

**GO**  
DISTRICT COUNCIL  
**RE**

Gore District Council

# PRE-ELECTION REPORT 2022



# INTRODUCTION

The triennial local government elections will be held on 8 October 2022. Under the Local Government Act (LGA) 2002, it is the responsibility of the Chief Executive to prepare a Pre-Election Report to inform both the community and prospective candidates. This report is prepared on an entirely politically neutral basis.

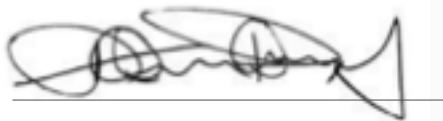
This report brings together information contained in the 10 Year Plan 2021-2031, annual reports and the latest annual plan. It is intended as a tool to promote informed debate and should assist both voters and candidates in the run-up to the election.

The Council adopted its 10 Year Plan in 2021. It is reviewed every three years. In the interim years, the Council must adopt an annual plan, which identifies any changes to the 10 Year Plan. Both the 10 Year Plan 2021-2031 and the Annual Plan 2022/23 can be found on the Council's website. These documents profile the detail of our work programme for the coming financial year. The Pre-Election Report provides a better understanding of the issues facing the District as set out in the 10 Year Plan.

I have included a summary of the major projects either underway or proposed to be undertaken by the Council over the next three years, together with forecast financial information for the same period. Also included is the actual and planned performance against the self-imposed limits contained in our financial strategy. The financial strategy and accompanying infrastructure strategy is a core part of the 10 Year Plan and is used as a cornerstone for making Council decisions.

Infrastructure continues to be the main focus of the Council's work programme. The 10 Year Plan has prioritised upgrades to water treatment plants in Gore and Mataura over the next few years, to comply with New Zealand Drinking Water Standards. There is also a focus on fixing problematic reticulation infrastructure by separating wastewater and stormwater pipes to improve drainage and reduce surface flooding.

But the Council is also heavily engaged in some key building projects that will enhance the services available to the community. The new library and community rooms under construction in the James Cumming Wing complex, together with the proposed Maruawai Centre in the Arts & Heritage Precinct, are two such examples. More commentary on these projects can be found in the following pages of this report.



**Stephen Parry**  
**CHIEF EXECUTIVE**  
Gore District Council



# GORE DISTRICT COUNCIL COMMUNITY OUTCOMES

Detailed below are the six identified Council community outcomes, which are a cornerstone to the development of the 10 Year Plan. Progress towards the attainment of these outcomes is reported to the Council's standing Committees at their meetings, held at six weekly intervals throughout the year. These progress reports culminate in the Annual Report where a 12-month review of what has been achieved is given.

## OUTCOME 1

### We value our history and heritage

#### Objectives

- a) To ensure that early life in the District is captured via writings, artefacts and attractive exhibitions in order that greater awareness and appreciation for our heritage and history is cultivated.
- b) To work with community organisations and interest groups to bolster and expand the District's historical infrastructure in the forms of research facilities, exhibitions based on a specific theme (e.g. fishing, moonshine whiskey or aviation) and the provision of buildings to facilitate sensitive storage of artefacts and opportunities for public access.
- c) To actively work with the owners of historic buildings to encourage their retention, while maintaining a modicum of flexibility to allow their adaptation to meet contemporary needs.

## OUTCOME 2

### We live in a creative place

#### Objectives

- a) To continue to establish Gore as a regional epicentre of art by conducting and promoting art exhibitions at the Eastern Southland Art Gallery and maintaining a high visitor appeal in the John Money Wing.
- b) To foster an interest and participation in the performing arts by the provision of advice, staff support and funding of key areas such as fashion, music and drama.

## OUTCOME 3

### We have a choice of quality places to go and things to do

#### Objectives

- a) To provide high-class recreational facilities at the Gore MultiSports Complex and to promote and pursue an increase in participation at the aquatic centre and adjoining event centre.
- b) To provide a library service in the District that informs and stimulates an interest in reading, both for leisure and personal growth.
- c) To provide support for events in the District, which cater for local residents and visitors, offer fun and entertainment, together with engendering pride in the District and what it has to offer.

## OUTCOME 4

### We have a quality infrastructure with potential for growth

#### Objectives

- a) To ensure Activity Management Plans are accurate, updated regularly and factor in anticipated growth in the foreseeable future.
- b) To prepare a District Growth Strategy that makes optimum use of existing infrastructure and sets out the location and investment required for new infrastructure to accommodate anticipated demand.

## OUTCOME 5

### We live in a compassionate caring community

#### Objectives

- a) Where appropriate, consider grants to organisations in order to build community capacity and cohesion and promote social and cultural wellbeing.
- b) To maintain an active community development programme which harnesses and empowers volunteer effort in social wellbeing and fosters a sense of inclusion amongst marginalised groups.
- c) To proactively advocate on behalf of citizens who may be disadvantaged by changes in government policy and/or procedure.

## OUTCOME 6

### We value and respect our environment

#### Objectives

- a) To provide and maintain to a high standard parks, reserves and gardens which both beautify the environment and provide a respite from built infrastructure.
- b) To update the District Plan in order that it strengthens the balance between facilitating development and effectively limiting adverse effects that may flow from unbridled development.
- c) To maintain a regulatory culture that places emphasis on education, empowerment and collaboration over-rigid application of rules and implementation of sanctions.



# FUNDING IMPACT STATEMENTS

## FOR THE YEARS ENDED 30 JUNE 2020-2026

	Annual Report 2020 \$'000	Annual Report 2021 \$'000	LTP 2022 \$'000	Annual Plan 2023 \$'000	LTP 2024 \$'000	LTP 2025 \$'000	LTP 2026 \$'000
<b>Sources of operating funding</b>							
General rates, uniform annual general charge, rates penalties	5,920	6,004	6,511	6,721	7,070	7,390	7,765
Targeted rates	11,801	11,899	12,944	12,891	14,184	14,735	15,429
Subsidies and grants for operating purposes	1,738	3,229	2,011	2,124	2,248	2,200	2,265
Fees and charges	3,728	3,316	3,959	4,706	4,156	4,253	4,355
Local authorities fuel tax, fines, infringement fees, and other receipts	449	2,711	76	25	79	81	83
<b>Total operating funding (A)</b>	<b>23,636</b>	<b>27,199</b>	<b>25,501</b>	<b>26,467</b>	<b>27,737</b>	<b>28,659</b>	<b>29,897</b>
<b>Applications of operating funding</b>							
Payments to staff and suppliers	19,281	19,254	20,275	22,132	21,133	21,357	21,762
Finance costs	806	920	1,007	1,095	1,374	1,447	1,494
Other operating funding applications	585	-	-	-	-	-	-
<b>TOTAL APPLICATIONS OF OPERATING FUNDING (B)</b>	<b>20,672</b>	<b>20,174</b>	<b>21,282</b>	<b>23,227</b>	<b>22,507</b>	<b>22,804</b>	<b>23,256</b>
<b>SURPLUS (DEFICIT) OF OPERATING FUNDING (A-B)</b>	<b>2,964</b>	<b>7,025</b>	<b>4,219</b>	<b>3,240</b>	<b>5,230</b>	<b>5,855</b>	<b>6,641</b>
<b>Sources of capital funding</b>							
Subsidies and grants for capital expenditure	3,837	768	6,879	2,359	1,855	1,824	1,929
Development and financial contributions	16	22	-	-	-	-	-
Increase (decrease) in debt	3,500	10,000	9,014	9,773	3,690	(589)	1,680
Gross proceeds from sale of assets	40	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>7,393</b>	<b>10,790</b>	<b>15,893</b>	<b>12,132</b>	<b>5,545</b>	<b>1,235</b>	<b>3,609</b>
<b>Applications of capital funding</b>							
Capital expenditure to meet additional demand	1,168	(138)	204	349	85	134	70
Capital expenditure to improve the level of service	6,823	5,738	6,756	10,901	3,075	1,111	3,029
Capital expenditure to replace existing assets	4,371	10,018	13,152	4,122	7,615	5,845	7,151
Increase (decrease) in reserves	(2,005)	2,197	-	-	-	-	-
Increase (decrease) in investments	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>10,357</b>	<b>17,815</b>	<b>20,112</b>	<b>15,372</b>	<b>10,775</b>	<b>7,090</b>	<b>10,250</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(2,964)</b>	<b>(7,025)</b>	<b>(4,219)</b>	<b>(3,240)</b>	<b>(5,230)</b>	<b>(5,855)</b>	<b>(6,641)</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# SUMMARY STATEMENT OF FINANCIAL POSITION

## AS AT 30 JUNE 2020-2026

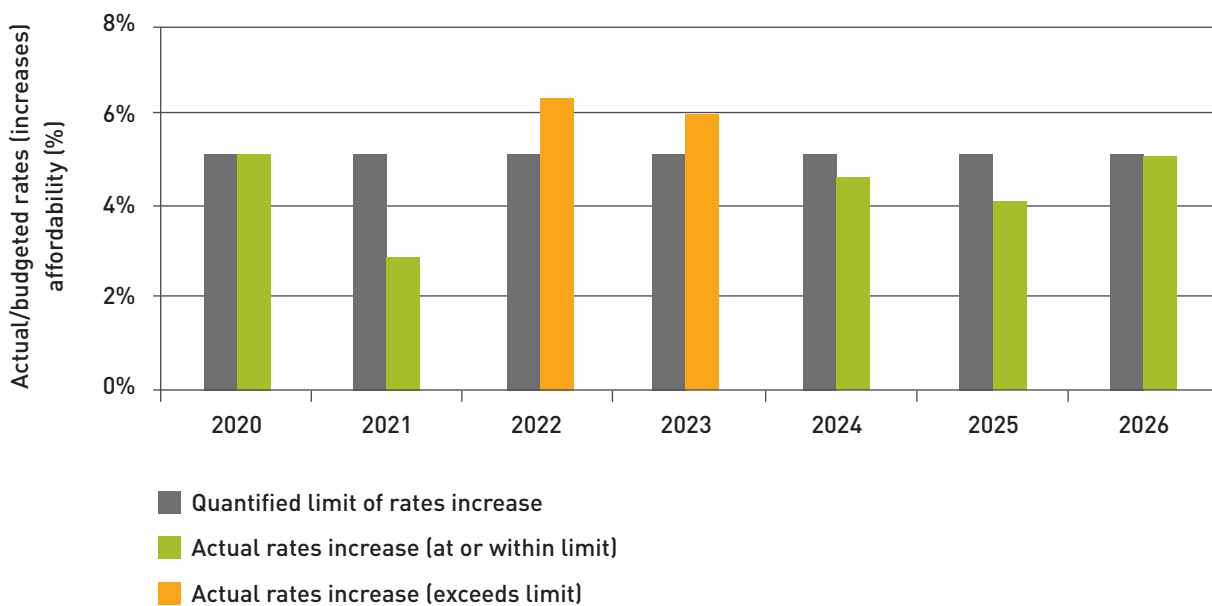
	Annual Report 2020	Annual Report 2021	LTP 2022	Annual Plan 2023	LTP 2024	LTP 2025	LTP 2026
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Current assets</b>							
Cash and cash equivalents	2,305	2,936	2,300	2,906	2,291	2,286	2,281
Receivables	4,266	3,574	4,393	2,865	4,633	4,749	4,873
Inventories	225	219	226	219	226	226	226
Other financial assets	1,724	4,714	1,802	1,802	1,802	1,802	1,802
Other current assets	226	303	225	303	225	225	225
<b>Total current assets</b>	<b>8,746</b>	<b>11,746</b>	<b>8,946</b>	<b>8,095</b>	<b>9,177</b>	<b>9,288</b>	<b>9,407</b>
<b>Non-current assets</b>							
Other financial assets	417	688	339	339	339	339	339
Property, plant and equipment	450,782	458,596	495,474	498,544	505,516	546,515	548,875
<b>Total non-current assets</b>	<b>451,199</b>	<b>459,284</b>	<b>495,813</b>	<b>498,883</b>	<b>505,855</b>	<b>546,854</b>	<b>549,214</b>
<b>Total assets</b>	<b>459,945</b>	<b>471,030</b>	<b>504,759</b>	<b>506,978</b>	<b>515,032</b>	<b>556,142</b>	<b>558,621</b>
<b>Current liabilities</b>							
Payables	4,098	5,972	4,221	3,543	4,451	4,562	4,681
Employee entitlements	695	746	740	803	760	770	780
Borrowings	11,000	6,000	11,000	11,000	11,000	8,500	8,500
Provisions	135	46	135	46	135	135	135
Other financial liabilities	-	-	-	-	-	-	-
<b>Total current liabilities</b>	<b>15,928</b>	<b>12,764</b>	<b>16,096</b>	<b>15,392</b>	<b>16,346</b>	<b>13,967</b>	<b>14,096</b>
<b>Non-current liabilities</b>							
Borrowings	11,500	26,500	29,716	33,814	40,253	42,213	43,947
Provisions	74	68	74	68	74	74	74
Other financial liabilities	2,613	1,534	2,578	1,455	2,578	2,578	2,578
<b>Total non-current liabilities</b>	<b>14,187</b>	<b>28,102</b>	<b>32,368</b>	<b>35,337</b>	<b>42,905</b>	<b>44,865</b>	<b>46,599</b>
<b>Total liabilities</b>	<b>30,115</b>	<b>40,866</b>	<b>48,464</b>	<b>50,729</b>	<b>59,251</b>	<b>58,832</b>	<b>60,695</b>
<b>Net assets</b>	<b>429,830</b>	<b>430,164</b>	<b>456,295</b>	<b>456,249</b>	<b>455,781</b>	<b>497,310</b>	<b>497,926</b>
<b>Equity</b>							
Reserves	294,354	294,955	313,011	313,642	313,014	354,200	354,201
Retained earnings	135,476	135,209	143,284	142,607	142,767	143,110	78
<b>Total equity</b>	<b>429,830</b>	<b>430,164</b>	<b>456,295</b>	<b>456,249</b>	<b>455,781</b>	<b>497,310</b>	<b>354,279</b>

# FINANCIAL STRATEGY

The Council's financial strategy is contained in the 10 Year Plan and sets out self-imposed limits on rates increases, total rates collected and borrowing. The graphs below provide a comparison of the limits set and the actual achievement by the Council over the last three financial years with the projection for compliance in the next three financial years.

The following graph compares the Council's planned rates increases with a quantified limit or rates increase contained in the Financial Strategy included in the 10 Year Plan. The quantified limit is 5% per annum.

## Rates (increases) affordability



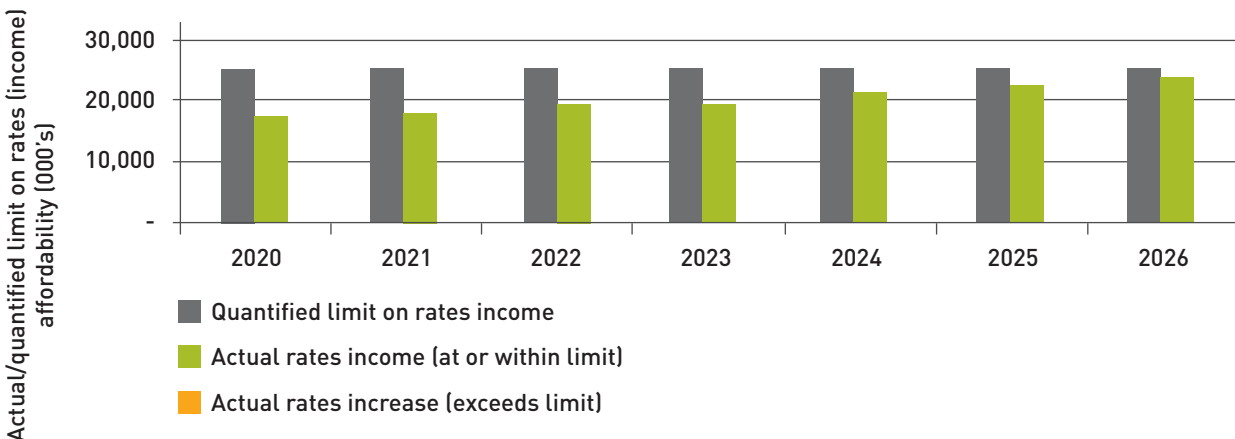
In the 10 Year Plan 2021-2031, the rates increase in all years but the first were projected to be under the 5% increase threshold. The breach in 2022 was the result of reductions being made in the 2021 year to allow for a 2.84% rates increase to recognise the challenging year ratepayers had faced with a flooding event and COVID-19. This reduction in the rates could not be sustained into the future. This meant that the 2022 year was a catch-up year.

In the 2022/23 Annual Plan year the Council is facing significant increases due to inflation and suppliers increasing costs of essential items such as chemicals (20% increase) for the 3Waters and Aquatic areas. Roading is also experience significant cost pressures for materials, and the Council has allowed for a 20% inflationary increase in that cost centre to ensure that the level of service is not compromised.

For more information, please refer to the full financial strategy on page 13 of the 10 Year Plan 2021-2031.

The following graph compares the Council's planned rates with a quantified limit on rates contained in the Financial Strategy included in this 10 Year Plan. The quantified limit is \$25 million.

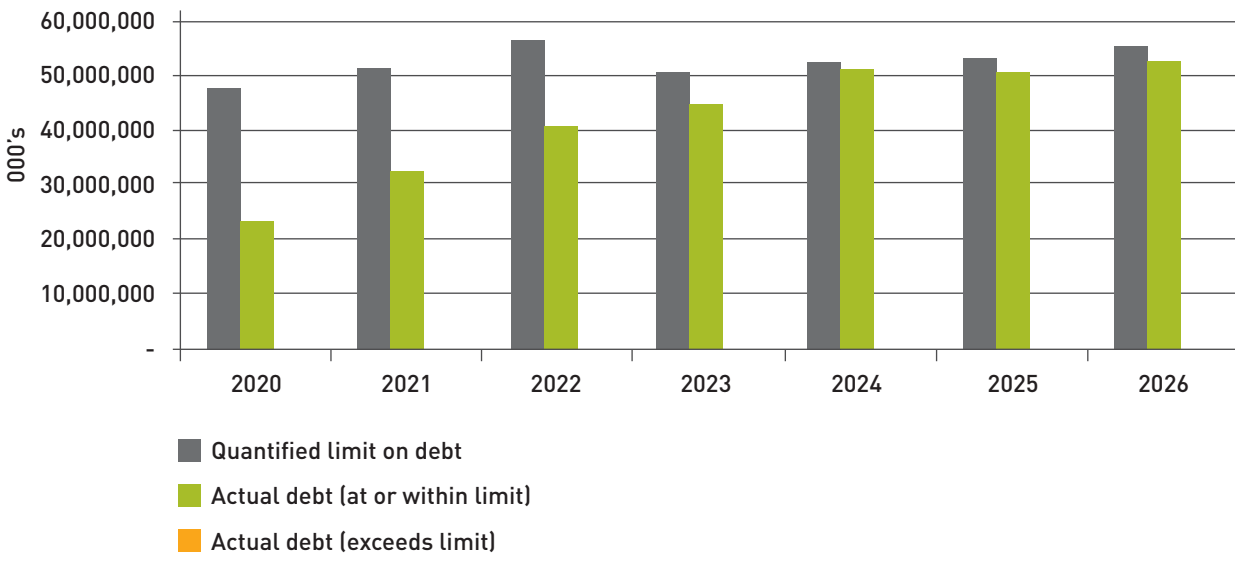
### Rates (income) affordability



The Council has set a limit that it would not collect more than \$25million in rates in any one year. The 10 Year Plan does not forecast any breaches of this limit.

The following graph compares the Council's planned debt with a quantified limit on borrowing contained in the Financial Strategy included in the 10 Year Plan. The quantified limit on debt in the 10 Year Plan 2021-2031 is 175%.

### Debt affordability benchmark



The Council has several large, once in a generation projects currently underway or allowed for in the 10 Year Plan 2021-2031. The most efficient way to finance these projects is through debt.



# MAJOR PROJECTS

The table below provides details of the major projects that are underway or proposed for the next three financial years (2022/23, 2023/24 and 2024/25). These focus on upgrading existing facilities, improving levels of service or enhancing the quality of service offered to residents and visitors. It is important to note that this is not a full list of our activities or business as usual tasks. For further information, reference should be made to the 10 Year Plan 2021-2031 and the 2022/23 Annual Plan.

Infrastructure			
Project	Cost	Commencement Year	Completion Year
<p><b>Hilbre Avenue Reservoir Replacement</b></p> <p>The Council planned to replace the Hilbre Avenue reservoir this coming financial year. However, a decision of the Environment Court to decline an application for a resource consent to construct a cable stay bridge over the Mataura River has also impacted this project. Consequently, we do not expect to replace the reservoir before the proposed 3 Waters reform transition date of 1 July 2024.</p> <p>Preliminary investigations for the reservoir replacement project have identified health and safety concerns with the redundant Hilbre Avenue water tower. Due to this, we are considering demolishing the water tower.</p>	\$1.16m	2019/2020	2020/2021
<p><b>Gore Water Treatment Plant Centralisation and Upgrade</b></p> <p>We expect construction and commissioning of a \$6.3 million membrane treatment plant in East Gore to be finished in early July.</p> <p>The upgraded plant has been designed to treat 100% of Gore's drinking water in line with the New Zealand Drinking Water Standards. However, to allow all of Gore's water to be treated in East Gore, two new pipelines need to be installed across the Mataura River.</p> <p>The Council was proposing to build a bridge over the river 650m upstream of the existing traffic bridge. The new bridge would support these pipelines and provide a walking and cycling link between East Gore and West Gore. However, in March this year the Environment Court declined to uphold a decision by independent commissioners and therefore a resource consent could not be obtained. Due to this, the new East Gore Water treatment plant will initially treat only approximately 60% of Gore's water supply.</p> <p>The Council is currently considering alternative options for the pipelines across the Mataura River. Once sufficient investigation and design work has been completed, engagement with the community and key stakeholders will be undertaken to find a preferred solution.</p>	\$6.3m	2021/2022	2022/2023

## Infrastructure continued ...

Project	Cost	Commencement Year	Completion Year
<p><b>Mataura Water Treatment Plant Upgrade</b></p> <p>After considering various options to ensure the Mataura drinking water supply meets New Zealand Drinking Water Standards, the Council settled on upgrading the existing water treatment plant as its preferred option.</p> <p>The estimated cost is \$2.2 million and includes:</p> <ul style="list-style-type: none"> <li>• refurbishing and upgrading existing filters</li> <li>• replacing upgrading of all electrical controls and instrumentation</li> <li>• upgrades to chemical storage to meet appropriate regulations, and</li> <li>• general health and safety improvements</li> </ul> <p>We have finished detailed design and tender documents for this project and are preparing resource consent applications.</p>	\$2.2m	2022/2023	2023/2024
<p><b>Elizabeth Street Pipeline Renewal</b></p> <p>This \$4.2 million project aims to fix long-standing surface flooding issues in the area and replace ageing infrastructure at the same time.</p> <p>The work includes replacing the water and wastewater pipelines and installing a new stormwater pipeline in Elizabeth, Joseph and St Andrews streets. The project is progressing well, and our contractor Fulton Hogan aims to have the new mains in the street finished by late July this year.</p> <p>After Fulton Hogan completes its contract, we will start work on separating the existing combined wastewater and stormwater pipelines on private property and installing an infiltration basin at the intersection of Elizabeth and Broughton Street.</p> <p>In our 10YP, we had indicated that the Council and property owners would share the cost of private property separation work. However, the Council will now fully fund this work given how essential it is to the project's overall success.</p> <p>This work has added approximately \$500,000 to the project's overall cost. We are currently establishing a panel of between three and five local plumbing contractors to undertake the private property separation work over the next 12 to 18 months.</p>	\$4.2m	2021/2022	2023/2024
<p><b>Gore and Mataura Wastewater Discharge Consent Renewals</b></p> <p>In January 2021, the Council applied to renew its existing resource consent for the Gore and Mataura wastewater treatment plants.</p> <p>Despite proposing upgrades estimated to cost between \$48 and \$63 million, the Hokonui Runanga did not support our application. The runanga's opposition was mainly due to the ongoing direct discharge of treated wastewater into the Mataura River.</p> <p>As a result, Environment Southland agreed to put the processing of our resource consent application on hold as we work with the runanga to find alternative discharge options for the treated wastewater. We expect investigations to be completed in late 2023, after which we will submit a revised resource consent application to Environment Southland.</p>			

## Infrastructure continued ...

Project	Cost	Commencement Year	Completion Year
<p><b>Gore Oxidation Pond Desludging Project</b></p> <p>Due to the Council's wastewater discharge consent expiring in 2023, the long term future of the Gore Oxidation Ponds is uncertain.</p> <p>We anticipate the oxidation ponds will need to remain operational for at least another 10 years. As a result, we plan to spend approximately \$1.2 million during the coming financial year to partially desludge the ponds to ensure their ongoing performance. We are in the process of obtaining the necessary resource consent and preparing tender documents for this work.</p>	\$1.2m	2022/2023	2023/2024

## Property

Project	Cost	Commencement Year	Completion Year
<p><b>Hokonui Moonshine Museum / Maruawai Centre Redevelopment</b></p> <p>The Maruawai project is the culmination of 35 years spent developing and refining a robust cultural infrastructure within Gore's Arts and Heritage Precinct.</p> <p>A recipient of a \$1.7 million Government grant from the Provincial Growth Fund, this two stage project's initial budgets of \$1.4m (the Moonshine Musuem) and \$1.8m (the Maruawai Centre) became obsolete in the shadow of protracted community lockdowns and significant escalations in the cost of building services, materials and processes to address potential earthquake, fire rating and snow loading issues with the host buildings.</p> <p>By May this year, project cost increases for both stages were close to 40%. Given the Council's significant stake in this project, by virtue of facility ownership and our long term commitment to the heritage precinct, we will be exploring options for further short-term investment in this area.</p> <p>In any event, fundraising initiatives, grant applications and private donor engagement will be the preserve of department staff and community volunteers for the foreseeable future.</p>	\$4.9m	2019/2020	2023/2024
<p><b>Library/Community Rooms Redevelopment</b></p> <p>The redevelopment of the former James Cumming Wing into a modern library and community space is a flagship project for the Council.</p> <p>A \$3 million grant from the Government's Shovel Ready Fund, designed to stimulate development during the COVID pandemic, provided the impetus the Council needed to take this project from the drawing board to reality.</p>	\$7.7m	2021/2022	2022/2023

# REFORMS

There are three significant reform and review processes currently in train that will have an impact on local government - Three Waters, Resource Management and the Future for Local Government. They collectively and individually represent the largest reforms to local government and local governance since the abolition of the provinces in 1877.

What the reforms have in common are that they aim to achieve better outcomes for communities and the environment, efficiency improvements, and give effect to the principles of Te Tiriti of Waitangi. They are however progressing on different timelines and add to an increasingly complex and uncertain operating environment for local government now and post the 2022 elections. This environment also includes likely Government changes to building control, civil defence and emergency management, waste management, to name but a few.

Taken together the reviews and reforms provide considerable opportunity to further the purpose of local government and will fundamentally change the system that local government operates within, including how decisions are made and by whom, what local government does and how it does it, and who local government needs to work with to enable community wellbeing.

## Three Waters Reform

Following the serious campylobacter outbreak in 2016 and the Government's Inquiry into Havelock North Drinking Water, central and local government have been considering the issues and opportunities facing regulation and management of the three waters (drinking water, wastewater, and stormwater).

The focus has been on how to ensure safe drinking water for all, improve the environmental performance and transparency of wastewater and stormwater network and deal with funding and affordability challenges, particularly for communities with small rating bases. There is also a need to future-proof the assets and plan for the effects of climate change.

Both central and local government, including Gore District Council are committed to better outcomes for communities and the environment. There is widespread agreement that the status quo is not sustainable, despite the significant contribution, investment, and effort that local government and communities have made to date. There is also agreement on protection from privatisation of the three waters services and assets.

In 2021 the Government announced that it would proceed with proposals to change the way three waters are delivered. You can find a short video in which the Minister of Local Government explains the Government's reasons for the change at <https://www.youtube.com/watch?v=CN-lFClobuQ>

The proposal is that three waters assets would be removed from councils and all the council's three water assets, and any liabilities related to three waters would transfer to a body corporate to be known as (name of the entity). As the proposed transfer is currently intended to happen on 1 July 2024, this would be within the term of the incoming council.

Parliament is currently considering the Water Services Entities Bill that creates four new water service entities. Under the Bill these entities will manage the future delivery of three waters services across the country. The Bill also sets out how these entities will operate, and how the local community will be able to hold them accountable.

The government has stated that later in the year a second Bill will provide further details on the powers and duties of the entities. That Bill will also allow the Government to regulate the amount and the ways in which the entities charge for these services, and how they will demonstrate their services are value for money. We understand this Bill will enter Parliament in or around September this year so the incoming council will need to decide whether it wishes to submit on this Bill, and what it might say.

If you would like more information, please go to the three waters reform page on the Department of Internal Affairs website which is [https://www.dia.govt.nz/diawebsite.NSF/wpg\\_URL/Resource-material-Our-Policy-Advice-Areas-Local-Government-Policy?OpenDocument#reform](https://www.dia.govt.nz/diawebsite.NSF/wpg_URL/Resource-material-Our-Policy-Advice-Areas-Local-Government-Policy?OpenDocument#reform)

This is a significant issue for our council. Three waters involve circa \$59.4m in assets and \$11.8m in liabilities (based on 2020/21 Annual Report), but perhaps more importantly directly employs 14 staff. The impact of the loss of the assets and staff to another organisation is likely to be significant and a key focus of the Council in the next term.

These services are crucial to the wellbeing of our communities, the environment and our community's future – for example where new houses can be built, and what types of business might locate in our community and where, what our economy will look like. It is also important to consider how this reform relates to Resource Management reform, including spatial planning, new regional plans and climate change adaptation and mitigation plans and community aspirations.

The next council will need to work with the new water services entity responsible for most of the South Island to ensure Gore District Council gets the services it needs now and in the future. In particular, the Council will need to work closely with the Government as the entity is set up to make sure our community is represented on or through the regional representative group. The Council will also need to work with the Chief Executive as its sole employee to ensure our staff are supported through an incredibly challenging period of change management, both for those transitioning to the new entity and for those that are not, as well as delivering the councils work programmes.

## Resource Management Act Reforms

After many years of incremental changes, the Government is overhauling the resource management system<sup>1</sup> to:

- protect and restore the environment and provide for intergenerational wellbeing
- better enable development within environmental limits
- better recognise Te Tiriti o Waitangi principles, te ao Māori and mātauranga Māori
- better prepare for adapting to climate change and risks from natural hazards, as well as mitigating greenhouse gas emissions
- make the system less complex and more efficient while retaining local democratic input.

The Government has said it will introduce three new pieces of legislation to achieve its objectives. The:

- Natural and Built Environments Act - the primary replacement for the Resource Management Act 1991. It will require outcomes-based planning and development within environmental limits and targets, give effect to the principles of Te Tiriti, create a single regional plan, overseen by a single regional committee, supported by a National Planning Framework.
- Strategic Planning Act – introduces mandatory 30-year regional spatial strategies that will set out, at high level, how regions and communities will develop integrating land use, major infrastructure and investment. It too is guided by the National Planning Framework and will be overseen by a regional committee.
- Climate Adaptation Act – this will deal with the complex policy, economic and legal issues around adapting to the effects of climate change, including managed retreat.

The Natural and Built Environments and Strategic Planning Bills will be introduced into Parliament around or shortly after the election period. The incoming council will need to consider whether and how it wishes to respond to these Bills very soon after it takes office. The Climate Adaptation Bill is likely to be introduced next year.

The reform of the resource management system will impact on Gore District Council including future governance arrangements, functions, structure, decision making, operations, and investment priorities. The resource requirements and costs of transition cannot be underestimated, particularly as we transition to the new system while fulfilling essential requirements under the current one.

The resource management sector is currently under significant strain and facing capacity issues, including sourcing and retaining appropriately skilled people. There is currently a shortage of skilled planners and spatial planning will draw on the skills and expertise of a wide range of specialists and expertise from across the council and beyond. There are also constraints on mana whenua and their capacity to fully participate in the current, let alone, future system.

<sup>1</sup> based largely on the recommendations of the independent review of the resource management system – the Randerson Report (launched in 2019 and published in 2020).

The success of the new resource management system and council's part in it will depend in large extent on how well the transition to and implementation of the new system is planned for, managed and resourced and impact of inter-related reforms in water and the future of local government.

Resource management services to the Council are currently provided by The Property Group.

More details about the reform of resource management can be found on the Ministry for the Environment website at <https://environment.govt.nz/what-government-is-doing/key-initiatives/resource-management-system-reform/overview/>

## Future for Local Government

On 24 April 2021 the Minister of Local Government announced that she had established a Ministerial Inquiry into the Future for Local Government. The overall purpose of the review is to *"identify how our system of local democracy needs to evolve over the next 30 years, to improve the well-being of New Zealand communities and the environment, and actively embody the treaty partnership."*

In September last year the panel released an interim report that set out the engagement it had done up to that time, and the lines of inquiry it would follow. The full report, *Ārewa te ake Kaupapa: Raising the Platform* can be found at [https://www.futureforlocalgovernment.govt.nz/assets/Uploads/DIA\\_16724\\_Te-Arotake-Future-of-Local-Government-Interim-report\\_22.pdf](https://www.futureforlocalgovernment.govt.nz/assets/Uploads/DIA_16724_Te-Arotake-Future-of-Local-Government-Interim-report_22.pdf)

Ārewa te ake Kaupapa poses five key questions:

1. how should the system of local governance be reshaped so it can adapt to future challenges and enable communities to thrive?
2. what are the future functions, roles and essential features of New Zealand's system of local government?
3. how might a system of local governance embody authentic partnership under Te Tiriti o Waitangi, creating conditions for shared prosperity and wellbeing?
4. what needs to change so local government and its leaders can best reflect and respond to the communities they serve?
5. what should change in local governance funding and financing to ensure viability and sustainability, fairness and equity, and maximum wellbeing?

The panel has met with every local authority as part of its engagement, including a meeting on 6 April 2022 with councillors and some of our senior managers.

At that meeting the Panel explored the following 5 big shifts and how our local context might influence them:

1. Strengthened Local Democracy
2. Stronger Focus on Wellbeing
3. Authentic Relationship with Hapū/Iwi/Māori
4. Genuine Partnership between Central Government and Local Government
5. More Equitable Funding.

A draft report and recommendations for public consultation will be released by the Panel after the local government elections. The final report will be presented to the Government by 30 April 2023. With Parliamentary elections likely in late 2023 the Government may take some time to decide what, if any, of the panel's recommendations it wishes to take up.

However, many of the other reforms underway are already shaping the future for local government.

The new council will need to respond to the Panel's recommendations soon after being elected, and then consider the Panel's recommendations to Parliament. In the future, Government decisions may change Council's role, functions and structure.

# FURTHER INFORMATION

The Pre-election report is not audited; however, a lot of the information is sourced from audited documents such as the Annual Reports 2019/2020 and 2020/2021, and the 10 Year Plan 2021-2031. These documents, along with the Annual Plan 2022/23, are available on the Council's website [www.goredc.govt.nz](http://www.goredc.govt.nz). Hard copies are available for viewing at the Council offices, and the Gore and Matura libraries.

