SUMMARY

The draft long term plan consultation document and supporting documentation were prepared in accordance with sections 83(1)(a) and 93 of the Local Government Act 2002 (LGA 2002) and based on the decisions made by the Council at the January and February LTP Council meetings. The consultation document has been reviewed by Audit NZ and the Office of the Auditor General and is now presented for formal adoption by the Council and subsequent release for public consultation.

This agenda item was previously scheduled for the Council meeting held on Monday 16 March 2015. The item was deferred on that date, due to the audit review process not being completed at the time of the meeting.

As part of the completion of the audit process amendments have been made to the consultation document and the draft infrastructure strategy. The amended documents are attached to this report (attachments 7 and 8).

IMPLICATIONS FOR:

(i) Policy: Yes - Reflects updates to the Revenue and Financing Policy.

(ii) Approved Annual Budget: No

(iii) LTP/Funding Policy: Yes - Draft 2015/16 Long Term Plan information is presented for Council approval.

(iv) Activity Management Plans: No

(v) Community Boards: No

(vi) Sustainability: No
RECOMMENDATIONS

1. That the supporting documents (attachments 2 - 6, and 8) which will support the consultation process for the Long Term Plan 2015/16 – 2024/25 are adopted for the purposes of public consultation. It should be noted that attachment 8 replaces the previously distributed draft infrastructure strategy.

2. That the changes made to the Rate Remission and Postponement Policy to accommodate extreme financial hardship for farmland and lifestyle properties are approved and the revised policy adopted as part of the supporting documentation for the Consultation Document for the Long Term Plan 2015/16 – 2024/25.

3. That the consultation document (attachment 7) for the Long Term Plan 2015/16 – 2024/25 is adopted for the purposes of public consultation in accordance with the consultation plan outlined in this report. It should be noted that attachment 7 replaces the previously distributed attachment 1.

4. That, in the period prior to the consultation document and supporting information being submitted for printing, the Chief Executive Officer be authorised, in consultation with the Mayor, to make any necessary formatting or editorial changes, or other such final changes required either by Audit NZ or to ensure compliance with the Local Government Act 2002.

INTRODUCTION

All councils are required to review their LTP every three years. The Council considered pre-draft LTP material at the Council meetings held in January and February 2015. As a result of the decisions made at these meetings, staff have prepared a consultation document and supporting documents in accordance with sections 83(1)(a) and 93 of the Local Government Act 2002 (LGA 2002). Approval is sought to take these documents for public consultation and the Council is asked to formally adopt these documents for that purpose.

BACKGROUND

Amendments to the LGA 2002, enacted in August 2014, have changed the consultation requirements for the LTP.

The major changes relate to LTP documentation and consultation practices, including the requirement to produce a consultation document (s.93B and s.93C) as the sole basis of consultation on LTP matters. A draft LTP and a summary of the LTP are no longer required. The consultation document has a wider range of content than the previous LTP summary document and, while a draft LTP is no longer required, the information that supports the content of the consultation document must be publicly available. It will ultimately form the basis of the final LTP document which is adopted and published after consultation and deliberations have taken place.

DISCUSSION

This agenda item was previously scheduled to consider during the Council meeting held on Monday 16 March 2015. The item was deferred on that date, as the audit process was not complete.

As part of the completion of the audit process amendments have been made to the previously distributed consultation document and the draft infrastructure strategy. The amended documents are attached to this report (attachments 7 and 8). Attachment 7 replaces previously included attachment 1 and attachment 8 replaces the draft infrastructure strategy previously included in attachment 2.

This report outlines the content that Council is being asked to adopt for public consultation, notes some of the assumptions that have been made in developing the material and new information that should also be noted. The consultation document is subject to audit and the process around audit signoff is described. Plans for the public consultation process are also outlined.
Councillors are advised that the documents reflect the feedback provided earlier, and that, due to the Audit process, the potential to make further changes must be limited to minor editorial changes only.

**Supporting Documentation**

The supporting documentation consists of the following content and contains the detailed information that supports the major issues discussed in the consultation document. The Council is legislatively required to adopt this information before adopting the consultation document. Items that have not previously been reviewed by Council are noted with an *.

**Section 1 – Attachment 2**

City Profile
Strategic Framework
Financial Strategy
Infrastructure Strategy (now replaced by attachment 8)
Maori Capacity to Participate in Decision-making*

**Section 2 – Attachment 3**

Financial Statements
Accounting Policies *
Additional Financial Information *
Capital Expenditure Programme
Prospective Information *
Significant Forecasting Assumptions
BERL Inflators
Financial Policies:
- Revenue and Finance Policy
- Treasury Policy
- Revised Remission and Postponement Policy
- Revised Development Contributions Policy

Financial Benchmarks
Significance and Engagement Policy (previously adopted and not attached)

**Section 3 - Attachment 4**

Funding Impact Statement *

**Section 4 – Attachment 5**

Council activity group information:
- Activity performance information
- Statements of variance to the Assessment of Water and Sanitary Services 2007/08 (Water Supply; Wastewater; Stormwater; Public toilets - City property and Public toilets – Parks and reserves)
- Statement of variation against previously adopted Waste Management and Minimisation Plans
- Group financial information (income statement, statement of cash flows and funding impact statements by group of activity) *
- Schedule of Fees and Charges

**Section 5 – Attachment 6**

Council Controlled Organisations *
The supporting documentation has been updated to reflect the Council decisions made during the January and February 2015 LTP Council meetings and developed into consultation material. All reports considered at the January and February 2015 Council meetings, as well as reports relating to major issues such as the Stadium will be available as supporting information. The supporting documentation will be posted on the Council’s website and accessibility optimised wherever possible.

The areas of the infrastructure strategy document which have been revised since the original agenda item was circulated are highlighted in red text in attachment 8.

Consultation Document

The consultation document (attachment 7) has been developed based on the decisions made at the January 2015 Council meeting and the legislative requirements for the document under the LGA 2002 sections 93 B and C. Proposed content was also evaluated against the Council’s Significance and Engagement policy in order to determine which content should be included. This means that a number of decisions from the January meeting are not included in the consultation document. Items left out are likely to be subject to public consultation in the future or do not meet significance criteria.

The legislation requires that options are presented for consultation, in a way that can be readily understood by the community, on the issues included in the document and how rates, debt and levels of service will be impacted by these options. These options also form the basis of the questionnaire elements in the consultation document feedback form.

The changes made to the consultation document (attachment 7) since this agenda item was originally circulated are:

- Revision of the future rate increases content on pages 4 and 5, including the deletion of the Option 3.
- Addition of the final paragraph on page 10 regarding the structuring of stadium debt repayment.
- Addition of a dotted blue line showing stadium debt on the gross debt graph on page 10.
- Replacement and expansion of the managing our infrastructure content on pages 16 – 21.

Rate Remission and Postponement Policy

At the January LTP Council meeting, it was requested that staff look into the amendment of the Rates and Postponement Policy to give additional types of property access to remission due to extreme financial hardship. The policy has now been amended to include extreme financial hardship for farmland and lifestyle properties.

The updated policy is included in the supporting documentation for adoption by the Council.

The Application Form for Remission or Postponement of Rates for Extreme Financial Hardship will require amendment to match the changes to this policy.

Clarification of January LTP Council Meeting Decisions

In the course of developing the consultation document and updating supporting documentation to reflect the decisions made at the January and February meetings, staff have had to make assumptions regarding the interpretation of resolutions or have been made aware of additional information that should be noted by the Council.

Central City Plan

There is an inconsistency in the recommendations made at the January meeting where Recommendation Four asks that the existing renewal and amenity budget profiles be retained and Recommendation Six states that the Council’s preference for the purpose of consultation is Option Three which accelerates paving renewal work and amenity improvements.
The assumption that has been included in the draft LTP budgets for the central city plan is Option Three. This option provides a budget for the central city plan and re-profiles urban amenity enhancements and paver renewals, accelerating their completion.

**Development Contributions (DC) Revenue**

The forecast amount of development contributions revenue advised at the February LTP meeting has been reviewed. The amount advised included revenue from the Mosgiel Plan Change areas which had already been included in the budgets.

The revenue amount that should be averaged over the 10 years and applied from the 2018/19 year of the LTP should be $2.6 million as per the table below, not the $6.3 million indicated at the meeting. This is now included in draft LTP budgets.

<table>
<thead>
<tr>
<th>Water Supply</th>
<th>Wastewater</th>
<th>Stormwater</th>
<th>Transportation</th>
<th>Reserves</th>
<th>Community Infrastructure</th>
<th>Total DC Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposed DC Policy Revenue</td>
<td>$0.5M to $2.3M</td>
<td>$1M to $4.2M</td>
<td>$0M to $0.2M</td>
<td>$0.5M to $1.1M</td>
<td>$0.6M to $0.7M</td>
<td>$0M to $2.6M</td>
</tr>
<tr>
<td>Mosgiel Plan Change Revenue</td>
<td>$0.3M to $2.2M</td>
<td>$0.5M to $1.1M</td>
<td>$0.8M to $0.8M</td>
<td>$1.3M to $2.8M</td>
<td>$0.6M to $1.4M</td>
<td>$0M to $3.5M</td>
</tr>
<tr>
<td>Total DC Revenue</td>
<td>$0.8M to $4.5M</td>
<td>$1.5M to $5.3M</td>
<td>$0.8M to $1M</td>
<td>$1.8M to $3.9M</td>
<td>$1.3M to $2.1M</td>
<td>$0M to $6.3M</td>
</tr>
</tbody>
</table>

**Mosgiel Aquatic Facilities**

Since the January 2015 Council meeting additional information has been incorporated into the consultation material on the unfunded Mosgiel Aquatics project. This includes information on national benchmarks for pool provision from the Sport New Zealand National Aquatic Strategy and exclusions from initial project costings.

**Budget Updates**

The draft budgets have been updated to reflect the decisions made by the Council during the January and February 2015 LTP meetings. In addition, assumptions relating to the calculation of depreciation expense in the 3 Waters activity have been reviewed and updated. The overall result is an increase in the depreciation expense and a corresponding reduction in net surplus. There is no impact on rates or other revenue sources. The change updates the asset values included on the Balance Sheet. Assumptions relating to the revaluation of other Balance Sheet items such as property, plant and equipment have also been reviewed and updated in the forecast financial statements.

**AUDIT OF THE CONSULTATION DOCUMENT**

The consultation document is required to include an opinion from Audit NZ on:

(a) whether the consultation document gives effect to the purpose set out in section 93B; and

(b) the quality of the information and assumptions underlying the information provided in the consultation document.

The Council’s auditors have been reviewing the document over the last few weeks and will sign an audit opinion once the Council has adopted the consultation document. A copy of the audit opinion will be tabled at the meeting and the signed copy will be included in the consultation document before printing.

The audit process includes review of the consultation document by a review team at the Office of the Auditor General. The expectation is that no more than minor editorial changes such as proof reading will take place after the audit review has taken place.
CONSULTATION PROCESS

The amendment of the LGA 2002 in 2014 has changed the consultation requirements on the LTP must be in line with the s.83 Special Consultative Procedures (amended in 2014), the principles of consultation (s.82) and the Council’s Significance and Engagement Policy. The range of community views to be considered is no longer restricted to formal written submissions.

The planned approach to consultation has taken account of these changes and is outlined below.

Key Dates

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
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</thead>
<tbody>
<tr>
<td>28 March – 28 April 2015</td>
<td>Consultation period</td>
</tr>
<tr>
<td>28 April 2015 at 5 pm</td>
<td>Consultation closes</td>
</tr>
<tr>
<td>Week of 11 May 2015</td>
<td>Hearings</td>
</tr>
<tr>
<td>Week of 18 May 2015</td>
<td>Deliberations and Decision-making</td>
</tr>
</tbody>
</table>

Advertising and Documents

From Saturday 28 March 2015, the consultation document and supporting documentation will be available on the Council website [www.dunedin.govt.nz](http://www.dunedin.govt.nz) and in hard copy at the Civic Centre, libraries, at consultation events and by post upon request.

The consultation document contains a feedback form with questions on the options presented in the consultation document and space for free text comments. It can be completed in hard copy or electronically, with readers directed to use the on-line form if possible.

A flier will be distributed to all households at the beginning of the consultation period, providing a snapshot of the issues addressed in the consultation document and outlining how the community can find out more and have their say. Print advertisements will also increase awareness of where people can find LTP information and provide feedback.

As in previous years, static displays will be installed in high-traffic areas at libraries and posters will be distributed to community boards for display in their communities.

Community Meetings/Workshops

Poor attendance at previous Annual Plan meetings and feedback received through the 'Big Decisions, Big Conversations' consultation has prompted changes to these events. These will now begin with a presentation and a Q&A, and be followed by face-to-face conversations with councillors and staff.

The range of feedback received at workshops will be collated and provided to Councillors for hearings. Workshop attendees will also be encouraged to provide written feedback to ensure that their views are captured in full.

The following community workshops are planned:

<table>
<thead>
<tr>
<th>Location</th>
<th>Date</th>
<th>Venue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central City</td>
<td>6pm Monday 30 March</td>
<td>Dunedin Public Art Gallery</td>
</tr>
<tr>
<td></td>
<td></td>
<td>30 The Octagon, Dunedin</td>
</tr>
<tr>
<td>South City</td>
<td>7:30pm Tuesday 31 March</td>
<td>Bathgate School Hall</td>
</tr>
<tr>
<td></td>
<td></td>
<td>213 Macandrew Rd, South Dunedin</td>
</tr>
<tr>
<td>Mosgiel</td>
<td>7pm Tuesday 14 April</td>
<td>Mosgiel Coronation Hall</td>
</tr>
<tr>
<td></td>
<td></td>
<td>99 Gordon Road, Mosgiel</td>
</tr>
<tr>
<td>Peninsula (Otago Peninsula Community Board)</td>
<td>7:30pm Tuesday 21 April</td>
<td>Portobello Coronation Hall</td>
</tr>
<tr>
<td></td>
<td></td>
<td>853 Portobello Road, Portobello</td>
</tr>
</tbody>
</table>
'Pop-up' Events

'Pop-up' events, where Community Board members, staff and councillors are present at events and public places throughout the city, have proven popular. This style of consultation event provides opportunities for face-to-face engagement and help engage with residents that are not motivated to go to public meetings.

Events are planned for throughout the city including Green Island, Mosgiel, Port Chalmers, the Otago Farmers Market and the Blueskin A&P Show. Events will be listed online and advertised in local publications, to allow motivated residents to know of their local opportunities for engagement.

Digital Engagement

Building on the success of previous digital engagement, and support for online feedback means through the 'Big Decisions, Big Conversations' feedback will be sought on social media, online chat and the People's Panel.

- LTP-related comments made on the Council's Facebook page, and tweets made to the Council's twitter account @DnCityCouncil with the hashtag #LTP will be considered feedback.

- The Mayor will answer questions and take feedback in two online chats; between 1-2pm on Wednesday 1 April and 6-7pm on Thursday 23 April 2015.

- A brief survey will be sent to the 1,300+ members of the Dunedin People's Panel.

Feedback received via digital engagement methods will be provided to Councillors in time for the hearings.

CONCLUSION

The consultation document and supporting documentation have been prepared based on the decisions made by the Council at the January and February 2015 LTP Council meetings. The consultation document has been reviewed by Audit NZ and the Office of the Auditor General and is now presented for adoption by the Council and subsequent public comment.

Prepared by: Jane Nevill
CORPORATE PLANNER

Approved for submission by: Nicola Pinfold
GROUP MANAGER COMMUNITY AND PLANNING

Approved by: Simon Pickford
GENERAL MANAGER SERVICES AND DEVELOPMENT

Date report prepared: 19 March 2015

Attachments

1. Dunedin City Council Draft Long Term Plan Consultation document (previously distributed and subsequently replaced by Attachment 8)

2. Section 1 - Dunedin City Council LTP consultation supporting documents (previously distributed)
3 Section 2 - Dunedin City Council LTP consultation supporting documents (previously distributed)

4 Section 3 - Dunedin City Council LTP consultation supporting documents (previously distributed)

5 Section 4 - Dunedin City Council LTP consultation supporting documents (previously distributed)

6 Section 5 - Council Controlled Organisations (previously distributed)

7 Dunedin City Council Draft Long Term Plan Consultation document for adoption 24 March 2015

8 Draft Infrastructure Strategy for adoption 24 March 2015 (replaces previously issued document)