



NOTICE OF AN EXTRA ORDINARY COUNCIL MEETING

**Ōpōtiki District Council Chambers, 108 St John Street, Ōpōtiki
Thursday, 3 June 2021
Commencing at 9.00am**

ORDER PAPER

APOLOGIES

DECLARATION OF ANY INTERESTS IN RELATION TO AGENDA ITEMS

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Chair: Her Worship the Mayor – Lyn Riesterer

Members: Cr Shona Browne (Deputy Mayor)

Cr Debi Hocart

Cr Barry Howe

Cr David Moore

Cr Steve Nelson

Cr Louis Rāpihana

Committee Secretary: Gae Newell

Quorum: 4

LOCAL AUTHORITIES (MEMBERS' INTERESTS) ACT 1968

Councillors are reminded that if you have a pecuniary or non-pecuniary interest in any item on the agenda, then you must declare this interest and refrain from discussing or voting on this item, and are advised to withdraw from the Council chamber.

Aileen Lawrie

CHIEF EXECUTIVE OFFICER

EXTRA ORDINARY COUNCIL MEETING – THURSDAY 3 JUNE 2021

HEARING OF SUBMISSIONS FOR 2021-2031 LONG TERM PLAN

SCHEDULE OF SUBMITTERS TO SPEAK

Submission Number	Submitter	Page Number	Time
x330	P and M Anstis – Peter or Chris Anstis to speak.	849	9.00 am
x328	Meg and Mike Collins	843	9.07 am
FREE			
x319	Te Rere Marae - Maude Maxwell	819	9.21 am
x317	Kayreen Tapuke	813	9.28 am
x315	Hukutaia Domain Care Group - John McLeod and Trevor Ransfield	807	9.35 am
x305	Caroline Willis	785	9.49 am
x303	Bay of Plenty Regional Council	772	9.56 am
Morning Tea			10.10 am
x299	Chris and Bruce Comyns	766	10.30 am
x297	Doug Wheeler	760	10.37 am
FREE			
x289	Manawa-Ote-Rangi and Diana Ray Waipara	745	10.55 am
x286	Bruce McGregor	739	11.06 am
x271	Forest and Bird – Eastern Bay of Plenty Branch	649	11.13 am
x269	Whakatāne District Council	642	11.25 am
x259	Kāinga Maha – Kyle Dickinson	626	11.35 am
x243	Te Ao Hou Trust – Hope Hata	581	11.45 am
x293	Whakatōhea Māori Trust Board – Dickie Farrar	752	11.52 am
Lunch			12.05pm
x236	KO Kollektive Trust – Shannon Hanrahan	569	12.45 pm
x223	Sean Miller – If he is unable to attend he will send a representative to read a written submission statement.	544	12.55 pm
x220	Waiariki Park Region	523	1.00 pm
x217	Shona Hammond Boyes	517	1.10 pm

x216	Mr Duthie – tentative.	515	1.17 pm
x191	Mike Crashley	466	1.24 pm
x182	Kathryn Phillips	448	1.31 pm
x180	Coast Community Board – Allen Waenga. Whetu Haerewa – submission number x129 will attend in support of his own and the Coast Community Board submission but will not be speaking.	444	1.38 pm
x162	Film Bay of Plenty – Anton Steel	402	1.50 pm
FREE			
	Afternoon Tea		2.10 pm
33	Paula Black	143	2.30 pm
05	Anglican Church of Raukōkore restoration and Preservation Trust - Kevin Winters	11	2.37 pm
FREE			
x128	Sport Bay of Plenty – Zane Jensen	332	2.50 pm
x125	Tom Brooks	327	3.00 pm
x123	Wayne Stuart	324	3.07 pm
99	Justin Ford-Robertson	273	3.14 pm
x298	Ngāi Tai Iwi Authority	762	3.21 pm
59	Dave Reece	195	3.35 pm
x329	Ngāi Tamahaua	845	3.42 pm
FREE			
09 and x200	Chris Donkin	107 & 485	4.00 pm
49	Chris Donkin – speaking on behalf of Antony and Petrea Donkin submission number 49. Written authority received.	173	4.05 pm
	END		4.10 pm

REPORT

Date : 30 May 2021

To : Extra Ordinary Council Meeting, 3 June 2021

From : Management Team

Subject : **STAFF REPORT ON SUBMISSIONS TO THE DRAFT 2021-2031 LONG TERM PLAN**

File ID : A242253

EXECUTIVE SUMMARY

The staff report outlines the LTP process to date, summarises the 346 submissions received on the Consultation Document, and sets out recommendations on the three of the four consultation items and the fees and charges. The Hukutaia growth item is the subject of a separate report.

The report includes draft preliminary advice from staff on submissions, copies of any late submissions, and any proposed amendments for the development of the final 2021-2031 Long Term Plan.

PURPOSE

The purpose of the Report is to brief Council on matters that have come to light since adoption of the 2021-2031 Long Term Plan Consultation document, to outline key discussion points for deliberations and to provide advice on submissions for Council's consideration.

BACKGROUND

A Long Term Plan is the most important document produced by a Council. It sets a business strategy and detailed work programme for the coming 10 years. Any significant project must be included in the Long Term Plan (LTP) otherwise it is not able to be carried out. The work programme for years 1-3 is relatively firmly set. It can be shaped differently by annual plan processes in year two and three but it cannot be significantly altered without a full LTP amendment process. Years 4-10 are a projection and will be reconsidered at the next LTP review in three years time.

The LTP also sets the Financial Strategy of Council that determines mechanisms and limits within which council can operate e.g. rates rises and debt levels. Again these are fairly fixed over the three year horizon and more flexible for year 4 to 10.

The way rates are spread across the community has already been determined via the review of the Revenue and Financing Policy that was consulted on in February and adopted at the 15 March meeting of Council.

Council has held a number of workshops and adopted a number of documents over the last 12 months:

30 July – Environmental Scan

11 August – Strategic direction setting, revenue and financing policy, Community outcomes

25 Aug – Activity Strategy, Grouping of Activities

31 August – Key assumptions, Financial Strategy

6 October – Infrastructure strategy

3 Nov – Infrastructure Strategy, Asset Management, Capital projects

17 Nov – Significance and Engagement Strategy

14 Dec – Activity Statement, Draft financial statements, infrastructure Strategy ahead of adoption

17 Dec – Borrowings, Levels of service

26 January – Strategic Issues

10 February – Strategic Issues 2

9 March – Consideration of overall Impact of LTP on rates ahead of adoption.

The outcomes of each workshop were adopted at the subsequent Council meetings

CONSULTATION

Council adopted the 2021-2031 Long Term Plan Consultation Document 'Have Your Say' at an Extra-Ordinary Council Meeting on Monday, 1 April 2021.

Communications were delivered by:

- Full Consultation Document sent to all properties in the district and all absentee ratepayers.
 - Some arrived with 1-2 weeks of consultation opening – some arrived the day before consultation closed. This issue occurred as postal delivery was slow and we lost the extra two weeks consultation time we had originally allocated to allow for these to go out in good time.
- Half page notices in Ōpōtiki News newspaper x 5
- NZ Herald online geotargeted advertising for month of April

- Media release for opening of consultation
- Public notice in paper for opening of consultation
- Facebook social media posts x 10
- Antenna posts
- Consultation Document published on Issuu
- Website landing page and sub-sites created for all content
- Online consultation form
- Community drop-in sessions
- Printed Consultation Documents and covering letter delivered to all 3 iwi
- Printed copies of supporting documents available at Council's main office and Library
- Information on LTP included in the Council's April Panui newsletter
- Radio advertising throughout consultation period through Bridge FM, 1XX and Sunlive
- Posters
- Word of mouth from Mayor, Councillors, staff etc.

Drop-in sessions were advertised and held on the following dates with the following personnel in attendance:

Date	Elected Members	Nos. of public attended
19/04 (Chambers) 2-3.30pm	Rāpihana Mayor Lyn	3x
21/04 (Chambers) 2-3.30pm	Mayor Lyn Rāpihana	0
27/04 (Chambers) 5.30-7pm	Mayor Lyn Rāpihana Moore Hocart Nelson Howe	4x
29/04 (Chambers) 2-3.30pm	Rāpihana Mayor Lyn Browne	4x
04/05 (Te Kaha) 1-2pm	Mayor Lyn Rāpihana	0
05/05 (Chambers) 2-3.30pm	Mayor Lyn Rāpihana Howe	3x
06/05 (Chambers) 9-10.30am	Mayor Lyn Rāpihana	10x

SUBMISSIONS RECEIVED

A total of 346 submissions were received including five late submissions. Staff recommend accepting the late submissions. 35 submitters have confirmed they wish to speak at the hearings meeting.

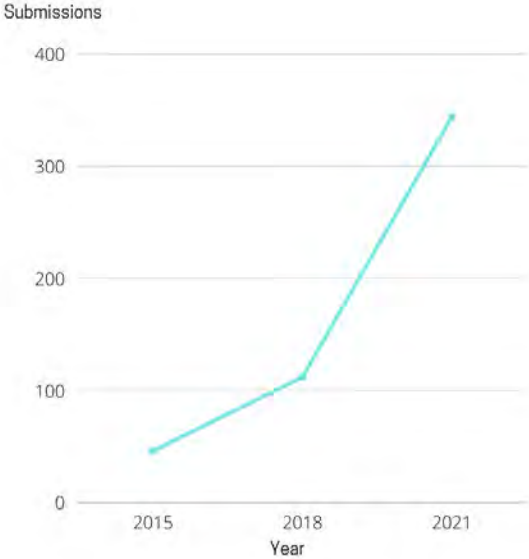
A total of 341 topic points were raised. Staff entered a total of 1948 topic point rows against submissions.

Increase in numbers from previous two LTPs

2015-2025 = 46

2018-2028 = 112

2021-2031 = 346



If you were to remove the 121 Hukutaia/Woodlands Ratepayers Group partially prepopulated submission forms, that still leaves an increase of 99% in submissions received over the 2018-2028 LTP. Council believes the positive increase is due to a number of reasons including sending a hard copy of the Consultation Document out to all households in the district and to all absentee ratepayers, an easy to use online submission process, holding a number of drop-in sessions with the Mayor and Councillors, and running a comprehensive communications campaign utilising multiple communications tools and platforms and consistent messaging and graphics.

Council also believes that submitters have gained confidence in the submission process over the last few LTPs. All submitters receive confirmation that Council has received their submissions and, more importantly, once the LTP is adopted they receive replies to the topics they raised. They can be

confident Council has viewed and considered their submission and they are thanked for their input into our planning process which encourages further engagement with Council.

Form type:

93 submitters used the online form.

121 submitters used a partially prepopulated submission form provided to them by the Hukutaia/Woodlands Ratepayers group. The remainder of submitters used the submission form from the Consultation Document, with some using their own documents, a few photographing their completed forms and emailing to Council, and some directly typing their submission into an email.

Received via:

Online, post, email, in person at main office and Library, direct to Mayor and Councillors and staff.

DISCUSSION AND OPTIONS

Submissions to the 2021-2031 Long Term Plan

Already provided to Councillors is a copy of each submission made and separately provided is summarised submissions points and preliminary staff advice. The intention of this advice is to provide a starting point for Council's discussion during deliberations. It is noted that it is only preliminary advice that may well change following the hearing of the submissions.

The Consultation Document provided information and invited submissions on the following four key issue items:

- Hukutaia Growth
- Bins at public toilets
- Mobile services on the Coast
- Social Development.

In a parallel consultation processes we also sought feedback on fees and charges which is outlined in this report and Council's Significance and Engagement Policy, which is presented as a standalone report.

We also received a number of submissions regarding other areas of Council business, and a few that related to areas outside of Council business or control. For the most part though, the items listed above were what Council received submissions on, and that this report will summarise.

Previous LTP

Three of our consultation items were consulted on previously.

The 2018-2028 LTP had a consultation item seeking feedback on mobile services to the coast, with submissions overwhelmingly in support of providing a service, and that process set the starting point for this LTP process.

The previous LTP process also had a parallel process to review the Waste Minimisation Strategy. That review confirmed the Zero waste approach and comprehensively dealt with Council's approach to waste matters. The proposal in the 2021-2031 LTP to provide bins at public toilets has taken place outside of the review cycle for the Waste Minimisation Strategy and as such is not consistent with its approach. For that reason it has been consulted on in this LTP.

Sewerage at Hukutaia was also a consultation item and is discussed in the Hukutaia Growth report in this agenda.

SUMMARY OF SUBMISSIONS RECEIVED

Consultation Item 1 Wastewater – Hukutaia Growth

Refer separate report.

Consultation Items 2 Bins at public toilets

A total of 269 submissions were received on the introduction of bins at public toilets, with 151 submissions (56%) supporting the introduction, and 118 (44%) opposing. The key reasons provided for this opposition, along with the staff recommendations, are set out below:

When Council originally removed the bins this was due to the litter problems from over filling of the bins, and due to Council's adoption of a policy to accept the Zero Waste concept in principle.

Reinstatement of the bins is inconsistent with the zero waste principle, and the Local Government Act (S80) requires Council to explain the following when decisions are not consistent with existing policy:

- (a) the inconsistency; and
- (b) the reasons for the inconsistency; and
- (c) any intention of the local authority to amend the policy or plan to accommodate the decision.

Council indicated that reinstating the bins was the preferred option during consultation. Staff **recommend** that the bins are not reinstated, as this is consistent with our existing zero waste approach.

Submission topic	Staff response
Supports Option 1 to install rubbish bins next to every public toilet at reserves and camping areas in the district (Council's preferred option)	Council has decided not to reinstate the bins at public toilets in minimise rates increases and also to support our district moving towards a sustainable, zero waste future.
Supports Option 2 - do not install rubbish Bins at Public Toilets at reserves and camping areas in the district.	Council has decided not to reinstate the bins at public toilets in minimise rates increases and also to support our district moving towards a sustainable, zero waste future.
Submitter would like Council to install the bins on a trial basis and remove if misused and/or increases fly tipping occur, and/or there is not enough demand.	Council has decided not to reinstate the bins at public toilets in minimise rates increases and also to support our district moving towards a sustainable, zero waste future.
Submitter suggests extra or different places for placement of bins.	Council has decided not to reinstate the bins at public toilets in minimise rates increases and also to support our district moving towards a sustainable, zero waste future.

Consultation Item 3 Mobile services on the Coast

A good response was received to this consultation item with 231 submissions (67% of all submissions) received on the topic. 152 submitters (67%) supported Council’s preferred option to provide a modern mobile library - van. 24 submitters (10%) supported provision of a traditional library service – bus. 16 submitters (7%) did not support either of the options. 39 submitters (17%) did not support provision of a mobile library service.

Overall, there is considered a good level of support for the provision of some form of mobile library service on the coast. The majority of the submitters (67%) supported the Council’s preferred option of providing the service through a modern mobile service – van. Only a small proportion of submitters

were opposed to providing a service generally (10%). The key reasons provided for this opposition, along with the staff response, are set out below:

Submission topic	Staff response
<p>Submitter suggests coastal residents can use the new library (Te Tāhuhu o Te Rangī).</p>	<p>The decision to consider providing a mobile library service and include this as a consultation topic in this LTP is in direct response to requests received from members of the public who live in the coast ward, and also in response to requests from the Coast Community Board. Based on the feedback received, the majority of those who responded supported the Council's preferred option in providing the service. This option will ensure that the services and benefits associated with the new Te Tahuhu o Te Rangī facility reach as many people in our community as possible.</p>
<p>Submitters feel this service should be user pays/funded by coast ratepayers and notx funded through general rates</p>	<p>The service is proposed to operate as an extension of the existing library service, and is therefore proposed to be funded in the same way as the existing library service, which is funded out of general rates. Although the service will provided dedicated days when it is on the coast, it will also visit other parts of the district, and will service community events, including those in the Opotiki Township. For these reasons, it is considered appropriate that all ratepayers contribute to the cost of the service, including those on the coast.</p>

Some useful suggestions were received around other services the Council could provide out of the van, along with some requests for further discussions to be had with other service providers working in the area in future.

The submissions received provide a clear direction to Council on service provision, with 67% of submitters supporting the Council's preferred option. Consideration will be given to points raised in the submissions as the service delivery is developed and delivered.

Staff **recommend** that the Council's proceed with the delivery of a modern mobile library – van.

Consultation Item 4. Social Development

Issue 4 of the Consultation Document sought a mandate from the community to formally embark upon a Social Development Activity (Option 2). This would, in effect, bring about structure and direction to what has been a piecemeal approach to social/community development activity. The submissions were insightful in helping staff understand what the community believe social development to be, which ranged from community events through to the delivery of social services (which it is definitely not).

231 submissions were received in relation to the Issue. Of these, 113 (49%) supported Council’s preference to create a formal Social Development Activity. 60 (26%) of submissions preferred the existing, piecemeal approach and 58 (25%) preferred to stop any work. Many submissions for Options 1 and 3 were based on a perception that the Council would deliver social services. It is considered that this perception has incorrectly informed preference.

Staff **recommend** that the Council:

- **proceed** with its preferred option to create a formal Social Development Activity
- **note** the Social Development Activity implementation considerations further in this report
- **act** on the SDA implementation recommendations to allow detailed staff action to commence.

Submission topic	Staff response
Supports Option 1 for Council to continue to provide this service in a piecemeal way.	Council has been supporting social development for many years on an ad hoc piecemeal basis. In the future we hope to do this in a more joined up way with our social agencies to ensure our mayor and councillors are better able to advocate for local industries and organisations.
Supports Option 2 for Council to create a formal social development activity (Council's preferred option).	Thank you for sharing your support or Option 2 for Council to create a formal social development activity (Council's preferred option). Council has been supporting social development for many years on an ad hoc piecemeal basis. In the future we hope to do this in a more joined up way with our social agencies to ensure our mayor and councillors are better able to advocate for local industries and organisations.
Supports Option 3 for Council to stop any social development work.	Council has been supporting social development for many years on an ad hoc piecemeal basis. In the future we hope to do this in a more joined up way with our social agencies to ensure our mayor

	and councillors are better able to advocate for local industries and organisations.
Submitter does not support local government providing social development and believes this is a central government responsibility.	Council agrees in part but notes that there is little to no central government presence in the Ōpōtiki district and it is the community that suffers. Important contributions Council can make are developing an advocacy agenda and doing what we can within council functions. Additionally, Council's purpose to promote wellbeing is set by the Local Government Act, and this does include social wellbeing.
Submitter has a range of suggestions for social development such as workforce development, housing, better internet, homeless shelter, more shops, civics education, litter/waste etc.	Thank you for your suggestions. Each is relevant and has a place in the Social Development Activity and wider council operations. They will be considered in due course.

Fee and Charges

The fees and charges proposed to be increased relate to the increase in officer hourly charge out rate for building control and environmental health officers by \$10, as well as small increase to LIMs. A new charge is proposed in relation to water use received no submission in relation to it. All the other fees and charges remain unchanged from 2020-21.

A number of submissions were received relating to dog registration fees, either seeking a reduction for complete dogs or supporting no increases in registration fees. This is the eighth consecutive year that dog registration and other animal control related fees have remained unchanged. The fee for a complete dog is higher than a neutered dog as Council is keen to continue reduce unwanted litters and roaming dogs, within the District.

Staff **recommend** proceeding with the adoption of the fees and charges as set out in the Consultation Document.

MATTERS ARISING AFTER THE CD WAS DRAFTED

Revaluation Impacts

Every year ODC performs a fair value assessment of its assets to determine if there has been any significant changes to market values. Provided there has been no significant movement, ODC performs a full revaluation of all Rooding, 3 Waters, land and buildings every three years, on 1 July (with the exception of investment property, which is every year)

Historically the 3 waters revaluation is done in-house by the engineering team and peer reviewed by external valuers. This was typical of most councils. The last revaluation was dated 1st July 2017 and the engineering team did significant work around condition assessment, pipe depth, ground cover and optimised replacement. While not incorrect, all of these new factors were not common practice in other councils.

In 2019, the councils within the Hawkes Bay region did a comparison of their unit rates and found that there were notable differences. This has led the valuation industry to start looking at more standardised unit rates.

In light of this, ODC staff made the decision to outsource this valuation to Aon, who also value our roads, land and buildings. Aon's approach was to look at standard unit rates rather than our local contractor rates. This was because, in the event of a natural disaster meaning that the entire network was replaced, nationwide contractors would be involved. Aon was not asked to provide the same level of detail used in 2017 and therefore unit rate factoring, changes in useful lives and optimised replacement were not included in their values.

ODC staff checked Aon's unit rates against a neighbouring council and also councils from neighbouring districts and are satisfied with the unit rates provided.

As a result of the above circumstances and additional capital projects made during this period, ODC has seen an increase from 2017 to 2020 as follows:

- Full replacement cost has increased from \$62 million to \$93 million
- Depreciated replacement cost has increased from \$32 million to \$54 million
- Annual depreciation has increased from \$0.9 million to \$1.2 million.

Our recommendation is that we accept the valuation provided by Aon which takes into account a standard national unit rate methodology. In the event that the entire or large sections of the network require replacing, national unit rates are a better indication of that cost. We also recommend that the

good work done in 2017 is not lost and the data is continued to be used in the future management of the 3 waters assets.

The above increase in depreciation will have a significant impact on rates (up to 3%) if fully funded. Council will need to make the decision on how to fund this increased depreciation. Staff have put together some options for what these reductions could look like, as well as the long-term impact of not funding this depreciation if that is Council's decision.

Impact of the Local Government (Rating of Whenua Māori) Amendment Act 2021

The Local Government (Rating of Whenua Maori) Amendment Bill was given Royal Assent in April of this year. The bill comes into effect immediately with most of the changes to the rating of Maori land being effective from 1 July 2021. This does not give us long to implement these changes, and no time to consult or seek feedback from the community on how we implement this.

In brief the issue for the LTP is the bill makes unused Maori land non rateable. There is little specific guidance provided on what should be considered unused, but we can assume empty land with improvements up to a specified value as a first take of what we would expect is unused.

We have identified a practical threshold for implementing the requirements of the bill in year one. To implement these changes, we would mark all Maori land without a dwelling or other building as non-rateable provided the improvements on the land are below a certain value. This change will have an impact on the distribution of rates, so while there is not an increase in overall rates, the amount each remaining property is liable for will increase.

Note that this threshold is just for the initial implementation as of 1st July 2021. In the first year we would then engage with the community and give the opportunity to any land block owners whose land is also unused, but not captured by this initial application to apply for the non-rateable status. These properties would be given remissions in that year and marked non-rateable in subsequent rating years.

Staff recommend council adopts the option of currently remitted properties and those with improvements up to \$10,000. We believe this will strike the right balance between identifying all unused Maori land and marking as non-rateable land that is currently being used. This would result in around 700 rating units becoming non-rateable and a displacement of 4-5% to the wider rating

system. More detailed consideration will be required during deliberations about how this may be redistributed.

Social Development Activity Implementation Considerations

During the consultation period, Government announced a review of the functions of Local Government and a panel due to release a preliminary report-back in September. It is expected that the role of place-based leadership will be at the heart of its considerations.

The Harbour Development Programme and horticulture development are significant drivers of future economic, and therefore social well-being, in the district, which have added to the context in which the staff have developed the proposal around Council's role in social development. In partnership with the Ministry of Social Development the staff has settled on Council's role being the maintenance and enhancement of community leadership and community-led activity.

To this end, the Social Development Activity (SDA) is seen as an enduring effort to address underlying social challenges, realise the benefits of our major capital projects, and to make a positive difference in community well-being. It is fundamentally a leadership activity, focussed on community priorities, that advocates to relevant public and private agencies for the benefit of the community. It is Council-led and is informed by meaningful council-community dialogue that can translate into agreed programmes and projects with relevant stakeholders and partners. Programme examples are public housing, community engagement, and job creation resulting from the harbour development.

The SDA mandate is derived from the community response where 49% of submissions supported the creation of a formal Social Development Activity. The implementation options considered to date are:

1. Establish a SDA Governance Group. This group would be Council-led and perform as a sub-committee of Council. Subject to a Terms of Reference, this group would provide oversight and direction to staff on a portfolio of programmes that works towards defined goals and objectives. It would report back to full Council as required.
2. Delegate authority to the Chief Executive. Council's delegation would provide the Chief Executive with full decision-making authority. This would include priority setting, staff direction and assignment of resources as an internal staff function. Council would be informed as a matter of routine.
3. Utilise the full Council. The SDA would form part of the Council Agenda and all decision-making and direction-setting would be held at the highest level.

Staff **recommend** that Council:

- **proceed** with Option 1. Delegation to the Chief Executive, while simple and achievable, does not support or encourage Council-Community dialogue at the elected representative level. By contrast, utilisation of the full Council is too high a level to include community representatives in decision-making, nor does its set meeting frequency or allow for flexibility and responsiveness.

SIGNIFICANCE ASSESSMENT

Assessment of significance

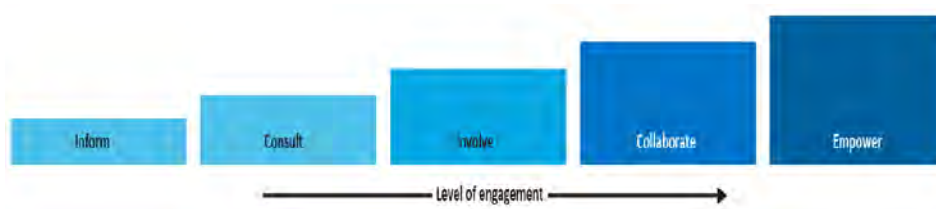
Under Council's Significance and Engagement Policy, on every issue requiring a decision, Council considers the degree of significance and the corresponding level of engagement required. The level of Significance for making decisions on Submissions to the Draft 2021-2031 Long Term Plan is considered to be high as determined by the criteria set out in section 12 of the Significance and Engagement Policy.

The decisions or matters of this report are however the culmination of the process to arrive at a decision that is significant in accordance with Section 2 of the Significance and Engagement Policy. This states that a matter shall be determined to be significant when Council is developing or adopting a Long Term Plan. As a significant decision or matter, the Council must apply greater diligence in regards to the decision making requirements of the Local Government Act 2002 section 76-82. This includes, but is not limited to, the degree to which different options are identified and assessed and the extent to which community views are considered, including whether consultation is required.

This report is the culmination of the submissions received from the public regarding the 2021-2031 Long Term Plan consultation process, which was significant and involved consultation with public. Council is receiving this report as information only. Any decisions will be made in deliberation after all of the submissions have been heard.

Assessment of engagement requirements

As the level of significance for making decisions on Submissions to the Draft 2021-2031 Long Term Plan is considered to be high the level of engagement has been determined by the consultative procedure set out in the Local Government Act 2002.



COMMUNITY INPUT AND PUBLICITY

The consultation process with the public involved a four week period from 6 April 2021 to 7 May 2021 where the Consultation Document and the underlying information to the 2021-2031 Long Term Plan was made available to the public for review and submission.

The Consultation Document is a high level document outlining the key issues and proposals for the next ten years, and is aimed at engaging with the public.

CONSIDERATIONS

Financial/budget considerations

This report outlines the submissions received from the public regarding our proposed 2021-2031 Long Term Plan. Because these are submissions on proposed budgets there will be financial and budget considerations involved with each submission. These need to be considered through the deliberation process that will occur after the hearing of all submissions.

Policy and planning implications

This report outlines the submissions received from the public regarding our proposed 2021-2031 Long Term Plan. Because these are submissions on the proposed policies and plans there will be implications that need to be considered with each submission. These will be considered through the deliberation process that will occur after the hearing of all submissions.

CONFLICTS OF INTEREST

Several submissions raised the matter of Councillor conflicts of interest in relation to decisions in this LTP. As with any Council governed by locally elected people, Councillors have a range of interests both financial and with different roles they have in the community. These are transparently outlined in Council's interests register which is periodically updated. Whether a matter before Council becomes a conflict of interest depends on the specifics of the decision required and the specifics of the Councillors' interests and should be considered on a case by case basis. In relation to the LTP Councillors are personally affected by the decisions they make but generally their interests are similar to others in the community. In these instances interests that are "in common with the public generally"

are not regarded as interests that require Councillors to step aside from decision-making. Where a Councillor is impacted financially in a way that is different from the general public the Members Interest Act requires them to step aside from decision making. Other conflicts can arise between roles that councillors may hold in external organisations.

RATES RISE PRESSURES AND NATIONAL RISES

Rates rises nationally are under significant pressure this year as most councils “catch up” from holding rates rises down in the last annual plan in the midst of the economic impacts of the global pandemic. In last year’s Ōpōtiki District Council annual plan 2% rates rise was removed following public consultation by holding staff salaries and reducing travel budgets. We have further pressure as a result of the impacts of the new assets built from the Covid recovery funding, and the population growth we have seen as a result of our economic investments and the pandemic.

We also face the impacts of the amendments to the Rating Act in relation to Māori land and the depreciation impacts from the recent revaluation of assets. Both of these have occurred since the Consultation document was adopted.

RECOMMENDATIONS:

- 1. That the report titled “Staff Report on Submissions to the Draft 2021-2031 Long Term Plan” be received.**
- 2. That Council accept late submissions from x346 Kenny McCracken and Liz McAdam, x345 Waimaria Ropotini, x341 Dave Ngatai, x328 Meg and Mike Collins, x305 Carol Willis.**
- 3. That the submissions to the 2021-2031 Long Term Plan be received.**
- 4. That Council adopt the following:**
 - Option 2 on bins – to not proceed with bins**
 - Option 2 (Modern Mobile Service – Van) on Mobile Services on the Coast**
 - Option 2 on Social Development and direct staff to implement the activity in accordance with the implementation recommendation set out in this report.**
- 5 That Council adopt the fees and charges for 2021-22**
- 6. That the draft preliminary advice from staff be received and used (as amended) for the basis of letters of response to the submitters.**
- 7. That the Council direct staff to make minor adjustments to the budgets to take into account minor amendments between now and adopting the 2021-2031 Long Term Plan on the proviso that this will not impact the total rates required for the 2021-2031 Long Term Plan.**

8. **That a letter from the mayor is sent to the Minister for Local Government outlining our concerns at the lack of consideration of transitional impacts and the very short implementation period as a result of the Local Government (Rating of Whenua Maori) Amendment Act.**

MANAGEMENT TEAM



REPORT

Date : 28 May 2021

To : Extra Ordinary Council Meeting, 3 June 2021

From : Management Team

Subject : **STAFF REPORT ON SUBMISSIONS ON HUKUTAIA GROWTH TO THE DRAFT 2021-2031 LONG TERM PLAN**

File ID : A245129

EXECUTIVE SUMMARY

The purpose of the report is to outline key discussion points for deliberations regarding growth infrastructure for Hukutaia, provide a briefing on relevant matters that have come to light since adoption of the 2021-2031 Long Term Plan Consultation Document, and to provide recommendations on LTP submissions specific to this matter for Council's consideration.

PURPOSE

The purpose of the Report is to outline key discussion points for deliberations regarding growth infrastructure for Hukutaia, provide a briefing on relevant matters that have come to light since adoption of the 2021-2031 Long Term Plan Consultation Document, and to provide recommendations on LTP submissions specific to this matter for Council's consideration. The report includes draft preliminary advice from staff on submissions, and proposed amendments for the development of the final 2021-2031 Long Term Plan.

Included in this report is preliminary staff advice on the Hukutaia Growth consultation item. The intention of this advice is to provide a starting point for Council's discussion during deliberations. It is noted that it is only preliminary advice that may well change following the hearing of the submissions.

BACKGROUND

Council has previously consulted on providing growth infrastructure to Hukutaia. The 2018-2028 LTP had a consultation item "**Wastewater – Hukutaia Growth**". The three options outlined (and number of submissions) were:

- 1 To reticulate when growth becomes apparent (35)
- 2 Retain the status quo (no reticulation) (15)
- 3 Reticulate now (13).

Following submissions Council decided on option number 1 – to reticulate when growth became apparent. That process set the starting point for the current LTP process.

CONSULTATION

Council has held a number of workshops and adopted a number of documents over the last 12 months:

30 July – Environmental Scan

11 August – Strategic direction setting, revenue and financing policy, Community outcomes

25 Aug – Activity Strategy, Grouping of Activities

31 August – Key assumptions, Financial strategy

6 October – Infrastructure strategy

3 Nov – Infrastructure Strategy, Asset Management, Capital projects

17 Nov – Significance and Engagement Strategy

14 Dec – Activity Statement, Draft financial statements, Infrastructure Strategy ahead of adoption

17 Dec – Borrowings, Levels of service

26 January – Strategic Issues

10 February – Strategic Issues 2

9 March – Consideration of overall Impact of LTP on rates ahead of adoption

The outcomes of each workshop were adopted at the subsequent Council meetings.

Council adopted the 2021-2031 Long Term Plan Consultation Document 'Have Your Say' at an Extra-Ordinary Council Meeting on Monday 1 April 2021. The provision of wastewater services to existing and new properties in Hukutaia was Issue One in the Consultation Document.

SUBMISSIONS RECEIVED

Overview

298 submissions (86% of all submissions) were received that responded in some way on the Hukutaia Growth consultation item. 121 submitters used a partially prepopulated submission form provided to them by the Hukutaia/Woodlands Ratepayers group. The remainder of submitters used the submission form from the Consultation Document, with some using their own documents, a few photographing their completed forms and emailing to Council, and some directly typing their submission into an email.

The key question in the Consultation Document was which was the preferred option: proceed with servicing all of Hukutaia now (Option One), or proceed with servicing growth areas but delay connecting existing properties (Option Two). The submissions received against these options were:

- 51 submitters supported Option One
- 53 submitters supported Option Two
- 122 submitters supported "Option Three" (the pre-formatted response") for not connecting any properties to reticulated wastewater services.
- 73 of the 226 submitters above lived in the wider district, 46 picking Option One or Two, and 27 picking Option 3.
- 92 did not select any option as preferred, but did submit some other response or question relating to the wastewater growth project.

Additional questions were asked in the Consultation Document about interest in developing greenfield properties, connecting existing properties, and the wider community's willingness to pay. These are discussed further below.

Responses from greenfield owners

The Consultation Document asked if the people who owned potential greenfield properties were planning to develop.

- 24 submitters did not plan to develop their land.
- Six submitters were looking to develop their land.

Of the six looking to develop, four of these own properties larger than 1 Ha. Based on this, three nominal growth areas have been identified, shown in Figure 1, over. Only the Hospital Hill property is in the residential zone (the unshaded area on the map).



Figure 1: The location of potential greenfield development based on submissions.

Based on staff conversations with those supporting property owners, the minimum total yield from their potential subdivisions would likely be about 150 properties, with a maximum of up to 600 properties. Based purely on impressions over brief phone calls, staff think 600 would be unlikely. The earliest timing of development is likely to be about 2024/25, with some of the submitters not planning to develop until after 2025/26.

The district wide growth projections are for ~60 properties a year. Assuming 50% of that growth happens at Hukutaia, there is current support for supplying at least five years of growth (150 properties/30 properties per year). Staff consider this to be a sufficient critical mass, and that it may also draw out further supply if early movers are seen to be successful.

Staff **recommend** that Council continue with plans to provide growth infrastructure for greenfield development in Hukutaia, adjusting the timing to reflect the expected development rates.

Other options Council could consider include:

- Developing infrastructure as soon as possible, to encourage early development (risks overprovision of infrastructure); and
- Choosing not to develop any infrastructure in Hukutaia (doesn't support goals of encouraging growth away from natural hazards, inconsistent with 2018 LTP decisions.)

Responses about connecting existing Hukutaia properties

- 187 responses were received from residents with existing septic systems, 177 indicating they did not want to connect to a new wastewater system and 10 indicating they did.
- Of the 177 who said they would not connect, the majority (>120) linked their objection in some way to the adequacy of septic tanks for achieving public health or environmental outcomes.
- Six responses requested Council undertake additional research on septic tanks.

Only a small number of existing residents support their connection to a reticulated service. Many submitters (122) used a prepopulated submission form that argued that soil conditions in Hukutaia meant septic tanks were preferred for achieving environmental and public health outcomes. Staff believe that the wide uptake of the form was driven by concerns about cost and the claim of negligible impact is assumed.

There is little hard evidence to support or refute opinions about the cumulative performance of septic systems in Hukutaia, but the fact remains that there are a large number of septic systems in a relatively dense area, and that few of these are of modern design. Staff believe this risk cannot be dismissed out of hand.

Staff **recommend** that Council defers any connecting existing properties to the end of the 10 year LTP period. In partnership with other relevant organisations, investigations should be undertaken in Year 1-2 to gather evidence about the environmental and public health performance of septic systems in Hukutaia, with review of evidence and preferred approaches after that.

Other options Council could consider include:

- Proceed with Option 1, moving to service all existing properties from 2024/25 (strongly opposed by the community)

- Decide not to investigate public health and environmental risks, and remove projects to provide existing residents with wastewater services from the LTP (leaves Council exposed to an unknown risk).

Responses on funding

The consultation document asked whether ratepayers who lived outside the Hukutaia community were willing to pay towards the infrastructure costs. This question was included because the cost of the public infrastructure (but not the on-property costs) were modelled as being paid by Ōpōtiki wastewater targeted rate and general rates.

- 105 submissions were received from ratepayers who live in the wider community (i.e. outside Hukutaia), with 92 opposed to paying a portion of the Hukutaia project costs and 13 supportive of paying.
- Seven made additional comment that they would like developers to pay the full cost and four asked how council thought people could afford the connection fees.

Wider ratepayers do not support spreading the cost of providing infrastructure to Hukutaia beyond those receiving benefit from the infrastructure. No equivalent question was asked of property owners in Hukutaia, but it is assumed they would prefer any funding approaches that reduced their costs.

The community is facing real affordability challenges, and this limits Council's ability to fund the improvement of critical services, in this case for existing customers.

Irrespective of what happens at Hukutaia, staff plan to prepare a Development Contribution policy in Year 1, which will provide a transparent mechanism for recovering the cost of growth driven works from development.

Staff **recommend** that the funding of the Hukutaia infrastructure be changed to show the capital works paid for by external funding. In the case of growth works, this is anticipated to be via the Develop Contribution policy or similar. For existing properties, Council will seek funding from other agencies.

PREFERRED SCENARIO

When the recommendations described above are taken together, the following preferred scenario emerges for infrastructure in Hukutaia:

- Use Year 1 to reduce risks to Council by confirming demand and best value technical options, and investigating potential government funding.
- Proceed with servicing greenfield development only, timed to meet actual plans, with developers paying for the cost of servicing their development.
- Existing properties are deferred to the very end of the 10-year period, with the projects assumed to be funded externally. This aligns with the majority of submissions received, provided that the solution does not trigger the 'availability' requirements of the Regional Plan, which would compel existing residents to connect where they could.

PROPOSED RESPONSES TO SUBMISSION TOPICS

Based on the discussion above, staff have prepared draft responses for submission topics, provided in the table below.

Submission topics on timing and extent of wastewater service provision

Submission topic	Staff response
Supports Option 1 to provide infrastructure to new development and existing properties together (Council's preferred option)	We note your preference for Council to service both existing and new properties in Hukutaia together. Council has decided to service greenfield properties, beginning with design work in the coming year. Council will support further investigation to confirm that there are no public health or environmental impacts from not connecting existing properties. For now, connecting existing properties has been deferred to 2031.
Supports Option 2 to provide infrastructure initially for new development only	We note your preference for Council to defer connecting existing Hukutaia properties to wastewater services. Council has decided that, for now, it will only provide wastewater services for greenfield development in Hukutaia. Investigations are going to be undertaken to confirm the performance of existing septic systems, and in the meantime, connecting existing properties has been deferred to 2031.

Submission topic	Staff response
Submitter states septic tanks and natural filtering by the 5-10 metres of existing pumice soils is the most efficient, environmentally acceptable, and cost effective treatment method for the Hukutaia/Woodlands area.	Council acknowledges that in many situations, septic tanks are an acceptable solution for wastewater treatment and disposal. Due to the large number of septic systems concentrated in Hukutaia, Council will support investigations to confirm the level of impact from existing septic systems currently have. For now, Council has deferred connecting existing properties to 2031.
Submitter indicates they own a house in Hukutaia and would not connect to the Wastewater network.	Council intends to work with the Regional Council to confirm if existing septic systems have no environmental or public health impacts. Subject to this, council has decided to defer connecting existing Hukutaia properties to any new wastewater services to 2031.
Submitter indicates they own a house in Hukutaia and would connect to the Wastewater network	We note your interest in connecting to a wastewater service. Due to feedback received, Council has decided to defer providing wastewater services to existing properties until 2031. This decision is subject to investigations to confirm the impact of existing septic systems.
Submitter indicates they are a greenfields owner and do not want to develop their land.	Council has decided to take a targeted approach to greenfield properties, and will only provide services to properties where specific greenfield development is planned.
Submitter indicates they are a greenfields owner and do want to develop their land.	We note your desire to develop your greenfield land and connect to a wastewater network. If they haven't already, staff will be in touch with you soon to learn more about your development intentions.

Submission topics on cost and funding

Submission topic	Staff response
Submitter indicates they are a wider district ratepayer and are not willing to contribute.	Based on feedback received, Council has decided that the cost of establishing wastewater services in Hukutaia should fall to those who benefit and that the wider district will not contribute.
Submitter indicates they are a wider district ratepayer and are willing to contribute.	Based on feedback received, Council has decided that the cost of establishing wastewater services in Hukutaia should fall to those who benefit and that the wider district will not contribute.

<p>Submitter provides alternative funding and/or development or infrastructure suggestions for Hukutaia Growth.</p>	<p>Thank you for your feedback. The risks of the proposal are outlined in a comprehensive report that was reported to councils Risk and Assurance Committee and to full Council. It can be found on Council’s website. A 12 month period of due diligence is proposed to test demand, costs, and other potential sources of funding. In particular Council intends to review its development contributions policy and make a funding application to the Government’s recently announced Infrastructure Acceleration fund.</p>
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MATTERS ARISING AFTER THE CD WAS DRAFTED

Revaluation Impacts

Every year ODC performs a fair value assessment of its assets to determine if there has been any significant changes to market values. Provided there has been no significant movement, ODC performs a full revaluation of all Roding, 3 Waters, land and buildings every three years, on 1 July (With the exception of investment property, which is every year).

Historically the 3 waters revaluation is done in-house by the engineering team and peer reviewed by external valuers. This was typical of most councils. The last revaluation was dated 1 July 2017 and the engineering team did significant work around condition assessment, pipe depth, ground cover and optimised replacement. While not incorrect, all of these new factors were not common practice in other Councils.

Infrastructure Acceleration Fund

At around the time the CD was adopted, a Government announcement was made about an infrastructure fund to speed up the building of houses. \$2B of this is allocated to housing and \$1.8B to infrastructure to support housing. A letter from our mayor to Minister Woods two days later expressed Council’s interest in lodging a business case for funding for Hukutaia Growth. At the time of writing the details of the fund are not yet available and it is understood they will be going to cabinet for decision making in June with the fund to set up in July. Staff have sought an offer of service from Habilis, to commence a business case ready for the new fund. Habilis are proposed due to their background with Ōpōtiki preparing two previous business cases for the harbour and a road safety, and the need to prepare the documentation at pace. Their detailed understanding of the district circumstances, data sources, the case for the harbour and aquaculture projects and those modelling of projects will be an advantage, drive efficiencies and speed in preparation of our application.

Staff **recommend** that Council proceed with the business case preparation at this time whichever option is decided in relation to the Hukutaia Growth. The financial cost of preparing this business case is \$50,000.

SIGNIFICANCE ASSESSMENT

Assessment of significance

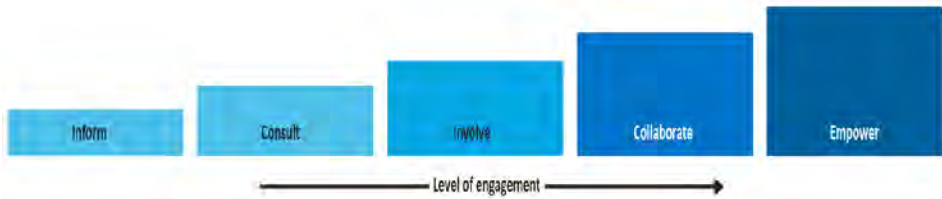
Under Council’s Significance and Engagement Policy, on every issue requiring a decision, Council considers the degree of significance and the corresponding level of engagement required. The level of Significance for making decisions on submisisons to the Draft 2021-2031 Long Term Plan is considered to be high as determined by the criteria set out in section 12 of the Significance and Engagement Policy.

The decisions or matters of this report are however the culmination of the process to arrive at a decision that is significant in accordance with Section 2 of the Significance and Engagement Policy. This states that a matter shall be determined to be significant when Council is developing or adopting a Long Term Plan. As a significant decision or matter, the Council must apply greater diligence in regards to the decision making requirements of the Local Government Act 2002 section 76-82. This includes, but is not limited to, the degree to which different options are identified and assessed and the extent to which community views are considered, including whether consultation is required.

This report is the culmination of the submissions received from the public regarding the 2021-2031 Long Term Plan consultation process, which was significant and involved consultation with public. Council is receiving this report as information only. Any decisions will be made in deliberation after all of the submissions have been heard.

Assessment of engagement requirements

As the level of significance for receiving the making decisions on the Draft 2021-2031 Long Term Plan is considered to be low the level of engagement required was set through the Local Government Act 2002.



COMMUNITY INPUT AND PUBLICITY

The consultation process with the public involved a 4 week period from 6 April 2021 to 7 May 2021 where the Consultation Document and the underlying information to the 2021-2031 Long Term Plan was made available to the public for review and submission.

The Consultation Document is a high level document outlining the key issues and proposals for the next ten years, and is aimed at engaging with the public.

CONSIDERATIONS

Financial/budget considerations

This report outlines the submissions received from the public regarding our proposed 2021-2031 Long Term Plan. Because these are submissions on proposed budgets there will be financial and budget considerations involved with each submission. These need to be considered through the deliberation process that will occur after the hearing of all submissions.

Policy and planning implications

This report outlines the submissions received from the public regarding our proposed 2021-2031 Long Term Plan. Because these are submissions on the proposed policies and plans there will be implications that need to be considered with each submission. These will be considered through the deliberation process that will occur after the hearing of all submissions.

CONFLICTS OF INTEREST

Several submissions raised the matter of councillor conflicts of interest in relation to decisions in this LTP. As with any Council governed by locally elected people, Councillors have a range of interests both financial and with different roles they have in the community. These are transparently outlined in Councils interests register which is periodically updated. Whether a matter before council becomes a conflict of interest depends on the specifics of the decision required and the specifics of the councillors' interests and should be considered on a case by case basis. In relation to the LTP Councillors are personally affected by the decisions they make but generally their interests are similar to others in the community. In these instances interests that are "in common with the public generally" are not regarded as interests that require councillors to step aside from decision making. Where a Councillor is impacted financially in a way that is different from the general public the Members Interest Act requires them to step aside from decision making. Other conflicts can arise between roles that councillors may hold in external organisations.

RECOMMENDATIONS:

- 1. That the report titled "Staff Report On Submissions On Hukutaia Growth To The Draft 2021-2031 Long Term Plan" be received.**
- 2. That Council adopt the amended Hukutaia Growth option as set out in section 4 of this report.**
- 3. That the draft preliminary advice from staff be received and used (as amended) for the basis of letters of response to the submitters.**
- 4. That Council direct staff to contract Habilis to commence work on a business case to lodge as soon as the new Infrastructure Acceleration Fund is available.**

MANAGEMENT TEAM



REPORT

Date : 28 May 2021

To : Extra Ordinary Council Meeting, 3 June 2021

From : Strategic Development Manager, Sarah Jones

Subject : **STAFF REPORT ON SUBMISSIONS TO THE DRAFT SIGNIFICANCE AND ENGAGEMENT POLICY**

File ID : A245131

EXECUTIVE SUMMARY

The purpose of the Report is to brief Council on submissions received in respect of the draft Significance and Engagement Policy, outline key discussion points for deliberations and to provide recommendations on submissions for Council's consideration, including minor revisions to the draft Significance and Engagement policy. Following deliberations, and subject to any changes made to the policy as part of those deliberations, this report recommends the draft Significance and Engagement Policy be adopted, to take effect from 1 July 2021.

PURPOSE

The purpose of the report is to brief Council on submissions received in respect of the draft Significance and Engagement Policy, outline key discussion points for deliberations and to provide recommendations on submissions for Council's consideration. The report includes draft preliminary advice from staff on submissions, and recommendations for proposed amendments to the final Significance and Engagement Policy for consideration by Council. Following deliberations, and subject to any changes made to the policy as part of those deliberations, this report recommends the draft Significance and Engagement Policy be adopted, to take effect from 1 July 2021.

BACKGROUND

The Local Government Act requires local authorities to adopt a Significance and Engagement Policy (Section 76AA(1)), and requires public consultation to be undertaken when any changes to the policy are proposed (Section 76AA(5)). The Significance and Engagement Policy provides a framework for

Council to determine how important, or significant, a decision is to the community and the level and type of engagement that Council will carry out, depending on the significance of that decision.

Council has held two workshops as the draft policy was being developed and adopted the draft Significance and Engagement Policy for consultation at a Council meeting on 9 March 2021. Consultation on the draft Significance and Engagement Policy was undertaken in conjunction with the 2021-2031 Long Term Plan with submissions sought during a four week period from 6 April 2021 to 7 May 2021.

A total of 12 submissions were received in relation to the draft Significance and Engagement Policy. Six submitters have confirmed they wish to speak at the hearings meeting.

DISCUSSION AND OPTIONS

Submissions to the draft Significance and Engagement Policy

Included with this agenda is a copy of each submission made, and attached to this report is an index of submitters who responded to the draft policy (Appendix 1) and preliminary staff advice by submission point (Appendix 2). The intention of this advice is to provide a starting point for Council’s discussion during deliberations. It is noted that it is only preliminary advice that may well change following the hearing of the submissions.

A low level of response was received in respect of this draft policy. However, from the responses that were received, there is considered a general level of support for the draft policy. Submitters either supported the policy as drafted, or made suggestion on how the policy could be revised to make it more effective. No submissions were received in direct opposition to the adoption of the draft policy.

Staff recommendations on submissions to the draft Significance and Engagement Policy

Key issues raised in submissions, along with a staff response (including suggested revisions to the draft policy), are set out below:

Submission topic	Staff response and revision suggested (where appropriate)
Submitter states that the significance flowchart only allows for two outcomes and asks what happens with decisions of medium significance?	Determining the significance of a decision is set along a continuum – decisions that have ‘medium’ significance are considered by Council and an appropriate level of engagement is carried out, as described in the engagement framework. The significance flowchart has been amended to reflect this submission.

<p>A number of submitters requested additional engagement and suggested that council ought to improve its engagement practices</p>	<p>This particular policy has been drafted in accordance with the provisions of the Local Government Act which require the Council to consider the significance of a decision when determining the nature of public engagement. This does not prevent Council from undertaking additional public engagement should it be considered appropriate. Submitters are encouraged to get in touch with Council to discuss how we could better engage with individuals, organisations and groups within the community.</p>
<p>Submitter states it is a solid policy document, clearly stated and actionable but can see no way that the policy is reviewed and evaluated</p>	<p>There is no obligation in the Local Government Act to regularly review the Significance and Engagement Policy. However, it is good practice to do so, and the Council generally reviews and updates (as necessary) as part of every Long Term Plan cycle. A revision has been made to the policy to include a review date.</p>
<p>A few submitters requested consultation on all issues</p>	<p>The policy seeks to tailor the level of engagement to the level of significance. There are lots of decisions made by Council that are of low significance and would be of very little interest to the public. It would be unrealistic for us to expect our community to engage with us in every decision we make. The key to this policy is making sure we are able to identify what is significant (and of interest to the public) so we engage the right people, in the right way, at the right time.</p>
<p>Submitter feels the policy is very difficult to put into practice objectively and say all but one of the thresholds use the terms radically or considerable and they ask how these are defined.</p>	<p>Thank you for your submission. A revision to the policy is suggested to provide the necessary detail on how the significance flowchart on pg. 2 is to be interpreted. As has been the objective of the broader policy review process, this revision does not seek to change to the way Council currently deals with significance and engagement in its decision-making, but instead seeks to make the policy clearer and easier to use. As such, the revision simply seeks to move information from the adopted Significance and Engagement Policy to the draft Significance and Engagement Policy.</p>

A marked up version of the draft Significance and Engagement Policy, that includes the revisions recommended in the table above, is attached at Appendix 3.

SIGNIFICANCE ASSESSMENT

Assessment of significance

Under Council's Significance and Engagement Policy, on every issue requiring a decision, Council considers the degree of significance and the corresponding level of engagement required. The level of Significance for receiving the Staff Report on Submissions to the Draft Significance and Engagement policy is considered to be high as determined by the criteria set out in section 12 of the adopted Significance and Engagement Policy.

As a significant decision, Council must apply greater diligence in regards to the decision-making requirements of the Local Government Act 2002 section 76-82. This includes, but is not limited to, the degree to which different options are identified and assessed and the extent to which community views are considered, including whether consultation is required.

As set out above, section 76AA of the Local Government Act requires Council to consult when making an amendment to a Significance and Engagement Policy. This report is the culmination of the submissions received from the public regarding the draft Significance and Engagement Policy. The changes recommended to the draft policy in response to submissions received are minor and do not affect the way the draft policy will be used. Council is receiving this report as information only. Any decisions will be made in deliberation after all of the submissions have been heard. The decision to adopt the policy will be made at a future Council meeting.

Assessment of engagement requirements

As the level of significance for receiving the Staff Report on Submissions to the draft Significance and Engagement Policy is considered to be high the level of engagement has been determined to be at the level of consult as set out in the Local Government Act 2002.



RECOMMENDATIONS:

- 1. That the report titled "Staff Report on Submissions to the Draft Significance and Engagement Policy" be received.**
- 2. That Council consider the staff responses and suggested minor revisions to the draft Significance and Engagement Policy as part of their deliberations.**
- 3. That subject to any amendments made as part of deliberations, that Council adopt the draft Significance and Engagement Policy, to take effect from 1 July 2021.**

Sarah Jones

STRATEGIC DEVELOPMENT MANAGER



Index of submitters on draft Significance and Engagement Policy

Submitter No.	Submitters name	Request to be heard Y/N	Page number
33	Paula Black	Y	143
67	Tirohanga Fruit Co Ltd	N	207
235	Arihia Maxwell	N	568
242	Tim Senior	Y	578
243	Hope Hata / Te Ao Hou Trust	Y	581
260	Faithe Hanrahan	N	627
292	Gaylene Tuari-Kohunui	N	751
293	Whakatohea Maori Trust Board	Y	752
298	Ngai Tai Iwi Authority	Y	762
300	John Dickson	N	767
301	Tiana Elmiger, Cole Edwardson, Nevaeh Morris	N	769
329	Ngai Tamahaua	Y	845

Appendix 2



STAFF REPORT ON SUBMISSIONS TO THE DRAFT SIGNIFICANCE AND ENGAGEMENT POLICY

Topic number	Topic	Suggested Council Decision:	Suggested Response	Applies to Submission/s
T39	Submitter says the document looks good and the flow charts are on point.	Response only.	Thank you for your feedback on the Draft Significance and Engagement Policy.	33
T51	Submitter would like to know what Council proposes to do when consultation belongs in most significant sector but Council does not receive a large number of submissions on the issue.	Response only.	The level of significance determines the way in which Council engages with the public. Each decision is different and must be considered in relation to the specific circumstances that apply. Some decisions might only affect a small number of people but may still be considered significant and therefore warrant an increased level of engagement. Regardless of the number of submissions received, the information received within the submission would be given due consideration by Council in any subsequent decision. Councillors are democratically elected to represent the views of the community. If Council publicly consulted on a matter and received very little feedback, we rely on the ability of councillors to reflect the views of their community in their decision making to ensure the right decisions are made for ratepayers.	33
T65	Submitter states that the significance flowchart only allows for two outcomes and asks what happens with decisions of medium significance?	Accept.	Determining the significance of a decision is set along a continuum – decisions that have 'medium' significance are considered by Council and an appropriate level of engagement is carried out, as described in the engagement framework. The significance flowchart has been amended to reflect this submission.	67
T246	Submitter seeks that Council engage directly with Ngai Tamahaua on the review of the policy.	Response only.	This particular policy has been drafted in accordance with the provisions of the Local Government Act which require the Council to consider the significance of a decision when determining the nature of public engagement. This does not prevent the Council from undertaking additional public engagement should it be considered appropriate. Public consultation undertaken in relation to this policy review has been carried out in accordance with all relevant legislation, policy and guidance. Council would be very interested to hear views on how we could better engage and to determine whether there are any areas where our two organisations can work together for the benefit of our community.	329, 298

T262	Submitter states Maori iwi and hapu should be the 50% decision makers to all things - refer to the treaty of waitangi.	Response only.	The policy has been drafted in accordance with the provisions of the Local Government Act which require Council consider the significance of a decision when determining the nature of public engagement. This does not prevent the Council from undertaking additional public engagement should it be considered appropriate, or sharing or delegating decision making powers in relevant circumstances.	235
T274	Consider a MOU with Te Ao Hou Trust and Healthy Families East Cape for an ongoing partnership.	Response only.	It is great to hear your views on these matters. This particular policy has been drafted in accordance with the provisions of the Local Government Act which require the Council to consider the significance of a decision when determining the nature of public engagement. This does not prevent Council from undertaking additional public engagement should it be considered appropriate. Council would be very interested to hear views on how we could better engage. We would be happy to engage with you directly to determine whether there are any areas where our two organisations can work together for the benefit of our community.	243
T282	Submitter states young people want to have their say.	Response only.	It is great to hear your views on these matters. This particular policy has been drafted in accordance with the provisions of the Local Government Act which require the Council to consider the significance of a decision when determining the nature of public engagement. This does not prevent Council from undertaking additional public engagement should it be considered appropriate. Council would be very interested to hear views from young people on how we could better engage. Please get in touch with us about this - we are keen to hear from you.	301
T293	Submitter states it is a solid policy document, clearly stated and actionable but can see no way that the policy is reviewed and evaluated.	Accept.	There is no obligation in the Local Government Act to regularly review the Significance and Engagement Policy. However, it is good practice to do so, and the Council generally reviews and updates (as necessary) as part of every Long Term Plan cycle. A revision has been made to the policy to include a review date.	300
T298	Submitter states the wider the consultation the better.	Response only.	The policy seeks to tailor the level of engagement to the level of significance. There are lots of decisions made by Council that are of low significance and would be of very little interest to the public. It would be unrealistic for us to expect our community to engage with us in every decision we make. The key to this policy is making sure we are able to identify what is significant (and of interest to the public) so we engage the right people, in the right way, at the right time.	260
T312	Submitter states hapu and iwi need to be consulted on all matters big or small.	Response only.	The policy seeks to tailor the level of engagement to the level of significance. There are lots of decisions made by Council that are of low significance and would be of very little interest to the hapu and iwi. It would also be unrealistic and unreasonable for us to expect our hapu and iwi to engage with us in every decision we make. The key to this policy is making sure we are able to identify what is significant (and of interest to iwi and hapu) so we engage the right people, in the right way, at the right time.	292
T315	Submitter states they are happy with the progress of what is in place.	Response only.	We are happy to hear any further thoughts or suggestions you have in relation to our engagement processes.	293
T341	Submitter feels the policy is very difficult to put into practice objectively and say all but one of the thresholds use the terms radically or considerable and they ask how these are defined.	Accept.	Thank you for your submission. A revision to the policy is suggested to provide the necessary detail on how the significance flowchart on pg. 2 is to be interpreted. As has been the objective of the broader policy review process, this revision does not seek to change to the way Council currently deals with significance and engagement in its decision-making, but instead seeks to make the policy clearer and easier to use. As such, the revision simply seeks to move information from the adopted Significance and Engagement Policy to the draft Significance and Engagement Policy.	242



Marked up version of draft Significance and Engagement Policy

Note: Suggested additional text to be included in policy identified in *italics and underlined*. Relevant topic number in brackets following additional text.



Opotiki District Council

Significance and Engagement Policy

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1.0 Purpose

For every decision that Council makes, we are required under the Local Government Act¹ to determine how important, or significant, that decision is to the community. We look at a number of factors when making a decision, including who could be affected by the decision; who could be interested in the decision; how the decision may impact levels of service, and what the costs could be.

Council will use this policy to determine the significance of a decision, and determine the level of engagement we will use, based on the significance of the decision.

2.0 Objectives

The objectives of this policy are:

- to ensure consistency when determining the significance of proposals, assets and decisions
- to identify the extent and type of public engagement required before a decision is made
- to build positive relationships with the community, tangata whenua and stakeholders
- to encourage cooperation, respect and a mutual understanding of other points of view
- to comply with Section 76AA of the Local Government Act 2002 (LGA).

3.0 Principles

The principles of this policy are:

- Council will be consistent, genuine and transparent in how it engages with the public
- Council will consider the language, accessibility and cultural needs in any engagement
- Council will ensure that it involves the community in its decisions, and recognises the importance of the community in any engagement it holds.

4.0 Significance

Council will use the flowchart on page 2 to determine the significance of a decision.

A decision will be considered to be of high significance by Council if one of the following applies:

- *It involves the transfer of the ownership or control, or the construction, replacement or abandonment of a strategic asset (Appendix A) to or from Council; or*
- *It is inconsistent with Council plans or policies and meets one of the following thresholds (as set out in significance flowchart on page 2):*

Financial thresholds: The proposal or project will incur net operational or capital expenditure exceeding 10% of total Council annual expenditure in the year commenced.

Community interest: The proposal will generate considerable interest or render the community deeply divided.

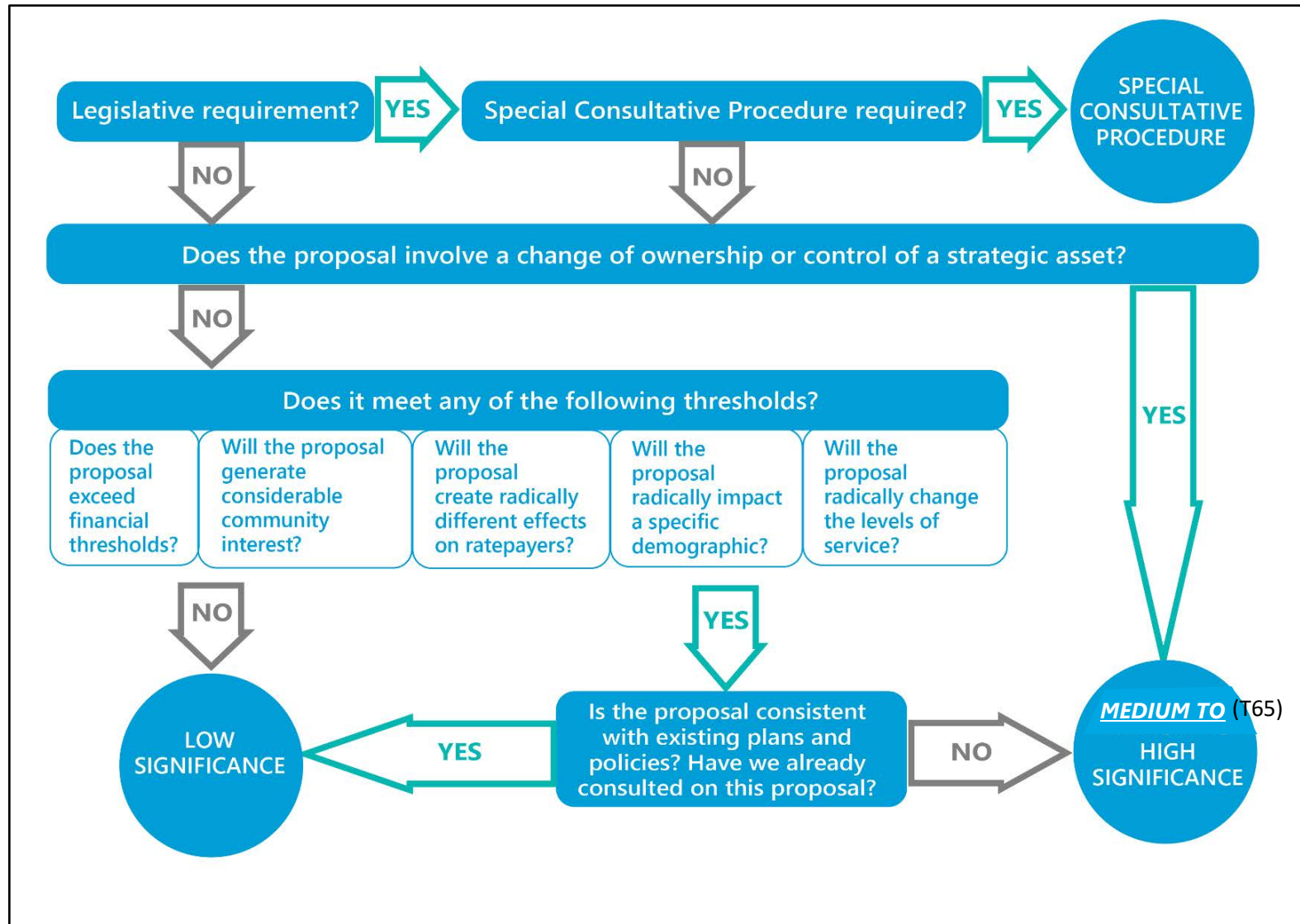
¹ Section 76AA Local Government Act 2002 <http://www.legislation.govt.nz/act/public/2002/0084/latest/DLM6236805.html>

Effect on ratepayers or communities: The proposal will have a major and long term impact on ratepayers, and/or groups who reflect the makeup of the District's community.

Levels of Service: The change to the current level of service will be major and long-term. (T341)

It is important to note that the LGA requires council to engage with the community for certain matters using the Special Consultative Procedure (s83 LGA 2002), regardless of the significance of the decision. Examples include changes to Bylaws, the Long Term Plan or the Annual Plan.

4.1 Significance flowchart



5.0 Engagement

Once the significance has been determined, the Council will use the International Association for Public Participation (IAP2) framework to determine the appropriate level of engagement.

Where required, Council will undertake engagement at the level prescribed by legislation (e.g., when required by the Special Consultative Procedure, or by the Resource Management Act 1991).

The framework that council will use to determine the type of engagement it will use is shown in the framework on page 4.




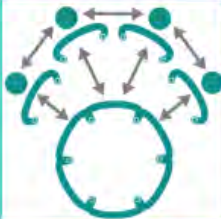

5.1 Principles of engagement

When engaging with the community, Council will:

- seek out and encourage contributions from people who may be affected by or interested in a decision
- provide accurate, relevant, timely and balanced information so people can contribute in a meaningful way
- provide a variety of appropriate ways for people to have their say
- tell the community what the Council decision is and the reasons for that decision.

The more significant a matter is, the more Council engages with the community about the decision.

5.2 Engagement framework

SIGNIFICANCE	LOW	MEDIUM	HIGH	MAXIMUM	
LEVEL OF ENGAGEMENT	INFORM	CONSULT	INVOLVE	COLLABORATE	EMPOWER
What does it involve?	One-way communication providing balanced and objective information to assist understanding about something that is going to happen	Two-way communications designed to obtain public feedback about ideas on rationale, alternatives and proposal to inform decision making.	Participatory process designed to help identify issues and views to ensure that concerns and aspirations are understood and considered prior to decision-making.	Working together to develop understanding of all issues and interests to work out alternatives and identify preferred solutions.	The final decision making is in the hands of the public. Under the LGA 2002, the Mayor and Councillors are elected to make decisions on behalf of their constituents.
Types of issues that we may use this for	Water restrictions; temporary road closure; adopting annual report; emergency works	Regulation policy such as Local Alcohol Policy; developing and adopting a Bylaw; adopting the LTP or the Annual Plan	Review of the Ōpōtiki District Plan	Sub-regional Spatial Plan	Election voting systems (MMP, STV or FPP)
Tools that Council might use	Websites Information flyer Public notices	Formal submissions and hearing	Workshops Focus groups	External focus groups	Binding referendum Local body elections
					

Council shall use an appropriate method(s) of engagement that correspond to the degree of significance decided, more than one option can be utilised.

5.3 When Council may choose not to engage

There are times when the Council may choose not to engage with the community about a decision. Generally, the Council will not engage on the following matters:

- operational matters that do not reduce a level of service
- emergency management activities
- those decisions made by delegation to Council staff
- commercially sensitive decisions
- decisions made to manage an urgent issue
- decisions where an action is necessary to:
 - comply with the law
 - protect life, health, amenity and/or infrastructure
 - avoid, remedy or mitigate an adverse effect on the environment.

6.0 Review of the policy

The Council will review the Significance and Engagement Policy every three years, or as required. The policy will be amended and confirmed through public consultation if necessary, separately, or as part of the Long Term Plan. The next review of this policy will be in 2024. (T293)

Appendix 1

Schedule 5 of the Local Government Act 2002 requires the following to be listed in this policy:

- a) any asset or group of assets listed in accordance with Section 76AA(3) by the local authority
- b) any land or building owned by the local authority and required to maintain the local authority's capacity to provide affordable housing as part of its policy
- c) any equity securities held by the local authority
 - i. a port company within the meaning of the Port Companies Act 1988
 - ii. an airport company within the meaning of the Airport Authorities Act 1966.

The following is a list of assets or groups of assets that the Council needs to retain if it is to maintain its capacity to achieve or promote any outcome that it determines to be important to the current or future well-being of the community:

STRATEGIC ASSET	NOTE
Roading and traffic network	Includes footpaths, street lighting and off-street parking
Wastewater network	Includes land, pipes, pump stations and sewage ponds
Water treatment network	Includes land, pipes, pumps, reservoirs and treatment plants
Stormwater network	Includes reticulation and pumps
Reserves and sports fields	
Library	Includes book collection
Public toilets	
Cemeteries	
Cycle ways	
Aerodrome	
Council's administration buildings	