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FEEDBACK SUBMISSION TO RLC LONG TERM PLAN 2021-31

The *Lake Rotoiti Community Association Incorporated (LRCA)* welcomes the opportunity to provide this feedback to Rotorua Lakes Council's Long Term Plan 2021-31 Consultation Document (CD). The Association continues as a long standing charitable organisation which takes a leading role in representing a large community of interest. We wish to acknowledge the ongoing assistance provided by Council and Council staff towards the various associated activities undertaken by LRCA in support of our local communities.

GENERAL

We generally concur with the direction proposed in the CD to address the challenges faced, particularly around housing and infrastructure, along with the completion of major projects and enhancements intended to support economic development and meet community aspirations.

HOMES AND THRIVING COMMUNITIES

These proposals essentially reflect the aims of Vision 2030 and more recent outcomes of spatial planning. We acknowledge all of these objectives. With regard to our specific lakeside communities, there are often conflicting ideals in maintaining levels of environmental integrity and social improvements that would allow for the expansion and improvement of homes and home ownership for many of our permanent residents.

For example, the apparent desire of iwi to provide for existing and future whanau in terms of upgrading and adding to housing stock on their own lands is duly recognised. There of course remain a number of barriers to advancing these desires, several of which are outside of local Council control. These include principle restrictions of affordability, financing difficulties, and navigation of consenting and compliance processes regulated by the Building Act and RMA. However, we would support in principle the promotion of local government assistance towards mitigating these barriers to better enable such aspirations to be pursued.

AQUATIC CENTRE

The upgrade, enhancement and reinstatement of the Aquatic Centre has been previously supported. That support is considered to be enduring within our communities. Whilst most are fortunate to be close to natural swimming opportunities, the amenities and services provided by the Aquatic Centre continue to be utilised, especially by our local school children.

We note that proposed expenditure substantially exceeds the projections put forward in the LTP 2018-28. The reasons for this are unclear from the current commentary.

Notwithstanding, whilst Options 1 and 2 in the CD provide for essential repairs and enhancement of existing facilities (Option 2), there is evidence of community support for Option 3 based on the outlined costing proposals. This is on the understanding that it would not proceed without requisite partnership funding and in the event that this was not forthcoming, such investment would be reconsidered. We therefore support:-

Option 3 (Preferred) - Upgrade and Enhance existing facilities and provide new services as prescribed. Will increase individual rates by \$8.09 per year.

COMMUNITY SAFETY

Most would be concerned over any level of anti-social and criminal behaviour occurring within our communities, whether in the city precincts or elsewhere. Many believe the increased prevalence of this type of offending is commensurate with recent developments surrounding the emergency and transitional housing placements in Rotorua. This has been highlighted by constant expressions of dissatisfaction and calls for redress from local residents.

Whilst the necessity to implement viable solutions is recognised, we believe many of our ratepayers would be resistant towards bulk funding of increased remediation measures. We believe continuing urgent dialogue around seeking provision of additional resources both locally and nationally to mitigate these occurrences should be undertaken with a view to containing costs borne by local ratepayers. We would therefore support :-

Option 3 - Continue to provide existing levels of service and further develop safety plans based around the provision or targeting of additional funding/resources.

Other perspectives of community safety revolve around Civil Defence initiatives being implemented specifically for our localities. There have been past attempts by our community organisations spanning many years towards achieving a collaborative Civil Defence Plan but for various reasons have failed to materialise. We are currently re-engaging with Council in seeking to resurrect this position. Whilst this is likely a separate issue for discussion outside of the LTP, we nevertheless bring it to your attention as a matter of community safety that is increasingly important to our residents.

ECONOMIC DEVELOPMENT

We acknowledge the CD proposals and funding committed for economic development within the district. Like others, our lakes communities are reliant upon forestry and aspects of tourism in supporting our economic and social wellbeing. Many of our residents have experienced the impacts of Covid-19 and look to Council initiatives in assisting the restorative processes needed.

CLIMATE CHANGE

Most within our communities would rate concerns over the impacts generally attributed to climate change as a priority issue. Focus areas should include collaborating with communities, incorporating climate change in decision-making, provision of services and reducing Council's own footprint. In supporting Council's adoption of its Climate Action Plan, we would be keen to endorse the promotion of these objectives.

INFRASTRUCTURE STRATEGY

The needs and challenges related to aging and new infrastructure requirements have been at the forefront of local and national conversations over a number of years. The responsibilities and priorities relating to delivery of these services are again well identified in this CD. We all await the impact of outcomes from the Government's Proposed 3-Waters Reform and Water Services Bill.

Irrespective of outcomes, ever increasing levels of service requirements and associated costs present major concerns for residents and ratepayers in terms of ongoing affordability. This is especially so for our lakes communities who not only pay a premium in rates due to significantly higher property values overall but are also burdened with the capital costs of new schemes for sewerage reticulation. A potential requirement for potable water reticulation in West Rotoiti would further exacerbate this issue. Whilst the equalisation of operational costs associated with these services has been welcomed, the opportunity to provide for a more just distribution of capital costs remains under debate.

FUNDING DELIVERY – FEES AND CHARGES

We are generally of the belief that, where reasonable and practicable, costs should be targeted to individuals and exacerbators. One caveat is that such fees and charges should also reflect a commensurate level of service, i.e. costs relating to efficient and effective delivery. For instance, Building and Resource Consenting charges are often perceived as being excessive in relation to particular projects. Nonetheless, we would support

Option 2 (Preferred): Proposed amendments based on increased costs where current funding does not meet the funding policy.

FUNDING DELIVERY – CAPITAL SPEND

The Plan Programme details new expenditure of \$731 million over 10 years. This includes just \$2.03 million for Lakes Infrastructure Enhancement and \$1.25 million of devolved funding to Lakes Community Board to expend across all lakes within the current boundaries. Neither the CD nor the associated Programme documentation expands beyond this. So we have been unable to ascertain projects relating to our communities.

We would reiterate that our communities do not seek high levels of infrastructure and in fact most of our needs generally revolve around maintenance and upgrades to reserves, playgrounds, toilet blocks, boatramps and jetties, and appropriate footpaths and cyways. Expenditure averaging \$328,000 per year for ALL of our lakes is viewed as somewhat inadequate and inequitable.

We do note the impending upgrade of the Hinehopu playground and impending improvements to one of the toilet blocks in that area. And we are assuming that the existing proposals to upgrade facilities at the Otaramarae boatramp will be carried over. However, we would anticipate further demands on capital expenditure in subsequent years.

We would reiterate that the impact to our District of both permanent and visitor growth on core infrastructure and existing amenities and facilities has been of increasing significance over a number of years. Pending reopening of borders, this will again become a factor. We will continue to urge

Council to take advantage of any available and contestable funding such as the 'Tourism Infrastructure Fund' to assist in meeting the cost of necessary and desirable upgrades.

Whilst we appreciate the magnitude of projected needs to upgrade and maintain core infrastructure such as wastewater, LRCA is concerned that the Revenue and Funding delivery proposals again increase debt to unprecedented levels over the foreseeable period. A net debt to revenue forecast of 224-238% against the current 174% and limit of 250% would seem to put the district in worrying and uncomfortable territory despite audit approval. Current levels of rate increases are imposing severe strains on many of our ratepayers. We would urge Council to consider further prioritisation of these proposals with a view to alleviating the 'loading' of debt and rates increases over at least the next three years.

FUNDING DELIVERY - RATES

The LTP provides for an average General rates increase of 9.2% in the first year and 3-5% for the following 5 years. We recognise the ever increasing costs of renewals and maintenance (particularly infrastructure). However, based on a proposed reduction to the UAGC, this is projected to extrapolate to 15.75% for rural residents as opposed to 11.4% for urban residents and 8.1% for business. Whilst we have been assured that this is primarily due to the effect of property revaluations and a greater portion of general rating to our sector, it is nevertheless viewed by our sector as continuing to receive the 'thin edge of the wedge'.

The overall burden of regular increases (both general and targeted rates) well above the CPI has become a significant encumbrance upon a large group of our general ratepayers. We continue to note that LRCA has perpetually challenged Council over its resistance towards reinstating considered fairness and equity which has been a source of dissatisfaction within our lakes communities over many years. Despite the recent rating review, the removal of rural sector differentials from General Rating which are justified based on convincing differences in services and benefits only exacerbates the issue and continues to be viewed as unduly disadvantaging.

The proposal to reduce the UAGC to \$425 is supported in principle. Whilst this inevitably shifts a portion of the General rate to the rural sector, we recognise the impact of a higher UAGC on lower valued properties which, in addition to incurring higher revaluation variances, are generally occupied by those in the lower socio-economic bracket, many of whom reside in our communities. We therefore support:-

Option 1 (Preferred) - Reduce the UAGC from \$475 to \$425.

Nāku noa nā

Reina

**Reina Engelen
Chairperson**

Jim S

**Jim Stanton
LTP and Annual Plans Response Co-ordinator**