

# Introduction

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### What is the Ten Year Plan?

The Council's Ten Year Plan (or Long-term Council Community Plan), sets the direction for the Council over the next ten years. It outlines the priorities for such things as building new facilities, upgrading existing facilities, roading, upgrading or building infrastructure, economic development, planning initiatives as well as ways of financing all of this.

It was brought in to allow the Council to look and plan ahead over a longer period rather than just thinking only in the three year terms of elected members.

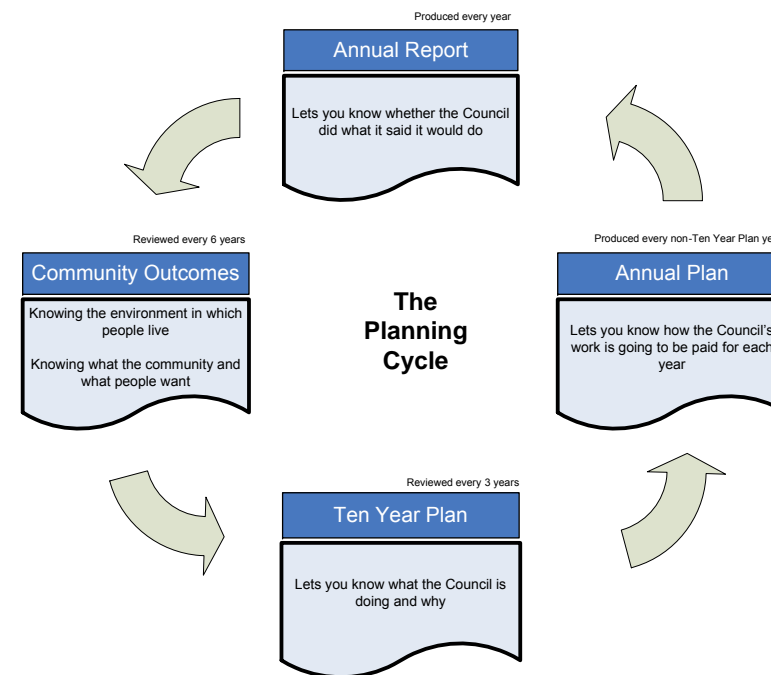
In particular, this Ten Year Plan:

- Describes the type of District our communities have told us they'd like - a vision for the future (or community outcomes).
- Outlines the role the Council will play in working towards achieving that vision.
- Identifies some of the key challenges facing the Council over the next ten years.
- Provides an overview of each activity the Council will carry out and the services it will provide for the next 10 years.
- Determines how much the business of the Council will cost, and how it will be funded.
- Outlines how everything fits together.

### The Planning Cycle

The Council is also required to consult on and produce an Annual Plan in each of the two years when a Ten Year Plan is not produced. This highlights any changes or variances from the Ten Year Plan for the coming year.

Then, in order to check the Council's progress each year, it produces an Annual Report. This lets readers know whether the Council did what it said it would and financial performance against its budget.



*The diagram shows the different steps of the planning cycle.*

## Why Produce a Ten Year Plan?

In carrying out its business, councils are required to do a number of things. These include:

- Take a sustainable development approach and promote community wellbeing.
- Carry out their business in a clear, transparent and accountable manner.
- Operate in an efficient and effective manner using sound business practice.
- Consider community views and their range of preferences.
- Provide opportunities for Maori to contribute to decision-making.
- Collaborate and co-operate with other local councils to achieve desired outcomes.

To help councils do this, the Local Government Act 2002 requires that they prepare a Ten Year Plan (or Long-term Council Community Plan in full) every three years.

Like any large organisation, it is also good business practice for the Council to ensure what it delivers on the ground actually helps achieve outcomes it is seeking. In our case, the Council's strategy reflects what might help provide our communities with a good quality of life, rather than striving for financial profit.

## What's in the Plan?

There are a number of matters taken into account in developing this Ten Year Plan and these are outlined in various sections.

In **Volume 1**, readers can find an overview of the Council's commitment to delivering on community aspirations. It outlines the specific services that the Council will provide between July 2009 and June 2019, and the cost of carrying out that business.

**Volume 2** contains a number of policies and statements, which underlie the Ten Year Plan and the Council's decision-making processes. These include a number of policies on determining funding and the management of the Council's finances. It also includes policies on matters such as Maori contribution to decision-making and determining significance when making decisions.

More details can be found in the 'Guide to this Plan' section.

## The Major Areas of Focus

The people of the Thames-Coromandel District know that one of the special things about where they live is the natural environment, with its spectacular beaches, scenic bush walks, natural and cultural heritage. The geography of the District, with its dramatic ridgelines and numerous picturesque bays, provide a wide range of leisure and recreational opportunities that offer a relaxed lifestyle for both 'full-time' and 'part-time' residents and a fantastic holiday experience for visitors.

It is no surprise that through the community outcomes process, the community has identified that protecting the environment is important. Ensuring that the negative impact of people is minimised and that the natural values of our coast and beaches are respected and enhanced are clear statements of the communities vision for the future. The protection and health of waterways and efficient and effective water and waste services are specific areas the community has told us are priorities.

## Protecting Waterways and Coastal Areas

The Council's work programme therefore continues to focus on this important issue over the next ten years through its ongoing delivery of major infrastructural projects that are required to ensure that our waterways and coastal areas are protected. These projects also provide things that ensure that communities are safe, healthy and pleasant for people to live in, for example by providing clean and safe drinking water or by safely and efficiently removing wastes. Significant benefits have already been gained from the completion of some of these works such as the wastewater plants on the Eastern Seaboard. These plants now

provide an environmentally safe and sustainable solution for the disposal of wastewater generated in the communities surrounding some of our best beaches. Long-term health benefits to the community are also protected by ensuring that clean and safe drinking water is available and that sources of clean water are protected and available for future generations.

The provision of these key infrastructural works also restores our network to a point where it can meet demands into the future. It represents a huge step forward in correcting the infrastructural deficit issues inherited from the past.

### **Affordability**

Of course, large capital projects, such as wastewater plants, come at a huge cost and the affordability of achieving what we would like to for the environment as well as delivering services essential for a healthy community is a real issue for ratepayers in the District. Increasingly high standards reinforced in central government legislation is a key driver of the costs involved. This also puts pressure on the Council to complete required work within limited timeframes. Due to the cost, it also means that there is limited scope for the Council to extend its levels of service in other areas while this work is outstanding. It also means that Council is committed to the intended work programme to a point where there is little room for significant changes to be made. This means that the avenues for reducing costs are in the activities where there is still a level of discretion.

It should be noted that any further commitments made in the limited areas where there still can be discretionary decision making may well handcuff future generations completely as they struggle to afford the legacy of decision making they have been left.

In this 2009-2019 Ten Year Plan, a number of services that some people may consider discretionary and projects have been retained while others have been removed, reduced or deferred. In making these decisions, the Council has factored in community views and preferences on priorities and in cases, has made a value-based judgement on what

is considered important. These services and the associated costs are detailed throughout this plan.

One of the key concerns for the Council is to be very clear about communicating the costs and benefits of the intended work programme so that it can be sure it reflects the community's priorities. The connection between levels of service commitments that the Council could make based on the long list of community wants and needs and the dollar cost impact in the rates bill sent to every household is a message that needs to be communicated. Hard decisions do need to be made and they must be made with the support and understanding of the community.

The costs of providing some of the major infrastructural works planned in this Ten Year Plan are increased by our rugged mountain ranges and coastal landscapes. The District's ridgelines and short, low-lying catchment areas present hazards such as flooding, erosion and landslips that can create unsafe situations for people and which invariably cause damage to infrastructural assets and private property. The number of separate catchment areas also means economies of scale are lost, as more separate facilities have to be provided instead of being able to provide fewer larger ones that service a greater number of people, which would be more cost efficient.

### **Hazard Management**

The geography of the District means that we are more prone to natural hazards such as landslides, flooding and tsunamis. The potential effects of climate change are also likely to have a greater impact on the Thames-Coromandel District than other areas; sea level rise in particular is an obvious issue for the Peninsula.

While there are limits to what the Council can do about some of these things, robust strategic planning can reduce our exposure to these hazards meaning we can operate as efficiently as possible and protect what we can. Over the next ten years, the Council has prioritised the development of the Hazard Management activity that addresses the risks posed by our predisposition to hazards such as tsunamis, landslides

and flooding. It has increased its work in the area of climate change including addressing how we will manage its anticipated effects. The District experiences significant damage to infrastructure such as roading, parks and reserves areas and to the community facilities it provides during many of the extreme weather events that have occurred over the last few years. The effects of climate change mean that this is almost certain to continue to increase in the long term with incremental change evident in the lifespan of this plan. The increasing costs of repairing the damage will continue to be borne by the ratepayer and the community so the Council has recognised the importance of preparing the District as well as possible through sound strategic planning.

Aspects of this are evident in many of our activities and range from Hazard Management strategy development to flood protection modelling and physical works, careful landuse management decisions reflected in the District Plan and the resource consent process. Managing the rapid growth and development anticipated to occur over the next ten years so that development does not occur in hazard prone areas or in ways that exposes people or property to risk and the costs associated to it, is a key strategy for Council delivery of this activity.

### Prudent Financial Management

The Council's emphasis for the next ten years must be its programme of infrastructural development. Community preferences indicate that protecting the environment and the promotion of a safe and healthy community are paramount. In addition to this the failure to maintain and develop the assets associated with the District's wastewater, stormwater and water networks in the 1980s has left a infrastructural deficit legacy that must now be rectified or there is a risk of far greater costs downstream to the ratepayer and the environment. Such cost increases would occur through rising prices and the extremely costly clean up exercises that may be required as environmental damages continue unmitigated.

Each time the Council needs to renew or apply for resource consents for major infrastructure it must ensure that it meets standards that are increasingly stringent. This means that much of the service delivery in

this area has to happen in order to meet legislative requirements. This Ten Year Plan reflects an ongoing commitment to this work.

This continuing focus on infrastructure means the extent to which the Council can deliver other discretionary services is severely limited. The affordability of rates and the projected increases have been questioned locally by the communities and by a recent central government inquiry. Prudent financial management involves limiting discretionary spending and some activities such as the social development and economic development activities, will not receive significant financial support over the next ten years.

The Council is continuing to investigate other ways of doing business, which may mean progress can still be made in fiscally neutral ways. Collaborative efforts, advocacy and lobbying central government for funds that may be available could pay dividends if time and energy is allocated as a resource rather than commitments to provide funding.

Concerns about the affordability of this intended work programme have also extended into debates over not only where the rating burden should fall but also when the rating burden should be felt, as much of the required work programme is a response to demand for additional capacity due to growth. The contribution developers should be making now toward the impact their developments will have on the provision of such services including other Council facility provision, parks and reserves pressures and the like, needs to be carefully considered. The contribution future generations could or should make since they will benefit in the future from the capital works being undertaken now is also debated in conversations about how much the Council should borrow to finance this work and what level of debt can be tolerated in doing so.

Prudent financial management and determining community priorities are the cornerstones of this Ten Year Plan. During the deliberations on this Ten Year Plan, the Council considered the submissions made and the issues and risks arising from the current economic climate, and reconsidered what it considers necessary to meet current and future community requirements. The expenditure required to deliver on these priorities has been set accordingly. Recognising the likelihood of ongoing slow growth for at least the short term, the Council will be closely monitoring its financial situation.

## Other Significant Projects

While there is a strong and necessary focus on the provision of key infrastructural elements, the Council has also decided to introduce a new activity that is focused on preserving our natural and cultural heritage. This is in response to the communities' desire to protect the special natural environment here on the Peninsula and forms a platform for engagement with other key agencies who are specialists in these areas such as the Department of Conservation and the Heritage Trust.

Other financially significant projects that are proposed include:

- Multi-sports facilities in Whitianga, Tairua and Coromandel.
- A number of parks beautification projects.
- A new cemetery for Whitianga/Mercury Bay.
- Back scanning of the Council's property records.
- Whitianga CBD upgrade.
- Mercury Bay boat ramp upgrade.
- New water supplies in Thames Valley, Matatoki, Thames, Tairua and Pauanui.
- Wastewater improvements, upgrades or extensions in Coromandel, Tairua-Pauanui and Whangamata.
- Stormwater works in Whitianga CBD and Tairua.

