

Kaunihera | Council

Mēneti Wātea | Open Minutes



Minutes of an ordinary meeting of Matamata-Piako District Council held in the Council Chambers, 35 Kenrick Street, TE AROHA on Wednesday 22 March 2023 at 9.00am.

Ngā Mema | Membership

Manuhuia | Mayor

Adrienne Wilcock, JP (Chair)

Koromatua Tautoko | Deputy Mayor

James Thomas

Kaunihera ā-Rohe | District Councillors

Caleb Ansell

Sarah-Jane Bourne

Sharon Dean

Bruce Dewhurst

Dayne Horne

Peter Jager

James Sainsbury

Russell Smith

Kevin Tappin

Gary Thompson

Sue Whiting

Ngā whakapāha | Apologies

Kaimahi i reira | Staff Present

| Name | Title | Item No. |
|--------------------|--|---------------|
| Don McLeod | Chief Executive Officer | 7.4 |
| Stephanie Hutchins | Governance Support Officer | |
| Sandra Harris | Placemaking and Governance Team Leader | |
| Mike van Grootel | Roading Manager | 7.1 |
| Mark Naudé | Parks and Facilities Planning Team Leader | 7.2 |
| Manaia Te Wiata | Group Manager Business Support | 7.2 |
| Christa Kurian | Graduate Policy Advisor | 7.3,7.6,7.7 |
| Graham Shortland | Project Manager - Te Aroha Spa Development | 7.9, 8.1 |
| Niall Baker | Policy Team Leader | 7.3, 7.5, 8.2 |

I reira | In Attendance

| Name | Position/Organisation | Item | Time In | Time Out |
|------------------|--|----------|---------|----------|
| Troy Allan | | 7.1 | 9.00am | 9.07am |
| Don Brunt | Thames Valley Car Club | 7.1 | 9.00am | 9.07am |
| Jaydene Kana | Chair, Risk and Assurance Committee - MPDC | 7.8 | 9.47am | 9.50am |
| Graham Shortland | Project Manager, Te Aroha Spa Governance Group | 7.9, 8.1 | 10.39am | 11.16am |

Order of Items during the Meeting

| Item No. | Report |
|----------|--|
| 7.1 | Piakonui Road Rally |
| 7.2 | Proposal to classify part of Hetana Street Reserve, Matamata, under the Reserves Act 1977 |
| 7.3 | Adoption of Annual Report 2021/22 |
| 7.5 | Freedom Camping Bylaw Consultation |
| 7.6 | Waikato Local Authority Shared Services (Trading as Co-Lab) - Draft Statement of Intent 2023/24 and Six-Monthly Report |
| 7.7 | CCO Monitoring Waikato Regional Airport Limited (WRAL) and Subsidiary Companies - Six Month Report and Draft Statement of Intent 2023/24 |
| 8.2 | Long-Term Plan 2024-34 Update |
| 7.8 | Approval of Risk and Assurance Committee Charter |
| 7.4 | Staff Long Service Presentation <i>Morning Tea</i> |
| 8.1 | Te Aroha Spa Project Update |
| 7.9 | Te Aroha Spa Project - EOI for Tourism Recovery Fund |

1 Whakatūwheratanga o te hui | Meeting Opening

Mayor Adrienne Wilcock welcomed members, staff and public and declared the meeting open at 9.00am.

2 Ngā whakapāha/Tono whakawātea | Apologies/Leave of Absence

There were no apologies and no leave of absence was requested.

3 Pānui i Ngā Take Ohore Anō | Notification of Urgent Additional Business

Section 46A(7) of the Local Government Official Information and Meetings Act 1987 (as amended) states:

“An item that is not on the agenda for a meeting may be dealt with at that meeting if-

- (a) The local authority by resolution so decides; and
- (b) The presiding member explains at the meeting, at a time when it is open to the public,-
 - (i) The reason why the item is not on the agenda; and
 - (ii) The reason why the discussion of the item cannot be delayed until a subsequent meeting.”

Section 46A(7A) of the Local Government Official Information and Meetings Act 1987 (as amended) states:

“Where an item is not on the agenda for a meeting,-

- (a) That item may be discussed at that meeting if-
 - (i) That item is a minor matter relating to the general business of the local authority; and
 - (ii) the presiding member explains at the beginning of the meeting, at a time when it is open to the public, that the item will be discussed at the meeting; but
 - (iii) no resolution, decision or recommendation may be made in respect of that item except to refer that item to a subsequent meeting of the local authority for further discussion.”

4 Whākī pānga | Declaration of interest

Members are reminded of their obligation to declare any conflicts of interest they might have in respect of the items on this Agenda.

5 Whakaaetanga mēneti | Confirmation of minutes

WHAKATAUNGA A TE KAUNIHERA | COUNCIL RESOLUTION

That the minutes of the meeting of the ordinary meeting of Matamata-Piako District Council held on Wednesday, 8 March 2023, be confirmed as a true and correct record of the meeting.

Resolution number CO/2023/00001

Moved by: Cr C Ansell

Seconded by: Cr S Whiting

KUA MANA | CARRIED

6 Take i puta mai | Public Forum

No speakers were scheduled to the Public Forum.

7 Pūrongo me whakatau | Decision Reports

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7 Pūrongo me whakatau | Decision Reports

7.1 Piakonui Road Rally

CM No.: 2698439

Rāpopotonga Matua | Executive Summary

Thames Valley Car Club (TVCC) has applied for a road closure from 10:00am to 5:00pm on Sunday 30 April 2023 for a rally event on the unsealed section of Piakonui Road, Richmond Downs (Matamata).

The proposed road closure was advertised 25 January in the Matamata Chronicle. Submissions closed 12:00 noon on 3 March 2023.

Council use the Transport (Vehicular Traffic Road Closure) Regulations 1965 to process Event Road Closures. These regulations provide the framework for temporary road closures for vehicle races, processions, carnivals, celebrations, sporting events or other special events.

Under these regulations Council has to advertise a Notice of Intention to temporarily close the road at least 42 days before the proposed event. The requirement is to advertise the proposed road closure in at least one newspaper circulating in the locality of the closure.

Any person affected by the temporary road closure may lodge an objection no later than 28 days before the actual closure date. In this instance we have had to advertise the proposed closure early and the last date for submissions will in fact be 57 days prior to the event date / road closure. This was done to fit in with Council meetings in the event that we had submissions. The closing date for submissions was midday Friday 3 March 2023

One submission (attached) was received opposing the proposed road closure. This was from;

- Amanda Allan, and also on behalf of Troy Allan.

Council now needs to consider these submissions. Troy Allan will be in attendance. Amanda Allan has confirmed that she will authorise Troy Allan to speak on her behalf.

A representative from the TVCC will also be in attendance.

WHAKATAUNGA A TE KAUNIHERA | COUNCIL RESOLUTION

That:

1. Council receives the report.
2. Council approve the Proposed Temporary Road Closure - Piakonui Road, Richmond Downs from 10:00 am to 5:00 pm on Sunday 30 April 2023 subject to the following conditions:
 - a) Monitor dust and ensure there is a water tanker available to minimise dust,
 - b) Ensure residents have a contact number so they can communicate and co-ordinate with the rally organisers when they need access to their properties.
 - c) MPDC Roading maintenance supervisor to ensure that the post-race inspection is done on the Monday following the event and that maintenance is done no less than 5 days after the event.

Resolution number CO/2023/00002

Moved by: Cr S-J Bourne

Seconded by: Cr P Jager

KUA MANA | CARRIED

Horopaki | Background

Thames Valley Car Club (TVCC) has made an application to close an unsealed section of Piakonui Rd, Richmond Downs (Matamata) for a rally event from 10:00 am to 5:00 pm on Sunday 30 April 2023.

The unsealed section of Piakonui Road is a low volume (approx. 45 vehicles per day) road which is subject to dust particularly in dry weather. The vehicles that typically use this road are a mix of cars, farm vehicles, stock trucks and milk tankers. While the rally will increase the volume of daily traffic on the road the organisers plan to mitigate dust with the use of water tankers as necessary.

Fulton Hogan conduct monthly inspections on all MPDC unsealed roads and carry out cyclic maintenance (potholes, water tables, check culverts, clean edge marker posts) as required. This may also be driven by Customer Requests and subsequent inspections.

The last maintenance carried out on Piakonui Road was 8, 9 and 15 February where they filled potholes and graded areas that required grading.

Council use the Transport (Vehicular Traffic Road Closure) Regulations 1965 to process Event Road Closures. These regulations provide the framework for temporary road closures for vehicle races, processions, carnivals, celebrations, sporting events or other special events.

Under these regulations Council has to advertise a Notice of Intention to temporarily close the road at least 42 days before the proposed event. The requirement is to advertise the proposed road closure in at least one newspaper circulating in the locality of the closure.

We also require the car club to do a letter drop to all properties affected by the closure and to visit the residents directly affected by the road closure to obtain signatures if they are happy for the road closure to proceed.

Any person affected by the temporary road closure may lodge an objection no later than 28 days before the actual closure date. In this instance we have had to advertise the proposed closure early and the last date for submissions will in fact be 57 days prior to the event date / road closure. This was done to fit in with Council meetings in the event that we had submissions. The closing date for submissions was midday Friday 3 March 2023.

TVCC representatives visited the residents of Piakonui Road affected by the proposed road closure on 3 and 7 February 2023. The purpose of this visit is to meet face to face with all residents, tell them about the proposed road closure / rally event and address any concerns prior to the event. They also handed out a TVCC notice about the event and the proposed road closure. There were two residents that were not home on the days the TVCC representatives called in so the event details and submission information were left in their mail box(s).

Ngā Take/Kōrerorero | Issues/Discussion

Thames Valley Car Club is based in Paeroa but have many active members from the Matamata-Piako District. They have been running rally events on various roads (sealed-Waiti Rd, Te Tuhi Rd and Quine Rd and unsealed Piakonui Rd) in our district for more than seventeen years. The club has a good track-record with Council in terms of the Temporary Road Closure application processes and providing the funding for post-race road maintenance and repairs.

Dust is one of the main concerns to the residents as it can get into their tanked water supplies if it settles on their roof. TVCC will have two large water trucks on site courtesy of J Swap Contractors. Prior to the first run the road surface will be wet and after each run the tanker(s) will wet the road outside the houses. They will take into consideration the wind direction and drift and wet the road accordingly to avoid dust nuisance to the houses.

We have a process for rally events on Piakonui Rd and any unsealed roads;
When the application comes in for a proposed rally event we communicate with Fulton Hogan and let them know where and when the proposed event is so they can defer any major works until after the event. They will however still carry out cyclic activities ie fill potholes, replace edge marker posts etc

- A week prior to the event we do a joint inspection with a representative from the car club. This is to note any defects and general surface conditions of the unsealed surface.
- We get Fulton Hogan to do a grade and/or any deferred heavy maintenance the week following the rally event.

Last year the rally event was held on 8 May. Prior to the rally event we did a joint inspection with a representative from the TVCC. The road appeared to be in reasonable condition, no serious corrugations, washouts or significant potholes.

Fulton Hogan was asked to proceed with their heavy maintenance works on Piakonui Road the day after the rally event (9 May). This is their record of what was done on Piakonui Rd the following week;

- 9, 10, 11, 16, 17 and 18 May 2022 Fulton Hogan crew was there doing full grading and resheeting. They put on 275 tonne of aggregate on Piakonui Rd.

TVCC was invoiced in June 2022 for supply, spread and compact 20 tonne aggregate.

Our Traffic Management Co-ordinator carried out an audit of the rally event last year and her recommendations to the TVCC for future events were:

1. Close the road earlier and manage entry and residents exiting, have a pilot to escort vehicles through the site.

2. Position all rally cars, tents and caravans off the road in a paddock and keep the road clear for the public. There were two paddocks in use while I was on site so farmers are happy for the club to use them.
3. A Traffic Management provider will be required to remain on site for the next rally as the road closure points were not manned as stated in the approved Traffic Management Plan. Don was the only qualified person on site and he was so occupied with getting the rally underway that he had no time to manage the closures or public passing through the site while the road was still open.

These recommendations were recently resent to the TVCC as a reminder to incorporate into planning this years event.

For the safety of residents, competitors and spectators, access to the properties on the closed section of the road is controlled by marshals. This could mean that there is both a time and distance inconvenience for those wanting to access properties effected by the road closure because access will always be in the direction the rally stage is being run. The TVCC have advised access to and from properties will be with as little delay as possible.

Seal Extensions

Council doesn't currently have a seal extension programme. In the past it has sealed some sections of the network on an individual basis taking into consideration the Net Present Value (NPV), Community feedback and wider benefits.

A Net Present Value (NPV) was completed to seal a section of Piakonui Rd but it was decided that staff would look at further options to seal unsealed roads in the district.

There is currently 52km of unsealed road across our district. Council will be asked to make a decision on whether it wishes to provide funding going forward in the 2024 Long Term Plan and change the current stance of not funding any seal extensions.

Mōrearea | Risk

Council require the following to mitigate risks;

- Public liability insurance to a minimum value of two million dollars,
- Approved traffic management plan for the closed section. This includes signage advising of the road closure and advanced warning signs etc. J Swap will be providing the Traffic Management for this year's rally.
- Letter Drops to all residents including details for the marshals operating the closed section of roads so they can be contacted in case of emergency.
- Thames Valley Car Club has provided a Safety Plan for this event which is attached.

Ngā Whiringa | Options

1. Approve the Proposed Temporary Road Closure - Piakonui Road, Richmond Downs from 10:00 am to 5:00 pm on Sunday 30 April 2023 subject to the following conditions:
 - a. Monitor dust and ensure there is a water tanker available to minimise dust,
 - b. Ensure residents have a contact number so they can communicate and co-ordinate with the rally organisers when they need access to their properties.
 - c. MPDC Rooding maintenance supervisor to ensure that the post-race inspection is done on the Monday following the event and that maintenance is done no less than 5 days after the event.

2. Decline the Proposed Temporary Road Closure - Piakonui Road, Richmond Downs from 10:00 am to 5:00 pm on Sunday 30 April 2023.

Ngā take ā-ture, ā-Kaupapahere hoki | Legal and policy considerations

We follow the legislative requirements of Transport (Vehicular Traffic Road Closure) Regulations 1965 for processing event road closure applications.

Ngā Tāpiritanga | Attachments

- A. Email submission - Amanada Allan - Objection to Proposed Temporary Road Closure
- B. Proposed Temporary Road Closure ad for Piakonui Rally 2023 - Advert
- C. Resident signatures and notification letter to residents for Piakonui Rd Rally 2023
- D. TVCC Piakonui Road - second resident signature sheet 2023

Ngā waitohu | Signatories

| | | |
|-----------|--|--|
| Author(s) | Mike van Grootel Roading Manager | |
|-----------|--|--|

| | | |
|-------------|---|--|
| Approved by | Fiona Vessey Group Manager Service Delivery | |
|-------------|---|--|

7 Pūrongo me whakatau | Decision Reports

7.2 Proposal to classify part of Hetana Street Reserve, Matamata, under the Reserves Act 1977

CM No.: 2696259

Rāpopotonga Matua | Executive Summary

The purpose of this report is to seek a final decision about the classification(s) of Lot 2 DPS 86435 - a parcel within Hetana Street Reserve – that was proposed to be classified in part local purpose (community use) reserve to enable Matamata Community Health Shuttle Trust (MCHST) to develop a garage to house its vehicle fleet. The remaining area was proposed to be classified recreation reserve.

Public consultation on the proposed classifications was undertaken between 6 September 2022 and 14 October 2022. Details of submissions received are set out in Attachments A and B.

On 16 December 2023, Council appointed an independent commissioner, Peter Kensington, to conduct a hearing, consider all submissions received (including both written submissions and those presented at the hearing) on the proposed classifications and make recommendations to Council.

A hearing was held in Matamata on 10 February 2023. MCHST and three submitters that opposed the proposed classifications spoke to their submissions.

The Independent Commissioner has recommended:

- Not to proceed with the classification of Lot 2 DPS 86435 as proposed, and
- To classify all of Lot 2 DPS 86435 as recreation reserve.

The Independent Commissioner Recommendation Report outlines the Commissioner's assessment of the proposal and the reasons for the recommendations (Attachment 3).

Staff support the Independent Commissioner's recommendations.

Accepting the recommendations, would mean that the MCHST could not proceed with their current proposal at Hetana Street Reserve.

Council may wish to explore other ways to assist MCHST to secure an appropriate site for their garage.

Staff intend to workshop the Hetana Street Reserve Master Plan Project with Council to confirm the next steps to progress this project.

WHAKATAUNGA A TE KAUNIHERA | COUNCIL RESOLUTION

That:

1. Council receives the report entitled 'Proposal to Classify Part of Hetana Street Reserve, Matamata, under the Reserves Act 1977 – Independent Commissioner Recommendation' prepared by Peter Kensington; dated 28 February 2023 (Attachment 3).
2. Pursuant to section 16(2A) of the Reserves Act 1977, Council approves the classification of Lot 2 DPS 86435 as recreation reserve and authorises staff to publish a notice in the New Zealand Gazette giving effect to the decision.
3. Council acknowledges the impact of this decision on the Matamata Community Health Shuttle Trust (MCHST) who provide a valued community service and is open to exploring alternative ways that the Council can support the MCHST to secure a suitable long-term site for a garage to house its vehicle fleet.
4. Council thanks submitters for their involvement in this process and requests staff to inform them of Council's decision.

Cr K Tappin abstained from voting on the motion.

Resolution number CO/2023/00003

Moved by: Cr J Sainsbury

Seconded by: Cr B Dewhurst

KUA MANA | CARRIED

Horopaki | Background

MCHST first approached Council about extending its current building in April 2021. After this option was discounted, Council considered alternative options at workshops in April 2022 and May 2022.

On 29 June 2022 the Corporate and Operations Committee approved the relocation of the MCHST garages to the sculpture park in Hetana Street Reserve and the commencement of the reserve reclassification process.

Subsequently Council confirmed that the subject site (Lot 2 DPS 86435) was vested in Matamata-Piako District Council in 2000 as recreation reserve subject to the Reserves Act 1977 however, it had never been classified under the Reserves Act 1977. Council initiated a public consultation process to classify the area required for the garage as local purpose (community use) reserve and the remaining area as recreation reserve.

The public consultation period was from 6 September 2022 - 14 October 2022. The opportunity to submit was promoted through a public notice in *The Scene Matamata* (in the 'Council in Focus' on the 6 September and 4 October), on Council's website under 'Have Your Say' and through Council's Facebook page and Antenno posts.

Eighteen submissions were received: five from community organisations¹ and thirteen from individuals. The Hetana Street Reserve Classifications Hearing Report (Attachment A) contains a

¹ Community Health Shuttle Trust, Transition Matamata, Centennial Drive Committee, Tom Grant Drive Incorporated, and Keep Matamata Beautiful

summary of the submission points and MCHST's responses, as well as the full submissions. The submission from Joanne Aoake, a kuia from Ngāti Hinerangi, is provided as Attachment B because this was identified as lost at the hearing and was subsequently provided to the Independent Commissioner during the hearing adjournment phase.

Ngāti Hauā Iwi Trust and Ngāti Hinerangi were advised of the proposed classifications and submissions received during the public consultation. The formal response received from Ngāti Hauā Iwi Trust outlining their opposition to the local purpose (community use) reserve classification is included in Attachment A.

On 14 December 2022, Council resolved² to appoint an independent commissioner to conduct the hearing in respect of objections and submissions received on the proposed reserve classifications and prepare a report to Council which considers all submissions and objections received, including both written submissions and those presented at the hearing and makes recommendations to Council in respect of the proposal. Peter Kensington was subsequently appointed by the Group Manager Business Support on the 16 December 2022.

The hearing was held on the 10 February 2023 in Matamata. MCHST and three submitters that opposed the proposed classifications spoke to their submissions. The details of the submitters and their submissions are set out in the Independent Commissioner Recommendation Report (Attachment C).

Ngā Take/Kōrerorero | Issues/Discussion

The Hetana Street Reserve Classifications Hearing Report (Attachment A) and the Independent Commissioner Recommendation Report (Attachment C) outline MCHST's proposal, the proposed classifications, the submissions and MCHST's response to opposing submission points, Ngāti Hauā Iwi Trust's position and the planning framework within which the classification decision must be made.

The Independent Commissioner Recommendation Report outlines the Independent Commissioner's assessment of the proposal and recommendations. The Independent Commissioner has recommended:

- Not to proceed with the classification of Lot 2 DPS 86435 as proposed
- To classify all of Lot 2 DPS 86435 as recreation reserve.

Section 17 of the Reserves Act sets out that recreation reserves are for the purpose of providing areas for the recreation and sporting activities and the physical welfare and enjoyment of the public, and for the protection of the natural environment and beauty of the countryside, with emphasis on the retention of open spaces and on outdoor recreational activities, including recreational tracks in the countryside. This classification does not allow for the development of buildings that are not complimentary to the purpose of recreation.

Staff have assessed the three options available to Council to be:

- Option 1: Approve the classification of Lot 2 DPS 86435 as recreation reserve in line with the Independent Commissioner's recommendation.
- Option 2: Approve classification of approximately 223m² (building footprint and 2m buffer) of Lot 2 DPS 86435 to local purpose (community use) reserve to enable Matamata Community Health Shuttle Trust (MCHST) to develop a four bay garage and classify the remainder of Lot 2 DPS 86435 recreation reserve.
- Option 3: Delay deciding on the classification(s) of Lot 2 DPS 86435 under the Reserves Act 1977 until the Hetana Street Reserve Master Plan is completed.

² Council resolution from 14 December 2022 meeting; agenda item 7.3

Mōrearea | Risk

MCHST unhappy with the outcome

Option 1 will mean that MCHST must find another suitable site while only having a month-to-month arrangement with Railside by the Green for the use of the current garage. Option 3 may enable MCHST to explore options through the master plan process however it creates a lengthy delay and there is no certainty that locating their garage within Hetana Street Reserve would be approved through the master plan process. Both options are likely to be strongly opposed by MCHST who voiced at the hearing that they (being the trustees and the volunteer vehicle drivers) are feeling very undervalued by the opposition to this proposal.

Submitters that opposed the proposed classification unhappy with the outcome

Council has followed due process and sought independent recommendations on the proposed classifications. While Council may choose not to follow the Independent Commissioner's recommendations, option 2 is likely to create a high level of concern amongst many submitters about Council's approach to planning for and protecting Matamata's open space network.

Public perception

Council may be seen to be creating obstacles to a valued non-for-profit organisation and going back on its original decision with Option 1. Alternatively, Council might be viewed as not being transparent for not addressing submitters' concerns and not following the Independent Commissioner's advice with Option 2. Option 3, will address concerns about ad hoc decisions but may be perceived as creating unworkable delays and uncertainty for MCHST.

Ngā Whiringa | Options

The three options are assessed in Table 1.

| OPTIONS | ADVANTAGES | DISADVANTAGES |
|--|---|---|
| Option 1 Approve the classification of Lot 2 DPS 86435 as recreation reserve in line with the Independent Commissioner's recommendation. | Classification in accordance with Independent Commissioner's advice. Classifies reserve in accordance with original vesting, the Passive Reserves Management Plan 2009 and with the majority of the remainder of Hetana Street Reserve. Classifies reserve land which is a step Council should complete for land held under the Reserves Act 1977. Retains public open space at the heart of Matamata's CBD that can be enhanced to provide for public use and enjoyment in line | MCHST left without a long-term solution for its garage facility and on a month-to-month agreement with Railside by the Green to use their current garage. |

| | | |
|--|---|---|
| | <p>with the Hetana Street Reserve Master Plan when completed.</p> <p>Avoids potential adverse visual impacts on the visual amenity of the reserve.</p> <p>Avoids risk of precedent being set whereby facilities that don't have to be located on public open space are directed to Council's reserves.</p> <p>Avoids potential risks and issues associated with locating buildings close to mature oak trees.</p> | |
| <p>Option 2</p> <p>Approve classification of approximately 223m² (building footprint and 2m buffer) of Lot 2 DPS 86435 to local purpose (community use) reserve to enable Matamata Community Health Shuttle Trust (MCHST) to develop a four bay garage and classify the remainder of Lot 2 DPS 86435 recreation reserve.</p> | <p>Enables MCHST to enter into a lease to construct and operate their garage facility on Hetana Street Reserve subject to resource consent.</p> <p>Classifies reserve land which is a step Council should complete for land held under the Reserves Act 1977.</p> | <p>Classifications not in accordance with Independent Commissioner's advice.</p> <p>Classification of local purpose (community use) not in accordance with original vesting, the Passive Reserves Management Plan 2009 and with the majority of the remainder of Hetana Street Reserve.</p> <p>Confirms long term use of part of Hetana Street Reserve ahead of the Hetana Street Reserve Master Plan being completed.</p> <p>Loss of approximately 223m² of public open space and potential visual impacts may impact public use and enjoyment of the remainder of the reserve.</p> <p>Risk of precedent being set whereby facilities that don't have to be located on public open space are directed to Council's reserves.</p> <p>Potential risks and issues associated with locating buildings close to mature oak trees.</p> <p>Facility will create increased vehicle movements through and parking demand within Hetana Street Reserve.</p> |

| | | |
|--|---|--|
| <p>Option 3</p> <p>Delay deciding on the classification(s) of Lot 2 DPS 86435 under the Reserves Act 1977 until the Hetana Street Reserve Master Plan is completed.</p> | <p>Master Plan process could identify whether MCHST's facility could be accommodated within the Reserve.</p> <p>Addresses the Independent Commissioner's point that the building may be able to be accommodated within the reserve in a way that addresses concerns if investigating it as an option was included in the design brief for the master plan.</p> <p>Addresses concerns about ad hoc planning raised by submitters and the Independent Commissioner.</p> | <p>Delays and uncertainty for MCHST.</p> <p>Master Plan process could identify that MCHST's facility can't be accommodated within the Reserve therefore leaving MCHST without long-term solution for a site for its garage facility at the end of the process.</p> |
|--|---|--|

Table 1. Assessment of options

Staff support Option 1: Approve the classification of Lot 2 DPS 86435 as recreation reserve in line with the Independent Commissioner's recommendations.

Ngā take ā-ture, ā-Kaupapahere hoki | Legal and policy considerations

As set out in sections 16(2A) and 16(2B) of the Reserves Act 1977, Council can by resolution, classify the reserve according to its primary purpose and having done so must give notice of that classification to the Department of Conservation.

It is recommended that Council places a notice in the *Gazette* to provide an easily discoverable record of the decision.

Ngā Pāpāhonga me ngā Wātaka | Communications and timeframes

Staff have informed MCHST of the Independent Commissioner's recommendations. MCHST will be advised on the Council's decision directly following the meeting.

Staff will keep submitters updated through direct correspondence and the Council 'Have Your Say' website. The latter, along with a media release, will also be used to update the wider public on Council's decision regarding the proposed classifications.

Staff will inform tangata whenua of the Council's decision directly.

Te Tākoha ki ngā Hua mō te Hapori me te here ki te whakakitenga o te Kaunihera | Contribution to Community Outcomes and consistency with Council Vision

Theme: Healthy Communities

Community Outcome: Our community is safe, healthy and connected.

Community Outcome: We encourage community engagement and provide sound and visionary decision-making.

Theme: Vibrant Cultural Values

Community Outcome: We promote and protect our arts, culture, historic and natural resources.

Pānga ki te pūtea, me te puna pūtea | Financial Cost and Funding Source

Option 1 would have costs associated with staff time and placing a notice in the *Gazette*. This can be accommodated within existing operating budgets.

Option 2 would have costs associated with the survey, registration and gazettal processes to progress the classifications. This can be accommodated within existing operating budgets.

The costs associated with Option 3 would be dependent on the outcomes of the Hetana Street Reserve Master Plan Project.

Ngā Tāpiritanga | Attachments

- A. Attachment A - Hearing Report (*Under Separate Cover*)
- B. Attachment B - Submission - Aoake
- C. Attachment C - Independent Commissioner's Report and Recommendations

Ngā waitohu | Signatories

| | | |
|-------------|--|--|
| Author(s) | Mark Naudé Parks and Facilities Planning Team Leader | |
| Approved by | Susanne Kampshof Asset Manager Strategy and Policy | |
| | Manaia Te Wiata Group Manager Business Support | |

7 Pūrongo me whakatau | Decision Reports

7.3 Adoption of Annual Report 2021/22

CM No.: 2696644

Rāpopotonga Matua | Executive Summary

The Local Government Act 2002 (LGA) requires Council to adopt its Annual Report and Summary by 31 October each year. However the Annual Report for 2021/22 is being presented late for adoption due to the impacts of Covid and the workload pressures on our Auditors which has extended the Audit process.

Rene Van Zyl from Audit New Zealand will be in attendance at the Council meeting to present the audit opinion for the Annual Report.

This report covers the following items, all of which will be circulated separately to this report:

- a. the Annual Report and Summary 2021/22
- b. the draft Audit Opinions for the Annual Report and Summary 2021/22
- c. the warrant of fitness for the Annual Report and Summary 2021/22
- d. the letter of representation for the Annual Report and Summary 2021/22 and staff review of representations made
- e. the misstatement schedule from the Annual Report final audit

The following reports from Audit will also be circulated separately to this report:

- the draft management report on the Annual Report 2021/22
- the Chief Executive's Reporting Certificate for the Debenture Trust Deed
- the Auditor's Independent Assurance Report for the Debenture Trust Deed
- the letter of representation for the Debenture Trust Deed

Tūtohunga | Recommendation

That:

1. The Annual Report and Summary 2021/22 be adopted.
2. The Warrant of Fitness section 13 be completed by Elected Members.
3. The following documents be received:
 - a. the draft Audit Opinions for the Annual Report and Summary 2021/22
 - b. the warrant of fitness for the Annual Report and Summary 2021/22
 - c. the letter of representation for the Annual Report and Summary 2021/22 and staff review of representations made
 - d. the misstatement schedule from the Annual Report final audit

WHAKATAUNGA A TE KAUNIHERA | COUNCIL RESOLUTION

That:

1. The adoption of the Annual Report 2021/22 be deferred pending audit approval.

Resolution number CO/2023/00004

Moved by: Deputy Mayor J Thomas

Seconded by: Cr J Sainsbury

KUA MANA | CARRIED

Horopaki | Background

The LGA requires Council to adopt the Annual Report and Summary by 31 October each year. Due to COVID-19 there was an extension provided under legislation until 31 December 2022. Workload pressures experienced by our Auditors has also meant that the 2021/22 Annual Report is being presented late for adoption as the Audit process has been extended. The Summary must be published within one month of its adoption. The Annual Report and Summary must be audited, and an opinion on the Annual Report and Summary provided to Council and the report's readers.

Ngā Take/Kōrerorero | Issues/Discussion

A financial overview and summary of the performance measures for 2021/22 will be circulated separate to this report. At time of writing Audit is still in the process of reviewing the revised Annual Report.

Under the Local Government Act 2002 Council is required to obtain an audit of its Annual Report and Summary.

The warrant of fitness (WOF) will be completed and circulated once Audit clearance has been received. The WOF has proven to be a useful tool for staff to check that significant matters have been considered in the preparation of the Annual Report. It is intended to provide some assurance to Council in this regard.

The Warrant of Fitness section 13 is to be completed by elected members.

The representation letter, circulated separately, sets out the Council's responsibilities under the LGA to report on the Council's financial position and activities; and quality of information presented in the Annual Report and Annual Report Summary.

The letter provides assurances to Audit in relation to the following requirements, which to the best of their knowledge, Council are of the opinion have been met:

- General responsibilities relating to the Council's actions
- Responsibilities for the financial statements and the statement of service performance
- Responsibilities to provide information
- Confirmation that Council is a going concern
- Responsibilities for the information presented in the Annual Report Summary
- Publication of information on our website

To assist the Council in gaining assurance that these requirements have been met, staff have provided responses on what steps have been taken to meet the responsibilities outlined. These responses are circulated separately.

The schedule of misstatements circulated separately, sets out the errors noted by Audit and those changes identified by staff in their QA process. Staff will be in attendance to discuss these with Council. Council's auditors will also be able to provide their view on the nature of the misstatements. Council should note that all misstatements as listed have been corrected, unless stated otherwise.

Ngā Whiringa | Options

Analysis of preferred option

It is recommended that Council adopts the Annual Report and Summary.

Ngā take ā-ture, ā-Kaupapahere hoki | Legal and policy considerations

There are no legal or policy issues.

The Annual Report measures our performance against the Long Term Plan 2021-31.

Ngā Pāpāhonga me ngā Wātaka | Communications and timeframes

The Annual Report and its Summary are set to be adopted by Council 22 March 2023. The adopted documents will be made public on the Council website within one month of adoption, and publicly notified in the local newspapers.

Te Tākoha ki ngā Hua mō te Hapori me te here ki te whakakitenga o te Kaunihera | Contribution to Community Outcomes and consistency with Council Vision

Council Vision

The Annual Report monitors progress towards all our community outcomes.

Pānga ki te pūtea, me te puna pūtea | Financial Cost and Funding Source

The production of the Annual Report and Summary has a budget of \$7,000. Annual Report audit fees have a budget of \$125,000.

ii. Funding Source

The Annual Report cost is provided for within the Strategies and Plans activity budgets. The Annual Report and audit are funded from general rates.

Ngā Tāpiritanga | Attachments

There are no attachments for this report.

Ngā waitohu | Signatories

| | | |
|-----------|---|--|
| Author(s) | Christa Kurian Graduate Policy Advisor | |
| | Larnia Rushbrooke Finance and Business Services Manager | |

| | | |
|-------------|--|--|
| Approved by | Niall Baker Policy Team Leader | |
| | Erin Bates Strategic Partnerships and Governance Manager | |
| | Manaia Te Wiata Group Manager Business Support | |

7 Pūrongo me whakatau | Decision Reports

7.4 Staff Long Service Presentation

CM No.: 2684148

Rāpopotonga Matua | Executive Summary

Ally van Kuijk to be presented with a Long Service Award in recognition of 20 years' service to Matamata-Piako District Council.

WHAKATAUNGA A TE KAUNIHERA | COUNCIL RESOLUTION

That:

1. The information be received.

Resolution number CO/2023/00005

Moved by: Cr J Sainsbury

Seconded by: Cr G Thompson

KUA MANA | CARRIED

Ngā Tāpiritanga | Attachments

There are no attachments for this report.

Ngā waitohu | Signatories

| | | |
|-----------|---|--|
| Author(s) | Stephanie Hutchins Governance Support Officer | |
|-----------|---|--|

| | | |
|-------------|--|--|
| Approved by | Sandra Harris Placemaking and Governance Team Leader | |
|-------------|--|--|

The meeting adjourned for morning tea at 10.06am and reconvened at 10.39am.

7 Pūrongo me whakatau | Decision Reports

7.5 Freedom Camping Bylaw Consultation

CM No.: 2696648

Rāpopotonga Matua | Executive Summary

In November 2022 Council was granted \$64,950 by the Ministry of Business, Innovation and Employment (MBIE) from the Freedom Camping Transition Fund. It is recommended this funding be used for the development of a freedom camping bylaw for MPDC in response to the introduction of the Self-Contained Motor Vehicles Legislation Bill to Parliament on 25 August 2022.

Staff undertook a procurement process to seek consultant assistance with the funded tasks. The initial quotations came in considerably higher for the initial scope of work (as per Councils funding application) than the level of funding granted.

As a result, the lowest priced consultant was asked to provide a revised quote which would reflect the cost of reducing the scope of work to only cover the development of the bylaw ("Project 1"). An updated quote of \$73K has been provided to cover the development of the bylaw.

There is a funding shortfall between the MBIE funding and the quotation of \$8K. Council is asked to consider allocating \$8K from the community purposes reserves fund to meet this shortfall. An additional \$5K is also requested from the community purposes fund to act as contingency in case actual costs exceed the quoted price.

WHAKATAUNGA A TE KAUNIHERA | COUNCIL RESOLUTION

That:

1. Council approves the allocation of an additional \$13,000 from the Community Purposes Reserve Fund towards the development of a freedom camping bylaw.
2. Council enters into the Funding Agreement titled "MDCOL2201 Matamata-Piako - Freedom Camping 2022".

Resolution number CO/2023/00006

Moved by: Cr S Whiting

Seconded by: Cr D Horne

KUA MANA | CARRIED

Horopaki | Background

Freedom camping law changes

On 25 August 2022, the Self-Contained Motor Vehicles Legislation Bill (the Bill) was introduced to Parliament. The Bill is an omnibus bill, which amends the Freedom Camping Act 2011 and the Plumbers, Gasfitters and Drainlayers Act 2006 to reduce the negative impacts of freedom camping. The Bill is currently being considered by the Economic Development, Science and Innovation Committee and is due to report back to parliament in early March 2023. The major changes the Bill makes are:

1. Require vehicle-based freedom campers to use a certified self-contained vehicle when they stay on council land. **This is unless the council designates the site as suitable for non-self-contained vehicles via a freedom camping bylaw.**
2. Establish a regulated system for the certification and registration of self-contained vehicles.
3. Require vehicles to have a fixed toilet to be certified self-contained.
4. Strengthen the infringement system.
5. Extend the Freedom Camping Act to include land managed by Waka Kotahi New Zealand Transport Agency and Toitū Te Whenua Land Information New Zealand.

Once the Bill is enacted a two year transitional period will be put in place. By the end of the transition period, vehicle-based freedom camping on council land must be a certified self-contained vehicle, unless at a site specifically designated by the local council for freedom camping in non-self-contained vehicles. Councils can designate sites as appropriate for non-self-contained vehicles through bylaws.

Further detail is available here: <https://www.mbie.govt.nz/immigration-and-tourism/tourism/tourism-projects/supporting-sustainable-freedom-camping-in-aotearoa-new-zealand/freedom-camping-changes/>

Funding

The Ministry of Business, Innovation & Employment (MBIE) Freedom Camping Transition Fund provides \$10 million of funding (\$5 million each year) to support local authorities to undertake activities relating to the transition to the new freedom camping rules during 2022/23 and 2023/24. This funding is contestable.

Further details can be viewed at this website: <https://www.mbie.govt.nz/immigration-and-tourism/tourism/tourism-projects/supporting-sustainable-freedom-camping-in-aotearoa-new-zealand/transition-fund-for-local-authorities/>

Ngā Take/Kōrerorero | Issues/Discussion

A potential Council application for funding to the Freedom Camping Transition Fund was discussed at a workshop on 28 September 2022. Following this discussion staff prepared a funding application. The funding application is attached. The following was included in the funding application:

| | |
|----------------------------------|-----------------|
| Amount of funding sought | \$64,950 |
| Amount of MPDC co-funding | \$5,000 |

Due to the application deadline [4 October 2022] and the October elections the funding application was not formally approved by Council.

In November 2022 we were advised our application had been successful. This fact has been published on the MBIE website along with the funding amount.

Staff then undertook a procurement process to seek consultant assistance with the funded tasks. The quotations have come in considerably higher for the initial scope of work than the level of funding granted.

Staff approached the lowest priced consultant to reflect the scope of work changing to only cover the development of the bylaw ("Project 1"). Further fee reductions were also made to reflect the ability to utilise existing Freedom Camping bylaws (from other Councils) as a base, with this adjusted to suit MPDC's purposes, rather than starting from 'ground zero'. A comprehensive breakdown of prices and task are attached to this report. The updated pricing is for \$73K.

MBIE have agreed to a reduction in the scope of work, as above. They have provided an updated funding agreement for Council to approve reflecting this change.

There is no date for completion on the funding agreement by design however MPDC's application does set out dates that go into 2024. MBIE would like an update on how our initiatives are going no later than 31 December 2023.

There is likely to be additional costs in terms of signage, promotions, education and enforcement to support the bylaw enactment. This is not covered by the funding available.

Excluding the \$5K in-kind support to reflect staff time and efforts towards this bylaw development, Council is left with a funding shortfall of \$8K to meet the updated pricing of \$73K. An additional \$5K is also recommended to provide some contingency in the case that actual costs incurred are higher.

Therefore Council is asked to give consideration to an allocation of \$13K in total from the community purposes reserve fund. This additional funding will enable the development of a freedom camping bylaw and thus enable us to meet our obligations as a recipient of the Freedom Camping Transition Fund.

Ngā take ā-ture, ā-Kaupapahere hoki | Legal and policy considerations

Allocating a further \$13K from the community purposes reserve fund will assist in developing a Freedom Camping bylaw in response to the introduction of the Self-Contained Motor Vehicles Legislation Bill to Parliament on 25 August 2022.


Ngā Pāpāhonga me ngā Wātaka | Communications and timeframes

There is no date for completion on the funding agreement by design however MPDC's application does set out dates that go into 2024. MBIE would like an update on how our initiatives are going no later than 31 December 2023.

Pānga ki te pūtea, me te puna pūtea | Financial Cost and Funding Source

An additional amount of \$13K from the community purposes reserve fund is requested to be allocated towards the development of a freedom camping bylaw.

Ngā Tāpiritanga | Attachments

- A. Schedule of costs for MPDC Freedom Camping Bylaw for March 22
- B. Matamata-Piako District Council - Funding Application - Freedom Camping Transition Fund - MBIE September 2022
- C.  Matamata-Piako - Freedom Camping 2022 Updated Funding Agreement (*Under Separate Cover*)

Ngā waitohu | Signatories

| | | |
|-------------|--|--|
| Author(s) | Christa Kurian Graduate Policy Advisor | |
| Approved by | Niall Baker Policy Team Leader | |
| | Erin Bates Strategic Partnerships and Governance Manager | |

7 Pūrongo me whakatau | Decision Reports

7.6 Waikato Local Authority Shared Services (Trading as Co-Lab) - Draft Statement of Intent 2023/24 and Six-Monthly Report

CM No.: 2698798

Rāpopotonga Matua | Executive Summary

Waikato Local Authorities Shared Services Limited (WLASS); trading as Co-Lab, is a Council Controlled Organisation (CCO) jointly owned by the 12 Waikato Region councils.

Co-Lab's key purpose is to drive collaboration between councils, to improve customer service and performance, and to reduce costs.

CCOs are required by the Local Government Act 2002 (LGA) to prepare and publish an annual Statement of Intent, and produce a half yearly report for shareholders on the entity's operations during that period.

The purpose of this report is to present to the Council the Co-Lab Six Monthly Report to 31 December 2022, and to provide an opportunity to provide feedback on the proposed 2023/24 Statement of Intent.

Tūtohunga | Recommendation

That:

1. the report be received
2. the Council receives the following reports:
 - a) Waikato Local Authority Shared Services (Trading as Co-Lab) Six Monthly Report to 31 December 2022;
 - b) Waikato Local Authority Shared Services (Trading as Co-Lab) Draft Statement of Intent 2023/24.
3. The Council
 - a) Approves the Waikato Local Authority Shared Services Limited (Trading as Co-Lab) Draft Statement of Intent 2023/24.

OR,

 - b) The Council provides feedback on the Waikato Local Authority Shared Services Limited (Trading as Co-Lab) Draft Statement of Intent 2023/24.

WHAKATAUNGA A TE KAUNIHERA | COUNCIL RESOLUTION

That:

1. the report be received
2. the Council receives the following reports:
 - a) Waikato Local Authority Shared Services (Trading as Co-Lab) Six Monthly Report to 31 December 2022;
 - b) Waikato Local Authority Shared Services (Trading as Co-Lab) Draft Statement of Intent 2023/24.
3. The Council
 - a) Approves the Waikato Local Authority Shared Services Limited (Trading as Co-Lab) Draft Statement of Intent 2023/24.

Resolution number CO/2023/00007

Moved by: Cr J Sainsbury
Seconded by: Cr C Ansell

KUA MANA | CARRIED

Horopaki | Background

The local authorities within the Waikato Region have worked closely together over a number of years on mutually beneficial joint projects. Co-Lab was established in 2005 as a vehicle through which the councils could collaborate and identify opportunities for undertaking activity on a shared basis. In 2020, shareholders embarked on a transformation of the company. The purpose of the transformation was to move the company to a true service delivery agent for, and strategic partner of, the shareholding councils. The following performance reporting framework was introduced:

Co-Lab's Performance Framework

| | | | | | | |
|---|---|---|--|---|------------------------------------|----------------|
| Our vision | Our councils are maximising the value they provide to their communities | | | | | |
| Our purpose | We support them in doing so by making it easier for councils to identify and realise shared opportunities | | | | | |
| Outcomes we are seeking | Council costs are reduced / performance is improved, without increase cost | The experiences of councils' communities are improved | | Central government investment into and engagement with Waikato councils is increased | | |
| Our specific objectives | <ul style="list-style-type: none"> ➤ Achieve effectiveness and efficiency gains ➤ Reduce duplication of effort and eliminate waste through repetition ➤ Helping the councils achieve an appropriate balance in risk and return | <ul style="list-style-type: none"> ➤ Promote and contribute to the development of best practice ➤ Make it easier for communities to engage with councils in the Waikato region on a consistent basis ➤ Promote business transformation to improve communities' experiences | | <ul style="list-style-type: none"> ➤ Enable the Waikato councils to collectively be more effective as a region on the national stage ➤ Contribute to building central government's confidence in the Waikato region, and to encourage central government investment | | |
| Priorities: How we will achieve our outcomes | Investigate the right opportunities | Develop opportunities on time and within budget | Ensure opportunity benefits are realised | Provide services that meet the needs of councils | Foster cross-council collaboration | |
| What we must manage well | Our relationships | Our services | Our projects | Our people | Our resources | Our reputation |

The framework reflects the outcomes the transformed company is seeking, and how they will go about achieving those outcomes. It highlights the company's roles as a:

- Ideas laboratory - taking ideas that have the potential to create value, from their genesis through to business case; and;
- Service provider to councils.

Co-Lab also aims to facilitate more engagement between central government and Waikato councils, and build central government's confidence in councils in the region. They see this as a by-product of achieving the two outcomes above.

In December 2021, the Board revisited the company's vision. The updated vision is for councils to be maximising the value they provide to their communities. Co-Lab's purpose is to support councils to achieve this vision, by making it easier for them to identify and realise shared opportunities.

Ngā Take/Kōrerorero | Issues/Discussion

Six Monthly Report – to 31 December 2022

Highlights and performance measures are detailed in the attachment. A summary of the financial position is below:

| Co-Lab Statement of Financial Performance For the six months ending 31 December 2022 | | | |
|--|------------------------------------|-----------------------------------|------------------------------------|
| | Financial year 2023 YTD Actuals | Financial year 2023 YTD Budget | Financial year 2022 YTD Actuals |
| Revenue | | | |
| SVDS Data & Software Sales | 166,810 | 204,338 | 179,809 |
| Interest | 121 | 1,000 | 7 |
| Other Revenue | | | |
| User Charges | 4,757,252 | 5,602,322 | 5,228,851 |
| Total Other Revenue | 4,757,252 | 5,602,322 | 5,228,851 |
| Total Revenue | 4,924,183 | 5,807,660 | 5,408,667 |
| Expenditure | | | |
| Depreciation and amortisation expense | 21,183 | 23,069 | 13,761 |
| Personnel costs | 717,025 | 890,225 | 404,373 |
| Other expenses | 3,054,470 | 4,981,197 | 2,611,574 |
| Total Expenditure | 3,792,678 | 5,894,491 | 3,029,708 |
| Net Profit | 1,131,505 | (86,830) | 2,378,959 |

The financial results for the six months to 31 December 2022 are favourable to budget. This has occurred because some projects have progressed more slowly than planned meaning less expenditure arose during the period, and because of the sequencing of invoicing. For the full year Co-Lab currently forecast to be slightly ahead of budget.

Draft Statement of Intent 2023/24

The Statement of Intent sets out priorities and outlines the proposed work plan for 2023/24 and performance measures. The attached report provides a summary of both the exciting future ahead and challenges. Some of the challenges expected in 2023/24 include;

- Adapting to the Three Waters Reform particularly with the introduction of Entity B and the loss of Co-Lab Water Services from 1 July 2024.
- The attraction and retention of critical skills against a constrained labour market.

Beyond the continuation of identified priority projects and ensuring the delivery of great services, there are four new areas of focus for the company in the coming year 1 July 2023- 30 June 2024. Work on some of these has commenced.

- Co-Lab Councils: Right People, Right Place (formerly Employee Value Proposition)
- People Post 3 Waters (PP3W)
- Democracy Centre of Expertise
- Developing a new work plan to add value to councils through more immediate cost savings

Co-Lab intends to continue using the same measures to monitor performance:

| Priority | Performance measure | Target |
|--|--|--|
| Prioritise and develop business cases for opportunities that, if implemented, add value to councils by achieving one or more of our objectives | <ul style="list-style-type: none"> ➤ Business cases will include measurable benefits linked to one or more of the outcomes sought ➤ Businesses cases are supported by councils (evidenced by take up of the opportunity) | <p>Projected savings/increased revenue to councils of at least \$300k</p> <p>75% of councils</p> |
| Develop opportunities and deliver projects within agreed budgets and timelines | <ul style="list-style-type: none"> ➤ Opportunities / projects are developed / delivered within agreed timelines ➤ Opportunities / projects are developed / delivered, within approved budget ➤ Overall, Company Management / Support functions will be undertaken within budget, unless additional expenditure has board pre-approval | <p>80%</p> <p>90%</p> |
| Ensure projects realise their expected benefits | <ul style="list-style-type: none"> ➤ Measurable benefits are actively monitored and reported against ➤ Audit & Risk Committee undertake an assessment of projects following implementation (which will include an assessment of whether projected benefits have been realised) | <p>Six-monthly</p> <p>For \$200k+ Projects (based on cost of opportunity development and ongoing investment) Assessment within 15 months 90% of projected quantifiable benefits are realised</p> |
| Ensure existing services are meeting the needs of councils | <ul style="list-style-type: none"> ➤ The services we provide are considered by councils who use that service to meet or exceed their expectations (evidenced by an annual survey): | 80% of councils |
| Foster and promote cross-council collaboration and networking to share ideas on improving efficiencies and best practice | <ul style="list-style-type: none"> ➤ Across these groups, ideas for future consideration and/or initiatives are identified each year | Four per annum |

The Chief Executive of Co-Lab anticipates there will be some changes within the final Statement of Intent. The Chief Executive expects to set out any possible changes in further detail when the schedule of contributions sought from each council is sent out.

Ngā take ā-ture, ā-Kaupapahere hoki | Legal and policy considerations

The LGA requires CCOs to prepare and publish an annual Statement of Intent. The Statement of Intent must be agreed upon with the parent local authority. The local authority has two months from receiving the proposed Statement of Intent, to respond to the CCO with feedback. Feedback is due to Co-Lab by 22 April 2023, with the final version of the Statement of Intent to be approved by the Co-Lab Board in June.

CCOs must also report on the organisations operations to its shareholders and a half-yearly report must be delivered within two months after the end of the first half of each financial year.

Ngā Pāpāhonga me ngā Wātaka | Communications and timeframes

A CCO is required to consult with its shareholders on its Draft Statement of Intent. This report seeks feedback from Council, as one of the Co-Lab shareholders. Feedback on the above is due by 22 April 2023.

Following the finalisation of the Statement of Intent and six-monthly report, the LGA requires the Council to publish this information on its website.

Te Tākoha ki ngā Hua mō te Hapori me te here ki te whakakitenga o te Kaunihera | Contribution to Community Outcomes and consistency with Council Vision

Theme: Connected Infrastructure

Community Outcome: Infrastructure and services are fit for purpose and affordable, now and in the future; quality infrastructure is provided to support community wellbeing; we have positive partnerships with external providers of infrastructure to our communities.

Theme: Economic Opportunities

Community Outcome: We are a business friendly Council, our future planning enables sustainable growth in our District; we provide leadership and advocacy is provided to enable our communities to grow.

Pānga ki te pūtea, me te puna pūtea | Financial Cost and Funding Source

The current and proposed activities of Co-Lab are fully funded by the participating local authorities, within existing budgets. Co-Lab expects to share a schedule of contributions sought from each council for the coming year shortly which will be based on the draft Statement of Intent.

Ngā Tāpiritanga | Attachments

- A. DRAFT Co-Lab 2023 SOI - FINAL, 24 February 2023 (*Under Separate Cover*)
- B. Co-Lab Half yearly report to 31 December 2022 - FINAL, 24 February 2023 (*Under Separate Cover*)

Ngā waitohu | Signatories

| | | |
|-------------|--|--|
| Author(s) | Christa Kurian Graduate Policy Advisor | |
| Approved by | Niall Baker Policy Team Leader | |
| | Erin Bates Strategic Partnerships and Governance Manager | |

7 Pūrongo me whakatau | Decision Reports

7.7 CCO Monitoring Waikato Regional Airport Limited (WRAL) and Subsidiary Companies - Six Month Report and Draft Statement of Intent 2023/24

CM No.: 2695036

Rāpopotonga Matua | Executive Summary

Waikato Regional Airport Limited (WRAL) is a Council Controlled Organisation (CCO) owned by five Waikato councils, with Matamata-Piako District Council's shareholding at 15.6%.

CCO's are required by the Local Government Act 2002 (LGA) (subject to certain exemptions) to prepare and publish an annual statement of intent, and produce a bi-annual report for shareholders on the entity's operations during the half year.

The purpose of this report is to receive and consider the WRAL draft Statement of Intent 2023/24 and six monthly interim report (ending 30 December 2022) and the following reports of its subsidiary companies:

- Hamilton & Waikato Tourism – Interim six-monthly report, ending 31 December 2022
- Titanium Park – Interim six-monthly report, ending 31 December 2022
- Waikato Regional Airport Hotel Limited (Trading as Jet Park Hamilton Airport Hotel & Conference Centre) – Draft Statement of Intent 2023/24.

It is recommended to receive the reports and to consider providing feedback on the Statement of Intent reports for WRAL and its subsidiary companies. Committee

Tūtohunga | Recommendation

That:

1. The report be received.
 2. Council receives the following six-monthly reports to December 2022:
 - a) Waikato Regional Airport Limited (WRAL) six-monthly report to 30 December 2022.
 - b) Hamilton & Waikato Tourism interim six-monthly report to 31 December 2022
 - c) Titanium Park interim six-monthly report to 31 December 2022
 - d) Waikato Regional Airport Hotel Limited (Trading as Jet Park Hamilton Airport Hotel & Conference Centre) interim six-monthly report to 31 December 2022.
 3. Council approves the following draft Statement of Intent 2023/24:
 - a) Waikato Regional Airport Limited (WRAL) draft Statement of Intent 2023/24
- OR**
4. Council provides feedback on the Waikato Regional Airport Limited (WRAL) draft Statement of Intent 2023/24.

WHAKATAUNGA A TE KAUNIHERA | COUNCIL RESOLUTION

That:

1. the report be received
2. the Council receives the following reports:
 - a) Waikato Local Authority Shared Services (Trading as Co-Lab) Six Monthly Report to 31 December 2022;
 - b) Waikato Local Authority Shared Services (Trading as Co-Lab) Draft Statement of Intent 2023/24.
3. The Council
 - a) Approves the Waikato Local Authority Shared Services Limited (Trading as Co-Lab) Draft Statement of Intent 2023/24.

Resolution number CO/2023/00008

Moved by: Cr C Ansell
Seconded by: Cr K Tappin

KUA MANA | CARRIED

Horopaki | Background

Waikato Regional Airport Limited (WRAL) are a Council-controlled organisation (CCO) of which Matamata-Piako District Council hold a 15.6% shareholding. As a CCO, WRAL are required by the Local Government Act 2002 (LGA) to present their half-yearly report to its shareholders detailing the organisation's operations.

CCO's must also prepare and adopt a Statement of Intent. The purpose of a Statement of Intent is to:

- State publically the activities and intentions of the CCO for the year, and the objectives to which those activities will contribute; and
- Provide an opportunity for shareholders to influence the direction of the organisation; and
- Provide a basis for the accountability of the directors to their shareholders for the performance of the organisation.

Ngā Take/Kōrerorero | Issues/Discussion

WRAL

WRAL has three core purposes:

- 1) To enable air services to the region;
- 2) To operate a first class, safe, sustainable and compliant airport; and
- 3) To strategically position the business to enhance capital value.

Six-monthly report

WRAL considers that the final six months of the financial year (July-December 2022) has seen continued success of the diversification strategy implemented by the group over the past three years of which an overview is provided by the WRAL Chief Executive. WRAL also remains cognisant of emerging economic challenges which creates an uncertain outlook for air travel and tourism which are largely discretionary costs for many.

2023/24 Draft Statement of Intent

The Draft Statement of Intent outlines the key strategic activities for the company and KPIs for the period.

The Draft Statement of Intent outlines the proposed work plan for 2023/24 and the Board's accountabilities to the shareholder for corporate performance.

The objectives as outlined in the Draft Statement of Intent are to:

- Operate an efficient and compliant airport;
- Enhance the traveller experience;
- Maintain a viable aeronautical business;
- Maximise revenue diversification through non-aeronautical business opportunities.
- Develop and optimise the land holdings of the Group to generate a long-term income from a diversified property portfolio.
- Operate the airport hotel to return to (or exceed) its investment business case growth targets and customer satisfaction targets following the disruptions to its growth strategy from the pandemic.
- Assist in the development and marketing of the Hamilton and Waikato region as a visitor destination to domestic and international visitors.

The report includes both financial and non-financial performance targets for 2023/24 and a description of the nature and scope of activities to be undertaken to achieve this.

Hamilton & Waikato Tourism

Hamilton & Waikato Tourism Limited (HWT) is a wholly owned subsidiary of WRAL. It is responsible for the following activities:

- Marketing the Hamilton & Waikato region as a visitor and business events destination domestically and internationally;
- Growing the visitor economy through tourism development and destination management.

Six-monthly report

The HWT Chairperson outlines the highlights and challenges of the last six months. The report notes that the region has benefitted from the strong return of visitation with the lifting of COVID restrictions. However, labour shortages across the sector and severe weather events have struck hopes for a strong summer season for many operators in the region. The HWT chairperson is confident that the FIFA Women's World Cup 2023™ event, with five games being hosted in Hamilton, will bring visitation right across region.

Titanium Park

Titanium Park is a business park and a wholly owned subsidiary of WRAL.

Six-monthly report

This report notes that the next six months will see investment from Titanium Park to improve roading and water infrastructure around the airport precinct, discharging a number of historic obligations to ensure local utilities are positioned to respond to growth in the region. Engagement with key stakeholders has been positive to date, however there remains a number of challenges to reach agreement on significant matters of ecology and transport.

Waikato Regional Airport Hotel Limited (Trading as Jet Park Hamilton Airport Hotel & Conference Centre)

The last six months transitioned the hotel business from its managed isolation and quarantine contract back to trading in the retail market. The contract with the Crown for the property to run as a managed isolation facility was first secured in April 2020, and with several extensions, remained in place until 30 June 2022. Since completing the MIQ contract, the remaining rooms were upgraded and renovated to a modern, international four-star standard

Six-monthly report

This report notes that since completing the MIQ contract, the hotel has performed much more strongly than expected, regularly achieving maximum occupancy and largely resolving staffing issues. Jet Park Hotels completed a rebranding exercise of the three hotel properties which has received positive feedback. The outlook for the remainder of the year is also positive with a number of large events coming to the region and the hotel having secured "whole of site" bookings for a number of these. However the Group is mindful of the economic environment and its implications for hotel occupancy rates.

Ngā take ā-ture, ā-Kaupapahere hoki | Legal and policy considerations

The LGA requires CCOs to prepare and publish an annual Statement of Intent. The Statement of Intent must be agreed upon with the parent local authority. The local authority has two months from receiving the proposed Statement of Intent, to respond to the CCO with feedback. Feedback is due to WRAL by 30 April 2023, with a final version of each Statement of Intent issued in June.

CCOs must also report on the organisations operations to its shareholders and a half-yearly report must be delivered within two months after the end of the first half of each financial year.

Ngā Pāpāhonga me ngā Wātaka | Communications and timeframes

A CCO is required to consult with its shareholders on its Draft Statement of Intent. This report seeks feedback from Council, as one of the WRAL shareholders, on the following Statements of Intent for 2023/24:

- Waikato Regional Airport Limited
- Hamilton & Waikato Tourism Limited
- Titanium Park
- Waikato Regional Airport Hotel Limited (Trading as Jet Park Hamilton Airport Hotel & Conference Centre)

Feedback on the above is due by 30 April 2023. Following the finalisation of these documents, the LGA requires the Council to publish the information on its website.

Te Tākoha ki ngā Hua mō te Hapori me te here ki te whakakitenga o te Kaunihera | Contribution to Community Outcomes and consistency with Council Vision

Theme: Connected Infrastructure

Community Outcome: Infrastructure and services are fit for purpose and affordable, now and in the future; quality infrastructure is provided to support community wellbeing; we have positive partnerships with external providers of infrastructure to our communities.

Theme: Economic Opportunities

Community Outcome: We are a business friendly Council, our future planning enables sustainable growth in our District; we provide leadership and advocacy is provided to enable our communities to grow.

Pānga ki te pūtea, me te puna pūtea | Financial Cost and Funding Source

The current and proposed activities of WRAL and its subsidiary companies are fully funded by the participating local authorities, within existing budgets.

Ngā Tāpiritanga | Attachments

- A. TPL Interim Report 2023
- B. HAMILTON & WAIKATO TOURISM LIMITED
- C. JetPark Interim Report 2023
- D. WRAL_InterimReport_2023

Ngā waitohu | Signatories

| | | |
|-----------|---|--|
| Author(s) | Christa Kurian Graduate Policy Advisor | |
|-----------|---|--|

| | | |
|-------------|--|--|
| Approved by | Niall Baker Policy Team Leader | |
| | Erin Bates Strategic Partnerships and Governance Manager | |

7 Pūrongo me whakatau | Decision Reports

7.8 Approval of Risk and Assurance Committee Charter

CM No.: 2697236

Rāpopotonga Matua | Executive Summary

This report provides Council with a copy of the revised Risk and Assurance Committee Charter (attached). This follows the Risk and Assurance Committee's review workshop on Monday 20th February 2023 where amendments were suggested and then confirmed at the Committee's meeting on 7 March 2023. The attached Charter reflects those amendments and the Committee request Council approval for the Charter.

WHAKATAUNGA A TE KAUNIHERA | COUNCIL RESOLUTION

That:

1. Council approve the Risk and Assurance Committee Charter.

Resolution number CO/2023/00009

Moved by: Cr G Thompson

Seconded by: Cr B Dewhurst

KUA MANA | CARRIED

Horopaki | Background

At its inaugural meeting on 6 December 2022 of the 2022-2025 triennium, the Risk and Assurance Committee indicated a preference to undertake a full review of the Risk and Assurance Charter.

The Office of the Auditor General ("OAG") has resources available on their website regarding making the most of audit committees, guiding principles etc. These resources can be viewed at <http://www.oag.govt.nz/our-work/audit-committees>. These resources have replaced the previous good practice guide 'Audit committees in the public sector'.

At the Risk and Assurance Committee meeting on 7 March 2023, the Committee approved the revised charter and now request Council approval.

Ngā Take/Kōrerorero | Issues/Discussion

At Council's meeting on 9 November 2022 the Risk and Assurance Committee was established and delegated the role of "ensuring Council has appropriate risk management, internal and financial control systems" Further to this Council resolved that the Risk and Assurance Committee be requested to propose a work programme for the fulfilment of this delegation. The Committee must operate under Terms of Reference approved by Council.

The OAG recommends that a Charter is developed to guide the work of the Committee and advises "*It is useful to set out the purpose, roles, and responsibilities of the audit committee and its scope in the context of the entity's governance framework.*"

On 20 February 2023 the Risk and Assurance Committee undertook a full review of the previous Audit and Risk Committee's Charter where amendments to the title, objectives, authority, composition, meetings and responsibilities were suggested.

OAG guidance is that a Charter should formally document the accountability, authority, duties, membership, role, and responsibilities of the audit committee. The Charter should be approved by the governing body and reviewed and confirmed each year.

The Charter should include the Committee's:

- objective (its role or purpose, the governance framework/context within which it operates, and how it relates to other governance mechanisms/committees);
- authority (the power or authority it has to fulfil its objectives);
- composition and tenure of members (the size of the audit committee, the sort of members it has, how new members are appointed and reappointed, how long members remain on the audit committee, and how members (including the chairperson) are removed in the event of non-performance);
- responsibilities;
- administrative arrangements (meetings, attendance and quorums, decision-making and voting, secretariat, conflict of interest provisions, induction);
- performance assessment arrangements; and
- systems and schedules for reviewing the Charter.

Ngā Whiringa | Options

- 1) The revised Charter of the Risk and Assurance Committee as attached be approved.
- 2) The revised Charter of the Risk and Assurance Committee as attached be sent to the Committee with suggested amendments.

Ngā take ā-ture, ā-Kaupapahere hoki | Legal and policy considerations

A Charter for the Risk and Assurance Committee is not a statutory requirement, it is recommended as good practice by the OAG.

Ngā Pāpāhonga me ngā Wātaka | Communications and timeframes

The Risk and Assurance Committee seek approval from Council of any amendments to its Charter as soon as reasonably possible.

Ngā Tāpiritanga | Attachments

- A. Risk and Assurance Committee Charter - For Council approval 8 March 2023

Ngā waitohu | Signatories

| | | |
|-------------|--|--|
| Author(s) | Stephanie Hutchins Governance Support Officer | |
| Approved by | Sandra Harris Placemaking and Governance Team Leader | |
| | Erin Bates Strategic Partnerships and Governance Manager | |

7 Pūrongo me whakatau | Decision Reports

7.9 Te Aroha Spa Project - EOI for Tourism Recovery Fund

CM No.: 2697682

Rāpopotonga Matua | Executive Summary

The Ministry for Business, Innovation and Employment (MBIE) created a fund named Innovation Programme for Tourism Recovery. This is a \$54m contestable fund with 2 Streams, designed to stimulate change in the tourism sector following the impacts of the Covid 19 pandemic.

Having studied the eligibility criteria of the 2 funding streams, Stream 2 of the fund (\$49.2m) appears to have the best alignment for the Te Aroha Spa project. The first step in the process is to complete and submit MBIE's Expression Of Interest (EOI) document. This is a non binding document and following review of the EOI by the MBIE assessor panel, if successful at that stage, the applicant is invited to submit a full application.

Following discussion on this at the February Project Governance Group (PGG) meeting it was recommended that we should make application to the fund by completing and submitting the EOI document. The fund excludes certain project costs however this project would be applying for \$7.5m from the Stream 2 fund. The aim is to submit an EOI application by the end of March.

A draft EOI application will be submitted as a late paper as it cannot be completed in time to meet this reporting deadline. Note that some of the application details outlined later in this report are subject to change as reviews and other EOI application input comes in.

WHAKATAUNGA A TE KAUNIHERA | COUNCIL RESOLUTION

That:

1. The contents of this report be received.
2. Council approve submitting an Expression Of Interest application to MBIE.

Cr J Sainsbury, Cr S Bourne and Cr C Ansell voted against the motion and wished for their vote to be recorded.

Resolution number CO/2023/00010

Moved by: Cr B Dewhurst

Seconded by: Deputy Mayor J Thomas

KUA MANA | CARRIED

Horopaki | Background

We have entered a phase of the project's programme where we are raising capital in line with the Option 3 concept which has an estimated capital cost of \$38m. Deloitte have been contracted to run the capital raising process to support the project. Capital could come from either or a combination of private individuals or entities. The capital raising process is being managed by Deloitte corporate finance specialists from their Hamilton office. At the same time as investment capital is being sought from the market we've also examined potential grant funding channels. The eligibility criteria for MBIE's Innovation Programme for Tourism Recovery Stream 2 fund has reasonable alignment with where the project has evolved to.

Ngā Take/Kōrerorero | Issues/Discussion

Note that the final detail of the EOI application is yet to be finalised so the key points below are guidance at the time of writing this report and are subject to change: Key application points:

- Based on examination of the EOI criteria, we will apply for \$7.5m. This would be applied to outdoor works such as landscaping and professional fees such as architect, design/engineering, project management and consents
- The application would state Council's contribution at \$18.9m as this is what's recorded in the LTP
- The main innovations this project can articulate are:
 - The architecture and landscape design will incorporate authentic cultural references and experiences, reflecting place and history
 - Authentic cultural experiences with strong links to the location are not common in this sector. Cultural values developed by Ngati Tumutumu will guide design and visitor experiences. The diversity and authenticity of experiences is likely to have a meaningful impact on visitors.
 - The proposed development protects and promotes taonga: the wai, whenua, maunga
- The EOI's are evaluated monthly and applicants can expect to hear back from MBIE around 1 month after submitting their application
- If the EOI application is successful Council would be invited to submit a full application. The next deadline for full applications to be submitted is 30 June 2023 and applicants can expect to hear back from MBIE around 2 months after this date. This round has \$20m available to be allocated
- A full application requires a business case. The Options Assessment document will go a long way to satisfying this requirement but will require some further information
- MPDC's in house legal is reviewing some of the relevant legal documentation associated with an EOI application
- MPDC's Chief Executive to sign the EOI application

Mōrearea | Risk

There is very little risk associated with preparing and submitting the EOI application. The obvious risk is that the EOI application is entirely unsuccessful. Should the EOI be successful there is a risk that the amount of funding approved is materially lower than that applied for.

Ngā Whiringa | Options

There are no other obvious grant funding options available at this time. There is of course the option of not applying to this fund however the recommendation is very much to submit and see where that takes us.

Ngā take ā-ture, ā-Kaupapahere hoki | Legal and policy considerations

Council have made application to and been successful with Central Government grant funds in the past. Relevant sections of the EOI document/application process are being reviewed by MPDC in house legal.

Ngā Pāpāhonga me ngā Wātaka | Communications and timeframes

There are no plans to communicate with the community or other stakeholders about this EOI application.

Ngā take ā-lhinga | Consent issues

N/A

Te Tākoha ki ngā Hua mō te Hapori me te here ki te whakakitenga o te Kaunihera | Contribution to Community Outcomes and consistency with Council Vision

Theme: Economic and Social Development

Community Outcome: The project aligns with the Community Outcomes of Economic Opportunities and Vibrant Cultural Values set out in the 2021 Long Term Plan.

Pānga ki te pūtea, me te puna pūtea | Financial Cost and Funding Source

There is no great cost to the EOI application apart from relatively minor time cost for preparation of the EOI itself.

Ngā Tāpiritanga | Attachments

There are no attachments for this report.

Ngā waitohu | Signatories

| | | |
|-------------|---|--|
| Author(s) | Graham Shortland Project Manager - Te Aroha Spa Development | |
| Approved by | Don McLeod Chief Executive Officer | |

8 Ngā Pūrongo Whakamārama | Information Reports

8.1 Te Aroha Spa Project Update

CM No.: 2697678

Rāpopotonga Matua | Executive Summary

The project is in the initial stages of the capital raising process being led by Deloitte. There are a range of tasks that support the capital raising process that broadly provide potential investors, including Council, with valuable due diligence information. This report provides an update on progress with the various project tasks and work streams.

WHAKATAUNGA A TE KAUNIHERA | COUNCIL RESOLUTION

That:

1. This report be received.

Resolution number CO/2023/00011

Moved by: Cr J Sainsbury

Seconded by: Cr C Ansell

KUA MANA | CARRIED

Horopaki | Background

Following completion of the Options Assessment report the Project Governance Group (PGG) recommended that Option 3 was the best option and that this should be progressed. Appropriate budgets were approved to support progressing Option 3, including a capital raising process and activities aligned to that key task.

Ngā Take/Kōrerorero | Issues/Discussion

Key Tasks Summary

- Site Survey (complete)

This has recently been completed and provides precise contours of the proposed development area along with identifying water courses, springs, streams, significant trees and vegetation, tracks and services. Is considered to potentially be a key piece of investor due diligence information.

- Cultural Values Assessment (late March)

This is a most important cultural document that will help guide many aspects of the project. Amongst other outputs, it will provide MPDC with a clear understanding of the values Ngati Tumutumu associate with the wai, whenua and taonga species and the effect the proposed development might have on those values. The CVA will be available later in March. Likely to be a potentially key piece of investor due diligence information.

- Ecology study (complete 2nd half March)

Surveying birds, bats, lizards/geckos, Hochstetters frogs and glow worms. This is important information ahead of any design work and the summer season must be used for these type of surveys. Full report available later in March and potentially a key piece of investor due diligence information.

- Geotechnical investigations (estimated completion in May)

This investigation is targeted at the proposed development area. We're waiting on the preparation and lodging of a resource consent application to enable the site work. Considered to be a potential key piece of investor due diligence information. Is likely to be completed in May.

- Capital raising (through to August)

Deloitte are in the early, initiating stages of this process. Working on sector landscape familiarisation in terms of who's invested where/what, information gap analysis and developing an engagement map.

It's important to clarify that at the February 8th Council meeting, PGG Co-chair Barry Harris and I undertook that we'd have a proposition to bring to Council by the end of August. Updates will be provided each month and it's possible that by the middle of the year we'll have a good feel for who the likely investors will be.

- Procure services of a Planner.

Having a Planner on board to advise on RMA, Regional and District Plan matters will be important so that we have a broader understanding of the landscape and any pointy planning related issues. Supports capital raising in that it will feed into investor due diligence information.

Mōrearea | Risk

Project risks are managed in conjunction with MPDC's Risk Manager within a risk management framework.

Ngā Whiringa | Options

N/A

Ngā take ā-ture, ā-Kaupapahere hoki | Legal and policy considerations

Progressing the project in line with the programme's key tasks is consistent with the 2021 LTP and approvals to date.

Ngā Pāpāhonga me ngā Wātaka | Communications and timeframes

Project updates are provided to the community and stakeholders periodically and this is managed by Andrea Durie, MPDC's Communications Team Leader.

Ngā take ā-lhinga | Consent issues

Only as noted above, a resource consent application to enable the geotech investigations needs to be prepared and lodged with MPDC.

Te Tākoha ki ngā Hua mō te Hapori me te here ki te whakakitenga o te Kaunihera | Contribution to Community Outcomes and consistency with Council Vision

Theme: Economic and Social development

Community Outcome: The project aligns with the Community Outcomes of Economic Opportunities and Vibrant Cultural Values set out in the 2021 Long Term Plan.

Pānga ki te pūtea, me te puna pūtea | Financial Cost and Funding Source

All tasks and activities are covered by approved budgets noting that Council's guidance is that only tasks and activities aligned to and supporting the capital raising process be undertaken.

Ngā Tāpiritanga | Attachments

A. TAGP - Capital raise process plan 24 Feb 2023

Ngā waitohu | Signatories

| | | |
|-----------|---|--|
| Author(s) | Graham Shortland Project Manager - Te Aroha Spa Development | |
|-----------|---|--|

| | | |
|-------------|--|--|
| Approved by | Don McLeod Chief Executive Officer | |
|-------------|--|--|

8 Ngā Pūrongo Whakamārama | Information Reports

8.2 Long-Term Plan 2024-34 Update

CM No.: 2699513

Rāpopotonga Matua | Executive Summary

Council is required to prepare and adopt a Long Term Plan under the Local Government Act 2002 (LGA) every three years. The purpose of this report is two-fold:

- to introduce the Long Term Plan 2024-34 (LTP) project to Council and seek any feedback or comment on the proposed timeline and project outline.
- to provide an update on project progress to date

WHAKATAUNGA A TE KAUNIHERA | COUNCIL RESOLUTION

That:

1. The information be received.

Resolution number CO/2023/00012

Moved by: Cr J Sainsbury

Seconded by: Cr S Whiting

KUA MANA | CARRIED

Horopaki | Background

Council is required to prepare and adopt a LTP under the LGA. The Long Term Plan sets out the activities, budgets, Financial Strategy and key financial policies of the Council for the next 10 years; and the Infrastructure Strategy for the next 30 years. The LTP is required to be updated every three years, with the last LTP being approved in 2021 (available online <https://www.mpd.govt.nz/plans/long-term-plan>).

The LTP:

- describes the type of district our communities have told us they want – our community outcomes
- identifies the key projects to take place over the next 10 years
- provides an overview of each activity we will carry out and the services we will provide for the next ten years
- determines how much this will cost and how we will fund it.

We also do it to give our community the opportunity to have a say on where we are heading and to ensure our planning is robust. In completing the plan we are required to do a number of things, including:

- take a sustainable development approach and promote community interests
- carry out our business in a clear, transparent and accountable manner
- operate in an efficient and effective manner, using sound business practices
- take into account community views by offering clear information and the opportunity to present views
- provide opportunities for Māori to contribute to decision making
- collaborate and co-operate with other agencies and councils to achieve desired outcomes.

The LTP is a complex document covering all activities of Council, major strategic documents, financial policies, auditing and a large consultation component with the community.

The LTP must be adopted prior to 30 June 2024. The project timeline for LTP is typically 18 months or more, and involves staff across the whole organisation, elected members and the community. A high level overview of the timeline is set out under Communication and Timeline heading below.

Elected members need to be aware of the LTP programme plan and implications; both in terms of logistics and content. As with previous LTPs the Taituara 'Piecing it together' guide has been used as the basis for the process.

Council workshops and reports

It is expected that workshops with Council will be scheduled on a weekly basis on a Wednesday (other than when formal Council meetings occur) between February and December 2023 to provide adequate opportunities for members to discuss and consider issues relevant to the project.

Monthly Project update reports will be provided to Council, and quarterly reports including a review of the project planning (including risk) will be provided to the Risk and Assurance Committee.

Ngā Take/Kōrerorero | Issues/Discussion

Project update

The timeline for the project centres on key dates for completion of the draft documents in December 2023, auditing in January / February 2024 and consultation in March / April 2024. The Project on a Page (attached) provides an overview of the different building blocks and the associated timelines for the project.

The below table provides a summary of progress to date:

| Description | Start | Finish | Status | Comment |
|---|----------|------------------------------|---------------------|---|
| Briefing Papers | Mid-2022 | January/ February 2023 | Slightly delayed | Staff are preparing a suite of briefing papers on current and emerging issues that are likely to become topical for the LTP. These Briefing Papers will be distributed to members separately. Scheduled for completion in March/April 2023. |
| Demographic/Growth/Economic/Assumptions - NIDEA/ FutureProof (demographic projections) - Infometrics (economics) | Oct 2021 | May 2023 | Slightly delayed | Workshop scheduled 29 March 2023 to discuss demographic and economic data. |
| Community | February | June 2023 | On track | A workshop was held with |

| Description | Start | Finish | Status | Comment |
|---|------------|--------------|-------------|--|
| Outcomes/Vision Review | 2023 | | | elected members in February 2023 to review the strategic direction. The document is currently being updated and will be reported back for the April 2023. |
| Revaluation of Assets | Jan 2023 | June 2023 | On schedule | |
| Rates Structure | April 2023 | June 2023 | On schedule | |
| Activity Plans (including budgets) | April 2023 | Aug/Sep 2023 | On schedule | |
| Right Debate (pre engagement – possible level of service review) | April 2023 | Aug 2023 | On schedule | |
| Infrastructure and Financial Strategy | April 2023 | Oct 2023 | On schedule | Infrastructure Strategy is required to only cover roading assets. Can include other assets. |
| Asset Management Plans (excluding 3 water assets) | Feb 2023 | Oct 2023 | On schedule | Roading and community facilities Asset plans are being updated. |
| Policy Review | April 2023 | Oct 2023 | On schedule | Council has indicated it wishes to give particular focus to the Revenue and Financing Policy. |
| Council controlled organisation section | July 2023 | Nov 2023 | On schedule | |
| Māori participation in decision making | July 2023 | Oct 2023 | On schedule | |
| Budgets/ Financials/ Notes | July 2023 | Dec 2023 | On schedule | |
| Document development | July 2023 | Dec 2023 | On schedule | |
| Quality checks and administration | July 2023 | Dec 2023 | On schedule | |
| Communications Strategy and implementation | Feb 2024 | Dec 2024 | On schedule | |
| External Audit Process | Jan 2024 | June 2024 | On schedule | |
| Special Consultative Procedure | Jan 2024 | June 2024 | On schedule | |

Central government reform processes

LTP processes are undertaken based on the best information available to the local authority at the time. The three reform processes: three waters reform; resource management reforms and the Future for Local Government (FFLG) review are key planning assumptions for the 2024 LTP.

Three waters reform

The Water Services Entities Act 2022 received royal assent on 14 December 2022. We assume that the Water Services Legislation Bill and the Water Services Economic Efficiency and Consumer Protection Bill will be enacted in mid-2023.

We are developing the LTP on the assumption that the three waters reforms will proceed according to the Government's intended plan. Legislation provides that information on three waters services cannot be included in the 2024 LTP (and subsequent) (See clause 27, Schedule 1AA of the Local Government Act (as inserted by the Water Services Entities Act 2022)).

At the time of writing the Prime Minister had announced a review of the three waters reforms. To date, there is no indication that the fundamentals of reform were to change. We therefore assume that, with the exception of some stormwater functions, water services undertakings will transfer Council to a water services entity in preparation for the entity commencing operation at midnight on 1 July 2024. While matters such as governance of the entities are important, in themselves they are less likely to impact on the preparation of an LTP.

We will continue to maintain a watching brief over developments in the water reform space and any LTP implications.

Resource management reforms

We are planning on the basis that the passage and implementation of resource management reforms will proceed according to the Government's current intentions. That is, the Natural and Built Environments Bill and the Spatial Planning Bill will be enacted in this term of Parliament (most likely mid-2023), and the Climate Response Bill introduced in this term of Parliament. We understand implementation of the reforms will proceed in three tranches. Those in the first tranche of regional spatial strategies will need to assume budget and other resource in their 2024 LTP, but the timeframes for development of these plans will mean that they do not guide investment decisions until 2026.

That may necessitate an amendment to the LTP at that time. At the present time, no decisions have been made as to which councils are in which tranche. These are expected in early-mid 2023. If Council is not involved in the first tranche consideration may need to be given to budget and resource according to our 'place in the queue' i.e. what tranche Council is in.

The timing of the first Natural and Built Environment Plans (NBEP) is also dependent on the tranche local authorities are in. The timing for plans is as follows:

1. the regional planning committee must resolve to prepare an NBEP within 40 days of adoption of the regional spatial strategies
2. the committee then has two years to notify the plan and
3. a further two years after notification to complete the process and adopt the plan. All Councils will need to make assumptions about budgets and resources based on their place in the queue.

All councils are facing the adoption of two new plans under the proposed legislation and giving effect to what could be a quite different national planning framework. How consenting, compliance, monitoring, and enforcement are delivered will potentially change. Council will need to make some assumptions around the resources and funding to prepare these plans and how the day-to-day business will be delivered in their regions.

We will continue to maintain a watching brief on resource management reform progress and any LTP impacts.

Future for local government

At the time of writing, the FFLG panel was to report to the Government on 19 June. It is most unlikely that the Government would make any substantive policy decisions in advance of the 2023 election (though commitments in manifestos may be made). We are not expecting policy decisions until mid-2024 at the earliest, and not expecting any legislation to start the Parliamentary process until early 2025.

We are planning on the basis that no substantive policy decisions about the future structure, roles, functions or funding of the sector will have been made out of the FFLG review in time to be relevant for the 2024 LTP.

Overall

We have used a jigsaw metaphor to describe the LTP. The jigsaw picture will still set desired future outcomes, and allow Council to work through what it plans to do to bring that about.

The 2024 LTPs must be grounded in a reasonable and comprehensive assessment of the impacts of reform on the council.

Mōrearea | Risk

Risk management involves the identification and assessment, then avoidance, mitigation or elimination of risks. An LTP risk register has been developed, and will be monitored and updated throughout the project.

The Project Team is also maintaining an Issues Register to capture issues as they arise and ensure issues are considered and reviewed in a timely manner as they relate to the project. The risk management approach and quality assurance plan was discussed with the Risk & Assurance Committee on 7 March 2023.

Ngā Whiringa | Options

Council may wish to consider providing any feedback or comments on the project status.

Ngā take ā-ture, ā-Kaupapahere hoki | Legal and policy considerations

Requirement for a Long Term Plan

The preparation of the LTP is a requirement under the Local Government Act 2002. [Schedule 10](#) of the LGA sets out the requirements for a LTP. The LTP must include information about;

- Community Outcomes
- Groups of Activities
- Capital Expenditure for groups of activities
- Statement of service provision
- Funding impact statement for groups of activities
- Variation between territorial authority's longer term plan and assessment of water and sanitary services and waste management plans
- Council controlled organisations
- Development of Māori capacity to contribute to decision-making processes
- Financial strategy and Infrastructure Strategy
- Revenue and financing policy
- Significant and engagement policy
- Forecast financial statements
- Financial statements for previous year
- Statement concerning balancing of budget
- Funding impact statement

- Rating base information
- Reserve funds
- Significant forecasting assumption

Mayoral Powers

Under LGA [s41A](#), “it is the role of a mayor to lead the development of the territorial authority’s plans (including the long-term plan and the annual plan), policies, and budgets for consideration by the members of the territorial authority.”

Council policies and strategies

As part of the preparation of the LTP, Activity and Asset Management Plans will be checked against Council’s key strategic and policy documents and wider regional and national documents for strategic fit. The preparation of the Long Term Plan may lead to the review of some Council policy documents.

Ngā Pāpāhonga me ngā Wātaka | Communications and timeframes

The Long Term Plan project is one of Council’s key opportunities to engage with our communities to find out what their aspirations and priorities are.

The LTP is subject to the special consultative process under the LGA ([s83](#)). The special consultative process is a structured one month submission process with a hearing for those who have submitted and wish to speak to their submission.

The Long Term Plan project timeline also provides for a ‘pre-engagement’ process with the community referred to as the Right Debate where Council can ask for feedback on key issues it is considering for the LTP.

A Communication and Engagement Strategy for the project will be developed discussed with Council. This strategy will set out how we plan to engage with and get our communities involved in the development of the LTP.

Ngā take ā-lhinga | Consent issues

There are no consent issues.

Te Tākoha ki ngā Hua mō te Hapori me te here ki te whakakitenga o te Kaunihera | Contribution to Community Outcomes and consistency with Council Vision

As part of the development of the LTP, Council will review its vision and outcomes.

As noted above the strategic direction has been reviewed by elected members and this will be formally reported to Council for approval in April 2023.

Pānga ki te pūtea, me te puna pūtea | Financial Cost and Funding Source

The development of and consultation on the Long Term Plan is funded from the Strategy and Engagement Activity Operating budget.

Ngā Tāpiritanga | Attachments

- Long Term Plan 2024-34 - The One Page Project Plan
- LTP 2024-34 Timeline Calendar

Ngā waitohu | Signatories

| | | |
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| Author(s) | Niall Baker Policy Team Leader | |
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| Approved by | Erin Bates Strategic Partnerships and Governance Manager | |
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11.16 am

The Chairperson thanked Members for their attendance and attention to business and declared the meeting closed.

CONFIRMED AS A TRUE AND CORRECT RECORD
OF THE MEETING OF KAUNIHERA | COUNCIL
HELD ON 22 MARCH 2023.

KO TE RĀ | DATE:

TIAMANA | CHAIRPERSON: