

Kaunihera | Council

Kaupapataka Wātea | Open Agenda



Notice is hereby given that an ordinary meeting of Matamata-Piako District Council will be held on:

Ko te rā | Date: Wednesday 29 July 2026
Wā | Time: 9.00
Wāhi | Venue: Council Chambers
35 Kenrick Street
TE AROHA

NGĀ MEMA | MEMBERSHIP

Tiamana | Chairperson: Koromatua | Mayor
Ash Tanner

Mema | Members: Koromatua Tautoko | Deputy Mayor
James Sainsbury
Kaunihera ā-Rohe | District Councillors
Vincent Andersen
Grace Bonnar
Bruce Dewhurst
Tyrel Glass
Dayne Horne
Greg Marshall
Andrew McGiven
James Thomas
Gary Thompson
Rewiti Vaimoso
Sue Whiting

Waea | Phone: 07-884-0060
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Kāinga Ipuranga | Website: www.mpdc.govt.nz

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TAKE MATATAPU | PUBLIC EXCLUDED

- | | | |
|----|--|-----|
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1 Whakatūwheratanga o te hui | Meeting Opening

Chairperson to open the meeting.

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

At the close of the agenda no apologies had been received.

3 Pānui i Ngā Take Ohorere 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

Minutes, as circulated, of the ordinary meeting of Matamata-Piako District Council, held on 22 July 2026

6 Papa ā-iwi whānui | Public Forum

At the close of the agenda there were no speakers scheduled to the public forum.

7 Pūrongo me whakatau | Decision Reports

7.1 Waitoa Water Review of Submissions and Decision 2026

CM No.: 3184978

Te Kaupapa | Purpose

The purpose of this report is to enable Council to make a final decision on the future drinking water supply for Waitoa Village following public consultation on the Waitoa Water Community Panel recommendations.

Rāpopotonga Matua | Executive Summary

Waitoa Village has historically been supplied with drinking water by Fonterra. Fonterra has advised it no longer wishes to continue providing this service and has requested a decision on the village's future drinking water supply arrangements.

Following consideration of technical information, expert advice and community impacts, the Waitoa Water Community Panel unanimously recommended connecting Waitoa Village to the Council water supply from Te Aroha. Council agreed with that recommendation in principle in December 2025 and subsequently undertook public consultation.

Consultation feedback highlighted differing views regarding affordability, existing self-supply arrangements, funding and long-term water security. While consultation identified support for both Council supply and self-supply approaches, it did not identify a new settlement-wide option beyond those already considered through the Community Panel process.

Council is now asked to make a final decision on the future drinking water supply for Waitoa Village.

Tūtohunga | Recommendation

That:

1. The information is received.
2. Council reviews and considers all submissions made on the Waitoa Water Change Proposal.

Council:

3. Adopts its change proposal
 - a) Council confirms the in-principle decision to connect properties in the Waitoa Village to the Council water supply from Te Aroha as its final decision;
- OR
4. Does not adopt its change proposal; and
 - i. Agrees alternative arrangements will be required following Fonterra ceasing supply to Waitoa Village; and
 - ii. Requests Council and/or Waikato Waters Ltd work with Fonterra and affected property owners to support the transition to alternative water supply arrangements once the future cessation date is known.

Horopaki | Background

For many years, drinking water for Waitoa Village has been supplied by Fonterra. Recent changes to drinking water legislation and regulatory requirements mean Fonterra no longer wishes to continue providing this service and an alternative future water supply is needed.

Council has a role in supporting access to safe drinking water and has been working with the Waitoa community to identify a long-term solution for the village.

In September 2024, Council considered options for progressing a long-term water supply solution and adopted a funding approach whereby 15% of project costs would be met by affected Waitoa properties and 85% would be funded by properties already paying targeted water rates elsewhere in the district. In adopting this approach, Council recognised the affordability challenges faced by affected Waitoa property owners, the wider public benefit associated with safe drinking water infrastructure, and the need for a sustainable long-term solution for the village.

The concept of sharing infrastructure costs across a wider group of ratepayers is not new. Council's existing water supplies operate on a district-wide funding approach and previous wastewater projects in Waharoa and Tahuna also included a community contribution alongside wider funding support. While each project is considered on its own merits, these examples demonstrate that infrastructure costs have previously been shared where Council considered there to be a wider community benefit.

Recognising the complexity of the issue and the competing interests involved, Council established the Waitoa Water Community Panel. The Panel was tasked with reviewing the available information, considering the options and providing recommendations to Council.

Following receipt of the Community Panel's recommendations, Council agreed in principle to the preferred option of connecting Waitoa Village to the Council water supply from Te Aroha and directed staff to undertake wider public consultation on the change proposal before a final decision

was made. This report presents the results of that consultation and seeks a final decision from Council on the future drinking water supply for Waitoa Village.

Full details of the Community Panel process, recommendations and supporting background information are available in the [Community Panel Recommendations Report](#) and the [Waitoa Water Background Information Document](#).

Council developed and consulted on a change proposal under the Local Government (Water Services) Act 2025 (LGWSA). A change proposal differs from a statement of proposal under the Local Government Act (LGA) as it is seeking community feedback on Council's proposed option, whereas a statement of proposal seeks community feedback on several options before Council formally decides on its preferred option. This means that if Council does not adopt its change proposal and would like to select a different option, Council will need to make a new change proposal and consult with the community. There is a risk that developing another change proposal for consultation could delay Council's decision until after the Waikato Waters Ltd transfer date of 1 October 2026.

Ngā Take/Kōrerorero | Issues/Discussion

Consultation Undertaken

Public consultation on the proposed future water supply for Waitoa Village was undertaken between 30 April 2026 and 21 May 2026.

Consultation activities included a dedicated Let's Talk webpage, public information materials, FAQs, direct mailouts, public communication through Council channels and opportunities for community members to seek further information before making a submission.

A total of 30 unique submissions were received comprising:

- 16 from Waitoa
- 10 from Te Aroha
- 3 from Morrinsville
- 1 from Matamata

Consultation Feedback Summary

Feedback reflected a range of views regarding the future water supply for Waitoa Village.

Of the 30 unique submissions received:

- 10 supported the proposal;
- 9 opposed the proposal; and
- 11 were neutral, mixed in their views, or primarily sought further information.

Waikato Waters Ltd was notified of the consultation and was invited to provide a submission on the proposal. A major decision letter was received and is attached to this report.

Overall, feedback from Waitoa residents and property owners tended to focus on the practical implications of the proposal, including affordability, existing self-supply arrangements, long-term reliability and the accuracy of cost assumptions.

Feedback from submitters elsewhere in the district focused more heavily on the proposed funding approach, including who should contribute to the project, the fairness of the district-wide contribution and whether alternative solutions should be explored.

A summary of the key themes is attached to this report.¹

Key considerations:

Current Water Users

A number of submitters raised questions regarding the number of properties currently using the Fonterra supply.

Council undertook a number of activities to better understand water use within Waitoa Village, including door-to-door visits. These activities confirmed that water use within the village varies considerably. Some properties rely solely on the Fonterra supply, some use it as a supplementary source, and others have established self-supply systems.

While this work provided useful information, it did not result in a definitive list of users. Water use has evolved over time and individual property circumstances differ. Fonterra does not hold this information either and no comprehensive record of current water users exists.

The Community Panel considered options with a focus on identifying the best long-term water supply solution for Waitoa Village. While self-supply may be appropriate for some individual properties, the Panel unanimously recommended Council supply as the preferred long-term solution for Waitoa Village.

Affordability

Affordability was one of the most common themes raised by both submitters and the Community Panel.

Submitters raised concerns regarding project costs, household contributions, future cost escalation and the impact of ongoing charges.

Staff acknowledge these concerns. Current project costs are based on high-level estimates and would be refined through detailed design and procurement should the project proceed.

The need to balance affordability with the provision of a long-term drinking water solution was one of the key reasons Council adopted the 15/85 funding split (where affected Waitoa properties meet 15% of project costs and existing targeted water ratepayers meet the remaining 85%) in September 2024. This funding approach recognises both the direct benefit to affected Waitoa properties and the wider public benefit associated with safe drinking water infrastructure.

Self-Supply

A number of submitters supported self-supply as an alternative to connecting to a Council-managed water supply.

The Community Panel considered self-supply in detail as part of its deliberations. While self-supply may be appropriate for some individual properties, the Panel concluded it was not a viable long-term solution for the settlement as a whole.

Key considerations included:

- Not all properties were considered suitable for self-supply;

¹ The summary of submissions has been developed with the assistance of Microsoft Copilot and reviewed for accuracy by Council staff.

- Properties vary significantly in terms of layout and ability to accommodate storage infrastructure;
- Some properties may require planning approvals or exemptions to establish new self-supply systems;
- Responsibility for water quality, treatment and maintenance remains with individual property owners;
- Self-supply does not provide a community-wide reticulated water network.

Several submitters also questioned the self-supply cost estimates presented during consultation. Staff note that those figures were based on independent technical advice and intended to provide a consistent basis for comparing options. The estimates assumed a complete self-supply solution, including storage and treatment intended to provide a safe and reliable household water supply. They did not account for factors such as owner-supplied labour, discounted materials or alternative procurement arrangements. Actual costs are likely to vary depending on individual property circumstances and the level of treatment, storage and reliability incorporated into a system.

Staff Assessment

Staff have considered the Community Panel recommendations, consultation feedback and previous technical assessments.

Consultation feedback highlighted differing views regarding affordability, fairness and the suitability of self-supply. These issues were also extensively considered by the Community Panel during its deliberations.

Consultation identified support for Council supply, self-supply and a range of alternative approaches. These approaches were generally consistent with options already considered by the Community Panel and did not alter the range of options available for Council's consideration.

While self-supply may be appropriate for some individual properties, the Community Panel concluded that Council supply was the preferred option because it provides a consistent long-term solution for the village as a whole.

Staff acknowledge that Council supply would require affected property owners to contribute towards the cost of the project, including some properties that currently self-supply and may choose not to connect to the network. However, the existing Fonterra supply arrangement will not continue indefinitely and an alternative long-term solution is required.

For these reasons, staff recommend Option 1.

Mōrearea | Risk

If Council adopts its change proposal, the full funding and delivery of this project will be the responsibility of Waikato Waters Ltd. There is a risk any projected costs and timing of the project could change.

If Council does not adopt its change proposal, there is a risk Council would need to develop a new change proposal for consultation. As Council will transfer its water and wastewater assets and services to WWL from 1 October 2026, there is a risk consultation on a new proposal would not be completed prior to the transfer.

Not adopting the change proposal would be inconsistent with the Waitoa community panel's recommendation. Council agreed in-principle with the panel's recommendations at its 17

December 2025 meeting, and resolved it would make a final decision on the future of Waitoa's water supply following consultation with the district and Waikato Waters Ltd.

Ngā Whiringa | Options

If Council confirms Council supply

- Final project costs will be refined through detailed design and procurement.
- Responsibility for implementation will transfer to Waikato Waters Ltd from 1 October 2026.
- Affected properties will be required to contribute towards project costs in accordance with any future funding arrangements.

If Council does not confirm Council supply

- Property owners affected by the loss of the Fonterra supply will need to establish, upgrade or maintain their own drinking water arrangements once a cessation date is confirmed.
- Individual property costs and requirements will vary.
- Responsibility for water quality, treatment, storage and maintenance will remain with individual property owners.
- Council, Waikato Waters Ltd and Fonterra will need to work with affected property owners to support the transition process.
- Some properties may require planning approvals or exemptions associated with establishing new supply infrastructure.
- Council may need to assess the significance of its decision not to adopt its change proposal and consider consulting on a new proposal prior to transferring water services from 1 October 2026.

Option One – Adopt change proposal	
Description of option	
Connect the defined Waitoa Village area to the Council water supply from Te Aroha.	
Advantages	Disadvantages
Provides a long-term drinking water solution for the settlement.	Highest overall capital cost.
Capable of servicing all properties within the defined Waitoa Village area.	Requires affected Waitoa properties to contribute towards project costs.
Provides a community-wide reticulated water supply, including firefighting capability.	Includes ongoing water charges.
Transfers responsibility for drinking water quality, treatment and network maintenance from individual property owners to the water service provider.	Applies to properties that currently self-supply.
Was the preferred option of the Waitoa Water Community Panel after consideration of the available alternatives.	Properties choosing not to connect would still contribute towards project costs and pay an ongoing availability charge.

	Final project costs will be refined through detailed design and procurement.
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Option Two – Do not adopt change proposal	
Description of option	
Property owners establish, upgrade or maintain their own drinking water supply arrangements once the Fonterra supply ceases.	
Advantages	Disadvantages
Allows individual property owners to determine their own water supply arrangements.	Not all properties were considered suitable for self-supply.
Existing self-supply systems can continue operating.	Costs and requirements are likely to vary significantly between properties.
May be a lower-cost solution for some properties.	Responsibility for water quality, treatment and maintenance remains with individual property owners.
Avoids the cost of constructing a reticulated water supply network.	Does not provide a community-wide reticulated water supply.
	Was not supported by the Community Panel as a viable long-term solution for the settlement as a whole.

Recommended option

Option 1 is recommended.

The Community Panel unanimously recommended Council supply following in-depth consideration of the available options, technical information and community impacts. Consultation identified support for both Council supply and self-supply approaches but did not identify a new option beyond those already considered by the Panel.

The Community Panel preferred Council supply over self-supply after considering the costs, risks and practical implications of both approaches.

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

Council has obligations under Section 127 of the Local Government Act 2002 to work collaboratively with affected parties where a water supply within the district is facing a significant issue. The process undertaken to date, including technical investigations, the Community Panel process and public consultation, is considered consistent with those obligations.

Local Government Act 2002 (LGA 2002) Decision-making requirements

Having regard to the decision making provisions in the LGA 2002 and Councils Significance Policy, a decision in accordance with the recommendations is assessed as having a high level of significance.

All Council decisions, whether made by the Council itself or under delegated authority, are subject to the decision-making requirements in sections 76 to 82 of the LGA 2002. This includes any decision not to take any action.

Local Government Act 2002 decision making requirements	Staff/officer comment
Section 77 – Council needs to give consideration to the reasonable practicable options available.	Options are addressed above in this report.
Section 78 – requires consideration of the views of Interested/affected people	Submission feedback is provided above and attached.
Section 79 – how to achieve compliance with sections 77 and 78 is in proportion to the significance of the issue	The Significance and Engagement Policy is considered above. This issue is assessed as having a high level of significance.
Section 82 – this sets out principles of consultation.	N/A

Policy Considerations

1. To the best of the writer's knowledge, this recommendation is not significantly inconsistent with nor is anticipated to have consequences that will be significantly inconsistent with any policy adopted by this local authority or any plan required by the Local Government Act 2002 or any other enactment.

Ngā Pāpāhonga me ngā Whakawhitiwhitinga | Communications and engagement

Extensive community engagement has been undertaken throughout the development of the Waitoa water supply proposal, including the Community Panel process and subsequent public consultation. In addition, Waikato Waters Ltd was advised of the engagement and consultation period.

Following Council's decision, affected property owners, Fonterra, Waikato Waters Ltd and the wider community will be advised of the outcome through Council's usual communication channels. There will also be a letterbox drop in the Waitoa Village, and discussions with Fonterra about a community update/meeting.

Ngā take ā-lhinga | Consent issues

Should Council confirm a Council supply, the project would be progressed through detailed design and any required approvals obtained as part of that process.

If Council does not proceed with a Council supply, individual property owners may need to obtain any approvals, permits or consents associated with establishing or modifying self-supply infrastructure.

Staff are aware of examples where property layout, site constraints or District Plan requirements may affect or limit the type of self-supply solution that can be installed. These matters have not been assessed on a property-by-property basis.

Te Tākoha ki ngā Hua mō te Hapori me te here ki te whakakitenga o te Kaunihera | Contribution to Community Outcomes

Matamata Piako District Council's Community Outcomes are set out below:

MATAMATA-PIAKO TŌ MĀTOU WĀHI NOHO OUR PLACE		MATAMATA-PIAKO DISTRICT COUNCIL TE ARA RAUTAKI STRATEGIC DIRECTION	
TŌ MĀTOU WHAKAKITENGA OUR VISION			
Matamata-Piako District is vibrant, passionate, progressive, where opportunity abounds. ‘The heart of our community is our people, and the people are the heart of our community.			
TŌ MĀTOU WHĀINGA MATUA OUR PRIORITIES (COMMUNITY OUTCOMES)			
			
He wāhi kaingākau ki te manawa A place with people at its heart	He wāhi puawaitanga A place to thrive	He wāhi e poipoi ai tō tātou taiao A place that embraces our environment	He wāhi whakapapa, he wāhi hangahanga A place to belong and create

The community outcomes relevant to this report are as follows:

- This report contributes primarily to the Community Outcome of A Place to Thrive by supporting access to safe and reliable drinking water.
- It also contributes to A Place with People at its Heart through the use of community-led decision making and public consultation to inform Council's final decision

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

The estimated capital cost of connecting Waitoa Village to the Council water supply is currently approximately \$8.2 million. This estimate is based on high-level investigations and would be refined through detailed design, procurement and delivery planning should the project proceed.

In September 2024, Council adopted a funding approach whereby:

- 15% of project costs would be funded by affected Waitoa properties; and
- 85% of project costs would be funded through the targeted water rate paid by existing water ratepayers elsewhere in the district.

In adopting this approach, Council recognised that:

- access to safe drinking water provides a wider community benefit;
- the cost of a solution would otherwise be difficult for affected Waitoa property owners to fund; and
- a shared funding approach was appropriate given the strategic nature of the infrastructure.

The district-wide contribution applies to existing targeted water ratepayers, not all district ratepayers.

The financial impact on affected Waitoa properties will depend on the final project cost, repayment approach and any contributions that may be available to offset costs.

Fonterra has committed a \$500,000 contribution towards reducing the costs that affected Waitoa property owners would otherwise be required to pay.

Consultation on the potential use of the former Waitoa Hall sale proceeds has been undertaken separately and is the subject of a separate report considered as part of this Council meeting.

Should Council confirm Option 1, implementation planning, detailed design and delivery of the project would ultimately be progressed by Waikato Waters Ltd following the transfer of water services on 1 October 2026.

Under Option 2, responsibility for establishing, funding, operating and maintaining drinking water supply infrastructure would sit with individual property owners rather than Council or Waikato Waters Ltd.

Ngā Tāpiritanga | Attachments

- A.  Waitoa Water submissions 2026 - combined pdf (*Under Separate Cover*)
- B.  Waitoa Water submissions summary 2026
- C.  Major Decision Letter - MPDC - Waitoa Water Supply - Waikato Waters Ltd consultation 2026
- D.  Waitoa Water Change Proposal 2026 - for Council adoption for consultation 22 Apr 2026

Ngā waitohu | Signatories

Author(s)	Andrea Durie	
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	Pou Whakapā, Whai Wāhi Communications & Engagement Manager	
	Olivia Picard Kaitohu Kaupapahere Policy Advisor	

Approved by	Andrea Durie Pou Whakapā, Whai Wāhi Communications & Engagement Manager	
	Jenni Cochrane Hautū Wheako Kiritaki Group Manager Customer Experience	



Waitoa Water Submission Summary

Submissions open from: 30 April to 21 May 2026

What did we consult on?

Council proposed to connect the Waitoa Village to the Council water supply.

The proposal's estimated cost is \$8.2 million

- Approximately 120 Waitoa property owners are responsible for 15% of the total project cost.
- The wider district is responsible for 85% of the total project cost to minimise the burden on Waitoa property owners.

The projected increase for Targeted water ratepayers:

- Additional \$35 (approx.) per year on for the whole district for 3 to 7 years.
- The final cost is to be set by Waikato Waters Ltd.

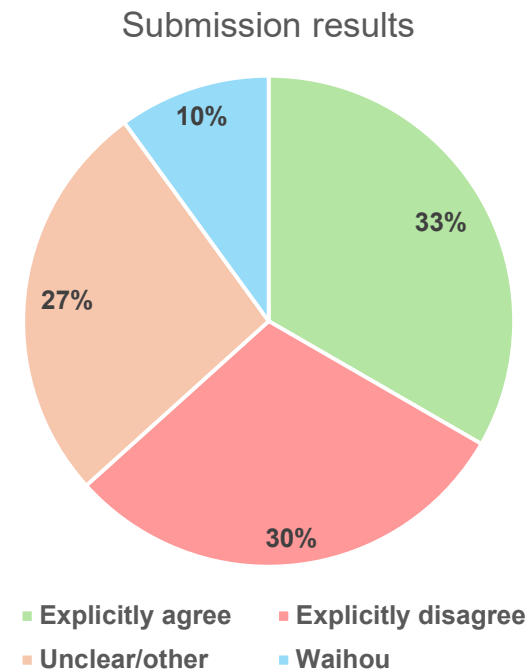
We asked:

**DO YOU HAVE ANY FEEDBACK
ON THE PROPOSAL?**

3

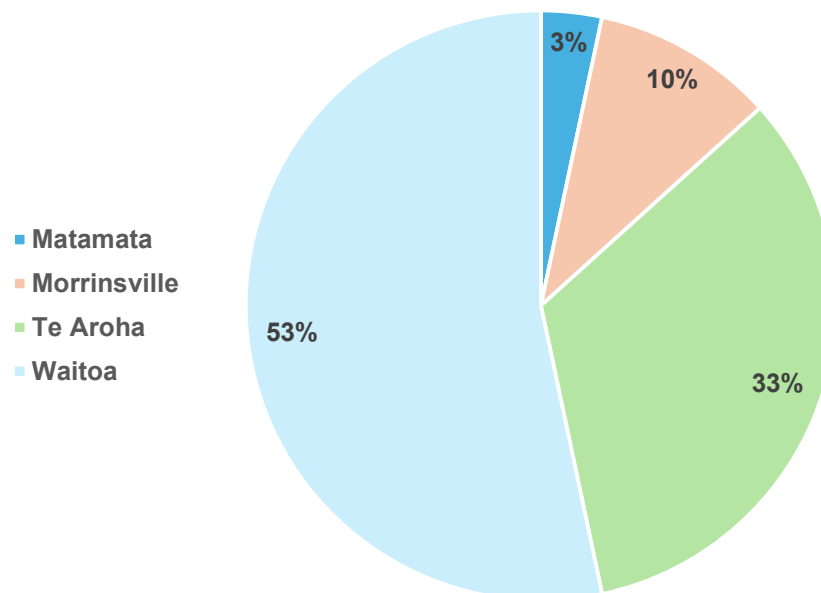
Key findings

- **30 responses were received in total.**
 - **10** explicitly **supported** with part or all of the proposal
 - **9** explicitly **did not support** the proposal
 - 8 did not state a clear preference
 - 3 requested Waihou be included in the proposal



About the respondents

Submissions by Town



Feedback from **Waitoa** residents and property owners

- **General:**
 - Focus on the practical implications of the proposal, including:
 - Affordability;
 - Existing self-supply arrangements;
 - Long-term reliability, and;
 - Accuracy of cost assumptions.

Feedback from **Waitoa** residents and property owners

- **Supportive** submitters generally cited:
 - Long-term reliability and security of supply.
 - Safe and compliant drinking water.
 - Reduced responsibility for individual households.
 - Community-wide benefits.
- **Opposing** submitters commonly cited:
 - Existing self-supply arrangements meeting their needs.
 - Affordability.
 - Ongoing water charges.
 - Paying towards infrastructure they may choose not to use.
- **Other** themes included:
 - Accuracy of estimated self-supply costs.
 - Potential cost escalation and inflation.
 - Household connection costs.
 - The consultation and decision-making process.

Wider **district** submitters

- Common themes raised by submitters from elsewhere in the district included:
 - The fairness of the proposed funding model.
 - Whether existing targeted water ratepayers should contribute to the project.
 - Capacity of the Te Aroha water supply.
 - Whether alternative solutions should be considered.
 - Several submissions also suggested broader infrastructure solutions, including potential benefits for Waihou.

Next steps

- **29 July Council meeting**
 - Council decide whether it will adopt its change proposal
- **Council notify Waikato Waters Ltd of decision**
 - Prior to 1 October 2026
- **Transfer of services**
 - From 1 October 2026
- **Project delivery**
 - The delivery of Waitoa's water supply will be the responsibility of Waikato Waters Ltd. There is no confirmed timeline of project delivery at the time of writing



Chief Executive
Matamata-Piako District Council
Attention: Manaia Te Wiata

06 May 2026

Waikato Waters Major Decisions Framework:

Update – Waitoa Water Supply

Tēnā koe Manaia

Thank you for your Major Decision Notification regarding the future water supply for the Waitoa community following Fonterra's request to exit its role as water supplier.

Following receipt of this notification, Waikato Waters has met with both Fonterra and Taumata Arawai to further understand the current system, regulatory requirements and potential delivery options.

Current Position

Through this work, it is clear that the primary driver for change is the regulatory framework associated with drinking water supply, resulting in Fonterra wanting to discontinue the supply of drinking water to the Waitoa community.

Waikato Waters considers that any solution should aim to:

- Provide compliant drinking water to the Waitoa community
- Remove Fonterra's regulatory obligations as a supplier
- Deliver a solution that is proportionate and cost-effective for a community of this size

Options Under Consideration

Waikato Waters is currently investigating a number of potential options, including:

1. Use of Fonterra treated water supply
 - Taking treated water from Fonterra with limited additional treatment and distribution to the community.
2. Raw water take, with local treatment
 - Taking raw water from Fonterra's existing intake and developing a localised treatment solution (e.g. package treatment plant) with new reticulation.
3. Endpoint treatment solution
 - Supplying partially treated water with final treatment at each connection point, where this can meet regulatory requirements and is not contrary to customers reasonable expectations of a solution.

Postal – PO Box 144, Waikato Mail Centre 3204

Physical - Level 4, BNZ building, 354 Victoria Street, Hamilton 3204

www.waikatowaters.co.nz



4. Connection to the Council network

- Development of a new bulk supply pipeline and reticulation system, as previously considered by Council.

We note that each of these options will likely require replacement of all or most of the existing reticulation network to meet current standards.

Next Steps

Waikato Waters will continue to assess these options, including further engagement with Taumata Arowai on regulatory pathways and with Fonterra on potential supply arrangements.

This work is focused on identifying the most appropriate and cost-effective solution, on a timely basis, and we will continue to work closely with Council as this progresses.

Ngā mihi

Neil Brennan

Interim Chief Executive

Postal – PO Box 144, Waikato Mail Centre 3204

Physical - Level 4, BNZ building, 354 Victoria Street, Hamilton 3204

www.waikatowaters.co.nz

Translation | Waitoa Water

Translation | Change Proposal

Item 7.1



Attachment D

Kupu Whakataki | Introduction

The way water is supplied to Waitoa needs to change. For many years, Fonterra Cooperative Group has provided water to around 130 homes in Waitoa.

Fonterra notified Council that it no longer intends to provide water to the Waitoa community, meaning the current arrangement cannot continue.

Council has identified and assessed a range of practicable options for ensuring Waitoa continues to have access to safe drinking water. The two main options considered were:

- Self-supply for individual Waitoa properties
- Connection to the existing Council water supply.

Council is proposing that Waitoa is connected to the existing Council water supply – in-line with the Waitoa Community Panel recommendation.

You can find more information on the options and reasoning for the preferred option in this document.

Why are we consulting the wider district?

Council is proposing to increase the targeted water rate (paid by all property owners connected to Council supply) in the Matamata-Piako District to help fund a new water connection for the Waitoa community.

This consultation is about whether you support the proposed approach, knowing it would mean ensuring the Waitoa village has a long term secure and healthy water supply.

Waitoa community

Waitoa is a small rural settlement in the Matamata-Piako District, located on State Highway 26 approximately 10 kilometres south-west of Te Aroha. It has an estimated population of 300 residents and approximately 120–130 residential properties.

The settlement includes a defined residential area, with nearby industrial activity and surrounding rural land uses typical of small communities in the district. Many residents travel to nearby towns such as Te Aroha or Morrinsville for everyday activities.

Waitoa has a history of manufacturing and food-processing activity, including the Fonterra dairy factory and poultry processing operations in the wider area.

The current approach

Fonterra has supplied the Waitoa village with high-quality drinking water for several years. Fonterra has notified Council they no longer wish to provide water to the Waitoa community, therefore **maintaining the current approach is not an option.**

The change proposal - summary

Council is proposing that **the Waitoa Community is connected to the Te Aroha Council water supply** – in-line with the recommendation of the Waitoa Community Panel.

Connecting the Waitoa village to the Council water supply means Waitoa would have a reticulated water network, just as our main towns Matamata, Morrinsville and Te Aroha do.

What does this mean for Matamata-Piako ratepayers?

It is not affordable for the 130 residential properties in Waitoa to pay for the full project. The Waitoa Community Panel and Council have agreed in principle that Waitoa property owners would be liable for 15% of the total cost of the project.

Council has also agreed in principle that property owners who pay targeted water rates in the wider Matamata-Piako District would fund 85% of this project.

Sharing costs between small communities and the wider district to maintain affordability for long-term projects is not new and is consistent with past decisions. See examples on page 97 of the 25 September 2024 Council meeting agenda [here](#).

Council is proposing to increase the targeted water rate for all property owners in the district who pay targeted rates.

The estimated costs are below.

Estimated cost: Council supply

The **overall** cost of the project is estimated to be \$8.2 million (based on 2025/26 figures).

Council cost:

Council proposed to fund 85% of the project.

Capital projects like this are typically funded through loans, and the costs to service that loan (payments and interest) are added to rates. Water is charged as a targeted rate to all ratepayers with a water supply across the district.

Waitoa property owner cost:

Council proposed that the Waitoa community would need to contribute 15% of that cost by paying either:

- \$2,091 to \$4,207 per year, or;¹
- A lump sum

District-wide property owners (who pay targeted rates):

An estimated additional \$34 to \$36 per year on top of the targeted water rate.²

From 1 October 2026, Matamata-Piako Council water and wastewater services will be delivered by Waikato Waters Ltd and responsible for setting and charging water and wastewater rates. The proposed increase to targeted water rates for resident in the district is an estimate based on MPDC financial information and is subject to Waikato Water Ltd decisions.

¹ High-level cost assumption depending on repayment period. The following assumptions were applied to calculations: instalments are paid over 3, 5, or 7 years. The works are done over the 2027 FY and operational by 2028.

\$8.2m project includes no allowances for any associated land purchases. Expenses not adjusted for inflation. Assume 5% interest rate. Assume assets have useful life of 80 years. Assume 130 Waitoa

properties. Figures include GST.

² Estimated additional cost may vary depending on repayment period of 3, 5, or 7 years.

Horopaki | Background

Fonterra formally notified Council it no longer wishes to continue its role of providing water to the Waitoa village, which was magnified by new water regulations introduced in 2021 by central government.

Finding an alternative option for water supply to the Waitoa village is a complex issue that is not just about pipes and water, but also about providing reliable water to the Waitoa community for the long term.

A Waitoa Community Panel reviewed several technical reports, listened to experts (including an independent water specialist, Iain Rabbitts), and investigated the costs and practicalities of two main options: each Waitoa property having self-supplied water (e.g. water tanks) or connecting to the Council water supply.

The Waitoa Community panel also made sub-recommendations that can be found at mpdc.nz/waitoacommunitypanel

Following four workshops over seven weeks, the Panel provided its recommendations to Council at the [17 December 2025 meeting](#). The main recommendation is:
Waitoa is connected to the Council water supply on the understanding that the Waitoa ratepayers are liable for 15% of the total project cost.

Council agreed in principle to all the Panel's recommendations and will make a final decision following district-wide consultation.

From 1 October 2026, Matamata-Piako District Council will no longer provide water and wastewater services, and will transfer these services to a new water entity – Waikato Waters Ltd.

This means that Matamata-Piako District Council is not responsible for planning, delivering, or financing this project. All the financial information in this proposal is an estimate and does not reflect the actual project cost or proposed targeted rates increase. The final costs will be subject to Waikato Waters Ltd decision-making.

Council intends to make a final decision prior to the transfer of water assets and use its position as a shareholder to advocate for the prioritisation of this project to prevent cost increases and for the wellbeing of Matamata-Piako residents as appropriate.

Reasons for the change proposal

Fonterra have notified Council they wish to withdraw from its role in supplying water to Waitoa, meaning doing nothing is not an option. Council established a Waitoa Community Panel in late 2025 to investigate all practicable options.³

Council is proposing to connect approximately 130 residential properties in the Waitoa village to the Te Aroha water supply following thorough analysis of all practicable options and the recommendation from the Waitoa Community Panel.

Council compared the option for self-supply to connecting Waitoa to the Council supply and following expert advice and the recommendations of the Waitoa Community Panel, agreed to propose that the Waitoa village be connected to the Council water supply. See [Appendix 1](#) for the comparison of options.

Other considerations

Fonterra has offered to contribute \$500,000 towards the 15% contribution from Waitoa property owners. This has not been included in the estimated costs as above and would result in reduced costs to Waitoa ratepayers. This contribution would not impact the estimated district-wide targeted water rates.

Council has agreed in principle to investigate options to use the proceeds from Waitoa Community Hall sale in 2021 to help fund this project.⁴ This would be subject to further discussion with the Waitoa Community and has not been included in the projected cost to ratepayers.

³ See the [background](#) information document provided to the panel with information on the options considered.

⁴ [Minutes of ordinary meeting of Matamata-Piako District Council - Wednesday, 17 December 2025](#) page 14

Implications of the change proposal

Implications for:	Matamata-Piako District Council	Matamata-Piako residents	Waitoa residents	Waikato Waters Ltd	Waikato Waters communities in the collective area
Rates and debt	No impact on rates and debt.	Increase targeted water rates for property owners district-wide that pay targeted water rates.	Increase targeted water rates for all Waitoa property owners.	Will take on debt for this project and set water rates for the district – the rates include funding this project.	Funding for Matamata-Piako district water projects is ring-fenced until 1 July 2027 at the latest. This proposal is not expected to impact the collective Waikato Waters area or rates. However, this is subject to Waikato Waters Ltd decisions.
Charges to water services	No impact – MPDC will no longer supply water or wastewater services from 1 October 2026.	Will increase targeted water rates. Estimates show an additional \$34 to \$36 per year for 3 to 7 years.	All Waitoa residents will be charged for water services, with instalments in the short-term. Waitoa property owners connected to Council water supply will be charged ongoing targeted water rates in the long term.	This project is expected to be incorporated in charges to water services in the future. It is not certain when this project will be included in water services charges.	This change proposal is not expected to impact water service charges to communities in the wider Waikato Waters area and is expected to only impact Matamata-Piako district ratepayers. However, this is subject to Waikato Water Ltd decisions.



Implications for:	Matamata-Piako District Council	Matamata-Piako residents	Waitoa residents	Waikato Waters Ltd	Waikato Waters communities in the collective area
Levels of service	May impact growth, which impacts levels of service and rates in the long term. Waitoa connection to the Council supply could impact property values in the long term and support growth. Growth impacts levels of service for other Council activities and services.	Will impact levels of service for water.	Will impact levels of service for water. Waitoa residents will receive water services from Waikato Waters Ltd and ongoing maintenance of the service.	Will impact levels of service for water as Waikato Waters Ltd will need to plan and deliver water connection to the Waitoa village and include the ongoing provision of water to Waitoa in its levels of service planning in the long term.	
Decision-making	Whilst decisions of past Councils do not bind Council, the community could expect consistency from Council. A decision to establish a Council water supply in Waitoa might create a similar expectation in other parts of the district.			Responsible for setting rates and water services and delivery for Matamata-Piako District from 1 October 2026.	
The environment					The connection of the Waitoa village to the Te Aroha Council water supply means water allocation would also need to service Waitoa. The Piako catchment was above



Implications for:	Matamata-Piako District Council	Matamata-Piako residents	Waitoa residents	Waikato Waters Ltd	Waikato Waters communities in the collective area
					its secondary water allocation limit in January and June 2023 according to WRC . Water allocation is solely a regional council activity, but allocation is particularly critical during low flow or drought conditions.

Other options considered:

Self-supply

Self-supply means each Waitoa property would have its own water system. Generally, this means each Waitoa property would have a water tank and each property owner would collect, store, treat, and maintain their own water supply. The most common way to do this is rainwater tanks, but bores may also be a viable option.

Waitoa property owners would need to consider the tank placement, roof shape and layout, and ensure tanks are kept away from any septic tanks. The installation of a rainwater tank has Council requirements including building consents and setback rules.⁵

The Waitoa property owners would be responsible for all maintenance and there is no legal requirement for treatment on domestic self-supply, but there are best practice guidelines. Waitoa property owners would need a plumber to install/connect a tank and assess the best options for each site and pipework.

Estimated cost: self-supply⁶

Council cost:	Waitoa community cost:	District-wide cost to Targeted
This option would not be funded by Council or Waikato Waters Ltd.	Approximately \$25,000–\$35,000 per property to install a rainwater system (including a tank, pump, filtration, and installation). ⁷ Homeowners would need to budget up to \$1,000 per year for maintenance	This would not impact rates for the wider community.

⁵ More information on the rules and consents required are available. [Waitoa Water Background Information.pdf](#) on page 21.

⁶ See Appendix 2 in [Waitoa Water Background Information.pdf](#) for more information

⁷ These numbers are based on retail prices and do not include any bulk discounts, mates rates or any other discounts that may be applied.

Reasons to not choose this option

Self-supply for the Waitoa community is not preferred by Council and was not recommended by the Waitoa Community panel as the set-up cost for individual property owners and ongoing maintenance cost is high. It was also not recommended as there is no guaranteed consistent water supply to properties.

[Appendix 1](#) compares the two options. Connecting to a Council supply provides assurance that water is meeting national regulations, the supply is reliable and is less reliant to rainfall.

Other options considered:

WSP undertook a high-level engineering investigation in 2023 to assess options for a Council supply to the Village.

Connection to Council water supply

- Connection to the Te Aroha supply via State Highway 26
- Connection to the Te Aroha supply via Waihekau and Ngarua Roads
- Connection to the Te Aroha supply via Waihekau and Seddon Roads
- A supply from the Waitoa River, treatment plant, and reservoir

Staff reached several conclusions from this options report:

- Connection to the Te Aroha Water supply is a better option taking into consideration the whole of life costs. This is because there will be no additional treatment costs.
- The Waitoa Village property owners are unlikely to be able to afford to fund any of the options without some external contribution(s).
- Council should consider costs and potential longer term benefits when selecting the best option for a supply. For example, a connection via State Highway 26 could possibly provide a future option for the Waihou community. This might also allow for costs to be shared over more properties. The Waihou Community has not raised any water supply issues with Council in recent times.

For more information on all the options considered, you can go [here](#).

Appendix 1: How the options compare

Aspect	Council Supply (proposed)	Self-Supply (not proposed)
Capital	Between approximately \$2,000 and \$4,000 per Waitoa property owner per year for 3 to 7 years. Additional \$34 to \$36 on top of targeted water rates district-wide for 3 to 7 years.	\$25,000 to \$35,000 per Waitoa property. No cost impact to district wide targeted water rates.
Ongoing cost	Ongoing water rates (as set by Waikato Waters Ltd) for Waitoa residents and wider district.	Up to \$1,000 per year for Waitoa property owners. No ongoing cost for wider district.
Water reliability	Generally high - can be subject to restrictions.	Dependant on rainfall, storage and maintenance.
Safe water	Subject to water standards and regulated.	Owner responsibility to maintain best practice. Building consent for new tanks/plumbing required.
Maintenance	Waikato Water Ltd responsibility.	Waitoa property owner responsibility.
Emergency	Hydrants available in a fire. Water infrastructure is designed, engineered and upgraded to be resilient and available during emergencies.	Owner can add an extra tank. No regulations – guidelines only.
Timeframe	1-2 years (consultation, design and build)	Immediate (dependant on contractor availability)

Ngā Whakaarotanga ā-Ture | Legal Considerations

Local Government Act 2002

Local Government (Water Services) Act 2025

Ētahi atu mōhiohio | More information

For more information on the Waitoa Water project, consultation, and Council decisions to date, you can go to [Let's Talk](#).

Feedback Process

Whether you agree, oppose or you have suggestions on things we could change for this proposal, we want to hear from you.

Please be aware that feedback made to Council is public information. Your feedback will be used and reproduced for purposes such as reports to Councillors, which are made available to the public and media.

For more information about this proposal, and to see what else we are consulting on, go to [Let's Talk](#).

How to give your feedback

 Online: Go to [Let's Talk](#) to fill out the online form.

 Mail to: 'Waitoa Water feedback',
PO Box 266, Te Aroha 3342

 Email: submissions@mpdc.govt.nz

 In person: You can drop your feedback form into any of our libraries or Council offices.

Ngā rā Matua | Key Dates



Puka whakahoki kōrero | Feedback form – Waitoa Water

Name/Organisation: _____

For individuals please simply write name/names, for organisations please write the full organisation name

Email: _____ **Phone:** _____

Address: _____

Town: ☐ Matamata ☐ Morrinsville ☐ Te Aroha ☐ Waitoa ☐ Other: _____

Age: ☐ Under 18 ☐ 18–24 ☐ 25–34 ☐ 35–44 ☐ 45–64 ☐ 65–74 ☐ 75+

Would you like to speak to the Mayor and Councillors about your feedback?

If you would like to speak to your submission, Council will contact you after consultation closes to confirm the hearing date and schedule a speaking time. In-person and online options will be available and accessibility support can be arranged if needed.

☐ Yes, I would like to speak to my submission



Your feedback

1. Do you agree with the change proposal that the Waitoa village is connected to Council water supply?

- ☐ Yes
- ☐ No
- ☐ Other/I have another suggestion

Additional Comments to support the option chosen above: _____

2. Is there anything else you think Council should consider in making this decision?

Please provide any further comments below

Please provide your feedback by 21 May 2026

Privacy statement: Please be aware that feedback made to Council is public information. Feedback will be used and reproduced for purposes such as reports to Elected Members, which are made available to the public. Submitters will be able to access a summary of feedback and deliberations to understand how feedback has been considered and how decisions were reached.

Note that individual feedback will be made publicly available in full (including your name and any organisation you represent), unless you request confidentiality and this may be able to be accommodated under the Local Government Official Information and Meetings Act 1987.

For more information about how we collect, use, and protect personal information, please see MPDC's Privacy Policy on our website:

www.mpd.govt.nz/contact-us/privacy-policy

7 Pūrongo me whakatau | Decision Reports

7.2 Waitoa Hall funding allocation

CM No.: 3199034

Te Kaupapa | Purpose

The purpose of this report is for Council to decide whether or not to allocate some or all of the Waitoa Hall sale proceeds to support Waitoa ratepayers transition to a new water supply.

Rāpopotonga Matua | Executive Summary

The Waitoa Community Hall was sold in 2019 following feedback from the local hall committee that the building was ageing and under-utilised. Approximately \$386,000 is currently held from the hall sale and accumulated interest.

As part of its recommendations on the future water supply for Waitoa, the Waitoa Community Panel recommended that the hall sale proceeds be used to help reduce the costs faced by affected properties if Council proceeded with a Council water supply.

Council subsequently consulted with those properties that had historically contributed to the Waitoa Hall through a targeted rate to seek their views on how the proceeds should be used. Of the 21 responses received, 20 supported using some or all of the proceeds to reduce water supply costs.

This report should be read in conjunction with Council's decision on the future of the Waitoa Village water supply and seeks a decision on the allocation of the Waitoa Hall sale proceeds.

Tūtohunga | Recommendation

That:

1. The information is received.
2. Following its decision on the future of the Waitoa Village water supply, Council:
 - a) Allocates the full Waitoa Hall sale proceeds towards reducing the costs of the Waitoa water supply project;
 - OR
 - b) Allocates a portion of the Waitoa Hall sale proceeds on a pro-rata basis to reduce costs for affected Waitoa properties;
 - OR
 - c) Does not allocate the Waitoa Hall proceeds towards the Waitoa water supply project.
3. If a Council water supply is not approved, defer any decision on the future use of the Waitoa Hall sale proceeds.

Horopaki | Background

Waitoa water proposal

Since 2021, the Waitoa community has faced uncertainty about its future water supply after Fonterra confirmed it no longer wished to continue providing water long-term.

Council established a 17-member Waitoa Community Panel to consider long-term water supply options and provide recommendations to Council. The Panel recommended connection to the Council water supply, with a sub-recommendation that the Waitoa Hall sale proceeds be used to help reduce the costs faced by affected properties.

Details of the water supply decision are included in a separate report within this agenda.

Waitoa Community Hall

Waitoa historically had a community hall that was funded through a targeted rate on local properties. As a result, many residents considered it to be a community asset that they had directly contributed towards over time.

Following feedback from the hall committee that the facility was ageing and under-utilised, Council sold the hall in 2019. Approximately \$386,000 is now held from the sale and accumulated interest.

The Community Panel identified the hall proceeds as a potential source of financial assistance for properties affected by any future Council water supply and recommended that the proceeds be applied on a pro-rata basis, distributed only among the residents impacted by the change to water supply.

At its 17 December 2025 meeting, Council requested that this sub-recommendation be tested with former Waitoa Hall targeted ratepayers before making a final decision.

A survey was circulated to former targeted ratepayers, inviting them to indicate how they would prefer the hall proceeds to be used. The survey responses are included in this report.

Survey feedback

Council undertook consultation on the use of the Waitoa Hall proceeds if the Council water supply proposal was progressed.

Respondents were presented with three options:

1. Use the proceeds on a pro-rata basis to reduce costs for affected properties (Panel recommendation);
2. Apply the entire proceeds towards reducing the project cost for affected properties; or
3. Do not use the proceeds for the water supply project.

Of the 21 responses received:

- 7 supported the Panel's preferred option (Option 1);
- 13 supported applying the entire proceeds to the water supply project (Option 2); and
- 1 supported retaining the proceeds for another purpose (option 3).

Ngā Take/Kōrerorero | Issues/Discussion

The hall proceeds were generated from rates paid by a wider group of properties than those directly affected by the proposed water supply project.

When rates were last collected for the hall there were 209 contributors, compared with approximately 130 properties within the defined Waitoa water supply project area. This difference reflects the fact that the historical hall rating area extended beyond the area affected by the proposed water supply project.

Council therefore needs to balance two considerations:

- whether the proceeds should be used to reduce costs associated with the water supply project; and
- whether some or all of the proceeds should remain available for future purposes benefiting the wider group of former hall contributors.

Survey responses indicate strong support for using the proceeds to reduce water supply costs, should Council proceed with a Council water supply.

If Council does not proceed with a Council water supply, the basis on which consultation was undertaken no longer applies and Council may wish to defer any decision on the proceeds until an alternative purpose is identified and considered.

Mōrearea | Risk

If proceeds are allocated to the water project

- Some former hall contributors who are not within the water supply area may consider they receive limited direct benefit from the allocation.
- Some members of the Waitoa community may expect that a portion of the proceeds remains available for future community purposes.

If proceeds are not allocated to the water project

- Some members of the Waitoa community may consider the proceeds should remain available for the benefit of the community that contributed to the hall through the targeted rate.
- Decisions regarding the future use of the proceeds may attract differing views from former hall contributors and the wider community.

Ngā Whiringa | Options

Option One – Allocate proceeds on a pro-rata basis (Community Panel recommendation)	
Description of option	
Apply a portion of the Waitoa Hall sale proceeds, on a pro-rata basis, to reduce the costs payable by affected properties should Council proceed with a Council water supply. Any remaining proceeds would be retained until Council determines an alternative use.	
Advantages	Disadvantages
Consistent with the Community Panel recommendation.	Not all historical hall contributors would receive a direct benefit.
Provides financial assistance to affected properties.	Further decisions would be required regarding the use of any remaining proceeds.

Retains a portion of the proceeds for potential future community use.	
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Option Two – Allocate all hall proceeds to the water project

Description of option

Apply the full Waitoa Hall sale proceeds towards reducing the costs associated with the water supply project.

Advantages

Supported by the majority of survey respondents.

Maximises financial assistance for affected properties.

No further decision would be required regarding any remaining hall proceeds.

Disadvantages

No proceeds would remain available for future community purposes.

Not all historical hall contributors would receive a direct benefit.

Option Three – Do not allocate hall proceeds to the water project

Description of option

Retain the hall sale proceeds for an alternative future purpose.

Advantages

Retains full flexibility regarding future use of the funds.

Allows Council to consider future opportunities that may benefit a wider group of former hall contributors or the wider community.

Disadvantages

Does not provide financial assistance towards water supply costs.

Future use of the proceeds may not align with the expectations of some former hall contributors who consider the proceeds should remain available for the benefit of the Waitoa community.

Received limited support through consultation.

Recommended option

Option 2 is recommended, subject to Council confirming a Council water supply for Waitoa Village.

The Community Panel recommended that the Waitoa Hall sale proceeds be used to reduce the costs faced by affected properties if the Council water supply proposal progressed. While the Community Panel preferred a pro-rata allocation approach, consultation demonstrated greater support for allocating all hall proceeds towards reducing water supply costs.

If Council does not proceed with a Council water supply, staff recommend that no decision be made on the future use of the Waitoa Hall proceeds until an alternative purpose has been identified and considered.

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

Council is not legally required to allocate the Waitoa Hall sale proceeds to the Waitoa water supply project or to any other specific purpose within Waitoa. The proceeds from the hall sale are Council funds and the decision regarding their use rests with Council. In making its decision, Council may

have regard to factors including the origin of the funds, community views, the Community Panel recommendations and the potential benefits of the proposed allocation.

Local Government Act 2002 (LGA 2002) Decision-making requirements

Having regard to the decision making provisions in the LGA 2002 and Council's Significance Policy, a decision in accordance with the recommendations is assessed as having a low level of significance.

All Council decisions, whether made by the Council itself or under delegated authority, are subject to the decision-making requirements in sections 76 to 82 of the LGA 2002. This includes any decision not to take any action.

Local Government Act 2002 decision making requirements	Staff/officer comment
Section 77 – Council needs to give consideration to the reasonable practicable options available.	Options are addressed above in this report.
Section 78 – requires consideration of the views of Interested/affected people	Targeted ratepayers were invited to complete a survey. Survey feedback is provided in this report.
Section 79 – how to achieve compliance with sections 77 and 78 is in proportion to the significance of the issue	The Significance and Engagement Policy is considered above. This issue is assessed as having a low level of significance.
Section 82 – this sets out principles of consultation.	Consultation undertaken is outlined in this report.

Policy Considerations

To the best of the writer's knowledge, this recommendation is not significantly inconsistent with nor is anticipated to have consequences that will be significantly inconsistent with any policy adopted by this local authority or any plan required by the Local Government Act 2002 or any other enactment.

Ngā Pāpāhonga me ngā Whakawhitiwhitinga | Communications and engagement

The outcome of Council's decision on the Waitoa Hall sale proceeds will be communicated to former Waitoa Hall targeted ratepayers. The decision will also be published on Council's Let's Talk website, specifically the Waitoa Hall page, as part of the consultation record.

Timeframes

Key Task	Dates
Communicate Council's decision to former Waitoa Hall targeted ratepayers	August 2026
Publish Council's decision on the Let's Talk website (Waitoa Hall page) as part of	August 2026

the consultation record

Te Tākoha ki ngā Hua mō te Hapori me te here ki te whakakitenga o te Kaunihera | Contribution to Community Outcomes

Matamata Piako District Council's Community Outcomes are set out below:

MATAMATA-PIAKO TŌ MĀTOU WĀHI NOHO OUR PLACE		MATAMATA-PIAKO DISTRICT COUNCIL TE ARA RAUTAKI STRATEGIC DIRECTION	
TŌ MĀTOU WHAKAKITENGA OUR VISION			
Matamata-Piako District is vibrant, passionate, progressive, where opportunity abounds. ‘The heart of our community is our people, and the people are the heart of our community.			
TŌ MĀTOU WHĀINGA MATUA OUR PRIORITIES (COMMUNITY OUTCOMES)			
			
He wāhi kaingākau ki te manawa A place with people at its heart	He wāhi puawaitanga A place to thrive	He wāhi e poipoi ai tō tātou taiao A place that embraces our environment	He wāhi whakapapa, he wāhi hangahanga A place to belong and create

The community outcomes relevant to this report are as follows:

- **A Place with People at its Heart** – through seeking and considering community feedback on the future use of the Waitoa Hall sale proceeds.

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

Funding information is included above.

Ngā Tāpiritanga | Attachments

[A.↓](#) Waitoa Hall survey responses 2026



Ngā waitohu | Signatories

Author(s)	Andrea Durie	
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	Pou Whakapā, Whai Wāhi Communications & Engagement Manager	
	Olivia Picard Kaitohu Kaupapahere Policy Advisor	

Approved by	Jenni Cochrane Hautū Wheako Kiritaki Group Manager Customer Experience	
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Submission Details

Submission ID: 885

Name: Narahenpitage Gayan Indrajith Perera

If the proposal to connect Waitoa village to the town water supply goes ahead, what is your preferred use of the Waitoa community hall sale proceeds? Please select one of the following options:

Option 1

Are you a resident and/or ratepayer of Waitoa?

Resident

RatePayer

First name(s)

Narahenpitage

Last Name(s)

Gayan Indrajith Perera

Submission Details

Submission ID: 886
Name: Lucca Thomas

If the proposal to connect Waitoa village to the town water supply goes ahead, what is your preferred use of the Waitoa community hall sale proceeds? Please select one of the following options:

Option 2

Are you a resident and/or ratepayer of Waitoa?

Resident
RatePayer

First name(s)

Lucca

Last Name(s)

Thomas

Submission Details

Submission ID: 888

Name: Kris west

If the proposal to connect Waitoa village to the town water supply goes ahead, what is your preferred use of the Waitoa community hall sale proceeds? Please select one of the following options:

Option 2

Please tell us the main reason for your answer. (This question is optional, but your feedback may help Council better understand community views.)

The cost of connecting is a concern for many home owners , this option reduces the strain the most .

Are you a resident and/or ratepayer of Waitoa?

Resident

RatePayer

First name(s)

Kris

Last Name(s)

west

Submission Details

Submission ID: 890
Name: scott Sandford

If the proposal to connect Waitoa village to the town water supply goes ahead, what is your preferred use of the Waitoa community hall sale proceeds? Please select one of the following options:

Option 2

Please tell us the main reason for your answer. (This question is optional, but your feedback may help Council better understand community views.)

Council rates have doubled on my property since I purchased it and dog registrations have increased to an outrageous figure. Everyone is struggling and if this Waitoa Water proposal goes thru, again who can afford this cost on top of their already high rates we all pay? If this is a way that the residents can have their costs reduced, by all means it is the right thing to do. My property has never been connected to the Fonterra water supply and I have my own rainwater tanks that I have managed quite fine. So I do not want the town water connected. If I am forced to do this by all means i would want to have the price reduced. There are quite a few people in this town like myself that have only 1 wage coming in that are paying mortgages, rates, dog registrations and everything else that life throws at you. Some residents are just not going to be able to come up with the extra.

Are you a resident and/or ratepayer of Waitoa?

Resident
RatePayer

First name(s)
scott

Last Name(s)
Sandford

Submission Details

Submission ID: 891
Name: raymond curtin

If the proposal to connect Waitoa village to the town water supply goes ahead, what is your preferred use of the Waitoa community hall sale proceeds? Please select one of the following options:

Option 1

Please tell us the main reason for your answer. (This question is optional, but your feedback may help Council better understand community views.)

most of the funds should be used to help pay the for the water system for all those that connect as i see little use for the left over funds

Are you a resident and/or ratepayer of Waitoa?

Resident
RatePayer

First name(s)
raymond

Last Name(s)
curtin

Submission Details

Submission ID: 892
Name: Peter Sinclair

If the proposal to connect Waitoa village to the town water supply goes ahead, what is your preferred use of the Waitoa community hall sale proceeds? Please select one of the following options:

Option 1

Please tell us the main reason for your answer. (This question is optional, but your feedback may help Council better understand community views.)

Have been a Waitoa rate payer since 1984 and owned a property on Farmer Rd when the first water supply plan was proposed but we sold and moved further down Wood Rd. I certainly would have appreciated some financial assistance at the time if it went ahead.

Are you a resident and/or ratepayer of Waitoa?

Resident
RatePayer

First name(s)
Peter

Last Name(s)
Sinclair

Submission Details

Submission ID: 894
Name: Annelies Vranken

If the proposal to connect Waitoa village to the town water supply goes ahead, what is your preferred use of the Waitoa community hall sale proceeds? Please select one of the following options:

Option 2

Are you a resident and/or ratepayer of Waitoa?

Resident
RatePayer

First name(s)

Annelies

Last Name(s)

Vranken

Submission Details

Submission ID: 895
Name: Scott Bennett

If the proposal to connect Waitoa village to the town water supply goes ahead, what is your preferred use of the Waitoa community hall sale proceeds? Please select one of the following options:

Option 2

Please tell us the main reason for your answer. (This question is optional, but your feedback may help Council better understand community views.)

The amount of pensioners and single income families in Waitoa is high, therefore a cost such as connecting water will be a great burden on these people.

Are you a resident and/or ratepayer of Waitoa?

Resident
RatePayer

First name(s)
Scott

Last Name(s)
Bennett

Submission Details

Submission ID: 896
Name: Hannah Ridling

If the proposal to connect Waitoa village to the town water supply goes ahead, what is your preferred use of the Waitoa community hall sale proceeds? Please select one of the following options:

Option 2

Are you a resident and/or ratepayer of Waitoa?

Resident
RatePayer

First name(s)

Hannah

Last Name(s)

Ridling

Submission Details

Submission ID: 897
Name: Murray Moir

If the proposal to connect Waitoa village to the town water supply goes ahead, what is your preferred use of the Waitoa community hall sale proceeds? Please select one of the following options:

Option 2

Are you a resident and/or ratepayer of Waitoa?

Resident
RatePayer

First name(s)

Murray

Last Name(s)

Moir

Submission Details

Submission ID: 898
Name: Jo PALMER

If the proposal to connect Waitoa village to the town water supply goes ahead, what is your preferred use of the Waitoa community hall sale proceeds? Please select one of the following options:

Option 2

Are you a resident and/or ratepayer of Waitoa?

RatePayer

First name(s)

Jo

Last Name(s)

PALMER

Matamata-Piako District Council
HAL-899: Dave Johns, 08 Jun 2026

Waitoa Hall (HAL)
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Submission Details

Submission ID: 899
Name: Dave Johns

If the proposal to connect Waitoa village to the town water supply goes ahead, what is your preferred use of the Waitoa community hall sale proceeds? Please select one of the following options:

Option 1

Are you a resident and/or ratepayer of Waitoa?

RatePayer

First name(s)

Dave

Last Name(s)

Johns

Submission Details

Submission ID: 900
Name: Kent Brown

If the proposal to connect Waitoa village to the town water supply goes ahead, what is your preferred use of the Waitoa community hall sale proceeds? Please select one of the following options:

Option 2

Are you a resident and/or ratepayer of Waitoa?

RatePayer

First name(s)

Kent

Last Name(s)

Brown

Submission Details

Submission ID: 901
Name: LINDA COLLINS

If the proposal to connect Waitoa village to the town water supply goes ahead, what is your preferred use of the Waitoa community hall sale proceeds? Please select one of the following options:

Option 2

Please tell us the main reason for your answer. (This question is optional, but your feedback may help Council better understand community views.)

The likelihood of the wider Waitoa community being put on this Waitoa Village water supply in the near future does not sound likely, if it was to happen in the far-off future it would take a lot more money than what's left in the kitty. If the full amount of funds was being used by those of us affected, it would be of a great deal of help as I personally have paid out thousands for a water tank and pump system which will then be no longer required if i am to connect to the village supply, or, if i don't connect up now I face paying a yearly service charge for a service i don't want.

Are you a resident and/or ratepayer of Waitoa?

Resident
RatePayer

First name(s)
LINDA

Last Name(s)
COLLINS

Submission Details

Submission ID: 902
Name: Spencer Jamieson

If the proposal to connect Waitoa village to the town water supply goes ahead, what is your preferred use of the Waitoa community hall sale proceeds? Please select one of the following options:

Option 4

Please tell us the main reason for your answer. (This question is optional, but your feedback may help Council better understand community views.)

Pro-rata the funds and disperse a fair share to all Waitoa ratepayers. Those connecting to the water supply can use theirs to help with that, others can use it to reduce their rates bills.

Are you a resident and/or ratepayer of Waitoa?

Resident
RatePayer

First name(s)
Spencer

Last Name(s)
Jamieson

Submission Details

Submission ID: 903

Name: Maureen McIntyre

If the proposal to connect Waitoa village to the town water supply goes ahead, what is your preferred use of the Waitoa community hall sale proceeds? Please select one of the following options:

Option 1

Please tell us the main reason for your answer. (This question is optional, but your feedback may help Council better understand community views.)

I think tgey deserve some assistance getting a water supply. I think anything remaining could be used to fence the grass area by the rest area to stop people doing wheelies in there

Are you a resident and/or ratepayer of Waitoa?

RatePayer

First name(s)

Maureen

Last Name(s)

McIntyre

Matamata-Piako District Council
HAL-906: Jenny Karshagen, 14 Jun 2026

Waitoa Hall (HAL)
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Item 7.2

Submission Details

Submission ID: 906
Name: Jenny Karshagen

If the proposal to connect Waitoa village to the town water supply goes ahead, what is your preferred use of the Waitoa community hall sale proceeds? Please select one of the following options:

Option 2

Please tell us the main reason for your answer. (This question is optional, but your feedback may help Council better understand community views.)

Would rather see the whole amount put towards the Waitoa water as this is going to positively impact on the wider Waitoa community

Are you a resident and/or ratepayer of Waitoa?

Resident

First name(s)

Jenny

Last Name(s)

Karshagen

Attachment A

Submission Details

Submission ID: 915
Name: Paul Austen

If the proposal to connect Waitoa village to the town water supply goes ahead, what is your preferred use of the Waitoa community hall sale proceeds? Please select one of the following options:

Option 1

Please tell us the main reason for your answer. (This question is optional, but your feedback may help Council better understand community views.)

I agree that those being connected should receive their proportion of the hall proceeds.
I would also like to suggest that, if some (or all) of the remaining balance could be allocated toward completing the river walkway that the Waitoa Industry Estate have been progressing, this would be of benefit to all Waitoa residents as well as the wider community.

many thanks, Paul & Karen Austen

Are you a resident and/or ratepayer of Waitoa?

Resident
RatePayer

First name(s)
Paul

Last Name(s)
Austen

Submission Details

Submission ID: 1086
Name: Sheree Steele

If the proposal to connect Waitoa village to the town water supply goes ahead, what is your preferred use of the Waitoa community hall sale proceeds? Please select one of the following options:

Option 2

Please tell us the main reason for your answer. (This question is optional, but your feedback may help Council better understand community views.)

I believe the hall was originally funded by the Waitoa people and I believe those funds should be reinvested back into the community.

The water supply issue is urgent and those funds are available.

Given the cost of the upgrades will be felt across the district, every contribution helps reduce the extra burden on ratepayers in our district.

Are you a resident and/or ratepayer of Waitoa?

RatePayer

First name(s)

Sheree

Last Name(s)

Steele

Submission Details

Submission ID: 1180
Name: Selwyn Martin

If the proposal to connect Waitoa village to the town water supply goes ahead, what is your preferred use of the Waitoa community hall sale proceeds? Please select one of the following options:

Option 1

Please tell us the main reason for your answer. (This question is optional, but your feedback may help Council better understand community views.)

My personal opinion is we need to go ahead with this project. We are not connected to the factory water but are keen to see this project done. Many years ago we had a survey to put sewerage in an it was lost. I do not want this to happen to the water.

Are you a resident and/or ratepayer of Waitoa?

Resident
RatePayer

First name(s)
Selwyn

Last Name(s)
Martin

Matamata-Piako District Council
HAL-1224: Linda Partridge , 20 Jun 2026

Waitoa Hall (HAL)
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Submission Details

Submission ID: 1224
Name: Linda Partridge

If the proposal to connect Waitoa village to the town water supply goes ahead, what is your preferred use of the Waitoa community hall sale proceeds? Please select one of the following options:

Option 2

Are you a resident and/or ratepayer of Waitoa?

RatePayer

First name(s)

Linda

Last Name(s)

Partridge

7 Pūrongo me whakatau | Decision Reports

7.3 Adoption of Waikato Waters Ltd Transfer Agreement

CM No.: 3200699

Te Kaupapa | Purpose

The purpose of this report is to seek Council adoption of the Waikato Waters Ltd Transfer Agreement, following Council's approval of the draft agreement and associated delegations on 24 June 2026.

Rāpopotonga Matua | Executive Summary

At its meeting on 24 June 2026, Council approved the draft Transfer Agreement and delegated authority to the Mayor and Chief Executive to finalise and sign the agreement on behalf of Council.

The Transfer Agreement has now been finalised and signed by the Mayor and Chief Executive.

Council is now asked to adopt the signed Transfer Agreement. No further substantive matters are being reconsidered through this report.

In order to give effect to this commitment and meet Council's obligations under the Local Government (Water Services) Act 2025 (LGWSA), Council is required to enter into a transfer agreement, transferring the responsibility for providing water services, with the content of that transfer defined throughout the agreement. Council previously confirmed that stormwater services would not transfer to WWL under the Transfer Agreement.

Tūtohunga | Recommendation

That:

1. The report be received.
2. Council adopts the signed Waikato Waters Ltd Transfer Agreement.

Ngā Whiringa | Options

Option	Comment
Option 1: Do not adopt the signed Transfer Agreement	This option would not give effect to Council's previous decision of 24 June 2026 and is not recommended.
Option 2: Adopt the signed Transfer Agreement	This option gives effect to Council's previous decision and enables the signed Transfer Agreement to be formally adopted. This is the recommended option.

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

The substantive decision to approve and execute the Transfer Agreement was considered by Council on 24 June 2026. This report is limited to the formal adoption of the signed agreement.

The resolutions now sought are more limited in scope, as they give effect to decisions already made by Council and provide the approvals and delegations required to implement the transfer.

Staff confirm that option 2, adopting the signed Transfer Agreement, is consistent with Council's previous decision and supports implementation of the Transfer Agreement.

Local Government Act 2002 (LGA 2002) Decision-making requirements

Having regard to the decision-making provisions in the LGA 2002 and Council's Significance and Engagement Policy, the subject matter of this report is significant. However, the decisions sought by these recommendations are considered proportionate to earlier consultation and Council decisions that have already been undertaken.

All Council decisions, whether made by the Council itself or under delegated authority, are subject to the decision-making requirements in sections 76 to 82 of the LGA 2002. This includes any decision not to take any action.

Local Government Act 2002 decision making requirements	Staff/officer comment
Section 77 – Council needs to give consideration to the reasonable practicable options available.	Options are addressed above in this report.
Section 78 – requires consideration of the views of Interested/affected people	Option 2 gives effect to Council's previous direction by formally adopting the signed Transfer Agreement. <i>"Although the participating councils may be manageable in the short term, the longer-term risks mean a different approach is needed."</i>
Section 79 – how to achieve compliance with sections 77 and 78 is in proportion to the significance of the issue	The Significance and Engagement Policy is considered above. This issue is assessed as having a High level of significance.
Section 82 – this sets out principles of consultation.	Consultation on the Waikato Waters proposal was undertaken between 5 – 25 May 2025.

Policy Considerations

To the best of the writer's knowledge, this recommendation is not significantly inconsistent with nor is anticipated to have consequences that will be significantly inconsistent with any policy adopted by this local authority or any plan required by the Local Government Act 2002 or any other enactment.

Ngā Pāpāhonga me ngā Whakawhitiwhitinga | Communications and engagement Timeframes

Key Task	Dates
Publish the fully executed version of the Transfer Agreement on Council's website (with such necessary redactions as required to protect any obligations of confidentiality and/or privacy).	No later than 31 July 2026.

Ngā take ā-lhinga | Consent issues

None.

Te Tākoha ki ngā Hua mō te Hapori me te here ki te whakakitenga o te Kaunihera | Contribution to Community Outcomes

Matamata Piako District Council's Community Outcomes are set out below:

MATAMATA-PIAKO TŌ MĀTOU WĀHI NOHO OUR PLACE		MATAMATA-PIAKO DISTRICT COUNCIL TE ARA RAUTAKI STRATEGIC DIRECTION	
TŌ MĀTOU WHAKAKITENGA OUR VISION			
Matamata-Piako District is vibrant, passionate, progressive, where opportunity abounds. ‘The heart of our community is our people, and the people are the heart of our community.			
TŌ MĀTOU WHĀINGA MATUA OUR PRIORITIES (COMMUNITY OUTCOMES)			
			
He wāhi kaingākau ki te manawa A place with people at its heart	He wāhi puawaitanga A place to thrive	He wāhi e poipoi ai tō tātou taiao A place that embraces our environment	He wāhi whakapapa, he wāhi hangahanga A place to belong and create

The community outcomes relevant to this report are as follows:

- He wāhi e poipoi ai tō tātou taiao | A place that embraces our environment, by supporting the sustainable and resilient delivery of essential water services.

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

The costs of establishing WWL are being financed by the shareholding councils until Waikato Waters can borrow in its own right from the Local Government Funding Agency (LGFA). Councils will be providing a Deed of Guarantee to the LGFA to support Waikato Waters.

Once WWL can borrow (1 July 2026), all monies advanced by the shareholders will be repaid, including interest costs. The budget for these establishment costs was approved by the SRF in July 2025 in accordance with the delegation vested in that forum under the Shareholders' Agreement.

Ngā Tāpiritanga | Attachments

A.  Transfer Agreement - Signed by MPDC - 09 July 2026 (*Under Separate Cover*)

Ngā waitohu | Signatories

Author(s)	Susanne Kampshof Pou Rawa me ngā Kaupapa Assets and Projects Manager	
Approved by	Fiona Vessey Hautū Hanganga Rawa me ngā Whakahaere Group Manager Infrastructure, Assets & Operations	

7 Pūrongo me whakatau | Decision Reports

7.4 Bylaws Relating to Waikato Waters Limited Transfer

CM No.: 3183445

Te Kaupapa | Purpose

To seek Council authorisation to:

1. Delegate administration and enforcement functions and powers of Councils water services bylaws, pursuant to legislation, to Waikato Waters Limited; and
2. Agree to a joint review of water services bylaws as required under the Local Government (Water Services) Act 2025 by agreeing to the draft Memorandum of Understanding with Waikato Waters Limited and its shareholding Councils.

Rāpopotonga Matua | Executive Summary

Council's Water Supply, Wastewater and Trade Waste Bylaws must be reviewed by August 2027 under the Local Government (Water Services) Act 2025 (LGWSA). Following the transition of water and wastewater services to Waikato Waters Limited (WWL) from 1 October 2026, Council will retain its ability to make, amend or revoke a bylaw. Some bylaw powers and functions can be delegated to WWL through the draft Memorandum of Understanding ("MOU") between WWL and shareholding Councils.

Tūtohunga | Recommendation

That:

1. The information be received.
2. Pursuant to, and to the extent permitted under, section 262 of the Local Government (Water Services) Act 2025 and clause 32(5) of Schedule 7 to the Local Government Act 2002, delegate to Waikato Waters Limited all functions and powers relating to the administration and enforcement of Council's Water Supply, Wastewater and Trade Waste Bylaws, effective from the Transfer Date of 1 October 2026.
3. Council agrees to enter into a Memorandum of Understanding with Waikato Waters Limited and any of its shareholder Councils that chose to participate, substantially in the form attached to this report, regarding the co-ordinated review of water services bylaws and associated matters required under the Local Government (Water Services) Act 2025;
4. Council delegates authority to the Chief Executive to:
 - a) Finalise, negotiate, approve and execute the Memorandum of Understanding relating to water services bylaws between Waikato Waters and the other signatory Councils.
 - b) Notify Waikato Waters Limited of the delegations, record Waikato Waters Limited's acceptance of such delegations, and the Matamata-Piako District Council Delegation Register be updated in accordance with these delegations once accepted by Waikato Waters Limited Chief Executive.
 - c) Revoke any delegations by mutual agreement between Matamata-Piako District Council and Waikato Waters Limited.

Horopaki | Background

From 1 October 2026, responsibility for drinking water and wastewater services will transfer from Matamata-Piako District Council to WWL.

Councils are required to undertake an initial review of all water-related bylaws by 27 August 2027 under the LGWSA. These reviews must consider the consistency of existing bylaws with the new legislation and conclude with a plan for any required changes.

As Council water services will now be delivered through multi-council arrangements, the review must be a joint one but resulting bylaws may differ for different councils.

Any changes or new bylaws identified as required through the initial review must be made by August 2030. Thereafter, reviews of bylaws are required every ten years.

The bylaws that MPDC must review are as follows:

- [Wastewater Bylaw](#)
- [Water Supply Bylaw](#)
- [Trade Waste Bylaw](#)

As Stormwater services are not transferring to WWL, Council's [Stormwater Bylaw](#) is outside the scope of this report.

Council Water-related Bylaws	Previous review timeframes under Local Government Act 2002	New review timeframes under LGWSA
Wastewater Bylaw	Due May 2027	Initial compliance review: By August 2027
Water Supply Bylaw		
Stormwater Management Bylaw	Due July 2030	New or amended Bylaw: By August 2030
Trade waste Bylaw		

The new requirements replace any reviews due under the Local Government Act 2002. This is helpful because Council has three Water-related bylaws that would have otherwise needed to be reviewed by May 2027, if not for the LGWSA.

The usual process of Local Government Act 2002 reviews has effectively ended, with the new review requirements now falling under the LGWSA.

Council and WWL roles

Council retains responsibility for making, amending and revoking bylaws relating to drinking water and wastewater services, while WWL will be responsible for operating and managing the said services under the LGWSA.

The LGWSA enables WWL to manage water supply and wastewater services with locally relevant bylaws, offence provisions and infringement tools, rather than the current bylaws provisions in the Local Government Act 2002.

Councils can choose to delegate the administration and enforcement of some or all water service bylaws to WWL, as well as other roles such as consultation.

Council can also delegate any of its administration and enforcement functions or powers to WWL under Section 262 of the Act. Should Council agree to delegate the relevant powers, Council must:

- Invite each water organisation operating in the territorial authority's district to propose a new bylaw or an amendment to the existing bylaw; and
- Consider each proposal made under (a); and
- Decide whether to confirm the bylaw, or to amend, revoke, or revoke and replace the bylaw to ensure it is consistent with the provisions in the Act; and
- If it decides a bylaw should be amended revoked, or revoked and replace, develop a plan for doing so.

A summary of the process is attached to this report.

To manage the proposed process, shareholding councils and WWL have developed a draft MOU that is attached to this report.

Ngā Take/Kōrerorero | Issues/Discussion

Memorandum of Understanding (MOU)

The draft MOU sets out:

- The agreed process and timeframes for the joint review of relevant bylaws.
- The establishment of a bylaw coordination group with membership from WWL and a senior staff member from each shareholding Council to manage the bylaw review process.
- The process for developing Trade Waste Discharge Plans, as also required by the LGWSA. Refer to separate Council report on this agenda for further details.
- The agreement to delegate powers under applicable existing bylaws.
- Under the MOU, WWL would propose a new bylaw, amendment or revocation of an existing (water) bylaw to Council and seek agreement with the proposal and a decision as to whether consultation is required.
- Should consultation be required, either:
 - Council decides to confirm, amend or decline the proposal (for which reasons must be given) OR
 - WWL decides to confirm, amend or withdraw the proposal.

It is recommended that this MOU be agreed to by Council to ensure that the process is clear and ensure compliance with Council's legal obligations.

Delegation to the Chief Executive is sought to finalise and sign this MOU.

The other WWL Councils have made the following decisions:

- Hauraki – have not presented this formally to elected members at this stage. Staff understand they are supportive of the MOU.
- Waipa – approved the MOU and delegations (24 June 2026 meeting)
- South Waikato - approved the MOU and delegations (25 June 2026 meeting)
- Waitomo – approved the MOU and delegations (30 June 2026 meeting)
- Otorohanga – staff understand they are not participating in the MOU at this stage.

Mōrearea | Risk

Bylaw Delegations

Staff consider the risk associated with the proposed recommendations to be **low**.

Without the relevant delegations, WWL will not have appropriate authority to administer existing bylaw-related processes such as network connection approvals, trade waste consents and compliance monitoring.

If Council does not provide delegations to Waikato Waters, the risk of legal non-compliance could increase.

Similarly, there could be an increased risk of inconsistent approaches between shareholder councils, duplication of effort, delays in decision-making, or failure to meet the statutory review timeframe.

Memorandum of Understanding (MOU)

The MOU establishes agreed governance arrangements, review processes and escalation pathways intended to mitigate these risks.

Ngā Whiringa | Options

It is recommended that Council delegate the administration and enforcement powers and functions under Council's Water Services Bylaws to the extent permitted under, section 262 of the LGWSA and clause 32(5) of Schedule 7 to the LGA.

It is recommended that Council enter into the MOU relating to Water Services Bylaws with WWL and shareholding Councils.

Option One – Delegation of the administration and enforcement powers and functions under Council's Water Services Bylaws and enter the MOU (recommended).

Advantages	Disadvantages
Enables WWL, as the water services provider, to administer and enforce the Water Services Bylaws while ensuring day-to-day decisions are made by the organisation with the required operational expertise.	Participation in the bylaw coordination group will require ongoing staff time and resources throughout the review process.
Establishes a coordinated and consistent approach to the statutory bylaw review process across all WWL shareholder councils, reducing duplication and supporting compliance with legislative timeframes.	

Option Two – Do not delegate administration and enforcement powers and functions under Council's Water Services Bylaws do not become party to the MOU.

Advantages	Disadvantages
Council retains direct control of all administration and enforcement functions under the Water Supply, Wastewater and Trade Waste Bylaw.	WWL will not be able to effectively administer the wastewater and water supply networks as it will not have the functions and powers under relevant bylaws.
	No clear bylaw review system in place to allow coordination with other WWL Councils, potentially increasing the risk of non-compliance with the Act.
	Risk of not meeting the statutory review timeframes set out in the LGWSA.

Recommended option

It is recommended that Council delegate the administration and enforcement functions under Council's Water Services Bylaws to the extent permitted under, section 262 of the LGWSA and clause 32(5) of Schedule 7 to the LGA and enter into the MOU.

This option provides a coordinated framework for the statutory review of water services bylaws, enables WWL to effectively carry out its operational responsibilities, and supports compliance with the LGWSA.

It is recommended that authority is delegated to the Chief Executive to finalise, negotiate and execute the MOU.

Local Government Act 2002 (LGA 2002) Decision-making requirements

Local Government (Water Services) Act 2025

Section 262 of the LGWSA authorises Council to delegate to WWL any of its functions or powers that relate to the administration or enforcement of a water services bylaw. This delegation excludes the ability to make, amend or revoke a bylaw or to delegate any of these functions or powers.

Any delegation under this section does not prevent Council from exercising the relevant powers or functions nor does it affect the responsibility of Council for the actions of WWL when acting under the delegation. To clarify Council can carry out the same functions and powers delegated and are still responsible for any action undertaken in accordance with the Waters Bylaws by WWL or Council staff.

Local Government Act 2002

The suggested delegations are not consistent with the Council's current Long Term Plan and related policies, however, they are consistent with Council's Water Services Delivery Plan 2025. The current Revenue and Financing and Significance and Engagement Policies are to be updated with relevant changes for the transition of the water and wastewater activities.

Ngā Pāpāhonga me ngā Whakawhitiwhitinga | Communications and engagement

Timeframes

The proposed timing of the water bylaws review is as below. It is noted the timeframes overlap with the development and consultation on Council's Long Term Plan and the bylaws will be consulted on with the community alongside the Long Term Plan.

Under Section 259 of the LGWSA, the bylaws could be consulted on by WWL, not Council following appropriate delegation. However, Council can decide to undertake consultation of the water bylaws once they are developed under Section 259 of the Act.

At this stage, it is planned that WWL will be preparing and drafting the bylaw for consideration by the Councils (for each Council to then consult on and adopt).

Activity	Originally Proposed Date	Proposed Alternative
Output of consistency review	1 November 2026	1 September 2026
Waikato Waters proposed new or amended Bylaw	1 March 2027	30 November 2026
Council determination	30 April 2027	28 February 2027
Plan	No specified date	
Statement of Proposal	May 2027	March 2027
Consult	June 2027	April 2027
Hearing	July 2027	May 2027
New Bylaw in Force	1 September 2027	1 September 2027

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

There is no significant financial cost associated with the delegation of powers to WWL as per legislation and the MOU.

Each party will bear its own costs in connection with the negotiation of the MOU and any matters arising out of it unless agreed in writing.

WWL will prepare and draft the bylaws for consideration by the Councils (for each Council to then consult on and adopt). It is expected this work will be done at WWL's own cost. The MOU does not provide for WWL to be reimbursed for this which is considered appropriate given that it is a statutory function for WWL to propose a bylaw (if it chooses).

Council staff can review the proposed bylaws for overall legal compliance, and general policy points e.g. fairness to consumers, clarity of obligations, and compliance with legislation. Any technical advice required by Council to support this review would be obtained at Council's own cost.

Should joint engagement of external specialist or technical advisors (including legal, policy, or water services specialists) be required to assist with the Bylaw Review or any future reviews of Water Services Bylaws the bylaw coordination group will agree in advance of the engagement being confirmed how costs are to be shared.

The MOU will result in unbudgeted operational staff time to participate in the bylaw coordination group. No additional budget allocation is sought, and this cost is expected to be met from existing operational resources.

Ngā Tāpiritanga | Attachments

A.  New Bylaws process diagram

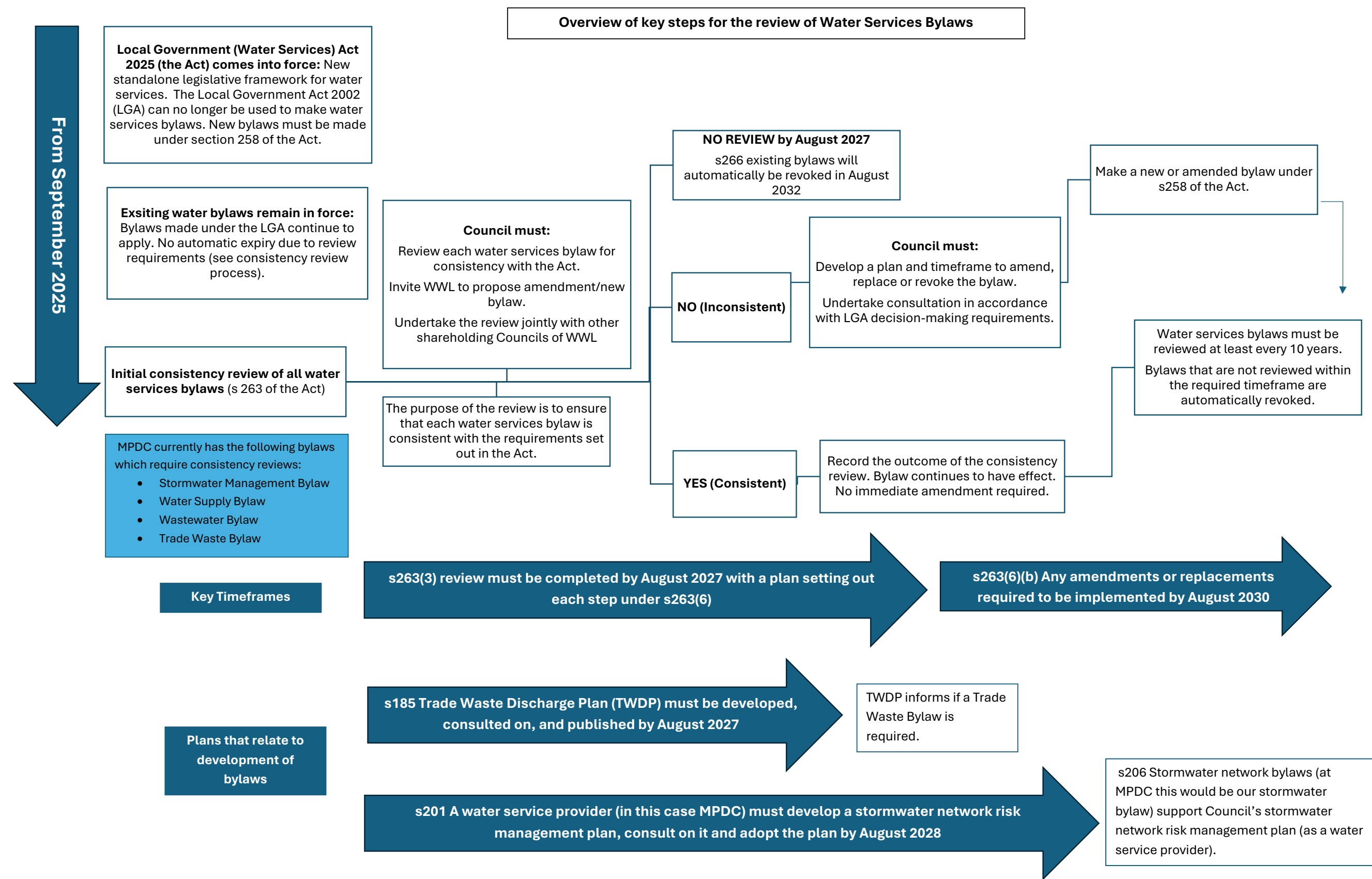


B.  DRAFT - Memorandum of Understanding - Water Services Bylaws as at 24 June 2026 (for 29 July 2026 Council meeting) (*Under Separate Cover*)

Ngā waitohu | Signatories

Author(s)	Olivia Picard Kaitohu Kaupapahere Policy Advisor	
	Niall Baker Kaiārahi Tima Kaupapahere Policy Team Leader	

Approved by	Sandra Harris Pou Kaupapahere, Rāngai Mahitahi me te Kāwana Policy, Partnerships and Governance Manager	
	Kelly Reith Hautū Rangatōpū, Tāngata me ngā Hononga Group Manager Corporate, People & Relationships	



7 Pūrongo me whakataū | Decision Reports

7.5 Trade Waste Discharge Plan Delegation to Waikato Waters Limited

CM No.: 3189384

Te Kaupapa | Purpose

The purpose of this report is to seek Council's decision on whether to delegate responsibility for preparing, consulting on, and issuing the Trade Waste Discharge Plan to Waikato Waters Limited.

Rāpopotonga Matua | Executive Summary

Council must prepare a Trade Waste Discharge Plan (TWDP) no later than 27 August 2027.

Council may delegate the preparation, consultation and issue of the TWDP to Waikato Waters Limited (WWL). This report seeks Council's decision for delegating the preparation, consultation and issue of the TWDP to WWL.

As WWL will be responsible for wastewater services and assets, delegating the TWDP is considered appropriate to ensure the plan supports operations and, more broadly, aligns with other shareholding councils.

Tūtohunga | Recommendation

That:

1. The information be received.
2. Pursuant of the Local Government (Water Services) Act 2025 Council resolves to delegate preparing, consulting on, and issuing the Trade Waste Discharge Plan to Waikato Waters Limited.

Horopaki | Background

What is trade waste?

Wastewater networks protect community health and the environment. How well the wastewater network operates is dependent on what is being discharged into it.

There are two broad categories of wastes being discharged into the wastewater network:

- Domestic wastewater
- Trade waste.

Trade waste is wastewater discharged into the Council network that does not include contents from 'domestic' sources such as toilets, showers and normal kitchen/laundry use.

Council's [Trade Waste Bylaw 2008 \(amended 2020\)](#) lays out the process for managing trade waste.

Further information is set out on Council's website: <https://www.mpd.govt.nz/water/trade-waste>

Trade Waste Discharge Plan (TWDP)

The plan must set out the approach Council will take to regulate:

- (a) trade waste in its district; and
- (b) the discharge of trade waste into wastewater networks in its district

The TWDP must specify the following:

- a) the types of or specific premises to which the TWDP applies; and
- b) any requirements or limits in relation to transporting trade waste; and
- c) any proposed or recommended trade waste bylaws that are necessary to implement the plan; and
- d) the circumstances in which the water service provider will impose any fees or charges in relation to trade waste, including when a penalty will be imposed for not complying with the TWDP or a trade waste permit.

The TWDP may

- a) include conditions that the water service provider may impose on the discharge of trade waste into the wastewater network;
- b) include different requirements or provisions for different categories of trade waste premises;
- c) apply to 1 or more wastewater networks;
- d) specify any class of waste or material that is not to be trade waste for the purposes of this Act.

Proposed delegation

From 1 October 2026, Matamata-Piako District Council will transfer its wastewater assets and services to WWL.

Section 185 of the Local Government (Water Services) Act 2025 (LGWSA) requires all Councils, regardless of whether they are transferring to a new water entity or not, to prepare and issue a TWDP by 27 August 2027.

Under the Act Council may delegate preparation, consultation and issuing of the TWDP to WWL.

As WWL will be responsible for wastewater services and assets, delegating the TWDP is considered appropriate to ensure the plan supports operations and, more broadly, aligns with other shareholding councils.

WWL has requested that any delegation decision be made by 31 August 2026 to provide time to develop a TWDP ahead of the statutory deadline.

Bylaw memorandum of understanding – relationship to the trade waste bylaw

A trade waste bylaw is not legally required but the TWDP can recommend one. If a bylaw is recommended, Council must consider making a bylaw if it is consistent with the Act and relevant legislation.

A separate report is provided to Council regarding water-related bylaws and the memorandum of understanding on this meeting agenda.

Under the memorandum of understanding, WWL will consult with the Councils via the bylaw coordination group on whether the TWDP shall include recommendations that the Councils make a trade waste bylaw amendment, prior to making any recommendation.

Note the TWDP is required to be adopted by August 2027 and the existing trade waste bylaw also needs to have an initial (legal consistency) review August 2027.

The TWDP must be publicly consulted on. Consultation on the TWDP must also include consultation required on a proposed or recommended trade waste bylaw.

Staff understanding is the trade waste conditions and requirements set out in the TWDP will need to be embedded or referenced in a bylaw to give enforceable power.

Mōrearea | Risk

There is a risk WWL trade waste conditions could be more stringent than Council's.

The risk of delegating the preparation, consultation and issue of the TWDP to WWL is considered to be low.

Developing the TWDP in-house could increase the risk of non-compliance and misalignment with WWL.

As many Council water and wastewater staff are now, or will become, WWL employees, in-house technical and operational expertise will be significantly reduced once services are transferred to them. Developing a TWDP in-house may result in statutory non-compliance and misalignment with other WWL shareholding councils.

With reduced staff capacity and technical expertise for trade waste, developing the plan in-house may place additional pressure on Council resources, duplication of effort, and increase the risk of not meeting the statutory deadline.

Ngā Whiringa | Options

Option One – Council delegates preparing, consulting on, and issuing the Trade Waste Discharge Plan to Waikato Waters Limited.	
Advantages	Disadvantages
The TWDP aligns with WWL and other shareholding Councils	There is a risk WWL trade waste conditions could be more stringent than Council's.
WWL can effectively plan to deliver trade waste services to the MPDC community.	
Staff resources and information are shared among shareholding Councils	

Option Two – Council does not delegate preparing, consulting on, and issuing the Trade Waste Discharge Plan to Waikato Waters Limited - Council retains responsibility for preparing, consulting on and issuing the TWDP.	
Advantages	Disadvantages
Council has control over the TWDP	Potential increased risk of not completing the TWDP by August 2027
	Potential misalignment with WWL and other shareholding Councils

Recommended option

It is recommended that Council delegate the preparing, consulting on and issuing the Trade Waste Discharge Plan to Waikato Waters Limited.

Policy Consideration

To the best of the writer's knowledge, this recommendation is not significantly inconsistent with, nor is anticipated to have consequences that will be significantly inconsistent with any policy adopted by this local authority or any plan required by the Local Government Act 2002 or any other enactment.

Ngā Pāpāhonga me ngā Whakawhitiwhitinga | Communications and engagement

Should Council wish to delegate the TWDP to WWL, a decision is sought by 31 August 2026.

The timeframe to develop, consult and adopt the plan by the statutory deadline is not set out in the memorandum of understanding and will be confirmed by WWL and the bylaw coordination group.

Staff understand the intention is to bring forward the TWDP adoption to ensure alignment with a future trade waste bylaw.

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

The memorandum of understanding will result in unbudgeted operational staff time to participate in the bylaw coordination group. No additional budget allocation is sought and this cost is expected to be funded within existing operational resources.

WWL has requested that if delegated, a service order will be entered into under the shared services agreements to document the terms of the delegation.

It is assumed, that like other shared services, the distribution of costs will be that each party will bear its own costs, unless specialist or technical advice is required, then costs are to be shared amongst Councils.

Ngā Tāpiritanga | Attachments

There are no attachments for this report.

Ngā waitohu | Signatories

Author(s)	Niall Baker Kaiārahi Tima Kaupapahere Policy Team Leader	
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Approved by	Sandra Harris Pou Kaupapahere, Rāngai Mahitahi me te Kāwana Policy, Partnerships and Governance Manager	
	Susanne Kampshof Pou Rawa me ngā Kaupapa Assets and Projects Manager	
	Fiona Vessey Hautū Hanganga Rawa me ngā Whakahaere Group Manager Infrastructure, Assets & Operations	

7 Pūrongo me whakatau | Decision Reports

7.6 Pohomihi Raw Water Supply Project

CM No.: 3201707

Te Kaupapa | Purpose

In response to Taumata Arowai's regulatory requirements and Council's statutory public health obligations, this report seeks Council direction on a compliant drinking-water solution for ten properties connected to the Pohomihi raw-water supply.

This is a regulatory compliance and public health issue. Council has limited discretion about whether compliance must be achieved.

The report outlines:

- The regulatory and public health drivers requiring action;
- The actions necessary to achieve compliance;
- The options that have been assessed to provide a compliant drinking water supply; and
- The funding approaches available to support implementation.

Council is required to make a decision on the following matters:

1. Select its preferred option for delivering a compliant drinking water solution and direct staff to present that option to the owners of the affected properties; and
2. Approve the associated funding approach to present to the owners of the affected properties and to enable implementation of the preferred option.

Rāpopotonga Matua | Executive Summary

This report seeks Council direction on the preferred pathway to resolve the long-standing Pohomihi raw-water supply compliance issue. Ten properties outside the Te Aroha treated-water reticulation boundary currently receive untreated water and have been subject to boil-water notices for many years.

Taumata Arowai has advised that boil-water notices are not a compliant long-term solution. Council could not meet the original 30 June 2026 implementation expectation due to regulatory, legal, technical and funding complexities, and has submitted a revised action plan and implementation timeline.

The status quo is not sustainable. Council faces public health, regulatory enforcement, reputational and resource consent compliance risks, including Waikato Regional Council's abatement notice relating to low-flow restrictions on the raw-water source.

Three feasible options have been shortlisted and are assessed in the Options section:

1. Treated Water Reticulation,
2. End Point Treatment, and
3. Individual Rainwater Systems.

Council is asked to confirm the preferred option and funding approach to guide targeted engagement with affected property owners.

Staff will then engage with affected residents on implementation requirements, timing, property impacts, funding arrangements and any proposed cost recovery or apportionment.

The decision is time critical because water services are scheduled to transfer to Waikato Waters Limited on 1 October 2026. The preferred option, funding approach, delivery programme and ongoing responsibilities need to align with that transition.

Waikato Waters has indicated a preference for Option 1 – Treated Water Pipeline.

Tūtohunga | Recommendation

That:

- 1. Council determines the preferred option for achieving a compliant drinking-water solution is:**
 - a) Option 1 – Treated Water Reticulation; or**
 - b) Option 2 – End Point Treatment; or**
 - c) Option 3 – Individual Rainwater Tanks**
- 2. Council approves, in the case of either option 1, or 2 being the preferred option, the use of unallocated capital funding to progress the drinking-water compliance works.**
- 3. Council approves targeted engagement with affected owners on the preferred option.**
- 4. Council authorises staff to engage with Waikato Waters Limited to confirm delivery, transfer, implementation, operational responsibilities, and any related transitional arrangements associated with the preferred option.**

Horopaki | Background

The Te Aroha Water Treatment Plant receives raw water from three intake sources before distributing treated water to Te Aroha. The Pohomihi raw-water line forms part of the wider Te Aroha supply, rather than a separate small water supply. Ten Pohomihi-area properties on Mill Road, Te Aroha-Gordon Road and Mace Road are connected to this raw-water line outside the treated-water reticulation boundary. They receive untreated water and have operated under boil-water notices for about 35 years.

The current arrangement does not meet contemporary drinking-water regulatory expectations. In late 2025, Taumata Arowai formally advised Council that a compliant solution was required and initially expected implementation by 30 June 2026.

Council subsequently agreed a two-stage programme comprising:

- Phase 1 – Project initiation, governance, engagement and funding allocation (31 October 2025 to 15 December 2025); and
- Phase 2 – Project delivery (23 January 2026 to 30 June 2026).

Staff have completed technical assessments, engaged with regulators and obtained legal advice on Council's obligations to the affected properties.

These investigations confirmed that a permanent solution could not be delivered by 30 June 2026 due to regulatory, legal and policy complexities. Council advised Taumata Arowai of this position.

Taumata Arowai then requested that Council provide, by 30 June 2026, a plan of action and implementation timetable identifying how and when a compliant solution would be delivered.

Council submitted the required plan within the required timeframe.

The planned transfer of water services to Waikato Waters Limited on 1 October 2026 also affects delivery. Any permanent solution is likely to require implementation and ongoing management across the transition date.

Staff have briefed Council through two previous workshops, with the purpose of discussing the issues, options, and regulatory context before bringing this report forward for formal consideration and direction.

Ngā Take/Kōrerorero | Issues/Discussion

The status quo is not sustainable. Taumata Arowai has confirmed that long-term boil-water notices are not an acceptable compliance solution. Waikato Regional Council has also issued an abatement notice relating to low-flow restrictions on the source-water takes. Council must therefore identify and implement a compliant and durable solution.

Following investigation, three feasible options have been shortlisted for Council consideration.

The key decision for Council is how to balance:

- Regulatory compliance certainty;
- Public health outcomes;
- Affordability and funding equity;
- Deliverability within realistic timeframes;
- Operational complexity; and
- Alignment with future service delivery arrangements under Waikato Waters Limited.

No option resolves all competing considerations. Reticulation provides the strongest compliance and public health outcome but has the highest capital cost. End-point treatment may be more proportionate but creates ongoing operational and regulatory responsibilities. Rainwater systems reduce Council's role only where owners voluntarily opt in, and provide less certainty.

The preferred solution is unlikely to be fully implemented before the transfer to Waikato Waters Limited on 1 October 2026. Waikato Waters Limited has been advised of the programme and has indicated a preference for treated-water reticulation.

Council is asked to confirm its preferred compliance pathway, funding approach and implementation programme so the action plan provided to Taumata Arowai can be progressed.

Mōrearea | Risk

The key risks are regulatory enforcement, public health, water supply reliability, deliverability, community acceptance and affordability.

If Council does not act, Taumata Arowai may determine that Council has failed to meet its duties under the Water Services Act 2021 and may use enforcement powers, including prosecution.

Council has met Taumata Arowai's immediate requirement to provide an action plan and implementation timeline. Delivery of the final solution still requires design, procurement, construction or installation, commissioning and regulatory close-out.

Specific Risks

Ongoing public health risk:

- untreated raw water is not safe to drink.
- While a boil water notice is in place, Council has limited visibility of what treatment measures are used at each property.
- Two households have advised that boiling is their only measure, which increases the risk of inconsistent application and potential exposure to unsafe drinking water.

RMA imposed Low Flow Restriction:

- Waikato Regional Council's low-flow restrictions on the Pohomihi raw water take require Council to reduce the volume of water we take or turn off the supply altogether when the Pohomihi stream flow drops below specified thresholds.
- This creates an additional compliance and operational risk, including the potential for supply disruptions during dry periods and non-compliance with current resource consent conditions.

Resident Acceptance:

- Affected residents may oppose or refuse any of the three shortlisted options, including the preferred solution, associated costs, access requirements, or the proposed funding and apportionment approach.
- While resident acceptance is important to implementation timing and community confidence, refusal by one or more property owners does not necessarily prevent Council from proceeding where it has a statutory obligation to provide safe drinking water, achieve regulatory compliance, or protect public health.
- Depending on the option selected and the circumstances, Council may need to rely on available statutory powers, alternative service arrangements, or conditions of connection to progress a compliant solution, while continuing to meet any consultation, decision-making, and legal requirements.

Financial:

- There is a financial risk as all options involve expenditure (either capital investment or ongoing operational funding).
- This creates exposure to budget pressures, competing priorities within the wider water programme, and
- potential impacts on rates depending on the funding approach adopted.

Ngā Whiringa | Options

Council identified nine potential solutions and selected five for technical review with Beca. Following engineering review and multi-criteria assessment, three options were confirmed as feasible and appropriate for Council consideration.

Option 1 – Treated Water Reticulation

- Extends treated water reticulation from the Te Aroha network.
- Will achieve compliance.
- Estimated cost: \$1.13M.
- Capital funded as Council/WWL-owned infrastructure.
- Provides the strongest long-term compliance assurance and public health outcome.
- Asset will be Council owned and managed.

Option 2 – End Point Treatment (Council owned*)

- Raw water connection retained. Install individual treatment systems at each property (point-of-use/point-of-entry).
- Will achieve compliance but requires ongoing monitoring and maintenance across multiple sites as Council retains asset ownership.
- Estimated cost: \$119,000 – \$186,000.
- Capex funded as Council/WWL owned.
- Potentially faster to implement.
- Subject to regular technical validation and ongoing operational obligations.

* Can be Resident owned, but Council retains responsibility for O&M, monitoring, and validation

Option 3 – Individual Rainwater Tanks (Resident owned)

- Requires disconnection from Council service and asset transfer.
- Lower resilience, with more complex ongoing maintenance requirements for residents.
- Estimated cost: \$105,500 – \$135,000.
- Requires operational funding if assets are privately owned.
- Reduces Council's direct servicing role for participating properties only.
- Relies on property owner acceptance, participation and acknowledgement of responsibility after disconnection.
- Presents risks relating to reliability and water quality assurance.

Options Assessment

Option One – Treated Water Reticulation

Description of option

Construct a treated-water pipeline to supply each connection with fully treated drinking water from the Te Aroha network. The existing raw water supply would remain available for stock water.

Advantages

Long-term solution (80+ year asset life).

Highest reliability and consistency of drinking-water quality, providing the strongest level of public health protection. Centralised treatment generally carries lower health risk than multiple individual systems.

Lower ongoing operating costs and significantly reduced compliance complexity.

Straightforward for homeowners, with a consistent level of service and benefit for each property.

Disadvantages

Higher capital cost than Options Two and Three.

Requires construction within the road corridor (Te Aroha–Gordon Road), resulting in temporary disruption.

May require changes to the rating treatment of affected properties.

Option Two – End Point Treatment

Description of option

Install an end-point treatment system at each property (to be gifted/vested to the homeowner, or alternatively owned and managed by Council) so that drinking water is treated at the point it enters each dwelling. The raw-water line would remain for stock water. This approach depends on each system consistently meeting performance standards and requires ongoing monitoring and maintenance.

Advantages

Lower upfront installation cost than constructing a treated-water reticulation line.

Avoids major network construction because work occurs on private property (no disruption to Te Aroha–Gordon Road).

Can be staged and implemented property-by-property, which may support faster delivery.

Enables treatment solutions to be tailored to individual properties and existing plumbing arrangements.

Disadvantages

If vested to the homeowner then typically funded from operating expenditure (OPEX), creating a more immediate rates impact.

Requires Council to obtain a “General Exemption” from Taumata Arowai, as the standard compliance regime does not readily accommodate this approach. This would increase compliance and reporting complexity.

Source water is from a stream, and quality can be highly variable, so systems must be specified and designed for worst-case conditions.

Higher long-term operational burden due to much reduced asset life when compared to a single centralised solution; this burden transfers to residents if homeowner owned.

	Where some properties may already have effective private treatment, the net benefit may vary significantly between households.
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Option Three – Individual Rainwater Tanks

Description of option

Install a rainwater capture, storage, and treatment system and gift/vest the assets to the property owner. Property owners become responsible for their own drinking-water supply and Council would no longer be the drinking-water supplier.

Advantages	Disadvantages
Council would no longer be responsible for providing, monitoring, or reporting on drinking-water compliance for these properties.	Transfers maintenance and performance responsibility to the property owner; inadequate maintenance may increase public health risk.
	Higher long-term operational burden due to much reduced asset life when compared to a single centralised solution; this burden transfers to residents if homeowner owned.
	Rainwater supply may be unreliable year-round without substantial storage and may require supplementary water (e.g., tanker supply) during dry periods.

Impact Assessment

	Option One (Pipeline)	Option Two (EPT)	Option Three (Rainwater Tanks)
Legal Implications	Council remains the drinking-water supplier and retains its obligations under the Water Services Act 2021. The compliance approach is well established and would largely align with current processes for the Te Aroha water supply.	Council remains the drinking-water supplier and retains its obligations under the Water Services Act 2021. This option introduces new compliance and operational requirements, as Council does not currently operate end-point treatment elsewhere in the district.	Subject to legal confirmation, this approach has the potential to remove the properties from Council's drinking water supply responsibilities altogether because Council would no longer be supplying drinking water and would not hold the associated obligations under the Water Services Act 2021.
Service and quality Risk	Lowest long-term risk, as water quality is managed through a single, centralised treatment system.	Higher risk of variable performance, as outcomes rely on multiple individual systems being correctly operated and maintained over time.	Reliance on rainwater reduces reliability during dry periods, and system performance depends on homeowner maintenance and management.
Policy Implications / Strategic Links	Strong alignment with safe and reliable drinking-water outcomes.	Meets drinking-water safety requirements but increases long term compliance management and reporting complexity for Council/WWL.	Reduces/removes Council involvement, but is less aligned with a consistent and reliable, network-based service model.
Costs and benefits	Higher capital cost and lower ongoing operating cost, with the highest reliability for protecting public health.	Lower upfront cost and higher ongoing operating cost, with more variable reliability for protecting public health.	Costs largely shift to individual system ownership; reliability depends on rainfall and ongoing homeowner maintenance.
Financial Implications	Funded from unallocated water capital, with standard operating costs thereafter. Large scale cost recovery	Funded from Capex if Council owned, or operating expenditure (OPEX) if assets gifted/vested to homeowners. Reduced scale cost recovery	Lowest total installation cost overall but generally treated as operating expenditure (OPEX). Further reduced cost recovery
Annual Plan / LTP Implications	Capital funding allocation required.	May increase future operational budgets.	Minor impact to one or two years annual OPEX depending on delivery timing.
Community Outcomes	Highest safety, reliability, and long-term certainty.	Improves drinking-water safety to an acceptable standard, but long-term performance depends on consistent monitoring and maintenance and therefore provides less certainty.	Improves water quality and safety, but water quantity and reliability may be lower, and outcomes will vary depending on homeowner management and maintenance.
Community Views	Targeted engagement will be undertaken following budget approval. Initial staff feedback indicates this option may be supported, noting that views are likely to depend on whether any capital contribution is required from affected property owners.	Targeted engagement will be undertaken following budget approval. Some homeowners may prefer to retain existing arrangements, noting the primary driver for change is regulatory compliance rather than homeowner preference.	Some homeowners may value the independence this option provides; however, it also increases owner responsibility and ongoing maintenance requirements, which may reduce overall acceptance.
Customer impact	Consistent drinking-water treatment and service level for all connected properties.	Each property treatment system must be monitored, maintained, and managed individually.	Each property maintains its own rainwater capture, storage, and treatment system.

Options Discussion

The three shortlisted options all address the drinking-water compliance issue, but differ in public health assurance, cost, deliverability, operational complexity and how responsibilities are shared between Council/WWL and property owners.

Option 1 (Treated Water Reticulation)

- Provides the highest level of certainty and safety, as it supplies water from the Te Aroha network and centralises treatment and compliance. It also best aligns with long-term network-based service delivery.
- It is however the highest capital investment for a small number of connections. Potentially most complex depending on site conditions, programme sequencing, design, procurement and construction requirements.

Option 2 (End Point Treatment)

- Provides safe drinking water at each property and may be deployed more quickly because it avoids major network construction.
- The trade-off is that performance depends on multiple individual systems continuing to operate correctly, with ongoing monitoring, maintenance and compliance monitoring requirements.
- Depending on final asset ownership this option may also introduce new operational and regulatory processes for Council/WWL, as end point treatment is not currently used elsewhere in the district.

Option 3 (Individual Rainwater Systems)

- Provides safe drinking water and would reduce Council's role as a drinking-water supplier for participating properties and shift responsibility for water quality and system upkeep to homeowners.
- Although the least-cost option, it involves considerable legal and regulatory complexity to ensure Council/WWL can lawfully exit its role as drinking water supplier and transfer ongoing ownership, operation and responsibility to the property owner.
- This option has lower resilience in dry periods unless significant storage and/or supplementary supply is provided.
- It also provides the least consistency of outcomes across households and is least aligned with an integrated future service model.

In selecting a preferred solution, Council must balance public health and regulatory compliance with affordability, timing, operational complexity and the extent to which risk remains with Council/WWL or transfers to property owners.

Treated-water reticulation provides the highest public health protection and compliance certainty. The other options have lower upfront costs but greater legal, operational or reliability risks.

The transfer to Waikato Waters Limited on 1 October 2026 creates delivery and transition risks because implementation and compliance activities may extend beyond the transfer date.

Staff will continue working with Waikato Waters Limited to align the preferred option, delivery programme, funding approach, responsibilities, contracts and asset handover requirements.

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

Council must comply with the Water Services Act 2021, which requires safe drinking water and gives Taumata Arowai compliance and enforcement powers. Taumata Arowai has already issued directions for this supply.

The matter is of medium significance due to the impact on a small number of properties and the scale of infrastructure involved.

All Council decisions, whether made by the Council itself or under delegated authority, are subject to the decision-making requirements in sections 76 to 82 of the LGA 2002. This includes any decision not to take any action.

Legal advice confirms Council remains the drinking-water supplier while raw water is used for drinking purposes. Council therefore has continuing obligations under the Local Government Act 2002 and Water Services Act 2021 to provide water services and a sufficient quantity of drinking water.

Local Government Act 2002 decision making requirements	Staff/officer comment
Section 77 – Council needs to give consideration to the reasonable practicable options available.	Options are addressed above in this report.
Section 78 – requires consideration of the views of Interested/affected people	Views of interested and affected people will be sought through targeted discussion with the affected property owners following Council's direction on the preferred option. Engagement will focus on implementation impacts, connection requirements, timing/staging, and funding/apportionment (including any targeted rate and/or lump-sum contribution approach). Feedback will be summarised and reported back to Council as needed to inform final delivery and funding decisions.
Section 79 – how to achieve compliance with sections 77 and 78 is in proportion to the significance of the issue	The Significance and Engagement Policy is considered above. This issue is assessed as having a medium level of significance.
Section 82 – this sets out principles of consultation.	Consultation (where undertaken) will follow the principles in section 82: Council will provide clear and accessible information about the proposal and the reasons for it, give affected people a reasonable

	opportunity to present their views, and ensure those views are received with an open mind and given due consideration before decisions are made. Engagement will be proportionate to the significance of the decision and will be tailored to the small number of directly affected households.
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Policy Considerations

To the best of the writer's knowledge, this recommendation is not significantly inconsistent with nor is anticipated to have consequences that will be significantly inconsistent with any policy adopted by this local authority or any plan required by the Local Government Act 2002 or any other enactment.

Ngā Pāpāhonga me ngā Whakawhitiwhitinga | Communications and engagement

Targeted engagement will be undertaken with affected property owners following Council's decision on the preferred option. Communications will explain the compliance driver, public health risk, proposed solution, timing, property impacts, and funding or apportionment approach.

Engagement with affected residents will follow submission of this plan and will focus on implementing the preferred solution, providing clear information on compliance requirements, delivery timing, property connections, and how costs will be staged and recovered.

- **Direct resident communication**, including letters, FAQs and meetings where needed, covering the compliance issue, selected option, timeframes, property access or connection requirements, and funding approach.
- **Clear implementation messaging**, including that Council prefers voluntary cooperation but may need to rely on available statutory powers where required to meet public health and regulatory obligations.
- **Project updates** through appropriate Council channels to keep residents and the wider community informed as delivery progresses.

Timeframes

Key Task	Dates (Anticipated)
Preparation of plan of action and implementation timeline for Taumata Arowai	By 30 June 2026 (Complete)
E Team preferred approach	June 2026 (Complete)
Council workshop on preferred option and delivery direction	July 2026 (Complete)

Council decision on preferred option and delivery direction	July 2026
Targeted resident engagement (implementation + funding/apportionment)	July - August 2026
Detailed design, procurement, delivery mobilisation, and staged implementation	August - October 2026
Final implementation completion, regulatory close-out, and removal of boil-water notice	November - December 2026, or later subject to confirmed delivery programme

Ngā take ā-lhinga | Consent issues

Waikato Regional Council's abatement notice requires Council to comply with low-flow restrictions on the hill-stream takes supplying the Pohomihi raw-water line. During dry periods, Council cannot legally guarantee continuity of supply if Option 2 relies on the existing raw-water source.

Mitigation:

Option 1 – Treated Water Reticulation avoids this issue by connecting properties to the Te Aroha treated-water network, which is not subject to the Pohomihi low-flow restrictions. This removes the operational risk of supply interruption and the consent compliance risk associated with the restricted stream takes.

Option 2 – End Point Treatment would require a Waikato Regional Council resource consent variation if the existing raw-water supply is retained for potable or non-potable use.

Option 3 – Rainwater Tanks has no consent issue if raw-water connections are discontinued. If raw-water connections are retained for non-potable use, a resource consent variation would be required.

Te Tākoha ki ngā Hua mō te Hapori me te here ki te whakakitenga o te Kaunihera | Contribution to Community Outcomes

Matamata Piako District Council's Community Outcomes are set out below:

MATAMATA-PIAKO TŌ MĀTOU WĀHI NOHO OUR PLACE	MATAMATA-PIAKO DISTRICT COUNCIL TE ARA RAUTAKI STRATEGIC DIRECTION
TŌ MĀTOU WHAKAKITENGA OUR VISION Matamata-Piako District is vibrant, passionate, progressive, where opportunity abounds. 'The heart of our community is our people, and the people are the heart of our community.'	
TŌ MĀTOU WHĀINGA MATUA OUR PRIORITIES (COMMUNITY OUTCOMES)	

			
He wāhi kaingākau ki te manawa A place with people at its heart	He wāhi puawaitanga A place to thrive	He wāhi e poipoi ai tō tātou taiao A place that embraces our environment	He wāhi whakapapa, he wāhi hangahanga A place to belong and create

The community outcomes relevant to this report are as follows:

- He wāhi kaingākau ki te manawa | A place with people at its heart — protecting public health through safe drinking water.
- He wāhi puawaitanga | A place to thrive — providing reliable essential services that support rural households and land use.
- He wāhi e poipoi ai tō tātou taiao | A place that embraces our environment — reducing reliance on restricted raw-water takes and supporting compliant, sustainable supply.

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

The preferred option will require funding to proceed. Options 1 and 2 would require capital funding, while Option 3 would require operational funding. The works are urgent because the current untreated supply exposes Council to regulatory enforcement risk and ongoing public health risk.

Funding mechanisms

Options 1 and 2 would be funded as capital works, while Option 3 would require operational funding.

For Options 1 and 2, Council could initially use borrowing or unallocated water capital funding to enable the urgent compliance works to proceed without waiting for the final cost-recovery approach to be confirmed. This reflects the urgency of addressing the current untreated supply, which exposes Council to regulatory enforcement risk and ongoing public health risk.

Option 3 would need to be funded as operational expenditure because the rainwater systems would be installed for, and then owned and maintained by, individual property owners rather than Council or Waikato Waters Limited.

There is currently no reserve or specific operating budget available for this option. If Council wished to progress Option 3, it would need to either reprioritise existing operating budgets or approve additional unbudgeted operational expenditure, with the cost assessed against other operating pressures and priorities.

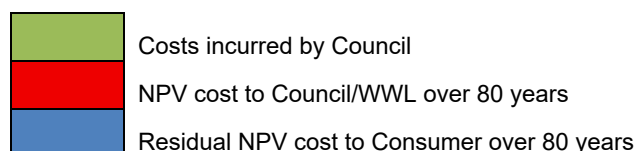
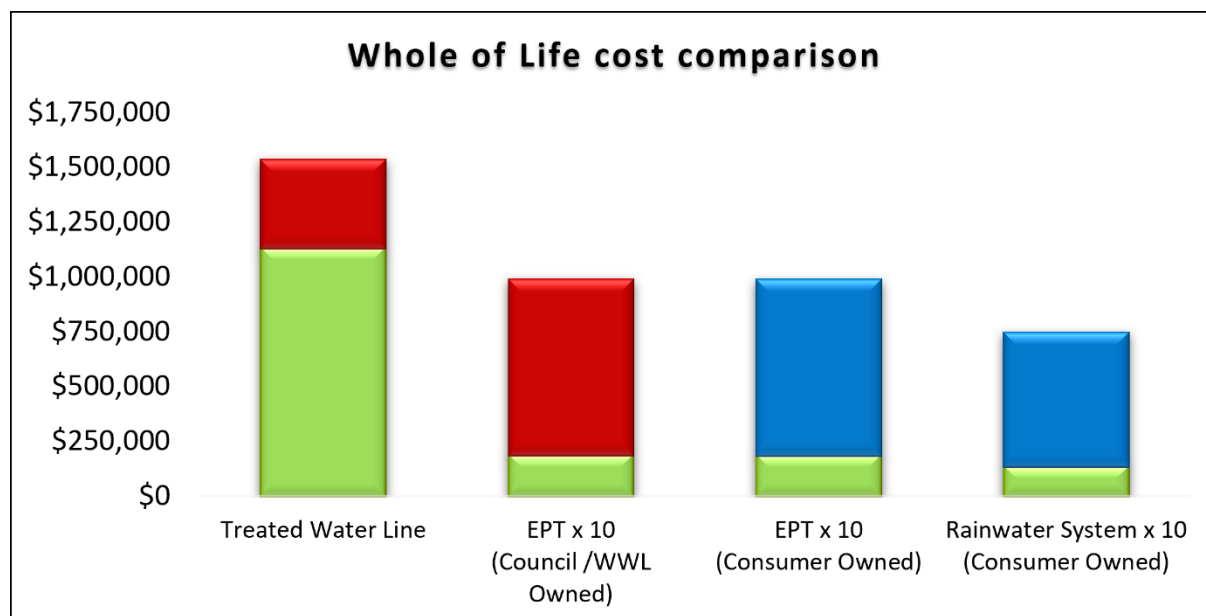
Summary of costs:

Component Category	Treated 150mm Water Pipeline	Stream Supply EPT System	Rainwater Harvesting EPT System
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Total estimated project cost (10 properties)	Approx. \$1,13M	\$119,000 – \$186,000 NZD	\$105,500 – \$135,000 NZD
Total estimated cost (per property)	\$113,000	\$11,900 – \$18,600 NZD	\$10,550 – \$13,500 NZD
Ongoing Opex (per annum/property)	\$1,200 (80 hrs)	\$933	\$750
80 year Whole of Life cost (10 properties)	\$1,532,000	\$985,000	\$743,000

Lifecycle costs were evaluated using an 80-year Net Present Value (NPV) analysis. Future costs were discounted to present-day values using NZ Treasury discount rates, enabling a like-for-like comparison of options with different capital, maintenance, renewal, and asset life characteristics.

Note: Depreciation has not been included in this analysis as it is an accounting allocation rather than an actual lifecycle cost. The assessment is based on capital, maintenance, renewal and residual value costs only.



Correspondence with The Regulator (Taumata Arowai), and advice from Brookfields legal as follows:

Ngā Tāpiritanga | Attachments

A Attachment 1 - Brookfields - Legal Advice - 28 July 2025 - Pohomihi Raw Water Users -
[↓](#) Obligations to users



B Attachment 2 - TA letter - 20 August 2025 - WSA MPDC Letter of Expectations - Pohomihi



C Attachment 3 - TA letter - 17 November 2025 - Guidance and Further Clarification of
[↓](#) Expectations



D Attachment 4 - TA letter - 30 April 2026 - s 104 Letter of Direction MPDC Te Aroha



E Attachment 5 - TA letter - 28 May 2026 - Amended s 104 direction MPDC Te Aroha



Ngā waitohu | Signatories

Author(s)	Darren Teulon Pou Whakahaere o ngā wai me ngā waipara Water and Wastewater Manager	
Approved by	Fiona Vessey Hautū Hanganga Rawa me ngā Whakahaere Group Manager Infrastructure, Assets & Operations	

28 July 2025

By Email: NTurner@mpdc.govt.nz

Matamata-Piako District Council
P O Box 266
TE AROHA 3342

ATTENTION: Nerida Turner

ADVICE - POHOMIHI RAW WATER USERS

1. We refer to your email of 9 July 2025 seeking our advice regarding supply of raw drinking water to users from Council's raw water line.

BACKGROUND

2. Council is the owner of the Pohomihi raw water line, one of four water sources for the Te Aroha water supply. As we understand it, water from the line is treated prior to supply as drinking water to Te Aroha users, but there are approximately 9 – 15 connections from the raw water line to the Pohomihi community prior to any treatment occurring. Those connections are subject to a boil water notice.
3. Taumata Arowai has requested that Council provide confirmation of funding to address the water safety issues with the Pohomihi raw water connections, to enable the boil water notices to be lifted. Taumata Arowai's stated timeframe for achieving this is by the end of this calendar year.

YOUR QUESTIONS

4. Against this background, you have asked us to advise you of the following:
 - (a) Is Council considered to be the water supplier to the raw water users?
 - (b) Is Council legally obliged to continue to provide (drinking) water to these connections? Are they within the "area of benefit"?

«FolioNo» / «MatterNo»

EXECUTIVE SUMMARY

5. Given that water is being supplied to the properties via a Council owned and operated water pipeline, Council is a water supplier to those properties. It will be a drinking water supplier if the Council knows or ought reasonably to know that the raw water is or will be used as drinking water. If there are connections from the point of supply to domestic dwellings on those properties and/or there is no other source of drinking water to the properties, the Council would be considered to be a drinking water supplier to the raw water users. An assessment of the properties connected to the raw water line would provide confirmation of whether or not any or all of the properties are using the water from that line for drinking water.
6. If investigation confirms that the raw water supply is being used as a drinking water supply to the properties, Council will be subject to obligations under both the Local Government Act 2002 (**LGA02**) and the Water Services Act 2021 (**WSA**) to continue providing drinking water to the properties. Pursuant to s.130 of the LGA02, the Council is under an obligation to continue to provide water services and maintain its capacity to meet its obligations. Pursuant to s.130(3)(d), this obligation means that the Council cannot stop the water supply, except temporarily in accordance with the requirements of s.25 of the WSA.
7. As you are aware, there is a process under s.131 of the LGA02 for closing a small water supply with no more than 100 users. However, this is an onerous process, which requires a binding referendum with 75% or more of users voting in support of closure. Closure would only be possible if an alternative water supply were available, for example, via on-site domestic self-supply.
8. Also, at present, it does not appear that the Pohomihi water users are registered as a separate supply – it appears that they are treated as being part of the Te Aroha supply. The water supply closure provisions do not apply to part of a larger supply, and therefore before this could be an option, Council would need to obtain confirmation from Taumata Arowai that those users could be treated as a separate supply.
9. Given that the water users do appear to be a discrete community with unique circumstances, it would be possible to register the users as a separate supply, even though the water source and pipeline is infrastructure that is also shared with the Te Aroha supply. If no more than 50% of the water used by the raw water users is more drinking water purposes, it is possible that the supply could be registered as a mixed use rural water supply. If the supply qualifies for this, it may be able to rely on the alternative solution for compliance, which does not require preparation of a water safety plan or water source safety plan, but does require end point treatment and backflow prevention devices being installed on the connections. While Council would retain oversight and responsibility for this, the WSA does provide for the costs of those end point treatment systems to be passed onto the customers. This may provide an alternative option in the event that provision of a reticulated treated supply to the properties is not practicable and/or no other alternative drinking water supplies are available

ANALYSIS

Is Council a water supplier to the Pohomihi raw water users?

10. It appears that Council is a water supplier to the properties, given it has provided connections to those properties from its raw water line. In terms of whether it is a drinking water supplier to those properties, it is very likely that it would fall within the meaning of a drinking water supplier to those properties under the WSA. Section 8 of the WSA defines a drinking water supplier as follows:

8 Meaning of drinking water supplier

*In this Act, unless the context otherwise requires, **drinking water supplier**—*

- (a) means a person who supplies drinking water through a drinking water supply; and*
 - (b) includes a person who ought reasonably to know that the water they are supplying is or will be used as drinking water; and*
 - (c) includes the owner and the operator of a drinking water supply; and*
 - (d) includes a person described in paragraph (a), (b), or (c) who supplies drinking water to another drinking water supplier; but*
 - (e) does not include a domestic self-supplier.*
11. Section 6 defines “drinking water” as meaning water that is used for:
- (a) Human consumption;
 - (b) Oral hygiene;
 - (c) Preparing food, drink or other products for human consumption; or
 - (d) Washing utensils used for eating or drinking or for preparing, serving or storing food.
12. However, it does not include manufactured bottled water or water that is subject to regulation under the Food Act 2014, the Animal Products Act 1999 or the Wine Act 2003.
13. A “drinking water supply” is defined as the infrastructure and processes used to abstract, store, treat, transmit or transport drinking water for supply to consumers or another drinking water supplier.¹ It includes the point of supply, any end-point treatment device and any backflow prevention device.² Taumata Arowai has the power to declare the provision of water by a person to be a drinking water supply.³
14. Given that Council owns and operates the infrastructure that conveys water to the properties, it will fall within the meaning of a drinking water supplier for those properties if that water is being used for drinking water purposes, as defined in s.6 of the WSA. A Council assessment of the properties would confirm whether the raw water is being used for drinking water purposes. It will be reasonably apparent if the raw water supply is the

¹ Section 9(1)(a) of the WSA.

² Section 9(1)(b) of the WSA.

³ Section 9(2) of the WSA.

sole source of water to the property and/or if the raw water supply is connected to dwellings on the property. If the raw water supply were solely being used for agricultural purposes and domestic water supply were derived from an alternative supply e.g. a rainwater tank or bore supply, the Council would not be a drinking water supplier to the property. However, if the water from the raw water pipeline is being used for both agricultural or farming purposes and as the domestic supply to the property, it would fall within the meaning of a drinking water supply, with Council as the supplier.

Is Council legally obliged to continue providing drinking water to these connections?

15. Yes. If investigation confirms that the raw water supply is being used as a drinking water supply to the properties, Council will be subject to obligations under both the LGA02 and the WSA to continue providing drinking water to the properties. Pursuant to s.130 of the LGA02, the Council is under an obligation to continue to provide water services and maintain its capacity to meet its obligations. Pursuant to s.130(3)(d), this obligation means that the Council cannot stop the water supply unless s.25 of the WSA applies.
16. Section 25 of the WSA imposes a duty on a drinking water supplier to ensure that a sufficient quantity of drinking water is provided to each point of supply. Section 25 only allows for temporary interruptions to the drinking water supply for certain specified reasons, including maintenance, to address public health risks or environmental factors, a rahui or an emergency. The interruption cannot be for more than 8 hours unless the supplier has either obtained prior approval of Taumata Arowai or it has complied with a compliance rule allowing for a longer interruption to the supply.
17. Importantly, s.25 of the WSA does not provide for a permanent cessation of the drinking water supply. In order to permanently close down the supply, the Council would need to follow the process in s.131 of the LGA02, including the requirement to consult with Taumata Arowai and to have first carried out an assessment under ss. 134 of the LGA02. A binding referendum is also required, which would require at least 75% of the votes in support to enable the closure to proceed.
18. It is unlikely that Council could successfully close the supply without first ensuring that alternative arrangements were in place to ensure the properties were still supplied with drinking water, for example, via onsite water storage at a sufficient capacity to supply domestic water to the property. It would also have to have a plan to disconnect any existing raw water connections to domestic buildings to ensure that it would not still fall within the meaning of a drinking water supplier to the property.
19. Whether the supply would be eligible for this closure process would also depend on whether it is treated as a separate service to the Te Aroha supply. This is because s.131 only applies to the closure of a supply where there are 200 or fewer persons to whom the water service is delivered. Also, the provision does not envisage the closure of part of a water service, it is directed at the closure (or transfer) of a small water service in its entirety.
20. At present, it does not appear that the Pohomihi raw water users are treated as a separate water supply. There is no separate registration of this supply under the WSA. It is likely that if, and to the extent that the raw water is used for drinking water purposes, it is treated

«FolioNo» / «MatterNo»

as being part of the Te Aroha supply because it utilises the same source water and part of the same infrastructure that is used for that supply.

21. However, the use of the same source water and infrastructure as the Te Aroha supply would not necessarily prevent it from being treated as and/or registered as a separate supply. There may be merit in doing so, because it is a separate small community, with its own unique characteristics, and it receives the water before being subject to treatment that otherwise occurs prior to supply to “other” users of the Te Aroha supply.
22. If registered as a separate supply, the Pohomihi water users may qualify as a mixed use rural water supply if not more than 50% of the water supplied is used for domestic purposes. An acceptable solution applies to these types of supply – a water safety plan or source water risk management plan is not required, but there is a requirement that every connection has to have a backflow prevention device and an end point treatment system installed for connections to domestic buildings. The Council is responsible for the installation, maintenance, monitoring and on-going testing of the end point treatment device,⁴ but it is entitled to either require the owner of the property to reimburse the Council for those costs, or it can require the owner to install maintain and test the end-point treatment system themselves, if the device is one that contains a verifiable monitoring system that complies with the acceptable solution or verification method.⁵
23. This may provide an alternative option in the event that provision of a reticulated treated supply to the properties is not practicable and/or no other alternative drinking water supplies are available.
24. For completeness, we note that while the WSA does provide for exemptions to be sought for compliance with the requirements of the WSA,⁶ in practice it does not appear as those such an exemption has been granted with respect to a Council owned and operated supply. Based on our review of the public register, such exemptions have only ever been granted for remote campsites or small community-run supplies. As such, this is unlikely to be a viable option for this supply.

Yours faithfully
BROOKFIELDS

Lisa Wansbrough
Partner

Direct dial: +64 27 530 4556
email: wansbrough@brookfields.co.nz

⁴ Section 28(2) of the WSA.

⁵ Section 28(3) of the WSA.

⁶ Section 57 of the WSA.



Water Services Authority
Taumata Arowai

20 August 2025

Matamata-Piako District Council
35 Kenrick Street
Te Aroha 3320

By email to: dteulon@mpdc.govt.nz

Tēnā koe Darren,

Expectations for drinking water safety plan compliance monitoring dates and the Pohomihi raw water connection upgrades

I am writing to confirm the expectations of the Water Services Authority – Taumata Arowai (the Authority) for Matamata-Piako District Council on providing information about the scheduled upgrades to the following drinking water supplies:

- MAT004 Matamata
- MOR001 Morrinsville
- TEA003 Te Aroha.

We have summarised the schedule Matamata-Piako District Council provided to implement upgrades to these supplies for the purposes of demonstrating compliance with relevant requirements of the Water Services Act 2021 (the Act).

Context

In accordance with section 32 of the Act Drinking Water Safety Plan (DWSP) reviews have been completed for Matamata, Morrinsville and Te Aroha drinking water supplies.

On 27 November 2023 we wrote to the Water and Wastewater Manager of Matamata-Piako District Council about the findings of the Matamata DWSP review and next steps required.

On 14 April 2025 we wrote to the Chief Executive of Matamata-Piako District Council about Water Service Delivery Plans regulatory considerations and our Compliance, Monitoring and Enforcement Strategy which outlines our regulatory approach. The Te Aroha supply was identified as a supply with repeated and/or long-term indicators that the supply may not be providing safe drinking water.

On 13 May 2025 we wrote to the 3 Waters Compliance & Improvement Manager of Matamata-Piako District Council about the findings of the Te Aroha and Matamata DWSP review and next steps required.

160 Ward Street, Kirikiriroa / Hamilton 3204, New Zealand | PO Box 628, Pōneke / Wellington 6140 | taumataarowai.govt.nz

Scheduled upgrades and compliance monitoring

Upon request from the Authority, Matamata-Piako District Council provided the following schedule to implement upgrades to these supplies to meet legislative requirements.

MAT004 Matamata

Drinking Water Safety Plan updates:

- 30 November 2025 emergency response and incident management plans
- 31 March 2026 detail demonstrating multi-barrier effectiveness and compliance
- 30 June 2026 source water risk management plan covering the Waiteariki source water.

MOR001 Morrinsville

Drinking Water Safety Plan updates:

- 30 November 2025 emergency response and incident management plans
- 31 March 2026 cyanobacteria/cyanotoxin management protocol
- 31 March 2026 detail demonstrating multi-barrier effectiveness and compliance.

TEA003 Te Aroha - Pohomihi Raw Water Connections

Phase 1 Project Governance and initiation:

- 31 October 2025 delivery options analysis, consultation, cost estimation and preferred option decision
- 15 December 2025 completion of phase of including internal stakeholder management option review and budget confirmation.

Phase 2 Project delivery:

- 23 January 2026 project manager appointment, project brief review
- 10 April 2026 planning, project management planning and design, procurement planning, tender and award
- 30 June 2026 construction of preferred option, supervision of contract, standard operating procedure development, operational management plan, commissions, project completion and removal of consumer advisory.

Drinking Water Safety Plan updates:

- 31 March 2026 detail demonstrating multi-barrier effectiveness and compliance.

The Authority will be monitoring the above implementation plan and expect that Matamata-Piako District Council report completion of the above activities no later than **4.00 pm** on each scheduled date.

Your duties as a drinking water supplier

As a registered drinking water supplier, you have an obligation to comply with the requirements of the Water Services Act 2021 (the Act). The Authority is responsible for ensuring safe and compliant drinking water across Aotearoa and the Act gives us powers to

direct suppliers to take actions to ensure drinking water is safe. The Act also provides for offences and penalties where suppliers fail to comply with their legislative obligations. As always, please contact me directly if you wish to discuss anything in this letter or any matter relating to a supply you manage.

Ngā mihi



Neil Shaw
Manager Water Services North Island



17 November 2025

Matamata-Piako District Council
35 Kenrick Street
Te Aroha 3320

By email to: dteulon@mpdc.govt.nz

Tēnā koe Darren,

Pohomihi Raw Water Connection Upgrades – Guidance and Further Clarification of Expectations

This letter provides guidance regarding the matters raised by Matamata-Piako District Council (Council) in relation to the Pohomihi raw water connections upgrade project and clarifies the expectations of the Water Services Authority – Taumata Arowai (the Authority) for Council to resolve the current situation and lift the existing boil water notice.

Circumstances

- The Pohomihi raw water connections ‘boil water notice’ has been in place since 30 September 1992. The Authority has made it clear to the Council that continued reliance on a long-term consumer advisory is unacceptable.
- On 20 August 2025 the Authority provided a Letter of Expectations to the Council referring to your project schedule as originally proposed. The schedule is detailed as an appendix to this letter. Our expectation is to see work progressing to implement the necessary upgrades in the timeframe set out in the schedule. This included ‘phase 1’ which included the completion of an options analysis and decision on the final option chosen by 31 October 2025.
- On 21 October 2025 the Council met with the Authority and explained the progress made so far, the considerations within the project, and raised questions for the authority that would assist in council’s decision making.
- On 29 October 2025 the Beca report ‘Te Aroha Raw Water Connections Options Review Final’ dated 28 October 2025 was provided to the Authority. The report provided an options assessment and made recommendations for the council to consider in its final decision on appropriate option implementation.
- Council has sought clarification from the Authority on matters to be considered in their decision-making process. The delivery of the options decision due 31 October 2025 has been delayed pending this.
- This letter addresses the above queries from you and the implications of these matters for the Pohomihi raw water connections project.

Legal Considerations

We asked our Legal team to review the report and the issues raised during hui between Council and the Authority. Based on their advice, here is our interpretation of the legal implications and how they apply to Council’s key considerations.

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- The Pohomihi raw water connections is not likely to be considered a separate supply to the main Te Aroha supply. This is due to the infrastructure for the Pohomihi raw water being part of the Te Aroha Supply and owned and operated by the same supplier. Section 9(1)(a) of the Water Services Act 2021 (the Act) provides for a definition of a water supply. For further context, we are currently running an [engagement on defining downstream supplies](#).
- As these connections are part of a larger supply, there is no scope to consider them domestic self-supplies or a shared domestic supply. Operating as an unregulated supply is not an option available to the Pohomihi raw water connections while they continue to be connected to the raw water pipe, whether individually or collectively. A General Exemption could be used to exempt the Council in respect of the Pohomihi raw water connections from the requirement to comply with the other legislative requirements that apply to the wider Te Aroha supply. Any such exemption must be consistent with the main purpose of the Act to ensure safe drinking water. An exemption could include a condition to use end-point treatment at those houses and may reflect the requirements of an Acceptable Solution option. A blanket exemption would be unlikely to be granted, but one allowing the use of end-point treatment is feasible.
- Compliance options that supply raw water to these consumers carry higher risks, especially from cyanobacteria. Exemption conditions may include cyanobacteria monitoring and inspection requirements that mirror what is in the Acceptable Solution (see Small to Medium Networks Acceptable Solution SMN.9). If there is a risk of cyanotoxins that exceed a MAV, a response plan will be needed which may include a 'do not drink' advisory, and the council should consider providing alternative water, such as via a water carrier if this occurs.

If you wish to discuss the exemption option, the next step would be to arrange a pre-application meeting with members of our exemption team.

Further clarification of expectations

Taking into account the above, and the developments since the Letter of Expectations was sent to Council on 20 August 2025, we offer further clarification of our expectations below.

- We expect that any delay in the completion of the first milestone in project phase 1 does not influence any of your duties as a drinking water supplier or in your requirement to achieve the remaining milestones in the existing schedule.
- We require a response to this letter provided to you today confirming receipt by 4.00 pm on 20 November 2025.
- We require a decision on the option that will be implemented is communicated to us by 4.00 pm on 27 November 2025.

As a registered drinking water supplier, you have an obligation to comply with the requirements of the Water Services Act 2021. The Authority is responsible for ensuring safe and compliant drinking water across Aotearoa and the Act gives us powers to direct suppliers to take actions to ensure drinking water is safe.

Ngā mihi



Neil Shaw
Manager Water Services North Island

Appendix - TEA003 Te Aroha - Pohomihi Raw Water Connections - Project Schedule

Upon request from the Authority, Matamata-Piako District Council provided the following schedule to implement upgrades to these supplies to meet legislative requirements.

Phase 1 Project Governance and initiation:

- 31 October 2025 delivery options analysis, consultation, cost estimation and preferred option decision
- 15 December 2025 completion of phase of including internal stakeholder management option review and budget confirmation.

Phase 2 Project delivery:

- 23 January 2026 project manager appointment, project brief review
- 10 April 2026 planning, project management planning and design, procurement planning, tender and award
- 30 June 2026 construction of preferred option, supervision of contract, standard operating procedure development, operational management plan, commissions, project completion and removal of consumer advisory.

The Authority will be monitoring the above implementation plan and expect that Matamata-Piako District Council report completion of the above activities no later than **4.00 pm** on each scheduled date.



Matamata Piako District Council
35 Kenrick Street
Te Aroha 3320

By email: dteulon@mpdc.govt.nz
nturner@mpdc.govt.nz

30 April 2026

Tēnā koe Darren

Direction to provide a plan for the Te Aroha supply - Pohomihi raw water connections

On 20 August 2025, the Water Services Authority – Taumata Arowai (the Authority) sent Matamata Piako District Council (MPDC) a letter of expectations. The letter included a schedule to implement upgrades to Te Aroha - Pohomihi raw water connections to meet legislative requirements. The milestones within the schedule have not been met.

As per my phone message, please find attached the direction issued under section 104 of the Water Services Act (the Act) in relation to the Te Aroha (TEA003) drinking water supply. The direction requires a written plan to be provided to the Authority for the installation of effective treatment barriers or an alternative compliance pathway by 5pm, 31 May 2026.

Our expectation is that MPDC must maintain the consumer advisory (or advisories) advising consumers that the water is or may be unsafe and what measures to take to protect public health (for example, boiling water). The advisory (or advisories) must remain in place until the required treatment barriers are installed, operational and working effectively, or until an alternative supply of safe drinking water is made available to affected consumers.

The Authority continues to engage with MPDC and monitor matters relating to Drinking Water Safety Plan (DWSP) reviews and the multibarrier approach to drinking water safety for all supplies.

If you have any questions or require clarification about any aspect of the direction, please contact me.

Your sincerely

Tammy Valler
Senior Water Services Officer



Direction under section 104 of the Water Services Act 2021

To: **Matamata Piako District Council**
35 Kenrick Street
Te Aroha 3320
By email: dteulon@mpdc.govt.nz

I, Tammy Valler, a compliance officer for the Water Services Authority – Taumata Arowai (the Authority) direct you under section 104 of the Water Services Act 2021 (the Act) to take the following actions:

1. Prepare a written plan detailing the programme of works for the installation of effective treatment barriers or an alternative compliance pathway, for the Pohomihi raw water connections, part of the Te Aroha water supply.
2. Provide a copy of the above plan with evidence of confirmed funding to the Authority no later than 31 May 2026.

Timeframe of direction

The period within which the action must be taken starts from when the direction is issued to you in writing.

You must comply with this direction until such time as the Authority revokes this direction.

Reasons for decision

This direction is made in response to:

- A need to ensure that legislative requirements have been, are being, or will be complied with.



Water Services Authority
Taumata Arowai

Contact information

The name of the compliance officer issuing this order is:

Name: Tammy Valler
Email address: tammy.valler@taumataarowai.govt.nz
The Water Services Authority: Chief Executive, Allan Prangnell
PO Box 628, Wellington 6140

Dated at Hamilton this 30th day of April 2026



Tammy Valler
Senior Water Services Officer



Explanatory notes

Internal review of decision to issue direction

If you wish to dispute a decision to issue a direction, you may apply to have the decision reviewed by The Water Services Authority - Taumata Arowai under section 89 of the Act within 20 working days of the direction coming to your notice.

The Water Services Authority - Taumata Arowai will review the decision within 20 working days after the application for internal review is received, or any longer period that may be necessary if further information is required. In reviewing the decision, The Water Services Authority - Taumata Arowai may:

- confirm or amend the decision
- set aside the decision
- substitute another decision

You will be provided with a written decision on the internal review, including the reasons for the decision, as soon as practicable after the decision is made.

Right to appeal internal review decision

You have the right to appeal to a District Court against an internal review decision under section 93(1)(b) of the Act on the grounds that the decision is unreasonable.

The appeal must be lodged within 20 working days after you were first notified of the internal review decision.

On an appeal the District Court can:

- confirm or vary the decision
- set aside the decision or cancel the decision
- refer the decision back to the Water Services Authority - Taumata Arowai with the Court's opinion, together with any directions as to how the matter should be dealt with

There are further rights of appeal from the District Court to higher courts on questions of law only.

Non-compliance with direction

If you do not comply with this direction, you may be prosecuted for an offence under section 182(1)(b) of the Act for failing to comply with a direction.



Water Services Authority
Taumata Arowai

Amended Direction under section 104 of the Water Services Act 2021

To: **Matamata Piako District Council**
35 Kenrick Street
Te Aroha 3320
By email: dteulon@mpdc.govt.nz

I, Tammy Valler, a compliance officer for the Water Services Authority – Taumata Arowai (the Authority) hereby amend the direction issued to you on 30 April 2026 under section 104 of the Water Services Act 2021 (the Act) as follows:

1. Prepare a written plan detailing the programme of works for the installation of effective treatment barriers or an alternative compliance pathway, for the Pohomihi raw water connections, part of the Te Aroha water supply.
2. Provide a copy of the above plan with evidence of confirmed funding to the Authority no later than 30 June 2026.

Timeframe of direction

The period within which the action must be taken starts from when the direction is issued to you in writing.

You must comply with this direction until such time as the Authority revokes this direction.

Reasons for decision

This direction is made in response to:

- A need to ensure that legislative requirements have been, are being, or will be complied with.



Water Services Authority
Taumata Arowai

Contact information

The name of the compliance officer issuing this order is:

Name: Tammy Valler
Email address: tammy.valler@taumataarowai.govt.nz
The Water Services Authority: Chief Executive, Allan Prangnell
PO Box 628, Wellington 6140

Dated at Hamilton this 28th day of May 2026



Tammy Valler
Senior Water Services Officer



Explanatory notes

Internal review of decision to issue direction

If you wish to dispute a decision to issue a direction, you may apply to have the decision reviewed by The Water Services Authority - Taumata Arowai under section 89 of the Act within 20 working days of the direction coming to your notice.

The Water Services Authority - Taumata Arowai will review the decision within 20 working days after the application for internal review is received, or any longer period that may be necessary if further information is required. In reviewing the decision, The Water Services Authority - Taumata Arowai may:

- confirm or amend the decision
- set aside the decision
- substitute another decision

You will be provided with a written decision on the internal review, including the reasons for the decision, as soon as practicable after the decision is made.

Right to appeal internal review decision

You have the right to appeal to a District Court against an internal review decision under section 93(1)(b) of the Act on the grounds that the decision is unreasonable.

The appeal must be lodged within 20 working days after you were first notified of the internal review decision.

On an appeal the District Court can:

- confirm or vary the decision
- set aside the decision or cancel the decision
- refer the decision back to the Water Services Authority - Taumata Arowai with the Court's opinion, together with any directions as to how the matter should be dealt with

There are further rights of appeal from the District Court to higher courts on questions of law only.

Non-compliance with direction

If you do not comply with this direction, you may be prosecuted for an offence under section 182(1)(b) of the Act for failing to comply with a direction.

7 Pūrongo me whakatau | Decision Reports

7.7 Request for Extraordinary Council Meeting

CM No.: 3199070

Te Kaupapa | Purpose

The purpose of this report is to allow Elected Members to call an Extraordinary Council Meeting in accordance with the Local Government Act 2002.

Rāpopotonga Matua | Executive Summary

It has been identified that an Extraordinary Council Meeting will be required to provide approval of the following report to meet timeframes for Matamata-Piako District Council's submission on the:

- Simplifying Local Government – preferred amalgamation model

Under the Local Government Act 2022, Schedule 7, Clause 22, an extraordinary meeting may be called by:

- (a) Resolution of the local authority, or
- (b) A requisition in writing delivered to the chief executive which is signed by:
 - i. The Mayor or chairperson; or
 - ii. Not less than one third of the total membership of the council (including vacancies).

Therefore, it is recommended Council call an extraordinary meeting by resolution.

Tūtohunga | Recommendation

That:

1. Council resolves to hold an Extraordinary Council Meeting on __ August 2026, at ____ in the Council Chambers, 35 Kenrick Street, Te Aroha.

This meeting is required to provide approval of the following report to meet timeframes for Matamata-Piako District Council's submission on the:

- Simplifying Local Government – preferred amalgamation model.

Horopaki | Background

Simplifying Local Government proposals are due to Central Government by 9 August 2026.

Ngā Tāpiritanga | Attachments

There are no attachments for this report.

Ngā waitohu | Signatories

Author(s)	Tamara Kingi Kaiārahi Kāwana Governance Team Leader	
Approved by	Sandra Harris Pou Kaupapahere, Rāngai Mahitahi me te Kāwana Policy, Partnerships and Governance Manager	

7 Pūrongo me whakatau | Decision Reports

7.8 Adoption of Risk Appetite Statement

CM No.: 3200155

Te Kaupapa | Purpose

To present the proposed Risk Appetite Statement (July 2026) for formal adoption, as recommended by the Risk and Assurance Committee.

Rāpopotonga Matua | Executive Summary

The proposed Risk Appetite Statement was well-considered by the Risk and Assurance Committee at its meeting last month. The Committee has recommended that Council formally adopt the Statement. In making their recommendation the Committee sought an amendment to the naming of the ratings used in the risk level scale, and the alignment of the statement wording for 'Project – Health and Safety Risk' to the wording for 'People – Health, Safety and Wellbeing'. The appropriate changes have been made to the document provided with this agenda.

The development of this Risk Appetite Statement represents a significant step forward in strengthening risk governance, assisting consistency in decision-making, and embedding organisational risk maturity. It provides a common reference point for elected members and staff when balancing risk and opportunity.

As this is the first introduction of a formal risk appetite framework at Matamata-Piako District Council, it is important to recognise that embedding its use into organisational culture, decision-making, and day-to-day practice will take time. The statement is therefore intended to be foundational and enabling, rather than overly prescriptive.

The document emphasises that risk appetite does not replace professional judgement or elected member discretion and should not be applied as a rigid formula. Rather, it supports structured, transparent decisions, including where there may be a deliberate and well-justified departure from stated appetite.

Following adoption, the application of the Risk Appetite Statement will be progressively embedded through the new Risk Management Framework currently under development, supported by guidance, tools, and processes to ensure consistent and practical use across the organisation.

Tūtohunga | Recommendation

That:

1. Council receives the report and notes the Risk and Assurance Committee's recommendation of the Risk Appetite Statement.
2. Council adopts the Risk Appetite Statement (July 2026).

Horopaki | Background

The Council has not previously had a formally adopted, organisation-wide Risk Appetite Statement. While risk management processes are in place, and developing, there has not been a single, explicit articulation of the level of risk Council is willing to accept across its activities.

The proposed Risk Appetite Statement addresses this gap by:

- Defining Council's appetite across a broad range of strategic, operational, and project risk categories
- Supporting improved risk governance, accountability, and transparency
- Providing a consistent framework for assessing whether risks are within acceptable levels

The statement aligns with good practice in local government and public sector risk management, where clarity of risk appetite is a key component of effective risk governance and oversight.

Ngā Take/Kōrerorero | Issues/Discussion

First-time introduction and cultural embedding

This is the first time Council will have formally adopted a Risk Appetite Statement. As such, it represents a shift towards a more structured and mature approach to risk management.

It is recognised that:

- Embedding risk appetite into organisational culture, behaviours, and decision-making will take time
- Staff and elected members will require guidance and experience in applying the framework
- Early application will necessarily involve learning, refinement, and continuous improvement.

The initial focus is on building understanding and practical use.

Not a rigid decision-making formula

The statement has been intentionally framed to avoid being overly prescriptive.

As outlined in the document, risk appetite:

- Should guide rather than dictate decisions
- Does not replace professional judgement, statutory obligations, or elected member discretion
- Allows for informed departures, where justified by context, community need, or strategic benefit.

This is an important principle to ensure the framework:

- Supports good governance without constraining decision-making
- Enables balanced consideration of risk and opportunity
- Encourages transparent documentation where decisions fall outside stated appetite.

Integration into the Risk Management Framework

Following adoption, the Risk Appetite Statement will not operate in isolation.

Its practical application will be embedded within the new Risk Management Framework currently under development. This will include:

- Clear guidance on how to apply risk appetite in risk assessments and decision-making
- Incorporation in risk registers, reporting, and escalation processes
- Potential integration into planning, project governance, and policy development processes
- Supporting tools, templates, and training.

This approach will ensure the statement becomes a living tool that informs real decisions, rather than a standalone reference document.

Ongoing review and refinement

Given this is an initial version, it is expected that the Risk Appetite Statement will evolve over time.

The document includes provision for annual review, allowing Council to:

- Refine appetite settings based on experience
- Respond to changes in the external environment
- Reflect evolving strategic priorities and community expectations

Ngā Tāpiritanga | Attachments

A¹. Risk Appetite Statement (July 2026) for Adoption by Council



Ngā waitohu | Signatories

Author(s)	Ken Morris Mōrearea, Kai-whakahaere ā Pakihi hoki	
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	Risk and Business Excellence Advisor	
Approved by	Kelly Reith Hautū Rangatōpū, Tāngata me ngā Hononga Group Manager Corporate, People & Relationships	

Matamata-Piako District Council

Risk Appetite Statement

July 2026

1. Purpose

This Risk Appetite Statement defines the amount and type of risk that Matamata-Piako District Council (the Council) is willing to seek, accept, or tolerate in pursuit of its strategic objectives and community outcomes.

It establishes a consistent framework to:

- Support better decision-making – via a common reference point and enabling elected members and staff to weigh risks and benefits more consistently
- Improve transparency and accountability – via an explicit indication of the level of risk Council is prepared to take
- Strengthen governance and oversight – with consideration of Council's tolerance for uncertainty and potential loss
- Enable effective prioritisation – particularly in areas where risk appetite is low
- Promote a balanced approach to innovation and prudence - encouraging innovation and improvement in areas where appetite is higher, while safeguarding essential services and community wellbeing in areas where appetite is lower.

2. Scope

While primarily designed for risk management purposes, and in particular determining whether the level of residual risk for any strategic, operational or project risk is appropriate and consistent with Council's levels of risk tolerance, this statement should also guide key processes such as:

- Strategic planning and Long-Term Plan decisions
- Policy development and level of service design
- Project and programme governance

3. Guiding Principles

The Council's approach to risk is guided by:

- **Community first** – decisions prioritise community wellbeing and outcomes
- **Transparency** – risk-taking is deliberate and visible
- **Accountability** – risks align with agreed appetite
- **Stewardship** – public resources are managed responsibly
- **Balanced decision-making** – risk and opportunity are considered together

4. What is Risk Appetite

Risk appetite is the amount and type of risk that the organisation is willing to seek, accept or tolerate in pursuit of its goals and objectives.

For a public entity such as Matamata-Piako District Council, risk appetite is not about avoiding all risk. Rather, it is about being clear where the Council is willing to take more risk (for example, to enable innovation, community outcomes or long-term efficiency) and where it has very low tolerance for risk (for example, safety, legal compliance, or integrity of core services).

Risk appetite is typically expressed through:

- **High-level statements** (e.g. “The Council has an **averse** appetite for health and safety risks that could result in serious harm.”)
- **Supporting indicators** (e.g. thresholds, triggers, or limits that signal when risks may be outside appetite).

These statements then guide more detailed risk assessments, controls, and escalation.

5. How Risk Appetite Supports, but Does Not Replace, Decision-Making

Risk appetite statements should not be a rigid formula for making decisions. These statements do not replace professional judgement, elected member discretion or statutory obligations. Instead, they add structure and rigour by providing a shared starting point for discussions and documenting the Council’s intent.

Risk appetite:

- **Guides, rather than dictates, choices** – it indicates preferred risk levels but does not remove the need to consider specific context, community views, and legal or regulatory requirements.
- **Promotes consistency** – similar proposals should be assessed against the same appetite statements, reducing ad-hoc or reactive decisions.
- **Enables escalation and challenge** – where a proposed decision appears to sit outside appetite, it can be more easily identified, escalated, and either adjusted or consciously accepted with appropriate mitigations.
- **Improves documentation** – recording how a decision aligns (or deliberately departs) from agreed appetite provides a clear audit trail.

In practice, there will be situations where the Council chooses to proceed with an activity that is temporarily outside its stated appetite because of statutory duties, critical community needs or wider strategic benefits. In those cases, the appetite statements still add value by highlighting the need for strengthened controls, close monitoring and transparent communication.

6. Risk Appetite Framework

6.1 Risk Appetite Scale

Council defines its appetite using the following scale:

Appetite	Meaning	Risk : Opportunity Trade-offs	Equates to Risk Level
'Averse'	Avoid risk wherever possible; only minimal exposure accepted	Never	Very Low
'Conservative'	Very limited risk accepted with strong controls	With extreme reluctance	Low
'Measured'	Balanced and controlled risk-taking	Balanced trade-offs are enabled	Moderate
'Justified'	Risk accepted where benefits outweigh downsides	Willing where appropriate	High
'Open'	Willing to actively pursue opportunity with higher uncertainty	Willing	Very High

6.2 Link to Risk Assessment

Risk appetite is applied alongside the ratings assessed using Council's likelihood and consequence framework to determine whether risks are:

- **Within appetite** (acceptable given the controls in place)
- **Outside appetite** (requires escalation, approval and ongoing monitoring, according to level of residual risk)

Sometimes **'Outside appetite'** risks are accepted as **'Tolerable'** while additional mitigating controls are developed over time; or where it is accepted that either additional controls are not practical or are too expensive to introduce. Sometimes in these cases **'Target risk levels'** are set between the current level of residual risk and the risk appetite.

Further detail on the link between risk assessment and risk appetite is included in the Risk Management Framework.

7. Summary Tables

A risk appetite statement has been developed for every broad category of **strategic or operational risk**, and every category of **project risk**. The level of risk appetite is summarised in the tables in this section of the document and provided in fuller detail in sections 8 and 9. Please note that the level of risk appetite for each of Council's 'Top Risks' is set separately in the annual Top Risk reset. Reference should be made to Council's Risk Management Framework document for fuller guidance on how these risk appetite settings are to be applied in organisational risk management.

Risk Appetite Overview

Averse		
Averse / Conservative		People - Health, Safety & Well-being; Legal & Regulatory Compliance
Conservative		Reputation; Community Trust & Perception; Operational Performance and Capability - Critical Services; Info Technology, Info Management & Security; Relationship with Mana Whenua
Conservative / Measured		People - Culture & Engagement; Financial; Environmental Well-being; Damage or Loss to Property or Assets
Measured		Operational Performance and Capability - Non-Critical Services; Project Delivery Risk; Contractual Responsibilities and Supplier Relationships
Measured / Justified		
Justified		Climate Resilience
Justified / Open		Strategic Change, Innovation & Improvement
Open		

Risk Appetite Table - Broad Categories of Strategic and Operational Risk

Risk Category	Averse	Conservative	Measured	Justified	Open
People - Health, Safety and Well-being					
People - Culture and Engagement					
Legal and Regulatory Compliance					
Reputation					
Community Trust and Perception					
Financial					
Operational Performance and Capability - Critical Services					
Operational Performance and Capability - Non-Critical Services					
Info Technology, Info Management & Security					
Environmental Well-being					
Climate Resilience					
Relationship with Mana Whenua					
Damage or Loss to Property or Assets					
Project Delivery Risk (Broad-based, specific project risks separate)					
Contractual Responsibilities and Supplier Relationships					
Strategic Change, Innovation & Improvement					

Risk Appetite Table - Project Risks

Risk Category	Averse	Conservative	Measured	Justified	Open
Project - Time					
Project - Cost					
Project - Health & Safety					
Project - Resources					
Project - Benefits and Outcomes					

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8. Risk Appetite Statements

8.1 People – Health, Safety and Well-being — Averse to Conservative

The Council has an **averse to conservative** appetite for risks that may result in harm to people.

Application:

- Risks are avoided wherever reasonably practicable
- There is **averse** appetite to any risk of **serious harm**
- Strong preventive controls and full compliance are mandatory

Additional clarity:

Any risk with the potential for **serious harm** must remain at the lowest practicable level, with no tolerance for exposure beyond clearly controlled and compliant operating conditions.

Triggers:

- Fatality, serious harm, or notifiable event → immediate escalation and outside appetite
- Repeated incidents or control failures → outside appetite

8.2 People – Culture and Engagement — Conservative to Measured

The Council has a **conservative to measured** appetite for risks relating to workforce culture and engagement.

Application:

- Stability, engagement, and wellbeing are prioritised
- Some risk is accepted to enable organisational change and improvement

Additional clarity:

This reflects that while disruption associated with change may be acceptable, sustained or unmanaged impacts on culture, engagement, or capability are not.

Triggers:

- Sustained disengagement, increased turnover, or capability gaps → escalation
- Material workforce instability impacting delivery → outside appetite

8.3 Legal and Regulatory Compliance — Averse to Conservative

The Council has an **averse to conservative** appetite for legal and regulatory risk.

Application:

- Compliance is expected at all times unless explicitly determined
- Very limited exposure is tolerated where complexity or ambiguity exists, or where determined to be minor or technical non-compliance

Additional clarity:

This reflects that while minor or technical non-compliance may occasionally occur, and in some

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cases might be pre-determined as appropriate, any material or systemic breach is considered outside appetite.

Triggers:

- Reportable breach → outside appetite
- Enforcement action or prosecution → outside appetite and escalation

8.4 Reputation — Conservative

The Council has a **conservative** appetite for reputational risk.

Application:

- Council seeks to protect and maintain its reputation and public standing
- Risk is only accepted where well justified and actively managed

Additional clarity:

This reflects that reputational risk may be accepted where aligned to strategic or community outcomes, but not where damage is foreseeable and avoidable.

Triggers:

- Sustained negative media attention → escalation
- Significant reputational damage → outside appetite unless justified

8.5 Community Trust and Perception — Conservative

The Council has a **conservative** appetite for risks affecting community trust and perception.

Application:

- Decisions must be transparent, fair, and aligned to community expectations
- Engagement must be appropriate and effective

Additional clarity:

This reflects that limited short-term impacts may be tolerated, but any sustained reduction in community confidence is not acceptable.

Triggers:

- Decline in community satisfaction or confidence → escalation
- Significant consultation failure or adverse reaction → outside appetite

8.6 Financial — Conservative to Measured

The Council has a **conservative to measured** appetite for financial risk.

Application:

- Financial discipline and sustainability are prioritised
- Controlled financial risk is accepted to deliver community outcomes

Additional clarity:

This reflects that financial exposure may be accepted within approved tolerances, but risks that threaten affordability or long-term sustainability are not acceptable.

Triggers:

- Variance exceeding tolerance (e.g. >10–15%) → governance oversight
- Major financial impact or >25% variance → outside appetite

8.7 Operational Performance and Capability – Critical Services (Roading, Stormwater, Solid Waste)¹— Conservative

The Council has a **conservative** appetite for risks affecting critical service delivery.

Application:

- Reliability and continuity of critical services are prioritised
- Risks must be tightly controlled and minimised

Additional clarity:

This reflects that any disruption to critical services must be rare, short-term, and actively managed, with no tolerance for sustained failure.

Triggers:

- Failure or significant disruption of critical services → outside appetite
- Reduced service reliability → escalation

8.8 Operational Performance and Capability – Non-Critical Services — Measured

The Council has a **measured** appetite for risks affecting non-critical services.

Application:

- Some disruption or variability is acceptable
- Risk may be accepted to enable efficiency or improvement

Additional clarity:

This reflects that variability and service changes are acceptable where managed, provided overall service outcomes remain acceptable to the community.

Triggers:

- Sustained or unmanaged service disruption → escalation
- Significant degradation impacting outcomes → outside appetite

¹ Note, this reflects what is considered to be critical services following the transfer of the Water and Wastewater activities to Waikato Waters Limited on 1 October 2026.

8.9 Information Technology, Information Management and Security — Conservative

The Council has a **conservative** appetite for information and technology risk.

Application:

- Systems, data, and security must be protected
- Risks are tightly controlled and actively monitored

Additional clarity:

This reflects that while minor system issues may occur, any loss of data integrity, confidentiality, or critical system availability is not acceptable.

Triggers:

- Data breach involving sensitive information → outside appetite
- Loss or outage of critical systems → escalation

8.10 Environmental Well-being — Conservative to Measured

The Council has a **conservative to measured** appetite for environmental risk.

Application:

- Environmental harm is minimised
- Some controlled exposure may be accepted where benefits justify

Additional clarity:

This reflects that minor or reversible impacts may be acceptable, but any significant or irreversible environmental harm is not.

Triggers:

- Regulatory environmental breach → outside appetite
- Significant or irreversible damage → outside appetite

8.11 Climate Resilience — Justified

The Council has a **justified** appetite for climate-related risk.

Application:

- Risk is accepted where it supports long-term resilience and adaptation
- Decisions are forward-looking

Additional clarity:

This reflects that short-term or transitional risks may be accepted where they contribute to improved long-term resilience outcomes.

Triggers:

- Failure to plan for material climate risks → outside appetite

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- Unmanaged climate exposure → escalation

8.12 Relationship with Mana Whenua — Conservative

The Council has a **conservative** appetite for risks affecting relationships with mana whenua.

Application:

- Partnership, trust, and engagement are prioritised
- Commitments are met

Additional clarity:

This reflects that any actions that could undermine trust or partnership are not acceptable.

Triggers:

- Breakdown in relationship or engagement → outside appetite
- Failure to meet commitments → escalation

8.13 Damage or Loss to Property or Assets — Conservative to Measured

The Council has a **conservative to measured** appetite for asset-related risk.

Application:

- Assets are protected and maintained through lifecycle management
- Some residual risk is accepted where cost-effective

Additional clarity:

This reflects that manageable and planned asset risks are acceptable, but loss of critical assets or sustained service impact is not.

Triggers:

- Loss or failure of critical assets → outside appetite
- Recurring asset issues → escalation

8.14 Project Delivery Risk — Measured

The Council has a **measured** appetite for overall project delivery risk.

Application:

- Delivery risk is expected and actively managed
- Trade-offs between cost, time, and scope are accepted within limits

Additional clarity:

This reflects that variation is acceptable as long as balanced and controlled, but uncontrolled delivery risk is not.

Triggers:

- Significant departures from expectations in time and cost, or anticipated benefits and outcomes of project delivery → escalation
- Loss of control across delivery metrics → outside appetite

8.15 Contractual Responsibilities and Supplier Relationships — Measured

The Council has a **measured** appetite for contractual and supplier risk.

Application:

- Commercial risk is accepted within structured arrangements
- Supplier performance is actively managed

Additional clarity:

This reflects that routine contractual risk is acceptable, but major disputes, non-performance, or failure are not.

Triggers:

- Material breach or dispute → escalation
- Litigation or supplier failure → outside appetite

8.16 Strategic Change, Innovation and Improvement — Justified to Open

The Council has a **justified to open** appetite for strategic change, innovation and improvement.

Application:

- The Council is willing to take calculated risks to enable innovation and improvement, or in some cases more efficient delivery, through enablement of staff
- Risk-taking is encouraged where it delivers long-term benefits

Additional clarity:

This reflects that higher levels of uncertainty are acceptable where opportunities are well understood and aligned to strategic outcomes. There are some areas where this kind of risk should not be taken, for instance in the Building Compliance activity where Building Authority Accreditation could be risked.

Triggers:

- Poorly defined or unmanaged innovation risk → escalation
- Exposure to uncontrolled risk → outside appetite

9. Project Risk Appetite Statements

9.1 Project – Time — Measured

The Council has a **measured** appetite for project schedule risk.

Application:

- Minor delays are acceptable where managed
- Milestones must be actively monitored

Additional clarity:

This reflects that manageable delays are acceptable where actively controlled, but slippage that compromises key delivery outcomes is not.

Triggers:

- Slippage against key milestones → escalation
- Failure to meet critical deadlines → outside appetite unless justified

9.2 Project – Cost — Measured

The Council has a **measured** appetite for project cost risk.

Application:

- Variances within contingency are acceptable
- Cost management must be robust

Additional clarity:

This reflects that cost variation within approved contingency is acceptable, but significant overruns or funding gaps are not.

Triggers:

- Variance >10–15% → governance oversight
- Variance >25% → outside appetite

9.3 Project – Health & Safety — Averse to Conservative

The Council has an **averse to conservative** appetite for project health and safety risks that may result in harm to people.

Application:

- Project health and safety risks are avoided wherever reasonably practicable
- There is **averse** appetite to any risk of **serious harm**
- Strong preventive controls and full compliance are mandatory

Additional clarity:

Any risk with the potential for **serious harm** must remain at the lowest practicable level, with no

tolerance for exposure beyond clearly controlled and compliant project health and safety conditions.

Triggers:

- Fatality, serious harm, or notifiable event → immediate escalation and outside appetite
- Repeated incidents or control failures → outside appetite

9.4 Project – Resources — Measured

The Council has a **measured** appetite for project resourcing risk.

Application:

- Short-term constraints may be accepted
- Capability and capacity must be actively managed

Additional clarity:

This reflects that short-term resourcing pressures may be managed, but sustained capability gaps that affect delivery are not acceptable.

Triggers:

- Persistent resourcing gaps → escalation
- Inability to resource delivery → outside appetite

9.5 Project – Benefits and Outcomes — Measured to Justified

The Council has a **measured to justified** appetite for risks to project benefits and outcomes.

Application:

- Some uncertainty is acceptable, particularly early
- Benefits must be defined and monitored

Additional clarity:

This reflects that uncertainty in benefits may be accepted during delivery, but failure to achieve core outcomes is not.

Triggers:

- Erosion of expected benefits → escalation
- Failure to deliver key outcomes → outside appetite

10. Application in Decision-Making

Risk appetite is used to:

1. Assess whether decisions align with acceptable risk levels
2. Enable informed trade-offs
3. Identify when escalation is required
4. Support consistent decision-making across the organisation

Where decisions fall outside appetite:

- They must be clearly identified
- Justification must be documented
- Appropriate approvals must be obtained

11. Governance and Responsibilities

- **Council (Elected Members):** Approve risk appetite
- **Executive Leadership Team:** Embed and oversee application
- **Management:** Apply appetite in decision-making and reporting

12. Review

This statement will be reviewed annually, unless there is need for review prior to that.

13. Approval

Approved by Matamata-Piako District Council on **29 July 2026**.

7 Pūrongo me whakatau | Decision Reports

7.9 Liability Management Policy Compliance - Year ended 30 June 2026

CM No.: 3195965

Te Kaupapa | Purpose

To provide Council with an overview of compliance with the Liability Management Policy for the year ended 30 June 2026, seek retrospective approval for transitional interest rate risk and funding maturity non-compliances, and report a liquidity ratio non-compliance that arose during the year.

Rāpopotonga Matua | Executive Summary

Council's Liability Management Policy sets internal treasury limits for interest rate risk, funding maturity and liquidity. These limits support prudent debt management and help reduce treasury risk.

Council adopted the current Liability Management Policy in October 2025. At that time, Council was already preparing for the transfer of waters-related debt to Waikato Waters Limited (WWL). The policy therefore specifically recognised that the WWL transition may affect Council's interest rate and funding maturity positions and included a process for Chief Executive approval and retrospective Council approval where those non-compliances do not self-correct within 90 days.

During 2025/26 Council managed its debt portfolio in line with this transition. This meant maintaining flexibility and avoiding unnecessary longer-term borrowing or hedging decisions ahead of the expected transfer of a substantial portion of Council's debt to WWL from 1 October 2026.

Council was outside some internal Liability Management Policy limits during the year. These related to interest rate risk, funding maturity and liquidity. The interest rate and funding maturity non-compliances fall within the specific WWL transition provisions in the policy and are presented to Council for retrospective approval.

The liquidity ratio non-compliance is different. The policy does not provide the same retrospective approval mechanism for liquidity ratio non-compliance. This report therefore reports the liquidity matter to Council, explains why it occurred, and notes that Council remained compliant with its external LGFA borrowing covenants.

Tūtohunga | Recommendation

That:

1. Council receives this report
2. Council notes the interest rate risk, funding maturity and liquidity ratio non-compliances reported for the year ended 30 June 2026.
3. Council notes that the interest rate risk and funding maturity non-compliances arose in the context of the planned Waikato Waters Limited (WWL) debt transfer and are provided for under the Liability Management Policy's WWL transition provisions.
4. Council notes that the Chief Executive approved LGFA debt drawdowns on 17 October 2025, 19 December 2025 and 17 April 2026.
5. Council retrospectively approves the interest rate risk and funding maturity profile non-compliance for the period October 2025 to 30 June 2026.
6. Council notes the liquidity ratio non-compliance and the management explanation provided in this report.
7. Council notes that Council remained compliant with LGFA borrowing covenants throughout the period.

Horopaki | Background

Council adopted its current Liability Management Policy on 8 October 2025. The policy sets requirements for managing borrowing, interest rate exposure, funding maturity, liquidity, credit exposure and related treasury activity.

The policy also requires regular reporting on compliance with Liability Management Policy parameters and an annual overview report, including a summary of policy breaches and one-off approvals outside policy.

During 2025/26 Council prepared for the establishment of Waikato Waters Limited and the planned transfer of waters-related debt from Council to WWL from 1 October 2026. This is a significant one-off transition that affects Council's expected debt levels, funding requirements and treasury risk profile.

The policy specifically recognises the WWL transition when assessing compliance with interest rate and funding maturity limits. It provides that non-compliance greater than 90 days, that does not self-correct, is approved by the Chief Executive and retrospectively reported and approved by Council.

The Chief Executive approved LGFA debt drawdowns on 17 October 2025, 19 December 2025 and 17 April 2026. These drawdowns formed part of Council's treasury approach during the WWL transition period.

Ngā Take/Kōrerorero | Issues/Discussion

The reported policy non-compliances should be considered together as part of Council's transitional treasury position ahead of the WWL debt transfer. The interest rate risk and funding maturity positions are covered by specific WWL transition provisions in the policy. The liquidity

ratio matter is reported separately because the same retrospective approval wording does not appear to apply to the liquidity ratio.

Summary of policy non-compliances

Area	Period	Nature of non-compliance	Treatment in this report	Reason
Interest rate risk	Oct 2025 – Jun 2026	Fixed-rate exposure exceeded maximum policy limits in some future time buckets.	Retrospective Council approval sought.	WWL transition provisions in policy recognise the impact of the debt transfer on interest rate risk.
Funding maturity profile	Oct 2025 – Jun 2026	Debt maturity profile was outside policy limits.	Retrospective Council approval sought.	WWL transition provisions in policy recognise the impact of the debt transfer on funding requirements.
Liquidity ratio	May 2025/26	Internal liquidity ratio fell below the policy threshold.	Reported to Council; retrospective approval is not sought.	Policy does not include the same retrospective approval mechanism for liquidity. Council remained LGFA covenant compliant.

Interest rate risk limits

The Liability Management Policy sets limits on the proportion of debt that may be fixed in future periods. These limits are intended to balance interest rate certainty with flexibility.

Council's interest rate position was outside the maximum policy limits from October 2025 to June 2026 in some future time buckets. The most significant non-compliance was in the 12–24 month and 24–36 month buckets. The 36–48 month bucket was also outside the maximum limit for part of the period.

Management did not consider it prudent to enter into additional hedging solely to bring the portfolio within the normal policy corridor immediately before the planned transfer of waters-related debt to WWL. Additional hedging may have added cost and complexity without delivering a clear long-term benefit to Council after the debt transfer.

The policy expressly provides for WWL to be considered when assessing interest rate limits. The non-compliance exceeded 90 days and is therefore being reported to Council for retrospective approval.

Month	12–24 month actual	Limit	24–36 month actual	Limit	36–48 month actual	Limit
Oct 2025	138%	≤85%	109%	≤80%	91%	≤75%
Nov 2025	137%	≤85%	107%	≤80%	89%	≤75%
Dec 2025	135%	≤85%	106%	≤80%	87%	≤75%
Jan 2026	132%	≤85%	105%	≤80%	83%	≤75%
Feb 2026	129%	≤85%	104%	≤80%	79%	≤75%

Month	12–24 month actual	Limit	24–36 month actual	Limit	36–48 month actual	Limit
Mar 2026	126%	≤85%	103%	≤80%	75%	≤75%
Apr 2026	124%	≤85%	102%	≤80%	71%	≤75%
May 2026	121%	≤85%	100%	≤80%	68%	≤75%
Jun 2026	118%	≤85%	99%	≤80%	66%	≤75%

Funding maturity profile limits

The Liability Management Policy sets limits to ensure debt maturities are spread across future years. This reduces the risk of too much debt needing to be refinanced at one time.

Council's funding maturity profile was outside the policy limits from October 2025 to June 2026. The 0–3 year bucket exceeded the maximum policy limit throughout the period. From April 2026 to June 2026, the profile was fully concentrated in the 0–3 year bucket.

This position reflected the short-term nature of the WWL transition. Management considered that entering into longer-term debt arrangements immediately before the expected transfer of waters-related debt would not have been in Council's best interests.

The policy expressly provides for WWL to be considered when assessing funding limits. The non-compliance exceeded 90 days and is therefore being reported to Council for retrospective approval.

Month	0–3 year actual	Policy	3–7 year actual	Policy	7–12 year actual	Policy
Oct 2025	62%	15%–60%	38%	25%–85%	0%	0%–60%
Nov 2025	62%	15%–60%	38%	25%–85%	0%	0%–60%
Dec 2025	66%	15%–60%	34%	25%–85%	0%	0%–60%
Jan 2026	66%	15%–60%	34%	25%–85%	0%	0%–60%
Feb 2026	66%	15%–60%	34%	25%–85%	0%	0%–60%
Mar 2026	66%	15%–60%	34%	25%–85%	0%	0%–60%
Apr 2026	100%	15%–60%	0%	25%–85%	0%	0%–60%
May 2026	100%	15%–60%	0%	25%–85%	0%	0%–60%
Jun 2026	100%	15%–60%	0%	25%–85%	0%	0%–60%

Liquidity ratio

The Liability Management Policy requires Council to maintain a liquidity ratio greater than 110%. The liquidity ratio compares available liquid resources and committed facilities with Council's external debt.

Council was outside this internal policy requirement in May 2026, with liquidity at 109% (below the policy limit of 110%). As Council's debt increased during the year, Council would normally have considered increasing available committed credit facilities to maintain compliance with the policy limit.

Management did not consider this appropriate in the circumstances. A substantial portion of Council's debt is expected to transfer to WWL from 1 October 2026. Increasing committed facilities immediately before that transfer would have added costs for a short period, while the underlying debt position was expected to materially reduce after the transfer.

The policy does not provide the same retrospective Council approval mechanism for liquidity ratio non-compliance as it does for interest rate and funding maturity non-compliance. For that reason, this report does not ask Council to retrospectively approve the liquidity ratio matter. It reports the non-compliance, explains the reason for it, and notes the management response.

This liquidity non-compliance related to Council's internal policy only. It did not result in a breach of Council's external borrowing covenants with LGFA. LGFA includes term deposits in its liquidity covenant calculation, while Council's internal policy is more conservative. Council remained compliant with LGFA borrowing covenants throughout the period.

Overall management assessment

Management considers the interest rate risk and funding maturity non-compliances to be reasonable and prudent consequences of Council's transitional treasury strategy ahead of the WWL debt transfer.

Strict compliance with those policy settings during the transition period would likely have required additional hedging or longer-term debt arrangements. Management considered those steps were not appropriate given the expected transfer of a substantial portion of Council's debt from 1 October 2026.

The liquidity ratio matter is also linked to the WWL transition, but is treated differently in this report because the policy does not provide a retrospective approval mechanism for liquidity ratio non-compliance. The matter is therefore reported to Council for transparency, rather than approval.

Council's treasury position was actively monitored through monthly treasury meetings between staff and Council's external treasury advisors, PWC, and with quarterly treasury reporting to Council. Council continued to meet its financial obligations as they fell due and remained compliant with its external LGFA borrowing covenants.

Mōrearea | Risk

Risk	Assessment	Mitigation
Governance risk	Council's internal policy limits were not met.	Interest rate and funding maturity non-compliances are reported for retrospective approval. Liquidity ratio non-compliance is reported with explanation.
Financial risk	Assessed as low.	Council remained compliant with LGFA covenants and maintained access to funding and liquidity.
Reputation/audit risk	Transparent reporting is required.	Clear explanation is provided including quantification of the non-compliance.
Future compliance risk	Expected to reduce following WWL debt transfer.	Management will continue monthly monitoring and report any further matters.

Ngā Whiringa | Options

Option One – Approve the recommended approach	
Description of option	
Council retrospectively approves the interest rate risk and funding maturity non-compliances, and notes the liquidity ratio non-compliance and management explanation.	
Advantages	Disadvantages
Recognises the WWL transition provisions in the Liability Management Policy.	Council formally acknowledges that internal policy limits were not met.
Maintains transparency while treating the liquidity ratio matter correctly under the policy.	No significant disadvantages were identified.
Supports the deliberate strategy to avoid unnecessary costs before the debt transfer.	
Provides a clear record for Council and Audit NZ.	

Option Two – Do not approve the interest rate and funding maturity non-compliances	
Description of option	
Council notes the non-compliances but does not retrospectively approve the interest rate risk and funding maturity matters.	
Advantages	Disadvantages
Reinforces the importance of policy compliance.	Does not recognise the specific WWL transition provisions included in the policy.
	Provides no practical benefit, as the treasury position has already been managed during the year.
	Does not support the deliberate transitional strategy adopted by management.

Ngā Tāpiritanga | Attachments

There are no attachments for this report.

Ngā waitohu | Signatories

Author(s)	Larnia Rushbrooke Pou Pūtea, Ratonga Pakihi Finance & Business Services Manager	
Approved by	Kelly Reith Hautū Rangatōpū, Tāngata me ngā Hononga Group Manager Corporate, People & Relationships	

	Manaia Te Wiata Tumu Whakarae Chief Executive Officer	
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7 Pūrongo me whakatau | Decision Reports

7.10 Electoral system for 2028 local elections

CM No.: 3133883

Te Kaupapa | Purpose

The purpose of this report is to seek Council's direction on which electoral voting system to use for the 2028 local elections.

Rāpopotonga Matua | Executive Summary

The First Past the Post (FPP) voting system was used by Matamata-Piako District Council for the 2025 elections and is used by most Councils throughout New Zealand. Council may resolve to change the voting system to Single Transferable Votes (STV).

This report highlights the process for each of the options and associated timelines with changing the voting system should Council opt to.

Tūtohunga | Recommendation

That:

1. **The information be received.**
2. **Council confirms the First Past the Post as the electoral voting system for the 2028 and 2031 local elections, and this decision be publicly notified by 19 September 2026, in accordance with statutory requirements including the public's right to demand a poll on this decision.**

OR
3. **Council resolves to change the electoral voting system from the First Past the Post to Single Transferable Vote for the 2028 and 2031 local elections, and that this decision be publicly notified by 19 September 2026, in accordance with statutory requirements including the public's right to demand a poll on this decision.**

OR
4. **Council resolves to undertake a poll of electors on the electoral voting system to be used for the next two local elections. Such a poll is to use the postal voting method.**

Horopaki | Background

In accordance with the Local Electoral Act 2001 (LEA) and to "allow diversity (through local decision-making) in relation to the particular electoral system to be used for local elections and polls", Councils and communities are provided with a choice between First Past the Post (FPP) or Single Transferable Vote (STV) for local elections and polls.

Council last passed a resolution on this issue on 23 August 2023, which was to use FPP. Any such resolution takes effect for the next two triennial general elections and any associated by-election; and continues in effect until either—

- a further resolution under this section takes effect; or
- a poll of electors held takes effect.

If Council opts not to pass a resolution on this issue before 12 September 2026, the FPP system will be chosen (by default) due to the previous resolution applying for the 2025 and 2028 elections. Therefore, no resolution is required (public notification occurs regardless), although, this report is providing Council the option to pass a resolution confirming the status quo arrangement or to change the electoral system if it wishes.

If Council decides to change the electoral system or retain the same electoral system from that used at the last triennial election, Council must give public notice of the right of the community to demand a poll on the issue seven days after the date of a resolution.

What systems councils use

The option to use FPP or STV has been in place since 2004. This was designed to help achieve the LEA principle of “*fair and effective representation for individuals and communities*”. Council used the STV system for the 2004 elections and then changed back to use the FPP electoral system for all subsequent elections. The FPP system is used by most councils nationally.

The STV option was first offered for the 2004 local government elections. As a result of that option, 10 city/district councils used STV at the 2004 elections. STV was used by 15 councils for the 2022 elections, and 16 councils in 2025 (14 territory authorities and 2 regional councils). Currently, only Hamilton City Council use STV in the Waikato region.

Online voting

Central government have indicated “there are no current plans to trial nationwide online voting in local elections”.

Ngā Take/Kōrerorero | Issues/Discussion

The Local Electoral Act provides local authorities and/or their communities with three options for choosing which system is used:

1. Council can make a decision on which electoral system is to be used, with the required public notification to follow; or
2. Council may resolve to hold a poll to determine which system should be used; or
3. Electors may demand that a poll be held on the matter.

There are specific timeframes and conditions associated with each of these options. Council must make a decision by 12 September 2026. Council’s decision must be publicly advertised by 19 September 2026, and the community notified of its right to demand a poll to rescind any resolution. The demand to poll must be received no later than 11 December 2026.

The LEA requires a local authority to comply with the following timeline when deciding which electoral system will be used. The following table shows the change options, requirements and time constraints in relation to the 2028 triennial elections.

Who	Timing	Provision	Section of LEA
Council	By 12 September 2026	A local authority MAY resolve to change the electoral system for the next two triennial elections or resolve to do nothing.	Section 27 of the LEA
Council	By 19 September 2026	A local authority MUST give public notice of the right of 5% of the electors to demand a poll on the future electoral system for the next two triennial elections, and if a resolution has been made by a local authority by 12 September 2026,	Section 28 and 29 of the LEA

Who	Timing	Provision	Section of LEA
		then this must be included in the notice.	
5% of electors	By 11 December 2026	Should a valid demand for a poll be received by 11 December 2026, a poll MUST be held by 28 March 2027.	Section 29 of the LEA
		The outcome of a poll is binding on the local authority for two triennial elections (2028 and 2031).	Section 34(1) of the LEA
Council	By 11 December 2026	A local authority MAY resolve to undertake a poll of electors on a proposal that a specified electoral system be used for the next two triennial elections.	Section 31 and 33(3) of the LEA
		The poll must be held within 103 days after the Electoral Officer receives notice of Council's resolution.	

Further explanation of the options is set out below:

1. Ability of Council to resolve which electoral system is to be used

Section 27 of the LEA provides that the Council may resolve, of its own decision, to change an electoral system which is different to the system used at the previous triennial election. If it decides on a change, it must do so no later than 12 September, two years prior to the next triennial election (being October 2028) unless it decides to hold a poll of electors. Therefore, if Council wishes to consider changing its system from FPP to STV for the 2028 and 2031 elections, it must do so before 12 September 2026 (the LEA includes a provision that should a Council resolve to change its electoral system by resolution, and no poll is held, the new system must be used for the next two elections).

A resolution to retain FPP will take effect for the 2028 and 2031 elections and will continue in effect until either Council resolves otherwise, prior to 12 September two years prior to the 2034 elections, or a poll of electors is held.

Council must give public notice no later than 19 September 2026, of the right for electors to demand a poll on the electoral system, whether or not the local authority has resolved to change the electoral system.

2. The Council may decide of its own volition to hold a poll of electors

Council can also decide to hold a poll of electors at any time during the process (no later than 28 March 2027), irrespective of whether a valid demand has been received, or the time has expired for electors to demand a poll.

The results of the poll are binding and will determine whether FPP or STV is to be used for at least the next two triennial elections, and for all subsequent elections until either a further resolution under Section 27 LEA takes effect or a further poll is held.

3. Electors' right to demand a poll

Prior to 19 September 2026, Council must give public notice of the right to demand a poll on the electoral system to be used. If Council has passed a resolution under Section 27 of the LEA to change the electoral system from FPP to STV, the public notice must include:

- notice of that resolution; and
- a statement that a poll is required to counter that resolution.

Section 29 of the LEA allows 5% of the number of electors enrolled at the previous triennial election to demand a poll to be held on a proposal to determine which electoral system is to be used for the next two triennial elections. The poll demand must be made in writing, and must be made by 11 December 2026, with the poll to be held no later than 28 March 2027.

Timetable and conduct of poll

Following the passing of a resolution by Council or validation of a demand for a poll, the Chief Executive or their delegate, must, as soon as practicable, give notice of the resolution or the valid poll demand to the Electoral Officer.

There are various timeframes associated with a poll. If Council opts to hold a poll the Electoral Officer will work through the timetable requirements of the LEA.

Explanation of voting system options

An explanation of both electoral systems is provided in the attached paper. Although this guide was prepared in 2008, the explanations about the two electoral systems remain current.

Issues Council may wish to consider when choosing an electoral system, include:

- additional election costs if STV is adopted;
- public confusion over a change in system (an additional education campaign required);
- costs associated with public consultation / education / poll.

First Past The Post (FPP)

Under FPP electors vote by indicating their preferred candidate(s), and the candidate(s) who receives the most votes is declared the winner regardless of the proportion of votes that candidate(s) obtained. This is a very simple method of electing candidates and is widely used throughout the world.

Although FPP is very simple, some people have argued that the results of an FPP election may not always reflect the wishes of the majority of voters. The following examples show how results of FPP elections may vary.

Example 1	Number of Votes	Percentage of Votes
Candidate One	51	51%
Candidate Two	49	49%
	Total Votes = 100	Total = 100%

Where one candidate has a clear majority of votes, it can be seen that the majority of people did support the winning candidate.

Example 2	Number of Votes	Percentage of Votes
Candidate One	34	34%
Candidate Two	33	33%
Candidate Three	33	33%
	Total Votes = 100	Total = 100%

In this example, candidate one would be the winning candidate. However, they fell well short of securing a majority (i.e. over 50%) but simply gained one more vote than the other two candidates.

Example 3	Number of Votes	Percentage of Votes
Candidate One	70	70%
Candidate Two	10	10%
Candidate Three	10	10%
Candidate Four	10	10%

	Total Votes = 100	Total = 100%
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In this example, the winning candidate received 70% of the total votes.

However, the winning candidate might receive more votes than any other one candidate, but receive fewer votes than the other candidates put together.

Example 4	Number of Votes	Percentage of Votes
Candidate One	40	40%
Candidate Two	30	30%
Candidate Three	20	20%
Candidate Four	10	10%
	Total Votes = 100	Total = 100%

In this case, the winning candidate got 40 per cent of the total votes, the other candidates received 60 percent of votes. It could be said that the election result did not reflect the wishes of the majority.

Some people have also argued that even when the winning candidate gets the majority of votes, many votes are “wasted”.

Single Transferable Vote (STV)

Under an STV electoral system, voters rank candidates in their order of preference. A good example to consider is an election to select three Councillors for a ward in a Council election. Under STV, a person would write ‘1’ next to the name of their preferred candidate, ‘2’ next to their second preferred candidate and so on.

STV means that each person has one vote, but can indicate preferences for all the candidates. Using STV means each voter has a single vote that is transferable from one candidate to another in the order the voter prefers them.

The number of votes required for a candidate to be elected depends on the number of positions to be filled and number of valid votes. The number of vacancies and votes determines the quota a candidate must reach to be elected. The formula for deciding the quota is the total number of valid votes, divided by the number of vacancies plus one.

Mōrearea | Risk

Council may consider that STV is too complicated, expensive (the cost of processing votes is higher for example) or that FPP is better suited to Matamata-Piako District Council. Election results can take longer to issue with STV.

While the First Past the Post (FPP) electoral system is simple and well understood, there is a risk that election outcomes may not fully reflect the preferences of the majority of voters, which could affect perceptions of the representativeness of elected members.

Ngā Whiringa | Options

Council may consider adopting one of the following options:

Option A - Make a decision and publicly notify it

If Council resolves under section 27 of the LEA to change the electoral system, Council must give public notice of electors’ right to demand a poll no later than 19 September 2026. The notice must include details of Council’s resolution and a statement that a poll is required to countermand that resolution.

Option B - Resolve to hold a poll

Council could defer making a final decision on the electoral system and instead resolve to hold a poll of electors on whether FPP or STV should be used.

A resolution to hold a poll may be made by Council in accordance with the requirements of the LEA. If Council resolves to hold a poll, the poll process must be managed within the statutory timeframes to ensure the outcome applies to future elections.

This option would require funding for the administration of the poll, as well as associated public information and education activities. If Council is required to hold a poll, or elects to hold a poll, the estimated cost is \$90,000 plus GST. There is currently no budget provision for this expenditure.

Option C - Do nothing

Council could effectively do nothing and simply give public notice by 19 September 2026 that electors have the right to demand a poll on the electoral system to be used for the next two triennial elections. If no demand for a poll is received, status quo remains, that is FPP continues to be used for the 2028 elections.

Analysis of preferred option

This report and attached document does not provide a preferred option either way. It presents arguments for and against both systems and encourages Council to make an informed choice about the electoral system best suited for the community.

Legal and statutory requirements

The legal requirements are set out under the LEA and the associated regulations. The requirements are addressed elsewhere in this report.

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

Local Electoral Act 2001

s. 27 Local authority may resolve to change electoral systems

(1) Any local authority may, not later than 12 September in the year that is 2 years before the year in which the next triennial general election is to be held, resolve that the next 2 triennial general elections of the local authority and its local boards or community boards (if any), and any associated election, will be held using a specified electoral system other than that used for the previous triennial general election.

(2) A resolution under this section—

(a) takes effect, subject to paragraph (b), for the next 2 triennial general elections of the local authority and its local boards or community boards (if any), and any associated election; and

(b) continues in effect until either—

(i) a further resolution under this section takes effect; or

(ii) a poll of electors of the local authority held under [section 33](#) takes effect.

(3) This section is subject to [section 32](#).

*(4) In this section, and in [sections 28 to 34](#), **associated election**, in relation to any 2 successive triennial general elections of a local authority (and its local boards or community boards (if any)), means—*

(a) any election to fill an extraordinary vacancy in the membership of the body concerned that is held—

(i) between those elections; or

(ii) after the second of those elections but before the subsequent triennial general election:

(b) an election of the members of the body concerned called under [section 258I](#) or [258M](#) of the Local Government Act 2002 that is held—

(i) between those elections; or

(ii) after the second of those elections but before the subsequent triennial general election.

s. 28 Public notice of right to demand poll on electoral system

(1) Every local authority must, not later than 19 September in the year that is 2 years before the year in which the next triennial general election is to be held, give public notice of the right to demand, under [section 29](#), a poll on the electoral system to be used for the elections of the local authority and its local boards or community boards (if any).

(2) If the local authority has passed a resolution under [section 27](#) that takes effect at the next triennial election, every notice under subsection (1) must include—

(a) notice of that resolution; and

(b) a statement that a poll is required to countermand that resolution.

(2A) Despite subsections (1) and (2), if, on or before the date referred to in subsection (1), the local authority has passed a resolution under [section 31](#) and has specified a date for the holding of the poll that is on or before 28 March in the year before the next triennial general election, subsection (1) does not apply.

(3) This section is subject to [section 32](#).

s. 29 Electors may demand poll

(1) A specified number of electors of a local authority may, at any time, demand that a poll be held on a proposal by those electors that a specified electoral system be used at the elections of the local authority and its local boards or community boards (if any).

(2) This section is subject to [section 32](#).

(3) In this section and [sections 30](#) and [31](#),—

demand means a demand referred to in subsection (1) **specified number of electors**, in relation to a local authority, means a number of electors equal to or greater than 5% of the number of electors enrolled as eligible to vote at the previous general election of the local authority.

s. 30 Requirements for valid demand

(1) A demand must be made by notice in writing—

(a) signed by a specified number of electors; and

(b) delivered to the principal office of the local authority.

(2) An elector may sign a demand and be treated as one of the specified number of electors only if—

(a) the name of that elector appears,—

(i) in the case of a territorial authority, on the electoral roll of the territorial authority; and

(ii) in the case of any other local authority, on the electoral roll of any territorial authority or other local authority as the name of a person eligible to vote in an election of that local authority; or

(b) in a case where the name of an elector does not appear on a roll in accordance with paragraph (a),—

(i) the name of the elector is included on the most recently published electoral roll for any electoral district under the [Electoral Act 1993](#) or is currently the subject of a direction by the Electoral Commission under [section 115](#) of that Act (which relates to unpublished names); and

(ii) the address for which the elector is registered as a parliamentary elector is within the local government area of the local authority; or

(c) the address given by the elector who signed the demand is—

(i) confirmed by the Electoral Commission as the address at which the elector is registered as a parliamentary elector; and

(ii) within the district of the local authority; or

(d) the elector has enrolled, or has been nominated, as a ratepayer elector and is qualified to vote as a ratepayer elector in elections of the local authority.

(3) Every elector who signs a demand must state, against his or her signature,—

(a) the elector's name; and

(b) the address for which the person is qualified as an elector of the local authority.

(3A) If a valid demand is received after 11 December in the year that is 2 years before the next triennial general election, the poll required by the demand—

- (a) must be held after 28 March in the year before that election; and
- (b) has effect in accordance with [section 34\(2\)](#) (which provides that the poll has effect for the purposes of the next but one triennial general election of the local authority and the subsequent triennial general election).

(4) The chief executive of the local authority must, within 2 working days after receiving it, give notice to the electoral officer of every valid demand for a poll made in accordance with [section 29](#) and this section.

(5) This section is subject to [section 32](#).

s. 31 Local authority may resolve to hold poll

(1) A local authority may, no later than 11 December in the year that is 2 years before the year in which the next triennial general election is to be held, resolve that a poll be held on a proposal that a specified electoral system be used for the elections of the local authority and its local boards or community boards (if any).

(2) A resolution may, but need not, specify a date on which the poll is to be held.

(2A) The date specified for the holding of a poll must not be a date that would require deferral of the poll under [section 138A](#).

(3) The chief executive of the local authority must give notice to the electoral officer of any resolution under subsection (1),—

(a) if no date for the holding of the poll is specified in the resolution, within 2 working days after the resolution is made;

(b) if a date for the holding of the poll is specified in the resolution, at an appropriate time that enables the poll to be conducted in accordance with [section 33\(3\)](#).

(4) This section is subject to [section 32](#).

s. 32 Limitation on change to electoral systems

[Sections 27 to 31](#) do not apply if—

(a) a poll on the proposal described in [section 29](#) or [section 31](#) held under [section 33](#) took effect at the previous triennial general election of the local authority or takes effect at the next triennial general election of the local authority;

(b) another enactment requires a particular electoral system to be used for the election of members of a local authority.

s. 33 Poll of electors

(1) If the electoral officer for a local authority receives notice under [section 30\(4\)](#) or [section 31\(3\)](#), the electoral officer must, as soon as is practicable after receiving that notice, give public notice of the poll under [section 52](#).

(2) Despite subsection (1), if an electoral officer for a local authority receives 1 or more notices under both [sections 30\(4\)](#) and [31\(3\)](#), or more than 1 notice under either section, in any period between 2 triennial general elections, the polls required to be taken under each notice may, to the extent that the result of those polls would take effect at the same election, and if it is practicable to combine those polls, be combined.

(3) A poll held under this section must be held not later than 103 days after the date on which—

(a) the notice referred to in subsection (1) is received; or

(b) the last notice referred to in subsection (2) is received.

(3A) Subsection (3) is subject to subsection (2), [section 30\(3A\)](#) and [section 138A](#).

(3B) Voters at a poll held under this section decide the proposal or proposals that are the subject of the poll by voting for one of the electoral systems named in the voting document or, as the case may require, expressing a preference in respect of each of the electoral systems named in the voting document.

(4) Every poll under this section that is held in conjunction with a triennial general election or held after that election but not later than 28 March in the year immediately before the year in which the

next triennial general election is to be held determines whether the electoral system to be used for the next 2 triennial general elections of the local authority and its local boards or community boards (if any) and any associated election is to be—

- (a) the electoral system used at the previous general election of the local authority; or
- (b) the electoral system specified in any resolution under [section 27](#); or
- (c) the electoral system specified in any demand submitted within the appropriate period of which the electoral officer has received notice under [section 30\(4\)](#) and, if notice of more than 1 such demand is received, one of the systems specified in those demands and, if so, which one; or
- (d) the electoral system specified in any resolution of which the electoral officer has received notice under [section 31\(3\)](#).

(5) Every poll under this section that is held at some other time determines whether the electoral system to be used at the next but one triennial general election of the local authority and its local boards or community boards (if any) and any associated election is to be—

- (a) the electoral system used at the previous general election of the local authority; or
- (b) the electoral system specified in any resolution under [section 27](#); or
- (c) the electoral system specified in any demand submitted within the appropriate period of which the electoral officer has received notice under [section 30\(4\)](#) and, if notice of more than 1 such demand is received, one of the systems specified in those demands and, if so, which one; or
- (d) the electoral system specified in any resolution of which the electoral officer has received notice under [section 31\(3\)](#).

s. 34 Effect of poll

(1) If a poll is held under [section 33](#) in conjunction with a triennial general election or held after that election but not later than 28 March in the year immediately before the year in which the next triennial general election is to be held, the electoral system adopted or confirmed must be used—

- (a) for the next 2 triennial general elections;
- (b) for any associated election;
- (c) for all subsequent triennial general elections, elections to fill extraordinary vacancies, and elections called under [section 258I](#) or [258M](#) of the Local Government Act 2002, until a further resolution under [section 27](#) takes effect or a further poll held under [section 33](#) takes effect, whichever occurs first.

(2) If a poll is held under [section 33](#) at some other time, the electoral system adopted or confirmed must be used—

- (a) for the next but one triennial general election and the following triennial general election;
- (b) for any associated election;
- (c) for all subsequent triennial general elections, elections to fill extraordinary vacancies, and elections called under [section 258I](#) or [258M](#) of the Local Government Act 2002, until a further resolution under [section 27](#) takes effect or a further poll held under [section 33](#) takes effect, whichever occurs first.

Local Government Act 2002 (LGA 2002) Decision-making requirements

Having regard to the decision-making provisions in the LGA 2002 and Councils Significance Policy, a decision in accordance with the recommendations is assessed as having a low level of significance.

All Council decisions, whether made by the Council itself or under delegated authority, are subject to the decision-making requirements in sections 76 to 82 of the LGA 2002. This includes any decision not to take any action.

Local Government Act 2002 decision making requirements	Staff/officer comment
Section 77 – Council needs to give consideration to the reasonable practicable	Options are addressed above in this report.

options available.	
Section 78 – requires consideration of the views of Interested/affected people	Public notice to be provided within statutory timeframes.
Section 79 – how to achieve compliance with sections 77 and 78 is in proportion to the significance of the issue	The Significance and Engagement Policy is considered above. This issue is assessed as having a <i>low</i> level of significance.
Section 82 – this sets out principles of consultation.	Public notice to be provided within statutory timeframes.

Policy Considerations

To the best of the writer's knowledge, this recommendation is not significantly inconsistent with nor is anticipated to have consequences that will be significantly inconsistent with any policy adopted by this local authority or any plan required by the Local Government Act 2002 or any other enactment.

Ngā Pāpāhonga me ngā Whakawhitiwhitinga | Communications and engagement

Should a poll be required (by either a public demand or by Council resolution) Council's Electoral Officer will need to develop a timetable to undertake this in line with the LEA. Council would need to develop its own publicity information on the two electoral voting systems.

Sections 52, 54 and 65 of the LEA set out requirements relating to public notices on polls. Regulation 46 requires any information on polls provided to electors by the Electoral Officer to be neutral on the matter in question. In this case, the advantages and disadvantages of the two electoral systems must be presented in a neutral manner.

Te Tākoha ki ngā Hua mō te Hapori me te here ki te whakakitenga o te Kaunihera | Contribution to Community Outcomes

Matamata-Piako District Council's Community Outcomes are set out below:

MATAMATA-PIAKO TŌ MĀTOU WĀHI NOHO OUR PLACE		MATAMATA-PIAKO DISTRICT COUNCIL TE ARA RAUTAKI STRATEGIC DIRECTION	
TŌ MĀTOU WHAKAKITENGA OUR VISION			
Matamata-Piako District is vibrant, passionate, progressive, where opportunity abounds. ‘The heart of our community is our people, and the people are the heart of our community.			
TŌ MĀTOU WHĀINGA MATUA OUR PRIORITIES (COMMUNITY OUTCOMES)			
			
He wāhi kaingākau ki te manawa A place with people at its heart	He wāhi puawaitanga A place to thrive	He wāhi e poipoi ai tō tātou taiao A place that embraces our environment	He wāhi whakapapa, he wāhi hangahanga A place to belong and create

The community outcomes relevant to this report are as follows:

- He wāhi kaingākau ki te manawa | A place with people at its heart
- He wāhi puawaitanga | A place to thrive
- He wāhi whakapapa, he wāhi hangahanga | A place to belong and create

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

If Council is required to hold a poll, or resolves to hold one, the estimated cost is approximately \$90,000 plus GST. This cost is not currently budgeted.

Ngā Tāpiritanga | Attachments

[A↓](#). Local Government Electoral Option 2008



Ngā waitohu | Signatories

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The Local Government Electoral Option 2008

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Acknowledgements

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Introduction

The Local Electoral Act 2001 offers the choice between two electoral systems for local government elections: first past the post (FPP) and the single transferable vote (STV).

The option was first offered for the 2004 local government elections. As a result of that option, ten city/district councils used STV at the 2004 elections (Kaipara, Papakura, Matamata-Piako, Thames-Coromandel, Kapiti Coast, Porirua, Wellington, Marlborough, Dunedin and the Chatham Islands). After the 2004 election, two councils (Papakura and Matamata-Piako) resolved to change back to FPP. The remaining eight councils used STV at the 2007 elections.

Councils now have the option to decide, by 12 September 2008, whether to stay with their current electoral system (either FPP or STV), or whether to change to the alternative system for the 2010 elections.¹

Whether or not a council passes a resolution by 12 September 2008, it must give public notice by 19 September of the right for 5% of electors to demand a poll on the electoral system to be used at the 2010 local elections.

This guide has been developed to help councils reach their decision. It is also intended to provide a basis for information to help local communities understand the issues. Communities have an important role to play in the decision. They must be consulted by way of public notice and may be polled on their preferred electoral system or demand a poll themselves.

The guide includes:

1. a brief description of the two electoral systems including important differences
2. some commonly identified advantages and disadvantages of each electoral system
3. responses to common concerns and questions councils and the public have raised about each electoral system and the electoral option.

This guide does not intend to influence councils either way in their decision-making. It presents arguments for and against both systems and encourages councils to make an informed choice about the electoral system best suited for their community.

¹ This option does not apply for any council that for the 2007 elections had the electoral system determined by way of a poll. The outcome of such a poll applies for two triennial elections i.e. 2007 and 2010.

1. The Choice: First Past the Post (FPP) or the Single Transferable Vote (STV)

(a) How do the two electoral systems work?

FPP	STV
FPP: casting a vote - You place ticks equal to the number of vacancies next to the candidate(s) you wish to vote for. - In multi-member wards/constituencies you cast one vote for each vacancy to be filled, as above. - In single-member wards/constituencies you cast one vote. FPP: counting votes - The candidate(s) with the most votes win(s). Each winning candidate is unlikely to have a majority of votes, just the largest number of votes cast.	STV: casting a vote - You cast one <i>single</i> vote regardless of the number of vacancies. - You cast this <i>single</i> vote by consecutively ‘ranking’ your preferred candidates beginning with your most preferred candidate (‘1’) your next preferred candidate (‘2’) and so on. - In multi-member wards/constituencies you cast a <i>single</i> vote by ranking as few or as many candidates as you wish, as above. - In single-member wards/constituencies you cast a <i>single</i> vote by ranking as few or as many candidates as you wish. STV: counting votes - The candidate(s) are elected by reaching the ‘quota’ (the number of votes required to be elected).² - Vote counting is carried out by computer.³ - First preference votes (‘1s’) are counted. Candidates who reach the quota are ‘elected’. The ‘surplus’ votes for elected candidates are transferred according to voters’ second preferences. Candidates who reach the quota by including second preferences are ‘elected’. This process repeats until the required number of candidates is elected.⁴

² The quota is calculated using the total number of valid votes cast and the number of vacancies.

³ The New Zealand method of STV uses the ‘Meek method’ of counting votes. Because this method transfers proportions of votes between candidates, it requires a computer program (the STV calculator).

⁴ If at any point there are no surpluses left to transfer, the candidate with the lowest number of votes is excluded and the votes redistributed according to voters’ next preferences. For further information on the details of vote counting, see, for example, STV Taskforce, ‘Choosing Electoral Systems in Local Government in New Zealand: A Resource Document’, (May 2002).

FPP	STV
FPP: announcing results - FPP results can usually be announced soon after voting ends. - Results are announced and published showing the total votes received by each candidate.	- In multi-member constituencies, despite voters casting only a <i>single</i> vote, a voter may influence the election of more than one representative (if their vote can be transferred to other candidates according to voters' preferences) STV: announcing results - Because vote counting is multi-part, it is likely to take longer than for FPP election results. - Results are announced and published showing elected candidates in the order they reached the quota and unsuccessful candidates in the reverse order they were excluded. All elected candidates will have the same share of the vote.

(b) What are the most important differences between the two electoral systems?

To understand the important differences between the two electoral systems it is helpful to think about what happens to 'wasted votes' in both cases. A 'wasted vote' is a vote that does not help to elect a candidate. This might be because the candidate was very popular (so did not need all the votes received), or was very unpopular (and had no chance of being elected).

Let's imagine that you vote in a local government FPP election to fill two vacancies, with four candidates standing for election. You vote for Candidates A and B. Imagine Candidate A wins by a landslide and Candidate B is the least popular of all the candidates. The vote for the other candidate to be elected is very close between Candidates C and D; in the end Candidate D wins the second vacancy by a very small margin. Candidate D is your least preferred candidate.

You might think to yourself, once you see the results, 'I wish I had known that Candidate A didn't need my vote to win, and that Candidate B didn't have a chance of being elected as I would have voted differently. I may have still voted for Candidate A, but would have voted for Candidate C instead of Candidate B.'

Now imagine you vote in the same election using STV. You have a *single* transferable vote even though there are two positions to fill. Again Candidate A wins by a landslide and Candidate B is the least popular candidate. Candidates C and D are very

close on first preference votes and so second and subsequent preferences become important.

You cast your vote by ranking the candidates according to your preferences; you rank Candidate A as '1', Candidate B as '2' and Candidate C as '3'. You don't rank candidate D at all because you don't want that candidate to be elected. Under STV:

- Candidate A is very popular and is elected on first preferences
- Candidate A has votes surplus to the number required to reach the quota and these are transferred according to voters' second preferences
- the surplus portion of your vote for Candidate A is transferred to your second preference, Candidate B
- both Candidates C and D are very close to the quota at this point and Candidate B is least popular
- Candidate B is excluded and the proportion of your vote for this candidate is transferred to your third preference, Candidate C
- when preferences are counted again Candidate C reaches the quota and is elected.

Under STV, unlike the FPP election, your ranking of the candidates made your vote more effective and avoided it being 'wasted' on Candidates A (who had a surplus of first preference votes) and B (who was excluded once surplus votes from Candidate A were transferred). In other words, despite Candidates A and B being your most preferred candidates, under STV you were also able to influence the race between Candidates C and D because you showed a preference between them on your voting document.⁵

These election results reveal an important difference between FPP and STV electoral systems. Think again about your FPP vote. You voted for two candidates to fill two vacancies. If you are part of the largest group of like-minded voters, even if that group is not the majority, you could determine the election of both candidates. Other voters (from perhaps only slightly smaller groups) won't have gained any representation at all.

In the STV election, however, you cast only one *single* transferable vote, even in multi-member wards/constituencies. That vote is used to greater effect as long as you rank all the candidates you like in order of preference. Because your vote is a single vote that can be transferred in whole or in part according to your wishes, you and other voters will not be over-represented or under-represented. This is why STV, unlike FPP, in multi-member wards or constituencies, is called a proportional representation system. The outcomes potentially better reflect community views.

⁵ These scenarios oversimplify how the vote count actually works under NZSTV, in order to explain the principle of vote transfers. The STV calculator uses a complex mathematical set of rules to ensure that the appropriate proportions of votes are transferred between candidates.

2. What are the advantages and disadvantages of each system?

No electoral system is perfect. Both FPP and STV have advantages and disadvantages.

Overall, the advantages of STV relate to the people who get elected using STV.⁶ The system potentially achieves:

- broad proportionality (in multi-member wards/constituencies)
- majority outcomes in single-member elections
- more equitable minority representation
- a reduction in the number of wasted votes.

The disadvantages of STV relate to:

- the public being less familiar with the system and possibly finding it harder to understand
- matters of process such as the way votes are cast and counted (for example perceived complexity may discourage some voters)
- the information conveyed in election results.

The advantages of FPP, on the other hand, relate to the simplicity of the process including the ways votes are cast, counted and announced.

The disadvantages of FPP relate to:

- the results of the election, including the generally 'less representative' nature of FPP councils
- the obstacles to minority candidate election
- the number of wasted votes.

Deciding which electoral system is best for your community may come down to deciding which is more important: process, or outcome. Unfortunately, neither electoral system can claim to achieve well in both.

⁶ For further discussion, see Graham Bush, 'STV and local body elections – a mission probable?' in J. Drage (ed), *Empowering Communities? Representation and Participation in New Zealand's Local Government*, pp 45–64 (Wellington: Victoria University Press, 2002).

More detailed advantages and disadvantages

FPP	STV
FPP: casting votes - FPP is a straightforward system of voting. - FPP is familiar to most people. ‘Tactical’ voting is possible; votes can be used with a view to preventing a candidate from winning in certain circumstances. FPP: counting votes - FPP is a straightforward system for counting votes. - Votes can be counted in different locations and then aggregated. - Election results are usually announced soon after voting ends. FPP: election results - Official results show exactly how many people voted for which candidates. - Results are easy to understand. - A ‘block’ of like-minded voters can determine the election of multiple candidates in multi-member wards/constituencies, without having a majority of the votes, thereby ‘over-representing’ themselves. - The overall election results will not be proportional to voters’ wishes, and will not reflect the electoral wishes of the <i>majority</i> of voters, only the <i>largest group</i> of voters who may not be the majority.	STV: casting votes - STV is a less straightforward system of voting. - There is a need for more information for people to understand the STV ranking system of candidates. - It is virtually impossible to cast a ‘tactical’ vote under STV. As a result, voters are encouraged to express their true preferences. STV: counting votes - STV vote counting requires a computer program (the STV calculator). - Votes must be aggregated first and then counted in one location. - Election results will usually take a little longer to produce. STV: election results - Official results will identify which candidates have been elected and which have not and in which order. They do not show how many votes candidates got overall, as all successful candidates will have the same proportion of the vote (the quota). This information, at stages of the count, can still be requested. - Results can be easy to understand if presented appropriately. - STV moderates ‘block’ voting as each voter casts only one <i>single</i> vote, even in multi-member wards/constituencies. - The overall election results reflect the wishes of the majority of voters in proportion to their support for a variety of candidates.

FPP	STV
- In single-member elections, the winner is unlikely to have the majority of votes, just the largest group of votes. - There will be more ‘wasted’ votes (votes that do not contribute to the election of a candidate).	- In single-member wards/constituencies, the winner will have the majority of votes (preferences). - Every vote is as effective as possible (depending on the number of preferences indicated) meaning there are fewer ‘wasted votes’ and more votes will contribute to the election of a candidate than under FPP.

3. Common Questions and Concerns

FPP ain’t broke: so why fix it?

For those voters supporting candidates who tend to get elected under FPP, it can appear that there is nothing wrong with this system. But FPP councils do not truly ‘represent’ their community in terms of their composition. STV is a proportional representation voting system that means (if a diversity of candidates stand for election and a diversity of electors vote) the candidates elected will better represent the wishes of a greater number, and a wider diversity of voters.

FPP is easy to understand. I can’t trust a complicated system like STV.

It is true that FPP is a very easy way to vote, and to count votes. Voting under STV is less straightforward, but as long as a voter knows how to rank their preferred candidates, they will find it easy to vote. A post-election survey has found that most people found it easy to fill in the STV voting document and rank their preferred candidates.⁷ The way votes are counted is complicated. That is why it requires a computer program (STV calculator). The STV calculator has been independently certified and voters *can* trust that it only transfers a vote according to voters’ preferences ranked on their voting documents. Nothing (and no person) can influence the transfer of votes set out on voting documents.

Won’t voters be put off if the voting system is too complicated?

Voter turnout (the number of people voting) in 2004 and 2007 in the STV local body elections was mixed. Some councils’ turnout was higher than the national average, and some lower.⁸ Turnout for DHB elections (which must use STV) can be seen to be influenced by a range of factors including elections being at large for seven vacancies,

⁷ Local Government Commission, ‘Report to the Minister of Local Government on the review of the local Government Act 2002 and the Local Electoral Act 2001: Special topic paper: Representation’ (February 2008), p 14

⁸ Local Government Commission, ‘Report to the Minister of Local Government on the review of the local Government Act 2002 and the Local Electoral Act 2001: Special topic paper: Representation’ (February 2008), p 13

the number of candidates (and often less well-known than council candidates) and the fact this issue is usually at the end of the voting document).

Overall, voter turnout has been on the decline for many years. It is possible that *more* voters would turn out to local elections in the future if they feel with STV they have a better chance of electing a representative who better represents them than FPP has in the past.

Won't there be more blank and informal votes under STV, which is not good for democracy?

Despite voters saying in the Local Government Commission survey that they generally found STV an easy way to vote, some voters did cast an invalid vote in STV elections (including DHB elections). A small proportion of these voters seemed confused by the voting system. But most blank and informal votes are thought to be due to two different voting systems (FPP and STV) appearing on the same voting document and to other factors, rather than being due to the way STV votes are cast.⁹

STV will not work for our council because of our ward/at large system.

Eight of the ten councils using STV in 2004 had wards, one used the at large system, and one had a combination of wards and at large. There is no 'rule' about the need or otherwise for wards or constituencies, but STV can be seen to provide the greatest benefit in wards or constituencies of between three and nine candidates. If there are fewer than three candidates, the benefits of the transferable vote in terms of proportionality are not likely to be evident. If there are a very large number of candidates to choose from, voters are likely to find it a more difficult task to rank preferred candidates (though there is no need to rank all candidates).

STV hasn't made any difference to the diversity of representation in STV councils

Until a greater variety of people stand for local body election and a wide diversity of electors vote, no representation system will be able to improve the diversity of representatives elected. There has been some change in the gender, ethnicity and age of some members elected by STV in 2004 and 2007 which may be due to STV.¹⁰ But it will take some time for a diversity of candidates to see the opportunities of standing in an STV election and more electors to see the potential benefits of voting under a proportional representation system. Two elections in a small number of councils is not enough time to judge the difference STV could make over time.

⁹ Local Government Commission, 'Report to the Minister of Local Government on the review of the Local Government Act 2002 and the Local Electoral Act 2001: Special topic paper: Representation' (February 2008), pp 13–18

¹⁰ Local Government Commission, 'Report to the Minister of Local Government on the review of the Local Government Act 2002 and the Local Electoral Act 2001: Special topic paper: Representation' (February 2008), pp 18–19

Useful resources

Graham Bush, 'STV and local body elections – a mission probable?' in J. Drage (ed), *Empowering Communities? Representation and Participation in New Zealand's Local Government*, pp 45–64 (Wellington: Victoria University Press, 2002).

Local Government Commission, 'Report to the Minister of Local Government on the review of the Local Government Act 2002 and the Local Electoral Act 2001: Special topic paper: Representation' (February 2008)

(Note: this paper has now been withdrawn from the Commission's website but its contents may be found in the Commission's main report on its review of the above legislation which will be posted on its website in the near future at www.lgc.govt.nz.)

Justice and Electoral Committee, 'Inquiry into the 2004 local authority elections' reported to Parliament in August 2005.

Christine Cheyne and Margie Comrie, 'Empowerment for Encumbrance? Exercising the STV Options for local Authority Elections in New Zealand, *Local Government Studies*, Vol. 31, No. 2, 185-204, (April 2005).

STV Taskforce (The Department of Internal Affairs, Ministry of Health, SOLGM, Electoral Commission and Local Government New Zealand), 'Choosing Electoral Systems in Local Government in New Zealand: A Resource Document', (May 2002).
[[http://www.dia.govt.nz/Pubforms.nsf/URL/STV.pdf/\\$file/STV.pdf](http://www.dia.govt.nz/Pubforms.nsf/URL/STV.pdf/$file/STV.pdf)]

7 Pūrongo me whakatau | Decision Reports

7.11 Code of Conduct update

CM No.: 3187872

Te Kaupapa | Purpose

The purpose of this report is for Council to adopt the updated Code of Conduct.

Rāpopotonga Matua | Executive Summary

The Code of Conduct (Code) sets out the standards of behaviour expected from Elected Members in the exercise of their duties. Council is required to have a Code at all times. Once adopted, the Code can only be amended or a new Code adopted, by a vote in support of not less than 75% of the members present at a meeting. The Code cannot be revoked without a replacement.

Clause 10 of the Code requires elected members to disclose any gift valued at \$50 or more. Since adoption, section 54F (1)(b) of the Local Government Act 2002 (contents of pecuniary interest return relating to member's activities), has been amended to increase the disclosure threshold to \$500. This report seeks to make this amendment to the Code, this is the only amendment suggested.

Clause 15(5) of the Local Government Act, also requires Council to decide whether or not it requires Elected Members to declare they are an undischarged bankrupt. This relates to a period during which an Elected Member is bankrupt and their financial affairs are managed on their behalf.

The Local Government (System Improvements) Amendment Bill proposes to change the requirement around Council's Codes to have a standardised Code across New Zealand. The Bill is currently before the Select Committee.

Tūtohunga | Recommendation

That:

1. The report be received.
2. Council adopts the Matamata-Piako District Council Code of Conduct and authorises staff to make minor amendments such as formatting and consistency (by a vote in support of not less than 75% of the members present).
3. Council decide whether or not it requires elected members to declare they are an undischarged bankrupt.

Horopaki | Background

As there was no requirement to adopt a new code following the 2025 local election, Council resolved to continue with the Code of Conduct November 2022, at their meeting on 5 November 2025.

Clause 10 of the Code requires elected members to disclose any gift valued at \$50 or more. Since adoption, section 54F (1)(b) of the Local Government Act 2002 (contents of pecuniary interest return relating to member's activities), has been amended to increase the disclosure threshold to \$500.

The attached Code has therefore been updated to reflect the amended threshold.

Ngā Take/Kōrerorero | Issues/Discussion

The Local Government (System Improvements) Amendment Bill proposes to change the requirement around Council's Codes to have a standardised Code across New Zealand. The Bill is currently before the Select Committee.

Mōrearea | Risk

The Code should clearly set out the expectations of Councillors in their behaviour. However, it must not be so prescriptive that it impedes robust debate by Councillors.

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

The Code must set out:

Understandings and expectations adopted by the local authority about the manner in which members may conduct themselves while acting in their capacity as members, including:

- behaviour toward one another, staff, and the public; and
- disclosure of information, including (but not limited to) the provision of any document, to elected members that:
 - is received by, or is in the possession of, an elected member in his or her capacity as an elected member; and
 - relates to the ability of the local authority to give effect to any provision of this Act; and

A general explanation of:

- the Local Government Official Information and Meetings Act 1987; and
- any other enactment or rule of law applicable to members.

A local authority may amend or replace its Code of Conduct but may not revoke it without replacement.

A member of a local authority must comply with the Code of Conduct of that local authority.

A local authority must, when adopting a Code of Conduct, consider whether it must require a member or newly elected member to declare whether or not the member or newly elected member is an undischarged bankrupt (period during which a person is bankrupt and their financial affairs are managed).

After the adoption of the first Code of Conduct, an amendment of the Code of Conduct or the adoption of a new Code of Conduct requires, in every case, a vote in support of the amendment of not less than 75% of the members present.

To avoid doubt, a breach of the Code of Conduct does not constitute an offence under this Act.

Te Tākoha ki ngā Hua mō te Hapori me te here ki te whakakitenga o te Kaunihera | Contribution to Community Outcomes

Matamata-Piako District Council's Community Outcomes are set out below:

MATAMATA-PIAKO TŌ MĀTOU WĀHI NOHO OUR PLACE		MATAMATA-PIAKO DISTRICT COUNCIL TE ARA RAUTAKI STRATEGIC DIRECTION	
TŌ MĀTOU WHAKAKITENGA OUR VISION			
Matamata-Piako District is vibrant, passionate, progressive, where opportunity abounds. ‘The heart of our community is our people, and the people are the heart of our community.			
TŌ MĀTOU WHĀINGA MATUA OUR PRIORITIES (COMMUNITY OUTCOMES)			
			
He wāhi kaingākau ki te manawa A place with people at its heart	He wāhi puawaitanga A place to thrive	He wāhi e poipoi ai tō tātou taiao A place that embraces our environment	He wāhi whakapapa, he wāhi hangahanga A place to belong and create

The community outcomes relevant to this report is 'He wāhi kaingākau ki te manawa | A place with people at its heart'.

Ngā Tāpiritanga | Attachments

[A↓](#). Council's Code of Conduct - for adoption 29 July 2026



Ngā waitohu | Signatories

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Code of Conduct

JULY 2026 (for adoption)

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1. INTRODUCTION

The Code of Conduct (the Code) sets out the standards of behavior expected from elected members in the exercise of their duties. Its purpose is to:

- Enhance the effectiveness of the local authority and the provision of good local government of the community, city, district or region;
- Promote effective decision-making and community engagement;
- Enhance the credibility and accountability of the local authority to its communities; and
- Develop a culture of mutual trust, respect and tolerance between the members of the local authority and between the members and management.

This purpose is given effect through the values, roles, responsibilities and specific behaviors agreed in the code.

2. SCOPE

The Code has been adopted in accordance with clause 15(1) of Schedule 7 of the Local Government Act 2002 (LGA 2002) and applies to all members, including the members of any local boards as well as the members of any community boards that have agreed to adopt it. The Code is designed to deal with the behaviour of members towards:

- Each other;
- The Chief Executive and staff;
- The media; and
- The general public.

It is also concerned with the disclosure of information that members receive in their capacity as elected members and information which impacts on the ability of the local authority to give effect to its statutory responsibilities.

The Code can only be amended (or substituted by a replacement Code) by a vote of at least 75 per cent of members present at a meeting when amendment to the Code is being considered. The Code should be read in conjunction with the Council's Standing Orders.

3. VALUES

The Code is designed to give effect to the following values:

1. **Public interest:** members will serve the best interests of the people within their community, district or region and discharge their duties conscientiously, to the best of their ability.
2. **Public trust:** members, in order to foster community confidence and trust in their Council, will work together constructively in an accountable and transparent manner;
3. **Ethical behaviour:** members will act with honesty and integrity at all times and respect the impartiality and integrity of officials;
4. **Objectivity:** members will make decisions on merit; including appointments, awarding contracts, and recommending individuals for rewards or benefits.
5. **Respect for others:** will treat people, including other members, with respect and courtesy, regardless of their race, age, religion, gender, sexual orientation, or disability.
6. **Duty to uphold the law:** members will comply with all legislative requirements applying to their role, abide by the Code of Conduct and act in accordance with the trust placed in them by the public.
7. **Equitable contribution:** members will take all reasonable steps to fulfil the duties and responsibilities of office, including attending meetings and workshops, preparing for meetings, attending civic events, and participating in relevant training seminars.
8. **Leadership:** members will actively promote and support these principles and ensure they are reflected in the way in which the Council operates, including a regular review and assessment of the Council's collective performance.¹

These values complement, and work in conjunction with, the principles of s14 of the LGA 2002 and the governance principles of s39 of the LGA 2002.

4. ROLE AND RESPONSIBILITIES

The Code of Conduct is designed to strengthen the good governance of your city, district or region. Good governance requires that the complementary roles of the governing body and the administration are understood and respected. These roles involve:

¹ See Code of Conduct Guide for examples.

4.1 MEMBERS

The role of the governing body includes:

- Representing the interests of the people of the city, district or region;
- Developing and adopting plans, policies and budgets;
- Monitoring the performance of the Council against stated goals and objectives set out in its long term plan;
- Providing prudent stewardship of the Council's resources;
- Employing and monitoring the performance of the Chief Executive; and
- Ensuring the Council fulfils its responsibilities to be a 'good employer' and meets the requirements of the Health and Safety at Work Act 2015.

4.2 CHIEF EXECUTIVE

The role of the Chief Executive includes:

- Implementing the decisions of the Council;
- Ensuring that all responsibilities delegated to the Chief Executive are properly performed or exercised;
- Ensuring the effective and efficient management of the activities of the local authority;
- Maintaining systems to enable effective planning and accurate reporting of the financial and service performance of the local authority;
- Providing leadership for the staff of the Council; and
- Employing, on behalf of the Council, the staff of the local authority, (including negotiation of the terms of employment for those staff).

The Chief Executive is the only person *directly* employed by the Council itself (s.42 LGA 2002). All concerns about the performance of an individual member of staff must, in the first instance, be referred to the Chief Executive.

5. RELATIONSHIPS

This section of the Code sets out agreed standards of behaviour between members; members and staff; and members and the public. Any failure by a member to comply with the provisions of this section can represent a breach of the Code.

5.1 RELATIONSHIPS BETWEEN MEMBERS

Given the importance of relationships to the effective performance of the Council, members will conduct their dealings with each other in a manner that:

- Maintains public confidence;
- Is open, honest and courteous;
- Is focused on issues rather than personalities;
- Avoids abuse of meeting procedures, such as a pattern of unnecessary notices of motion and/or repetitious points of order; and
- Avoids aggressive, bullying or offensive conduct, including the use of disrespectful or malicious language.

Please note, nothing in this section of the Code is intended to limit robust debate.

5.2 RELATIONSHIPS WITH STAFF

An important element of good governance involves the relationship between a Council, its chief executive and its staff. Members will respect arrangements put in place to facilitate this relationship, and:

- Raise any concerns about employees, officers or contracted officials with the Chief Executive;
- Raise any concerns about the performance or behaviour of the Chief Executive with the Mayor/Chair or the chairperson of the Chief Executive Performance Review Committee (however described);
- Make themselves aware of the obligations that the Council and the Chief Executive have as employers and observe these requirements at all times, such as the duty to be a good employer;
- Treat all employees with courtesy and respect and not publicly criticise any employee; and
- Observe any protocols put in place by the Chief Executive concerning contact between members and employees.

Please note, elected members should be aware that failure to observe this portion of the Code may compromise the Council's obligations to be a good employer and consequently expose the Council to civil litigation or affect the risk assessment of Council's management and governance control processes undertaken as part of the Council's annual audit.

5.3 RELATIONSHIP WITH THE PUBLIC

Given the vital role that democratic local government plays in our communities it is important that Councils have the respect and trust of their citizens. To facilitate trust and respect in their Council members will:

- Ensure their interactions with citizens are fair, honest and respectful;
- Be available to listen and respond openly and honestly to citizens' concerns;
- Represent the views of citizens and organisations accurately, regardless of the member's own opinions of the matters raised; and
- Ensure their interactions with citizens and communities uphold the reputation of the local authority.

6. MEDIA AND SOCIAL MEDIA

The media play an important role in the operation and efficacy of our local democracy. In order to fulfil this role the media needs access to accurate and timely information about the affairs of Council. Any failure by member to comply with the provisions of this section can represent a breach of the Code.

1. In dealing with the media elected members must clarify whether they are communicating a view endorsed by their Council, committee or community board, or are expressing a personal view.
2. Members are free to express a personal view to the media or social media at any time, provided the following rules are observed:
 - Comments shall be consistent with the Code;
 - Comments must not purposefully misrepresent the views of the Council or the views of other members;
 - Social media pages controlled by members and used for making observations relevant to their role as an elected members should be open and transparent, except where abusive or inflammatory content is being posted; and
 - Social media posts about other members, council staff or the public must be consistent with section five of this Code. (See **Appendix A** for guidelines on the personal use of social media).

7. INFORMATION

Access to information is critical to the trust in which a local authority is held and its overall performance. A failure to comply with the provisions below can represent a breach of the Code.

7.1 CONFIDENTIAL INFORMATION

In the course of their duties members will receive information, whether in reports or through debate, that is confidential. This will generally be information that is either commercially sensitive or is personal to a particular individual or organisation. Accordingly, members agree not to use or disclose confidential information for any purpose other than the purpose for which the information was supplied to the member.

7.2 INFORMATION RECEIVED IN CAPACITY AS AN ELECTED MEMBER

Occasionally members will receive information from external parties which is pertinent to the ability of their Council to properly perform its statutory duties. Where this occurs, and the information does not contravene the privacy of natural persons, the member will disclose such information to other members and/or the chief executive as soon as practicable.

8. CONFLICTS OF INTEREST

Elected members will maintain a clear separation between their personal interests and their duties as elected members in order to ensure that they are free from bias (whether real or perceived). Members therefore must familiarise themselves with the provisions of the Local Authorities (Members' Interests) Act 1968 (LAMIA).

Members will not participate in any Council discussion or vote on any matter in which they have a pecuniary interest, other than an interest in common with the general public. This rule also applies where the member's spouse/partner has a pecuniary interest, such as through a contract with the Council. Members shall make a declaration of interest as soon as practicable after becoming aware of any such interests.

If a member is in any doubt as to whether or not a particular course of action (including a decision to take no action) raises a conflict of interest, then the member should seek guidance from the Chief Executive *immediately*. Members may also contact the Office of the Auditor-General for guidance as to whether they have a pecuniary interest, and if so, may seek an exemption to allow that member to participate or vote on a particular issue in which they may have a pecuniary interest. The latter must be done before the discussion or vote.

Please note: Failure to observe the requirements of LAMIA could potentially invalidate a decision made, or the action taken, by the Council. Failure to observe these

requirements could also leave the elected member open to prosecution (see **Appendix B**). In the event of a conviction elected members can be ousted from office.

9. REGISTER OF INTERESTS

Members shall, at least annually, make a declaration of interest. These declarations are recorded in a public Register of Interests maintained by the Council. The declaration must include information on the nature and extent of any interest, including:

- a) Any employment, trade or profession carried on by the member or the members' spouse/partner for profit or gain;
- b) Any company, trust, partnership etc for which the member or their spouse/partner is a director, business partner or trustee;
- c) A description of any land in which the member has a beneficial interest within the jurisdiction of the local authority; and
- d) A description of any land owned by the local authority in which the member or their spouse/partner is:
 - A tenant; or
 - The land is tenanted by a firm in which the member or spouse/partner is a business partner; a company of which the member or spouse/partner is a director; or a trust of which the member or spouse/partner is a trustee.
- e) Any other matters which the public might reasonably regard as likely to influence the member's actions during the course of their duties as a member (if the member is in any doubt on this, the member should seek guidance from the Chief Executive).

Please note, where a member's circumstances change they must ensure that the Register of Interests is updated as soon as practicable.

10. ETHICAL BEHAVIOUR

Members will seek to promote the highest standards of ethical conduct. Accordingly members will:

- Claim only for legitimate expenses as determined by the Remuneration Authority and any lawful policy of the Council developed in accordance with that determination;
- Not influence, or attempt to influence, any Council employee, officer or member in order to benefit their own, or families, personal or business interests;
- Only use the Council's resources (such as facilities, staff, equipment and supplies) in the course of their duties and not in connection with any election campaign or personal interests; and
- Not solicit, demand, or request any gift, reward or benefit by virtue of their position and notify the Chief Executive if any such gifts are accepted.

Where a gift to the value of \$500 or more is accepted by a member, that member must immediately disclose this to the Chief Executive for inclusion in the publicly available register of interests.

Any failure by members to comply with the provisions set out in this section represents a breach of the code.

11. CREATING A SUPPORTIVE AND INCLUSIVE ENVIRONMENT

In accordance with the purpose of the Code, members agree to take all reasonable steps in order to participate in activities scheduled to promote a culture of mutual trust, respect and tolerance. These include:

- Attending post-election induction programmes organised by the Council for the purpose of facilitating agreement on the Council's vision, goals and objectives and the manner and operating style by which members will work.
- Taking part in any assessment or evaluation of the Council's performance and operating style during the triennium.²
- Taking all reasonable steps to acquire the required skills and knowledge to effectively fulfill their Declaration of Office (the Oath) and contribute to the good governance of the city, district or region.

12. BREACHES OF THE CODE

Members must comply with the provisions of the code (LGA 2002, schedule 7, cl. 15(4)). Any member, or the Chief Executive, who believes that the Code has been breached by the behaviour of a member may make a complaint to that effect. All complaints will be considered in a manner that is consistent with the following principles.

12.1 PRINCIPLES

The following principles will guide any processes for investigating and determining whether or not a breach under the code has occurred:

- That the approach for investigating and assessing a complaint will be proportionate to the apparent seriousness of the alleged breach;
- That the processes of complaint, investigation, advice and decision-making will be kept separate as appropriate to the nature and complexity of the alleged breach; and
- That the concepts of natural justice and fairness will apply in the determination of any complaints made under the Code. This includes, conditional on the nature of an alleged breach, directly affected parties:

² A self-assessment template is provided in the Guidance to the code.

- Have a right to know that an investigation process is underway;
- Are given due notice and are provided with an opportunity to be heard;
- Have confidence that any hearing will be impartial;
- Have a right to seek appropriate advice and be represented; and
- Have their privacy respected.

12.2 COMPLAINTS

All complaints made under the code must be made in writing and forwarded to the Chief Executive. On receipt of a complaint the Chief Executive must forward the complaint to the Mayor/Chair or, where the Mayor/Chair is a party to the complaint, an independent investigator, drawn from a pool of names or agency agreed in advance.

Please note, only members and the Chief Executive may make a complaint under the code.

Complaint referred to Mayor/Chair

On receipt of a complaint made under the provisions of the Council's Code of Conduct the Mayor/Chair will, as the situation allows:

- Interview the complainant to assess the full extent of the complaint.
- Interview the member(s) subject to the complaint.
- Assess the complaint to determine materiality.
- Where a complaint is assessed by the Mayor/Chair to be trivial, frivolous or minor, either dismiss the complaint, require an apology or other course of action, or assist the relevant parties to find a mutually agreeable solution.
- Where a complaint is found to be material, or no mutually agreed solution can be reached, the Mayor/Chair will refer the complaint back to the Chief Executive who will forward it, along with any recommendations made by the Mayor/Chair, to the Council or an adjudicative body established by the Council to assess and rule on complaints made under the Code.³

If the Mayor/Chair chooses they may, instead of undertaking an initial assessment, immediately refer the complaint to the independent investigator, via the Chief Executive.

Complaint referred to Independent Investigator

On receipt of a complaint from a member which concerns the Mayor/Chair, or from the Mayor/Chair after initial consideration, the Chief Executive will forward that complaint to an independent investigator for a preliminary assessment to determine whether the issue is sufficiently serious to be referred, with recommendations if necessary, to the

³ Advice on establishing adjudication bodies can be found in the Guide to the Code of Conduct.

Council or an adjudicative body for assessing and ruling on complaints.⁴ The process, following receipt of a complaint, will follow the steps outlined in **Appendix C**.

12.3 MATERIALITY

An alleged breach under the Code is material if, in the opinion of the Mayor/Chair or independent investigator, it would bring the Council into disrepute or, if not addressed, adversely affect the reputation of a member.

An alleged breach under this Code is non-material if, in the opinion of the Mayor/Chair or independent investigator, any adverse effects are minor and no investigation or referral is warranted.

13. PENALTIES AND ACTIONS

Where a complaint is determined to be material and referred to the Council or an adjudicative body established to consider complaints, the nature of any penalty or action will depend on the seriousness of the breach.

13.1 MATERIAL BREACHES

In the case of material breaches of the Code, the Council, or the adjudicative body with delegated authority, may require one of the following:

1. A letter of censure to the member;
2. A request (made either privately or publicly) for an apology;
3. Removal of certain Council-funded privileges (such as attendance at conferences);
4. Removal of responsibilities, such as committee chair, deputy committee chair or portfolio holder;
5. Restricted entry to Council offices, such as no access to staff areas (where restrictions may not previously have existed);
6. Limitation on any dealings with Council staff other than the Chief Executive or identified senior manager;
7. A vote of no confidence in the member;
8. Suspension from committees or other bodies to which the member has been appointed; or
9. Invitation to the member to consider resigning from the Council.

A Council or adjudicative body with delegated authority may decide that instead of a penalty, one or more of the following may be required:

⁴ On behalf of the Council the Chief Executive will, shortly after the start of a triennium, prepare, in consultation with the Mayor or Chairperson, a list of investigators for this purpose of undertaking a preliminary assessment. The Chief Executive may prepare a list specifically for his or her council, prepare a list jointly with neighbouring councils or contract with an agency capable of providing appropriate investigators, such as EquiP.

- Attend a relevant training course; and/or
- Work with a mentor for a period of time; and/or
- Participate in voluntary mediation (if the complaint involves a conflict between two members); and/or
- Tender an apology.

The process is based on the presumption that the outcome of a complaints process will be made public unless there are grounds, such as those set out in the Local Government Official Information and Meetings Act 1987 (LGOIMA), for not doing so.

13.2 STATUTORY BREACHES

In cases where a breach of the Code is found to involve regulatory or legislative requirements, the complaint will be referred to the relevant agency. For example:

- Breaches relating to members' interests (where members may be liable for prosecution by the Auditor-General under LAMIA);
- Breaches which result in the Council suffering financial loss or damage (where the Auditor-General may make a report on the loss or damage under s.44 LGA 2002 which may result in the member having to make good the loss or damage); or
- Breaches relating to the commission of a criminal offence which will be referred to the Police (which may leave the elected member liable for criminal prosecution).

14. REVIEW

Once adopted, the Code continues in force until amended by the Council. The Code can be amended at any time but cannot be revoked unless the Council replaces it with another Code. Amendments to the Code require a resolution supported by 75 per cent of the members of the Council present at the Council meeting at which the amendment is considered.

Councils are encouraged to formally review their existing Code and either amend or re-adopt it as soon as practicable after the beginning of each triennium in order to ensure that all members have the opportunity to provide their views on the Code's provisions.

APPENDIX A: GUIDELINES ON THE PERSONAL USE OF SOCIAL MEDIA⁵

There's a big difference in speaking "on behalf of Council" and speaking "about" the Council. While your rights to free speech are respected, please remember that citizens and colleagues have access to what you post. The following principles are designed to help you when engaging in **personal or unofficial online** communications that may also refer to your Council.

1. **Adhere to the Code of Conduct and other applicable policies.** Council policies and legislation, such as LGOIMA and the Privacy Act 1993, apply in any public setting where you may be making reference to the Council or its activities, including the disclosure of any information online.
2. **You are responsible for your actions.** Anything you post that can potentially damage the Council's image will ultimately be your responsibility. You are encouraged to participate in the social media but in so doing you must exercise sound judgment and common sense.
3. **Be an "advocate" for compliments and criticism.** Even if you are not an official online spokesperson for the Council, you are one of its most important advocates for monitoring the social media landscape. If you come across positive or negative remarks about the Council or its activities online that you believe are important you are encouraged to share them with the governing body.
4. **Let the subject matter experts respond to negative posts.** Should you come across negative or critical posts about the Council or its activities you should consider referring the posts to the Council's authorised spokesperson, unless that is a role you hold, in which case consider liaising with your communications staff before responding.
5. **Take care mixing your political (Council) and personal lives.** Elected members need to take extra care when participating in social media. The public may find it difficult to separate personal and Council personas. Commenting online in any forum, particularly if your opinion is at odds with what Council is doing, can bring you into conflict with the Code should it not be clear that they are your personal views.
6. **Never post sensitive and confidential information** provided by the Council, such as confidential items, public excluded reports and/or commercially sensitive information. Such disclosure will contravene the requirements of the Code.
7. **Elected Members' social media pages should be open and transparent.** When commenting on matters related to the local authority no members should represent themselves falsely via aliases or differing account names or block. Neither should they block any post on any form of social media that they have control over unless there is clear evidence

⁵ Based on the Ruapehu District Council Code of Conduct.

that the posts are actively abusive. Blocking constructive debate or feedback can be seen as bringing the whole Council into disrepute.

APPENDIX B: LEGISLATION BEARING ON THE ROLE AND CONDUCT OF ELECTED MEMBERS

This is a summary of the legislative requirements that have some bearing on the duties and conduct of elected members. The full statutes can be found at www.legislation.govt.nz.

THE LOCAL AUTHORITIES (MEMBERS' INTERESTS) ACT 1968

The Local Authorities (Members' Interests) Act 1968 (LAMIA) provides rules about members discussing and voting on matters in which they have a pecuniary interest and about contracts between members and the Council.

A pecuniary interest is likely to exist if a matter under consideration could reasonably give rise to an expectation of a gain or loss of money for a member personally (or for their spouse/partner or a company in which they have an interest). In relation to pecuniary interests the LAMIA applies to both contracting and participating in decision-making processes.

With regard to pecuniary or financial interests, a person is deemed to be "concerned or interested" in a contract or interested "directly or indirectly" in a decision when:

- A person, or spouse/partner, is "concerned or interested" in the contract or where they have a pecuniary interest in the decision; or
- A person, or their spouse/partner, is involved in a company that is "concerned or interested" in the contract or where the company has a pecuniary interest in the decision.

There can also be additional situations where a person is potentially "concerned or interested" in a contract or have a pecuniary interest in a decision, such as where a contract is between an elected members' family trust and the Council.

Determining whether a pecuniary interest exists

Elected members are often faced with the question of whether or not they have a pecuniary interest in a decision and if so whether they should participate in discussion on that decision and vote. When determining if this is the case or not the following test is applied:

"...whether, if the matter were dealt with in a particular way, discussing or voting on that matter could reasonably give rise to an expectation of a gain or loss of money for the member concerned." (OAG, 2001)

In deciding whether you have a pecuniary interest, members should consider the following factors:

- What is the nature of the decision being made?
- Do I have a financial interest in that decision - do I have a reasonable expectation of gain or loss of money by making that decision?
- Is my financial interest one that is in common with the public?
- Do any of the exceptions in the LAMIA apply to me?

- Could I apply to the Auditor-General for approval to participate?

Members may seek assistance from the Mayor/Chair or other person, to determine if they should discuss or vote on an issue, but ultimately it is their own judgment as to whether or not they have pecuniary interest in the decision. Any member who is uncertain as to whether they have a pecuniary interest is advised to seek legal advice. Where uncertainty exists members may adopt a least-risk approach which is to not participate in discussions or vote on any decisions.

Members who do have a pecuniary interest will declare the pecuniary interest to the meeting and not participate in the discussion or voting. The declaration and abstention needs to be recorded in the meeting minutes. (Further requirements are set out in the Council's Standing Orders.)

The contracting rule

A member is disqualified from office if he or she is "concerned or interested" in contracts with their Council if the total payments made, or to be made, by or on behalf of the Council exceed \$25,000 in any financial year. The \$25,000 limit includes GST. The limit relates to the value of all payments made for all contracts in which you are interested during the financial year. It does not apply separately to each contract, nor is it just the amount of the profit the contractor expects to make or the portion of the payments to be personally received by you.

The Auditor-General can give prior approval, and in limited cases, retrospective approval for contracts that would otherwise disqualify you under the Act. It is an offence under the Act for a person to act as a member of the Council (or committee of the Council) while disqualified.

Non-pecuniary conflicts of interest

In addition to the issue of pecuniary interests, rules and common law govern conflicts of interest more generally. These rules apply to non-pecuniary conflicts of interest, including common law rules about bias. In order to determine if bias exists or not members need to ask:

"Is there a real danger of bias on the part of the member of the decision-making body, in the sense that he or she might unfairly regard with favour (or disfavour) the case of a party to the issue under consideration?"

The question is not limited to actual bias, but relates to the appearance or possibility of bias reflecting the principle that justice should not only be done, but should be seen to be done. Whether or not members believe they are not biased is irrelevant.

Members focus should be on the nature of the conflicting interest or relationship and the risk it could pose for the decision-making process. The most common risks of non-pecuniary bias are where:

- Members' statements or conduct indicate that they have predetermined the decision before hearing all relevant information (that is, members have a "closed mind"); and

- Members have a close relationship or involvement with an individual or organisation affected by the decision.

In determining whether or not they might be perceived as biased, members must also take into account the context and circumstance of the issue or question under consideration. For example, if a member has stood on a platform and been voted into office on the promise of implementing that platform, then voters would have every expectation that the member would give effect to that promise, however he/she must still be seen to be open to considering new information (this may not apply to decisions made in quasi-judicial settings, such as an RMA hearing).

THE LOCAL GOVERNMENT (PECUNIARY INTERESTS REGISTER) ACT 2022

Following passage of the Local Government (Pecuniary Interests Register) Amendment Bill in 2022, a local authority must now keep a register of the pecuniary interests of their members, including community and local board members. The purpose of the register is to record members' interests to ensure transparency and strengthen public trust and confidence in local government processes and decision-making. Registers must comprise the following:

- the name of each company of which the member is a director or holds or controls more than 10% of the voting rights and a description of the 30 main business activities of each of those companies,
- the name of every other company or business entity in which the member has a pecuniary interest, other than as an investor in a managed investment scheme, and a description of the main business activities of each of those companies or business entities,
- if the member is employed, the name of each employer of their employer and a description of the main business activities of those employers,
- the name of each trust in which the member has a beneficial interest,
- the name of any organisation or trust and a description of the main activities of that organisation or trust if the member is a member of the organisation, a member of the governing body of the organisation, or a trustee of the trust, and the organisation or trust receives funding from the local authority, local board, or community board to which the member has been elected,
- the title and description of any organisation in which the member holds an appointment by virtue of being an elected member,
- the location of real property in which the member has a legal interest, other than an interest as a trustee, and a description of the nature of the real property,
- the location of real property, and a description of the nature of the real property, held by a trust if the member is a beneficiary of the trust and it is not a unit trust

(disclosed under subclause 20) or a retirement scheme whose membership is open to the public.

Each council must make a summary of the information contained in the register publicly available; and ensure that information contained in the register is only used or disclosed in accordance with the purpose of the register; and is retained for seven years.

LOCAL GOVERNMENT OFFICIAL INFORMATION AND MEETINGS ACT 1987

The Local Government Official Information and Meetings Act 1987 sets out a list of meetings procedures and requirements that apply to local authorities and local/community boards. Of particular importance for the roles and conduct of elected members is the fact that the chairperson has the responsibility to maintain order at meetings, but all elected members should accept a personal responsibility to maintain acceptable standards of address and debate. No elected member should:

- Create a disturbance or a distraction while another Councillor is speaking;
- Be disrespectful when they refer to each other or other people; or
- Use offensive language about the Council, other members, any employee of the Council or any member of the public.

See Standing Orders for more detail.

SECRET COMMISSIONS ACT 1910

Under this Act it is unlawful for an elected member (or officer) to advise anyone to enter into a contract with a third person and receive a gift or reward from that third person as a result, or to present false receipts to Council.

If convicted of any offence under this Act a person can be imprisoned for up to two years, and/or fines up to \$1000. A conviction would therefore trigger the ouster provisions of the LGA 2002 and result in the removal of the member from office.

CRIMES ACT 1961

Under this Act it is unlawful for an elected member (or officer) to:

- Accept or solicit for themselves (or anyone else) any gift or reward for acting or not acting in relation to the business of Council; and
- Use information gained in the course of their duties for their, or another person's, monetary gain or advantage.

Elected members convicted of these offences will automatically cease to be members.

FINANCIAL MARKETS CONDUCT ACT 2013

Financial Markets Conduct Act 2013 (previously the Securities Act 1978) essentially places elected members in the same position as company directors whenever Council offers stock to the public. Elected members may be personally liable if investment documents such as a prospectus contain untrue statements and may be liable for criminal prosecution if the requirements of the Act are not met.

THE LOCAL GOVERNMENT ACT 2002

The Local Government Act 2002 (LGA 2002) sets out the general powers of local government, its purpose and operating principles, and details the personal liability of members.

Although having qualified privilege, elected members can be held personally accountable for losses incurred by a local authority where, following a report from the Auditor General under s44 LGA 2002, it is found that one of the following applies:

- a) Money belonging to, or administered by, a local authority has been unlawfully expended; or
- b) An asset has been unlawfully sold or otherwise disposed of by the local authority; or
- c) A liability has been unlawfully incurred by the local authority; or
- d) A local authority has intentionally or negligently failed to enforce the collection of money it is lawfully entitled to receive.⁸⁹⁰

Members will not be personally liable where they can prove that the act or failure to act resulting in the loss occurred as a result of one of the following:

- a) Without the member's knowledge;
- b) With the member's knowledge but against the member's protest made at or before the time when the loss occurred;
- c) Contrary to the manner in which the member voted on the issue; and
- d) In circumstances where, although being a party to the act or failure to act, the member acted in good faith and relied on reports, statements, financial data, or other information from professional or expert advisers, namely staff or external experts on the matters.

In certain situation members will also be responsible for paying the costs of proceedings (s47 LGA 2002).

PROTECTED DISCLOSURES (PROTECTION OF WHISTLEBLOWERS) ACT 2022

The Protected Disclosures (Protection of Whistleblowers) Act 2022 is designed to facilitate the disclosure and investigation of serious wrongdoing in the workplace, and to provide protection for employees and other workers who report concerns. A protected disclosure occurs when the discloser believes, on reasonable grounds, that there is, or has been, **serious wrongdoing** in or by their organisation, they disclose in accordance with the Act, and they do not disclose in bad faith.

A discloser is a person who has an employment type relationship with the organisation they are disclosing about and includes current and former employees, homeworkers, secondees, contractors, volunteers, and board members. Serious wrongdoing includes:

- an offence
- a serious risk to public health, or public safety, or the health or safety of any individual, or to the environment
- a serious risk to the maintenance of the law including the prevention, investigation and detection of offences or the right to a fair trial
- an unlawful, corrupt, or irregular use of public funds or public resources
- oppressive, unlawfully discriminatory, or grossly negligent or that is gross mismanagement by a public sector employee or a person performing a function or duty or exercising a power on behalf of a public sector organisation or the Government

Council need to have appropriate internal procedures that identify who in the organisation a protected disclosure may be made to, describe the protections available under the Act, and explain how the organisation will provide practical assistance and advice to disclosers. A discloser does not have to go through their organisation first. An appropriate authority can include the head of any public sector organisation and any officer of Parliament, such as the Ombudsman and Controller and Auditor-General. Ombudsmen are also an “appropriate authority” under the Protected Disclosures (Protection of Whistleblowers) Act 2022.

THE SERIOUS FRAUD OFFICE ACT 1990

The Serious Fraud Office (SFO) is the lead law enforcement agency for investigating and prosecuting serious financial crime, including bribery and corruption. The SFO has an increasing focus on prevention by building awareness and understanding of the risks of corruption – noting that the extent of corruption is influenced by organisational frameworks and support given to staff. The SFO encourages organisations to adopt appropriate checks and balances and build a culture based on ethics and integrity.

The four basic elements of best practice organisational control promoted by the SFO involve:

- Operations people with the right skills and experience in the relevant areas, with clear accountability lines.
- Risk mitigation to manage risks that can't be eliminated through segregation, discretion reduction, delegations, management oversight, and audit.
- Basic standards of behaviour moderated by a Code of Conduct, ongoing interests and gift processes (not simply annual declaration), plenty of opportunities and ways to speak up, disciplinary options, training and support.

- Design and oversight based on a clear understanding of operational realities (design, governance, management, audit, investigation, business improvement, and legal).

THE HEALTH AND SAFETY ACT AT WORK ACT 2015

The Health and Safety at Work Act 2015 aims to create a new culture towards health and safety in workplaces. A council is termed a Person Conducting a Business or Undertaking (PCBU) - all involved in work, including elected members, are required to have a duty of care. Elected members are “officers” under the Act and officers are required to exercise due diligence to ensure that the PCBU complies with its duties. However, certain officers, such as elected members, cannot be prosecuted if they fail in their due diligence duty. Despite this, as officers, the key matters to be mindful of are:

- stepping up and being accountable,
- identifying and managing your risks,
- making health and safety part of your organisation’s culture, and
- getting your workers involved.

Councils have wide discretion about how these matters might be applied, for example:

- adopting a charter setting out the elected members’ role in leading health and safety – with your chief executive,
- publishing a safety vision and beliefs statement,
- establishing health and safety targets for the organisation with your chief executive,
- ensuring there is an effective linkage between health and safety goals and the actions and priorities of your chief executive and their senior management, or
- having effective implementation of a fit-for-purpose health and safety management system.

Elected members, through their chief executive need to ensure their organisations have sufficient personnel with the right skill mix and support, to meet the health and safety requirements. This includes making sure that funding is sufficient to effectively implement and maintain the system and its improvement programmes.

THE HARMFUL DIGITAL COMMUNICATIONS ACT 2015

The Harmful Digital Communications Act (HDCA) was passed to help people dealing with serious or repeated harmful digital communications. The Act covers any harmful

digital communications (like text, emails, or social media content) which can include racist, sexist and religiously intolerant comments – plus those about disabilities or sexual orientation and sets out 10 communication principles for guiding communication online. Under the Act a digital communication should not:

- disclose sensitive personal facts about an individual
- be threatening, intimidating, or menacing
- be grossly offensive to a reasonable person in the position of the affected individual
- be indecent or obscene
- be used to harass an individual
- make a false allegation
- contain a matter that is published in breach of confidence
- incite or encourage anyone to send a message to an individual for the purpose of causing harm to the individual
- incite or encourage an individual to commit suicide
- denigrate an individual by reason of colour, race, ethnic or national origins, religion, gender, sexual orientation or disability

More information about the Act can be found at [Netsafe](#).

APPENDIX C: PROCESS WHERE A COMPLAINT IS REFERRED TO AN INDEPENDENT INVESTIGATOR

The following process is a guide only and Councils are encouraged to adapt this to their own specific circumstances.

Step 1: Chief Executive receives complaint

On receipt of a complaint under the Code, whether from a member (because the complaint involves the Mayor/Chair) or from the Mayor/Chair after an initial assessment, the Chief Executive will refer the complaint to an investigator selected from a list agreed at the start of the triennium. The Chief Executive will also:

- Inform the complainant that the complaint has been referred to the independent investigator and the name of the investigator, and refer them to the process for dealing with complaints as set out in the Code; and
- Inform the respondent that a complaint has been made against them, the name of the investigator and remind them of the process for dealing with complaints as set out in the Code.

Step 2: Investigator makes preliminary assessment

On receipt of a complaint the investigator will assess whether:

1. The complaint is trivial or frivolous and should be dismissed;
2. The complaint is outside the scope of the Code and should be re-directed to another agency or institutional process;
3. The complaint is minor or non-material; or
4. The complaint is material and a full assessment is required.

In making the assessment the investigator may make whatever initial inquiry is necessary to determine their recommendations, including interviewing relevant parties, which are then forwarded to the Council's Chief Executive. On receiving the investigator's preliminary assessment the Chief Executive will:

1. Where an investigator determines that a complaint is trivial or frivolous, inform the complainant, respondent and other members (if there are no grounds for confidentiality) of the investigator's decision.
2. In cases where the investigator finds that the complaint involves a potential legislative breach and outside the scope of the Code, forward the complaint to the relevant agency and inform the Chief Executive who will then inform the complainant, the respondent and members.

Step 3: Actions where a breach is found to be non-material

If the subject of a complaint is found to be non-material, but more than trivial or frivolous, the investigator will inform the chief executive and, if they choose, recommend a course of action appropriate to the breach, such as:

- That the respondent is referred to the Mayor/Chair for guidance; and/or

- That the respondent attend appropriate courses or programmes to increase their knowledge and understanding of the matters resulting in the complaint.

The Chief Executive will advise both the complainant and the respondent of the investigator's decision and any recommendations, neither of which are open to challenge. Any recommendations made in response to a non-material breach are non-binding on the respondent and the Council.

Step 4: Actions where a breach is found to be material

If the subject of a complaint is found to be material, the investigator will inform the Chief Executive, who will inform the complainant and respondent. The investigator will then prepare a report for the Council on the seriousness of the breach. In preparing that report, the investigator may:

- Consult with the complainant, respondent and any directly affected parties; and/or
- Undertake a hearing with relevant parties; and/or
- Refer to any relevant documents or information.

On receipt of the investigator's report, the Chief Executive will prepare a report for the relevant Council body charged with assessing and ruling on material complaints, which will meet to consider the findings and determine whether or not a penalty, or some other form of action, will be imposed. The Chief Executive's report will include the investigator's full report.

Step 5: Process for considering the investigator's report

The investigator's report will be considered by the Council or adjudicative body established for considering reports on Code of Conduct complaints, or any other body that the Council may resolve, noting that the process will meet the principles set out in section 12.1 of the Code.

The Council, or adjudicative body, will consider the Chief Executive's report in open meeting, except where the alleged breach concerns matters that justify, in accordance with LGOIMA, the exclusion of the public. Before making any decision on a specific complaint, the relevant body will give the respondent an opportunity to appear and speak in their own defense. Members with an interest in the proceedings, including the complainant and the respondent, should not take part in these proceedings in a decision-making capacity.

The form of penalty that might be applied will depend on the nature of the breach and may include actions set out in clause 13.1 of the Code.

The report, including recommendations from the adjudicative body, should that body have no formal delegations, will be heard and accepted by the Council in open session, unless grounds for excluding the public exist, without debate.

7 Pūrongo me whakatau | Decision Reports

7.12 LGNZ Remits 2026

CM No.: 3189319

Te Kaupapa | Purpose

The purpose of this report is to seek Council position on the attached Local Government New Zealand remits for the Annual General Meeting, scheduled online for 31 July 2026. Topics covered are:

1. Priorities for Dog Control Act reform;
2. Improved regulation of vape retailers;
3. Financial support for government reform implementation costs;
4. Removal of Representation Review requirements during Simplifying Local Government reform;
5. Devolution of place-naming authority to Territorial Authorities;
6. Enhanced role for government in supporting subnational diplomacy;
7. Bulk funding of transport activities;
8. Improving Long Term Plan audit requirements; and
9. A fairer approach to uneconomic transport infrastructure funding.

Rāpopotonga Matua | Executive Summary

Every year, Council can endorse remits for consideration at the Local Government New Zealand (LGNZ) Annual General Meeting (AGM). Remits with sufficient sector support are considered by all member councils at the LGNZ AGM. Successful remits will then be subject to a priority ranking exercise which will direct the focus of LGNZ's policy advocacy to central government for the forthcoming year. Results will be tallied and published after the AGM.

This year, the LGNZ AGM will be held online on 31 July 2026. The submitted remits for the AGM are attached.

Consideration of remits to the LGNZ AGM is one way by which Council contributes to the national policy conversation in the local government sector. Council has five votes (determined in the Constitution by the membership fee), but one presiding delegate who votes on Council's behalf. Delegates this year are Mayor Ash Tanner (presiding delegate), Deputy Mayor James Sainsbury and Chief Executive Manaia Te Wiata.

Tūtohunga | Recommendation

That:

1. The information be received.
2. Council supports or does not support the remits as follows:
 - a) **SUPPORT/ DOES NOT SUPPORT** remit 1 on Priorities for Dog Control Act reform.
 - b) **SUPPORT/ DOES NOT SUPPORT** remit 2 on Improved regulation of vape retailers.
 - c) **SUPPORT/ DOES NOT SUPPORT** remit 3 on Financial support for government reform implementation costs.
 - d) **SUPPORT/ DOES NOT SUPPORT** remit 4 on Removal of Representation Review requirements during Simplifying Local Government reform.
 - e) **SUPPORT/ DOES NOT SUPPORT** remit 5 on Devolution of place-naming authority to Territorial Authorities.
 - f) **SUPPORT/ DOES NOT SUPPORT** remit 6 on Enhanced role for government in supporting subnational diplomacy.
 - g) **SUPPORT/ DOES NOT SUPPORT** remit 7 on Bulk funding of transport activities.
 - h) **SUPPORT/ DOES NOT SUPPORT** remit 8 on Improving Long Term Plan audit requirements.
 - i) **SUPPORT/ DOES NOT SUPPORT** remit 9 on A fairer approach to uneconomic transport infrastructure.
3. Council ranks the remits in order of priority as follows: *[ranking to be inserted in meeting minutes]*
4. Council notes these remits will be voted on and ranked by the presiding delegate at the 2026 LGNZ AGM, who may duly take into consideration additional information received on the day to inform the final vote and rank on behalf of Council.

Horopaki | Background

This report is an opportunity for Matamata-Piako District Council (MPDC) to instruct the Mayor of its position on each of the remits.

Council cannot change the wording of the remits, only confirm whether or not it is in support and in what order they should be ranked.

Ngā Take/Kōrerorero | Issues/Discussion

Staff have provided some comments on the remits as follows:

1. Priorities for Dog Control Act reform

MPDC experiences many of the same challenges identified in the remit, including roaming dogs, enforcement limitations, and difficulties managing irresponsible ownership. Greater powers for early intervention, stronger penalties, and improved owner obligations could assist Council to protect public safety and reduce long-term costs. However, staff note that current measures under the Dog Control Act 1996 (“the Act”) are sufficient for now. The recently adopted [Dog Control Bylaw 2010 \(Amended 2026\)](#) gives effect to Council's [Policy on Dogs 2010 \(Amended 2026\)](#) adopted under section 10 of the Act. It provides up-to-date control and access requirements, dog management and welfare requirements.

2. Improved regulation of vape retailers

Staff agree that the remit responds to genuine community health concerns and the lack of local regulatory tools. However, MPDC should be mindful that public health regulation is primarily a central government responsibility. Support is warranted where local government is provided clear statutory powers without creating significant compliance burdens. Any additional regulatory and enforcement role will come at a cost to Council and staff are unclear how this will be covered.

Businesses can apply to become General Retailers or Specialist Vape Retailers. The proximity to Early Childhood Education Centres, schools and marae is considered when assessing new applications for Specialist Vape Retailers. Council currently has no role in this process. The Ministry of Health website provides more information on the vaping regulatory regime: [Vaping retailers](#).

MPDC has a [Smokefree Outdoor Spaces Policy](#) that follows a non-regulatory approach aimed at changing behaviour and promoting a positive smokefree message throughout the community. The policy includes vaping.

MPDC also has a [Psychoactive Substances Policy](#) which currently grants limited powers relating to location of Psychoactive Substances retailers (i.e. retailers are not permitted within 350m of another similar premise and are not permitted within 25m of a sensitive site).

3. Financial support for government reform implementation costs

Staff acknowledge councils continue to absorb significant costs associated with central government reforms. Where legislative changes are mandated, implementation funding should accompany those changes to minimise impacts on ratepayers and avoid unfunded mandates.

The Department of Internal Affairs has provided support to MPDC by sharing guidance and information on the current *Simplifying Local Government and Resource Management Act* reforms. However, staff note that LGNZ could consider advocating for a financial support package to help alleviate the burden on the sector (e.g. the Better Off Package provided to local authorities under the Three Waters infrastructure programme enabled councils to invest in their communities).

4. Removal of Representation Review requirements during Simplifying Local Government reform

MPDC is scheduled to undertake a representation review in preparation for the 2028 local government elections. The *Simplifying Local Government* reform may significantly change the representation structure for this area. If the governance structure changes, ward arrangement or decision-making frameworks may change.

Progressing a full review could result in duplication of work. Delays caused by the *Simplifying Local Government* reform and passing of enabling legislation expected in 2028 would also mean staff are unlikely to be able to undertake the level of engagement normally expected and may only be able to meet the minimum statutory requirements. MPDC would benefit if the Government was to remove these requirements or defer the representation review until after the 2028 elections or review the timing requirements so the representation arrangements can be reviewed by new elected members as part of any new Council structure.

5. Devolution of place-naming authority to Territorial Authorities

Staff have not been involved in a formal naming process in the last 20 years. However, it is agreed that as MPDC already have road and street-naming responsibilities and access to local connections and records, MPDC is best placed to determine appropriate geographic place names. Devolving authority from central to local government allows the community to participate in the naming of places that have significance and connection to them. However, there may be costs that come with this process. MPDC has a [Road Naming Policy](#) which outlines Mana Whenua consultation requirements. Similar considerations would need to be made if this remit is successful.

6. Enhanced role for government in supporting subnational diplomacy

Strengthening international relationships may benefit economic development and trade opportunities, however this is not a core issue for many small councils and staff consider it of limited relevance to MPDC. Previous Mayors have encouraged 'sister cities' and explored options, e.g. in Australia and China. Support could be given provided there are no new obligations or costs for Councils.

7. Bulk funding of transport activities

More flexible, multi-year funding arrangements could reduce administrative costs, improve delivery certainty, and allow councils to better manage local priorities. However, staff are aware that appropriate accountability and performance measures would still be required. MPDC participates in regional transport planning forums where transport funding models and National Land Transport Programme processes are discussed (e.g. Road Efficiency Group, Road Advisory Group and Road Safety Forums). Staff could support a trial of bulk-funding provided certain criteria are in place.

8. Improving Long Term Plan audit requirements

MPDC acknowledges the value that the statutory audit process brings to planning and reporting processes, by providing independent assurance, strengthened accountability, improved decision-making, and increased public confidence in the information that Council uses and publishes.

However, over the last few years, MPDC has noted a trend year on year of increasing scrutiny complexity and expectations from the audit process, and of significant increases in audit costs. These trends have resulted in impacts on staff resourcing, and staff are concerned that these trends are negatively impacting the perception of the value of the audit process at a governance and management level.

It would be timely to reconsider the detail of the audit process, to re-balance and re-focus more on those aspects that can add value and find a way to considerably reduce the overall financial cost. Work in this area should also consider how auditing standards and legislative requirements apply to the audit work.

9. A fairer approach to uneconomic transport infrastructure

Council's structural assets are aging, and their condition is deteriorating over time. There is an increasing need for resilience as climate impacts add to these concerns. There is a backlog of large structural asset maintenance, renewals and resilience work that is costly and requires substantial co-investment from ratepayers and the New Zealand Transport Agency. Bridges in particular, provide a necessary lifeline for communities, and support industry to grow and develop. Heavy freight movements are vital for the district's economic success. Support could be provided based on greater clarity around funding responsibility, and service-level expectations for high-use transport infrastructure.

Mōrearea | Risk

There is a risk if Council does not consider the remits and provide a clear position on them, that Council may miss an opportunity to contribute to the national policy conversation on matters affecting the local government sector and the community.

There is also a risk that some successful remits may, if progressed by central government in future, result in new expectations, implementation costs, or changes to Council's responsibilities. It is assumed any such impacts would be subject to separate legislative, policy, funding and decision-making processes if and when they arise. Council's support for a remit does not, by itself, commit Council to expenditure or implementation.

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

Council should consider whether the 2026 remits support its Long Term Plan, align with its community outcomes and advance its existing advocacy priorities.

Local Government Act 2002 (LGA 2002) Decision-making requirements

With regard to the decision-making provisions in the LGA 2002 and Council's Significance Policy, a decision in accordance with the recommendations is assessed as having a low level of significance.

All Council decisions, whether made by the Council itself or under delegated authority, are subject to the decision-making requirements in sections 76 to 82 of the LGA 2002. This includes any decision not to take any action.

Local Government Act 2002 decision making requirements	Staff/officer comment
Section 77 – Council needs to give consideration to the reasonable practicable	Council can choose to support or not support any of the remits.

options available.	
Section 78 – requires consideration of the views of Interested/affected people	The remits do not change Council policy, levels of service, funding, fees, bylaws, or regulatory settings for the district. Council should consider community views on the issues covered by the remits e.g. through previous feedback, and elected member's own knowledge of community views.
Section 79 – how to achieve compliance with sections 77 and 78 is in proportion to the significance of the issue	The Significance and Engagement Policy is considered above. This issue is assessed as having a low level of significance.
Section 82 – this sets out principles of consultation.	No consultation or targeted engagement is proposed for the purpose of determining Council's voting position on these remits.

Policy Considerations

To the best of the writer's knowledge, this recommendation is not significantly inconsistent with, nor is anticipated to have consequences that will be significantly inconsistent with any policy adopted by this local authority or any plan required by the Local Government Act 2002 or any other enactment.

Te Tākoha ki ngā Hua mō te Hapori me te here ki te whakakitenga o te Kaunihera | Contribution to Community Outcomes

Matamata-Piako District Council's Community Outcomes are set out below:

MATAMATA-PIAKO TŌ MĀTOU WĀHI NOHO OUR PLACE		MATAMATA-PIAKO DISTRICT COUNCIL TE ARA RAUTAKI STRATEGIC DIRECTION	
TŌ MĀTOU WHAKAKITENGA OUR VISION			
Matamata-Piako District is vibrant, passionate, progressive, where opportunity abounds. ‘The heart of our community is our people, and the people are the heart of our community.’			
TŌ MĀTOU WHĀINGA MATUA OUR PRIORITIES (COMMUNITY OUTCOMES)			
			
He wāhi kaingākau ki te manawa A place with people at its heart	He wāhi puawaitanga A place to thrive	He wāhi e poipoi ai tō tātou taiao A place that embraces our environment	He wāhi whakapapa, he wāhi hangahanga A place to belong and create

All community outcomes are relevant to this report.

Ngā Tāpiritanga | Attachments

A.  Remits 2026 (*Under Separate Cover*)

Ngā waitohu | Signatories

Author(s)	Manisha Tritscher Policy Advisor	
Approved by	Niall Baker Kaiārahi Tima Kaupapahere Policy Team Leader	
	Sandra Harris Pou Kaupapahere, Rāngai Mahitahi me te Kāwana Policy, Partnerships and Governance Manager	
	Kelly Reith Hautū Rangatōpū, Tāngata me ngā Hononga Group Manager Corporate, People & Relationships	

7 Pūrongo me whakatau | Decision Reports

7.13 Private Plan Change 64-Decision to Accept the Private Plan Change, Notify and Appoint Independent Commissioners

CM No.: 3170328

Te Kaupapa | Purpose

KA Matamata Limited Partnership (KA Matamata/the applicant) has requested a change (Private Plan Change) to the Operative Matamata-Piako District Plan (MPDP) in relation to approximately 26.3 ha of land near the south-eastern edge of Matamata fronting onto Banks Road. The applicant is seeking to turn the Rural Zoned land with a Future Residential Policy Overlay to Residential Zone.

Part 2 of Schedule 1 of the Resource Management Act 1991 (RMA or “the Act”) sets out the procedural matters for dealing with such a request. The Council must first consider how to deal with the request. Clause 25 of Schedule 1 allows the Council to reject the request, treat the request as if it were an application for a resource consent, adopt the request or accept the request. The purpose of this report is to discuss the merits of each option and recommend a preferred course of action to the Council.

Rāpopotonga Matua | Executive Summary

The RMA allows anyone to seek changes to a district plan through a request for a private plan change. KA Matamata have requested a change to the MPDP by lodging a private plan change in relation to land near the south-eastern edge of Matamata fronting onto Banks Road. The applicant owns approximately 8.6ha of the subject land with the remainder land owned by seven other parties. The focus of the change relates to live zoning the land to Residential Zone from its current Rural Zone with a Future Residential Policy overlay. This change proposes amendments to MPDP rules, appendices and mapping including the Banks Road to Mangawhero Road Structure Plan. This private plan change is known as Private Plan Change 64 - Banks Road-Residential Rezoning (PPC-64).

Under the RMA, the Council must decide how it initially wants to deal with the plan change request. It may either reject the request, process the request as a resource consent, adopt the request or accept it. Carolyn McAlley (Council’s processing planner) and Fiona Hill are available to discuss each option and answer any questions.

Tūtohunga | Recommendation

That:

1. **The Council resolves to accept KA Matamata Limited Partnership's "Proposed (Private) Plan Change 64 – Banks Road-Residential Rezoning" in accordance with Clause 25(2)(b) of Part 2 of Schedule 1 of the Resource Management Act 1991, including any minor administration corrections.**
2. **The Council resolves, in accordance with Section 34A of the Resource Management Act 1991, to delegate the authority to decide the notification requirements for KA Matamata Ltd "Proposed (Private) Plan Change 64 – Banks Road-Residential Rezoning" to the Group Manager Growth and Regulation or the Planning Manager.**
3. **The CEO and Group Manager for Growth and Regulation are authorised to appoint an independent hearings commission of up to three people, one of which has a chair endorsement; and**
4. **The hearing of submissions (if any) and decision making of the plan change is delegated to the independent hearings commission.**

Horopaki | Background

The plan change requestor has developed housing (Maea Fields) on sites adjacent to the Plan Change area and seeks to continue with Stage 4 of Maea Fields on their land within the PPC-64 site, commencing the consenting for this stage in mid-2027. While the earlier Maea Fields sites were processed through resource consents as it was already residentially zoned land, the applicant requires a plan change request for this land due to its current Rural Zone / Residential Policy Overlay. The plan change will change the zoning to residential.

This plan change request was the topic of a Council workshop on 8 July 2026, where officers supplied a copy of the application with the agenda and discussed the request application. The plan change proposes to rezone a 26.3ha portion of the land within the Future Residential Policy Area overlay from Rural Zone to Residential Zone. Changes are also proposed to the Banks Road to Mangawhero Road Structure Plan that include the identification of Area A in which the smaller lot sizes of 400m² are enabled, changes to the indicative roading, in particular eventual future roads that link Tokotoko Parade and Banks Road, pedestrian access to the surrounding area, servicing and a reserve area. Changes are also proposed to the MPDP Residential Zone and subdivision rules, and the appendices.

Specifically, the proposal seeks to provide for lot sizes of 400m² with a Restricted Discretionary activity pathway for smaller lots of between 325-399m² lots using a Comprehensive Residential Development process. The proposed minimum lot size along Banks Road is 450m² to achieve an appropriate interface with the rural land south of Banks Road. The anticipated yield for the Plan Change site is approximately 430 dwellings. The application also includes a master plan that has provided guidance for some of the changes on the structure plan diagram. The master plan will not become part of the District Plan.

The plan change request here for decision making remains the same, with 430 lots anticipated to be developed over a 10-year timeframe. While there have been no changes to the plan change request itself since the workshop, there may be an update to the application material by the time

of the Council meeting. The most likely change being the finalisation of the Cultural Values Assessment report showing full endorsement.

The first step in the RMA plan change process is for Council to consider how it wants to deal with the KA Matamata Ltd request, before moving on to notification of the plan change for submissions, and ultimately making the decision on whether to approve the plan change.

The purpose of this report is to familiarise Councillors with the plan change content, the statutory requirements for the consideration of the request, and the options available to Council.

The report will focus on the first step in the plan change process, that being the four options open to Council in deciding how it wants to deal with the plan change request, and the statutory matters that Council must consider in making its decision on the request. The merits of the plan change are not considered at this stage. This will follow later in the process once the views of affected parties have been sought through notification.

The report seeks a decision from Council and recommends that the Council opt for the option of “accepting” the plan change, for the reasons as outlined below.

The PPC 64 request was received by Council in February 2026. Staff made a number of queries regarding the application and undertook meetings with the applicant and their experts to work through a range of matters in the application. Staff and the applicant agreed the applicant’s transport report was required to be peer reviewed. This process was initiated and a request for further information was made. The applicant responded and after reviewing the response, the Council (traffic engineer) confirmed that there was sufficient information regarding transport matters.

Just prior to the Council workshop several other matters related to the proposed rule framework were resolved and these were discussed at the Council workshop.

On 2 July 2026, KA Matamata submitted the final plan change documentation, reflecting the above amendments for notification. At the time of writing, it is hoped the Cultural Values Assessment will have been finalised and a revised report reflecting that change will be submitted and included as part of the notification bundle.

The plan change documentation as submitted to Council comprises an Application Report prepared by Monocle. Appended to the Application Report are the proposed revisions to the MPDP text and maps, including the proposed revisions to the Banks Road to Mangawhero Road Structure Plan and its accompanying appendix in the MPDP. Specialist reports have been provided on traffic, urban design, servicing, geotechnical hazards, contamination and ecology and an economic assessment has also been undertaken. Also appended is a statement from Gray Matter (Council’s traffic engineer), who reviewed the traffic report and the applicant’s response to this peer review for MPDC.

The Application Report is a comprehensive document prepared in accordance with the requirements of the RMA. The Report includes a section 32 RMA assessment (issues/options/costs/benefits), assessment of environmental effects, statutory assessment of the relevant planning documents, and a summary of iwi and community consultation.

Ngā Take/Kōrerorero | Issues/Discussion

The plan change (known as “Private Plan Change 64 – Banks Road-Residential Zoning”) seeks to incorporate changes into the MPDP and MPDP Maps by the following means:

- (i) Amendments to Part B – Section 3: Development Controls for the Residential Zone.

- (ii) Amendments to Part B – Section 4: Activity related performance standards for the proposed Comprehensive Residential Development in Area A of the Banks Road to Mangawhero Road Structure Plan Area.
- (iii) Amendments to Part B – Section 6: Subdivision-Activity table and standards.
- (iv) Amendments to the Definitions section: Definition -- Comprehensive Residential Development.
- (v) Amendments to Appendix 9: Schedule of Works, 9.4 Banks Road to Mangawhero Road Structure Plan Annotation
- (vi) Amendments to Part C-Plans and Maps Banks Road to Mangawhero Structure Plan and DPDP Maps.

The changes can be explained as follows:

- (i) **Amendments to Part B – Section 3: Development Controls for the Residential Zone.**
PPC-64 proposes to introduce a rule to reduce the minimum lot size requirement from 450m² to 400m² in Area A (PPC-64 site), except those lots fronting Banks Road where the requirement will remain at 450m². An amendment is also proposed to include an advice note to guide the reader to the new proposed Comprehensive Residential Development Option.
- (ii) **Amendments to Part B – Section 4: Activity related performance standards for the proposed Comprehensive Residential Development in Area A of the Banks Road to Mangawhero Road Structure Plan Area.**
PPC-64 proposes to introduce a suite of rules into this section of the MPDP to provide for Comprehensive Residential Development in Area A of the Banks Road to Mangawhero Road Structure Plan Area as a Restricted Discretionary activity with associated standards for; site size, urban design, building envelope, and site suitability. There are also proposed assessment criteria related to urban design, residential character and amenity and traffic. Applications that do not comply with the development standards are proposed to be a Discretionary activity as will Comprehensive Residential Development and subdivision dwellings/lots fronting Banks Road. Any subdivision for Comprehensive Residential Development which does not give effect to an approved land use consent is proposed to be assessed as a Non-complying activity. The proposed new rules also provide for the limited notification of a Restricted Discretionary activity in the event of traffic effects.
- (iii) **Amendments to Part B – Section 6: Subdivision-Activity table and standards.**
The proposed amendments to the subdivision section introduce the Comprehensive Residential Development within Area A of the Banks Road to Mangawhero Road Structure Plan to the activity table and deletes a Discretionary activity rule that relate to subdivision on Rural Zoned land in the Banks Road to Mangawhero Structure Plan that make the first and second access point to Banks Road. The amendments also include performance standards for the Banks Road to Mangawhero Structure Plan Area A related to lot size and matters of discretion to enable an assessment of applications under this new clause. A Non-complying activity status for proposals that do not comply with the standards has also been introduced.

(iv) Amendments to the Definitions section: Definition -- Comprehensive Residential Development.

Amend the existing definition of Comprehensive Residential Development to include the proposed plan change area, as follows (Underline = addition):

“Comprehensive Residential Development” is a comprehensively planned residential development located within an identified overlay area or within Area A of the Banks Road to Mangawhero Road Structure Plan area that provides for higher density forms of housing through a land use resource consent process. It includes retirement villages.”

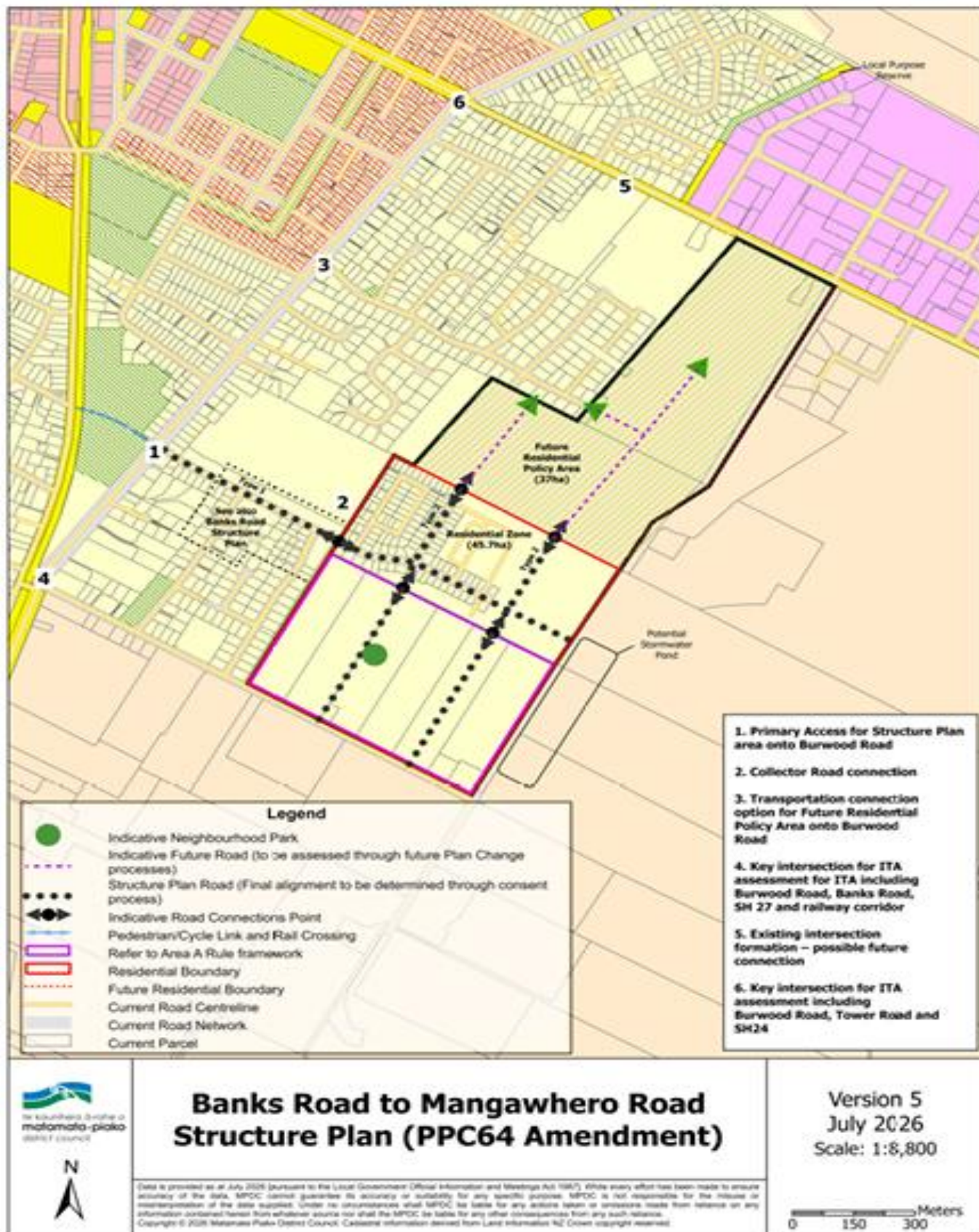
(v) Amendments to Appendix 9: Schedule of Works, 9.4 Banks Road to Mangawhero Road Structure Plan Annotation

The proposed amendments to Appendix 9.4 Banks Road to Mangawhero Road Structure Plan Annotation are as follows;

- amend to correct the area of land (in ha) shown as Future Residential Policy Area and Residential Zone as a result of this plan change,
- amendments related to the size of the proposed collector roads to both be Type 2 collector road, previously one Type 1 and one Type 2,
- amend to require the upgrade (footpaths, street lighting, curb and channelling) of the northern side of Banks Road when development is proposed,
- amend to include new standards for the construction of local roads,
- amend to include the installation of “keep clear” road markings at the intersection of Banks and Burwood Road prior to subdivision or development in Area A to mitigate traffic effects of the proposed development,
- amend to include that any Comprehensive Residential Development include an assessment of traffic effects,
- delete provisions relating to traffic connections between Future Residential Policy Areas and Banks Road, and traffic requirements in the Future Residential Policy Area as it is now area A,
- amend an existing clause to better align the proposed Burwood Road pedestrian crossing with the future railway crossing,
- amendments to describe how water and wastewater will be provided to Area A,
- amend to provide a new clause relating to the vesting to Council of the proposed neighbourhood park, which staff consider will have a stormwater function with final wording to be the subject of a council submission
- an amendment to the existing developer agreement clause related to the timing drawing up the developer agreement. Staff would prefer an alternative wording and consider that this matter would be the subject of a council submission during the notification process.
- An additional amendment is proposed to remove the requirement for a 10m yard setback on the external boundaries of the residential zone in some instances where Area A adjoins a road or reserve.

(iv) Amendments to Part C-Plan and Maps Banks Road to Mangawhero Structure Plan and MPDP Maps.

The proposed amendments are as follows; Amend Planning Maps 34 and 35 to remove the Rural zoning and Future Residential Policy Area Overlay from the site and replace with a Residential zoning over the Plan Change site. Amend the Banks Road to Mangawhero Road Structure Plan in Part C – Structure Plans by replacing it with the plan below.



Statutory requirements

The RMA requires that a private plan change request must explain the purpose of, and reasons for, the proposed plan change and contain an evaluation report prepared in accordance with section 32.

Where environmental effects are anticipated, the request must describe those effects in such detail as corresponds with the scale and significance of the actual or potential environmental effects anticipated from the plan change. The local authority must have particular regard to the evaluation report when deciding how to deal with a plan change request.

The evaluation report provided by KA Matamata reaches the following conclusions relevant to consideration of the Plan Change Request:

- **National Policy Statements** - The evaluation report considers that the relevant National Policy Statements for this Plan Change request are the National Policy Statements on Urban Development (NPS-UD) Freshwater Management (NPS-FM) and Natural Hazards (NPS-NH). The report also addresses the National Policy Statement on Highly Productive land (NPS-HPL) but considers that it does not apply to the Plan Change site because the land is not highly productive land as defined in the NPS.

With regard the NPS-UD, Matamata is an 'urban environment' in accordance with the NPS-UD. Therefore, MPDC is a Tier 3 local authority and the Council has obligations that it must meet under the NPS-UD. These include providing for a well-functioning urban environment, providing sufficient housing capacity in the short, medium and long term as recognised through zoning provisions, and integrating development and infrastructure provision. The applicant considers that they meet the requirements of the NPS-UD through increasing housing capacity by turning the Future Residential Policy Area into Residential Zone at this time. Their provision of housing, if implemented at the rate that they propose, will exceed the growth rates proposed by MPDC. MPDC has adopted the Te Ngira high growth projections. For Matamata this means the town will grow by an additional 5,000 people by 2070 with approximate demand for another 50 to 100 dwellings a year. The NPSUD requires all local authorities to provide **at least** sufficient development capacity over the short medium to long term (Policy 2). Whether or not Matamata has sufficient capacity to meet demand may be an issue raised through submissions on the plan change. In this case the plan change is in an area that has been identified for future residential development for some time. The plan change will also assist in increasing housing choice by enabling a more intense form of development than what is envisaged in the Residential Zone. Because of this there is the potential for housing to be provided in a more affordable price range. With regard to servicing, the site is able to be serviced, albeit some infrastructure provision has to be brought forward and appropriate contributions would need to be included as part of a Developer Agreement.

The applicant considers that the proposal is not contrary to the NPS-FM. They advise that the site does not impact the Mangawhero Stream, and is consistent with Te Mana o te Wai, with stormwater managed through low-impact measures (on-lot soakage, rain gardens, potential enlargement of the existing dry pond with underground soakage) and connections to reticulated water/wastewater. Detailed design and any required regional consents will ensure freshwater outcomes are maintained; therefore, the applicant considers the plan change gives effect to the NPS-FM.

With regard the NPS-NH, this applies to a range of natural hazards and requires risk to be assessed using the risk matrix, with consideration of existing and proposed mitigation measures

and the residual risk that arises when design thresholds of any proposed mitigation measures are exceeded. The potential impacts of climate change to at least 100 years into the future must also be considered. The application advises all risks are assessed as low for geotechnical matters at this time with further testing anticipated at subdivision and development stage. Risk from flooding is also addressed in the report which assesses the risk as low with proposed design controls in place. The applicant considers that the Plan Change proposal is consistent with the NPS-NH as the level of natural hazard risk is low and non-significant and therefore gives effect to the NPS-NH.

A number of hazard related matters will rely on additional reporting and other statutory requirements which will take place as part of future subdivision and development processes. These include the consideration of the most up to date flood modelling at the time of subdivision and development design, the completion of geotechnical reporting currently confined to the applicant's sites, specific earthworks measures, and reliance on the Building Code provisions in relation to the MPDC Earthquake zone 1.

With regard the NPS-HPL the application states that prior to lodging this Plan Change request, it was agreed with MPDC that the Banks Road to Mangawhero Road Structure Plan and FRPA provisions align with the description of the Future Urban Zone in the National Planning Standards. This is because the FRPA is land identified for future urban development, reflected in the description and purpose statement of the Structure Plan and reinforced by a number of other Structure Plan provisions that further reflect this intent. Therefore, the Plan Change site is not highly productive land under the NPS-HPL because it is not caught by the transitional definition in clause 3.5(7)(a) as the land is not the equivalent of general rural or rural production zoning. As such, the NPS-HPL does not apply to the Plan Change site.

- **Waikato Regional Policy Statement (RPS)** – District plans are required to give effect to regional policy statements in accordance with section 75(3)(c) of the RMA. The applicant has assessed the proposal against the objectives and policies of the RPS and found objectives and policies relating to integrated management, tangata whenua, amenity, built environment, adopting the future proof land use system and densities, natural hazards and biodiversity to be the most relevant matters.

The applicant considers that the proposal has provided sufficient information to show the proposal integrates into existing urban form, enables a compact urban form, is able to be serviced, does not compromise the natural environment or cause reserve sensitivity, while still achieving a clear delineation between urban and rural landuse. While Matamata is not discussed in the WRPS due to timing, the application advises that the proposal is consistent with Future Proof and the need to provide a range of housing types in Matamata.

The applicant considers that the proposal meets the requirements related to the use of natural resources in accordance Māori, through their consultation with the Ngāti Hauā Iwi Trust, Ngāti Hinerangi Trust and Raukawa Charitable Trust. With regard Hazards the applicant considers that the proposal presents a low risk and is therefore consistent with the objectives and policies. The applicant considers there are no high amenity features from which the proposal would detract, and the proposal will not result in a net loss of ecology.

Overall, KA Matamata considers that the proposed plan change will give effect to the objectives and policies of the RPS.

- **Consistency with the District Plan objectives and policies** – The applicant has assessed the application against the strategic growth objectives and policies within Chapter 2 (Sustainable Management Strategy) and Chapter 3 (Environment) of the MPDP.

The objectives and policies related to the Sustainable Management Strategy seek the integrated management of urban form in terms of location and servicing (2.4.1 and 2.4.6). The applicant considers that this identified location and its ability to be serviced assist in fulfilling the objectives and policies. The application advises as the site does not contain heritage features, significant ecological features and has a low hazard risk that it is not contrary to the Environment Objectives and Policies (3.1 and 3.2). While the site contains high quality soils, its long-standing recognition as an area of future urban development will mean that the proposal will not result in any unanticipated loss of the district's productive capacity. The applicant believes that the provisions of the plan change related to amenity both on site and in terms of the character of Matamata will fulfil the policies and objectives that seek to maintain and enhance the amenity of Matamata.

The subdivision objectives and policies seek a wide range of outcomes including good urban design, creating allotments suitable for the proposed activity and that subdivision does not compromise the transportation network. The applicant considers that the proposal achieves these outcomes. The MPDP also has objectives and policies for development contributions (3.9.2) related to the provision of sufficient servicing for development, to avoid, remedy or mitigate the adverse effects of new development on the infrastructure services (including reserves) and on the environment generally through the implementation of fair and equitable Development Contributions. The objectives also include consideration of the acquisition of parks. The application notes that there will be a new MPD development contribution policy that will appropriately account for the infrastructure upgrades required to service this development.

Overall, KA Matamata considers that PPC 64 is consistent with, and not contrary to, the objectives and policies in the MPDP and notes no changes in this area are proposed or needed as part of the plan change.

- **Effects on the environment** –The application includes an assessment of effects on the following matters; economic, character and amenity, infrastructure, traffic, geotechnical, soil contamination, reverse sensitivity, cultural, ecological effects and positive effects Overall, based on the assessments undertaken, the applicant concludes that the site is well suited for Residential rezoning.

Staff note that the key change is the rezoning of the site from Rural Zone to Residential Zone and the removal of the Future Residential Policy Overlay. While introducing a further Residential Zone to the Structure Plan Area, the rules that apply to Area A are proposed to be an amended version of the existing Residential Zone controls, with the site size reduced from 450m² to 400m². Further reductions in site area are achieved through a Restricted Discretionary consent for comprehensive Residential Development. Overall, the proposed plan change area is anticipated to yield 430 residential units and has provided proposals to mitigate traffic effects, urban design rules to maintain amenity and mitigate reverse sensitivity.

The applicant considers the technical reports confirm that any adverse effects associated with future residential development can be appropriately avoided, remedied or mitigated through the proposed plan change provisions. They also consider the rezoning will also deliver a range of positive effects, including important and required additional residential land supply in a planned growth area.

- **Section 32 RMA assessment** Section 32 RMA assessments – The section 32 assessment supplied by KA Matamata includes an examination of the following three options and makes a conclusion on the most appropriate method for achieving the District Plan objectives:

- Option 1: Retain the status quo or do nothing;
- Option 2: Retain the status quo and progress non-complying resource consents applications; and:
- Option 3: Rezone the PC 64 site to enable residential development via a private plan change.

The applicant considers that retaining Rural Zoning would not implement the growth direction set by the Structure Plan and the Future Proof Strategy, would perpetuate identified housing supply constraints, and would likely result in fragmented, inefficient development outcomes. In contrast, rezoning to Residential Zone with targeted standards and supporting amendments to the Structure Plan is considered by the applicant to be the most appropriate method to achieve an integrated, well-functioning urban environment and to provide certain, plan-enabled development capacity.

The application advises that the proposed Structure Plan updates, including the 20m collector road widths, the addition of an indicative neighbourhood park, refined reverse-sensitivity provisions and the identification of Area A, implement key master planning outcomes, provide clearer expectations for landowners and Council, and ensure development is coordinated with infrastructure. They consider these provisions represent the most efficient and effective package to achieve the objectives of PC64.

- **Iwi Planning documents-** Any relevant planning document which has been recognised by an iwi authority and lodged with a territorial authority is required to be taken into account in accordance with section 74(2A) of the RMA when preparing or changing a district plan. The applicant has undertaken an assessment against the relevant iwi planning documents follows: Waikato-Tainui Environmental Plan (Tai Tumu Tai Pari Tai Ao), Ngāti Hauā Environmental Management Plan (Te Rautaki Tamata Ao Turoa o Hauā) and Raukawa Environmental Management Plan (Te Rautaki Taiao a Raukawa). They have concluded that the proposal together with Tangata Whenua involvement in the forthcoming subdivision and resource consents will meet tangata whenua interests in the proposal with regard street naming, landscape design, and use of native species for planting.
- **Conclusion** – Staff considers that the information provided by KA Matamata meets the statutory requirements for the reasons outlined in the options assessment to enable the plan change to be notified for public participation, and the conclusions reached by KA Matamata summarised above, “tested” through the decision-making process.

Mōrearea | Risk

The Council’s decision on this matter may be appealed to the Environment Court by the person who requested the change; therefore, there is an element of risk from a legal perspective. As a local authority, the Council has obligations under the RMA and cannot avoid making this decision. However, the risk is considered to be low should the Council adopt the recommendations of this report.

Ngā Whiringa | Options

Under the RMA, there are four options open to Council to deal with this request. These options are:

- Reject the request;
- Decide to process the request as if it were a resource consent;
- Accept the request; or:
- Adopt the request and take on the plan change as if it were the Council's own proposed plan.

Staff's assessment of the request under the available options is provided below:

Option 1 – Reject the request

The Council can reject the request, but only on limited grounds. These include that the request is frivolous/vexatious, the substance of the plan change has been dealt with in the last two years, the request is not in accordance with sound resource management practice, the plan change will be inconsistent with Part 5 RMA, or the District Plan has been operative for less than two years.

Table 3 provides an assessment of the request in terms of the matters outlined above:

Table 3: Assessment of Option 1

Option 1 – Reject the Plan Change request	Assessment
A plan change request can be rejected on the basis that:	
• It is frivolous or vexatious;	The plan change seeks to rezone a portion of the existing Banks Road to Mangawhero Road Structure Plan from Rural Zone with a Future Residential Policy Area overlay to Residential Zone. This is neither frivolous (not a serious application) or vexatious (deliberately developed to be troublesome.) It is a well-prepared application for a site has been formally identified through the Banks Road to Mangawhero Road Structure Plan for residential development for some time.
• The substance of the plan change has been dealt with by Council or the Environment Court in the last two years;	The site has not been the subject of a previous plan change request in the last two years. It was part of PC 47-Plan Your Town, with final approval given by the Environment Court for this plan change in 2020.
• The plan change is not in accordance with sound resource management practice;	The plan change request has considered the effects on the environment, relevant planning instruments, the purpose and principles of the RMA, and the available options, costs, and benefits. The site can be serviced, however it will rely in part on several already identified works in the MPDC Long Term Plan being brought forward which must be recognised and provided for as part of developer

	agreements. The assessment shows that the request is in accordance with sound resource management practice.
The plan change would make the District Plan inconsistent with Part 5 RMA (i.e. relevant planning documents and the statutory matters to be considered);	The Plan Change has considered Part 5 Standards, policy statements and plans and has shown that it is not inconsistent with relevant planning documents, policies, and plans.
The District Plan has been operative for less than two years.	The site's location in the Banks Road to Mangawhero Structure Plan with Rural zone with a Future Residential Policy overlay has been operative since 2020 and has therefore been operative for more than two years.

For the reasons stated in Table 3, staff considers that there are no grounds for rejecting the request.

Option 2 – Process the request as a resource consent

The second option is to process the request not as a plan change, but rather as a resource consent application. In this event, the application will be subject to the procedure in Part 6 of the RMA. This means the Council will make its decision on the notification requirements for the resource consent, serve limited or public notice as required, hear submissions if any, and ultimately make its decision whether to grant or decline consent after having regard to section 104 RMA and Part 2 matters. In the final instance, Council's decision will be subject to appeal to the Environment Court.

In this instance, the plan change seeks to rezone a portion of the existing Banks Road to Mangawhero Road Structure Plan from Rural Zone with a Future Residential Policy Area overlay to Residential Zone with some amendments to Residential Zone provisions including some new provisions together with amendments to subdivision provisions and Appendix 9, Structure Plans. A plan change, rather than a resource consent, is the appropriate planning instrument to control the future development of the subject site.

This is the case as:

- The amendment of the structure plan achieved through a plan change with appropriate standards provides for integrated future development across a large area, whereas a resource consent will generally permit a specific development proposal with limited flexibility. The plan change does have some flexibility built into it, that will provide for a different site or lot layout, provided that the overall intention of the plan change, for example roading layout is not compromised.

For the reason above, staff considers that the scale and nature of the proposal is such that a resource consent is not the appropriate process.

Option 3 – Accept the request' versus 'Option 4 – Adopt the request

Under Option 3, the Council accepts the plan change request as a private initiative whereas, under Option 4, the Council adopts the plan change as if it were its own initiative and part of the Council initiated review of the District Plan.

Table 4 below highlights the differences between the two options:

Table 4: “Accept” versus “Adopt” the Request

Option 3 - Accept the Request	Option 4 – Adopt the Request
The Council decides to accept the plan change as a private initiative.	The Council decides to adopt the plan change, which will then require a plan change exemption application to be made under the Plan Stop process.
Council notifies, hears, and decides the proposed plan change using the process in Part 2 of the First Schedule.	If the plan change is accepted under the Plan Stop exemption process, the plan change becomes a “public” plan change. It is notified, heard, and decided on, in the same way as a Council initiated plan change (Part 1 of the First Schedule).
The applicant bears the cost of the complete plan change process through to the Council’s decision on it (excluding the resolution of appeals).	Council bears the full cost of the plan change from the date that it is adopted, including the resolution of appeals.
The applicant controls what is notified. The plan change is notified using the documentation provided by the Requestor.	Council can only notify those elements that were approved as part of the Plan Stop exemption application.
“Accepting” the plan change implies that Council is taking a neutral position and neither supports nor opposes the proposal.	“Adopting” the plan change implies that Council generally supports the proposal.
Rules do not have legal effect until the Plan Change becomes operative.	Rules relating to water, air, soil, significant indigenous vegetation/ habitats of indigenous fauna, and historic heritage, have legal effect on notification.

Staff considers that “accepting” the request (Option 3) is the preferred option, for the following reasons:

- The benefits from the plan change will accrue to the applicant and those other parties for sites within the plan change area, rather than there being any significant “public good” component to signal that adopting the plan change would be the appropriate option.
- The plan change represents principally private gain although it is acknowledged that providing for the housing demand which benefits the community in terms of places to live and employment opportunities. Consequently, it is appropriate that the applicant, rather than the Council, should bear the bulk of the costs associated with the process.
- Given the site-specific nature of the plan change, it is appropriate that the Council take a neutral position by “accepting” the proposal, which would then follow due public process before a decision is made.
- Due to the plan change being confined to the applicant’s site, there is little benefit in the Council retaining control over the content of what gets notified. The Council will have adequate

opportunity to provide input to the process through the submissions stage of the plan-making process.

- The substance of the plan change is such that it does not have immediate implications for the management of water, air, soil, significant indigenous vegetation/ habitats of indigenous fauna, and historic heritage. Consequently, there is little benefit to be gained if rules relating to these matters were to take legal effect on notification, as opposed to when the plan change becomes operative.

Conclusion

In conclusion, it is staff's view that:

- The plan change meets the statutory requirements and must be considered by Council;
- There are no grounds for rejecting the plan change;
- Given the scale of the proposal, long-term nature of the proposed development, and the need to retain flexibility, a plan change, rather than a resource consent, is the appropriate way to deal with the request; and:
- Considering that the proposal is site-specific and that the financial benefits of the land development will accrue predominantly to the applicant, it is appropriate that the Council "accepts" the Plan Change as a private initiative, rather than to "adopt" the Plan Change as its own initiative.

Staff note that by accepting the plan change request, it does not imply that the Council or staff hold an opinion on the merits of the plan change. It does, however, indicate that the Council is satisfied that the request is in accordance with sound resource management practice so that it can be notified and considered on its merits by the public and Council in accordance with the RMA.

Recommended option

Staff recommends that the Council "accepts" the plan change request (Option 3) for the following reasons:

- There are no grounds for rejecting the request
- The plan change seeks to incorporate new and amended provisions to manage the new area of Residential Zone, therefore a plan change as opposed to a resource consent is seen as the most appropriate planning instrument
- The plan change represents principally private gain and confined to the applicant's site.

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

The Council is obligated to make a decision regarding the plan change request under Schedule 1 of the RMA. Any decision by the Council on this matter can also be appealed by the applicant to the Environment Court.

Ngā Pāpāhonga me ngā Whakawhitiwhitinga | Communications and engagement Consultation

KA Matamata, through their agent, has consulted with iwi and with those parties within the plan change site, regarding the proposed plan change.

The outcome of consultation with iwi was that Ngāti Hauā Iwi Trust, Ngāti Hinerangi Trust and Raukawa Charitable Trust have confirmed their support for the plan change.

KA Matamata has undertaken consultation with the Waikato Regional Council, NZTA, Kiwirail and Inghams. While written feedback has been received from Waikato Regional Council, and NZTA, there has been no response from Kiwirail and Inghams.

Notification

If the Council accepts the plan change, the next step in the RMA process is to notify the plan change for submissions. Under Schedule 1 of the RMA, there are two notification options, those being public or limited notification.

For plan changes, Clause 5A of Schedule 1 of the RMA, provides for limited notification in instances where all the persons directly affected by the proposed change can be identified. Where the affected persons cannot be clearly identified, Clause 5 of Schedule 1 requires that public notice be served.

In this instance, staff consider that as the proposal is a zone change that public notification the correct approach under Clause 5. Staff are also identifying those parties likely to be directly affected by the plan change. Despite the public notification, the RMA requires these persons to be sent a copy of the public notice and any other information the Council considers relevant.

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

Should the Council “accept” the plan request, the applicant bears the cost of the complete plan change process through to the Council’s final decision. This excludes the resolution of appeals, in the event there are any. Therefore, there would be little financial cost to the Council.

Ngā Tāpiritanga | Attachments

- A.  M0001_PC Request_Banks Road Residential Plan Change (Final 1-7-26) *(Under Separate Cover)*
- B.  Appendix 1-MPDP Proposed Text Changes *(Under Separate Cover)*
- C.  Appendix 1-MPDP Proposed Map Changes *(Under Separate Cover)*
- D.  Appendix 2-s32 Evaluation *(Under Separate Cover)*
- E.  Appendix 3-Urban Design Assessment *(Under Separate Cover)*
- F.  Appendix 3-Urban Design-Masterplan *(Under Separate Cover)*
- G.  Appendix 4-Economic Cost Benefit Analysis *(Under Separate Cover)*
- H.  Appendix 4-RFI Response re Population Growth *(Under Separate Cover)*
- I.  Appendix 5-Engineering Servicing Assessment *(Under Separate Cover)*
- J.  Appendix 6-Banks Road Plan Change Integrated Transport Assessment *(Under Separate Cover)*
- K.  Appendix 6-Banks Road Plan Change Traffic Peer Review Response *(Under Separate Cover)*

- L.  Appendix 6-Banks Road Plan Change Traffic Peer Review clarification (*Under Separate Cover*)
- M.  Appendix 7-Geotechnical report (*Under Separate Cover*)
- N.  Appendix 7-CMW Response to WRC Pre-Notification Comments (Items 15-17) (*Under Separate Cover*)
- O.  Appendix 8-Preliminary Site Investigation (*Under Separate Cover*)
- P.  Appendix 9-Banks Road Draft Cultural Values Assessment (*Under Separate Cover*)
- Q.  Appendix 10-Consultation -YungullaMonocle (*Under Separate Cover*)
- R.  Appendix 10-Consultation-WRC staff feedback - pre notification (*Under Separate Cover*)
- S.  Appendix 10-Consultation-PC64 Landowner Consultation Record (*Under Separate Cover*)
- T.  Appendix 10-Consultation-Emails with WRC Jan 26 (*Under Separate Cover*)
- U.  Appendix 10-Consultation-Emails with NZTA Oct 25 - Jan 26 (*Under Separate Cover*)
- V.  Appendix 10-Consultation-Email to KiwiRail 22-1-26 (*Under Separate Cover*)
- W.  Appendix 10-Consultation-Email to Inghams 22-1-26 (*Under Separate Cover*)
- X.  Appendix 10-Consultation-Raukawa CVA Endorsement (*Under Separate Cover*)
- Y.  Appendix 10-Consultation-Ngati Hinerangi CVA Endorsement (*Under Separate Cover*)
- Z.  Appendix 10-Consultation - Ngati Haua CVA Endorsement (*Under Separate Cover*)
- AA.  Appendix 10-Consultation- NZTA Feedback (March 2026) (*Under Separate Cover*)
- AB.  Appendix 11-PC64 Site Map w Legal Descriptions (*Under Separate Cover*)
- AC.  Appendix 12-Future Proof Map 6 - Current and Future Urban Areas (*Under Separate Cover*)
- AD.  Appendix 12-Future Proof Map 1 - Settlement Pattern (*Under Separate Cover*)
- AE.  Appendix 13-Ecological Assessment (*Under Separate Cover*)

Ngā waitohu | Signatories

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	Ally van Kuijk	

	Hautū Tipu me te Whakamatua Group Manager Growth & Regulation	
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8 Ngā Pūrongo Whakamārama | Information Reports

8.1 RMA Policy and District Plan Update

CM No.: 3190149

Te Kaupapa | Purpose

The purpose of this report is to provide Council with an update on the ongoing review of the Matamata-Piako District Plan (MPDP), including exemption applications. The report also provides updates on Resource Management Act (RMA) reform, Private Plan Change 62 (Calcutta), Private Plan Change 64 (Banks Road), Plan Change 65 (Minor Matters), the MPDC Growth Strategy, Hauraki Gulf Forum, the Ashbourne Fast-track decision, and progress on the Mana Whakahono ā Rohe agreements.

Rāpopotonga Matua | Executive Summary

A summary update on the District Plan and Resource Management Reform is provided below. The update covers Plan Change Exemption Applications, Private Plan Change 62 (Calcutta), Private Plan Change 64 (Banks Road), Plan Change 65 (Minor Matters), the MPDC Growth Strategy, Resource Management Act Reform, Hauraki Gulf Forum, the Ashbourne Fast-track decision, and progress with the Mana Whakahono ā Rohe negotiations.

Jayshree Kanji, Carolyn McAlley, Kumesh Burr, and Fiona Hill will be available to present the update and respond to any questions

Tūtohunga | Recommendation

That:

1. This report be received.

Ngā Take/Kōrerorero | Issues/Discussion

Plan Change Exemption Applications

Under the Plan Stop legislation, councils can apply for an exemption to commence or continue a plan change where it satisfies the criteria set out in section 80W of the Resource Management Act 1991 (RMA). In response to the Plan Stop legislation, Council resolved to pursue exemption applications for two priority plan changes.

By way of update:

- Plan Change 49 (Waharoa) has been sent to the Minister for RMA Reform, Chris Bishop and is awaiting a decision. Ministry for the Environment (MfE) staff have advised that it is likely the application will be sent to Minister Bishop mid-July, with a decision expected by the end of July. A verbal update will be provided at the time of the meeting. To read more about this application, click here: MPDC [Plan Stop](#) webpage.
- Plan Change 65 (Minor Matters) has been approved by the Minister and has since been notified.

Plan Changes

An update on the plan changes lodged with the Council or notified is provided below.

Private Plan Change 62 – Calcutta

On 3 July 2025, Council received a request for Private Plan Change 62 – Calcutta (PPC62). The proposal seeks to rezone approximately 20 hectares of rural land on the southern side of Tauranga Road, Matamata, to Industrial Zone. The proposal includes a development area plan showing roading layout, landscape buffers and the protection of pin oaks adjacent to Mangawhero Road.

As there are only a few outstanding matters to work through (stormwater discharge /urban design and landscaping detail) the applicant is looking to move the application along. It is expected that these matters will be resolved as part of the notification and submissions process. Consequently, the application is now moving towards the first phase in the Council decision making processes, that being the decision to accept, adopt or reject it, or process the request as a resource consent application. It is anticipated PPC62 will be brought to a Council workshop in early August and a Council decision making meeting at the end of August.

For more information about PPC62, please click [here](#).

Private Plan Change 64 - Banks Road-Residential Zoning

KA Matamata Limited Partnership (KA Matamata) lodged a private plan change request with MPDC on 27 February 2026. Known as Private Plan Change 64 – Banks Road (PPC64), the proposal seeks to rezone approximately 26.3ha of land on the south-eastern edge of Matamata. The site is located within the Banks Road to Mangawhero Road Structure Plan area and is identified as part of the Future Residential Policy Area. The plan change is anticipated to enable approximately 430 dwellings. KA Matamata owns approximately 8.6ha of the land within the PPC64 area, with the remaining land owned by seven other landowners.

Since lodgement in February the application has been subject to review by staff including a peer review of the traffic report which resulted in an information request. The review of the plan change application is now complete. On 8 July 2026, Council staff brought PPC64 to a Council workshop for the consideration of elected members. It was noted there are a few matters that need to be resolved, such as the final wording of a development contributions clause in Appendix 9 Structure Plans. At the workshop queries were raised regarding traffic effects, bringing forward of planned infrastructure to meet servicing requirements, and the consultation processes, including the ability of landowners in the subject area to object to the proposal.

Staff advised traffic effects will be managed through various mitigations, that landowners can use the public submission process to raise any concerns, and developer agreements while not directly part of the RMA processes, can be used to manage payment towards infrastructure provisions. Council's decision to accept, adopt, reject or process PPC64 as a resource consent is part of this agenda.

For more information about Private Plan Change 64, please click [here](#).

Plan Change 65 – Minor Matters (Exemption Approved)

On 27 May 2026, Council approved Plan Change 65 for public notification. The plan change was publicly notified for submissions on 23 June and closes on 21 July 2026. As at the time of writing this report, two submissions have been received. A verbal update on the number of submissions that have been lodged will be provided at the time of the meeting.

Further information on PC65 is available [here](#).

MPDC Growth Strategy

Council has endorsed staff progressing this work. Updated population and growth projections have now been received from Te Ngira, and Council has adopted the high-growth scenario.

Staff are currently assessing the implication of reform changes, alongside local government reform proposals and will report back to Council with recommendations on the timing, scope and future direction of the strategy.

Resource Management Act Reform (RMA Reform)

In March 2024, the Government made an announcement regarding its proposed RMA reform processes, which is occurring in three phases. The status of the phases is outlined below.

Phase	Status
Phase 1 - Repealed Existing RMA Reform	COMPLETE
Phase 2 Stage 1 - Freshwater and Other Matters Bill	COMPLETE
Phase 2 Stage 2 - Resource Management Consenting and Other Matters Act and national policy changes	PARTIALLY COMPLETE Act passed into law. On 15 January 2026, ten national policy direction instruments came into force. On 7 May 2026, two amended national policy direction instruments came into force. On 7 May 2026 – National Environmental Standards for Electricity Transmission and Electric Vehicle Charging Infrastructure Activities) Amendment Regulations 2026 came into force. On 4 June 2026, updates to two national direction instruments came into force. On 2 July 2026, the new National Environmental Standards for Papakāinga came into force. Further changes expected in 2026 For more details about the national direction instruments above, click here.
Phase 3 - New Planning Act and Natural Environment Act	PENDING The Bills were introduced on 9 December 2025. MPDC provided a submission on the bills. To access and read the submission, please click here. Submissions have been heard by the Environment Select Committee. A report from the Select Committee on the Planning Bill and the Natural Environment Bill has been extended to 20 July. The amended bills will then be presented to

	parliament for the second and third readings with royal assent anticipated in August.
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For more information about the RMA reform, please click [MPDC Resource Management Act Reform](#).

National Environmental Standard for Papakāinga

The National Environmental Standards for Papakāinga (NES-P) came into force on 2 July 2026. The NES introduces nationally consistent planning rules to make it easier for Māori landowners to develop papakāinga on Māori land and certain Māori-owned general land. The NES-P provides a permitted activity pathway for smaller developments (up to 10 homes, subject to standards being met) and a clear resource consent pathway for larger developments. The intent is to reduce planning barriers, lower consenting costs and complexity, increase housing opportunities on ancestral land, and support Māori well being.

Staff are currently reviewing the NES-P and assessing its implications. While the standards apply immediately, there may be opportunities to update provisions and planning information to ensure they align with the new national direction.

To read about the NES-Papakāinga, click here: [National Environmental Standards for Papakāinga 2026 | Ministry for the Environment](#)

Feedback on the draft Waikato Regional Biodiversity Strategy

Waikato Regional Council have advertised a draft Biodiversity Strategy. The Strategy is a non-statutory document. Its purpose is to bring together the efforts by landowners, iwi and hapū together in one place. MPDC staff have provided some feedback on the draft strategy. Given the presence of significant natural features within the district, including the Kaimai Ranges and Kopuatai Peat Dome, staff have identified several practical considerations relating to the strategy and its implementation.

The feedback focused on the need for greater clarity around the strategy's implementation, monitoring, governance, and roles of key partners, with particular emphasis on funding expectations and the resourcing required from councils, iwi and hapū. It also highlighted the importance of aligning the strategy with relevant legislation and future reforms, climate impacts, ecological corridor priorities in the region and ensuring it can be applied effectively in practice.

Fast-track – Ashbourne Development

For more information about the Ashbourne development, please click [here](#). On 21 April 2026, the panel's final decision was to:

- **grant** the solar farm approvals,
- **grant, in part**, the residential development approvals sought, subject to the conditions, and
- **decline** the retirement village.

The decision to reject the retirement village component of this development has been appealed to the High Court. MPDC is a party to the appeal.

Mana Whakahono ā Rohe invitations

The Council has received seven Mana Whakahono ā Rohe invitations. A Mana Whakahono ā Rohe is a binding statutory arrangement under the RMA that provides for a more structured

relationship between local authorities and iwi authorities. Invitations have been received from iwi authorities in the Pare Hauraki Collective and in the Upper Waihou catchment. MPDC is leading discussions with the iwi authorities in the Upper Waihou catchment. Ngāti Hinerangi has recently joined these discussions. Hauraki DC is leading discussions with Pare Hauraki Collective.

For the Upper Waihou catchment, a technical working group has been established who have been meeting fortnightly to progress the drafting of the agreement.

Hauraki Gulf Forum

The Hauraki Gulf Forum (HGF) met in Thames on 29 June 2026. The meeting on 29 June commenced with two public forum presentations from Sea Cleaners and EcoQuest, which provided updates on their environmental initiatives and contributions to the protection and restoration of the Hauraki Gulf. The meeting also included a workshop with Forum members to discuss the draft State of the Gulf 2026 report. A verbal update on the report's release timeline can be provided at the Council meeting. The Forum received Constituent reports, and MPDC has been requested to provide a constituent report for consideration at the next Hauraki Gulf Forum meeting.

For more information, the agenda and minutes for the meeting can be accessed [here](#).

Ngā Tāpiritanga | Attachments

There are no attachments for this report.

Ngā waitohu | Signatories

Author(s)	Carolyn McAlley Kaiwhakamahere Rautaki RMA Matua Senior RMA Policy Planner	
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	Fiona Hill Kaiwhakamahere Rautaki RMA Matua Team Leader RMA Policy	

Approved by	Nathan Sutherland Pou Whakamahere Planning Manager	
	Ally van Kuijk Hautū Tipu me te Whakamatua Group Manager Growth & Regulation	

8 Ngā Pūrongo Whakamārama | Information Reports

8.2 Successful grant recipients 2025/26

CM No.: 3189238

Te Kaupapa | Purpose

The purpose of this report is to provide Council with an update on successful grant recipients for the 2025/26 financial year.

Rāpopotonga Matua | Executive Summary

Matamata-Piako District Council provides and/or administers various grants to support individuals, community groups and organisations within the district.

This report provides an update on successful grant recipients for the 2025/26 financial year.

Tūtohunga | Recommendation

That:

1. The information be received.

Horopaki | Background

Matamata-Piako District Council provides and/or administers various grants to support individuals, community groups and organisations within the district. Those grants include:

Multi-year grants

Multi-year grants are determined through the Long Term Plan (LTP) process, which occurs every three years and are determined by the full Council. These grants support the operational management of community infrastructure and community gathering spaces to deliver services, programmes and activities that benefit the social, cultural and environmental wellbeing of communities in Matamata-Piako.

In 2025/26, Council allocated over \$640,000 in multi-year grants. The LTP 2024-2034 can be viewed on the [Long Term Plan](#), Multi-year Community Grant allocations can be found in section 5 pages 55-57.

Single-year grants

Council allocated \$30,000 over two funding rounds for 2025/26 to support not-for-profit community organisations that deliver services, programmes and activities that benefit the social, cultural and environmental wellbeing of communities in Matamata-Piako.

Single-year grant decisions are made by a committee, consisting of one ward Councillor from each ward (i.e. Matamata, Morrinsville, Te Aroha and Māori wards), individual members are rotated each round.

In 2025/26, Council administered single year grants for the following initiatives:

Funding Round 1

Group/Name	Description	Amount
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		approved
Light Up Domain Committee - Te Aroha Business Association	Stage 2 of project: lighting up pond areas of Te Aroha Domain	\$2,500.00
Kiwanis Club	One Day Fun Day	\$2,000.00
Te Aroha Domain Day Committee	Domain Day 2026	\$2,000.00
Light Party Matamata	Light Party Event	\$500.00
Matamata Piako Model Aero Club Inc	Upgrading club facilities	\$2,500.00
Matamata Bluelight	Launch grassroots initiatives	\$500.00
Transition Matamata	Sustainability Fun Day	\$1,000.00
Matamata Household Budget Advisors	Christmas Grotto Wonderland Experience	\$1,000.00
Arts Under the Mountain 2026	Arts Under the Mountain Event	\$2,500.00
Morrinsville Chamber of Commerce	Annual Morrinsville Fireworks Extravaganza	\$5,000.00
	Total funding allocated	\$19,500.00

Funding Round 2

Group/Name	Description	Amount approved
Te Aroha & District Riding for the Disabled Association Inc	Operating costs for accounts	\$1,000.00
Brian Maginness	Zion Motorhomes Golf Tournament - funding towards prizes	\$500.00
Tangata Trust Marae	Hauora Day	\$1,000.00
Light up the Domain Committee	Light up the Domain Stage 3	\$1,500.00
Te Aroha Croquet Club	District Schools Golf Croquet Programme	\$1,000.00
Aroha Cruise In Society Incorporated	Family-friendly activities and entertainment at Aroha Cruise In	\$1,500.00
Te Aroha Business Association	Road Closure for Arts Under the Mountain	\$2,000.00
Charity Tuhakaraina	Playground fundraising day	\$2,000.00
	Total funding allocated	\$10,500.00

Creative Community Scheme

Council administers the Creative Community Scheme (CCS), which is funded by Creative New Zealand. The grant supports initiatives that have an arts focus and meets the conditions of:

- Access and participation
- Diversity
- Young people

Nine committee members deliberate over the applications, two of whom are Councillors, the remainder are community members representing different arts specialties.

Council receives a base allocation of funding of \$15,000 per year plus \$0.60 per head of population (based on the most recent census information), the total amount received for 2025/26 was \$37,258.80. Some funding was spent on advertising the funding rounds, the rest of the funds are granted over two funding rounds for the year.

In 2025/26, the Committee allocated grants for the following initiatives:

Funding Round 1

Group/Name	Description	Amount approved
Art on Thames Street	Art on Thames Street 2026	\$1,200.00
Brian Gibson	HB Gibson Christmas Display	\$1,200.00
Houata (Howie) Ngati	Raungaiti Marae Underpass Artwork Project	\$1,400.00
St Joseph's School Morrinsville	A cow for St Joseph's Morrinsville	\$500.00
Tui Pā Marae	Toi Māori ki Tui Pā - Holiday Creative Wānanga	\$1,000.00
Elisa Hyde Hills	Exhibition and painting workshop	\$260.00
Te Aroha Community Choir	A themed concert 'I am light'	\$1,000.00
Heather Willison, Andrea Best, Sue Preston, Jenni Baylis and Sarah Lee	Reimagine - Art exhibition	\$450.00
Te Aroha Business Association	Arts under the mountain festival	\$2,000.00
Future Te Aroha	Professional development - dance	\$600.00
Future Te Aroha	Once upon a Christmas 2025	\$600.00
Future Te Aroha	Forgotten Earth	\$600.00
Matamata Cultural Festival	Many cultures, One celebration	\$2,000.00
Morrinsville Art Gallery	Morrinsville Gallery 15th anniversary celebration	\$2,000.00
Elizabeth Borrows	Mini trees in Morrinsville	\$1,240.00
Morrinsville Little Theatre	Babes in the wood	\$1,000.00
Ngāti Tumutumu	Taonga Puoro Wānanga - making koauau and porotiti	\$1,500.00

	Total funding allocated	\$18,550.00
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Funding Round 2

Group/Name	Description	Amount approved
Dave Mouat and Mary Fraser	Small Stitches and Family Ties – Art Exhibition	\$500.00
Springdale School	Interactive School Mural	\$750.00
Matamata Brass Band	Tutoring Programme for Bass Players	\$2,000.00
Professional Weavers Network	Rivers - A Metaphor for a Journey Exhibition	\$500.00
Ross Miller	Puppet Show at Arts Under the Mountain Festival	\$750.00
Matamata Bluelight	Talent Show for youth	\$1,000.00
Future Te Aroha	Lighting, Sound, and Rigging Workshop	\$400.00
Future Te Aroha	A production of Oliver Jr to perform in our community	\$1,500.00
Future Te Aroha	The Crazy Quest of Tim, Tom and Terry	\$1,244.00
Te Aroha Community Choir	From Stage to Stadium	\$1,000.00
Matamata Dramatic Society	One Act Play Festival	\$1,000.00
Morrinsville Little Theatre	13 The musical	\$1,000.00
Morrinsville Little Theatre	Spies are Forever	\$1,000.00
Morrinsville Gallery	Contemporary toi Māori at Morrinsville Gallery	\$1,000.00
Matamata Cultural Festival - Frenzy Vidamo Ugalde	Many Cultures One Celebration	\$2,504.33
Colour Exhibition Group	Colour Art Exhibition	\$400.00
	Total funding allocated	\$16,548.33

Pride of Place Community-led Initiatives grant

Using external funding from the Department of Internal Affairs, Council has \$30,000 per year for three years (2024 – 2027) to allocate to support the community to deliver small-scale initiatives that contribute to an even better district to live, work and learn in.

Council's Community Development and Partnerships team worked with communities to create Pride of Place goals for the Matamata-Piako District.

The maximum grant allowance per application is \$2,000, and while there is no deciding committee, applicants must demonstrate alignment to the Pride of Place goals or present a case for initiatives that will result in general positive social good in the district.

A key requirement of this grant is that events are open to the community. Funding decisions are made by Council staff with delegated authority following an assessment of applications.

In 2025/26, Council allocated grants for the following initiatives:

Group/Name	Description	Amount approved
Beau Timberland	Guided Walk Series with Search and Rescue	\$1,894.37
Mike Molan	Christmas in the Park - Morrinsville	\$1,089.75
Morrinsville Historical Society Incorporated	Learning the Art of Harakeke Weaving	\$810.33
Liz Borrows	Japanese Textiles Exhibition	\$2,000.00
Charlotte Giblin	Push the Light	\$1003.86
Matamata Cultural Festival	Many Cultures, One celebration	\$2,000.00
Asha Nicholas	Matamata Bluelight Free Movie night	\$1,913.00
Tamar Tuhakaraina	Whanau Day Event Waharoa Together Greatness	\$1,974.68
Ross Miller	Whitaker Street Shop Signage Revamp	\$1,852.98
Rebecca Lee and Adrian Cook	Analogue Aotearoa	\$2,000.00
Ciaran Warner	Much Ado About Nothing	\$356.43
Vicki Taylor	Sit, Play Connect - Board & Card Games Club	\$1,027.13
John Howlett	Ukulollo Power Trio Live Concert	\$1,950.00
Jade green	Youth Week 2026 Te Ahurei a Rangatahi	\$2,000.00
Treaty People Inc	Te Tiriti Community workshop for ethnic families	\$1,124.35
Springdale School	Springdale Pickleball Court	\$2,000.00
Asha Nicholas	Matamata Blue Light Official Launch Free Family Movie Night	1913.98

Matamata Hearing Association Inc - Bridget Gill	Here to help you Hear – Hearing Expo	\$959.00
Parkinsons Support Group	Morrinsville Parkinsons Support Group	\$410.00
	Total funding allocated	\$28,279.86

Natural, Cultural and Built Heritage grant

The Natural, Cultural and Built Heritage grant provides funding for plans, reports and one-off projects that protect, conserve and promote New Zealand's natural, cultural and physical heritage and support community organisations with resource consent costs. The total funding available yearly is \$20,000, with approximately \$5,000 allocated to rates remissions. This grant remains open year round and is allocated to eligible applicants on a first in basis.

Funding decisions are made by Council staff with delegated authority following an assessment of applications.

In 2025/26, Council administered grants for the following initiatives:

Group/Name	Description	Amount approved
Steve Southhall	Waitoa Riverbank Restoration	\$2,859.00
Marc Dresser	Pest control for land bordering Hapuakohe Ecological Reserve	\$3,390.00
Matamata Community Health Shuttle	Resource Consent	\$4,537.78
Hato Hone St John Te Aroha	Resource Consent	\$5,000.00
	Total funding allocated	\$15,786.78

Dr Lawrence and Elsie Mackie Memorial Trusts

Dr Lawrence and Elsie Mackie Memorial Trust grants are available to people from Te Aroha and the surrounding country areas (Elstow, Manawarū, Mangaiti, Ngarua, Springdale, Te Aroha West, Wairākau, Waihou and Waitoa). This funding is provided for 'charitable purposes', for both groups and individuals.

For the 2025/26 funding year, the committee had \$9,641.11 to allocate. The next funding round will be in 2027.

In 2025/26, the Committee allocated grants for the following initiatives:

Group/Name	Description	Amount approved
Budgeting Services Inc.	Promote 'Money Mates' initiative to facilitate the programme in Te Aroha. The purpose to increase financial capability.	\$1,331.15
Te Aroha BMX Club	Secure container to keep maintenance equipment	\$2,565.00
Ngāti Tumutumu Trust	Whakairo ki te Mauri - Reconnecting our rangatahi	\$1,000.00
Te Aroha Community	Garaging for their 4 shuttle vehicles for 3	\$2,628.00

Support Inc	months	
Piako Gymnastics Club	Funding for a new 30cm crash mat	\$2,000.00
	Total funding allocated	\$9,524.15

The remaining \$116.96 will be carried forward to the 2027 funding round.

Te Kōtuitui Grant

Previously known as 'Iwi-led Initiatives Grant', the Te Kōtuitui grant supports initiatives relating to Matariki or Waitangi Day.

A key requirement of this grant is that events are open to the community. Funding decisions are made by Council staff following an assessment of applications. Council had \$5,000 to administer.

In 2025/26, Council administered grants for the following initiatives:

Group/Name	Description	Amount approved
Raungaiti Marae	Large Matariki Celebration at Raungaiti Marae	\$3,100.00
Te Puāwaitanga o Ngāti Hinerangi iwi Trust and Wairere Mahi	Hautapu Ceremony on Weraiti Maunga	\$650.00
Tui Pā Marae	Matariki noho held at Tui Pā Marae	\$1,250.00
	Total funding allocated	\$5,000.00

Te Tākoha ki ngā Hua mō te Hapori me te here ki te whakakitenga o te Kaunihera | Contribution to Community Outcomes

Matamata-Piako District Council's Community Outcomes are set out below:

MATAMATA-PIAKO TŌ MĀTOU WĀHI NOHO OUR PLACE		MATAMATA-PIAKO DISTRICT COUNCIL TE ARA RAUTAKI STRATEGIC DIRECTION	
TŌ MĀTOU WHAKAKITENGA OUR VISION			
Matamata-Piako District is vibrant, passionate, progressive, where opportunity abounds. ‘The heart of our community is our people, and the people are the heart of our community.			
TŌ MĀTOU WHĀINGA MATUA OUR PRIORITIES (COMMUNITY OUTCOMES)			
			
He wāhi kaingākau ki te manawa A place with people at its heart	He wāhi puawaitanga A place to thrive	He wāhi e poipoi ai tō tātou taiao A place that embraces our environment	He wāhi whakapapa, he wāhi hangahanga A place to belong and create

All of the above community outcomes are relevant to this report.

Ngā Tāpiritanga | Attachments

There are no attachments for this report.

Ngā waitohu | Signatories

Author(s)	Ellie Gray Kaitohu Kāwana Governance Advisor	
Approved by	Tamara Kingi Kaiārahi Kāwana Governance Team Leader	
	Sandra Harris Pou Kaupapahere, Rāngai Mahitahi me te Kāwana Policy, Partnerships and Governance Manager	

8 Ngā Pūrongo Whakamārama | Information Reports

8.3 CCO Performance Monitoring - Final Statement of Intent 2026/27 Waikato Regional Airport Limited (WRAL) Group

CM No.: 3191592

Te Kaupapa | Purpose

The purpose of this report is for Council to receive the Waikato Regional Airport Limited (WRAL) Group Final Statement of Intent 2026/27.

Rāpopotonga Matua | Executive Summary

Council Controlled Organisations (CCO's) are required by the Local Government Act 2002 (LGA) (subject to certain exemptions) to prepare and publish an annual Statement of Intent.

A Statement of Intent must include:

- a) the objectives of the group; and
- b) a statement of the board's approach to the governance of the group; and
- c) the nature and scope of the activities to be undertaken by the group; and
- d) the non-financial performance targets and other measures by which the performance of the group may be judged in relation to its objectives; and
- e) any additional information that is required to be included in the Statement of Intent.

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

Council received WRAL's draft Statement of Intent on 22 April 2026 and were invited to provide feedback on the document prior to its finalisation. Council resolved to approve the document without feedback.

Council has now been provided with the final Statement of Intent 2026/27 for information.

Tūtohunga | Recommendation

That:

1. The Waikato Regional Airport Limited Group Final Statement of Intent 2026/27 be received.

Horopaki | Background

Council Controlled Organisations (CCO) Reporting Requirements

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 Half-Yearly Report for shareholders on the entity's operations during the half year.

Waikato Regional Airport Limited (WRAL)

WRAL is a CCO owned by five Waikato councils, with Matamata-Piako's shareholding at 15.6%. The Group is comprised of the following entities:

- Waikato Regional Airport Limited (trading as Hamilton Airport) is the Group's parent company, and the owner and operator of Hamilton Airport.
- Titanium Park Limited - has a goal to develop and optimise land holdings to generate long-term income streams from a diversified property portfolio.
- Waikato Regional Airport Hotel Limited (Trading as Jet Park Hamilton Airport Hotel & Conference Centre). – has an intent to provide non-aeronautical earnings to the Group through the operation of a Qualmark 4 Star Plus hotel and conference centre facility at Hamilton Airport.
- Hamilton & Waikato Tourism Limited – the Regional Tourism Organisation markets the Hamilton and Waikato region as a visitor and business events destination, and to assist in growing the visitor economy through tourism development and destination management.

Ngā Take/Kōrerorero | Issues/Discussion

Council received WRAL Group's draft Statement of Intent on 22 April 2026 and were invited to provide feedback on the document prior to its finalisation. Council resolved to approve the document without feedback.

Council has now been provided with the final Statement of Intent 2026/27 for information.

The following changes have been inputted to the Final Statement of Intent 2026/27:

- Amendment of annual outcomes in relation to **'Driving growth in aviation'** as the airport was provided Kanoa loan funding to complete infrastructure expansion, and to remove a growth target given the ongoing impacts of the fuel crisis.
- Amendment of annual outcomes in relation to **Te Ao Māori** to acknowledge affiliation with Kiingitanga.
- Amendment of **financial performance targets** based on WRALs final budget position.

Mōrearea | Risk

No risks have been identified.

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 purpose of a Statement of Intent is to:

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

CCOs are required to present a draft Statement of Intent to each local authority for feedback on or before 1 March in the year preceding the financial year to which the draft Statement of Intent relates. The local authority then has two months from receiving the draft Statement of Intent, to respond to the CCO with feedback. A final Statement of Intent is to be provided to the shareholders before the commencement of the financial year to which it relates.

WRAL provided its draft and final Statement of Intent within these timeframes.

Local Government Act 2002 (LGA 2002) Decision-making requirements

Having regard to the decision making provisions in the LGA 2002 and Councils Significance Policy, a decision in accordance with the recommendations is assessed as having a low level of significance.

All Council decisions, whether made by the Council itself or under delegated authority, are subject to the decision-making requirements in sections 76 to 82 of the LGA 2002. This includes any decision not to take any action.

Local Government Act 2002 decision making requirements	Staff/officer comment
Section 77 – Council needs to give consideration to the reasonable practicable options available.	This report addresses a statutory requirement and the final statement of intent is to be received by Council.
Section 78 – requires consideration of the views of Interested/affected people	No engagement is required, however the final statement of intent will be published on Council's website as per the LGA requirement.
Section 79 – how to achieve compliance with sections 77 and 78 is in proportion to the significance of the issue	The Significance and Engagement Policy is considered above. This issue is assessed as having a low level of significance.
Section 82 – this sets out principles of consultation.	Public consultation is not required.

Policy Considerations

To the best of the writer's knowledge, this recommendation is not significantly inconsistent with nor is anticipated to have consequences that will be significantly inconsistent with any policy adopted by this local authority or any plan required by the Local Government Act 2002 or any other enactment.

Ngā Pāpāhonga me ngā Whakawhitiwhitinga | Communications and engagement

The LGA requires Council to publish the final Statement of Intent on its website within one month of adoption and maintain the document on the website for a period of no less than 7 years.

Te Tākoha ki ngā Hua mō te Hapori me te here ki te whakakitenga o te Kaunihera | Contribution to Community Outcomes

Matamata-Piako District Council's Community Outcomes are set out below:

MATAMATA-PIAKO TŌ MĀTOU WĀHI NOHO OUR PLACE	MATAMATA-PIAKO DISTRICT COUNCIL TE ARA RAUTAKI STRATEGIC DIRECTION
TŌ MĀTOU WHAKAKITENGA OUR VISION Matamata-Piako District is vibrant, passionate, progressive, where opportunity abounds. 'The heart of our community is our people, and the people are the heart of our community.'	

TŌ MĀTOU WHĀINGA MATUA OUR PRIORITIES (COMMUNITY OUTCOMES)			
			
He wāhi kaingākau ki te manawa A place with people at its heart	He wāhi puawaitanga A place to thrive	He wāhi e poipoi ai tō tātou taiao A place that embraces our environment	He wāhi whakapapa, he wāhi hangahanga A place to belong and create

The activities of the WRAL Group supports the achievement of all Council's community outcomes.

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

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

Ngā Tāpiritanga | Attachments

[A↓.](#) Final WRAL 2026/27 Statement of Intent



Ngā waitohu | Signatories

Author(s)	Charlotte Walker Kaitohu Kaupapahere Paetahi Graduate Policy Advisor	
Approved by	Niall Baker Kaiārahi Tīma Kaupapahere Policy Team Leader	
	Sandra Harris Pou Kaupapahere, Rāngai Mahitahi me te Kāwana Policy, Partnerships and Governance Manager	



Group Statement of Intent

For the year ended 30 June 2027





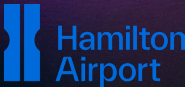
STRATEGIC INTENT

The Group focus has transitioned from diversification to a growth-oriented strategy, focused on expanding the scale and impact of its aeronautical and property activities. Delivery of the Titanium Park Precinct North development is a critical enabler of this ambition, strengthening the platform required to fund air services growth, improve customer experience, and future proof core aviation infrastructure. In doing so, the Group continues to balance near term financial performance and dividend expectations with prudent investment that supports long term value creation, resilience, regional economic prosperity and enduring value for shareholders and the Waikato region.

The Group has updated its core purposes under its current ten-year strategic plan:

- To become New Zealand’s premier regional airport and the gateway to the Central North Island—driving growth in scheduled domestic and international airline services. This is supported by general aviation, and freight, whilst delivering exceptional customer experience, safely, and sustainably to realise the airport’s full potential for connectivity and as an economic enabler for the region.
- Through sustainable, innovation-led property development, drive resilience through cash flows to support and strengthen the aeronautical core, and deliver long-term value that fosters regional prosperity, and enable a thriving community and enduring economic growth across the Waikato.

ABOUT THE WRAL GROUP



Waikato Regional Airport Limited (trading as Hamilton Airport) - is the Group’s parent company, and the owner and operator of Hamilton Airport.



Titanium Park Limited - committed to maximising long-term value creation by optimising land holdings to generate long-term resilient income streams from a diversified property portfolio to support the aeronautical core.



Waikato Regional Airport Hotel Limited - provides non-aeronautical earnings to the Group through the operation of a Qualmark 4 Star Plus hotel and conference centre facility at Hamilton Airport.



Hamilton & Waikato Tourism Limited - the Regional Tourism Organisation markets the Hamilton and Waikato region as a visitor and business events destination, and to assist in growing the visitor economy through tourism development and destination management.

Vivid Sydney - an annual event held this year from 22 May to 13 June.
Image: Destination NSW



Key objectives of the WRAL Group

The Group's key service delivery objectives and activities that will be undertaken to deliver on these include the following:

	Driving growth in aviation	Delivering exceptional customer experience, safely	Sustainably realise the airport's full potential	Support and strengthen the aeronautical core through property development that drives resilience
Service Delivery Objectives	Continue active engagement with airlines to promote Hamilton Airport as a gateway for new international and domestic (turboprop and jet) opportunities to increase flight schedules, new routes and passenger numbers. Identify and activate general aviation development opportunities including aeromedical, freight, maintenance, private and alternative technology operations. Retain designations to allow for future wide-body jet capability.	Operate a first class, safe, secure, compliant and reliable airport. Maximise traveler satisfaction through continued investment in passenger facilities, technologies and airport experience offering.	Master plan and invest in technology, systems and infrastructure to maintain and enable sustainable airport growth. Remain collaborative with local authorities, adjacent landowners and central government agencies for joint infrastructure and transport initiatives Continue to align initiatives in the HLZERO50 sustainability framework, and to the global Airport Carbon Accreditation program and re-accreditation of our current Level 4 status.	Maximise long-term value creation, for WRAL and Shareholders by way of regional economic impact. Deliver diversified and resilient income streams supporting the aeronautical core while leveraging property development for resilience. Position Titanium Park as a major industrial node in the Waikato.
Annual Outcomes	Complete aeronautical masterplan to inform staged investment to ensure growth continuity and an optimised and exceptional passenger experience. Secure an extension to the lapse period of the current runway designation, taking into account recent developments in international air services, national resilience and emerging regional growth. Finalise design and pre-construction activities for airport infrastructure to support widebody jet alternate services that is to be co-funded by the Regional Infrastructure Fund loan.	Operate a workplace that fosters employee wellbeing and improves organisational culture, as measured by the Employee Engagement Survey. Maintain airport certification standards as required by the Civil Aviation Authority and border agencies. Ensure the airport is operationally available for all scheduled passenger services (except for uncontrollable events).	Maintain Level 4 accreditation to the Airport Council International's Airport Carbon Accreditation Programme. Maintain JetPark Hotel's Qualmark Gold Enviro rating.	Secure one design-and-build project. Continue to advocate NZTA and local authorities for developments on Southern Links, along with surrounding infrastructure and planning.

In addition to the annual service delivery objectives, the Group maintains focus on the following:

Development and marketing of the Hamilton and Waikato region as a destination for domestic and international visitors.	People	Te Ao Maori and Te Tiriti o Waitangi
Maintain and strengthen support for regional tourism through partnerships with central & local government, the tourism industry and the wider community to promote the region as a gateway to the Central North Island in concert with promotion of relaunched international and domestic jet services.	Invest in an organisation-wide strategy that takes a holistic view of employee wellbeing, recognising wellbeing as a measure of our organisation's success. Provide training and development to personnel to ensure individually and collectively, our personnel remain leaders of best practice in their respective fields. Retain a high performing team to build resilience, capability and responsiveness to growth and change opportunities.	Create a cultural legacy that authentically embraces and values Maaori tikanga (customs) and te reo (the language) meaningfully that respects the kaitiakitanga (guardianship) of mana whenua, the principles of Te Tiriti o Waitangi and the region's unique Kiingitanga heritage.



Financial Performance Targets

(All amounts NZD\$'000)

	2027	2028	2029
Aeronautical and passenger-related income	\$10,700	\$12,700	\$13,000
Property related income	\$10,300	\$11,200	\$13,000
Operating profit before interest, tax and revaluations	\$1,700	\$3,800	\$5,000
Percentage of Non-Aeronautical Revenue	40%	40%	50%
Interest coverage	2.0x	2.5x	2.5x
Shareholder Funds	\$290,000	\$300,000	\$320,000



Governance

Governance

At all times the Group will behave in a professional and ethical manner in all its business dealings with its customers and stakeholders and strive to be an employer of choice in fostering a high performing organisation.

The Group is committed to its obligations under the Local Government Act 2002 to its employees, shareholders and the community, including climate change response and Te Tiriti o Waitangi.

The Board and Management will ensure all requirements of the Health & Safety at Work Act 2015 are maintained, including through the engagement of an independent consultant and audit processes to ensure the organisation and its subsidiary companies are maintaining compliant and best practice processes.

For commercial reasons, Titanium Park Limited operates as a subsidiary company, more recently with the WRAL directors as a transitional board. During the 2026 calendar year, the Group expects to finalise the property and funding strategy for Precinct North and address future Titanium Park board composition.

Shareholder value

The audited balance sheet of the WRAL Group as at 30 June 2025 shows shareholder equity of \$267million based on independent valuations of the Group's property, plant and equipment and investment property.

Dividends

The Directors recognise the importance of dividend payments to shareholders. The Directors will review the performance and outlook for the Group annually in accordance with the Group's dividend policy when considering any dividend.

Future investment proposals

If the Group wishes to subscribe for, purchase, or otherwise acquire shares in any other company or any other organisation, it can do so only after first obtaining approval from the majority of shareholders at either a General Meeting or at a Special Meeting convened for that purpose.

Major transactions in the WRAL Group are those that would result in 10% of the company's assets (by book value) being acquired or disposed by the Group annually before declaring any dividends.

There are no additional major transactions currently contemplated for which shareholders have not already been consulted over.

This statement is presented by the Directors in accordance with s.64(1) of the Local Government Act 2002 and sets out the Board's intentions for the Company and Group for the year ending 30 June 2027 and the succeeding two financial years.



Image: Experience Gold Coast



www.hamiltonairport.co.nz

8 Ngā Pūrongo Whakamārama | Information Reports

8.4 CCO Performance Monitoring - Final Statement of Intent 2026/27 Waikato Local Authority Shared Services Limited (Trading as Co-Lab)

CM No.: 3193107

Te Kaupapa | Purpose

The purpose of this report is for Council to receive the Waikato Local Authority Shared Services Limited (Trading as Co-Lab) final Statement of Intent 2026/27.

Rāpopotonga Matua | Executive Summary

Waikato Local Authority Shared Services Limited (Trading as Co-Lab) (Co-Lab) is a CCO owned by 12 local authorities in the Waikato region. Council received Co-Lab's draft Statement of Intent 2026/27 on 22 April 2026 and were invited to provide feedback on the document prior to its finalisation. Council resolved to receive the document without providing feedback.

Council has now been provided with the final Statement of Intent 2026/27 for information.

Attached to the report is also a benefits of collaboration breakdown provided by Co-Lab for Council for financial year 2025.

Tūtohunga | Recommendation

That:

1. The Waikato Local Authority Shared Services Limited (Trading as Co-Lab) final Statement of Intent 2026/27 be received.

Horopaki | Background

Council Controlled Organisations (CCO's) are required by the Local Government Act 2002 (LGA) (subject to certain exemptions) to prepare and publish an annual Statement of Intent.

A Statement of Intent must include:

- a) the objectives of the group; and
- b) a statement of the board's approach to the governance of the group; and
- c) the nature and scope of the activities to be undertaken by the group; and
- d) the non-financial performance targets and other measures by which the performance of the group may be judged in relation to its objectives; and
- e) any additional information that is required to be included in the Statement of Intent.

Co-Lab was established in 2005 as a vehicle through which member Councils could collaborate and identify opportunities for undertaking activities on a shared basis.

Co-Lab is a CCO owned by 12 local authorities in the Waikato region plus Western Bay of Plenty District Council. Co-Lab's primary purpose is to enhance collaboration between Councils, improve customer service and performance, and reduce costs. They aim to improve efficiency and

effectiveness in Council operations through collaboration by minimising duplications and promote best practice across councils.

Co-Lab's vision is that Council collaboration through Co-Lab maximises community wellbeing. The company aims to achieve this vision by helping councils identify and realise shared opportunities. It achieves these outcomes by:

- Acting as an ideas laboratory for developing opportunities that create value to Councils;
- Providing shared services to Councils; and
- Entering joint procurement arrangements for the benefit of Councils.

Co-Lab's three year strategy is below:



To ensure that Co-Lab deliver against their three-year strategy, they will use the following annual Key Performance Indicators:

STRATEGIC GOAL	3-YEAR OBJECTIVE	ANNUAL KPI
Shareholding councils understand we provide them value.	We know the value we provide shareholders has improved by 15%, by 30 June 2027* <i>(baseline y/e 30 June 24).</i> <i>*Based on the regional benefits of collaboration (not an individual councils' benefits from collaboration).</i>	Year-on-year increase in the value we provide to councils.
	By 30 June 2027, 80% of shareholders agree they get value from Co-Lab.	80%+ of council survey respondents believe those Co-Lab services they received meet or exceed their expectations (evidenced by an annual survey).
	All shareholders take up at least one additional shared service.	Year-on-year increase in the utilisation of services we provide to councils.
Deliver value by growing the scale of our shared service function.	28 new instances of Co-Lab shared services being utilised, by June 2027. <i>(baseline y/e 30 June 24)</i>	Year-on-year increase in the utilisation of services we provide to councils. Year on Year increase in the number of services available to councils.
	Maintain staff engagement above 85%.	Maintain staff engagement above 85%.
Diverse, talented and motivated people work for us.	Staff turnover is less than 15%.	Staff turnover is less than 15%.
	Our vacancies are filled by suitable candidates within 3 months.	Vacancies are filled by suitable candidates within 3 months.
	<i>All baselined y/e 30 June 24)</i>	

Ngā Take/Kōrerorero | Issues/Discussion

Council received Co-Lab's draft Statement of Intent on 22 April 2026 and were invited to provide feedback on the document prior to its finalisation. Council resolved to receive the document without providing feedback.

Council has now been provided with the final Statement of Intent 2026/27 for information. Minor updates have been made and reflected in the final Statement of Intent which include:

- Financial statements have received minor adjustments compared to the draft.
- Page 11: Consolidated Income and Operating Expenditure information in the Statement of Financial Performance tables.

Elected members previously asked for information around the savings achieved by CoLab participation. The benefits of collaboration attachment provided by Co-Lab breaks down the investments Council inputted into Co-Lab and the benefits Council received from this in FY25. The attachment provides a more detailed scope but the key points are as follows:

Council Invested:

- \$25k in joint procurements (Co-Lab on-charge of direct third party costs).
- \$44k in Co-Lab support to fund company management and support and the development of opportunities.
- \$13k for working parties.

Council benefited in the following ways:

- Saved \$298k in procurement and/or contracts (including insurance) and received \$194k worth of efficiency gains.
- \$17k of 3rd party revenue from services (which meant service charges were less).
- Participated in 19 working party and advisory group meetings that foster collaboration & innovative thinking.

Mōrearea | Risk

No risks have been identified.

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 purpose of a Statement of Intent is to:

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

CCOs are required to present a draft Statement of Intent to each local authority for feedback on or before 1 March in the year preceding the financial year to which the draft Statement of Intent relates. The local authority then has two months from receiving the draft Statement of Intent, to respond to the CCO with feedback. A final Statement of Intent is to be provided to the shareholders before the commencement of the financial year to which it relates.

Local Government Act 2002 (LGA 2002) Decision-making requirements

Having regard to the decision making provisions in the LGA 2002 and Councils Significance Policy, a decision in accordance with the recommendations is assessed as having a low level of significance.

All Council decisions, whether made by the Council itself or under delegated authority, are subject to the decision-making requirements in sections 76 to 82 of the LGA 2002. This includes any decision not to take any action.

Local Government Act 2002 decision making requirements	Staff/officer comment
Section 77 – Council needs to give consideration to the reasonable practicable options available.	This report addresses a statutory requirement and the final Statement of Intent is to be received by Council.
Section 78 – requires consideration of the	No engagement is required, however the

views of Interested/affected people	final Statement of Intent is to be published on Council's website as per the LGA requirement.
Section 79 – how to achieve compliance with sections 77 and 78 is in proportion to the significance of the issue	The Significance and Engagement Policy is considered above. This issue is assessed as having a low level of significance.
Section 82 – this sets out principles of consultation.	Public consultation is not required.

Policy Considerations

To the best of the writer's knowledge, this recommendation is not significantly inconsistent with nor is anticipated to have consequences that will be significantly inconsistent with any policy adopted by this local authority or any plan required by the Local Government Act 2002 or any other enactment.

Ngā Pāpāhonga me ngā Whakawhitiwhitinga | Communications and engagement

The LGA requires Council to publish the final Statement of Intent on its website within one month of adoption and maintain the document on the website for a period of no less than 7 years.

Te Tākoha ki ngā Hua mō te Hapori me te here ki te whakakitenga o te Kaunihera | Contribution to Community Outcomes

Matamata-Piako District Council's Community Outcomes are set out below:

MATAMATA-PIAKO TŌ MĀTOU WĀHI NOHO OUR PLACE		MATAMATA-PIAKO DISTRICT COUNCIL TE ARA RAUTAKI STRATEGIC DIRECTION	
TŌ MĀTOU WHAKAKITENGA OUR VISION			
Matamata-Piako District is vibrant, passionate, progressive, where opportunity abounds. 'The heart of our community is our people, and the people are the heart of our community.'			
TŌ MĀTOU WHĀINGA MATUA OUR PRIORITIES (COMMUNITY OUTCOMES)			
			
He wāhi kaingākau ki te manawa A place with people at its heart	He wāhi puawaitanga A place to thrive	He wāhi e poipoi ai tō tātou taiao A place that embraces our environment	He wāhi whakapapa, he wāhi hangahanga A place to belong and create

The activities of the Co-Lab supports the achievement of all Council's community outcomes.

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.

Ngā Tāpiritanga | Attachments

A.  FINAL Co-Lab 2026/27 Statement of Intent



B.  Benefits of Collaboration MPDC FY25



Ngā waitohu | Signatories

Author(s)	Charlotte Walker Kaitohu Kaupapahere Paetahi Graduate Policy Advisor	
Approved by	Niall Baker Kaiārahi Tima Kaupapahere Policy Team Leader	
	Sandra Harris Pou Kaupapahere, Rāngai Mahitahi me te Kāwana Policy, Partnerships and Governance Manager	



COLAB



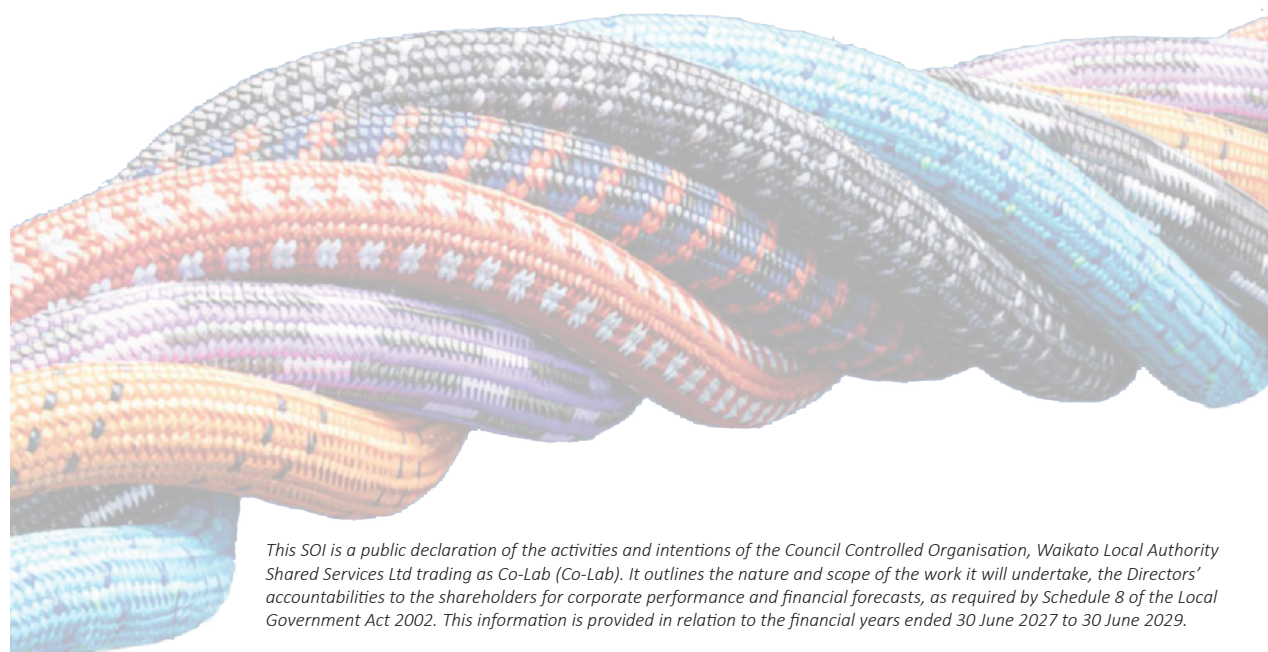
BETTER TOGETHER

2026 STATEMENT OF INTENT

for the year ended 30 June 2027

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This SOI is a public declaration of the activities and intentions of the Council Controlled Organisation, Waikato Local Authority Shared Services Ltd trading as Co-Lab (Co-Lab). It outlines the nature and scope of the work it will undertake, the Directors' accountabilities to the shareholders for corporate performance and financial forecasts, as required by Schedule 8 of the Local Government Act 2002. This information is provided in relation to the financial years ended 30 June 2027 to 30 June 2029.

MESSAGE FROM THE CHAIR

As we enter the final year of our three-year strategy, Co Lab's purpose remains unchanged: that we help our councils identify and realise shared opportunities. What is changing is our pace and scale.

Over the last two years, councils have asked more of us and, importantly, have been proactive in working with us to establish shared services. That commitment has lifted performance and confidence in doing things together. It also means we are likely to meet our growth targets ahead of plan, so we are stretching further in FY2026.

We will continue to be responsive to how you want to utilise your collaboration CCO, and flexible in the way we deliver to you. Some councils will want us to lead delivery; others will prefer to co-design. Either way, our role is to be a reliable enabler for collaboration behind the scenes - a dependable backbone that helps councils work smarter, faster, and together, while maintaining a human touch where it matters.

In 2026 we are projecting revenue growth across key services - RIMU and Co-Lab Building Services (CBS) in particular - supported by our aspiration for new council customer uptake of our growing set of services.

As this growth materialises, our intent is simple: reinvest to create even more value for councils and, over time, reduce reliance on member charges. That direction is consistent with our longer term ambition to be increasingly self-sufficient through the value we deliver.

Local government continues to face sector reform and fiscal pressure. The Waikato's strategic position in the country and the Government's focus on enabling growth and infrastructure will keep expectations high while resources are constrained. Collaboration - across councils,

with iwi, and with central government - remains our most practical lever to deliver better, faster, and more affordably.

We have made no assumptions about the outcomes of central government reform. Councils' appetite for the Government's headstart pathway will become clearer over the next few months.

As that picture develops, the Board will consider Co-Lab's strategy for the next three-year period in light of the expected changes to local government. That is likely to include how we continue to grow service-based revenue, including through uptake by new council customers, and over time reduce reliance on member charges.

Our commitment to you is practical and unwavering: to help you make a dollar, save a dollar, or improve your service—and do it together, where together makes it better.

Thank you for your continued trust and leadership.



Yours Sincerely,

Peter Stubbs

Chair

STATEMENT OF INTENT 'AT A GLANCE'

OUR 3-YEAR STRATEGY



Reference to “shareholders” includes feedback from any stakeholders from shareholding councils that may interact with Co-Lab.

Co Lab defines value to shareholding councils as improvements in cost efficiency, service quality, capability and resilience that councils could not achieve as effectively on a standalone basis. This value is measured through a combination of financial outcomes (including cost avoidance and shared savings), service performance metrics, council uptake and satisfaction, and the extent to which shared services reduce duplication and operational risk.

COMMENTARY

Co-Lab remains aligned with its three-year strategy outlined in the 2024 Statement of Intent. At 31 December 2025 (halfway through our 3-year strategy), we had expanded our shared services function by 16 instances, progressing towards the original target of 24 instances over the three-year period. With this great progress realised, we are now setting our sights on achieving 28 instances over the three-year period.

2.

PERFORMANCE MEASURES

To ensure we deliver against our 3-year strategy, consistent with last year, we are using the following annual Key Performance Indicators (KPI).

STRATEGIC GOAL	3-YEAR OBJECTIVE	ANNUAL KPI
Shareholding councils understand we provide them value.	We know the value we provide shareholders has improved by 15%, by 30 June 2027* <i>(baseline y/e 30 June 24).</i> <i>*Based on the regional benefits of collaboration (not an individual councils' benefits from collaboration).</i>	Year-on-year increase in the value we provide to councils.
	By 30 June 2027, 80% of shareholders agree they get value from Co-Lab.	80%+ of council survey respondents believe those Co-Lab services they received meet or exceed their expectations (evidenced by an annual survey).
	All shareholders take up at least one additional shared service.	Year-on-year increase in the utilisation of services we provide to councils.
Deliver value by growing the scale of our shared service function.	28 new instances of Co-Lab shared services being utilised, by June 2027. <i>(baseline y/e 30 June 24)</i>	Year-on-year increase in the utilisation of services we provide to councils.
		Year on Year increase in the number of services available to councils.
Diverse, talented and motivated people work for us.	Maintain staff engagement above 85%.	Maintain staff engagement above 85%.
	Staff turnover is less than 15%.	Staff turnover is less than 15%.
	Our vacancies are filled by suitable candidates within 3 months. <i>All baselined y/e 30 June 24)</i>	Vacancies are filled by suitable candidates within 3 months.

Reference to "shareholders" includes feedback from any stakeholders from shareholding councils that may interact with Co-Lab.

3.

NATURE & SCOPE OF SERVICES

Co-Lab has three main functions. It:

1. Acts as an “ideas laboratory” – working with councils to investigate and develop opportunities to work together;
2. Delivers shared services to councils; and
3. Enters joint procurement arrangements.



OPPORTUNITY DEVELOPMENT

Beyond the focus areas below, Co-Lab will develop opportunities that will reduce costs, create value for councils, and/or enable innovation, at the direction of its shareholding councils.

If you'd like more information on the Opportunity Development Projects we are currently investigating, please get in touch.

4.

SHARED SERVICES

A list of our shared services follows below. We also facilitate other shared initiatives but do not actively manage them as a shared service. This includes the Shared Valuation Data Scheme and the Health and Safety Pre-Qualification Scheme.

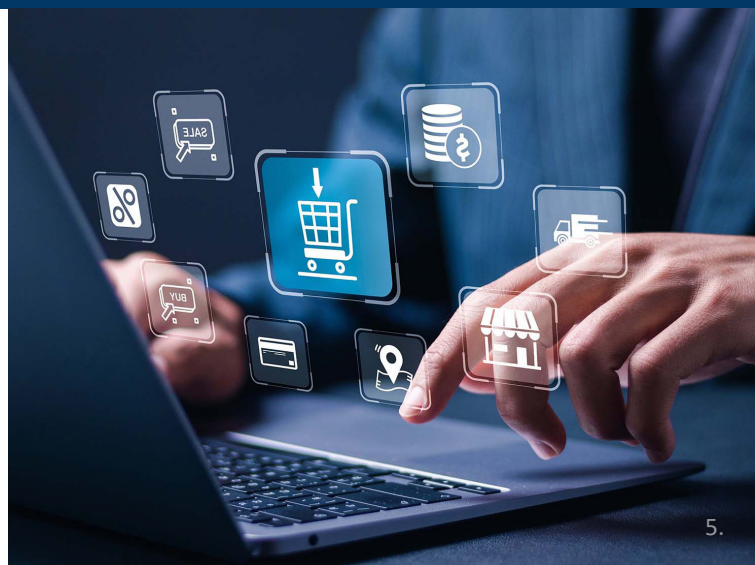
The nature of some existing services have evolved but for the most part, they remain largely unchanged from prior years. We have however established a significant new service, RIMU (Road Infrastructure Measurement & Use), in partnership with NZTA's Road Efficiency Group.

Co-Lab Water Services has been forecast to remain a Co-Lab operated service for the period. The staff will be employed by IAWAI and the same arrangements to operate the service will continue with consolidation of the customer base over time.

For more information on our services, please visit our website colabsolutions.govt.nz

JOINT PROCUREMENT

Co-Lab enters joint procurement arrangements for the benefit of councils, with a focus on value for money and supply certainty. As part of this Co-Lab operates two panels - a professional services panel and a legal services panel - to provide easy and compliant access to these services. It also manages a number of joint contracts with suppliers that councils can be part of.



5.



FOCUS AREAS

BUILDING CONSENT TRANSFORMATION & AUTOMATION

- Onboarding councils to Co-Lab Building Services
- Launching Project LEGO (building consent checking assistant)

SERVICE GROWTH TO NEW COUNCIL CUSTOMERS

- Prioritising Co-Lab Building Services, followed by Trade Waste and RAMM expertise (RATA)

REGIONAL COLLABORATION

- Enabling collaborative initiatives from Mayoral Forum & CE Forum (similar to Waikato Water Done Well)

SERVICE DEVELOPMENT

- RATA Spaces & Places

PROCUREMENT & COST EFFICIENCY

- Joint procurement initiatives including renewal of Shared Valuation Data Service (SVDS)

OUR SERVICE DELIVERY

CO-LAB SERVICE DELIVERY										
The principal initiatives operating under the Co-Lab umbrella are:										
	RATA	Waikato Building Consent Group (WBCG)	Co-Lab Building Services (CBS)	Co-Lab Geospatial Services (CoGS)	Co-Lab Water Services	Co-Lab Procurement Support	Regional Infrastructure Technical Specifications (RITS)	Energy & Carbon Management	Waikato Regional Transport Model (WRTM)	Road Infrastructure Measurement & Use (RIMU)
	Enabling good practice roading and infrastructure asset management.	Coordinated support to Building Consent Authorities.	Processing overflow building consents.	Manages Waikato geospatial data platform Waikato Open Data Hub	Sampling & Analysis, Trade Waste and Smart Water.	Joint procurement contracts, procurement support and advice.	Manages accepted products list for infrastructure projects.	Supports councils to achieve good energy efficient practices and assess climate change impact.	Enables integrated planning of land use and transport.	Provides consistent, quality data collection & management of NZ's roading network to councils in partnership with REG
PARTICIPATION Shareholding Councils										
Hamilton City Council	●	●	●	●	●	●	●	●	●	
Hauraki DC	●	●	●	●	●	●	●			
Matamata-Piako DC	●	●	●	●	●	●	●	●	●	
Ōtorohanga DC	●	●		●	●	●	●	●		
Rotorua Lakes Council				●	●	●	●	●		
South Waikato DC	●			●	●	●	●	●		
Thames-Coromandel DC	●	●	●			●		●	●	
Waikato DC	●	●	●	●	●	●	●	●	●	
Waikato Regional Council	●			●		●		●	●	
Waipā DC	●	●		●	●	●	●	●	●	
Waitomo DC	●	●	●	●	●	●	●			
Western Bay DC	●		●			●				
Other Councils/Customers										
Taupō DC	●			●	●	●		●		
Hamilton Airport					●					
Road Controlling Authorities										●
Service GROWN since 2019	●			●			●		●	
Service NEW since 2019	●		●		●	●				●

FINANCIALS

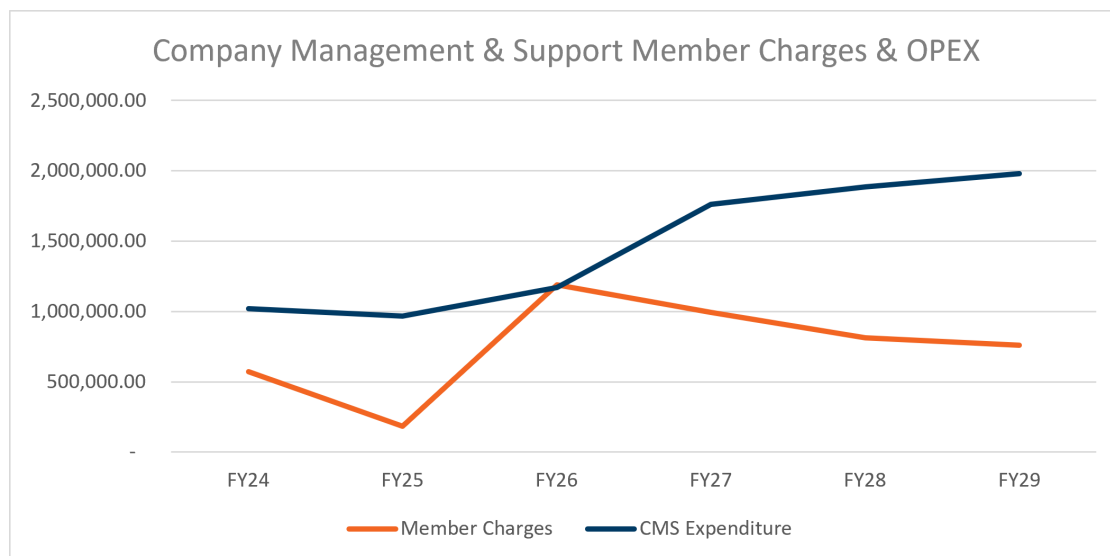
OVERVIEW

SERVICES

Revenue from services is budgeted to increase in the 2026/27 financial year (FY), primarily driven by the continued growth and success of our new services, RIMU and Co-Lab Building Services. As in previous years, we continue to use revenue generated within services to minimise the cost to member councils wherever possible.

MEMBER CHARGES

Following the one-off reduction in FY25, when cash reserves were used to significantly lower member charges, we previously indicated that charges would return to normal levels from FY26. In FY27, Company Management & Support (CMS) operating expenditure increases to support continued growth in our services. Importantly, that growth also increases service revenue, enabling a reduction in member charge contributions from councils. That is, the additional cost reflects investment in growth rather than increased reliance on shareholder funding.



There is a significant level of uncertainty with the proposed central government reforms, particularly in the latter years of the SOI. How these reforms may ultimately play out across our shareholders and their consequent impact on Co-Lab will become clearer in the coming months. Given the current lack of clarity, the budget and forecasts have been prepared based on the information available today rather than reflecting any assumptions about the financial impact of future reform.

STATEMENT OF FINANCIAL PERFORMANCE

Co-Lab Company Summary for the forecast financial years ended 30 June 2027-2029					
	Budget 2025/26	Forecast 2025/26	Budget 2026/27	Budget 2027/28	Budget 2028/29
Income					
Data Sales	409,636	350,158	312,616	328,249	344,661
Services Revenue	13,293,272	13,452,308	13,795,139	14,487,520	15,202,640
Interest Revenue	60,000	60,000	60,000	63,000	66,150
Total Income	13,762,908	13,862,466	14,167,755	14,878,769	15,613,451
Operating Expenditure					
Personnel Costs	5,625,819	5,823,253	7,749,091	8,394,723	8,812,400
Depreciation and amortisation	53,076	27,342	27,546	31,549	32,783
Other Expenditure	7,907,388	7,534,400	6,671,953	6,417,635	6,904,747
Total operating expenditure	13,586,283	13,384,995	14,448,590	14,843,907	15,749,930
Net Surplus (Deficit) before tax	176,625	477,471	(280,835)	34,862	(136,479)

STATEMENT OF FINANCIAL POSITION

Co-Lab Financial Position for the forecast financial years ended 30 June 2027-2029					
	Budget 2025/26	Forecast 2025/26	Budget 2026/27	Budget 2027/28	Budget 2028/29
CAPITAL					
Shares - SVDS	1,607,001	1,607,001	1,607,001	1,607,001	1,607,001
Shares - WRTM	1,350,000	1,350,000	1,350,000	1,350,000	1,350,000
Retained Earnings	(2,218,374)	(1,255,375)	(777,904)	(1,058,739)	(1,023,878)
Plus Current Year Operating Surplus/(Deficit)	176,625	477,471	(280,835)	34,861	(136,479)
TOTAL CAPITAL FUNDS	915,253	2,179,097	1,898,262	1,933,123	1,796,644
ASSETS					
CURRENT ASSETS					
Prepayments	6,350	0	6,350	6,668	7,001
Accounts Receivable	688,146	2,079,370	2,125,163	2,231,815	2,342,018
Bank	1,027,595	1,558,086	823,311	806,397	597,311
GST Receivable / (Payable)	57,092	23,066	(24,037)	(6,678)	(9,532)
TOTAL CURRENT ASSETS	1,779,183	3,660,523	2,930,787	3,038,202	2,936,798
NON-CURRENT ASSETS					
WRTM - Intangible Asset	2,296,855	2,296,855	2,296,855	2,296,855	2,296,855
MoneyWorks Software	1,195	1,195	1,195	1,195	1,195
Accumulated Depreciation	(2,298,050)	(2,298,050)	(2,298,050)	(2,298,050)	(2,298,050)
IT Equipment & Office Furniture	197,500	226,670	286,670	326,670	366,670
Accumulated Depreciation - IT equipment & Office Furniture	(145,356)	(142,335)	(172,898)	(204,448)	(237,230)
TOTAL NON-CURRENT ASSETS	52,144	84,335	113,772	122,222	129,440
TOTAL ASSETS	1,831,327	3,744,858	3,044,559	3,160,424	3,066,238
LESS CURRENT LIABILITIES					
Accounts Payable	737,951	1,354,491	917,406	965,982	1,000,293
Accounts Payable Accrual	39,106	39,443	40,700	42,735	44,872
Employee Benefits	139,016	171,826	188,191	218,583	224,428
TOTAL CURRENT LIABILITIES	916,074	1,565,760	1,146,297	1,227,301	1,269,593
NET ASSETS	915,253	2,179,097	1,898,262	1,933,123	1,796,644

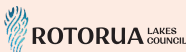
STATEMENT OF CASHFLOWS

Co-Lab Statement of Cashflows for the forecast financial years ended 30 June 2027-2029					
	Budget 2025/26	Forecast 2025/26	Budget 2026/27	Budget 2027/28	Budget 2028/29
Cashflows from Operating Activities					
Interest Received / (Paid)	59,484	32,612	60,000	63,000	66,150
Receipts from Other Revenue	13,515,578	16,051,131	14,059,603	14,709,117	15,437,098
Payments to Suppliers	(13,796,410)	(13,870,324)	(14,846,861)	(14,731,672)	(15,675,188)
Taxes Paid	0	0	0	0	0
Goods & Services tax (net)	(132,793)	(439,429)	47,103	(17,359)	2,854
Net cash from operating activities	(354,141)	1,773,990	(680,155)	23,086	(169,086)
Cashflows from Investing Activities					
Capital enhancements	0	0	0	0	0
Purchase of PPE	(36,674)	(40,000)	(56,979)	(40,000)	(40,000)
Purchase of investments	2,358	0	2,358	0	0
Net cash from investing activities	(34,316)	(40,000)	(54,621)	(40,000)	(40,000)
Cashflows from Agency Activities					
Net receipts held on behalf of councils	0	(1,337,245)	0	0	0
Net cash from agency activities	0	(1,337,245)	0	0	0
Net increase in cash, cash equivalents and bank accounts	(388,457)	396,745	(734,775)	(16,914)	(209,086)
Opening cash and cash equivalents and bank overdrafts	1,416,052	1,161,341	1,558,086	823,311	806,397
Closing cash, cash equivalents and bank accounts	1,027,595	1,558,086	823,311	806,397	597,311
Summary of Bank Accounts					
BNZ - Call a/c	1,027,595	1,558,086	823,311	806,397	597,311
Closing Balance of Bank	1,027,595	1,558,086	823,311	806,397	597,311

COLAB

APPENDIX I : GOVERNANCE

Co-Lab is owned in equal portion by 12 Local Authorities



Co-Lab conducts itself in accordance with its constitution, its annual Statement of Intent, the provisions of the LGA and Co-Lab policies.

The Board comprises five council representative directors and an independent Chair. There is also a standing Audit & Risk Committee.

DIRECTOR	REPRESENTING
Peter Stubbs	Independent Chair
Chris McLay	Waikato Regional Council
Lance Vervoort	Hamilton City Council
Ben Smit	Ōtorohanga, Rotorua, South Waikato and Waitomo District Councils
Steph O'Sullivan	Waikato and Waipā District Councils
David Speirs	Hauraki, Matamata-Piako, Thames-Coromandel District and Western Bay of Plenty District Council

The independent Chair of Co-Lab receives director fees and reimbursed expenses. Directors representing the councils will not receive any fees or reimbursed expenses for work undertaken on behalf of the company.

11.

APPENDIX II : POLICY STATEMENTS

STATEMENT OF ACCOUNTING POLICIES

REPORTING ENTITY

Waikato Local Authority Shared Services Limited ("the Company") is a Company incorporated in New Zealand under the Companies Act 1993 and is domiciled in New Zealand. The company is a Council Controlled Organisation as defined under section 6 of the Local Government Act 2002 (LGA), by virtue of the shareholding councils' right to appoint the Board of Directors.

The primary objectives of the Company are to:

- Develop opportunities that benefit the Waikato region's local authorities; and
- Act as a vehicle to deliver value-added services to those local authorities.

The Company has designated itself as a public benefit entity (PBE) for financial reporting purposes.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PREPARATION

Financial statements are prepared on the going concern basis, and the accounting policies are applied consistently throughout the period.

STATEMENT OF COMPLIANCE

Financial statements are prepared in accordance with the requirements of the LGA, which include the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

Financial statements are prepared in accordance with and comply with Tier 2 PBE Standards reduced disclosure regime (RDR). WLASS is eligible to report under the RDR as it: is not publicly accountable; and has expenses more than \$2 million, but less than \$30 million.

The accounting policies set out below are consistent with the prior year, other than the inclusion of policy:

- on operating leases, related to the lease of commercial premises;
- employees; and
- property, plant and equipment.

MEASUREMENT BASE

The financial statements are prepared on a historical cost basis.

PRESENTATION CURRENCY & ROUNDING

The financial statements are presented in New Zealand dollars, and all values are rounded to the nearest dollar unless otherwise stated. The functional currency of the Company is New Zealand dollars

GOODS & SERVICES TAX

All items in the financial statements are stated exclusive of goods and services tax (GST), except for receivables and payables, which are presented on a GST-inclusive basis. Where GST is not recoverable as input tax, it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue (IR) is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the cash flow statement.

Commitments and contingencies are disclosed exclusive of GST.

CRITICAL ACCOUNTING ESTIMATES & ASSUMPTIONS

In preparing the financial statements the Company makes estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There are no areas requiring estimate or assumptions made that are considered to carry a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

INTANGIBLE ASSETS

USEFUL LIVES AND RESIDUAL VALUES

At each balance date the Company reviews the useful lives and residual values of its intangible assets. Assessing the appropriateness of useful life and residual value estimates of intangible assets requires the Company to consider a number of factors such as the expected period of use of the asset by the Company and expected disposal proceeds from the future sale of the asset.

An incorrect estimate of the useful life of residual value will impact the amortisation expense recognised in the income statement and carrying amount of the asset in the balance sheet. The Company minimises the risk of this estimation uncertainty by reviewing that the asset technology is still relevant and there is no alternative options to recreate the asset at a lower price.

IMPAIRMENT OF INTANGIBLE ASSETS

Intangible assets measure at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the assets carrying amount exceeds its recoverable amount. The recoverable amount is higher of an assets fair value less costs to sell and value in use.

If an asset's carrying amount exceeds its recoverable amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit. The reversal of an impairment loss is recognised in the surplus deficit.

REVENUE

REVENUE

Revenue comprises the fair value of the considerations received or receivable for the sale of goods and services, excluding GST, rebates and discounts and after eliminating sales within the Company. No provisions have been recorded as all revenue and trade receivables are expected to be received.

OTHER REVENUE

Member charges for all activities are recognised when invoiced to the user (i.e. councils). The recorded revenue is the net amount of the member charges payable for the transaction.

Contributions received for projects that were not completed in a financial year are recognised when the Company provides, or is able to provide, the service for which the contribution was charged. Until such time, contributions are recognised as liabilities.

OPERATING EXPENSES

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

PERSONNEL COSTS

DEFINED CONTRIBUTION SCHEMES

Employer contributions to KiwiSaver, the Government Superannuation Fund, and other defined contribution superannuation schemes are accounted for as defined contribution schemes and are recognised as an expense in the surplus or deficit when incurred.

RECEIVABLES

Short-term receivables are recorded at the amount due, less any provision for amounts not considered collectable.

Receivables are initially measured at nominal or face value. Receivables are subsequently adjusted for penalties and interest as they are charged and impairment losses. Non-current receivables are measured at the present value of the expected future cash inflows.

Debtors are amounts due from customers. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

CASH & CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, deposits held at call with banks, with original maturities of three months or less, and bank overdrafts.

14.

INCOME TAX

Income tax expense includes components relating to both current tax and deferred tax.

Current tax is the amount of income tax payable based on the taxable surplus for the current year, plus any adjustments to income tax payable in respect of prior years. Current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted at balance date.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the statement of financial position and the corresponding tax bases used in the computation of taxable profit.

Deferred tax is measured at the tax rates that are expected to apply when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at balance date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the entity expects to recover or settle the carrying amount of its assets and liabilities.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable surpluses will be available against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset or liability in a transaction that is not a business combination, and at the time of the transaction, affects neither accounting profit nor taxable profit.

Current and deferred tax is recognised against the surplus or deficit for the period, except to the extent that it relates to a business combination, or to transactions recognised in other comprehensive income or directly in equity.

OTHER FINANCIAL ASSETS

Investments in bank deposits are measured at fair value plus transaction costs.

At each balance date the Company assesses whether there is any objective evidence that an investment is impaired. Any impairment losses are recognised in the income statement.

PAYABLES AND DEFERRED REVENUE

Short-term creditors and other payables are recorded at their face value.

Trade and other payables are non-interest bearing and are normally settled on 30-day terms, therefore the carrying value of trade and other payable approximates their fair value.

Contributions received for projects that were not completed in a financial year are recognised as deferred revenue until the Company provides, or is able to provide, the service for which the contribution was charged.

EMPLOYEE BENEFITS LIABILITIES

SHORT-TERM EMPLOYEE ENTITLEMENTS

Employee benefits expected to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay.

These includes salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date, and sick leave.

A liability for sick leave is recognised to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent it will be used by staff to cover those future absences.

A liability and an expense are recognised for bonuses where there is a contractual obligation or where there is a past practice that has created a constructive obligation.

A liability and an expense are recognised for bonuses where there is a contractual obligation or where there is a past practice that has created a constructive obligation.

PRESENTATION OF EMPLOYEE ENTITLEMENTS

Sick leave, annual leave, vested long service leave, and non-vested long service leave and retirement gratuities expected to be settled within 12 months of balance date, are classified as a current liability. All other employee entitlements are classified as a non-current liability.

RECONCILIATION OF EQUITY

Equity is the shareholders interest in WLASS and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into the following components:

CONTRIBUTED EQUITY

Contributed equity is the net asset and liability position at the time the company was formed. The allocation of capital amongst shareholders is explained in this note.

RETAINED EARNINGS

Retained earnings is the company's accumulated surplus or deficit since formation.



BENEFITS OF COLLABORATION

WHO

Co-Lab is a council controlled organisation (CCO) owned by 12 councils across Waikato and Bay of Plenty. Our vision is that council collaboration through Co-Lab maximises community outcomes.

WHAT

Co-Lab has three main functions:

1. Acts as an ideas laboratory - working with Councils to investigate and develop opportunities to work together.
2. Delivers shared services to Councils.
3. Enters joint procurement arrangements that benefit Councils.

WHY

Co-Lab provides three key benefits to its Councils:

1. Reduces cost; efficiency gains in FTE or time, procurement savings, reducing unit cost of product/service.
2. Creates value; improving levels and quality of service, increasing skills, expertise or compliance, improving decision making, and
3. Enables innovation and change; research and opportunity development, collaboration and regional insights.

MATAMATA-PIAKO DISTRICT COUNCIL BENEFITS FY25



MPDC Invested:

- \$25k in joint procurements (Co-Lab on-charge of direct third party costs)
- \$44k in Co-Lab support to fund company management and support, and the development of opportunities
- \$13k for working parties

MPDC Benefitted in the Following Ways:

- Saved \$298k in procurement and/or contracts (including insurance) and received \$194k worth of efficiency gains
- \$17k of 3rd party revenue from services (which meant service charges were less)
- Participated in 19 working party and advisory group meetings that foster collaboration & innovative thinking

MPDC Used 9 (of 9) Shared Services:

1. RATA
2. Geospatial Services (CoGS)
3. Water Services
4. Energy & Carbon Management
5. Regional Infrastructure Technical Specification (RITS)
6. Procurement Services
7. Waikato Building Consent Group (WBCG)
8. Co-Lab Learning
9. Waikato Regional Transport Model (WRTM)

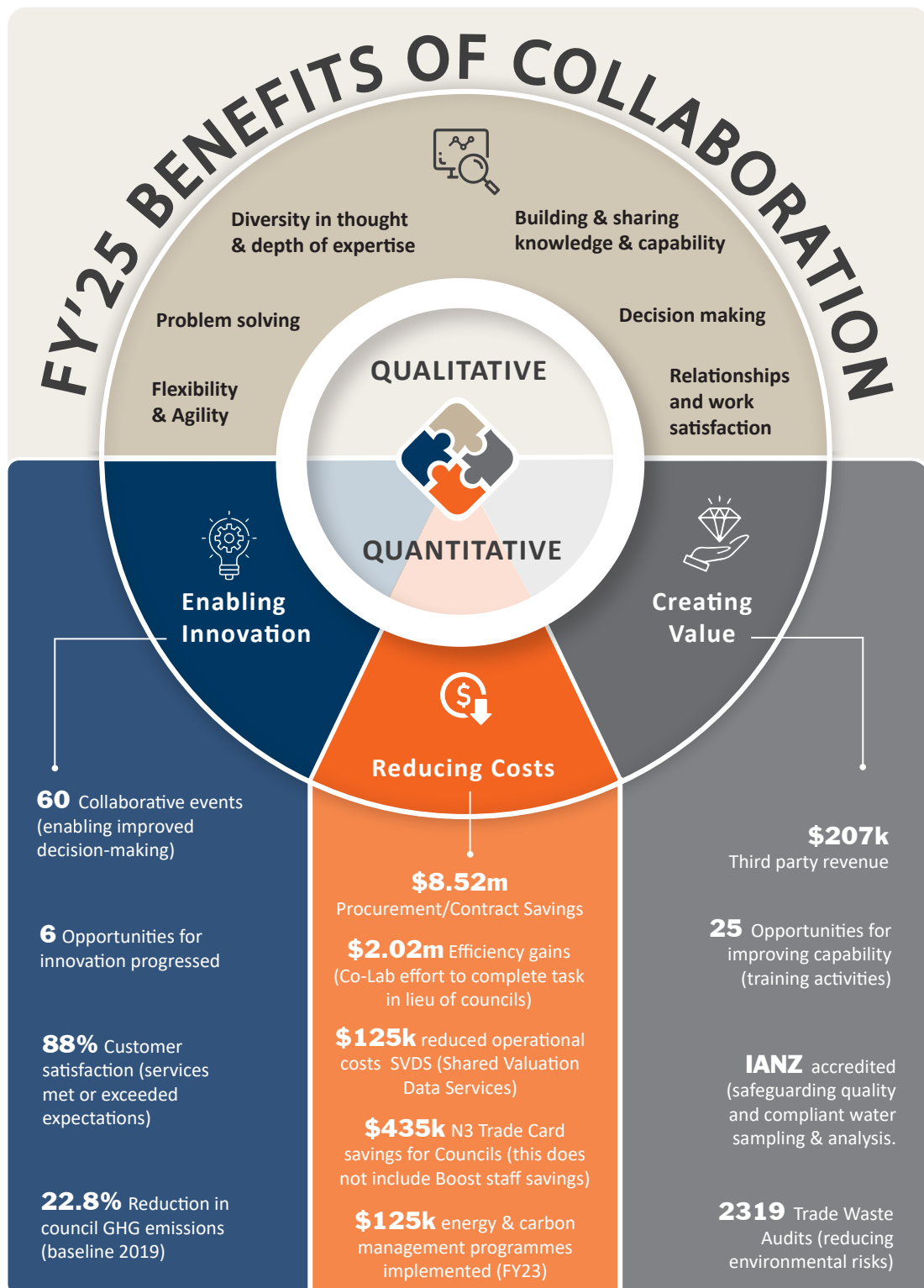
The total of these services cost \$382k



Using a council-controlled and not-for-profit organisation to deliver these services means that it's less expensive than using the private sector. It also provides councils with a regional perspective.

88%

...of council customers surveyed said that Co-Lab services either "met or exceeded" their expectations.



8 Ngā Pūrongo Whakamārama | Information Reports

8.5 Civic Financial Services Limited - Final Statement of Intent 2026 and Annual Report 2025

CM No.: 3195293

Te Kaupapa | Purpose

The purpose of this report is for Council to receive the Civic Financial Services Final Statement of Intent 2026 and the Annual Report 2025.

Rāpopotonga Matua | Executive Summary

Civic Financial Services Limited have provided their Statement of Intent for 2026 and Annual Report 2025 for Council's information.

Attached to this report is also a shareholding statement for Matamata-Piako District Council for 2026.

This year, Matamata-Piako District Council nominated Ken Morris to sit on the Directors Board of Civic Financial Services Limited.

Tūtohunga | Recommendation

That:

1. The report be received.

Horopaki | Background

Civic Financial Services Limited (Civic) is the trading name for the New Zealand Local Government Insurance Corporation Limited. Civic provides superannuation services for the local government sector, as well as administration services to client boards (Local Authority Protection Programme, Riskpool, Civic Liability Pool and Civic Property Pool).

Civic has 73 shareholders, comprising of 72 local authorities and TrustPower (Manawa Energy). Matamata-Piako District Council (Council) holds 1.09% shares in the company.

Civic's strategies guide the future direction of the company, by focussing on positioning, promoting and protecting their brand as a trusted and preferred superannuation provider to the local government sector. The strategies utilised align with Civic's people-centric model, taking an approach which cares for members and their whānau and aims to maximise their retirement funds.

Ngā Take/Kōrerorero | Issues/Discussion

Key information from the Statement of Intent 2026 include:

- Base investment management fee for both Superannuation schemes for the 2026 year will remain at the current rate of 0.32%, as forecasted returns are anticipated to be slightly lower over the next two years.
- Information on the strategic review of the Civic group of companies that was carried out over 2025. Each entity within the group will now be required to provide a three-year Business Plan that aligns with the Civic's strategic outcomes.
- Updated the communication section incorporated in the Statement of Intent to keep shareholders up to date with information, including the launch of the new SuperEasy mobile App.

Civic Financial Services Limited has set the following performance measures for 2026:

1. We aim to provide superannuation and savings products and services to at least 90% of local authorities.
2. We plan to be retained as administration manager for the Local Authority Protection Programme, Riskpool, Civic Liability Pool and Civic Property Pool.

Mōrearea | Risk

No risks have been identified.

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

Civic Financial Services Limited is exempt from being a Council Controlled Organisation (CCO) in accordance with section 6(4)(f) of the Local Government Act 2002 (LGA) and therefore, the requirements of CCO reporting. However, their Statement of Intent 2026 is reported formally to Council for information.

Local Government Act 2002 (LGA 2002) Decision-making requirements

Having regard to the decision making provisions in the LGA 2002 and Councils Significance Policy, a decision in accordance with the recommendations is assessed as having a low level of significance.

All Council decisions, whether made by the Council itself or under delegated authority, are subject to the decision-making requirements in sections 76 to 82 of the LGA 2002. This includes any decision not to take any action.

Local Government Act 2002 decision making requirements	Staff/officer comment
Section 77 – Council needs to give consideration to the reasonable practicable options available.	There are no available options to consider. The recommendation is for information to be received.
Section 78 – requires consideration of the views of Interested/affected people	Consultation is not required.
Section 79 – how to achieve compliance with sections 77 and 78 is in proportion to the significance of the issue	The Significance and Engagement Policy is considered above. This issue is assessed as having a low level of significance.
Section 82 – this sets out principles of consultation.	Consultation is not required.

Policy Considerations

To the best of the writer's knowledge, this recommendation is not significantly inconsistent with nor is anticipated to have consequences that will be significantly inconsistent with any policy adopted by this local authority or any plan required by the Local Government Act 2002 or any other enactment.

Te Tākoha ki ngā Hua mō te Hapori me te here ki te whakakitenga o te Kaunihera | Contribution to Community Outcomes

Matamata-Piako District Council's Community Outcomes are set out below:

MATAMATA-PIAKO TŌ MĀTOU WĀHI NOHO OUR PLACE		MATAMATA-PIAKO DISTRICT COUNCIL TE ARA RAUTAKI STRATEGIC DIRECTION	
TŌ MĀTOU WHAKAKITENGA OUR VISION			
Matamata-Piako District is vibrant, passionate, progressive, where opportunity abounds. ‘The heart of our community is our people, and the people are the heart of our community.			
TŌ MĀTOU WHĀINGA MATUA OUR PRIORITIES (COMMUNITY OUTCOMES)			
			
He wāhi kaingākau ki te manawa A place with people at its heart	He wāhi puawaitanga A place to thrive	He wāhi e poipoi ai tō tātou taiao A place that embraces our environment	He wāhi whakapapa, he wāhi hangahanga A place to belong and create

The community outcomes relevant to this report are as follows:

- He wāhi kaingākau ki te manawa | A place with people at its heart
- He wāhi puawaitanga | A place to thrive

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

This report has no financial impact. Superannuation administration services are paid for by employees who have subscribed to the scheme.

Ngā Tāpiritanga | Attachments

A.  Civic Financial Services Statement of Intent 2026



B.  Civic Financial Services Annual Report 2025 (*Under Separate Cover*)

C.  Civic Financial Services Shareholding Statement 2026



Ngā waitohu | Signatories

Author(s)	Charlotte Walker Kaitohu Kaupapahere Paetahi Graduate Policy Advisor	
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Approved by	Niall Baker	
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	Kaiārahi Tima Kaupapahere Policy Team Leader	
	Sandra Harris Pou Kaupapahere, Rāngai Mahitahi me te Kāwana Policy, Partnerships and Governance Manager	

17 December 2025

Manaia Te Wiata
Chief Executive
Matamata-Piako District Council
PO Box 266
TE AROHA 3342
mtewiata@mpdc.govt.nz

Dear Manaia

Civic Financial Services Ltd ('Civic') - Statement of Intent for 2026

Please find attached a copy of Civic's Statement of Intent for 2026.

The Civic group comprises Civic Financial Services (Civic), Local Government Superannuation Trustee (LGST), the Local Government Mutual Funds Trustee (LGMFT) which includes Riskpool, the Civic Liability Pool (CLP) and also the Local Authority Protection Plan (LAPP). Civic is the 100% owner of LGST and LGMFT and the administrator for LAPP.

For 2026, Civic's major source of income will once again, come from providing administration services for the Local Government sector's SuperEasy KiwiSaver Superannuation Scheme and Local Government Superannuation Scheme. Additional income will be derived from investment income and from administration services provided to the Local Authority Protection Programme (LAPP), Riskpool and the Civic Liability Pool (CPL).

At a Special General Meeting of Civic in 2020, it was resolved that instead of providing dividends to shareholders, future surplus funds should be applied to reduce the administration fees for members of our two Superannuation Schemes.

Civic have demonstrated a very solid record as a result of this decision as evidenced by the fact we have reduced the base investment management fee for both schemes every year for the last six years. For the 2026 year however, the current rate of 0.32% will remain as we have forecast slightly lower returns over the next two years. Accordingly, the Civic Board considers it prudent to hold the base administration fee at this point of time.

In this year's Statement of Intent, we have included information on the strategic review of the Civic group of companies that was carried out over 2025. Each entity within the group will now be required to provide a three-year Business Plan that aligns with the Civic's strategic outcomes.

Civic Financial Services Ltd • 116 Lambton Quay • PO Box 5521, Wellington 6140 • Email: admin@civicfs.co.nz
www.civicfs.co.nz • Tel: 04 978 1250 • Fax: 04 978 1260

We have also updated the communication section incorporated in the Statement of Intent to keep you informed of the changes we have implemented as we strive to improve the information provided to our members, including the launch of our new SuperEasy mobile App.

Please see following the Performance Summary of the Schemes' Funds to 30 September 2025 for your information.

Thanks for your continued support, I look forward to working with you in 2026.

Ngā mihi



Charlie Howe
Chief Executive
Email: charlie.howe@civicfs.co.nz

Performance summary as at 30 September 2025

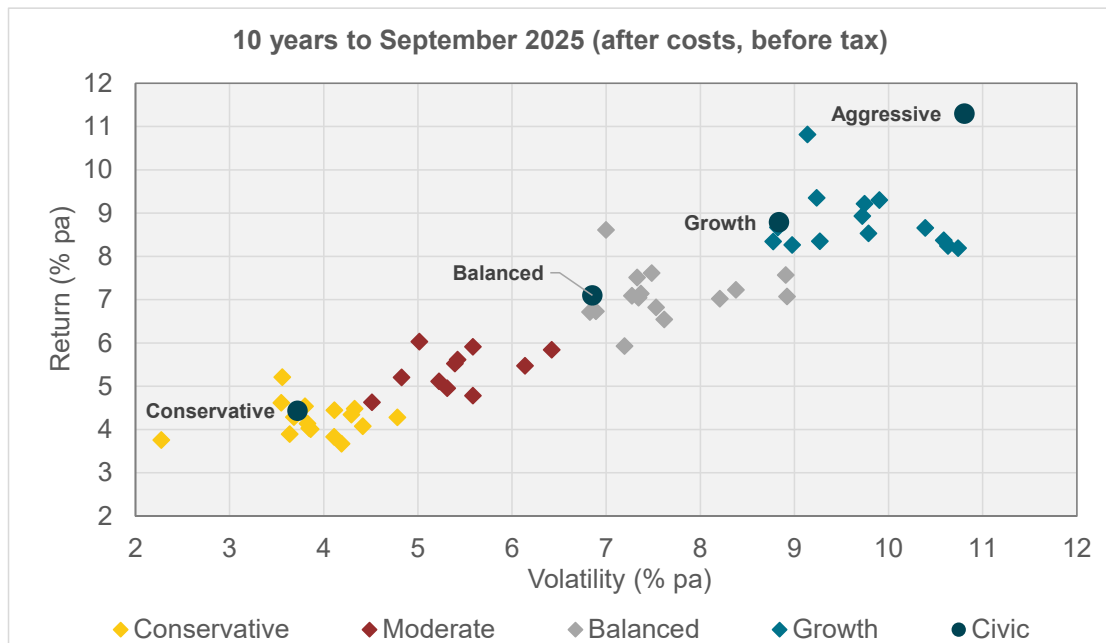
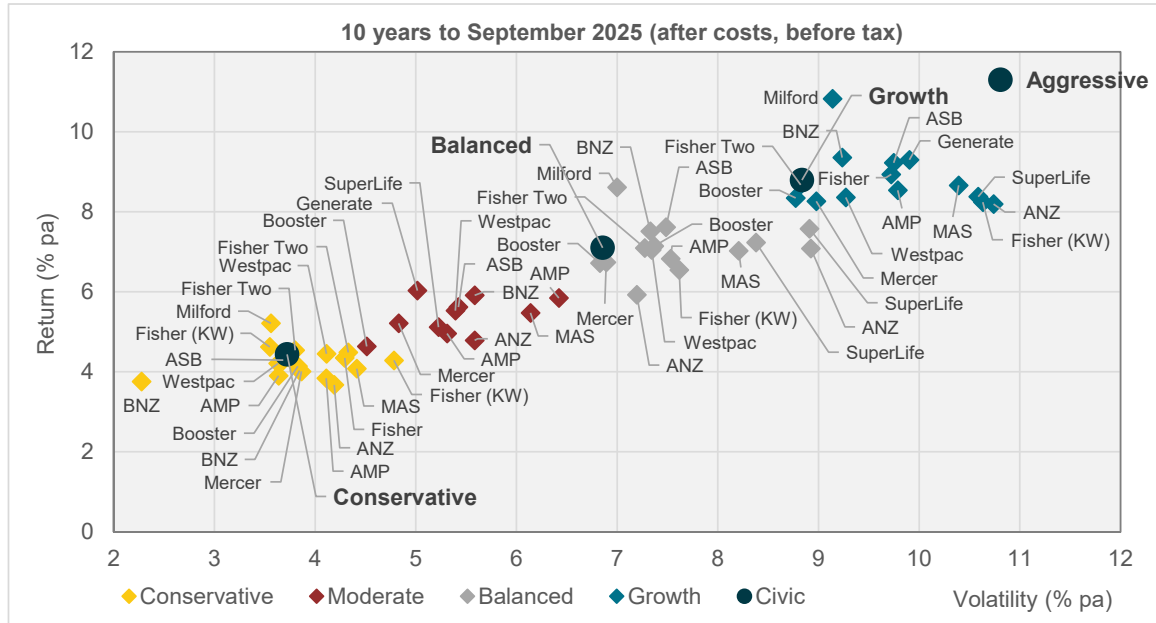
The following table shows the performance of the Schemes' funds to 30 September 2025.
The peer group used are the KiwiSaver funds from the MJW Investment Survey, which can be found online at <https://mjw.co.nz/wp-content/uploads/2025/10/MJW-Investment-Survey-Sep-2025.pdf>.

Returns are after fees and before tax. Members' actual returns will be lower depending on their tax rate. Please note that the Schemes' returns have been estimated based on current cost levels. These may differ from the historical returns actually achieved.

The returns highlighted in blue are in the upper half of their peer group, and those in bold font are in the highest quartile of their peer group.

	3 months	1 year	3 years pa	5 years pa	10 years pa
Aggressive	9.6	18.9	16.4	11.5	11.3
Rank	1 of 16	1 of 16	1 of 16	1 of 16	1 of 15
Age 20	10.1	19.8	16.8	11.9	11.5
Rank	1 of 16	1 of 16	1 of 16	1 of 16	1 of 15
Median peer	6.1	13.0	13.9	8.4	8.6
Growth	7.9	14.3	12.9	8.0	8.8
Rank	1 of 16	3 of 16	10 of 16	11 of 16	6 of 15
Age 40	8.2	15.2	13.4	8.4	9.1
Rank	1 of 16	2 of 16	10 of 16	8 of 16	5 of 15
Median peer	6.1	13.0	13.9	8.4	8.6
Balanced	6.2	11.7	10.9	6.1	7.1
Rank	2 of 17	3 of 17	10 of 17	13 of 17	7 of 16
Age 60	6.6	11.5	10.4	5.4	6.9
Rank	1 of 17	4 of 17	15 of 17	16 of 17	11 of 16
Median peer	5.4	10.8	11.3	6.4	7.1
Conservative	3.8	7.6	7.4	3.2	4.4
Rank	1 of 19	2 of 19	14 of 19	8 of 19	6 of 18
Age 80	4.2	7.8	7.4	3.2	4.5
Rank	1 of 19	2 of 19	14 of 19	9 of 19	5 of 18
Median peer	2.7	5.7	7.6	3.1	4.2

The following page contains an exert from the latest MJW Investment Survey with the Scheme's funds plotted against selected funds from the largest 17 KiwiSaver providers. These providers cover about 94% of the total funds under management in KiwiSaver.





Civic Financial Services Ltd Statement of Intent

For the year to 31 December 2026





Contents

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1.0 What we do

- 1.1 We provide superannuation services for the local government sector through our SuperEasy KiwiSaver Superannuation Scheme and Local Government Superannuation Scheme.
- 1.2 We also provide high-quality, low-cost administration services to our client boards (Local Authority Protection Programme, Riskpool and the Civic Liability Pool).

2.0 Mission Statement

Civic Financial Services Ltd ('Civic') will be a trusted and preferred administration and financial services provider to the local government sector:

- Dedicated to our shareholders.
- Committed to our members.
- A sound and successful business.

3.0 Civic Board - Strategic review

During 2025, the Civic Board conducted a comprehensive review of the Civic group of entities including, among other things, roles and responsibilities, governance practices and fiscal responsibilities. This resulted in the adoption of a three-year business plan with a clear vision, purpose and set of strategic outcomes.

3.1 Vision

To be a high performing and unified organisation that grows long term value and confidence for the local government sector.

3.2 Purpose

To provide strategic leadership and governance that ensures alignment across the Civic Group in delivering trusted financial services to the local government sector, benefitting residents and ratepayers.

3.3 Strategic outcomes

- Governance excellence to ensure a high-performing Board.
- Strategic oversight of the Civic group to drive priorities aligned with the Civic vision.
- Robust and prudent financial stewardship delivering long-term financial sustainability.
- Transparency and accountability that fosters stakeholder trust and confidence.
- Risk management to ensure legal compliance and safeguard organisational integrity.
- Support for Civic leadership to ensure operational efficiency and effectiveness.

4.0 Financial Projections

- 4.1 Our primary source of income in 2026 will come from fees for providing superannuation administration for the local government sector through the SuperEasy KiwiSaver Superannuation Scheme and Local Government Superannuation Scheme.
- 4.2 We also receive income from providing administration, accounting and other services to the Local Authority Protection Programme, Riskpool and Civic Liability Pool.
- 4.3 In addition, we will derive income from returns on our investments.
- 4.4 The Board's current policy is not to pay a dividend to our shareholders. It was agreed at a Special General Meeting in 2020 that the funds which could otherwise be provided as dividends to shareholders should be used to reduce the administration fees applied to our two superannuation schemes.
- 4.5 For 2026, the SuperEasy KiwiSaver Superannuation Scheme and Local Government Superannuation Scheme base administration fee will remain at 0.32% per annum.

Financial projections for the years 2026 to 2028 are:

	2026 \$000's	2027 \$000's	2028 \$000's
Administration Income	2,735	2,926	3,060
Investment Income	333	341	350
Total Revenue	3,068	3,267	3,410
Expenses	3,562	3,135	3,133
Surplus before tax	16	132	278
Surplus after tax	12	95	200

Note - these are projections, not firm predictions.

5.0 Performance Measures

- 5.1 We aim to provide superannuation and savings products and services to at least 90% of local authorities.
- 5.2 We plan to be retained as administration manager for the Local Authority Protection Programme, Riskpool and Civic Liability Pool.

6.0 Report to Shareholders

- 6.1 We will provide an audited report for the year 2025 by 30 April 2026. The report will contain a review of our operations during the year and audited annual accounts.
- 6.2 We will provide a report on the first half of 2026 by 30 September 2026. The report will contain a review of our operations during the half-year and unaudited half-yearly accounts.

7.0 Transactions with Related Parties

- 7.1 Civic has 73 shareholders, comprising 72 local authorities and TrustPower.
- 7.2 Local Government Superannuation Trustee Limited and Local Government Mutual Funds Trustee Limited (Riskpool and CPL) are wholly owned subsidiaries of Civic. Because it is sharing management resources, the Local Authority Protection Programme, Riskpool and the Civic Liability Pool are also considered to be related parties to Civic.
- 7.3 Transactions with shareholder members include risk-financing services and superannuation and savings-related financial services.
- 7.4 Charges to and from shareholder members will be made for services provided as part of the normal trading activities of Civic and its subsidiaries. All transactions with shareholders are made on a purely commercial basis.

8.0 Member Communication

- 8.1 We will continue to update our strategy and business plan which guides the future direction of Civic by focusing on our six strategic outcomes and the 26 deliverables associated with those. One of our new initiatives is to produce an Annual Impact Report for the Civic Group to communicate key achievements to the sector. Keep an eye out for this in April next year.
- 8.2 For our superannuation offerings, our Electronic Direct Mail newsletter continues to be well received by our members and the lunchtime Webinars run by the fund managers are continuing to gain support.
- 8.3 We are excited about the delivery of our SuperEasy mobile App, launched in December 2025. The App will improve engagement and enhance member satisfaction by enabling members to view their balances at any time.
- 8.4 We are creating refreshed online and physical material to support councils with their staff onboarding process. These resources will also be available to existing council staff.



(04) 978 1250 | admin@civicfs.co.nz

2 July 2026

Charlotte Espin
Matamata-Piako District Council

SHAREHOLDING STATEMENT

Matamata-Piako District Council

As at 30 June 2026 Matamata-Piako District Council held 122,554 ordinary shares in Civic Financial Services Ltd.

The asset backing per share as at 31 December 2025 (backed by audited accounts) was \$0.95 based on total net assets of \$10,674,557 with 11,249,364 issued shares.

No dividend was paid in 2025.

No events have occurred since 31 December 2025 that would materially affect the asset backing.

Yours sincerely,



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Exclusion of the Public: Local Government Official Information and Meetings Act 1987

The following motion is submitted for consideration:

That the public be excluded from the following part(s) of the proceedings of this meeting.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution follows.

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 6 or section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

C1 Confirmation of Funding for the RSA wall

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
Third Party Commercial. Negotiations.	s7(2)(b)(ii) - The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information. s7(2)(i) - The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).	s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.