. As part of the Long Term Plan 2024-34 deliberations it was decided to defer any decision around funding for repairs to the building located at 34-36 Main Road, Katikati, known as Katikati Arts Junction to the Annual Plan 2025/26, after an assessment on the highest and best use of this land (noting it is a local purpose reserve) is undertaken.
4. A highest and best use assessment has been completed by The Property Group.

STRATEGIC ALIGNMENT

5. This contributes to the promotion or achievement of the following strategic priorities:

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| Strategic Priorities | Contributes? |
|---|-------------------------------------|
| Enabling housing | <input type="checkbox"/> |
| Empowering communities. | <input checked="" type="checkbox"/> |
| Growing authentic Te Tiriti based relationships. | <input type="checkbox"/> |
| Providing resilient, well maintained, and efficient infrastructure. | <input checked="" type="checkbox"/> |
| Responding to climate change | <input type="checkbox"/> |

BACKGROUND

6. The building now known as 'The Katikati Arts Junction' and run by Katch Katikati was the old Katikati Library, 34-36 Main Road, Katikati. While leased to Katch Katikati, Council is responsible for external maintenance.
7. It was identified last year that there were moisture issues in an office at the front of the building. Investigation showed this had developed into an area of black mould. The office was vacated, and the mould treated.
8. Remedial works need to be carried out to make the building watertight and safe. These include –
 - Redoing the façade structure and making good. (it appears the façade was never attached correctly therefore contributing to the weathertight issue)
 - Repairs to office affected by moisture
 - Removing canopy from front of building
 - Reclad and make good the South wall – this includes excavating down to ground level 100mm below cladding
9. We have received two quotes for this work (both gst exclusive):
 - \$347,000
 - \$397,000
10. As part of the Long Term Plan deliberations, it was directed that further assessment regarding Katikati Arts Junction building and surrounding land was required. The conclusions reached by The Property Group is follows:

We conclude that if the reserve status could be revoked or reserve exchange with Kotahi Lane achieved, and alternative premises secured for activities currently undertaken within Katikati Arts Junction ("The Property") and therefore the lease called at an end, then it is reasonable to expect The Property, in the current market, could be sold and realise Council in the order of \$2m in sale proceeds or leased for \$91k PA. A well-considered marketing campaign may realise a better outcome.

11. However, in considering the findings of The Property Group, there are other considerations required, these include:
 - a. That a reserve revocation is not certain and if it is achieved there may be conditions on how the proceeds of a sale may be used e.g. for the acquisition of another reserve.
 - b. Council may be able to realise the reserve exchange between The Property and Kotahi Land, with delegated authority and after iwi and public consultation, under s15(1) of the Reserves Act 1977.
 - c. This reserve exchange may not realise a cash inflow for Council in the short term but it will provide Council with options to optimise The Property from a commercial perspective once the lease between Katch Katikati and Council is at an end.
 - d. The need to have the lease called to an end must satisfy Clause 19.2 of the current lease:

Clause 19.2 Termination states "Notwithstanding any other provision in this lease, in the event of the said land being required by the Lessor for Council purposes this lease shall terminate upon the Lessor giving six (6) months notice in writing to the Lessee of its requirement for the land".

It is considered unlikely that a sale or commercial lease of The Property could be deemed 'for Council purposes' therefore the rights of Katch Katikati to continue to lease would stand.
 - e. There is no incentive for Katch Katikati to agree to the lease changing to a commercial lease.
12. Property Solutions' valuation report advises that should The Property hold fee simple status and be commercially zoned, and therefore it can be leased on a commercial basis, and with remedial works completed on the Katikati Arts Junction building, it may attract an annual rental of \$91,665. There is an annual financial difference of \$90,926.36 between the community rental income of \$738.64 currently paid under the Katch Katikati lease and potentially under a commercial lease. For the property to hold fee simple status, a change in the reserve classification would be required.
13. However, if we were to progress ending Katch Katikati's current lease arrangements, alternative premises for Katch Katikati to operate from must be secured. Such premises are currently not available. If a premise could be found, it is anticipated that Council would need to fit it out to at least the level of investment at The Property, being a minimum of \$265,000.
14. Further annual rental for a new premise will likely be at commercial rates. If Katch Katikati was to agree for the current lease to be called to an end they would require

Council to pay the difference between their current rent at 34-36 Main Road and alternative premises.

15. The ongoing future use of the Property can continue to be investigated. However, in the meantime, provision for remediation of the Katikati Arts Junction building can be made through the Annual Plan 2025/26.
16. If we do not remediate the building in the next 12 months, it is likely that the building will deteriorate further with increased works potentially required or that the building will need to be closed.

ISSUES AND OPTIONS ANALYSIS

17. The tables below set out the advantages and disadvantages of the options for the committee's consideration:

Please note that the recommended option is highlighted in bold.

Option 1:

| | | | | |
|---|---|---------------------|-----------------|----------------|
| Option 1: RECOMMENDED | THAT Council agree to include in the Annual Plan 2025/26 loan funding \$350,000 for repairs to the building located at 34-36 Main Road, Katikati, known as Katikati Arts Junction. | | | |
| Advantages | <ul style="list-style-type: none"> Building will be weathertight and safe Tenant can continue to provide awesome services to the community Councils' asset is maintained | | | |
| Disadvantages | <ul style="list-style-type: none"> Increase in Loans for Council | | | |
| Risks | <ul style="list-style-type: none"> Other areas of the building continue to deteriorate. | | | |
| Financial Implications – Capital – | | | | |
| Project/GL code | Original budget (\$000's) | Proposed adjustment | Proposed budget | Funding Source |
| 259908-005 | | 350 | 350 | Loan |
| Financial Implications – Operational - | | | | |
| Project/GL code | Original budget (\$000's) | Proposed adjustment | Proposed budget | Funding Source |
| | | | | |
| Financial Summary - | | | | |
| <i>Impact on rates per annum</i> | Est 0.02% increase on rates for 2026. | | | |

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| | |
|--------------------------------|---|
| Ongoing impact on future years | Est \$20K pa annual repayments of interest and principal over 25 years. |
|--------------------------------|---|

Option 2

| | | | | |
|--------------------------------------|---|---------------------|-----------------|----------------|
| Option 2: | THAT Council does not agree fund and undertake the repairs to the building located at 34-36 Main Road, Katikati, known as Katikati Arts Junction in the Annual Plan 2025/26. . | | | |
| Advantages | <ul style="list-style-type: none"> There will be no increase in loans for Council for this project | | | |
| Disadvantages | <ul style="list-style-type: none"> Building will become unusable and will eventually require demolition which will also be costly. Services that are provided would potentially cease as there is no alternative accommodation. | | | |
| Risks | Loss of many services to the community. | | | |
| Financial Implications – Capital – | | | | |
| Project/GL code | Original budget (\$000's) | Proposed adjustment | Proposed budget | Funding Source |
| N/A | N/A | N/A | N/A | N/A |
| Financial Implications – Operational | | | | |
| Project/GL code | Original budget (\$000's) | Proposed adjustment | Proposed budget | Funding Source |
| N/A | N/A | N/A | N/A | N/A |
| Financial Summary - | | | | |
| <i>Impact on rates per annum</i> | \$0.00 | | | |
| Ongoing impact on future years | N/A | | | |

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File Number: A6571106

Author: Jason Crummer

Authoriser: Cedric Crow, General Manager Infrastructure

BEACH ROAD & TAHAWAI RESERVE CONCEPT PLAN IMPLEMENTATION FUNDING

PURPOSE

1. To consider funding for the staged implementation of the Beach Road Boat Ramp & Surrounds and Tahawai Reserve concept plans.

RECOMMENDATION

1. THAT \$127,770 budget is included in the Annual Plan 2025/26, of which \$66,570 is general rates funded, to implement the adopted concept plan for Beach Road Boat Ramp & Surrounds and future adopted concept plan for Tahawai Reserve.

EXECUTIVE SUMMARY

2. Council has developed concept plans for the Beach Road Boat Ramp & Surrounds, Katikati and Tahawai Reserve, Tanners Point. It was identified that the associated costs to implement the respective concept plans would be considered through Council's future Annual Plan and Long Term Planning processes.
3. Funding is sought to implement the high priority items of the respective concept plans in 2025/26.
4. Budget for the 2025/26 year is recommended at this point.
5. The implementation of some items in respective concept plans may be achieved through using existing budgets, sourcing external funding, and working with community groups where opportunities arise.

STRATEGIC ALIGNMENT

6. Deliver of the concept plans contribute to the promotion or achievement of the following strategic priorities:

| Strategic Priorities | Contributes? |
|---|-------------------------------------|
| Enabling housing | <input type="checkbox"/> |
| Empowering communities. | <input checked="" type="checkbox"/> |
| Growing authentic Te Tiriti based relationships. | <input checked="" type="checkbox"/> |
| Providing resilient, well maintained, and efficient infrastructure. | <input type="checkbox"/> |
| Responding to climate change | <input type="checkbox"/> |

BACKGROUND

Beach Road Boat Ramp & Surrounds

7. On 20 June 2024, the Strategy and Policy Committee resolved (Resolution SPC24-4.4) to adopt the Beach Road Boat Ramp & Surrounds concept plan and estimated cost of implementation being \$867,514 which will be indicatively shared between Council (50%), Financial Contributions (7.14%), and External Funders (42.86%).
8. Council will consider selling approximately 1,689m² of 294 Beach Road, Katikati which has an estimated value of \$895,000. This can be achieved through the future boundary adjustment for its future sale, including the existing house and detached garage. It is proposed that proceeds from the sale of the existing house will be used to pay back some of the property's original purchase price. The decision for this future sale and use of funds will be considered through a separate process from the concept planning process.
9. The Katikati Boating Club informed staff on 29 November 2024 they have funding to pay for the boat ramp upgrade and would like this to progress as soon as possible.

Tahawai Reserve

10. Council worked in partnership with Ngāti te Wai hapū, to develop a draft concept plan for Tahawai Reserve which involved pre-engagement workshops with key stakeholders and Ngāi Tamawhariua from September 2023 to April 2024.
11. On 20 June 2024, the Strategy and Policy Committee resolved to undertake formal community consultation on the proposed draft concept plan for Tahawai Reserve.
12. The final concept plan for Tahawai Reserve will be presented to the Strategy and Policy Committee on 13 February 2025 to be adopted for implementation.
13. Indicative cost for implementation of this concept plan is \$760,900 which is planned to be indicatively shared between Council (50%), and External Funders (25%).
14. It is proposed that proceeds from the planned sub-division and future sale of the existing house and approximately 0.5237ha of land at 16 Tanners Point Road, with a

current estimated value of \$1,300,000 will be considered to pay back some of the property's original purchase price. The decision for this future sale and use of funds will be considered through a separate process from the concept planning process.

15. See the 20 June 2024 Strategy and Policy Committee Meeting agenda for the Tahawai Reserve and Beach Road Boat Ramp & Surrounds reports for more detail on the concept plans.

Implementation plan

16. It was identified that the associated costs to implement the respective concept plans would be considered through Council's future Annual Plan and Long Term Planning processes.
17. It is proposed that a staged approach of implementation be utilised for the respective concept plans.
18. Funding is sought to implement only the high priority items of the respective concept plans in 2025/26. Proposed capital expenditure are as follows:
- a. Beach Road Boat Ramp & Surrounds:
 - i. Boat ramp upgrade (raise and widen) \$35,000
 - ii. Boundary adjustment of 294 Beach Road \$50,000
 - iii. Interpretative/heritage storyboards \$1,000
 - b. Tahawai Reserve:
 - i. Escarpment walkway/wāhi tapu protective fencing \$15,000
 - ii. Interpretative/heritage storyboards (two) \$2,000
 - iii. Te Poho Pā site fence re-alignment (at remnant trench) \$4,400
 - iv. Consents and authority to modify \$15,000
 - c. Proposed total operational expenditure once implemented is estimated at \$5,370 by end of 2025/26.
19. The implementation of some items in respective concept plans may be achieved through using existing budgets, sourcing external funding, and working with community groups where opportunities arise

ISSUES AND OPTIONS ANALYSIS

20. The tables below set out the advantages and disadvantages of the options for the committee's consideration:

Please note that the recommended option is highlighted in bold.

Option 1

| | |
|---------------------------------|--|
| Option 1: RECOMMENDED | THAT \$127,770 budget is included in the Annual Plan 2025/26, of which \$66,570 is general rates funded, to implement the adopted concept plan for Beach Road Boat Ramp & Surrounds and future adopted concept plan for Tahawai Reserve. |
|---------------------------------|--|

| | | | | | | | |
|--|---|---------------------|-----------------|--|---------|---------|---------|
| Advantages | <ul style="list-style-type: none"> • Responds to the aspirations of tangata whenua, key stakeholders, and majority of submitters to the respective formal consultation processes who supported the concept plans; • Enhances existing and creates new Council assets for community enjoyment; • Funding enables implementation to begin in the short term and progress with each respective community is maintained. | | | | | | |
| Disadvantages | <ul style="list-style-type: none"> • Potential rates increases to pay for implementation; • Doesn't respond to the views of those who didn't support either concept plan; • Doesn't respond to those who are concerned with potential rates increases. | | | | | | |
| Risks | <ul style="list-style-type: none"> • Staged implementation could result in increases to construction and material costs over time due to inflation. | | | | | | |
| Financial Implications – Capital | | | | | | | |
| Project/GL code | Original budget | Proposed adjustment | Proposed budget | Funding Source | | | |
| Beach Road capital | 0 | 86,000 | 86,000 | Rates 43,000 FINCO 6,140 External 36,860 | | | |
| Tahawai capital | 0 | 36,400 | 36,400 | Rates 18,200 External 18,200 | | | |
| Financial Implications – Operational | | | | | | | |
| Project/GL code | Original budget | Proposed adjustment | Proposed budget | Funding Source | | | |
| Beach Road operational | 0 | 4,300 | 4,300 | Rates | | | |
| Tahawai operational | 0 | 1,070 | 1,070 | Rates | | | |
| Financial Summary | | | | | | | |
| <i>Total expenditure per annum (Capital + Compounding Operational Costs)</i> | | | | | | | |
| | 25/26 | 26/27 | 27/28 | 28/29 | 29/30 | 30/31 | 31/32 |
| Beach Road | 90,300 | 115,500 | 94,500 | 168,000 | 236,807 | 191,468 | - |
| Tahawai | 37,470 | 111,200 | 203,750 | 124,250 | 129,500 | 64,500 | 116,075 |
| Total | 127,770 | 226,700 | 298,250 | 292,250 | 366,307 | 255,968 | 116,075 |

Option 2:

| | | | | |
|---|---|---------------------|-----------------|----------------|
| Option 2: | THAT budget is not included in the Annual Plan 2025/26 to implement the adopted concept plan for Beach Road Boat Ramp & Surrounds and future adopted concept plan for Tahawai Reserve. | | | |
| Advantages | <ul style="list-style-type: none"> No financial impact | | | |
| Disadvantages | <ul style="list-style-type: none"> Uncertainty whether priority items of the concept plan will be implemented in the short term; Delays implementation which may result in lost momentum, progress and trust with each respective community | | | |
| Risks | <ul style="list-style-type: none"> Council-Tangata whenua relationships break down | | | |
| Financial Implications – Capital | | | | |
| Project/GL code | Original budget | Proposed adjustment | Proposed budget | Funding Source |
| No financial impact | | | | |
| Financial Implications – Operational | | | | |
| Project/GL code | Original budget | Proposed adjustment | Proposed budget | Funding Source |
| No financial impact | | | | |
| Financial Summary | | | | |
| <i>Impact on rates per annum</i> | No financial impact | | | |
| Ongoing impact on future years | | | | |

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File Number: A6534175

Author: Calum McLean, Director Transportation

Authoriser: Cedric Crow, General Manager Infrastructure Services

NZTA/WAKA KOTAHI SUBSIDY IMPACTS

PURPOSE

- 1) This paper considers options for amending Council's land transport programme for 2025/26 in response to NZTA:
 - endorsing lower funding allocations from the NLTF than anticipated, and
 - allocating unanticipated additional funding through the Crown Resilience Programme.
- 2) It is noted that the above has an impact over the 3-year period 2025 to 2027 and will need to be considered as part of the 2026/27 Annual Plan.

RECOMMENDATION

1. THAT Council approves maintaining local share funding for 2025/26 and that over the three-year period from 2025 to 2027, to enable levels of service to be met for some maintenance and renewal activities, and to enable delivery of a reduced improvements programme.

AND

2. That a new project be created for Pongakawa Bush Road Resilience improvements and that \$360,000 be allocated to this new project from existing project 200324 Low Cost Low Risk.

EXECUTIVE SUMMARY

- 3) In September NZTA endorsed final subsidy allocations for continuous programmes (maintenance and renewals) equivalent to approximately 61% of that requested, and a final allocation of \$0 for improvement activities. Attachment 1 contains the final decision letter from NZTA.
- 4) This funding shortfall necessitates reductions to Council's 3-year land transport programme and/or an increase in local share funding to make up the difference.
- 5) Three options are presented:
 - i. Maintain local share at the current level.

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- ii. Reduce local share to maintain a 51%/49% funding split.
 - iii. Increase local share to make up the subsidy short fall.
- 6) NZTA has also advised that Council may receive \$1.14M funding through the 2024-27 Crown Resilience Programme subject to allocation of \$360,000 local share.

STRATEGIC ALIGNMENT

- 7) This contributes to the promotion or achievement of the following strategic priorities:

| Strategic Priorities | Contributes? |
|---|-------------------------------------|
| Enabling housing | <input type="checkbox"/> |
| Empowering communities. | <input type="checkbox"/> |
| Growing authentic Te Tiriti based relationships. | <input type="checkbox"/> |
| Providing resilient, well maintained, and efficient infrastructure. | <input checked="" type="checkbox"/> |
| Responding to climate change | <input checked="" type="checkbox"/> |

BACKGROUND

- Under the Land Transport Management Act 2003 (the Act) Council is required to prepare a three-year Land Transport Programme detailing activities for which we wish to receive financial assistance from the National Land Transport Fund (NLTF). We do this through our Transportation Activity Plan and in accordance with section 13 of the Act consulted on this via the Long-Term Plan 2024-34.
- In September 2024 NZTA endorsed final allocations for continuous programmes (maintenance and renewals) equivalent to approximately 61% of that requested, and a final allocation of \$0 for improvement activities.
- In October 2024 NZTA advised that Council has received funding through the 2024-27 Crown Resilience Programme, as summarised in the following table:

| Project | Total Cost Estimate | CRP Cost Share |
|---|---------------------|----------------|
| Pongakawa Bush Road Resilience Improvements | \$1,500,000 | \$1,140,000 |

- These developments necessitate amendments to Council's 3-year land transport and/or an increase in local share funding to make up the funding shortfall. We propose as part of these changes to replace the projects listed in attachment 2 which are contained in the Long Term Plan 2024-34 with the more specific projects outlined in the options table below which align better with the NZTA approach.

ISSUES AND OPTIONS ANALYSIS

- 8) The tables below set out the advantages and disadvantages of the options for the committee's consideration:
- 9) The proposed options are phased over the 3-year period. We would claim the subsidy first at the 51%/49% allocation before using the full rate funded portion. Therefore in 2027 the majority of the opex maintenance (74%) and some of the capex programme (15%) would be wholly funded by rates.

Please note that the figures below are inflated and that the recommended option is highlighted in bold.

Option 1:

| | |
|---------------------------------|---|
| Option 1: RECOMMENDED | <p>THAT Council approves maintaining local share funding for 2025/26 and over the three-year period from 2025 to 2027, to enable levels of service to be met for some maintenance and renewal activities, and to enable delivery of a reduced improvements programme.</p> <p>And</p> <p>That a new project be created for Pongakawa Bush Road Resilience improvements and that \$360,000 be allocated to this new project from existing project 200324 Low Cost Low Risk.</p> |
| Advantages | <ul style="list-style-type: none"> • Regular preventative maintenance extends asset life reducing the need for expensive rehabilitation treatments and/or reactive maintenance. • A well-maintained network supports the local economy by ensuring that goods, services, and people can travel safely and efficiently. • Option aligns with the strategic priority: "<i>Providing resilient, well maintained, and efficient infrastructure</i>". • Does not require the targeted roading rate to be increased. • Enables level of service to be met for some activities. |
| Disadvantages | <ul style="list-style-type: none"> • The current network condition is in a state of decline with a backlog of resurfacing and rehabilitation sites. • Current levels of resurfacing and pavement rehabilitation are inadequate, increasing the need for expensive reactive maintenance and rehabilitation quantities. |

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| | <ul style="list-style-type: none"> Renewal levels must be increased to reduce the backlog and keep pace with network deterioration. | | | |
|---|---|---------------------|-----------------|-----------------------------|
| Risks | <ul style="list-style-type: none"> Gradual decline in asset quality. Deferred maintenance costs grow exponentially. Asset failures form hazards to road users. | | | |
| Financial Implications – Capital | | | | |
| Project/GL code | Original budget (\$000's) | Proposed adjustment | Proposed budget | Funding Source |
| GL 30*03*01*8901 (NZTA Projects replacing old projects in Appendix 2) | 24,420 | (7,749) | 16,941 | |
| 400211 - Unsealed road metalling | | | 462 | 51% NZTA, 49% TRR |
| 400212 - Sealed road resurfacing | | | 2,808 | 51% NZTA, 47% TRR, 2% FINCO |
| 400213 - Drainage renewals | | | 23 | 51% NZTA, 49% TRR |
| 400214 - Sealed road pavement rehabilitation | | | 10,680 | 44% NZTA, 47% TRR, 9% FINCO |
| 400215 - Structures component replacements | | | 14 | 51% NZTA, 49% TRR |
| 400221 - Environmental renewals | | | 11 | 51% NZTA, 49% TRR |
| 400222 - Traffic services renewal | | | 2 | 51% NZTA, 49% TRR |
| 400225 - Footpath renewal | | | 1 | 51% NZTA, 49% TRR |
| AP2026-01 - Pongakawa Bush Road Resilience improvements | | | 360 | 81% TRR, 19% FINCO |
| 400324 - Low Cost Low Risk | | | 2,580 | 81% TRR, 19% FINCO |
| Financial Implications – Operational | | | | |
| Project/GL code | Original budget (\$000's) | Proposed adjustment | Proposed budget | Funding Source |
| GL 30*03*01*1209 (Project level not included as part of LTP) | 17,985 | (338) | 17,647 | |
| 400111 - Sealed pavement maintenance | | | 3,445 | 36% NZTA, 64% TRR |
| 400112 - Unsealed pavement maintenance | | | 413 | 51% NZTA, 49% TRR |
| 400113 - Routine drainage maintenance | | | 574 | 51% NZTA, 49% TRR |

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| | | |
|--|---|-------------------|
| 400114 - Structures maintenance | 447 | 51% NZTA, 49% TRR |
| 400121 - Network service maintenance | 3,149 | 51% NZTA, 49% TRR |
| 400122 - Environmental maintenance | 3,608 | 51% NZTA, 49% TRR |
| 400123 - Network operations | 1,042 | 51% NZTA, 49% TRR |
| 400124 - Cycle path maintenance | 240 | 51% NZTA, 49% TRR |
| 400125 - Footpath maintenance | 74 | 51% NZTA, 49% TRR |
| 400131 - Rail level crossing warning devices maintenance | 23 | 51% NZTA, 49% TRR |
| 400140 - Minor events | 633 | 51% NZTA, 49% TRR |
| 400151 - Network and asset management | 2,602 | 51% NZTA, 49% TRR |
| Financial Summary | | |
| <i>Impact on rates per annum</i> | Total impact on rates over the NZTA 3 year funding period (2025 – 2027) is expected to be neutral with no impact. Any timing differences are to be funded by the Transportation Current Account which is in funds. 2025 - \$1,000,000 2026 - (\$2,000,000) 2027 - \$1,000,000 | |
| Ongoing impact on future years | Future years beyond 2026/2027 will be reviewed as part of the next annual plan and later through the next LTP when the next batch of funding is released by NZTA. | |

Option 2

| | |
|---------------|--|
| Option 2: | <p>THAT Council approves reducing local share funding for 2025/26 and over the three-year period from 2025 to 2027, to maintain the 51%/49% funding split between NZTA and Council for maintenance and renewal activities, and 0% for improvements.</p> <p>(Note: this means \$7,440,670 per annum is not required in rates funding or approximately a decrease of 7.4%)</p> <p>And</p> <p>That a new project be created for Pongakawa Bush Road Resilience improvements and that \$360,000 be allocated to this new project from existing project 200324 Low-Cost Low Risk.</p> |
| Advantages | <ul style="list-style-type: none"> Enables the targeted roading rate to be reduced. |
| Disadvantages | <ul style="list-style-type: none"> Current levels of service will not be met for most activities. |

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| | | | | |
|--------------------------------------|---|---------------------|-----------------|---|
| | <ul style="list-style-type: none"> The current network condition is in a state of decline with a backlog of resurfacing and rehabilitation sites. Current levels of resurfacing and pavement rehabilitation are inadequate, increasing the need for expensive reactive maintenance and rehabilitation quantities. Renewal levels must be increased to reduce the backlog and keep pace with network deterioration. Does not align with the strategic priority: <i>"Providing resilient, well maintained, and efficient infrastructure"</i>. | | | |
| Risks | <ul style="list-style-type: none"> Gradual decline in asset quality. Deferred maintenance costs grow exponentially. Asset failures form hazards to road users. | | | |
| Financial Implications – Capital | | | | |
| Project/GL code | Original budget (\$000's) | Proposed adjustment | Proposed budget | Funding Source |
| GL 30*03*01*8901 | 24,420 | (14,005) | 10,415 | 51% NZTA Funded, 49% Targeted Road Rate (TRR) |
| Financial Implications – Operational | | | | |
| Project/GL code | Original budget (\$000's) | Proposed adjustment | Proposed budget | Funding Source |
| GL 30*03*01*1209 | 17,985 | (5,755) | 12,230 | 51% NZTA Funded, 49% Targeted Road Rate (TRR) |
| Financial Summary | | | | |
| <i>Impact on rates per annum</i> | Total impact on rates over the NZTA 3 year funding period (2025 – 2027) would be a reduction of \$22,322,011 which is \$7,440,670 per annum | | | |
| Ongoing impact on future years | Future years beyond 2026/2027 will be reviewed as part of the next annual plan and later through the next LTP when the next batch of funding is released by NZTA. | | | |

Option 3

| | | | | |
|--------------------------------------|---|---------------------|-----------------|--|
| Option 3: | <p>THAT Council approves increasing local share funding in 2025/26 and over the three-year period from 2025 to 2027, to enable levels of service to be increased for some maintenance and renewal activities, and to enable delivery of the full improvements programme.</p> <p>(Note: this requires \$9,695,634 per annum in rates funding or approximately an increase of 9.6%)</p> <p>And</p> <p>That a new project be created for Pongakawa Bush Road Resilience improvements and that \$360,000 be allocated to this new project from existing project 200324 Low-Cost Low Risk.</p> | | | |
| Advantages | <ul style="list-style-type: none"> Enables higher level of service for most activities. Enables surfacing renewal and pavement rehabilitation programmes to be expanded to reduce the backlog and keep pace with network deterioration. Aligns with the strategic priority: "Providing resilient, well maintained, and efficient infrastructure". | | | |
| Disadvantages | <ul style="list-style-type: none"> Would require the targeted roading rate to be increased. | | | |
| Risks | <ul style="list-style-type: none"> Non-delivery due to size of programme. Public resistance to rates increases. Reduction in asset life. | | | |
| Financial Implications – Capital | | | | |
| Project/GL code | Original budget (\$000's) | Proposed adjustment | Proposed budget | Funding Source |
| GL 30*03*01*8901 | 24,420 | 0 | 24,420 | 38% NZTA Funded, 62% Targeted Road Rate (TRR) |
| Financial Implications – Operational | | | | |
| Project/GL code | Original budget (\$000's) | Proposed adjustment | Proposed budget | Funding Source |
| GL 30*03*01*1209 | 17,985 | 0 | 17,985 | 38% NZTA Funded, 62% |

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| | | | | Targeted Road Rate (TRR) |
|----------------------------------|---|--|--|--------------------------|
| Financial Summary | | | | |
| <i>Impact on rates per annum</i> | Total impact on rates over the NZTA 3 year funding period (2025 – 2027) would be an increase of \$29,086,901 which is \$9,695,634 | | | |
| Ongoing impact on future years | Future years beyond 2026/2027 will be reviewed as part of the next annual plan and later through the next LTP when the next batch of funding is released by NZTA. | | | |

ATTACHMENTS (DELETE IF NO ATTACHMENTS)

1. NZTA letter dated 03 September 2024, titled 2024-27 National Land Transport Programme – Final decisions
2. LTP Projects replaced with NZTA work categories



6/06/2024

John Holyoake
Chief Executive
Western Bay of Plenty District Council

Kia ora John

2024-27 NLTP – indicative allocations for continuous programmes

The NZ Transport Agency Waka Kotahi (NZTA) Board has endorsed the indicative allocations for several continuous programmes as part of developing the 2024-27 National Land Transport Programme (NLTP).

We're sharing these indicative allocations with you to help give some early certainty with funding for your programmes.

Overall, our investment in local road maintenance is increasing 37 percent to help prevent the decline of the network, and by 41 percent for public transport continuous programmes which will support a safer, more reliable transport network. Both investments will deliver on the Government's economic growth priority.

With this increased investment comes increased expectations on delivering greater efficiencies across the transport network by better managing existing infrastructure to improve performance and deliver value for money outcomes. We're reducing costs across our business and expect our partners to be adopting a similar approach with their investment in the transport network.

The development of the 2024-27 NLTP is guided by the Government's transport priorities as set out in the Government Policy Statement on land transport 2024 (GPS 2024). In addition to providing strategic direction, the GPS 2024 also sets the funding ranges for each activity class. This guides us on where and how to prioritise investment.

The Board will confirm the final investment levels for all continuous programmes when it adopts the NLTP in August 2024.

Which programmes have Board-endorsed indicative allocations?

Indicative allocations have been endorsed by the NZTA Board for your Local Road Pothole Prevention and Local Road Operation continuous programmes.

Funding for footpath and cycleway maintenance and renewals will be confirmed once the Board adopts the NLTP in August.

Developing indicative investment levels for continuous programmes

The indicative allocations for your continuous programmes were set following the NZTA moderation process and discussions between our staff and staff at Western Bay of Plenty District Council over the last eight months.

NZTA staff assessed all bids for continuous programmes and then moderated these to ensure that they were consistently assessed. Staff provided a recommendation on the appropriate level of funding for each programme within funding available. Recommendations were then considered and endorsed by the Board in May 2024.

Your indicative allocations for the 2024-27 NLTP

The NZTA Board has endorsed indicative allocations for your continuous programmes as shown in the table below.

| Activity Class | 2024-27 indicative funding allocation | 2021-24 allocation at NLTP adoption | 2024-27 allocation compared to 2021-24 allocation (%) |
|-------------------------------|---------------------------------------|-------------------------------------|---|
| Local Road Pothole Prevention | \$41,176,000 | \$22,846,000 | +80% |
| Local Road Operations | \$26,078,000 | \$17,448,000 | +49% |

The figures above are in total cost which is both local and NLTF share.

Additional information, including specific conditions that will apply to your confirmed funding approval, can be found in the attached appendix.

The Director of Regional Relationships for your region, David Spiers, will be in contact with you to answer any questions you may have relating to your indicative allocation and any issues you are facing with your network. However, please feel free to contact her at your own convenience.

We look forward to continuing to work closely with you in coming months as we focus on prioritising improvement activities put forward in RLTPs and developing the NLTP for adoption in August 2024.

Ngā mihi



Nicole Rosie
Chief Executive

Appendix:**Western Bay of Plenty District Council****2024-27 NLTP Indicative Funding Allocations**

Thank you for the significant work you have done on your submissions and supporting documentation for the 2024-27 National Land Transport Programme (NLTP).

Below you will find conditions relating to indicative funding allocations for your continuous programme/s. For more specific comments on your business cases and programmes, please refer to Transport Investment Online (TIO).

Local Road Pothole Prevention & Local Road Operations

The indicative funding allocations within the Local Road Pothole Prevention & Local Road Operations activity classes represent a programme that is both affordable to the National Land Transport Fund and that could be expected to be co-funded over the 2024-27 NLTP period.

Obligations and conditions for use of NLTF funds relating to your continuous programmes

Our website's [Planning and Investment Knowledge Base \(PIKB\)](#) sets out the [general obligations and conditions for use of NLTF funds](#) that apply to NZTA and all approved organisations.

We expect that your organisation has robust management and reporting systems to ensure compliance with both the general terms and conditions published in PIKB, and any specific conditions advised for your organisation.

The expectations applicable to all approved organisations and NZTA in relation to these continuous programmes are a commitment to:

- Ensuring compliance with any conditions of funding for your programme.
- Ensuring that your decisions within the approved NLTP allocation are focused on delivering the programme and agreed outcomes.
- Ensuring that any transfer of approved allocated funds between work categories within an activity class is in accordance with the [terms and conditions](#) formally advised by NZTA for such transfers.
- Ensuring that NZTA is advised at the earliest opportunity of any changes that materially affect the planned programme, cost, cashflow of the programme and expected outcomes to be achieved over the NLTP period.
- Delivering, monitoring, and reporting on the planned improvements to your submitted Activity Management Plan (AMP) or public transport equivalent, for example the Regional Public Transport Plan (RPTP).
- Integrating the One Network Framework (ONF) into your planning, investment, operations and activity management practices in readiness for the 2024-27 NLTP, including reclassifying your transport network using the ONF.

- Complete reporting of your organisation's key performance indicators and the relevant benefits and measures from your AMP (and your public transport programme where applicable).
- Ensuring your activities meet current best practice design guidance and standards.

Old Transportation Projects

| Project | Project Name | 2025 | 2026 | 2027 | Total | Funding |
|--------------|--|-------------------|-------------------|-------------------|-------------|---|
| 283423 | Transportation - One Network Maintenance Contract Pavement Surfacing (Reseals) | 4,354,431 | 5,356,730 | 5,474,676 | 15,185,837 | 51% NZTA Subsidy, 49% Targeted Road Rate |
| 283426 | Transportation - One Network Maintenance Contract Pavement Unsealed Strengthen | 700,000 | 763,000 | 779,800 | 2,242,800 | 51% NZTA Subsidy, 49% Targeted Road Rate |
| 283429 | Transportation - One Network Maintenance Contract Pavement Rehabilitation | 9,797,478 | 12,793,851 | 14,679,710 | 37,271,040 | 51% NZTA Subsidy, 40% Targeted Road Rate, 9% Financial Contributions |
| 283432 | Transportation - One Network Maintenance Contract Drainage Improvements | 35,000 | 38,150 | 38,990 | 112,140 | 100% Targeted Road Rate |
| 283435 | Transportation - One Network Maintenance Contract Ancillary Improvements | 18,000 | 19,620 | 20,052 | 57,672 | 100% Targeted Road Rate |
| 283438 | Transportation - District Capital Network Improvements | 1,000,000 | 1,090,000 | 1,114,000 | 3,204,000 | 51% NZTA Subsidy, 49% Targeted Road Rate |
| 283441 | Transportation - One Network Maintenance Contract Pavement Seal Widening | 1,979,087 | 2,157,205 | 2,204,703 | 6,340,995 | 51% NZTA Subsidy, 36% Targeted Road Rate, 13% Financial Contributions |
| 210413 | Transportation - Minor Capital Roading Improvements | 3,600,000 | 3,924,000 | 4,010,400 | 11,534,400 | 51% NZTA Subsidy, 40% Targeted Road Rate, 9% Financial Contributions |
| | Project Non Performance | - 3,023,819 | - 1,722,767 | - | - 4,746,586 | 100% NZTA Subsidy |
| Total | | 18,460,177 | 24,419,789 | 28,322,332 | | |

Annual Plan 2025/26 – Issues and Options Paper

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File Number: A6641730

Author: Matthew Leighton, Financial Planning and Analysis Manager

Authoriser: Adele Henderson, General Manager Corporate Services

WATER TARGETED RATES AND VOLUMETRIC CHARGING.

PURPOSE

1. This paper considers potential changes to the Water Targeted Rates including the volumetric consumption charge.

RECOMMENDATION

- 1. That the Committee for the purposes of informing the development of the Annual Plan 2025/26 set the volumetric water rate, known as the consumption charge, at \$1.75 (incl GST) per cubic metre of water consumption AND increase the water supply targeted rates requirement by \$651,101.**

EXECUTIVE SUMMARY

2. We have reviewed the water consumption modelling as part of the development of the Annual Plan 2025/26. There is less consumption than forecast and therefore the need to realign income. Consideration of increasing the consumption charge or targeted rate is required.
3. Four options have been proposed, with the recommended option being to continue to take a balanced approach of increasing the consumption charge and the targeted metered water rates.

STRATEGIC ALIGNMENT

4. This contributes to the promotion or achievement of the following strategic priorities:

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| Strategic Priorities | Contributes? |
|---|-------------------------------------|
| Enabling housing | <input type="checkbox"/> |
| Empowering communities. | <input type="checkbox"/> |
| Growing authentic Te Tiriti based relationships. | <input type="checkbox"/> |
| Providing resilient, well maintained, and efficient infrastructure. | <input checked="" type="checkbox"/> |
| Responding to climate change | <input checked="" type="checkbox"/> |

BACKGROUND

- When developing the Annual Plan 2025/26 we reviewed water consumption and compared this to what we propose to charge through our consumption rate (otherwise known as the volumetric charging) and the targeted rates (generally charged by connection).
- We currently take a balanced approach when considering the level of the consumption rate. We need to balance the costs of delivering the water supply activity and the fixed costs of a water supply network, as well as encouraging water conservation, and a user pays approach.
- The outcome of the review of our consumption was that the current level of consumption is lower than what was forecast, therefore creating a shortfall in the water supply activity budget.
- To address the shortfall we have proposed four options below. These look at different ways to share costs across the consumption charge and the targeted rate. These options are summarised below:

| | | Annual rate charge | | | |
|--|----------------|------------------------|-------------|-----------------------------------|-------------|
| | LTP 2025/26 | \$1.43 (Status quo) | \$1.65 | \$1.75 (Recommended option) | \$1.85 |
| Volumetric Water Rates revenue required | \$6,815,245 | \$5,036,986 | \$5,811,907 | \$6,164,144 | \$6,516,380 |
| Increase to targeted rates revenue required | | \$1,778,259 | \$1,003,338 | \$651,101 | \$298,865 |

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9. The impact of the four options on example residential and high user properties is provided below:

| | Annual Usage (m ³) | Annual rate charge | | | |
|-------------------------------------|--------------------------------|------------------------|----------|---------------------------------|----------|
| | | \$1.43 (Status quo) | \$1.65 | \$1.75 (Recommend-ed option) | \$1.85 |
| High user example | 6772 | \$9,616 | \$11,173 | \$11,850 | \$12,527 |
| Residential property example | 626 | \$889 | \$1,033 | \$1,096 | \$1,158 |

10. Given the current economic environment, we are cognisant of adding additional cost to our community. Therefore, we have looked at Council's overall budget and looked to ensure that any increase in the targeted rate has been offset by budget reductions and savings across Council's activities. This is reflected in the draft financials.

ISSUES AND OPTIONS ANALYSIS

11. The tables below set out the advantages and disadvantages of the options for the committee's consideration:

Please note that the recommended option is highlighted in bold.

Option 1:

| | |
|----------------------------------|---|
| Option 1: RECOMMENDED | That the Committee for the purposes of informing the development of the Annual Plan 2025/26 set the volumetric water rate, known as the consumption charge, at \$1.75 (incl GST) per cubic metre of water consumption AND increase the water supply targeted rates requirement by \$651,101. |
| Advantages | <ul style="list-style-type: none"> Ensures the water supply activity budget is balanced Is a balanced approach. Spreads the risk of reduced water usage. Spreads the cost between higher and lower users |
| Disadvantages | <ul style="list-style-type: none"> All users will see an increase in volumetric bills. May be seen as subsidising high water users by some. |

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| | |
|---|---|
| Risks | <ul style="list-style-type: none"> Actual in year water usage does not align with revised forecasts. |
| Financial Implications – Capital | |
| None | |
| Financial Implications – Operational | |
| None | |
| Financial Summary | |
| <i>Impact on rates per annum</i> | <p>Rates apportionment impacted with an increase to both targeted rates requirement and volumetric rates.</p> <p>See paragraph 8 and 9.</p> |
| Ongoing impact on future years | The volumetric charge can be reviewed annually through the Annual Plan process. |

Option 2

| | |
|---|--|
| Option 2: | That the Committee for the purposes of informing the development of the Annual Plan 2025/26 set the volumetric water rate known as the consumption charge is set at \$1.65 (incl GST) per cubic metre of water consumption AND increase the water supply targeted rates requirement by \$1,003,338 |
| Advantages | <ul style="list-style-type: none"> Ensures the water supply activity budget is balanced Is a balanced approach. Spreads the risk of reduced water usage. Spreads the cost between higher and lower users. |
| Disadvantages | <ul style="list-style-type: none"> May be seen as subsidising high water users by some. All users will see an increase in volumetric bills. |
| Risks | <ul style="list-style-type: none"> Actual in year water usage does not align with revised forecasts. |
| Financial Implications – Capital | |
| None | |
| Financial Implications – Operational | |
| None | |

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| Financial Summary | |
|----------------------------------|--|
| <i>Impact on rates per annum</i> | Rates apportionment impacted with an increase to both targeted rates requirement and volumetric rates. See paragraph 8 and 9. |
| Ongoing impact on future years | The volumetric charge can be reviewed annually through the Annual Plan process. |

Option 3

| | |
|---------------|---|
| Option 3: | That the Committee for the purposes of informing the development of the Annual Plan 2025/26 set the volumetric water rate known as the consumption charge is set at \$1.85 (incl GST) per cubic metre of water consumption AND increase the water supply targeted rates requirement by \$298,685. |
| Advantages | <ul style="list-style-type: none"> Ensures the water supply activity budget is balanced. Maintains a user pays approach. Keeps the overall rates requirement below what was proposed through the Long Term Plan. |
| Disadvantages | <ul style="list-style-type: none"> High users will have a greater increase. Costs may be incurred if consultation considered necessary. Increased risk that should water usage decrease further, there may be a funding shortfall. |
| Risks | <ul style="list-style-type: none"> Actual in year water usage does not align with revised forecasts. |

Financial Implications – Capital

None

Financial Implications – Operational

None

Financial Summary

| | |
|----------------------------------|--|
| <i>Impact on rates per annum</i> | Rates apportionment impacted with an increase to both targeted rates requirement and volumetric rates. See paragraph 8 and 9. |
| Ongoing impact on future years | The volumetric charge can be reviewed annually through the Annual Plan process. |

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Option 4

| | |
|---|---|
| Option 4: | That the Committee for the purposes of informing the development of the Annual Plan 2025/26 do not increase the volumetric water rate known as the consumption charge. Therefore remaining at \$1.43 (incl GST) per cubic metre of water consumption AND increase the water supply targeted rates requirement by \$1,778,259. |
| Advantages | <ul style="list-style-type: none"> • Ensures the water supply activity budget is balanced. • No risk of reduced water usage resulting in a funding shortfall. • High users do not see a greater increase. • Matches current volumetric pricing. |
| Disadvantages | <ul style="list-style-type: none"> • Perception that it unfairly benefits the high water users, as the cost is spread across all connected properties. |
| Risks | <ul style="list-style-type: none"> • Actual in year water usage does not align with revised forecasts. |
| Financial Implications – Capital | |
| None | |
| Financial Implications – Operational | |
| None | |
| Financial Summary | |
| <i>Impact on rates per annum</i> | Rates apportionment impacted with an increase to both targeted rates requirement and volumetric rates. See paragraph 8 and 9. |
| Ongoing impact on future years | The volumetric charge can be reviewed annually through the Annual Plan process. |

Annual Plan 2025/26 – Update Paper

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File Number: A6557181**Author:** Annelie Badenhorst, Infrastructure Growth and Delivery Manager**Authoriser:** Cedric Crow, General Manager Infrastructure Services**UPDATES TO STRUCTURE PLANS 2025/2026 INCLUDING IMPACT FOR FINANCIAL CONTRIBUTIONS****PURPOSE**

1. A review of the 2025/26 Structure Plan for District wide growth-related infrastructure projects to reflect the timing and cost changes.
2. **Attachment 1** sets out the projects, refinement of project estimates, their funding sources and indicative timings for undertaking the investigation, design and construction work that impact the 2026 Annual Plan.
3. **Attachment 4** sets out the 10 year revised Structure Plan schedule.
4. A review of the 2024/2025 – 2034/2035 Structure Plan for District wide growth-related infrastructure projects to reflect the timing and cost changes for use in the Financial Contribution Models.

*Note: All numbers included within this IOP are **uninflated***

RECOMMENDATION

1. **That the revised Structure Plans as set out in Attachment 4 are approved for the purposes of the Annual Plan 2025/26 and development of the Financial Contributions 2025/26.**

EXECUTIVE SUMMARY

5. As part of the Annual Plan implementation process, Council undertakes an analysis of the structure plans adopted as part of the Long-Term Plan and the updated schedules contained in **Attachment 1** are the result of that analysis.

STRATEGIC ALIGNMENT

6. Structure Plans contribute to the promotion or achievement of the following strategic priorities:

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| Strategic Priorities | Contributes? |
|---|-------------------------------------|
| Enabling housing | <input checked="" type="checkbox"/> |
| Empowering communities. | <input checked="" type="checkbox"/> |
| Growing authentic Te Tiriti based relationships. | <input checked="" type="checkbox"/> |
| Providing resilient, well maintained, and efficient infrastructure. | <input checked="" type="checkbox"/> |
| Responding to climate change | <input type="checkbox"/> |

BACKGROUND

7. The updates to the Structure Plan schedules are contained in **Attachment 1**. The key points are:

Katikati, Te Puke and Waihī Beach

- a. In 2025/26 there was an expectation of increased development in Te Puke, Waihī Beach and Katikati, however, due to market uncertainty, the projected growth in these areas are not expected to be achieved. This has resulted in some of these projects being delayed which has resulted in an overall decrease in the 2025/26 Annual Plan.
- b. Should we see an uptake in growth, the projects pushed out to align with the current economic climate can be brought forward again. These projects are funded by financial contributions, which means they are collected over the 10-year Long Term Plan period.

Ōmokoroa

- c. Minimal change is anticipated in Ōmokoroa regarding development timing. Except for the following:
 - i. The planned pedestrian bridge from Harbour Ridge to Lynley Park is proposed to be pushed out to 2026/27 due to scope investigations.
 - ii. An increase of \$900,000.00 in the funding for the Omokoroa Road/SH2 intersection upgrade to align with the external funding from Accelerated Infrastructure Fund (AIF), but the net difference regarding these two projects amounts to a decrease of \$1,801,711.00 for 2025/2026.

Impacts on Financial Contributions

8. **Attachment 2** contains the Structure Plan projects which have proposed timing changes outside of 2025/26 but do have implications for financial contributions.
9. Council has undertaken a review of the external funding sources affecting the Ōmokoroa structure plan schedule, which includes NZTA, AIF and CIP (Crown Infrastructure Partners). During this process a review of all 10 future years included

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within Financial Contributions Models and the current 2024/25 year. A summary of the impact as follows below:

2024/25

10. It was identified that several Ōmokoroa transportation projects had been incorrectly identified as IAF funding:
- i. 303024 – Ōmokoroa Urbanisation was overfunded by External Funding by \$7.3m;
 - ii. 303012 – Prole Road Urbanisation was overfunded by External Funding by \$2.1m; and
 - iii. 303016 – Ōmokoroa Industrial Road was overfunded by External Funding by \$1.8m.
11. The proposed alternate funding is financial contributions:

| | 2025 LTP | 2025 Revised | Change |
|-------------------------------|-------------------|-------------------|--------------------|
| External Funding | 35,382,500 | 23,140,817 | (12,241,683) |
| Financial Contribution | 34,413,546 | 45,085,038 | 10,671,492 |
| District Rate | 481,246 | 649,247 | 168,000 |
| Total | 70,277,292 | 68,875,101 | - 1,402,191 |

2025/26

12. The impact of the external funding extends to 2025/26 with the impact being:
- i. 303024 – Omokoroa Urbanisation was overfunded by External Funding by \$7.3m;
 - ii. 303016 – Omokoroa Industrial Road was overfunded by External Funding by \$1.5m;
 - iii. 361001 – Omokoroa Roundabout was over estimated by \$1.0m which was Externally Funded; and
 - iv. Deferral of Te Puke and Waihi Beach projects of \$3.4m later into the Long Term Plan.
13. The proposed alternate funding to IAF is financial contributions.

| 2026 | 2026 LTP | 2026 Revised | Change |
|-------------------------------|-------------------|-------------------|--------------------|
| External Funding | 34,974,679 | 23,242,799 | -11,731,880 |
| Financial Contribution | 15,798,397 | 16,088,176 | 289,779 |
| District Rate | 520,352 | 843,490 | 323,138 |
| Total | 51,293,428 | 40,174,464 | -11,118,964 |

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2025-2036

14. With the above in consideration and latter years in the 11 years that are included in the Financial Contribution Model the total increase to Financial Contributions is \$42.5m. **Attachment 3** shows the current impact by Financial Contribution Model. An indicative impact of this change on the 2024/2025 fee has been included to illustrate the potential impact. Deferral of projects with no increase in cost will generally have a reduction in the FINCO fee.

| | 11 Year LTP | 2026 Revised | Change |
|-------------------------------|--------------------|--------------------|------------------|
| External Funding | 76,222,396 | 51,068,231 | -25,154,165 |
| Financial Contribution | 90,627,180 | 123,078,825 | 32,451,645 |
| District Rate | 3,109,813 | 3,365,989 | 256,176 |
| Total | 169,959,388 | 177,513,044 | 7,553,656 |

ANALYSIS

15. The table below sets out the advantages and disadvantages of the recommendation for the committee's consideration:

| RECOMMENDED | That the revised Structure Plans as set out in Attachment 4 are approved for the purposes of the Annual Plan 2025/26 and development of the Financial Contributions 2025/26. | | | |
|---|--|----------------------------|------------------------|-------------------------------|
| Advantages | An updated and relevant Structure Plan with current cost estimates and timelines. The status quo is not practical, since it does not reflect committed works currently, cost estimates, structure Plan direction and up to date information which will be advantageous to stakeholders. | | | |
| Disadvantages | The disadvantages would include the inability to deliver outdated structure plan projects, confusion over planned and committed actual works. | | | |
| Risks | Inability to meet committed works and cost expectations. | | | |
| Structure Plan Project Changes Summary 2025/26 – Financial Information | | | | |
| Name | Original budget | Proposed adjustment | Proposed budget | Additional Information |
| 316601 – Katikati – Stormwater | 1,697,000 | (1,657,000) | 40,000 | Refer to Attachment 1 |
| 302901 – Katikati – Transport | 500,000 | (100,000) | 400,000 | Refer to Attachment 1 |
| 316701 – Katikati – Wastewater | - | 0 | - | Refer to Attachment 1 |

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| | | | | |
|-------------------------------------|--|-------------|------------|-----------------------|
| 243622 - Katikati - Water Supply | - | 0 | - | Refer to Attachment 1 |
| 317201 - Omokoroa - Stormwater | 2,670,183 | 0 | 2,670,183 | Refer to Attachment 1 |
| 226602 - Te Puke - Stormwater | 36,312,172 | (3,914,632) | 32,397,540 | Refer to Attachment 1 |
| 303101 - Te Puke - Transport | 1,403,272 | (0) | 1,403,272 | Refer to Attachment 1 |
| 295703 - Te Puke - Wastewater | 1,092,025 | 0 | 1,092,025 | Refer to Attachment 1 |
| 287118 - Te Puke - Water Supply | 1,297,690 | (1,257,690) | 40,000 | Refer to Attachment 1 |
| 302801 - Waihi Beach - Transport | 5,111,306 | (4,459,306) | 652,000 | Refer to Attachment 1 |
| 317001 - Waihi Beach - Wastewater | 858,724 | 350,000 | 1,208,724 | Refer to Attachment 1 |
| 243623 - Waihi Beach - Water Supply | 329,850 | (329,850) | - | Refer to Attachment 1 |
| Financial Summary | | | | |
| <i>Impact on rates per annum</i> | Based on proposed Annual Plan 2025/26 funding sources it results in a \$168,000 increase to rates | | | |
| Ongoing impact on future years | Projects with a change in 2025/26 would have a rates increase of \$256,176 over the next 10 years. | | | |

ATTACHMENTS

1. Proposed Structure Plan changes for 2025/26 by Project
2. Proposed Structure Plan changes outside of 2025/26 but impact the Financial Contribution Model
3. Impact of Structure Plan changes on Financial Contributions
4. Proposed Structure Plan schedules for 2024/2025 to 2034/2035

Attachment 1

| | Project | Project Name | 2026 LTP | Adjustment | 2026 Annual Plan | 10 Year Period 2025 - 2035 | | | Funding | | | Comment |
|----------------------------|----------------|--|-------------------|--------------------|-------------------|----------------------------|------------------|-----------------------|------------------|------------------------|---------------|---|
| | | | | | | Total Project LTP | Adjustment | Total Project Updated | External Funding | Financial Contribution | District Rate | |
| Katikati - Stormwater | Z26603 | New Pipe and Pond (SWD, SWC, Pond 4c, Pond 4b) | 1,697,000 | (1,697,000) | - | 3,268,652 | 0 | 3,268,652 | 0% | 100% | 0% | Same Funding, Rephased Project |
| Katikati - Stormwater | AP2026-KKSW01 | New Pipe RD2 to RD7 (SWA) | - | 40,000 | 40,000 | 534,372 | 0 | 534,372 | 0% | 100% | 0% | Same Funding, Rephased Project |
| Katikati - Transport | AP2026-KKTS01 | Tetley Rd Northern Section and Willis Rd Intersection Upgrade (RD2, RD8) | 500,000 | (300,000) | 200,000 | 500,000 | 1,950,000 | 2,450,000 | 0% | 100% | 0% | Funding was 100% FINCO, 0% Rates, additional spend over life of project |
| Katikati - Transport | AP2026-KKTS03 | Tetty Rd Mid Section (RDI) | - | 200,000 | 200,000 | - | 2,000,000 | 2,000,000 | 0% | 100% | 0% | Same Funding, additional spend over life of project |
| Waihi Beach - Transport | 302803 | Reserves Walkway adjacent to Three Mile Creek (RD17) | - | 200,000 | 200,000 | 390,000 | 0 | 390,000 | 0% | 100% | 0% | Same Funding, Rephased Project |
| Waihi Beach - Transport | LTP2027-WBTS02 | Link Road from Citrus Ave to Crescent Link and Side Road (RD13R, RD8R1, RD8R2) | 798,019 | (798,019) | - | 5,782,154 | (251,690) | 5,530,464 | 77% | 23% | 0% | Same Funding, reduced spend over life of project |
| Waihi Beach - Wastewater | LTP2027-WBWW02 | New Reticulation along RD8R1, WW5 to RD8R2 and pipe at 82 Citrus Ave (WW3-1, WW3-2, WW5) | 110,000 | (110,000) | - | 687,775 | 19,900 | 707,675 | 0% | 100% | 0% | Same Funding, additional spend over life of project |
| Waihi Beach - Water Supply | LTP2027-WBWS03 | Parrallels RD17 Walkway and to Citrus Ave (WS4, WS5) | - | 50,000 | 50,000 | 29,150 | 20,850 | 50,000 | 20% | 80% | 0% | Same Funding, additional spend over life of project |
| Omokoroa - Transport | 303016 | Omokoroa Southern Industrial Road (O-03-2, O-03-2.1) | 2,669,672 | 0 | 2,669,672 | 6,489,672 | 0 | 6,489,672 | 18% | 83% | 0% | Funding was 73% External, 27% FINCO |
| Omokoroa - Transport | 303021 | Omokoroa Urbanisation Stage 1A (O-02-1, O-02-2, O-03-1, O-04-1) | 10,200,000 | 0 | 10,200,000 | 20,400,000 | 0 | 20,400,000 | 100% | 0% | 0% | Funding was 100% External |
| Omokoroa - Transport | 361001 | Omokoroa Temporary Roundabout (O-01) | 10,800,000 | 978,289 | 11,778,289 | 21,600,000 | 978,289 | 22,578,289 | 100% | 0% | 0% | Same Funding, additional spend in 2026 |
| Omokoroa - Transport | AP2026-OMTS01 | Pedestrian Bridge Harbour Ridge to Lynley Park (X-01) | 2,880,000 | (2,780,000) | 100,000 | 2,880,000 | 0 | 2,880,000 | 0% | 100% | 0% | Same Funding, Rephased Project |
| Te Puke - Stormwater | AP2027-TPSW02 | Pond 9 and Stormwater Management bween Maclaughlin Dr and Pond 9 (SWP Pond 9, SW3) | 1,257,690 | (1,257,690) | - | 1,317,690 | 1,200,000 | 2,517,690 | 0% | 100% | 0% | Same Funding, additional spend over life of project |
| Te Puke - Transport | AP2025-TPTS06 | No 3 Road Intersection Upgrades (TS2) | - | 250,000 | 250,000 | - | 1,000,000 | 1,000,000 | 0% | 7% | 93% | Same Funding, additional spend over life of project |
| Te Puke - Transport | AP2026-TPTS05 | Walkway towards School, TP Quarry Road Upgrade (TS1, WC3) | 200,000 | 50,000 | 250,000 | 2,000,000 | (1,000,000) | 1,000,000 | 0% | 25% | 75% | Same Funding, reduced spend over life of project |
| Te Puke - Transport | AP2027-TPTS01 | Collector Road and Walkway (RDI-1, RDI-2, RDI-3, WC1) | 3,161,773 | (3,161,773) | - | 3,161,773 | 2,519,311 | 5,681,084 | 56% | 45% | 0% | Same Funding, additional spend over life of project |
| Te Puke - Transport | AP2027-TPTS02 | Collector Road C and Walkway along Gully (RD3-2A, RD-2B, WC2) | 540,000 | (540,000) | - | 3,447,251 | 510,879 | 3,958,130 | 49% | 51% | 0% | Same Funding, additional spend over life of project |
| Te Puke - Wastewater | AP2026-TPWS08 | Upgrade pipe downstream of Seddon St (WWSP-3) | 159,720 | 200,000 | 359,720 | 159,720 | 200,000 | 359,720 | 0% | 60% | 40% | Same Funding, additional spend over life of project |
| Te Puke - Wastewater | AP2026-TPWW01 | Pipe Upgrade Hayward Cr to Atuaroa Ave, Atuaroa Upgrade and new reticulation along RDI-3 (WWSP-1A, WWSP-1B, WW-1B) | 450,604 | 0 | 450,604 | 450,604 | 0 | 450,604 | 0% | 60% | 40% | Same Funding, additional spend over life of project |
| Te Puke - Water Supply | AP2027-TPWS03 | Main upgrade from PE to Maclaughlan Dr (WS7) | 72,600 | (72,600) | - | 72,600 | 16,410 | 89,010 | 0% | 100% | 0% | Funding was 63% FINCO, 37% Rates, additional spend over life of project |
| Te Puke - Water Supply | LTP2027-TPWS02 | Upgrades along RD3-2B and joining WS6 and along RD3-2A joining WS5 (WS4, WS5, WS6) | 257,250 | (257,250) | - | 257,250 | 59,202 | 316,452 | 0% | 100% | 0% | Same Funding, additional spend over life of project |
| Total | Total | | 35,754,328 | (9,006,043) | 26,748,285 | 73,428,663 | 9,223,151 | 82,651,814 | | | | |

Attachment 2

Project with proposed Change with no impact in 2026

| | Project | Project Name | 10 Year Period 2025 – 2035 | | | AP26 Proposed Funding | | | Comment |
|----------------------------|----------------|---|----------------------------|------------------|-----------------------|-----------------------|------------------------|---------------|---|
| | | | Total Project LTP | Adjustment | Total Project Updated | External Funding | Financial Contribution | District Rate | |
| Katikati - Transport | 302901 | Transportation - Katikati Structure Plan - Marshall Road Widening (RD6.3) | 971,900 | (471,900) | 500,000 | 0% | 63% | 38% | Same funding, reduced spend |
| Katikati - Transport | AP2027-KKTS02 | Transportation - Katikati Structure Plan - Willis Rd Intersection Upgrade (RD8) | - | 500,000 | 500,000 | 0% | 25% | 75% | Same funding, additional spend |
| Katikati - Transport | AP2027-KKTS05 | Transportation - Katikati Structure Plan - New Walkways (RD17, RD18) | 151,008 | 940,992 | 1,092,000 | 0% | 50% | 50% | Same funding, additional spend |
| Katikati - Transport | AP2026-KKTS04 | Transportation - Katikati Structure Plan - Wills Rd to Carrisbrook Stage 2 & 3 (RD9.2, RD9.3) | 5,125,619 | (753,563) | 4,372,056 | 77% | 12% | 12% | Same funding, reduced spend |
| Katikati - Transport | AP2027-KKTS06 | Transportation - Katikati Structure Plan - New Walkway SE Corner of MoorePark | 125,840 | 45,000 | 170,840 | 0% | 100% | 0% | Same funding, additional spend |
| Katikati - Water Supply | AP2027-KKWS02 | Water Supply - Katikati Structure Plan - New pipe along RD9 (WS5) | 350,549 | 50,000 | 400,549 | 0% | 100% | 0% | Same funding, additional spend |
| Omokoroa - Stormwater | 317206 | Stormwater - Omokoroa Structure Plan - Francis Road Wetland (W2a) | - | 3,510,000 | 3,510,000 | 0% | 100% | 0% | Project in 2035 initially outside 10 year period during LTP |
| Omokoroa - Stormwater | 317207 | Stormwater - Omokoroa Structure Plan - Francis Road Wetland (W2b) | - | 1,950,000 | 1,950,000 | 0% | 100% | 0% | Project in 2035 initially outside 10 year period during LTP |
| Omokoroa - Stormwater | 317209 | Stormwater - Omokoroa Structure Plan - Francis Road Wetland (W1) | - | 1,950,000 | 1,950,000 | 0% | 100% | 0% | Project in 2035 initially outside 10 year period during LTP |
| Omokoroa - Transport | 303024 | Transportation - Omokoroa Structure Plan - Omokoroa Urbanisation Stage 2 (O-06-1, O-07-2, O-08) | 18,775,000 | (4,225,841) | 14,549,159 | 11% | 89% | 0% | Same funding, reduced spend |
| Omokoroa - Water Supply | 362101 | Water Supply - Omokoroa Structure Plan - Prole Road Stage 2 (WS1) | 500,000 | 120,730 | 620,730 | 0% | 100% | 0% | Same funding, additional spend |
| Te Puke - Stormwater | AP2025-TPWW01 | Stormwater - Te Puke Structure Plan - Pond 4 (SWP4) | 2,820,000 | 100,000 | 2,920,000 | 0% | 100% | 0% | Same funding, additional spend |
| Te Puke - Transport | AP2027-TPTS03 | Transportation - Te Puke Structure Plan - Collector Road C (RD3-1) | - | 340,049 | 340,049 | 0% | 100% | 0% | Same funding, additional spend |
| Te Puke - Transport | 303105 | Transportation - Te Puke Structure Plan - Collection Road Intersection Noi Road (RD 5-2) | 735,680 | (544,403) | 191,277 | 0% | 100% | 0% | Same funding, reduced spend |
| Te Puke - Transport | AP2026-TPTS04 | Transportation - Te Puke Structure Plan - Urbanisation Maclaughlan (RU) | 1,536,797 | (1,536,797) | - | 0% | 100% | 0% | Same funding, reduced spend |
| Te Puke - Wastewater | AP2025-TPWS07 | Wastewater - Te Puke Structure Plan - New reticulation to RU (WW-1A) | - | 300,000 | 300,000 | 0% | 100% | 0% | Same funding, additional spend |
| Te Puke - Wastewater | AP2027-TPWW03 | Wastewater - Te Puke Structure Plan - New reticulation to adjacent to RD3-1 (WW-2) | - | 100,000 | 100,000 | 0% | 100% | 0% | Same funding, additional spend |
| Te Puke - Wastewater | LTP2027-TPWS09 | Wastewater - Te Puke Structure Plan - Upgrade to main wastewater treatment plan inlet (WWINT-2) | 350,000 | 150,000 | 500,000 | 0% | 60% | 40% | Same funding, additional spend |
| Te Puke - Wastewater | LTP2027-TPWS12 | Wastewater - Te Puke Structure Plan - Upgrade of Jellicoe St to Kowahai Ave (WWINT-4) | - | 350,000 | 350,000 | 0% | 60% | 40% | Same funding, additional spend |
| Te Puke - Wastewater | AP2026-TPWW02 | Wastewater - Te Puke Structure Plan - New reticulation along RD1-3 (WW-1B) | - | 150,000 | 150,000 | 0% | 100% | 0% | Same funding, additional spend |
| Te Puke - Water Supply | LTP2027-TPWS01 | Water Supply - Te Puke Structure Plan - Along RD1-1, RD1-2 and RD1-3 (WS1, WS2, WS3) | - | 291,456 | 291,456 | 0% | 100% | 0% | Same funding, additional spend |
| Waihi Beach - Transport | LTP2027-WBTS01 | Transportation - Waihi Beach Structure Plan - Farm Road Widening and Extension (RD6, RD7) | 393,782 | 478,138 | 871,920 | 44% | 57% | 0% | Same funding, reduced spend |
| Waihi Beach - Water Supply | LTP2027-WBWS01 | Water Supply - Waihi Beach Structure Plan - Parallels RD6 to The Crescent (WS6) | 115,500 | (74,875) | 40,625 | 70% | 30% | 0% | Same funding, reduced spend |
| Total | | | 45,717,443 | 3,718,985 | 38,002,571 | | | | |

Attachment 3

| Area | Financial Contribution Funding of Structure Plans | | | FINCO Fee per HHE* | | | |
|--|---|-------------------|----------------------------|--------------------|-----------------|----------------|----------------------------|
| | FINCO LTP | Adjustment | FINCO Annual Plan Proposed | FINCO LTP | Adjustment (\$) | Adjustment (%) | FINCO Annual Plan Proposed |
| Katikati - Stormwater | 3,803,024 | - | 3,803,024 | 17,057 | (1,074) | -6% | 15,983 |
| Katikati - Transport | 2,069,474 | 4,208,899 | 6,278,373 | 5,212 | 7,512 | 144% | 12,724 |
| Katikati - Wastewater | 1,448,500 | - | 1,448,500 | 25,949 | (405) | -2% | 25,544 |
| Katikati - Water Supply | 612,454 | 50,000 | 662,454 | 4,808 | 76 | 2% | 4,884 |
| Omokoroa - Stormwater | 15,442,036 | 7,410,000 | 22,852,036 | 17,526 | 2,095 | 12% | 19,621 |
| Omokoroa - Transport | 39,769,268 | 18,416,292 | 58,185,561 | 24,759 | 8,909 | 36% | 33,668 |
| Omokoroa - Wastewater | 8,790,009 | - | 8,790,008 | 18,422 | (129) | -1% | 18,293 |
| Omokoroa - Water Supply | 4,522,827 | 120,731 | 4,643,557 | 8,714 | 1,778 | 20% | 10,492 |
| Te Puke - Stormwater | 4,137,690 | 1,300,000 | 5,437,690 | 9,512 | 739 | 8% | 10,251 |
| Te Puke - Transport | 5,153,973 | - | 4,508,552 | 3,476 | 241 | 7% | 3,717 |
| Te Puke - Wastewater | 1,383,363 | 970,000 | 2,353,363 | 13,564 | 1,714 | 13% | 15,278 |
| Te Puke - Water Supply | 302,988 | 393,930 | 696,918 | 12,216 | 253 | 2% | 12,470 |
| Waihi Beach - Stormwater (no projects) | - | - | - | | | | |
| Waihi Beach - Transport | 2,445,828 | 213,098 | 2,658,927 | 1,526 | (173) | -11% | 1,353 |
| Waihi Beach - Wastewater | 687,775 | 19,900 | 707,675 | 21,804 | (360) | -2% | 21,444 |
| Waihi Beach - Water Supply | 57,970 | - | 52,188 | 4,808 | 76 | 2% | 4,884 |
| Total | 90,627,180 | 32,451,645 | 123,078,825 | | | | |

* - Based on the models adopted as part of the LTP with no other changes made

Attachment 4

| Waihi Beach Utilities Structure Plan | | | | | | Funding Source Council Portion (%) | | | Council Funded Cost (\$) Uninflated | | | | | | | | | | |
|--------------------------------------|-------------------|--|---|-----------------------------|--------------------------|------------------------------------|------------------------|---------------|-------------------------------------|---------------|----------|---------------|----------------|---------------|---------------|----------|----------|----------|----------|
| Project ID | Structure Plan ID | Project Name | Total Proposed future project cost (\$) | Developer contributed asset | Council Funded Cost (\$) | External Funding | Financial Contribution | District Rate | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
| Water Supply | | | | | | | | | | | | | | | | | | | |
| LTP2027-WBWS03 | WS5 | Extends from walkway to Citrus | 50,000 | 0% | 50,000 | 40% | 60% | 0% | - | 50,000 | - | - | - | - | - | - | - | - | - |
| LTP2027-WBWS01 | WS6 | Parallels RD 6 - The Crescent | 40,625 | 70% | 12,188 | 0% | 100% | 0% | - | - | - | - | - | - | 12,188 | - | - | - | - |
| Total Water Supply | | | 90,625 | | 62,188 | | | | - | 50,000 | - | - | - | - | 12,188 | - | - | - | - |
| Wastewater | | | | | | | | | | | | | | | | | | | |
| LTP2027-WBWW02 | WW3 -1 | New reticulation along RD8R1- south of WW5 | 65,000 | 0% | 65,000 | 0% | 100% | 0% | - | - | - | 10,000 | - | 55,000 | - | - | - | - | - |
| LTP2027-WBWW02 | WW3 -2 | New reticulation RD8R1- North of WW5 to RD8R2 | 169,125 | 0% | 169,125 | 0% | 100% | 0% | - | - | - | 30,000 | 139,125 | - | - | - | - | - | - |
| LTP2027-WBWW02 | WW5 | New Wastewater pipe in Right of Way of house 82 Citrus Ave | 473,550 | 0% | 473,550 | 0% | 100% | 0% | - | - | - | 10,000 | 463,550 | - | - | - | - | - | - |
| Total Wastewater | | | 707,675 | | 707,675 | | | | - | - | - | 50,000 | 602,675 | 55,000 | - | - | - | - | - |
| Stormwater | | | | | | | | | | | | | | | | | | | |
| Total Waihi Beach Utility | | | 798,300 | | 769,863 | | | | - | 50,000 | - | 50,000 | 602,675 | 55,000 | 12,188 | - | - | - | - |

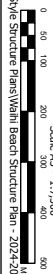
Section 4 | Financials | Structure Plans

Waihi Beach - Utilities (map)

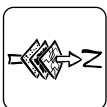


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 Aerial imagery data supplied by NZ Aerial Imagery Asset Group, of Christchurch.

Email: gis@westernbay.govt.nz Scale A3 - 1:7,500
 Date: 4/07/2024
 Operator: rmo
 Map: E:\Shape\DistrictPlan\Long Term Plan S4\Structure Plans\Waihi Beach\Structure Plan 2024-2034



Waihi Beach Structure Plan (2024-2034)
 Three Waters



| Waihi Beach Transportation Structure Plan | | | | | | Funding Source Council Portion (%) | | | Council Funded Cost (\$) Uninflated | | | | | | | | | | |
|---|-------------------|--|---|-----------------------------|--------------------------|------------------------------------|------------------------|---------------|-------------------------------------|----------------|----------------|---------------|----------------|----------------|----------------|----------|----------|----------|----------|
| Project ID | Structure Plan ID | Project Name | Total Proposed future project cost (\$) | Developer contributed asset | Council Funded Cost (\$) | External Funding | Financial Contribution | District Rate | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
| Transportation | | | | | | | | | | | | | | | | | | | |
| LTP2027-WBTS02 | RD8R1 | Centre Link Road From Crescent Link to RD13R | 3,425,400 | 88% | 411,048 | 0% | 100% | 0% | - | - | - | 12,000 | 265,251 | 133,797 | - | - | - | - | - |
| LTP2027-WBTS01 | RD 7 | Farm Road Extension | 523,152 | 87% | 68,010 | 0% | 100% | 0% | - | - | - | - | - | - | 68,010 | - | - | - | - |
| LTP2027-WBTS02 | RD8R2 | Side Road off Centre Link Road (off RD8R1) | 952,884 | 73% | 257,279 | 0% | 100% | 0% | - | - | - | - | 257,279 | - | - | - | - | - | - |
| LTP2027-WBTS02 | RD 13R | New Link road off Citrus Ave linking to RD8R1 | 1,152,180 | 71% | 334,132 | 0% | 100% | 0% | - | - | - | 29,000 | 305,132 | - | - | - | - | - | - |
| LTP2027-WBTS01 | RD 6 | Farm Road Widening | 348,768 | 0% | 348,768 | 0% | 100% | 0% | - | - | - | - | - | - | 348,768 | - | - | - | - |
| 302803 | RD 17 | Reserves Walkway adjacent to Three Mile Creek: from Citrus Ave to Seaforth Road. | 390,000 | 0% | 390,000 | 0% | 100% | 0% | - | 200,000 | 190,000 | - | - | - | - | - | - | - | - |
| 302804 | RD 21 | Town Centre Link (Wilson to Edinburgh Walkway) | 522,720 | 0% | 522,720 | 0% | 100% | 0% | 200,000 | 322,720 | - | - | - | - | - | - | - | - | - |
| Total Waihi Beach Transportation | | | 7,315,104 | | 2,331,957 | | | | 200,000 | 522,720 | 190,000 | 41,000 | 827,662 | 133,797 | 416,778 | - | - | - | - |

Waihi Beach - Transportation (map)



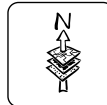
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Email: gis@westernbay.govt.nz
 Date: 4/07/2024
 Operator: mib
 Map: E:\Shape\DistrictPlan\Long Term Plan Style Structure Plans\Waihi Beach Structure Plan - 2024-2034 - Roading and Walkway-Cycleway.aprx

Scale A3 - 1:10,000
 0 100 200 400 600 800 1,000 Metres



Waihi Beach Structure Plan (2024-2034)
 Roading and Cycleway/Walkway



| Katikati Utilities Structure Plan | | | | Funding Source Council Portion (%) | | | | | Council Funded Cost (\$) Uninflated | | | | | | | | | | |
|-----------------------------------|-------------------|--|---|------------------------------------|--------------------------|------------------|------------------------|---------------|-------------------------------------|---------------|----------------|------------------|----------------|----------------|------------------|----------|----------|----------|----------|
| Project ID | Structure Plan ID | Project Name | Total Proposed future project cost (\$) | Developer contributed asset | Council Funded Cost (\$) | External Funding | Financial Contribution | District Rate | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
| Water Supply | | | | | | | | | | | | | | | | | | | |
| AP2027-KKWS02 | WS5 | (200mm dia) Along RD 9 | 400,549 | 0% | 400,549 | 0% | 100% | 0% | - | - | 50,000 | 350,549 | - | - | - | - | - | - | - |
| 243657 | WS 9 | Beach Road (200dia) dia, from Park Road to Wills Road | 261,905 | 0% | 261,905 | 0% | 100% | 0% | 261,905 | - | - | - | - | - | - | - | - | - | - |
| Total Water Supply | | | 662,454 | | 662,454 | | | | 261,905 | - | 50,000 | 350,549 | - | - | - | - | - | - | - |
| Wastewater | | | | | | | | | | | | | | | | | | | |
| AP2025-KKWW02 | WW 1 | Along Road 9 to Pond 4b (150mm dia) | 420,000 | 0% | 420,000 | 0% | 100% | 0% | 150,000 | - | - | 30,000 | 240,000 | - | - | - | - | - | - |
| LTP2027-KKWW04 | WW3 | Park Rd; rising main and pump station. | 1,028,500 | 0% | 1,028,500 | 0% | 100% | 0% | - | - | - | - | - | 100,000 | 928,500 | - | - | - | - |
| Total Wastewater | | | 1,448,500 | | 1,448,500 | | | | 150,000 | - | - | 30,000 | 240,000 | 100,000 | 928,500 | - | - | - | - |
| Stormwater | | | | | | | | | | | | | | | | | | | |
| AP2026-KKSW01 | SWA | New Pipe 450mm diameter RD2 to RD7 | 534,372 | 0% | 534,372 | 0% | 100% | 0% | - | 40,000 | 494,372 | - | - | - | - | - | - | - | - |
| 226603 | SWD | New Pipe 450mm diameter From Moore Park to Pond C | 376,606 | 0% | 376,606 | 0% | 100% | 0% | - | - | - | - | - | 202,411 | 174,195 | - | - | - | - |
| 226603 | Pond 4c | New Pond 4c | 1,123,428 | 0% | 1,123,428 | 0% | 100% | 0% | - | - | - | - | - | 63,428 | 1,060,000 | - | - | - | - |
| 226603 | SWC | New Pipe 450mm diameter From Middlebrook Drive to Pond C | 458,033 | 0% | 458,033 | 0% | 100% | 0% | 40,000 | - | - | - | - | - | 418,033 | - | - | - | - |
| 226603 | Pond 4b | New Pond 4b | 1,310,585 | 0% | 1,310,585 | 0% | 100% | 0% | 60,000 | - | 237,457 | 1,013,128 | - | - | - | - | - | - | - |
| Total Stormwater | | | 3,803,024 | | 3,803,024 | | | | 100,000 | 40,000 | 731,829 | 1,013,128 | - | 265,839 | 1,652,228 | - | - | - | - |
| Total Katikati Utility | | | 5,913,978 | | 5,913,978 | | | | 511,905 | 40,000 | 781,829 | 1,393,677 | 240,000 | 365,839 | 2,580,728 | - | - | - | - |

