



**ROTORUA  
LAKES COUNCIL**  
Te Kaunihera o ngā Roto o Rotorua

# Kaupapataka Agenda

## NOTICE OF A MEETING OF COUNCIL

**Date:** Wednesday 5 March 2025

**Time:** 1:00 pm

**Venue:** Council Chamber

### MEMBERSHIP

**Chair**

Mayor Tapsell

**Members**

Cr Kai Fong (Deputy Chair)

Cr Barker

Cr Kereopa

Cr Lee

Cr Waru

Cr Maxwell

Cr Brown

Cr O'Brien

Cr Paterson

Cr Wang

**Quorum**

6

**Andrew Moraes  
Chief Executive**

**NGĀ TUKUNGA HAE PAPA A TE KAUNIHERA  
COUNCIL DELEGATIONS**

<b>Type of Committee</b>	Council Committee
<b>Subordinate to</b>	N/A
<b>Subordinate Committees</b>	<ul style="list-style-type: none"> <li>• District Licencing Committee</li> <li>• Audit and Risk Committee</li> </ul>
<b>Legislative Basis</b>	Schedule 7 s30 (1) (A), Local Government Act 2002 Committee delegated powers by the Council as per Schedule 7, S32, Local Government Act 2002
<b>Purpose</b>	The purpose of the Council is to make decisions on all matters that cannot be delegated, that it has not delegated or that it has had referred to it by staff or a committee.
<b>Reference</b>	01-15-016
<b>Membership</b>	Mayor (Chair) Deputy Mayor (Deputy Chair) All elected members
<b>Quorum</b>	6
<b>Meeting frequency</b>	Monthly
<b>Delegations</b>	<ul style="list-style-type: none"> <li>• the power to make a rate</li> <li>• the power to make a bylaw</li> <li>• the power to borrow money, or purchase or dispose of assets, other than in accordance with the Long-term Plan</li> <li>• the power to adopt a long-term plan, annual plan, or annual report</li> <li>• the power to appoint a chief executive</li> <li>• the power to adopt policies required to be adopted and consulted on under the LGA 2002 in association with the long-term plan, or developed for the purpose of the local governance statement</li> <li>• the power to adopt a remuneration and employment policy</li> <li>• the power to set and support strategies in measures related to emergency matters.</li> <li>• all the powers, duties and discretions under the Civil Defence Act for the proper operation and administration of the approved Civil Defence Plan; such delegation to be executed solely within the defined policy guidelines as determined from time to time by the Council and subject to the Financial limits imposed by the approved Council estimates.</li> </ul> <p>Additional responsibilities retained by the Council committee:</p> <ul style="list-style-type: none"> <li>• Advise and support the mayor on the development of the long-term plan and annual plans</li> <li>• Approval of long-term plan or annual plan consultation documents, and supporting information and consultation process prior to consultation</li> <li>• Approval of a draft bylaw prior to consultation</li> </ul>

	<ul style="list-style-type: none"> <li>• Resolutions required to be made by a local authority under the Local Electoral Act 2001, including the appointment of the electoral officer</li> <li>• Adoption of, and amendment to the Committee Terms of Reference, Standing Orders and Code of Conduct</li> <li>• Relationships with the Te Tatau o te Arawa board, including the funding agreement</li> <li>• Monitor the overall financial management and performance of the council</li> <li>• Make financial decisions required outside of the annual plan budgeting processes</li> <li>• Approve the council's insurance strategy and annual insurance placement for Council</li> <li>• Write-offs</li> <li>• Acquisition of property in accordance with the Long-term Plan</li> <li>• Disposals in accordance with the Long-term Plan</li> <li>• Review the Chief Executive's performance annually and establish performance targets for each year</li> <li>• Undertake a performance review at the end of the first term of appointment as required by Schedule 7, clause 35 of the Local Government Act 2002. Undertaken no less than 6 months before the date on which the chief executive's contract of employment for the first term expires.</li> </ul>
<b>Relevant Statutes</b>	All the duties and responsibilities listed above must be carried out in accordance with the relevant legislation.
<b>Limits to Delegations</b>	Powers that cannot be delegated to committees a per the Local Government Act 2002 Schedule 7 S32.

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## 1 KARAKIA WHAKAPUAKI – OPENING KARAKIA

### TŪTAWA MAI

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

### TŪTAWA MAI

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

## 2 NGĀ WHAKAPĀHA – APOLOGIES

The Chair invites notice from members of:

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

## 3 WHAKAPUAKITANGA WHAIPĀNGA – DECLARATIONS OF INTEREST

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

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

### Items of business not on the agenda which cannot be delayed

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

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

The Chair shall state to the meeting.

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

The item may be allowed onto the agenda by resolution of the Rotorua Lakes Council. s.46A (7), LGOIMA

### Discussion of minor matters not on the agenda.

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

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

s.46A (7), LGOIMA

**5 TE PAPA KŌRERO MŌ TE TŪMATAWHĀNUI – PUBLIC FORUM**

The Council has set aside time for members of the public to speak in the public forum at the commencement of each Council meeting.

**6 HE PUKA INOI TŪMATAWHĀNUI – PUBLIC PETITIONS**

Nil.

**7 NGĀ WHAKAMŌHIOTANGA MŌTINI – NOTICES OF MOTION**

Nil.

**8 NGĀ TĀPAETANGA – PRESENTATIONS**

Nil.

## 9 PŪRONGO KAIMAHI – STAFF REPORTS

### 9.1 ANNUAL PLAN 2025/26 – ADOPTION OF CONSULTATION TOPICS (DECISION REQUIRED)

Doc ID:

Prepared by: Greg Kieck, Manager, Governance, Strategy & Compliance

Approved by: Thomas Collé, Group Manager, Organisational Performance and Innovation

Attachments: Nil

#### 1. TE PŪTAKE PURPOSE

The purpose of this report is for Council to approve the consultation topics for the Annual Plan 2025-2026. Following approval, these consultation topics will be included in the consultation document which will be prepared for public consultation.

#### HE TŪTOHUNGA RECOMMENDATION

1. That the report 'Annual Plan 2025/26 – Adoption of Consultation Topics (Decision Required)' be received.
2. That Council approve to include the Tarawera Sewerage Scheme in the Annual Plan 2025/26 Consultation Document with the status quo option as the default option.
3. That Council approve to include the Rotorua Night Market in the Annual Plan 2025/26 Consultation Document with the option to change the Night Market to an alternative location.

#### 2. TE TĀHUHU BACKGROUND

The Annual Plan is a legislated document that is required to be adopted by 30 June each year.

Section 95 of the Local Government Act 2002 outlines the requirements for an Annual Plan. These include the annual budget and funding impact statement for the year and a summary of variation to the long-term plan to the year which the annual plan relates. This Annual Plan is year two of the long-term Plan 2024-34.

An Annual Plan is adopted in the intervening years between long-term plan development, with the long-term plan being the key funding and delivery plan for the council spanning a ten-year horizon.

Council's LTP year 2 signalled a rates increase of 9.8%. The financial environment in which Council is operating has changed since adopting the LTP with changes to inflation and interest rates costs. Decisions have also been made as to how Council delivers certain services such as Infracore moving in house and the Events and Venues operating under RotoruaNZ. These have all contributed to pressures, both upwards and downwards, on Council's year 2 rates.

Drivers for the draft Annual Plan are:

- Deferral of FOGO – One year deferral of the Food Organic & Green Organic waste project.
- Interest Rates – Reflects current borrowing costs.
- Inflation – Changes in the Local Government Cost Index (prepared by BERL). Subject to revision later in the financial year to reflect price changes since publication of the draft 2024 report.
- Depreciation – Impacted by asset revaluations (3 waters - \$113m), which changes the calculation of depreciation (additional \$4m) used to fund the replacement of existing assets.
- Infracore – Conservative additional funding associated with the operations of Infracore now in house.
- Events & Venues – Funding to derisk revenue shortfall associated with the transfer of Events & Venues to RotoruaNZ.
- Minor Level of Service changes – A continuous look at the best way for Council to deliver services to provide value for money for the ratepayer.

A series of forums have been held between October 2024 to February 2025 and have provided elected members with information regarding potential consultation topics that could be consulted with the community through the Annual Plan process.

Once approved, these topics will form part of the consultation document which will return to the 26 March Council meeting to be formally adopted. Public consultation is scheduled to commence in early April using the special consultative procedure under the Local Government Act.

### **3. TE MATAPAKI ME NGĀ KŌWHIRINGA DISCUSSION AND OPTIONS**

The following consultation topics have been developed from the outputs of a series of councillor workshops held from October 2024 to February 2025.

Once these topics and options have been approved the consultation document will be developed.

Note: the preferred options listed below are the options that are currently modelled in the draft Annual Plan.

The consultation topics and recommended preferred options are as follows:



### Tarawera Sewerage Scheme

Council has been considering how the capital cost of the Tarawera Sewerage Scheme project should be apportioned through rates.

The scheme is partially funded by the Ministry for the Environment (MfE), Rotorua Lakes Council (RLC) and Bay of Plenty Regional Council (BOPRC). Under the current funding policy, the rest of the cost will be met by contributions from the owners of each property that benefits from the scheme:

- MfE: \$6.5 million
- BOPRC: \$750,000
- RLC: \$1,485,000 (\$2,700 contribution per property, an increase from \$1,500 that was approved as part of the 2024-2034 Long-term Plan.

#### Current situation:

The current budget of approximately \$29 million was approved in 2024 - 34 Long-term Plan. Consultation was held with community in 2024 and stated the capital funding plan as per below:

Table 1	\$
Total estimated project cost	\$29m
External subsidies	\$7.25m
Council contribution	\$825k
Estimated cost by property owners (total)	\$21m
Estimated cost by property owners (for each of the 550 properties)	\$44,000 (ex GST)

Discussions have been held with residents that have stated that they are unhappy with the following and hence (some) are presenting impediments to:

- Uncertainty of final cost
- Actual final cost

The updated funding plan for the Sewerage Scheme project following Council's decision on the "Better off Funding" decision is shown below:

Table 2	\$
Total estimated project cost	\$32.3m
External subsidies	\$7.25m
Council contribution	\$1.485m
Diverted BoF	\$2.05m
Estimated cost by property owners (total)	\$21.5m
Estimated cost by property owners (for each of the 550 properties)	\$45,000 (ex GST)

The uncertainty of the total cost is proving an impediment to efficient delivery.

Council has already consulted on the scheme and the capital funding, a change to the funding will require community consultation

**Proposed methodology for implementation:**

- Any increase in funding from the wider ratepayer via the Annual Plan, as well as funding from “Better off Funding”, goes towards property owners who sign off locality plans by 1 June 2025.
- For those who do sign up by 1 June 2025, the originally consulted capital funding plan will apply. (~\$48,000 incl GST per property)
- For those who do not sign up by 1 June 2025, only the main scheme availability rate will be changed (~\$15k incl GST), and RLC will not offer on-site installations and connections. Reticulation will not be provided to these properties.
- Properties without reticulation, and who do not have an OSET compliant system will be required to apply to BOPRC for a resource consent. RLC will not support any such applications.
- Should these properties then seek to connect to the RLC sewerage system, they will do so at their own cost via an RLC approved contractor and to RLC approved specifications.

**Options for consultation:**

**Option one:** Status quo – Tarawera community pay for the remaining costs of the scheme with no further contribution from the community. There is no additional rates impact on the wider community and this option is currently modelled in the draft annual plan (**default**)

**Option two:** Additional \$1m from wider community funding towards the scheme to be funded by lakes enhancement rate. This will increase the rates burden on all ratepayers that currently pay the Lakes Enhancement Rate by approximately 0.1%.

**Option three:** Additional \$4m from wider community funding towards the scheme to be funded by lakes enhancement rate. This will increase the rates burden on all ratepayers that currently pay the Lakes Enhancement Rate by approximately 0.4%.

Note: Options two and three would increase the Lakes Enhancement rate for 25 years.

**Rotorua Night Market:**

The Rotorua Night Market, first held in March 2010, was created to add vibrancy and activity in the inner city and provide opportunities for businesses. Council worked with the then Heart of Tūtānekai group to develop the weekly event.

Following steady growth in popularity it was extended in late 2015 to accommodate more seating areas to encourage people to stay longer.

It operates on Thursday evenings, weather dependent, and has been run by Rotorua Lakes Council with sponsorship from Unison. The market received the Excellence in Event Hospitality Award at the 2018 Rotorua Hospitality Awards.

The market started with 24 stall holders and now averages more than 65 stalls each week during the peak summer season. Cancellations of the market are dictated by the weather.

**Options for consultation:**

**Option one:** Status quo. This would result in no changes to how the Night Market currently operates.

**Option two:** Change the night market to operate on a seasonal approach and run for 6 months of the year over the warmer months. This could bring about a saving of approximately \$101k.

**Option three:** Change the location of the Night Market to an alternative location. This could result in savings of approximately \$25k.

**Option four:** Investigate moving to an outsourced model, with support provided of \$80,000 in sponsorship. This would lead to the Night Market being operated by an external provider with sponsorship provided by RLC. This could lead to savings of approximately \$122k

Note: Local Waters Done Well and the Airport Business Park options to be brought to Council at the end of March.

**4. TE TINO AROMATAWAI  
ASSESSMENT OF SIGNIFICANCE**

The Annual Plan is not considered significant as it aligns to the Long-term Plan which has been adopted using a Special Consultative Procedure.

An assessment of the potential consultation topics against Council's Significance and Engagement Policy has been conducted. This has shown that there is high community interest (Nightmarket, Tarawera Rate) triggers against the policy and therefore, consultation will be held on the adopted topics.

**5. NGĀ KŌRERA O TE HAPORI ME TE WHAKATAIRANGA  
COMMUNITY INPUT/ENGAGEMENT AND PUBLICITY**

Following the adoption of the consultation document at the 26 March Council meeting, community consultation will be undertaken.

## 6. HE WHAIWHAKAARO CONSIDERATIONS

### 6.1. Mahere Pūtea Financial/Budget Considerations

In respect of the decision to approve the consultation topics to prepare a consultation document, there is no financial impact.

### 6.2. Kaupapa Here Me Ngā Hiraunga Whakariterite Policy and Planning Implications

Work undertaken by Councillors in the development of this draft Annual Plan is consistent with the Long-term Plan 2024-2034 which was adopted in June 2024.

### 6.3. Tūraru Risks

The key risks influencing approving consultation topics so a consultation document can be developed are identified as:

- **Timeline** – in terms of the annual planning cycle decisions required at this point are critical. A failure to make decisions on the draft annual plan topics will mean that a consultation document requires longer to be finalised and therefore less time to consult. This could also put at risk the adoption of a final annual plan by the deadline of 30 June.
- **Financial** – failure to adopt an annual plan by 30 June means that Council may not be able strike the rates for the new financial year.
- **Effect on the community** – some proposals may have a perceived negative effect on the community. Addressing this by way of including into the draft annual plan consultation process ensures that the community will have the opportunity to express either their support or not for the proposals.

### 6.4. Te Whaimana Authority

Full Council must adopt the Annual Plan 2025/26 consultation topics to inform the development of the consultation document.

**10 TE KARAKIA WHAKAMUTUNGA – CLOSING KARAKIA**

Kia whakairia te tapu  
Kia wātea ai te ara  
Kia turuki whakataha ai  
Kia turuki whakataha ai  
Hāumi e. Hui e. Tāiki e!

Restrictions are moved aside  
So the pathway is clear  
To return to every day activities  
To return to every day activities  
Allied, enriched, unified, and blessed