

# MEETING — AGENDA —

*Ngā Take*

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Western Bay of Plenty  
District Council

# COUNCIL

*Te Kaunihera*

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**C16**  
**Thursday, 28 June 2018**  
**Council Chambers**  
**Barkes Corner, Tauranga**  
**9.30am**



# Notice of Meeting No C16 Te Karere

## Council Te Kaunihera

Thursday, 28 June 2018  
Council Chambers  
Barkes Corner  
9.30am

His Worship the Mayor  
Deputy Mayor

G J Webber (Chairperson)  
M Williams

Councillors:

G Dally  
M Dean  
M Lally  
P Mackay  
K Marsh  
D Marshall  
M Murray-Benge  
J Palmer  
J Scrimgeour  
D Thwaites

Media  
Staff

Miriam Taris  
**Chief Executive Officer**  
**Western Bay of Plenty District Council**



Te Kaunihera a rohe mai i nga Kuri-a-Wharei ki Otamarakau ki te Uru

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# Council Delegations

## Mangai o Te Kaunihera

### Quorum:

The quorum for this meeting is six members.

### Role:

- To exercise all powers and functions to deal with statutory and procedural matters, to carry out civic duties and responsibilities, and to exercise all non-delegated functions.
- To delegate authorities as appropriate to Council committees and the Chief Executive Officer.
- To delegate any authorities which may be additional to the roles required under the Local Government Act 2002 to Community Boards, and to appoint Councillors to Community Boards.
- To establish Joint Committees of Council, and appoint elected members and/or others to these committees.
- To make all financial decisions not otherwise delegated or included in Council's Long Term Plan and/or Annual Plan.
- To maintain, monitor and direct an overview of Council's finances including but not limited to:
  - The financial progress of major capital works projects including those considered in the Long Term Plan and Annual Plan processes.
  - Implementation of Council's risk management.
  - Approval of new debt and/or new facilities.
  - Receiving exception reports on Council's financial performance at least quarterly.
  - Undertaking all financial monitoring of performance against the Long Term Plan and Annual Plan.
  - Ensuring treasury management within the limitations of the Treasury Policy as set by the Long Term Plan.
  - Allowing for variations from Council's key treasury policy ratios.
- To exercise all non-delegated functions being:
  - (a) The power to make a rate
  - (b) The power to make a bylaw
  - (c) The power to borrow money, purchase, or dispose of assets, other than in accordance with the Long Term Plan
  - (d) The power to adopt a long term plan, annual plan, or annual report
  - (e) The power to appoint a chief executive
  - (f) The power to adopt policies required to be adopted and consulted on under the Local Government Act 2002 in association with the Long Term Plan or developed for the purpose of the local governance statement
  - (g) The power to adopt a remuneration and employment policy
  - (h) The power to enter into contracts otherwise than in accordance with the provisions of Section 4 of the Public Bodies Contracts Act 1959
  - (i) The power to initiate any proceedings in the High Court that are not injunctive proceedings
  - (j) The power to remove the Deputy Mayor subject to Schedule 7 (18) of the Local Government Act 2002



- (k) The power to discharge or reconstitute any committee established by the Mayor subject to Schedule 7 (30) of the Local Government Act 2002
- (l) Powers as conferred by the Minister of Conservation under the Reserves Act 1977

### **Procedural Matters:**

- Confirmation of all Standing Committee minutes excluding the District Plan Committee, Regulatory Hearings Committee and District Licensing Committee minutes
- Receipt for information all Community Board minutes
- Receipt for information all District Plan Committee, Regulatory Hearings Committee minutes and District Licensing Committee minutes
- Adoption and amendment of Standing Orders.
- Establishment of and delegations to Joint Committees, Sub Committees and any other governance body that the Council deems necessary.
- Purchase, sell and dispose of Council property other than delegated in accordance with all of the following:
  - the Long Term Plan
  - the Significance Policy
  - Council's Asset Management Plans
  - Council's Reserve Management Plans
  - Committee or appropriate delegations
- Councillor and Council appointments to other organisations.
- Approval of elected member training/conference attendance.

Any other procedural matters as required under the Local Government Act 2002 or any other Act.

### **Mayor's Delegation:**

Should there be insufficient time for Council to consider approval of elected member training/conference attendance that this be delegated to the Mayor/Deputy Mayor with a report back to Council at the next scheduled meeting.

Should there be insufficient time for Council to consider approval of a final submission to an external body that the signing off of the submission on behalf of Council be delegated to the Mayor/Deputy Mayor provided that the final submission be reported to Council or the relevant Committee at the next available meeting.

### **Mayor and Councillors' Delegations:**

Pursuant to Clause 32(1) of Schedule 7 of the Local Government Act 2002, to each of the Mayor and Councillors, whether individually or collectively, the power to listen to and receive the presentation of views by people pursuant to Section 83(1)(d) of the Local Government Act 2002 in relation to any processes Council undertakes to consult on under the Special Consultative Procedure as required by the Local Government Act 2002 or any other Act.

# Agenda for Meeting No. C16

Pages

**Present  
In Attendance  
Apologies**

## **Public Excluded Items**

The Council may by resolution require any item of business contained in the public excluded section of the agenda to be dealt with while the public are present.

## **Public Forum**

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

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

C16.1

## **Receipt of Community Board Minutes**

Please refer to minutes of the meetings of the Community Boards as circulated separately with this agenda.

## **Recommendation**

*THAT the minutes of the following meetings be received:*

- 1. Minute no. WB13 of the Waihi Beach Community Board held on 11 June 2018*
- 2. Minute no. OM13 of the Omokoroa Community Board held on 5 June 2018*
- 3. Minute no. K13 of the Katikati Community Board held on 6 June 2018*
- 4. Minute no. MC13 of the Maketu Community Board held on 12 June 2018*
- 5. Minute no. TP13 of the Te Puke Community Board held on 14 June 2018*

C16.2

### **Minutes of Council and Committee Meetings for Confirmation**

Please refer to minutes of the meetings of the Council and its Standing Committees as circulated separately with this agenda.

#### **Recommendation**

*THAT the minutes of the following meetings as circulated separately with the agenda are confirmed and are a true and correct record:*

- 6. Minute no. C15 of the Western Bay of Plenty District Council held on 17 May 2018*
- 7. Minute no. CC11 of the Community Committee held on 6 June 2018*
- 8. Minute no. LTAP6 of the Long Term and Annual Plan Committee held on 7 June 2018*
- 9. Minute no. PP13 of the Policy Committee held on 14 June 2018*
- 10. Minute no. OP12 of the Operations and Monitoring Committee held on 21 June 2018*

C16.3

### **Minutes for Receipt**

Please refer to the minutes as circulated separately with this agenda.

#### **Recommendation**

*THAT the minutes of the following meetings as circulated separately with the agenda are received:*

- 11. Minute no.DL8 of the District Licensing Committee held on 23 May 2018*
- 12. Minute no.PF4 of the Tauranga Moana/Te Arawa ki Takutai Partnership Forum held on 5 June 2018*
- 13. Minute no. JG4 of the Tauranga City Council/Western Bay of Plenty District Council Joint Governance Committee held on 18 April 2018*

C16.4

### **Information for Receipt**

Please refer to the Minute Index and Information Pack as circulated separately with this agenda.

#### **Recommendation**

*THAT the information items included in the Minute Index and Information Pack dated 28 June 2018 as circulated separately with the agenda be received.*



C16.5	<b>Recommendations from the Long Term and Annual Plan Committee - Adoption of the Long Term Plan 2018-28 and the Schedule of Fees and Charges 2018-19</b>	10-12
	Attached is a report from the Chief Executive Officer dated 12 June 2018.	
	Representatives of Audit New Zealand will be attendance to present their report.	
	Please note that a full copy of the Long Term Plan 2018-2028, the Schedule of Fees and Charges 2018-2019, and the final decision story document will be circulated under separate cover with the agenda.	
C16.6	<b>Setting of Rates for 2018/19 Financial Year</b>	13-35
	Attached is a report from the Finance Manager dated 28 June 2018.	
C16.7	<b>Review of Council Risk Profile</b>	36-49
	Attached is a report from the Risk Specialist dated 28 June 2018.	
C16.8	<b>Mayor's Report to Council - June 2018</b>	50
	Attached is a report from His Worship the Mayor dated 14 June 2018.	

## **Local Government Official Information and Meetings Act**

### **Exclusion of the Public**

#### **Schedule 2A**

#### **Recommendation**

*THAT the public be excluded from the following part of this meeting namely:*

- *In Confidence Council and Committee minutes for Confirmation.*
- *In Confidence Minute Index and Information Pack*
- *Reserves Maintenance Contract 18-1000 – Tender Acceptance*
- *Proposed Rating Sale of 631, 633 and 634 Maketu Road, Maketu*
- *Proposed Rating Sale of 19 Te Kahika Road West*
- *Proposed Rating Sale of Property at Odey Road, Whakamarama*
- *Urgent Appointment of Board Member to Tourism Bay of Plenty*

- *In Confidence Chief Executive Officer's Report - June 2018*
- *Workspace Accommodation Feasibility Study*

*The general subject to each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:*

<b><i>General subject of each matter to be considered</i></b>	<b><i>Reason for passing this resolution in relation to each matter</i></b>	<b><i>Ground(s) under Section 48(1) for the passing of this resolution</i></b>
<i>In Confidence Council and Committee minutes for Confirmation</i>	<i>THAT the public conduct of the relevant part of the proceedings of the meeting would likely result in the disclosure of information for which good reason for withholding would exist.</i>	<i>For reasons previously stated on the relevant minutes.</i>
<i>In Confidence Minute Index and Information Pack</i>	<i>THAT the public conduct of the relevant part of the proceedings of the meeting would likely result in the disclosure of information for which good reason for withholding would exist.</i>	<i>Maintain legal professional privilege. Protect the privacy of natural persons, including that of deceased natural persons.</i>
<i>Reserves Maintenance Contract 18-1000 – Tender Acceptance</i>	<i>THAT the public conduct of the relevant part of the proceedings of the meeting would likely result in the disclosure of information for which good reason for withholding would exist.</i>	<i>To enable the Council to carry on without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</i>
<i>Proposed Rating Sale of 631, 633 and 634 Maketu Road, Maketu</i>	<i>THAT the public conduct of the relevant part of the proceedings of the meeting would likely result in the disclosure of information for which good reason for withholding would exist.</i>	<i>Protect the privacy of natural persons, including that of deceased natural persons.</i>
<i>Proposed Rating Sale of 19 Te Kahika Road West</i>	<i>THAT the public conduct of the relevant part of the proceedings of the meeting would likely result in the disclosure of information for which good reason for withholding would exist.</i>	<i>Protect the privacy of natural persons, including that of deceased natural persons.</i>
<i>Proposed Rating Sale of Property at Odey Road, Whakamarama</i>	<i>THAT the public conduct of the relevant part of the proceedings of the meeting would likely result in the disclosure of information for which good reason for withholding would exist.</i>	<i>Protect the privacy of natural persons, including that of deceased natural persons.</i>



<b><i>General subject of each matter to be considered</i></b>	<b><i>Reason for passing this resolution in relation to each matter</i></b>	<b><i>Ground(s) under Section 48(1) for the passing of this resolution</i></b>
<i>Urgent Appointment of Board Member to Tourism Bay of Plenty</i>	<i>THAT the public conduct of the relevant part of the proceedings of the meeting would likely result in the disclosure of information for which good reason for withholding would exist.</i>	<i>Protect the privacy of natural persons, including that of deceased natural persons.</i>
<i>In Confidence Chief Executive Officer's Report – June 2018</i>	<i>THAT the public conduct of the relevant part of the proceedings of the meeting would likely result in the disclosure of information for which good reason for withholding would exist.</i>	<i>Maintain legal professional privilege. Protect the privacy of natural persons, including that of deceased natural persons.</i>
<i>Workspace Accommodation Feasibility Study</i>	<i>THAT the public conduct of the relevant part of the proceedings of the meeting would likely result in the disclosure of information for which good reason for withholding would exist.</i>	<i>To enable the Council to carry on without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</i>

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## Western Bay of Plenty District Council

### Council

## Recommendations from the Long Term and Annual Plan Committee Adoption of the Long Term Plan 2018-28 and the Schedule of Fees and Charges 2018-19

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### Summary

Council is required to consider the recommendations and resolve accordingly. The following options are available to Council and where appropriate the preferred option has been recommended.

Please note the following is a recommendation only.

The Council is to resolve to:

- a. adopt as recommended
- b. to modify
- c. refer to another Committee
- d. to decline (giving reasons) and refer back to the Long Term and Annual Plan Committee

### Recommendation from the Long Term and Annual Plan Committee - 7 June 2018

Remit no. LTAP 6.1.7 **Deliberations on the Draft Long Term Plan 2018-28**  
Resolved : Scrimgeour/Mackay

*THAT it be recommended to Council that the draft Long Term Plan 2018-28 be amended in accordance with the Long Term and Annual Plan Committee resolutions contained in the minutes of LTAP6 dated 7 June 2018, and that the amended Long Term Plan be adopted.*

Remit no. LTAP 6.2.4 **Deliberations on the Draft Schedule of Fees and Charges 2018-19 excluding Dog Control and Health Act (Registered Premises)**  
Resolved : Mackay/Murray-Benge

*THAT it be recommended to Council that the Draft Schedule of Fees and Charges 2018-19 excluding Dog Control and Health Act (Registered Premises) as set out in (Attachment A to this report) be adopted with the following amendments:*



- *Woodlands Road water supply extension - \$4511.45 per property (note: includes GST and capital contribution as required by Council's Rural Water Supply Extension Policy 2014)*
- *Final water meter readings - \$50 for up to five day notice period or \$100 for up to 48 hour notice period*

### **Staff Comments**

Section 93 of the Local Government Act 2002 requires every local authority to have a Long Term Plan (LTP).

Council's LTP Consultation Document and supporting information were approved for consultation on 15 March 2018. The supporting information included the draft Schedule of Fees and Charges for 2018/19. The special consultative procedure ran from 23 March to 4 May 2018, with a total of 419 submissions being received from individuals and organisations. To enable verbal submissions to be made, Council held five place-based Have Your Say events in Waihi Beach, Katikati, Omokoroa, Council Chambers (Barkes Corner) and Te Puke. Long Term and Annual Plan Committee deliberations on the feedback received were held on 7 June 2018.

The special consultative procedure follows two phases of community pre-engagement in April/May 2017 and September/October 2017. Council has made substantive effort to reflect community views into the development of both the Consultation Document and the final Long Term Plan.

Council is now required to approve the Long Term Plan (as amended by the decisions made through the deliberations process), receive the Audit Report from Audit New Zealand and then adopt the Long Term Plan 2018-28 (including the Auditor's Report). Council is also required to approve the decision story as the formal response to submitters.

The recommendations of this report combine the recommendations from the Long Term and Annual Plan Committee's meeting on 7 June 2018, as well as the legislative requirements for Council to adopt a Long Term Plan.

A copy of the final Long Term Plan document, Schedule of Fees and Charges document and decision story document will be circulated under separate cover.

## **1. Significance and Engagement**

The Local Government Act 2002 requires a formal assessment of the significance of matters and decisions in this report against Council's Significance and Engagement Policy. In making this formal assessment there is no intention to assess the importance of this item to individuals, groups, or agencies within the community and it is acknowledged that all reports have a high degree of importance to those affected by Council decisions.

The Policy requires Council and its communities to identify the degree of significance attached to particular issues, proposals, assets, decisions, and activities.

In terms of the Significance and Engagement Policy this decision is considered to be of high significance because the Long Term Plan is the primary tool to consider Council's levels of service, infrastructure provision, financial strategy and rating approach for the next 10 years, in particular the first three years. Council has used the special consultative procedure to seek community views on this Long Term Plan.

## Recommendation

- 1. THAT Council approve the draft Long Term Plan 2018-28 as amended in accordance with the Long Term and Annual Plan Committee resolutions contained in the minutes of LTAP6 dated 7 June 2018.**
- 2. THAT the Audit Report from Audit New Zealand regarding the 2018-28 Long Term Plan be received.**
- 3. THAT in accordance with Section 93 of the Local Government Act 2002 the audited Long Term Plan 2018-28 be adopted.**
- 4. THAT in accordance with sections 82 and 150 of the Local Government Act 2002, the Schedule of Fees and Charges 2018-19 excluding Dog Control and Health Act (Registered Premises) be adopted as amended in accordance with the Long Term and Annual Plan Committee resolutions contained in the minutes of LTAP6 dated 7 June 2018.**
- 5. THAT the report relates to an issue that is considered to be of high significance in terms of Council's Significance and Engagement Policy.**
- 6. THAT the decision story be adopted as the formal response to submitters, for dissemination as soon as practicable following the adoption of the Long Term Plan 2018-28.**
- 7. THAT the Chief Executive be delegated authority to make such minor editorial changes to the Long Term Plan 2018-28, Schedule of Fees and Charges and decision story as may be required prior to printing.**



Miriam Taris  
Chief Executive Officer



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**Western Bay of Plenty District Council****Council****Setting of Rates for 2018/19 Financial Year**

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**Purpose**

Council is required to set the rates for the financial year commencing 1 July 2018 in accordance with the rate revenue requirement and rating policy as adopted in the Long Term Plan 2018-2028.

**Recommendation**

- 1. THAT the Finance Manager's report dated 28 June 2018 and titled 'Setting of Rates for 2018/19 Financial Year' be received.**
- 2. THAT the report relates to an issue that is considered to be of high significance in terms of Council's Significance and Engagement Policy.**
- 3. THAT the Western Bay of Plenty District Council sets the rates as attached (Attachment A) under section 23 of the Local Government (Rating) Act 2002, on rating units in the District for the financial year commencing on 1 July 2018 and ending on 30 June 2019.**
- 4. THAT the Western Bay of Plenty District Council adopts as attached (Attachment A) its definitions for its differential categories for the 2018/19 financial year.**
- 5. THAT the rates set for the financial year commencing on 1 July 2018 and ending on 30 June 2019 be exclusive of GST.**
- 6. THAT in accordance with its Rates Postponement for Homeowners Aged Over 65 Years Policy, the Western Bay of Plenty District Council sets the following fees under section 88 of the Local Government (Rating) Act 2002 for the financial year commencing on 1 July 2018 and ending on 30 June 2018:**

**Application Fee - \$50.00**

- A fee of \$50.00 will be added to the rates when Council offers postponement. This fee is non refundable and covers the administration costs associated with processing the application.**

**Counselling Fee - \$300.00**

- *A fee of up to \$300.00 may be charged once professional counselling has commenced. This fee is to fund the cost of professional counselling so that an informed decision can be made by an applicant on whether or not to proceed with their application to join the scheme.*

**Other Fees**

- *Such other incidental fees as may be necessary to process the application. Any fees charged under this heading will be third party fees and would change from time to time. Any fees charged under this heading will be discussed with any prospective applicant at the time of making their application.*
  - *Interest at wholesale bank rate plus bank margin negotiated, plus applicable bank administration costs. (Bank rate and margin are exempt from GST). This interest is the interest charged by the bank from time to time and is made up of the bank wholesale rate at the time of each penalty date, plus an additional 25 basis points, and represents the interest rate payable by the applicant, on rates postponed. In addition, Council will charge 1.25% excluding GST for on-going administration and reserve fund fees.*
- 7. THAT the due dates for payment of rates as set by the Western Bay of Plenty District Council for the financial year commencing 1 July 2018 and ending on 30 June 2019 be:**
- All rates will be payable in two instalments:*
- *the due date for instalment 1 will be 21 September 2018.*
  - *the due date for instalment 2 will be 28 February 2019.*
- 8. THAT the water consumption rates as set by the Western Bay of Plenty District Council for the financial year commencing 1 July 2018 and ending on 30 June 2019 will be invoiced twice during the year and the due dates for payment will be 30 days from the date of each invoice being issued.**
- 9. THAT under sections 57 and 58 of the Local Government (Rating) Act 2002, the following penalties be applied to unpaid rates:**
- (a) *A charge of 10 percent on so much of any instalment that has been assessed after 1 July 2018 and which remains unpaid after the penalty dates, which are 26 October 2018 for instalment one and 22 March 2019 for instalment two.*
  - (b) *A charge of 10 percent on so much of any rates levied before 1 July 2019, which remains unpaid on 1 July 2019, will be made on that date.*
  - (c) *A further charge of 10 percent of previous years' rates on any rates to which a penalty has been added on 1 July 2018, if the rates remain unpaid on 1 January 2019, will be made on that date.*



**10. THAT where all outstanding and current rates are paid by close of business 28 September 2018, under section 55 of the Local Government (Rating) Act 2002 a discount of 3% on current rates be allowed with the exception of metered water consumption charges which do not qualify for discount.**

**11. THAT rates shall be payable by any of the following methods:**

- **Online**
- **Direct debit (annually, invoice due date or monthly payments)**
- **Automatic payment**
- **Internet/telephone banking**
- **Cheque (Post or in person)**
- **EFTPOS or cash at Council's office, libraries and service centres – between the hours of 8.00am and 5.00pm, Monday to Friday.**

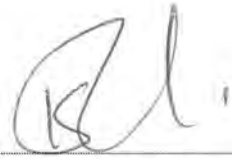
**12. THAT the rates timetable for the rates process for the financial year commencing 1 July 2018 and ending on 30 June 2019 be as follows:**

Council Resolution:		
	Confirmation of rates	28 June 2018
Run rates		11 August 2018
Mail out	Instalment One	3 September 2018
Due Date	Instalment One	21 September 2018
Discount Date		28 September 2018
Penalty Date	Instalment One	26 October 2018
Mail out	Instalment Two	4 February 2019
Due Date	Instalment Two	28 February 2019
Penalty Date	Instalment Two	22 March 2019

**13. THAT Council will continue to collect rates on behalf of Bay of Plenty Regional Council. The rates collected will be as specified in the rates resolution of the Bay of Plenty Regional Council.**

  
Ian Butler  
Finance Manager

Approved

  
Kumaren Perumal  
Chief Financial Officer

## 1. Background

Council is required to set the rates (**Attachment A**) for the financial year commencing 1 July 2018 in accordance with the rate revenue requirement and rating policy as adopted in the Long Term Plan 2018-2028.

***THAT the Western Bay of Plenty District Council sets the following rates as attached (Attachment A) under section 23 of the Local Government (Rating) Act 2002, on rating units in the District for the financial year commencing on 1 July 2018 and ending on 30 June 2019.***

***THAT the Western Bay of Plenty District Council adopts as attached (Attachment A) its definitions for its differential categories for the 2018/19 financial year:***

***THAT the rates set for the financial year commencing on 1 July 2018 and ending on 30 June 2019 be exclusive of GST.***

## 2. Rates Postponement for Homeowners Aged Over 65 Years Policy

In accordance with its Rates Postponement for Homeowners Aged Over 65 Years Policy, the Western Bay of Plenty District Council sets the following fees under section 88 of the Local Government (Rating) Act 2002 for the financial year commencing on 1 July 2018 and ending on 30 June 2019:

### **Application Fee - \$50.00**

- A fee of \$50.00 will be added to the rates when Council offers postponement. This fee is non refundable and covers the administration costs associated with processing the application.

### **Counselling Fee - \$300.00**

- A fee of up to \$300.00 may be charged once professional counselling has commenced. This fee is to fund the cost of professional counselling so that an informed decision can be made by an applicant on whether or not to proceed with their application to join the scheme.

### **Other Fees**

- Such other incidental fees as may be necessary to process the application. Any fees charged under this heading will be third party fees and would change from time to time. Any fees charged under this heading will be discussed with any prospective applicant at the time of making their application.
- Interest at wholesale bank rate plus bank margin negotiated, plus applicable bank administration costs. (Bank rate and margin are exempt from GST). This interest is the interest charged by the bank from time to time and is made up of the bank wholesale rate at the time of each penalty date, plus an additional 25



basis points, and represents the interest rate payable by the applicant, on rates postponed. In addition, Council will charge 1.25% excluding GST for on-going administration and reserve fund fees.

### 3. Due dates for Payment of Rates

The due dates for payment of rates as set by the Western Bay of Plenty District Council for the financial year commencing 1 July 2018 and ending on 30 June 2019 be:

All rates will be payable in two instalments:

- the due date for instalment 1 will be 21 September 2018
- the due date for instalment 2 will be 28 February 2019.

The water consumption rates as set by the Western Bay of Plenty District Council for the financial year commencing 1 July 2018 and ending on 30 June 2019 will be invoiced twice during the year and the due dates for payment will be 30 days from the date of each invoice being issued.

### 4. Penalties

Under sections 57 and 58 of the Local Government (Rating) Act 2002, the following penalties be applied to unpaid rates:

- (a) A charge of 10 percent on so much of any instalment that has been assessed after 1 July 2018 and which remains unpaid after the penalty dates, which are 26 October 2018 for instalment one and 22 March 2019 for instalment two.
- (b) A charge of 10 percent on so much of any rates levied before 1 July 2019, which remains unpaid on 1 July 2019, will be made on that date.
- (c) A further charge of 10 percent of previous years' rates on any rates to which a penalty has been added on 1 July 2018, if the rates remain unpaid on 1 January 2019, will be made on that date.

### 5. Discount

***THAT, where all outstanding and current rates are paid by close of business 28 September 2018, under section 55 of the Local Government (Rating) Act 2002 a discount of 3% on current rates be allowed with the exception of metered water consumption charges which do not qualify for discount.***

## 6. Payment of Rates

Rates shall be payable by any of the following methods:

- Online
- Direct debit (annually, invoice due date or monthly payments)
- Automatic payment
- Online and telephone banking
- Cheque (Post or in person)
- EFTPOS or cash at Council's office, libraries and service centres – between the hours of 8.00am and 5.00pm, Monday to Friday.

## 7. Timetable

The timetable overleaf provides the rates process for the financial year commencing 1 July 2018 and ending on 30 June 2019.



Date  
Subject

28 June 2018  
Setting of Rates for the 2018/19 Financial Year

**Open Session**

		<b>Actual dates 2018/19</b>	<b>Actual dates 2017/18</b>	<b>Actual dates 2016/17</b>	<b>Actual dates 2015/2016</b>	<b>Actual dates 2014/2015</b>	<b>Actual dates 2013/2014</b>
<b>Council Resolution:</b>	Confirmation of Special Order						
	Confirmation of rates	<b>28-Jun-18</b>	29-Jun-17	29-Jun-16	2-Jul-15	3-Jul-14	1-Aug-13
<b>Run rates</b>		<b>11-Aug-18</b>	12-Aug-17	14-Aug-16	14-Aug-15	16-Aug-14	16-Aug-13
<b>Mail out</b>	Instalment One	<b>3-Sep-18</b>	4-Sep-17	1-Sep-16	1-Sep-15	3-Sep-14	6-Sep-13
<b>Due Date</b>	Instalment One	<b>21-Sep-18</b>	22-Sep-17	23-Sep-16	18-Sep-15	19-Sep-14	20-Sep-13
<b>Discount Date</b>		<b>28-Sep-18</b>	29-Sep-17	30-Sep-16	25-Sep-15	26-Sep-14	27-Sep-13
<b>Penalty Date</b>	Instalment One	<b>26-Oct-18</b>	27-Oct-17	28-Oct-16	23-Oct-15	24-Oct-14	25-Oct-13
<b>Mail out</b>	Instalment Two	<b>4-Feb-19</b>	1-Feb-18	1-Feb-17	10-Feb-16	11-Feb-15	12-Feb-14
<b>Due Date</b>	Instalment Two	<b>28-Feb-19</b>	23-Feb-18	24-Feb-17	26-Feb-16	27-Feb-15	28-Feb-14
<b>Penalty Date</b>	Instalment Two	<b>22-Mar-19</b>	23-Mar-18	24-Mar-17	25-Mar-16	27-Mar-15	28-Mar-14

## 8. Significance and Engagement

The Local Government Act 2002 requires a formal assessment of the significance of matters and decisions in this report against Council's Significance and Engagement Policy. In making this formal assessment there is no intention to assess the importance of this item to individuals, groups, or agencies within the community and it is acknowledged that all reports have a high degree of importance to those affected by Council decisions.

The Policy requires Council and its communities to identify the degree of significance attached to particular issues, proposals, assets, decisions, and activities.

In terms of the Significance and Engagement Policy this decision is considered to be of high significance because:

- Rates are struck every year for the following financial year commencing 1 July. In this case 1 July 2018. Ratepayers and residents will be affected
- In terms of the extent to which the residents and ratepayers are affected, rates continue to be limited to a maximum increase of four percent per annum for the LTP years 2018-28. This demonstrates to the community that Council has a prudent approach to managing its operational and capital work programmes
- Rates are considered to be the most cost effective method to fund Council services and will therefore impact the future interests of the community which may be in positive or negative way
- The decision is not reversible. Failure to adopt the proposed rates may lead to a breach of the Local Government Act 2002 and the inability to charge rates. This would result in significant additional cost
- Council works hard to strike a balance between what communities desire and what they need in the form of essential services. The subject could be deemed to be controversial depending on the ratepayers perspective.

## 9. Engagement, Consultation and Communication

- 9a. As per the changes to the Local Government Act 2002 Council was required to prepare a Long Term Plan 2018-2028 Consultation Document to provide an effective basis for input from the public into Council decision making. Setting rates for 2018/19 and for the Long Term Plan formed part of the decision making.

Interested/Affected Parties	Completed/Planned Engagement/Consultation/Communication
Tangata Whenua	Public consultation has been undertaken in accordance with the requirements of the Local Government Act 2002 through the



& General Public	2018- 2028 Long Term Plan. The adopted Long Term Plan 2018-2028 which includes the Funding Impact Statement and other rating information will be uploaded to Council's website after the 28 June 2018.
Internal Staff	Staff will be contacted accordingly.

## 10. Issues and Options Assessment

THAT the Western Bay of Plenty District Council adopts the proposed rates for 2018/19	
Reasons why no options are available	Legislative or other reference
<p>It isn't an option to not adopt the rates as the 2018/19 Annual Plan (first year of the 2018-2028) was prepared on the basis of the proposed rates and was adopted on 28 June 2018.</p> <p>Failure to adopt the proposed rates may lead to a breach of the Local Government Act 2002 and the inability to charge rates. This would result in significant additional cost.</p>	

## 11. Statutory Compliance

The recommendations in this report are consistent with legislative requirements and are in accordance with the rating policies and the overall revenue and financing policy in the 2018-2028 Long Term Plan (page 390) adopted 28 June 2018.

## 12. Funding/Budget Implications

Budget Funding Information	Relevant Detail
	Not applicable.

## Funding Impact Statement - Rating

### Rate Funding Mechanisms 2018/2019

The following rates are GST exclusive.

The defined areas of benefits, land areas, or zones are available on Council maps at - Barks Corner, Tauranga.

Further detail on the rate funding mechanisms can be found in Councils Revenue and Financing Policy. All our funding sources will also be used during each future year covered by the Long Term Plan 2018-2028.

### General rates

#### General rate

General rates are set under section 13 of the Local Government (Rating) Act 2002 on a differential basis on the capital value of all rateable properties for the District. General Rates consist of a rate in the dollar charged on capital value and a Uniform Annual General Charge (UAGC) which is a flat amount levied on each rating unit.

#### Differential general rate

Our policy is to have the same system for charging General Rates across the whole District. Our current differential rates policy is that all property zones are charged at a differential of 1.0 for the General Rate. The different categories of land and rates are outlined in the table below. The objectives of the differential rate, in terms of the total revenue sought from each category are:

Source	Differential categories	General rate in the dollar of the dollar of capital value	Revenue (\$)
General rate	Residential zoned areas	0.0009124	5,699,225
	Rural zoned areas	0.0009124	11,894,569
	Commercial/Industrial or Post-harvest zoned properties	0.0009124	576,603
	Forestry zoned properties	0.0009124	82,465
<b>Total general rates</b>			<b>18,252,862</b>

#### Uniform Annual General Charge (UAGC)

A uniform annual general charge set under section 15 (1) of the Local Government (Rating) Act for all rateable land within the District. The size of the UAGC is set each year by Council and is used as a levelling tool in the collection of General Rates. The combined revenue sought from both the UAGC and certain targeted rates set on a uniform basis, is to be assessed close to 30% of the total rates revenue. If the Uniform Annual General Charge (UAGC) were set at zero the effect would be to increase the amount of General Rates assessed on capital value which would increase the share levied on properties with higher capital values and decrease the share levied on lower capital values. In setting the level of the UAGC, we consider the following issues:

- The impact of a high UAGC on those with low incomes and relatively low property values.
- The impact of a low UAGC on the relative share of rates levied on large rural properties
- Fairness and equity and the social consequences of an unfair distribution of rates
- The collective effect of other flat charges (e.g. environmental protection rate, targeted rate for libraries) on affordability for low income households.

Source		Amount (\$)	Revenue (\$)
UAGC	Fixed amount per rating unit	\$ 245.00	\$ 5,364,765



**Targeted Rates**

We use targeted rates (as defined in the Local Government (Rating) Act 2002) to collect funds over areas of benefit. This rating tool is chosen where the services provided are specific to a particular community or area within our District and it is not considered fair to charge all ratepayers. These rates may be collected on a uniform (fixed) basis per property or on the capital value of each property. Area of Benefit maps for the various targeted rates can be viewed on our website at [www.westernbay.govt.nz](http://www.westernbay.govt.nz).

**Roading rates**

The roading rate are differential targeted rates set under section 16 of the Local Government (Rating) Act 2002. The different categories of land are based on the use to which the land is put, where the land is situated. The roading targeted rates part fund the transportation activity. The different categories of land and rates are outlined in the table below. Commercial/industrial and post harvest zoned properties are charged a differential of 2.0 based on the assessed impact they have on the roading infrastructure.

Source	Differential categories	Rate in the dollar	Revenue (\$)
Roading rate	Residential and Rural zoned properties	0.000815	8,485,200
	Forestry zoned properties	0.000815	65,241
	Commercial/Industrial or Post-harvest zoned properties	0.001631	401,034
	District-wide	\$ 72.30	1,583,099
	Rural	\$ 261.07	2,674,426
<b>Total roading targeted rates</b>			<b>\$ 13,209,000</b>

**Community Board targeted rates**

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

Source	Differential categories	Amount (\$)	Revenue (\$)
Community Board	Waihi Beach	\$ 26.53	80,683
	Katikati	\$ 20.86	92,174
	Omokoroa	\$ 45.40	74,642
	Te Puke	\$ 28.25	112,138
	Maketu	\$ 135.46	78,837
<b>Total Community Board targeted rates</b>			<b>438,474</b>

**Environmental Protection Targeted Rate**

The environmental protection rate is a uniform targeted rate set under section 16 of the Local Government (Rating) Act 2002. It is set as a Fixed amount per rating unit for the District. The environmental protection rate part funds the following activities: wastewater, environmental protection, recreation and leisure.

Source	Amount (\$)	Revenue (\$)
Environmental Protection Rate	\$ -	714,000

**Solid waste Targeted Rate**

The solid waste rate is a uniform targeted rate set under section 16 (3) (a) of the Local Government (Rating) Act 2002. The solid waste rate part funds the solid waste activity.

Source	Differential categories	Amount (\$)	Revenue (\$)
Solid waste	Western	\$ 78.39	\$ 585,431
	Eastern	\$ 65.10	\$ 468,695
			<b>1,054,126</b>

**Library Services Targeted Rate**

The library services rate is a differential targeted rate set under section 16 of the Local Government (Rating) Act 2002.

It is set as a Fixed amount per rating unit for the District, and a Fixed amount for the defined area of benefit Te Puna. The library services targeted rate part funds the library activity.

Source	Differential categories	Amount (\$)	Revenue (\$)
Library Services	Library rate	\$ 72.57	\$ 1,589,060
Te Puna Library rate	Te Puna Library rate	7.90	\$ 11,220
<b>Library Services rate</b>			<b>1,600,280</b>



**Western Water**

The western water rates are differential targeted rates set under section 16 and 19 of the Local Government (Rating) Act 2002. The western water targeted rate part funds the western water activity, this area approximates the Katikati/Waihi Beach ward. The different categories of land are based on the provision or availability of water supply services provided by Council on all properties in the western water zone. Where a property has the ability to, but is not connected to the water supply an availability rate is charged.

Source	Differential categories	Amount (\$)	Revenue (\$)
Western water	Metered connection (standard 20mm)	\$ 382.10	2,481,740
	Metered connection (additional to standard 20mm)	\$ 99.00	23,067
	Metered connection (25mm)	\$ 213.98	4,493
	Metered connection (32mm)	\$ 421.71	-
	Metered connection (40mm)	\$ 1,146.30	3,439
	Metered connection (50mm)	\$ 2,006.03	14,042
	Metered connection (100mm)	9,170.40	9,170
	Metered connection (150mm)	21,111.03	-
	Unmetered connection	\$ 497.50	118,405
	Availability charge	\$ 191.05	73,554
	Consumption charge - a fixed charge per cubic meter of water consumption	\$ 1.13	-
<b>Total western water rates</b>			<b>\$ 2,727,911</b>

**Central Water**

The central water rates are differential targeted rates set under section 16 and 19 of the Local Government (Rating) Act 2002. The central water targeted rate part funds the central water activity. The area serviced is approximated by the Kaimai Ward area. The different categories of land are based on the provision or availability of central water supply services provided by Council on all properties in the central water zone. Where a property has the ability to, but is not connected to the water supply an availability rate is charged.

Source	Differential categories	Amount (\$)	Revenue (\$)
Central water	Metered connection (standard 20mm)	\$ 382.10	1,329,708
	Metered connection (additional to standard 20mm)	\$ 99.00	20,196
	Metered connection (25mm)	\$ 213.98	5,563
	Metered connection (32mm)	\$ 421.71	-
	Metered connection (40mm)	\$ 1,146.30	-
	Metered connection (50mm)	\$ 2,006.03	16,048
	Metered connection (100mm)	9,170.40	-
	Metered connection (150mm)	21,111.03	-
	Unmetered connection	\$ 497.50	995
	Availability charge	\$ 191.05	50,437
	Consumption charge - a fixed charge per cubic meter of water consumption	\$ 1.13	-
<b>Total central water rates</b>			<b>\$ 1,422,948</b>

**Eastern Water**

The eastern water rates are differential targeted rates set under section 16 and 19 of the Local Government (Rating) Act 2002. The eastern water targeted rate part funds the eastern water activity. The area serviced is approximated by the Maketu/Te Puke Ward area. The different categories of land are based on the provision or availability of central water supply services provided by Council. The targeted rates are on all properties in the Eastern water area or in defined areas of benefit. Where a property has the ability to, but is not connected to the water supply an availability rate is charged.

Source	Differential categories	Amount (\$)	Revenue (\$)
Eastern water	Metered connection (standard 20mm)	\$ 382.10	1,981,953
	Metered connection (additional to standard 20mm)	\$ 99.00	15,939
	Metered connection (25mm)	\$ 213.98	7,703
	Metered connection (32mm)	\$ 421.71	-
	Metered connection (40mm)	\$ 1,146.30	5,732
	Metered connection (50mm)	\$ 2,006.03	30,090
	Metered connection (100mm)	9,170.40	18,341
	Metered connection (150mm)	21,111.03	21,111
	Unmetered connection	\$ 497.50	995
	Availability charge	\$ 191.05	61,709
	Consumption charge - a fixed charge per cubic meter of water consumption	\$ 1.13	-
	Gibraltar water scheme	\$ 100.00	2,900
<b>Total eastern water rates</b>			<b>\$ 2,146,473</b>



**Waihi Beach Wastewater**

The Waihi Beach wastewater rates are differential targeted rates set under section 16 of the Local Government (Rating) Act 2002. The Waihi Beach wastewater targeted rate part funds the Waihi Beach wastewater activity. The different categories of land are based on the provision or availability of wastewater services provided by Council. The targeted rates are on all properties in the Waihi Beach wastewater area or in defined areas of benefit. Where a property has the ability to, but is not connected to the wastewater system an availability rate is charged.

Source	Differential categories	Amount (\$)	Revenue (\$)
Waihi Beach wastewater	Availability charge	\$ 453.72	85,752
	Connection charge	\$ 907.43	2,429,190
	Multiple pan charge	\$ 761.22	284,696
	Waihi Beach School	\$ 7,768.00	7,768
<b>Total Waihi Beach wastewater</b>			<b>\$ 2,807,407</b>

**Katikati Wastewater**

The Katikati wastewater rates are differential targeted rates set under section 16 of the Local Government (Rating) Act 2002. The Katikati wastewater targeted rate part funds the Katikati wastewater activity. The different categories of land are based on the provision or availability of wastewater services provided by Council. The targeted rates are on all properties in the Katikati wastewater area or in defined areas of benefit. Where a property has the ability to, but is not connected to the wastewater system an availability rate is charged.

Source	Differential categories	Amount (\$)	Revenue (\$)
Katikati wastewater	Availability charge	\$ 453.72	73,048
	Connection charge	\$ 907.43	1,926,474
	Multiple pan charge	\$ 761.22	247,397
	Katikati College	\$ 22,093.00	22,093
	Katikati Primary	\$ 14,146.00	14,146
<b>Total Katikati wastewater</b>			<b>\$ 2,283,158</b>

**Omokoroa Wastewater**

The Omokoroa wastewater rates are differential targeted rates set under section 16 of the Local Government (Rating) Act 2002.

The Omokoroa wastewater targeted rate part funds the Omokoroa wastewater activity. The different categories of land are based on the provision or availability of wastewater services provided by Council. The targeted rates are on all properties in the Omokoroa wastewater area or in defined areas of benefit. Where a property has the ability to, but is not connected to the wastewater system an availability rate is charged.

Source	Differential categories	Amount (\$)	Revenue (\$)
Omokoroa wastewater	Availability charge	\$ 453.72	71,687
	Connection charge	\$ 907.43	1,371,127
	Multiple pan charge	\$ 761.22	176,603
	Omokoroa Point School	\$ 6,546.00	6,546
	Astelia Place	\$ 582.00	1,164
<b>Total Omokoroa wastewater</b>			<b>\$ 1,627,127</b>

**Te Puke Wastewater**

The Te Puke wastewater rates are differential targeted rates set under section 16 of the Local Government (Rating) Act 2002. The Te Puke wastewater targeted rate part funds the Te Puke wastewater activity. The different categories of land are based on the provision or availability of wastewater services provided by Council. The targeted rates are on all properties in the

Te Puke wastewater area or in defined areas of benefit. Where a property has the ability to, but is not connected to the wastewater system an availability rate is charged.

Source	Differential categories	Amount (\$)	Revenue (\$)
Te Puke wastewater	Availability charge	\$ 453.72	31,306
	Connection charge	\$ 907.43	2,491,803
	Multiple pan charge	\$ 761.22	564,064
	Te Puke High School	\$ 12,161.00	12,161
	Te Puke Intermediate School	\$ 13,156.00	13,156
	Te Puke Primary School	\$ 12,363.00	12,363
	Fairhaven Primary School	\$ 11,108.00	11,108
	Te Timatanga Hou Kohanga Reo	\$ 227.00	227
<b>Total Te Puke wastewater</b>			<b>\$ 3,136,188</b>



**Maketu / Little Waihi Wastewater**

The Maketu / Little Waihi wastewater rates are differential targeted rates set under section 16 of the Local Government (Rating) Act 2002. The Maketu / Little Waihi wastewater targeted rate part funds the Maketu / Little Waihi Wastewater wastewater activity. The different categories of land are based on the provision or availability of wastewater services provided by Council. The targeted rates are on all properties in the Maketu / Little Waihi wastewater area or in defined areas of benefit. Where a property has the ability to, but is not connected to the wastewater system an availability rate is charged.

Source	Differential categories	Amount (\$)	Revenue (\$)
Maketu / Little Waihi Wastewater	Availability charge	\$ 453.72	49,001
	Connection charge	\$ 907.43	400,177
	Multiple pan charge	\$ 761.22	-
	Maketu / Little Waihi Wastewater High School	\$ 7,316.00	7,316
<b>Total Maketu / Little Waihi Wastewater</b>			<b>\$ 456,494</b>

**Waihi Beach Coastal Protection**

The Waihi Beach Coastal Protection rates are differential targeted rates set under section 16 and 117 of the Local Government (Rating) Act 2002. The Waihi Beach Coastal Protection targeted rate part funds coastal protection in Waihi Beach. The different categories of land are based on the provision services provided by Council. The targeted rates are on all properties in the Waihi Beach area or defined areas of benefit. Lump sum contributions are invited in respect of Waihi Beach Rock revetment within the defined areas of benefit in lieu of future payments of the capital 'Uniform Targeted Rate' (UTR).

Source	Differential categories	Amount (\$)	Revenue (\$)
Waihi Beach Coastal Protection	- Rock revetment - Operational	\$ 166.37	8,818
	- Rock revetment - Capital	\$ 1,313.60	30,213
	- Rock revetment capital lump sum (optional)*	\$ 16,559.00	
	- Ward area	\$ 14.10	42,878
	- Dunes northern end	\$ 606.34	13,946
	- Dunes Glen Isla Place	\$ 624.53	4,372
<b>Total Waihi Beach Coastal Protection</b>			<b>\$ 100,226</b>

\*Lump sum contributions are invited in respect of Waihi Beach Rock revetment within the defined areas of benefit in lieu of future payments of the capital 'Uniform Targeted Rate' (UTR). The loan will expire in 2035, for those not opting to pay the lump sum the over cost between now and the end of term will end up paying \$28,571.

**Omokoroa Greenwaste**

The Omokoroa greenwaste rates are differential targeted rates set under section 16 of the Local Government (Rating) Act 2002.

The targeted rates are on all properties in the Omokoroa community board defined area of benefit.

Source	Amount (\$)	Revenue (\$)
Omokoroa greenwaste	\$ 48.06	78,290

**Stormwater**

Stormwater rates are differential targeted rates set under section 16 of the Local Government (Rating) Act 2002. Stormwater targeted rate part funds stormwater in defined areas of benefit. The different categories of land are based on the provision services provided by Council. The targeted rates are on all properties in defined areas of benefit.

The targeted rates are on all properties in defined areas of benefit

Source	Differential categories	Amount (\$)	Revenue (\$)
Stormwater	Kauri Point	\$ 165.94	13,441
	Tanners Point	\$ 165.94	18,253
	Te Puna	\$ 165.94	23,066
	Pukehina	\$ 165.94	106,202
	Waihi Beach	\$ 389.34	1,183,983
	Katikati	\$ 389.34	789,192
	Omokoroa	\$ 389.34	615,936
	Ongare Point	\$ 165.94	9,127
	Tuapiro Point	\$ 165.94	4,149
	Te Puke	\$ 389.34	1,121,299
	Paengaroa	\$ 165.94	50,778
	Maketu	\$ 165.94	80,647
	Minden	\$ -	-
<b>Total Stormwater</b>			<b>\$ 4,016,072</b>



**Land Drainage**

Land Drainage rates are differential targeted rates set under section 16 of the Local Government (Rating) Act 2002. Land Drainage targeted rate part fund land drainage in Little Waihi defined areas of benefit. The different categories of land are based on the provision of services provided by Council. The targeted rates are on all properties in defined areas of benefit.

Source	Differential categories	Amount (\$)	Revenue (\$)
Land Drainage	Land Drainage - drains class A	\$ 33.35	138,485
	Land Drainage - drains class B	\$ 14.52	1,481
	Land Drainage - pumps class A	\$ 139.74	268,860
	Land Drainage - pumps class B	\$ 105.06	9,771
	Land Drainage - pumps class C	\$ 73.44	9,474
<b>Total Land Drainage</b>			<b>\$ 428,071</b>

**Community Halls**

Community Hall rates are differential targeted rates set under section 16 of the Local Government (Rating) Act 2002.

Community Hall targeted rate part fund Community Halls in defined areas of benefit. The different categories of land are based on the provision of services provided by Council. The targeted rates are on all properties in defined areas of benefit.

The targeted rates are on all properties in defined areas of benefit

Source	Differential categories	Amount (\$)	Revenue (\$)
Community Halls	Katikati War Memorial Hall	\$ 7.00	30,989
	Te Puna War Memorial Hall	\$ -	-
	Te Puna Community Centre	\$ 21.74	30,865
	Paengaroa Hall	\$ 45.39	31,136
	Pukehina Beach Community Centre	\$ 5.60	4,590
	Pukehina Hall	\$ -	-
	Oropi War Memorial Hall	\$ 44.70	24,945
	Kaimai Hall	\$ 13.00	5,304
	Omanawa Hall	\$ 36.00	15,300
	Te Ranga Hall	\$ 42.84	5,998
	Te Puke War Memorial and Settlers Hall	\$ 28.80	114,336
	Omokoroa Settlers Hall	\$ 1.35	2,677
	Ohauti Hall	\$ 58.99	15,810
	Waihi Beach Community Centre	\$ 10.00	30,410
	Whakamarama Hall	\$ 20.00	10,240
	Pyes Pa Hall	\$ 8.67	4,641
<b>Total Community Halls</b>		<b>\$</b>	<b>327,240</b>



**Promotion rates**

Promotion rates are differential targeted rates set under section 16 of the Local Government (Rating) Act 2002. Promotion targeted rates part fund town centre promotion in defined areas of benefit. The different categories of land are based on the provision of town centre promotion services provided by Council. The targeted rates are on all properties in defined areas of benefit.

The different categories of land are based on the provision of town centre promotion services provided by Council

Source	Differential categories	Amount (\$)	Revenue (\$)
Katikati Promotion	Katikati Ward charge	\$ 20.00	88,540
Katikati Promotion	Katikati Ward promotion charge	\$ 8.00	35,416
Katikati Promotion	Commercial/industrial zoned area rate	\$ 310.00	42,780
Waihi Beach Events and Promotions	Waihi Beach promotion charge	\$ 12.83	39,015
Waihi Beach Events and Promotions	Commercial/industrial zoned area rate	\$ 228.16	13,005
Omokoroa Promotion	Omokoroa Town Centre rate		
Te Puke Promotion	Te Puke promotion charge	\$ 12.37	49,099
Te Puke Promotion	Maketu promotion charge	\$ 5.76	18,604
Te Puke Promotion	Te Puke promotion charge	\$ 173.85	37,725
<b>Total Town Centre promotion rates</b>			<b>\$ 324,184</b>

**Development Fund Rates**

Development fund rates are uniform targeted rates set under section 16 of the Local Government (Rating) Act 2002.

Promotion targeted rates part fund Pukehina development in defined areas of benefit. The category of land is based on land use and services provided by Council. The targeted rates are on all properties in defined areas of benefit.

The targeted rates are on all properties in defined areas of benefit

Source		Amount (\$)	Revenue (\$)
Pukehina development rate	Residential	\$ 20.00	12,640

**Pukehina Beach Protection rate**

Pukehina Beach Protection rates are differential targeted rates set under section 16 of the Local Government (Rating) Act 2002.

Pukehina Beach Protection targeted rates part fund Pukehina beach protection in defined areas of benefit. The different categories of land are based on location of land. The targeted rates are on all properties in defined areas of benefit.

The targeted rates are on all properties in defined areas of benefit

Source	Differential categories	Amount (\$)	Revenue (\$)
Pukehina beach protection	Coastal	\$ 46.02	12,240
Pukehina beach protection	Inland	\$ 8.18	3,060
<b>Total Pukehina Beach Protection</b>			<b>\$ 15,300</b>

**Community Development and grants**

Community Development and grants rates are differential targeted rates set under section 16 of the Local Government (Rating) Act 2002. Promotion targeted rates part fund the communities activity The category of land is based on location of land. The targeted rates are on all properties in defined areas of benefit.

The targeted rates are on all properties in defined areas of benefit

Source	Differential categories	Amount (\$)	Revenue (\$)
Katikati resource centre	Katikati	\$ 5.03	22,261
Katikati resource centre	Waihi Beach	\$ 2.44	7,420
Heritage Museum	Katikati	\$ -	0
Heritage Museum	District-wide	\$ 3.26	71,400
<b>Community development and grants</b>			<b>\$ 101,081</b>



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**Western Bay of Plenty District Council****Council****Review of Council Risk Profile**


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**Purpose**

The purpose of this report is to present the quarterly update of the Risk Profile to the Elected Members (**Attachment A**).

**Recommendation**

1. ***THAT the Risk Specialist's report dated 11 June 2018 and titled 'Review of Council Risk Profile' be received.***
2. ***THAT the report relates to an issue that is considered to be of low significance in terms of Council's Significance and Engagement Policy.***



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Guy Hobson  
**Risk Specialist**



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Approved Kumaren Perumal  
**Chief Financial Officer**

**3. Engagement, Consultation and Communication**

Interested/Affected Parties	Completed/Planned Engagement/Consultation/Communication
Western Bay of Plenty District Council's Senior Management & Finance Team	Appropriate staff to be notified accordingly.

**4. Issues and Options Assessment**

Report issued for review and information.	
Reasons why no options are available	Legislative or other reference
<p>Council has agreed to regularly review its strategic risk as part of good governance and best practice.</p> <p>Emerging issues and changes in the operational environment necessitate a regular review of Council's strategic risk.</p> <p>As a result it is likely that risks will be reprioritised and changed over time in response to environmental influences, legislative changes, government policy and the like.</p>	

**5. Statutory Compliance**

The recommendation in this report complies with Council's current Risk Management Policy. Risk assessment is integral to all of Council's operations.

**6. Funding/Budget Implications**

Budget Funding Information	Relevant Detail
Not currently applicable	If changes to the risk priorities result in risk mitigation actions there may be budget implications.



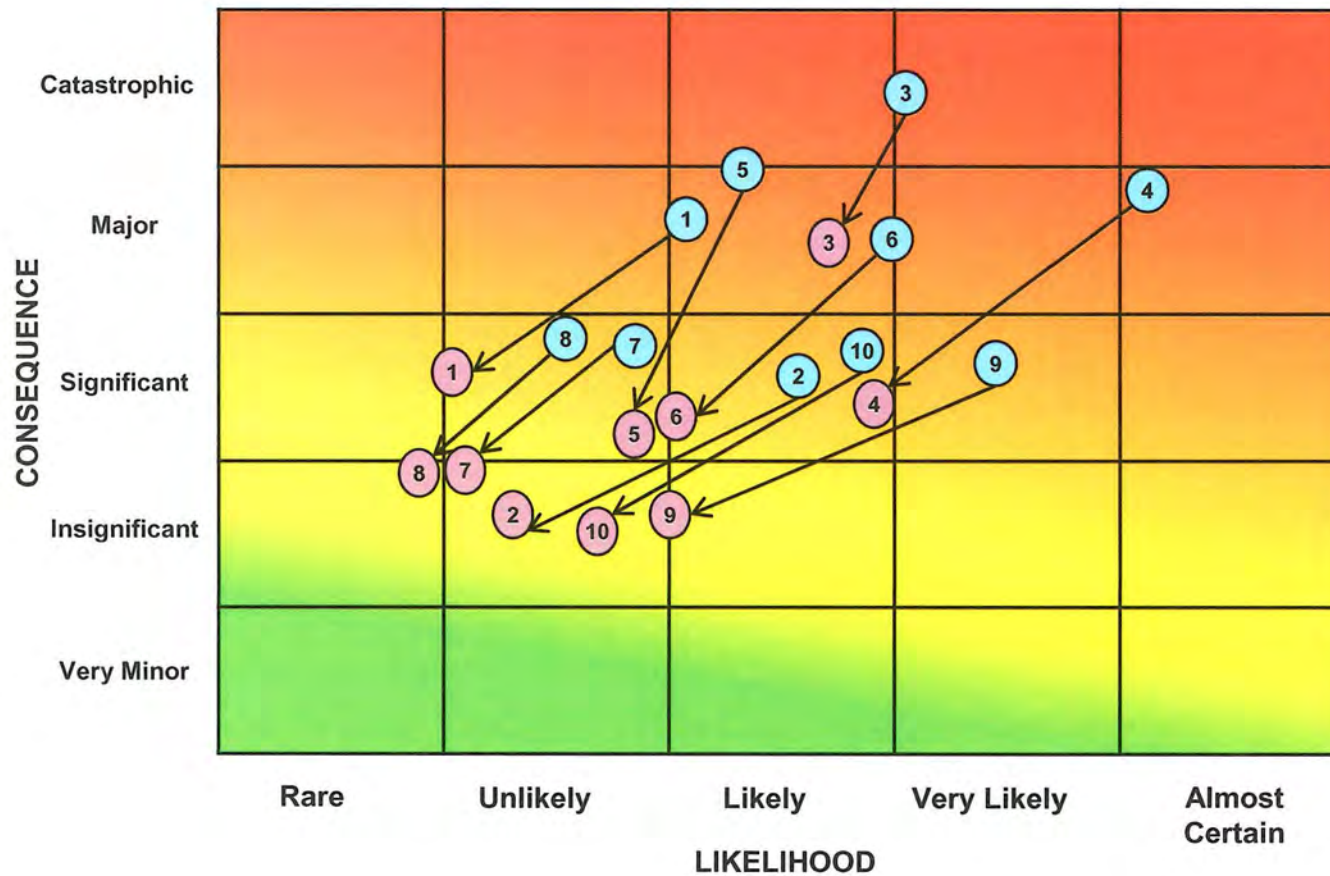
WESTERN BAY OF  
PLENTY DISTRICT  
COUNCIL

DRAFT RISK  
PROFILE

11 June 2018

# Summary of Key Risks

The following are the top risks to the achievement of WBOPDC's business objectives. Detail on each risk, associated mitigations and monitoring mechanisms are set out on subsequent pages.



KEY ● Inherent Risk ● Residual Risk ● Target Risk level (tbd)

#	Strategic Risk Areas
1	Health & safety compliance
2	Attraction, retention and engagement of key staff
3	Crisis management
4	External macroeconomic and other events e.g. horticulture disease and central government policy change
5	Digital ecosystem – reliability, cyber security, delivery, knowledge management
6	Renewals and maintenance of infrastructure
7	Project delivery management
8	Community engagement (general community and key stakeholders)
9	Regulatory compliance
10	Growth and impact on infrastructure planning



# Key Risks

	Inherent Risk	Current Assessed Residual Risk	Council Target Residual Risk
<b>1. Health &amp; safety compliance</b>	High	Medium	Low

WBOPDC is committed to providing a safe and healthy workplace for employees, contractors and the general public. The introduction of the Health and Safety at Work Act 2015 has increased leadership accountability and placed an onus on the Senior Management Team (SMT) to be more aware and have greater involvement in all H&S matters. Using representation on the H&S Committee and regular reporting to SMT and Elected Members, there has been an increased visibility in all areas of internal Health & Safety. WBOPDC has joined other Bay of Plenty and Waikato Councils to use the SHE Software for Contractor pre-qualification, helping to ensure that all contractors who are employed by the Council meet a similar set of standards and requirements.

### Risk Appetite Rationale

- Compliance with health and safety is important in terms of upholding Council's reputation and public perception.
- Safety and well-being of people is one of Council's primary concerns.
- Focussed on the 'right thing to do'

### Key Mitigations

The following actions have been taken:

- New training on the Health & Safety at Work Act has been given to all current employees.
- Hazard Registers have been developed for all Council work sites. 20 registers have now been signed off by the Management Team
- Each area has appointed a representative to sit on the Health & Safety Committee.
- The Vault Reporting system has been implemented to ensure all accidents, injuries and near misses are reported. These are discussed by the H&S Committee & reported upwards.
- WBOPDC has joined the Contractor Pre-Qualification Scheme run using the SHE Software. This establishes a level of consistency across contractors used by local authorities, but only in respect to basic H&S training and capabilities.
- H&S is reported to SMT and Council on a monthly and quarterly basis respectively. H&S Committee minutes are circulated to all staff monthly.
- There are currently two H&S positions – Health & Safety Advisor and Health & Safety Specialist.
- Staff engagement is achieved through the monthly ORA newsletters, competitions, topic of the month and ORA nominations for modelling good H&S behaviours.
- WSMP Audit – this only runs until 2018, but WBOPDC did achieve a high standard in the accreditation.

### Significant Planned Additional Mitigations

	Owner(s)	Timing	Status
• Evidence of H&S meetings with Contractors is filed in locations that can be easily found, including evidence that any remedial actions have been taken and checked	H&S/Contract managers	2017-18	Ongoing
• New Regulations on Asbestos Management – plan for each location where it is present	Mike Inglis	Starts 1 Dec 2017 Ongoing	In progress
• Hazardous substance inventory	Mike Inglis		In progress
• SMT visits to worksites	Jan Pedersen		In progress



# Key Risks

	Inherent Risk	Current Assessed Residual Risk	Council Target Residual Risk
<b>2. Attraction, retention and engagement of key staff</b>	Medium	Medium	Low

There are threats to WBOPDC due to its small size in the regional economy and its ability to attract and retain specialist staff in a small job pool. We may lose staff to other neighbouring Councils, or not be able to attract staff of the right calibre or capability because of either our small size or the lack of other opportunities in the local area.

There are also issues of succession planning for some roles and the potential to lose knowledge and intellectual capital with the loss of certain staff. In the Utilities area there will be a high percentage of retirees over the next five years.

Staff numbers have increased with growth in the region and associated workloads, presenting issues around accommodation and conditions.

### Risk Appetite Rationale

- Key staff are required to support Council's operations and drive achievement of strategic objectives.
- Difficulty in finding qualified individuals.
- Developing the right culture.
- Individual risk appetites for different sub-categories: e.g. Building inspector: Moderate, Regulatory staff: Low, Leadership: Low.

### Key Mitigations

Working closely with other Councils to find innovative solutions in some areas – such as using Building Control staff from other Councils.

Investigation of training opportunities at local tertiary institutions to help meet certain skill shortages.

Increased use of graduate positions, trainees and cadets to fill positions in areas with shortages or threats from larger proportion of retirees.

Monitoring of staff attrition rates combined with Remuneration and Benefits strategy to compare with our neighbours annually.

Staff retention planning – use of training, MBAs, extension programme as means to retain staff.

Ability to find skilled contractors in the local market (e.g. to resource work on LTP).

Work is underway to provide additional office accommodation due to the expansion of the workforce.

Internal planning as part of the latest Corporate Plan to ensure that priority is given to the most important activities and planning is put into resource management in order to complete those activities identified as priority ("Tame the Beast")

### Significant Planned Additional Mitigations

	Owner(s)	Timing	Status
Workforce Planning workshops – compare against other Councils	Jan Pedersen	2017-18	Ongoing
Formal Succession Planning – identify potential candidates & training needs	Jan Pedersen	2017-18	Ongoing



# Key Risks

	Inherent Risk	Current Assessed Residual Risk	Council Target Residual Risk
<b>3. Crisis management</b>	Extreme	High	Medium/High

All 4 of the Natural Hazard risks from the previous Risk Register are included under this risk (major earthquake, major flood, tsunami and moderate sized volcanic eruption). The response includes Civil Defence and Emergency Management activities, which are run within the WBOPDC premises and co-ordinated between WBOPDC, TCC and the Emergency Management staff of the BOPRC. There is also risk around the information given to residents about the risks to their property from flooding, sea inundation and coastal erosion.

### Risk Appetite Rationale

- Higher risk appetite due to many of these factors being outside of Council's control.
- There's a focus on particular areas, where risks and vulnerabilities are seen as higher (e.g. Waihi Beach, Maketu, Pukehina Beach).
- Individual risk appetites for different sub-categories: Civil Defence: Moderate, Non-Civil Defence: High.

### Key Mitigations

WBOPDC plays a key role in any disaster response and post event recovery. Staff are trained for such events and our buildings & systems are made available to staff from neighbouring Councils. We have staff trained as Controllers and Recovery managers within the EOC. Council staff are involved in close liaison between Emergency Management & other regional Lifeline organisations.

WBOPDC work closely with Insurance broker Aon to assess the correct level of insurance to cover damage to our infrastructure, buildings and facilities. This includes an annual check of the value of our infrastructure assets.

Government advice on coastal hazards & climate change (See paper on 'Coastal Hazards and Climate Change').

GIS mapping for impacts from hazards and natural disasters – tsunami & tidal flooding, etc. These can then be reflected on LIM reports for residents.

For internal response to any crisis or disaster, there is a Crisis Management Plan available and further more detailed plans are being developed for all areas of Council. Within the IT environment there is a detailed Business Continuity plan and increasing use of cloud based technology to allow for more remote working options.

### Significant Planned Additional Mitigations

	Owner(s)	Timing	Status
Work with Aon and Tonkin & Taylor to estimate damage to underground infrastructure in the event of either earthquake, liquefaction or tsunami events.	GM1	2017-18	Ongoing
Business Continuity Planning	Guy Hobson	2018	Ongoing

# Key Risks

	Inherent Risk	Current Assessed Residual Risk	Council Target Residual Risk
<b>4. External macroeconomic and other events e.g. horticulture disease and central government policy change</b>	Extreme	Medium	Medium

Significant changes to Central Government policy or funding (e.g. call to combine services with other Councils leading to stranded assets)  
 Environmental factors which have a devastating impact on the economy of the region and make it uneconomic for horticulture or dairy production.  
 Changes to the wider economic activity in New Zealand (e.g. further financial crisis, collapse of markets & end of growth)

### Risk Appetite Rationale

- Council's aim is to get visibility to the best of their ability.

### Key Mitigations

The significance of these risks is that all of them are beyond the control of WBOPDC, and therefore there is little that can be done to prevent them from happening. The importance of the response and mitigations comes in how they are dealt with if they were to eventuate.  
 Keeping abreast and being well informed about emerging issues and having strategies to deal with them.

Lobby government on important issues and align with sector groups to influence the government (e.g. LGNZ, SOLGM).

Develop contacts with local business and industry groups in order to understand vulnerabilities and to seek better long term outcomes.

Priority One economic briefings for the local regional economy.  
 Bay of Connections Forum – 6 monthly summits.  
 All local Government legislation changes – “Inside Wellington” subscription service.  
 PWC Money market & economic briefings.

### Significant Planned Additional Mitigations

	Owner(s)	Timing	Status
Relationships Framework – database of all external relationships	All	Ongoing	
Corporate Plan initiative – sharing of leading indicators for future activity not past performance.	Corp Dev Team	Ongoing	



# Key Risks

	Inherent Risk	Current Assessed Residual Risk	Council Target Residual Risk
<b>5. Digital ecosystem – reliability, cyber security, delivery, knowledge management</b>	High	Medium	Low

Risk to WBOPDC from a major systems failure which could prevent work from being undertaken, or the loss of vital records. Risk from cyber attacks on electronic records or the threat of malicious damage.

Risks from reliance on Datacom for the provision of the Ozone system, leading to delays in development or risk from end of life software. Replacement of Ozone software and shift to new software may not provide the current level of functionality, and may require a huge amount of time from staff to test, check and migrate to new systems.

### Risk Appetite Rationale

- Continuous monitoring and improvement is important to the community and in achieving Council's objectives and thus significant investments have been made in this area.
- 'Way of the future'

### Key Mitigations

We are shifting to a "software as a service" approach to IT management as a means to reduce on site risk. This will lead to better version control practices & upgrades and lead to a reduced amount of maintenance. This approach is being used as we procure & renew all our corporate systems. Core elements of our technology infrastructure are kept on site but data is being backed up in the cloud. The Tauranga Data Centre is now located here at WBOPDC and has robust security and back up capability. IT have a disaster recovery plan and have built resilience into the current operations, providing mirrored servers which are shared with TCC as a way to ensure data is always retained and can be accessed in a short time frame and using mobile technology.

Contracts with Datacom to provide ongoing system maintenance and upgrades. We are shifting to the management of information as an asset, which includes GIS policy and responsibilities.

We are compliant with Information Management legislation, for example Privacy Act and Public Records Act. Digitisation of historical subdivision files continues.

### Significant Planned Additional Mitigations

Planning for migration to "software as a service" approach to digital management  
Security review of hardware is underway along with software to monitor threats & maintain firewalls.

Owner(s)	Timing	Status
Marion Dowd Richard Gilligan		Ongoing Underway

# Key Risks

	Inherent Risk	Current Assessed Residual Risk	Council Target Residual Risk
<b>6. Renewals and maintenance of infrastructure</b>	High	Medium	Medium/Low

Is the current infrastructure fit for purpose and does it meet the needs of the current population? Will it remain adequate for its remaining estimated lifetime or will developments or expansion mean that it has to be replaced sooner than predicted?

Are growth estimates accurate?

Unplanned asset failure. Impact on residents and businesses, who are unable to function.

Risks encountered during the purchase or construction of new assets.

Contractors unwilling to tender for the work that Council needs to get done (due to the amount of available work, or the perception that working with Councils is hard).

Proper procurement policies are not followed due to the lack of parties tendering for work.

### Risk Appetite Rationale

- Need to ensure our infrastructure is always fit for purpose
- Individual risk appetites for different sub-categories:
  - 1) Bridges: Low
  - 2) Renewals: Moderate

### Key Mitigations

Structure Plans are in place which estimate the future needs to replace or repair assets when required.

Asset Management Plans for all infrastructure activities are in place to ensure assets are fit for purpose, adequately maintained and replaced in the most cost effective manner.

Asset managers and staff are appropriately qualified and trained to manage those plans.

Asset Management Plans and replacement planning reviewed every three years with each new LTP.

A new Asset Management system is being implemented & populated with data to ensure that there are accurate records of all assets and allow for better management and planning of asset life times.

Approval for spending on all capital projects is undertaken as part of the Annual Plan process.

Procurement processes are being reviewed as part of the refresh of the Procurement procedures & Manual in order to achieve the right balance between tendering and the employment of good quality contractors while achieving best possible price outcomes for ratepayers.

### Significant Planned Additional Mitigations

Implementation of the new Asset Management System will bring standardisation to our AMPs

Owner(s)

Timing

Status

2017-19

Ongoing



# Key Risks

	Inherent Risk	Current Assessed Residual Risk	Council Target Residual Risk
<b>7. Project delivery management</b>	Medium	Medium	Medium

At the present time the WBOPDC has a shortage of both project management skill and resources. There is no standard methodology available for the delivery or running of projects within WBOPDC. There is a dependence on existing job holders with certain technical skills to fill the role of project manager on a number of initiatives. While this is needed to some extent, the lack of project management skills may result in delays or inefficiencies within the projects.

### Risk Appetite Rationale

- Scope/quality are the most important factors, timeliness is not as important compared against scope/quality
- There are tension/constraints in terms of capability
- Individual risk appetites for different sub-categories: For example with Cycleways appetite is low but for new services it is moderate

### Key Mitigations

The new Corporate Plan strategy has helped WBOPDC focus on what is being done. Project prioritisation activities have been undertaken by the Corporate Development Team in order to determine which projects can be delivered and to allocate priorities to those. Retention of a full time project manager within the IT department. Development of some project management materials.

Where there is implementation and development activity we now ensure that there is a project team formed where there is ownership by the business and elements that are managed and delivered by IT. We now look to include a team member from Finance in order to ensure that all financial elements are included from an early stage. A more agile business methodology has been adopted when working with Datacom on our systems.

### Significant Planned Additional Mitigations

	Owner(s)	Timing	Status
Asset Management Module, to bring consistency across multiple asset activities	Chris Shaw	2017 - 2019	Ongoing

# Key Risks

	Inherent Risk	Current Assessed Residual Risk	Council Target Residual Risk
<b>8. Community engagement (general community and key stakeholders)</b>	Medium	Medium/Low	Low

WBOPDC has an obligation to engage with residents and the community on matters which affect them. We have undertaken a number of initiatives to ensure there are good levels of local discussion about matters which impact the community, and we can demonstrate that residents views have been gathered and taken into consideration.

### Risk Appetite Rationale

- Council is very careful on external communications
- Customer service is important to us

### Key Mitigations

WBOPDC has recruited new staff in the Communications and Engagement team in order to ensure a much higher degree of resident participation in community matters.

There are Community Boards, Bang the Table community events and also online forums to respond to questions and discussion papers (e.g. on coastal erosion)

Greater efforts are being focussed on getting residents to take part in Open Day events and give views – Omokoroa Planning Open Days, Roding Plan Open Days & Te Puke residents.

A Community Engagement Framework and Toolkit has been developed and is being used.  
 Staff are now trained to standards set by International Association of Public Participation for best practice.  
 WBOPDC are part of a regional network of engagement practitioners and take a lead in this network.  
 There are also Auditor General guidelines on public participation which are followed.

The Council has run and sponsored a number of Community Events. There are Connector Groups in Te Puna and Omokoroa set up to develop their own Community Plans with Council support.

With the running of events by bodies commissioned by the Council or being held on Council land, the New Health & Safety at Work Act demands there are comprehensive risk plans in place. These are being produced but further work is now required to ensure these are properly monitored and complied with.

### Significant Planned Additional Mitigations

	Owner(s)	Timing	Status
Significance and Engagement Policy to be reviewed in 2018	Frank Begley	By July 2018	
H&S Plan monitoring at Events run on Council property or by Council sponsored organisations.	Frank Begley		Ongoing



# Key Risks

	Inherent Risk	Current Assessed Residual Risk	Council Target Residual Risk
<b>9. Regulatory compliance</b>	High	Medium	Low

Risks in this area include:

Loss of regulatory compliance accreditation from IANZ and MBIE.

Difficulties finding enough staff with the appropriate skills and qualifications. Also the current age of a number of inspectors is high & retirements are expected.

Lack of local training opportunities to provide the flow of newly trained workers in this field for WBOPDC and TCC.

Need to employ outside firms to complete this work on behalf of Council, pushing up costs.

Potential failure to provide accurate Codes of Compliance which leads to legal cases against Council or claims for compensation.

Delays to development and building work. Loss of reputation. Stress caused to staff due to work pressures.

### Risk Appetite

- These risks are within Council's control and is important to Council's reputation of high quality service delivery

### Key Mitigations

A position of Quality & Systems Specialist has been established in order to ensure continuity of accreditation. Move to use PROMAP has aided work & audit preparation. Continuous improvement meetings are held within the team to review/fix/change any problems or issues that emerge.

A robust procurement process was followed for the renewal of contract for external contractors. This led to a saving on hourly rates, better insurance cover in place for WBOPDC and also more clarity over expectations about work load and timings. All decisions around this process are clearly documented.

As a result a Contractor Panel is now in place to move work between supplier and keep parties honest over timings and costs.

Young staff are being recruited as cadets to boost the compliance team.

All new staff are being trained towards a nationally recognised qualification and are being enrolled at Toi Ohomai in a Construction Management Diploma.

All old records & Code Compliance certificates stored in the Lundia are processed on a needs basis when requested by members of the public.

### Significant Planned Additional Mitigations

Change to case law around 10 year liability timeframe for leaky building claims may lead to new work or reopening of cases.

Owner(s)	Timing	Status
Chris Nicholson	2018	Ongoing

# Key Risks

	Inherent Risk	Current Assessed Residual Risk	Council Target Residual Risk
<b>10. Growth and impact on infrastructure planning</b>	Medium	Medium/Low	Low

Incorrect growth assumptions – these would impact on estimated costs and revenues and may lead to incorrect decisions about the needs for infrastructure.

Current rates burden is one of the highest in the country. Failure to allow, or get the benefit from, increased new housing development may lead to the region becoming more unaffordable for some rate payers.

The cost of infrastructure required by new developments is high when weighed against the potential new revenues.

Housing affordability within the planned Special Housing Area.

Rising cost of Council staff bill to allow sufficient resources to deal with activities needed by residents.

Availability of office space and accommodation for a growing workforce.

### Risk Appetite Rationale

- Out of council's control but has a big impact on infrastructure planning

### Key Mitigations

Most estimates for population growth are conservative, and would therefore not lead to an overestimate of budget revenues.

Delays to the building process or sudden economic downturn could lead to slower development and subdivision and therefore lower than expected revenues.

SmartGrowth is used for developmental planning purposes. Priority One provides information about economic trends in both Tauranga and the Western Bay areas.

Growth estimates are peer reviewed by the Strategic Advisor

Strategic Property options have been developed and a workspace planning & optimisation survey has been conducted to gather requirements.

### Significant Planned Additional Mitigations

Owner(s)

Timing

Status



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## Western Bay of Plenty District Council

### Council

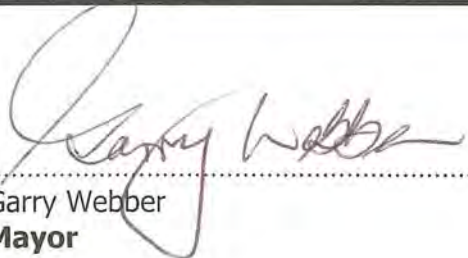
## Mayor's Report to Council – June 2018

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1. LGNZ Conference 15-17 July 2018
2. Tianjin Delegation 16 July 2018
3. Code of Conduct – Personal Grievances
4. SmartGrowth Update
5. Rural and Provincial

### Recommendation

- |   |
|---|
| <ol style="list-style-type: none"><li>1. <i>THAT the Mayor's Report to Council for June 2018 be received.</i></li></ol> |
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Garry Webber  
Mayor