

SOUTH WAIRARAPA DISTRICT COUNCIL

2 JUNE 2021

EXTRAORDINARY AGENDA ITEM

LONG TERM PLAN 2021-2031 FUNDING DECISIONS

Purpose of Report

To consider any outstanding funding requirements for inclusion in the Long Term Plan 2021-2031.

Recommendations

Officers recommend that Council:

1. *Receive the Long Term Plan 2021-31 Funding Decision report*
2. *Make any further indicative financial decisions in order for Officers to finalise the Long Term Plan in readiness for AuditNZ final review beginning 14th June 2021*

1. Executive Summary

Council listened to submissions from the public on 25th and 26th May 2021. Deliberations were then held on 26th and 27th May 2021. Indicative decisions on the consultation topics were made by elected members, however there were unresolved discussions that need to be agreed prior to AuditNZ final LTP review beginning Monday 14th June 2021 before formal adoption on the 30th June 2021.

2. Indicative Financial decisions on the Top Six from consultation document

2.1 Big Decision One – Level of investment in three waters

After deliberations on 26th and 27th May 2021 it was decided to progress with Option One (no change to impact on rates)

2.2 Big Decision Two – Remove funding for rural road seal extension for Y1-Y3

After deliberations on 26th and 27th May 2021 it was decided to remove the funding of seal extensions on rural roads for 3 years (no change to impact on rates)

2.3 Big Decision Three – Agree to start funding footpath kerb and channel extensions in Y1

After deliberations on 26th and 27th May 2021 it was decided to start funding footpath kerb and channel extensions from Y1 at a current cost of \$400k per annum (no change to impact on rates)

2.4 Big Decision Four – Stop urban berm mowing

After deliberations on 26th and 27th May 2021 it was decided to stop berm mowing in urban areas from 1st July 2021 (no change to impact on rates)

2.5 Big Decision Five – Development of a new Greytown play space

After deliberations on 26th and 27th May 2021 it was decided to support the development of a new Greytown play space (no change to impact on rates)

2.6 Big Decision Six – Closing of Greytown recycling centre

After deliberations on 26th and 27th May 2021 it was decided that the Greytown recycling centre would remain open, however Officers would investigate other options for the relocation of a recycling station and separate green waste facility (no change to impact on rates in Y1, 0.4% increase in rates from Y2)

3. Additional costs added at Officer request

Changes made to the draft Long Term Plan include:

1. Additional Capex for extension to Greytown cemetery, including access ways, paths, burial beams – cost \$200k
2. Additional Capex for upgrade to Martinborough refuse station in order to comply with new standards of storing oil and paint waste products – cost \$20k
3. Smart water meters – the water meter trial being conducted by Wellington Water Limited is expected to be completed March 2022. The draft financials had included \$1M in Y1, 2, and 3 (total \$3M) to roll out smartmeters. Based on the completion date of the trial this capital expenditure has been moved out to now begin Y2.
4. Waka Kotahi (NZTA) have revised the funding bid for allocations for Local and Special Purpose roads

Activity class	2021-24 programme bid - requested total (Gross \$)	2021-24 programme with indicative funding approval (Gross \$)	2018-21 forecast allocation in August 2018 (Gross \$)
Local roads maintenance	\$13,063,000	\$11,884,000	\$9,469,000
	SPR \$1,666,000	SPR \$1,529,000	SPR \$1,414,000

Local Roads: Reduced by \$1,179,000 over 3 years (9%)
\$393,000 per year

Special Purpose Road: Reduced by \$137,000 over 3 years (8%)
\$45,667 per year

Officers will reduce the work programme in line with NZTA revisions.

5. Solid Waste Officer – due to the workload of the Amenities and Solid Waste Officer and increasing reporting and waste minimisation requirements it is necessary to bring forward the position of Solid Waste Officer from Y2 to Y1 – cost \$85k
6. Representation and Rates review – budgets for these two projects have been revised as the scope and timing becomes more apparent – cost \$20k

4. Revised rates requirements

RATES REQUIRED (GROSS – YEAR ON YEAR INCREASE)			
	2020/21	2021/22	2022/23
Rates Required	\$16,898,083	\$20,083,313	\$21,682,081
Percentage Increase (YoY)		18.85%	7.96%

Rates examples attached in Appendix 1.

5. Further discussion points requiring council decision

Any additional funding allocations will increase the rates requirements outlined above in section 4.

The items below were identified in deliberations as requiring further discussion. It is not intended to be an exhaustive list. Some commentary has been added where available.

5.1 Rooding – speed review

Big Decision Two in the consultation document removes funding rural road seal extension for the first three years of the LTP. There was concern raised about road safety and clarification was sought from officers around the Road to Zero project.

The current funding request through NZTA for the Road to Zero project is \$215k for local roads and \$70k on Cape Palliser Road for Year One, with indexed figures for the following years. The funding bid has not been revised by NZTA and therefore this project is funded within current budgets.

The intent of this project is to engage/consult with the community for District wide review and implementation over a number of years in order to spread costs. The budgets above are for signage and other engineered works and activities around safety.

5.2 Maori Standing Committee submission

5.2.1. Mowing of Urupa

MSC requested additional funds be allocated to mowing urupa in the South Wairarapa being Kohunui Marae, Whakatomotomo and Pāpāwai Marae.

No funding allocation has been made for this. As part of the Section 17a review and tendering process this could be included as a separate item. Any budget allocation would be considered as part of the 2022/23 Annual Plan.

5.2.2. Pou for each town

MSC requested a budget of \$90k over 5 years to be allocated to carving Pou for each town.

Scoping of a Gateway to the South Wairarapa project has been included in Y1 of the LTP (no budget allocation). The scope would be conducted internally and would include consultation with all stakeholders. Capital expenditure of \$50k in Y2 and \$50k in Y3 has been allocated to deliver the work required.

5.2.3. Development of walking, cycling and vehicle access

MSC requested council work with the Significant Sites group to establish walking, cycling and vehicle access via the paper road that leads to Owhanga Landing Reserve, on the Western side of Wairarapa Moana.

This work can be progressed through internal resourcing and Maori liaison budgets.

5.2.4. Memorial to acknowledge fallen māori soldiers

MSC requested an initial budget in Y1 of \$10k and Y2-5 of \$20k each year – total \$70k – to scope, consult, design and deliver on this project.

5.2.5. Māori Liaison

MSC requested a budget of \$150K for Y1 to scope and develop a framework and policies and an ongoing budget of \$150K for the employment of a Maori liaison representative and ongoing project deliver costs. Further information is attached in Appendix 1 of this report.

The draft LTP has allocated \$90k per annum for Māori liaison.

5.3 Grants

Several requests for on-going support and funding were received through the submissions process. These included:

1. Dark Sky Society - \$10-\$13,000 pa
2. Pacifica of Wairarapa – Luther Toloa - \$30,000 pa for two years

The revised Grants Policy due for adoption on 30th June 2021 allows Council to enter into a Memorandum of Understanding with community organisations giving funding certainty for ongoing operational costs. Based on historical grant funding decisions, the list below identifies possible community organisations Council may consider entering MOU's with.

Possible MOU's	Funds allocated 2020/21
Featherston Heritage Museum	\$3,588
Arotoi	\$10,000
Martinborough Colonial Museum	\$2,000
Cobblestones Museum	\$15,000
Fell Museum	\$2,000
Wellington Free Ambulance	\$10,450
Featherston Booktown	\$15,000
Wairarapa Search and Rescue	\$4,660
	\$62,668

The current budget allocated to grants is \$170k for community and \$75k for youth per annum.

5.4 Civic Ceremonies

The current budget for Ceremonies and Protocols is \$8K. Historically this has covered civic/citizen ceremonies; Anzac day wreaths, catering, assistance with traffic management. An inclusion to fully fund Anzac Day ceremonies could be considered.

6. Conclusion

Council should consider the information provided and provide indicative financial decisions to enable the completion of the Draft Long Term Plan 2021-31 and allow AuditNZ to complete the audit beginning 14th June 2021.

7. Appendices

Appendix 1 - Reworked rates examples

Appendix 2 - Further information to support submission by Maori Standing Committee – Narida Hooper

Contact Officer: Katrina Neems, Chief Financial Officer

Reviewed by: Harry Wilson, Chief Executive Officer

APPENDIX 1
REWORKED/ADJUSTED RATES EXAMPLES

Rates Examples - with changes from Deliberations

Residential	LV	250,000.00	
	2020/21	Draft 2021/22	2/06/2021
General Urban	519.00	473.88	468.11
UAGC	591.00	741.60	771.63
Amenities - Urban	446.00	563.83	575.75
Water	631.00	839.69	830.35
Wastewater	602.00	653.36	650.56
Refuse	183.00	203.38	193.79
	2,972.00	3,475.75	3,490.19
Annual Increase		\$ 503.75	\$ 518.19
Weekly increase		\$ 9.69	\$ 9.97
		16.95%	17.44%

Residential	LV	350,000.00	
	2020/21	2021/22	2/06/2021
General Urban	726.01	663.44	655.35
UAGC	591.00	741.60	771.63
Amenities - Urban	446.00	563.83	575.75
Water	631.00	839.69	830.35
Wastewater	602.00	653.36	650.56
Refuse	183.00	203.38	193.79
	3,179.01	3,665.31	3,677.43
Annual Increase		\$ 486.29	\$ 498.42
Weekly increase		\$ 9.35	\$ 9.58
		15.30%	15.68%

Residential	LV	600,000.00	
	2020/21	2021/22	2/06/2021
General Urban	1,245.00	1,137.32	1,123.46
UAGC	591.00	741.60	771.63
Amenities - Urban	446.00	563.83	575.75
Water	631.00	839.69	830.35
Wastewater	602.00	653.36	650.56
Refuse	183.00	203.38	193.79
	3,698.00	4,139.19	4,145.54
Annual Increase		\$ 441.19	\$ 447.54
Weekly increase		\$ 8.48	\$ 8.61
		11.93%	12.10%

Commercial	LV	350,000.00	
	2020/21	2021/22	2/06/2021
General Urban	1,452.00	1,326.87	1,310.71
UAGC	591.00	741.60	771.63
Amenities - Urban	446.00	563.83	575.75
Water	631.00	839.69	830.35
Wastewater	602.00	653.36	650.56
Refuse	183.00	203.38	193.79
	3,905.00	4,328.74	4,332.79
Annual Increase		\$ 423.74	\$ 427.79
Weekly increase		\$ 8.15	\$ 8.23
		10.85%	10.95%
Lifestyle	LV	450,000.00	
	2020/21	2021/22	2/06/2021
General Rural	861.00	899.77	888.38
UAGC	591.00	741.60	771.63
Amenities Rural	234.00	280.35	286.22
	1,686.00	1,921.73	1,946.23
Annual Increase		\$ 235.73	\$ 260.23
Weekly increase		\$ 4.53	\$ 5.00
		13.98%	15.43%
Rural - Dairy	LV	2,800,000.00	
	2020/21	2021/22	2/06/2021
General Rural	5,358.00	5,598.59	5,527.67
UAGC	591.00	741.60	771.63
Amenities Rural	234.00	280.35	286.22
	6,183.00	6,620.55	6,585.52
Annual Increase		\$ 437.55	\$ 402.52
Weekly increase		\$ 8.41	\$ 7.74
		7.08%	6.51%
Rural - Pastoral	LV	2,300,000.00	
	2020/21	2021/22	2/06/2021
General Rural	4,401.00	4,598.84	4,540.59
UAGC	591.00	741.60	771.63
Amenities Rural	234.00	280.35	286.22
	5,226.00	5,620.80	5,598.44
Annual Increase		\$ 394.80	\$ 372.44
Weekly increase		\$ 7.59	\$ 7.16
		7.55%	7.13%

APPENDIX 2

**FURTHER INFORMATION TO SUPPORT THE
SUBMISSION OF**

MAORI STANDING COMMITTEE

PROVIDED BY NARIDA HOOPER

Phase one (year 1)

Mahi Putaketanga (Foundation Work)

We envisage phase one will require a number of policies, training programmes and engagement frameworks to be established, engaged upon and implemented. This body of work will be best undertaken by someone with existing experience and knowledge in local government, Māori and Treaty policy issues, and Māori engagement to ensure optimum outcomes in a limited time period. It is important to get the programme set up well which means finding someone with expertise in the area rather than someone with less specific skills which risks the work derailing. Below are areas for development that ensure Māori values are included within the scope of each. Our goal is for the South Wairarapa District Council become a partnership led, bi-cultural organisation that delivers effective and meaningful outcomes for Māori (whether that be community, whānau, hapū or ngā iwi) alongside the wider community, stakeholders, business sector or central government. This council is unfortunately behind many other councils in developing this kind of work and it is evident in a district where Māori aren't particularly visible.

I have had discussions with various people about roles like this in the government and local government sectors, including contractors who undertake this kind of work. We think that the funding sought is reflective of the responsibility, experience and knowledge base of the individual required to deliver this work to the standard and timeframes expected. We are seeking \$150k for this role, this would include the transition period of 4-6wks. Submissions received on the LTP included support from Rangitāne o Wairarapa for the amended \$150K to deliver on this work, and Rangitāne Tu Mai Ra identified their support for the work and stated they considered the \$90K would not be enough.

Given the type of engagement required on some of this work and the time that can take, this role could realistically be part-time to ensure the available funding stretches across the year.

Settlement implementation (Rangitāne is settled, Kahungunu have signed their settlement but legislation is held up) - **approx 120 hours**

- implementing RMA elements of settlements and establishing internal processes for delivering
- applying official name changes in council documents
- appointment processes for SWDC to Wairarapa Moana body when established
- support processes for SWDC nominee to Wairarapa Moana body, and general support options from SWDC to the Body

Policy development - **approx 240 hours including engagement**

- te reo policy (covers internal publication and style guidelines as well as public use of te reo ie park signs etc)
- te reo policy implementation plan
- road naming policy (e.g. does SWDC require developers to go to iwi first for names for new developments/streets/parks)
- funding policy (basic things like guidance for koha and valuing cultural support, through to funding for iwi/hapu reps on consenting, projects etc)
- other policy work as discussed with Māori Standing Committee and South Wairarapa iwi

Engagement framework and resources - **approx 200 hours**

- develop an engagement framework (when to engage, on what topics, types of engagement at certain thresholds, channels, tools etc)

- guidance for staff on using engagement framework, and why
- external resources for people using council services on iwi and some guidance (e.g. who they are, where, contact details, types of projects to engage on, good practice engagement for applicants, rough schedule of potential costs to consider)

Cultural competency and building a bicultural organisation - approx 120 hours

- Establish Treaty and cultural values training for staff and councillors
- Procure training programme on local iwi/hapu context
- some HR work (building cultural competency into role descriptions and expectations, culturally sensitive recruitment guidance and marketing)

Representation and governance - approx 160 hours

- Lead the internal and external work on whether Māori wards are right for this area early in the process for 2025, including an appropriate response to the concerns raised by iwi, with the intention of a council decision on Māori wards by June 2022
- wider governance policy work (what the standing committee does and how it influences council, involving iwi in council and project governance structures, remuneration)
- establish clear support processes for the Māori Standing Committee

Phase two (year 2 onward)

Mahi whakahaere (Operational Work)

This role now has the policies and frameworks in place, the day to day relationship with tangata māori and council can grow toward our shared goal ie. Bi-cultural organisation that demonstrates active partnership at every level and platform.

The suggested salary for this individual takes into account the expected seniority and experience to undertake the level of leadership we would expect the role to have, and salaries for comparable roles within local and central government. There is also the reality that given our proximity to Wellington and the demand for competent and skilled people in the Māori policy and engagement area, that the SWDC offer will need to be competitive and attractive.

	Phase one	Transitional period	Phase two	Delivery and engagement budget
8-10mths	approx. 840-900 hrs at approx. \$135p/h		Salary Scale \$75-110K	approx. \$50K
6wks		6 weeks of salary costs at salary scale as per phase two		