

Te Manawhenua Forum Mo Matamata-Piako

Ngā Tāpiritanga – Pūrongo | Attachments – Reports

ATTACHMENTS UNDER SEPARATE COVER

Notice is hereby given that an ordinary meeting of Te Manawhenua Forum Mo Matamata-Piako will be held on:

Ko te rā | Date: Tuesday 13 February 2024
Wā | Time: 10:00
Meeting Room: Council Chambers
Wāhi | Venue: 35 Kenrick Street
TE AROHA

TAKE ITEM	NGĀ IHINGA TABLE OF CONTENTS	WHĀRANGI PAGE
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Draft Consultation Document as at 26.01.24

For Audit

Item 7.1

Attachment A

Foreword/intro – scene setter

How do we plan for the future when the current environment is so uncertain?

Local government in New Zealand has been working through the implications of a number of reform programmes (Three Waters, RMA and future for local government) – and at the time of writing this, we are waiting on decisions and direction from the new government, as these areas are all critical to our future planning. On top of this, New Zealand has been grappling with significant inflation and interest rate increases, increasing prices not just for households, but for local government as well.

Yet despite these challenges, we need to plan ahead. **For our district to be a vibrant, passionate, progressive place we must continue to look ahead and make future-focussed decisions.**

We need to strike a balance between what is affordable and essential in these uncertain times, and what we really need to progress with to ensure this district remains not just a well-served community, but a place that puts people at the heart of everything we do.

This document outlines the key challenges we're facing and how we're proposing to tackle them, to do just that – make good, future focussed decisions that reflect the needs of our people. There are lots of opportunities for comments and feedback throughout – we really need input from the community to help us gauge whether we're on the right track.

There are some complex issues, some tough decisions, and some areas where we have no choice but to proceed. It makes this a lengthy document! But we want to be really clear and transparent with the community, sharing all of these options and considerations – and we invite you to take the opportunity to read and understand the issues and share your own perspectives with us.

Key dates

Consultation 20 March-20 April 2024

- This is when you can provide your feedback - we need to hear from you by 5pm on XXX

Hearings 8/9 May 2024

- This is your chance to speak with Mayor and Councillors in person about your feedback, if you wish to do so

Deliberations 22 May 2024

- Mayor and Councillors will consider all the feedback from the community and give direction on any changes required

Adopt Long-term Plan - 26 June 2024

- The Councillors will confirm the Long-term Plan 2024-34 on XXX

Long-term Plan is in place 1 July 2024

Balancing affordability and looking after our assets

Infographic style/pull out boxes:

- We have \$821 million of infrastructure assets (e.g. pipes, treatment plants, roads, paths, public buildings etc)
- It costs over \$20 million each year to maintain and operate our infrastructure assets
- Our assets are in average to good condition
- Costs keep increasing just to provide the same services to the current standard
- We spend around \$15 million each year on renewing our assets
- Rates account for approximately $\frac{2}{3}$ of our income ([link to direct people to further info in FS](#))
- We are planning to increase our borrowing by \$98m over the next 10 years ([link to direct people to further info in FS](#))

It's our job to not just manage this infrastructure, but to make sure we're planning ahead to support a thriving community, well into the future. That means maintaining, renewing and managing our assets, as well as managing our finances in a responsible way. This is what our

Infrastructure Strategy and Financial Strategy are all about. This section covers some of the key concepts outlined in those strategies. If you want to know more - you can find both strategies at mpdc.nz/longtermplan

Affordability is our focus for this plan

Costs have gone through the roof in recent years. Every household will have seen this in their groceries, insurance, electricity, fuel etc. And local government is affected by these same cost pressures – along with some even bigger increases in things like contract costs for maintaining roads and water pipes and plants, the cost of chemicals for water treatment, transportation etc. A lot of these costs cannot be entirely avoided, but we can aim to minimise them as much as possible.

So in the short term we're focusing on **affordability** - we need to keep costs as low as we can for the community.

This means we're prioritising:

- *Looking after what we've got:* We're planning to continue with our maintenance and renewals programmes to ensure our assets remain in average to good condition (regardless of who will own or manage those assets into the future).
- *Delivering the same services, to largely the same standard:* Now is not the right time to spend more money on extending the services we provide. We're choosing to focus on maintaining our existing assets and delivering our existing services, largely to the same standard. There are some exceptions (like where regulations now require a higher standard, or where reducing our costs might impact service over time). There is more info on those exceptions throughout this document.
- *Smoothing out costs where we can:* An example is the biosolids (sludge) that have accumulated at the Matamata, Morrinsville and Te Aroha wastewater treatment plants. This material presents an environmental risk and we have known for some time that it must be addressed. It's expensive to remove, but once gone will give us increased capacity in our ponds for a very long time. For that reason we made provision in the plan to get the work done soon but to fund the work over 15 years.

- *Focusing on the projects we MUST do:* There are over XXX potential projects currently on our books – and every one of them would benefit this community. But the reality is that it's not possible or affordable to do them all. We have to choose. We've categorised those projects into:
 - things we MUST do - e.g. complying with our wastewater resource consents, or meeting seismic standards for public buildings;
 - things we SHOULD do - e.g. upgrades to stormwater systems, or improving walking and cycling connections; and
 - things we COULD do – e.g a walkway from Waharoa to Matamata, a stage in the Matamata Civic Centre, or extending the cycleways.

We're proposing to focus on the projects we MUST do and a small number of the SHOULD do projects, where we think they have a critical long term benefit. We're also proposing to remove a number of SHOULD do or COULD do projects from our work programme to help minimise the costs. You can read more about all these projects throughout the rest of this document.

- *Changing how we manage our roading budget:* If the costs continue to increase at the current rate, it would cost us about \$8.5 million to do the road renewals that we currently do for \$7 million. While we could increase the budget (i.e. the work needs doing), there is no guarantee that Waka Kotahi/NZ Transport Agency would match the funding – so the entire cost could fall on ratepayers. So we're proposing to reduce the increase to our pavement renewal programme. While we aim to keep our roads to the same standard, there is a risk that this will impact the quality of our roads over time (e.g. more ruts or potholes), so we want your feedback on this. There is more detail on page X
- *Changing how we fund the future replacement of some of our assets.*

We have over \$950 million worth of assets. As part of managing those assets now and for future generations, we collect money over time to replace them at the end of their life. How much we collect is based on how much it would cost to replace those assets (their valuation). For our stormwater network, that would mean collecting \$12.1 million over the next ten years. Except, we only have \$4.6 million worth of stormwater renewal work planned in that period (a lot less than \$12.1 million).

So we are proposing to collect funding for stormwater based on the value of the planned work, rather than the value of the assets. Even looking 30 years ahead, we believe the

funding at this level should still collect enough to fund future replacements. There are risks in this approach to funding asset replacements (e.g. not collecting enough funding at the right time), but we can monitor and review this as part of our annual budget review process if required.

- *Looking to recover more of our costs through fees and charges*

We need to collect enough money to cover the day to day costs of our services. While rates are our main source of income, we also receive around 16% of our revenue from fees and charges. We're proposing to maintain this level, which, given increasing costs, will require an additional \$1.3 million from fees and charges (a 12% increase from the current year). After carefully reviewing our proposed Revenue and Financing Policy (where we determine how an activity should be funded based on who benefits or creates the need for the service or activity) and after reviewing our current costs, we have identified a number of areas where the current fees needed to increase significantly to fairly spread the increased costs - these include community venues, pools and spas, cemeteries, building control and animal control. While increasing the fees for our services and at our sites is never popular, if we don't increase the fees to cover the income needed, we'd have to increase rates by even more.

Other key considerations

While we're prioritising affordability in this plan, we're also conscious that the decisions we make today, have a flow on affect downstream. So in coming up with this draft plan for community feedback, we've also carefully considered the following:

Complying with changing regulations from central government

[compliance icon] *If you see this icon alongside a project identified throughout this consultation document, it's a sign that it's a project we must do to comply with government requirements.*

There have been a number of regulatory changes from both central and regional government in recent years - particularly changes to the Drinking Water Standards, the National Policy Statement for Freshwater 2020, and the Natural Built Environment Act 2023 coming through in legislation. Most of these changes require significant upgrades to our assets or service levels, which come at a significant cost to ratepayers. This can be challenging because for communities, it often looks like exactly the same service (water coming out of the tap, or wastewater being taken away), but it's costing much more to deliver.

An example of this in action is the new discharge consents and new water treatment plants required to meet the latest legislation - you can read more about these in the projects section.

In the past we have generally spent around \$15 million per year on our water, wastewater and stormwater assets. In comparison, this plan includes \$37 million of must do's in year one, \$36

million in year two, then \$23 million in year three. These are significant increases for projects that we MUST do to comply with the new regulations. For urban ratepayers with water, wastewater and stormwater rates - this will have a big impact.

We are planning for growth

[growth icon] *If you see this icon alongside a project identified throughout this consultation document, it's a sign that we think the project is important for catering to a growing district.*

Our towns are growing, and are forecast to continue to grow, mostly in urban areas. This growth is great for building thriving communities and it increases the number of ratepayers to split the total rates bill across, but that growth also requires improvements to our infrastructure – like roads, pipes etc.

One of the key challenges in this space is ensuring that we are investing in the infrastructure at the right time – not burdening our ratepayers with the costs too early, and not leaving it too long, resulting in a poor service. With affordability top of mind in this plan, we've had to pick our projects carefully. We're giving top priority to the projects we MUST do (compliance projects), followed by the growth-related projects. We have spread these out or staged projects where we can to keep costs as low as possible.

The draft budget includes \$18.9 million for growth related projects over the next 10 years. 80% of those costs are proposed to be funded by Development Contributions (the fees that developers pay to cover infrastructure costs caused by their developments).

Responding to our changing climate

[climate change icon] *If you see this icon alongside a project identified throughout this consultation document, it's a sign that we think the project is important for helping our district respond to climate change.*

Aotearoa New Zealand is already experiencing the effects of a changing climate, and those impacts are expected to increase over time. So over the next ten years, we propose to focus on some key upgrades and strategic planning work that will ensure our assets and services - like the stormwater network, and rubbish and recycling - are climate resilient, environmentally sustainable and keep our communities safe. And we want to work with iwi and the wider community to create a climate change strategy that reflects the aspirations of the people in our district. The draft budget includes \$10.9 million for these projects.

What's out, what's changed, what's in – what we're proposing:

We consulted widely on our last Long Term Plan in 2021, with lots of great feedback from the community on what our priorities should be to help create a vibrant, passionate, progressive district. This plan is our chance to review that 2021 plan and make sure it's still fit for purpose as a lot has changed in the last three years.

Because of the tough economic environment and uncertainty facing local government (e.g. changes to Three Waters, RMA, and a new government), we have reviewed all the planned projects and chosen to focus on the things we **MUST** do. We've also included a few of the **SHOULD** do projects, where we think they have a critical long term benefit. Several other projects have been spread out over time to help spread the costs, or removed from the future budgets to keep costs down.

A summary of the proposed changes to our projects and timeline is below – you can use the page numbers alongside each project for more information on what we're proposing and why. Alongside all of these projects, we're planning to continue to maintain and manage our existing assets and services.

What's out	What's changed	What's stayed the same	What's new
Walking and cycling improvements (pg X)	Matamata Wastewater Treatment Plant (pg X)	Matamata Domain Playground (pg X)	Digital enablement (pg X)
New neighbourhood playgrounds (pg X)	Morrinsville CBD stormwater upgrades (pg X)	Te Aroha Destination playground-(pg X)	Waitoa water
Stage for Matamata Civic Centre (pg X)	Public toilets at Matamata Domain and Davies Park (pg X)	Te Aroha Library (pg X)	
Town Centre infrastructure upgrades (pg X)	Matamata Stadium (pg X)	The services we provide (pg X)	

	Roading Pavement Renewals (pg X)		
	Te Aroha Spa		
	Resource recovery centres (pg X)		

Projects - what's out, what's changed, what's stayed the same and what's new

What's out

Walking and cycling improvements

Over the last **X** years we've been focusing on improving walking and cycling connections in our towns. This drive was based on feedback from the community through previous Long Term Plans and our Parks and Open Spaces Strategy - highlighting that safe walking and cycling connections create healthier and more attractive communities. To support this, we have developed strategies, acquired land, developed some connections (e.g. tracks or paths) and worked with developers. It has also included some work around our schools to improve safe travel to and from schools.

Why we're proposing to remove it: We're proposing that to keep costs down, we stop budgeting for new walking and cycling connections, and safety improvements for walking and cycling. We'd keep working with developers to ensure that any new developments have good walking and cycling connections, and would keep the existing land and strategies on the back burner in case opportunities for third party funding come up (such as the Transport Choices funding that recently funded the perimeter walkway at the Morrinsville Rec Grounds), or opportunities to partner with other community groups. **This means we will maintain the level of service we currently provide.**

What was previously budgeted: \$9.3 million over 10 years including the following projects:

- Tower Road Matamata pedestrian \$50,000, planned for 2024/25
- Hinuera to Piarere cycleway \$1.8m over 2 years, planned for 2026/27
- Te Aroha to Matamata cycleway offshoots minor upgrades \$187,000, planned for 2027/28
- Te Aroha to Morrinsville cycleway \$6.4m over 5 years, planned for 2035/36

What is in the proposed budget: Matamata pedestrian improvements on Bridie Ave, \$50,000 2024/25

Total savings in external borrowing: \$9.2 million over 10 years

Average savings in operating costs: \$358,000 per year

Average saving in rates per property: \$14.60 per year

Alternative options:

In an ideal world, we'd continue to steadily improve walking and cycling connections over time. Reducing cars on the road helps reduce carbon emissions and contributes to safer, healthier communities – but it costs money.

<p>We could continue to steadily improve walking and cycling connections by spreading the projects over a longer period.</p> <ul style="list-style-type: none"> - Tower Road Matamata pedestrian \$50,000, completed 2024/25 - Hinuera to Piarere cycleway \$1.8m over 4 years, completed 2028/29 - Te Aroha to Matamata cycleway offshoots and minor upgrades \$187,000 over 2 years, completed 2028/29 - Te Aroha to Morrinsville cycleway \$3.2m over 3 years, completed 2042
<p>Total savings in external borrowing: \$3.01 million over 10 years</p>
<p>Average savings in operating cost: \$98,000 per year</p>
<p>Average saving in rates per property: \$4.01 per year</p>

Stage for Matamata Civic Centre

When we built the Matamata-Piako Civic and Memorial Centre in 2016 we didn't include a stage, green rooms and dressing rooms to keep the project within budget - but the building was designed so they could be added later. In 2020 the Matamata community strongly advocated for a stage to be included, so we committed to investigating this.

Why we're proposing to remove it: We're proposing that to keep costs down, we remove this project from our work programme and maintain the level of service we currently provide. This project could still be picked up again in future, but we don't believe it is a priority in the next ten years when we have so many other projects we MUST do.

What was previously budgeted: \$230,000 in 2026/27

What is in the proposed budget: \$0

Total savings in external borrowing: \$230,000 over 8 years

Average savings in operating costs: \$25,000 per year over 8 years

Average saving in rates per property: \$1.04 per year

Alternative options:

If the community wishes to see this project go ahead, we could keep it in the plan, but push it out a few years to 2029/30 - the down-side of this being the longer we push it out, the more it is likely to cost due to inflation.
Alternative option - Project cost \$245,000 (funded by external borrowing) completed 2029/30 Average operating costs - \$26,000 per year over 5 years
Average additional cost per property: \$0.88 per year

Revitalising our town centres

In the last Long Term Plan there was strong community support for revitalising our town centres. We included over \$3 million over five years for capital upgrades (things like bins, new footpaths, new street furniture, or other street infrastructure etc), as well as developing place plans for all three town centres.

Why we're proposing to remove it: Over the last few years we've worked alongside the community to develop place plans (Pride of Place) for all three town centres. The direction from those plans hasn't been about costly bricks and mortar improvements – but about partnerships and activities that create a sense of vibrancy and chances for people to connect. Based on that feedback, we're choosing to prioritise maintaining and renewing the existing infrastructure over doing any major upgrades. This would mean removing the capital funding, but continuing with operational funding to deliver on Pride of Place and maintain the current level of service.

What was previously budgeted: Approximately \$648,000 per year for the first 5 years of the plan

What is in the proposed budget: Approximately \$48,000 per year - just to renew what we already have

Total savings in external borrowing: \$3.1 million over 10 years

Average savings in operating costs: \$208,000 per year

Average saving in rates per property: \$8.51 per year

Alternative options:

If the community sees this project as a priority, we could keep capital funding in the Long Term Plan as well. Because costs have significantly increased over recent years, we'd need to increase the amount of funding to be able to do meaningful upgrades.
Alternative option - Approximately \$1.048 million per year for 5 years (funded by external borrowing) completed 2028/29 Average operating costs - \$349,000 per year
Average additional rates per property: \$14.27 per year

Additional playgrounds

When we're planning ahead we generally look at the whole community and try to make sure that everyone has access to a playground within a 10-15 minute walk. Playgrounds are important for so many reasons – they encourage active, healthy communities, they help develop cognitive and physical skills, and they are often a social hub in communities. We have invested quite a bit in play over recent years – most notably at Thomas Park and Davies Park in Morrinsville, and the current Matamata Domain redevelopment.

Why we're proposing to remove it: We're proposing that to keep costs down, we remove funding for further additional neighbourhood playgrounds (apart from a new one in Te Aroha, see page X) over the next 10 years. We would continue to maintain and renew existing play equipment, we just wouldn't be building new playgrounds as our towns grow or making any improvements to existing playgrounds – for example, we won't be able to build playgrounds in new residential areas off Tower Rd and Mangawhero Rd in Matamata or adding additional equipment to existing playgrounds.

What was previously budgeted: \$4.5 million over 10 years including the following projects:

- Destination playgrounds in Matamata \$1.5m and Te Aroha \$1.5m, planned for 2024/25 and 2026/27
- Matamata playgrounds in response to growth, \$240,000 planned for 2024/25
- Provision for additional playgrounds, \$144,000 planned for 2027/28 and \$144,000 planned for 2029/30
- Playground improvements \$24,000 per year over 10 years
- Playground renewals \$54,000 per year over 10 years

What is in the proposed budget: \$3.6million over 10 years including the following projects:

- Destination playgrounds in Matamata \$1.5m and Te Aroha \$1.5m, completed 2024/25 and 2026/27, which would increase the level of service we currently provide
- Playground renewals \$54,000 per year over 10 years to maintain the current level of service

Total savings in external borrowing: \$888,000 over 10 years

Average savings in operating costs: \$99,000 per year

Average saving in rates per property: \$4.05 per year

Alternative options:

If the community sees new playgrounds as a priority, we could include funding in the budgets to continue to build new playgrounds as our towns grow.
Average operating cost per year: \$562,000
Average additional rates per property per year: \$22.96

What's changed

Te Aroha Spa

A quick history of this project

2017 – Council receives funding from the Provincial Growth Fund to investigate Te Aroha's tourism potential.

2021

- Council consults on staging the development of an improved spa complex as part of the Long Term Plan (\$5.3 million).
- Community feedback says "if you're going to do it, do it properly"

- Council commits to an \$18.9 million spa development if the business case stacks up
- Project Governance Group is established to oversee the project and give direction. Made up of leading industry experts, and Council and iwi representatives.
- Investigation work for the business case e.g. financial viability, geotechnical issues, geothermal water, cultural values etc

2022

- Governance Group presents preferred concept to Council, with a cost estimate of \$37.7million
- Council endorses the preferred concept in principle, but requires a commercial investor to share the costs and risk.

2023

- Investment case is put to the global market to try and attract an investor.
- Investment cannot be attracted at the level required

Visit mpdc.nz/spa for more detailed information on this project

The proposed spa development for Te Aroha was a hot topic in the last Long Term Plan, with community support for investing in Te Aroha's spa tourism potential.

We've spent the last three years doing comprehensive investigations, with the advice and support of leading industry experts. The resulting proposal was a spa complex with a cost estimate of \$37.7 million. That figure was nearly twice what we had budgeted, but given the potential benefits, we decided to see if we could attract a third party investor to help drive the project forward. The investment case was put out to the global market but didn't attract the level of interest or funding that we hoped for.

Why we're proposing to remove it: We committed to developing a spa if the business case stacked up – and the business case doesn't stack up in the current economic environment. Without a third party investor, and with so many other MUST do projects, we don't believe we can justify a \$37.7 million spa development.

We still believe that Te Aroha has strong tourism potential and don't want all the groundwork that has been done to go to waste. We plan to continue to explore options to help Te Aroha capitalise on its rich spa history and thrive as a tourist destination. That might be developing the existing spa, refurbishing it, or partnering with an investor.

What is in the proposed budget: \$200,000 for scoping and planning works in 2025/26 and \$5m for capital in 2026/27 (funded from external borrowing)

Average operating cost per year: \$421,000

Average cost per property: \$17.20 per year and will increase the level of service we currently provide

Alternative options:

<p>Acknowledging that the business case for a new spa doesn't stack up right now, we could stop work on it all together. We would 'shelve' the work done to date and Council could choose to revisit it at some point in the future.</p> <p>We would continue to operate our existing spas, which already attract tourists to the area - operating at full capacity for most of the year.</p>
<p>Average saving per property per year: \$17.20 (removing all spa related capex)</p>

Matamata Stadium [growth icon]

We made a commitment in 2018 to Matamata Futures Trust to provide \$2 million towards a new indoor stadium for the community, located at Matamata College. As the project planning progressed and costs increased, Council's contribution to the project also increased to \$3 million. We consider this a MUST do project as it is already well underway, with construction expected to begin in early 2024.

What changed? The timing of this funding was always subject to Matamata Futures Trust raising the balance of the funds required, with Council's contribution to be made once construction began. It was initially expected to begin in 20XX, but project and funding delays meant that this funding was not drawn down until 2024.

What was previously budgeted: \$2m in 2023/24

What is in the proposed budget: \$3m in 2024/25

Average cost per household: \$18.28 more per year and will increase the level of service we currently provide

Wastewater Treatment Plant Upgrades *[compliance icon]*

We own and operate five wastewater treatment plants that take sewage and wastewater from your home and clean/treat it before putting it back in the environment. In recent years, central government introduced much stricter rules about wastewater discharge to try and improve the health of NZ's natural environment. We've been making small improvements towards meeting those standards.

Our resource consents to discharge treated wastewater back to land or waterways are due for renewal between 2024 and 2026, and to save time and money we have grouped them together as one resource consent for all five sites. As part of this process we are going to need to upgrade all of our wastewater treatment plants to comply with the new environmental regulations. Alongside this work we are also planning to increase the capacity of our plants to cater for growth.

This is a massive work programme that we MUST comply with, as we can't operate wastewater treatment plants without a consent.

The one area where we have a choice and can manage the costs, is how we accommodate growth. We are choosing to stage the upgrades to our plants, to minimise the cost impact on our community. For example, we're planning to spend \$40 million between 2024-2026 on upgrading the Matamata Wastewater Treatment Plant, and a further \$20 million in 15 years to accommodate growth. Staging this work will mean we end up spending more in total, but will spread the cost out over time, and limit the financial burden right now, when things are tough for many New Zealanders. These upgrades will increase/maintain the level of service we currently provide.

What changed? There have been a number of regulatory changes from both central and regional government in recent years - particularly changes to the Drinking Water Standards and the National Policy Statement for Freshwater 2020. At the same time, a new water regulator, Taumata Arowai has been established, and charged with overseeing the water services sector and ensuring that we are compliant with the new regulations. Complying with these new requirements has meant the costs are significantly higher than we originally budgeted.

What was previously budgeted for the Matamata Wastewater Treatment Plant upgrade: \$11m over 4 years, to be completed in 2028/29

What is in the proposed budget for the Matamata Wastewater Treatment Plant upgrade: \$40m over 2 years to be completed in 2025/26

Average cost per household connected to wastewater: \$349.41 more per year

Resource recovery centres

[Climate change icon] Separating our waste streams (e.g. e-waste, batteries, green waste, food waste, hazardous goods) – keeping these things out of landfill, is good for our environment and for our climate.

Another proposal that received wide support from the community as part of the 2021 Long Term Plan was establishing Resource Recovery Centres in Matamata and Morrinsville to divert more waste from landfill instead of just transferring waste from A to B.

We started early investigation work on these, but identified that our existing transfer station sites are not fit for purpose for the longer term – all three would require multi-million dollar upgrades. Waihou in particular requires around \$4-5 million in upgrades just to keep offering the same transfer station services – that's before we even start looking at improvements to divert waste from landfill.

New Zealand can't afford to keep creating rubbish and putting it in big holes in the ground – we need to change how we manage our waste.

What changed? This is one area where Council thinks we need to make a bold, future-focussed decision. Instead of developing two retro-fitted resource recovery centres (Matamata and Morrinsville) and one transfer station (Waihou), we're proposing to investigate the creation of one custom-built resource recovery hub for the whole district. This would incorporate the existing services like recycling and greenwaste disposal, but also provide other services – like an education centre, re-use store, rural recycling, or construction waste sorting. Based on analysis of waste our district sends to landfill, we believe around 80% of that could be diverted by changing the way we do things. That's a massive benefit for our environment, and for future generations.

A business case will be developed with detailed costings and options, and will include a centralised facility and rationalising some or all of our current sites as an option. **We consider this a MUST do, to make sure that what we decide to invest in in future will continue to comply with the national standards.**

This approach would not only be better for the environment, but it also stacks up better financially. The three sites we currently operate need significant investment to make them fit for purpose - and those costly upgrades would still only be a 'sticking plaster' approach while NZ continues to upgrade its waste infrastructure. And the costs in this space only continue to go up. With the information we currently have, we think building and operating one purpose-built hub in the future makes more sense than upgrading and operating three sites that don't meet current needs, let alone future needs. In the meantime, we will carry on with minor upgrades to continue operations at all three sites while we look into the options. When we have the detail on the options we will come back to the community to get your feedback.

What was previously budgeted: \$6.5 million over 2023/24-2030/31 for resource recovery centres at Matamata and Morrinsville and upgrade works to Waihou Transfer Station.

What is in the proposed budget:

- \$2 million worth of upgrades to existing sites in 2024-2026, to keep them compliant and operational
- \$5.5 million for a new resource recovery hub between 2026 - 2029. (Further funding may be required beyond this LTP and is outlined in the Infrastructure Strategy. External funding will be sought through the Waste Levy contestable fund to offset some of the development costs.)

Average cost per property: \$XX per year. This will maintain the level of service we currently provide.

Morrinsville Stormwater Upgrades [climate change icon]

Severe weather events in recent years have resulted in flooding in Morrinsville – particularly in the CBD. This has a significant impact on our business community, as well as locals going about their day-to-day lives.

What changed?

The increase in flooding events and likelihood of future ones means we can't afford to continue to defer stormwater upgrades in Morrinsville. We're proposing to do \$1.5 million worth of improvements in the Morrinsville CBD in year one. We're also planning to improve our planning and modelling of stormwater in Matamata and Te Aroha to inform future works. This work will increase the level of service we currently provide.

What was previously budgeted: \$100,000 per year for minor upgrades across the district

What is in the proposed budget: \$1.9m in years 1-3

Average cost increase per household connected to stormwater: \$17.80 more per year.

[Climate change icon] More frequent and severe weather events are impacting our communities and underlining the importance and urgency of acting now.

Roading

We maintain over 1,000km of road – that's longer than the entire North Island! But it comes with a hefty price tag – roading accounts for around 20% of our total annual spend or around \$17.8 million, with Waka Kotahi/NZ Transport Agency contributing around \$6.3 million **towards maintenance and capital improvement of the network.**

In the current year we will spend around \$3 million on pavement maintenance (e.g. pothole repairs, repairing edge breaks etc), and a further \$5.1 million on pavement renewals which includes the resurfacing of our roads (to protect the pavement from rain and wear and tear from traffic) and the renewal of pavement on our roads (to strengthen the pavement).

What changed? Just like everything else, costs to do this work have recently gone through the roof. Because costs are so tight right now, and because we're not sure whether central government will contribute additional funding, we're proposing to minimise the increase in funding of our pavement renewals and budget for \$5.7m, but we know this budget will not stretch as far as it previously would have, so effectively the amount of renewal work we can get done will reduce.

This will mean our road pavement renewal programme will be spread out over a longer period. The catch is that you won't notice the impact of this right away – it would take a couple of years before people start to notice the greater wear and tear on our roads (e.g. our roads might become a bit rougher to drive on).

What was previously budgeted: \$5.4 million for pavement renewals for 2024/25 in the 2021 LTP

What is in the proposed budget: \$5.7 million for pavement renewals for 2024/25 but noting that this will not achieve the same level of work previously planned due to the increased cost to do the work.

Average cost increase per household: \$8.25 more per year **to maintain the level of service we currently provide**

Alternative options:

<p>This is a tough decision to keep costs down. In an ideal world, we would choose to keep our pavement renewal programme, and the standard of our roads at the current level. If the community sees this as a priority, we could fund the increase.</p> <p>Waka Kotahi/NZ Transport Agency currently contribute 51% of local roading costs – we could put a proposal to them to increase funding, for example an increase in reseals by \$1 million, but we can't be certain that they would approve it, so there is a risk that the community would need to fund the full amount</p>
<p>Additional total cost per year of \$1 million additional reseal renewals: \$1.07 million</p>
<p>Average additional cost per property per year if Waka Kotahi contributes 51%: \$21.35</p>
<p>Average additional cost per property per year if Waka Kotahi do not increase funding: \$43.56</p>

Public toilets at Matamata Domain and Davies Park [compliance icon]

Just like with playgrounds, when we're planning ahead we generally look at the whole community and complete a 'sanitary assessment' to ensure that all areas have public toilets available and they meet the communities need.

What changed? We're proposing to put in two new public toilets – one at Davies Park (the new community playground at Lockerbie Estate, Morrinsville) and one to replace the existing concrete block toilets at Matamata Domain, as part of the new playground project. We consider these HAVE to do projects, based on our sanitary assessment, and would **increase** the level of service we provide. Aside from these two, we're proposing to look after what we've got, and just focus on maintenance and renewals of our existing public toilets, with no other additional toilets planned for the next 10 years.

What was previously budgeted:

- Annual upgrades of existing facilities of \$100,000 over 10 years
- \$125,000 for new toilets at Swap Park, to be completed in 2025/26

What is in the proposed budget:

- Annual upgrades of existing facilities of \$120,000 over 10 years to **maintain** the current level of service we provide
- \$230,000 for new toilets at Matamata Domain, completed in 2024/25

- \$150,000 for new toilets at Davies Park (Lockerbie Estate Playground), completed in 2024/25

Average increase in cost per property: \$1.18 per year

What's stayed the same

Te Aroha Library [compliance icon]

The Te Aroha Library is a beautiful historic building – but it also requires earthquake strengthening, and doesn't meet some of the practical needs of a modern library.

We believe libraries are an essential service. They provide traditional services like access to books and lifelong learning, but they are also community spaces - a space for people to gather and connect, as well as supporting literacy, digital programmes and bridging the digital divide by providing access to wifi, computers, printers and scanners.

To continue providing this essential service we MUST do something about this building (meeting seismic standards as a minimum). At the same time, we think we should review our information centre, public meeting spaces, and office space. We are including funding in the draft budget to investigate and deliver on a suitable building (relocating, upgrading or a new build) that ensures Te Aroha continues to have library services for years to come.

What is in the proposed budget: A total budget of \$4.4 million between 2026-2028 (previously budgeted \$4 million)

Average cost increase per property: \$11.77 per year over 8 years to **maintain or increase** the current levels of service we provide

Alternative options:

We know there are people that don't use libraries, or don't see them as important. If there was a strong community view that Council should not replace or relocate the library, Council could consider closing the Te Aroha library, and only operating in Morrinsville and Matamata.
Estimate of total saving in operational costs per year: \$262,000

Average savings per property: \$10.71 per year

Matamata Domain Playground

When we sought community input to projects in 2020, destination playgrounds in all three towns were one of the ideas championed by the community. We committed \$3.3 million (roughly \$1m per town) towards developing exciting new playgrounds. In Morrinsville we put the funding towards the new playground at Davies Park (Lockerbie) and the upgrade of Thomas Park. In Matamata, we're working with Matamata Futures Trust on a new, community-led playground at the Matamata Domain. We consider this a MUST do project, because the funding has already been committed and work is well underway. The new playground will **increase** the level of service we provide.

What is in the budget: \$1.5m in 24/25

Average cost per household: \$9.16 per year over 10 years

Te Aroha Playground

Our Parks and Open Spaces Strategy adopted in 2021 planned to deliver at least one community playground in each of our three main towns. We've recently provided two new playgrounds in Morrinsville, and are committed to the playground in Matamata, so we believe we SHOULD continue with the plan to develop a new playground in Te Aroha. Play is important for encouraging active, healthy communities, developing cognitive and physical skills, and playgrounds provide a social hub in communities to help make them a great place to live. As a tourist destination, a great playground would **increase** the level of service we provide, and also complement the tourism offerings of the town.

What is in the budget: \$1.5m in 26/27

Average rates per property: \$9.32 per year over 8 years

Alternative options:

Times are tight financially, and Te Aroha isn't growing as rapidly as Matamata and Morrinsville. We could defer the additional playground until the next Long Term Plan (i.e. 2028/29) to reduce the financial burden right now.

Average savings in operating costs: \$47,000 per year

Average rates per property: \$9.22 per year over 6 years
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The services that we provide

Removing or deferring large projects does help reduce the impact on rates, but not by as much as you might expect. This is because these are usually capital projects, funded by loans that are paid back over a number of years - so the financial impact in each year is quite small. A bit like when you buy a car, you can choose to get a loan and pay it off over a number of years to reduce the cost up front.

The other type of cost is operating costs - the up front costs you pay to operate that vehicle (like petrol, a warrant of fitness, and servicing costs). Our up front costs are things like staff, insurance, electricity, software licences etc. Reducing these operating costs actually has a bigger impact on rates, because we have to fund these things every year, and because of inflation and our growing district, they are costs that continue to increase.

There are some operational costs we can't change. We are required to process consents within certain time frames, we have to manage health and safety for staff and the public, we need the internet and software to deliver our services etc. But there are areas where we can choose the standard of the service we provide - like how often we open pools or libraries, how many urgent LIMs we can process, how quickly customers get served, or how often we mow reserves.

We've repeatedly trimmed and cut our operational budgets over recent years - to the point where we can't cut more without actually cutting some of our services. We'd need to make some significant cuts to actually make a dent in this rates increase, and we would prefer not to do this, as we believe the services we choose to deliver (like pools, parks and libraries) are the services that make a huge difference to wellbeing in our community. Significant cuts would mean the levels of service we currently provide would **decrease**.

Our total budget to deliver all Council services: \$84.3 million for 2024/25

2024/25 draft rates for an average urban property (with a CV of \$640,000) which **is connected** to water, wastewater, stormwater networks and receives a kerbside collection service: \$3,731.78

2024/25 draft rates for an average rural property (with a CV of \$3.165m) which is **not connected** to water networks and has no kerbside collection service: \$5,343.78

Alternative option

<p>We could make cuts to some of our services to get the rates increase lower - but we'd need to make some significant cuts across multiple services to make a dent in this rates increase. For example we could:</p> <ul style="list-style-type: none"> • Stop mowing some reserves, or reduce mowing/maintenance • Close the Waihou Transfer Station • Review operating hours and/or the future direction of our facilities - such as pools, libraries, Council offices, Firth Tower, and Te Aroha i-SITE • Increase user fees so ratepayers are not contributing to some facilities - such as the aerodrome • Reduce community grants and funding to regional initiatives (like the regional economic development agency, or the regional tourism agency, or screen waikato)
<p>Total saving: Doing <u>all</u> of these things could reduce the total annual budget by \$1.75 million (TBC)</p>
<p>Average cost saving per urban property: \$65.47 per year (or 1.8%) TBC</p> <p>Average cost saving per rural property: \$281.55 per year (or 5.3%) TBC</p>

What's new

There are two significant additions to our plans that weren't part of our last Long Term Plan. These include:

Digital enablement

Over the last 15 years, the technological landscape has changed significantly and is further exploding with the rise of AI and automation. Consider that Council has only recently started accepting credit cards over the counter, yet in parts of the world, customers can pay by facial recognition. Imagine if surveyors or works staff could see the GPS location of utilities by wearing a pair of smart glasses. Consider the additional efficiencies of one driver being able to operate two mowers. Or think of the impact driverless vehicles could have on car ownership, and what this would mean for roading networks and parking. All of these technologies already exist, and it is not a question of if they will impact our services, it is a question of when.

We know we could use technology smarter to reduce our overall operating costs – or at least slow the steep increases of recent years. But to make those savings a reality requires an

upfront investment. We're proposing to use reserve funds to accelerate our productivity as an organisation for the next three years.

What is in the budget: \$800,000 per year, for years 1-3

Average cost per household: \$3.93 more per year to **increase** our productivity through the use of technology

Waitoa water supply

Due to central government changes Fonterra have decided that they cannot continue to be the water supplier for the village of Waitoa. Taumata Arowai (the new water regulator) requires Council to help come up with a solution, so we have been working alongside Fonterra and the residents of Waitoa for a number of years to investigate potential options.

At the time of writing this consultation document we are still working on the options and the financial impacts. We plan to consult directly with the residents of Waitoa on the options and the costs, as they will be the most affected by any decision.

What is in the budget: \$0 - The draft budget currently includes nothing for the Waitoa water supply

Average cost per household: \$0

Looking further ahead

Part of planning ahead for the future is recognising that we can't do everything at once – it isn't practical or affordable. So here are a few of the other key projects that we're planning in years 4-10 of the ten year plan. As these ones are several years out, we don't have a lot of detail on them just yet, and the community will get another chance to give feedback/input into these projects closer to the time

Swim Zone Morrinsville

One of the most common requests we hear from the Morrinsville community is to upgrade the pool and have it open all year round. The pool is nearing the end of its asset life and we'll be looking to upgrade/replace it, with planning starting in year four of this plan (2028/29). The pool

upgrade will be a major project, and the community will have the chance to share their ideas and input into the design.

What is in the budget: \$18.1 million, spread over four years, completed 2031/32

Average cost per household: \$36.37 more per year (over 8 years) to **maintain or increase** the level of service we currently provide

Water meters

There is a lot of uncertainty around whether or not water services will remain the responsibility of local government in future - but if it does remain our responsibility, we plan to install universal water metering. Water is a precious resource, and in recent years we have seen tighter controls on how much we can take and treat. Making people pay for their water use is a proven way to reduce water consumption, usually by around **20% (TBC)**. If we do go ahead with this, it would be from year 4 of this plan (2027/28).

What is in the budget: \$3 million for 2027/28 and \$3.4 million for 2028/29

Average cost per household connected to the water supply: \$87.51 more per year

How it all adds up

We need to collect an additional \$7.2 million in rates this year to proceed with everything outlined in this plan

Before you look at the example properties to see how this may affect your rates, check out these explanations of the different kinds of rates, and who pays what.

What are rates? Rates are a form of tax, and the basic principle of a tax is that everyone pays to benefit the greater community. They're not necessarily about paying for the services you use or receive - they're about everyone paying a portion towards making their community a great place to live.

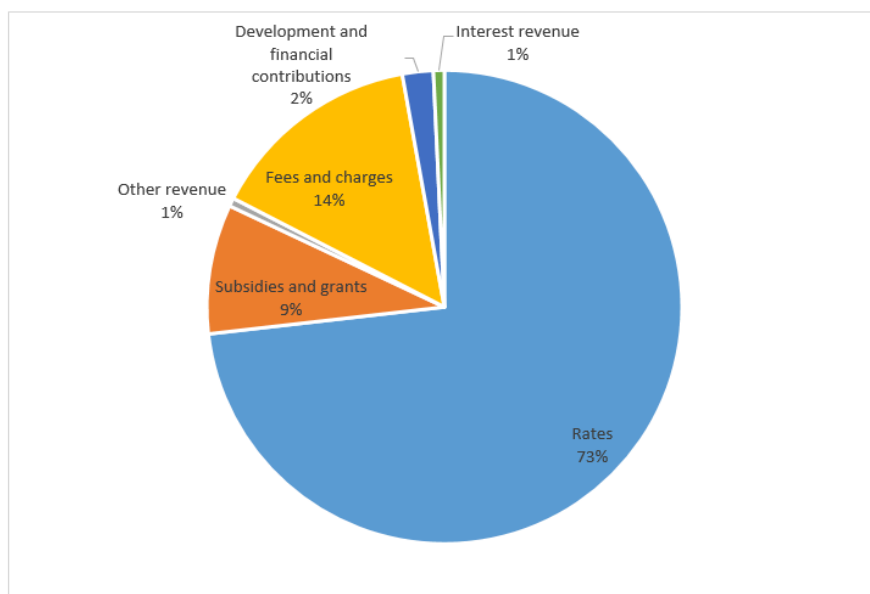
Our rates are made up of a mix of tax-based systems, and user pays charges

Tax based rates (known as 'general rates') generally contribute towards services that everyone benefits from – such as roads, libraries, parks and reserves, democracy, pools, online services, civil defence etc. There are two kinds of general rates:

- Capital value: the higher value your property is, the higher rates you pay
- Uniform Annual General Charge (UAGC): a set fee charged to all properties. The UAGC is designed to 'level the playing field' so that the gap between high value and low value properties isn't so significant.

User pays charges (known as 'targeted rates') are rates charged for specific services that are only charged to the people who receive that service - such as rubbish collection, water and rural halls.

Our other sources of income



This pie represents the total amount of money we need to provide our services, and how we're proposing to fund them. Note that there are other ways we could cut the pie (for example, less rates and more fees and charges) but no matter how many pieces you cut a pie into, the total size of the pie remains the same - we still need to collect the same amount of money to provide these services.

This graph highlights the few options Councils have for raising income.

Councils have been lobbying central government to make changes and give local government more tools for raising income. Including asking central government to pay rates on their own properties!

Rates: Rates are Council's main source of income. We wish we had more options (such as a tourist tax, or receiving a portion of GST), but at the moment, the Rating Act is the only option we have.

Fees and charges: the other user pays charges are our fees for using specific services – such as pool entry, building or resource consents, venue hire fees, transfer station fees, dog registration and more. Most services funded through fees and charges are also subsidised through general rates.

We're proposing some significant rates increases – but we're also proposing some significant increases to various fees and charges. This is a conscious decision about 'how we cut the pie'.

Our costs have gone up significantly and we have to cover those costs – we can either recover it ALL through rates, or recover some of it through fees. We think it's fairest to split those increases across both where possible.

Our draft Fees and Charges are being consulted on alongside this Long Term Plan – you can find out more at mpdc.nz/fees

Grants and subsidies: Waka Kotahi/New Zealand Transport Agency contributes 51% of costs towards our local roading network. We also receive occasional grants from central government towards specific projects – past examples are the Provincial Growth Fund projects, Tourism Infrastructure Fund, and Transport Choices projects.

With the changing government it is difficult to predict what grants and subsidies will be available for this Long Term Plan. We have budgeted on the assumption that we will receive our existing level of funding towards roading.

Interest: We're required to collect rates to replace our assets at the end of their life – but instead of having that money piling up in an account, we put it to good use. We loan that money back to ourselves to fund capital projects - but at a lower interest rate than what we'd borrow from the bank. It works just like a typical loan, where we pay interest – but instead of that interest going to the bank, it's going back to our community and helps offset rates a little.

How will it affect you?

Average urban property:

The average urban property in our district is worth \$676,800

Currently rates for the average urban property are: \$3,210

Proposed rates for 2024/25 are: \$3,613

That's an increase of \$403, or \$7.75 per week. About the same as a big block of chocolate or a couple of bags of chips.

This property pays

- **General rates** and a **UAGC** towards services everyone benefits from – like roads, libraries, parks and reserves, democracy, pools, online services, civil defence, parks and tracks etc
- And targeted rates for some specific services that this property receives - **kerbside collection, water, wastewater, and stormwater**

Urban rates can seem high when compared to lifestyle and rural properties, which generally have higher capital values. This is because urban properties receive extra services like kerbside collection and water, and pay targeted rates for these. Costs in those areas have increased significantly in recent years (and continue to increase) as central government introduce new rules, taxes and standards that Council must meet.

Average lifestyle property:

The average lifestyle property in our district is worth \$1,030,092

Rates for the average lifestyle property are: \$2,120

Proposed rates for 2024/25 are: \$2,382

That's an increase of \$262, or just over \$5 per week - about the same as a cup of coffee or a couple of packets of biscuits.

This property pays

- **General rates** and a **UAGC** towards services everyone benefits from – like roads, libraries, parks and reserves, democracy, pools, online services, civil defence, parks and tracks etc
- A lifestyle property would not usually pay any targeted rates unless they are close enough to a town to receive metered water or maybe kerbside collection services, or are included in the catchment for a rural community hall.

Average rural property:

The average rural property in our district is worth \$3,817,000

Rates for the average rural property are: \$5,764

Proposed rates for 2024/25 are: \$6,248

That's an increase of \$485, or \$9.32 per week - about the same as a packet of cable ties or an Instant Kiwi scratchie.

This property pays

- **General rates** and a **UAGC** towards services everyone benefits from – like roads, libraries, parks and reserves, democracy, pools, online services, civil defence, parks and tracks etc
- And targeted rates for a nearby **rural hall**

What's driving up the costs?

Investigating inserting a pie graph to show total increase and what the drivers are

+X% - desludging our wastewater plants

Wastewater is everything that goes down the drain - from sink water to sewerage. We treat this to a high standard and discharge the clean water back to the environment - but there are also solids left over as part of this process, known as 'sludge'. Sludge accrues over time, but needs to be disposed of in an environmentally friendly way, and as it is a biohazard, this is costly. Up to now we've been using a biochemical treatment, which has slowed the accrual of the sludge/bought us time - but the sludge at our plants has now reached a level where we need to plan and budget for its removal. This is a MUST do, because we can't risk that biohazard being leaked into the environment.

+X% - Staff costs

Our district is growing and that means there are more reserves to mow, more roads to maintain, more consents to process, more projects to manage and so on. While that growth brings more money into the district, it also comes at a cost – we need additional staff to meet the demand and to ensure we are planning ahead for the future. Equally the additional regulations introduced by central government (e.g. reporting on water quality, and waste streams) come at a cost, both for upgrades to our systems or assets, but also for staff to complete the monitoring and reporting.

+X% - interest rate increases

Everybody will know that interest rates have continued to increase over the last 12 months. This also affects Council as we borrow money to pay for capital projects (i.e. buildings or infrastructure).

+ X% - the impact of inflation

When we forecast a rates increase in 2021 of X% for this year, it included 2.9% inflation, but what we have actually seen has been MUCH higher.

Household inflation (known as CPI) has gone up by X%. Every household will know about these increases, as you will have seen groceries and other household bills (your basket of goods)

increasing. The “basket of goods” that Council purchases is different to a household – our basket includes replacing pipes, maintaining roads, purchasing chemicals for water treatment etc. Local government inflation (based on the Capital Goods Price Index) has been hit even harder with increases of between X% and X% over the last two years. A number of items in this basket rely on products that are in short supply worldwide, or have had significant price spikes such as oil, transportation and labour costs - particularly large hit on roading maintenance costs, and power costs and insurance.

Funding asset replacements

Throughout this document we have highlighted areas where we have tried to offset some of these large increases by reviewing our capital programme, smoothing out costs over many years, taking some risks in how we have proposed to fund some activities, increasing our recoveries from fees and charges, etc.

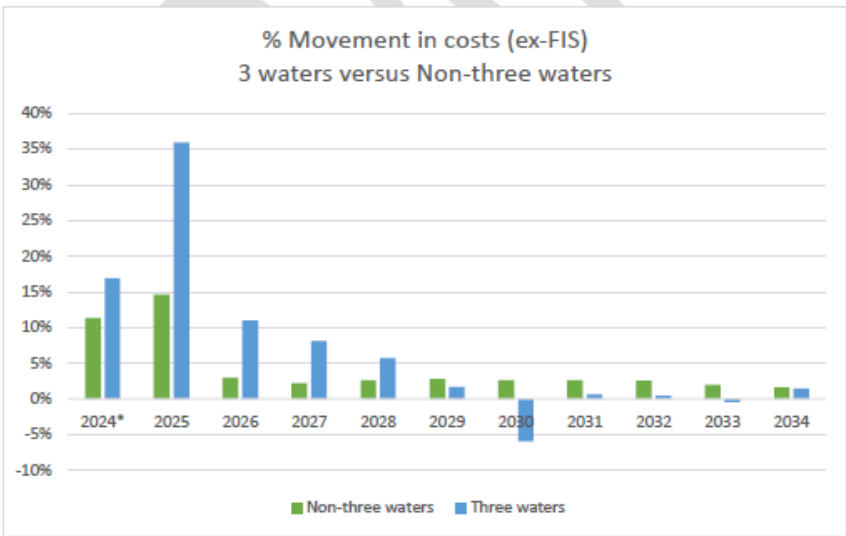
Managing our finances well

The section above outlines the impact in year one of the plan – but this is a ten year plan. Our Financial Strategy is a key part of that plan, because it helps provide direction and transparency around how we manage the district’s finances. Right at the start of the document we highlighted some of the key challenges and our actions covered in this strategy.

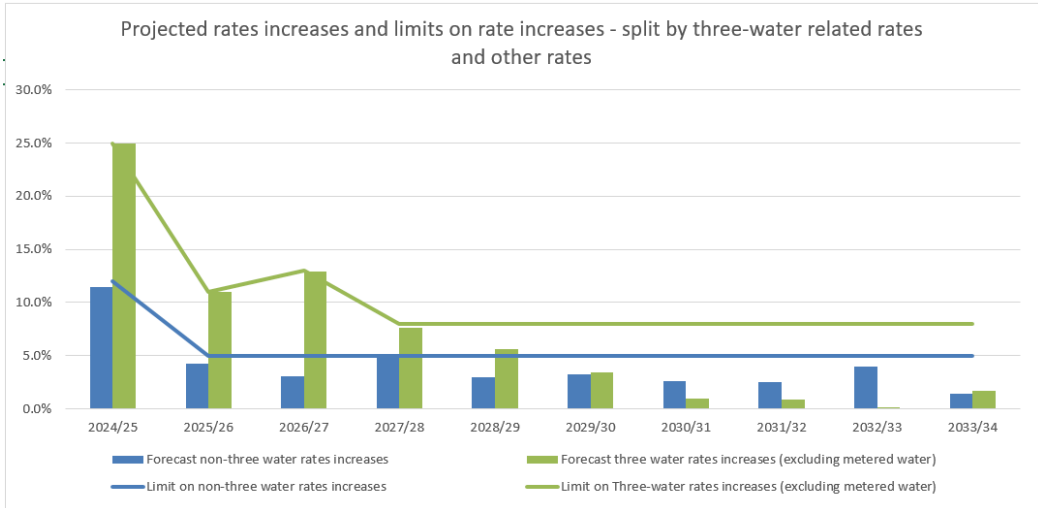
Now that you’ve read more about our plans for the next 10 years, it also makes sense to share a bit more detail around how all these plans impact rates over that time and how we’re managing our debt. You can also read the Financial Strategy in full at mpdc.nz/tp

Rates for the next 10 years

Here’s how all these planned projects add up and affect rates over the next 10 years.



We know we are expecting significant cost increases in the water, wastewater and stormwater areas to comply with new government requirements. So this graph shows two lots of figures - the green bars show projected cost increases for all our services, EXCLUDING waters, and the blue bars show projected cost increases just for water services. If your property doesn't have water/wastewater services, then you only need to look at the green bars. If you have a fully serviced property, then you will be affected by both the green and blue bars.



A few important things to note when looking at this graph:

- The average increase over the next 10 years is 4.05% per year (excluding 3 waters), or 6.92% per year (if you include 3 waters).
- The percentages in this graph reflect how much more money we need to collect to deliver our services. Because ratepayers receive different services, your actual rates increase is likely to be different to this percentage.
- Things change. Government regulations change, inflation changes, and problems and opportunities come up. That's why we do an Annual Plan every year - to see how we're tracking against this Long Term Plan, and make adjustments for the year ahead. These numbers are our best projection - but they are likely to change.
- We use the best available data to predict what inflation will be. But for the last two years, actual inflation was 2-2.5x more than we projected. While we do what we can to stay within our self-imposed rates limits, factors outside our control can affect this

Alternative option

Costs for everything are extraordinarily high right now - and we know that no one will welcome a significant rates increase. An alternative option is to borrow money to help cover the high operational costs for the year ahead, and pay this back over the following years. This is called running an 'unbalanced budget', and is a bit like taking a personal loan to pay for the groceries when things are tight at home.

While this option would ease some of the immediate pressure, we'd prefer not to do this as it would mean playing catch up in the years to come, with several years of higher rates increases. It's just not a sustainable way to manage our finances for the longer term.

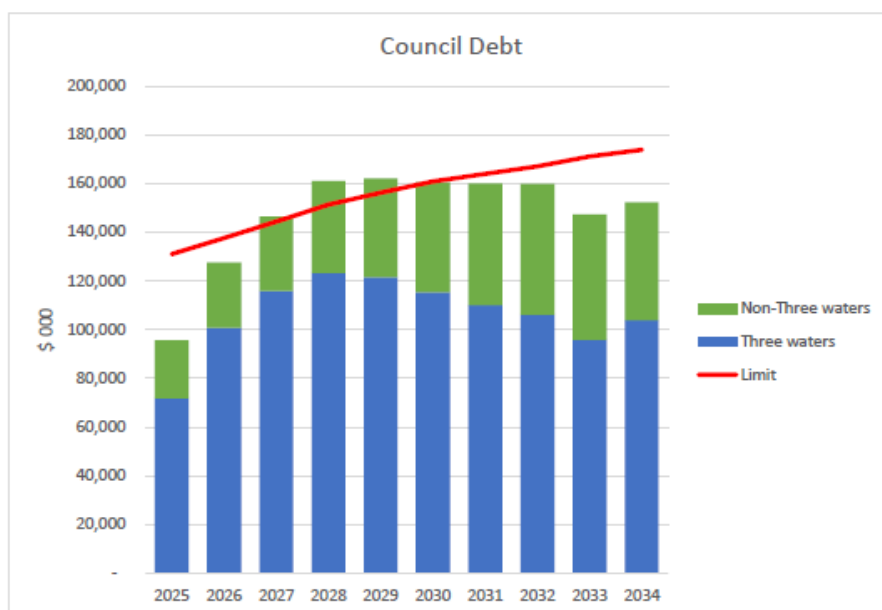
Graph of alternative rating profile

Managing our debt

While borrowing to pay for the groceries is not an ideal long-term strategy, borrowing money to pay for assets like water, wastewater, roads and community buildings and facilities that will serve the community over a long period of time makes sense. Using loans to pay for these kinds of assets means we can recover the costs over time, so that both current and future ratepayers pay their share. It also means that increases in rates are usually less volatile, as the cost of the asset is spread out over a longer period.

The graph below shows our projected debt over the next ten years. We're proposing to increase our debt quite significantly over the first 3-4 years mostly to fund MUST DO capital work required for our three waters activities. If our capital work happens as quickly as we have projected it to, there is a possibility that we could exceed our self-imposed limit of net debt at 150% of revenue in years 3 to 5 of the plan. There will be options to change this situation before

it occurs, including reducing the capital programme, increasing revenue (e.g. rates) beyond what is projected in the LTP, or increasing the debt limit (noting that Council's lenders would allow a limit of up to 175%). While Council could comfortably look to increase the self-imposed limit on debt at the beginning of this 10 year period, which would give us additional headroom throughout the plan, we think it is prudent to keep an appropriate level of tension on our debt limits.



We project our net debt to peak at \$148 million, and to be on average around 141% of our revenue for the next 10 years.

While that sounds like a lot of debt, it helps if you compared it to a standard household income with an average mortgage.

Audit opinion

5. DRAFT Mana Whenua Chapter

Mana whenua means an iwi or hapū that exercise a customary authority within in an identified area of the Matamata-Piako District.

Recognition of Iwi and Hapū

The following iwi and hapū are mana whenua within the Matamata-Piako District.

Iwi	Hapu (within MPDC)	Waka
Ngāti Hauā Iwi Trust https://ngatihauaiwitrust.co.nz/	Ngāti Rangī Tawhaki Ngāti Te Oro Ngāti Werewere Ngāti Te Rangitaupi Ngāti Waenganui	Tainui
Ngāti Hinerangi Iwi https://www.ngatihinerangiwi.co.nz/	Ngāti Kura Ngāti Rangī Ngāti Tamapango Ngāti Tangata Ngāti Tawhaki Ngāti Te Riha Ngāti Tokotoko Ngāti Whakamaungarangi Uri o Tangata	Tainui
Ngāti Koroki Kahukura Trust		Tainui
Ngāti Maru Runanga Iwi Authority https://ngatimaru.iwi.nz/		Hauraki / Tāmaki
Ngāti Rāhiri Tumutumu https://rahiritumutumu.co.nz/	Ngāti Haumia Ngāti Hue Ngāti Kopirimau Ngāti Kotopara Ngāti Rāhiri Ngāti Tau Ngāti Te Atua Ngāti Te Kaha Ngāti Te Ruinga Ngāti Tumutumu	Hauraki
Ngāti Whanaunga Inc http://www.ngaatiwhanaunga.maori.nz/		Hauraki / Tāmaki
Raukawa Iwi https://www.raukawa.org.nz/	Ngāti Hinerangi Ngāti Kirihihi Ngāti Mōtai Ngāti Te Apunga Ngāti Wehiwehi	Tainui
Te Kupenga O Ngāti Hako https://hako.co.nz/		Hauraki
Te Runanga A Iwi O Ngāti Tamatera https://tamatera.co.nz/		Hauraki / Tāmaki
Te Runanga O Ngāti Pāoa https://www.ngatipaaiwi.co.nz/	Matekiwaho Ngamuri Ngāti Horowhenua Ngāti Huia Ngāti Hura	Hauraki / Tāmaki

DRAFT Mana Whenua Chapter – National Planning Standards 6 December 2023

	Ngāti Huru Ngāti Kahu Ngāti Kauahi Ngāti Kohua Ngāti Koura Ngāti Mahia Ngāti Ngamuri Ngāti Omakau Ngāti Parengaherehere Ngāti Rapu Ngāti Rauwhea Ngāti Ringatahu Ngāti Ruakura Ngāti Rurangi Ngāti Taharoku Ngāti Tahuna Ngāti Tarao Ngāti Te Aho Ngāti Te Aute Ngāti Te Hiko Ngāti Tipa Ngāti Tuwhanga Ngāti Wharetoi Ngāti Whata Te Hingawaka Te Mata Tokeroa Te Rapupo	
Ngāti Tara Tokanui https://ngatitaratokanui.maori.nz/		Hauraki
Waikato-Tainui https://waikatotainui.com/	Ngāti Hauā Ngāti Makirangi Ngāti Ngutu Ngāti Paretekawa Ngāti Wairere	Tainui

Clicking on the iwi authority links above will take you to their respective websites, where you will find information regarding histories, tribal areas, associated marae, vision statements, cultural, social and environmental priorities, and contact details.

Iwi and Hapū Values

	Ngā Kaupapa	Ngā Whāinga
Tiriti	Tiriti based relationships	A relationship characterised by mutual respect, open communication, and meaningful partnerships that uphold the mana and interests of both parties. Respecting Te Tiriti by honouring the spirit and principles of partnership, protection and participation.
Te Puāwaitanga o Te Ao Māori	Cultural Vibrancy and Protection	Recognise and protect cultural values in particular to Mana whenua's relationship to land, cultural heritage, sites of significance, to taonga and the natural environment as a

		whole. Appreciate and realise Māori Culture is to be respected, thriving and added richness to inclusiveness and diversity.
Kaitiakitanga	Environmental Stewardship	Enable the exercise of guardianship of natural and physical resources by Mana whenua in accordance with tikanga Māori.
Tū Rangatiratanga	Representation	Empowering self-determination to support and promote Rangatiratanga leading to achieve collective aspirations in a way that acknowledges Mana whenua's role in their mana motuhake.
Ngākau Pūmau	Integrity and Accountability	Uphold high standards of integrity and accountability ensuring transparency and trust between Council and Mana whenua
Te Reo	Language of Connections Language of Whakapapa Language of Mātauranga	<p>Upholding in high regard Te Reo Māori as a vessel to:</p> <ul style="list-style-type: none">• Unite people, cultures and community• Carry past generations, weaving whakapapa and generational threads to honour “who we are and where we come from.” <p>Encompass transferring of traditional knowledge and wisdom enabling ancestral lived experiences to help shape current and future driven decision-making</p>

Treaty Settlement Interests

The following iwi have settled their historic Te Tiriti o Waitangi claims against the Crown, with certain provisions of their respective Deeds of Settlement enacted by legislation.

Deed of Settlement	Statutory Acknowledgements
Waikato Raupatu Claims Settlement Act 1995	
Waikato-Tainui Raupatu Claims (Waikato River) Settlement Act 2010	
Raukawa Claims Settlement Act 2014	See sections 27 and 34, and Statements of Association for the Statutory Areas Maps for Part Kaimai-Mamaku Conservation Park, Okauia and Taihoa Geothermal Fields, Part of Waihou River and its tributaries, and Part of Lake Karapiro
Ngāti Hauā Claims Settlement Act 2014	See section 36 and Statements of Association for the Statutory Areas Maps for Waiorongomai, Ngatamahinerua (Part of Kaimai Mamaku Conservation Park and part Maurihero Scenic Reserve, Te Wairere (being Wairere Falls Scenic Reserve, part of Gordon Park Scenic Reserve, and part of Kaimai Mamaku

	Conservation Park, Te Weraiti (part of Kaimai Mamaku Conservation Park), and Waikato River and tributaries within the Ngati Haua Area of Interest
Ngāti Koroki Kahukura Claims Settlement Act 2014	See sections 27 and Statements of Association for the Statutory Areas Maps for Waikato River and tributaries within the Ngati Haua Area of Interest, and Lake Karapiro
Ngāti Hinerangi Settlement Act 2021	See sections 33 and 40, and Statements of Association for the Statutory Areas Maps for Okauia and Taihoa Geothermal Fields, Kaimai range ridgeline, Part Kaimai Range (including part Kaimai Mamaku Conservation Park, part Gordon Park Scenic Reserve, part Wairere Falls Scenic Reserve, and part Maurihiro Scenic Reserve), Part Maurihiro Scenic Reserve, Te Ara o Maurihiro (Thompson's Track), Te Tapui Scenic Reserve within the area of interest, Waianuanau, and Waihou River and its tributaries within the area of interest.

The above links will take you to the Statutory Acknowledgement section of the respective settlement legislation for each iwi. Statutory Acknowledgement interests are identified through Treaty Settlement legislation. The Council must also provide summaries of resource consent applications or copies of notices to iwi for each resource consent it receives for an activity within, adjacent to, or directly affecting a statutory acknowledgement area. This provides iwi/hapū with the opportunity to directly identify any cultural matters relating to the statutory acknowledgement area. This information is then factored into the Council's assessment and decisions around the proposed activity.

The following iwi have not settled their historic Te Tiriti o Waitangi claims against the Crown, but it is considered good practice to have regard to any statutory acknowledgements identified.

Te Kupenga O Ngāti Hako - Member of Hauraki Collective
Ngati Maru Rununga Iwi Authority – Deed of Settlement initialled with Crown 8 September 2017 Member of Hauraki Collective
Te Runanga O Ngāti Paoa – Ngati Paoa Claims Settlement Bill 2022
Ngāti Rāhui Tumutumu – Deed of Settlement initialled with Crown on 13 July 2017
Te Rununga A Iwi O Ngāti Tamatera – Deed of Settlement initialled with Crown on 20 September 2017.
Ngāti Tara Tokanui – Deed of Settlement signed on 28 July 2022; Ngāti Tara Tokanui Claims Settlement Bill
Ngāti Whanaunga Inc – Deed of Settlement initialled with the Crown on 25 August 2017 Member of Hauraki Collective

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Council and Mana Whenua Relationships

- (1) Te Manawhenua Forum mō Matamata-Piako is, “To facilitate tangata whenua contribution to Council’s decision making.” The forum considers matters to sustainably promote the social, economic, environmental and cultural wellbeing of Māori communities for today and for the future.

The Forum includes representatives from Council, Ngāti Hauā, Ngāti Rāhiri-Tumutumu, Raukawa, Ngāti Maru, Ngāti Whanaunga, Ngāti Pāoa and Ngāti Hinerangi. Ngāti Tamaterā also have the ability to join.

The forum is a standing committee of Council and the structure was developed through discussions with Māori nominated representatives.

- (2) There is a specific agreement to administer and manage reserve land at the Waharoa Aerodrome.
- (3) Terms of Reference for specific working groups on plan changes have been put in place at various times, the latest being the development of the Papakāinga plan change.
- (4) When Council undertakes large projects, be it development of community sites or bilingual signage policy, iwi representatives are invited to participate.
- (5) Council staff will work with mana whenua to prioritise the establishment of Mana Whakahono ā Rohe agreements for the iwi within the district.

Iwi and Hapū Planning Documents

The table below lists iwi and hapū planning and/or environment related documents.

Iwi	Document	Date	Type	Status
Waikato Tainui	Tai Tumu, Tai Pari, Tai ao	2013	Environmental Management Plan	Lodged with Council
Ngāti Hauā Iwi Trust	Te Rautaki Tamata Ao Turoa o Haua	2018	Environmental Management Plan	Lodged with Council
Ngāti Whanaunga	Ngaati Whanaunga Strategic Management Plan	2019	Strategic Management Plan	Lodged with Council - check
Raukawa	Te Rautaki Taiao A Raukawa	2015	Environmental Management Plan	Lodged with Council

Engagement and Consultation with Mana Whenua

Council recognises the need to consult with Mana whenua stems from Te Tiriti o Waitangi principles of partnership, participation and protection and requiring both parties to act reasonably and make informed decisions. Council also acknowledges engaging and consulting with Mana whenua as cultural experts often leads to a better understanding of the issues and opportunities. In many instances, this shared responsibility will result in improved

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social, cultural and environmental outcomes, trusting relationships, and positive outcomes of mutual benefit.

While the Resource Management Act 1991 has different requirements for consulting with Mana whenua, their contribution to assessing effects on Māori cultural values as set out under Part II of the Act can be significant. For this reason, Council engages and consults with Mana whenua on all resource consent applications through the relevant Iwi authority.

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