

**Meeting** Council  
**Meeting Date:** 25 September 2024  
**Subject:** Her Worship the Mayor's Report  
**File No.** 101400

## 1 **Purpose**

The purpose of this report is to outline meetings, functions and events that I have hosted, attended and/or participated in for the period Thursday, 22 August to Wednesday 18 September 2024.

### **August**

- Thurs 22- • LGNZ Conference, held in Wellington.  
 Fri 23 Below is a breakdown of meetings/sessions attended during the LGNZ Conference in its entirety, from Tuesday 20 to Friday, 23 August:
- Tues 20 Te Maruata Hui (meeting) for Māori elected and appointed members.
  - Wed 21 Prime Minister address by Rt Hon Christopher Luxon  
Women in Local Government: leading and thriving.  
LGNZ AGM
  - Thurs 22 Mayors Taskforce for Jobs AGM  
Bringing Localism to Life; presented by Minister for Local Government, Hon Simeon Brown  
Unlocking Local and Regional Economic Growth; presented by Minister for Regional Development, Hon Shane Jones  
Guest Speaker at the Community Boards Conference, speaking on Resilience as an Elected Member.  
Forging Authentic Partnerships, presented by Minister for Infrastructure, Hon Chris Bishop
  - Fri 23 Supported Whakatane District Council's presentation on Community's response to Whakaari
  - Mon 26 • Supported Whakatane District Council and their outgoing CEO, Steph O'Sullivan at her powhiri for her new role as CEO of Waipa District Council
  - Wed 28 • August 2024 Council Meeting Day, held in Council Chamber
    - Adoption of the Dangerous, Affected and Insanitary Policy 2024
    - Capital Projects 2023-2024
    - Cemetery Name Board: Shelter and Relocation  
[COUNCIL AGENDA 2024.08.28 0.pdf \(kaweraudc.govt.nz\)](#)
  - Fri 30 • Meeting with Kawerau Boxing Secretary Lisa Ranapia re: Sponsorship, Donations, Funding and/or Fundraising for the Kawerau Boxing Club, held in Mayor's Office

### **September**

- Sun 1 • Attended the tangihanga (funeral) of Kingi Tūheitia with Ngāti Tūwharetoa Ariki, Tā Tumu Te Heuheu and Te Arawa Waka.
- Tues 3 • Meet and Greet with MSD Bay of Plenty Regional Commissioner, Jacob Davies re: Mayors Taskforce for Jobs, held in Mayor's Office

- Meeting with Central Government Agencies, Council and Iwi Ngāti Tūwharetoa re: communication and engagement, held at Ngāti Tūwharetoa BOP Settlement Trust Office
- Wed 4
- Council Workshop, held in Council Chamber
    - Kawerau Market Relocation Proposal
    - Food Waste Collection
    - Emergency Management
  - Eastern BOP Mayors / CE's Catch-up, re: Eastern Bay Economic Development Strategy and Spatial Plan, held at Whakatane District Council
- Thurs 5
- Meeting with Director of Four Winds Foundation, David Stones re: Class4 gaming machines in Kawerau, held in Mayor's Office
- Fri 6
- Meeting with BOP Regional Councillor and Eastern BOP Joint Committee Chair, Malcolm Campbell, re: agenda for upcoming Eastern BOP Joint Committee meeting, held in Mayor's Office
  - BOP Civil Defence Joint Committee Chair's Agenda Planning meeting, held via Microsoft Teams
  - Kawerau Young Achiever Awards which celebrates Rangatahi (Youth) Success, held in the Town Hall
- Tues 10
- Meeting with CEO of Māori Investments Ltd, Tiaki Hunia re: upcoming BOP Regional Growth Summit
- Wed 11
- Regulatory & Services Committee Meeting, held in Council Chamber
    - Monthly Report – Regulatory and Planning Services
    - Monthly Report – Finance and Corporate Services
    - Monthly Report – Operations and Services
    - Monthly Report – Economic and Community Development
    - Monthly Report – Communication and Engagement
  - [REGULATORY & SERVICES AGENDA 2024.09.11.pdf \(kaweraudc.govt.nz\)](#)
  - Council Workshop, held in Council Chamber
    - DRAFT Eastern BOP Regional Economic Development Strategy
  - Extraordinary Council, held in Council Chamber
    - Representation Review Initial Proposal – Receipt of Submissions
  - [EXTRAORDINARY 2024.09.11.pdf \(kaweraudc.govt.nz\)](#)
  - Meeting with Eastern BOP Mayors re: Waste-to-Energy and Data Centre proposal, held at Whakatane District Council
- Thurs 12
- Meeting with Chair of ISK, Jacob Kajavala re: Regional Infrastructure Fund, held at Jacob's Office, KFL
  - Meeting with Chair Karilyn Te Riini and CEO Rob Watt of Ngāti Tūwharetoa Geothermal Assets re: Regional Infrastructure Fund, held in CEO's Office
- Fri 13
- Regional Transport Committee Meeting, held at BOP Regional Council Office, Tauranga
- Mon 16
- Hui with Council Cultural Advisor, Te Haukakawa Te Rire, held in Mayors Office
    - Kawerau Cemetery Board Shelter Update
    - QR signage for Tiwhatiwha and Piripiri
    - Unveiling of Te Marukaa Plaque
    - Naming Policy Update
    - Bilingual staff position roles and titles
    - Māori Language Week 2024
    - Representation Review under the Local Electoral Act 2001

- Boundary Change – from Whakatane district to Kawerau district.
  - Kawerau Market Relocation Proposal
  - Mihi Whakatau for upcoming BOP Civil Defence Meeting held in Kawerau Council Chamber
  - BOP Mayoral Forum Publicly Excluded meeting, due to the commercial nature of the information, held via Zoom
- Tues 17 ● Regional Deals Strategic Framework – virtual information session hosted by Department of Internal Affairs, held via Microsoft Teams
- Wed 18 ● Elected Members' Meeting with Toi-EDA Board of Trustees re: withdrawal of representation, participation and resourcing for KDC.

## **2 Mayoral Correspondence**

- Thur 22/8 Letter from Hon Simeon Brown, Minister of Local Government re: the Strategic Framework for Regional Deals.  
Letter from Hon Chris Bishop, Minister responsible for RMA Reform re: National direction on natural hazards under the RMA.
- Fri 30/8 Invitation to BOP Regional Growth Summit, Friday 20 September, 1.30pm at Whakatane Baptist Church.  
Email request from Hon Paul Goldsmith, Minister of Arts, Culture and Heritage to fly the New Zealand Flag at half-mast to mark the death of Kingi Tūheitia Pōtatau Te Wherowhero VII, Māori King.
- Mon 2/9 Invitation to Eastern Bay Chamber of Commerce Annual General Meeting, Thursday 19 September, 5.30pm at the Fishing Club.  
Letter from Hon Paul Goldsmith, Minister of Arts, Culture and Heritage re: marking Waitangi Day in your community.
- Tues 3/9 Letter from Hon Simeon Brown, Minister of Local Government re: Local Government (Water Services Preliminary Arrangements) Act.
- Wed 11/9 Invitation to Hato Hone St John Shocktober Open Event, 12 October, Kawerau St John Hall.
- Thur 12/9 Invitation to Eastern Bay Community Foundation Annual Dinner, Friday 4 October at 6.30pm at Ohope Beach Golf.

## **3 RECOMMENDATION**

That Her Worship the Mayor's report for the period Thursday, 22 August to Wednesday 18 September 2024 be received.



Faylene Tunui  
**Kahika | Mayor**

## Action Schedule

Meeting Date	Resolution / Action Requested	Action	Status	Comments	Estimated Date
A&R 04.02.20	<p><b>Council's Risk Maturity Improvement Programme</b></p> <p>Arrange KPMG to review Council's Risk Management Maturity profile once the tasks in progress / underway are completed.</p>	GM F&CS	<p>Completed</p> <p>In Progress</p>	<p>Council completed all areas recommended for improvement and engaged a consultant to further assess Council's risk maturity. The risk register is reviewed regularly by Audit and Risk Committee.</p> <p>A potential provider was identified; however, the cost was significant and more than budgeted for the 2023/24 financial year. Staff investigated to see if there was a cost-effective option and approach.</p> <p>Completion of a risk assessment includes key input from a Governance and Senior Leadership perspective. With the change in CEO and GM Operations, the recommendation was to review in September 2024, when the new roles in the Senior Leadership were well established.</p> <p>Risk is now a standard reporting item to the Audit and Risk Committee, which includes a variety of risk formats. A workshop is planned for October to update Elected Members of Council's full risk profiles and reporting, which will then provide an opportunity for feedback on further risk assessments that Council requires.</p>	October 2024

Meeting Date	Resolution / Action Requested	Action	Status	Comments	Estimated Date
EC 22.11.23	<b>2025 Triennial Elections</b> Council resolved to establish one or more Māori wards for the Kawerau District in the 2025 and 2028 triennial elections.	C&EM	In Progress	Council will work through the review of representation arrangements. Consultation with Tangata Whenua, Iwi and the community has taken place for the initial proposal resolved on 17/7/24. 104 submissions received for the Initial Proposal which was heard and resolved on 11/9/24. The Final Proposal was resolved for public notification on 11/9/24 from 20 September to 4 November for appeals.	November 2024
R&S 15.05.24	<b>Monthly Report – Operations and Services</b> Staff to present to Elected Members the plans and costings of the new Dog Pound.	GM O&S	Pending	Once the concept plans are finalised, a workshop will be arranged with Council.	October 2024
OC 29.05.24	<b>Hire Fee Options for Rangī Delamere Centre</b> Elected Members and Leadership Team to return to the table for a resolution and confirmation of block bookings.	CEO / GM F&CS	In Progress	The Hire Fee was approved at the May Council meeting. A further meeting was held with the CEO and the Netball Association. A report will be presented to investigate block bookings for regular users.	October 2024
OC 26.06.24	<b>Activity Review for Economic Development</b> Staff to return the report with additional information including the return on investment that Council makes to external partners and agencies.	ECDM	On Hold	Activity Review will be returned back to Council as part of Long Term Plan (LTP) process, with additional information as requested by Elected Members.	LTP process commences October 2024

Meeting Date	Resolution / Action Requested	Action	Status	Comments	Estimated Date
OC 26.06.24	<b>Activity Review for Pensioner Housing</b> Staff to return the report with additional information including history of the partnership between Council and Kawerau Social Services Trust (that operates Mountain View) and further detail on the implications of any future expansion plans.	C&EM	On Hold	Activity Review will be returned back to Council as part of Long Term Plan (LTP) process, with additional information as requested by Elected Members.	LTP process commences October 2024

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OC: Ordinary Council      EC: Extraordinary Council      A&R: Audit & Risk Committee      R&S: Regulatory & Services Committee  
 GMF&CS: GM, Finance & Corporate Services      GMR&P: GM, Regulatory & Planning  
 C&EM: Communication & Engagement Manager      ECDM: Economic & Community Development Manager

**Completed Items**

R&S 11.09.24	<b>Monthly Report – Finance and Corporate Services</b> Elected Members requested a breakdown of the Service Requests for Rubbish for the month of August e.g. how many were missed bins, bin replacement, etc.	<p>The following is a breakdown of the Service Requests for Rubbish for August that were completed = 33, in (red) are the number in progress = 11 (these details will also be included in the September R&amp;S report).</p> <p>Additional/Upgrade/Replacement Bins = 8      (3)            Damaged Bin to replace/repair = 20      (4)            Litter &amp; Rubbish for clearing = 4      (4)            Non Collection of refuse = 1      (0)</p>			
OC 28.06.22	<b>His Worship the Mayor's Report</b> Elected Members agreed to move the cemetery records from the toilet block area to another area of the cemetery.	<p>A report was considered at the August 2024 Council meeting.</p> <p>Council agreed to allocate \$20k from the depreciation reserves to fund the new shelter and relocation of the information boards. Council also confirmed that the location for the information boards would be the area next to the ablution facility, right from the roadway into the cemetery.</p> <p>The Community will be advised once the new shelter is completed.</p>			

**Meeting:** Council

**Meeting Date:** 25 September 2024

**Subject:** Annual Plan Performance for year ended 30 June 2024

**File No.:** 110400

## 1 Purpose

The purpose of this report is to review and compare Council's actual financial and non-financial performance for the year to 30 June 2024 with the Annual Plan for 2023/24.

Comments are provided where expenditure/revenue varies from budget, or the performance target is not achieved for the year.

The final results, following review by Council's auditors, are likely to differ from these results.

## 2 Financial Performance

### 2.1 Statement of Comprehensive Revenue and Expense

The following table shows Council's financial performance for the year compared to the adopted annual budget. The capital budget for 2023/24 has been amended to include the carried forward figures as well as any budget amendments approved by Council.

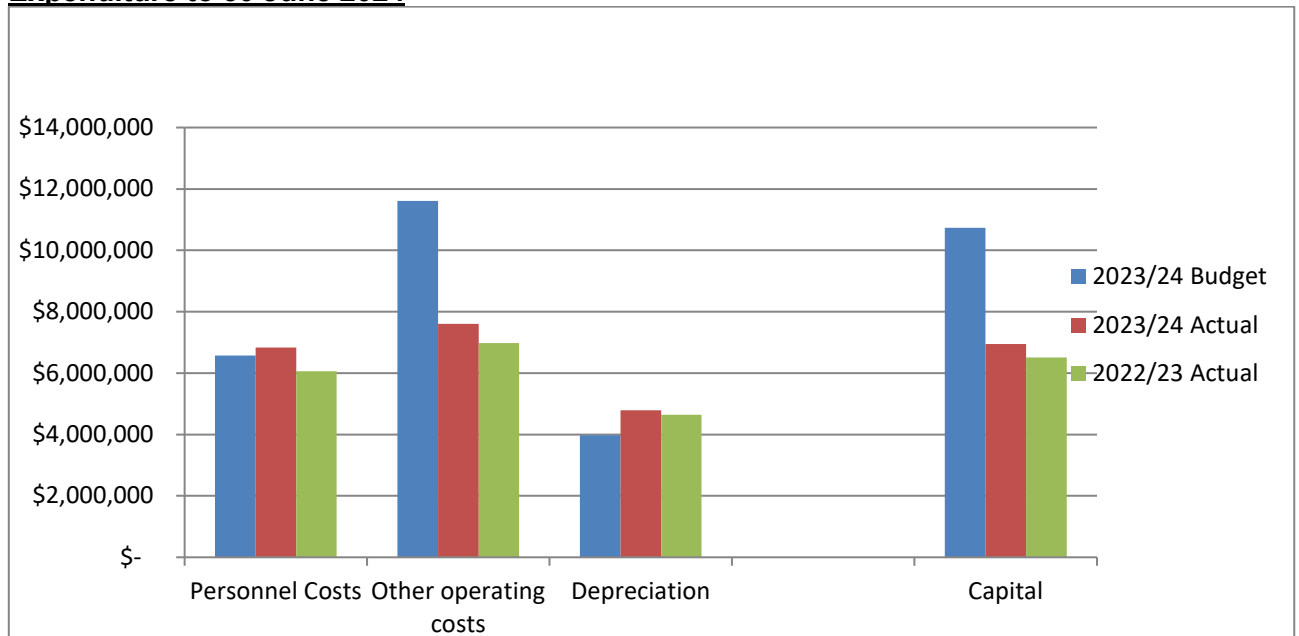
	Adopted Budget	Actual 30-06-2024	Comments
<b>Revenue:</b>	<b>\$</b>	<b>\$</b>	
Rates	12,938,210	13,057,847	
Subsidies and Grants	5,596,530	2,933,953	Includes Stoneham Park Grant \$4.5m
Interest Revenue	97,530	81,650	
Fees and Charges	2,802,160	1,720,585	
Other Revenue	65,000	312,994	Petrol Tax & Resident Liability revenue recognition
<b>Total Revenue</b>	<b>21,499,430</b>	<b>18,107,029</b>	
<b>Expenditure:</b>			
Personnel Costs	6,579,380	6,838,457	
Depreciation	3,973,210	4,790,042	Includes loss on asset disposals
Finance Costs	177,500	213,916	
Other Expenses	11,553,390	7,388,391	Budget includes Stoneham Park costs \$4.5m
<b>Total Expenditure</b>	<b>22,283,480</b>	<b>19,230,806</b>	
<b>Surplus (Deficit)</b>	<b>(784,050)</b>	<b>(1,123,777)</b>	
	<b>Revised Budget</b>	<b>Actual 30-06-24</b>	
<b>Capital Expenditure</b>	<b>10,734,950</b>	<b>6,950,323</b>	

The significant variances between the budget and actual Statement of Comprehensive Revenue and Expense is due to the following:

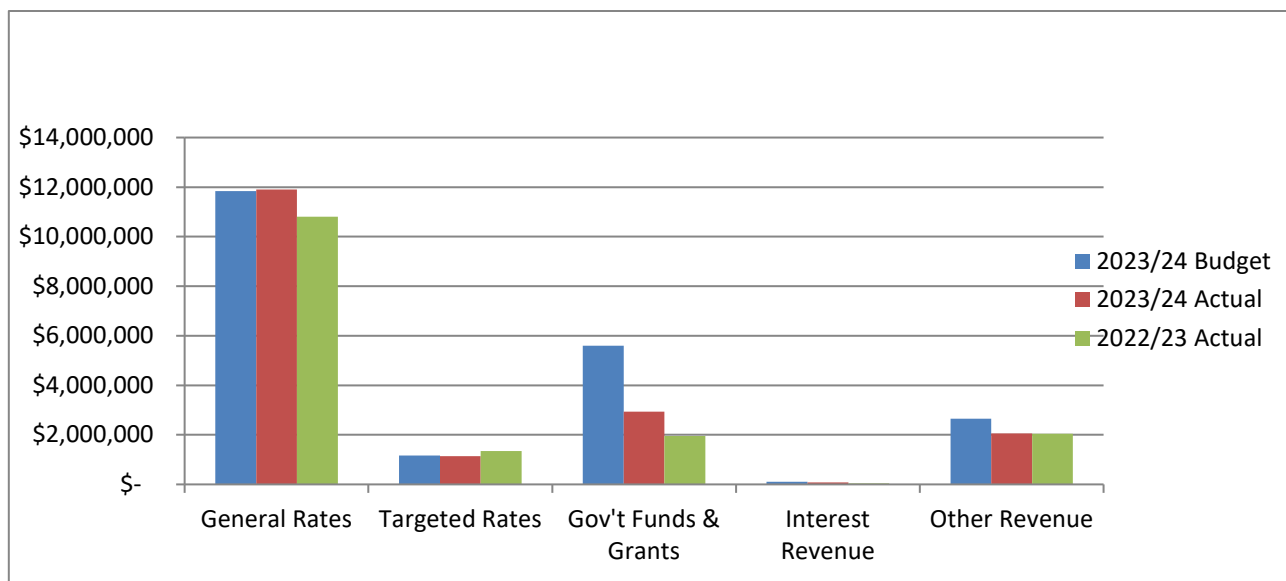
- Subsidies and Grants income includes the full grants funding for Stoneham Park, however this grants funding is only received to match the expenditure incurred. The majority of the Stoneham Park development expenditure is to be incurred in 2024/25. Slightly offsetting this is the additional grants funding for Mayors Task force for Jobs, which was \$375k funding not budgeted for.
- Fees and Charges are lower than budget due no income from the sale of properties, \$300k budgeted. Also, there is a decrease in solid waste income, which is due a reduction in industrial use, \$335k lower than budget. The budget income for Porritt Glade was included in this budget, however the actual has been included in other income, to fairly reflect this revenue type.
- Personnel expenditure is higher than budgeted due the impact of inflationary payroll adjustments being higher than anticipated. Also, there have been additional staffing costs for solid waste and the aquatic centre.
- Other expenditure is lower than budget due to the budget including the Stoneham Park development, for which the majority of expenditure will be incurred in 2024/25. The expenditure incurred for Stoneham Park is recognised as Inventory at 30 June 2024. There are other expenditure items that are higher than budgeted which includes expenditure for water testing, reservoirs cleaning and electricity. Other expenditure also includes payments for the Mayors Task force for Jobs, which is offset by the grants income.
- Depreciation is \$4,606,264 compared to the budget of \$3,973,210, an increase of \$633,054 which is attributed to additional infrastructure assets being depreciated, and when setting the budget the final depreciation for 2022/23 was yet to be finalised. There is also a loss on disposal of assets of \$183,778, which is for write-off of replacement assets.

The loss on operating deficit while higher than budget it is lower than the deficit in 2022/23. Council’s expenditure and revenue for the year are shown in the graphs below, compared to the budget and expenditure/revenue for last year 2022/23 (\$360k).

**Expenditure to 30 June 2024**





**Revenue to 30 June 2024****2.2 Statement of Financial Position**

The following table shows Council's financial position at 30 June 2024 compared to the budget.

The financial position does include all the accruals for receivables and payables, however does not include any audit adjustments.

	Budget @ 30/6/2024	Actual at 30 June 2024	Comments
<b>Current assets:</b>			
Cash & cash equivalents	\$4,225,340	\$2,801,969	
Receivables	\$2,413,360	\$2,099,829	
Inventories	\$417,910	\$2,728,614	Sections & Bell Street duplexes
<b>Non-current assets:</b>			
Property, plant and equipment	\$114,957,740	\$111,651,666	
Intangible assets	\$85,500	\$90,741	
Other financial assets	\$36,250	\$136,252	
<b>Total Assets</b>	<b>\$122,136,100</b>	<b>\$119,509,071</b>	
<b>Current liabilities:</b>			
Payables, provisions & employee benefits	\$4,272,580	\$4,453,915	
Resident's Liability	0	\$8,484,615	*Porritt Glade
Borrowing	\$2,000,000	\$4,008,554	
<b>Non-current liabilities:</b>			
Provisions & employee benefits	\$241,410	\$55,866	
Borrowing	\$2,000,000	33,982	
Residents Liability & Deferred Revenue	\$8,380,490	\$131,429	*Budget is Porritt Glade Liability
<b>Total Liabilities</b>	<b>\$16,894,480</b>	<b>\$17,168,361</b>	
<b>Ratepayers Equity</b>	<b>\$105,241,620</b>	<b>\$102,340,710</b>	
<b>Total liabilities &amp; ratepayers equity</b>	<b>\$122,136,100</b>	<b>\$119,509,071</b>	

### 2.3 Statement of Cashflow

The cashflow statement shows a decrease of \$977,532 in Council's cash position since the beginning of the financial year. As reported in Council's Treasury reports, cash balances are lower due to investment of funds in Central Cove sections and the Bell Street duplex houses.

	Budget @ 30/6/2024	Actual to 30 June 2024	Comments
<b>Cashflow from operating activities:</b>			
Rates	\$12,261,580	\$12,691,131	
Subsidies & Grants	\$5,596,530	\$3,240,894	
Fees & Charges & Other Revenue	\$2,867,160	\$1,705,247	
Interest Received	\$97,530	\$83,072	
Payments to suppliers and employees	\$(16,654,010)	\$(15,030,760)	
Interest paid on debt	\$(177,500)	\$(187,298)	
<b>Net cashflow from Operations</b>	<b>\$3,991,290</b>	<b>\$2,502,286</b>	
<b>Net cashflow from investing:</b>			
Disposal of Assets/Contributions ORA	\$0	\$1,125,000	
Property, Plant & Equipment/Inventory	\$(6,727,700)	\$(6,597,355)	
Purchase of Investments		\$(50,000)	
<b>Net cashflow from investing:</b>	<b>\$(6,727,700)</b>	<b>\$(5,522,355)</b>	
<b>Net cashflow from financing:</b>			
Loans raised	2,000,000	\$2,047,872	Includes Lease
Debt repayment	\$(16,500)	\$(5,335)	
<b>Net cashflow from financing</b>	<b>\$1,983,500</b>	<b>\$2,042,537</b>	
<b>Total Net cash inflow/(outflow)</b>	<b>\$(752,910)</b>	<b>\$(977,532)</b>	
Opening balance (1/7)	\$4,978,250	\$3,779,501	
<b>Closing cash balance</b>	<b>\$4,225,340</b>	<b>\$2,801,969</b>	

### 3 Capital Expenditure

The following is Council's capital budget (including carry forwards and amendments) and expenditure for the twelve months.

Activity	2023/24 Budget	Actual at 30 June 2024	Comments
Economic & Community Development	\$61,800	\$7,532	
Environmental Services	\$600,000	\$0	Dog Pound
Roading	\$1,384,500	\$625,239	Roading delays due to staff shortages.
Stormwater	\$380,000	\$376,092	
Water Supply	\$3,772,600	\$2,548,628	Pipe renewals
Wastewater	\$2,278,600	\$1,276,724	WW pipe renewals
Solid Waste	\$30,000	\$10,346	
Leisure & Recreation	\$1,733,650	\$1,605,148	Rangi Delamere Pavilion
Plant, Depot and Office	\$493,800	\$500,614	New plant/vehicles, PCs
<b>Total</b>	<b>\$10,734,950</b>	<b>\$6,950,323</b>	

#### 4 **Non-Financial Performance**

The following is a summary of the non-financial targets performance with 46 (72%) of targets achieved, (which excludes N/As):

<b>Activity</b>	<b>2023/24 No. of Targets</b>	<b>Targets Achieved 2023/24</b>	<b>2022/23 Achievement Rate</b>
Democracy	3	2	33%
Economic & Community Development	5	5	80%
Environmental Services	11	5	64%
Roading (including Footpaths)	7	3	57%
Stormwater	3	3	100%
Water Supply	13	12	83%
Wastewater	7	6	43%
Solid Waste Management	2	1	50%
Leisure and Recreation	12	9	58%
<b>TOTAL</b>	<b>64</b>	<b>46</b>	<b>65%</b>

#### 5 **RECOMMENDATION**

That the report "Annual Plan Performance for the year ended 30 June 2024" be received.



Lee-Anne Butler, CA, BMS

**Group Manager Finance & Corporate Services**

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**ACTIVITY GROUP 1: DEMOCRACY**

**Funding Impact Statement**

	<b>Budget</b>	<b>Actual</b>	
Operating funding – Rates & Charges (A)	837,510	1,209,996	Includes MTFJs funding and expenditure
Applications of operating funding – Staff & Suppliers (B)	819,760	1,250,038	of \$375k.
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>17,750</b>	<b>(40,042)</b>	
Sources of capital funding (C)	0	0	
Less (D):			
Renewals/capital	0	0	
Increase/(decrease) in reserves	17,750	(40,042)	
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(17,750)</b>	<b>40,042</b>	
<b>Funding balance ((A - B) + (C - D))</b>	<b>0</b>	<b>0</b>	

### Statement of Service Provision

Levels of Service	Measures	Target	Results 2023/24	Comment
Financial management is prudent, effective and efficient.	Percentage completion of the annual work programme.	>90%	Not achieved	There were 34 significant projects in the annual work programme. There were 9 projects not completed due to staff vacancies. (25/34 completed = 74%).
Council informs the Community about key issues and activities.	Number of newsletters.	At least 20	Achieved	21 publications to 30 June 2024. Also, separate consultation on the Annual Plan and the two consultation hui on the Māori Wards for Kawerau.
Council encourages the Community to contribute to Council decision-making.	Provision of a public forum at public Council and Committee meetings.	Every meeting	Achieved	Public forums have been available every meeting to 30 June 2024.
The community has confidence in the quality of democracy and representation provided by elected members	Community satisfaction with the Mayor and councillors	N/A	N/A	
Financial management is prudent, effective and efficient	Community satisfaction with way rates are spent	N/A	N/A	Community Survey conducted every three years and was last completed in 2022/23.

## ACTIVITY GROUP 2: ECONOMIC AND COMMUNITY DEVELOPMENT

### Funding Impact Statement

	Budget	Actual	Comment
Operating funding – Rates & Charges (A)	6,601,840	1,938,414	This includes the Government Grant for Stoneham Park Development, which is only received when the expenditure is incurred. Also yet to be recognised income is the Porritt Glade Amenity Fees and section sales.
Applications of operating funding – Staff & Suppliers (B)	6,147,710	1,688,119	Includes \$4.3m of expenditure for the Stoneham Park Development for which the majority will be expensed in 2024/25.
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>454,130</b>	<b>250,295</b>	
Sources of capital funding (C)	0	1,125,000	Occupation Right Agreements at Porritt Glade
Less (D):			
Renewals/capital	61,800	7,532	
Increase/(decrease) in reserves	392,330	1,367,763	
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(454,130)</b>	<b>(250,295)</b>	
<b>Funding balance ((A – B) + (C – D))</b>	<b>\$0</b>	<b>\$0</b>	

### Statement of Service Provision

Levels of Service	Measures	Target	Status	Comment
<b>Economic Development</b>				
Council is actively involved in the Eastern Bay of Plenty Regional Economic Development Agency.	Representation at Trustee Meetings.	Representation at 90% of Trustee meetings.	Achieved	CEO or Economic & Community Development Manager have attended all trustee meetings.
Council provides a local information centre.	Number of days open each year.	At least 360 days.	Achieved	The isite was open 364/365 days from 1 July to 30 June 2024.
	Community satisfaction with the isite	N/A	N/A	The survey is completed every three years and was last completed in 2022/23.
				At least one event was held during each month for the year. <u>July</u> <ul style="list-style-type: none"> <li>• Matariki Events x 6 events</li> </ul> <u>August</u> <ul style="list-style-type: none"> <li>• 16/17 Motorhome rally</li> <li>• 19/20 Canoe Slalom Club race</li> <li>• 20 Rugby tournament</li> <li>• 30 Career Expo</li> </ul> <u>September</u> <ul style="list-style-type: none"> <li>• 1 Pūtauaki School athletics</li> <li>• 23-24 Dinosaur Discovery</li> <li>• 30 Waiāriki Whanau Mentoring Hauora Day</li> </ul> <u>October</u> <ul style="list-style-type: none"> <li>• 13-15 Kids Hunting &amp; Fishing</li> <li>• 21 Nightmare on Onslow Street</li> <li>• 28-29 Canoe Slalom BOP</li> <li>• 31 Kawerau Light Party•</li> </ul>

Levels of Service	Measures	Target	Status	Comment
Council encourages positive perceptions of Kawerau by supporting local events.	At least 1 event <sup>1</sup> held per month from February to December.	At least 1 event held per month from February to December.	Achieved	<p><u>November</u></p> <ul style="list-style-type: none"> <li>• 3-5 Art Exhibition</li> <li>• 11-12 EBOP Kennel Assoc.</li> <li>• 12 NZ Highway concert</li> <li>• 18-19 Canoe Slalom BOP</li> <li>• 21 White Ribbon Day</li> <li>• 24-26 Champion Obedience Trials</li> </ul> <p><u>December</u></p> <ul style="list-style-type: none"> <li>• 15-17 NZMCA Xmas Rally</li> <li>• 16 Santa Parade &amp; Christmas in the Park</li> </ul> <p><u>February</u></p> <ul style="list-style-type: none"> <li>• 8 Kawerau Mobile Blood Drive</li> <li>• 17 Tarawera Ultra Marathon</li> </ul> <p><u>March</u></p> <ul style="list-style-type: none"> <li>• 3 Children's Day</li> <li>• 9-10 BOP Canoe Slalom Champs</li> <li>• 21-26 NZ Secondary Schools kayaking Champs</li> </ul> <p><u>April</u></p> <ul style="list-style-type: none"> <li>• 3 – TKKH Whanau Day</li> <li>• 13 – Rangī Delamere Centre Opening</li> <li>• 20 - Inaugural Kawerau Sports Senior Men's Rugby home game</li> <li>• 25 – ANZAC Dawn Parade</li> <li>• 27/28 – Dog Obedience Competition</li> </ul> <p><u>May</u></p> <ul style="list-style-type: none"> <li>• 21 – Cultural Diversity Day</li> </ul> <p><u>June</u></p> <ul style="list-style-type: none"> <li>• 22 – Junior Rugby Competition</li> <li>• 29/30 – Whakatane Bird Show</li> </ul>

<sup>1</sup> An 'event' is a public gathering of people for a distinctly defined celebratory, educational, commemorative or exhibition purpose. It occurs for a limited time and may be repeated on a cyclical basis (e.g. annually) but is not regularly scheduled (e.g. regular organised Saturday sport, a series of regular meetings, or ongoing gallery or commercial art exhibitions). Conferences are also considered to be events.



Levels of Service	Measures	Target	Results 2023/24	Comment
Council supports young people to develop skills and attitudes needed to take a positive part in society.	Youth Council in place.	Annual appointments made.	Achieved	Youth Council sworn in 15 March 2024 Monthly meetings occurred.
	Satisfaction with youth council collaboration from collaborating groups	>78% satisfaction	Achieved	95% Satisfaction

**ACTIVITY GROUP 3: ENVIRONMENTAL SERVICES**

**Funding Impact Statement**

Both revenue and expenditure are on target for these activities.

	<b>Budget</b>	<b>Actual</b>	<b>Comment</b>
Operating funding – Rates & Charges (A)	1,495,470	1,547,122	Includes \$160k subsidy for district plan
Applications of operating funding – Staff & Suppliers (B)	1,471,360	1,342,094	
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>24,110</b>	<b>205,028</b>	
Sources of capital funding (C)	0	0	
Less (D):			
Renewals/capital	600,000	0	Dog Pound
Increase/(decrease) in reserves	(575,890)	205,028	
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(24,110)</b>	<b>(205,028)</b>	
<b>Funding balance ((A - B) + (C - D))</b>	<b>\$0</b>	<b>\$0</b>	

### Statement of Service Provision

Levels of Service	Measures	Target	Status	Comment
<b>Building Control</b>				
Service users consider Council's Building Control Activity to be effective	Satisfaction survey of service users - building consents processes	>90%	Achieved	4/4 satisfied.
	Satisfaction survey of service users - building inspection processes	>90%	Achieved	4/4 satisfied.
Council provides in-house building consent, inspection and approval services	Bi-annual Building Consent Authority accreditation re-assessment	Accreditation and registration retained.	Achieved	BCA accreditation retained.
Relevant Kawerau buildings comply with Building Warrant of Fitness requirements.	Buildings audited for BWOF requirements	35%	Achieved	29/80 (29 is 36% of the total 80 registered BWOF)
<b>Environmental Health</b>				
Registered premises comply with statutory requirements.	Audit of food premises operating Food Control Plans	100% annually.	Achieved	23/23 inspections completed.
	Inspection of registered premises for compliance with relevant standards.	100% annually.	Not Achieved	5/7 inspections. Two hairdressers were unable to be inspected by 30 June 2024 but were inspected the following week.
Premises licenced under the Sale and Supply of Liquor Act 2012 comply with the license conditions.	Inspection of licensed premises for compliance	100% annually.	Not Achieved	12/13 inspections. Final inspection unable to be completed as premise closed at time of inspection.
	Response to noise complaints.	80% within 20 minutes and 98% within 30 minutes.	Not Achieved	47.68% within 20 minutes 67.01% within 30 minutes
Council responds to complaints and service requests for environmental health conditions (noise, nuisance and conditions/health risks) complaints.	Response to other environmental health service requests/complaints.	100% within 1 working day.	Not Achieved	1/10 complaints (July) exceeded 1 working day.

Levels of Service	Measures	Target	Status	Comment
<b>Dog Registration and Control</b>				
Service requests about public nuisance and intimidation by uncontrolled dogs are actioned.	Adherence to complaint response process to respond, investigate and record the complaint and advise complainant of progress or the outcome within 24 hours.	80% within 20 minutes and 98% within 30 minutes.	Not achieved	66.02% within 20 minutes 76.66% within 30 minutes
Council maintains community satisfaction levels for the dog control service	Community satisfaction with Dog Control Service	N/A	N/A	The survey is completed every three years and was last completed in 2022/23.
<b>Civil Defence</b>				
Council provides community education initiatives to increase public awareness and readiness for local and regional hazards	% of residents that have an understanding of what the consequences would be if a disaster struck their area % of residents that have taken any action to prepare for an emergency	N/A N/A	N/A N/A	Survey undertaken every 2 years – completed end of 2022/2023. Survey undertaken every 2 years – completed end of 2022/2023
Council will maintain capability to effectively respond to an emergency	Council is prepared for and can respond to an emergency	>78%	Not Achieved (63%)	63% staff trained. Target set to drive continued improvement. Council have sufficient staff to man a shift while undertaking emergency works (eg infrastructure, 3 waters, clearing trees, etc) Due to size of Council levels above this are difficult to achieve. Emergency Management Group are aware of shortfall and will help in an event with relief staff.

**ACTIVITY GROUP 4: ROADING**

**Funding Impact Statement**

	<b>Budget</b>	<b>Actual</b>	<b>Comment</b>
Operating funding – Rates & Charges (A)	1,520,870	1,532,370	
Applications of operating funding – Staff & Suppliers (B)	1,128,260	1,008,898	
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>392,610</b>	<b>523,472</b>	
Sources of capital funding (C)	992,200	396,185	
Less (D):			
Renewals/capital	1,384,500	625,239	
Increase/(decrease) in reserves	311	294,418	
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(392,610)</b>	<b>(523,472)</b>	
<b>Funding balance ((A - B) + (C - D))</b>	<b>\$0</b>	<b>\$0</b>	

**Capital Renewals**

<b>Item</b>	<b>Budget</b>	<b>Actual</b>	<b>Comment</b>
Kerb replacement	\$110,000	\$23,242	
Street light renewals and upgrades	\$47,000	\$23,754	
Reseals	\$310,000	\$132,938	
Pavement treatment	\$160,000	\$135,741	
Minor safety improvements (speed humps)	\$80,000	\$0	
Footpath repairs/Paving	\$190,000	\$127,826	
Lane realignment	\$320,000	\$0	
Hardie/River Dewatering Emergency Works	\$136,000	\$139,151	
Bins/seating/music system/lights	\$31,500	\$42,587	
<b>Total</b>	<b>\$1,384,500</b>	<b>\$625,239</b>	

## Statement of Service Provision

Levels of Service	Measures	Target	Status	Comment
<b>Roading</b>				
Council provides a network of roads which facilitates the safe movement of people and vehicles around the District.	The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number.	Increase of zero or less.	Achieved	There were no fatalities, with one serious injury recorded on the roads controlled by Council. This is a decrease on the 3 serious crash events resulting in 4 serious injuries in 2022/23.
Road Quality.	The average quality of ride on a sealed local road network, measured by smooth travel exposure. <sup>2</sup>	Not less than 95%.	Achieved	The road roughness survey was undertaken in May 2024 with a result of 95% STE.
Road maintenance.	The percentage of the sealed local road network that is resurfaced.	Between 5 and 6.5 % per annum.	Not Achieved	Resealing was delayed due to staffing shortages. Resealing and pavement rehabilitation works at River Road completed in June (800 lane meters).
Response to service requests. (Roads)	The percentage of customer service requests relating to roads to which Council responds within the time frame specified.	Potholes: 90% within 14 days and 100% within 28 days.	Not achieved	27 potholes reported – 9 (33%) repaired within 14 days, 18 (67%) within 28 days (5 exceeded 28 days) and 4 are still in progress.
		Streetlights: 90% within 14 days and 100% within 28 days.	Not achieved	67 streetlight issues reported, 49 repaired within 14 days (73.1%), 61 repaired within 28 days (91%) (4 exceeded 28 days) and 2 are still in progress.
Council maintains community satisfaction levels for roading activity	Community satisfaction with roading assets	N/A	N/A	The survey is completed every three years and was last completed in 2022/23.

<sup>2</sup> The percentage of Vehicle Kilometres Travelled in the District exposed to roads with roughness less than the threshold for urban roads set by the National State Highway Strategy

Levels of Service	Measures	Target	Status	Comment
<b>Footpaths</b>				
Footpath condition	Percentage of footpaths that fall within the level of service or service standard for the condition of footpaths set out in the Long Term Plan.	95%. <sup>3</sup>	Achieved	Survey was completed in May 2024 with a result of 99%.
Response to service requests.	The percentage of customer service requests relating to footpaths to which Council responds within the time frame specified.	100% within 14 days.	Not achieved	33 footpaths issues – 1 (3%) repaired within 14 days – 7 exceed 14 days and 25 are still in progress. Delay in repairs due to staffing shortage.
Council provides an appropriate network of footpaths for pedestrian use	Community satisfaction with footpaths	N/A	N/A	The survey is completed every three years and was last completed in 2022/23.

<sup>3</sup> Against a standard of no more than 20 lips in the 70 km of footpaths (each lip above 20 mm equates to three metres of footpath needing replacement).

**ACTIVITY GROUP 5: STORMWATER**

**Funding Impact Statement**

	<b>Budget</b>	<b>Actual</b>	<b>Comment</b>
Operating funding – Rates & Charges (A)	98,110	101,667	
Applications of operating funding – Staff & Suppliers (B)	34,470	45,845	
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>63,640</b>	<b>55,822</b>	
Sources of capital funding (C)	285,000	282,062	
Less (D):			
Renewals/capital	380,000	376,092	
Increase/(decrease) in reserves	(31,360)	(38,208)	
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(63,640)</b>	<b>(55,822)</b>	
<b>Funding balance ((A - B) + (C - D))</b>	<b>\$0</b>	<b>\$0</b>	

**Capital Renewals**

<b>Item</b>	<b>Budget</b>	<b>Actual</b>	<b>Comment</b>
Stormwater pipe renewals	\$380,000	\$376,092	Pipe renewal



### Statement of Service Provision

Levels of Service	Measures	Target	Status	Comment
Council provides an effective stormwater network which removes stormwater to protect dwellings from flooding (System adequacy)	The number of flooding events that occur in the District. For each flooding event, the number of habitable floors affected.	No more than 0	Achieved	There were no flooding events where habitable dwellings were flooded.
Council provides an effective stormwater network which removes stormwater to protect dwellings from flooding (Customer satisfaction)	The number of complaints received by Council about the performance of its stormwater system.		Not applicable. <sup>5</sup>	
Response times	The median response time to attend a flooding event.	Less than one hour.	Achieved	No flooding events were reported.
Discharge compliance.	Compliance with Council's resource consents for discharge from its stormwater system, measured by the number of: <ul style="list-style-type: none"> <li>• abatement notices</li> <li>• infringement notices</li> <li>• enforcement orders, and</li> <li>• convictions,</li> </ul> received by Council in relation those resource consents.	No notices, orders or convictions	Achieved	Council did not receive any notices, orders or convictions.

<sup>4</sup> The mandatory measure per 1,000 properties connected to Council's stormwater system is not applicable, because properties in Kawerau are not permitted by building consents to connect to the stormwater system.

<sup>5</sup> The mandatory measure per 1,000 properties connected to Council's stormwater system is not applicable, because properties in Kawerau are not permitted by building consents to connect to the stormwater system.

## ACTIVITY GROUP 6: WATER SUPPLY

### Funding Impact Statement

	<b>Budget</b>	<b>Actual</b>	<b>Comment</b>
Operating funding – Rates & Charges (A)	1,509,410	1,542,014	
Applications of operating funding – Staff & Suppliers (B)	1,087,630	1,514,267	Additional expenditure on bore drilling, reservoir cleaning, water testing and increased electricity costs, finance costs.
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>421,780</b>	<b>27,747</b>	
Sources of capital funding (C)	2,000,000	2,524,682	Loan = \$2.0 mil + Subsidy = \$524,682
Less (D):			
Renewals/capital	3,772,600	2,548,628	
Increase/(decrease) in reserves	(1,350,810)	3,801	
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(421,780)</b>	<b>(27,747)</b>	
<b>Funding balance ((A - B) + (C - D))</b>	<b>\$0</b>	<b>\$0</b>	

### Capital Renewals

<b>Item</b>	<b>Budget</b>	<b>Actual</b>	<b>Comment</b>
Pipework replacement	\$2,770,000	\$2,033,884	
Toby replacement	\$50,000	\$36,210	
Valve refurbishment	\$44,100	\$18,274	
UV Plant/Tube Replacement	\$14,500	\$20,544	
Pump Refurbishment	\$69,000	\$14,185	
Reservoir, Headworks, Control & Hydrants	\$400,000	\$202,599	
Lime and Fluoride System	\$425,000	\$222,932	
<b>Total</b>	<b>\$3,772,600</b>	<b>\$2,548,628</b>	

## Statement of Service Provision

Levels of Service	Measures	Target	Status	Comment
Customer satisfaction.	The total number of complaints received about any of the following: a) drinking water clarity b) drinking water taste c) drinking water odour d) drinking water pressure or flow e) continuity of supply, and f) Council's response to any of these issues expressed per 1,000 connections to the networked reticulation system.	a) No more than 4 per 1,000 connections b) No more than 2 per 1,000 connections c) No more than 1 per 1,000 connections d) No more than 2 per 1,000 connections e) No more than 2 per 1,000 connections f) 0 per 1,000 connections	Not achieved	Council has 2,800 connections. Council received (per 1,000): a) 7.9 water clarity complaints b) 0 water taste complaints c) 0 water odour complaints d) 2.1 water pressure complaints e) 0 continuity of supply complaints f) 0 complaints regarding Council's responses
Safety of drinking water.	The extent to which Council's drinking water supply complies with: a) part 4 of the 2008 drinking-water standards (bacteria compliance criteria), and b) part 5 of the 2008 drinking-water standards (protozoal compliance criteria).	a) No more than 1 instance of bacteria criteria non-compliance, and b) No instances of protozoal criteria non-compliance.	a) Achieved  b) Achieved	There were no instances of bacteria or protozoal non-compliance.
Maintenance of the reticulation network.	The percentage of real water loss from the Council's networked reticulation system, measured using the minimum night flow (MNF) analysis method contained in the DIA Guidelines.	<200 litres per connection per day <sup>6</sup>	Achieved	Average water loss for the year was 154 litres per connection per day.
Demand management.	The average consumption of drinking water per day per resident within the district.	< 0.6 m <sup>3</sup>	Achieved	The average daily consumption was 0.449 m <sup>3</sup> per person per day.
Fault response times.	Where the local authority attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the median response times are:			

<sup>6</sup> Measured using the minimum night flow (MNF) analysis method contained in the DIA Guidelines.

Levels of Service	Measures	Target	Status	Comment
	<p>a) attendance for urgent call-outs: from the time that Council receives notification to the time that service personnel reach the site, and</p> <p>b) resolution of urgent call-outs: from the time that Council receives notification to the time that service personnel confirm resolution of the fault or interruption.</p> <p>c) attendance for non-urgent call-outs: from the time that Council receives notification to the time that service personnel reach the site.</p> <p>d) resolution of non-urgent call-outs: from the time that Council receives notification to the time that service personnel confirm resolution of the fault or interruption</p>	<p>Less than two hours.</p> <p>Less than 8 hours.</p> <p>24 hours.</p> <p>48 hours.</p>	<p>Achieved</p> <p>Achieved</p> <p>Achieved</p> <p>Achieved</p>	<p>There was one urgent call out received and response time was 29 minutes.</p> <p>One urgent call out received resolved in 1 hour 59 minutes.</p> <p>107 non-urgent call outs and median response time 30 minutes (all less than 24 hours)</p> <p>107 non-urgent call outs and median resolution time 2 hours (all less than 48 hours)</p> <p>1 unplanned shutdown occurred.</p>
The water supply is reliable and has minimal disruptions.	<p>Number of unplanned shutdowns – reticulation.</p> <p>Number of unplanned shutdowns - pump stations.</p> <p>Number of water main breaks.</p>	<p>No more than 12.</p> <p>None.</p> <p>No more than 8.</p>	<p>Achieved</p> <p>Achieved</p> <p>Achieved</p>	<p>No unplanned shutdowns of the pump stations occurred.</p> <p>1 water main break occurred.</p>
Water is sourced with minimal environmental effects.	<p>Compliance with BOP Regional Council water supply resource consents as reported in Annual Consents and Compliance Field Sheet.</p>	<p>Compliance<sup>7</sup></p>	<p>Achieved</p>	<p>Compliance with all water supply resource consents.</p>
Council provides a quality water supply	<p>Community satisfaction with water supply</p>	<p>N/A</p>	<p>N/A</p>	<p>The survey is completed every three years and was last completed in 2022/23.</p>

<sup>7</sup> BOPRC inspection reports state either compliance or non-compliance.

**ACTIVITY GROUP 7: WASTEWATER**

**Funding Impact Statement**

	<b>Budget</b>	<b>Actual</b>	<b>Comment</b>
Operating funding – Rates & Charges (A)	1,794,700	1,848,801	
Applications of operating funding – Staff & Suppliers (B)	1,434,890	1,361,918	
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>359,810</b>	<b>486,883</b>	
Sources of capital funding (C)	0	0	
Less (D):			
Renewals/capital	2,278,600	1,276,724	
Increase/(decrease) in reserves	(1,918,790)	(789,841)	
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(359,820)</b>	<b>(486,883)</b>	
<b>Funding balance ((A - B) + (C - D))</b>	<b>\$0</b>	<b>\$0</b>	

**Capital Renewals**

<b>Item</b>	<b>Budget</b>	<b>Actual</b>	<b>Comment</b>
Pipework Renewal	\$1,176,100	\$540,154	
Pump refurbishment	\$37,000	\$21,839	
Milliscreen bearings/replacement	\$161,000	\$102,224	
Wastewater treatment plant upgrade	\$854,500	\$521,740	
Reticulation Replacement/Pump Station	\$50,000	\$90,767	
<b>Total</b>	<b>\$2,278,600</b>	<b>\$1,276,724</b>	

## Statement of Service Provision

<b>Levels of Service</b>	<b>Measures</b>	<b>Target</b>	<b>Status</b>	<b>Comment</b>
Customer satisfaction.	The total number of complaints received about any of the following: a) sewage odour b) sewerage system faults c) sewerage system blockages, and d) Council's response to issues with its sewerage system, (expressed per 1,000 connections to the sewerage system).	a) No more than 1 per 1,000 connections b) No more than 15 per 1,000 connections c) No more than 15 per 1,000 connections d) 0 per 1,000 connections	Achieved	Council has 2,880 connections a) 0 odour complaints b) 0 connection faults reported c) 6 blockages reported (2.4 per 1,000) d) No complaints about response to service.
System adequacy.	The number of dry weather sewage overflows from Council's sewerage system, expressed per 1,000 connections to that sewerage system.	0 per 1,000 connections to the sewerage system.	Not Achieved	Two dry weather overflows reported.
	Where Council attends to sewage overflows resulting from a blockage or other fault in its sewerage system, the median response times are:			
Fault response times.	a) attendance time: from the time that Council receives notification to the time that service personnel reach the site, and b) resolution time: from the time that Council receives notification to the time that service personnel confirm resolution of the blockage or other fault.	Less than 1 hour.  Less than 8 hours.	Achieved  Achieved	2 sewage overflows occurred, response attendance 5 minutes.  2 sewage overflows occurred, median resolution time 1 hour 53 minutes, both resolved with 2 hours and 25 minutes.
Council provides a reliable domestic wastewater collection and disposal service.	Number of disruptions to wastewater collection service.	No more than 50.	Achieved	There were no disruptions to the wastewater collection service.
Discharge compliance.	Compliance with resource consents for discharge from Council's sewerage system measured by the number of: a) abatement notices b) infringement notices	No notices, orders or convictions.	Achieved	Council has not received any infringement notices, orders or convictions.

Levels of Service	Measures	Target	Status	Comment
	c) enforcement orders, and d) convictions, received in relation those resource consents.			
The wastewater treatment plant operates effectively.	Compliance with BOPRC wastewater treatment plant resource consents as reported in annual Consents and Compliance Field Sheet.	Compliance. <sup>8</sup>	Achieved	Compliance with all conditions of the resource consent.
Council provides a domestic wastewater collection and primary treatment system	Community satisfaction with wastewater disposal	N/A	N/A	The survey is completed every three years and was last completed in 2022/23.

<sup>8</sup> BOPRC inspection reports state either compliance or non-compliance.

## ACTIVITY GROUP 8: SOLID WASTE

### Funding Impact Statement

Both revenue and expenditure are likely to exceed the budget due to additional waste volumes.

	Budget	Actual	Comment
Operating funding – Rates & Charges (A)	3,177,050	2,977,867	
Applications of operating funding – Staff & Suppliers (B)	3,139,240	3,101,435	
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>37,810</b>	<b>(123,568)</b>	
Sources of capital funding (C)	0	0	
Less (D):			
Renewals/capital	30,000	10,346	Contaminated waste site
Increase/(decrease) in reserves	7,810	(133,914)	
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(37,810)</b>	<b>123,568</b>	
<b>Funding balance ((A - B) + (C - D))</b>	<b>\$0</b>	<b>\$0</b>	



## Statement of Service Provision

Levels of Service	Measures	Target	Status	Comment
<b>Refuse Collection and Disposal</b>				
Council's refuse collection and disposal services meet the needs of the Kawerau Community and help maintain public health and a clean environment.	Level of compliance with BOP Regional Council refuse disposal resource consents as reported in annual Consents and Compliance Field Sheet.	Compliance. <sup>9</sup>	Achieved	No notices, abatement notices, enforcement orders or convictions to date.
Provision of a cost effective refuse collection and disposal service that will encourage a healthy, clean and tidy district	Community satisfaction with refuse collection	N/A	N/A	The survey is completed every three years and was last completed in 2022/23.
	Community satisfaction with refuse disposal	N/A	N/A	
<b>Levels of Service</b>				
<b>Zero Waste (Recycling)</b>				
Material that would otherwise go to landfill as household refuse is collected by the recycling collection service.	Average amount of recyclable material collected from each household.	No less than 178 kg per annum.	To be confirmed	This figure is to be confirmed, calculations are still underway.
Council's recycling services meets the needs of the Kawerau community	Community satisfaction with recycling service	N/A	N/A	The survey is completed every three years and was last completed in 2022/23.

<sup>9</sup> BOPRC inspection reports state either compliance or non-compliance

## ACTIVITY GROUP 9: LEISURE AND RECREATION

### Funding Impact Statement

	Budget	Actual	Comment
Operating funding – Rates & Charges (A)	4,508,960	4,461,246	
Applications of operating funding – Staff & Suppliers (B)	4,008,020	4,149,176	
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>500,940</b>	<b>312,070</b>	
Sources of capital funding (C)	0	300,000	Grant Rangī Delamere
Less (D):			
Renewals/capital	1,733,650	1,605,148	
Increase/(decrease) in reserves	(1,232,710)	(993,078)	
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(500,940)</b>	<b>(312,070)</b>	
<b>Funding balance ((A - B) + (C - D))</b>	<b>\$0</b>	<b>\$0</b>	

### Capital Renewals

Item	Budget	Actual	Comment
Library:			
Collection renewals	\$75,800	\$65,006	Replacement books
Equipment, Fixtures and Fittings	\$12,750	\$3,161	
Building	\$90,500	\$81,228	Air conditioner
Swimming Pool:	\$291,600	\$170,903	Changing rooms, Fences, Pool floor, Clubrooms & filtration
Recreation Centre	\$76,900	\$62,862	Roof, Air Extractor
Town Hall	\$68,600	\$0	Roof, curtains,
Concert Chambers	\$29,300	\$0	Furniture, Speakers
Sports fields and amenity buildings	\$1,023,200	\$1,143,316	Rangī Delamere Pavilion
Public Toilets	\$5,000	\$10,142	Door
Passive Reserves	\$56,000	\$49,528	Boundary fences, carparks and outlet
Playgrounds	\$4,000	\$3,628	Playground renewal
Cemetery	\$0	\$15,374	Cemetery Footings
<b>Total</b>	<b>\$1,733,650</b>	<b>\$1,605,148</b>	

## Statement of Service Provision

Levels of Service	Measures	Target	Status	Comment
<b>Library</b>				
The library is accessible to the public.	Percentage of the population who are active members of the library. <sup>10</sup>	>25%	Not achieved	There were 1,330 (18.0%) active members of the library at 30 June 2024
	New items per 1,000 population added to the collection each year.	>500	Not achieved	3,345 (458 Per 1,000 population) items were added to the collection for the year.
	Community satisfaction with the library	N/A	N/A	The survey is completed every three years and was last completed in 2022/23.
<b>Museum</b>				
Council provides a museum service which reflects Community needs.	Number of exhibitions held.	6	Achieved	6 exhibitions held.
	Number of objects accessioned to the museum collection per annum.	200	Achieved	267 objects accessioned into the museum collection.
	Community satisfaction with the museum	N/A	N/A	The survey is completed every three years and was last completed in 2022/23.
<b>Swimming Pools</b>				
Swimming pool water meets water quality standards.	Level of compliance with standards.	Full compliance in 95% of tests.	Achieved	98% of tests complied with standards.
Council provides a Swimming Pool Complex which is accessible to the Community.	Weeks open per year.	At least 48.	Achieved	49/52 weeks open – the pool was closed 3 weeks for maintenance.

<sup>10</sup> Those who have used library services in the past two years.

Levels of Service	Measures	Target	Status	Comment
	Community satisfaction with the swimming pool	N/A	N/A	The survey is completed every three years and was last completed in 2022/23.
<b>Public Halls and Facilities</b>				
Four Community halls are available for hire: Ron Hardie Recreation Centre, Town Hall, Concert Chambers and the Bert Hamilton Hall.	Number of weeks public halls available for hire	Each hall is available for 50 weeks. <sup>11</sup>	Not Achieved	Ron Hardie Rec Centre – was closed for 10 weeks due to gas monitor malfunction.
			Achieved for all halls except for Ron Hardie Rec Centre	All other halls were available to date (52/52 weeks).
Clean public toilets are provided in the central business district.	Council provides town centre public toilets.	Open at least 360 days.	Achieved	No closures of town centre public toilets, were available 365 days.
Council provides public halls and facilities which reflects community needs	Community satisfaction with public halls	N/A	N/A	The survey is completed every three years and was last completed in 2022/23.
	User satisfaction with the public halls	N/A	N/A	
	Community satisfaction with public toilets	N/A	N/A	
	User satisfaction with the public toilets	N/A	N/A	

<sup>11</sup> Each hall is closed for scheduled maintenance for up to two weeks per year.

Levels of Service	Measures	Target	Status	Comment
<b>Parks and Reserves</b>				
Playing surfaces at sports fields are maintained to the requirements of the codes for which they are used.	Implementation of NZ Sports Turf Institute advisory reports.	100%	Achieved	Inspection completed
Bedding displays are attractive and updated to suit the season.	Number of bedding displays.	2 (1 summer and 1 winter).	Achieved	Summer displays were planted in October 2023 and winter displays were planted in May 2024.
Council provides parks and reserves which meets the community's need	Community satisfaction with parks and reserves	N/A	N/A	The survey is completed every three years and was last completed in 2022/23.
Playground equipment is safe for children to use.	Monthly inspections of all playground equipment.	12 inspections conducted.	Achieved	12 Inspections completed.
<b>Cemetery</b>				
The Kawerau cemetery meets community interment needs in the present and the medium term	Number of burial plots available	Enough for at least 5 years	Achieved	There are currently enough plots for more than 10 years.
	Community satisfaction with the cemetery	N/A	N/A	The survey is completed every three years and was last completed in 2022/23.

**Meeting:** Council

**Meeting Date:** 25 September 2024

**Subject:** **Approval to raise a loan (2024) from Local Government Funding Agency**

**File No:** 206700

## **1 Purpose**

The purpose of this report is to obtain Council approval to raise a \$2 million loan from the Local Government Funding Agency (LGFA).

## **2 Background**

Council raised its first loan in December 2022 for \$2.0 million. Prior to that Council has not had to raise any loans since the 1990s apart from finance leases for the purchase of the copier/printers and the telephone system. The reason Council had not needed to raise loans prior to 2022, was because it has been funding the depreciation on its assets and being a relatively young town, much of the infrastructure has not needed renewing until recently.

Council has undertaken more renewals in recent years as well as the residential developments and other capital projects. It was projected that Council would initially need to borrow money early in 2021. However, due to additional funds being received for the 3 waters reforms and delays to some renewal projects, Council did not need to borrow funds until 2022.

Council became a member of LGFA in 2020 after consulting with the community in the 2020/21 Annual Plan. Council also consulted the community on renewing all the AC water pipes and borrowing \$2.0 million annually (for 6 years) in the 2021 – 2031 Long Term Plan. Most submissions received supported the replacement of these pipes and the project has been underway since the beginning of 2021/22.

Council took out a loan of \$2.0 million on 15 December 2022, with an interest rate of 5.75% and repayment date 15 April 2025. Council raised a second loan for \$2.0 million on 25 October 2023 with an interest rate of 6.485%. Both of these loans will mature on 15<sup>th</sup> April 2025, where upon Council will need to raise a renewal loan for 4.0 million to repay these loans. The reason for the relatively short loan periods was because of the uncertainty surrounding the 3 water reforms and the likelihood of interest rates falling.

The LGFA was established approximately 10 years ago to assist local government throughout the country to borrow funds and to obtain lower interest rates for its members. LGFA is owned by NZ Government (20%) and 30 shareholder councils (80%). The majority of councils throughout the country are members.

The cash-flow budget in the 2024/25 Annual Plan anticipates that there will be a \$1.7 million deficit for the year before borrowing. Council had a cash balance of \$2.8 million at 1 July 2024.

While this suggests there will be sufficient funds to cover the year's expenditure, there is approximately \$3.4 million of projects carried forward from the previous year. However, there is additional income of at least \$1.3 million from the sale of retirement units and residence to offset this additional expenditure. Therefore, it is recommended that Council borrow \$2.0 million as planned to ensure there are sufficient funds to meet its financial obligations for the remainder of the year.

### **3 Funds held to date**

As at 31 August 2024, Council had the following funds:

BNZ (Cheque Account & On-call)	\$2,561,670
Rabobank (On-call)	\$23,770
Other Funds	<u>\$619,650</u>
<b>Total</b>	<b>\$3,205,090</b>

Since then, payroll and creditor payments have been made as well as receiving the proceeds from the sale of 51A Bell Street, which means that total funds will be approximately \$2.2 million by 30 September 2024.

Council will be sending out the second rate instalment and it is anticipated that we will receive approximately \$2.0 million in funds by penalty date (22 November 2024).

### **4 Depreciation Reserves**

For the last 25 years Council has been funding depreciation (from rates) for its significant assets and setting aside these funds in reserves.

The balance of the depreciation reserves at 31 August 2024 is \$3,572,360 and from these funds Council has used \$1,525,850 for internal loans to fund other capital projects where there was not sufficient reserves set aside. There are currently 5 internal loans which are:

- Firmin Lodge \$740,640 – repaid 30 June 2041
- Pool Changing Rooms \$350,830 – repaid 30 June 2041
- Museum Building \$389,350 – repaid 30 June 2042
- Transfer Station \$22,020 – repaid 30 June 2025
- Pool Upgrade \$34,530 – repaid 30 June 2028

The current interest rate charged for these internal loans is 2.5% which is the rate included in the Annual Plan for investments and internal borrowing.

### **5 Current interest rates for borrowing**

The following are the current fixed interest rates for Council to borrow funds:

- LGFA (up to 1 year) - 5.32%pa
- LGFA (up to 4.5 years) - 4.55%pa
- LGFA (up to 12.5 years max) - 5.4%pa
- Overdraft Interest (BNZ) – 8.0%pa (will only confirm once application is made) as well as a setup fee of \$10,000 and a facility fee of \$2,000 per month

Council would only use overdraft for a short period to cover a cash flow shortage.

It is difficult to predict what the interest rates are likely to do in the future and whether a short term loan or a longer term is going to be better for Council. Essentially, this risk is built into the interest rates quoted.

Council will also need to set aside funds for the repayment – usually spread over a 50 year period.

## **6 Financial Considerations**

There are three options available to Council:

- Borrow funds from LGFA for the short term (up to 1 year) which may allow time for a better projection of Council's cash flow and also interest rates could possibly drop during this period.
- Borrow funds from LGFA for a longer term (1 to 12.5 years). Indicators are that interest rates may drop further in the short to medium term. However, if Council commits to a longer term fixed loan, future lower interest rates won't be available.
- Finally, arrange an overdraft facility with Council's banker so Council only pays interest on any overdraft that arises.

Council will need to borrow funds in the near future, but there are some unknowns, which makes it a little difficult to know exactly when (and for how long) a loan is raised. There is a table in the appendix which shows the interest rates (both for fixed and floating) for each respective loan period. NB Council is an unrated non-guarantor borrower.

The previous Government implemented the 3 water reforms which was to establish separate water entities by 1 July 2024 and there was Government funding available to ensure communities were no worse off/better off under these reforms. The new Government has repealed the 3 water reforms, however, it is unknown whether different reforms will be introduced to address the issues that many councils find themselves in.

Therefore, a conservative approach for Council may be to borrow \$2.0 million at fixed interest for a medium term (say up to 4.5 years), which will ensure that Council is protected against further interest rate rises for this period.



## **7 Policy and Plan Consideration / Consultation**

Council stated in the 2021 – 2031 Long Term Plan that it would be borrowing up to \$2.0 million annually for 6 years to fund the AC and steel water pipe replacements (after consulting with the community), although Council did not borrow \$2.0 million in 2021/22.

Also, Council is a member of Local Government Funding Agency (LGFA), which was established to provide councils with greater access to loans at cheaper rates.

The proposal to borrow funds is consistent with Council's Financial Strategy and complies with Council's Borrowing Policy.

## **8 Appendix**

Included in the appendix are the latest interest rates on loans as provided by the Local Government Funding Agency (LGFA)

## **9 RECOMMENDATIONS**

1. That the report "Approval to raise a loan (2024) from Local Government Funding Agency" be received.
2. That Council approves the raising of \$2.0 million fixed term for a period to April 2029.
3. That Council delegates the Chief Executive authority to execute all the necessary documents for the raising of this loan.



Peter Christophers, BBS, ACA  
**Financial Accountant**

## LGFA Council Borrowing Update

16 September 2024

### Short term borrowing

Short term yields remained range bound last week, as markets continued to react to US data releases in the buildup to this Thursday's FOMC meeting. The focus this week will be on Thursday morning's FOMC meeting and if the US Federal Reserve cuts interest rates by 25bp or 50bp. Domestically, the focus will be on second quarter GDP, which is also released Thursday morning. The market is currently pricing in 38bp of easing for the RBNZ meeting on 18 October.

#### Rates

Short Term loans	BKBM Base rate	Borrowing yield Rated councils	Borrowing yield Unrated councils
1 month	5.290%	5.440%	5.490%
2 month	5.178%	5.328%	5.378%
3 month	5.065%	5.215%	5.265%
4 month	4.980%	5.130%	5.180%
5 month	4.895%	5.045%	5.095%
6 month	4.810%	5.010%	5.060%
1 year	4.210%	4.410%	4.460%

#### Margins

Short term margins	30 to 181 days	182 to 364 days
Rated councils	15 bps over BKBM	20 bps over BKBM
Unrated councils	20 bps over BKBM	25 bps over BKBM

### Long term borrowing

LGFA bond yields continued to move lower last week in response to global yields repricing lower over the week. The main catalyst for the move lower was once again in response to US economic data and the ongoing debate as to whether the US Federal Reserve will start its interest rate easing cycle at the upcoming 18 September FOMC meeting, with either a 25bp or a 50bp easing. Domestically, data was again light and the domestic economy continues to price in a 100% chance of a 25bp rate cut in October. The main focus this week will be second quarter GDP, which is released on Thursday morning. The LGFA 2027 Bond is trading 16bp lower than a week ago and the 2037 Bond 12bp lower. Borrower spreads have narrowed by 2 bps out to six year terms and remained unchanged for the longer terms over the week.

Fixed rate long term	Base yield	Borrowing yield AA+/AA rated councils	Borrowing yield AA- rated councils	Borrowing yield A+ rated councils	Borrowing yield Unrated guarantors	Borrowing yield Non-guarantors
15/04/2025	4.77%	5.02%	5.07%	5.12%	5.22%	5.32%
15/04/2026	3.99%	4.24%	4.29%	4.34%	4.44%	4.54%
15/04/2027	3.82%	4.07%	4.12%	4.17%	4.27%	4.37%
15/05/2028	3.90%	4.15%	4.20%	4.25%	4.35%	4.45%
20/04/2029	4.00%	4.25%	4.30%	4.35%	4.45%	4.55%
15/05/2030	4.17%	4.42%	4.47%	4.52%	4.62%	4.72%
15/05/2031	4.31%	4.56%	4.61%	4.66%	4.76%	4.86%
14/04/2033	4.52%	4.77%	4.82%	4.87%	4.97%	5.07%
15/05/2035	4.69%	4.94%	4.99%	5.04%	5.14%	5.24%
15/04/2037	4.85%	5.10%	5.15%	5.20%	5.30%	5.40%

Floating rate long term	Base margin	Borrowing margin AA+/AA rated councils	Borrowing margin AA- rated councils	Borrowing margin A+ rated councils	Borrowing margin Unrated guarantors	Borrowing margin Non-guarantors
15/04/2025	9 bps	34 bps	39 bps	44 bps	54 bps	64 bps
15/04/2026	16 bps	41 bps	46 bps	51 bps	61 bps	71 bps
15/04/2027	31 bps	56 bps	61 bps	66 bps	76 bps	86 bps
15/05/2028	46 bps	71 bps	76 bps	81 bps	91 bps	101 bps
20/04/2029	55 bps	80 bps	85 bps	90 bps	100 bps	110 bps
15/05/2030	66 bps	91 bps	96 bps	101 bps	111 bps	121 bps
15/05/2031	75 bps	100 bps	105 bps	110 bps	120 bps	130 bps
14/04/2033	84 bps	109 bps	114 bps	119 bps	129 bps	139 bps
15/05/2035	91 bps	116 bps	121 bps	126 bps	136 bps	146 bps
15/04/2037	98 bps	123 bps	128 bps	133 bps	143 bps	153 bps

Note: All the above borrowing yields and spreads are fully inclusive of the applicable base lending and credit margins outlined below

#### Margins

Long term base lending margin	Standard - Terms beyond 1 year 25 bps	GSS Loans - terms beyond 1 year 5 bps discount	CAL Loans - terms beyond 3 years 2 bps discount
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Long term credit margin (+ Base lending margin)	AA+ and AA 0 bps	AA- 5 bps	A+ 10 bps	Unrated guarantor 20 bps	Non-guarantor 30 bps
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Disclaimer: This is intended for information purposes only and contains commercially sensitive information, therefore please do not distribute. Borrowing margins and rates are indicative only and subject to change. For further information contact Andrew Michl, Sumitha Kaluarachi, Jane Phelan or Mark Butcher

#### Upcoming bond tender dates

2 October 2024  
13 November 2024  
11 December 2024  
22 January 2025  
12 February 2025  
12 March 2025

**Meeting:** Council

**Meeting Date:** 25 September 2024

**Subject:** **Draft Naming Policy, Receipt of Submissions and Deliberations**

**File No.:** 110800

## **1 Purpose**

The purpose of this report is to provide Council with the findings from the public consultation on the Draft Road Naming Policy held between 5 August 2024 and 6 September 2024, and enable deliberations on the policy.

The full set of written submissions are included in Appendix 1.

## **2 Background**

Council is responsible for the naming of roads and numbering of land and buildings under s319 and s319A of the Local Government Act 1974. Beyond these provisions, no other legislation sets out the criteria or considerations to apply when exercising these powers. As a result, it is common practice for Council to implement a naming policy.

Council has not previously had a formal policy in place. The informal process required a written request, followed by Council engaging with Ngāti Tūwharetoa Kaumātua to ensure the name is not offensive and is appropriate based on local history and traditions and knowledge.

While an informal process has been available, this is largely unknown to the community.

Kawerau District has a large number of open spaces (reserves), and community facilities that are named and the possibility for new reserves, facilities and roads, while they may be limited, may occur. Given new naming opportunities may be limited, it is even more important to adopt a naming policy to ensure a consistent process to name and rename our new roads, open space features and Council facilities. This will enable new names to better reflect our special part of the world, in a manner that represents our community.

### **2.1. Work to Date**

Council staff drafted a naming policy with extends beyond the naming and numbering of roads and includes the naming of open spaces (parks and reserves), features (open space features such as tracks, lookouts or cultural

significant sites) and council facilities. This policy also allows for a process for renaming, where set criteria are met.

The draft policy follows the recommendation from Land Information New Zealand to follow the Australian/New Zealand Standard on Rural and Urban Addressing (AS/NZS 4819:2011) for road naming and numbering and sets out other guidelines that recognise the importance of naming.

Currently Council follow this standard in applying road names and numbering, where possible. Previously numbering conventions have been adhoc, so in some circumstances Council diverts from the standard, to follow the existing numbering. Having a policy in place will help ensure consistent processes going forward.

The draft naming policy is aimed at providing a more consistent way to name and rename new roads, open spaces, open space features and Council facilities so that names better reflect our district. Tangata Whenua Iwi Ngāti Tūwharatoa (Bay of Plenty) will continue to be a partner in the naming process as they hold the mana and traditional associations with local places, and are the most appropriate authority, to seek options for Te Reo Māori names.

Alongside the policy, we are reviewing Resource Management processes to ensure applications processed, align with naming requirements. A new naming request application form is being developed. This will make the application process consistent and easy for the community to follow. These will be available after the policy is formally adopted.

## **2.2. Summary of Draft Naming Policy**

The draft naming policy provides a formal process to name and rename new roads, open spaces, open space features and Council facilities so that names better reflect our district. Tangata Whenua Iwi Ngāti Tūwharatoa (Bay of Plenty) will continue to be a partner in the naming process as they hold the mana and traditional associations with local places, and are the most appropriate authority, to seek options for Te Reo Māori names.

Proposed names must reflect one or more of the following (listed in no order of priority):

- a. Identity of Kawerau;
- b. Historical significance of the area;
- c. Cultural significance of the area;
- d. People who were important in the history of the area, and/or characteristics of people important to the Kawerau rohe;
- e. Events or places significant to a community or communities locally, nationally, internationally;
- f. Flora, fauna and topographical features significant or important to the history or geography of the community, the wider local area or the district;
- g. Continuation of existing established theme or creation of a common theme for a development.

While Te Reo Māori or English monolingual names are preferred, council supports dual naming in the following circumstances:

- a. where there is an opportunity to promote Te Reo Māori by use of a direct Te Reo/English translation;
- b. where both English and Te Reo Māori names are already in current use in the community for the same road, open space, feature or council facility; and
- c. where dual naming will make visible Tangata Whenua connections to a place.

Council will only consider renaming public or private roads, bridges, parks, reserves or community facilities in exceptional circumstances. Requests for renaming may be considered only if they originate from Tangata Whenua/residents/ratepayers of Kawerau District for any of the following reasons:

- a. Major changes in road layout or infrastructure and renaming is required to avoid confusion, duplication or ambiguity;
- b. To correct inaccuracies or spelling;
- c. The name is culturally inappropriate;
- d. In circumstances where an incorrect name has become established over time by local usage;
- e. To address a significant wrong or grievance;
- f. Where a new name would better meet the purpose of this policy in promoting local identity and Tangata Whenua Iwi Ngāti Tūwharatoa (Bay of Plenty) connections;
- g. Where there is a strong reason to support dual naming (e.g. to better promote local identity);
- h. Any other reason Council considers appropriate in the circumstances.

Council will hold the final decision making authority on the choice of names.

On 31 July 2024, Council approved the draft naming policy and statement of proposal for public consultation.

### **2.3. Public Consultation**

Public consultation was carried out between 5 August 2024 and 6 September 2024. The draft policy, statement of proposal and submission form were made available online, with hard copies available at the Council Office and the Library. Social media posts were also used to inform people of the proposal through links to the online information. Council also provided five public drop in centres to provide the community with an opportunity to discuss any thoughts and provide feedback. These meetings were advertised in the newspaper and on Council's website.

### **3 Current Situation – Submissions Received**

During the public consultation, a total of 4 submissions were received. A full set of the written submissions are included in Appendix 1. At the time of writing, no late submissions have been received.

No submitters requested to be heard at a hearing set for 25 September 2024.

#### **3.1. Overview of Submissions**

A summary of the responses to the three key questions on the submission form are outlined below:

##### **Question 1 – Do you support the introduction of the Naming Policy?**

There were four responses to question one. One response was negative (25%) and three responses were positive (75%).

The theme of the negative response is:

- What's wrong with the policy already in place

The theme of the positive responses include:

- Consistency (2)
- Support local Iwi being included in consultation
- Names will reflect the rohe

##### **Question 2 – Do you agree with the naming criteria?**

There were four responses to question two. One response was negative (25%) and three responses were positive (75%).

One comment was received, regarding there being no clear pathway to initiate an incorrect road type (street, lane etc.) application.

##### **Question 3 – Any further comments?**

There were only three responses to the third question. Themes of the comments are outlined below.

The themes of the responses include:

- Is this for existing names or new names?
- Support policy principles and Te Reo Māori Names
- Hope for easy pronunciation and spelling
- No need to rename existing roads
- Request for consultation in regards to Council's housing development (Stoneham Park).

### **4 Options Considered**

There are no options considered appropriate in this paper. Council must deliberate on the submissions. Upon deliberations, Council can make recommendations for amendments required to the draft naming policy.

## **5 Policy and Plan Considerations**

There are no identified inconsistencies with any of the Council's policies or plans in relation to this report.

## **6 Risks**

There are no known risks associated with the matters of this report.

## **7 Financial Considerations**

There are no budget considerations associated with the recommendations in this report.

## **8 Legal Considerations**

Under section 319 of the Local Government Act 1974, Council has the power, regarding roads, to name and to alter the name of any road. Beyond the power contained in s319 LGA; there is no other legislation that sets out the criteria and considerations to apply when exercising its power to name a road. Therefore, it is common practice for Councils to adopt a policy on road naming.

## **9 Significance and Engagement**

The matters of this report are believed to be of medium significance to the community.

Pre engagement has been held with Ngāti Tūwharetoa (Bay of Plenty) Kaumātua to obtain advice on the draft naming policy to ensure alignment with cultural values. No concerns were raised during this consultation. We wish to acknowledge Council's Cultural Adviser Te Haukaka Te Rire for his assistance with this engagement.

Public consultation was conducted between 5 August and 6 September 2024 to obtain the views of the community. The method of consultation is set out above at 2.3. Submissions are now presented to Council.

## **10 Conclusion**

This report is provided to Council for the purpose of receiving the submissions on the draft naming policy.

Upon the receipt of these submissions, Council is required to deliberate on the submissions to determine whether any amendments are needed to the draft naming policy, based on the submissions.

Once recommendations are received, the final naming policy, and application forms will be prepared for Council to formally adopt at a later meeting.

## 11 **RECOMMENDATIONS**

1. That the report “Draft Naming Policy, Receipt of Submissions and Deliberations” be received.
2. That Council receive the written submissions on the draft naming policy; and
3. That Council deliberates on the draft naming policy and recommends any changes to the draft naming policy as a result of the deliberation; and
4. That Council notes a further meeting will be held on either the 16th or 30<sup>th</sup> of October 2024, to approve the amended naming policy (based on deliberations) for adoption.



Michaela Glaspey

**Group Manager Regulatory and Planning**

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# Appendix 1

## Draft Naming Policy

### Table of submissions

Formal engagement and consultation for the Draft Naming Policy occurred between 5 August 2024 and 6 September 2024. A total of 4 submissions were received. We wish to thank all of our four submitters.

Council asked the community for feedback on the Proposed Naming Policy in Kawerau with the following questions:

1. Do you support the introduction of the Naming Policy?
2. Do you agree with the naming criteria?
3. Any further comments

#	Name/ Organisation	Hearing	Submitters response to hearing topics
01	Lawrence Ryder	NO	<b>Q1.</b> No: What's wrong with the policy already in place?
			<b>Q2.</b> No
			<b>Q3.</b> Is this for existing names or new names? Not clear in the 6 August community update.
#	Name	Hearing	Submitters response to hearing topics
02	Huia and Rongo MacDonald	NO	<b>Q1.</b> Yes: Support implementation of an up to date Naming Policy to be adopted by Council to ensure consistent policy and procedures are in place for use by Kawerau community residents
			<b>Q2.</b> Yes: no changes
			<b>Q3.</b> Support the proposed Draft Naming Policy be adopted by Council Support Sections 5. POLICY PRINCIPLES 5.1; 5.2; 5.3; 5.4; 5.5; 5.6; 5.7;5.8; 5.9; 6. TE REO MĀORI NAMES; 6.1; 6.2; 6.3;
#	Name	Hearing	Submitters response to hearing topics
03	Debbie Griffin	NO	<b>Q1.</b> Yes: I support the local iwi been included in the consultant especially
			<b>Q2.</b> Yes
			<b>Q3.</b> Respondent did not answer this question
#	Name	Hearing	Submitters response to hearing topics
04	Kawerau and Districts Grey	NO	<b>Q1.</b> Yes: 1. Kawerau and Districts Grey Power Association supports the Policy Purpose 2. The

	Power Association Incorporated		<p>Purpose will provide clarity and consistency in applying the Naming Policy 3. The Policy will ensure the names reflect our district/rohe 4. A formal framework is fair for every applicant as all proposals will need to be considered under the same criteria 5. This Naming Policy will ensure the application of the correct description for the road type it is as per KDC Naming Policy, page 13, Schedule 1 – AS/NZS 4819 – Types of Roads.</p> <p><b>Q2.</b> Yes: NO there are no changes we would like made to the naming criteria but hereby make the following comment - Incorrect Road Type Naming - section 12.4.2 in Policy on Renaming allows an application to be initiated to correct inaccuracies or spelling of the Name. As the Naming Policy excludes the road type, there is no clear pathway in the policy to initiate an incorrect road type application. However strict adherence to the KDC Naming Policy, page 13, Schedule 1 – AS/NZS 4819 – Types of Roads guidelines should eliminate future incorrect road type naming.</p> <p><b>Q3.</b> FURTHER COMMENTS Kawerau Grey Power would hope names applied for would not be too difficult to pronounce and spell, in particular reference to emergency services being able to easily identify properties. Renaming There is no need to retrospectively rename any existing street names, road types and numbering systems under a new policy. Stoneham Park housing development Kawerau District Council is the developer (section 8.1 of the Naming Policy) and Kawerau Grey Power expects that Council will be including the Naming Policy as part of its ongoing information dissemination and consultation/hui to the public on the progress of the housing project within reasonable time frames so that interested parties have an opportunity to fully participate in all facets of the project's development.</p>
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***Attached to Grey Power Associations submission:***

Attachment to – Kawerau and Districts Grey Power Association submission to KDC Naming Policy – 06/09/24  
Although the commentary on this page is not part of the KDC Draft Naming Policy the issues are street-sign related that Kawerau Grey Power would like the Council to consider rectifying -

### (1) Incorrect Road Type Naming - BALLANTRAE

(1) The newish signpost at the intersection of Forbes Place & Ballantrae on River Road which reads Ballantrae St.



(2) The correct street sign is at the Ballantrae & Fenton Mill Road end of the street.



The following is reprinted from the Linz website - NZ Addresses Data Dictionary  
<https://data.linz.govt.nz/layer/105689-nz-addresses/attachments/24489/>

BALLANTRAE,	Kawerau District	East Coast	Waiariki
BALLANTRAE PLACE,	Gore District	Southland	Te Tai Tonga
	Hamilton City	Hamilton East	Hauraki-Waikato
	New Plymouth District	New Plymouth	Te Tai Hauāuru
	Tauranga City	Tauranga	Waiariki
	Wellington City	Wellington Central	Te Tai Tonga
BALLANTRAE STREET,	Southland District	Invercargill	Te Tai Tonga

### (2) NORMANBY/ROBINSON intersection



<https://www.nzta.govt.nz/assets/resources/road-traffic-standards/docs/rts-02.pdf>

According to the Waka Kotahi NZ Transport Guidelines – street name signs should be sufficiently conspicuous ...that all road users can read and act upon them without causing any undue disruption to the traffic stream and ... oriented in the direction of the street or road to which they apply.

At the moment as we drive down Grey Street from Onslow Street we find the above signs' locations to be distracting. It would be helpful to have the signs swapped over so that the Normanby St sign is on the left side of the street pointing left into Normanby Street and the Robinson St sign is placed on the right side of the street pointing right into Robinson Street.

Thank you/ngā mihi  
Kawerau and Districts Grey Power Association

# Council Policy

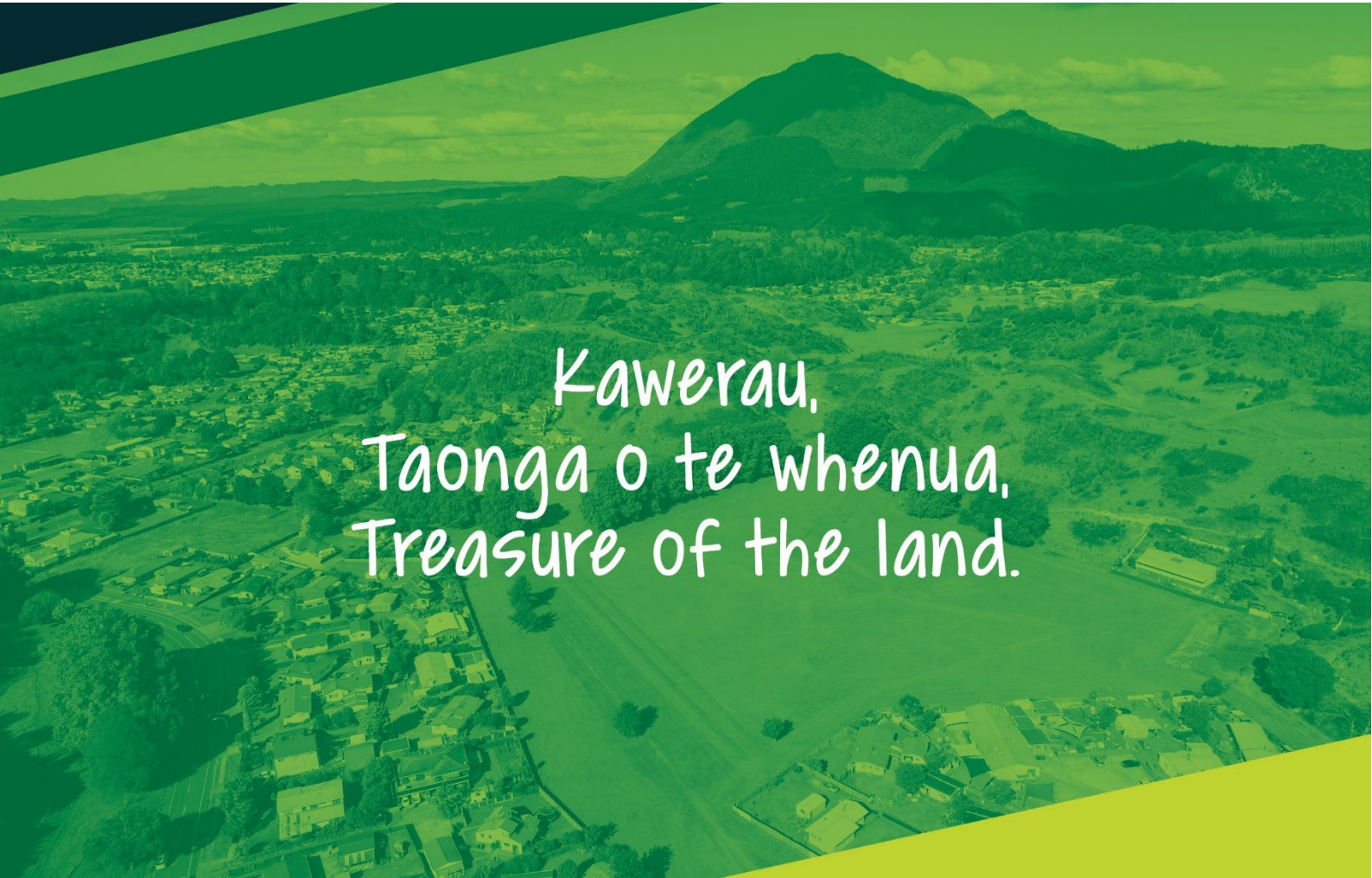
# Proposed Naming Policy

Effective date: To be Confirmed



# Naming Policy

<b>Date First Adopted:</b>	2024
<b>Last Reviewed :</b>	New Policy
<b>Next Review Date:</b>	July 2029
<b>Engagement Required:</b>	Special Consultative Procedure (s83 LGA)
<b>Document Number:</b>	POL 026
<b>Responsibility:</b>	Group Manager, Regulatory and Planning
<b>Associated Documents:</b>	N/A



Kawerau,  
Taonga o te whenua,  
Treasure of the land.

## 1. INTRODUCTION

- 1.1. Kawerau District Council's Naming Policy is designed to provide principles and guidelines for considering and making decisions on the naming of local roads, open spaces, features and council facilities.
- 1.2. This policy recognises the importance of names in connecting our people to the land and environment around them. Local names also help provide the identity for our community, encompassing Kawerau's culture, significant people, character, heritage and landscape now and into the future.
- 1.3. Council recognises Tangata Whenua Iwi Ngāti Tūwharetoa (Bay of Plenty) Settlement Trust as holding cultural values, customs and practices associated with the Kawerau Rohe and as such hold the mana to partner in the naming process.
- 1.4. Council is responsible for the naming of roads and numbering of land and buildings under s319 and s319A of the Local Government Act 1974. A wide range of people use road names to accurately locate properties, including emergency services, postal and delivery services and utility providers (phone, power, water companies), along with the general public.

## 2. POLICY PURPOSE

- 2.1. The purpose of this Policy is to:
  - 2.1.1. ensure the names of roads, open spaces, features, and community facilities tell the story of Kawerau and reflect Kawerau's natural, cultural and historic heritage;
  - 2.1.2. encourage locally significant Te Reo Māori names for roads, open spaces, features, and community facilities to enable greater visibility of Tangata Whenua connections to Kawerau;
  - 2.1.3. provide clarity and consistency in the naming of roads, open spaces, features, and community facilities;
  - 2.1.4. ensure names are appropriate and do not duplicate or cause confusion with existing or approved names;
  - 2.1.5. ensure the community is accessible and easily identifiable by facilitating accurate property identification for emergency services;
  - 2.1.6. ensure Council meets its obligations under the Local Government Act 1974 when naming roads and numbering properties.

### 3. SCOPE

- 3.1. The policy applies to the naming and renaming of:
- a. Roads, including private roads, private ways and bridges;
  - b. Open spaces including parks and reserves and land administered by council for storm water management;
  - c. Open space features;
  - d. Council facilities, including developments.
- 3.2. This policy does not apply to unformed or paper roads unless Council deems it necessary.

### 4. DEFINITIONS

**Applicant** means an individual or entity making an application. This may include Council, a consent holder or the party developing the infrastructure, including but not limited to a developer.

**Council** means Kawerau District Council.

**Council Facility** means a facility owned by Council and which is provided for public amenities, including recreational, sporting or cultural, or community facilities. Such facilities may include but are not limited to community halls, civic spaces and centres, including entertainment facilities.

**Cultural Significance** includes land, water, wāhi tapu, valued flora and fauna, and other taonga significant to Tangata Whenua Iwi Ngāti Tūwharetoa (Bay of Plenty Settlement Trust).

**Dual Naming** refers to a reserve or other public place that has both a Te Reo Māori name and English name. Dual naming is not considered renaming for the purpose of this policy. A dual name may not be a direct translation or transliteration of an existing English Name.

**Name** means the word or name (excluding the road type) used to identify a road, open space or Council facility.

**Open Space** includes all parks and reserves administered by Council, and land administered by Council for storm water management.

**Open Space Feature** refers to assets such as tracks, lookouts, sites of cultural significance and natural or historic attributes.

- Park** Council owned public open space held under the Local Government Act 2002 with a primary recreation, conservation, historic or amenity function.
- Private roads and rights of way** means roads and access ways as defined under section 315(1) of the Local Government Act 1974 (or subsequent amendments), and includes rights-of-way, common access lots, retirement village roads. Also included is common property within a Unit Title Development as defined under section 5 of the Unit Titles Act 2010.
- Reserve** means any land classified as a reserve under the Reserves Act 1977 (or subsequent amendments).
- Road** means a road as defined under section 315 of the Local Government Act 1974 or subsequent amendments, and includes access ways, service lanes, any square and any public place intended for the use of the public generally.
- Road Type** means the type of road as set out in The Australian/New Zealand Standard on Rural and Urban addressing AS/NZS 4819:2011 (as outlined in Schedule 1).

## 5. POLICY PRINCIPLES

- 5.1. Council has a role in ensuring that the district's history, identity, culture and status of Tangata Whenua Iwi Ngāti Tūwharetoa (Bay of Plenty Settlement Trust) is recognised and maintained.
- 5.2. Tangata Whenua Iwi Ngāti Tūwharetoa (Bay of Plenty Settlement Trust) hold mana and traditional associations with places, making them the most appropriate authority when seeking Te Reo Māori names. Tangata Whenua Iwi Ngāti Tūwharetoa (Bay of Plenty Settlement Trust) is a partner in the process of selecting names for roads, open spaces, features and council facilities.
- 5.3. Council shall provide a consistent approach to determining appropriate future names for roads, open spaces, features and council facilities. This policy is not to be applied retrospectively to existing names except where individual renaming applications are received.
- 5.4. Names should be agreed and used as early as possible in any development application process in order to embed those names locally.
- 5.5. This policy complies with the Australian/New Zealand Standard on Rural and Urban Addressing (AS/NZS 4819:2011) and subsequent amendments where names are written in English.
- 5.6. Naming a private road does not mean Council accepts responsibility for that private road, other than ensuring its name complies with this Naming Policy and the Australian/New Zealand Rural and Urban Addressing Standard (AS/NZS 4819:2011) and updating Land Information New Zealand.
- 5.7. Property numbering, upon implementation of the policy, will be in accordance



with Australian/ New Zealand Standard Rural and Urban Addressing (AS/NZS4819:2011) and in the case of retirement villages, also in accordance with Guideline for addressing in retirement villages LINZG80700 (and any subsequent updates).

- 5.8. Where naming or renaming a reserve vested in Council, Council will comply with s16 (10) and s16(10A) of the Reserves Act 1977, by consulting with the New Zealand Geographic Board (Ngā Pou Taunaha o Aotearoa) and placing a notice in the Gazette.
- 5.9. The New Zealand Geographic Board (Ngā Pou Taunaha o Aotearoa) Act 2008 has precedence over this policy where it applies (naming geographic locations).

## 6. TE REO MĀORI NAMES

- 6.1. Council supports the use of Te Reo Māori names for roads, open spaces, features and council facilities.
- 6.2. All Te Reo Māori names will be initially drafted in partnership with Ngāti Tūwharetoa (Bay of Plenty Settlement Trust) as Tangata Whenua.
- 6.3. Te Reo Māori names, in consultation with Ngāti Tūwharetoa (Bay of Plenty Settlement Trust), will be written using the orthographic writing conventions of the Māori language developed by Te Taura Whiri i Te Reo Māori (the Māori Language Commission). Where appropriate, Council will be guided by Ngāti Tūwharetoa (Bay of Plenty Settlement Trust) to ensure the integrity of the local dialects and cultural practices with regard to Te Reo Māori names in Kawerau rohe.

## 7. DUAL NAMING

- 7.1. While Te Reo Māori or English monolingual names are preferred, council supports dual naming in the following circumstances:
  - 7.1.1. where there is an opportunity to promote Te Reo Māori by use of a direct Te Reo/English translation;
  - 7.1.2. where both English and Te Reo Māori names are already in current use in the community for the same road, open space, feature or council facility; and
  - 7.1.3. where dual naming will make visible Tangata Whenua Iwi Ngāti Tūwharetoa (Bay of Plenty Settlement Trust) connections to a place.
- 7.2. When dual naming is used for open spaces and community facilities the Te Reo

Māori name will be positioned before the English name.

7.3. Dual naming is not supported by Council for roads and will be avoided.

## **8. GENERAL PROCEDURE FOR SELECTING NAMES (NAMING A NEW ROAD OR PRIVATE WAY)**

- 8.1. New roads or private ways usually result from a subdivision. When applying for a resource consent, the developer should apply for any new road name or private way name, by submitting a “Naming Request Application”. Applications must be received prior to the issuing of the s223 certificate.
- 8.2. Applicants are required to consult with Tangata Whenua Iwi Ngāti Tūwharetoa (Bay of Plenty Settlement Trust) early and Council will assist with this process. This will help ensure names will meet the requirements of section 9.1 of this policy, before making their application to Council.
- 8.3. It is recommended that applicants provide Council with their preferred name and two alternative names for each road, open spaces, features and council facilities to be named.
- 8.4. All applications should include supporting evidence of engagement with Tangata Whenua regarding the names proposed (for example, a letter of support, or minutes of a meeting, or a memorandum of understanding etc).
- 8.5. Where no names are proposed, or where council initiates the project, council will facilitate a discussion with Tangata Whenua Iwi Ngāti Tūwharetoa (Bay of Plenty Settlement Trust), the applicant and/or landowner to identify suitable names to be used.
- 8.6. Private roads, including those within retirement complexes, must be named where there are six or more houses on the private road, or if there is the potential to develop six or more houses on the private road. The names of private roads must be consistent with the general naming criteria.
- 8.7. Where a private way has multiple owners, supporting evidence of engagement with all associated owners must be provided.
- 8.8. Council has no responsibility for the signage, maintenance or upkeep of any private road.
- 8.9. Council holds the final decision making authority on the choice of names.

## **9. NAMING CRITERIA**

- 9.1. Proposed names must reflect one or more of the following:

- 9.1.1. Identity of Kawerau;
  - 9.1.2. Historical significance of the area;
  - 9.1.3. Cultural significance of the area;
  - 9.1.4. People who were important in the history of the area, and/or characteristics of people important to the Kawerau rohe;
  - 9.1.5. Events or places significant to a community or communities locally, nationally, internationally.
  - 9.1.6. Flora, fauna and topographical features significant or important to the history or geography of the community, the wider local area or the district.
  - 9.1.7. Continuation of existing established theme or creation of a common theme for a development.
- 9.2. Proposed names should avoid the following:
- 9.2.1. Road name should not repeat or be similar in name or sound, to any name already in use locally or within 5 km of the surrounding districts, as this creates confusion for emergency services, delivery services and maintenance staff.
  - 9.2.2. Names that honour a person more than once should be avoided.
  - 9.2.3. Qualifying words, such as Upper, West, or generic terms, should not be used to distinguish between associated features with the same specific name.
- 9.3. Proposed names will be deemed unacceptable if:
- 9.3.1. Council consider they may be regarded as derogatory, discriminatory, frivolous, offensive or in poor taste.
- 9.4. Roads may not be named after commercial enterprises. For community facilities, open spaces and features, there may be individually negotiated sponsorship agreements including naming rights that may supersede the criteria in clause 9.

## 10. ADDITIONAL CRITERIA FOR ROAD NAMES

- 10.1. A road name shall consist of two parts: a name, followed by a road type. A road

type shall not be used as the first part of a road name.

- 10.2. Where English names are to be used for roads, they shall comply with the road-naming standard used by the Council (AS/NZS4819:2011).
- 10.3. When using Te Reo Māori names, “Ara” and “Te Ara” may be used as the first part of the name. The use of “Te” before “Ara” is not essential unless the road is being named for a person or thing in which “Te” is an integral part. When using “Ara” or “Te Ara”, this replaces the road type (for example: “Ara Tai” not “Ara Tai Lane”).
- 10.4. Road names should be shorter rather than longer and should be less than 15 letters excluding the road type unless deemed culturally significant by Tangata Whenua Iwi Ngāti Tūwharetoa (Bay of Plenty Settlement Trust).
- 10.5. Road names should change at logical intersections and care should be taken to avoid dividing a single section of road.

## 11. PROPERTY ADDRESS NUMBERING

- 11.1. Council may allocate a number to any area of land or building or part of a building within its district and may change the number allocated to any such area of land or building, as set out in Section 319B of the Local Government Act 1974.
- 11.2. Upon implementation of this policy, road numbers will be assigned within the standards set out in the Australian/New Zealand Standards: Rural and urban addressing (AS/NZS 4819:2011).
  - 11.2.1. Urban roads will generally be numbered consecutively from the start of the road with odd numbers on the left and even on the right. Existing number will only be changed where exceptional circumstances exist or to prevent significant numbering inconsistencies.
  - 11.2.2. Rural Roads will usually be numbered using the distance-based address numbering method. Rural roads are generally defined through the zoning of a property and neighbouring properties in the District Plan.
  - 11.2.3. If the zoning of a property changes, consideration will be given to the suitability of the current numbering and renumbering may be required.
  - 11.2.4. Private ways are usually numbered from the adjoining named road which gives access to the private way. The Council will give consideration to issuing separate numbers, only where the private way is officially named. Numbers will only be issued once the road

name has been accepted through a resolution of Council.

- 11.3. In cases where Council decides to re-number a road or private way, property owners and residents affected by the renumbering will be given a minimum of four weeks' notice.

## 12. POLICY ON RENAMING

- 12.1. Only in exceptional circumstances will Council consider renaming roads, open spaces, features or Council facilities.
- 12.2. Council may consider renaming open spaces, features, or Council facilities where a new name would better meet the objectives of the policy to promote local identity and Tangata Whenua connections.
- 12.3. Council may consider requests for renaming where there are strong reasons for renaming or dual naming of existing streets.
- 12.4. Applications for renaming may be considered where initiated by a Kawerau ratepayer or resident of Kawerau District, or by Tangata Whenua Iwi Ngāti Tūwharetoa (Bay of Plenty Settlement Trust) and where they fall into one of the following categories:
- 12.4.1. Major changes in road layout or infrastructure and renaming is required to avoid confusion, duplication or ambiguity;
- 12.4.2. To correct inaccuracies or spelling;
- 12.4.3. The name is culturally inappropriate;
- 12.4.4. In circumstances where an incorrect name has become established over time by local usage;
- 12.4.5. To address a significant wrong or grievance;
- 12.4.6. Where a new name would better meet the purpose of this policy in promoting local identity and Tangata Whenua Iwi Ngāti Tūwharetoa (Bay of Plenty Settlement Trust) connections.
- 12.4.7. Where there is a strong reason to support dual naming (e.g. to better promote local identity);
- 12.4.8. Any other reason Council considers appropriate in the circumstances.
- 12.5. An application for renaming must be supplied with the following information:
- 12.5.1. Reasoning or justification for a name change; and

- 12.5.2. Evidence of consultation undertaken by the applicant with affected property owners, including the outcome of the consultation (e.g. signed letters of agreement);
- 12.5.3. Support for the proposed names from affected property owners;
- 12.5.4. Any research undertaken to support the application (if applicable).
- 12.6. If renaming, long-term, historically-embedded existing names, or names that are in common local use, may take precedence over new names if they conform to clause 9.
- 12.7. Applicants for renaming of roads, open spaces, features or Council facilities must agree to meet the costs incurred by Council, including costs of signs, renumbering, administration and any other associated costs. Where Council initiate the renaming, Council will cover the associated costs.
- 12.8. Council will not pursue a renaming application, where the affected residents are not in support of the renaming process.

### **13. ADDITIONAL CRITERIA FOR OPEN SPACES AND FEATURES WITHIN THEM**

- 13.1. Open spaces gifted to Council, may honour the landowner by agreeing on a name in consultation with Tangata Whenua Iwi Ngāti Tūwharetoa (Bay of Plenty Settlement Trust).
- 13.2. Open spaces acquired, at market value, must not include a naming condition as part of the sale and purchase conditions.
- 13.3. Open spaces and/or features are not required to include a name type, such as park or reserve, unless considered appropriate.
- 13.4. Contiguous (adjacent) parks and reserves should be given the same name, unless there are exceptional circumstances to do otherwise.
- 13.5. Tangata Whenua Iwi Ngāti Tūwharetoa (Bay of Plenty Settlement Trust) direction will be sought as to whether feature descriptions such as 'Mount' and 'Lake' are required where Te Reo Māori is used.

### **14. ADDITIONAL CRITERIA FOR COMMUNITY FACILITIES**

- 14.1. Community facilities are not required to include the nature of the facility, unless considered appropriate.

- 14.2. Community facilities should not be named after commercial entities unless a sponsorship agreement is entered into.

## **15. MONITORING AND IMPLEMENTATION**

- 15.1. Implementation of the policy will be the responsibility of, and monitored by, the Group Manager Regulatory and Planning.
- 15.2. The policy will be reviewed every five years, or earlier at the request of Council or in response to changed legislative and statutory requirements.

## SCHEDULE 1 – AS/NZS 4819 – TYPES OF ROADS

Road Type	Abbreviation	Description
Alley	Aly	Usually narrow roadway in a city or town.
Arcade	Arc	Passage having an arched roof or covered walkway with shops along the sides.
Avenue	Ave	Broad roadway, usually planted on each side with trees.
Boulevard	Blvd	Wide roadway, well paved, usually ornamented with trees and grass plots.
Circle	Cir	Roadway that generally forms a circle; or a short enclosed roadway bounded by a circle.
Close	Cl	Short enclosed roadway.
Court	Crt	Short enclosed roadway, usually surrounded by buildings.
Crescent	Cres	Crescent shaped roadway, especially where both ends join the same thoroughfare.
Drive	Dr	Wide roadway without many cross-streets.
Glade	Gld	Roadway usually in a valley of trees.
Green	Grn	Roadway often leading to a grassed public recreation area.
Grove	Grv	Roadway that features a group of trees standing together.
Highway	Hwy	Main thoroughfare between major destinations.
Lane	Lane	Narrow roadway between walls, buildings or a narrow country roadway. (reserved exclusively for non-public roads)
Loop	Loop	Roadway that diverges from and rejoins the main thoroughfare.
Mall	Mall	Wide walkway, usually with Shops along the sides.
Mews	Mews	Roadway having houses grouped around the end.
Parade	Pde	Public roadway or promenade that has good pedestrian facilities along the side.
Place	Pl	Short, sometimes narrow, enclosed roadway.
Promenade	Prom	Wide flat walkway, usually along the water's edge.
Quay	Qy	Roadway alongside or projecting into the water.
Rise	Rise	Roadway going to a higher place or position.
Road	Rd	Open roadway primarily for vehicles.
Square	Sq	Roadway which generally forms a square shape, or an area of roadway bounded by four sides.
Steps	Stps	Walkway consisting mainly of steps.
Street	St	Public roadway in an urban area, especially where paved and with footpaths and buildings along one or both sides.



Terrace	Tce	Roadway on a hilly area that is mainly flat.
Track	Trk	Walkway in natural setting.
View	View	A road with a view.
Walk	Walk	Thoroughfare for pedestrians.
Way	Way	Short enclosed roadway. (reserved exclusively for non-public roads)
Wharf	Whrf	A roadway on a wharf or pier.

**Meeting:** Council

**Meeting Date:** 25 September 2024

**Subject:** DRAFT Regional Economic Development Strategy (REDS)

**File No.:** 309101

## 1 **Purpose**

The purpose of this report is to seek endorsement from Council of the draft Regional Economic Development Strategy (REDS) in its draft format, to be circulated to industry and commercial stakeholders for consultation and feedback.

## 2 **Background**

A sub-regional lens on economic development has been established for over twenty years. The last REDS was developed by David Cunliffe, and endorsed by the then Chair of Toi EDA, David Cullen and former East Coast MP, Kiritapu Allan.

It was adopted in 2018 and was a catalyst to unlock Provincial Growth Funding (PGF) from Central Government. The Off Highway Road and accessibility to Putauaki Trust land are completed projects for the Kawerau District, which were focus points in the 2018 REDS. The Kawerau Container Terminal is another PGF funded project yet to be completed included in the 2018 REDS.

All three EBOP authorities have reached various milestones outlined in the 2018 REDS, and with a changing economic climate and new coalition government, there was a pressing need to refresh the EBOP REDS.

The principle of a sub-regional strategic focus for economic development is logical. What benefits each individual EBOP Local District, communities and businesses will have a flow on benefit to the sub-region, wider Bay of Plenty and potentially New Zealand in the international market.

A collaborative and aligned strategy for the sub-region has a greater potential to attract Central Government investment for economic growth.

The development of the DRAFT REDS was delivered with a project team and senior executive steering committee (SteerCo). The project team included Economic Development Managers from Ōpōtiki, Whakatāne and Kawerau District Councils, Toi EDA and Polis Consulting (David Cunliffe's consultancy company). Interviews with business partners provided input into the development of the strategy.

The EBOP REDS document is in a DRAFT format for consultation and feedback purposes only. The Ōpōtiki and Whakatāne Councils are undertaking their own deliberation of the DRAFT REDS and it is strongly expected that adaptations and enhancements to the DRAFT will occur.

### 3 **Options**

Option 1 – **Endorse** the DRAFT EBOP Regional Economic Development Strategy – For consultation and feedback with Kawerau industry and commercial partners

Selecting option 1 will enable an accelerated discussion with Kawerau industry and commercial partners and establish a pathway towards a Kawerau District specific strategy being developed.

*Recommended*

Option 2 – **Do not endorse** the DRAFT EBOP Regional Economic Development Strategy

*Not recommended*

### 4 **Policy and Plan Considerations**

There are no policy or plan considerations that would affect this decision.

### 5 **Legal Considerations**

There are no legal considerations.

### 6 **Financial Considerations**

The cost to produce the DRAFT REDS has been shared across the three local authorities and covered in the 2023/24 Financial Year budget.

Any additional cost will be covered through internal human resources and current economic development budget. However, additional costs are expected to remain low, as the bulk of the REDS has been developed.

The only caveat to this is if the DRAFT REDS is considered to be unfit for purpose and requires a complete redevelopment.

### 7 **Significance and Engagement**

Having an agreed and aligned sub-regional economic development strategy has the potential to unlock much needed Central Government investment and potential commercial investment.

The DRAFT REDS once adopted will be circulated to Kawerau industry and commercial partners, and provide valuable input into the future of the Kawerau District and wider EBOP.

## 8 **Conclusion / Summary**

Once feedback is received from industry partners and the partner EBOP local authorities have completed their own consultation, a final version of the EBOP REDS will be completed and submitted to Council for final adoption.

Development of a Kawerau District specific economic development strategy will be undertaken, and it is recommended Council considers what will be included in a Kawerau specific economic development strategy.

## 9 **RECOMMENDATIONS**

1. That the report "DRAFT Regional Economic Development Strategy (REDS)" be received.
2. That Council resolves to endorse the DRAFT Regional Economic Development Strategy (REDS) for consultation with Kawerau Industry and Commercial Partners.



Lee Barton

**Economic and Community Development Manager**

Z:\KDC Taxonomy\Governance\Democratic Services\Meetings\Regulatory and Services\Reports\April 2023\IR-Firmin Lodge Showers 2023-04-12.docx

# Economic Development Strategy Refresh for the Eastern Bay of Plenty

DRAFT 1.2

(unformatted, for client feedback)

15 August 2024

## Key terms

- **Eastern Bay of Plenty.** A sub-region of the Bay of Plenty including the three District Councils of Ōpōtiki, Kawerau and Whakatāne.
- **Toi EDA.** The Economic Development Agency for the Eastern Bay of Plenty.
- **Regional Infrastructure Fund (or RIF).** A \$1.2 billion fund to be administered over three years by Kānoa – the Regional, Economic Development and Investment Unit. Funding can be allocated to build new infrastructure or improve existing assets, boosting growth, resilience and productivity in the regions.<sup>1</sup>
- **Regional Deal.** A long-term agreement between central and local government, to achieve key regional outcomes that generate significant benefits. Regional Deals typically involve both central and local funding, and greater devolution of decision making from central to local government.<sup>2</sup>

<sup>1</sup> Kānoa: Regional Economic Development & Investment Unit (2024). Regional Infrastructure Fund. Retrieved from <https://www.growregions.govt.nz/new-funding/regional-infrastructure-fund>

<sup>2</sup> Infrastructure New Zealand (2023). Position Paper: City and Regional Deals- Laying the Foundations for Partnership. Retrieved from <https://infrastructure.org.nz/wp-content/uploads/2023/11/Infrastructure-NZ-Policy-Postions-City-and-Regional-Deals-v2.pdf>

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## Executive Summary

**The Eastern Bay of Plenty is blessed with rich natural resources and a long, proud history,** but it also faces industrial decline and socio-economic deprivation.

**In 2018, the sub-region successfully attracted substantial investment from the Provincial Growth Fund,** to foster development in aquaculture, high-value horticulture, manufacturing and tourism, which would lift community wellbeing in turn.

**Much has been achieved since 2018-** including the redevelopment of the Ōpōtiki harbour which will foster growth in the aquaculture sector; the launch of New Zealand's largest 'by Māori for Māori' blueberry farm in Te Teko; the creation of roading links and serviced sites at the Kawerau Putauaki Industrial Development; and the restoration of Whakatāne's 100-year old wharf.

**Some initiatives have been hard-hit by natural disasters and roadblocks.** The 2019 eruption of Whakaari / White Island devastated the families of those injured, and the livelihoods of those in the local tourism sector; the Putauaki industrial site has struggled to attract tenants and it does not yet have containerisation facilities or rail links; and the revitalisation of the Whakatāne CBD has hit a range of hurdles.

**Business growth remains constrained by housing stock, transport and connectivity, workforce dynamics, and access to capital.** It is challenging to attract suitably skilled staff; to house them in high-quality, affordable homes near their place of work; to efficiently connect businesses across the supply chain; and to attract private capital that could fund transformation.

**The wider landscape has also changed.** A National-led coalition government came to power late in 2023, with new priorities and new funding. Climate change resilience is increasingly front-and-centre, and the major iwi settlements are complete, meaning iwi are well-positioned to lead or support major economic initiatives.

**It's now time for a refreshed strategy for the Eastern Bay.** This strategy has the same DNA as it did in 2018. It's evidence-based, it has been collaboratively developed, and there is a focus on shared success across the districts of Ōpōtiki, Kawerau and Whakatāne.

**The strategy is based on an Economic Development Framework that aligns and coordinates economic activity across the sub-region.** The framework sets out *why* economic development matters, *what* to focus on, and *how* to unlock growth.

**The purpose of this strategy is to unlock resilient economic development for the Eastern Bay of Plenty.** Economic growth for its own sake means little—but economic development can be a hugely powerful lever for delivering social, cultural and environmental wellbeing.

**Economic development will have succeeded if it fosters prosperity, resilience, regional competitiveness, strategic alignment between the three districts, and mahi tahi** – or a collective response to shared constraints and opportunities.

**Economic development will centre on three Development Focus Areas** - one per District Council. The intent is to accelerate regional economic development by leveraging local advantages and existing specialisations.

**By 2050:**

**Ōpōtiki will become an aquaculture centre of national significance.** The district has an opportunity to develop a multi-billion-dollar aquaculture industry, leveraging the \$200m+ of investments that have been made to date, including the recently launched Ōpōtiki harbour entrance and onshore processing facilities. The region could dominate the end-to-end supply chain, covering the growth, processing and export of aquaculture products to both domestic and international markets.



**Kawerau will be a green industrial and energy hub**, harnessing sustainable energy for use in innovative, tech-led manufacturing. The district has an established geothermal plant, strengths in forestry, and a modern industrial park that could all be leveraged to foster innovative, sustainable and high-value industries.

**Whakatāne will be commercial and residential heart of the Eastern Bay**- attracting people to live, work and play in the district. The centre would combine core social, professional services, education and training providers, and hospitality and placemaking ventures that enhance liveability. Whakatāne would create cross-regional value, accelerating growth and development across the whole Eastern Bay.

**In order to achieve these ambitions, and lift the wellbeing of locals, four cross-cutting constraints must be addressed – housing, transport and connectivity, workforce and capital.**

- **Housing.** There is a lack of affordable, adequate housing in places where locals and newcomers wish to settle. This makes it harder to attract and retain new talent from outside the region, and it limits local relocation, meaning talent becomes less mobile and businesses find it harder to recruit the personnel they need.
- **Transport and connectivity.** There are connectivity constraints within and around the Eastern Bay. Poor-quality roads, capacity limitations, and over-reliance on road networks for freight, all contribute to congestion, lower productivity and higher business costs.
- **Workforce.** There is misalignment between the local labour force and the roles available, meaning businesses have trouble sourcing the talent they need, and locals are hampered in their employment and career development.
- **Capital.** The sub-region has struggled to attract private capital which could accelerate industrial growth and economic development. Additional public funding would also help to address the cross-cutting constraints related to housing, transport and the workforce.

**The sub-regional constraints are interrelated and interdependent, which means sequenced and coordinated action will be required to address them.** The recommended pathway is to enable housing, then transport connectivity, which will support workforce capacity and skills development in turn – setting off a positive feedback loop. Capital serves as a central enabler.

**Success in these areas looks like – the right number and mix of housing, in the right locations; a comprehensive and resilient transport network that improves connectivity within the region and between the regions; an engaged and skilled local workforce that can meet industry needs now and in future; and private industry successfully elevating to the next level of size and scale, supported by enabling public initiatives.**

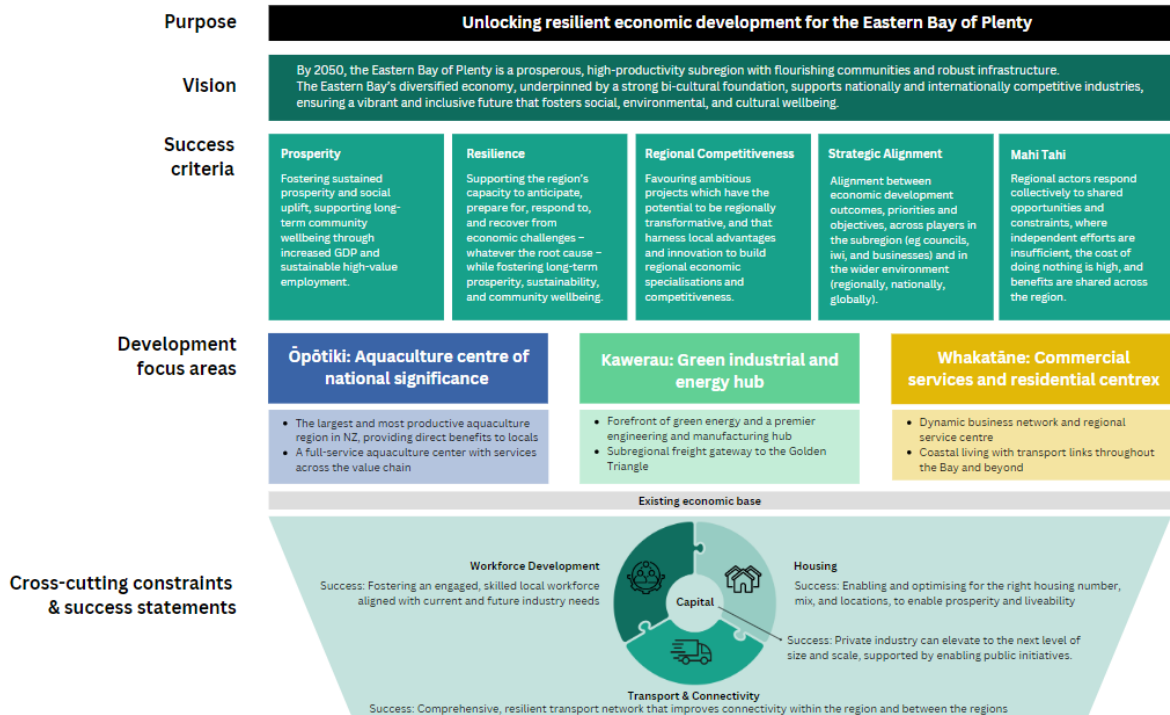
**This strategy represents six months of input and effort** from Council, iwi, business leaders, consultants and more. **But in many ways, it's only a starting point**, and its now time to convert strategic intentions into reality.

**Once this strategy is formally adopted:**

- **Cross-cutting constraints should be addressed at the sub-regional level**, aligning with the Spatial Plan.
- **Districts can prepare localised plans for the three focus areas** of aquaculture in Ōpōtiki, green industry in Kawerau, and the commercial and residential hub in Whakatāne, working in collaboration with local iwi and industry.
- **The sub-region should prepare a shared application to the Regional Infrastructure Fund**, working at pace.

**This strategy isn't about doing new things. It's about getting 'new bang for old buck' and maximising the value of the investments that have already been made in the Eastern Bay. It's about finishing what was started and generating shared prosperity for generations to come.**

# Eastern Bay of Plenty Economic Development Strategy Summary



## Introduction

### Looking back: A brief history of Economic Development in the Eastern Bay

The Eastern Bay of Plenty is blessed with rich natural resources and a long, proud history, but it also faces industrial decline and socio-economic deprivation. In 2018, the sub-region successfully attracted the country's highest per-capita injection of funds, to foster development in aquaculture, high-value horticulture, manufacturing and tourism. Much has been achieved since 2018, but some initiatives have been hard-hit by natural disasters and roadblocks, and business growth remains constrained by workforce challenges, housing, logistics and access to capital.

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### The power of Economic Development

The Eastern Bay of Plenty is blessed in many ways. The sub-region enjoys a favourable climate, fertile soils and rich natural resources including fishery and forestry stocks. The people have a long, proud history, dating back to the first settlement by Tiwakawaka in modern-day Whakatāne, over 1000 years ago.<sup>3</sup>

Yet the Bay also faces a range of related challenges – like industrial decline, ageing or absent infrastructure, and socio-economic deprivation. For instance:

- The Eastern Bay remains one of the nation's most deprived areas, with an average deprivation score of 8.5/10 versus a national average of 5.6, when considering education and healthcare, employment and income, housing and crime and access to services.<sup>4,5</sup>
- In 2023, unemployment rates were more than twice the national average (7.4% versus 3.3%), and close to one-quarter (23.1%) of working-age people were receiving a benefit.<sup>6</sup>

The upshot is- economic development can be more impactful in the Eastern Bay. It can convert natural, place-based advantages into meaningful improvements in people's lives.

### 2018: Our successful strategy

In 2018, the sub-region put together an Economic Development strategy that was evidence-based, collaboratively built, and highly compelling. The strategy attracted \$250 million of direct investment via the Provincial Growth Fund and over \$400 million of total investment – the highest per-capita injection of funds in the country.

The 2018 strategy focused on development in four key areas: aquaculture, high-value horticulture, manufacturing and tourism.

<sup>3</sup> Whakatāne District (Nd). History of the Eastern Bay of Plenty. Retrieved from <https://www.Whakatāne.com/live-and-work/about-Whakatāne-and-eastern-bay-plenty/history-eastern-bay-plenty>

<sup>4</sup> University of Auckland School of Population Health (circa 2018). Deprivation and Health Geography within NZ: 2018 New Zealand Index of Multiple Deprivation (IMD18). Retrieved from <https://imdmap.auckland.ac.nz/download/>

<sup>5</sup> MBIE (2024). Deprivation index in New Zealand. Retrieved from <https://webrear.mbie.govt.nz/theme/deprivation-index/map/timeseries/2018/new-zealand?right-transform=absolute>

<sup>6</sup> MBIE (2024). Regional Economic Activity Web Tool. Retrieved from <https://webrear.mbie.govt.nz/summary/new-zealand>

### Since 2018: Wins and headwinds.

Much has been achieved since 2018, and these successes should be celebrated. However, other initiatives have been hard-hit by natural disasters and roadblocks.

#### *Aquaculture*

Development of the aquaculture sector primarily centred on developing the Ōpōtiki harbour entrance. This \$100 million initiative was one of the country's largest non-roading infrastructure projects, and it was delivered on time and on budget, a feat typically achieved by less than 10% of major works.<sup>7</sup> (Flyvbjerg, cited in Lipford, 2023).

The new harbour features two training walls that redirect the mouth of the Waioeka river through a canal dredged to 4 metres. The harbour can now be accessed in all tides and all-weather conditions by large commercial mussel and fishing boats, and by recreational boaties. Vessels can readily service the 4000ha offshore mussel farm, along with 10,000 ha of planned development, and access the onshore processing facilities at Whakatōhea – which previously required a 40km journey from the Whakatāne wharf.

#### *High-value horticulture*

High-value horticulture focused on improving irrigation on Māori-owned land, and scaling up developments of kiwifruit, blueberries and manuka, particularly in deprived communities. Since 2018, the country's largest blueberry orchard has opened at Te Teko, with a 'by Māori for Māori' business model.<sup>8</sup> Kiwifruit acreage has increased, and the Minginui nursery is playing its part in regenerating native forests.<sup>9</sup>

There appears to be further development potential in both Kiwifruit and other horticulture subsectors. An important criterion going forward will be the ability to attune development to the needs of local communities through sustainable employment of local labour, and to ensure that a reasonable share of value creation flows to those communities.

#### *Manufacturing*

Manufacturing centred on improving the Eastern Bay's manufacturing capability and supply chain links, particularly via the Kawerau Putauaki Industrial Development which would offer warehousing, container packing, and improved roading and rail links.

The second stage of the industrial zone is now complete, with all industrial sites connected to roading and utility services.<sup>10</sup> Key connecting roads have been built, including a 1.6km stretch off State Highway 34 that connects private forestry sites to the industrial zone, and a rail link is planned.

However, the industrial zone has struggled to attract a full suite of tenants, with several early prospects not proceeding. Optimising utilisation to drive return on investment in line with Kawerau's Green Business strategy is the key next target. Competition will increase as business parks are established in Rangiora and Rotorua. The container hub and rail links are not yet established, which has made it harder to attract industry. Kawerau has unique resources in shallow and deep geothermal energy that could become key drivers of the green business hub.

Manufacturing also continues to play a key role in Whakatane District, with Whakatane Mills reinvesting in substantial new plant, both Surtees and Extreme consolidating their position as among New Zealand's small boat builders, and many others that make Whakatane the major commercial hub of the sub-region.

<sup>7</sup> Lipford (2023). Book review: How Big Things Get Done- The Surprising Factors That Determine the Fate of Every Project, from Home Renovations to Space Exploration and Everything in Between. The Independent Review: A Journal of Political Economy, 28(2). Retrieved from <https://www.independent.org/publications/tir/article.asp?id=1900>

<sup>8</sup> Te Teko blueberry farm largest in Aotearoa – owned by Maori for Maori' (2020, July 7). Waatea news. Retrieved from <https://waateanews.com/2020/07/07/te-teko-blueberry-farm-largest-in-aotearoa-owned-by-maori-for-maori/>

<sup>9</sup> Minginui Nursery (2024). Retrieved from <https://minginuinursery.co.nz/>

<sup>10</sup> Putauaki Trust. (2020). Industrial zone. Retrieved from <https://www.putauakitrust.com/industrial-zone/>

### Tourism

Tourism centred on the redevelopment of Whakatāne, including the Wharf and waterfront improvements that could support tourism flows displaced by the Whakaari/White Island eruption and to foster other tourism services and marine-based industries. The key success has been the remediation of the 100-year-old wharf, which re-opened in 2022.

The 2019 eruption of Whakaari / White Island proved devastating for the families of those killed or injured, and for the livelihoods of those in the local tourism sector.

Plans to develop the river promenade and the CBD paused after public consultation in 2020, due to uncertainty about the Regional Council's plans to raise the town's stop banks to minimise the impact of flooding and other extreme weather events.<sup>11</sup>

Development of the boat harbour has also stalled, while careful consideration is given to managing any historical contaminants from wood waste.<sup>12</sup>

### Since 2018: Broad constraints and opportunities

Alongside the project-specific wins and challenges, the Eastern Bay faces a dynamic landscape of constraints, threats and opportunities.

#### Constraints and threats

There are cross-cutting constraints related to the workforce, housing, logistics and access to capital, all of which have slowed business growth. It is challenging to attract suitably skilled staff; to house them in high-quality, affordable homes near their place of work; to efficiently connect businesses across the supply chain; and to attract private capital that could fund transformation in these areas. As a result, business growth and economic development have been constrained.

**These constraints are described in more detail in section 4.**

More generally, the Bay is vulnerable to sea-level rise, flooding, cyclones and other extreme weather events driven by climate change.

#### Opportunities

The political context has changed, with a National-led coalition Government coming to power late in 2023. The coalition brings a focus on regional development, along with new funds and rules for investment, which creates an opportunity to tailor the Eastern Bay's economic development plans and attract additional funding and support.

Major iwi settlements are also complete, with Whakatōhea signing in 2023. The \$100 million package is one of the largest and most comprehensive of any iwi in the motu, including access to 5000 ha of marine space. As iwi leaders explain, "The real value of our Settlement lies in the 5000ha of marine space which will create numerous opportunities for our whānau now that the Ōpōtiki harbour development project is underway."<sup>13</sup>

<sup>11</sup> McCarthy, E. (2023, August 25). Whakatāne boat harbour: Potential for contamination causing hold-up. *Rotorua Daily Post*. Retrieved from <https://www.nzherald.co.nz/rotorua-daily-post/news/Whakatāne-boat-harbour-potential-for-contamination-causing-holdup/2GCXZQAYN5BZXJWGDFTW5LUM4A/>

<sup>12</sup> *ibid*

<sup>13</sup> Te Tāwharau o te Whakatōhea. (2023). First Reading of the Whakatōhea Settlement Claims Bill. Retrieved from <https://tewhakatohea.co.nz/our-settlement/>

## Looking forward: A refreshed Economic Development strategy

It's now time for a refreshed Economic Development Strategy for the Eastern Bay. A strategy with the same DNA as 2018 – based on evidence, collaboration and shared success.

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This is a refresh- because the strategy extends the good work that began in 2018. It's a refresh because the focus is on getting new bang for old buck. Maximising the investments that have already been made in the region, and finishing what was started.

This strategy contains the same DNA as 2018. It's based on evidence and a deep understanding of the local context. It was developed collaboratively, and it focuses on shared challenges and opportunities. Because success won't happen in siloes. The people, businesses and districts of the Eastern Bay will succeed through strategic, collective action.

*Nā tō rourou, nā taku rourou ka ora ai te iwi*

With your food basket and my food basket the people will thrive

[Insert image – eg a horizon, flax basket or similar]

## The Economic Development Framework: Overview

The purpose of the Eastern Bay of Plenty Economic Development Framework is to coordinate economic activity across the sub-region, and address key constraints in order to foster greater prosperity and wellbeing. The framework clarifies what success looks like, key focus areas for development, and the cross-cutting constraints that will be addressed.

### Purpose of the framework

This framework will help to align activity across the three Districts of Ōpōtiki, Kawerau and Whakatāne. It will:

1. Align the focus of economic development.
2. Serve as an input into the regional spatial strategy.
3. Preface future applications to the government's Regional Infrastructure Fund

### Key components in the framework

There are three components in the Economic Development Framework- why, what, and how.

#### Why: Economic Development Success Criteria

Stakeholders have agreed on a set of Economic Development Success Criteria. These explain, in plain language, why economic development matters to individuals, businesses and communities in the Eastern Bay of Plenty.

#### What: Development Focus Areas

Three focus areas have been identified – one per district. The intent is to accelerate regional economic development by leveraging the unique strengths of each district.

#### How: Cross-cutting constraints to growth

Four cross-cutting constraints are currently acting as a 'handbrake' on economic growth in the Eastern Bay. The intent is to address these constraints via coordinated, collective action.

#### Deciding what matters

Stakeholders decided on the Development Focus Areas and the cross-cutting constraints to growth, by considering:

- **Economic impact:** Current and projected contribution to regional GDP, employment, and economic resilience.
- **Alignment:** Level of strategic alignment with the national economic direction, regional priorities, and the region's competitive positioning for future.
- **Impact:** Potential for public or private interventions to make a positive impact on the region.

The resulting Regional Economic Development Strategy is the result of six months of economic analysis and extensive engagement with industry, iwi and other key stakeholders.

## 1) Purpose & Vision

### Purpose

**The purpose of this strategy is to unlock resilient economic development for the Eastern Bay of Plenty.**

The Eastern Bay is striving for economic, social, environmental, and cultural wellbeing.

Economic growth for its own sake means little—but economic development can be a powerful lever for delivering social, cultural and environmental wellbeing. For instance:

- As household incomes rise, families can enjoy increased access to high-quality housing, healthcare and education. People's horizons expand.
- As communities enjoy economic stability, there's a rise in social trust and cohesion.
- When there is more money to go around, there's more capacity and willingness to invest in cultural initiatives – such as preserving heritage sites or promoting cultural activities.
- When the local economy is robust, businesses and communities can make more choices that foster long-term sustainability, generating returns beyond just the financial.

In short, economic growth unlocks other forms of wellbeing. It's a logical starting point.

### Vision for 2050

By 2050, the Eastern Bay of Plenty is a highly productive and prosperous sub-region, and recognised as one of New Zealand's centres of green energy. The region is an attractive place to visit, work and live, with flourishing communities and thriving natural and built environments.

Robust housing, transport infrastructure, and a talented workforce maximises the region's potential, creating a vibrant and inclusive economy. The sub-region is home to nationally and internationally competitive industries, underpinned by a strong bi-cultural foundation and partnership with mana whenua, honouring the area's cultural heritage.

Resilient roading infrastructure ensures seamless connectivity, enabling residents to live and work throughout the sub-region. Strategic land developments and energy resilience help to mitigate the impact of extreme weather events and rising sea levels, safeguarding the region's future. The diversified economy thrives with surge sectors such as aquaculture, green industry, and primary industries, all contributing to a circular economy and reinvesting in the sub-region.

Sustainable development is at the heart of the Eastern Bay's growth, with proportional expansion of housing and supporting infrastructure, ensuring readiness for current and future needs. The Eastern Bay's purpose for enabling economic prosperity was to empower social, environmental, and cultural wellbeing for all communities, creating a prosperous and sustainable future for generations to come. Resilient economic development has been unlocked for the Eastern Bay of Plenty.



## 2) Economic Development Success Criteria

Successful economic development in the Eastern Bay should deliver the following results:

- **Prosperity:** Fostering sustained prosperity and social uplift, supporting long-term community wellbeing through increased GDP and sustainable high-value employment. In other words, people are in valuable and well-paid jobs, for the longer term, and this contributes to a lift in GDP and in living standards.
- **Resilience:** Supporting the region's capacity to anticipate, prepare for, respond to, and recover from economic challenges – whatever the root cause – while fostering long-term prosperity, sustainability, and community wellbeing.
- **Regional competitiveness:** Favouring ambitious projects which have the potential to be regionally transformative, and that harness local advantages and innovation to build regional economic specialisations and competitiveness.
- **Strategic alignment:** Alignment between economic development objectives, priorities and outcomes across players in the sub-region (e.g. councils, iwi, and businesses) and in the wider environment (regionally, nationally, globally).
- **Mahi Tahi:** Regional actors respond collectively to shared opportunities and constraints, where independent efforts are insufficient, the cost of doing nothing is high, and benefits are shared across the sub-region.

### 3) Development Focus Areas

The Economic Development strategy identifies three Development Focus Areas, which align with the three District Councils of Ōpōtiki, Kawerau and Whakatāne.

Focus areas were selected by considering geographic advantages and existing industry specialisations. This is a strengths-based approach of building on and extending what is already working, to generate more high-quality jobs and boost economic performance.

Focus areas typically have the following characteristics:

- High-value, high-employment, high-growth sectors
- With competitive and/or locational advantages
- Considered both nationally and internationally competitive.
- Aligned with the development aspirations of iwi.
- Strategically significant for the local, regional and national economic landscape
- Operating in a genuinely sustainable way – i.e. walking the ‘clean green’ talk

The three key Development Focus Areas are described on the following pages.

## Ōpōtiki: Aquaculture centre of national significance

[Insert image of the District – e.g. Waiotaha or harbour entrance]

### Vision

By 2050, Ōpōtiki has become New Zealand’s leading aquaculture centre, and a key player in international markets. The district boasts extensive, fully operational sea farms for green-lipped mussels and other species. The aquaculture industry is well serviced across the value chain, with an extensive shipping fleet, harbour infrastructure, onshore processing facilities, and an efficient, well-integrated transport network that allows businesses to rapidly access regional, national and international markets.

Satellite industries have developed around aquaculture, including education and training services that build workforce capability.

Sustainability has been a key consideration in development – meaning primary industries are now more climate resilient, and new housing developments are further inland and uphill, to achieve managed retreat whilst attracting and housing talent.

Local communities are enjoying economic growth, environmental sustainability, and more holistic wellbeing.

### Opportunity

Ōpōtiki could develop a multi-billion-dollar aquaculture industry, starting with extensive offshore farming of green-lipped mussels and diversifying into other fish and shellfish species. The industry can leverage the \$200m+ of investments that have been made to date, including the recently launched Ōpōtiki harbour entrance and onshore processing facilities. The region has an opportunity to dominate the end-to-end supply chain, covering the growth, processing and export of aquaculture products to both domestic and international markets.

### Reasoning

- Ōpōtiki has existing aquaculture assets that can be leveraged – offshore marine farms, hatchery facilities, the new harbour access, and onshore processing.
- Land is available for associated facilities – e.g. a marina and a wharf.
- Aquaculture is a growth industry, with an expected compound average growth rate in the international mussel market of 5% from 2024 to 2034 and a distinct market for mussel oil and powder as dietary supplements.<sup>14,15</sup>
- Aquaculture is highly sustainable – as green lipped mussels do not require additives or fertilisers; improve water quality;<sup>16</sup> boost biodiversity;<sup>17</sup> and generate a smaller carbon footprint than other forms of farmed protein.<sup>18</sup>
- Recent Te Tiriti settlements enable large-scale farming in the open ocean. Iwi are ready to lead, bringing ambitious plans and strong strategic and commercial leadership.

### Potential benefits

**\$2-3 billion revenue** potential, from proposed 28k hectares of planned seawater space

**2000 – 3000 jobs** in industry and supporting local services

Reference: PWC Aquaculture report for Te Whānau-ā-Apanui, Te Ara Moana a Toi | a path to the sea, Te Ara Moana a Toi | Initial Benefits Assessment

<sup>14</sup> Future Market Insights. (2024). Mussel Market Outlook from 2024 to 2034 Retrieved from <https://www.futuremarketinsights.com/reports/mussels-market>

<sup>15</sup> Future Market Insights. (circa 2022). Mussel Oils Market Snapshot (2022 to 2032). Retrieved from <https://www.futuremarketinsights.com/reports/mussel-oils-market>

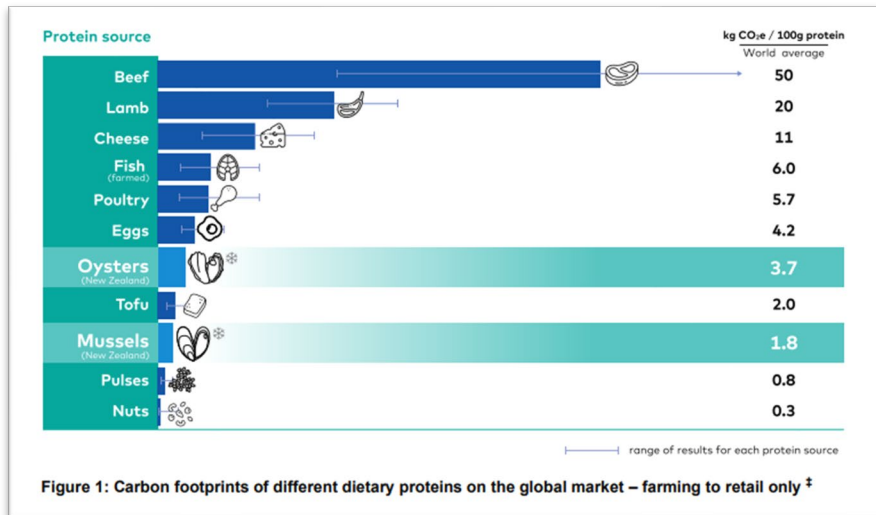
<sup>16</sup> MacLab (nd). Sustainability. Retrieved from <https://www.maclab.co.nz/sustainability/#:~:text=Mussels%20are%20highly%20self%2Dsufficient,health%20of%20the%20marine%20ecosystem.>

<sup>17</sup> University of Auckland (2024, May 28). Seaweed and mussel farming can boost wild fish populations. Retrieved from <https://www.auckland.ac.nz/en/news/2024/05/28/seaweed-and-mussel-farming-increases-wild-fish-populations-.html>

<sup>18</sup> ThinkStep (2021). Life Cycle Assessment of New Zealand Mussels and Oysters: Prepared for Aquaculture New Zealand & Ministry for Primary Industries. Retrieved from <https://www.mpi.govt.nz/dmsdocument/48526-Life-Cycle-Assessment-of-NZ-Mussels-and-Oysters#:~:text=The%20carbon%20footprint%20of%20New%20Zealand%20mussels%20and%20oysters&text=For%20a%20kilogram%20of%20shellfish,CO2e%20per%20kg%20shellfish%20meat.>

- Aquaculture has had strong support from previous governments and is a stated focus area for the current government.
- There is proximity between the existing workforce, marine farms and processing facilities, with additional land available and zoned for residential housing.

### Mussel farming has the smallest carbon footprint of all animal proteins



(Source – ThinkStep, 2021)<sup>19</sup>

<sup>19</sup> ThinkStep (2021). Life Cycle Assessment of New Zealand Mussels and Oysters: Prepared for Aquaculture New Zealand & Ministry for Primary Industries. Retrieved from <https://www.mpi.govt.nz/dmsdocument/48526-Life-Cycle-Assessment-of-NZ-Mussels-and-Oysters#:~:text=The%20carbon%20footprint%20of%20New%20Zealand%20mussels%20and%20oysters&text=For%20a%20kilogram%20of%20shellfish,CO2e%20per%20kg%20shellfish%20meat.>

## Kawerau: Green industrial and energy hub

[Insert image of the District – e.g. related to green industry / green energy]

### *Vision*

By 2050, Kawerau has transformed into a thriving hub of green technology and industrial innovation. Industrial sites have expanded and are fully utilised, attracting a diverse ecosystem of businesses that foster each other's success.

Industrial growth is powered by sustainable and renewable resources, including forestry, geothermal power and hydrogen. Local manufacturers are leading the way in green industrial technology- developing products, services and processes that have a high financial value and a low environmental impact. The district enjoys state-of-the-art logistics infrastructure, with robust warehousing, distribution, road/rail/shipping links, and supporting information systems, all of which reinforce Kawerau's status as a premier hub for engineering and manufacturing.

Safe, climate-resilient residential and commercial developments have flourished, attracting skilled workers and fostering a vibrant community. Kawerau stands as a model of sustainable development and industrial prosperity, contributing significantly to the environmental, economic and social wellbeing of the Eastern Bay of Plenty.

### *Opportunity*

Kawerau has an opportunity to become a premier green industrial hub, harnessing sustainable energy for use in innovative, tech-led manufacturing. The district has an established geothermal plant, strengths in forestry, and a new industrial park that could all be leveraged to foster innovative, sustainable and high-value industry.

### *Reasoning*

- The district has extensive energy resources and infrastructure, including the 100 mega-watt Kawerau Power Station which is New Zealand's largest generator of geothermal power.<sup>20</sup>
- The focus on green energy aligns with national sustainability commitments and Māori aspirations for sustainable industry.
- Kawerau already specialises in forestry and wood processing, with proximity to the largest forestry plantation in New Zealand. There is scope for high-value innovation in the forestry sector, with Kawerau being a natural testbed for industry-led innovation.
- The Kawerau Putauaki Industrial Development is operational, and ROI will be generated by attracting more tenants and complementary industrial players.
- Land is available and already zoned for various industries.
- Once complete, the planned rail network and container terminal will serve as the Eastern Bay's gateway for freight to the Golden Triangle (of Auckland, Hamilton and Tauranga).

#### **More detailed modelling is required**

Detailed modelling is required to understand the pathway to full industrial capacity and infrastructure utilisation. This includes:

- Modelling the infrastructure needed to service the Kawerau Putauaki Industrial Development, including transportation requirements and three water services (drinking, storm and waste water).
- Modelling green energy generation, and distribution capacity.

<sup>20</sup> LFF Group (2018). Kawerau Powerstation Geothermal Pipeline. Retrieved from <https://www.lffgroup.com/projects/geothermal/kawerau-power-station-geothermal-pipeline>

## Whakatāne: Commercial, manufacturing and residential centre

[Insert image of the District – e.g. the CBD or waterfront]

### *Vision*

By 2050, Whakatāne district has solidified its status as the commercial, retail and residential hub of the Eastern Bay of Plenty. Whakatāne’s service sector supports other local and regional industrial pillars, including agriculture, aquaculture, manufacturing, construction, boat building and green energy- while education and training providers help to foster a skilled and capable workforce to meet the labour needs of the Eastern Bay.

The town centre is vibrant- with hospitality, shopping, and amenities that draw in locals, tourists and new talent, all via efficient transport links that enhance connectivity throughout the Bay of Plenty and beyond. Whakatāne's strong partnership with mana whenua also fosters a culturally rich and inclusive community.

Whakatāne District will have prioritised strategic and sustainable development that has reduced exposure to climate change, and promoted growth in the district’s network of townships. The district capitalises on its natural advantages to generate surplus green energy, reinforcing the Eastern Bay’s position as one of New Zealand's leading green energy hubs.

### *Opportunity*

Whakatāne can strengthen its position as the commercial and residential heart of the Eastern Bay- attracting people to live, work and play in the district. The centre would combine core services, like medical facilities and social support to foster health and wellbeing; professional services like legal, accounting and IT, to support business success; workforce development via education and training providers; and hospitality and placemaking ventures, to enhance liveability. Whakatāne would create cross-regional value, accelerating growth and development across the whole Eastern Bay, and reaping the rewards.

### *Reasoning*

- This strategic pivot aligns with the strengths of Whakatāne district, as the most diversified and advanced economy in the sub-region.
- The pivot is necessary, as a tourism-centric strategy cannot be relied upon to drive development following the Whakaari eruption and the consequent steep decline in visitor numbers.
- There is alignment with the needs of local businesses and those across the Eastern Bay – who seek a skilled workforce and a robust network of service providers and associated industry players.
- This focus converts regional constraints around housing, workforce and transport into a strategic vision for the district – as a well-connected commercial and residential centre for the Eastern Bay.
- There is alignment with the spatial plan and potential development options, and alignment with adaptation activities (e.g. boosting flood resilience in the CBD and supporting managed retreat).
- There is alignment with the development priorities of local iwi, who are focused on economic, educational, and cultural revitalisation across Whakatāne.

#### 4) Cross-cutting constraints to address

The Eastern Bay needs to address four cross-cutting constraints to achieve economic development in the medium- and long-term: housing, workforce, transport and connectivity, and access to capital.

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The three districts of the Eastern Bay share productive resources – like labour and energy, business and industry, roading and communication infrastructure.

The districts also share the same constraints, which act as a handbrake on economic development.

To unlock economic development in the medium- and long-term, the Eastern Bay of Plenty will need to address four cross-cutting constraints: housing, workforce, transport and connectivity, and capital.

Focussed and coordinated action will be required.

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## Housing

There is a lack of affordable, adequate housing in places where locals and newcomers wish to settle. This makes it harder to attract and retain new talent from outside the region, and it limits local relocation, meaning talent becomes less mobile and businesses find it harder to recruit the personnel they need.

### *The situation*

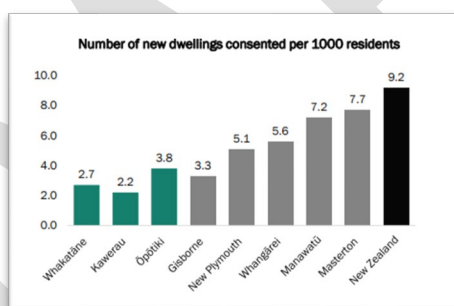
The Eastern Bay has a lack of affordable, adequate housing in places where locals and newcomers wish to settle.

There are two key driving forces.

First, there's an acute housing shortage in the Eastern Bay. Building consents are lower than in any other region of New Zealand, with an average of 2.9 dwellings consented per 1000 residents, versus a national average of 9.2 / 1000.<sup>21</sup> By one estimate, the Eastern Bay will need 4,430 more homes built across 316ha of land, by 2053.<sup>22</sup>

Second, houses in the Eastern Bay are relatively unaffordable, when compared to local incomes. The Eastern Bay has the highest housing cost to income ratio in the country, with the average household allocating 18.8% of their income towards housing, versus a national average of 16.9%.<sup>23</sup> The primary issue is low household income, rather than excessive housing costs.

### **The Eastern Bay of Plenty has a low rate of housing consents, relative to other regions**



(Source: Statistics NZ, 2023)

### *Interlinked impacts*

The lack of affordable, adequate housing makes it harder to attract and retain new talent in the sub-region, and it limits the movement of people *within* the region. For instance, locals may spot a job opportunity in a neighbouring district, but be unable to find decent housing near the new place of work. They may be reluctant to commute due to connectivity challenges across the sub-region (described below), meaning they stay in their current role and home.

The upshot is – talent becomes less mobile, and businesses find it harder to recruit the personnel they need to foster economic growth.

### *What good looks like*

- Success statement: (Enabling and optimising for) The right housing number, mix, and locations to enable prosperity and liveability
- Indicative objectives:
  - Housing numbers, mix, and locations matched to current and future population needs
  - Community liveability

<sup>21</sup> Statistics NZ (2023). Infoshare. Retrieved from <https://infoshare.stats.govt.nz/default.aspx>

<sup>22</sup> MRCagney NZ Ltd (2023) Eastern Bay of Plenty Housing and Business Needs Research: Prepared for Whakatāne District Council.

<sup>23</sup> Statistics NZ (2023). Infoshare. Retrieved from <https://infoshare.stats.govt.nz/default.aspx>



## Transport and connectivity

There are connectivity constraints within and around the Eastern Bay. Poor-quality roads, capacity limitations, and over-reliance on road networks for freight all contribute to congestion, lower productivity and higher business costs.

### *The situation*

A flourishing economy relies on good transport networks and connectivity, to allow for the free movement of workers and goods.

At present there is inadequate connectivity *within* the Eastern Bay of Plenty. Poor-quality roads lead to increased travel times, along with higher vehicle maintenance costs, and decreased safety for travellers.

There is also inadequate connectivity *between* the Eastern Bay and other regions:

- The roading network has limited capacity, creating congestion at key pressure points on State Highway 35, State Highway 2, and on certain bridges.
- Speed limit reductions have been introduced on some highways, such as SH30 from Rotorua to Whakatāne, increasing commute times for workers into the Eastern Bay, and making it less likely that people will seek or continue employment in the sub-region.
- Key parts of the roading network carry the majority of imports to and exports from the region, which adds to congestion and accelerates the degradation of local roads.

### *Interlinked impacts*

As a result of the factors above, individual workers face more congestion, longer commutes, and lower productivity. They are also discouraged from working and living in separate places.

Businesses face more congestion, higher freight costs, and a diminished ability to attract talent from across the sub-region. Businesses are also over-reliant on the roading network due to lack of sea-freight capacity, and the local economy lacks resilience if roads are closed for standard repair or damaged following an extreme weather event.

#### **Roading isn't resilient**

In a Cyclone Gabrielle-level event, the Eastern Bay could incur over \$700m in roading damage and lose \$60m+ in export revenue, due to the current reliance on roading networks.

More generally, reliance on key roads compromises the emergency response during extreme weather events – especially for isolated communities that lack alternative transport routes.

### *What good looks like*

- Success statement: Comprehensive, resilient transport network that improves connectivity within the region and between the regions
- Indicative objectives:
  - Intra-regional connectivity (one region)
  - Inter-regional connectivity (plugged in)
  - Resilient networks (sustainable)

## Workforce

There is misalignment between the local labour force and the roles available, meaning businesses have trouble sourcing the talent they need, and locals are hampered in their employment and career development. More attention is needed to both early-stage work readiness, and the development of long term, sustainable local career paths. Current workforce interventions are sporadic and disjointed across the Eastern Bay.

### *The situation*

There is currently a mismatch between the jobs available in the Eastern Bay and the local labour force. Employers have high-quality roles on offer, for instance, Factory Engineer or IT lead roles in aquaculture, but they cannot attract the talent they need. Similarly, locals cannot find suitable roles or appealing career pathways. As a result, labour force participation rates are relatively low and unemployment rates are high, along with social service costs.

### *Interlinked impacts*

Businesses struggle to import talent and fill key roles, and this is exacerbated by the lack of quality housing on offer. The cost of doing business goes up, and without essential staff, productivity drops.

Locals who cannot find a suitable role, career, or training pathway do not fulfil their full potential, and at scale, this hinders economic growth and collective wellbeing.

### **What good looks like**

- Success statement: (Fostering an) engaged, skilled local workforce aligned with current and future industry needs
- Indicative objectives:
  - Workforce engagement
  - Skills development and matching
  - Career pathways, attraction and retention

## Capital

The sub-region has struggled to attract private capital which could accelerate industrial growth and economic development. Additional public funding would also help to address the cross-cutting constraints related to housing, transport and the workforce. New processes are needed to harness the voices of businesses large and small in support of community goals, and to understand and enable business development.

### *The situation*

Although the Eastern Bay succeeded in attracting major investment via the Provincial Growth Fund, it has been a challenge to attract significant private capital for major transformational projects. Projects get slowed down or downsized, even if they would contribute significantly to the region's economy.

### *Interlinked impacts*

Access to public co-funding will help to address the other cross-cutting constraints, by supporting major housing developments, improving transport connectivity, and contributing to education and skills training in the sub-region.

Access to private capital will accelerate industrial and economic growth, in the three development focus areas (of aquaculture in Ōpōtiki, green industry in Kawerau, and the commercial and residential hub in Whakatāne)

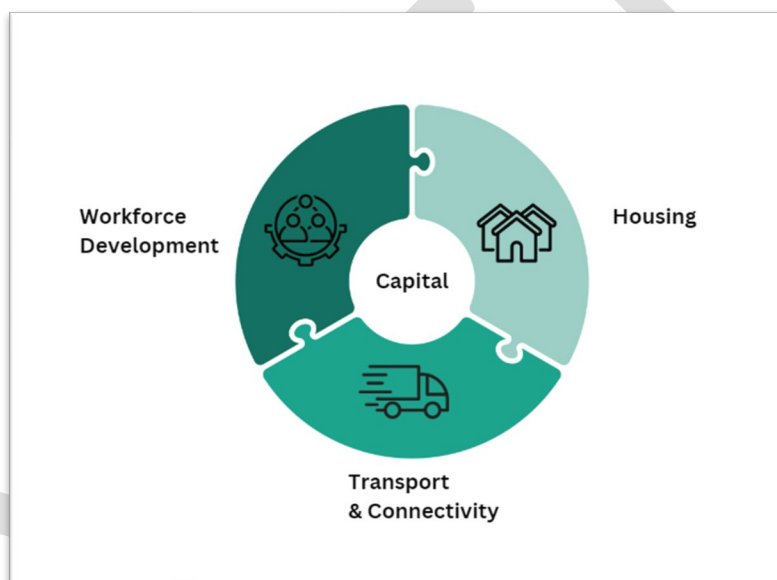
and in other sectors. Investment, both domestically and abroad, would provide the growth capital to develop key sectors across the Eastern Bay.

#### *What good looks like*

- Success statement: Private industry can elevate to the next level of size and scale, supported by enabling public initiatives.

A phased, cross-regional approach is required

It's clear that the sub-regional constraints are interrelated and interdependent, which means sequenced and coordinated action will be required to alleviate the issues. The recommended pathway is to enable housing, then transport connectivity, which will support workforce capacity and skills development in turn- setting off a positive feedback loop. Capital serves as a central enabler.



- **Housing.** Developing the housing stock will be key to resolving the other constraints and unlocking regional economic development.
  - When there are suitable houses available, talent can more readily move into and around the sub-region, relieving the workforce development challenges.
  - When houses are built where people want to live and work, pressure on the transport networks is eased.
  - Given the lead times for consent and construction, housing must be the first cab off the rank.
- **Transport and connectivity.** The next logical focus is improving connectivity across the sub-region, to enable a freer flow of people and goods.
  - With more housing in the right place, pressure on transport networks should ease. Equally, improved transport links can enable new housing developments to be built.
  - Better transport networks will support the free movement of workers, so the sub-regional labour market becomes more flexible, businesses find the talent they need, operating costs go down, and productivity goes up.
  - Better connectivity will allow a freer flow of goods, again lowering business costs.

- A more resilient, multi-modal transport network can better withstand external shocks, such as road closures for maintenance or repair following extreme weather events.
- **Workforce Development.** Growth in the three focus areas – of aquaculture in Ōpōtiki, green industry in Kawerau, and commercial services in Whakatāne – will hinge on the capability and capacity of the workforce.
  - Much of the necessary talent already resides in the Eastern Bay. The key is to train and retain locals through fit-for-purpose education and training programmes, supplemented by high-quality housing and community liveability.
  - Attracting outside talent will be easier after improvements to housing and transport links.
  - Additionally, it will be important to develop the local trades, to support housing developments and construction of roading, rail links and maintenance of other key regional infrastructures.
- **Capital.** Access to capital will help to accelerate progress in the three development focus areas, and address the cross-cutting constraints that have hindered economic development.
  - Private capital is critical for the next level of industry development in Ōpōtiki, Kawerau and Whakatāne.
  - Public co-funding is critical for initiatives that address housing, transport and connectivity, and workforce development constraints.

## Implementing this strategy

Once this strategy is formally adopted, cross-cutting constraints should be addressed at the sub-regional level, aligning with the Spatial Plan. Districts can prepare localised plans around aquaculture in Ōpōtiki, green industry in Kawerau, and a commercial and residential hub in Whakatāne, working in collaboration with local iwi and industry. The sub-region should also focus on a shared application to the Regional Infrastructure Fund, working at pace.

### Guiding principles

This strategy represents six months of input and effort from Councils, iwi, business leaders, consultants and more. But in many ways, it's only a starting point, and it is now time to convert strategic intentions into reality.

The following principles should be kept top-of-mind during implementation:

- **Coordinate and collaborate.** Action should be aligned and coordinated - with existing streams of activity, and across the three districts. The constraints are cross-regional, and cross-regional effort will be critical to the success of this strategy.
- **Give sufficient focus to each development area and constraint.** The strategy sets out three development focus areas and four cross-cutting constraints. Each will need sufficient attention, because there are already multiple moving parts and many actors, and complexity will increase during implementation.
- **Ensure business and iwi leaders are heard.** Business and iwi leaders know their own businesses best, understand how the current constraints are holding them back, generally welcome systemic engagement from local government, and are well-placed to access capital and drive development. It makes sense to leverage the expertise and capital that these players can bring.
- **Foster transparency and accountability.** Best-practice project management principles should be followed. This includes establishing clear structures and processes to track and report on projects; communicating frequently and proactively with key stakeholders; and remaining accountable for results.

### Key next steps

The recommended steps are:

- 1) **Formally adopt this regional economic development strategy**, at the district and sub-regional levels.
- 2) **Create district-level Economic Development strategies, in collaboration with local iwi and industry.** This could include the establishment of working groups that are responsible for strategy development and accountable for implementation.
- 3) **Address cross-cutting constraints at the sub-regional level.**

The **Eastern Bay Spatial Plan** Project already includes a focus on **Housing**, and **Transport and Connectivity**, which are two of the cross-cutting constraints. It makes sense to integrate follow-up in these areas with the existing governance and project management processes of the Regional Spatial plan Project.

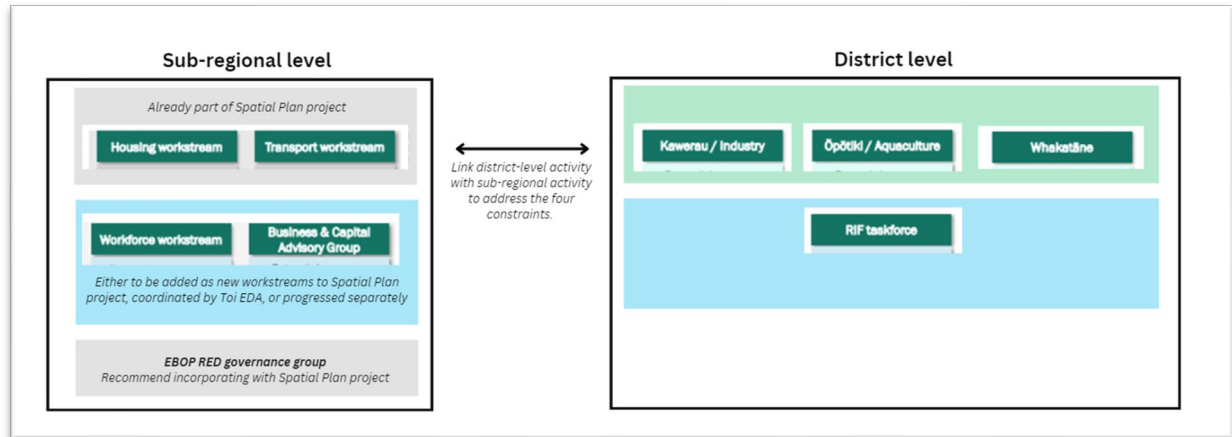
However, the Spatial Plan has little focus on Business / Capital, and it is silent on Workforce Development. Therefore:

- **For the Capital constraint:** Establish a Business and Capital Advisory Group within the spatial planning 'Friends of Our Places' Framework, including large operators such as Fonterra, Zespri, Eastern Sea Farms, Sequal Lumber, Contact Energy, and Whakatāne Mill Limited.
- **For the Workforce Development constraint:** Create a separate workforce development workstream within spatial planning, best led by Toi EDA who can coordinate between public and private organisations in the Eastern Bay.

- **Governance:** Incorporate governance group from the Economic Development Strategy refresh into the Spatial Plan project.

4) **Develop a region-wide application for the Regional Infrastructure Fund, working at pace.** This may include establishment of a new Project Management Office for regionally aligned applications.

#### Proposed structure to support implementation



(Note - all dark green boxes are working groups)

## Conclusion

The Eastern Bay of Plenty is a very special place – beautiful, resource rich, culturally vibrant and steeped in history and opportunity.

It suffers from high inherited levels of social and economic deprivation. It therefore stands to benefit disproportionately from active economic development strategy – a fact recognised by its three District Councils, Toi Economic Development Agency, and the BOP Regional Council, as well as local iwi, businesses, and communities. Treaty settlements have elevated the strategic role of local iwi in economic development.

Substantial investments were made in infrastructure through the Provincial Growth Fund in 2019-24: Opotiki Harbour, Kawarau (KPID) industrial park, Whakatane wharf redevelopment and other projects.

Community feedback in the drafting of this strategy has been clear – unlock the key constraints around workforce, housing, infrastructure and business and capital development – to get the best possible impact and returns from these investments.

To do so three core focus areas are proposed:

- A green business hub around Kawerau, leveraging plentiful geothermal and natural resources, and helping to take frost production and value creation to the next level.
- Turbo-charging Whakatane as the commercial, services and residential hub of the subregion, and continuing its development as a manufacturing and marine innovation centre.

- Further supporting Opotiki and the Eastern seaboard as NEEw Zedaland’s premier aquaculture centre through commercial and iwi-led development of more sea farms and associated manufacturing and marine research facilities.

Following consideration and adoption by Councils, this strategy will be implemented through four working groups – two hosted within the Regional Spatial Planning Project, and two coordinated through Toi EDA.

Supporting applications may be considered for the Government’s Regional Infrastructure Fund.

Deeper engagement with iwi and business will be a key component of future success.

The Eastern Bay of Plenty is a jewel – of sparkling seas, green hills, and a swarm glowing heart. Its best days are ahead, and implementing this strategy should help it take the next steps to its bright, sustainable future.

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## Appendix 1: How this strategy was developed

Polis Consulting Group were tasked with refreshing the Eastern Bay of Plenty's Economic Development Strategy, to align the Bay's priorities with the changing national context.

**There were three goals for the refresh.**

First, to put the best foot forward with the National-led coalition government, to maximise the Eastern Bay's chances of securing central funding and support. This included seeking a slice of the new \$1.2 billion Regional Infrastructure Fund, or securing a longer-term Regional Deal.

Second, to establish an evidence-based, collectively agreed upon framework for economic development. A framework that could be used to enhance collaboration across the region, and to attract both public- and private-sector funding.

Third, to support the longer-term implementation of the strategy, by embedding the necessary skills, tools and knowledge in the region.

The project spanned six months and proceeded in three phases: baselining, developing an Economic Development framework, and implementation planning.



### Phase 1: Baselining and Framing

This phase involved:

- Data gathering and analysis, to understand how the Eastern Bay's economy, labour market and population demographics were likely to change over time.
- Clarifying key priorities at the sub-regional level, now and in future.
- Agreeing on success criteria for economic development in the Eastern Bay.
- Developing a long-list of potential projects that require funding and support – to be prioritised in phase two.

### Phase 2: Framework Development

This phase involved:

- Creating a consolidated economic development framework – aligning the focus across the Whakatāne, Kawerau and Ōpōtiki districts, and specifying what needs to change and why.
- Refining the draft framework with industry.

- Prioritising key projects, using the dual lenses of (i) ability to deliver on the success criteria and (ii) likelihood of receiving funding, including via the Regional Infrastructure Fund.

### **Phase 3: Implementation Planning**

This phase involved:

- Providing District Councils and other local partners with a high-level approach to strategy implementation, and clear next steps.
- After the criteria for the Regional Infrastructure Fund were announced: (i) planning for Regional Deals and (ii) developing a narrative to accompany this Regional Economic Development strategy.
- Determining the immediate next steps for this Regional Economic Development strategy and for the Regional Deals. Committing to coordinated processes and concrete actions.

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## Appendix 2: Stakeholder roles in implementation

Regional stakeholders have different levers to pull, and different roles to play in the implementation of this strategy. The following table outlines the key stakeholder groups and their core roles.

Stakeholder roles in implementation: A guide

Role	Toi EDA	Councils	Iwi	Business
<b>Advocacy</b>	<ul style="list-style-type: none"> <li>Promotional activities</li> <li>Coordination between Councils on relevant activities</li> </ul>	<ul style="list-style-type: none"> <li>Lobbying government</li> <li>Promotional activities</li> <li>Bringing urgency</li> </ul>	<ul style="list-style-type: none"> <li>Lobbying government where it makes sense to do in tandem with councils and/or industry</li> </ul>	<ul style="list-style-type: none"> <li>Lobbying government including where it makes sense to do so</li> </ul>
<b>Facilitation &amp; Coordination</b>	<ul style="list-style-type: none"> <li>Leading in workforce and capital cross-org groups</li> <li>Alignment across groups and workstreams</li> </ul>	<ul style="list-style-type: none"> <li>Leading cross org groups</li> <li>Long term planning for clarity and certainty</li> <li>Alignment across groups</li> </ul>	<ul style="list-style-type: none"> <li>Key contributors to cross-organisational groups and long-term planning</li> </ul>	<ul style="list-style-type: none"> <li>Key contributors to cross-organisational groups and long-term planning</li> </ul>
<b>Enabling</b>	<ul style="list-style-type: none"> <li>Public/private interface: influencing and connecting</li> </ul>	<ul style="list-style-type: none"> <li>Funding and building infrastructure</li> <li>Zoning and consents</li> <li>Regulatory support</li> </ul>	<ul style="list-style-type: none"> <li>Potential for support through consenting processes</li> </ul>	<ul style="list-style-type: none"> <li>Driving demand and supply related to workforce, housing, and transport</li> </ul>
<b>Driving Development</b>	N/A	<ul style="list-style-type: none"> <li>Potential for limited 'driving' activities, but development is primarily driven by business (including iwi businesses)</li> </ul>	<ul style="list-style-type: none"> <li>Funding and building houses</li> <li>Progressing individual workforce, social and commercial initiatives</li> </ul>	<ul style="list-style-type: none"> <li>Funding and building houses</li> <li>Growing businesses</li> <li>Employing people</li> </ul>
	<b>Key facilitator, ensuring alignment</b>	<b>Coordinate, facilitate and enable others' ambitions</b>	<b>Key driver of development</b>	<b>Key driver of development</b>

**Meeting:** Council

**Meeting Date:** 25 September 2024

**Subject:** **Eastern Bay of Plenty Spatial Plan – Governance and Engagement**

**File No.:** 104025

## **1 Purpose**

The purpose of this report is to approve the Terms of Reference for the Eastern Bay of Plenty Spatial Plan Project Governance Group and next steps for engagement.

## **2 Introduction**

The Eastern Bay of Plenty Spatial Plan once complete, will guide future planning and investment decisions for councils, iwi partners and government. The governance and structure for the project was discussed and agreed at the meeting of Council on 29 March 2023, including the nomination of a member (Mayor Tunui) and alternate (Councillor Rangihika) for the Project Governance Group (PGG).

The purpose of this paper follows up on the recent 24 July 2024 workshop (update on the restructure of the project, the proposed engagement and timelines) and reconfirm the governance arrangements.

The PGG role will be making the key decisions on the project for the next 12 months through to recommendations for approval of a final Spatial Plan and a draft framework for implementation. The PGG will complete this work in accordance with its terms of reference and report back to the four local authorities prior to the elections in October 2025.

Note that a similar report will be considered at meetings of each of the Eastern Bay territorial authorities being, Ōpōtiki District Council, Whakatāne District Council, and Bay of Plenty Regional Council.

## **3 Situation - Purpose and Scope of the Project Governance Group**

As discussed in July 2024, the Eastern Bay Spatial Plan project is on a tight timeline to develop a final plan prior to October 2025. There is a need to gain momentum and make decisions to progress this project, hence the amended approach and governance structure, which has been simplified.

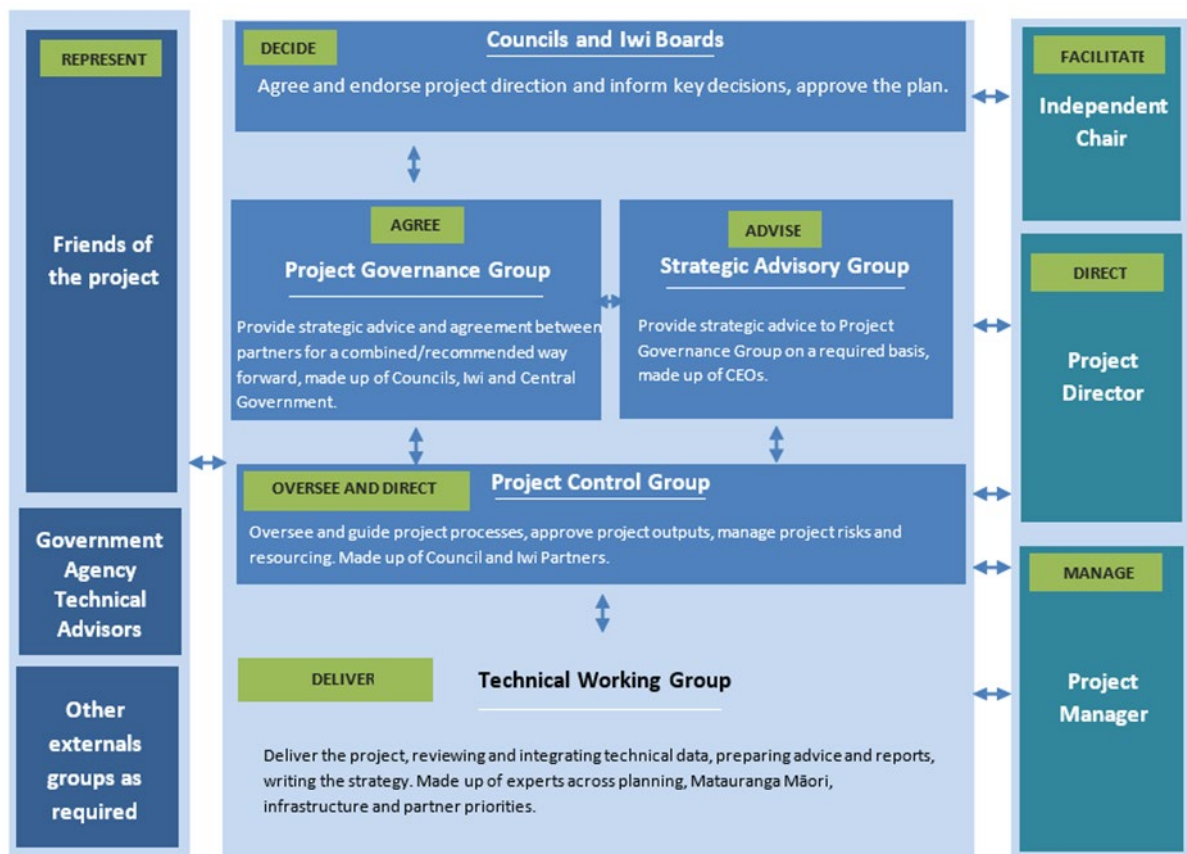
The purpose of the Project Governance Group is to provide political and strategic leadership into the development of the Eastern Bay of Plenty Spatial Plan and planning for its implementation. The full description of the purpose, responsibilities, powers and membership of the group are described in the amended draft terms of reference attached to this report for approval.

Note the structure for the next phases of the project have been changed to be more efficient and effective. The main change includes removing the Project Leadership Group (PLG) - a group of Chief Executives from councils and iwi as well as Central

Government advisors. The PLG was a group layered between the PGG and the Project Control Group. By removing this additional governance layer, the project intends to speed up decision-making by giving the Project Control Group more authority and further elevating the role of the Project Governance Group with a clearer mandate and more direct influence on the project. The Project Governance Group quorum will also be reduced to a minimum to reflect the competing demands on project partners' time.

The Project Governance Group, following approval by the four councils, will endorse the attached terms of reference in due course. The project plan will also be amended by the project team to reflect this.

Note the new structure for the next phases of the project is as follows:



#### 4 Engagement

Under their terms of reference, the PGG will make key decisions regarding consultation on the Eastern Bay Spatial Plan. Consultation will be carried out in accordance with the general approach that was presented in the Workshop in July 2024.

Note that it is not proposed to use a Special Consultative Procedure pursuant to section 83 of the Local Government Act 2002 (LGA) (as it is not required in this instance). However, the engagement plan will meet the intent of the overall requirements of Part 6 of the LGA (Planning, Decision Making and Accountability) in proportion to the scale and significance of the non-statutory spatial plan.

Public consultation on the scenarios, options and proposals will take place from 14 October to 17 November 2024, and include various opportunities to receive feedback from people across the sub-region, using:

- Media advertising
- Online materials including a website, Story Map, survey questions and a range of engagement techniques such as Social Pinpoint
- Public information sessions and face to face workshops with stakeholders and interest groups as required.

Any district plan changes or other council processes/actions carried out as part of the subsequent implementation of the approved spatial plan will follow the required engagement processes under the relevant legislation at the time such as the RMA 1991.

A further workshop will be presented to Kawerau District Council on the Spatial Plan Engagement, on 2 October 2024.

## **5 Financial Considerations**

There are no material unbudgeted financial implications and this fits within the allocated budget for supporting the Eastern Bay Spatial Plan project under the Council's Annual Plan 2024 -2025. Council is providing project funding of \$120,000 in 2024-2025.

Note in the terms of reference that the recommendations made by the PGG, such as specific implementation actions, are not binding on any partner council or agency.

## **6 Policy and Plan Considerations**

The National Policy Statement on Urban Development 2020 (NPS-UD) requires all tier 1, 2 and 3 local authorities to provide sufficient development capacity to meet expected demand for housing and business in the short (1-3 years), medium (3-10 years) and long (11-30 years) term. The Eastern Bay of Plenty covers the geographic area of three district councils in the Bay of Plenty: Kawerau, Whakatāne and Ōpōtiki. Whakatāne urban environment is a tier 3 area, and Ōpōtiki and Kawerau may also meet this definition, if not now, in the future. Under the NPS-UD, the joint preparation of the Spatial Plan is a voluntary activity for tier 3 areas.

The Eastern Bay Spatial Plan is non-statutory however, it will inform subsequent plan changes/reviews to Resource Management Act 1991 (RMA) documents that will follow a statutory process under the RMA. It will also be implemented through long-term plans and infrastructure strategies undertaken under the Local Government Act 2002 (LGA) by the four partner councils in the future.

The approved Spatial Plan will perform a similar function to the Future Development Strategies that have been adopted for the Rotorua and Tauranga urban environments pursuant to the NPS-UD. The project team will remain cognisant of any relevant amendments to the NPS-UD and the RMA as part of the government's 'Going for Housing Growth' work programme.

## 7 Implications of Māori

This paper is procedural in nature, however it is critical that there is tāngata whenua representation on the PGG and opportunities for input into the draft spatial plan. This has been addressed through the targeted engagement to date which is ongoing, and the membership of the governance group. Iwi authorities are participating in the project at the pace and in ways that fit their capacity and interests.

## 8 Risks

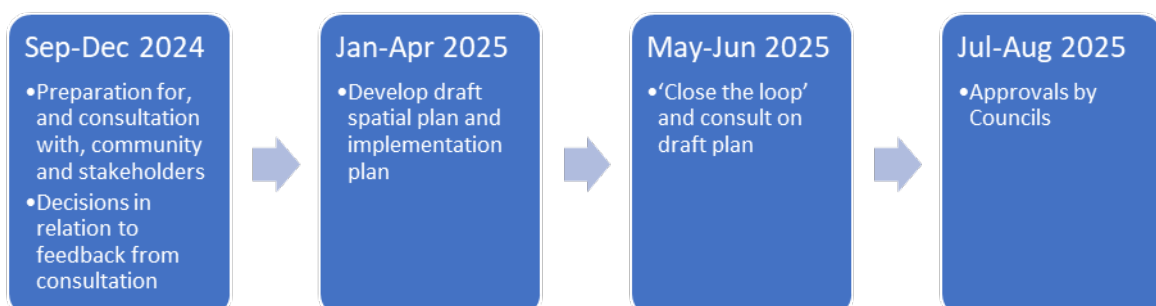
There are no significant risks associated with this agenda item and its recommendations. The Project Control Group maintains an up-to-date register of key risks and mitigations, including risks relating to achieving the project deliverables within the timeline, meeting partner expectations, resourcing, and capacity and capability of iwi and hapū to engage in a meaningful way. Decisions on the content of the Eastern Bay Spatial Plan are not within the scope of this paper. Existing membership of the Project Governance Group will give Kawerau District Council's elected members influence over decisions regarding that content.

## 9 Next Steps

The Project Governance Group Terms of Reference is being presented to each territorial authority for approval in the coming weeks, before being endorsed by the Project Governance Group, alongside the Communications and Engagement Plan.

The first round of public consultation will be led by the three district councils, with the support of Regional Council. This is scheduled for the period of 14 October – 17 November 2024. There will be ample opportunity in a subsequent series of workshops with all four councils in March - April 2025 to work through any concerns raised by elected members prior to the draft final version of the plan being released publicly for a final opportunity for community feedback. The Plan will then be recommended back to the partner councils for approval via the PGG, expected in mid-2025.

The approximate timing for next steps for the project are:



**10**    **RECOMMENDATIONS**

1. That the report “Eastern Bay of Plenty Spatial Plan – Governance and Engagement” be received.
2. That Council approve the amended Terms of Reference for the Eastern Bay of Plenty Spatial Plan Project Governance Group.
3. That Council delegate the Group Manager Regulatory and Planning authority to approve subsequent minor editorial changes to the Terms of Reference for the Eastern Bay of Plenty Spatial Plan Project Governance Group.
4. That Council note a workshop will be held on 2 October 2024 to provide and allow feedback into the engagement strategy for the Eastern Bay of Plenty Spatial Plan, which is set to be undertaken between 14 October 2024 to 17 November 2024.



Michaela Glaspey

**Group Manager Regulatory and Planning**

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## Our Places – Eastern Bay of Plenty Spatial Plan Project Governance Group *Draft Terms of Reference*

### 1. Te Kaupapa/Purpose

The purpose of the Eastern Bay of Plenty Spatial Plan (Our Places) Project Governance Group (PGG) is to provide political and strategic leadership into the development of the Eastern Bay of Plenty Spatial Plan and planning for its implementation. Championing for their hapori while maintaining a sub-regional perspective, members will help the project team plan for mauri-enhancing development across the Eastern Bay of Plenty that caters for future generations.

The PGG will use collaborative decision-making to bring individual organisation priorities and perspectives to a place of consensus. The members will bring their mana as leaders in their communities to recommend a united position back to their organisations that represents a sustainable, inclusive path to development for the rohe.

The PGG brings together the views and aspirations from iwi, local and regional authorities and, through the development of the Spatial Plan and planning for implementation activities, will bring life to their own respective strategies and visions. Central Government attendance in this forum will ensure the outcomes designed are informed by and align with government policy and investment outcomes, to support their realisation.

### 2. Ngā mātāpono/Principles

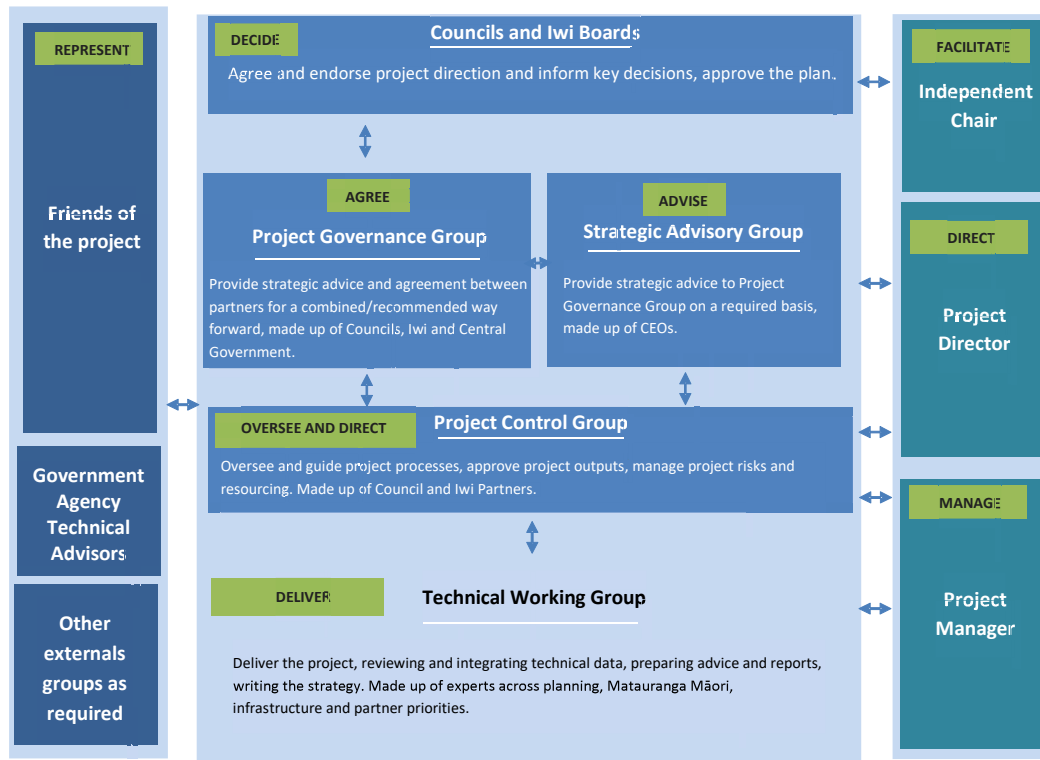
The following principles will guide the PGG's approach to working together on this kaupapa.

- *Giving life to Te Tiriti o Waitangi*
- *Taking a long-term view – making mokopuna decisions*
- *Collaborative, evidence-based decision-making*
- *Open and honest sharing of information and data*
- *“Best for region” thinking*



### 3. Te Whakatakotoranga o te hinonga/Project structure

The PGG sits within the following project governance structure:



### 4. Ngā Kawenga/Responsibilities

The PGG is responsible for guiding the development of the Eastern Bay of Plenty Spatial Plan (*Spatial Plan*) and overseeing its implementation planning, including:

1. Providing strategic leadership and direction on growth management and spatial planning across the rohe of the Eastern Bay of Plenty.
2. Considering views and perspectives of partner organisations and facilitating the agreement of a preferred sub-regional approach.
3. Strategic oversight of the implementation of the *Spatial Plan* and undertaking reviews and updates, including recommending any draft strategies for public consultation.
4. Engaging with our communities and key stakeholders on the draft spatial plan and responding to feedback from that engagement
5. Recommending a final Spatial Plan and initial Implementation plan before September 2025 to the partner organisations for adoption after community engagement feedback has been considered.



6. Propose a Monitoring and Reporting Framework for implementation
7. Addressing cross-boundary matters within the Eastern Bay of Plenty Sub-region, as well as with other neighbouring areas and regions that are consistent with the agreed settlement patterns, while working with other growth management/spatial planning partnerships as appropriate
8. Championing the *Plan's* integration and implementation through strategies, programmes, plans and policy instruments including alignment with Central Government and other organisations.

## 5. Ngā Apatono/Powers

All powers necessary to perform its responsibilities.

## 6. Ngā Tikanga Pōti/Voting

PGG decision-making is by consensus, facilitated by the Chair.

## 7. Tokamatua/Quorum

*Five members (or their alternates) are required for a quorum. The quorum has been set recognising that final decisions on substantive matters are referred back to member organisations rather than being made by the PGG.*

## 8. Ngā Tūranga/Membership

### .8.1 Ngā Mema/Members:

PGG membership is as follows:

- One representative appointed by each of the Iwi partner organisations;
- One elected member representative appointed by each of the local authorities (Whakatāne District Council, Kawerau District Council, Opotiki District Council and the Bay of Plenty Regional Council);
- One member appointed by Waka Kotahi;
- One member appointed by Regional Public Service Commission – Bay of Plenty & Waikato;
- One member from MHUD and/or Kainga Ora as appropriate.

Project Strategic Advisory Group members are encouraged to attend and provide advice.

Members will join the PGG as they are appointed by their organisations.

The PGG will be supported by the Project Director and Project Manager and relevant executives from the partner organisations, with other project staff in attendance as required.

Additional experts may also be invited to attend to assist the PGG in its decision making and guidance to the project team.

### .8.2 Ūpoko me te Ūpoko Tuarua/Chair and Deputy Chair:



An independent chair will be appointed (currently Vaughan Payne) . The Deputy Chair of the Committee is appointed by the Committee from the existing membership, by way of simple majority election.

**.8.3 Ngā Kairiwhi/Alternates:**

Any appointing organisation may appoint one alternate member.

**.8.4 Ngā Hui i te Tau/Frequency of meetings:**

Quarterly or as required to consider feedback from engagement.