

Your Feedback

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The Engagement Process

The draft Ten Year Plan was open for submissions from the 19th January 2009 to the 18th February 2009. During this time 'coffee with the mayor' open day sessions were organised in Thames, Mercury Bay, Coromandel, Tairua, Pauanui, Whangamata and Hot Water Beach where people could come and discuss the Ten Year Plan with Councillors and the Mayor, get more information about issues they were particularly interested in and complete submission forms if they wanted to have their say. These sessions were well attended and a lot of positive feedback was received about this approach.

The Council received nearly 20,000 submission points from approximately 1500 submitters which provided valuable feedback about what the community thinks about the services the Council deliver. Many submitters wanted to talk directly to the Council with respect to their submission (nearly 300) which was a great opportunity to present more detail. This amount of feedback shows a high degree of engagement and provided some clear messages about what the community sees as priorities for the Council to deliver as well as many other thoughts and ideas about how these services should be delivered and the best way of funding the Council business. The Council had a number of particular issues that it wanted community feedback and submitters generally responded well to these questions also.

Some general themes emerged from the consultation process and the Council has considered these, as well as individual submission details, in deliberations to produce a final Ten Year Plan.

The Results

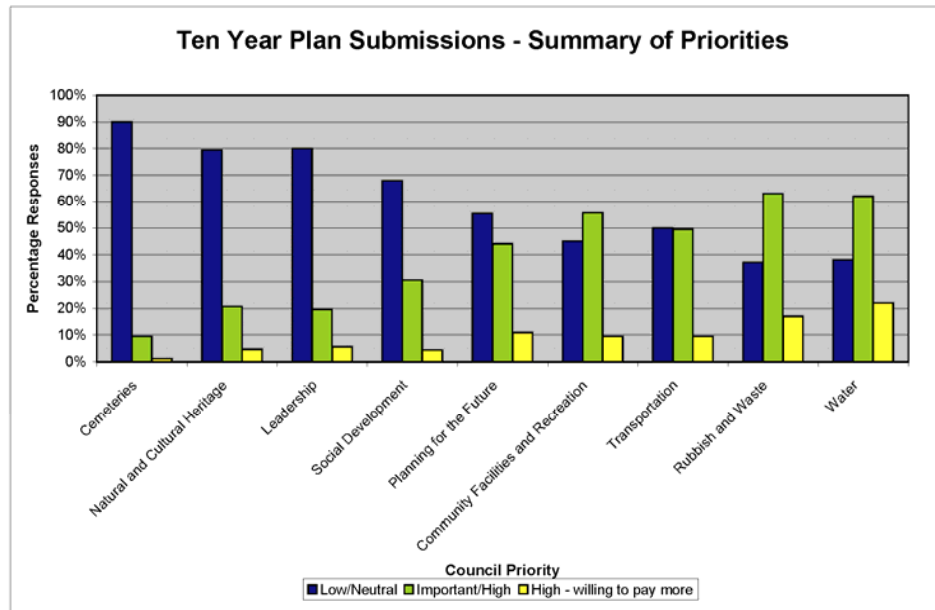
- Submissions to the Plan demonstrated a clear concern from a large number people about rates being too high or being unaffordable or wanting to reduce the level of expenditure in order to avoid further increases. There were a wide variety of suggestions for reducing expenditure.
- A significant number of submissions were concerned about the economic recession and wanted the Council to delay or cut costs, or to only deliver core services in light of the economic climate.
- In general, people wanted to pay for services they received or used, rather than pay District-wide for provision. Suggestions varied between user fees and charges or more targeted or locally funded rates however it was clear that people preferred this approach.
- Many people felt that there was an inequity in service provision between the East and West seaboard
- Many people felt that developers, tourists and or visitors should be considered in terms of a greater financial contribution to the delivery of Council services.
- Some submissions were also received requesting that a variety of specific projects were added or brought forward

Your Priorities

- The submission information expressed more or less the same prioritisation of activities as earlier consultation efforts, and were almost the same results as the ratepayer priority survey conducted in 2007. Core services like water wastewater rubbish, and roading were still toward the top of the list and things like cemeteries, airfields, libraries were lower priorities.
- In general terms people are not prepared to pay more for Council services. For example, water is the highest priority activity with the highest number of people prepared to pay more only accounts for 22% of respondents. Whereas three activity bundles have roughly 50% of submitters ranking them lowly or neutrally, and are not prepared to pay more at all.
- The Cemeteries, Natural and Cultural Heritage and Leadership activities are clearly considered to be a lower priority with a very low willingness to pay more with approximately 50% of respondents rating them 'low' or 'neutral'. In the case of cemeteries in particular the message was very clear, being the activity group with the most 'agreement.'

More Specifically

There were of course many submissions relating to specific parts of the plan or to specific projects that all provide important information about what the community thinks is important. All of this information was passed on to the managers of the relevant areas the submission related to for consideration and all were considered by Council as part of the deliberations.



Our Response

Our Response

Affordability of Rates

The Council is aware that the affordability of rates is an issue for some sections of the community and also that the economic downturn has made it harder for some households to pay rates. The economic downturn has also caused a greater than anticipated decrease in building and subdivision growth in the medium term that has reduced the Council's income from developers and building consents. These two issues mean that the Council has to balance what it needs to deliver with what people can now afford. It must also do this through a process that weighs choices now in terms of the impacts on the future generations as it would be unfair to leave a legacy of infrastructural deficit to catch up on, similar to our recent experience, but equally unfair to leave a legacy of debt and limited choices.

The Council had already reduced its capital works program as a result of some of these factors. Submission information was used to further prioritise expenditure. The Council has further reduced the level of capital expenditure forecast for the first three years by approximately \$9.5 million.

Economic Recession

A large number of people were concerned about the recession and its impact. Some people wanted the Council to focus on 'core services', or to consider delaying projects until things had improved. The Council has considered this along with other factors such as to what extent projects had already been committed to, whether delaying it would cause greater expense in the future, like degrading asset maintenance programmes and what it is legally required to deliver.

In reality, most of Councils expenditure is directed towards what most people consider to be core services like water, wastewater, stormwater, roading and rubbish activities. The capital works projects across all activities have been substantially reduced but these infrastructural activities have been prioritised in doing so.

Beneficiary Pays

Suggestions for a more beneficiaries pay approach varied between user fees and charges and more targeted or locally funded rates. The Council had already proposed to increase the user fees and charges portion of funding in many activities to better target the users of its services. The rubbish bag charges are an example of this, with the advantage of this charge encouraging people to produce less rubbish. A consistent approach to charging fees for boat trailer parking and wharf use by mooring holders has also been applied. Although there may appear to be many more opportunities to make changes to an even more user pays funding system in some cases it would make some essential services unaffordable for communities. Because of this there has been a hesitation in moving to fund all activities through user fees.

East vs West?

Although it may appear that there are inequities in service provision between the Eastern and Western Seaboards the reality is that it is because the Eastern Seaboard has experienced a sustained period of high growth. This means that there is an increasing level of provision needed to meet the growth that has occurred to ensure it receives a reasonable level of service. This sustained growth has generated some accumulated funds from past development contributions which are still available to those communities, even though there has been a change to this system. This has meant that it has received a higher portion of development contribution revenue from developers than the West that

must by law be spent in the catchment area where the contribution is collected from. This is because the development contribution money is required on the basis that the extra people that will live there will need to be provided for with roads, water and so on.

The Western Seaboard probably has sufficient population, and community desire that could justify expenditure for some key projects or services. Rating concerns in these communities and the recession has worsened this problem for households and is a barrier to achieving some of these things. The Council has found it difficult to prioritise expenditure on discretionary activities when it knows that significant rates increases will result for communities that cannot afford to pay. The Council has decided to develop strategies that will recommend appropriate level of service on a District-wide basis particularly in the area of community facilities to avoid duplication and to ensure that it meets the needs of the community where it can afford to do so.

Charging Developers, Tourists, Visitors More?

Many people said that developers should be made to pay more to cover the costs of infrastructure provision that is driven by growth, or to somehow charge tourists and visitors more since they 'use' or benefit from many of the services provided by the ratepayer.

The calculation for development contributions is complex and heavily prescribed by law. There is also a statutory limit on how much the Council can charge developers. Development contributions revenue funds the growth portion of infrastructure provided that can be identified as being 'required' to meet the needs of those additional people.

As a District that relies on growth to support many of its local economies the Council is wary of making it so expensive that developers go elsewhere. This also applies to charging tourist and visitors in that local business need their custom and user fees and charges could make the District less attractive as a tourist destination which would in turn impact on the resident population. This is of special concern during a period of economic recession.

The Council also has limited funding mechanisms, which are determined by law, available that would correctly isolate these types of users from other users. The costs of doing so often make this unworkable.

The Council is also mindful that many of its 'visitors' fuelling the peak period demand are ratepayers who do pay rates but don't use the services for much of the year. It also received many submissions in favour of promoting economic development strategies that support the tourism industry or that promote development.

The Council appreciated the effort submitters made and the information from the community about its views preferences and priorities. Careful consideration was given to the submission content and a range of other things the Council is obliged to factor in, in order to make some hard decisions. The Council has made a real effort to balance community needs and wants with a need to keep rates affordable now and in the future.

So What Did Council Decide?

Here is a summary of where Council has decided to spend or save money for this Ten Year Plan. The Council is still primarily focussed on delivery of key infrastructural activities with 68% of expenditure directed towards these areas. They are Local and District Transportation, Water, Wastewater, Stormwater and Solid Waste.

In Which Areas has the Council Chosen to Tighten its Belt?

- Non-essential infrastructure upgrades
- Not funding depreciation of the ES3 wastewater plants for six years
- Not mowing private berms
- Restricting seal extensions (but allocating \$100,000 per year for dust seals)
- Rationalising the provision of public toilets
- Funding more with user charges instead of rates, including trailer boat parking, moorings and rubbish bags
- Deferral and/or removal of some new heritage and biodiversity initiatives
- Developing a more efficient strategy for providing sports areas and community spaces
- Progressively reducing funding after the first year for i-Sites and information centres
- Keeping the current Thames Swimming Pool for at least the next ten years instead of building a new one

What Projects has the Council Decided to Keep in the Ten Year Plan Budget?

- Kopu Bridge roundabout connection (\$741,000) and Gateway project (\$479,000)
- Increase in the budget for hazard management in the area of climate change and the identification of other risks such as tsunami and wind shear
- Reinstating Treasure Chest Grants - Increases are Thames (\$9,550), Coromandel (\$10,000), Tairua-Pauanui (\$19,000) and Whangamata (\$17,500)
- Back Scanning Project (\$1,450,000)
- Coromandel Sportsville (\$400,000)
- Tairua Youth Zone (\$147,000)
- New playgrounds across the peninsula (\$640,000)
- Library Books (\$2,552,000)
- Parks and Reserves Beautification including Taylor's Mistake/Whitianga Esplanade (\$1,338,000), Hot Water Beach (\$1,120,000) enhancement
- Cemeteries in Mercury Bay (land purchase \$441,000, development \$297,000) and Coromandel Town (\$200,000)
- Whitianga town centre upgrade (\$4,874,000)
- Mercury Bay Sports Centre (\$8,570,000) and Civic Centre (\$5,730,000) plus purchase of Fire Brigade land (\$832,000)
- Mercury Bay solid waste projects (\$2,647,000)
- Mercury Bay library- Extension (\$470,000)
- Matarangi boat ramp (\$197,000)

Guide to the Ten Year Plan

Guide to the Ten Year Plan

The Ten Year Plan is made up of many sections. This guide is designed to make it easy for the reader to get around the Plan.

In the first of the two volumes, the Council's plans for the next ten years are detailed. Volume 2 comprises of a number of policies and statements, which support these plans.

These volumes support the summarised Ten Year Plan by providing everything you need to know in depth.

If you are interested in a particular subject, feel free to use our online searchable version at www.tcdc.govt.nz.

What You Will Find in Volume 1: Strategic Direction and Activities

Introduction

The introduction explains what the Plan is and why we are developing it. It then summarises some of the key areas of focus for the Council.

Audit Opinion

The Office of the Auditor General is required to audit the Ten Year Plan by the Local Government Act 2002. The Office audits the robustness and reasonableness of the Ten Year Plan in meeting the relevant requirements of the Local Government Act 2002. It then issues an 'audit opinion' which reports on this. The intent of this process is to give readers a strong indication on whether the Ten Year Plan is suitable.

Our District

This provides a description of the Coromandel Peninsula. This section also describes what is important to our communities - as expressed in our "Community Outcomes" and how we'll work with others to achieve them.

Looking to the Future

The Looking to the Future section outlines what taking a 'sustainable development' approach means. The section then talks about the key issues affecting the District and its various communities. In planning for the future, the Council has made a series of assumptions about what the future will bring.

The Council's Contribution

In this section, you will find information on the Council's vision and mission statements and how we can work with other organisations to get results. The Council's financial strategy is also described.

Our Business - Activities and Services

By now, the Ten Year Plan has provided an overview of the future of the District as well as what the Council sees its own role as being. The Our Business section answers the following questions:

- What services is the Council intending to provide? Why?
- How does that contribute to the outcomes our communities are seeking?
- What are some of the key challenges ahead?
- How much will it cost and how will it be funded?
- How will we know if we've made progress?
- What assets are involved and how will they be managed?

Financial Implications and Forecasts

Finally, the last section presents the financial implications. Whilst the Our Business section concentrates on the cost of activities and the groups they belong to, this section provides the bigger financial picture for the Council. It looks at the net worth, cash flows, performance and the overall position, broken down over the full ten year period.

What You Will Find in Volume 2: Statements and Policies

Volume 2 is made up of supporting policies and statements.

Policies provide a framework (often including rules and procedures) within which the Council operates. They are used to guide decision-making. Statements describe the state of something or how the Council will carry out a particular part of its business.

The financial policies include:

- Revenue and Financing Policy.
- Liability Management Policy.
- Investment Policy.
- Rates Relief Policy.

Other policies and statements include:

- Partnerships with the Private Sector.
- Development Contributions Policy.
- Determining Significance Policy.
- Statement on Contributions to Decision-Making Processes by Maori.
- Statement on Water and Sanitary Assessment.
- Statement of Waste Management Plan.
- Statement on Council Controlled Organisations.

If You Want to Know:

What is the role of the Council?

Go to the Council's Contribution section and read about "The Council's Role".

What is the Council doing about climate change?

Go to the Council's Contribution section and look at "Climate Change".

We can't afford our rates. Why do they cost so much?

Everything the Council does comes at a cost. The "Challenges for the Council" section explains some of the issues around affordability. In this Plan, the Council has cut, postponed or reduced services and expenditure. The "Your Feedback" section outlines some of the decisions made to reduce the rating impact as a result of community feedback. For more detail on what money is spent on the "Our Business" section lists all the services that the Council is intending to provide. The Council's Contribution section "Financial Strategy" explains some of the issues around affordability. A rates relief policy explains who is entitled to rebates where ability to pay is a significant issue.

What about future development? Are we paying for our own services or those of people who don't live here yet?

Go to the Financial Strategy section in Volume 1 for an overview, and the Development Contributions Policy in Volume 2 for more details.

What are the Community Outcomes and what is the Council doing about them?

For information on what the Community Outcomes are go to the "Our District" section.

For every group of activities a graph has been developed to provide an indication of how much those work streams contribute to each community outcome. For individual activities, each level of service (what services we provide) gives a description of their contribution.

How does the Council decide what it is going to spend money on?

Go to the Looking to the Future section on the "Sustainable Development Approach" and the "Council's Contribution" section.

The Community Outcomes talk about "the spirit of the Peninsula". What is it?

Go to the Looking to the Future section and look at the "Key Issues Ahead".

The Council has also looked at the way it sources funding for those services. A summary is provided in the "Financial Strategy" section.

