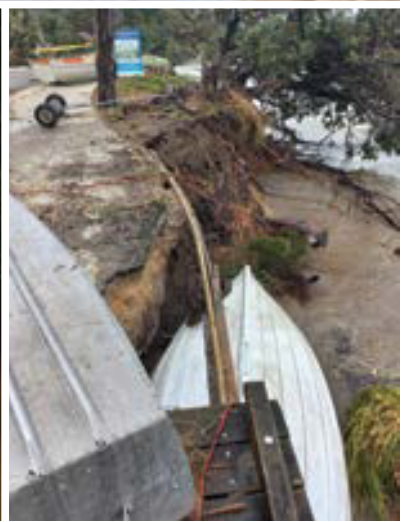


TE WHAKAHOU ME TE WHAKAORA REBUILD AND RECOVER 2023/24

PROPOSED 2023/24 ANNUAL PLAN
MAHERE-A-TAU - CONSULTATION DOCUMENT

TUKUA TŌ REO
KIA RANGONA AI
HAVE YOUR SAY





STATE OF EMERGENCY JAN-FEB 2023



FOUR SEVERE WEATHER EVENTS IN THE FIRST SIX WEEKS OF 2023

**2 METRES
OF RAIN
IN SIX WEEKS**

**ISOLATED
COMMUNITIES**

**SEVERELY
DAMAGED
ROADING NETWORK**

**LONG TERM CLOSURE
OF BOTH MAIN ARTERIAL ROUTES
ACROSS THE PENINSULA**

TE WHAKAHOU ME TE WHAKAORA | REBUILD AND RECOVER

Our district has been hard hit by major weather events over 2022 and early 2023. On top of that, we're coming out of a two-year COVID-19 period of lockdowns, all of which has exacerbated supply chain disruptions, labour market shortages and inflation increases.

Our communities are feeling the pain socially and economically.

This next financial year is not going to get any easier – now is the time that we need to work together on solutions as to how our district can rebuild and recover, so we become more resilient.

A major focus is on repairing the extensive damage to our roading network to help keep our communities connected and accessible.

But it's going to be expensive.

Our proposed capital (infrastructure) expenditure programme for 2023/24 already includes paying for roading repairs for storm events in July, October and November 2022, totalling \$2.2 million.

The cost of repairing our roads from the January and February Cyclones Hale and Gabrielle could pass \$40 million – that's money we don't have in our budgets.

We've met with Minister Nanaia Mahuta, cyclone recovery minister for the Waikato, and Minister Michael Wood, with his transport portfolio taking in State Highway 25 and 25A, which are managed by Waka Kotahi/NZTA. While the State Highways are not part of our responsibility or Annual Plan budget, these links are still a major lifeline for our people and economy.

The government knows that the closure of SH25A (for up to a year at least), is a significant blow. It's aware of the impact of increasing driving times and fuel costs for many of us, along with the additional pressure on our local roads. Financial support and assistance is starting to be committed to our district – but it won't pay for everything we need to get fixed.

Waka Kotahi/NZTA usually provides a greater funding assistance subsidy towards storm-related roading

recovery projects, but this subsidy amount is dependent on their assessment. We are working with Waka Kotahi to maximise this funding for our road works relating to Cyclones Hale and Gabrielle to help ease some of that financial burden on ratepayers.

Our contractors are also impacted by the roading network disruptions, especially our solid waste contractors. Their driving times have a set daily limit, which means there will be increases to our solid waste costs to manage this, due to the need to bring in additional drivers.

Because of additional expense and work arising from these weather events, we'll need to reprioritise our planned work programme for the next financial year, to free up space in our budget.

So we're proposing to reduce and defer some works and projects from our proposed capital expenditure (CAPEX) programme.

We've also re-evaluated our operational (OPEX) budgets to reduce spending, which is going to impact the planning of some projects and the current services we provide.

Our Councillors will have to make some tough decisions during Annual Plan deliberations on 17 May. They will be focusing on how we can re-prioritise our work programme, so we can rebuild and make our district resilient to the more frequent extreme weather and effects of climate change.

By giving us your feedback on what you're prepared to concede or delay for this coming financial year, we will find a way through these challenging times together.

HE WHĀRANGI IHIRANGI | AT A GLANCE

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 **HEI ĀWHEA KA MEINGATIA? |**
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 **THE PROPOSALS WE’D LIKE YOUR FEEDBACK ON**

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- **TE HŌTAKA MAHERE MAHI | OUR OPERATIONAL WORKS PROGRAMME** . PAGE 9
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MŌ TE PEPA NEI | ABOUT OUR CONSULTATION DOCUMENT

HE AHA E MATAINAINATIA AI TE MAHERE Ā-TAU? | WHY DO WE NEED AN ANNUAL PLAN?

An Annual Plan is our opportunity to review what we forecast for the year in our 2021-2031 Long Term Plan (LTP).

It sets out what our Council intends to achieve over the next financial year, how much that will cost, how the cost will be funded and how this differs from what we proposed in our LTP. It also includes setting your rates for the 2023/24 financial year.

Our LTP was adopted in June 2021. The 2023/24 year is year three of our 2021-2031 Long Term Plan (LTP) and a lot has changed since it was adopted.

- In year one, we experienced COVID lockdowns, supply chain delays and escalating costs.
- In year two, we revised our project list to accommodate inflation at a much higher rate than forecast and projects that hadn't been completed in year one due to the lockdowns and supply delays.
- Now, in year three, our proposed 2023/24 Annual Plan needs to accommodate even more change. This includes ongoing higher inflation and interest rates than forecast, and a long period of rebuilding and recovery from storm events.

There are a number of differences for our proposed Annual Plan, compared to what was set out in year three of the LTP. Your feedback is important as we develop our final plan.

HE AHA NGĀ PANONITANGA KA KITEA? | WHAT CHANGES CAN YOU EXPECT?

RATES INCREASE: Our proposed average district-wide rates increase for 2023/24 was forecast in our LTP to be 7.7 per cent. Recent inflation alone would have seen this figure increase to approximately 12.5 per cent. We've seen interest increases, project and contract cost escalations and now we face the ongoing costs to rebuild and recover.

To accommodate these changes, we've reduced our proposed works programme but are still proposing an average district-wide rates increase of 11.4 per cent. This figure may increase further before we adopt our final Annual Plan in June 2023, to accommodate storm rebuilding and recovery projects which haven't been able to be costed yet.

OPERATIONAL WORKS PROGRAMME: We've made some tough decisions around our operational works programme to make the rates increase more affordable. We propose to cut projects which can be reconsidered as part of the 2024-2034 LTP. The recent severe weather means we're considering alternative arrangements to address the transport of solid waste due to the closure of SH25A.

CAPITAL WORKS PROGRAMME: With inflation now forecast to be 11 per cent for 2023/24, an additional 4.8 per cent has been added to the costs of all our projects and services, including CAPEX. We've also added new roading projects to address immediate concerns with storm recovery and are implementing the shift to wheelie bins from our kerbside blue rubbish bag collection.

To accommodate this change, and further storm recovery roading projects, we're also proposing to defer or reduce the scope of some existing projects for the 2023/24 financial year.

KERBSIDE COLLECTION PRICING: Residential kerbside collections will change from 1 September 2023. Instead of the weekly collection using a pre-paid blue bag in the service area, there'll be a fortnightly rubbish collection and you'll be given a new wheelie bin for this. We'll be introducing weekly food waste collections and will provide you with a food waste bin for this. Our fortnightly recycling collection will continue, using the current bins. While the recycling and food waste collections will be fully funded from rates, it's proposed that the rubbish collection will be based on a 'Pay As You Throw' (PAYT) system.

Under a PAYT system, property owners will use a pre-paid system when placing their bin kerbside for collection.

We're asking for your feedback on three pricing options for the pre-paid system and targeted rate.

There'll be a significant increase in the solid waste targeted rate, due to increases in solid waste contract costs and government levies.

FEES AND CHARGES: Our proposals for fees and charges include changes to building and resource consents, development contributions and 'learn to swim' fees at Thames Centennial Pool.

? HEI ĀWHEA KA MEINGATIA? | WHAT'S HAPPENING WHEN?



☰ ME PĒWHEA TE WHAKATAKOTO WHAKAARO | HOW TO HAVE YOUR SAY



DO IT ONLINE:
tcdc.govt.nz/annualplan2023



SUBMIT WITH OUR FORM:
Available at tcdc.govt.nz/annualplan2023
and our Council service centres.
Drop it in to us, post or email it back.

**FIND IT AND
HAVE YOUR SAY AT**
tcdc.govt.nz/annualplan2023

NEED HELP?

Phone 07 868 0200 or
email consultation@tcdc.govt.nz

WANT MORE INFORMATION?

Supporting information for this consultation document can be found at
tcdc.govt.nz/annualplan2023, and includes:

- Proposed rating examples for community board areas
- Proposed schedule of changes to fees and charges
- Capital expenditure projects planned for 2023/24
- Prospective Financial Statements for 2023/24
- 8 November 2022 Council Meeting Report “Out of Cycle Budget Request – 29-30 May and 25 July 2022 Storm Events Emergency Works Funding”
- 13 December 2022 Council Meeting Reports “Out of cycle Budget Request – 1 October 2022 Storm Event” and “Solid Waste Fees and Charges”
- 9 March 2023 Council Meeting Report “Adoption of the Annual Plan Consultation Document”

TE UTU TĀKE KAUNIHERA | YOUR RATES FEE

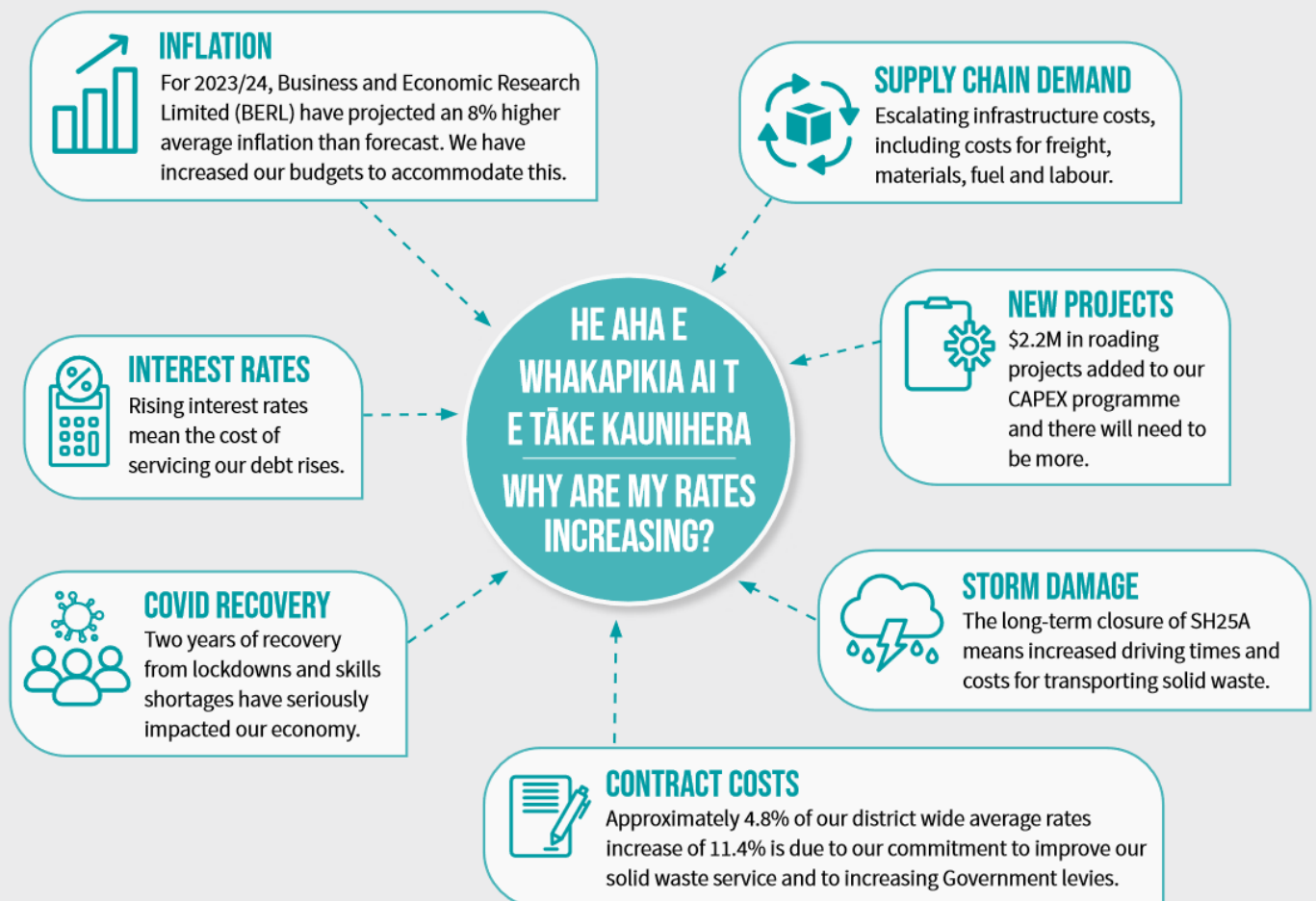
In our 2021-2031 LTP we had planned a 7.7 per cent average rates increase for the district this coming year. This was consulted on and adopted by Council in 2021. Rising costs have resulted in the need to review our CAPEX and OPEX budgets. These rising costs are further explained here.

Inflation is hitting everyone and our businesses have had some hard years recently due to COVID-19 and storm events. Affordability, especially for those on low and fixed incomes, is a big concern for us too.

Escalating infrastructure costs, including costs for freight, materials, fuel and labour, have made capital works more expensive to deliver. Supply chain delays have particularly affected the procurement of civil engineering materials, as well as mechanical and electrical equipment. We see the greatest impact in the

areas of our Three Waters (stormwater, wastewater and drinking supply) and Solid Waste projects.

So that we are not adding more to a rates increase, we've made some tough calls and propose to reduce our CAPEX and OPEX programmes. This means not all the projects our communities are asking for can be delivered, which we've discussed in the operational and capital expenditure programme sections of this document.



Average rate increases vary for a number of reasons, including the area and property type you have. For example, the median rates increase proposed for residential properties in Whangamatā is 11.8% and for Mercury Bay 14.0%, whereas the average rates increase across all ratepayers in those wards is 10.0% and 12.4% respectively. Average rates by Community Board area including all ratepayers are shown in the table below. Please see our 'Proposed rating examples for community board areas' for specific rating values which you can find at tcdc.govt.nz/annualplan2023

The median rates increase proposed for residential properties per community board area is shown in the table below.

	2022/2023	2023/2024	2022/2023	2023/2024	2023/2024
Community Board Area	Long-term Plan Average	Long-term Plan Average	Annual Plan Average	Proposed Annual Plan Average	Proposed Annual Plan Median Residential
Thames	6.7%	7.7%	5.2%	12.2%	13.7%
Coromandel-Colville	9.0%	8.4%	7.6%	9.9%	12.0%
Mercury Bay	7.6%	8.4%	5.6%	12.4%	14.0%
Tairua-Pāuanui	8.1%	7.2%	6.0%	11.0%	12.9%
Whangamatā	8.3%	6.5%	6.3%	10.0%	11.8%

The district-wide average rates increase is shown in the table below. District average rates are calculated by taking the total proposed rates to be collected and dividing it by the number of rating units in the District.

	2022/2023	2023/2024	2022/2023	2023/2024
Average Rates Increase	Long-term Plan	Long-term Plan	Annual Plan	Proposed Annual Plan
District Average \$	\$3,525	\$3,797	\$3,465	\$3,861
District Average Rates Increase %	7.7%	7.7%	5.9%	11.4%
Increase per Year \$	\$253	\$272	\$193	\$396

Ō KŌRERO WHAKAHOKI | YOUR FEEDBACK

Do you have any
comments on the
proposed rates fee?

FOR MORE INFORMATION SEE:

- Proposed rating examples for community board areas
- Prospective Financial Statements for 2023/24

Find it at tcdc.govt.nz/annualplan2023

Have your say: tcdc.govt.nz/annualplan2023

TE HŌTAKA MAHERE MAHI | OPERATIONAL WORKS PROGRAMME

Our OPEX programme funds the day-to-day activities and services of our Council.

We have made some tough decisions and have cut \$2.9 million from our proposed OPEX costs to keep the rates increase more affordable. This will impact our communities as some of our areas of work will be stopped or deferred.

HE AHA NGĀ KAUPAPA E HAERE TONU ANA | WHAT ARE WE CONTINUING?

In addition to delivering our day-to-day services to our communities we are continuing to progress several key projects such as:

Shoreline Management project (SMP) – we’re continuing with this vital project to help us improve our resilience to the effects of climate change. We’re now working to prioritise actions and scope projects for the pathways prepared for our coastline.

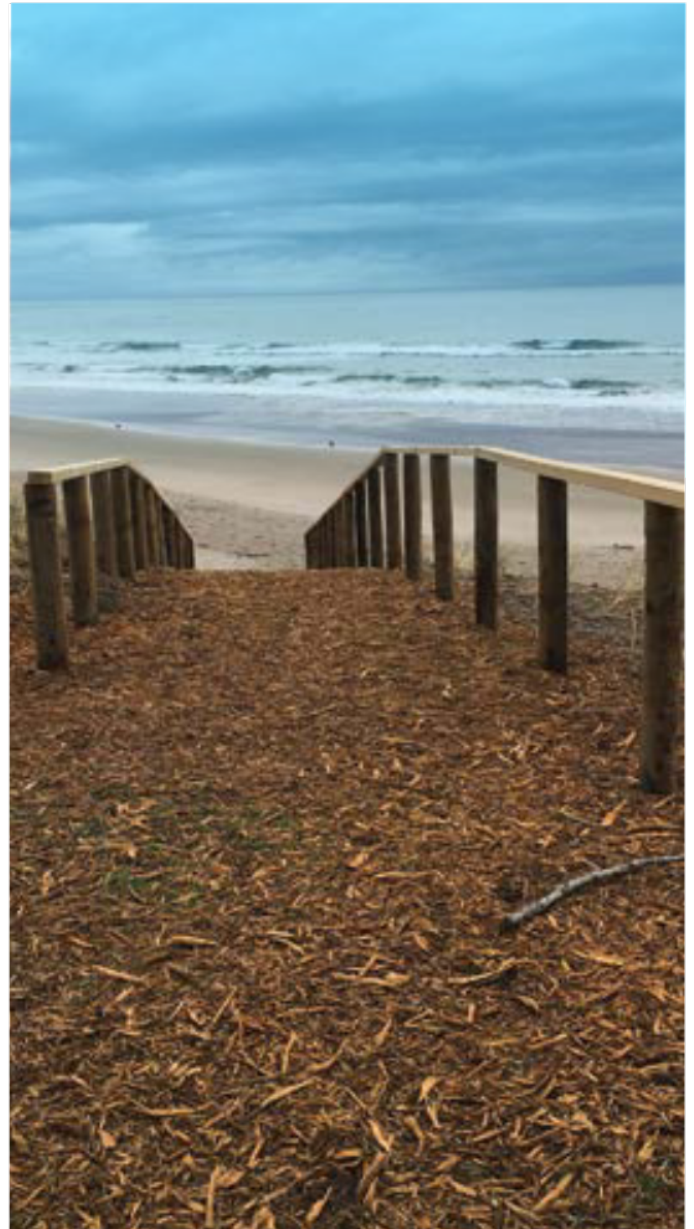
tcdc.govt.nz/smp

Spatial Planning – as this work will benefit future ratepayers, we’ve changed the funding of the \$400,000 budget from the 2023/24 operational budget to loan funding over ten years. This spreads the costs out over a longer period, reducing the rating impact in 2023/24 and allowing us to progress the District Plan changes needed to implement the Thames Spatial Plan. This project, which will help provide for future housing in and around Thames, our main service centre, aligns with our SMP project which identifies pathways for addressing the impacts of climate change on the town.

tcdc.govt.nz/Thames-Spatial-Plan

Rhodes Park and Thames Centennial Pool – we’re progressing long-term plans for Rhodes Park, which suffered severe flooding during Cyclone Gabrielle, and for Thames Centennial Pool. The current pool is sited on an urupā (Māori burial ground) and our Council has signalled in the **Reserve Management Plan** that the pool will be removed. We are continuing to work on plans to develop a Thames Sub Regional Aquatic facility for our communities.

tcdc.govt.nz/Thames-Aquatic-Facilities



HE AHA NGĀ PANONITANGA? | WHAT ARE WE CHANGING?

HERE ARE SOME OF THE CHANGES WE'VE MADE:

Council overheads – we're proposing to reduce IT spend, some personnel benefits, and several other overheads by \$920,000.

Property maintenance – we're reducing our total property maintenance and investigations budget by \$400,000. This means we will delay the painting of one heritage building. This will likely be either Hauraki House or our Coromandel Town service centre building.

Discretionary and Contestable grants – reducing these budgets by \$200,000 means our Community Boards and Council will have less funding available to support community groups during 2023/24.

Power New Zealand Reserve Interest Fund – this Fund was created using proceeds from the sale of the Power NZ shares that were originally vested in our Council in 1994, following the national electricity reforms. Our Financial Strategy requires this fund to be managed for the benefit of our ratepayers and that it maintains its value by applying the interest it earns back into the fund. We are proposing that for 2023/24 we do not apply the interest back into the fund.

Economic Development Initiatives – reducing this budget by \$65,000 means we'll need to reduce the level of support we have provided in recent years to initiatives such as working with agencies to encourage youth into local employment and promoting local business opportunities. Instead, we will have to work with external agencies to source funding that may help support economic development initiatives in our district.

Our Coromandel Magazine – removing this budget, with a net cost after recoveries of \$48,000, means that we won't produce this publication in 2023/24. The magazine is produced and distributed predominantly to our non-permanent ratepayers (more than 50 per cent) who live outside our district.

Major Event Fund – removing the \$50,000 budget for this coming year means we won't be taking applications from event organisers to help support events being developed or grown in our district. Instead, we will have to work with external agencies to source funding that may help support organisers.

Stormwater, Wastewater and Water Supply investigation fees – reducing these budgets by \$300,000 means less budget for underground investigations and complaint investigations. We have sufficient funding to complete the Whitianga water supply strategy study that is currently underway, but we need to source more funding to implement any recommendations that may come from this study.



Photo courtesy of Veolia

Retained Earnings – retained earnings are generated when operational budgets have been underspent and are used for unbudgeted, unforeseen costs that sometimes arise. Using \$2.6 million retained earnings in 2023/24 can help reduce the rates increase but means that it may be harder to fund future unplanned costs.

Unfunded Depreciation – in addition to the above, \$6.7 million depreciation resulting from the revaluation isn't funded. This approach isn't sustainable long term as depreciation is needed to fund the replacement of assets that reach beyond their useful lives.

Some of the projects cut from or reduced in our proposed budget can be reconsidered as part of our 2024-2034 LTP.

PARA TOTOKA | SOLID WASTE

Damage to the roading network in the area, particularly SH25A, following severe weather events has caused disruptions to how rubbish in the district is managed. This has affected our Council as well as the private rubbish operators, creating longer travel times for transporting rubbish to landfill. As part of finalising the Annual Plan, we're making requests to the government for financial assistance in this area.

Ō KŌRERO WHAKAHOKI | YOUR FEEDBACK

Do you have any
comments on our updated
operational works
programme?

FOR MORE INFORMATION SEE:

Find it at tcddc.govt.nz/annualplan2023

Have your say: tcddc.govt.nz/annualplan2023



TE HŌTAKA HAUPŪ RAWA | CAPITAL WORKS PROGRAMME

Our CAPEX programme is spent on constructing or upgrading assets such as infrastructure, equipment or buildings.

Our LTP had a forecast budget of \$54.3 million and we're proposing a capital works programme of \$48 million for 2023/24.

To soften the rates impact we have reduced the scope of some existing projects, and deferred others to the 2024-24 LTP. We have identified \$11.2 million to be carried forward from the current 2022/23 financial year to the new 2023/24 financial year, as well as a further increase in inflation from the current year of 4.8 per cent.

We still need to be mindful of deliverability - if we add too many projects, we could run the risk of rating for projects which we are unable to deliver due to limitations on our resources.

HE AHA NGĀ PANONITANGA? | WHAT IS CHANGING?

The 2023/24 year will be a year of recovery and rebuilding from storm damage to our district.

- We've added new projects to address immediate concerns for repairing storm damage. Additional projects relating to storm events will need to be added at a later date. Cost estimates are not yet finalised, but could pass \$40 million.
- We need to accommodate cost increases for inflation and new projects, for example, the shift to wheelie bins for our kerbside rubbish collection.
- We've included some larger projects (for example, Kōpū Marine Precinct and Porritt Park) that are largely funded by external grants and will not have a major impact on rates.

TE HINONGA MŌ TE TIRITI O POLLEN | POLLEN STREET PROJECT

Pollen Street project (Stormwater, Wastewater and Water) – Currently \$750,000 has been left in the budget for planning and design, and \$5.1 million has been deferred to 2024/25.

Pollen Street roading reinstatement – Currently \$250,000 is retained in 2023/24 for planning and design, and \$2 million has been deferred to 2024/25. The \$250,000 roading portion of this work is locally funded and has an approximate average rating impact of \$1.78 per Thames area rating unit in 2023/24 and an ongoing impact of \$3.68 from 2024/25.

We'd like to consult on the deferral of Pollen Street project as part of our 2023/24 Annual Plan process.

Our local businesses on Pollen Street are already facing hardship following two years of COVID-19 recovery and the recent severe weather events. They are working hard to re-establish themselves and this project would cause further disruptions, so we'd like to know what you think.

If you support the deferral, then the capital budgets for Pollen Street water, wastewater, stormwater and roading in 2023/24 will be zero.



FOR MORE INFORMATION SEE:

- Capital expenditure projects planned for 2023/24

Find it at tcdc.govt.nz/annualplan2023

Have your say: tcdc.govt.nz/annualplan2023

Ō KŌRERO WHAKAHOKI | YOUR FEEDBACK

Do you support the deferral
of the Pollen Street project to
the Financial Year 2024/25
and beyond?



KO NGĀ TAHUA PŪTEA Ā-ROHE | DISTRICT FUNDED PROJECTS

To see all changes including the increase of inflation made to all projects, see our proposed CAPEX list 2023/24 found at: tcdc.govt.nz/annualplan2023

HERE ARE THE MAIN CHANGES WE ARE PROPOSING:

Economic Development

- Kōpū Marine Precinct - \$7 million carried forward from 2022/23 (funded by the Crown Infrastructure Fund).

Roading

- July 2022, Oct 2022 and Nov 2022 storm event remedial works projects - \$690,000, \$385,000 and \$1.2 million approved by Council through out-of-cycle budget requests. Further projects are anticipated including December 2022, January 2023 and February 2023 weather events. The cost for these could pass \$40 million.

Solid Waste

- Wheelie bins and food waste bins - \$2 million for the purchase of wheelie bins for food waste.

Stormwater, Wastewater and Water Supply

- Stormwater, wastewater and water supply renewals - 25 per cent reduction
- Tōtara Valley Road service extension (Wastewater and Water) - \$1.65 million carried forward from the 2022/23 financial year
- We anticipate that the responsibility for water infrastructure will transfer to Western-Central Water Services Entity (formerly Entity B) from 1 July 2024, and we'll need to work closely with them to reinstate this project.
- Matarangi treatment plant upgrade (Wastewater) – \$940,000. \$2 million deferred to 2024-2034 LTP
- Whitianga stormwater network improvement – \$904,485 to mitigate stormwater flooding in the area
- Whangamatā stormwater improvements – \$1.1 million. Remainder deferred to 2024/25.

KO NGĀ TAHUA PŪTEA Ā-HAU KĀINGA | LOCALLY FUNDED PROJECTS

To see all changes, including the increase of inflation made to all projects, see our proposed CAPEX list 2023/24 found at: tcdc.govt.nz/annualplan2023

HERE ARE THE MAIN CHANGES WE ARE PROPOSING:

Footpaths and streetlights: The footpath construction and streetlight improvements budgets for Community Board areas have been removed. This is because the funding for these activities has been removed so we've had to prioritise where we wanted the limited funding available to go. This was placed against capital projects that support economic development.

This need for project reprioritisation is occurring nationally and isn't unique to our district.

Parks and Reserves: Due to the challenges facing the delivery of capital projects, we've removed minor reserves projects budgets. This is partly due to affordability, but also due to supply chain delays affecting the procurement of specialised equipment such as mechanical, electrical and playground items needed for projects.

In addition to the removal of footpath construction, streetlight improvements and minor reserves projects budgets, the main changes proposed to our locally funded projects are:

Thames

- Airfield renewals - \$54,845 due to \$58,000 being brought forward to the current 2022/23 financial year
- Tōtara Valley Road service extension roading - \$1.4 million carried forward from the 2022/23 financial year.

Tairua-Pāuanui

- Manaia Road Hub (Library extension) - \$116,316. Remainder deferred to 2024/25
- Pāuanui skate bowl renewal - \$492,434 deferred to 2024-2034 LTP.

Whangamata

- Whangamata Nib kerb construction - \$685,183 deferred to 2024-2034 LTP
- Boardwalk extension, dune section - \$323,100. Remainder deferred to 2024/25.

Mercury Bay

- Cycleway development - \$180,030 deferred to 2024-2034 LTP
- Whitianga wharf pontoon - \$874,047 deferred to 2024-2034 LTP to align with Whitianga Esplanade development investigations
- Matarangi Open Space land purchase - \$1 million removed from CAPEX following a formal notification from Matarangi Land Holdings Limited (MLHL) on 8 December that it has decided to withdraw from the proposed **Matarangi Open Space land purchase** Heads of Agreement with our Council and Matarangi Community Trust (MCT)
- Cooks Beach front toilet upgrade - \$366,361 deferred to 2024-2034 LTP
- Buffalo Beach toilet replacement - \$600,000 to upgrade the toilet block due to tree root damage to pipes and movement of the building which is nearing the end of its useful life.

Ō KŌRERO WHAKAHOKI | YOUR FEEDBACK

Do you have any comments
on the updated capital
works programme?

FOR MORE INFORMATION SEE:

- Proposed CAPEX (capital expenditure) list for 2023/24
- 8 November 2022 Council Meeting Report "Out of Cycle Budget Request - 29-30 May and 25 July 2022 Storm Events Emergency Works Funding"
- 13 December 2022 Council Meeting Report "Out of cycle Budget Request - 1 October 2022 Storm Event"

Find it at tcdc.govt.nz/annualplan2023

Have your say: tcdc.govt.nz/annualplan2023

HE UTU TAPARORI | KERBSIDE PRICING



Our current kerbside collection contract finishes on 31 August 2023 and, after a robust tender process, Waste Management Ltd has been selected to deliver our solid waste services.

Many of our communities have been asking for our kerbside blue rubbish bags to be replaced with wheelie bins, as the bags can create litter and nuisance issues. Wheelie bins also have an additional health and safety benefit for both our ratepayers and contractors. When the new kerbside rubbish collection contract takes effect on 1 September 2023, all household kerbside rubbish in the service area will be collected fortnightly via a 140L wheelie bin, replacing our current blue rubbish bags. We'll also introduce a kerbside household food waste collection (25L food waste bin) that will be collected weekly. Fortnightly kerbside recycling collections will continue.

ME PĒWHEA E WHAI HUA AI? | HOW WILL IT WORK?

All our recycling and the food waste collection are funded from the solid waste targeted rate that all properties in the service area are charged. Not all property owners live in our district full-time or put their rubbish out on a regular basis. Taking this into account, we will implement a 'Pay As You Throw (PAYT)' charging system for the fortnightly collection of household kerbside rubbish.

Like our current system, our transport and kerbside collection disposal costs will be covered by a combination of a solid waste targeted rate charged to all properties in the service area via your rates bill, and PAYT charges. You will use a pre-paid system for when you place your bin kerbside for collection.

We'll review the PAYT system and our charging model as needed to ensure our solid waste collections are suited to the needs of our communities and to our environment.

HE AHA NGĀ HUA O TE UTU? | WHAT DO THE FEES PAY FOR?

The solid waste targeted rate fee and PAYT fees cover the following costs:

- Operating our Refuse Transfer Station services (also funded by gate charges)
- Recycling/glass processing and management of transport costs
- Disposal/landfill fees
- Operational costs of our kerbside collection
- Peak period services.

HE AHA NGĀ WHAKAPIKINGA? | WHAT IS INCREASING?

We're increasing the solid waste targeted rate for the 2023/24 financial year. This contributes approximately 4.8 per cent to our proposed district-wide average rates increase of 11.4 per cent. The two main contributors to this increase are rising solid waste contract costs and a projected increase in Government levies.

NEW SOLID WASTE CONTRACT COSTS – These are the main factors contributing to the contract cost increase:

- Market increase in fuel, plant, labour, and material costs
- Extended opening hours for our Council's seven Refuse Transfer Stations for public convenience
- Introduction of a new weekly food waste collection and a PAYT based fortnightly wheelie bin rubbish collection, at kerbside for residential properties in service area
- Purchase of wheelie bins for rubbish and food waste bins.

GOVERNMENT LEVIES – The two main factors contributing to the projected 215 per cent increase in Government levies for the 2023/24 financial year are increases to the Emissions Trading Scheme and National Waste Disposal Levy charges. More information about the National Waste Disposal Levy can be found here: <https://environment.govt.nz/what-government-is-doing/areas-of-work/waste/waste-disposal-levy/expansion/>

Our Council considers it's not equitable to cover costs with a fully funded targeted rate at this time due to the high percentage of non-resident ratepayers (51 per cent of rateable households). However, we plan to review the solid waste rating model again as part of the 2024-2034 LTP process, when we have more operational information to assess the new solid waste services.

KA PĒWHEA TĒNEI E PĀTAHI MAI? | HOW WILL IT AFFECT YOU?



- We're discontinuing the blue rubbish bags and replacing them with a 140L wheelie bin for rubbish and a 25L food waste bin for households.
- Prior to September 2023, each property in a household kerbside collection area will receive a new 140L wheelie bin for rubbish and a 25L food waste bin.
- Instead of purchasing blue bags, you will use a pre-paid system for when you place your bin for a fortnightly collection (or less frequently if you don't need it collected fortnightly).



- The food waste bins can accept items such as fruit, vegetables, cooked food, meat, fish and coffee grounds.
- There will also be fortnightly household kerbside collections for your recycling wheelie bin and up to a maximum of two Council crates for glass.
- Ratepayers in an area of service will be charged an increased targeted solid waste rate via their rates bill, compared with what they currently pay.



HE AHA Ō KŌWHIRINGA? | WHAT ARE YOUR OPTIONS?

We'd like your feedback on three options. All options encompass a set solid waste targeted rate per community board area, and a pre-paid system for when you place your bin kerbside for collection. The higher the PAYT amount, the lesser the amount that needs to be covered through the solid waste targeted rate.

All options propose an increase in the solid waste targeted rate for each community board area due to rising contract costs and increasing Government levies,

however, you can help keep your annual costs down by reducing your waste. The fewer times you put out your bin, the less you'll pay.

Our Council has supported the mid-range pricing option as the most equitable and identified Option 2 as the preferred option.

The change to the solid waste targeted rate for each of the three options is detailed in the tables below.

OPTION 1

**PAY AS YOU THROW (PAYT) -
LOWER FEE,
HIGHER TARGETED RATE**

PAYT pre-paid system costing \$7 including GST per 140L bin empty and a targeted rate (for those in an area of service) increase of 86 per cent. This is higher than Option 2 (76 per cent) and Option 3 (67 per cent).

Under this option, full-time residents who put their bins out for every collection would likely benefit a little more than holiday homeowners.

Rating Community Board Area	Current rate 2022/23 incl. GST	Proposed Option 1 2023/24 incl. GST	Proposed Increase from 2022/23	
			\$	% increase to solid waste targeted rate
Thames	\$194.33	\$361.50	\$167.17	86%
Coromandel-Colville	\$194.33	\$361.50	\$167.17	
Mercury Bay	\$213.02	\$396.28	\$183.26	
Tairua/Pāuanui	\$227.97	\$424.08	\$196.11	
Whangamatā	\$227.97	\$424.08	\$196.11	

**Solid waste targeted rates vary by Community Board area due to some receiving more kerbside collections during our peak visitor period.*

OPTION 2

**PAY AS YOU THROW (PAYT) -
MID PRICED, THIS IS
COUNCIL'S PREFERRED OPTION**

PAYT pre-paid system costing \$8 including GST per 140L bin empty and a targeted solid waste rate increase (for those in an area of service) of 76 per cent. This is less than Option 1 (86 per cent), but more than Option 3 (67 per cent).

This is our Council's preferred option as it provides a balance between the benefits to full-time residents and holiday homeowners.

Rating Community Board Area	Current rate 2022/23 incl. GST	Proposed Option 2 2023/24 incl. GST	Proposed Increase from 2022/23	
			\$	% increase to solid waste targeted rate
Thames	\$194.33	\$342.78	\$148.46	76%
Coromandel-Colville	\$194.33	\$342.78	\$148.46	
Mercury Bay	\$213.02	\$375.76	\$162.74	
Tairua/Pāuanui	\$227.97	\$402.12	\$174.15	
Whangamatā	\$227.97	\$402.12	\$174.15	

**Solid waste targeted rates vary by Community Board area due to some receiving more kerbside collections during our peak visitor period.*

OPTION 3

**PAY AS YOU THROW (PAYT) -
HIGHER FEE,
LOWER TARGETED RATE**

PAYT pre-paid system costing \$9 including GST per 140L bin empty and a targeted rate increase (for those in an area of service) of 67 per cent, which is less than Option 1 (86 per cent) and Option 2 (76 per cent).

Setting the PAYT pre-paid system at a higher price and the targeted rates at a lower price would likely benefit holiday homeowners and those who do not create much waste, who are not putting their bins out every fortnight. It may also encourage people to reduce their waste further.

Rating Community Board Area	Current rate 2022/23 incl. GST	Proposed Option 3 2023/24 incl. GST	Proposed Increase from 2022/23	
			\$	% increase to solid waste targeted rate
Thames	\$194.33	\$324.07	\$129.74	67%
Coromandel-Colville	\$194.33	\$324.07	\$129.74	
Mercury Bay	\$213.02	\$355.24	\$142.22	
Tairua/Pāuanui	\$227.97	\$380.16	\$152.20	
Whangamata	\$227.97	\$380.16	\$152.20	

**Solid waste targeted rates vary by Community Board area due to some receiving more kerbside collections during our peak visitor period.*

Ō KŌRERO WHAKAHOKI | YOUR FEEDBACK

Do you support the Pay As You Throw (PAYT) mid-price proposal of Option 2?

PRE-PAID

RUBBISH

FOR MORE INFORMATION SEE:

- 13 December 2022 Council Meeting Report "Solid Waste Fees and Charges"
- 9 March 2023 Council Meeting Report "Adoption of the Annual Plan Consultation Document"

Find them at tcddc.govt.nz/annualplan2023

Have your say: tcddc.govt.nz/annualplan2023

NGĀ UTU | FEES AND CHARGES

We're proposing changes to some of our fees and charges to help keep up with the costs of delivering our services.

These include:

- Added fees for PAYT pre-paid system
- Fees for 140L wheelie bins for rubbish and 25L food waste bins to cover the cost of replacements
- Adjusted fees for replacement of 240L and 80L recycling wheelie bins and glass crates
- Increases to some Refuse Transfer Station fees to reflect increased operation costs
- The replacement of the 'Parks and Concessions All Areas' fee with an 'All Areas Commercial Operator Licence minimum fee per tendered site' of \$350 and a 'Transitory Licence' of \$50 per site
- Development Contributions fee adjustments to reflect the amended capital expenditure programme
- Building consents and building inspection fee increases due to increases in inflation and operational costs
- The removal of library fines, to encourage people to access the many resources that libraries offer, including council services
- Thames Centennial Pool 'learn to swim' fee increases to reflect rising operational costs
- Water usage fee increases to reflect actual costs
- Septic tank disposal fee increases to reflect actual costs
- New fees for Thames War Memorial Civic Centre equipment hire
- Small wording changes throughout the schedule.

NGĀ WHAKAAETANGA RAUEMI | RESOURCE CONSENTS

We are proposing to increase some fixed, initial deposit fees.

HERE ARE SOME EXAMPLES:

- non-notified applications for a resource consent for controlled activities: the fixed initial deposit charge will increase from \$1,200 to \$2,000
- non-notified applications for subdivision consent for controlled activities – rights-of-way: the fixed initial deposit charge will increase from \$1,600 to \$2,000
- non-notified applications for requirements for designations: the fixed initial deposit charge will increase from \$2,500 to \$3,000.

This is to better reflect actual costs and the time taken to process applications in comparison to the fixed initial deposit paid. The hourly rate for staff time is not increasing and customers will still be charged the actual cost of processing.

Other changes include:

- changing pre-application meeting costs from the actual cost of attendance to a set fee of \$360. This is to encourage pre-application meetings for resource consent applications
- introducing a set fee for a site visit. The fee is based on the average cost of a site visit in our district and will simplify the administrative costs of calculating the cost of site visits.

All changes are highlighted in the proposed schedule of changes to fees and charges which you can find in our supporting information.

Ō KŌRERO WHAKAHOKI | YOUR FEEDBACK

Do you have any comments
on the proposed
fees and charges?

FOR MORE INFORMATION SEE:

- Proposed Schedule of changes to fees and charges 2023/24

Find it at tcddc.govt.nz/annualplan2023

Have your say: tcddc.govt.nz/annualplan2023

WHAKAPĀ MAI | CONTACT US



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