

THE JOURNEY FORWARD Ka anga whakāmua

LONG TERM PLAN 2021-31 - CONSULTATION DOCUMENT
Te Mahere Pae Tawhiti 2021-31 - He Tuhinga Uiuinga

Let's talk - Kōrero mai
Tell us what you think by 5pm Sunday, 23 May 2021

Ko te ao o te kōwhai

The budding
of the kōwhai

The budding of the kōwhai signifies the change of the season - from Winter to Spring. Our Long Term Plan will recognise and build on the work that has gone before, enabling the journey forward for the district and its communities to bud and bloom. This is the whakataukī for our Long Term Plan 2021-31.



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Tell us what you think about the key questions...

- Should we do more to support active and alternative transport options?
- Should we fund a sealing programme for metal roads?
- What option should Council take for upgrading the Whakatāne Civic Centre?
- Should we 'set' rates for the first three years?
- Should we increase our debt cap?
- Overall, have we got the balance right?

A future that's important to us all

E ngā mana, e ngā reo, huri noa i tō tātou rohe, tēnā tātou katoa.

I'm extremely proud of how we have stood together for support, comfort and strength through the 2019 Whakaari eruption and the COVID-19 international pandemic. We have been reminded of the power of community and togetherness. It's this foundation of unity and compassion that will set us in good stead for the things we need to achieve in the coming decade covered by our Long Term Plan.

This district is acknowledged as one that offers a fantastic quality of life. There are exciting opportunities ahead to further support and enhance the vibrancy of the Whakatāne District to ensure it's one where our whānau, hapū, iwi and communities flourish, fulfil their potential and live life to it's fullest.

In recent years, our district has changed and population is growing much faster than expected. There's an increase in expectations and standards coming from central government. There's increasing urgency on climate change, housing affordability, and economic and social wellbeing. The enhancement of solid waste, sewerage and water supply services are increasingly in the limelight. And we have faced more than our share of devastating and disruptive events. Alongside these challenges and opportunities, Council is responsible for many services and facilities that we continue to deliver every day that our communities use and rely on.

In light of all this, the development of the Whakatāne District Long Term Plan provides a timely opportunity to think about what is most important to our communities, how the Council can support those aspirations, and ensure we're good ancestors to future generations. We have some important decisions to make and it's important that we hear your thoughts before we make final decisions for the district.

Together, we have the passion, ingenuity and resourcefulness to work towards the kind of future that is important to all of us.

Nāku noa nā,



Judy Turner
MAYOR, WHAKATĀNE DISTRICT

*Ko te pae tawhiti whāia
kia tata, ko te pae tata
whakamaua kia tina*

*Seek out the distant horizons
while cherishing those
achievements at hand*



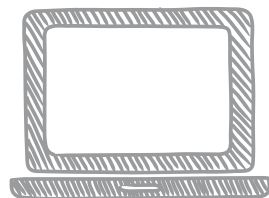
WHAT'S THIS DOCUMENT ALL ABOUT?

Te ngako o tēnei tuhinga

This is the 'Consultation Document' for the Whakatāne District Long Term Plan (LTP) 2021-31. It shows how our LTP is shaping up based on the feedback we received last year. This document asks for your feedback on some important decisions that Council needs to make for the future. It provides an overview of the main issues, priorities and key decisions the Council faces when developing the Long Term Plan. It doesn't include all the work we have planned across the district for the next 10 years.

What is the Long Term Plan?

There are many challenges and opportunities in front of the Whakatāne District. Whakatāne District Council plays a key role in addressing those challenges and opportunities, and supporting communities to be strong and vibrant. The Long Term Plan 2021-31 is the Council's road map for how we do that. It will tell you what you can expect from your Council over the next 10 years, what big things Council is planning to support and enhance, what services and facilities Council will deliver, and what this all means for rates.



How can I get more information?

This Consultation Document covers our key issues and questions as we develop the full Long Term Plan 2021-31. A range of supporting documents are available on our website whakatane.govt.nz/ltp and are referenced throughout this document. These include:

- Summary of community feedback from earlier consultation
- Draft infrastructure strategy
- Draft financial strategy
- Draft budgets
- Key capital projects list
- Rates modelling for future years
- Summary of our activities and services
- Our climate change project



We want
to hear
from you
Whakapā mai

We're your Mayor and Councillors. We're passionate about the future of the district and want to see all communities flourishing, fulfilling their potential and living life to it's fullest.

It's our job to make the big decisions for the future of the district. It's important to us that we hear from you before we make final decisions on this plan. Please feel free to get in touch with us about the Long Term Plan.

Steph O'Sullivan
Chief Executive
P 07 306 0500
E steph.osullivan@whakatane.govt.nz

Lesley Immink
Councillor
Whakatāne - Ōhope Ward
M 021 024 97854
E lesley.immink@whakatane.govt.nz

Julie Jukes
Councillor
Whakatāne - Ōhope Ward
M 027 412 1025
E julie.jukes@whakatane.govt.nz

Judy Turner
Mayor
Whakatāne District
M 021 309 803
E judy.turner@whakatane.govt.nz

Andrew Iles
Deputy Mayor
Tāneatua-Waimana Ward
M 027 294 1849
E andrew.iles@whakatane.govt.nz

Alison Silcock
Councillor
Galatea - Murupara Ward
M 027 451 2087
E alison.silcock@whakatane.govt.nz

Nándor Tánczos
Councillor
Whakatāne - Ōhope Ward
M 021 887 011
E nandor.tanczos@whakatane.govt.nz

Gerard van Beek
Councillor
Rangitāiki Ward
M 027 444 4940
E gerard.vanbeek@whakatane.govt.nz

Wilson James
Councillor
Rangitāiki Ward
M 027 498 1854
E wilson.james@whakatane.govt.nz

Gavin Dennis
Councillor
Rangitāiki Ward
M 027 327 0597
E gavin.dennis@whakatane.govt.nz

Dr Victor Luca
Councillor
Whakatāne - Ōhope Ward
M 027 749 8888
E victor.luca@whakatane.govt.nz

John Pullar
Councillor
Whakatāne - Ōhope Ward
M 027 308 5002
E john.pullar@whakatane.govt.nz



Your feedback is vital - keep it coming

He taonga ōu whakaaro, tēnā whakapā tonu mai

In mid-2020, we started to talk with our communities about the Long Term Plan through an engagement programme called '[Arotahi Ki Anamata - Future in Focus](#)'. We also reviewed community feedback to Council from the past five years. This has provided valuable insight into the many ideas, aspirations and concerns that our communities have for the future.

We heard that economic and social challenges continue to be a priority. We heard about the things you'd like to see to keep our district vibrant, including for our smaller, rural and remote communities. Your feedback reinforced what Council believes are the big challenges we're facing, like climate change and natural hazards. And we heard about strengthening the relationships Council has with our communities. This feedback has helped to inform the direction of our Long Term Plan. The full 'Summary of community ideas, aspirations and feedback' is available on our website whakatane.govt.nz/ltp.

Through this consultation process, the feedback we receive will help to inform the final decisions that need to be made for the Long Term Plan 2021-31.

" I would like to see more work towards a safe town for cyclists, both commuters and recreational. "

" Māori have knowledge and perspectives that can contribute hugely to success. "

" Sporting facilities need to be upgraded "

" The ever-growing housing and living costs are hitting our community hard "

" In a post COVID-19 NZ, we need an economic focus that is regenerative. "

" We need to invest in communities outside Whakatāne and Ōhope "

" We need local kōrero. Local partnerships. Local response. "

" I love how we are so close to so much of nature: the river, the bush, Whale and White Islands, bush walks, the sunshine. "

" We need quality jobs. That is permanent, good-paying, full-time employment. "



OUR VISION AND PRIORITIES

*Tō mātou matakiteanga
me ngā take matua*

*Our new vision
'more life in life' is for
communities to flourish,
fulfil their potential, and
live life to its fullest.*

Kapu-te-rangi pā - Whakatāne

More life in life

Working together to make living better for our communities, now and in the future

More life in life

Our proposed new Council vision statement **'More life in life'** recognises that the Whakatāne District offers a great quality of life – that our district is a great place to live, work, play, raise a family and do business. The vision also embraces Council's role in supporting our district and its communities to flourish, fulfil their potential and live life to its fullest. Consultation with the community in 2020 through our campaign **'Arotahi Ki Anamata - Future in Focus'** helped define our vision and priorities.

The four outcomes set out the high level goals that the Council works towards to support and enhance the well-being of the people in our district.



Strong, resilient Council organisation focused on continuous improvement



The following eight priorities (in no particular order) have been identified as the things we need to focus on most to take action on our 'More life in life' vision.

On page 34 of this Consultation Document you can see our key actions and projects to deliver on each priority.

- Preparing for population growth and housing demand
- Enhancing the environmental outcomes of our activities
- Improving the safety, security and resilience of infrastructure
- Building climate change and natural hazard resilience
- Enhancing the vibrancy of our communities
- Facilitating economic regeneration and employment opportunities
- Strengthening whānau, hapū and iwi partnerships
- Ensuring Council is enabled and fit for the future.

THIS IS HOW OUR LONG TERM PLAN IS SHAPING UP

Te āhua o tēnei Mahere Pae Tawhiti

Preparing for major future changes

Checking in with you on the big decisions for this Long Term Plan

Continuing commitments to key projects

For many of our services, it's business as usual

The Council delivers a wide range of activities, services and facilities that people, families and businesses use and rely on every day. We intend to continue to deliver most of these at the current level, adding value and improvements where we can within the existing budgets.

This Long Term Plan proposes to uphold existing commitments to improve specific services and outcomes for our communities. Examples include:

- Developing a wastewater solution for Matatā
- Unlocking economic potential and supporting job creation through the Whakatāne Regeneration Programme
- Upgrading the Whakatāne War Memorial Hall
- Improving stormwater systems

Through this Long Term Plan, we'll reconfirm key areas of focus and propose a few changes to our work programme and budgets:

- Increasing investment into three waters (water supply, sewerage, stormwater)
- Responding to demand for active transport and road sealing
- Managing waste more sustainably
- Resetting some aspects of the Whakatāne Town Centre and Riverfront Revitalisation Programme (Te Ara Hou)
- Enabling the Council to be fit for the future
- Balancing the costs, rating impacts and debt

Some aspects of our future are uncertain. We don't have all the answers- but we're working on it. Over the coming 2-3 years we will develop the strategies and plans that chart the way ahead – informing major decisions for our next Long Term Plan 2024-34. Key areas of focus include:

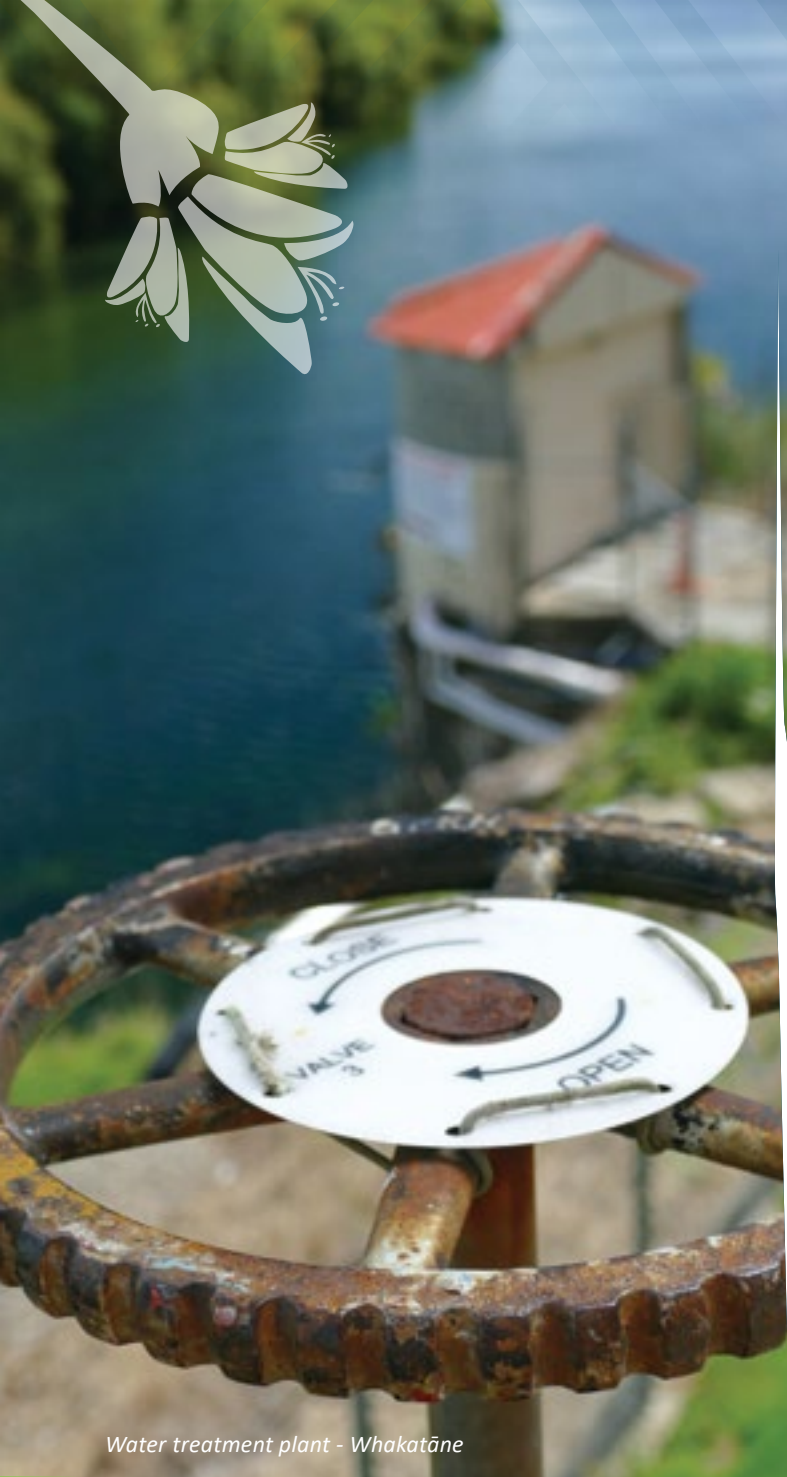
- Planning for how and where we grow in response to population growth and housing demand
- Understanding and reducing our vulnerability to climate change and natural hazard risks
- Building momentum on our Climate Change Strategy by making changes as a Council and supporting communities to make change
- Preparing for impacts of local government reform



FIVE BIG THINGS WE NEED TO TALK ABOUT

Ngā take matua e rima

Warm welcome in Ruatāhuna



ONE / TAHI

IMPROVING OUR WATER SUPPLY, SEWERAGE AND STORMWATER SERVICES IS A MUST

Me whakapai ngā puna wai, ngā kōrere parakaingaki me ngā ratonga wai āwhā

Much of the infrastructure for our three waters services (water supply, sewerage and stormwater) was built in the 1950s to 1970s. While there has been ongoing maintenance and some upgrades over the years, many assets are coming to the end of their useful life and will need to be replaced over the coming 30 years.

The context for three waters is changing. Legislation set by central government continues to require higher health and safety standards are met for water supply. The environmental impacts of sewerage and stormwater systems on the environment also need to meet higher standards. After having a static population for a long time, we now need to think about strong growth into the future. And climate events including drought, flooding and high temperatures are increasingly disrupting our services.

We are signalling the need to spend \$1.37 billion on three waters over the coming 30 years.

This is a must do - so how do we meet the costs?

Improvements to our three waters services are much-needed. We're working on it, but there are cost hurdles coming. The improvements will ensure that drinking water is continually safe to use, sources of drinking water are adequately protected, and sewerage and stormwater are managed in environmentally-sustainable ways. Investing into three waters is a must do – the three waters services are critical to our lives and livelihoods.

Water treatment plant - Whakatāne

A challenging time for three waters

Many councils face challenges in three waters. In recent times we've seen the Havelock North water supply contamination (2016), flooding in Queenstown caused by burst water mains (2020), and major ruptured sewerage mains requiring clean-up in Taupō (2019) and Wellington (2021). We have managed to avoid events as major as these, but we do have challenges of our own.

Some of the Whakatāne District's three waters challenges include:

- Need for a sewerage solution for Matatā
- Large cost to renew aging assets
- More occurrences of salt water from the ocean pushing up the Whakatāne River to the water supply intake
- Naturally occurring arsenic in the Braemar water supply
- Low water storage capacity in our systems
- Low water pressure challenges for some areas
- Consents for our sewerage systems due to expire
- Outdated sewerage treatment plant technology that needs significant upgrading
- Some water supply schemes that don't meet all the minimum standards
- Pressure of natural hazards events and climate change impacts
- Increased pressure on services due to population growth

In light of significant investment needed across New Zealand, reform of three waters services has been initiated. The implications could be huge - it's possible that councils may no longer be responsible for these services in the future. We are working with central government towards possible options. Until we know more, we must continue to plan ahead responsibly. We'll keep you in the loop as we learn more.

What we're planning for three waters

Our Draft Infrastructure Strategy 2031-51 takes a 30-year view of our three water assets. It sets out five key challenges and the projects needed to address those. You can find the strategy on our website.



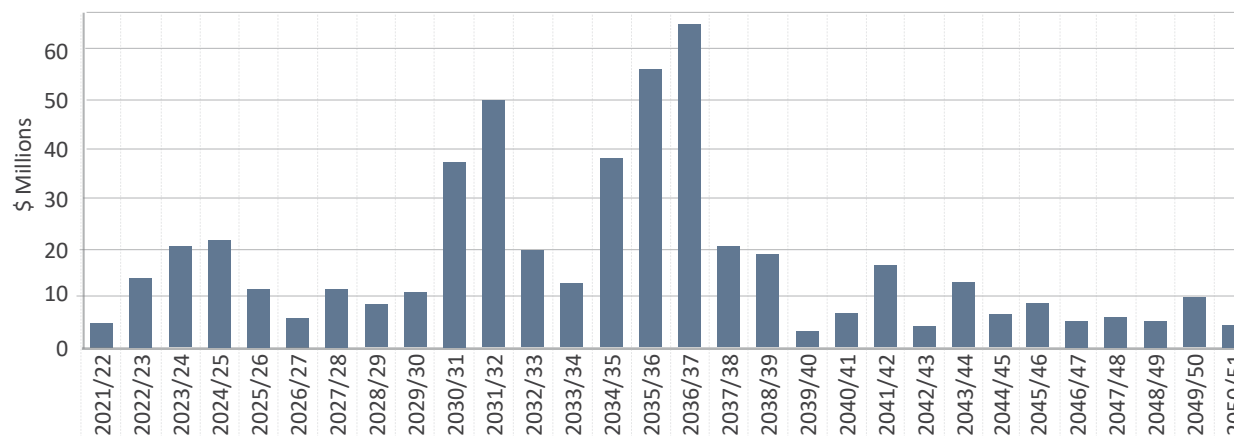
Braemar water trial looking positive

The Braemar water supply, which provides water to parts of the Rangitāiki Plains has naturally-occurring low levels of arsenic. We are currently in a trial phase of new technology that removes arsenic from the water supply and so far, the results are very positive. The final findings of the trial may mean that we include a new project early in our Long Term Plan. We would do this within the existing budgets that we've indicated for three waters by rescheduling our work programme.

KEY PROJECTS FOR THREE WATERS DURING THE NEXT 30 YEARS

Ngā mahi nunui o Ngā Wai e Toru i ngā tau toru tekau e heke mai nei

We intend to spend \$521 million to renew, improve and expand three waters infrastructure during the next 30 years



Key projects - Sewerage										
New wastewater solution for Matatā*	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	\$19.07M
New consents for wastewater discharge	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	\$3.35M
Edgecumbe and Murupara treatment plant upgrades	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	\$22.9M
New wastewater treatment solutions	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	\$65.45M
Key projects - Water supply										
Otumahi water storage	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	\$5.51M
Whakatāne water treatment upgrade	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	\$6.1M
Plains water storage renewals	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	\$5.98M
Water storage upgrade	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	\$21.4M
New water source and treatment plant	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	\$150M
Key projects - Stormwater										
Whakatāne stormwater upgrade	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	\$6.8M
Apanui linear park and Whakatāne pump replacement	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	\$6.5M
Edgecumbe stormwater study and improvements	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	\$5.7M
Riverside Drive pumpstation upgrade	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	\$2.2M

* The Matatā Wastewater project is subject to external co-investment funding of \$13.7m. The project budget assumes \$6.7m from the Ministry of Health, and \$7m from the Bay of Plenty Regional Council, with the remaining portion to be funded by Council. At the time of writing this Consultation Document external funding is yet to be confirmed and there is a risk that the level of external funding may not be achieved. If we are not able to obtain this level of funding, we will have to reconsider how to proceed with this high priority project.

“ Spending on three waters is a must-do - we have no option, so how do we meet increased costs? ”

The three waters services are critical to our lives and livelihoods. Investment into these services is both overdue and absolutely necessary.

We’re planning to spend \$354.3 million delivering our three waters services in the next 10 years. This includes \$207 million on the day-to-day running costs of three waters, and \$147.3 million to renew, improve and expand our three waters infrastructure. Over the 30 years covered by our Infrastructure Strategy (2021-51), the total amount we need to spend is \$1.37 billion. This includes \$847 million for running costs and \$521 million to renew, improve and expand three waters infrastructure.

The expenditure on three waters is a ‘must do’, so we’ve had to carefully think about the balance of the other things we include in our plans, and how we manage the overall cost to ratepayers. A key way to do this is to use debt more effectively. You can find out more about this later in this Consultation Document, in the section ‘What it costs and who pays’ on page 38.





Shared use path - Hinemoa Street, Whakatāne

TWO / RUA

RESPONDING TO COMMUNITY DEMAND FOR ACTIVE TRANSPORT AND ROAD SEALING

Te whakawhānuitanga o ngā āheinga waka me te whakapainga o ngā huarahi

Our communities regularly provide insight to Council about preferences and aspirations for transport. These include:

- Demand for better walking, cycling and active transport networks within and between urban areas
- Concerns about health and safety related to unsealed (metal) roads
- A need to relieve peak congestion into and out of Whakatāne - including at the Landing Road bridge
- Demand for improved connections to, and through, remote parts of our district
- Identification of specific road safety concerns for main arterial routes

We're proposing to enhance active and alternative transport options, and introduce a programme to seal metal roads. What do you think?

Through this Long Term Plan, we intend to adjust our transport programme to accelerate some of the things you told us are important to you. This includes implementing the Active Whakatāne Strategy (which applies across the district), and reintroducing funding for sealing of metal roads.

Other key transport priorities will also continue to be progressed throughout the next 10 years. Safety is a strong ongoing focus. We also design our transport programme with population growth and climate change in mind. As our knowledge and planning for these things evolve, there may be impacts to our transport programme.

“ Should we do more to support active and alternative transport options? ”



In March 2020, Council adopted the **Active Whakatāne** - District-Wide Transport and Recreation Strategy. Active Whakatāne is an exciting district-wide project designed to make it easier and safer for people to get around. It recognises all active user groups, from mobility scooters to cyclists to pedestrians. The Strategy has three key focus areas for investment. These are improving commuter networks, providing safer ways to schools and enhancing recreational walking and cycling trails. You can find the full Strategy on our website whakatane.govt.nz/active-whakatane.

Recent changes in central government priorities mean that a wider range of projects are now eligible for subsidy funding through our partnership with Waka Kotahi - NZ Transport Agency. This means we now have an opportunity to make key projects set out in the Active Whakatāne Strategy happen.

Preferred option

OPTION 1

Increased budget for Active Whakatāne

This option is to increase the annual budget towards Active Whakatāne projects by \$1 million, starting from next year (2021/22). This means we would spend \$11.4 million on Active Whakatāne projects during the next 10 years. Council would fund a third of this (approximately \$3.8 million) through debt, and seek the remaining as co-investment funding from Waka Kotahi - NZ Transport Agency. While this proposal meets Waka Kotahi co-investment criteria, it's funding also has limitations and must be prioritised. If we're unsuccessful in securing funding, we would continue with Council's portion of the budget which would impact the pace at which Active Whakatāne projects can be delivered. Repayment of the debt will require small rates increases in each year of the Long Term Plan totalling 1.51 percent over 10 years.

OPTION 2

Do not increase the budget for Active Whakatāne

This is the lowest cost option and has no implication for rates. This option means we would make much slower progress on community aspirations for walking, cycling and improved accessibility.

“ Should we fund a sealing programme for metal roads? ”

Our district has a total road network of just over 901 km. Of this, 204 km are metal roads (unsealed). During the past nine years, the road sealing budget was removed as part of decisions made to help keep rates down. Throughout this time, there has continued to be demand from specific communities to reintroduce funding towards sealing of metal roads. Given the ongoing demand, and with the increase in population and traffic on our roads, we think it might be time to reintroduce the funding.

If we do reintroduce funding, we'll also need to review our Seal Extension Policy before committing to specific projects. This is because the Seal Extension Policy determines which roads we should prioritise for sealing by considering the health, safety and economic benefits that would be achieved in doing so.

While Waka Kotahi - NZ Transport Agency funds around two-thirds of the district's roading costs, seal extensions are not likely to meet its funding criteria. This means we would need to meet the full cost ourselves.



OPTION 1

Provide \$500,000 per year towards sealing metal roads (approx 2km of sealing)

This option would introduce an annual budget of \$500,000 towards sealing metal roads, starting from next year (2021/22) and would be funded through debt. This roughly equates to 2 km of seal extensions per year, depending on the terrain and technical aspects of the road section being sealed. During the coming 10 years we would need to pay debt servicing costs of \$1.45 million. Repayment of the debt will require small rates increases in each year of the Long Term Plan totalling 2.35 percent over 10 years.

Preferred option

OPTION 2

Provide \$1 million per year towards sealing metal roads (approx 4km of sealing)

This option would introduce an annual budget of \$1 million towards sealing metal roads, starting from next year (2021/22) and would be funded through debt. This roughly equates to 4km of seal extension per year depending on the terrain and technical aspects of the road section being sealed. Throughout the coming 10 years we would need to pay debt servicing costs of \$2.9 million. Repayment of the debt will require small rates increases in each year of the Long Term Plan totalling 4.7 percent over 10 years.

OPTION 3

Do not introduce a programme of sealing metal roads

This is the lowest cost option and has no implication for rates. This option means there would be no dedicated funding to meet community demand for sealing metal roads.

WHAT ELSE ARE WE PLANNING FOR TRANSPORT?

He aha e marohitia ana ki ngā waka?

Over the 30 years covered by the Infrastructure Strategy (2021-51), we plan to invest \$1.36 billion in transport. This includes the day-to-day running costs, and spending on infrastructure projects.

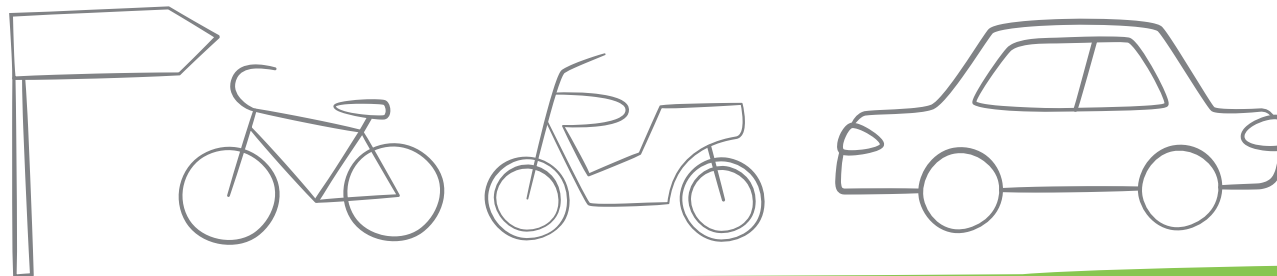
The biggest cost is maintaining and renewing our transport assets. Other key considerations of the transport programme are road safety, climate change mitigation and adaptation, population growth and changes in transport preferences and technology. Factors like inflation and enhanced workplace health and safety standards are also built into our budget- for example, contractors now require pilot vehicles and other safety measures for a wider range of jobs than in the past.

The following chart shows some of the key projects in our draft plans for the coming 10 years. Over these 10 years, Council’s transport programme will cost \$346 million.

Key projects and programmes	Approximate timing	Cost estimate
Implementing the Active Whakatāne Strategy	2021-31	\$11.4M
Thornton Road improvements	2021-23	\$5.7M
Keepa Road improvements	2023-25	\$4M
Landing Road roundabout improvements	2022-23	\$2M
Metal road seal extensions	2021-31	\$5.7M
Minor improvements programme	2021-31	\$28M
Renewals and maintenance*	2021-31	\$65.3M

*Footpaths, roads, signs, culvert, bridges, lighting, drainage, parking areas etc.

For more information about our transport programme, visit our website whakatane.govt.nz to read our Draft Infrastructure Strategy and the list of Key Capital Projects.



The bridge into Whakatāne

The bridge into Whakatāne township continues to attract high community interest because of peak congestion and vulnerability to natural hazards.

We partner with Waka Kotahi – NZ Transport Agency on our local district transport programme. Waka Kotahi is responsible for the nationwide state highway network, and additionally it also funds around two-thirds of our district transport programme where this meets its criteria.

The bridge is a central government asset as part of the state highway network, but is not a high priority for Waka Kotahi - NZ Transport Agency amongst other transport challenges facing our country. This means, in the current policy environment, funding for a solution would have to come from our ratepayers. For this reason, we have not included budget for a new or improved bridge into our Long Term Plan - it’s simply unaffordable.

We will continue to strongly advocate our concerns to Waka Kotahi - NZ Transport Agency. We will also continue to progress other solutions to enhance traffic flow through our ongoing project ‘Whakatāne Access’. Key things included in our work plan are improvements to the Landing Road roundabout and other key intersections to improve traffic flow, and projects to support more active transport use as alternatives to vehicles.





THREE / TORU

MANAGING WASTE MORE SUSTAINABLY

Te whakahaerenga toitū o te para

The Ministry for the Environment reports that Aotearoa/New Zealand lags behind countries that are leading the way in dealing with waste. Many European countries such as the Netherlands, Austria and Germany have used new technologies and approaches to increase recycling and recovery, radically reducing the amount of waste they send to landfill. On the other hand, the amount of waste that New Zealanders send to landfill is increasing on both a total and per person basis.

Central government is pushing hard for more sustainable waste outcomes that are also linked to the nation's climate change goals. As part of central government's suite of changes, costs are increasing significantly for sending waste to landfill. This means anything we can do to reduce what we send to landfill will be better for the environment, and it will be more affordable in the long-run.

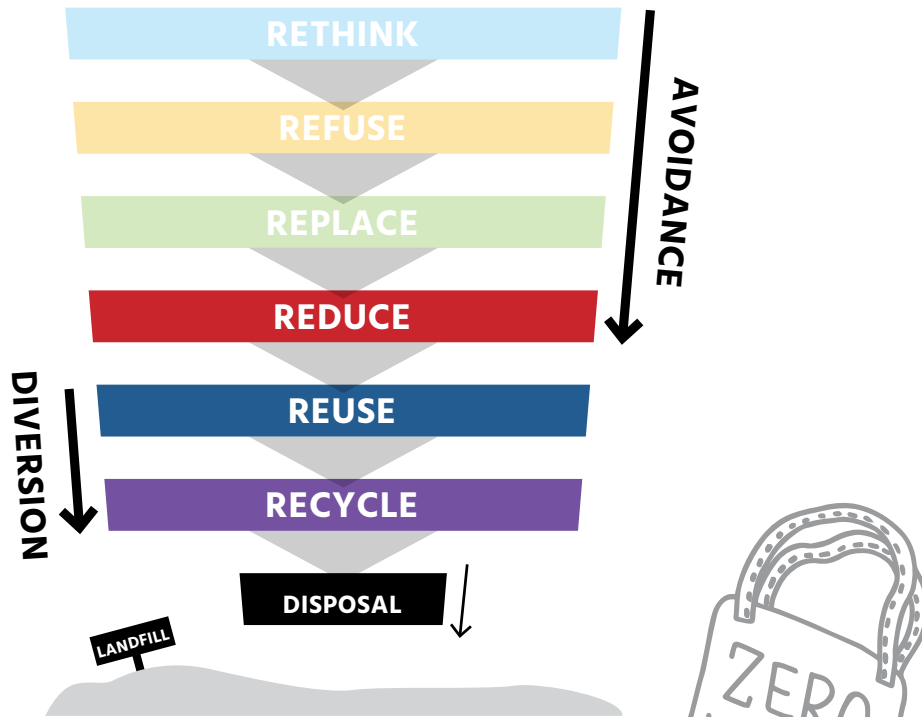
Reducing the amount of waste we produce, and managing waste more sustainably, is better for the environment and will help to offset increasing landfill costs.



Rubbish and recycling station - Ōhope

THE WASTE HIERARCHY

Te Pūnaha whakarōpū para



Source: Prime Minister's Chief Science Advisor Report



Sending waste to landfill is the 'last' option we should be choosing.

The 'waste hierarchy' refers to the idea that waste avoidance should come before reuse and recycle, with landfill as the final option. In general, actions higher up the hierarchy result in better environmental outcomes and reduce costs associated with diversion and disposal.

The Council has previously concentrated on diversion, but we need to make waste avoidance our priority. To achieve this, we need our communities to join us on the journey.

Why are landfill costs increasing?

Costs are rapidly increasing for sending waste to landfill as part of central government's suite of changes. This includes the government increasing Waste Levy charges from \$10 to \$60 per tonne from 2021 to 2025.

The increase in these costs will incentivise a more sustainable approach to waste management, and produce a valuable resource for central government to reinvest into much-needed waste management solutions. However, this also means the local costs of managing waste will increase.

Costs for waste management are funded through a mix of rates, including both user pays and, to a lesser extent, general rates. The user pays approach acknowledges that services we deliver provide a benefit to the 'users' who are able to get rid of their waste. The general rate approach acknowledges that the environmental outcomes of the service are of benefit to everyone.

To meet the costs, we will make some increases to the fees for using the Whakatāne transfer station, although this will only meet a small part of the increased costs that we face. Meeting the increased costs will also impact the general rate and targeted rates for kerbside collection.

We are reviewing our Waste Management and Minimisation Plan

We are in the process of reviewing our Waste Management and Minimisation Plan. We need to review this plan every six years. You can have a look at our Draft Waste Management and Minimisation Plan online at whakatane.govt.nz/wmmp and tell us what you think.





Manawa Honey - Ruatāhuna

FOUR / WHĀ

STAYING COMMITTED TO ECONOMIC REGENERATION

E ū tonu ana ki te whanake ōhanga

A strong focus of Council is working towards a stronger and more sustainable future economy. We continue to work with whānau, hapū and iwi, central government, our neighbouring councils in the Eastern Bay of Plenty and other key stakeholders to unlock our economic potential, support job creation and enhance socio-economic outcomes.

The impacts of the Whakaari eruption in December 2019 and the ongoing threat of COVID-19 to our economy has only increased the urgency to focus on this priority for both the immediate and longer-term future. During the past year, we've continued to support our economy and provide employment opportunities through an economic recovery plan in response to these two events. Most recently, we were also made aware of the proposed closure of the Whakatāne Board Mill – a significant employer in our district.

We remain committed to our economic regeneration programme - with the disruption of the past two years, we need to readjust the plans.

We're making good progress with our economic recovery and regeneration, but with everything that has happened, we do need to adjust some aspects of this programme through this Long Term Plan. We remain absolutely committed to supporting businesses, growing employment opportunities and strengthening our economy into the future. You can find out more about the [Whakatāne Regeneration Programme](#) on our website.

Resetting the Town Centre and Riverfront Revitalisation Programme

We're currently working through a reset of the Whakatāne Town Centre and Riverfront Revitalisation Programme (Te Ara Hou). The reset is necessary for a few reasons. This includes the impacts COVID-19 and the Whakaari eruption have had on the district's economic growth and development priorities, the feedback received from the public and the business community during Stage 1 consultation, and the need to collaborate with Bay of Plenty Regional Council through its work to improve the town centre's flood defences. Because this programme of work is co-funded by central government's Provincial Growth Fund, we will first need to get support for any new approach, otherwise we risk losing the funding. We'll keep the community in the loop as this evolves.

The key aims of the programme remain constant. These are to deliver on aspirations of re-establishing connections to the Whakatāne River, as well as providing the public infrastructure to make Whakatāne a more vibrant place to live, work, play and invest. While some programme components, such as the Town Wharf Remediation and Riverfront Promenade are expected to continue, others, like the Town Centre Heart, are being reviewed in light of our current environment.

Update on the Whakatāne Boat Harbour Development at Keepa Road

The Whakatāne Boat Harbour Development continues to progress in partnership with Te Rāhui Lands Trust, Ngāti Awa Group Holdings Limited, Te Rūnanga o Ngāti Awa and Central Government. Initial physical works have already started in order to prepare the site and all going well, large scale works are expected to commence in late 2021.

Whakatāne - a vibrant place to live, work and play





Whakatāne District Council Civic Centre

FIVE / RIMA

STRENGTHENING AND ENABLING THE COUNCIL

E whakapakari ana i te Kaunihera

The world is changing, and local government needs to evolve with it. Our district and communities face a broader range of challenges and opportunities than ever before. Councils are being expected to step up, deliver more, meet higher standards and achieve a wider range of outcomes than in the past.

The role of local government is evolving - councils are being expected to deliver more, meet higher standards and achieve a wider range of outcomes for communities.

To do this, and to have impact on the things that matter most for our district and communities, the Council needs to be an organisation that is strong, resilient and enabled. This means investing into the people, technology and processes that can best take us forward.

What does strengthening and enabling the Council mean?

There are a number of things that we need to do to be fit for the future. We have a focus on continual improvement as an organisation, and we're building capacity and strengthening our systems and processes so we can deliver more of what our communities and central government are asking of us. For most of these things, we're just getting on with it, but we'd like your feedback on options for a significant project to strengthen and upgrade the Civic Centre.

Here are some of the things we are working on:

- Building strong and enduring relationships with whānau, hapū, iwi and other strategic partners
- Continuing to strengthen the way we manage assets and infrastructure
- Streamlining our forward works planning and relationships with contractors
- Replacing Council's largest and most critical business software that manages budgets, accounting, rates, procurement, supply chain, and many customer processes – because it's outdated and is due to be discontinued by the software provider.
- Attracting and retaining the right staff in a tight labour market
- Ensuring we meet enhanced workplace health and safety standards
- Ensuring the Civic Centre building is fit-for-purpose

A 'fit for the future' Civic Centre will support better outcomes for our communities - what option do you think we should take?



“ What option should Council take for upgrading the Whakatāne Civic Centre? ”

The Civic Centre on Commerce Street in Whakatāne is no longer fit-for-purpose, and some critical health and safety upgrades are needed. These include:

- Seismic strengthening to meet higher earthquake building standards
- Installing air conditioning to address building temperature variations in winter and summer that are regularly outside acceptable working conditions
- Changes to meet building compliance standards and to enhance security

The extent of the work that is required for these critical upgrades has prompted further thinking about changes that will help future-proof the building, support modern, adaptable ways of working and provide greater benefits to the communities. We think it makes sense to ‘do it once, and do it right’. We have three options for you to consider – we’d like your thoughts before making a final decision.

Why does the Civic Centre need to be upgraded?

The current Whakatāne Civic Centre building was constructed in 1989 after the previous facility was destroyed by fire. In the years since, there have been only minor changes to the building. Throughout this time, the functions of local government and the expectations of what councils deliver have continued to increase and evolve, technology has changed the way we work, the workforce has increased, building laws have been amended in relation to earthquake strengthening, and standards for workplaces have changed. Added to this, there’s no air conditioning through most of the building and summers will continue to get longer and hotter. In essence, it’s no longer fit-for-purpose.

Preferred option

OPTION 1

Embracing the role of the Civic Centre as a community hub

- ✓ Critical upgrades for health, safety and security
- ✓ Greening of the Civic Centre to embrace our climate change commitments
- ✓ Upgrades for more flexible and multi-functional use of space
- ✓ More accessible meeting spaces to make it easier for Council and our communities to interact
- ✓ Community hub available for public use

The total cost of this option is \$11.9 million, including for the building work and costs of transition. It would take 14 months to complete, during which time the building will be out of action with staff working from other locations.

This option would see the Council Chambers and public meeting rooms moved from upstairs, where they are currently located, to the ground floor. This would enhance the interface between Council and the public, would allow new modern meeting spaces to be available for the community to use, and make access and security much easier to manage. This option also includes the modern adaptable work spaces (per option 2), the core health and safety upgrades (per option 1), and the greening of the Civic Centre.

The project would be debt funded with repayments over 25 years. This option would result in a rates increase of 1.09 percent in the first year of the Long Term Plan, 0.53 percent in the second year and 0.49 percent in the third year.

OPTION 2

Enhancing productivity through modern adaptable work spaces

- ✓ Critical upgrades for health, safety and security
- ✓ Greening of the Civic Centre to embrace our climate change commitments
- ✓ Upgrades for more flexible and multi-functional use of space
- ✗ More accessible meeting spaces to make it easier for Council and our communities to interact
- ✗ Community hub available for public use

The total cost of this option is \$10.2 million, including for the building work and costs of transition. It would take 12 months to complete, during which time the building will be out of action with staff working from other locations.

This option will allow for flexible and multi-functional use of space, embracing the concept of work hubs, providing increased number of meeting rooms and collaborative work spaces. It would also update the building interior and entrance to enhance the 'sense of place' of the Civic Centre. These improvements would help with workplace attraction and retention, and improve productivity. It would also deliver the core health and safety upgrades (per option 1), and the greening of the civic centre. It would not include enhancements for the civic centre to be a community hub.

The project would be debt funded with repayments over 25 years. This option would result in a rates increase of 1.09 percent in the first year of the Long Term Plan, 0.48 percent in the second year and 0.32 percent in the third year.

OPTION 3

Core improvements for health, safety and resilience

- ✓ Critical upgrades for health, safety and security
- ✓ Greening of the Civic Centre to embrace our climate change commitments
- ✗ Upgrades for more flexible and multi-functional use of space
- ✗ More accessible meeting spaces to make it easier for Council and our communities to interact
- ✗ Community hub available for public use

The total cost of this option is \$5.52 million, including for the building work and costs of transition. It would take nine months to complete, during which time the building will be out of action with staff working from other locations.

It's the cheapest option, but doesn't take the opportunity to make further improvements to the Civic Centre while it's closed down, and doesn't deliver on many of the project goals towards making the Civic Centre fit-for-purpose.

The project would be debt funded with repayments over 25 years. This option would result in a rates increase of 1 percent in the first year of the Long Term Plan, 0.11 percent in the second year and 0.13 percent in the third year.

All options include 'greening' of the Civic Centre:

To support our commitment to climate change, a range of different components have been considered to improve the environmental sustainability of the Civic Centre building. All of those with a payback period of less than 25 years will be included. Examples are:

- Hot water heat pumps
- LED lighting
- Solar photovoltaic panels
- Sub-meters and energy monitoring systems
- Solar hot water
- Intelligent lighting controls



PREPARING FOR BIG THINGS IN THE FUTURE

E huri ana te kei o te waka ki te pae tawhiti

A lot of changes are going on around us. We need to develop strategies and plans to map our journey forward in an uncertain environment. These will help us make the best decisions for the future, and the next time we update our Long Term Plan (in 2024).

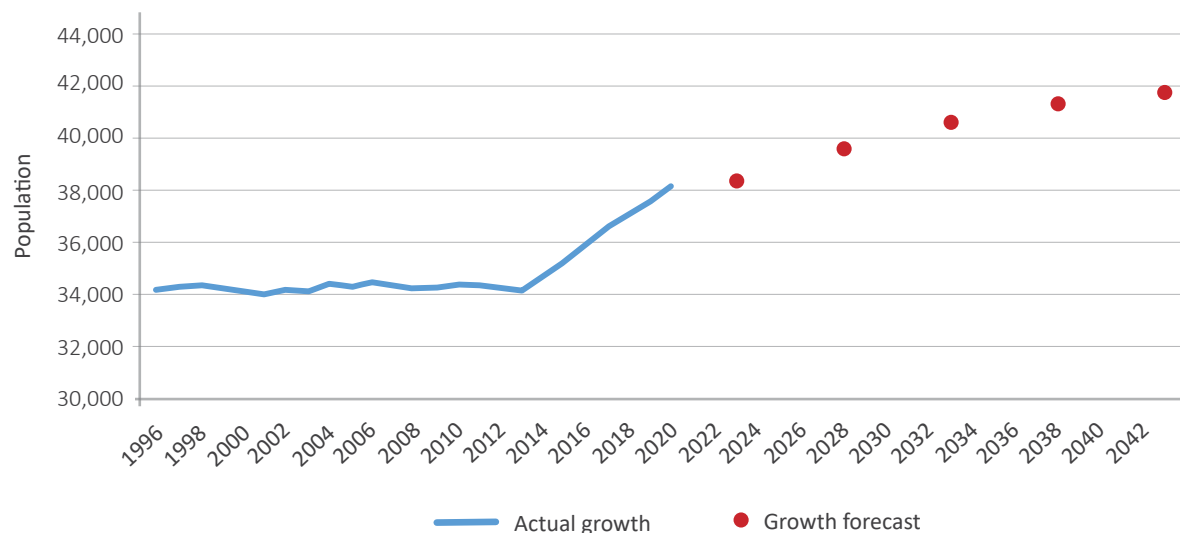


PLANNING FOR HOW AND WHERE WE GROW

E whakarite ana ki te taupori e tipu ake ana

Like many parts of New Zealand, our district has experienced unanticipated levels of population growth in recent years. As at September 2020, our district population was 38,200, already exceeding previous forecasts that expected our population to reach its peak at 36,400 in 2028. There's good reason to expect this trend will continue over a longer time period.

Whakatāne District population growth forecast



Our population is growing - we need more homes

Throughout the coming 30 years, growth forecasts signal that our district will need an additional 4,000 homes, catering to various demands including affordable housing and retirement homes. This number of homes required is roughly the same as two-thirds of the current Whakatāne township.

As our population grows, our planning needs to make sure that the demand for housing, infrastructure and services is able to be met. We want to manage growth carefully to ensure the positive outcomes are maximised, and that we reinforce the things we love about the places where we live.

At the current rate of growth, our district has sufficient zoned land and development opportunities to meet short-term housing projections (three years). We need to plan for how we grow beyond the short-term. During the next three years, we'll be working on a joint Eastern Bay Spatial Plan with Kawerau District Council and Bay of Plenty Regional Council, alongside a Future Development Strategy for the Whakatāne District. These will shape how and where we grow. As part of this, we'll be coordinating with whānau, hapū and iwi and a range of stakeholders to ensure growth results in well-functioning, urban environments. We anticipate the need for changes to our District Plan to enable this growth to proceed. We are also reviewing how we pay for the costs of growth through our policies for Development Contributions and Financial Contributions.

REDUCING OUR VULNERABILITY TO CLIMATE CHANGE AND NATURAL HAZARD RISKS

Te Huringa Āhuarangi me ngā Tūraru Matepā Taiao

Reducing our exposure to natural hazards

Our district is at risk from a range of natural hazards such as flooding, storm surges, earthquakes, tsunamis, volcanic activity, landslides and tropical cyclones.

In recent years, we have faced more than our share - at this point in time COVID-19 is an ever-present threat, and we continue to be impacted by previous events including the 2019 Whakaari/White Island eruption, the 2017 Edgecumbe flood and the 2005 Awatarariki debris flow. We're continuing to implement a seismic strengthening programme for higher-risk public buildings, and enhancing our stormwater systems.

In the coming three years, we'll continue to build understanding of our exposure to natural hazards, and consider options for how we reduce the risk to communities. This work will also inform our planning for how and where we grow (see pages 28-29) so we minimise the risk to existing and future communities.

Key projects included in our Long Term Plan are Earthquake Active Faults Investigations, Tsunami Modelling, and changes to the District Plan for Minimum Floor Levels, Landslide Hazards and Coastal Hazards.



Adapting to the impacts of climate change

Changes to our climate are already happening, and will continue to happen. Local and global efforts to prevent greenhouse gas emissions will take time to slow the climate trends we're experiencing.

Climate change forecasts raise serious implications for our district and the Council. We need to think about the increased risk to existing communities and infrastructure in low-lying coastal areas, and where we can develop in the future and what the associated infrastructure solutions could be. We need to consider the economic impact on horticulture and agriculture sectors from a changing climate, and what the service implications are for water supply, storm water systems and flood protection.

How we plan and develop our response will affect whether climate change is a risk or an opportunity for our communities. We've recently started a project to develop a local Climate Change Risk Assessment and Adaptation Plan, which aims to gain better understanding of climate change hazards relevant to our district and communities. It will help us figure out how we adapt and when, what the impact will be to our existing communities and inform how and where we grow in the future.

This project will involve working collaboratively with whanau, hapū and iwi, our communities, central government, Bay of Plenty Regional Council and other councils in our region.

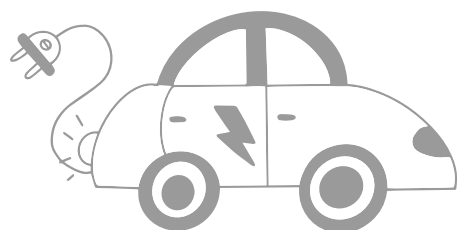
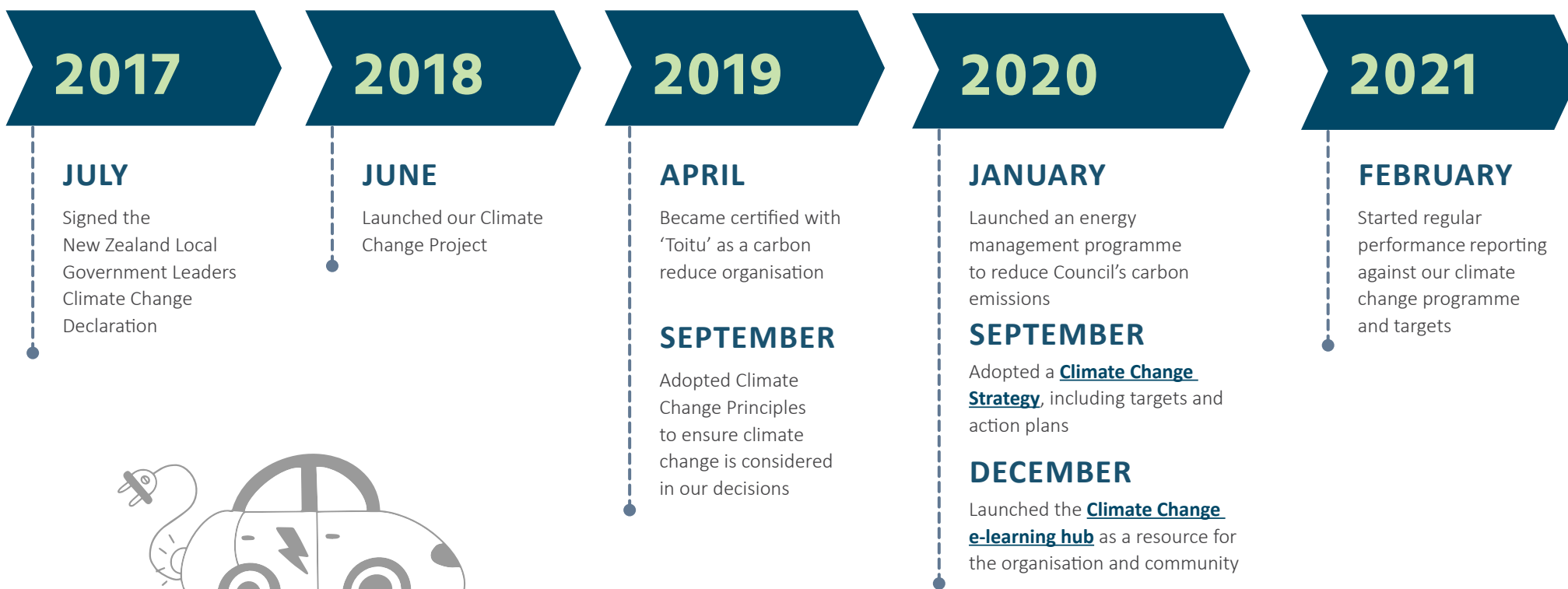
TAKING ACTION ON CLIMATE CHANGE

Te mahi kokenga ki te Huringa Āhuarangi

Our climate is changing and the implications are significant. Across the Whakatāne District, our communities have voiced the urgency of taking real and early climate action. We are challenged to take action now, to reduce risks for future communities, foster climate resilience and work towards a new low carbon economy. In 2018 we initiated a [Climate Change Project](#), which continues to gain good momentum – you can find information about this project on our website.



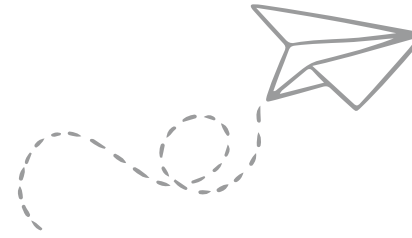
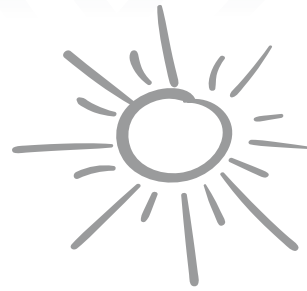
Here are some milestones from our Climate Change Project so far:



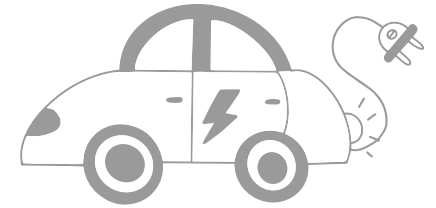
Our Climate Change Strategy establishes targets that were developed in consultation with communities. This includes ambitious Council and district-wide carbon zero targets. The Strategy also sets out six action plans that list the steps we'll take to reach the targets. The action plans cover a range of initiatives to both mitigate climate change, and adapt to its impacts where necessary.

Through our energy management programme, we've found that some actions can save money, or can have an impact with neutral cost. But in other cases, our commitment to climate change may mean higher costs as we choose more sustainable options over cheaper traditional options. It could also mean new costs that we haven't had before – like the carbon emissions trading scheme. As well as impacting the cost and delivery of some services we deliver, climate change will have more impact on how we live our lives. The nature of climate change means we all need to commit to changing.

Taking action on climate change is a must-do, and we want to give you assurance that it's part of our Long Term Plan. As we continue to make progress on our Climate Change Project, we'll make sure to keep you in the loop. Where there are big decisions to be made, we'll talk with you, before we make them. Some of those decisions are in this document – including our Active Whakatāne Strategy and issues such as managing waste more sustainably and greening the Civic Centre.



Climate change means we all need to commit to change



PREPARING FOR POTENTIALLY HUGE IMPACTS OF REFORM

E whakarite ana ki ngā panonitanga pea o ēnei hōtaka

Central government priorities are gaining more traction and in many instances, have direct implications for the local government sector. In particular, two programmes of reform initiated by central government are set to have a major impact on the local government sector.

Resource Management Act Reform Programme

The government plans to remove the Resource Management Act 1991, which is the current foundation for planning around land use and development. The intention is to replace the Resource Management Act with three new pieces of legislation (Natural and Built Environments Act, Strategic Planning Act and Climate Change Adaptation Act) and that District Plans and Regional Plans would come together to form a single combined plan per region.

The reforms are currently underway. Exactly what the outcomes of those reforms will be is uncertain, but the implications could be huge. It's possible that local government may no longer be responsible for some major functions that it currently has. We're open to change – provided it delivers better overall outcomes for our communities. During the coming three years we'll need to prepare for these reforms, and we'll keep you in the loop as we do that.



Three Waters Reform Programme

Central government has initiated a reform of the way that water, sewerage and stormwater is managed in New Zealand. Under a signed agreement, we (Council) are collaborating with central government on the reform programme to look into different delivery models for these three water services. Whatever happens, we'll all still need drinking water, sewerage and stormwater services. So for now we're still working under the assumption that it's business as usual, which means we'll continue to manage water services in our district and plan ahead so that our communities are in a good position whatever the future brings.



AN OVERVIEW OF WHAT'S IN THE PLAN FOR THE NEXT 10 YEARS

He tiro whānui ki ngā tau tekau e heke mai nei

Taking action on the things that matter most

Work to progress our eight strategic priorities includes a combination of plans, strategies, and projects.

We've already made decisions that commit us to some of these actions, and many are already underway.

Some of the things included here feature in this consultation document and we are asking for feedback before making any final decisions.



Preparing for population growth and housing demand

- Developing planning frameworks for how and where we grow
- Ensuring our infrastructure and services have capacity for growth
- Reviewing who pays for growth-related costs



Enhancing the environmental outcomes of our activities

- Finding a wastewater solution for Matatā
- Managing waste more sustainably, including advancing local solutions
- Implementing actions towards our zero carbon climate change target
- Implementing the Active Whakatāne Strategy



Improving the safety, security and resilience of infrastructure

- Upgrading infrastructure to address issues for our water supply
- Enhancing the safety of our transport networks
- Obtaining new consents and upgrading of waste water treatment plants





Building climate change and natural hazard resilience

- Improving understanding of climate change and natural hazards risk, and developing adaptation options
- Enhancing the climate change resilience of our infrastructure
- Continuing our building seismic strengthening programme
- Continuing to be well-prepared for when events do happen



Enhancing the vibrancy of our communities

- Supporting local communities through a Community Development Strategy and place-making projects
- Working with Community Boards to prioritise local projects and improvements
- Developing a 'recreational precinct' masterplan and redeveloping the Whakatāne War Memorial Hall
- Continuing to progress the riverfront and town centre revitalisation project
- Developing an arts and culture strategy for our district



Facilitating economic regeneration and employment opportunities

- Continuing to support the development of the Whakatāne Boat Harbour
- Supporting tourism recovery in light of the Whakaari eruption and COVID-19 pandemic
- Leveraging Council property assets in the Whakatāne CBD to support economic regeneration



Strengthening whānau, hapū and iwi partnerships

- Enhancing meaningful and trusted partnerships and relationships
- Upholding our Treaty-based co-governance, co-management and other agreements
- Continuing to partner on key projects, programmes and services
- Building Council's cultural competency and confidence



Ensuring Council is enabled and fit for the future

- Setting a new Financial Strategy approach
- Strengthening and upgrading the Civic Centre
- Investing in systems, technology and people
- Preparing for significant reform of three waters services

We'll keep delivering a wide range of services and facilities that families, households and businesses rely on and use every day.

YOUR TRANSPORTATION NETWORK

ROADS
FOOTPATHS
STREETLIGHTS
BRIDGES



your ANIMAL CONTROL SERVICES



SWIMMING POOLS



DRINKING WATER



Your Water, Stormwater and Sewerage SERVICES



EMERGENCY MANAGEMENT

At the top of our list of priorities is providing services that ensure the health and safety of our communities, such as providing clean drinking water, appropriate treatment and disposal of sewage, and providing a local transport network that allows people to move safely around the district.

Many other Council activities play an essential role in making this a great district in which we all want to live, work and play.

These are just some of our services and facilities. Visit whakatane.govt.nz/services to find out more about our services and facilities.

your PARKS AND RESERVES

YOUR Museum & Te Kōputu EXHIBITION SPACES

YOUR Libraries

ECONOMIC DEVELOPMENT

Your PORT

BOAT RAMPS AND HARBOUR ACCESS

CEMETERIES AND CREMATORIUM

PLAYGROUNDS AND SKATEPARKS

YOUR SOLID WASTE SERVICES

Kerbside rubbish and recyclables collection and disposal

Kerbside green waste collection and disposal

On average, each property's rates will contribute **\$8.76*** per day towards the many services and facilities Council provides. Here's the breakdown:

\$0.59

Leadership and Community

Local governance, partnerships and engagement and community development. (7 %)

\$0.66

Community Safety

Health and safety regulation, road safety and emergency management. (8 %)

\$0.82

Waste Management and Minimisation

Waste minimisation activities, kerbside waste collection, transfer stations and disposal. (9 %)

\$0.98

Strategy and Futures

Strategies, planning and policies to guide us including economic development, housing, climate change and others. (11 %)

\$2.76

Three Waters

Water supply, sewage treatment and disposal and stormwater systems. (32 %)

\$1.94

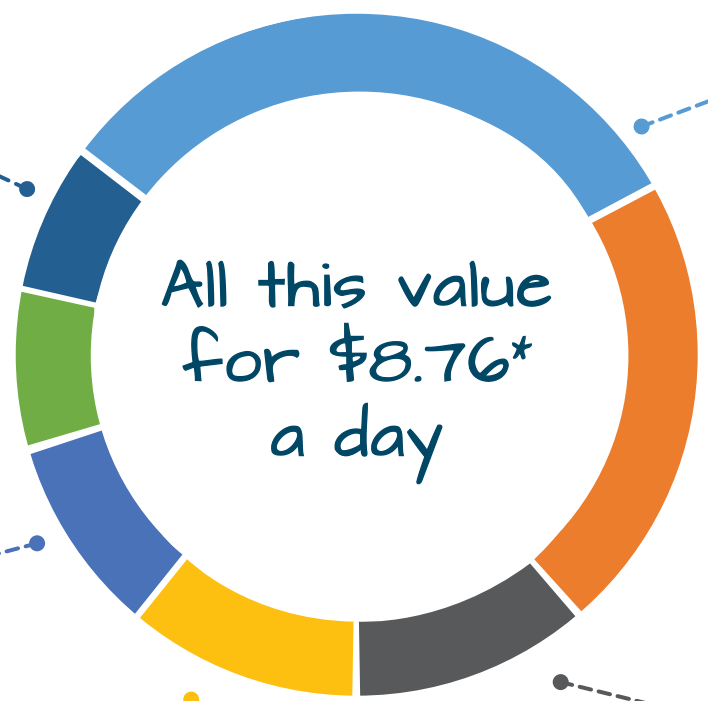
Community Experience

Parks, reserves, playgrounds, libraries, pools, halls, ports and harbour facilities. (22 %)

\$1.00

Roads and Footpaths

Roads, footpaths and cycleways. (11 %)



*Note 1: This is an average calculated over all rateable properties and individual properties will vary.

*Note 2: \$8.76 per day is for the first year of the Long Term Plan (2021/22 year). By year ten the average increases to \$10.83.



WHAT IT COSTS AND WHO PAYS

He aha ngā utu, ā, ka ahu mai te pūtea i hea?

We've thought carefully about how to keep our Long Term Plan budgets affordable, while also funding important work for the future of our communities.

FINDING THE RIGHT BALANCE

E taurite ana te mahi a te Kaunihera me ngā utu ki te hapori

We need to be realistic about balancing the increasing level of work against how much we can actually deliver as a Council of our size, and what the costs are for the community.

Here's how we do that:

1: Prioritising our work programme

As we developed the draft budget, we made calls about things that we would include and others that couldn't be considered at the moment.

2: Sequencing projects

We initially had too many projects in the first three years of our Long Term Plan. We reviewed the work programme and shifted timing of work to create a more evenly-spread work load.

3. Building capacity within Council

Our Long Term Plan signals a step up in the things we need to deliver, and with this we've already started to build capacity in specific areas of Council.

4. Managing our project pipeline

We work with a lot of contractors and they too have limitations about how much they can deliver and how fast, particularly with the whole country going through a large infrastructure investment period. We're working with contractors to provide more certainty with our forward works programme so that they can plan further ahead too.

5. Having a long-term view of rates and debt

We have thought carefully about how to keep our Long Term Plan budgets affordable, while also making sure that we have the funding and the capacity to do important work for the future of communities. Through our Financial Strategy we have a long-term view of rates and debt, and set limits on how much these things should be allowed to increase over time.

6. Staying flexible

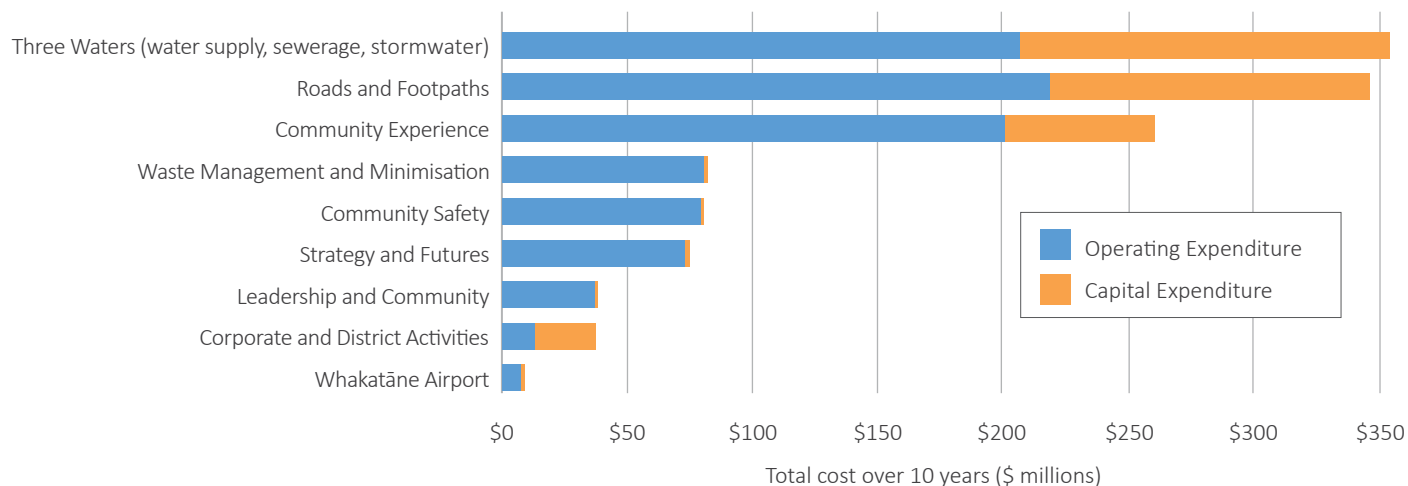
Even the best-laid plans can change. Events can happen that require different projects to be prioritised. And individual projects can evolve as they go through the steps of investigation, design and consenting. Our aim is to manage these things within the overall Council budget – and if we need to make any significant decisions, we'll talk to you first.

WHAT WE'RE PLANNING TO SPEND OVER THE COMING 10 YEARS

He aha te pūtea e whakapau ana i ngā tau tekau e heke mai nei?

With Councils being expected to deliver more, meet higher standards and achieve a wider range of outcomes for communities, it also means that costs and rates continue to increase over time. Even if we were to deliver exactly the same services over the next 10 years, rates would still need to increase because of inflation (for example, the increasing costs of concrete, pipes, labour and construction). We've thought carefully about how to keep our Long Term Plan budgets affordable, while also funding important work for the future of our communities.

The total cost of our Long Term Plan over the coming 10 years is \$1.28 billion. The chart below shows that over half (55 percent) of costs are to deliver three waters services and our transport programme (roads and footpaths). When we add community experience, the total is around three-quarters (74.9 percent) of our budget. Community experience includes parks, playgrounds, libraries, pools, the riverfront revitalisation project, the upgrade of the Whakatāne War Memorial Hall and our contribution to the Whakatāne Boat Harbour development.



TOTAL COST OVER 10 YEARS:

\$1.28 billion

Capital expenditure: \$361 million

This is the cost of buying or building a new asset, renewing an existing asset, or improving an asset to deliver a better service (for example, upgrading a sewage treatment system).

Operating costs: \$922 million

Operating expenditure funds the day-to-day costs of delivering our services, maintaining existing assets, or other expenditure that does not buy or build a new asset.

Three-quarters of the budget is for:



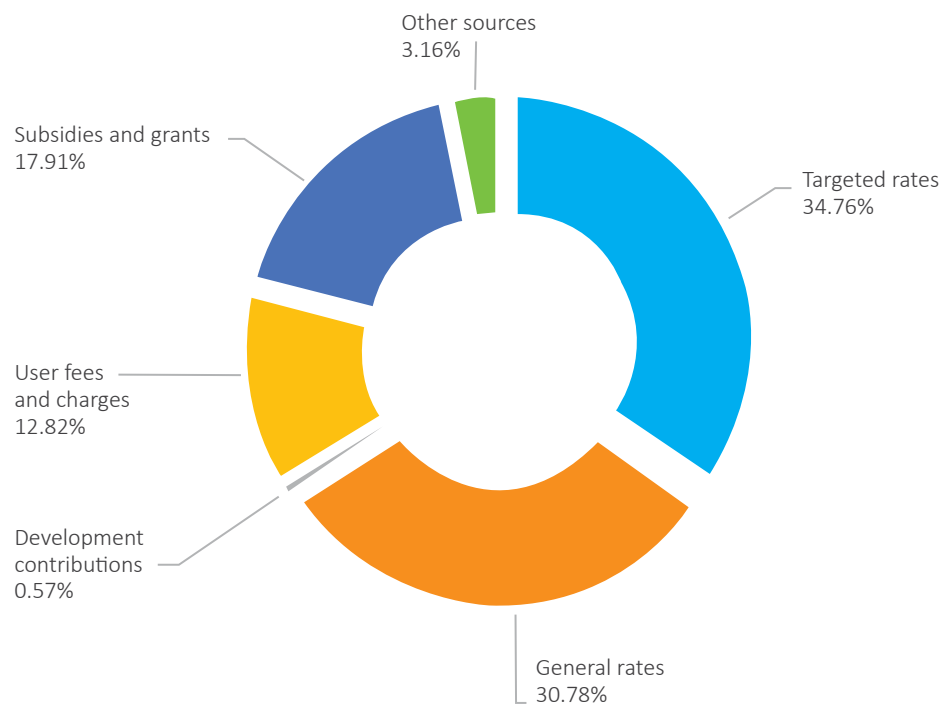
WHERE WILL THE MONEY COME FROM?

Ka ahu mai te pūtea i hea?

Income from rates makes a very important contribution to the things our district needs, and keeps our communities vibrant. For example, rates help pay for many services, like water supply, sewage treatment and disposal systems, roads and footpaths, parks and playgrounds, community facilities like pools and libraries, and much more.

We aim to get money from other sources where we can, to help reduce the cost of service to ratepayers. Over the coming 10 years we expect around 66 percent of revenue to come from rates. Other funding sources include subsidies, grants, financial assistance rates and government partnerships, and fees and charges.

This graph shows where revenue will come from over the next 10 years.



PROVIDING MORE CERTAINTY FOR RATES

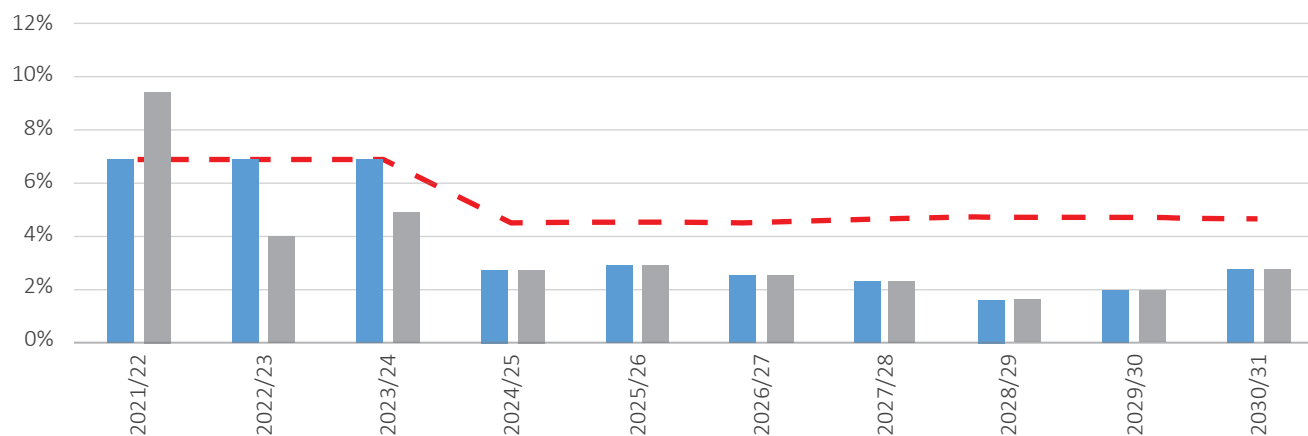
Ka whakapoua ngā tāke kaunihera

Our current approach to rates increases means that we forecast how much rates we need to collect in the future, and then adjust it every year if required. The adjustments are made through consultation on our Annual Plan. Any adjustments are only up to the limits we set through our Financial Strategy. This provides our budget with flexibility, but doesn't provide as much certainty to ratepayers.

To help provide certainty to ratepayers, we are proposing to 'set' rates for the first three years of our Long Term Plan. Setting rates means we wouldn't vary from the rates increases that we have indicated, unless something very extraordinary happens that we can't accommodate in the existing budget - like a natural disaster. As part of this approach, we're also proposing to set the same increase each year for the next three years, rather than it changing from year to year.

The rates increases are higher in the first three years, compared to the following seven years. The increases in the initial years prepare for the big costs coming in the three waters space, and also for key projects set out in this Consultation Document. We've left headroom in the remaining years because there's still planning that we need to do before making further big decisions through our next Long Term Plan in 2024. See pages 28-33 for what some of these 'big things' are.

To find out more about how we manage our budget, you can find our Draft Financial Strategy for the Long Term Plan on our website.



■ The blue bars show the planned rates increases over the coming 10 years under the option of 'setting' rates (this is option 1).

■ The grey bars show what the rates increases would be if we didn't set them for the first three years (this is option 2).

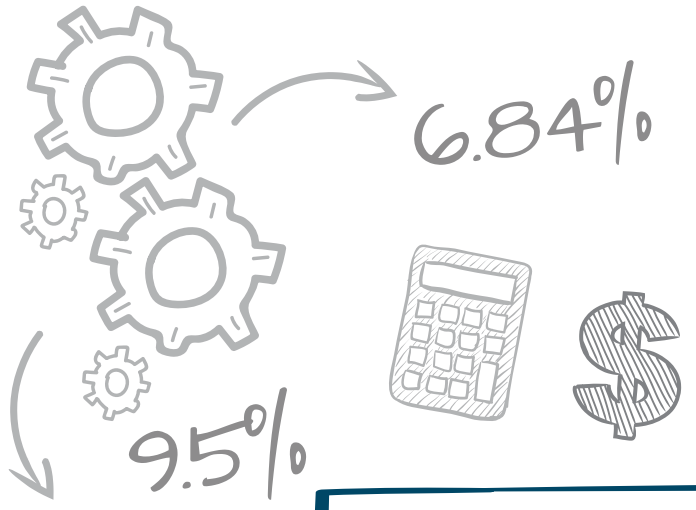
- - - The red line indicates the limit we intend to set for rates increases.

“ Should we 'set' rates for the first three years? ”

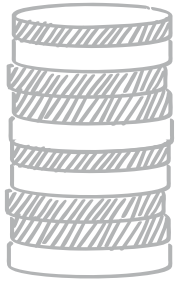


Preferred option

OPTION 1
Set rates for the first three years
This option is to set rates for the first three years of the Long Term Plan to provide more certainty to ratepayers. This means the rates increase for each of those years will be 6.84 percent. This is the average rates increase - individual properties may vary.



OPTION 2
Set rates on an annual basis
This option is our current approach to rates. It provides more flexibility for our budgets, but less certainty to ratepayers. If we take this option, the rates increases for the first three years of our plan are forecast to be 9.5 percent, 4 percent and 4.9 percent respectively.



What rates will look like across the district

This table shows what your rates might look like over the coming three years, compared to what they are now. This is based on the Draft Long Term Plan budget including all of the preferred options set out in this Consultation Document.

At the moment, there are 15,994 rateable properties in our district. Because our population is growing, we expect this number to increase by 120 properties each year. The total amount of rates revenue we need is divided among these properties. The amount of rates charged differs from one property to the next. This is based on a balance between the capital value of the property, and services property owners can access or are likely to benefit from.

Visit whakatane.govt.nz/ltp for detailed indicative rating information about what your rates might look like in the coming three years.



EXAMPLE PROPERTY	Example capital value	Current year	Indication of future rates					
		2020/21	% change ▼	2021/22	% change ▼	2022/23	% change ▼	2023/24
Whakatāne Urban Low	\$245,000	\$2,852	5.22%	\$3,001	5.10%	\$3,154	5.90%	\$3,340
Whakatāne Urban Average	\$500,000	\$3,506	5.13%	\$3,686	5.48%	\$3,888	6.02%	\$4,122
Whakatāne Urban high	\$1.46 M	\$5,959	5.02%	\$6,258	6.20%	\$6,646	6.18%	\$7,057
Whakatāne Commercial Low	\$420,000	\$4,377	6.63%	\$4,667	4.56%	\$4,880	5.18%	\$5,133
Whakatāne Commercial Average	\$790,000	\$5,950	6.79%	\$6,354	4.74%	\$6,655	5.18%	\$7,000
Edgcumbe Average	\$376,000	\$3,261	6.87%	\$3,485	5.14%	\$3,664	5.76%	\$3,875
Matatā Average	\$410,000	\$2,767	5.24%	\$2,912	5.98%	\$3,086	6.58%	\$3,289
Matatā High	\$860,000	\$3,891	5.89%	\$4,120	6.34%	\$4,382	6.53%	\$4,668
Murupara Urban	\$101,000	\$2,070	11.06%	\$2,299	6.57%	\$2,450	7.10%	\$2,624
Murupara Lifestyle	\$285,000	\$1,676	2.63%	\$1,720	6.80%	\$1,837	6.48%	\$1,956
Te Teko	\$150,000	\$1,596	13.91%	\$1,818	7.54%	\$1,955	7.11%	\$2,094
Ōtarawairere	\$1.08 M	\$4,721	5.32%	\$4,972	5.89%	\$5,265	5.79%	\$5,570
Ōhope Low	\$670,000	\$3,769	5.36%	\$3,971	5.57%	\$4,192	5.75%	\$4,433
Ōhope Average	\$864,000	\$4,225	5.33%	\$4,450	5.75%	\$4,706	5.76%	\$4,977
Ōhope High	\$1.59 M	\$5,923	5.27%	\$6,235	6.14%	\$6,618	5.83%	\$7,004
Tāneatua	\$194,000	\$2,602	6.26%	\$2,765	5.03%	\$2,904	6.06%	\$3,080
Rural Low	\$90,500	\$1,376	14.10%	\$1,570	7.96%	\$1,695	7.61%	\$1,824
Rural- Horticultural	\$1.48 M	\$4,279	6.73%	\$4,567	8.04%	\$4,934	6.89%	\$5,274
Rural- Pastoral	\$3.35 M	\$8,211	5.05%	\$8,626	8.03%	\$9,319	6.73%	\$9,946
District Commercial/Industrial \$10m+	\$15.85 M	\$71,738	7.39%	\$77,039	5.07%	\$80,944	5.06%	\$85,039
High Value Commercial/Industrial	\$38 M	\$72,559	3.21%	\$74,885	7.94%	\$80,881	6.39%	\$86,048

USING DEBT WISELY

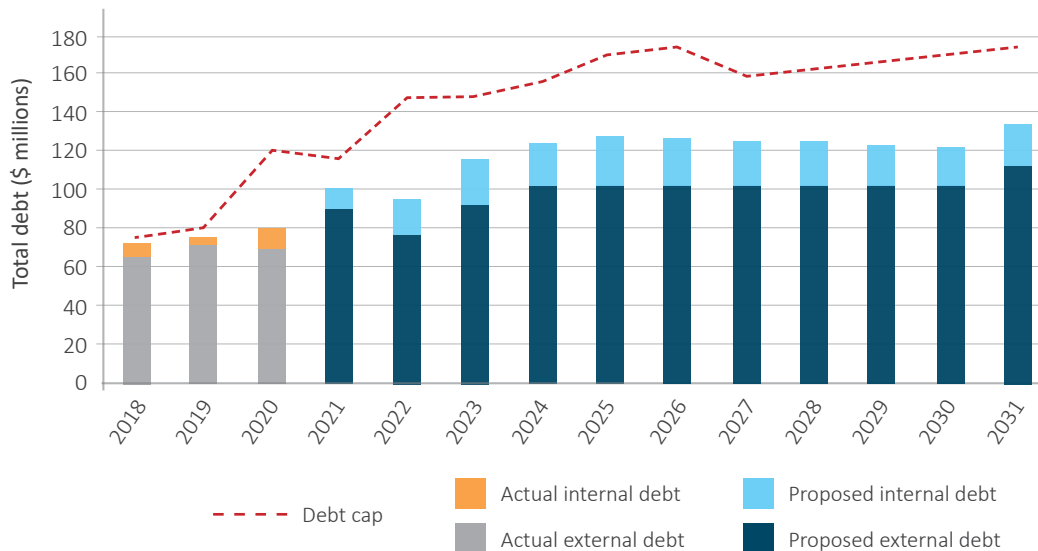
Te tepenga taurewa

Borrowing money to pay for things over time means that ratepayers both now and in the future are contributing to the costs of the services and facilities they are using and benefiting from. For example, some assets have a lifespan of more than 50 years and debt helps spread costs between those using the assets now and those using them in future. Borrowing money to pay for things also means that we can deliver some projects that might otherwise be unaffordable.

Now's a good time to use debt because interest rates are very low and expected to stay low for some time. This said, eventually interest rates will come back up, and because debt is repaid through rates, we need to be mindful about how much we borrow. That's why we have a long-term view of debt and why we set a limit on how much we will borrow.

ACTUAL AND FORECAST DEBT

This graph shows our projected levels of debt (closing debt position) over the coming 10 years and what our debt limit would look like at 175% of total revenue.



“ Should we increase our debt cap? ”

“ Increasing the debt cap is kind of like increasing your credit card limit. It doesn't mean you have spent more money - but it makes funding available in case you need it. ”

Through this Long Term Plan, we're proposing to increase our debt limit. Our current debt limit is that total debt should be less than 150 percent of total revenue. We're proposing to increase this limit to 175 percent of total revenue. The increased limit will allow us to deliver our infrastructure programme over the next 10 years. As well as providing the necessary funding for our infrastructure costs, this will provide some extra headroom in case we need to cope with unexpected costs. For example, in the past we've had to take extra borrowings to help manage the costs of natural disasters. The new limit we are proposing is still (very) financially sustainable, and in keeping with many other similar councils around New Zealand.

Preferred option

OPTION 1
Increase our debt limit to 175% of revenue
 Our proposal is to increase our debt limit. The new limit would provide flexibility (headroom) to use more debt if we need to and if it is appropriate and sustainable to do so. This does not automatically mean we are going to take out extra borrowing to reach that limit. A key benefit is to provide financial flexibility to cope with unexpected costs like natural disasters.

OPTION 2
Keep our debt limit at 150% of revenue
 This option is what our current limit is set at. In our Long Term Plan budget our actual borrowing would still stay under this limit, but only just. This means there is no headroom for unexpected costs.

“ Have we got the balance right between the things we deliver and the cost to our communities? ”



We often get feedback from our communities about rates increases, rates affordability and value for money. At the same time, we also get regular feedback seeking increases to the levels of service we deliver. Community leaders, groups and the general public regularly advocate for things that they would like us to improve, new things they would like us to do, and outcomes that they would like more or faster progress on. We acknowledge this feedback and have thought carefully in our Long Term Plan about balancing community aspirations against the cost to ratepayers.

If you were on Council, what would your focus be? Would you keep costs low? Would you try to deliver more for our communities, knowing it will cost more for people? Or, do you think we have the balance about right?

OPTION 1

The Council's proposed priorities for the next 10 years are about right

Our draft budget aims to get a balance between all the things our district and communities need to be thriving and vibrant, and the costs of doing those things.

OPTION 2

The Council should deliver more for our communities

Are there other things that you think the Council should be focusing on or delivering? If this is your preferred option, what kinds of services do you think should be improved? Keep in mind that doing more would mean an increase in costs.

OPTION 3

The Council should reduce rates and debt

To reduce rates and debt means we would need to substantially reduce, or even stop, delivering some of the things we do. If you think reducing costs needs to be the highest priority, what services do you think should be reduced or cut? Read our 'Draft Group of Activity Summaries' on our website whakatane.govt.nz/ltp to learn more about what we deliver.



OTHER POLICIES AND PLANS FOR CONSULTATION

Ētahi atu Kaupapa Here me ētahi atu Mahere

We're proposing small changes to a number of financial policies that support the Long Term Plan. We're also proposing some major changes to our Waste Management and Minimisation Plan.

The draft budgets in our Long Term Plan are based on these draft policies and plans. If major changes are made to these policies and plans compared to what we've proposed, it might impact the Long Term Plan budgets.

These policies and plans are out for consultation alongside the Long Term Plan - you can find more information on our website, from Council offices or by contacting us.

Development Contributions Policy

The purpose of the Development Contributions Policy is to enable monetary (or land) contributions to be charged to developers. The principle underlying the Policy is that developers should meet the costs attributable to growth. Through this review of the Policy, there will be some increases in the level of development contributions - recognising that there is more growth happening, and more costs as a result. We're also intending a further full policy review within the next three years to be undertaken alongside the Future Development Strategy and Spatial Planning work (which will guide how and where we grow, and indicate the infrastructure and services needed to support that growth).



Financial Contributions for Roads and Public Reserves

Financial contributions provide a way for the Council to recover costs (or other in-kind contributions) from developers to help manage the direct impacts and adverse effects of their developments. As with development contributions, financial contributions provide a way to recover a fair portion of development-related costs from developers, rather than these costs being passed on to ratepayers. Through the review of financial contributions, we're looking to extend contributions to cover additional facilities on reserves such as playgrounds, and increasing the cost per lot for financial contributions.



Waste Management and Minimisation Plan

Our Waste Management and Minimisation Plan describes how we currently manage solid waste in our district, and how we intend to do so in the future. Currently, a large portion of our waste is sent to a landfill outside our district. The review of the plan proposes new targets for waste management, and sets out a pathway for us to meet those targets. The plan aims toward us all making less waste in the first instance, and improving the management of the waste we do produce. Because landfill costs are rapidly increasing, achieving these aims will be both better for the environment, and reduce costs in the long run. Success will depend on us all playing our part.

Revenue and Financing Policy

The Revenue and Financing Policy sets out the Council's funding philosophy and describes how each of the Council's activities will be funded (for example, the mix of general rates, targeted rates and other sources), including the rationale for each funding method. Although the Policy looks very different, and has been streamlined to make it easier to read, we're not proposing any major changes to how activities are funded. We're legally required to review this Policy.



Fees and Charges Schedule

User fees and charges are one of the ways that Council can pass on some of the costs directly to those who benefit from the services and facilities they're using. In this way, fees and charges reduce the amount of funding that is collected by rates. Numerous changes and updates are proposed to our fees and charges that would start from Thursday, 1 July 2021.



Rate Remission and Postponement Policies

These policies define the circumstances in which the Council may remit or postpone rates. Remission of rates involves reducing the amount owing, or waiving collection of rates altogether. Postponement of rates means that the payment of rates is not waived in the first instance, but delayed for a certain time or until certain events occur. The review has suggested that the majority of the policies stay in their current form, but a number of small changes are proposed.

Central government is currently progressing the [Whenua Māori Rating Bill](#), which aims to promote the development of Māori freehold land and modernise the rating legislation relating to Māori freehold land. This is likely to have implications for our 'Rates Remission and Postponement Policies for Māori Freehold Land'. We'll work through this as central government progresses the bill further.



TO THE READER:

Independent
auditor's report
on Whakatāne
District Council's
consultation
document for its
proposed 2021-31
Long-term Plan

AUDIT STATEMENT

Te tauākī a te Kaitātari Kaute

I am the Auditor General's appointed auditor for Whakatāne District Council (the Council). The Local Government Act 2002 (the Act) requires the Council to prepare a consultation document when developing its Long-term Plan. Section 93C of the Act sets out the content requirements of the consultation document and requires an audit report on the consultation document. I have done the work for this report using the staff and resources of Audit New Zealand. We completed our report on 19 April 2021.

OPINION

In our opinion:

- the consultation document provides an effective basis for public participation in the Council's decisions about the proposed content of its 2021-31 Long-term Plan, because it:
 - fairly represents the matters proposed for inclusion in the Long-term Plan; and
 - identifies and explains the main issues and choices facing the Council and district, and the consequences of those choices; and
- the information and assumptions underlying the information in the consultation document are reasonable.

EMPHASIS OF MATTER

Without modifying our opinion, we draw attention to the following disclosures.

Uncertainty over three waters reforms

Pages 33 outline the Government's intention to make three waters reform decisions during 2021. The effect that the reforms may have on three waters services provided is currently uncertain because no decisions have been made. The consultation document was prepared as if these services will continue to be provided by the Council, but future decisions may result in significant changes, which would affect the information on which the consultation document has been based.

Uncertainty over external funding

Page 14 outlines that the Council requires \$13.7 million in external funding for a new wastewater treatment plant in Matatā. The Council has assumed that \$6.7 million and \$7 million will be funded by the Ministry of Health and the Bay of Plenty Regional Council, respectively. The external funding contributions are currently uncertain because they have not yet been confirmed. If the Council is not able to obtain this level of funding, it will reconsider how to proceed with the project.

AUDIT STATEMENT

Te tauākī a te Kaitātari Kaute

BASIS OF OPINION

We carried out our work in accordance with the International Standard on Assurance Engagements (New Zealand) 3000 (Revised): Assurance Engagements Other Than Audits or Reviews of Historical Financial Information. In meeting the requirements of this standard, we took into account particular elements of the Auditor General's Auditing Standards and the International Standard on Assurance Engagements 3400: The Examination of Prospective Financial Information that were consistent with those requirements.

We assessed the evidence the Council has to support the information and disclosures in the consultation document. To select appropriate procedures, we assessed the risk of material misstatement and the Council's systems and processes applying to the preparation of the consultation document.

We did not evaluate the security and controls over the publication of the consultation document.

RESPONSIBILITIES OF THE COUNCIL AND AUDITOR

The Council is responsible for:

- meeting all legal requirements relating to its procedures, decisions, consultation, disclosures, and other actions associated with preparing and publishing the consultation document and Long-term Plan, whether in printed or electronic form;
- having systems and processes in place to provide the supporting information and analysis the Council needs to be able to prepare a consultation document and Long-term Plan that meet the purposes set out in the Act; and
- ensuring that any forecast financial information being presented has been prepared in accordance with generally accepted accounting practice in New Zealand.

We are responsible for reporting on the consultation document, as required by section 93C of the Act.

We do not express an opinion on the merits of any policy content of the consultation document.

INDEPENDENCE AND QUALITY CONTROL

We have complied with the Auditor General's:

- independence and other ethical requirements, which incorporate the independence and ethical requirements of Professional and Ethical Standard 1 issued by the New Zealand Auditing and Assurance Standards Board; and
- quality control requirements, which incorporate the quality control requirements of Professional and Ethical Standard 3 (Amended) issued by the New Zealand Auditing and Assurance Standards Board.

In addition to this audit and our report on the Council's annual report, we have carried out assurance engagements on the debenture trust deed, which are compatible with those independence requirements. Other than these engagements we have no relationship with or interests in the Council.



Leon Pieterse

Audit New Zealand

On behalf of the Auditor General, Tauranga, New Zealand

Kōrero mai / Let's talk

Tell us what you think by 5pm Sunday, 23 May 2021

It's easy...

Online

Make a submission online:

koreromai.whakatane.govt.nz/ltp-2021

Or email your submission to:

submissions@whakatane.govt.nz

In writing

Post your submission to:

Whakatāne District Council, Private Bag 1002,
Whakatāne 3158

Or deliver to:

Civic Centre, Commerce Street, Whakatāne; or
Service Centre, Pine Drive, Murupara.

Submission forms are available on our website

whakatane.govt.nz/ltp or from libraries and
Council offices.



Formal hearings

We have set aside Tuesday, 25 May as a day for formal hearings. If you would like to formally present your submission to Council you will need to register with us on or before Friday, 21 May so that we can organise a time for you.

Do this by emailing info@whakatane.govt.nz
or calling 07 306 0500.

Community conversations

Consultation runs from Friday, 23 April until Sunday, 23 May 2021. During this time, we'll be out and about in our communities, so you can have a chat to elected members and staff about everything Long Term Plan-related.

Our calendar of community conversation events is advertised on our website whakatane.govt.nz/ltp Facebook @WhakataneDistrictCouncil or you can phone us on 07 306 0500.

You can also pop into the 'Chat Box' at 4 Commerce Street, Whakatāne between 12noon and 4pm every working day until Friday, 21 May.

LONG TERM PLAN TIMELINE

Te rārangi wā o te Mahere Pae Tawhiti

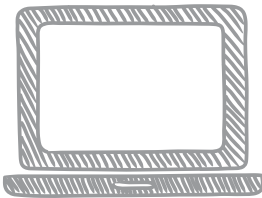
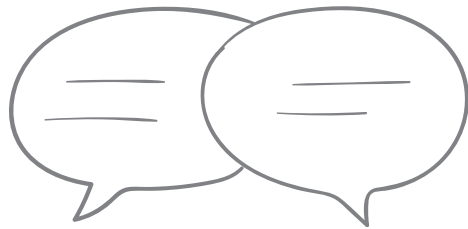


Consultation

23 APRIL - 23 MAY

This is your opportunity to tell us what you think about the big issues and key questions for our Long Term Plan.

You can do this online, in writing or in person.



Hearings

25 MAY

This day is set aside for those who want to verbally present their submission to Council. You need to register for this event.

Deliberations

7 JUNE - 18 JUNE

The Council meets to consider all of the submissions received and make decisions about changes to the proposed budgets and projects.

Adoption

14 JULY

The Council formally approves the Long Term Plan – including changes made as a result of the feedback received through consultation.



Kōrero mai Let's talk

Tell us what you think by
5pm Sunday, 23 May 2021

[whakatane.govt.nz/1tp](https://www.whakatane.govt.nz/1tp)



WHAKATĀNE
District Council
Kia Whakatāne au i ahau

WHAKATĀNE DISTRICT COUNCIL

Civic Centre, Commerce Street, Whakatāne
Private Bag 1002, Whakatāne 3158

Email: info@whakatane.govt.nz

Phone: 07 306 0500

Website: [whakatane.govt.nz](https://www.whakatane.govt.nz)

SERVICE CENTRE MURUPARA

Pine Drive, Murupara
Phone: 07 366 5896

 Whakatane District Council