

Mayor and Councillors
COUNCIL

7 JUNE 2012

Meeting Status: **Public**

Purpose of Report: For Decision

CONSIDERATION OF OTHER LTP SUBMISSIONS TO THE DRAFT LONG TERM PLAN

PURPOSE OF REPORT

- 1 This report seeks Council consideration of submissions on other matters relating to the Draft 2012-32 Long Term Plan, excluding the key matters of Water Issues, Economic Development – Clean Technology Centre, and Youth Centre.

SIGNIFICANCE OF DECISION

- 2 This report does not trigger the Council's Significance Policy.

BACKGROUND

- 3 The draft 2012-32 Long Term Plan was adopted on 5 April 2012 and publicly notified as being available for submissions on 16 April 2012. The submissions closed on 17 May 2012.
- 4 A total of 2,423 submissions have been received, 860 on the Draft Long Term Plan and 1,563 on the issue of water meters.
- 5 Council met on 29, 30 and 31 May 2012, to hear submitters who wished to speak to their submission.
- 6 A copy of each submission has been circulated to the Mayor, Councillors and Community Board Chairs. Each item raised by a submitter has been summarised, given an ID number, and then categorised within the database against each Activity in the Draft Long Term Plan.
- 7 As outlined in Report SP-12-567 on this Agenda the process of presenting the submissions to Council for consideration has been structured to allow for separate reports on Water Issues, Economic Development – Clean Technology Centre, and the Youth Centre. The focus of this report is on the other matters relating to the Draft 2012-32 Long Term Plan.

CONSIDERATIONS

Issues

Themes

- 8 The following table details the key matters or themes emerging from the other submissions

| Activity | Themes |
|-------------------------------|----------------------------|
| Community Facilities | Te Horo Hall |
| Libraries, Arts and Museums | Mahara Gallery |
| Governance and Tāngata Whenua | Rural Village Differential |
| | Regional Amenity Fund |
| | Māori Representation |
| Economic Development | Draft Economic Strategy |

Te Horo Hall

- 9 The Council has provided \$65,000 for previous work on the Te Horo hall. The Council does not provide any community hall facilities in the Te Horo area. This planned upgrade will provide for disabled access and toilet facilities as well as alarms and emergency lighting. This is consistent with use of the hall as a civil defence welfare centre. The Council can: approve funding of \$25,000 (or) for the Te Horo hall upgrade or approve funding of another amount if it sees fit (or) decline funding.
- 10 Council staff recommend that, if funding is approved for Te Horo hall, it is on the proviso that an accessibility audit is undertaken of the upgrade plans. The Council can assist with this. This request for funding is addressed in Appendix 1.

Mahara Gallery

- 11 The Mahara Gallery Trust is seeking to provide a permanent home for the Field Art Collection in Waikanae and to create additional space for exhibitions, storage, workshops and administration. The Gallery needs to be upgraded to museum standard to house the collection and to be able to attract and show significant touring exhibitions and collections from other galleries.
- 12 Separately, the Council had planned for the refurbishment and upgrade of the Waikanae Library. With the Gallery adjoining the Waikanae Library, the opportunity arose for a joint project and the Council has previously agreed to support the project by advancing funding for the upgrade of the Waikanae Library. Alongside this, the Council and the Mahara Gallery Trustees have signed a Memorandum of Understanding to work together with the objective of the Mahara Gallery becoming the District Gallery for Kāpiti.
- 13 The project had progressed on the basis that the funding for the Gallery upgrade would be directly raised by the Gallery itself. The Gallery Trustees launched a fundraising campaign in September 2011 to raise the money for the upgrade.

Gallery Trustees reported that major funding sources such as the Lotteries Commission and community grants schemes, as well as individual philanthropic donors, have indicated there will be no funding forthcoming unless the Council commits to providing a third of the cost of the Gallery upgrade.

- 14 The estimated project costs are \$4,338,000 for the Gallery and \$2,892,000 for the Library. The total cost of \$7,230,000 includes a contingency of 25%. In the Draft LTP the Council sought feedback on its proposal to contribute the one third sought by the Trustees. In addition to the cost of the library upgrade, Council would contribute \$1,196,000 (plus CPI) and \$250,000 would come from the Waikanae Community Board. Work on the joint gallery/library project would be deferred until Year 4 (2015/16) to give the Trust time to raise the remaining two thirds of the funds estimated for the Gallery upgrade. If the Trust raises the required two-thirds before 2015/16 the Council would consider bringing its project funding forward. If that happens, design work will recommence and will be completed before 2015/16.
- 15 In total 510 submissions were received about the Libraries, Arts and Museums activity. The vast majority of these related to the Mahara Gallery proposal. At the time of writing, these indicate 72% in support of the Council providing the one third funding for the Gallery upgrade and 28% opposed. In addition, submitters were asked, 'Should Council only fund the Waikanae Library upgrade without the Mahara Gallery improvement?' Responses to this second question identified a small number of submitters opposed to the upgrade of the library.
- 16 Amongst supporters of the proposal, the detailed comments indicate more than just general support for the project. Many submitters were interested in or commented on the benefits the upgrade would bring to the District and particularly to Waikanae. These range from improving the District's wider reputation for supporting the arts, to balancing the Council's expenditure on infrastructure and sport and recreation, to enhancing the local environment of Waikanae town centre and, specifically, Mahara Place. There was also a notable degree of support for the more technical and specialist improvements to the Gallery itself and the benefits those would bring. These included museum standard climate controlled environment making it possible to accommodate the Field Collection but also to attract significant touring exhibitions an enhanced ability to offer education programmes and greater flexibility of usable space in the Gallery.
- 17 Submissions in support indicate general acceptance and understanding of the project timing and the reasons for this. There was also support for the Council's willingness to consider bringing the project forward if the Trust raises the necessary funding.
- 18 Very few of the submissions opposing the Gallery funding proposal offered any detailed explanation for their position. Those that did commented they did not think the Council should be investing heavily in substantial capital projects in the current economic climate and were concerned about the affordability impacts on the community.
- 19 There were a few submissions opposing the Waikanae Library upgrade but the project appears to be generally supported.

- 20 The number of submissions, approximately 500, indicates a high level of interest in the project and, on the basis of the submissions received, the Council can be confident there is support for the proposed approach. The significant points of the proposal – the level of funding for Mahara Gallery, i.e one third, and the timing of the project in 2015/16 but with the possibility of an earlier date – are supported by the majority of submitters.
- 21 It is recommended the Council confirms its support for the Mahara Gallery / Waikanae Library upgrade and approves the proposal as set out in the draft Long Term Plan. This matter is covered in consideration of Appendix 1.

Rural Village Differential

- 22 The Draft Long Term Plan contains a Proposed Change to the Rural Village Differential from 60% to 65% of the urban rate. The Rural Village Differential Group currently consists of 836 properties located in: Nikau Valley; Waikanae Downs; Peka Peka Beach; Waikanae North (Ferndale/Jack's Bush); Te Horo Beach; Te Horo Village and School Road; SH1 Ōtaki South; Convent Road and Bennetts Road; Waitohu Valley and Greenwood Boulevard.
- 23 The Rural Village Differential Group is based on smaller rural properties, not much larger than some sections in the urban area that are clustered together in a similar way to an urban area. The Council considers that these properties should pay a differential percentage rate higher than the other larger rural properties and closer to the percentage rate paid by the urban residential properties.
- 24 The Rural Differentials apply to the:
- Districtwide General Rate which covers: democratic services, emergency management, public toilets, cemeteries, supporting social wellbeing, supporting environmental sustainability, districtwide coastal protection of the Council's infrastructure, and districtwide strategic flood protection; and;
 - the Regulatory Services Rate which covers the net cost (after fees) of: resource consents, building consents, development management, environmental health, liquor licensing, hazardous substances environmental monitoring, and animal control; and
 - the Local Community Rate which covers the historic debt servicing costs of roading, stormwater, and coastal protection.

Small rural properties in the rural areas that are clustered together similar to some of the properties in the urban areas have similar access to the services that relate to the above three rates. Council considered that the properties in the rural village differential groups should pay closer to the level that the urban ratepayers are paying due to the similar access that rural village properties have to the services provided by the above three rates and also taking into account fairness and equity principles.

- 25 Rural village ratepayers currently pay 60% of the urban rate for the three above rates. Council proposed that rural village ratepayers, in terms of fairness and equity, should move to 65% of the urban rate for the 2012/13 year. This proposal means on average rural village ratepayers would face an average 3% increase in rates over and above their average districtwide rating impact for the rural village properties of between 7% and 8%. This would still be less than the level of rates charged to urban ratepayers with similar properties for these three rates.
- 26 There were three submissions, one of which was signed by 29 Te Horo Beach residents, against the proposed change to the rural village differentials from 60-65% of the urban rate, have come predominately from the Te Horo Beach area. The main issue raised is that they provide their own water sewage and transport. The rural village differential does not apply to water, sewage or roading rates. It only applies to the following three rates: the Districtwide General, Regulatory Services and local community rates.
- 27 Although the Te Horo Beach area is further away from the urban areas than some of the other areas in the rural village differential group, their level of rates for the above three rates is generally lower than other properties within the group throughout the District. This is due to the relatively low land values of properties at Te Horo Beach. It would be difficult to justify a lower differential for Te Horo Beach properties compared to the other properties in the Rural Village differential group. The differential still represents a 35% reduction in the above three rates for Te Horo Beach properties compared to properties with similar land values in the urban area.

Regional Amenities Fund

- 28 Councils across the Wellington region propose setting up a Regional Amenities Fund. The Fund will be used to 'top up' entities that provide regional benefits primarily in the arts, culture and environmental attractions and events sectors.
- 29 The Fund would start at \$2 million in 2013/14 and grow by \$250,000 each year to a cap of \$3 million in 2017/18. A differential considering distance between amenities and the Council area is used to calculate what each council will pay. Kāpiti Coast District Council share would be \$48,000 in 2012/13 increasing to \$96,000 in 2013/14.
- 30 There were a total of 113 submissions received on the proposed Regional Amenities Fund. 54 submitters of those were in support of Council joining the Fund, and 51 opposed, the remaining eight were unsure. The eight who were unsure will receive a response explaining the purpose of the proposed Fund.
- 31 Some of the submitters against the proposal commented that the time is not right given the pending review of the structure of local government. Others commented that the Mahara Gallery could receive a funding contribution from the Fund. The staff recommendation is to support the Regional Fund.

Māori Representation

- 32 In January 2012 Council resolved to consider under Schedule 7 (clause 31) of the Local Government Act 2002 the appointment of a Māori representative with voting rights to each of the three major Standing Committees of Council, and instructed staff to include the proposal for consultation in the Draft Long Term Plan. This was done in recognition of Council's obligations under Part 1 of the LGA 2002 in particular Section 14 i.e. that Council was ensuring opportunities for Māori to contribute to local decision-making processes.
- 33 The proposal for Māori representation is supported by Ngā Hapū o Ōtaki (Ngati Raukawa) and Ngāti Toa Rangatira.
- 34 If, after considering submissions, Council approves the appointments this would be followed by a recruitment process coordinated through Te Whakaminenga o Kāpiti, calling for expressions of interest from the Māori community. Suitable appointees would be selected based on their skills, attributes or knowledge that would contribute to the work of the Standing Committee. The names of suitable appointees would be then proposed to Council for consideration/confirmation. It is recommended that Council approve this initiative. Funding is covered in the Chief Executive's Report Fin-12-551.

Draft Economic Development Strategy

- 35 The Draft Economic Development Strategy for the District is designed to help deliver a thriving and resilient future for the Kāpiti Coast's communities and defines the Council's contribution to economic development. This means that it does not cover all aspects of the local economy; rather it focuses on those areas in which the Kāpiti Coast District Council can make the most effective contribution.
- 36 At the time of writing this report the number of submissions in support of the draft Strategy was 58, with 39 against. The comments made by the submitters are extremely useful and some interesting suggestions have been made about how Council could proceed in this area. These submissions will be analysed by staff and the amended Strategy will be presented to Environmental Community Development in July for adoption.

Submissions that have a Financial Implication or Request Funds

- 37 There are a number of submissions that have a financial implication. These are a mix of submissions that have been classified into three categories as follows:
- Category One: New Requests from external providers;
 - Category Two: Other Requests (that have no financial impact as they are from within the Existing/Proposed LTP Budget); and
 - Category Three: Other Requests (that staff recommend costing/ reporting back as part of the 2013/14 Annual Plan Process).

- 38 Each of the submissions that fall into Categories One and Two is commented on in Appendix 1 to this report SP-12-582. After considering each submission the Council will need to consider whether or not it will approve or decline the request.

Responses

- 39 There was a wide range of submissions on other matters relating to the Draft 2012-32 Long Term Plan excluding Water Issues, Economic Development – Clean Technology Centre, and the Youth Centre. Appendix 2 to this report provides a comment on each of the issues raised by each submitter with a comment to Council suggesting how staff will respond to each submitter.
- 40 The issues are presented in Activity groupings and the Council is asked to consider and approve/amend these comments to be used as the basis for preparing a response to the submitter. Where relevant the text in the final Long Term Plan will be changed in accordance with Council's decisions about how particular issues are commented on in the draft responses.

Financial Considerations

- 41 As noted in paragraphs 34 and 35 the financial impact of submissions involving expenditure is detailed in Appendix 1 to this Report, SP-12-582 - Summary of Submitters Funding Requests.
- 42 If all of the funding requests are adopted as per recommendations, the increased rating impact in the 2009/10 year would be \$55,000, which equates to an additional 0.12%. This excludes any impacts associated with the Youth Centre project, should Council choose to proceed with these projects.

Legal Considerations

- 43 The Draft Long Term Plan meets the requirements of the Local Government Act 2002. Staff liaised with Council Auditors, Ernst & Young during this process in terms of compliance as required by the Local Government Act 2002.

Delegation

- 44 The Council has authority to make this decision.

Consultation

- 45 Consultation associated with adopting the draft Long Term Plan was undertaken via a special consultative procedure in accordance with the requirements of the Local Government Act 2002.

Policy Implications

- 46 There may be policy implications arising from the decisions made in relation to the submissions.

Tāngata Whenua Considerations

47 There are no tāngata whenua considerations with this particular report.

Publicity Considerations

48 The outcomes of the Council's deliberations will be communicated to submitters and the wider community, and published as the 2012-32 Long Term Plan.

RECOMMENDATIONS

49 That the Council approves the appointment of a Māori Representative with voting rights to each of the three major Standing Committees of Council.

50 That the Council supports the establishment of a Regional Amenities Fund.

51 That the Council consider each item submitted in Appendix 1 to SP-12-582 and either approve or amend the funding recommendation

52 That the Council consider each item summarised in Appendix 2 to SP-12-582 and either approve or amend the comments provided.

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ATTACHMENTS:

Appendix 1 Summary of Submitter's Funding Requests

Appendix 2 Comment in relation other matters raised by Submitters.