

KAIKŌURA DISTRICT COUNCIL MEETING

Date:	Wednesday 27 March 2024
Time	1.00pm
Location	Totara, Council Chambers

AGENDA

1. Open with a Karakia

Kia wātea te Wairua, Kia wātea te tinana, Kia wātea te hinengaro, Kia wātea ai te mauri, Tuturu ōwhiti whakamaua kia tina, TINA!, Haumi e, Hui e, TAIKI E!

2. Apologies

3. Declarations of Interest

4. Public Forum

Public forums provide opportunity for members of the public to bring matters, not necessarily on the meeting's agenda, to the attention of the Council.

5. Formal Deputations

The purpose of a deputation is to enable a person, group or organisation to make a presentation to a meeting on a matter or matters covered by that meeting's Agenda.

6. Adjourn to Works & Services Committee meeting (1.30pm)

Reconvene to the Council Meeting

7. Confirmation of Minutes:

- | | | |
|-----|--------------------------------------------------------------|--------|
| 7.1 | Council extraordinary meeting minutes dated 14 February 2024 | page 3 |
| 7.2 | Council meeting minutes dated 28 February 2024 | page 7 |

8. Review of Action List

page 14

9. Matters of Importance to be raised as Urgent Business

10. Matters for Decision:

- | | | |
|--------|----------------------------------------------------------|---------------------|
| 10.1 | Long Term Plan 2024-2034 Public Consultation Document | page 15 |
| 10.1.1 | Supporting information | (see separate pack) |
| 10.2 | Marlborough Regional Forestry Sale of Carbon Credits | page 101 |
| 10.3 | Proposed Management Approach – Private Building on Roads | page 105 |

11. Matters for Information:

- | | | |
|------|----------------------------------------|-----------------|
| 11.1 | Mayoral Verbal Update | |
| 11.2 | Elected Member Verbal Updates | |
| 11.3 | CEO Monthly Report | page 109 |
| 11.4 | Half-yearly Report to 31 December 2023 | page 114 |
| 11.5 | Community Services Team Update Report | page 133 |
| 11.6 | Planning Update Report | page 140 |
| 11.7 | Building and Regulatory Update Report | page 147 |
| 11.8 | Kaikōura Youth Council Update Report | 1.45pm page 151 |

12. Public Excluded Session

Moved, seconded that the public be excluded from the following parts of the proceedings of this meeting, namely

- a) Public excluded council meeting minutes dated 28 February 2024
- b) Appointment of District Licensing Commissioner
- c) Hot Pools Lease Report
- d) Harbour Financial Matters – verbal update

The general subject matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under Section 48(1), 6 and 7 of the Local Government Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each to be considered	Reason for excluding the public	Grounds of the Act under which this resolution is made
Public excluded council meeting minutes dated 28 February 2024	The minutes are being tabled for confirmation and include commercially sensitive information around harbour financial matters and solid waste contract variation	Section (7)(b)(ii) would be likely unreasonable to prejudice the commercial position of the person who supplied or who is subject of the information Section (7)(2)(h) enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities Section (7)(2)(i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)
Appointment of District Licensing Commissioner	To receive CV and discuss recommended candidate – the public are excluded for privacy reasons.	Section 7(2)(a) protect the privacy of natural persons.
Hot Pools Lease Report	To receive a report on the status of the current lease.	Section (7)(2)(g) maintain legal professional privilege.
Harbour Financial Matters – verbal update	Verbal update on subject previously brought to Council around ongoing negotiations which is commercially sensitive	Section (7)(b)(ii) would be likely unreasonable to prejudice the commercial position of the person who supplied or who is subject of the information Section (7)(2)(h) enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities Section (7)(2)(i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)

*This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 6 or section 7 of that Act, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as follows:

We do not wish to disclose communications with our solicitor at this stage.

13. Close meeting with a Karakia

AUDIO RECORDINGS:

"Audio recordings will be made of this meeting for the purpose of assisting the minute taker to create accurate minutes. Audio recordings should not be taken of any confidential, public excluded or otherwise sensitive matters. The Chair of the meeting is responsible for indicating if/when recording should be stopped and restarted. While held, the audio recordings are subject to LGOIMA, they may be released in line with Councils LGOIMA processes and/or at the discretion of the meeting Chair. A copy of the guidelines and principals for the use of recordings is available on request"

MINUTES OF THE KAIKŌURA DISTRICT COUNCIL EXTRAORDINARY MEETING TO HEAR AND DELIBERATE SUBMISSIONS ON THE INCREASE OF PROPOSED LEASE AREA TO KAIKŌURA SPRINGS LIMITED, THE HOT POOLS DEVELOPMENT, ON THE ESPLANADE. HELD ON WEDNESDAY 14 FEBRUARY 2024, 1.00PM, AT TOTARA, COUNCIL CHAMBERS, 96 WEST END, KAIKŌURA

PRESENT: Mayor C Mackle (Chair), Deputy Mayor J Howden, Councillor L Bond, Councillor V Gulleford, Councillor T Blunt, Councillor K Heays, Councillor J Diver

IN ATTENDANCE: W Doughty (Chief Executive), P Kearney (Senior Manager Corporate Services), B Makin (Executive Officer-minutes), G McMillan (Administration Officer)

1. KARAKIA

2. APOLOGIES

Apologies were received from Councillor R Roche.

Moved: Deputy Mayor J Howden

Seconded: Councillor T Blunt

CARRIED UNANIMOUSLY

3. DECLARATIONS OF INTEREST Nil

4. OVERVIEW OF NUMBERS OF SUBMISSIONS

P Kearney presented the overview of submissions received on page 4 of the Agenda.

Attachment 1: Summary of all submissions

Tabled and discussed below.

Attachment 2: Full submissions received

Tabled and discussed below.

5. SUBMITTERS TO BE HEARD

Leonie Cormack is not able to make the hearing and will no longer be heard.

1.05pm Derrick William Milton

Derrick was in support of the extended leased area but commented that the height level should be single storey (or same height as the old pool) with this extra space. He was initially opposed to the location for a commercial activity on DOC/ reserve land near a residential area. He wanted to ensure the Council were mindful of building on the foreshore with coastal erosion and the aesthetics of the view.

1.15pm Dave Mackie

Dave was not opposed to hot pools being established in Kaikōura but was opposed to the extension of the leased area and location of hot pools being on the waterfront in a recreational reserve. He commented that it should be maintained for recreational use only being the only safe swimming area locally. He was concerned that KSL indicated at the community meeting that there would be a large two-storey building, yoga room, swimming area, café, toilets and changing area. There was no mention of staff parking and he was concerned that resident's views would be blocked by the building, campervans and cars parked on the roadside. He also raised a question around KDC being liable at the end of the project or if the building was destroyed (i.e. washed away).

1.20pm William McCook

William was opposed to the extension of the leased area and location of the hot pools on reserve land. He didn't think that commercial activity should be allowed there and could see there being serious opposition at the resource consent stage. William commented that the site wasn't large enough for a sustainable business and encouraged the Council to find another larger location and exit the current arrangements. He did not find the consultation questions were helpful for the Council to make an informed decision. William highlighted other submitters' comments regarding no staff carparking mentioned for 35 FTE's, height of the building, view and safe local area.

1.28pm Gerald Nolan

Gerald was opposed to the extension of the leased area and location of the hot pools on the recreational reserve. He commented that it would impact the environment and he would oppose the future resource consent. Gerald commented that the initial proposal included a potential carpark and no parking alternative has been provided by the developer. He indicated it was a good idea for a hot pools but in the wrong place.

1.31pm John Gibson

John agreed with the development of the Old Lion's Pool but was opposed to the extension of the leased area at the expense of a popular community playground and picnic area. He commented that this would leave little space for families, tourists and elderly to enjoy the amenities and safe swimming beach. John was concerned about the building size, sea levels/rough seas, parking and hours of operation. A further comment raised was that Kaikōura does not need a hot pool the size of New Brighton's.

1.37pm David Tee (as individual & on behalf of Family Trust)

David was opposed to the extension of the leased area and location of the hot pools as there was little consultation and no mention that the land was vested in DOC on recreational reserve. He raised concern around the \$1 peppercorn lease, there being no parking plan, that in a rural zone one can build 12 meters high, that the area was previously zoned as coastal erosion and the lease being notified with no mention of possible coastal erosion. David expressed his views to the Council's Facebook post on 3 November 2020 and a public excluded report from 28 April 2021. He commented that the Council doesn't have an Operative Reserve Management Plan but has a Coastal Management Plan. David would provide council staff with his written comments for circulation to elected members.

1.56pm Linda De Vine

Linda was in favour of the hot pools but that the Council should agree with the developers for the building to be one storey, as part of any agreement for extra leased land.

1.57pm John and Jenny Lawrence represented by Duncan Cotterill

Jamie Robertson from Duncan Cotterill and Sandra spoke on behalf of the submitters/Lawrence Family Trust. The submitters were opposed to the extension of the leased area and location of the hot pools. The representative explained that an application document for the extended leased area was not publicly available, that the scope of the proposed pools has changed since the lease was granted (effectively death by a thousand cuts), there was a lack of information available to submitters and they questioned whether the Council had the ability to grant a lease without a formal application. They assumed that the Lions Pool was classified as a 'public bath' under the legislation and didn't think a private commercial development met that definition or any of the parts of Section 17 of the Reserves Act (uses and requirements). Their other concerns were: there was no document where alternatives sites have been considered, there was no consideration of Resource Management Act matters under the process, such as issues with noise, no car parking considerations for users or 35 FTE staff, no evidence of financial viability of the development over the 33 year lease. The representatives were critical of the Council's interpretation of an application document and the lack of transparency in the way information was presented to submitters.

The meeting adjourned at 2.27pm and reconvened at 2.50pm.

6. SUBMITTERS WHO CHOSE NOT TO SPEAK

The Council reviewed and noted the submissions from those who chose not to speak. Their chosen options and staff comments are recorded on the Summary Sheet. The following was noted:

Option 1 – Increase overall leased area:

#4 Zoe Battersby – the submitters comments were contrary to the option selected and Council staff had followed up with the submitter. The submitter was concerned about the height of the building.

#6 Kim Bishop – the submitter commented that the winter season would attract visitors.

#12 Dawn Calvert – the submitter commented that the height be kept single story.

#13 Melanie Campbell – the submitter commented noting height.

#16 Margaret – the submitter commented that the height be kept single story.

#25 Kerry Hall – the submitter was concerned about the height of the building.

#36 Wendy Launay – the submitter commented that the height be kept single story.

#38 Becky Makin – the submitter commented around the winter season.

#39 Nicky McArthur – the submitter commented that the height should remain under 3 metres.

#44 Jane Nelson – the submitter commented around carparking spaces.

#46 Brian O'Connor – the submitter commented that the height be kept single story and be respectful of neighbours.

#48 Diane Rossiter – the submitter had concern on the height.

#51 Trevor Smith – the submitter commented that it was a good winter activity. The Chair allowed the submitter to speak who advised that they would not have made that comment and submitted differently if they had understood what was happening.

#56 Kate Summerton – the submitter commented that the community facilities are moved and accessible.

#62 Jackie Wadsworth – the submitter commented around the upgrade to the playground.

Option 2 – Status quo – existing agreed primary lease area:

#63 Leeanne Carson-Hughes – the submitter raised concerns on the height, being on the beachfront and parking.

#65 Peter Clayton – the submitter raised concerns of no timeframe being given to rebuild the playground.

#66 Leonie Cormack – the submitter had parking and height concerns.

#68 Samantha Ibbotson – the submitter was concerned with losing a public facility.

#69 Fraser Ibbotson – the submitter was concerned with the impact on neighbours and had questions around an alternative site and the zoning.

#72 Gavin McDonald – the submitter had a question around the public reserve.

#73 Rebecca Meikle – the submitter commented that the café should be removed for more bathing space.

#74 Sandra Murphy – the submitter commented on waste, big building structures and family friendly beach.

#75 Sandra & Joe Murphy – the submitter raised noise, rubbish and congestion concerns.

#77 Kylie Poharama – the submitter raised concerns on the height, playground, noise, parking and aesthetics.

#79 Jane Turner – the submitter raised concern on the height and affected residents.

#83 Dr Phillipa and Rev Martin Harrison – the submitter queried if the developers could extend further towards West End and ensure amenities are kept for children.

No Option, noted:

#85 – Terence and Erica O'Connor

#86 – Cherry Simonsen.

The Chair allowed a person from the public seating area to speak who was a representative from Duncan Cotterill. They gave a summary of their viewpoints of the meeting and raised questions from their client's submission particularly around funding discussions between the Council and Developer.

7. DELIBERATIONS

The Chair proposed that the Council adjourn the deliberations and set a further date to consider the information heard today. The deliberations would be open to the public to attend, but not to speak further.

The Chair allowed a person from the public seating area to speak who was a representative from Duncan Cotterill. They questioned the lack of information available to the public, funding evidence and why Iwi were not represented.

RESOLUTION

It was agreed that the deliberations be adjourned.

Moved: Deputy Mayor J Howden
Seconded: Councillor T Blunt

CARRIED UNANIMOUSLY

8. CLOSED OF MEETING

The meeting was declared closed at 3.27pm.

CONFIRMED _____ Chairperson
Date

This record will be held in electronic format only

**MINUTES OF THE KAIKŌURA DISTRICT COUNCIL MEETING HELD AT ON
WEDNESDAY 28 FEBRUARY 2024 AT 9.00 AM, TOTARA, COUNCIL CHAMBERS,
96 WEST END, KAIKŌURA**

PRESENT: Mayor C Mackle (Chair), Deputy Mayor J Howden, Councillor T Blunt, Councillor V Gulleford, Councillor K Heays and Councillor J Diver

IN ATTENDANCE: W Doughty (Chief Executive Officer), P Kearney (Senior Manager Corporate Services), D Clibbery (Senior Manager Operations), S Poulsen (Finance Manager), D Brandish, B Makin (Executive Officer-Minutes)

1. KARAKIA

2. APOLOGIES

Apologies were received from Councillor L Bond and Councillor R Roche.

Moved: Deputy Mayor J Howden

Seconded: Councillor V Gulleford

CARRIED UNANIMOUSLY

3. DECLARATIONS OF INTEREST Nil

4. PUBLIC FORUM

9.05am D Goodman

The public forum speaker highlighted three issues of concern: 1) The drift track blocks had been removed and she heard people on the track last night; 2) asked if Council could look at improving the water supply as the water felt high in chlorine; 3) the track behind her property in Ocean Ridge and creek was overgrown with obnoxious weeds (Old Man's Beard, long grass, Blackberry). D Goodman presented various photos and highlighted that water was coming down from Clemett Close and couldn't flow out. She asked the Council to clean out the creek from the Willow Tree to the boulders.

9.10am S Horrell

S Horrell highlighted that the banks on Greenburn Way appeared to be collapsing, the flaxes/plants that have fallen into the stream haven't been cleared out. He commented that soil has built up the bottom on the stream over the years adding to the issue. Drains were installed at his property during construction and the Swale works should alleviate some of the flooding until more houses are built. He commented that the drains can't keep up and water floods his property requiring the fire brigade to pump it out.

5. FORMAL DEPUTATIONS Nil

The meeting then moved to item 11.10 Kaikōura Zone Committee Progress Report.

11.10 Kaikōura Water Zone Committee (KWZC) Progress Report

T Howard, Chair of the Kaikōura Water Zone Committee joined the table and spoke to the report. He highlighted the good mahi being done on weed/pest control at the Waiiau Toa Clarence. He was concerned that the ocean temperatures and the probability of extreme events are increasing and suggested that solar panels are installed at Mackles Bore. All Zone Committees are being reviewed and workshops are being arranged by Zone Coordinators. The Chief Executive asked if there was an opportunity for the District Council to lend support to the process. It was noted that the KWZC was working very well and the relationship between ECan and farmers was positive. Councillor T Blunt thanked J Hoggard, B Apperley and the KDC staff for installing the blue fish on stormwater grates. It was clarified that there is an annual budget for all Zone Committees from ECan and KDC are advocating that the funding continues in ECan's draft LTP.

T Howard would liaise with ECan to provide a report on the opening/ congestion of the Lyell Creek relating to Inanga (whitebait).

RESOLUTION

THAT the Council receives this report for information.

a) *Kaikōura Water Zone Committee Progress Report 2022/2023*

Moved: Councillor T Blunt
Seconded: Councillor V Gulleford

CARRIED UNANIMOUSLY

6. ADJOURN TO WORKS & SERVICES COMMITTEE MEETING

The meeting adjourned to the Works & Services Committee meeting at 9.36 am.

The meeting was reconvened at 10.10 am.

7. MINUTES TO BE CONFIRMED

7.1 Council meeting minutes dated 31 January 2024

RESOLUTION

THAT the Council:

- *Confirms as a true and correct record, the circulated minutes of a Council meeting held on 31 January 2024.*

Moved: Councillor T Blunt
Seconded: Councillor V Gulleford

CARRIED UNANIMOUSLY

8. REVIEW OF ACTION LIST

The Action List was reviewed and noted by the Council:

- The Mayor and Executive Officer will finalise the letter to Mark Fissenden.
- The Mayor and Chief Executive met with Stuart Smith on Friday and regular bi-monthly meetings are being arranged to discuss issues in the district.

9. MATTERS OF IMPORTANCE TO BE RAISED AS URGENT BUSINESS Nil

10. MATTERS FOR DECISION

10.1 Proposed Road Stopping at Pier Hotel

It was noted that the owner is comfortable with the valuation. The road stopping process requires two months of public notification, any objections are referred to the Environment Court. The Council could give a license to occupy to allow for development to go ahead.

RESOLUTION

THAT:

- Council approves the commencement of a formal process towards the potential stopping and sale of the 166m² area of road reserve at the eastern end of the Esplanade as described in this report, in accordance with the requirements of Schedule 10 of the Local Government Act 2002.*
- Council approves the purchase of the 17m² area of private land as described in this report, for the purpose of improving the safety of the Esplanade/Avoca Street Intersection.*

Moved: Deputy Mayor J Howden
Seconded: Councillor K Heays

CARRIED UNANIMOUSLY

10.2 Audit of the Long Term Plan (LTP) Consultation Document

P Kearney highlighted that there will not be an audit opinion associated with the consultation document, this reduces their fees by 2%. Audit NZ will provide their overall opinion on the draft LTP in its entirety in May 2024.

RESOLUTION

THAT the Council:

- a) *Receives this report.*
- b) *Approves the staff recommendation to proceed with an unaudited Long Term Plan (LTP) Consultation Document (CD).*

Moved: Deputy Mayor J Howden

Seconded: Councillor T Blunt

CARRIED UNANIMOUSLY

The meeting adjourned for break at 10.24 am and reconvened at 10.48 am.

The meeting moved to Item 11.3 CEO Monthly Report.

11. MATTERS FOR INFORMATION

11.3 CEO Monthly Report

A preferred contractor for the South Bay Forestry is expected to be in place by the end of March and programme for harvesting will be confirmed then. The carbon credit liability starts four years from de-forestation, if not replanted. The Council have included replanting in year 4 of the LTP. Councillors suggested that the community are kept informed about pre and post logging and we seek suggestions from them around replanting ideas. The Trees for Travelers initiative and tourism operators are keen to see carbon offsetting done locally.

The Discretionary Grants Application process opens on 1st March and closes on 28th March 2024, to be considered at April's Council meeting.

The Finance, Audit & Risk Committee meeting had been cancelled this quarter to reduce LTP pressures on the team. D Brandish (independent member of the Finance, Audit & Risk Committee) joined the table with P Kearney and S Poulsen to present the financials included in the CEO's Monthly Report – Attachment 3. It was noted that the October Financials were included in error. Clarification was sought on the total amount of IAF funding spent and left to drawdown (**ACTION**). It was noted that there was no signal from the coalition Government that the balance of the Better off Funding was at risk.

RESOLUTION

THAT the Council receives this report for information.

Moved: Councillor V Gulleford

Seconded: Deputy Mayor J Howden

CARRIED UNANIMOUSLY

The meeting moved to Item 11.9 Kaikōura Youth Council Update Report.

11.9 Kaikōura Youth Council Update Report

Kara and Elbie joined the table to present their report. Youth Week 2024 will include various activities such as a walk around the peninsula, handing out kind word cards in town and retirement homes, playing fat

man split, hosting a sausage sizzle and holding an outdoor movie night. It was clarified that the Youth Council have discussed holding another under 18 youth night. The Council thanked the Youth Council for their report and mahi. Mayor C Mackle welcomed Elbie as the new TUIA candidate.

RESOLUTION

THAT the Council receives this report for information.

Moved: Councillor T Blunt
Seconded: Councillor V Gulleford

CARRIED UNANIMOUSLY

The meeting moved back to Item 11.4 Risk Management Report.

11.4 Risk Management Report

It was clarified that the two RMA reform acts that were legislated to be changed have been repealed by the new coalition Government. P Kearney will look at re-categorizing the risk register for the next quarterly update. Council staff receive a monthly update on the Better Off Funding and can include this in next month's Council Agenda (**ACTION**).

A query was raised if there was an ongoing report on the total spend of the transfer station (**ACTION**).

RESOLUTION

THAT the Council:

- a) *Receives this report*
- b) *Notes the contents of the Risk Management Report (including Risk Register)*
- c) *Provides any feedback for staff consideration.*

Moved: Councillor V Gulleford
Seconded: Councillor T Blunt

CARRIED UNANIMOUSLY

11.5 Water Service Performance Measures

It was noted that the approach is manual and excel based. There is a high risk that the Council will fail audit again this year and a risk of 9 months of incorrect data being collected.

RESOLUTION

THAT the Council:

- a) *Receives this report*
- b) *Notes the preferred staff option and associated monthly reporting to Council through the Works and Services Committee.*

Moved: Councillor T Blunt
Seconded: Deputy Mayor J Howden

CARRIED UNANIMOUSLY

The meeting moved back to Item 11.1 Mayoral Verbal Update.

11.1 Mayoral Verbal Update

Mayor C Mackle commented that there has been 1 closed workshop during the month on the LTP. The Hearings had been held on the proposed extended land lease and the deliberations were postponed for a later date. Mayor C Mackle and the Chief Executive attended the Mayoral Forum.

It was noted that today was the last cruise ship of the season.

11.2 Elected Member Verbal Updates

Councillor V Gulleford

The District Licensing Committee (DLC) has declined two waivers of extensions for late applications. Legislative timeframes are regularly not followed by applicants and late applications do not allow sufficient time for the report and decision. During the month the DLC has issued 7 special licenses, 5 managers licenses and 1 managers renewal license.

Councillor K Heays

Councillor K Heays has been busy with the ECan harbour monitoring role.

Councillor J Diver

The proposed Sports Hub meeting was held on Monday 26 February and there is another meeting later in March. The Sports Hub could take a few months to be initiated.

Deputy Mayor J Howden

The Aging Well meetings are going well, and Deputy Mayor J Howden is waiting to receive a proposal for a rest home. A resource to help identify opportunities for the I-Site is being sought.

Councillor T Blunt

Ted Howard was re-nominated Chair at the KWZC and Robby Roche was re-appointed as Deputy Chair. The Stormwater Superhero trailer is in Kaikōura for Sea Week at St. Joseph's School. Wai Connection presented to the KWZC who have asked for two projects in Kaikōura to be supported by the Wai Connection; Kaikōura Flats and Lyell Creek to monitor, measure and record diversity.

11.6 Community Services Team Update Report

It was highlighted that the Christmas community event had a great turnout and feedback, the library door count for January was the highest recorded at one thousand people in a week (noting that books are proposed to be free from 1st July 2024). The Management Plan for the courts will be put in place once the Memorandum of Understanding has been signed. A national emergency management exercise is planned for June that requires all groups to work with NEMA and a regional exercise is planned for November.

RESOLUTION

THAT the Council receives this report for information.

Moved: Councillor T Blunt
Seconded: Deputy Mayor J Howden

CARRIED UNANIMOUSLY

11.7 Planning Update Report

It was noted that the Spatial Plan is now progressing well, and the team are waiting on further details from the Runanga. A decision will be made on 13th / 14th March whether a hearing is required for the Light Industrial Plan Change. Council staff clarified that the resource consent for 21 West End related to the neighbours right of way access.

RESOLUTION

THAT the Council receives this report for information.

Moved: Councillor V Gulleford
Seconded: Councillor T Blunt

CARRIED UNANIMOUSLY

The meeting adjourned at 12.30 pm and reconvened at 1.03 pm.

11.8 Building and Regulatory Update Report

J York joined the table to answer questions from elected members. Of note, Council has signed up with Doggone for dog registration and issue of wandering dogs from 1st July 2024. The Freedom Camping Ambassador assists with compliance of off-site signs and monitoring the parking/slip way fees at weekends. A complete report and ongoing report on water quality from Food and Health was requested as a follow up to the public forum speaker (**ACTION**).

RESOLUTION

THAT the Council receives this report for information.

Moved: Councillor T Blunt
Seconded: Councillor V Gulleford

CARRIED UNANIMOUSLY

11.11 Destination Kaikōura Quarterly Report

RESOLUTION

THAT the Council receives this report for information.

Moved: Councillor T Blunt
Seconded: Councillor K Heays

CARRIED UNANIMOUSLY

11.12 Wakatu Quay Quarterly Report

It was clarified that the project team are looking at expressions of interest and talking to the operators of Riverside Market, but no one is confirmed for the leases.

RESOLUTION

THAT the Council receives this report for information.

Moved: Councillor V Gulleford
Seconded: Councillor T Blunt

CARRIED UNANIMOUSLY

11.13 Discretionary Grants Progress/Completion Reports

Councillor V Gulleford wrote two of the reports and abstained.

RESOLUTION

THAT the Council receives these reports for information.

Moved: Councillor T Blunt
Seconded: Councillor K Heays

Abstain: Councillor V Gulleford

CARRIED UNANIMOUSLY

12. RESOLUTION TO MOVE INTO COUNCIL PUBLIC EXCLUDED SESSION

Moved, seconded that the public be excluded from the following parts of the proceedings of this meeting, namely

- a) Public excluded council meeting minutes dated 31 January 2024
- b) Solid waste

c) Harbour Financial Matters – verbal update

The general subject matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under Section 48(1), 6 and 7 of the Local Government Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each to be considered	Reason for excluding the public	Grounds of the Act under which this resolution is made
Public excluded council meeting minutes dated 31 January 2024	The minutes are being tabled for confirmation and include commercially sensitive information relating to harbour financial matters, the Long Term Plan 2024-2034 and Kaikōura Business Park delegations and commissioners.	Section (7)(b)(ii) would be likely unreasonable to prejudice the commercial position of the person who supplied or who is subject of the information Section (7)(2)(h) enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities Section (7)(2)(i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)
Solid waste	Negotiating a contract variation of solid waste with Innovative Waste Kaikōura.	Section (7)(2)(i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)
Harbour Financial Matters – verbal update	Verbal update on subject previously brought to Council around ongoing negotiations which is commercially sensitive	Section (7)(b)(ii) would be likely unreasonable to prejudice the commercial position of the person who supplied or who is subject of the information Section (7)(2)(h) enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities Section (7)(2)(i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)

*This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 6 or section 7 of that Act, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as follows:

We do not want to reveal the basis of our negotiated positions with Innovative Waste Kaikōura.

Moved: Councillor V Gulleford

Seconded: Councillor K Heays

CARRIED UNANIMOUSLY

The meeting moved into the Public Excluded Session at 1.27 pm.

The meeting moved out of the Public Excluded Session at 2.46 pm.

13. CLOSED OF MEETING

There being no further business, the meeting was declared closed at 2.46 pm.

CONFIRMED _____ Chairperson
Date

THIS RECORD WILL BE HELD IN ELECTRONIC FORM ONLY

**ACTIONS FROM COUNCIL MEETINGS
AS AT 21 MARCH 2024**

OPEN ACTION ITEMS

	ACTION ITEMS	ASSIGNED TO	DUE	STATUS
1	<i>Carried Forward from previous Council:</i> KORI, Kaikōura Cycling Club, Kaikōura Red Cross Branch		April 2024 July 2024	Tabled to February Council meeting. Council staff have followed up on completed projects.
2	<i>Quarterly Progress Reports from 1-Jul</i> Sports Tasman, Kaikōura Squash Club, A&P Association, Dark Sky Trust, Youth Council, Kaikōura Red Cross Branch		April 2024 July 2024	Tabled to February Council meeting
3	Arrange meeting with Local MP Office once New Government established – discuss Māori Wards, Freedom Camping funding, Audit costs	W Doughty / B Makin	Arranged for early 2024	Meeting held 23/02/2024. Bi Monthly meetings to be arranged.
4	Celebration with Governance Group when the detailed design is approved	W Doughty / B Makin	-	On hold – pending approval of detailed design.
5	Clarify total amount of IAF funding spent/left to drawdown	P Kearney	April 2024	To be included in CEO report.
6	Include monthly report on Better Off Funding	W Doughty	April 2024	
7	Ongoing report on total spend of the transfer station	P Kearney	April 2024	Summary report to be provided to FARC.
8	Report on water quality from Food & Health	J York/ B Apperley	March 2024	See update in works and services monthly report.

Report to:	Council
Date:	27 March 2024
Subject:	Adoption of the Consultation Documentation as part of the 2024-2034 Long-Term Plan
Prepared by:	P Kearney – Senior Manager Corporate Services
Input sought from:	S Poulsen – Finance Manager
Authorised by:	W Doughty – Chief Executive Officer

1. SUMMARY

The Long-Term Plan 2024-2034 (LTP) is Council’s commitment to the community and sets out what the Council plans to do over the next ten years, how much it will cost, how it will be funded and how the Council will report on progress.

The Council is required to adopt a Long-Term Plan every three years under the Local Government Act 2002. The Council is also required to prepare and adopt a Consultation Document (CD) and use the special consultative procedure to provide an effective basis for public participation in Council’s decision-making processes relating to the content of the LTP. Since September/October 2023, Council workshops and meetings have guided the development of the CD and the supporting information.

With the governments repeal of the Three Waters Reform legislation, the Office of the Auditor General proposed the ability for Councils to choose whether to:

- have its Consultation Document audited or not; and/or
- defer the adoption of its LTP for three months to 30 September 2024
- defer the LTP for one year and undertake an annual plan

In February 2024 the Council approved not having its Consultation Document audited and to not defer the adoption of the LTP. The LTP adoption date is currently planned for 26th June 2024.

The purpose of this report is to seek the Council’s adoption of the CD 2024-2034 for distribution to the community and approval of draft supporting documents as part of the supporting information to the Long-Term Plan 2024-2034 Consultation Document

2. RECOMMENDATION

It is recommended that the Council:

- a) Adopts the Consultation Document supporting the 2024-2034 Long-Term Plan for distribution to the community
- b) Approves the following documents for release to the public as part of the supporting information to the Long-Term Plan 2024-2034 Consultation Document:
 - a) Draft Infrastructure Strategy 2024-2054
 - b) Draft Financial Strategy
 - c) Draft Liability Management Policy (Incorporating the Liability Management Policy and Investment Policy)
 - d) Revenue and Financing Policy
 - i. Policy
 - ii. Step One Analysis
 - iii. Step Two Analysis
 - e) Draft Investment Policy
 - f) Draft Development Contributions Policy
 - g) Draft Rates Remissions and Postponement Policy
 - h) Draft Accounting Policy
 - i) Draft Forecasting Assumptions

- j) Draft Significance and Engagement Policy
 - k) Performance Management Framework and Key Performance Indicators
- c) Notes that the Revenue and Financing Policy has already been adopted post the Rates Review completed in late 2023
 - d) Notes that Audit will provide a final audit opinion following their final LTP review in late May/early June which will be presented to Council as part of the LTP 2024/2034 adoption
 - e) Delegates to the Council's Chief Executive the authority and responsibility for agreeing minor editorial changes to the Consultation Document and supporting information prior to the documents being released for public consultation. A summary of any significant changes will be provided to Council

3. BACKGROUND

The LTP is the Councils' commitment to the community and sets out what the Council plans to do over the next ten years, how much it will cost, how it will be funded and how Council will report on progress. The CD is the method for presenting what is proposed for consideration in the LTP to the community in order to serve as a platform for information and to receive feedback on what Council has proposed in the 2024-2034 LTP. Over the last six months, Council workshops and meetings have guided the development of the CD and the supporting information.

The following sections of the report provide a high-level overview of the key points of the CD and key supporting strategies and documents.

4. CONSULTATION DOCUMENT OVERVIEW

The attached CD conveys the key elements of the Council's proposed LTP and is the principal means by which the Council will consult with the community. The CD provides an overview of where we are now and what we are looking at over the next ten years. It identifies community outcomes that form the basis for all decision making and outlines the options for the key issues identified for the next ten years. Feedback from the community will be sought specifically on the proposed options for four key issues as well as the wider plan.

The four main issues include:

- a) **Footpaths** – We are proposing to undertake an acceleration of the footpaths work over the next six years to increase the rate of completion for the footpaths programme. This will see an increase in investment in renewals from \$100,000 per year to \$250,000 per year with a portion of this debt funded over the 6 year period as it is Councils view that this acceleration should not be unfairly pushed onto ratepayers. At the end of the 6 year period, investment in renewals will decrease to \$125,000. This higher rate of renewal does see maintenance costs reduce from \$70,000 to \$60,000. This proposal sees the rate of completion being double that of the alternative.

The alternative proposal would be to maintain investment at \$100,000 per year with no debt funding (as this will be an ongoing cost rather than a defined period) and would see half the amount of backlog works be completed after 10 years.

- b) **Rural/Semi Rural Rates Differential** – This consultation topic came out of the significant feedback received through the Rates Review Consultation. As a result, we are proposing to decrease the rural/semi rates differential from 0.9 to 0.8 which will see the allocation of rates recovered from urban rate payers increase vs a proportional decrease for rural/semi-rural ratepayers with the aim to create a more equitable distribution for the rates take.
- c) **Rural Recycling** – Following community feedback through the Rates Review it is believed that the provision of this service and the funding of it might not be appropriate to the needs of the community as the catchments for the current locations (Lynton Downs, Clarence and Kekerengu) are small, attract low volumes of material and in most cases the affected residents need to use the urban recycling centre anyway. We are

proposing to either fund these services by the general rate, cease this rural service all together or continue to fund by rural ratepayers as is the case now.

- d) **Financial Support to the Whale Trail** – The Whale Trail is an important project for both the Marlborough and Kaikōura districts and is expected to bring significant economic benefits to both areas. The overall project is estimated to cost around \$32m of which approximately 90% has been secured already largely through government grants. To demonstrate partnerships, funding contributions are being asked from both Marlborough District (MDC) and Kaikōura District (KDC) Councils. MDC are contributing \$2m for capital works and \$80k p.a for maintenance work. KDC is proposing to contribute \$200,000k over 4 years (\$50k p.a) and a maintenance contribution starting at \$15k in year 2.

In addition to the main issues the CD also includes an overview of what we have achieved in the last 3 years, what we are planning to do over the next ten years, our strategic priorities issues and opportunities and how we plan to respond to these.

Currently the average projected rates increase over the 10 years is 4.9%, with maximum debt levels projected at \$9.3million.

5. INFRASTRUCTURE STRATEGY OVERVIEW

The Infrastructure Strategy 2024-2054 is the cornerstone of Council's LTP and helps inform the basis for decision making with regard to management of the Council's infrastructure assets. While AuditNZ will be reviewing this document as part of their audit we have also had the Infrastructure Strategy and related Asset Management Plans peer reviewed by independent technical experts.

The key highlights from the infrastructure Strategy that have influenced the draft LTP / CD include the following:

- a) The 2024 Infrastructure Strategy can be best described as an 'enhanced business as usual' approach, which continues to focus on effective delivery of core functions, without taking any major new directions. We need to stay on top of our asset management and avoid kicking the can down the road causing problems later.
- b) In refreshing the strategy, we have also considered the effects of climate change, population trends and potential District growth.
- c) Our refreshed Infrastructure Strategy also outlines the major issues and priorities for our three waters infrastructure. With the shift in policy direction with the new government, we have assumed that Council will continue to own and manage the three waters infrastructure through the ten-year life of the draft LTP.
- d) Earthquake rebuild projects have enabled us to replace or renew damaged assets, most of which were near the end of their expected life or otherwise compromised. Almost all the renewals required on Council owned assets over the next 20-30 years have, effectively, already been done.
- e) Prior to the earthquake the Council increased capacity of water and wastewater services to support an increased population of up to 10,000. Because of this we expect there to be few growth-related capital projects required for at least the next ten years.
- f) Investment into the roading network is paying off with improvements being seen across the overall quality of our roads. However, there is a substantial backlog of road re-sealing and pavement renewals due to historic under investment. We have addressed the backlog of footpaths as part of the CD where we are proposing an acceleration of the pavement renewal programme.

Because of the work that has occurred since the 2016 earthquake and the work scheduled for the next ten years, if the Council manages the infrastructure appropriately there is not expected to be a major spike in expenditure for council assets over the course of the next 30 years which places us in a favourable position compared to many other Councils.

6. FINANCIAL STRATEGY OVERVIEW

The Financial Strategy is the second cornerstone of the Council's LTP and is a requirement of the LGA.

The purpose of the Financial Strategy is to:

- a) Facilitate prudent financial management by providing a guide for Council to consider proposals for funding and expenditure against; and
- b) Provide a context for consultation on Council's proposals for funding and expenditure by making transparent the overall effects of those proposals on Council's services, rates, debt and investments.

The Council is very conscious that the current climate is challenging and the sequence of shocks to the economy and community have not been small. The lockdowns of COVID-19 pandemic were preceded by the 2016 Kaikōura earthquake and, as we emerge into a post pandemic landscape, New Zealanders have been battling with a cost-of-living crisis which is set to continue for at least another 12-24 months. Cost inflation driven by supply chain shortages (both globally and nationally), rising geo-political tensions or war across eastern Europe, the Middle East and Asia Pacific combined with higher interest rates have been major contributors to the cost-of-living crisis and Council services have not been immune to this impact.

Cost inflation is the largest single significant cost contributor to the proposed rate rise given the impact to a number of core Council activities or compliance requirements. The material impacts are driven by higher insurance premiums, increased audit fees and higher contractor costs for the delivery of roading and waters services. In addition, certain special reserves that in the past were used to offset rates increases are now depleted. The Council has therefore continued with a no frills LTP ensuring no decrease in service levels and will continue to explore cost saving initiatives.

The rates increase in year 1 is higher than Council would prefer, however, this realistically reflects cost increases seen across the country simply to continue doing what we are doing. Out of a sample of 48 New Zealand councils, 67% have reported rates rises of 14% or higher and this is due to the inflationary effects referred to earlier and is further not helped by unfunded government mandates (see Figure 1). Nationally it is recognised that the funding system for local government is fundamentally broken (see figure 2). Simply relying on rates and debt will not be enough for a sustainable long term funding model. However, right now, we need to continue to work within the framework we have and continue to lobby central government for change.

Our debt is at a very manageable level and well within our limits while the rate increase has been kept as low as possible without interfering with service levels. We have been fortunate compared to other Councils that we have not had to sell assets or take on more debt to artificially hold rates low. Initiatives seeking greater collaboration around provision of services, such as our IT shared service with Hurunui remains a strong focus while an upgrade to the now largely obsolete software system should, in time, see reduction in non-value add tasks and improved service efficiencies. As per the previous LTP, corporate sustainability remains a challenge with the level of staffing and expenditure such that Council services and compliance will continue to be delivered on a "no-frills" basis. This means, in effect, that capacity in service delivery is at a minimum and therefore, in some cases, if staff leave, in order to continue that service Council would need to employ contractors for a period of time which would come at a premium.

Subject to any changes through the consultation period, the following are key investments in the strategy over the 10 year period:

- a) \$40.3m for transport (roading, footpaths and bridge replacements as well as \$14m for the majority grant funded Infrastructure Acceleration Fund (IAF) to enable additional residential development for the township)
- b) \$10.2m for our for three waters network including pipe replacements, structure renewals and pump station upgrades/replacements
- c) \$8.8m into enhancing our community facilities including the Wakatu Quay development
- d) \$3m to renew and update our District Plan
- e) \$0.7m to replace the out-of-date council IT operating system

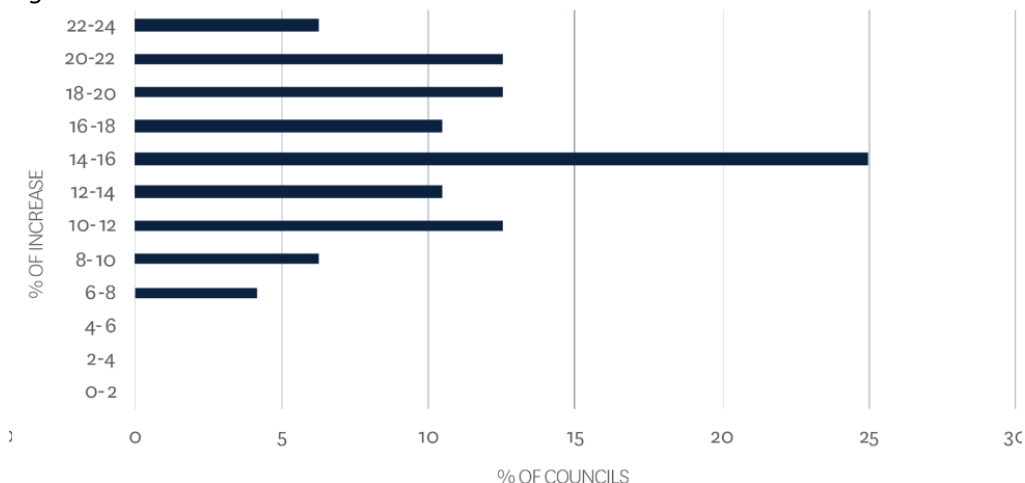
Due to the timing of when NZTA provide their Funding Assistance Rates (FAR) for roading works vs when we needed to develop our budgets for the LTP legislative requirements, we have had to make an assumption on the level of funding we will receive from NZTA. Based on previous experience we have assumed that approximately 80% of the proposed relevant works will be funded at 51%. Should the actual funding be less than this then we would need to either reduce the proposed scope of works or look to self-fund the difference subject to council approval. Any proposed approach will depend on the level of funding gap magnitude.

The Financial Strategy has the following financial boundaries:

- a) External borrowings are capped at \$15 million (self-imposed limit).
- b) Annual loan interest expense will be no more than 10% of total revenue.
- c) Rates increases are capped at no more than 15% in year one, 10% in year two, and 5% thereafter (excluding growth).
- d) Rates income does not exceed \$12.5m per annum in years 1-3, \$14.5m in years 4-6, \$15m in years 7-9 and \$15.5m in year 10

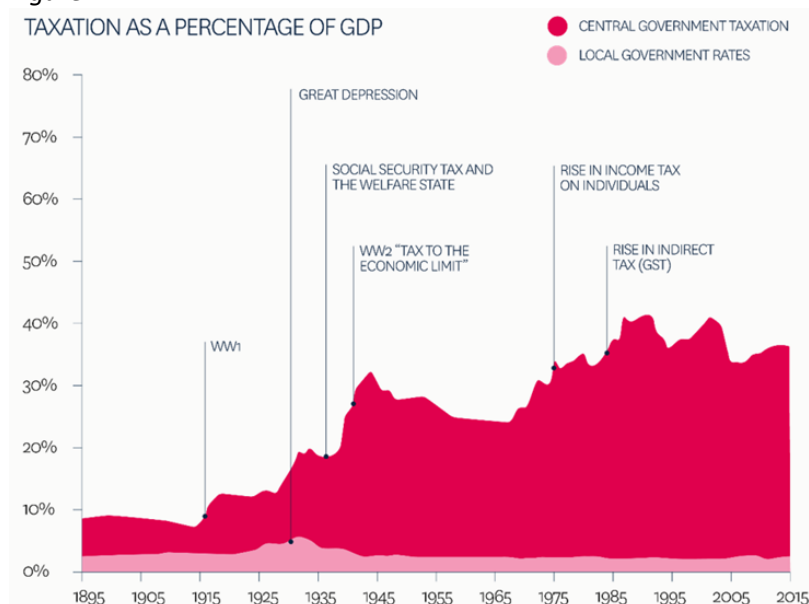
Notwithstanding the above, the Council considers that the Kaikōura District Council is financially sustainable for the foreseeable future, and that debt levels, the condition of core assets, and knowledge about those assets has the district in a solid position.

Figure 1:



// 2025 RATES INCREASES IN DRAFT LTPS: Sample from 48 councils

Figure 2:



7. FINANCIAL SUMMARY

Currently Council’s draft Financial Strategy forecasts a total rate increase of 14.5% in 2024/25 with an average projected rates increase over the 10 years of 4.9%. Maximum debt levels are projected to peak at \$9.3m in 2027 and then gradually decrease as loans are repaid.

While these are the forecast increases, Council’s strategy proposes a limit on the total rates increase of 15% in 2024/2025, 10% in years 2-4 and then averaging approx. 5% for the remainder recognising that unforeseen events may impact Council’s finances. This is the largest rates increase ever faced by the district and due to the results of the rates review conducted during the 2023/24 year the rates for individual properties may be higher or lower than the 15% (excluding water charges the rates increase is 13.75%).

8. NEXT STEPS

- a) Distribution of the final Consultation Document to the community no later than 29th March
- b) Public Consultation from late March 2024 for a minimum period of four weeks when submissions will be accepted from the community
- c) Hearings will be held for submitters who wish to speak to the Council towards the middle of May 2024.

- d) Following consultation and hearings, Council will formally deliberate on changes to the proposed Long-Term Plan 2024-2034 ahead of adoption of the plan at a Council meeting on the 26th June 2024 which will include an audit opinion from AuditNZ.
- e) The LTP 2024/2034 to be live from 1 July 2024

9. COMMUNITY OUTCOMES SUPPORTED



Community
We communicate, engage and inform our community



Development
We promote and support the development of our economy



Services
Our services and infrastructure are cost effective, efficient and fit-for-purpose



Environment
We value and protect our environment



Future
We work with our community and our partners to create a better place for future generations



LONG TERM PLAN

2024 - 2034

CONSULTATION DOCUMENT

Submissions Close 30th April 2024.
Make a submission online at
<https://www.kaikoura.govt.nz/have-your-say>
Or drop into Council offices for a paper form.

96 West End Kaikōura 7300



KAIKŌURA
DISTRICT COUNCIL



Ten Years in Ten Points

1

Our LTP 2024-34 is our chance to look up and look forward in terms of Council planning. It is refreshed every three years. It provides the roadmap that shapes our priorities and how they are funded.

2

Our plan for the next ten years and beyond hasn't changed much since 2021 with a number of major projects and programmes continuing on course. We continue to strive towards "Moving Kaikōura Forward" as we come out the other side of the significant challenges from the last few years and look to the future.

3

Our plan is shaped by several strategic priorities, issues and opportunities that impact us locally, regional, nationally and globally. We need to understand these strategic priorities and build in consideration of them into all that we do.

4

We are in a similar situation to all Council's around the country in terms of financial costs and pressures, operating in an environment where the funding system for local government is fundamentally broken. Nationally it is recognised that simply relying on rates and debt will not be enough for a sustainable long term funding model. However, right now, we need to continue to work within the framework we have and lobby for change.

5

Our work programmes and supporting budgets have been developed from base principles on a "no frills" basis to ensure we continue to focus on our core infrastructure assets as well as prioritise investment in catching up with our roading and footpath programmes. We need to finish what we started.

6

We have four main issues for consultation in this draft LTP, although feedback is sought on everything that we are proposing to do. These four items include investment in footpaths, financial support for the Whale Trail, our general rates differential and our rural recycling services. We have also summarised some of the other good stuff planned for the next ten years.



7

Our long-term Infrastructure strategy shows that we are in a very good space with our core infrastructure assets compared with many other Council's around the country. We are effectively delivering an "enhanced business as usual" programme to ensure we are staying on top of the maintenance of our assets going forward to avoid kicking the can down the road.

8

Our Financial Strategy shows that, for the second smallest Council in New Zealand, we are in a relatively strong and stable financial position as we look to the future. Our recent comprehensive rate review process had a focus on ensuring costs are funded from the right areas, with an increased focus on user payers where possible. Our debt levels are under control and, at a maximum peak of \$9.3m in 2026/2027 continue to be well below both our self-imposed or our legislated debt cap. This is a good news story after the financial challenges of the earthquake in 2016

9

Although we have continued with our no-frills approach to the budgets, we have been realistic with our proposed rate rise given the overall cost increases with the current economic climate. The overall proposed rates increase for 2024/25 is 14.5% which is below the average across the country. Our average rate across the District is \$3,378.98. Expected overall rates increase across the ten years of the LTP average 4.9% .

10

We want your feedback and input into our draft LTP before it is adopted at the end of June 2024. There are a number of ways to make a submission and have your say. Follow this link for more information

[www.https://www.kaikoura.govt.nz/have-your-say](https://www.kaikoura.govt.nz/have-your-say)



KAIKŌURA
DISTRICT COUNCIL

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Key Dates

Come along and talk to us, find out more!

- 1** Council Chambers drop-in session
10th April @ 6pm
- 2** Kekerengu Community Hall Drop-in session
11th April @ 7pm
- 3** Takahanga Marae session
14th April @ 11am
- 4** Inland Road Community drop-in session
17th April @ 6pm
The Collie Club - Mount Ferneaux Farm 1299.1- Inland Road Highway 70

Welcome to our Long term plan 2024 – 2034

The Long Term Plan (LTP) is our opportunity to take stock of where we are and look forward in terms of planning what the priorities for Council are over the next decade and how these will be funded.

The LTP is a legislative requirement to provide the community with Councils programme of work and strategic priorities for the next 10 years. It is a process that is performed every 3 years. The last LTP was completed in 2021. There are a number of supporting documents for the LTP, with a key document being the Infrastructure Strategy (which focuses on our roads, bridges, water supply, stormwater and wastewater).

The Infrastructure Strategy, which feeds into the Financial Strategy, takes a long-term view of our assets (between 30-50 years) so that we make informed decisions that consider the intergenerational requirements of our community.

We need to strike the balance between the needs and aspirations of our community, and the ability to pay for proposed services and infrastructure work. Nationally, we are in a period of financial challenge with both high inflation and interest costs. Local authorities across the country are not immune to these challenges with the cost of essential services increasing significantly since the last LTP. The increasing cost of unfunded mandates from central government through stricter regulation and tighter compliance requirements is also contributing to the challenges we are facing.



KAIKŌURA
DISTRICT COUNCIL



As a community we have achieved a lot since our last LTP in 2021, but there is always more to do. There may be a number of challenges along the way, but it is important to have a roadmap or direction for the journey ahead.

This draft LTP consultation document outlines where we have come from, what we are planning on delivering, how we plan to do it and the sources of funding e.g. rates, grants, user charges & debt.

We are asking for your thoughts on four key issues we have identified. While the plan doesn't include every project in detail, we have endeavored to provide an overview of projects, infrastructure or services that have significant cost or have high community interest. We welcome feedback on anything included in the draft LTP.

If all of the preferred options and proposals outlined in this document go ahead, it would mean an annual average rates increase over ten years of 4.91%. You can find out more information on all of the content of the LTP at [www.https://www.kaikoura.govt.nz/have-your-say](https://www.kaikoura.govt.nz/have-your-say)

Whether you agree, disagree, or have different suggestions we want to hear from you. Make your submission and tell us what you think. Your feedback will help the Mayor and Councillors make their final decisions.



Key Consultation Items

1

Increased Footpath Improvements

We want to continue to build the momentum on our footpath renewal programme and invest more over the next few years. Refer to Page 32 for more detail.

2

Council Support For The Whale Trail

We have been working alongside the Whale Trail trust with this exciting project for some time. We now want to consider whether we make financial contributions towards their work in our District and how much that might be. Refer to Page 36 for more detail.

3

Reduce The Differential On The General Rate For Rural And Semi-Rural Properties

Following the comprehensive rates review process completed in December 2023, Council plans to reduce the differential on the general rate for rural and semi-rural properties. Refer to Page 42 for more detail.

4

Rural Recycling Services

Three options are presented in regard to whether we continue with the services or not and how they are funded. Refer to Page 48 for more detail.

How Does It Work From here?

MARCH**CONSULTATION
ON KEY ISSUES
OPENS ON**28th March
2024**APRIL****CONSULTATION
CLOSES ON**30th April
2024**MAY****COUNCIL
HEARINGS TAKE
PLACE**15th May
2024**JUNE****COUNCIL
CONFIRMS LONG
TERM PLAN ON**26th June
2024**JULY****LONG TERM PLAN
IS IN PLACE FROM**1st July
2024



Mayor Craig Mackle

Message From The Mayor

Our last LTP in 2021 was our first real opportunity to come up for air after the events of the earthquake in November 2016 and to take a good look ahead for the District. Our LTP planning was supported by a strong evidence base from our Infrastructure Strategy and other documents.

We were able to target investment in our roading and footpaths to address historic under investment and long standing areas of concern for our community.

Our plan for the next 10 years and beyond hasn't changed much since we last spoke to you with a number of the major projects and programmes continuing on course. What has changed is that, due to factors largely outside our control, the cost of delivering it has increased significantly. This is a national problem for local authorities across the country.

Not only are we all having to manage the economic implications from the global pandemic, but Councils across the country are also operating in an environment where the funding system for local government is fundamentally broken.

The recent review into the future for local government recommended that a substantial overhaul of the local government funding and finance system is required. Relying on rates and debt will not be enough for a sustainable local government funding model.

With the new coalition Government any improved funding system will take some time to agree and implement and so we need to continue to operate within our current framework. We need to continue to try to balance rates affordability with achieving the outcomes needed and desired by you, our community.

Following the investment in our infrastructure after the earthquake we find ourselves in a more fortunate position than a number of other Councils. However, if we don't continue to appropriately invest in the maintenance of our assets, we are just 'kicking the can down the road' and pushing problems down the line for others to deal with which will have far greater cost implications.

As the second smallest local authority in New Zealand with limited capacity and resources we need to continue to punch above our weight. We need to be ready to explore new revenue generating & commercial opportunities, such as Wakatu Quay and the proposed hot pools development, as well as continuing to deliver core services for our Community. We also need to invest in systems and processes to help us be more efficient and effective.

Our vision as a Council remains 'Moving Kaikōura Forward'. In order to do that partnerships and collaboration are key.

Our partnership with Te Runanga o Kaikōura (TRoK) remains as important as ever, if not more so with the current political climate. We need to continue to try to identify and work on shared priorities for our community going forward. We also have a lot of mahi (work) ahead of us to build new relationships with central government, but we are well placed to do that and have a history of showing strength and resilience as a community with a reputation for getting on with it.



We have achieved a lot over the last three years and have dealt with some major hurdles along the way, but we have more to do.

We know that it is a tough time financially for many people given the current economic climate and so have been very conscious not to drastically change our course or introduce a heap of new initiatives or projects.

We are focusing on finishing what we have started and getting the job done. We do want your feedback on the options for several issues we have identified. Before they are included in our work programme we are asking you to consider our preferred options for the issues, why we have focused on them and how we will fund them.

Although we have continued with our no-frills budgets as well as focusing on the user pays component of our financial strategy, we have also been realistic with our anticipated rate rise given the overall cost increases with the current economic climate. The overall proposed rates increase for 2024/25 is 14.5%. This is similar to the average across the country. Expected overall rates increases across ten years of the LTP average 4.9%.

**Make a
submission
and HAVE
YOUR SAY!**

**Please
provide your
feedback by
30th April
2024**



**Your
feedback
will help
us make
our final
decisions**



Te Rūnunga o Kaikōura



"Mō tātou, ā, mō kā uri a muri ake nei"
"For us and our children"

I would like to start by acknowledging the strength of partnership between Mana Whenua and the Kaikōura District Council community, this is a first time that Ngāti Kuri features in a district councils long term plan, this is credit to our whānau, hapu and community leadership. I acknowledge the drive for equality from our Mayor and fellow Councillors.

Tenei te mihi kia koutou.

Te Rūnanga o Kaikōura is the Papatipu Iwi authority for this area, our geographical boundary post settlement stems from Pari Nui O Whiti (just out of Blenheim) to the north, the Hurunui river to the south and inland past Hanmer Springs. Within our boundary we encompass Marlborough District Council, Kaikōura District Council and the Hurunui District Council. With all three councils we endeavour to foster strong partnerships for the betterment of each community and its members.

Our Papatipu Marae is Takahanga which is situated overlooking the township of Kaikōura. It is our obligation to manaaki and awhi our community and all those who are in transit and or making Kaikōura their residence. In 2016 Ngāti Kuri were able to action our manaaki for the Kaikōura community by becoming the refuge for our local community and visitors in the district when the earthquake struck. We were humbled and honoured to have taken on that role and support of our community through this trying time.

Over the years Kaikōura has had an increase in cultural diversity which has been great for our small town. I would like to acknowledge your uniqueness and culture that you bring to our small town and invite the celebration of our multicultural traditions.



Te Rūnanga o Kaikōura

"here are 5 pou which Te Rūnanga o Kaikōura operate from: Cultural, Environmental, Health and wellbeing, Economic and Rangatahi/kaumatua/pakeke. These 5 pou are the potency of our existence and they make up the fundamentals of our operation.

Within these pou we work on the values of:

- Rangatiratanga – Leadership and chieftainship over our whenua, moana, culture, whānau, hapū, iwi and all those residing in our takiwā through preservation, protection and partnership
- Kotahitanga – Working as one, uniting and partnering for the betterment of our community
- Manaakitanga – Showing kindness, care and support to all those who come under our korowai (mantle)
- Kaitiakitanga – Showing true stewardship and guardianship over our Moana, Whenua and Whanau (community)
- Tika/Pono/Aroha - Being righteous in what we do, being truthful and honourable in our actions and doing everything with compassion and empathy.

Historical records confirm 800 years of local Maori activity in Kaikōura, however local legends talk of the earliest arrivals in the 11th Century. This long-term plan is a means and guide for Mana Whenua to carry out our roles and values over our ancestral land, ocean, rivers and taonga.

The natural environment and its resources are Ngā Taonga tuku iho (treasures of the people) handed down by our ancestors. Through practicing Kaitiakitanga, a tradition handed down through generations, we enable sustainability of our natural resources for generations to come. It is our responsibility as a community to work together and show stewardship for the survival of our marine environment and our flora and fauna.

Te Rūnunga o Kaikōura



Both the Kaikōura earthquake and more recently COVID-19 have taught us valuable lessons about personal wellbeing and connectedness. Mental, Physical, Spiritual and Psychological health and wellbeing are areas of importance.

Throughout this plan there are developments that could assist the wellness of the community, but I believe there are also specialised engagements, services and workshops available that are not highlighted.

A community sharing and input process that took place last year highlighted the need for more community events and coming together to help support and unite the Kaikōura community. Our newly refurbished Mayfair theatre could be a starting point for this to occurring. Another area to look at is supporting and strengthening our services that are already established.

Another highlighted area has been the need for affordable housing. We want to work with Kaikōura District Council to explore the possibilities around Papakainga housing. Whilst looking into Papakainga housing it is suggested that the Council research and mirror the housing scheme that the Waiau community has established with the assistance and support of the Hurunui District Council. With both these options our community will be able to mitigate the issue of housing in the district.



Te Rūnanga o Kaikōura



Ko Tapuae-o-uenuku te maunga
 Ko Waiau-Toa te awa
 Ko Te Tai O Marokura te moana
 Ko Ngāi Tahu te Iwi
 Anei Matou te Mana o te Whenua ko Ngati Kuri e pai nei e

Kia ora

As mentioned above in our pepeha (Salutation) we as Ngāti Kuri have an intrinsic connection to our mountains, river, moana and whenua. The Waiau-Toa is our Mana awa it has a life essence and it sustains us on all levels. It is an undisturbed river that has own whakapapa (history).

This river provides employment, enjoyment, sustenance and vitality for members of our rural sector. This river feeds into many tributaries including its sister river the Waiau-Uwha. We as Ngāti Kuri have an obligation to protect the natural essence of this river and are working with the Council and Waka Kotahi (NZTA) to ensure a safe road in and out of this reserve with little to no effect on the river. This plan is not intended as a substitute for consultation with Te Rūnanga o Kaikōura. Rather it is a guide and pathway of future sustainability for the Kaikōura community. The quintessence of partnership starts at the top and like a ripple effect emanates through the community. It is through this partnership that we as a community will thrive and be productive, dynamic and flourish.

No reira tēnei te mihi kia koutou katoa nga whānui o Kaikōura Kia Ora

Hariata Kahu
 Chair of Te Rūnanga o Kaikōura.

Have we done what we said we were going to do?

What Have We Achieved Over the past 3 years?

In our last LTP we sought feedback on five key issues as well as outlining a number of other projects we were planning. Below is a summary of what we have achieved over the last three years.

Roading and Footpaths

As a result of feedback we committed to undertaking a programme of works totalling close to \$5million for a large amount of resealing and pavement work over a

period of six years to help eliminate the accumulated backlog of under investment.

- We have resealed over 39 km of roads and 20.9 km of unsealed roads have had an overlay.
- The benefits of this investment can be seen with the improvement of a number of our key roading performance metrics in our Infrastructure Strategy.
- Over the last three years we have been able to achieve 1.6 km length of footpath renewals (excluding the new link pathway). An acceleration of this programme is proposed.
- 1.6km addresses 20% of our worst footpaths.
- Further investment is proposed in this draft LTP.





District Plan Review

Work completed over the last three years of the ten year roadmap includes:

- Completing the new Natural Hazards chapter of the plan.
- Rehousing the current District Plan into a format that meets the National Planning standards.
- Commencing the wider spatial plan for Kaikōura that aims to set the blueprint for the next thirty years.
- Working with a number of external parties with regard to various private plan changes.

Waste Management

- Over the last three years Council has implemented a number of initiatives under our waste management and minimization plan. This includes a fortnightly kerbside rubbish collection service in our Urban area using Innovative Waste Services (our Council Controlled Organisation (CCO)).
- We have also completed the establishment of a new Waste Transfer Station.
- Undertaking preliminary works to close off the existing full landfill.
- Further closure works are required over the next two years.

Tourism & Business support

We have continued to provide financial support and work alongside Destination Kaikōura, our Regional Tourism Operator (RTO). A key piece of work completed by Destination Kaikōura has been the Kaikōura Destination Management Plan (DMP). The plan's primary goal is to provide a blueprint that will help the region achieve regenerative growth in visitor expenditure, and new jobs in the tourism and hospitality sector and owner enterprises. It is a vital document as we navigate out of the Covid pandemic and economic climate and has been held up as an exemplar by central government Minister's.



LED LIGHT UPGRADE

WORK WAS COMPLETED ON THE LED LIGHT UPGRADE ACROSS OUR LOCAL ROAD NETWORK AND THE INSTALLATION OF A CENTRAL MANAGEMENT SYSTEM

30%

THIS UPGRADE RESULTED IN A 30% REDUCTION IN ELECTRICITY

THE LED UPGRADE ALSO HELPS WITH THE DARK SKY TRUST GOALS OF RESPONSIBLE LIGHTING

AFTER CONSULTATION

\$800,000

WAS CONTRIBUTED TO THE WAKATU QUAY REDEVELOPMENT PROJECT, THIS MEANS THE FULL \$9.8M GRANT FUNDING WILL BE RELEASED

DETAILED DESIGN FOR A STAGED DEVELOPMENT IS NOW UNDERWAY

WAKATU QUAY REDEVELOPMENT

SCOUT HALL REFURBISHMENT

2022

THE SCOUT HALL REFURBISHMENT WAS COMPLETED IN 2022

GLEN ALTON BRIDGE REPLACEMENT

OUR LAST MAJOR EARTHQUAKE RECOVERY PROJECT IS THE REPLACEMENT OF THE GLEN ALTON BRIDGE. THIS IS A COMPLEX CHALLENGE & PROGRESS HAS BEEN MADE OVER THE LAST 3 YEARS BUT NOT AS MUCH AS PLANNED

LINK PATHWAY PROJECT

60%
OF WORK COMPLETED ON LINK PATHWAY

MEMORIAL GARDENS

POINT KEAN

COMPLETION IS ANTICIPATED BY THE END OF 2024

PROPOSED HOT POOLS DEVELOPMENT

WE HAVE BEEN WORKING WITH EXTERNAL PARTIES ON THE PROPOSED HOTPOOLS AND SPA DEVELOPMENT AT THE OLD POOL SITE.

SOUTH BAY HARBOUR REDEVELOPMENT

THE PGF FUNDED BUSINESS CASE FOR THE SOUTH BAY HARBOUR REDEVELOPMENT HAS BEEN PRESENTED TO THE GOVERNMENT. THE NEXT STEP IS A FEASIBILITY STUDY AND TO TAKE UP THE OPPORTUNITY TO SPEAK WITH OUR NEW GOVERNMENT ON THIS PROJECT

DARK SKY TRUST

WE ARE SUPPORTING THE DARK SKY TRUST IN THEIR EFFORTS AS WELL AS WITH AN APPLICATION TO GET KAIKOURA ACKNOWLEDGED AS AN INTERNATIONAL DARK SKY PLACE

INFRASTRUCTURE ACCELERATION PROJECT

COUNCIL IS ALSO WORKING ON A \$7.8M KAINGA ORA FUNDED INFRASTRUCTURE ACCELERATION PROJECT. THIS WILL ENABLE FUTURE HOUSING AND GROWTH IN OUR DISTRICT

FURTHER PROJECTS & OPPORTUNITIES



2021

IN 2021 WE
SIGNALLED TO
UNDERTAKE A
RATING MODEL
REVIEW IN
TIME FOR JULY
2024

2023

AN UPDATED
FINANCING &
REVENUE
POLICY WAS
ADOPTED IN
DECEMBER 2023

\$100,000

IN 2022 A DISCRETIONARY COMMUNITY
GRANT WAS ESTABLISHED WITH A FUND
OF \$100,000 TO SUPPORT THE ARTS AND
CULTURE

THIS INITIATIVE FOSTERS ENGAGEMENT &
PARTICIPATION & DEVELOPS COMMUNITY
RESILIENCE & WELLBEING

GRANTS

**RATING
MODEL
REVIEW**

THIS MEANS THAT WE WOULD
REVIEW HOW RATES WERE
ALLOCATED ACROSS OUR
DISTRICT

KAIKOURA DISTRICT
**SUPPORTING
THE
COMMUNITY**
COUNCIL

73 PROJECTS HAVE BEEN
SUPPORTED SO FAR
\$159,081.95

WE UPHOLD OUR REGULATORY
RESPONSIBILITIES WITH
EDUCATION AND
ENFORCEMENT



THE KAIKOURA
AQUATIC CENTRE
WAS OPENED IN 2021

**KAIKOURA
AQUATIC
CENTRE**

CONTRIBUTED BY COUNCIL
ANNUALLY FOR
OPERATIONAL COSTS

\$70,000

REGULATORY HELPS ENSURE PEOPLE ARE
DOING WHAT THEY NEED TO AND OUR
COMMUNITY CAN FEEL SAFE WITH THE
SERVICES THEY PROVIDE

CLOSE
TO **\$1M**

CONTRIBUTED BY COUNCIL
FOR THE CAPITAL BUILD

WHY?

DRIVEN BY LOCAL GOVERNMENT WE HAVE
HAD TO ADDRESS SEVERAL MAJOR
ISSUES OF NON-COMPLIANCE ACROSS
BUILDING, ANIMAL, FOOD AND HEALTH
AND RESOURCE CONSENT

2021



WHAT ELSE HAVE WE DONE?

In addition, Council continues to deliver the day-to-day business of operations, statutory functions, community services and governance. The next graphic provides a snapshot of some of the core business mahi undertaken over the last three years:



1 MAYOR
7 COUNCILLORS
1 LOCAL ELECTION

16 PENSIONER FLATS
14 EMERGENCY MANAGEMENT WORKSHOPS
11 COMMUNITY EVENTS

46 COUNCIL MEETINGS
39 COUNCIL WORKSHOPS
17 FINANCE, AUDIT & RISK MEETINGS
27 WORKS & SERVICES MEETINGS

23 DISCRETIONARY GRANTS GIVEN \$200,000
73 COMMUNITY GRANTS FUNDED \$159,081.95

2579 CUSTOMER SERVICE REQUESTS

COMMUNITY & CUSTOMER SERVICES

LEADERSHIP & GOVERNANCE

115 COUNCIL DECISIONS



LIBRARY VISITS **35,683**
 NEW LIBRARY MEMBERS **611**

122 ILLEGAL PARKING INFRINGEMENTS

1050 M OF NEW LINK PATHWAY & BOARD WALKS

BUILDING, PLANNING & REGULATORY

30 PIM'S

OPERATIONS

99% KNOWN DOGS REGISTERED

248 DOG COMPLAINTS ATTENDED

OVER **1.6 KMS** OF FOOTPATHS RESURFACED

2500 M OF PAVEMENT REPAIRS

198 RESOURCE CONSENTS

447 LIM'S

356 BUILDING CONSENTS

20.9KMS UNSEALED ROAD REPAIRS

9391 POTHOLES REPAIRED

39 KMS OF ROADS RESEALED

"New footpaths are looking great"



"Keep up work with the footpaths please"

"Keep up the good work"

More To Do! What You Have Told Us:

Our historic under investment in our roading and footpath infrastructure has been consistently reflected in the feedback that we have received through our annual customer satisfaction surveys. Satisfaction levels with our roading hit an all-time low in 2017 after the earthquake and has shown a slightly improving trend since then, but is still one of the lowest overall scoring areas.

Similarly, customer satisfaction in respect of footpaths showed a decline from 2013–2016 and remained low since then. This feedback helped support the case for prioritising a significant increase in the levels of investment in these two specific areas in our LTP 2021–2031.

In terms of physical works on the ground a lot has been done over the last three years and our draft residents satisfaction survey results for 2023/24 indicate an overall upward increase in satisfaction with both roading and footpaths. It is very pleasing to see that there has been a 10% increase in satisfaction to 51% with footpaths and a 7% increase with overall roading to 56%. Despite the overall upward trend, there remains more work to be done and this is reflected in the feedback. We need to maintain the momentum and continue to get the job done.



"The library is awesome"

"Council need to make it easier to do business"



Other points to note from our 2023/24 survey include a high level of satisfaction with public facilities with our library receiving exceptional feedback. Our intention to remove lending fees for books in the draft LTP is hopefully a further positive for the community. There was also a number of comments and feedback around maintaining and improving walking, cycling and outdoor play opportunities within the District. We are seeking community feedback in the draft LTP with regard to financial support for the Whale Trail project within the district.

One of our lowest scoring areas from 2023/24 was with regard to responses to customer requests. Our frontline staff received fantastic feedback, but collectively we need to focus on improving on our overall customer experience from the start right to the end of any interaction. We have included in the draft LTP a number of projects and initiatives to help us 'make the boat go faster' and improve our efficiency and effectiveness. A key project in this space is our essential internal system upgrade.

Although we performed well overall in the eyes of the community from the feedback from the 2023/24 survey, we need to continue to do better and Move Kaikōura Forward.





MOVING KAIKŌURA

Forward



Moving

Kaikōura



Forward

Our Vision!

Where Are We Going?

From a Council perspective, we believe that “Moving Kaikōura Forward” remains an appropriate vision in 2024 as we continue to focus on the future post pandemic.

The summer season of 2023/2024 has been strong from a visitor perspective and a number of tourism and commercial businesses have reported financial results similar or better than pre-Covid which is good sign.

We do need to acknowledge that not all sectors have bounced back and that the farming community are still experiencing steep increases in on-farm expenditure and lower market prices. Our proposed change to the rural differential may provide some relief.



We will continue to deliver on core infrastructure programmes and projects that we identified back in 2021 as being priorities. We need to finish what we have started with a focus on mahia - getting it done and doing what we said we were going to do.

Internally, we are focusing on how we can make the 'boat go faster' and bring a better, more efficient and user friendly, level of service to our community.

We are planning to undertake a major systems upgrade to replace core software from the 1990's. We are looking to do that in partnership with our neighbour Hurunui District Council. This may assist in opportunity for collaboration and support across a number of areas.





Our Community Outcomes

Community outcomes are the high-level priorities the Council will focus on to promote community well-being.



COMMUNITY

We communicate with, engage and inform our community



DEVELOPMENT

We promote and support the development of our economy



SERVICES

Our services and infrastructure are cost effective, efficient and fit-for-purpose



ENVIRONMENT

We value and protect our environment



FUTURE

We work with our community and our partners to create a better place for future generations

The Local Government Act requires all Councils to set community outcomes. These outcomes have originated from several sources, such as from community feedback, from interactions with our partner agencies and key stakeholders, and from Reimagine Kaikōura, our Recovery Plan developed post-earthquake.

Each of our activities within Council are linked to our community outcomes that promote the social, economic, environmental and cultural wellbeing of our community (these are known as the “four well-beings”).

The draft Long Term Plan 2024-2034 outlines a performance framework of how we know when we are successful in achieving our community outcomes, and how we are going to measure success.



Strategic priorities, issues and Opportunities

As we deliver on our vision and outcomes over the next few years, we also need to consider a few strategic priorities, issues and opportunities relating to the environment that we are working in. Some of these are outlined as follows:

Continue to Deliver – MAHIA – Getting It Done!

We need to continue to do what we say we are going to do as we have over the last three years. We need to stick to our agreed priorities and plan. This does not mean that we close ourselves off to opportunities or don't respond to change, far from it, but we need to focus on the things we can control and prioritise our efforts as a small rural Council.

We need to ensure that we are able to deliver on our planned commitments in terms of both our capital programme and our operational responsibilities. Our capital programme is dominated by three large, multi-year complex projects (Wakatu Quay, IAF and Waioa-Toa/Clarence bridge) we have right sized the programme and cashflow to reflect the risk profile of those projects and available resources to deliver.

Partnership & Collaboration

The political and legislative landscape for local government will continue to significantly change over the next few years. We have seen a radical policy shift with the new coalition government with some major reforms altering course.

It will be a while before we get further clarity on exactly what that means. Through that change and opportunity, we need to strengthen our partnership with local Iwi as well as key stakeholders such as central government, neighbouring Councils, Environment Canterbury, Department of Conservation, our health services and community services groups. Working collaboratively has never been so important ensure the best outcomes for our community.



Economic Development

Continuing to support economic development in the District over the next few years as we hopefully emerge from the impacts of Covid 19 and the knock on effects to the global economy will be a priority for Council. Our main avenue for that is through the financial support to Destination Kaikōura our Regional Tourism Operator (RTO).

This is proposed to continue at levels agreed in the 2021-2031 LTP including inflation. Our economic development activity also provides information support, as well as Council support, resources and funding (to a tune of \$30,000 per annum) for events and projects which assist economic development in the district.

We need to work with external parties to help both enable and facilitate appropriate economic development, but within our imposed constraints of legislative requirements and resources.

Funding & Revenue

As with all local authorities around the country, our main source of revenue is from rates. In 2023, rates contributed to 47% of our total revenue, with grants and subsidies forming 10%, user fees and charges 9% and other revenue 34%. KDC has very few strategic assets that consistently generate revenue, with the largest one being our 11.5% share of the Marlborough Regional Forestry venture. Under the current financial system this is likely to continue.

The recent review into the future for local government recommended a substantial overhaul of the local government funding and finance system is required. Relying on rates will not be enough for a sustainable local government funding model. Council will continue to advocate at both a local, regional and national level for change. This will take time, but we have a good opportunity with the new coalition government to push for change.

We also need to look for appropriate opportunities locally to generate alternative revenue. Current example of opportunities include the Wakatu Quay redevelopment and proposed hot pools and wellness center, where Council has the opportunity to see rental returns. We need to consider all opportunities in a balanced way, that ensures prudent use of ratepayer funds and assets.



Climate Change

Unlike many coastal areas around New Zealand, we are not expected to be affected by any significant sea level rise over the next century. This was primarily due to the big coastal uplift following the 2016 earthquake. That doesn't mean that we won't be affected by other climate change effects though that will need consideration in all of our activities going forward.

Our natural hazards report for Kaikōura outlines the natural hazards that have potential to impact the district including flooding, fault rupture, liquefaction, landslide debris inundation and debris flow fans. We have built this into our District Plan as well as our Infrastructure Strategy. As our District Plan review progresses over the next ten years we will be ensuring that climate change issues are fully integrated into our planning.

We expect that over time we will experience more extreme weather events more frequently, including droughts, fires, flooding and unpredictable rain events. Council has made provision in our emergency works budget to address issues on our roading and three waters networks after relatively minor events. However, this is unlikely to be sufficient for a major event such as the Kaikōura earthquake.

Rising sea temperatures and ocean acidification are issues that have potential to significantly impact on our coastal and marine environment. Local environmental groups have already identified impacts on marine birds and mammals from the reduced availability of food sources.

Kaikōura District Council is partnering with ECan and other local authorities through our jointly agreed regional Climate Change Action plan to jointly work and fund some regional level priorities over the next three years.



At a local level we are continuing to focus our infrastructure investment on alternative transport modes such as footpaths and shared user paths. We are promoting more efficient use of water through our water Supply Bylaw 2020 which limits things such as garden watering by non-hand held irrigation.

We are also continuing to partner with and work alongside a number of community groups such as the Kaikōura Dark Sky Trust and have recently adopted a draft plan change for improved responsible lighting across the District.

We work with ECan where we can to manage our natural resources - water, air and land and Council and Councillors actively support the Kaikōura Water Zone Committee.

We will continue to work in partnership with a number of organisations such as Te Korowai, Te Whare Haumanu, DOC and Kori to achieve our common goal for sustainable guardianship of our unique environment.





Reform Agenda

The major shift in policy from the new coalition government has come at a challenging time in the LTP development process for all Councils across the country. Although both the Affordable Water Reform legislation and that relating to the Resource Management Act have been repealed it will be some time before we are clear on a detailed way forward for either topic.

The Future for Local Government review completed in October 2023 has raised some very important issues, especially around a sustainable funding model for local authorities. Local Government New Zealand (LGNZ) reached a consensus position across the country in terms of the 17 recommendations from the review with the aim of picking up the conversation with the new coalition government in 2024.

In terms of the proposed Water Reforms and the service delivery model legislated by the previous government, Kaikōura District Council has always recognised that nationally there is a need for change, especially around the funding for infrastructure, but did not believe that the proposed mega entity model was in the best interests for our District. We were an active member of Communities for Local Democracy (C4LD) which proposed alternative delivery models prior to the national election.

There is now an opportunity to pick that conversation up with our local counterparts in Canterbury and beyond when considering Local Waters Done Well.

In terms of our draft LTP 2024–34, we have assumed that ownership and responsibility for ongoing maintenance and service delivery for three waters remains the responsibility of Council over the ten year period. Our Infrastructure and Financial Strategies reflect that. We have built in appropriate planning for renewal of three waters infrastructure as well as meeting all known regulatory requirements from Taumata Arowai, the water services regulator for Aotearoa.





Key Consultation Items

The four main consultation items that we want specific feedback on....

- **Increased footpath improvements**
- **Council support for the Whale Trail**
- **Reduce the differential On the general rate for rural and semi-rural properties**
- **Rural recycling services**

Increased Footpath Improvements

Topic 1



Let's keep it going!

The condition of footpaths in Kaikōura has been a significant concern to the community, consistently receiving the lowest score of any Council activity in KDC's annual resident satisfaction survey.

The Council began to address this issue by approving an annual investment of \$100,000 for the replacement of footpaths per year from 2022 for a period of nine years, which would be in addition to an annual budget of \$60,000 to repair and maintain footpaths that are not yet in such a poor condition that they need to be completely replaced.

Over the last three years we have resurfaced over 1.6km (out of a 8km backlog) of footpaths in the township (not including the new link pathway). Although this represents a great start, it only addresses 20% of the footpaths backlog and which are in the worst condition. We have a lot more to do.

What are we Proposing?

The Council obtained guidance from a community working group regarding how these investments should be best used with a prioritised programme of renewals identified for the first three years.

It was initially believed that this larger budget would be sufficient to significantly improve the overall condition of paths in the town. It has however subsequently been found that the actual cost of footpath construction works was higher than expected, limiting what can be achieved with this level of funding.

Two options are outlined for feedback:

Increase investment in footpath renewals

Build on the current work programme but accelerate completion rates by increasing investment for the footpath programme from **\$100,000** to **\$250,000** for renewal works over a 6-year period from 2024/25 which then reduces to **\$125,000** until 2023/34. In addition, **\$60,000** will be spent each year to maintain and repair existing footpaths. This **\$10,000** reduction compared to the **\$70,000** shown in option 2 is achievable due to the increase in renewal investment which basically means we need to spend less on repairs given the improved condition of our footpaths.

To minimise the impact of this increased investment onto rates, Council will be debt funding the overall investment by **\$148,000** per year over the 6-year period. Subsidies for these works have been assumed to be **\$126,480** per year, increasing by inflation, over the 6-year period and then reducing as relevant for the remaining years to 2033/34. The balance of approximately **\$40,000** in year 1 will be funded by the Footpaths and Streetlights rate.

This option represents the lowest impact to rates for year 1 given the proposed use of debt across the first 6 years. While over the 10 years the average rates cost is negligible between the 2 options, the completion rate for option 1 is twice that of option 2 and therefore, in Council's view, represents the best return on investment.

Council have worked on the assumption that 80% of the footpath programme will be subsidised by NZTA (Waka Kotahi) at a rate of 51% following a recent change in their policy which now provides financial assistance for footpaths renewals.

This option is believed to be the most cost effective for accelerating the replacement of the most at need portions of our community footpaths. At the end of 10 years this investment would result in approximately 30% of the total 40km of footpaths replaced.





OPTION TWO

Maintain Investment at \$100,000

Maintain current footpath investment per the previous LTP at **\$170,000** total investment, with **\$100,000** of renewal works and **\$70,000** of maintenance works annually. The NZTA subsidies assumptions are as per option 1 meaning NZTA would subsidise approximately **\$69,360** leaving just over **\$100,000** in year 1 to be funded by rates. (the \$100,000 will increase by inflation over the 10 year period).

This option sees a replacement of between 10 – 15% of approximately 40km of community footpaths over 10 years leaving a far higher amount still in poor condition and therefore this option is not the preferred.



How will this Impact your rates?

Option One Our Preferred Option

Accelerated programme of footpath improvement (capital spend \$250k in years 1-6 then \$125k thereafter, maintenance spend \$60k p.a.).

Advantages	Disadvantages	Ten Year Cost
The higher spend will enable approximately 30% of footpaths to be replaced within the next 10 years.	Involves borrowing to cover the shortfall in years 1-6, which reduces the impact on rates in years 1-6 but leaves loan costs for year 7 onwards	\$2,830,150 Net cost (after NZTA subsidy) \$1,675,449
Increase in overall debt after ten years	Impact on all rates types	What this means for you?
\$888,000	Year 1 = \$40,330 Year 10 = \$191,025	A medium urban household CV \$760,000 would pay \$112.54 in year one and an average of \$156.86 per year.

Option Two

Maintain current level of footpath improvement (\$100k capital, and \$70k maintenance spend, for all ten years).

Advantages	Disadvantages	Ten Year Cost
Doesn't involve any borrowings and so there is no ongoing loan interest and principal to repay for the future.	The lower spend will only enable 10%-15% of footpaths to be replaced within the next 10 years, leaving many footpaths in poor condition for longer. Involves a higher rates increase in year 1 because this option doesn't use any borrowings to fund the programme.	\$1,872,927 Net cost (after NZTA subsidy) \$1,108,
Increase in overall debt after ten years	Impact on all rates types	What this means for you?
\$NIL	Year 1 = \$100,640 Year 10 = \$121,220	A medium urban household CV \$760,000 would pay \$143.37 in year one and an average of \$155.46 per year.

Council support for The Whale Trail Topic 2



Where are we at?

The Whale Trail project was largely borne out of “Reimagine Kaikōura”, our post-earthquake community recovery plan and sits well within our 2024–2034 Long Term Plan vision to continue “Moving Kaikōura Forward”.

The Marlborough Kaikōura Trail Trust (the Trust) was set up in 2017 and has secured significant funding to plan and design the trail, complete a technical study and a business case to support the funding required for its development. To date the project has secured \$28m with \$26m from Central Government, \$2m from Marlborough District Council and \$0.6m from the Rata Foundation. The trail is approximately 194 kilometers long and would be used for both cycling and walking that will connect the communities of Picton, Blenheim, Seddon, Ward, Kekerengu, Clarence and Kaikōura.

The total budget for the project is \$32m of which \$30m is for construction and \$2m for enhancement works. The Trust aims to secure the difference from the project budget to the current funding through sponsorship (\$3m) and community engagement (\$1m).

The Whale Trail is designed to bring economic, health and wellbeing, environmental and cultural benefits to the region and its communities with the primary objectives including i) build community connections and encouraging local recreational uses ii) increase understanding of local taonga and history iii) attract new and regular visitors and encourage them to spend more and stay longer in more communities along the trail iv) increase access to existing and new amenities and v) grow existing and encourage new small and medium businesses.

Currently, there are multiple sections of the trail under construction within the districts north of Kaikōura and the project is anticipated to be complete by the end of 2025. The trail route from Kaikōura to Hapuku is in the process of being finalised.

It is a requirement of the Trusts' Government contract that they secure local financial partnership. Marlborough District Council have provided a financial commitment of \$2m to the project within their boundary with an ongoing annual maintenance component of \$80k.

In total, the Trust estimates the full cost of trail construction within the Kaikōura district (including major bridges at Kekerengu, Tirohanga and Hapuku as well as multiple minor bridges) will be approximately \$11m. There is an opportunity for Council to demonstrate its support for this significant community project on behalf of the Kaikōura community.

The Trust are also seeking an annual contribution for ongoing maintenance of the trail. This funding will ensure that the user experience is the best it can be, however, the Whale Trail Trustees are mindful of the need to investigate ways in which trail users can financially support the ongoing costs of upkeep of the trail and this will be a focus as the trail completion is achieved.

There is high confidence that the user experience will inspire support when the trail is open and operating. In addition to visitor revenue coming into Kaikōura District from use of the Whale Trail, the Trust also anticipates new job and business opportunities, improved community connectivity, and environmental, cultural and wellbeing benefits. The section of the trail between Waiau Tou/Clarence and Puhi Puhi is not part of this government contract and will be part of a separate project. Councils current position is that it is not our intention to own, maintain/service any of the Whale Trail assets.

The business case for the Whale Trail indicates the Trail supporting up to 137 jobs each year (tourism, maintenance, pest control etc) and an average economic contribution of approximately \$13m per year based on a \$367m contribution over a 28 year period. An estimated 50,000 additional recreation users from outside the region are expected with 14% of those estimated to be international notwithstanding the expected significant usage by locals.

The sections of the Whale Trail within the Kaikōura district will be an added catalyst for new opportunities by being part of, or being able to provide, a 'multiplier co-efficient' by linkage to a number of new initiatives already underway or proposed such as the Wakatu Quay development, Hot Pools Development (proposed) or the Waiau-toa/Clarence River and Molesworth Recreation Reserve Great Walk that was indicated for support as part of the new governments election pledge.

Council Support for THE WHALE TRAIL

What are we Proposing?



Council is seeking community feedback on providing financial support to the Whale Trail. This will demonstrate our commitment as a community to the project and to help ensure that the proposed Kaikōura sections of the trail can proceed as planned with the balance of Trust funding. Partner co-funding is a requirement for the Trust and Marlborough District Council have provided \$2m as a commitment for the Marlborough sections and \$80 p.a. in annual maintenance costs.

This project contributes to our strategic priority and community outcome of continuing to support economic development within the District as well as contributing towards alternative transport and recreational activities for both locals and visitors.

"It's proven that cycle tracks benefit community"

"More cycle ways please"

Three options are outlined for feedback

Provide Financial Support To The Whale Trail

Option One

Our preferred Option

Council to provide a debt funded total capital contribution of **\$200K**, \$50k per year for the first 4 years of the LTP and maintenance funding, from rates, of \$15k starting in year 2 and increasing slightly each year as sections are completed, e.g. \$30k by year 3, \$50k by year 4 and up to \$80k by year 5. It is proposed that the funding will be covered by the commercial rate, not less than 60% and the general rate, not more than 40%.

Provide Less Financial Support

Option Two

Council provides a debt funded total capital contribution of **\$200K**, \$50K for the first 4 years of the LTP but caps the ongoing operational maintenance commitment up to a maximum of \$40K per annum over the next 10 years. This will demonstrate commitment to the project and help ensure the Kaikōura sections of the trail can progress but without overly burdening the rate payer for ongoing maintenance costs. The Trust would have an opportunity to seek alternative funding options and support for ongoing maintenance.

Provide No Financial Support To The Whale Trail

Option Three

Council provides no direct financial contribution to the project in terms of either capital or ongoing maintenance costs. Without any financial commitment from Council, it is possible that the Trust will not be able to advance the sections of the Trail within Kaikōura District or that even if they are completed the maintenance of the trail will not be at the standard that ensures a safe and enjoyable user experience.

How will this Impact your rates?

Option One

Our Preferred Option

Pay a total capital contribution (grant) of **\$200K**, \$50,000 per year for four years (loan funded), and pay an operating grant increasing per year to \$80,000 (plus inflation).

Advantages	Disadvantages	Ten Year Cost
The project continues, and brings economic, environmental, and cultural benefits to the district.	The cost of ongoing maintenance (at \$80,000 per year) is not insignificant and is around 25% of the budgeted maintenance cost for all of the Council's parks and reserves combined.	\$858,822
Increase in debt is	Impact on all rates types	What this means for you?
\$200,000	Year 1 = \$1,625 Year 10 = \$113,168	A medium urban household CV \$760,000 would pay 28c in year one and an average of \$14.40 per year. A medium commercial retail property CV \$830,000 would pay \$4.46 in year one and an average of \$192.40 per year.

Option Two

Pay a total capital contribution (grant) of **\$200K**, \$50,000 per year for four years (loan funded), and pay an operating grant capped at \$40,000 once it reaches that level (year 4).

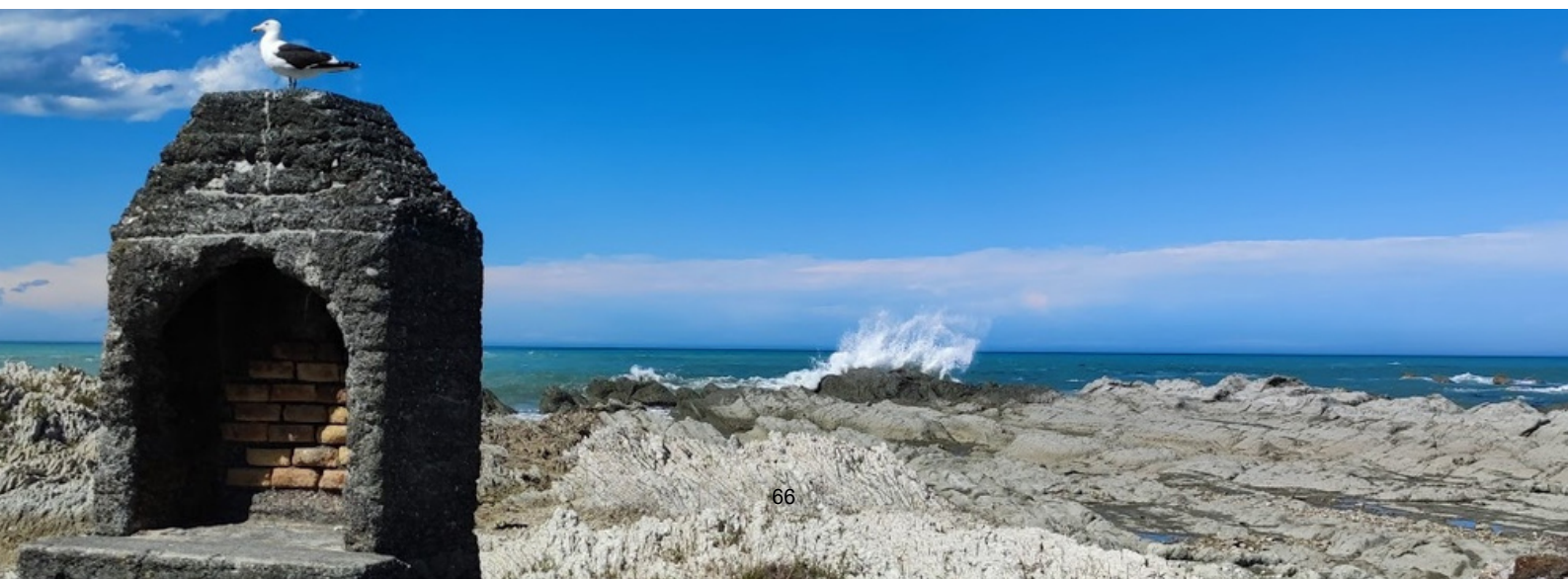
Advantages	Disadvantages	Ten Year Cost
Ratepayers have the assurance that ongoing maintenance costs will not escalate beyond the \$40,000 cap (plus inflation and loan servicing). The project continues, and brings economic, environmental, and cultural benefits to the district.	The annual maintenance grant may not cover costs with the result that the trail (or sections of it) are not maintained to the standard the Trail Trust wishes to keep.	\$572,229
Increase in debt is	Impact on all rates types	What this means for you?
\$200,000	Year 1 = \$1,625 Year 10 = \$64,941	A medium urban household CV \$760,000 would pay 28c in year one and an average of \$9.74 per year. A medium commercial retail property CV \$830,000 would pay \$4.46 in year one and an average of \$117.17 per year.

How will this Impact your rates?

Option Three

Don't fund the project. This would mean that the community misses out on what could be an iconic feature.

Advantages	Disadvantages	Ten Year Cost
There is no cost to ratepayers.	The Whale Trail does not continue through to the Kaikōura district, the local economy misses out on the economic benefits the Trail is expected to bring.	\$NIL
Increase in debt is	Impact on all rates types	What this means for you?
\$NIL	Year 1 = \$NIL Year 10 = \$NIL	There is no cost to rate payers.



Reduce the differential on the general rate for rural and semi-rural properties

Topic 3

As signalled in the last LTP, Council undertook a comprehensive review of its funding sources last year, known as the rates review, and went out for public feedback over September and October, with a hearing in November 2023.

A change to the general rate differential had not been signalled in the rates review consultation options, and so the wider public had not been given the opportunity for feedback on this particular issue.



Where are we at?



What are we Proposing?

Following strong submissions from rural and semi-rural landowners and Federated Farmers of New Zealand, the Council has considered that feedback and plans to reduce the differential on the general rate, from 90% to 80%.

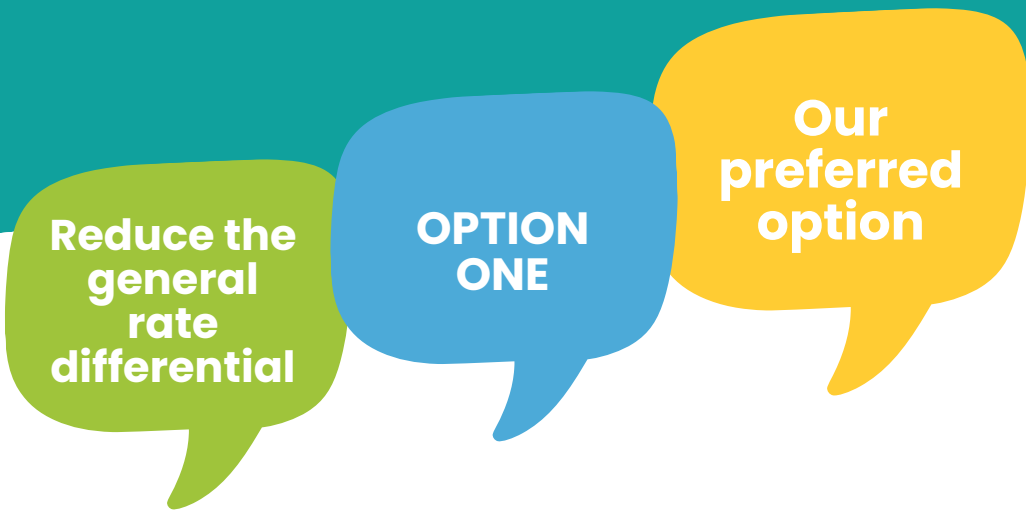
The change is relatively significant because it affects how the proportion of overall general rates is split and therefore the level of rates payable by every ratepayer in the district. The outcome is that semi-rural and rural ratepayers pay slightly less than they otherwise would have done of the overall general rate, urban ratepayers (residential and commercial) will pay slightly more. There are several reasons why Council believes this is appropriate.

One reason the Council feels a lower differential on the general rate may be appropriate, is that the general rate funds certain activities that are more likely to benefit urban ratepayers. The main activities funded by the general rate are:

- Mayor & councillors, including administration support
- Building & regulatory activities (the portion not covered by building consent fees)
- Library, public halls, pensioner housing (the portion not covered by rents)
- Parks, reserves, walkways, and playgrounds
- Community grants & events
- Resource consents (the portion not covered by planning consent fees)
- Community development & emergency management
- The transfer station and recycling services
- The general running of Council (CEO, HR, communications, legal & other professional advice)

Another reason the Council feels a lower differential may be appropriate, is that semi-rural and rural properties generally have much higher capital values than urban properties (especially residential homes), and so semi-rural and rural properties generally pay much higher rates than their urban counterparts.

**Two options
are outlined
for feedback**



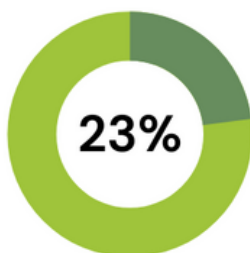
Option One Our Preferred Option

This option involves reducing the general rate differential for rural/semi-rural properties to 80%

If this option is adopted, then urban properties pay a bigger share of the general rate, and rural and semi-rural properties pay less.

Advantages	Disadvantages	Total General rate
Reduces the proportion that rural and semi-rural properties pay in the general rate.	Increases the proportion that all urban properties pay in the general rate.	\$2.79 million
Semi Rural Sector	Rural Sector	Urban Sector
\$0.63 million (22.6%)	\$0.56 million (20.1%)	\$1.6 million (57.3%)

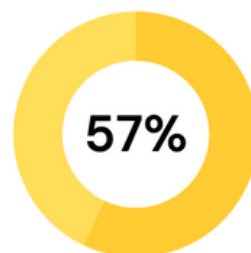
The table on the following page shows the total rates impact, if all preferred options are adopted, and the general rate differential is 0.8:1 for rural and semi-rural properties



SEMI RURAL



GENERAL RATE RURAL



URBAN & UTILITIES

How will this Impact your rates?

45

	Year 1 %	10-year total %	Year 1 \$	Per week \$
Residential - Urban - High Value	6.5%	40%	302.37	5.81
Residential - Urban - Medium Value	8.0%	42%	296.06	5.69
Residential - Urban - Low Value	10.4%	45%	290.06	5.58
Dairy Farm - Semi Rural - High Value	4.8%	43%	478.61	9.20
Lifestyle block - Semi Rural - Medium Value	10.8%	49%	304.29	5.85
Residential - Semi Rural - Low Value	15.8%	54%	278.63	5.36
Commercial - Urban - High Value (30 room motel)	10.0%	35%	2,744.25	52.77
Commercial - Urban - Medium Value (12 room motel)	14.1%	40%	1,814.01	34.88
Commercial - Urban - Medium Value (Retail)	17.5%	46%	1,269.11	24.41
Commercial - Urban - Low Value (Retail)	14.8%	47%	658.07	12.66
Farm - Rural - High Value 2xSUIP	4.2%	42%	757.62	14.57
Farm - Rural - Medium Value	4.2%	42%	377.53	7.26
Farm - Rural - Low Value	6.7%	45%	313.41	6.03

Keep the general rate differential

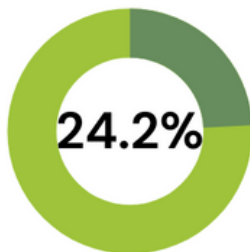
Option Two

Option Two

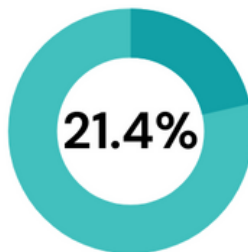
Keep the general rate differential at 90% for rural and semi-rural properties.

Advantages	Disadvantages	Total General Rate
Maintains the status quo that urban properties pay in the general rate.	Maintains the status quo that rural and semi-rural properties pay in the general rate.	\$2.79 million
General rate Semi-Rural	General Rate Rural	General Rate Urban
\$0.67 million (24.2%)	\$0.6 million (21.4%)	\$1.52 million (54.4%)

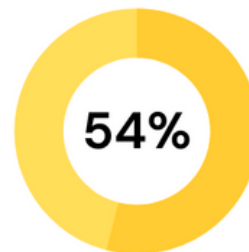
The table on the following page shows the total rates impact, if all preferred options are adopted, and the general rate differential is 0.9:1 for rural and semi-rural properties.



SEMI RURAL



GENERAL RATE RURAL



SEMI RURAL

How will this Impact your rates?

47

	Year 1 %	10-year total %	Year 1 \$	Per week \$
Residential - Urban - High Value	4.8%	39%	222.65	4.28
Residential - Urban - Medium Value	6.6%	41%	243.83	4.69
Residential - Urban - Low Value	9.4%	44%	263.94	5.08
Dairy Farm - Semi Rural - High Value	8.2%	47%	816.50	15.70
Lifestyle block - Semi Rural - Medium Value	13.4%	52%	376.59	7.24
Residential - Semi Rural - Low Value	17.7%	56%	311.83	6.00
Commercial - Urban - High Value (30 room motel)	8.8%	34%	2,435.67	46.84
Commercial - Urban - Medium Value (12 room motel)	13.2%	39%	1,691.33	32.53
Commercial - Urban - Medium Value (Retail)	16.7%	45%	1,212.07	23.31
Commercial - Urban - Low Value (Retail)	14.0%	47%	624.40	12.01
Farm - Rural - High Value 2xSUIP	7.7%	46%	1,403.15	26.98
Farm - Rural - Medium Value	7.7%	46%	696.98	13.40
Farm - Rural - Low Value	9.9%	48%	463.17	8.91



Rural Recycling Services

Topic 4



Where are we at?

The provision of rural recycling services was a topic of discussion in the Council's last Long-Term Plan and some changes were subsequently made, with the Council currently providing three un-manned facilities at Clarence, Kekerengu and on the Inland Road for receipt of recyclable materials, at a total cost of approximately \$26,000 per year.

It is however believed that these services and the funding of them may still not be entirely appropriate to the needs of the community. Because of their locations the catchments for these facilities are relatively small, attract low volumes of recyclable materials which are sometimes contaminated by refuse, and many rural ratepayers receive no benefit from them.

It is also recognised that in most cases the rural residents of the District have to visit either the Resource Recovery Centre in Kaikōura to dispose of their refuse or facilities outside of the District, and that they could also deliver their recycling at the same time.

What are we proposing?

The Council considered, as part of the rates review work last year, that the rural recycling service could be funded through a targeted rate on all rural properties, but some rural residents have said that they don't think that this is appropriate because of the issues described previously.

Three options are outlined for feedback

OPTION ONE

Keep Rural Recycling & all rate payers fund them

Our preferred option

The rural recycling centres continue to be operated at the existing sites (Lynton Downs, Clarence and Kekerengu), but are funded by all ratepayers, rural and urban.

Keep Rural Recycling & rural rate payers fund them

OPTION TWO

Rural recycling centres continue to be operated at the three existing sites, funded by all rural ratepayers regardless of whether the sites are conveniently located for them to use.

End Rural Recycling Centres

OPTION THREE

The rural recycling centres cease to be operated and all materials for recycling would need to be brought to the Kaikōura Resource Recovery Centre by the individuals using that service.

How will this Impact your rates?

Option One Our Preferred Option

Rural recycling service continues to be delivered, funded by general rates.

Advantages	Disadvantages	Ten Year Cost
The service continues, with communal collection points at Lynton Downs, Clarence, and Kekerengu. The cost is shared amongst all ratepayers and so is a very low cost to bear.	All ratepayers collectively fund the service regardless of whether they benefit from the service.	\$290,760
Impact on all rates types	What this means for Urban	What this means for Rural
Year 1 = \$26,000 Year 10 = \$32,092	A medium urban household CV \$760,000 would pay \$9.61 more in year one and an average of \$10.33 per year over ten years	A medium rural property CV \$4,330,000 would pay \$53.87 less in year one and an average of \$60.67 less per year over ten years.



How will this Impact your rates?

Option Two

Rural recycling service continues to be delivered, funded by a new Rural Recycling targeted rate and funded by rural ratepayers only.

Advantages	Disadvantages	Ten Year Cost
Rural recycling service continues to be delivered, funded by a new Rural Recycling targeted rate and funded by rural rate payers only	All ratepayers collectively fund the service regardless of whether they benefit from the service	\$290,760
Impact on all rates types	What this means for Urban & Semi-Rural	What this means for Rural
Year 1 = \$26,000 Year 10 = \$32,092	Urban and Semi-Rural properties would not pay for this service	All rural properties would pay \$63.48 in year one and an average of \$70.99 per year over ten years

Option Three

The rural recycling service is removed. Loss of the service could result in increased litter if those communities did not use alternate options for their recycling.

Advantages	Disadvantages	Ten Year Cost
This option comes at no cost to ratepayers.	Communities that have been using the recycling collection service will have to take their recycling to the Resource Recovery Centre in Kaikōura or to facilities outside the district.	\$Nil
Impact on all rates types	What this means for Urban	What this means for Rural
Year 1 = \$Nil Year 10 = \$Nil	There is no cost to ratepayers	There is no cost to ratepayers

KEY CONSULTATION ITEMS



1

Increased Footpath Renewals – Increase funding? Or stick with the status quo?

2

Whale Trail Funding – Provide financial support? Provide less financial support? Provide no financial support?

3

Reduce the differential on rural and semi rural rates – Reduce the general rate? Or keep the general rate?

4

Rural Recycling – Keep recycling and all rate payers pay? Keep recycling and only rural rate payers pay? Or end rural recycling stations?

WHAT DO YOU THINK?

Have Your Say at:
www.kaikoura.govt.nz/have-your-say

We need your feedback by 5pm Tuesday
 30th April





The Next Ten Years..

What else are we planning to do?



- 1** Following Council funding commitment in August 2023, the Wakatu Quay redevelopment is progressing with a revised staged approach to the build. Detailed design is expected to be completed by mid 2024 and construction on the supporting infrastructure and building commencing in the latter half of 2024.
- 2** The replacement bridge across the Waiau Toa/Clarence River remains an ongoing challenge, but at this point we remain committed to working with all parties to find an agreed solution and have made provision for this to be completed by 2026.
- 3** We will continue to work with Kāinga ora and the private developer to deliver on the Infrastructure Acceleration Fund project which sees an upgrade to infrastructure along Ludstone Rd and Green Lane in order to help facilitate housing outcomes. The developer has initiated work on a private plan change for Ocean Ridge and it is anticipated that ground works at Vicarage views will commence over the next 12 months.
- 4** We will be undertaking a number of renewals projects in the three waters space to ensure that we keep on top of assets. This includes the renewal of 9km of water main in the urban area.
- 5** We are also continuing with our roading renewal programme to continue to address the historic backlog and get on top of ongoing renewals. We are looking to invest a total of close to \$15million over the next ten years.

6 There remains some work required to fully close off the old landfill. The final plan is currently with Environment Canterbury for their approval. This will be undertaken over the next two years.

7 We have a number of projects funded through the Better off Funding still to complete. These include the replacement of the West End toilets and a new toilet facility in Churchill Park.

8 As part of our rates review, Council agreed that as of 1st July 2024 it will be free to borrow all hard copy books from our library although replacement costs for lost or not returned library items will still be charged

9 We will continue to provide tourism and general business support by providing annual financial assistance to Destination Kaikōura, our regional Toursim Operator (RTO). This is in line with the inflated contribution agreed in the 2021 LTP for the ten-year period. This is paid by commercial ratepayers and through the accommodation sector charge for visitor accommodation.

10 Our ten-year update of the District plan will continue, with our spatial plan anticipated to be completed by September 2024. This provides the roadmap for next thirty years with each chapter of the District plan being updated in a prioritized order following that. We will continue to work alongside private developers and groups who instigate their own private plan changes. We anticipate that during 2024 both PC4 for the Light Industrial Park and PC5 for the lighting plan change will both become operative.

11 Support for economic development remains a priority. We will continue with our economic development activity including working alongside private initiatives, such as the proposed hotpools development, housing and industrial developments. We will also provide Council support, resources and funding (to a tune of \$30K per annum) for events and projects which assist economic development within the district. Where appropriate, we will also look to partner on initiatives that provide an alternative revenue source to Council as well as contributing to wider economic development.

12 In addition to contributing to the regional Canterbury Climate Change Action Plan priorities we will continue to support various environmental initiatives each year either financially or with assistance in kind.

- 13** We will continue to support, develop and implement community events and activities that help grow our District and make it a fun place to work, rest and play.
- 14** Our various community grants embed arts and culture in our District, fostering engagement and participation that develops community resilience and well-being. Our annual discretionary grants pool is \$100k per annum for 2024/25.
- 15** We have budgeted to undertake a major internal system upgrade and replace our Enterprise Resource Planning (IT systems) in 2025. This is the software system that manages our core business activities including accounting, rates and consents. It is a significant project from both a financial and user perspective, but is much needed as our current software dates back to the 1990's. We are undertaking the replacement in collaboration with our neighbours, Hurunui District Council, which will provide greater opportunities for joint working and collaboration going forward. It will also help improve the efficiency and effectiveness of our services to our community.
- 16** Over the next two financial years we will also be continuing with our project to digitise all paper-based Council records.
- 17** We have revised our policy on development contributions as we continue to work with a number of developers in the District.
- 18** We have undertaken a full review of our current fees and charges and are moving towards ensuring they conform with our agreed Financing and Revenue Strategy and that we move to a more equitable user pays basis for some discrete services. Some of these fees and charges have not increased for a number of years and are now more reflect the true costs of the services and are in line with neighbouring Councils.
- 19** From 1st July 2024 we will be introducing a new interactive tool for dog control that not only helps to confidentially reunite owners and their animals faster, but also helps to share relevant Council updates and information with regard to animal control. The costs are all built into the annual dog registration fees.
- 20** We continue to provide the ability to help individuals trace their family history. Find out more through our wonderful library.

**TOTAL CAPITAL PROGRAM
2024/2025**

46

TOTAL PROJECTS IN
2024/2025

\$11.3M

TOTAL 2024/2025
SPEND

\$63.3M
TOTAL OVER 10
YEARS 2024/2034

**TOTAL FOR IT
SYSTEM
REPLACEMENT**

\$650,000

OVER TWO
YEARS
2025/2025

**TOTAL INVESTMENT
IN DISTRICT PLAN
REVIEW**

\$3.5M

OVER TEN
YEARS



\$10.4M
ACROSS ALL 3
WATERS

\$6.2M
FOR DRINKING
WATER

\$4M
FOR WASTEWATER

\$0.2M
FOR STORMWATER

**TEN YEAR
INVESTMENT IN
3 WATERS**

\$2M

TEN YEAR INVESTMENT
IN FOOTPATHS (OF
WHICH \$888,000 IS LOAN
FUNDED)

**TEN YEAR
INVESTMENT IN
FOOTPATHS**

\$12.8M
TEN YEAR INVESTMENT IN
ROADING (EXCLUDING BRIDGE
REPLACEMENT AND IAF)

\$38.3M
TEN YEAR INVESTMENT IN
ROADING (ALL INCLUSIVE)


**TEN YEAR
INVESTMENT IN
ROADING**

Infrastructure Strategy

What's it all about?

Our 30 year Infrastructure Strategy is one of the core documents that underpins our LTP. Infrastructure is the built and underground stuff that has an impact on every part of our life.

The Council manages this infrastructure so you have safe water to drink and wash with, your sewerage is taken away and treated, there are facilities for you to dispose of your rubbish and recycling, you can get from place to place safely within the District and there are systems in place to protect and enhance our natural and built environment. The below graphic provides a summary of our infrastructure network assets:

DRAINAGE	FOOTPATHS	STREET LIGHTS	PAVEMENT FORMATION	SIGNS/ TRAFFIC FACILITIES
QUANTITY CULVERTS & PIPES: 841 MANHOLES/ SUMPS: 690 LINED CHANNELS: 15 DAMS: 1 REPLACEMENT COST \$7,699,265	QUANTITY SEALED/ PAVERS/ CONC: 46.9KM UNSEALED: 2.1KM REPLACEMENT COST \$6,848,776	QUANTITY 412 STREET LIGHTS  REPLACEMENT COST \$1,482,460	QUANTITY SEALED/ PAVERS/ CONC: 118KM UNSEALED: 95KM REPLACEMENT COST \$129,847,290	QUANTITY LINES: 107KM MARKINGS: 234 SIGNS: 1673 REPLACEMENT COST \$943,730

ROADS AND FOOTPATHS

OUR NETWORK

KAIKOURA DISTRICT COUNCIL

3 WATERS

8 KDC SCHEMES 215 KM OF PIPES \$34.5M TOTAL VALUE AT LAST VALUATION (2022)	1 SYSTEM SERVING OCEAN RIDGE AND KAIKOURA TOWNSHIP 13 MAIN PUMP STATIONS 57 KM OF PIPES IN THE PUBLIC NETWORK 1 TREATMENT PLANT \$29.4M TOTAL VALUE AT LAST VALUATION (2022)	RURAL STORMWATER IS MANAGED BY KDC 2 URBAN SYSTEMS SERVING OCEAN RIDGE & KAIKOURA TOWNSHIP 18.7 KM OF PIPES IN THE URBAN PUBLIC NETWORKS \$8M TOTAL VALUE AT LAST VALUATION (2022)
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WATER **WASTE WATER** **STORM WATER**

\$19.88 M TOTAL VALUE OF COUNCIL OWNED BUILDINGS
 VALUE EXCLUDES LAND

27 COMMUNITY FACILITIES & BUILDINGS

"Maintenance should be the top priority, looking after our assets"

Infrastructure strategy

We need to understand the status of our infrastructure to help us make investment decisions now for the best long-term management of our assets. If we don't continue to manage and maintain our infrastructure assets we create problems down the track. A number of Councils around the country are now facing those problems and are not necessarily in a position to fund all the works that need doing.

Our 2021 Infrastructure Strategy highlighted that because of the work that had occurred since the 2016 earthquake and the work scheduled for the next ten years, if Council manages the infrastructure appropriately there was not expected to be a major spike in expenditure for council assets over the course of the next 30 years. This is a very good place to be in compared to some other Councils. The only immediate cost in the first ten years was to address the substantial backlog of road resealing and pavement renewals due to historic underinvestment. Increased investment was also agreed for the footpath renewal programme.

What are the key factors from our refreshed infrastructure strategy that have influenced this LTP for 2024-2034?

The refreshed 2024 Infrastructure Strategy can be best described as an 'enhanced business as usual' approach, which continues to focus on effective delivery of core functions, without taking any major new directions. In refreshing the strategy, we have also considered the effects of climate change, population trends and potential District growth.

Roading, footpaths and bridges

There remains a continued focus on undertaking larger amounts of road resealing and pavement renewals over the next five years to eliminate the accumulated backlog and get us back up to where we should be. Our investment since 2021 is already showing results in terms of our key performance indicators for roading.

Additional expenditure is also proposed to continue to address the renewals of our footpaths. We have made a great start on the programme, but further work and investment is required. It is anticipated that, unlike the 2021 LTP, some NZTA (Waka Kotahi) subsidy will be available to help fund this programme.

Provision has also been made for addressing several roading issues caused by extreme weather events and ongoing issues relating to the 2016 earthquake. Some of our rural back country roads have been subject to major slips due to excessive rainfall in geologically weakened areas. We have made limited provision for future emergency works as well as investing in preventive resilience measures such as increasing spending on roadside drainage in rural areas.

The Glen Alton Bridge replacement project across the Waiau Toa/Clarence River continues through in the draft LTP as a major project.

Water supply, wastewater and stormwater

Our refreshed Infrastructure Strategy also outlines the major issues and priorities for our three waters infrastructure. With the shift in policy direction with the new government, we have assumed that Council will continue to own and manage the three waters infrastructure through the ten year life of the LTP.

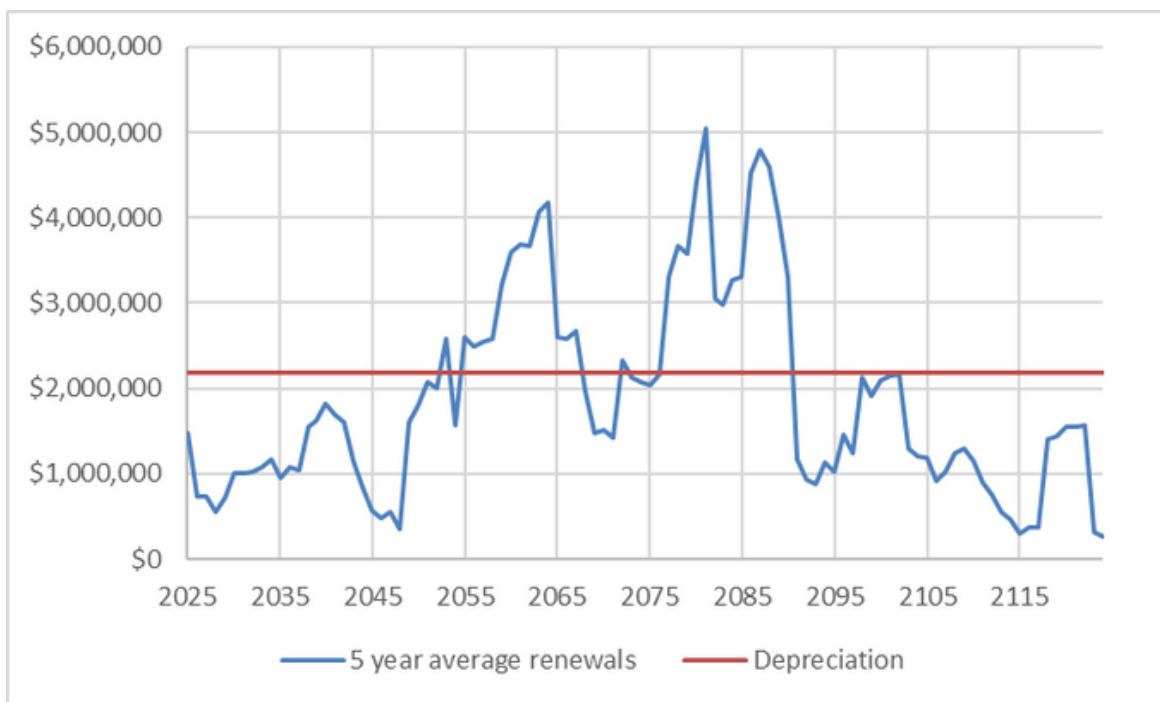
Provision has been made for expenditure for the renewal of approximately 9km of water main in the Kaikōura community that is currently theoretically near or beyond the end of its useful life and that was not damaged and replaced as a result of the earthquake. Several growth and demand projects have also been scheduled for the period of the draft LTP.

Financial provision has also been made for the growing compliance requirements coming from Taumata Arowai the national water regulator. Provision has also been made to address several resource consent condition issues associated with the wastewater treatment plant as well as the capping of the old landfill site.

The following graph demonstrates the limited investment required in the next ten years, with Council being in a significant renewal 'trough' for the duration of the 30-year infrastructure period, but with an intense period of replacements likely to commence in around 35 years time.

Asset renewal profile graph

The 30-year Infrastructure Strategy is available online a part of the LTP supporting documentation.



Financial Strategy



The Financial Strategy sets out how the Council plans to fund its operations for the next ten years, and the impact on rates, debt, and services. For the first three years of the draft LTP, the Council will focus on finishing what we started, most notably improving the overall condition of essential assets, such as roads, footpaths, water and wastewater systems. We will also ensure that the services we provide are appropriate for a community of our size, fit for purpose, and comply with legislation.

In doing so, affordability is our greatest challenge, and we are committed to ensuring that rates are the last option as a funding source. User pays, external funding, and debt will be sourced wherever these are more appropriate. Due to the timing of when NZTA provide their Funding Assistance Rates (FAR) for roading works vs when we needed to develop our budgets for the LTP legislative requirements, we have had to make an assumption on the level of funding we will receive from NZTA. Based on previous experience we have assumed that approximately 80% of the proposed relevant works will be funded at 51%. Should the actual funding be less than this then we would need to either reduce the proposed scope of works or look to self-fund the difference subject to council approval. Any proposed approach will depend on the level of funding gap magnitude.

The draft LTP 2024-2034 confirms the direction of the last (the LTP 2021-2031), except that – due to high inflation on costs that particularly impact the local government sector – it now costs around 20% more to provide similar levels of service as before. Significant cost drivers include materials and contract prices for roads, the cost to renew pipes, pumps and water-wastewater infrastructure, insurance premiums, audit fees, and more stringent legislative compliance requirements particularly in relation to drinking water.

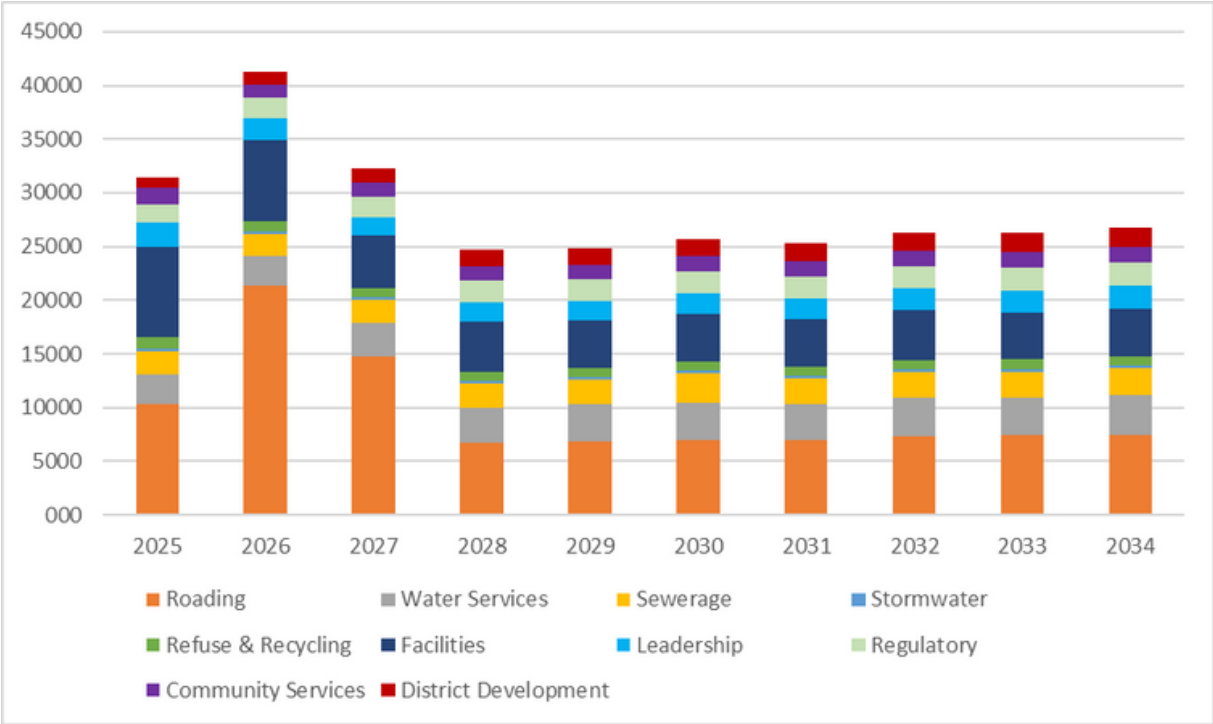
The overall direction of this Financial Strategy is to face up to the true cost of the Council’s activities and services, and to meet those costs prudently and according to factors such as the lifespan of assets, availability of external funds, and appropriateness of user fees & charges.

The Financial Strategy has the following overall financial boundaries:

- External borrowings are capped at \$15 million,
- Our annual loan interest expense will be no more than 10% of total revenue (and likely to be less than 5% in reality),
- Rates increases are capped at no more than 15% in year one, 10% in years two to four, and the Local Government Cost Index (LGCI) + 3% thereafter.
- Rates income does not exceed \$12.5 million per annum in years one to three, \$14.5 million in years four to six, \$15.0 million in years seven to nine, and \$15.5 million in year ten. The reason for the stepped approach is to reflect that the LTP is reviewed every three years, and to provide for known funding requirements and growth expectations within each of those three-year periods.

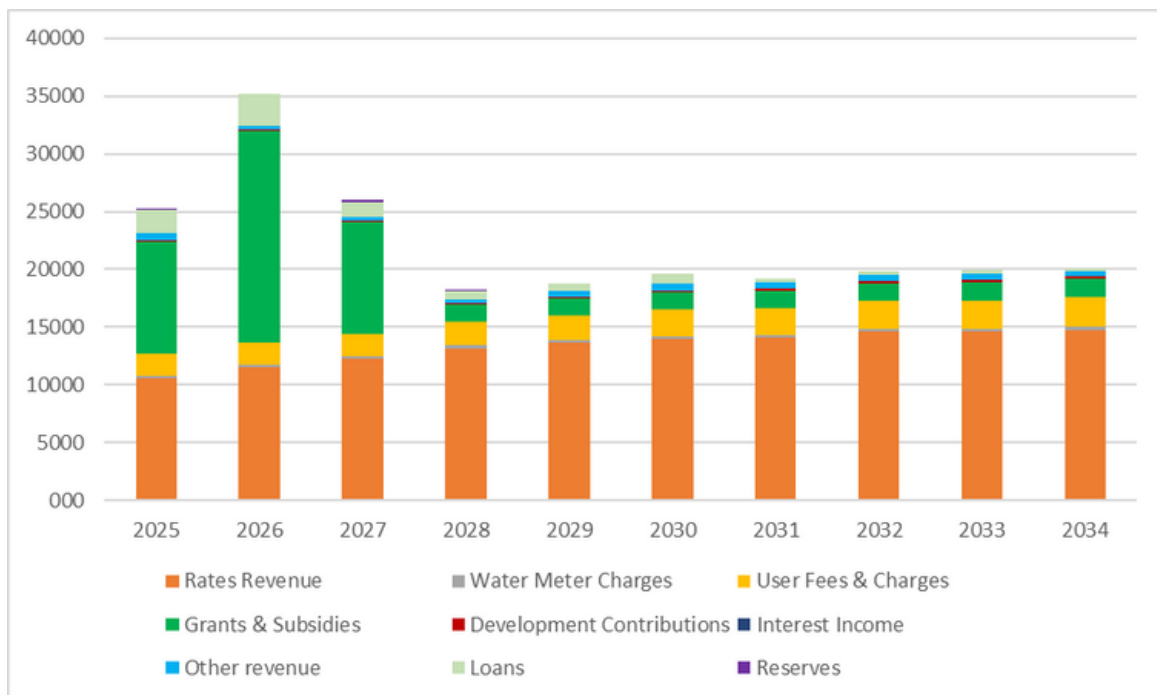
Where the money goes

Here’s where the money will be spent (operating and capital) in the next 10 years.



Where the money comes from

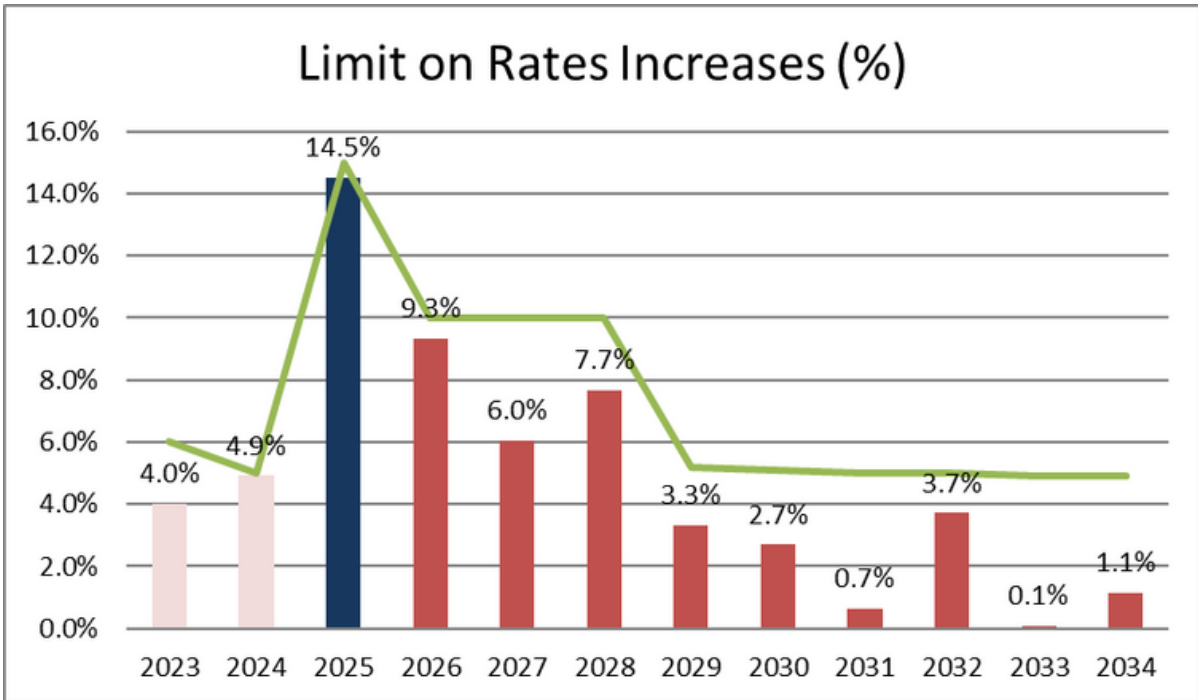
Grants and subsidies are a large portion of our revenue for the first three years, for projects such as the Wakatu Quay development, Waiau-toa Clarence Bridge and Infrastructure Acceleration Fund Project. (i.e. the Vicarage Views and Ocean Ridge Urban Expansion).



Limits on Rates and Debt

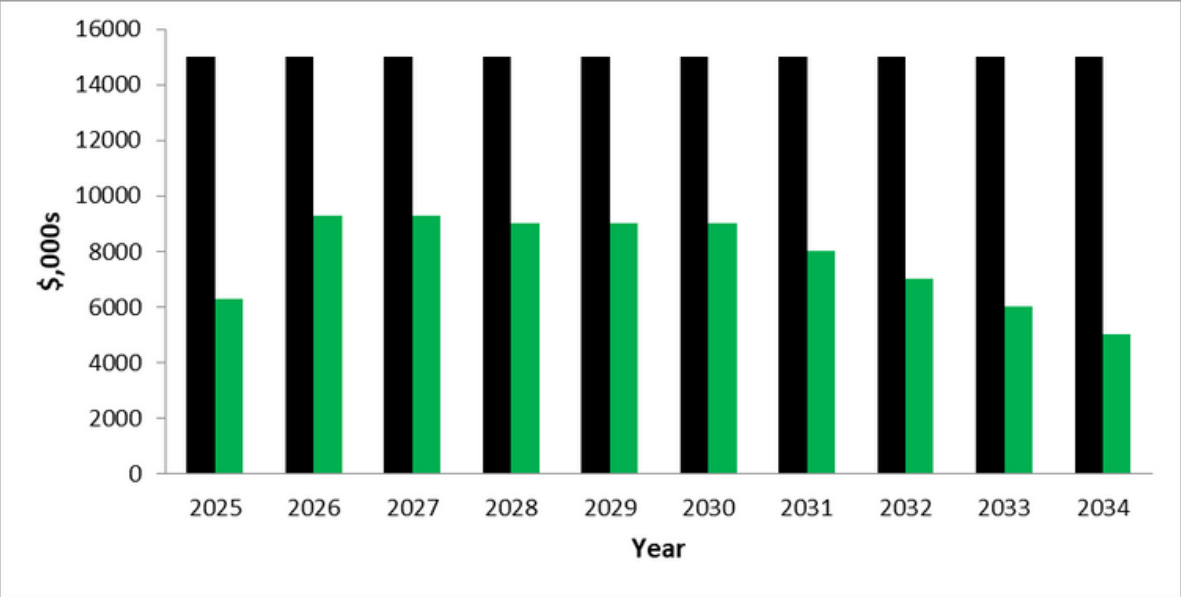
Our Financial Strategy says we will face up to the true cost of delivering services, and in times where we have identified that the cost associated with service delivery has increased around 20% in the last two years, this is a real challenge.

We've had to make a step change in our rates requirement, with a limit on total rates for 2025 to be no more than a 15% increase over the 2024 year. We have limited the rates increase in years 2-4 to 10% and LGCI + 3% per year thereafter.



Limit on total borrowing

The Council has a self-imposed limit on borrowing of no more than \$15 million. We don't anticipate our actual borrowing to exceed \$9.3 million during the next ten years, which leaves us plenty of room to respond to unforeseen events. This is a fantastic position to be in after the impacts of the 2016 Earthquake.



Quantified limit on debt (black bar), Proposed debt (at or within limit) (green bar), Proposed debt (exceeds limit) (orange bar)

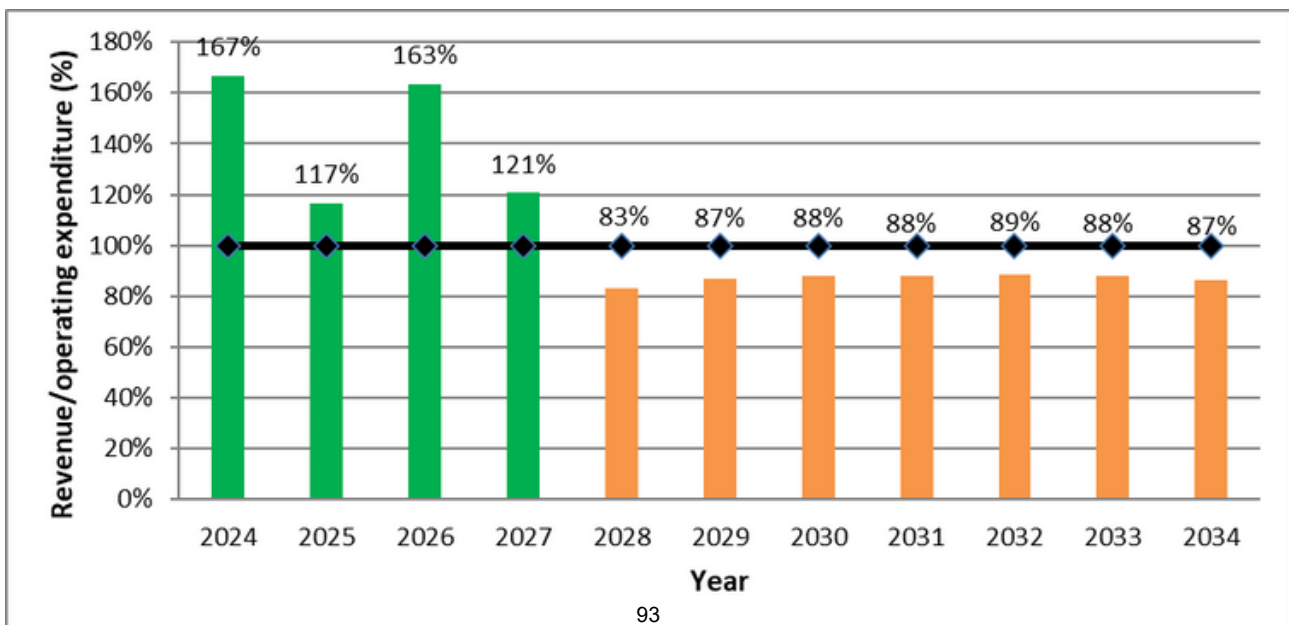


Unbalanced budget and non-funding of depreciation

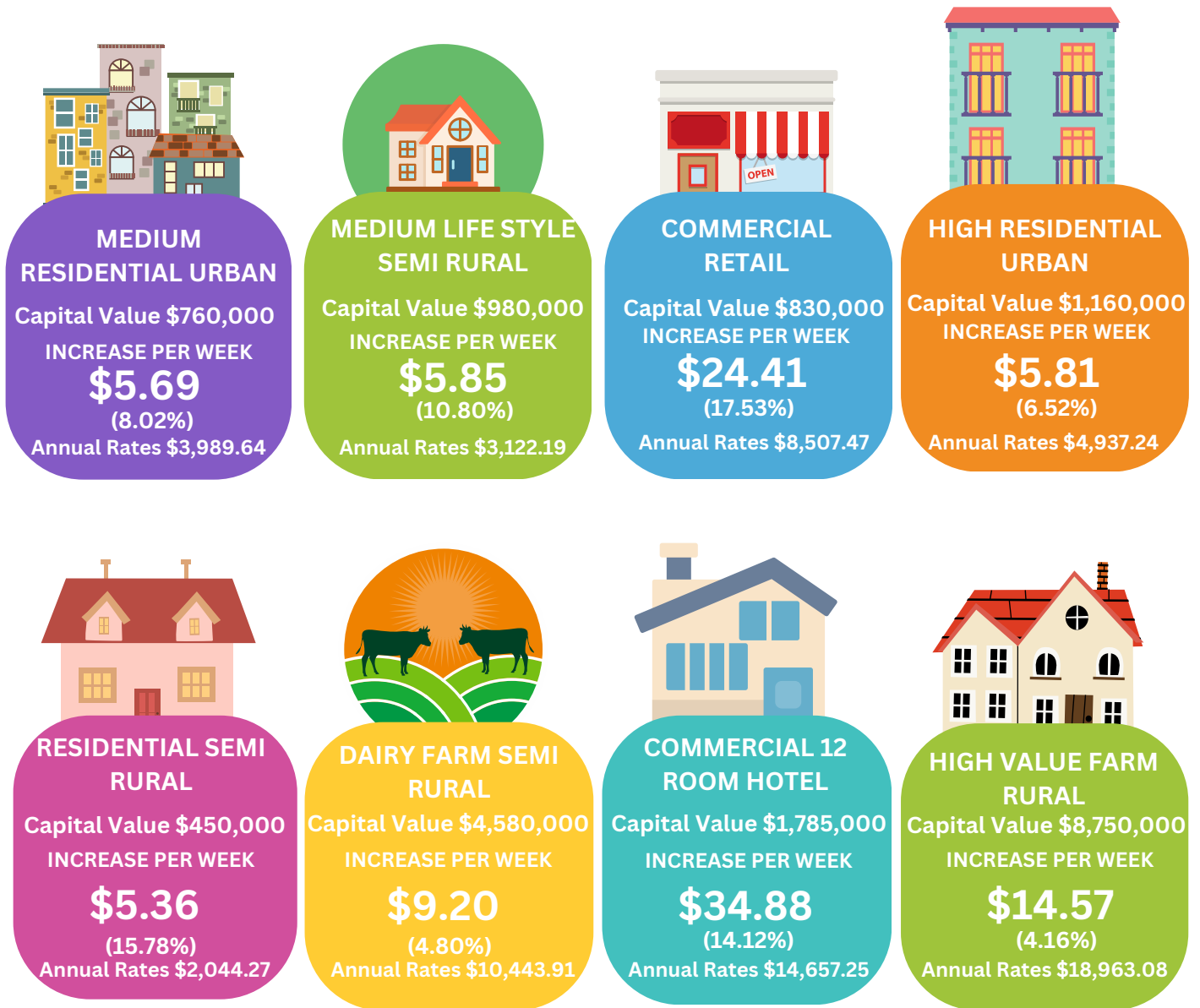
The first three years of this LTP show we expect to generate operating surpluses, but that we are planning for operating deficits for the remainder of the ten years. This is because, once the incoming grants and subsidies for roading, Wakatu Quay, and other capital projects have been applied, the deficits in the remaining years relate to depreciation. The Council has made the conscious and informed decision not to fully fund depreciation.

With such low levels of capital renewal work required within the next ten years (and no major work until 2050), to require rates to cover depreciation would result in the Council accumulating significant cash reserves from unspent rates. Instead, those future renewals could be funded by loans when they are needed, and rates would then cover the loan and interest costs over time and only once the ratepaying community gets the benefit of the renewed assets. Further, it is conceivable that external grants or subsidies could become available in the future such as occurred with the government stimulus packages and changes in criteria for funding roads and footpaths from the NZTA (Waka Kotahi).

The Council considers it is prudent and sustainable, therefore, to provide for these operating deficits in years 2028 to 2034 due to the decision not to fully fund depreciation. This is referred to as an unbalanced budget because revenue does not cover all operating expenses.



What this means for you and your rates in 2024/2025?



These figures are examples only – based on theoretical properties with a capital value exactly as per the examples. The increases are from 1st July 2024 to 30th June 2025. The examples do include water rates for urban properties, but they do not include rural water rates where they apply to rural or semi-rural properties (because charges vary depending on water supply and the number of water units on each property).

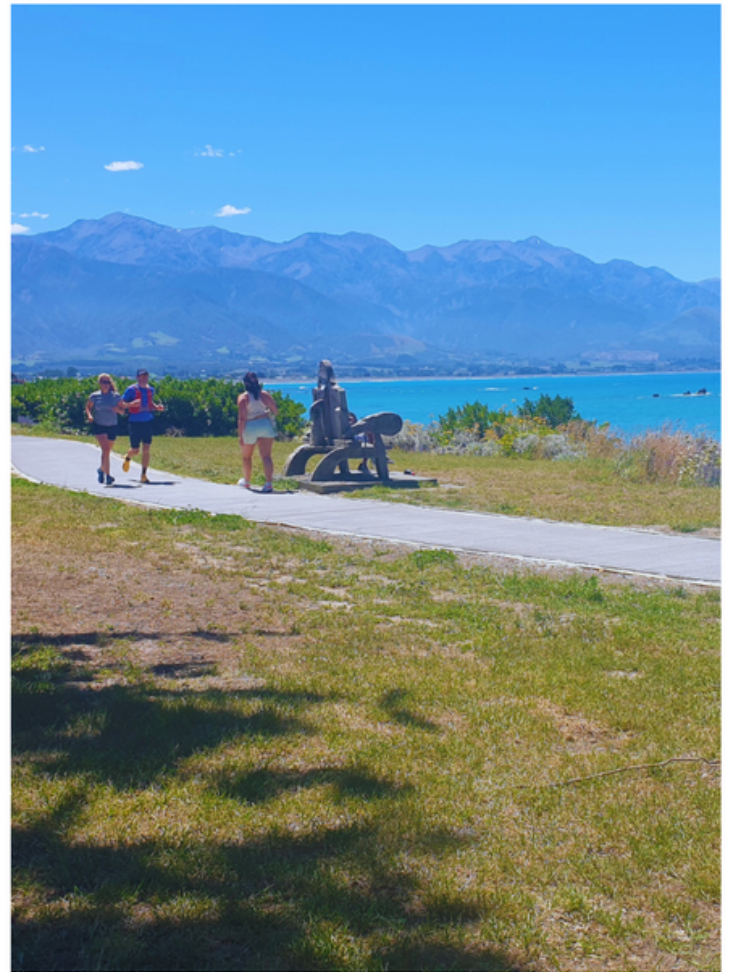
Important notice (Audit)

Recent changes to legislation, in response to the rapidly changing government policies relating to three-waters reform and also to assist those local authorities recovering from Cyclone Gabrielle, have enabled local authorities to opt not to have their consultation document fully audited, to delay adopting their LTP until after 30 June, and other options.

The Council has opted not to have this consultation document fully audited. The financial statements, significant assumptions underlying the statements, rates impacts, and other information has been prepared by Council staff, some of which has been peer reviewed, and auditors have been given opportunity to check and substantiate the financial and performance information in this consultation document. Auditors have not, however, been asked to provide an auditors report that would have given an independent opinion on whether the financial and performance information provides a fair or accurate representation of the matters proposed for inclusion in the Long-term Plan.

The Long-term Plan itself will be fully audited and will contain an Independent Auditors Report.







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Councilor Tony Blunt
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Deputy Mayor Julie Howden
Phone: 0275 432 559
Email: julie.howden@kaikoura.govt.nz

YOUR ELECTED MAYOR AND COUNCILLORS

THE FINAL DECISION MAKERS



Mayor Craig Mackle
Phone: 0274 375 640
Email: Mayor@kaikoura.govt.nz



Councilor Kevin Heayes
Email: Kevin.Heays@kaikoura.govt.nz



Councilor Robby Roche
Phone: 027 534 9557
Email: Robby.Roche@kaikoura.govt.nz



Councilor Vicky Gulleford
Phone: 027 564 8407
Email: Vicki.Gulleford@kaikoura.govt.nz



Consultation Schedule

**Consultation on
key
consultation
topics opens**

28th March 2024

**Consultation
closes on**

30th April 2024

**Council
hearings take
place on**

15th May 2024

**Council
confirms long-
term plan on**

26th June 2024

**Long-term plan
is in place from**

1st July 2024

Tell Us What You Think? Key Dates

Come along and talk
to us, find out more!

- 1 Council
Chambers drop-in
session
10th April @ 6pm
- 2 Kekerengu
Community Hall
Drop-in session
11th April @ 7pm
- 3 Takahanga Marae
session
14th April @ 11am
- 4 Inland Road
Community drop-in
session at the Collie
Club
17th April @ 6pm

**Help Move Kaikōura
Forward by giving us
your feedback and
HAVING YOUR SAY!**

Go to
<https://www.kaikoura.govt.nz/have-your-say>

We need your feedback by
5pm Tuesday 30th April



KAIKŌURA
DISTRICT COUNCIL

THANK YOU FOR
HELPING US

***MOVE KAIKŌURA
FORWARD***

All feedback must be received by 5pm, Tuesday 30th April



www.kaikoura.govt.nz



96 West End Kaikōura 7300



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KAIKŌURA
DISTRICT COUNCIL

Tell Us What You Think?

How to
make

A
Submission

**Help Move Kaikōura
Forward by giving us
your feedback and
HAVING YOUR SAY!**

Go to
[www.https://www.kaikoura.govt.nz/have-your-say](https://www.kaikoura.govt.nz/have-your-say)

We need your feedback by
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Key Dates

Come along & find
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drop-in session
11th April @ 7pm
- 4 Inland Road
Community drop-in
session
17th April @ 6pm

Report to:	Council
Date:	27 March 2024
Subject:	Marlborough Regional Forestry sale of carbon credit
Prepared by:	S Poulsen - Finance Manager
Input sought from:	M Fletcher - Manager Strategic Finance, Marlborough District Council
Authorised by:	P Kearney - Senior Manager Corporate Services

1. PURPOSE

The purpose of this report is to seek Council approval for the sale of carbon credits held by the Marlborough Regional Forestry joint venture (the MRF), to therefore provide cash to set aside for future investment.

The Marlborough District Council has approved, at its February meeting, to sell \$3.0 million of carbon credits in the 2024/2025 year and to enter into a forward sale agreement for further sale of \$1.5 million worth of credits. It may make sense for the Kaikōura District Council (the Council) to sell its proportionate share in the same sale transactions.

The sale of carbon credits has been included in the draft financial statements for the Long-Term Plan 2024-2034, however the level of rates and debt is not reliant on the sale proceeding.

2. RECOMMENDATION

It is recommended that the Council:

- a) Receive this report, and
- b) agree to sell \$345,000 worth of carbon credits (alongside the Marlborough District Council's sale of \$3.0 million worth of carbon credits), and
- c) agree to enter into a forward sales agreement for \$172,500 of carbon credits (alongside the Marlborough District Council's sale of \$1.5 million worth of carbon credits).

3. SUMMARY

a. Background

The Council owns an 11.5% share of the MRF, with the Marlborough District Council (MDC) holding the 88.5% share. The MRF operates in such a way that the income, expense, assets, and liabilities of the MRF are apportioned to the two entities according to that shareholding.

The MRF holds circa 180,000 carbon credits (30 June 2023). Depending on the price at time of sale, it would mean half of those credits could be sold to achieve the just-over-\$5-million target for the two entities.

b. The proposal to sell carbon credits

The MDC has resolved to sell \$3.0 million in carbon credits and \$1.5 million in a forward sale agreement, to fund its COVID-19 rates relief reserve and thereby reduce the rates increase that could otherwise have been imposed on Marlborough ratepayers.

The Kaikōura District Council had taken a different approach in terms of COVID-19 relief, where we provided support through the Mayoral Fund and suppressed penalties on overdue rates, rather than borrowing to reduce rates.

The Council’s Draft LTP is not proposing to use sale of assets or other one-off revenues such as the sale of carbon credits to artificially reduce the rates requirement, because this only has repercussions for subsequent years when those one-off revenues are no longer available¹.

The sale of carbon credits would, however, enable the Council to replenish its own Forestry Fund and provide for future planting at South Bay as well as improved tree management on our parks and reserves (including the Norfolk Pines).

The Forestry Fund has been depleting in the last decade, to help fund the new Civic Centre build, the 2016 earthquake, and then to meet the cash requirements of MRF while the forests are in a no-logging phase. The Fund currently holds around \$900k and is set aside for strategic purposes (at the Councils discretion).

The MDC report to Council in February 2024 on the sale of carbon credits states that prices are forecast to increase, however, the report acknowledges there is no guarantee of this. The following is an extract from the MDC report (edited).

The question then becomes does Council sell its credits now, wait until the proceeds from unit sales are needed or enter into a forward sales agreement. Based on recent history and future forecasts the downside risk is potentially greater, i.e. \$45/unit versus \$90.22/unit after four years compared to the current \$71.45.

Therefore, to minimise the risk of significant downward movement in prices, it is recommended that Council sell a minimum of \$3.0M of credits to cover the year one transition and enter into a forward sales agreement for the remaining \$1.5M of credits to meet the funding requirement for year two.

Adopting this approach provides a balance of certainty to Council for the larger transaction in year one and a better price for year two, albeit at a slight increase in risk, as it transitions away from using the Reserve to reduce rates.

C. Carbon credits – when to sell?

Carbon credits are a tradeable commodity, and as a result the unit price can vary substantially, as the following graph from Westpac shows very clearly:



¹ Note the MDC will use the proceeds from the sale of credits to repay COVID-19 relief debt, and so their action will have a permanent effect on rates for their district.

The current price is around \$66.00 as at 6 March 2024, with buyer demand being “very light” amid increased forestry selling over the last year. Globally, carbon prices are lower and – while NZ is a closed domestic scheme – some large offshore participants in our market do trade carbon globally. Alongside this, the new coalition government has cancelled the Emissions Trading Scheme review (as promised), however the lack of communication around future policy direction could be making ETS participants nervous.

Having said that, the current pricing is not unfavourable, and – as the graph shows – is well above the drop in July 2023.

The Climate Change Commission has given its advice on the Emissions Trading Scheme unit limits and price control settings, and is recommending that the auction reserve price be held at \$68 for 2025 and \$72 for 2026, and that auction volumes be reduced as the Commission has identified an oversupply in the market.

The astute financial management at both the MRF and the MDC also provides some level of assurance that carbon credits will not be sold in fire-sale conditions.

d. What if the Council does not wish to sell?

The alternative, if the Council decides not to sell any carbon credits alongside the MDC, then the MRF would need to keep a register identifying which Council owns what units. The key issue would be to protect the Council’s interest in our share of the units.

4. FINANCIAL IMPLICATIONS AND RISKS

The price of carbon credits can be very volatile and difficult to predict. There is a risk that the units may be sold at lower price – therefore requiring more credits to be sold in order to achieve the dollar value target set by MDC.

A forward sale agreement, where the price is set but then the price drops in the market, could potentially result in a default in the sale, however the terms of the agreement would offer some protection against events of default.

Weighed against this is the certainty of having the cash and to enable the Council to use the funds at its discretion. As the saying goes, a bird in the hand is worth two in the bush.

5. SIGNIFICANCE OF DECISION

This decision is not considered significant in terms of Council’s Significance and Engagement Policy.

6. RELEVANT LEGISLATION

The Local Government Act 2002 states that a local authority should ensure prudent stewardship and the efficient and effective use of its resources in the interests of its district or region.

7. COMMUNITY VIEWS

No community views were sought in relation to this report

8. COMMUNITY OUTCOMES SUPPORTED

The work is in support of all community outcomes.



Community

We communicate, engage and inform our community



Development

We promote and support the development of our economy



Services

Our services and infrastructure are cost effective, efficient and fit-for-purpose



Environment

We value and protect our environment



Future

We work with our community and our partners to create a better place for future generations

Report to:	Council	
Date:	27 March 2024	
Subject:	Proposed Management Approach – Private Buildings on Roads	
Prepared by:	D Clibbery – Senior Manager Operations	
Input sought from:		
Authorised by:	W Doughty – Chief Executive Officer	

1. SUMMARY

It is proposed that Council adopts a framework for the management of private buildings constructed on road reserve and works towards development of broader guidelines on management of unformed roads.

2. RECOMMENDATION

It is recommended that:

- a) Council adopts the approaches to the encroachment or occupation of road reserve by private buildings that are contained in section 4 of this report.
- b) That Council staff prepare a more comprehensive guideline or policy document on the management of unformed legal roads in draft form for future consideration by Council.

3. BACKGROUND

In recent times it has come to the attention of council staff that some encroachment or occupation of Council's legal road reserve by buildings owned by private parties is occurring which appears to be inappropriate, and that some actions need to be taken to address this.

Any such actions do however need to be based on consistent application of clearly understood principles, that recognise the differing types and circumstances of such encroachments and occupations and uses of road reserve which can occur.

Whilst Council currently has a range of powers to address issues of road reserve encroachment or occupation (in particular through provisions of the Local Government Act 1974 and KDC's Structures and Works in Public Places Bylaw) it does not currently have policies or guidelines to give direction as to when and how those powers should be utilised in this context.

This lack of direction is particularly pronounced in respect of unformed (paper) roads, of which there are a significant number in the District.

Whilst KDC does not currently have a comprehensive policy in respect of the management of unformed roads, Council staff are currently guided by the following widely accepted 5 key principles:

- **Public right of passage** – The public has the right of passage over any unformed legal road under common law, but care must be taken to not cause damage to the surface of the unformed road or trespass onto adjoining private property.
- **Adjoining private property rights** – Adjoining landowners have frontage rights to access the unformed legal road at any point along the length of their property boundary. Within their private property, landowners have a desire for privacy and to not have their property stolen, damaged or stock distressed or endangered by the public users of unformed legal roads.
- **No right of occupation** – Adjoining landholders have no formal right to occupy any unformed legal road and may not impede the use of them by others in any way without written permission from the road controlling authority.

- **No maintenance or construction obligation** – the road controlling authority is under no obligation to maintain or construct unformed legal roads.
- **Environmental protection and road user safety measures** – the road controlling authority has the right to restrict traffic movements on unformed legal roads for the purpose of protecting the environment, the road and adjoining land, and the safety of road users.

It would be desirable to have more comprehensive guidelines for the management of unformed roads such as that provided by Auckland Council in its document '*Management of Unformed Legal Roads*' and a recommendation of this report is to work towards that.

In the interim it is however proposed to immediately establish some agreed management approaches relating to buildings on road reserve, to address the issues which currently exist.

4. PROPOSED MANAGEMENT APPROACHES – BUILDINGS ON ROAD RESERVE

The following approaches (in italics) are proposed:

Encroachment or Occupation of Road Reserve on or adjacent to Formed Roads by Buildings

The proposed approach to the management of encroachments of privately owned buildings on the road reserve of formed roads is that any such encroachment or occupation is generally prohibited, unless a specific permission or consent to do so is obtained from Council, and that such consent or permission would only be granted for activities that are considered complementary to the use of the road for public passage or which otherwise provide broad public benefit.

Encroachment or Occupation of Unformed Roads by Buildings

Unformed legal ('paper') roads pose a quite different range of management issues.

Because most such roads are only used to a limited degree as travel routes (and in some cases are unsuitable for such use) some form of private use or occupation is common, despite the lack of a legal basis for it.

In addition to the common practice of being grazed by the party owning adjacent land with associated installation of gates and fences it is not unusual for other agriculturally related buildings to have been historically placed, in whole or part, on unformed roads.

These activities or occupations typically occurred without any form of formalised licence or consent from Council, and Council is under no obligation whatsoever to permit these activities to continue.

In practice however informal private use of road reserve for grazing can also be of benefit for the community as a whole, since it can relieve the council of some burdens of controlling weeds on parcels of land that would otherwise be difficult to maintain and can also contribute to improving the usefulness of the paper road as a means of public passage through the occupant's formation and maintenance of tracks. On this basis it is generally accepted that in most cases informal occupation of unformed road reserve by adjacent properties for grazing purposes is justifiable.

The formation of structures such as sheds and other buildings on unformed road reserve does however generally not offer any benefits for the broader community and is therefore more difficult to justify if permitted without some form of return (for example a licence fee) to the community.

It is however also recognised that most of the buildings that are found on unformed roads are small, have been present for many years, and occupy only small areas of low-value land with little adverse effect on the public's ability to use the road for passage.

As such the both the benefit for the occupier and the disbenefit for the community associated with these buildings is generally small, making it difficult to justify the administrative effort required to put in place formal licencing arrangements in respect of every existing building.

A very small number of buildings have however been identified on KDC's road reserve land that are considered to be too significant to be permitted to remain on an informal basis. It is suggested that these buildings fall into the following categories:

Buildings used for Habitation

The benefit to a person of living in a building on land for which they pay no rent or council rates is substantial, and the non-payment of rates is a corresponding disbenefit to the broader community.

As such it is believed that the only practical approach is to prohibit any habitable buildings on any road reserve.

Where such buildings exist it is believed that the only practical remedies would be to either require them to be removed, or – and only if the form and location of the building and road reserve is considered entirely suitable – possibly stop and sell an appropriate area of road reserve to the occupier.

Non- Habitable Buildings

It is believed that acceptance of existing non-habitable buildings remaining on road reserve on an informal basis should be confined to buildings that are relatively small, of low value and which do not have any adverse effect on the ability of the public to use the road for passage.

An initial suggestion is that a suitable approach could separate non-habitable buildings into the following categories as follows:

- a) buildings that can be demonstrated to have existed at 26 March 2024, are owned by a private property immediately adjacent to the road reserve occupied by the building, which support the agricultural operation of that property, and which collectively have a total floor area of not more than 60 square metres and a likely total value of not more than \$20,000 will be permitted to remain without the granting of a licence to occupy or any associated charge.
- b) buildings that can be demonstrated to have existed at 1 April 2024, are owned by a private property immediately adjacent to the road reserve occupied by the building, which support the agricultural operation of that property, and which collectively have a total floor area of more than 60 square metres or a likely total value of more than \$20,000 will be permitted to remain provided that the owner obtains a licence to occupy and pay an associated annual fee, the value of which will be determined by Council based upon an assessment of what the likely annual rates associated with the building would be if it was on the adjacent private property.
- c) Privately owned buildings which are not owned by a property immediately adjacent to the road reserve occupied by the building, or do not support the agricultural operation of that property, or significantly compromise the ability of the public to travel along the road will be required to be removed by the owner of those buildings.
- d) Proposed new buildings and existing buildings which cannot be demonstrated to exist before 26 March 2024 will be required to apply for a licence to occupy, the granting of which will be conditional upon the circumstances of each case, and if permitted will be subject to the payment

of an annual fee for more substantial buildings on the same basis as is applicable to existing buildings under point b. above.

- e) Should the owner of the buildings fail to obtain a licence to occupy required under points b and d above, or fail pay the associated fees, Council will then require the buildings to be removed by the owner of them.

5. FINANCIAL IMPLICATIONS AND RISKS

Implementing the proposed approach to managing buildings on road reserve is considered to pose no significant risks for Council.

Very few buildings exist in the District for which a requirement would exist for payment of a charge associated with a licence to occupy, and as such the revenue associated with this would also not be significant.

The only possible significant financial implication might be if a building owner wished to purchase an associated area of unformed road from Council, and it currently appears that there are only two cases where this might potentially be applicable, and in one case the value of the land would be low.

6. RELEVANT LEGISLATION & DELEGATED AUTHORITY

A range of provisions relating to the use of roads is contain in the Local Government Act 1974.

7. COMMUNITY OUTCOMES

The issue discussed in this report relates to the following community outcomes:



Community

We communicate, engage and inform our community



Development

We promote and support the development of our economy



Services

Our services and infrastructure are cost effective, efficient and fit-for-purpose



Environment

We value and protect our environment



Future

We work with our community and our partners to create a better place for future generations

Report to:	Council
Date:	27 March 2024
Subject:	CEO Update Report
Prepared by:	W Doughty - Chief Executive Officer
Input sought from:	
Authorised by:	W Doughty - Chief Executive Officer

1. PURPOSE

To provide the Council with an update on major work streams and other activities.

2. RECOMMENDATION

It is recommended that the Council receives this report for information.

3. COUNCIL ACTIVITY – KEY FOCUS AREAS

Overview

This months activities have been dominated by the draft Long Term Plan as we finalise for public consultation in April. The team have done an incredible job to get us to this point. An LTP year always puts added workloads on top of the business as usual with close to a third of all staff needing to be involved at one stage or another. The Consultation document and supporting draft documents are presented on the agenda for Council to approve after the last six months of workshops with elected members. We have not changed the plan radically from 2021 as we continue to focus on core infrastructure assets as well as prioritise investment in catching up with our roading and footpath programmes. We are in the same situation as Councils around the country in terms of financial costs and pressures. Two thirds of Councils nationally have similar or higher proposed rate rises that us. Nationally, it is recognised that the funding system for local government is fundamentally broken. Simply relying on rates and debt will not be enough for a sustainable long term funding model. However, right now, we need to continue to work within the framework we have and continue to lobby central government for change. Our infrastructure strategy shows that we are in a better position with our assets in the medium to long term than a lot of other Councils, but we need to continue to stay on top of our asset management and not kick the can down the road for a later day. Our financial strategy shows that our debt levels are very manageable, which is a very good news story after the earthquakes of 2016. We need to continue to focus on our key priorities and get the job completed. Consultation is proposed for April 2024 with hearings and deliberations in May and final adoption of the LTP at the end of June 2024.

Physical works are continuing in a number of areas. The link pathway continues to be well used and work is progressing to infill gaps between the Norfolk pines with composite decking. We have also found a way to stabilize the limestone chip edges with white cement. Two main sections of the pathway remain to be completed this year which include from memorial gardens to the skatepark and from Fyffe House to Jimmy Armers beach. Over the next two months we are keen to progress conversations around signage and possible add-ons to the pathway. Work is progressing on the Puhi Puhi valley with Stage 1 anticipated to be completed in the next couple of weeks. Work will then commence in the Blue Duck. Emergency funding for both projects has now been confirmed from NZTA (Waka Kotahi). Work is progressing with the minor safety improvements at Torquay street to improve site lines for the intersection. We are still anticipating confirming a preferred contractor and programme for removal of the South Bay trees by the end of March 2024. A number of other key projects are also progressing as outlined in the works and services committee report.

The notification period is now open for the dark skies lighting plan change with submissions closing on the 19th April 2025. The dark sky team is close to finalizing a draft application to the International Dark Sky association. Consideration of PC4 for the light industrial business park is proceeding on the 26th March. Our draft spatial plan is also progressing but consultation with the public on the draft plan

is being scheduled for after the Long Term Plan. An MOU has been signed with the developer in regard to how both parties will work together for the Ocean Ridge private plan change as part of the IAF programme. The building team are busy at present with the two yearly IANZ reaccreditation audit.

It is fantastic to see town remaining very busy with visitors and a number of community events still occurring such as the NZ Airforce band. We have also had a very successful cruise season. Our library remains very busy and popular.

The monthly financial summary for the end of February 2024 is included in attachment 1. Overall, there are no causes for concern with the financial position for the year at the end of February 2024.

Other information

Several LGNZ forums have been held this month including Rural and Provisional and Zones 5 and 6. These have been the first opportunity to meet new Ministers of the coalition government and understand their priorities following the initial 100 days of government. I also chaired the quarterly Canterbury Communications and Engagement forum which focused around draft LTP’s and also the next steps for the Joint Climate Change Partnership Plan and next steps. There was also a health discussion around the rising level of antisocial behavior being directed towards Council staff across the region and country in recent times.

Environment Canterbury Councillors are planning a field trip to Kaikōura in late March and there will be an opportunity to catch up with both elected members and key Council staff as well as other partner organisations in the District.

Council Team

Two vacancies currently remain open at Council including:

- a) Building Control Manager
- b) Building Control Officer

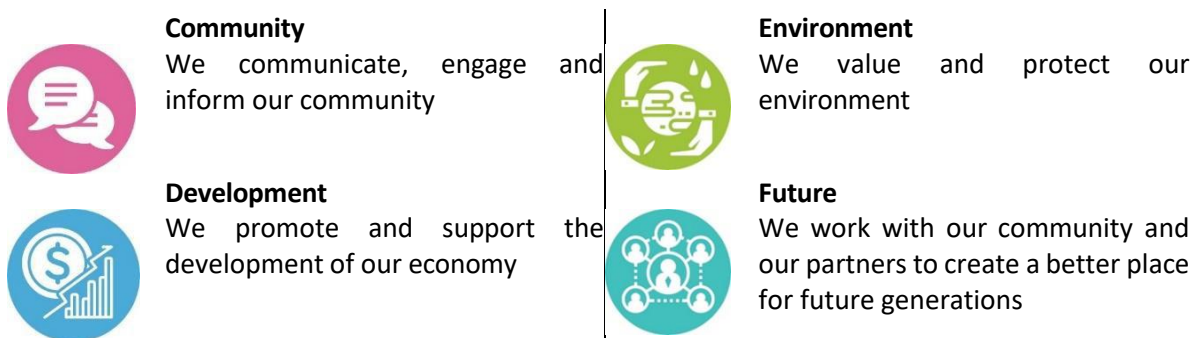
We have a preferred candidate for the Emergency Management Officer role which is good timing as we prepare for both a national and regional civil defense exercise over the coming months. We are also following up with several interested parties with regard to the two vacant roles.

This month we launched our My Everyday Wellbeing web-based tool for all staff and their families. This is an online resource covering multiple aspects of wellbeing.

Focus areas for the next three months

- a) Draft Long Term Plan Consultation
- b) Outstanding debtors and resolution of historic harbour issues.
- c) South Bay forestry harvest

4. COMMUNITY OUTCOMES SUPPORTED





Services

Our services and infrastructure are cost effective, efficient and fit-for-purpose

Appendix 1: Summarised Finance Report for the period to 29 February 2024

Summarised Finance Report for the period to 29 February 2024

In summary there are no concerns with the financial position as at 29 February 2024.

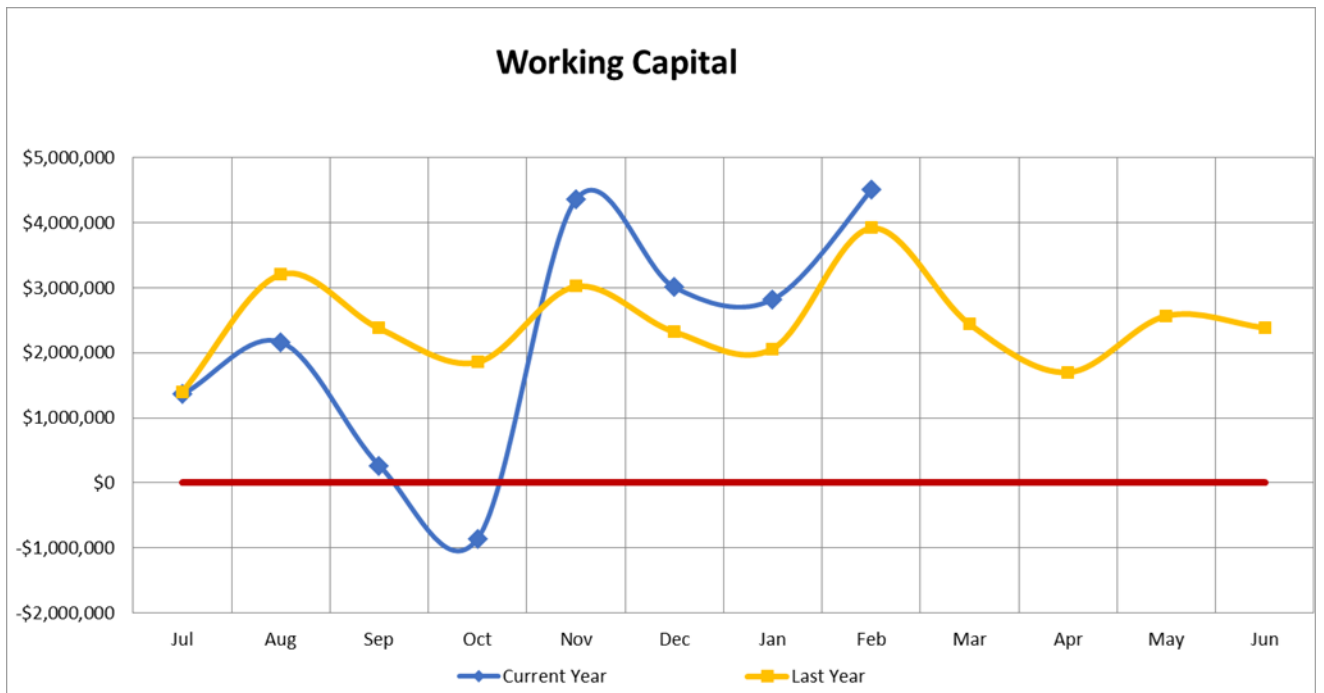
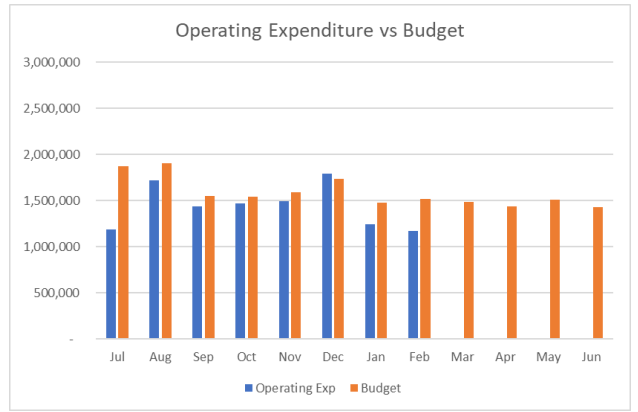
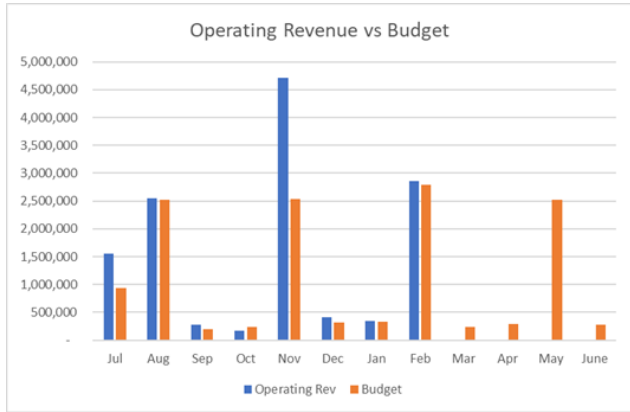
Summary Statement of Comprehensive Revenue & Expense			
	Budget YTD 29/02/24	Actual YTD 29/02/24	Variance 29/02/24
Grants & Subsidies - Opex	3,550,759	4,285,584	734,825
Grants & Subsidies - Capital	2,834,813	3,417,628	582,815
Rates Revenue	6,932,090	7,094,153	162,063
All other revenue	1,379,332	1,501,068	121,736
TOTAL REVENUE	14,696,994	16,298,433	1,601,439
Operating expenses – Other	4,803,768	4,570,960	(232,808)
Depreciation	4,164,738	3,225,923	(938,815)
Personnel	2,574,597	2,317,021	(257,576)
Grants Paid	604,228	543,098	(61,130)
Project Expenses	471,018	373,707	(97,311)
Contractors	357,068	475,462	118,394
TOTAL EXPENSES	12,975,417	11,506,171	(1,469,246)
Operating surplus/(deficit)	1,721,577	4,792,262	3,070,685

Total revenue is \$1.6M above budget, the variance relates to grants and subsidy revenue received in 2023 treated as revenue received in advance for 2024. Expenditure is under budget by \$1.5M – depreciation (non-cash) is a large portion of this and is driven by the unknown nature of the revaluations when setting the budgets. Personnel variance relates to ongoing staff vacancies, this is offset by contractors which is above budget.

Summary Statement of Financial Position			
	Budget to Year End	Actual 29/02/24	Actual 29/02/23
Current assets	3,995,630	7,376,196	6,269,809
Non-current assets	309,861,570	296,281,759	290,334,753
Current liabilities	(1,814,820)	(2,868,382)	(2,319,124)
Non-current liabilities	(10,160,704)	(8,007,503)	(7,160,704)
TOTAL NET ASSETS	301,854,676	292,782,069	287,124,735
Public equity	130,830,552	122,452,237	115,591,481
Special funds & reserves	4,380,393	3,805,251	5,199,942
Asset revaluation reserve	166,673,731	166,524,581	166,333,312
TOTAL EQUITY	301,854,676	292,782,069	287,124,735

Cash is \$3.7M, borrowings are at \$7.3M with the total amount being non-current. Trade receivables are \$3M which is high due to the third rates instalment due in March. Trade payables are \$2M which is consistent with previous months.

Financial Dashboard



Report to:	Council
Date:	27 March 2024
Subject:	Half-yearly Report to 31 December 2023
Prepared by:	P Kearney – Senior Manager Corporate Services
Input sought from:	Management team
Authorised by:	W Doughty - Chief Executive

1. PURPOSE

The purpose of this report is to provide the Council with an update on our Activity Service Performance Measures in the Long-Term Plan, for the six months to 31 December 2023.

These reports have been recommended by Audit New Zealand, and it is proposed that activity performance be reported quarterly. Quarterly reporting remains the target.

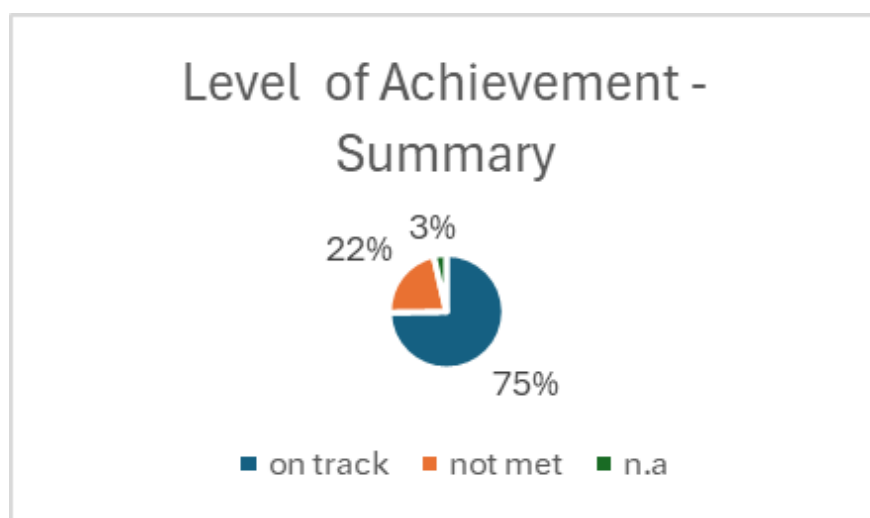
2. RECOMMENDATION

It is recommended that this report is received for information.

3. SUMMARY

3.1 Overall Achievement

Overall, Council activities are achieving 75% of performance targets. This reflects a significant improvement since these measures were presented as part of the December 2022 update. Community & Customer Services has once again met 100% achievement for the six months.

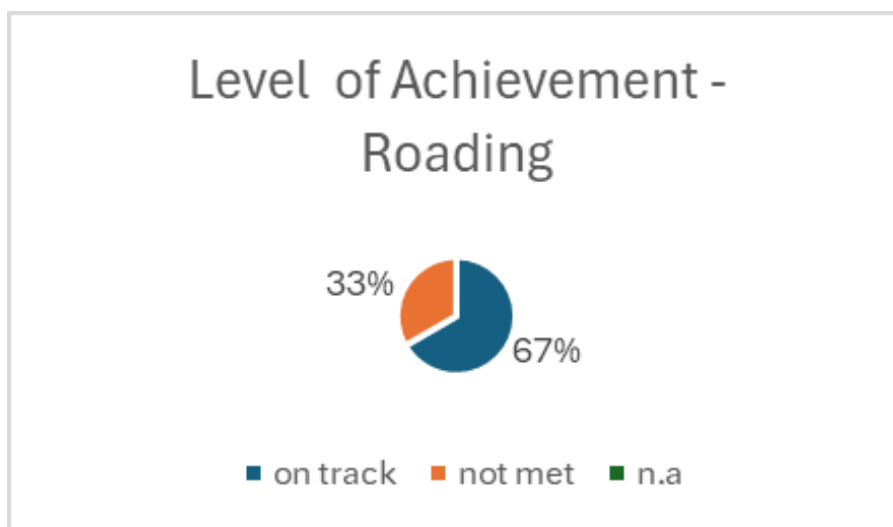


Measures not able to be reported for three-waters activities have been an issue and have previously been the cause of the Council's Annual Report (plus the Annual Report for Innovative Waste Kaikōura Ltd) receiving a qualified audit opinion every year. As at December 2023 an Excel spreadsheet-based system has been put in place and is being used to record data for the 2023/24 year on service requests received by KDC and by IWK. That data included the response and completion times needed to verify performance against the 3W measures. It should be noted that as the spreadsheet-based system is further improved and enhanced we may see improvements and or changes to these results.

The targets for roading that have not been achieved relate to the condition of our footpaths and the resident survey results. Both points have formed part of the consideration for inclusion into our consultation items for the Long-Term Plan.

A total of 62 performance targets were met and 18 performance targets were not met; these are detailed within this report.

3.2 Roothing



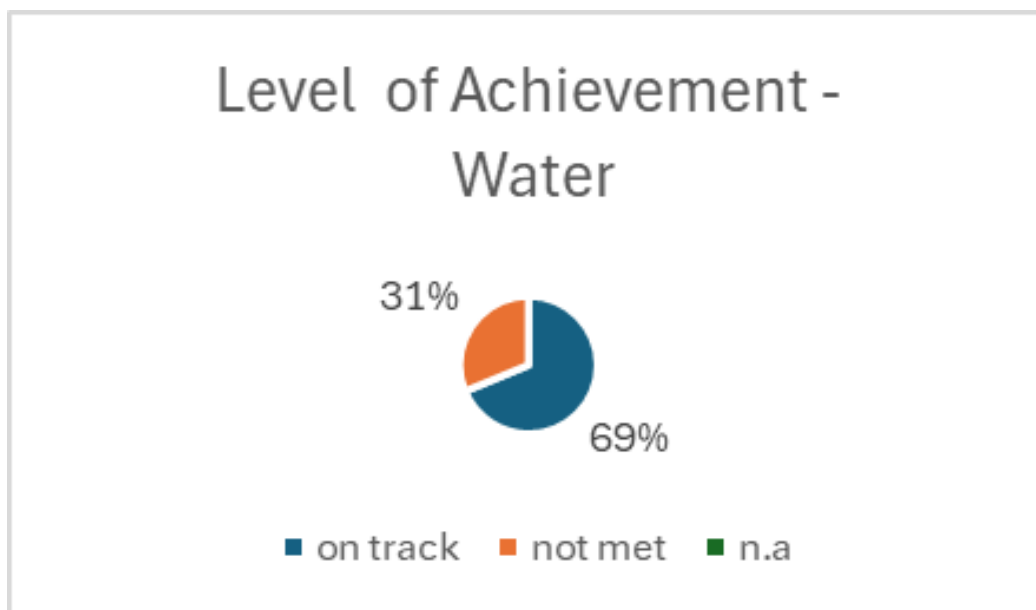
	Actual 2023	Annual Target 2024	Half-year Target 2024	Actual 2024	On track
The number of fatalities and serious injury crashes on the local road network expressed as a number (change from previous year).	3	0	0	0 Note 1	Yes
The average quality of ride on the sealed road network measured by Smooth Travel Exposure.	Not applicable	92% or better	92% or better	95% Note 2	Yes
	Actual 2023	Annual Target 2024	Half-year Target 2024	Actual 2024	On track
The average quality of ride on the sealed road network measured by NAASRA roughness	Not applicable	97 or less	97 or less	91	Yes
The percentage of customer service requests relating to rooothing, footpath and associated infrastructure faults responded to within timeframe: Urgent 1 day Other 1 week	Not available	Greater than 90%	Greater than 90%	45.60%	No

The percentage of regulatory road signs incorrect or missing during an audit of the road network.	0	Less than 0.5%	Less than 0.5%	0	Yes
The percentage of the sealed network that is resealed per year	20%	Greater than 7%	Greater than 7%	6.97% Note 3	Yes
The percentage of footpaths that are condition grade 4 or 5	Not available	Less than 5%	Less than 5%	21.2%	No
Resident satisfaction with footpaths	41%	Greater than 43%	Greater than 43%	41%	No
The percentage of streetlights not functioning during an audit of any part of the network (whether full or partial audit)	<1%	Less than 1%	Less than 1%	0%	Yes

Notes:

Note 1	There has been crashes but the information is not available on the CAS system to upload or to check if serious injury
Note 2	This will not change as no further Roughness survey is planned for this FY. The resent reseals effect will positively affect the STE score.
Note 3	Based off the total area sealed

3.3 Water Services



	Actual 2023	Annual Target 2024	Half-year Target 2024	Actual 2024	On track
The extent to which the water supply complies with part 4 of the NZ Drinking Water Standards (bacteria compliance criteria)	100%	100%	100%	100% Note 4	Yes
The extent to which the water supply complies with part 5 of the NZ Drinking Water Standards (protozoal compliance criteria)	0%	100%	100%	100% Note 5	Yes
The percentage of real water loss from networked reticulation systems (where such measurement is realistically achievable - on some rural supplies the lack of meters, and trickle-feed supplies, prevent measurement).	23%	Less than 40%	Less than 40%	25% Note 6	Yes
The average consumption of drinking water per day per resident (Kaikōura Urban supply only)	430	Less than 375 litres	Less than 187.5 litres	Less than 375 Note 7	No
The median response time to urgent callouts, being service failure, supply fault or contamination, from the time of	Not available	Less than 2 hours	Less than 2 hours	0.5	Yes

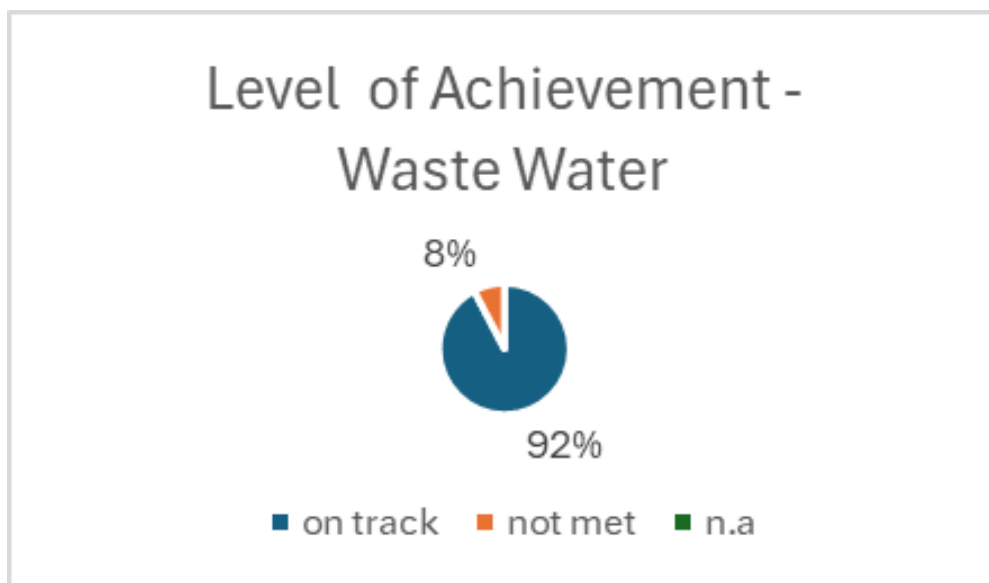
	Actual 2023	Annual Target 2024	Half-year Target 2024	Actual 2024	On track
notification to the time that service personnel attend the site					
The median resolution time to urgent callouts, being service failure, supply fault or contamination, from the time of notification to the time that the fault is resolved	Not available	Less than 12 hours	Less than 12 hours	1.5	Yes
The percentage of urgent callouts, being service failure, supply fault or contamination, responded to within one hour from the time of notification to the time that service personnel attend the site	Not available	98%	98%	71%	No
Median response times to non-urgent callouts (minor leaks and equipment maintenance)	Not available	Less than 48 hours	Less than 48 hours	1.25	Yes
Percentage of non-urgent callouts responded to within 48 hours from the time of notification to the time that service personnel attend site	Not available	98%	98%	89%	No
The number of customer service requests received about Council water supply schemes per year	75	Less than 365	Less than 183	80	Yes
The number of complaints received per year (due to a service request not being actioned appropriately).	Not available			0	Yes
The number of complaints received about drinking water clarity, per year per 1,000 connections	Not available	No more than 18 complaints about these issues in total (per 1,000 connections)	No more than 9 complaints about these issues in total (per 1,000 connections)	3 Note 8	Yes
The number of complaints received about drinking water taste, per year per 1,000 connections	Not available			0	Yes
The number of complaints received about drinking water odour per year per 1,000 connections	Not available			0	Yes

The number of complaints received about drinking water pressure or flow, per year per 1,000 connections	Not available			1.5 Note 9	No
The number of complaints received about drinking water continuity of supply, per year per 1,000 connections	Not available			6.5 Note 9	No

Notes:

Note 4	Operational compliance is now based on Taumata Arowai rules. It is no longer pass or fail on any 3-minute data point, but rather % of time compliant. All independent sampling 100%. Measure updated to Taumata Arowai for long term plan.
Note 5	Operational compliance is now based on Taumata Arowai rules. It is no longer pass or fail on any 3-minute data point, but rather % of time compliant. All independent sampling 100%. Measure updated to Taumata Arowai for long term plan.
Note 6	Estimate based on known network condition and unaccounted for usage. Usage on public areas, e.g. sports fields and the racecourse, is under review. Metering and charging is an option.
Note 7	Estimated consumption rate including summer period. Note this measure is a rate (l/h/d), not a quantity, and will be lower in the shoulder seasons and winter. Measure updated for long term plan
Note 8	East Coast scheme Clarence village line had episodes of poor clarity as the biofilm layer in the existing pipe was removed by chlorination. Weekly flushing has continued.
Note 9	Some difficulties communicating scheme offline periods with rural scheme users (e.g. East Coast, Kincaid and Fernleigh scheme users without email). Group text messages are being investigated. Cell tower area alerts for emergencies are also being investigated.

3.4 Wastewater Services



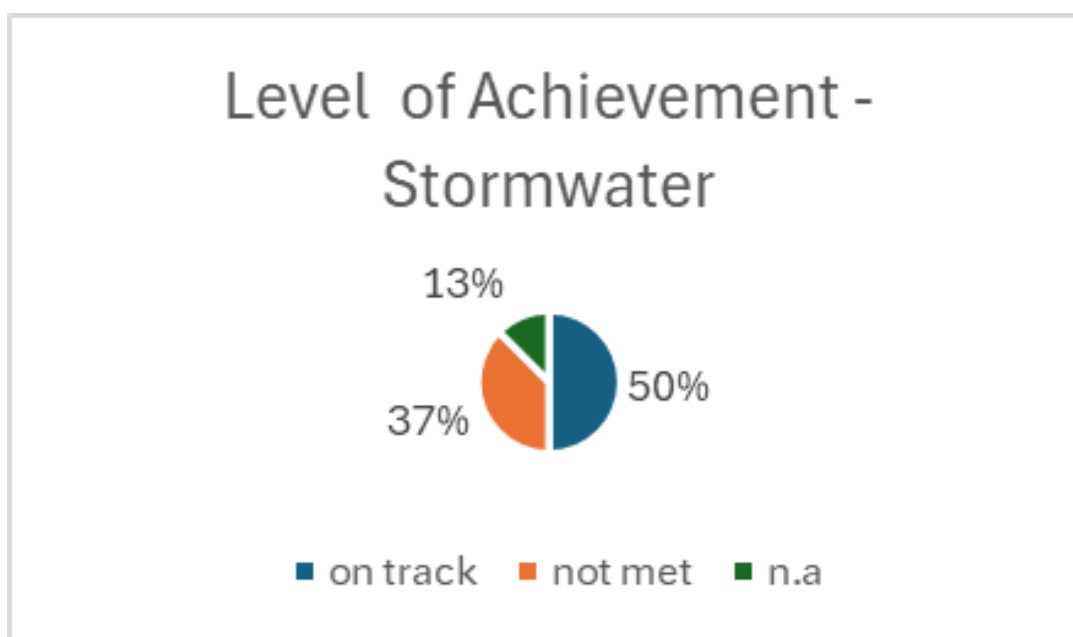
	Actual 2023	Annual Target 2024	Half-year Target 2024	Actual 2024	On track
The number of dry weather sewage overflows, expressed per 1,000 sewer connections	0.6	0	0	0	Yes
The number of abatement notices issued to the Council for non-compliance with resource consent conditions	3	0	0	3 Note 10	No
The number of infringement notices issued to the Council for non-compliance with resource consent conditions	0	0	0	0	Yes
The number of enforcement orders issued to the Council for non-compliance of consent conditions	0	0	0	0	Yes
The number of convictions against the Council in relation to its resource consents	0	0	0	0	Yes
The median response time to sewage overflows from the time of notification to the time that service personnel reach the site	1.5 hours	Less than 1 hour	Less than 1 hour	0.25	Yes
The median resolution time to sewage overflows from the time of notification to the time	2.38 hours	Less than 24 hours	Less than 24 hours	1	Yes

of resolution of the blockage or other fault					
	Actual 2023	Annual Target 2024	Half-year Target 2024	Actual 2024	On track
The percentage of urgent callouts, being service failure, supply fault or overflow, responded to within one hour from the time of notification to the time that service personnel depart to the site.	Not available	90%	90%	93%	Yes
The percentage of blockages or other faults (excluding odour) resolved within 24 hours	Not available	80%	80%	93%	Yes
The number of complaints received about sewage odour, expressed per 1,000 connections	Not available	Less than 19 complaints about these issues in total (per 1,000 connections)	Less than 10 complaints about these issues in total (per 1,000 connections)	2	Yes
The number of complaints received about sewage system faults, expressed per 1,000 connections	Not available			0	Yes
The number of complaints received about sewage system blockages, per 1,000 connections	Not available			5	Yes
The number of complaints received about the Councils (or the Councils service providers) response to the above issues, per 1,000 connections	Not available			0	Yes

Notes:

Note 10	General abatement notices from Ecan being worked through
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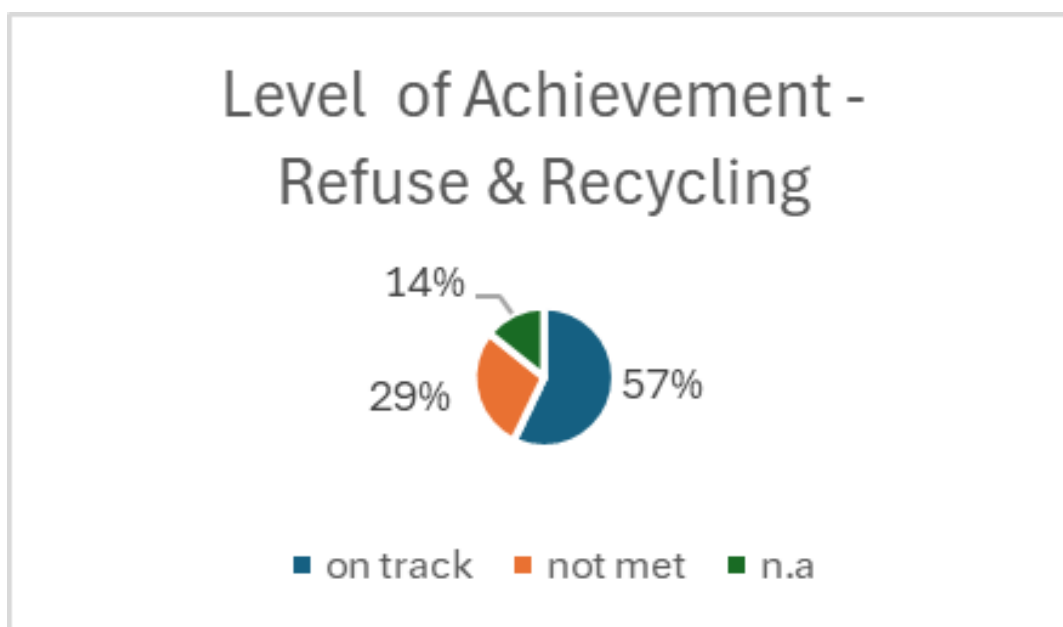
3.5 Stormwater Services



	Actual 2023	Annual Target 2024	Half-year Target 2024	Actual 2024	On track
The number of flooding events where water enters habitable property per year	0	0	0	2	No
For each flooding event, the number of habitable floors affected, expressed per 1,000 properties connected to the stormwater system	0	Less than 3	Less than 2	0	No
The number of abatement notices issued to the Council for non-compliance with resource consent conditions	1	0	0	1	No
The number of infringement notices issued to the Council for non-compliance with resource consent conditions	0	0	0	0	Yes
The number of enforcement orders issued to the Council for non-compliance of consent conditions	0	0	0	0	Yes
	Actual 2023	Annual Target 2024	Half-year Target 2024	Actual 2024	On track

The number of convictions against the Council in relation to its resource consents	0	0	0	0	Yes
The median response time taken to attend a flooding event, from the time of notification to the time that service personnel reach the site	No flooding events	Less than 1 hour	Less than 1 hour	0	Not available
The number of complaints received about performance of the stormwater system, expressed per 1,000 connections	Not available	Less than 3	Less than 2	1	Yes

3.6 Refuse & Recycling



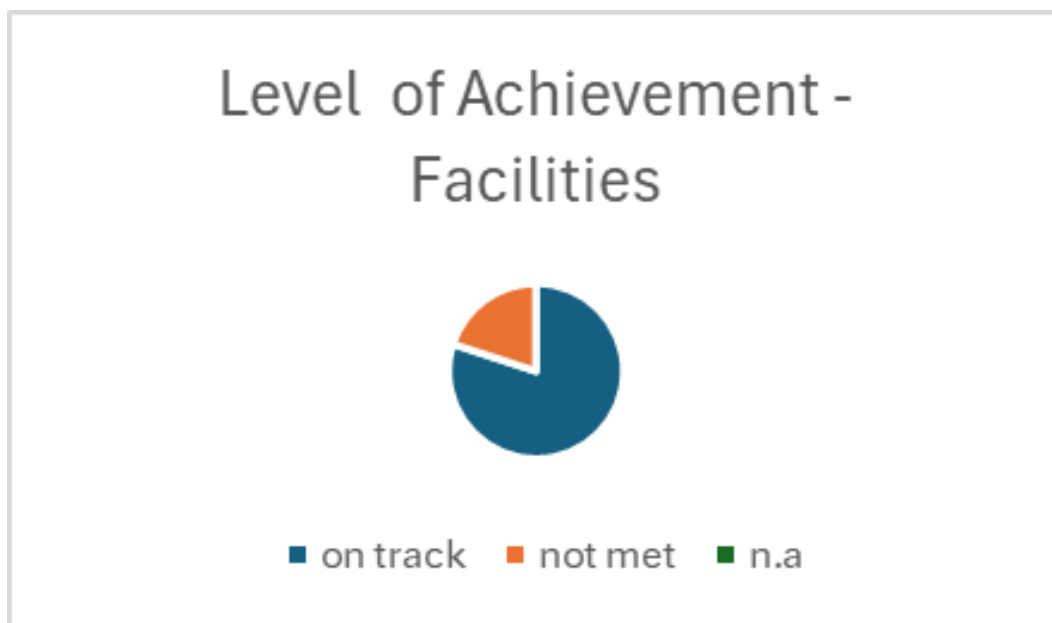
	Actual 2023	Annual Target 2024	Half-year Target 2024	Actual 2024	On track
The number of incidents of street litter bins being used for grossly inappropriate purposes such as deposit of household refuse	44	Less than 75	Less than 38	6	Yes

Percentage of refuse collection and disposal costs (excluding those for street litter bins and clean-up of illegal dumping) that are recovered on a user-pays basis.	75.4%	80%	80%	100%	Yes
Level of compliance with Environment Canterbury consents	Non-compliance action required	KDC Consents are assessed as "compliant"	KDC Consents are assessed as "compliant"	Compliant Note 11	Yes
The number of complaints about the landfill environmental effects	Not available	No more than 5	No more than 5	0	Yes
Percentage of recyclable material that is contaminated and treated as refuse	4%	No more than 5%	No more than 5%	7%	No
Kilograms of waste sent to landfill per capita	385	No more than 380kg	No more than 190kg	192.45kg	No
The estimated annualised average net cost per tonne of all materials delivered to beneficial markets through recycling or resource recovery services less the current per tonne charge for disposal of general refuse, inclusive of landfill levy and carbon credit charges.	\$(209.45)	Less than \$100	Less than \$50	Note 12	Not available

Notes:

Note 11	No issues of non-compliance have been raised
Note 12	This is an annualised estimated figure only, and attempting to provide a mid-year figure is not realistic.

3.7 Facilities

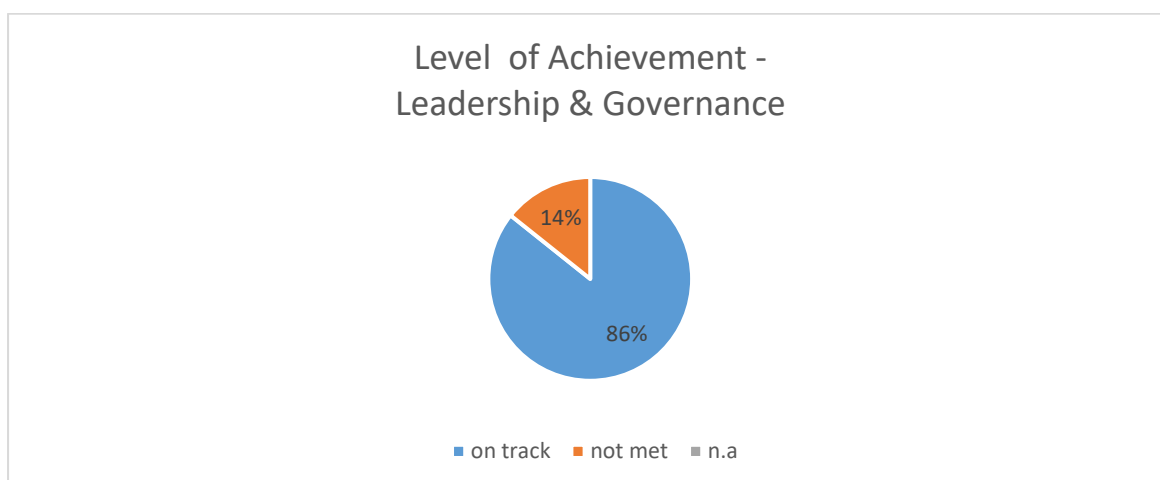


	Actual 2023	Annual Target 2024	Half-year Target 2024	Actual 2024	On track
The number of Memorial Hall bookings (excluding KDC use) per annum	113	40	20	57	Yes
Resident satisfaction with cemetery, public toilets and playgrounds (combined)	75%	75% better or	75% better or	75%	Yes
Percentage of public buildings have a BWOFF	100%	100%	100%	100%	Yes
The number of Civil Aviation Authority (CAA) surveillance findings	0	0	0	0	Yes
The number of complaints received about the condition of harbour assets (slipway, wharves, washdown area, etc)	Not Available	3 or less	2 or less	3 Note 13	No

Notes:

Note 13	Issues with Pay & Display machine have now been resolved
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3.8 Leadership & Governance



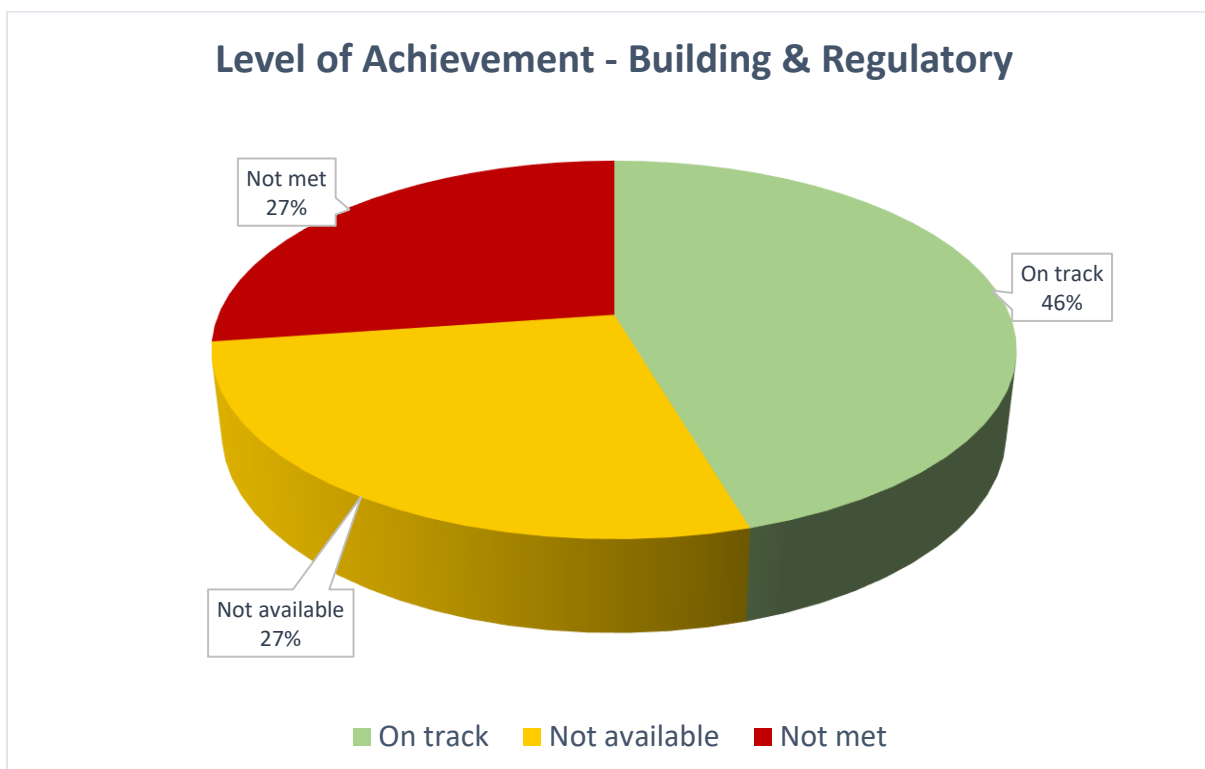
	Actual 2023	Annual Target 2024	Half-year Target 2024	Actual 2024	On track
The percentage satisfaction with the Mayor Councillors and staff	72%	60%	60%	72%	Yes
Ensure at least 90% of residents are satisfied that Council consults with them on important issues	52%	50%	50%	52%	Yes
Percentage of operating costs versus budget (excludes loan interest and depreciation)	101.6%	100%	100%	98%	Yes
Percentage of capital programme delivered	50.9%	At least 75%	At least 37.5%	23% Note 14	No
Level of engagement with Council communications (Facebook followers)	5,806	> 5,420	> 5,420	5,723 Note 15	Yes
	Actual 2023	Annual Target 2024	Half-year Target 2024	Actual 2024	On track
Level of engagement with Council communications (E-Newsletters opened)	49%	> 45%	> 45%	48% Note 16	Yes

Resident satisfaction with KDC communications	75%	70% better	or	70%	75%	Yes
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Notes:

Note 14	As at Feb YTD. Main delays are the Clarence River bridge, Wakatu Quay development & IAF
Note 15	at 18 Jan 2023
Note 16	48% is the average over 6 months, many months were above this. Only August below target at 44%

3.9 Building & Regulatory



	Actual 2023	Annual Target 2024	Half-year Target 2024	Actual 2024	On track
The number of complaints about dogs (wandering, barking nuisance, dogs rushing, etc)	69	135	67	134	Yes
Percentage of building consents processed within statutory timeframes	92.65%	97%	97%	94.90% Note 17	No

BCA Accreditation status is confirmed (every second year)	Accreditation confirmed	Not due in 2023	Not due in 2023	Not due in 2023	Not available
Percentage of resource consents processed within statutory timeframes	65%	97%	97%		Not available
Percentage of food premises inspected within statutory timeframes	20.5%	100%	100%	100%	Yes
Percentage of liquor licensed premises inspected within statutory timeframes	100%	100%	100%	100%	Yes
Percentage of dog or stock complaints responded to within timeframe Urgent - 1 hour Serious nuisance - 6 hours General nuisance - 1 day All other issues - 5 days	Not Available	80%	80%	80%	Yes
Percentage of known dogs that are registered	97%	97%	97%	99%	Yes
The number of infringements issued for inappropriate/illegal parking	22	< 130	< 65	52	Yes
Percentage of BWOF's audited or inspected	0%	97%	97%	5% Note 18	No
Number of complaints about freedom camping	Not Available	Less than 50	Less than 25	18	Yes

Notes:

Note 17	Due to staffing issues (lack of resource)
Note 18	Due to staffing issues (lack of resource)

3.10 Community & Customer Services



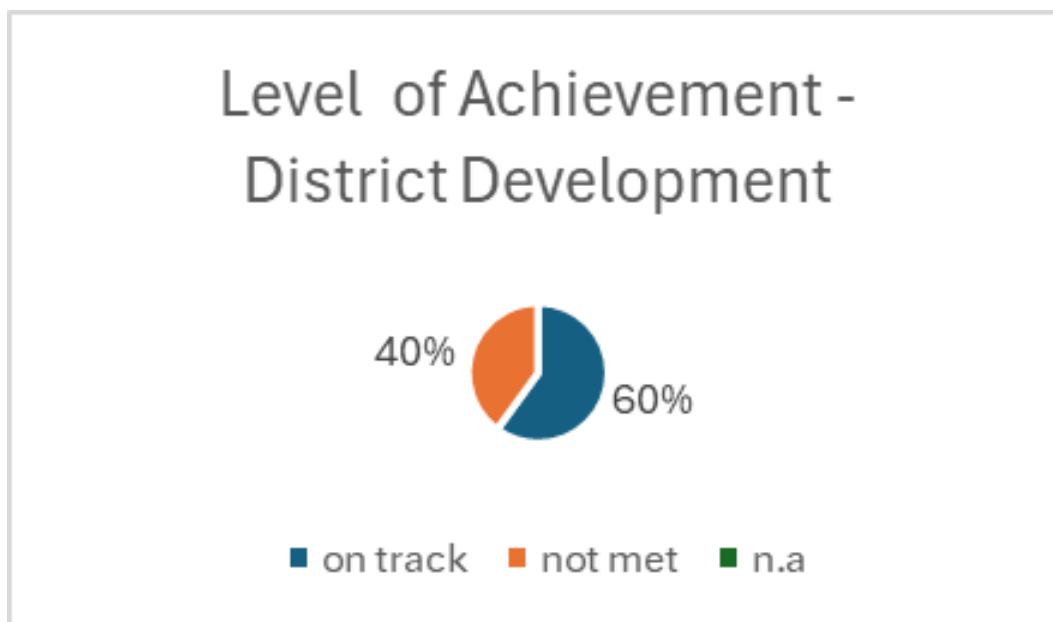
	Actual 2023	Annual Target 2024	Half-year Target 2024	Actual 2024	On track
Customer services					
Increased customer satisfaction with Customer Services Team	79%	67% or better	67% or better	85%	Yes
Community Development					
Number of community networking reports	6	No less than 6	No less than 3	6	Yes
Grants & events					
Number of community groups funded	CCS 13, GL 2, RST 2, CIF 8	No less than 10	No less than 5	8 Note 19	Yes
Number of community events held	4	Not less than 4	Not less than 2	5	Yes
Civil defence					
Number of scenario's held with cross-agency attendance	4	2	1	1 Note 20	Yes
Youth development					
Facilitate monthly youth Council meetings	9	6	3	4 Note 21	Yes

	Actual 2023	Annual Target 2024	Half-year Target 2024	Actual Half-year Target 2023/24	On track
Support with youth Council events (number of events supported)	6	10	5	5	Yes
Number of training opportunities	2	4	2	2	Yes
Library					
The number of lending items per capita	10.83	7.7	7.7	9.39 Note 22	Yes

Notes:

Note 19	CIF - Community Initiatives Fund: 2, CCS - Creative Communities Scheme: 4, RST - Rural Sport Travel: 2, GLF - George Low Fund: 0 = total 8
Note 20	We are now incorporating our scenarios into our First Responders regular catch-up
Note 21	These are internal meetings
Note 22	Significant increase as lending items include e-books

3.11 District Development



	Actual 2023	Annual Target 2024	Half-year Target 2024	Actual 2024	On track
District Planning					

Progress on the District Plan review	Council positioned itself well for the June 2024 target. A spatial plan process is starting which will feed into the June 2024 review	Phase One: including residential and commercial zone chapters by June 2024	Progress ongoing	The Spatial Plan is progressing well. Behind initial timeframes, however looking to notify to community before end of the financial year	No
Environmental Planning					
Number of environmental projects supported	0	Not less than 3	Not less than 2	1 Note 23	No
Tourism					
Domestic and international spend indicators (Market view) show year on year increases (baseline spend \$50.4M in 2021)	Overall spend at \$71.1m is \$20m higher than 2021 baseline. Domestic spend is 2.2% down, International spend has increased more than 800%	Market view indicators show increases post Covid-19 relative to other comparable RTO regions	Market view indicators show increases post Covid-19 relative to other comparable RTO regions	\$36.2m for the period Jul'23-Dec'23 Note 24	Yes
Six-monthly reports from Destination Kaikōura demonstrate activities and achievements	Reports have been received, activities and achievements are documented	Reports are received	Reports are received	Reports have been received quarterly with high levels of activities and achievements Note 25	Yes
Economic development					
Number of ED-related projects or events supported	6	5	Not less than 2	2 Note 26	Yes

Notes:

Note 23	One organisation funded (KORI). Other environmental projects may be supported in-kind, e.g Dark Sky Trust and Te Korowai.
Note 24	Visitor spending is up 15.9% compared to comparative prior year period and on track to exceed the baseline measure of \$50.4m
Note 25	The report covering July – December 2023 provides a comprehensive update of events and social media related items for the district
Note 26	Funding provided to Kaikōura Cycling Club & Kaikōura International Dark Skies

4. FINANCIAL IMPLICATIONS AND RISKS

Regular monitoring and reporting on the Council financials is required as there is a risk that the Council's financial position could deteriorate with an increase in debt levels; lowered credit rating; revenue flows are lower than budgeted, and expenditure is higher than projected.

5. SIGNIFICANCE OF DECISION

This decision is not considered significant in terms of Council's Significance and Engagement Policy.

6. RELEVANT LEGISLATION

The Local Government Act 2002 states that a local authority should ensure prudent stewardship and the efficient and effective use of its resources in the interests of its district or region.

7. COMMUNITY VIEWS

No community views were sought in relation to this report.

8. COMMUNITY OUTCOMES SUPPORTED

The work is in support of all community outcomes.



Community

We communicate, engage and inform our community



Development

We promote and support the development of our economy



Services

Our services and infrastructure are cost effective, efficient and fit-for-purpose



Environment

We value and protect our environment



Future

We work with our community and our partners to create a better place for future generations

Report to:	Council	File #
Date:	27 March 2024	
Subject:	Community Services Team Update	
Prepared by:	S Haberstock – Community Services Manager	
Input sought from:	Community Services Team and partners	
Authorised by:	P Kearney – Senior Manager Corporate Services	

1. SUMMARY

The purpose of this report is to keep the Mayor and Councillors informed of the activities delivered by the Community Services Team and collaborations with the Kaikōura community. The report this month includes the following activity updates for January/February:

1) Community Development

- a) Community Development and Community Groups
 - b) Events
 - c) Te Hā o Mātauranga
 - d) Housing Forum statistics
- 2) Library Dashboard
 - 3) Kaikōura Emergency Management

2. RECOMMENDATION

It is recommended that the Council receives this report for information.

ACTIVITY UPDATES

1) Community Development

- a. *Community Development and Community Groups*

Youth Council

Youth Council has split into two groups. One will be KYC Youth Voice - all about advocacy, environment and change, focusing on committees around Kaikōura, connecting with other youth councils and organisations, youth awards, leadership and council issues like surveys and submissions. second group is KYC Events - about youth development, wellbeing and ensuring young people of Kaikōura have access to skill building and training. They will be focusing on Youth Week, youth awards, workshops, Mental Health Awareness Week, Te wiki o Te Reo Māori etc.

Pensioner Housing

New heat pumps have been installed in eight units (1-8) with tenants in these flats very happy with the new units. They are enjoying the fruit and vegetables they have been able to grow in the planter boxes donated by Te Whare Putea.

Rent increase takes place this week, all on track to go smoothly at both our tenants and KDC finance end.

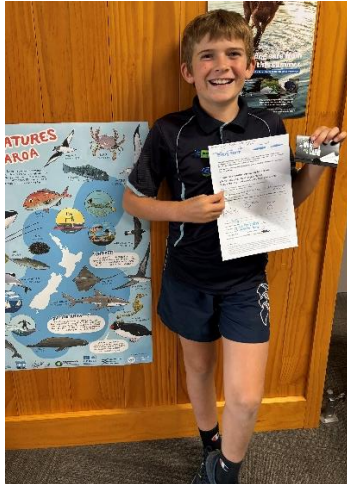
Aging Well Kaikōura

Aging Well Kaikōura hosted Susan Jenkins, Abbeyfield NZ Executive Officer in Kaikōura on 14th March where she attended and presented at Summer Wine, this session was well received, and attendees had the chance to answer questions about how an Abbeyfield house works and what it could provide for the community if we had one here.

b. Events

Blue Fish Treasure Hunt

The Kaikōura Blue Fish Treasure Hunt was a collaboration between ECAN and KDC as part of Seaweed 2024. B Apperley installed approximately 30 blue fish on drains around the town area and this was then created into a competition for young people to hunt them out, let us know how many they could find and enter the competition. The prizes were provided by KDC Events and won by Pohutukawa Class at St Joseph’s School and Billy Dewhirst (individual entry). A bunch of very happy kids below:



Multicultural Event

We are currently planning a multicultural potluck lunch event to be held on Saturday 4th May at Memorial Hall. This is an opportunity for individuals from other cultures to come together, learn and connect.

A & P Show

The Kaikōura A & P Show was held on Saturday 24th February with fantastic warm weather and a great turn out of people. We had a Council stand promoting the new Dog Gone system, family history service, emergency management and fielding general council enquiries.

NZ Airforce Band

The NZ Airforce Band stopped and played a short free concert, with a march along West End on Thursday 29th February. This was well attended by community members who enjoyed their music in the Village Green over lunchtime. We appreciated that they stopped and provided this on their way to Christchurch shows:



c. Te Hā o Mātauranga

- Mayor's Taskforce for Jobs - a relatively slow month for placements but lots of work behind the scenes and 3 apprenticeships in the pipeline which is fantastic! Aysia attended the MTFJ hui in

Wellington with other MTFJ employment coordinators, good networking and plenty of ideas generated by the group. Our first Youth Employability Programme for 2024 is running with 7 students from Kaikoura High School attending twice a week. This group have come in with great attitudes and are participating fully in the programme.

- Driving - lots of success this month with 5 students passing their restricted licences and 3 passing their learners licences. Another defensive driving course held with police referring some students to this as a compliance activity.
- Road Safety - we have a meeting lined up with David Scarlet from NZTA and Olga to talk about road safety funding and ideas for using this going forward. This has stemmed from a meeting we had with the NZTA Education Advisor around learner licence training resources.
- Adult Education - our partnership with REAP Marlborough continues to flourish with first aid and defensive driving held recently.
- Youth Education - We continue to work face to face with secondary students who are on alternative learning pathways. We have the next Kaikōura Education Aspirations (KEA) hui booked for April 3rd. The group have identified actions (Safe Spaces, Community comms, Transitions, Paint the Town Pink, High School utilising community support) that are the focus for the hui.
- Youth Development Opportunities - coming up we have a Puhī Peaks camp and a Special Effects makeup course. The Youth Rodbenders Fishing Club have been meeting fortnightly - one fortnight is for learning practical skills like tying knots etc and the other is the field trip to fish. The group is lead very capably by Keepa Timms and Keagan Sweeney.

d. Housing Forum statistics

Research completed by Kainga Ora has identified various issues in the Kaikōura housing space, most of it not new, but good to understand and readdress some of our housing shortages:

- Local economic growth driven by the tourism industry and is currently reasonably strong (but this can change quickly i.e. strongly influenced by visitor numbers).
- Some steady population growth in recent years - long term population change driven by both natural increase and periods of positive net migration internally from larger cities like Christchurch/Waimakariri and Auckland, and in recent years by net international migrants (What has been and will be the impact for housing affordability on the local population?) - current long-term projections show growth in the population across the district.
- Supply has consistently kept up with population demand overall across the region, however, there are still a lot of unoccupied homes across the district, possibly due to them being used as holiday homes/short term lets. This is a growing trend, what does it mean for supply for locals and say temporary workers in a growing tourism industry?
- Ongoing migration from larger cities and international migration in recent years may have led to the ongoing high levels of unaffordability for residents within the district.
- No significant public housing pressure to date.

- An aging population across the district – what the housing need and supply for this cohort looks like is developed by the Kaikōura Aging Well Group.
- Some levels of deprivation particularly around access to services due to the rural nature of the population.
- Climate change resilience – high risk earthquake location.
- Future analysis - update this analysis when the 2024 Census data becomes available e.g. affordability by income bands.

Market Drivers: Population future projections?

2. Population - Projected change

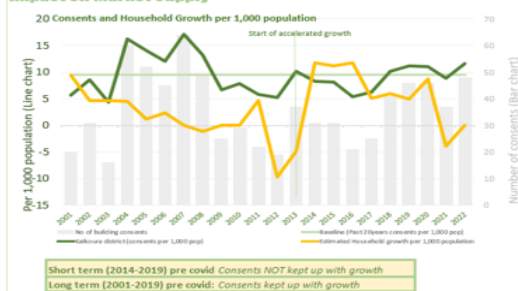
TLA	Trend 2000-21	2021 est	Long term: 2000-21		2016-21 % of long term change	2043 proj	Change 2021-43	% change	% of total growth
			num	%					
Nelson City		54,700	12,100	28%	27%	58,500	3,800	6.9%	38%
Tasman District		57,900	16,300	39%	37%	63,700	5,800	10.0%	58%
Marlborough District		51,500	11,000	27%	40%	52,900	1,400	2.7%	14%
Kaikoura District		4,260	760	22%	41%	4,490	230	5.4%	2%
Buller District		9,660	-390	-4%	-164%	9,010	-650	-6.7%	-6%
Grey District		14,100	700	5%	36%	13,750	-350	-2.5%	-3%
Westland District		8,910	920	12%	14%	8,690	-220	-2.5%	-2%
Nelson, Marlborough, West Coast Region		201,030	41,390	26%	33%	211,040	10,010	5.0%	100%
New Zealand		5,120,990	1,264,900	33%	32%	6,055,410	934,420	18.2%	

- Based on current projections, some long term growth expected for Kaikoura



Market Drivers: Supply has kept up with Demand

Impact on Market Supply



1. Supply has generally kept up with demand over the long term
2. But...a significant % of unoccupied homes in the District – 3x the NZ average

TLA	Long term Market response (last 20 Years)		Short term Market response (last 6 Years)		Total Private dwellings	Unoccupied dwellings	% Unoccupied dwellings
	✓	Consents kept up with growth	✗	Consents NOT kept up with growth			
Nelson city	✓	Consents kept up with growth	✗	Consents NOT kept up with growth	21,447	1,251	5.8%
Tasman district	✓	Consents kept up with growth	✓	Consents kept up with growth	23,598	3,471	14.7%
Marlborough district	✓	Consents kept up with growth	✗	Consents NOT kept up with growth	22,587	3,411	15.1%
Kaikoura district	✓	Consents kept up with growth	✓	Consents kept up with growth	2,319	744	32.1%
Buller district	✓	Consents kept up with growth	✓	Consents kept up with growth	5,751	1,212	21.1%
Grey district	✓	Consents kept up with growth	✓	Consents kept up with growth	6,636	1,176	17.7%
Westland district	✓	Consents kept up with growth	✓	Consents kept up with growth	5,100	1,080	21.2%
Nelson/Marlborough/West Coast Region					87,438	12,345	14.1%
New Zealand					1,870,386	196,506	10.5%

Drilling into the high % of “unoccupied homes”: Short term lets

Kaikoura District

- Figures are estimates, but Kaikoura has very high number of **AirBnB** listings per 100 residents
- Coupled with high unoccupancy rates (previous slide), this could indicate that a large proportion of housing stock in Kaikoura is being used for short-term holiday rentals and/or private holiday homes
- The number of short-term rental listings was up 23% in October 2023 vs previous year
- These factors could contribute to a squeeze on housing availability in future

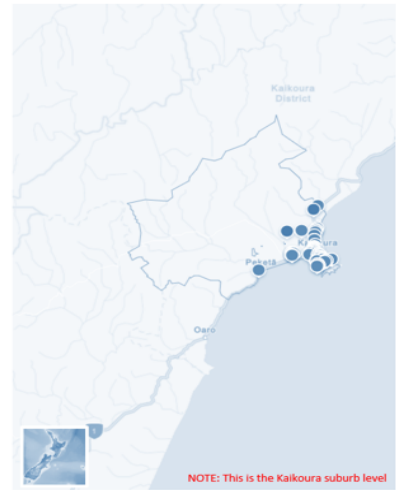
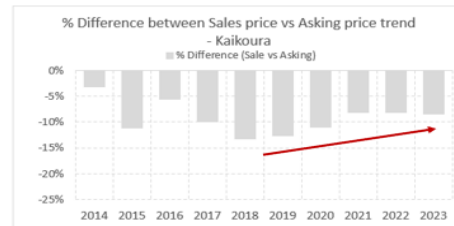
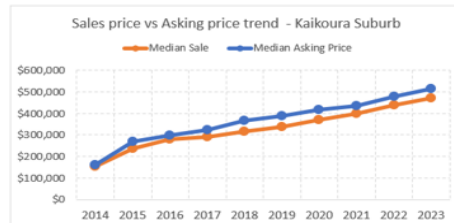
Area	Average Active Listings/100 pop.
Coromandel (town)	5.3
Kaikoura	5.1
Picton	2.5
Takaka	1.2
Napier	0.9
Blenheim	0.7
Greymouth	0.6
Christchurch	0.6



Source: Destination Kaikoura Monthly Destination Performance Report - October 2023

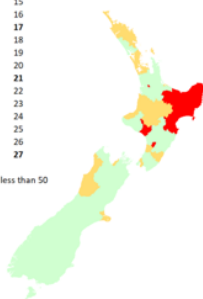
House price sales trends – How buoyant is the market?

- The gap between asking price and sales price is reducing somewhat over the past few years indicating growing demand for housing in the area

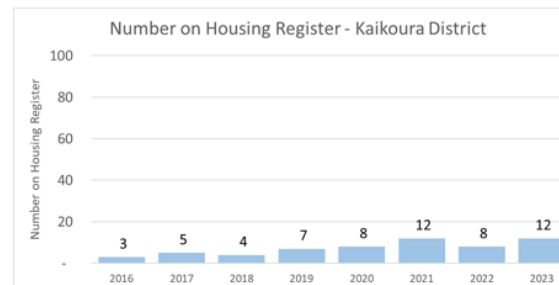


Public housing pressure: Still very low in Kaikoura!

Operating Region	TLA	Housing Register Feb 2022	Pop est 2021	Housing register per 10,000 pop	RANK
Bay of Plenty	Rotorua District	1,019	77,400	132	1
Bay of Plenty	Kawerau District	92	7,670	120	2
East North Island	Gisborne District	606	51,500	118	3
East North Island	Napier City	778	66,700	117	4
East North Island	Wairoa District	91	9,040	101	5
Bay of Plenty	Opoitiki District	101	10,300	98	6
Waikato	Hamilton City	1,735	178,500	97	7
East North Island	Hastings District	774	90,100	86	8
Taranaki, Manawatu	Palmerston North City	762	90,500	84	9
Taranaki, Manawatu	Whanganui District	396	48,400	82	10
Bay of Plenty	Whakatane District	293	38,400	76	11
Northland	Whangarei District	706	99,400	71	12
Taranaki, Manawatu	Ruapehu District	86	12,900	67	13
Wellington/Kapiti	Porirua City	409	61,900	66	14
Northland	Far North District	469	72,600	65	15
Waikato	Waikato District	62	9,640	64	16
Nelson, Marlborough	Grey District	90	14,100	64	17
Taranaki, Manawatu	Horowhenua District	219	36,500	60	18
Wellington/Kapiti	Lower Hutt City	646	112,800	57	19
Bay of Plenty	Taupo District	230	41,000	56	20
Nelson, Marlborough	Nelson City	289	54,700	53	21
Bay of Plenty	Tauranga City	800	155,200	52	22
Canterbury	Christchurch City	2,018	392,100	51	23
Wellington/Kapiti	Masteron District	145	28,200	51	24
Taranaki, Manawatu	New Plymouth District	438	87,300	50	25
AUCKLAND	Auckland	8,592	1,715,600	50	26
Nelson, Marlborough	Buller District	48	9,660	50	27
All other 39 TLAs		4,415	1,549,790	less than 50	
New Zealand		26,309	5,121,900	51	



Kaikoura is NOT a hotspot for Public Housing demand



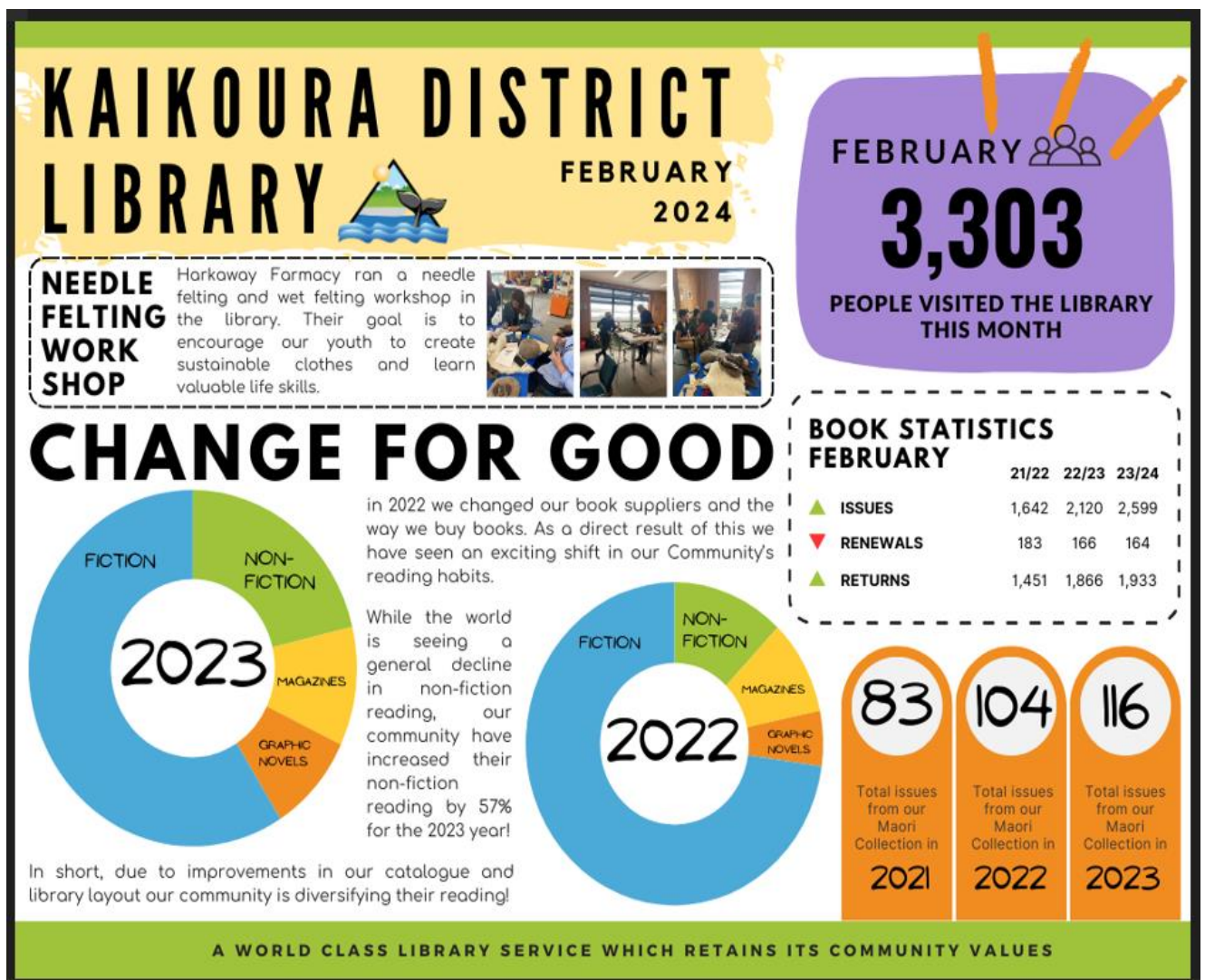
Very low numbers on the Housing register

2) Library Dashboard

The Kaikōura District Library has got off to a great start this year and continues to go from strength to strength. The number of people visiting the library has never been this high and we are delighted to report that our tourists are back, and the late Tuesday evening is enjoyed by locals and tourists alike.

As the dashboard below indicates, we changed suppliers, are using a combination of local and Christchurch book suppliers who have obviously filled a gap as increased book issues confirms, with a big jump in non-fiction books. This is bucking the worldwide trend of decline in the non-fiction book section.

In addition, we are better utilising our products and systems with a strong focus on the overall customer experience, not just through fabulous customer service, but matching need with support. Our Premier Card has been popular with 14 subscribers. Most pleasing is the increase in our Māori book collection that was funded by the New Zealand Library Partnership Programme:



3) Kaikōura Emergency Management

We have a preferred candidate for our EMO position.

Planning is underway for our Ru Whenua workshop on Friday 19th April. This is for EOC staff, councillors, and anyone else involved in an Emergency Management activation. We will be preparing for the national exercise coming up later in the year. Canterbury Group is coming to facilitate this workshop.

Rū Whenua workshop: Our aim with this exercise is to gain insight into the specific impacts and/or consequences that the Alpine Fault 8 (AF8) has in our area to then identify resource limitations and requests. This information will feed into developing meaningful scenarios/injects for the national Rū Whenua exercise and the regional Exercise Pandora.

Facilitators will guide us through the workshops, ensuring consistency across all Canterbury. The morning workshop will focus on initial response to the AF8 and the afternoon workshop will focus on the sustained response phase.

We aim to identify capabilities, limitations, resource shortages, and other areas of concern that may require escalation to higher levels for support or direction.

This workshop is structured to ensure a productive and focused discussion. We'll explore specific points through guided sessions, led by facilitators who will pose key questions to elicit valuable insights.

It is important to emphasize that the focus of these workshops is about identifying issues rather than solving them.

3. FINANCIAL IMPLICATIONS AND RISKS

None – expenditure remains within budgets.

4. COMMUNITY OUTCOMES SUPPORTED



Community

We communicate, engage and inform our community



Development

We promote and support the development of our economy



Services

Our services and infrastructure are cost effective, efficient and fit-for-purpose



Environment

We value and protect our environment



Future

We work with our community and our partners to create a better place for future generations

Report to:	Council
Date:	28 March 2024
Subject:	Planning Update Report
Prepared by:	M Hoggard – Strategy Policy and District Plan Manager
Input sought from:	P Egan – LIMs & Administration Officer F Jackson – Policy Planner Z Burns – Planning Officer
Authorised by:	P Kearney - Senior Manager Corporate Services

1. SUMMARY

This report provides a general update of what is occurring in the planning department.

Key aspects to note are:

- LIM numbers remain very up and down with no clear trend but below prior years
- All resource consents have remained processed in house (see attachment for details)
- District Plan Changes continue to progress
- Central Government reform continues at speed

Attachments:

- Resource consents in progress

2. RECOMMENDATIONS

It is recommended that the Council receives this report for information.

3. BACKGROUND

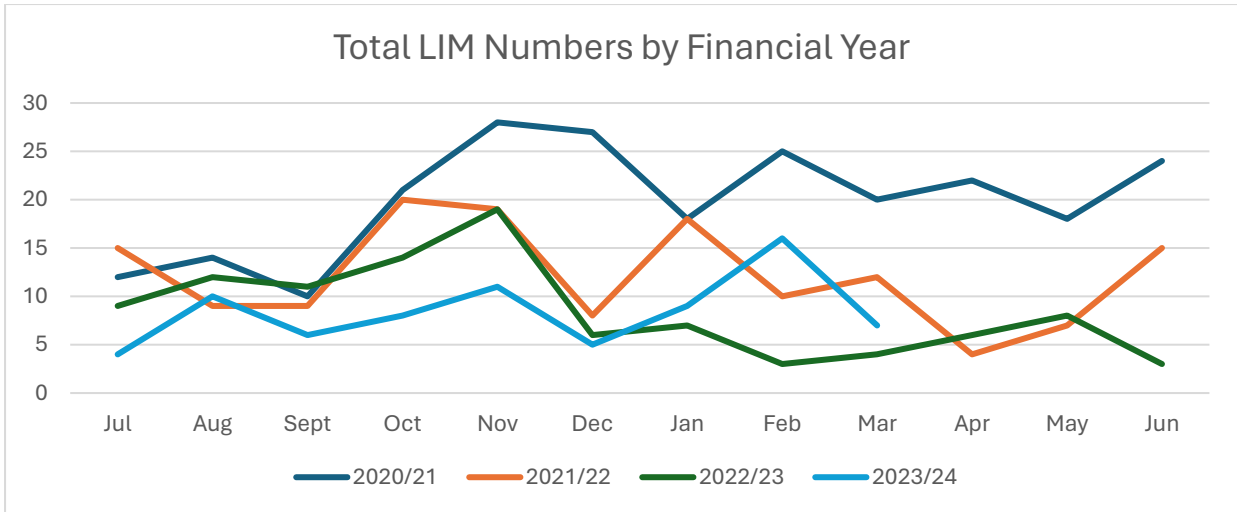
3.1 Resource Consent Status:

Attachment 1 includes a list of resource consents updated since the February 2024 Council report. The planning team has been working to resolve the outstanding deferred consents. All consents are now being processed in-house and consent timeframes have improved.

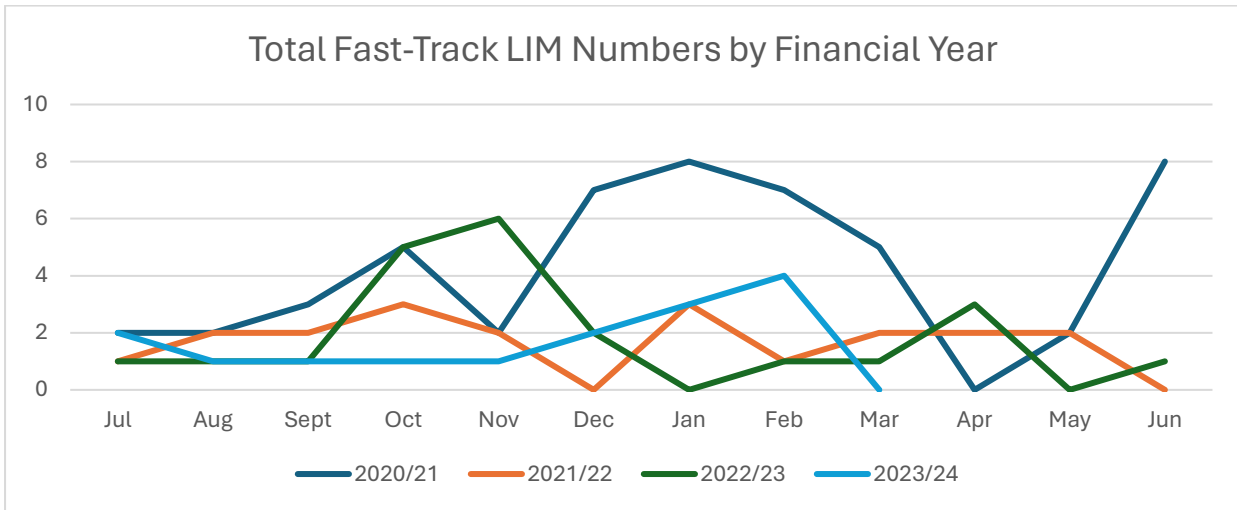
Council staff are seeing a push for the use of Starlink or cell phone to provide for telecommunication to service subdivisions. With the cost for some subdivisions to connect to fibre being tens to hundreds of thousands, the Starlink alternative of \$399 for hardware and \$79/month is an attractive solution. Further work is currently occurring in this area. The previous advice Council staff have received is that for urban development fibre should be provided to prevent the overloading of cellular systems.

3.2 Land Information Memorandums

Near the end of February LIM numbers increased considerably and has remained consistent in regard to whenever a LIM has been completed and sent to the applicant, another LIM is requested.



As referred to in the previous reports to Council, fast-track LIM applications are applied for on an occasional basis.



In addition to these LIMs and the resource consents above there have been a number of queries that have come into the planning team that relate to larger sites or potential development opportunities.

3.2 District Plan Review

3.2.1 Spatial Plan

Following the successful meeting with Te Runanga o Kaikōura in December Council continues to work with the runanga to finalise input into the spatial plan. The next steps are to finalise the draft document and then workshop this draft with Council, it is intended this will occur in April. Once the council is on board with the draft document further consultation will occur with the community. This consultation will seek feedback which can then be considered by Council. To prevent consultation overload in the community this process will need to be managed carefully to ensure that the Long Term Plan remains the priority for the community. Given the spatial plan creates a 30-year-plus vision for our community it is important adequate capacity exists within the community for the consultation.

3.2.2 Light Industrial Plan Change (PC4)

The light industrial plan change continues to progress well. No submitter now wishes to be heard and the plan change can now be considered 25th March by commissioners without submitters in opposition appearing. This approach provided the ability to remove the need for a formal hearing as

consideration of the plan change will now only be required. Applicant's expert evidence has still been provided to the Council and is located on the Council's website, commissioners are currently working through this information.

3.2.3 Dark Sky Plan Change (PC5)

The Dark Sky Plan Change was notified on 7th March, closing at 5pm Friday 19th April this provides an additional week for input as opposed to the originally planned notification date of 14th March notification. To date six submissions have been received.

3.2.4 Ocean Ridge Plan Change (PC6?)

Council staff are currently in discussions with professionals who are seeking to progress changes to Ocean Ridge to meet the requirements of the Infrastructure Acceleration Fund (IAF) requirements.

4. Relevant Legislation

Resource Management Act 1991 (RMA) remains the relevant legislation.

4.1 Legislative Reforms Updated

The first 100 days since the Government was in office has passed and significant reforms have occurred and continue to occur. An updated summary of projects provided to the February Council meeting is listed below:

- The Natural Building Environment Act and the Spatial Planning Act have now been repealed.
- Work continues on the new fast-track consenting legislation. The NBA [National Built Environment Act] regime applies until that legislation is passed. RMA changes Bill was introduced on 7th March 2024. The Bill is expected to be passed by end of 2024.
- Prioritise regional and national projects of significance, Regional Infrastructure Fund \$1.2 billion – progressing
- Replace the National Policy Statement for Freshwater Management 2020 to allow District Councils more flexibility in how they meet environmental limits – Change made in January 2024.
- Immediately stop work on Three Waters and keep assets in Council ownership, this is progressing with “Local Water Done Well” being the reform project. A technical advisory group was established on 12th February 2024.
- Amend the Building Act and the Resource Consent system to allow granny flats or other small structures up to 60m² to be built with only an engineer's report, this aspect is still being progressed and details are still awaited.

A number of other work programs are also underway of particular interest are:

- The promised \$14 million spend over the next four years to create a new Great Walk based around the Waiau-toa/Clarence River and Molesworth Recreation Reserve on the border of the Canterbury and Marlborough regions. Details awaited.
- Hon Andrew Hoggard announced on 14th March 2024 that the Government has agreed to suspend the requirement for councils to comply with the Significant Natural Areas (SNA) provisions of the National Policy Statement for Indigenous Biodiversity for three years, while it replaces the Resource Management Act (RMA).

Council staff will continue to monitor the Government Reform Process.

5. COMMUNITY OUTCOMES SUPPORTED



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We promote and support the development of our economy



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Our services and infrastructure are cost effective, efficient and fit-for-purpose



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We value and protect our environment



Future

We work with our community and our partners to create a better place for future generations

ATTACHMENT 1

1. Active and deferred Resource Consent, Flood Hazard Certificates and Other Consent Applications to 20th March 2024

“Deferred” applications are applications which have been placed on hold either on a request by the applicant or by Council requesting further information to better understand the effects of the proposed activity. Where applications are deferred the statutory processing clock (working days) is placed on hold.

No	RC ID	Applicant Name	RC Description	RC Location	Status / Notes	Days
1	1632	D & R NZ Ltd	Land Use (Mixed use building development)	26-36 West End	No change from June 2021 Council meeting. Deferred (s 92). Waiting for further information Neighbour's approval was requested in September 2019 further information was requested in October 2019. A reminder was sent to applicant on the 20/07/2020. A follow up email has been sent in July 2021. Interim invoice has been sent. Further follow up has since taken place and proposal has been reduced. Outstanding rates and debts to Council has meant Council will not continue to process until payments have been cleared	10
2	1777	John Drew	Relocation of building platform, boundary setbacks breached.	1481 D State Highway 1	The matter has been passed on to our enforcement team. On 30 th May 2023 a geotechnical report has been provided, staff are still awaiting the landscape assessment, the application remains on hold. A further follow-up letter has been sent 1 st March 2024 requiring an update by 31 st March 2024.	18
3	1797	Elisha Dunlea	Two lot subdivision	190 Mt Fyffe Road	Applicant had originally withdrawn application but have now asked to have the application put back on hold under s 92(1) as the consent was ready to be issued. Processed by RMG. Council staff need to speak with the applicants about this consent. Council has followed up with the applicant on 21 st June 2023, 7 th July 2023, 18 th September 2023 and again on 9 th February 2024.	11
4	1870	Mark Baxter	Outdoor Dinning Area – Temporary Activity	21 West End	On hold by the applicant - Limited notification has closed, a submission has been received from the neighbour, plans are to be amended and neighbour has said they will give approval provided fence built Processed in house	65

5	1889	Kaikoura District Council	Earthworks in flood hazard area for Clarence/Waiatua Bridge	Road reserve	Active Being processed by Resource Management Group S37 Issued for March 2024	89*
6	1892	Anthony Lund	Build a three bedroom dwelling with attached garage that intrudes the recession planes on north, East and West boundary of the property	148 South Bay Parade	Deferred Being processed by LMC	15
7	1895	Viatcheslav Meyn	To create 13 fee simple allotments including one access allotment and one balance allotment	427-671 Inland Road Kaikoura	Deferred Being processed in house Peer review has requested additional information and this is currently waited.	50
8	1908	Moanna Farms Ltd	Earthworks within landscape area	20 Moana Road	Deferred – awaiting payment Follow-up email sent 19 th March 2024	-
9	1925	Fisher and Farr	Visitor accommodation and construction of a residential unit in the Fault Avoidance/awareness overlay	12B Louis Edgar Pl	Deferred Being processed in house Awaiting structural engineer information, flood hazard assessment and further neighbour approvals. Illegal plumbing works are also being investigated, enforcement may be required.	16
10	1930	David Hamilton	4 lot subdivision and amalgamation locating a building platform in the fault avoidance area	759 Mt Fyffe Road	Active Processed in house Undertaking peer review of geotechnical investigation due to the complex nature of the site – multiple hazards potential including the fault avoidance area S37 to be issued due to complexity of consent. Peer review has identified the need to provide additional information.	43
11	1932	Gary Arthur	2 Lot subdivision	6 Margate Street	Granted Processed in house	19
12	1934	Ben Jurgensen	Flood hazard certificate	290 Red Swamp road	Deferred Processed in House Likely to be returned as it does not meet the criteria for a flood hazard certificate (Possible S88 return of application)	19
13	1935	Carlin Chambers	Flood hazard certificate	208A Mt Fyffe Road	Granted (29/01/24) Processed in house	0
14	1936	Deborah & Michael Wilks	Addition to an existing hazard sensitive building greater than 25m ² in a flood hazard area (could not be determined as outside the high hazard area)	285D Bay Paddock Road	Granted Processed in House	15
15	1938	Donegal House Ltd	Class 4 Gambling Licence	436-450 Mt Fyffe Road	Granted Processed in house	2

16	1939	Darryn Hopkins	Flood hazard certificate	392B State Highway 1	Granted Processed in house	2
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*Section 37 Used – allowing doubling of timeframes

Resource Management (Discount on Administrative Charges) Regulations 2010

Was the application notified?	Was a hearing held?	Number of working days
Yes—public notification	Yes	130
	No	60
Yes—limited notification	Yes	100
	No	60
No	Yes	50
	No	20

July 2023 to March 2024 Resource Consent Compliance issued within Timeframes

Percentage within timeframes	Percentage outside of timeframes
77%	23%*

*A number of these consents have been historic, and this reflects resolving these consents.

2. Notified consents

Currently only one notified or limited notified consents are in progress:

- i. Mark Baxter has partly constructed the wall between the existing ROW [Right of Way] in an effort to obtain neighbours approval. The application still remains on hold at applicants request.

3. Monitoring

Regular meetings are now occurring with Jo York (Regulator Team Leader) regarding visitors accommodation and non-compliance with planning issues.

4. Road Stopping

Planning department is still in works with Road Metals Limited for their Road stopping application off State Highway 1. The operations team are progressing the White Morph Road stopping.

5. General

- Project Information Memorandum processing is ongoing
- Land Information Memorandum processing is ongoing

Report to:	Council	File #
Date:	27 March 2024	
Subject:	Building and Regulatory Update	
Prepared by:	J York – Regulatory Services – Team Leader	
Input sought from:	R Harding - Fiona Buchanan	
Authorised by:	W Doughty – Chief Executive Officer	

1. SUMMARY

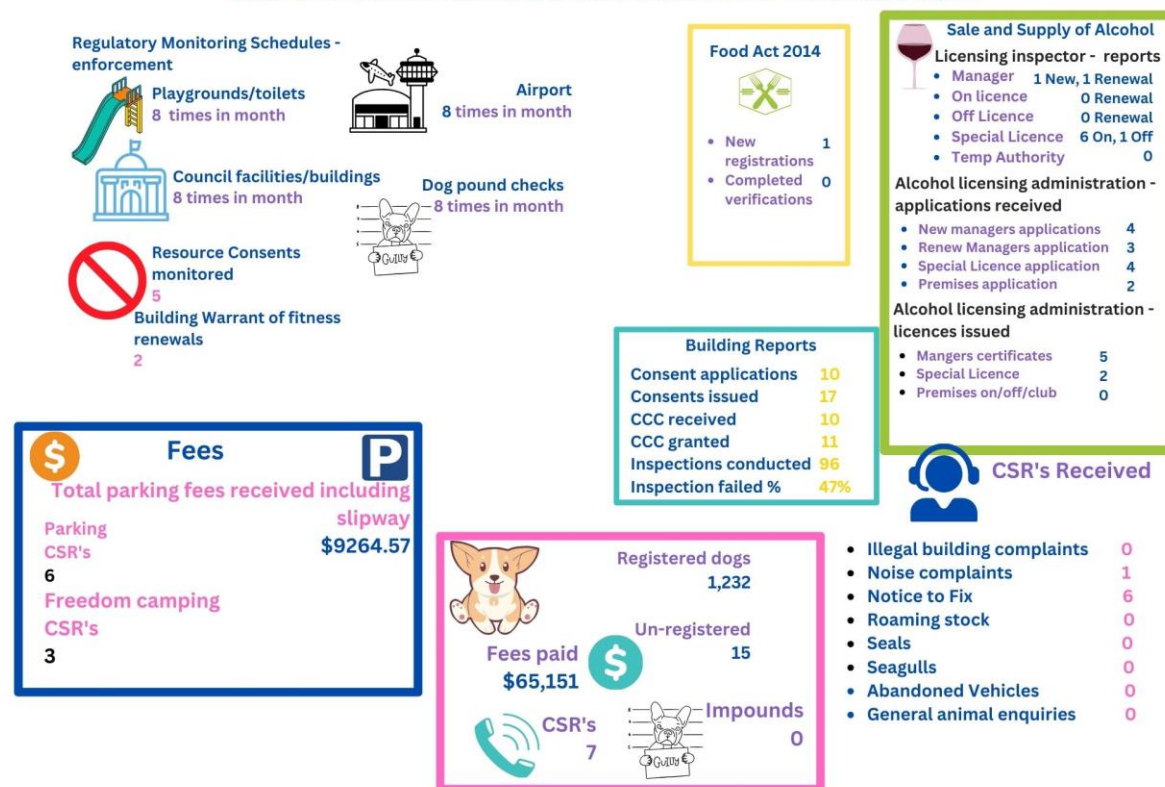
This is a routine report on recent activity in the BCA and regulatory areas of Council.

2. RECOMMENDATION

It is recommended that the Council receives this report for information.

3. SUMMARY STATISTICS

BUILDING AND REGULATORY STATS FEB - MARCH 2024



4. BUILDING CONTROL

The following apply for the period February – March 2024

- Building Consent applications received **10**
- Building Consents issued **17**
- Code Compliance Certificate applications received **10**
- Code Compliance Certificates granted **11**
- Building Inspections conducted **96**
- Inspection failed percentage **47%**

5. SALE AND SUPPLY OF ALCOHOL ACT 2012

Notable events:

- 9 Premises Compliance Checks. All but one compliant
- 3 Special Licence Compliance checks at the A and p show
- 4 Managers interviews
- 4 Site visits for new and Renewal On Licence applications

6. FOOD ACT 2014

- New Registrations – 1
- Completed Verifications – 0
- Close liaison continued to be maintained with MPI regarding Food Act matters and updates.
- MPI (NZ Food Safety) has launched a series of programmes in relation to territorial Authorities. One significant programme that has been introduced in February is MPI monitoring of TA's performance with Food Act verifications and escalations. MPI is requiring verifiers and registrations Authorities to take action as soon as a second "unacceptable" outcome has been determined by a verifier. MPI will then contact the Council/FHS and discuss the actions that are proposed, then will continue to monitor these via a continuously updated spread sheets and Teams meetings. This has already started at other Councils however. At this stage, KDC does not have any food businesses that have had two "unacceptable" outcomes.
- Another significant development is proposed levy that MPI are intending to introduce to all food business operators in NZ. MPI are proposing that each Council administers the levy for each business, as part of the registration fee. Many councils have opposed this in submissions to MPI. A draft submission has been prepared by FHS consultation with Timaru District Council management.
- Liaison has been maintained with Jo York and Ian Shaw regarding environmental health, alcohol Licensing and Food Safety matters.
- Food and Health Standards and its sister company, Auditing Solutions NZ ltd undertake quarterly training and calibration meetings part of their Continuous Professional Development (CPD) programme. This is a requirement of MPI, who participate at these meetings.

7. WATER SAFETY

Monitoring of the safety of water from Council administered water supplies is overseen by the works and services team. Regulatory services does however have a role in dealing with safety issues associated with private water supplies, and one such private supply issue was investigated this month by Food and Health on KDC's behalf.

8. HEALTH ACT 1956

- Communications were maintained with ECan and Te Mana Ora regarding monitoring of recreational waters.
- Health warning signs were organised and to be erected at Jimmy Armers Beach and Lyell Creek'
- Communication with ECan and Te Mano Ora regarding Recreational Water signage upgrades. Liaison with Jo York regarding printing the signs and erecting them at the relevant sites

- Council’s Senior Environmental Health Officer was notified of a complaint via KDC’s Water Engineer regarding poor quality drinking water and intermittent flow at a dwelling. Site assessments were made of a Spring supply that was in use at the time. The entire scheme was assessed and water samples taken for Total Coliforms and E.coli. There are five houses served by the supply which has been determined to be unsafe and insanitary, given positive results for E.coli and the status of the supply network. There are also other Springs and an alternative scheme that the farm owner, has been systematically upgrading, following information and advice provided by the Council’s EHO and FHS Water Services Division Manager.
- A further site assessment including water sampling and testing of the Homestead other farm, is being made on 20 March. The farmer has requested that the EHO assessment of the supply to be made.
- Taumata Arowai were initially contacted by the complainants and the response from the water regulator was for the Council to take action under the Health Act and Building Act.

9. REGULATORY SERVICES AND PARKING AND FREEDOM CAMPING

The focus for the regulatory team for the next month.

- Swimming Pool Inspections and register of pools, including checking they have water metres
- Visitor Accommodation monitoring shows there are currently **143** properties identified as Visitor Accommodation. **81** houses do not have a resource consent. Of the **62** houses that do have a resource consent, **13** of these have not met the conditions of the resource consent. Regulatory will be working across Council teams to begin active education and compliance with house owners, this includes rates, building, planning and water.
- Signs bylaw enforcement begins March 2024 with a push to remove 80% of the off-site signs by end of this financial year.
- We now have two live monitoring schedule spread sheets for Illegal Building and Resource Consents which are updated and run-on two-week monitoring schedule. Our approach is education, information and then enforcement.

10. REGULATORY MONITORING SCHEDULES COMPLETED

Area	Checked last month
Playgrounds	
• Gooches	8
• Deal St	8
• Beach Rd	8
• South Bay	8
Airport	8
Memorial Hall	4
Op shop	1
Dog Pound	4
Notice to Fix issued	6
Resource Consent issues/monitoring	6

11. COMMUNITY OUTCOMES SUPPORTED

The work is in support of all/the following community outcomes.



Development
We promote and support the development of our economy



Environment
We value and protect our environment



Future
We work with our community and our partners to create a better place for future generations

Report to:	Council	File #
Date:	27 March 2024	
Subject:	Kaikōura Youth Council	
Prepared by:	Kaikōura Youth Council and Staff	
Input sought from:		
Authorised by:	W Doughty – Chief Executive Officer	

1. SUMMARY

We have had a busy month planning for Youth Week 2024, looking at the long term plan, and creating surveys for students.

2. RECOMMENDATION

It is recommended that this report is received for information.

3. BACKGROUND

Kaikōura Youth Council (KYC) are a group of young people making a difference to the Kaikōura community. They have been active in Kaikōura since 1999 and meet regularly after school at Te Hā o Mātauranga – Learning in Kaikōura, to work on youth issues, organise events and bring Kaikōura’s youth together.

KYC aims to help Council engage with the youth of Kaikōura by facilitating a pathway of communication and representing youth in Council matters. All their work is to improve the ways of well-being (social, environmental, cultural and economic) for the youth of Kaikōura.

KYC’s vision statement is; Kaikōura youth are optimistic, confident and make valued contributions.

4. DISCUSSIONS

4.1- Sea Week 2024

Kaikōura Youth Council members supported Sea Week by working the sausage sizzle for the Beach/Lyelle Creek Clean-up.

4.2- Youth Week 2024

We are still in the planning stages of Youth Week 2024. We have talked to the high school to confirm our plans and have been talking to various community members about helping out with some of the other events. We have created a survey to go around to high school students to get their thoughts and opinions on the ideas for youth week 24.

4.3- Training

We have booked an Event Planning training with Chris Martin who worked in Selwyn Council and has 30 plus years of youth development experience.

We have also done some leadership training for our Chairpeople and Secretaries.

5. COMMUNITY OUTCOMES SUPPORTED



Community

We communicate, engage and inform our community



Development

We promote and support the development of our economy



Environment

We value and protect our environment



Future

We work with our community and our partners to create a better place for future generations



Services

Our services and infrastructure are cost effective, efficient and fit-for-purpose