

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 24 April 2024
Wā | Time: 9:00
Wāhi | Venue: Council Chambers
35 Kenrick Street
TE AROHA

Ngā Mema | Membership

Manuhuia | Mayor

Adrienne Wilcock, JP (Chair)

Koromatua Tautoko | Deputy Mayor

James Thomas

Kaunihera ā-Rohe | District Councillors

Caleb Ansell

Sarah-Jane Bourne

Sharon Dean

Bruce Dewhurst

Dayne Horne

Peter Jager

James Sainsbury

Russell Smith

Kevin Tappin

Gary Thompson

Sue Whiting

Waea | Phone: 07-884-0060
Wāhitau | Address: PO Box 266, Te Aroha 3342
Īmēra | Email: governance@mpdc.govt.nz
Kāinga Ipuranga | Website: www.mpdc.govt.nz



Ā-TIKANGA | PROCEDURAL

1	Whakatūwheratanga o te hui Meeting Opening	3
2	Ngā whakapāha/Tono whakawātea Apologies/Leave of Absence	3
3	Panui i Ngā Take Ohorere Anō Notification of Urgent/Additional Business	3
4	Whākī pānga Declarations of Interest	3
5	Whakaaentanga mēneti Confirmation of Minutes	3
6	Papa ā-iwi whānui Public Forum	3

NGĀ PŪRONGO A NGĀ ĀPIHA | OFFICER REPORTS

7	Pūrongo me whakatau Decision Reports	
7.1	Waharoa Recreation Reserve: Hearing of Submissions on Proposed Lease	4
7.2	Submission to Waikato Regional Council's 2024-2034 Draft Long Term Plan	12
7.3	CCO Performance Monitoring - Waikato Regional Airport Limited 2024/25 Draft Statement of Intent and Half-Yearly Report	77
7.4	CCO Performance Monitoring - Waikato Local Authority Shared Services Limited (Trading as Co-Lab) 2024/25 Draft Statement of Intent, Half-yearly Report and Appointment of Director	104
8	Ngā Pūrongo Whakamārama Information Reports	
8.1	Hauraki Gulf Forum Meeting 4 December 2023 and 4 March 2024	115
8.2	Staff Long Service Presentation	118

1 Whakatūwheratanga o te hui | Meeting Opening

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

An apology from Councillor Sue Whiting has been received.

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

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

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

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

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

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

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

4 Whākī pānga | Declaration of Interest

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

5 Whakaaetanga mēneti | Confirmation of Minutes

Minutes, as circulated, of the ordinary meeting of Matamata-Piako District Council, held on 27 March 2024

6 Papa ā-iwi whānui | Public Forum

At the close of the agenda, there were no speaker schedule to the public forum.

7 Pūrongo me whakatau | Decision Reports

7.1 Waharoa Recreation Reserve: Hearing of Submissions on Proposed Lease

CM No.: 2845273

Te Kaupapa | Purpose

The authority to grant new leases over reserves rests with Council. Prior to making a decision on the proposed lease, Council must first give consideration to the submissions received and hear those submitters who wish to speak to their submissions.

Rāpopotonga Matua | Executive Summary

Raungaiti Sports Body Incorporated, would like to relocate a building onto the Waharoa Recreation Reserve (also known as Waharoa Domain) to support sports and recreation activities at the Reserve.

The proposal would require the grant of a lease under the Reserves Act 1977 for the area occupied by the building. The delegation to decide whether to grant a new lease over reserve land currently sits with Council.

Public notification of a proposed lease was required in this particular case as the Reserve is Crown Land and is not vested in Council.

Council resolved to notify the proposed lease on 14 February 2024. Public notice was given on 21 February 2024. Eighteen submissions were received. All submissions were in favour of the proposal. Some submitters wished to speak to their submissions.

Prior to making a decision on the proposed lease, Council is required to consider the submissions received and to hear those submitters who wish to speak to their submissions.

Tūtohunga | Recommendation

That:

1. The report be received;
 2. Council gives consideration to all submissions received;
 3. Council hears those submitters who wish to speak to their submissions;
-
4. Pursuant to section 59A, Reserves Act 1977, and Part 3B, Conservation Act 1987, Council resolves to grant a concession, in the form of a ground lease over portion of the Waharoa Recreation Reserve, to Raungaiti Sports Body Incorporated;
- OR
- Council declines to grant a concession in the form of a ground lease to Raungaiti Sports Body Incorporated over portion of Waharoa Recreation Reserve;
- OR

Council defers its decision to a later date in order to further consider the submissions or investigate any matter relating to the proposal.

- 5. Council Staff are authorised to undertake the necessary administrative actions to give effect to Council's decision.**

Horopaki | Background

Raungaiti Sports Body Incorporated, would like to relocate a building onto the Waharoa Recreation Reserve (also known as Waharoa Domain) to support sports and recreation activities at the Reserve.

The proposal would require the grant of a lease under the Reserves Act 1977 for the area occupied by the building. The delegation to decide whether to grant a new lease over reserve land currently sits with Council.

Waharoa Recreation Reserve is Crown Land and Council holds an appointment to 'control and manage' the Reserve under the Reserves Act 1977. Public notification of a proposed lease was required in this particular case as the Reserve is Crown Land and is not vested in Council.

At its meeting on 14 February 2024, Council resolved to notify the proposed lease. A public notice was subsequently published in the *Waikato Times* and *The Scene* newspapers as well as on Council's website and Facebook page.

Eighteen submissions were received. All submissions were in favour of the proposal. Initially, three submitters wished to speak to their submissions. One has subsequently withdrawn, leaving two submitters to be heard. A summary of the submissions is provided in Attachment A.

Prior to making a decision on the proposed lease, Council is required to consider the submissions received and to hear those submitters who wish to speak to their submissions.

Ngā Take/Kōrerorero | Issues/Discussion

Land Status

The Waharoa Recreation Reserve (also known as Waharoa Domain) is Crown Land classified as a Recreation Reserve under the Reserves Act 1977. The Reserve is not vested in Council. Council holds an appointment to 'control and manage' the Reserve under the Reserves Act 1977. Council is the Administering Body of the Reserve for the purposes of the Reserves Act 1977.

Leasing powers

As the Reserve is Crown Land and is not vested in Council, Section 59A of the Reserves Act 1977 applies to any proposed lease. Section 59A empowers the Minister for Conservation, in accordance with Part 3B of the Conservation Act 1987, to grant a concession (such as a lease) in respect of any Reserve controlled or managed by an Administering Body. In such cases, Section 59A modifies the wording of Part 3B of the Conservation Act 1987 as if references in Part 3B to a Conservation Area were references to a Reserve. An Instrument of Delegation signed by the Minister for Conservation in 2013 has further delegated the powers under Section 59A to territorial

authorities so that an Administering Body may apply Part 3B of the Conservation Act 1987 as though references in that Part to the Minister and/or Director-General are references to the Administering Body (Attachment C).

In practice, this means that Council may, as a delegate of the Minister of Conservation, consider a lease over part of a Reserve that it 'controls and manages' but must follow the concession process prescribed by the Conservation Act 1987 as modified by Section 59A of the Reserves Act 1977. Under the Conservation Act process, an application for a lease must be publically notified unless it is an extension or exercise of a right of renewal of an existing lease. As this is a new lease, public notification was required.

In accordance with s.49 (e) and (f), Conservation Act 1987, a summary of all objections and comments received and a recommendation as to the extent to which they should be allowed or accepted has been provided (Attachment A). Council must now consider the recommendation and the contents of the summary before deciding whether or not to proceed with the proposal.

Regulatory matters

Under the District Plan, relocated buildings, and 'any building on a public reserve' are Discretionary Activities. The proposed activity therefore requires resource consent under the Resource Management Act 1991. Building consent is also required under the Building Act 2004.

Grant of a lease formalises the use of part of the reserve but does not remove the requirement for resource or building consent to be obtained prior to the building being erected on the reserve.

Mōrearea | Risk

Risks associated with the proposal are detailed in the Options below.

Ngā Whiringa | Options

Option One – Status Quo	
Description of option	
Council declines to grant a concession (lease). Raungaiti Sports Body would not be able to lease part of the Reserve to relocate the building onto.	
Advantages	Disadvantages
Not granting the lease at this time could allow time to seek and consider further information.	No storage/shelter facilities.
	Potentially a lost opportunity for Raungaiti Sports Body to acquire a building free of charge.
	Submitters who submitted in favour of the proposal may be disappointed.
	Some people may perceive the time involved and administrative costs incurred as part of the consultation process as wasted.

Option Two – Council grants the concession

Description of option

Council agrees to grant the concession (lease). Provided lease is granted and consents obtained, Raungaiti Sports Body may erect the building at the Reserve.

Advantages

Lease document will formalise the respective rights, duties, and obligations of the parties

Raungaiti Sports Body may apply for resource and building consents and if granted exercise those consents.

Legal requirements are met

Submitters are likely to be satisfied with the outcome

Disadvantages

Recommended option

It is recommended that Council grants the concession. Effects of the activity can be addressed through resource consent conditions and risks can be mitigated by having a formal lease in place.

Ngā take ā-ture, ā-Kaupapahere hoki | Legal and policy considerations Reserves Act 1977 and Conservation Act 1987

Council may, as a delegate of the Minister of Conservation, consider a lease over part of a Reserve that is Crown Land which Council 'controls and manages' but must follow the concession process prescribed by Part3B of the Conservation Act 1987 as modified by Section 59A of the Reserves Act 1977. The notification process under section 49, Conservation Act 1987, has been followed. A public notice was placed in a local newspaper (*The Scene*) as well as in a regional newspaper (*Waikato Times*). While not a legal requirement, the notice was also placed on Council's website and Facebook page.

Council must now give consideration to the submissions received before making its decision.

Parks & Open Spaces Strategy 2021-51

The Parks & Open Spaces Strategy 2021-51 allocated Waharoa Domain to the Sport and Recreation park management category. The proposal aligns with the purpose of this category.

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.	Options are addressed above in this report.
Section 78 – requires consideration of the views of Interested/affected people	Public notice was given in accordance with s49, Conservation Act 1987. Submissions were received. Council is now asked to hear and consider these.
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.	Statutory requirements were followed.

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

The consultation process prescribed by the Conservation Act 1987 has been followed. As required by s.49, Conservation Act 1987 public notice was placed on 21 February 2024 in a 'newspaper circulating in the area in which the subject matter of the notice is situated' (*The Scene, Matamata*). The matter was not published in one of the four major daily newspapers as it was deemed to be of local/regional interest only. The notice was therefore published in 'a newspaper... circulating throughout the locality or region in which the subject matter is situated' (*Waikato Times*).





While not a legal requirement, the notice was also placed on the Council website and Facebook page.

Eighteen submissions were received. All submissions were in favour of the proposal. Submissions commonly highlighted recreational and social benefits of the proposal (Attachment A).

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

Pānga ki te pūtea, me te puna pūtea | Financial Cost and Funding Source
The cost of public notification has been funded from operational budgets.

Ngā Tāpiritanga | Attachments

[A↓](#). A. Summary of Submissions



Ngā waitohu | Signatories

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

Summary of Submissions

Name of Submitter	Position	Wish to be heard?	Summary of Submission
Corinne Ray	Support	No	Great idea
Waimarie Tuhakaraina	Support	No	-
Tracey Dennis	Support	No	Great to keep people active and healthy, also provides resources to members of the community who already play or aspire to play professionally.
Lauren Smith	Support	Yes	Helps in keeping younger people in the community active and healthy. Also teaches them to be respectful.
David King	Support	No	-
Kaurangi Henare	Support	No	-
Tuma Wilson	Support	No	Highly support this
Te Kohanga Rea O Kutia	Support	No	-
Sheryl Whauwhau	Support	No	-
Hineau Mark of Raungaiti Sports Body Incorporated	Support	No	
Taurima Wilson	Support	No	Will benefit Waharoa as the space has already been established for trainings and outdoor recreation.
Michaeilla Aliimatafitafi	Support	No	Great idea!
Mani Witika	support	No	Great for the community as it could provide opportunities for fitness and community spirit.
Case Shalders	Support	No	Provides encouragement to kids to be active

Name of Submitter	Position	Wish to be heard?	Summary of Submission
Manu King	Support	Yes [No longer wishes to be heard]	Necessary for Waharoa's future
Tiana Tuhakraina	Support	No	Gets people involved socially and educationally; also creates a safe space for members of the community.
Te Riina Kapea	Support	Yes	Provides an opportunity for young athletes. Also provides for a by Maaori for everyone approach and embed values such as Manaakitanga, whanaungatanga.
[Witheld] ¹	Support	[Not stated]	Will bring together sporting opportunities, talented athletes. Positive outcomes. Confident of a high level of participation in the sports body. Will boost the health of the community and wealth and wellbeing for the next generation of athletes. Consider a sports Recreation hub, it's the least a council can do for the betterment of all whanau in Waharoa.

¹ This submission was received via email rather than the online form. The submitter did not indicate whether they had read the privacy statement concerning submissions nor whether they wish to speak to their submission. Staff have attempted to contact the submitter but no reply was received at the time the Agenda closed.

7 Pūrongo me whakatau | Decision Reports

7.2 Submission to Waikato Regional Council's 2024-2034 Draft Long Term Plan

CM No.: 2845787

Te Kaupapa | Purpose

The purpose of this report is for Matamata-Piako District Council (Council) to approve its submission to Waikato Regional Council's draft 2024-2034 Long Term Plan.

Rāpopotonga Matua | Executive Summary

Waikato Regional Council (WRC) is currently consulting on its draft 2024-2034 Long Term Plan. Submissions on the draft Long Term Plan close on 2 May 2024.

On 10 April 2024, WRC representatives presented the key issues to Council at a workshop. Council indicated their preference to submit on issues relevant to Council and the Matamata-Piako community.

Council is asked to approve the submission as attached to this report. Alternatively, Council may provide feedback to staff to amend the submission.

Tūtohunga | Recommendation

That:

1. The information be received.

2. Council:

a) approve the attached draft submission to Waikato Regional Council's draft 2024-2034 Long Term Plan.

OR

b) approve the attached draft submission to Waikato Regional Council's draft 2024-2034 Long Term Plan subject to further changes as directed by Council *[to be specified]*.

3. The Mayor be authorised to sign the submission to Waikato Regional Council's draft 2024-2034 Long Term Plan on behalf of Council.

4. Council determine if they would like to present to their submission to Waikato Regional Council's draft 2024-2034 Long Term Plan at the hearing to be held on 14 May 2024 (continuing 15-17 May 2024 as required), and if so, which representative/s will attend.

Horopaki | Background

Waikato Regional Council's Draft 2024-2034 Long Term Plan

Waikato Regional Council (WRC) is currently consulting on its draft 2024-2034 Long Term Plan. Consultation is open from 2 April to 2 May 2024. The consultation document can be found on WRC's website: <https://www.waikatoregion.govt.nz/council/policy-and-plans/long-term-council-community-plan-annual-plan-and-annual-report/ltpl/>

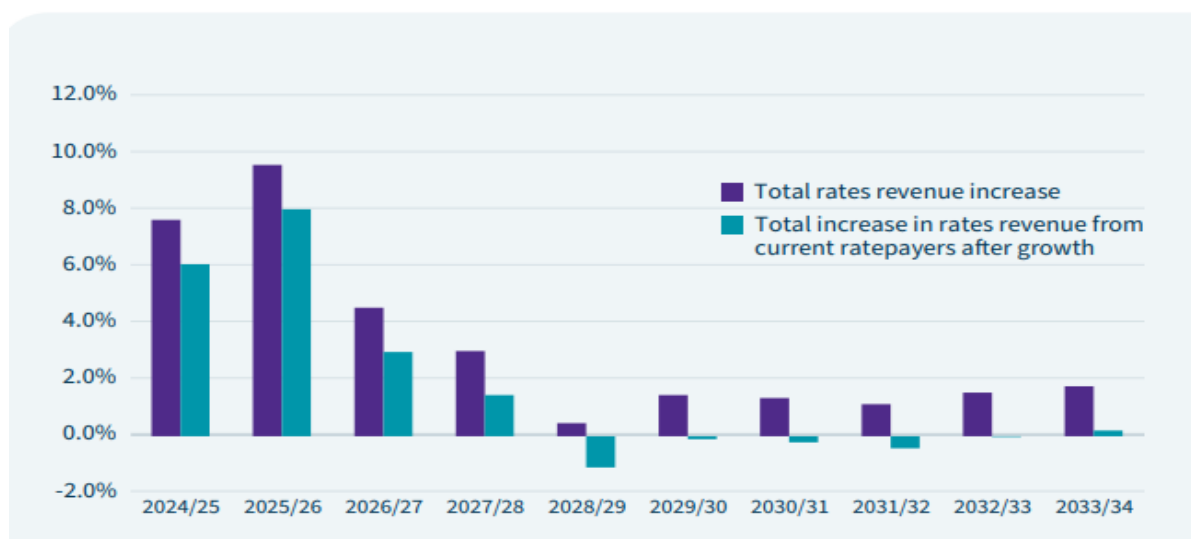
The draft 2024-2034 Long Term Plan contains WRC's work plan and budget for the next ten years, with an in depth look at the first three years. The plan has a focus on resilience. There are many interconnected issues that build resilience in the community and these are reflected in the WRC's strategic priorities as detailed below:



WRC's infrastructure strategy sets out this focus on resilience in further detail with significant investment planned in flood management and land drainage assets.

The draft plan proposes an increase in rates revenue from all current ratepayers of 6 per cent in 2024/25, 8 per cent in 2025/26 and 3 per cent in 2026/27. A snapshot of the impact on rates is shown below:

INCREASE IN TOTAL RATES REVENUE




The table below indicates rating impacts across a sample of properties in 2024/25 for the Matamata-Piako District. Additional targeted rates may apply depending on the location of the property.


Matamata-Piako

	\$500,000 capital value		\$1,000,000 capital value		\$2,000,000 capital value		\$10,000,000 capital value	
	CURRENT	PROPOSED	CURRENT	PROPOSED	CURRENT	PROPOSED	CURRENT	PROPOSED
All property rates	248.43	263.62	380.35	399.78	644.20	672.11	2,755.00	2,850.71
Public transport	12.16	4.35	24.31	8.70	48.62	17.40	243.12	87.01
Catchment	208.61	220.30	417.23	440.60	417.23	440.60	2,086.15	2,202.99
Other targeted rates (2ha+ only)			74.79	0.68	76.21	1.36	87.59	6.79
Other targeted rates (20ha+ only)						274.94		274.94
Total estimated rates	469.20	488.27	896.69	849.76	1,186.27	1,406.40	5,171.86	5,422.43


WRC are consulting on the following proposals and invite comment from the community:




Natural heritage rate




Region-wide public transport rate




Regional Development Fund



Funding Te Waka



Funding primary industry compliance



Other feedback

Ngā Take/Kōrerorero | Issues/Discussion

Council's Draft Submission

At a workshop held on 10 April 2024, WRC representatives presented the key issues of their 2024-2034 draft Long Term Plan to Council. Council indicated their preference to submit to WRC on the issues relevant to Council and the Matamata-Piako community.

Council are asked to approve the attached submission. Council values WRC as a key partner to promote the social, economic, environmental, and cultural well-being of communities.

Council has indicated it supports the proposals, however does not support the primary industry compliance funding proposal. Council's submission advocates for the interests of its communities, particularlyFor those who are not part of the core governance group, this background may be useful:

As part of implementing our Takatū Anamata | Future Ready review, we've established a digital governance to help reset and lead our digital enablement journey.

The group has had two meetings so far, and established:

- Our purpose: making our business “Smarter, Easier, Better”
- Four workstreams, with broader membership than the basic governance group. These are
 - o Whole of systems review
 - o Policy, process and strategy reviews
 - o Projects/prioritisation
 - o Culture shift

The next steps are for someone from the digital governance group to get their workstream members together to make a plan of attack – these are due at the May meeting

Part of shift/purpose we've discussed is a need to create a learning culture – where we try stuff, and share both the wins and the failures. So on that vein we're also establishing a test M365 environment (with co-pilot) for the governance group and workstreams to work in, and encouraging you to actively experiment with these tools. We're conscious that a shift to M365 is likely to be a high priority, and ideally we want to have some good examples to share to help staff understand the benefits of this shift (not just treat the tools the same way/do things the way they've always done them). The April governance group meeting for an introduction the tools and working in that environment.

the challenges facing its rural community including increasing costs, compliance and concerns around the wellbeing effects of this.

Council's submission notes the importance of, and desire to, work with WRC and other district councils in a joined up way for the wellbeing of all of our communities. Council looks forward to working on shared opportunities with particular reference to the spatial plan, as a strong voice for the Matamata-Piako district.

Mōrearea | Risk

No specific risks have been identified relating to the recommendations contained in this report.

Ngā Whiringa | Options

The following options are available to Council:

Option One – Do not submit on WRC's 2024-2034 Long Term Plan	
Council may decide not to submit on WRC's 2024-2034 Long Term Plan.	
Advantages	Disadvantages
No significant advantages identified.	Council would not have the opportunity to advocate on behalf of its community and have influence on the decision making.

Option Two – Submit on WRC's 2024-2034 Long Term Plan	
Council may approve the draft submission (as attached to this report) on WRC's 2024-2034 Long Term Plan.	

Advantages	Disadvantages
Council is able to provide comment on the issues of importance to its community.	No significant disadvantages identified.

Option Three – Submit on WRC’s 2024-2034 Long Term Plan – with amendments as directed to staff

Council may direct staff to make further changes to the attached submission on WRC’s 2024-2034 Long Term Plan.

Advantages	Disadvantages
This option allows Council to identify any further amendments that may be required to the draft submission prior to sending to WRC.	No significant disadvantages identified.

Recommended option

Council is a key stakeholder for WRC. The proposals outlined in WRC’s draft 2024-2034 Long Term Plan impacts on both Council and our community. It is therefore recommended that Council makes a submission to the Consultation Document.

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

As a local authority, WRC is required to prepare a Long Term Plan every three years and to undertake consultation on the proposals contained within it. The special consultative procedure as outlined in section 83 of the Local Government Act 2002 (LGA) must be used when adopting a Long Term Plan.

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

Having regard to the decision making provisions in the LGA and Council’s Significance and Engagement Policy, a decision in accordance with the recommendations is assessed as having a low level of significance. However, the draft Long Term Plan itself is of high significance to communities, therefore Council encourages its community to provide their feedback directly to WRC.

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. 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	Council’s submission has been drafted with the knowledge and experience of community views and preferences. Council are advocating for the needs and positive outcomes for communities.
Section 79 – how to achieve compliance	Council’s Significance and Engagement

with sections 77 and 78 is in proportion to the significance of the issue	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 LGA or any other enactment.

Ngā Pāpāhonga me ngā Whakawhitiwhitinga | Communications and engagement

WRC are inviting submissions from all interested parties. Council is not the decision-maker in this instance, however may consider sharing the consultation document in its communications with ratepayers inviting them to submit their own feedback directly to WRC.

The process will follow the below timeline:





Timeframes

Key Task	Dates
Consultation <i>Opportunity to provide feedback to WRC on the proposals</i>	2 April – 2 May 2024
Hearings <i>Submitters may choose to present their feedback to WRC councillors in person.</i>	14 – 17 May 2024
Decision making <i>WRC Councillors make decisions, taking the feedback received into consideration.</i>	24 – 29 May 2024
Final decision	25 June 2024
Long Term Plan comes into force	1 July 2024

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

WRC are a key partner to support the achievement of all of Council's community outcomes.

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

The attached draft submission has been prepared by staff within existing budgets.

Ngā Tāpiritanga | Attachments

A  Waikato Regional Council 2024-2034 Draft Long Term Plan Consultation Document



B  Attachment to WRC LTP for Region-wide Public Transport Rate



C  Submission to WRC Draft 2024-2034 Long Term Plan



Ngā waitohu | Signatories

Author(s)	Laura Hopkins Policy Advisor	
Approved by	Niall Baker Policy Team Leader	
	Susanne Kampshof Asset Manager Strategy and Policy	
	Kelly Reith Group Manager People, Governance & Relationships	

F¹⁰WARD
YEARS What matters most

Mahere Whānui 2024-2034 Long Term Plan

Consultation document

Waikato

REGIONAL COUNCIL
Te Kaunihera ā Rohe o Waikato



He taiao mauriora
Healthy environment

He hapori hihiri
Vibrant communities

He ōhanga pakari
Strong economy

Tuatahi ake, kia tau iho mai te manaakitanga
o te wāhi ngaro ki runga ki tēnā, ki tēnā o tātou

Whakahōnoretia te Kīngi Māori a Tūheitia me te
whare kāhui ariki nui tonu – paimārire

Kia tau tana manaakitanga ki ngā rangatira puta
noa i te motu

Tangihia atu rā ngā mate o te wā, haere, haere,
haere atu rā

E mihi kau atu ana ki ngā tūtohu whenua, me
ngā tūtohu wai

Ngā hau marangai ki uta, ngā ngarungaru e
papaki ana ki tai

E ngā reo, e ngā mana, e rau rangatira mā

Tīhei mauri ora ki te whei ao ki te ao mārama.

May the protection and life force of the spiritual
realm reside with each and every one of us

We honour the Māori king, King Tūheitia and his
lineage – goodness and peace

May his token of regard reach the esteemed
across the land

We mourn those who have passed, as they
depart to the next world

We acknowledge the paramount landscapes
and waterscapes

The eastern winds that flow across the land, the
coastal waves the crash on the shores

To one and all, the esteemed and the prestige

Behold, the breath of life, from the dawn to the
world of light.

Takatū Waikato

Making a stand for the Waikato

Matawhānui **Our vision**

Waikato mārohirohi: Manaaki whenua, whakamana tangata.

The mighty Waikato: Caring for our place, empowering our people.

Aronga **Our purpose**

Working together for a Waikato region that has a **healthy environment, vibrant communities** and **strong economy**.

Ngā aronga nui **Our strategic priorities**



Wai
Water



Hanganga tauwhiro
Sustainable development and infrastructure



Rerenga rauropi, tiakitanga taiao
Biodiversity and biosecurity



Hononga hapori
Community connections



Takutai moana
Coastal and marine



Whakaheke tukunga
Transition to a low emissions economy

A focus on wellbeing and how we respond to climate change is woven through all our priorities.

Rārangi kaupapa Contents

Ka whakanuia ō whakaaro Your views matter	10
Te whakaraupapatanga o ētahi mahi kē Other work we're prioritising	23
Ngā mahi kua maunu Work we're not doing	28
Penapena pūtea me te mahi whai rawa Investment and affordability	30
Te wāhi ki o tāke kaunihera What this means for your rates	34

[Share your views >>](#)

Go to waikatoregion.govt.nz/ltp to have your say. You can also respond by post or email.

Our proposals

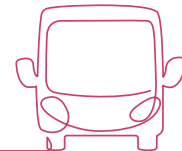
Page 11



Investing more in our region's biodiversity

- Increasing our natural heritage rate

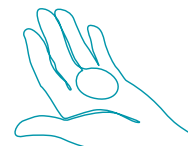
Page 13



Simplifying public transport investment

- Collecting a region-wide public transport rate

Page 18



Regional economic development funding

- Discontinuing the Regional Development Fund
- Funding for Te Waka

Page 21



Rural compliance and support

- Changes to the funding of primary industry compliance

Kia whai ngako te mahere Making a plan matters

We love where we live in the mighty Waikato and we want to make it even better, with you.

So, we're making a plan that matters, helping to set our work programme and budget for the next 10 years, with an in depth look at the first three years.

Our 2024-2034 Long Term Plan – known as the LTP for short – is reviewed every three years, guided by our strategic direction and the feedback we receive through this public consultation.

It's where we set out what we're going to do, the money we're going to spend to do it and the impact this will have on rates.

To help you get involved in the decision making process, we've produced this document. It provides information on key proposals, including the rates implications and impacts on levels of service, and gives you options to choose between during our public consultation in April.

See pages 10-22 for our proposals.

 Other documents supporting this plan can be found at waikatoregion.govt.nz/ltp

He aha, hei āwhea rānei ngā mahi? What's happening and when?

Consultation

Consultation is open for you to tell us what you think about our proposals.

2 April
to
2 May

14-17
May

Hearings

You can present your feedback to councillors in person (if you wish). Details will be available online at waikatoregion.govt.nz/council-meetings/council. All meetings are open to the public.

Decision making

Councillors make decisions on the 2024-2034 Long Term Plan. Your feedback will be taken into account along with other submissions from across the region.

24-29
May

25
June

Final decision

The 2024-2034 Long Term Plan is adopted

A copy will then be made available online at waikatoregion.govt.nz/ltp.

Kia tū pakari, kia rere pai Resilience and efficiency matter

In recent times, our communities and our council have faced some big challenges, including COVID-19, extreme weather events and a cost-of-living crisis.

We've navigated these challenges with you while still maintaining essential investment, honouring existing commitments and ensuring some of the lowest rates rises in the country.

We can't predict what the future holds. But we do know we need to be ready to face fresh challenges – and to seize new opportunities as how we live, work and travel continue to evolve, and community expectations change.

So, as we plan our work programmes and budget for the next 10 years, we're focusing on what matters most – the resilience of our rohe (region).

When it comes to resilience, there are lots of interconnected issues, which are reflected in our six strategic priorities: water, biodiversity and biosecurity, coastal and marine, sustainable development and infrastructure, community connections, transition to a low emissions economy.

Achieving the goals we've set across our priorities will go a long way to improving the resilience of our region.

Critical to many of our goals are the infrastructure assets and nature-based solutions that help safeguard communities. However, it's clear we must fundamentally change the way we invest in, manage and pay for our infrastructure over time. Our approach to this is set out in our new infrastructure strategy, which you can read more about on the next page.

The region's resilience is about more than assets like stopbanks and pump stations. We know we have to develop with nature in mind and be responsive to the challenges of climate change. Wellbeing and community connectivity are important too.

It's clear we must fundamentally change the way we invest in, manage and pay for our infrastructure over time. Our approach to this is set out in our new infrastructure strategy.

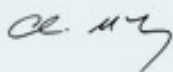
That's where our spatial plan, which we'll be taking the first steps towards developing, will play a critical role – ensuring the right decisions are being made for the whole region. Investing in science also provides an evidence-based foundation for our policies and decision making.

To deliver this and more, we must be financially resilient. So we're maintaining strong and responsible finances to address immediate cost-of-living and cost-of-service-delivery pressures, and to prepare for the unexpected.

Our draft plan proposes an increase in rates revenue from current ratepayers of 6 per cent in 2024/25, 8 per cent in 2025/26 and 3 per cent in 2026/27. In the first year of the plan, that means an increase of less than \$50 a year for more than 80 per cent of our ratepayers. We know that this will not be the case for all of our ratepayers, with those paying flood protection and catchment rates likely to see larger increases.



You can find the impact of this plan on your rates at waikatoregion.govt.nz/ratescalculator.



Chris McLay
Chief Executive





Pamela Storey
Chair



Te rautaki tūāpapa Infrastructure strategy

Growing resilience

We are responsible for flood management and land drainage assets with a replacement value of \$1.12 billion.

Our flood assets safeguard, to agreed levels, property worth over \$13 billion and support a thriving agricultural sector that contributes around \$2.3 billion a year to our regional economy.

Over the last 10 years we have worked to bring stopbanks, and other infrastructure not performing, to their minimum agreed service level. However, more of our infrastructure is coming to the end of its effective life, and 15 per cent of all infrastructure is in a poor or very poor condition. Also, a number of our assets are in good condition but are under-performing because of issues such as peat settlement.

Changing weather has implications for both land use and infrastructure. It means our existing infrastructure may not be fit-for-purpose, or economically effective, over the next 50 years. For example, modelling shows the predicted increasing impacts of climate change will require the core height and/or width of stopbanks to be increased. This will cost significantly more.

Recent weather events have already shown that providing the same levels of service as we have in the past will not assist our communities to build resilience in the future.

Over the next 50 years, we expect to need to invest over \$1 billion replacing some of our assets, and a further \$1.87 billion on non-capital related costs like ongoing operating and maintenance, and depreciation.

However, these cost estimates do not consider the increasing challenges we face, such as climate change, new government legislation, affordability, morphology and business capability.

Simply replacing or repairing assets, as we have done in the past, may no longer be economically or environmentally sustainable, affordable or workable. Therefore, to account for these challenges, significant changes have been made to the Infrastructure Strategy 2024-2074.

Changes to the strategy

The Infrastructure Strategy has been aligned to our strategic direction, which focuses on wellbeing and how we respond to climate change. Aligned with the strategic direction, the *Climate Action Roadmap* identifies nine pathways to work with others to adapt to the changes we're already experiencing.

The Infrastructure Strategy addresses the strategic priority of *Sustainable development and infrastructure to achieve resilient communities that plan for intergenerational wellbeing, develop with nature in mind and are able to respond to and recover from adversity.*

This means we will be transitioning over time to adopt a more sustainable and holistic way of managing flood risk to create resilient communities and support a strong economy.

We will do this by:

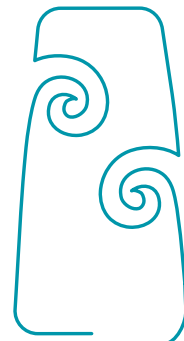
- continuing with maintenance improvement as the main tactic for the next 10 years
- applying our strategic direction priorities and goals through a transparent decision making framework
- prioritising solutions that work alongside nature and contribute towards improvements to water quality
- working with others – other councils, iwi groups, landowners, universities, technology leaders – to develop nature-based solutions that address climate change risks and to lobby for funding for nature-based solutions.

We will take into account the following objectives when considering further investment into our flood protection and land drainage infrastructure:

- more cost effective and efficient alternatives for providing flood management and drainage services
- when implementing new or remedial capital works, the need for ecosystem services provided by land and water to be maintained or improved
- prioritising investment decisions that reduce community vulnerability and risk, and supporting adaptive responses over those that just maintain the status quo.

Some important non-structural assets not included in the Infrastructure Strategy will be considered in the future, including:

- monitoring sites
- plant and equipment
- pool and fleet vehicles
- public transport infrastructure
- software.



Significant capital expenditure 2024-2034

Targeted rates make up approximately 75-80 per cent of the money spent on infrastructure. Most of the remaining funding comes from the general rate.

A region-wide work programme to ensure all stopbank heights are above the minimum designed flood heights should be completed over the next four to five years. Our focus has begun moving to pump station efficiency and performance, with particular focus on improving fish mortality.

Key projects that are included in the capital works programme for this LTP are:

Area and project	Forecasted costs
Hauraki catchments	
Access track and culvert repairs	\$1.8M
Paeroa flood barrier – reviewing and improving drainage of flood waters post events	\$1.1M
Floodgate repairs and rebuild	\$11M
Pump station generator replacements	\$1.6M
Pump station repairs and rebuilds	\$21M
Stopbank rebuilds	\$27M
Waikato catchments	
Pungarehu canal – completion of 5-year renewals programme	\$460k
Floodgate repairs and rebuild	\$5M
Pump station repairs and rebuilds	\$9.8M
Pump station health and safety improvements – automated weed screens	\$4M
Pump stations - Island Block construction	\$3.3M
Pump stations – Mangatawhiri scheme renewals	\$7.4M*
Pump stations – Motukaraka construction	\$9.4M*
Pump stations – Swan Road construction	\$2M
Stopbank rebuilds	\$15M
Taupō catchments	
Stopbank rebuilds	\$5.3M
Total	\$125.16M

*Discussions with local landowners in the Motukaraka and Mangatawhiri scheme areas are underway to understand if we should invest the level of capital as proposed, or if a level of service change is needed.

 Read the proposed infrastructure strategy
waikatoregion.govt.nz/ltf

- 471 floodgates
- 119 pumpstations
- 617 kilometres of stopbanks
- 456 river management and catchment management assets (dams, bridges, culverts, fences, etc)



Papātanga ki ngā tāke kaunihera

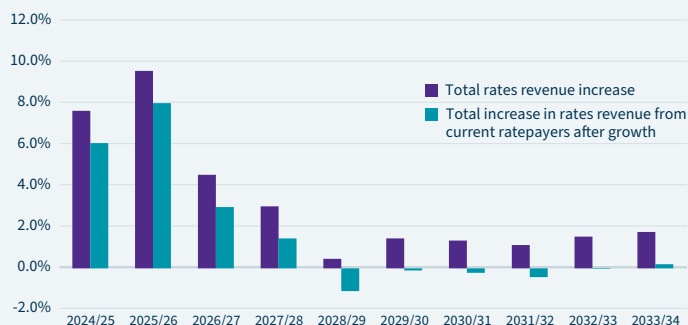
A snapshot of the impact on rates

Over the term of this plan, our total rates revenue is set to increase from \$130.355 million in 2023/24 to \$178.260 million in 2033/34. The money we collect is split into **funding from all ratepayers** (for services everyone benefits from) and **funding from targeted rates** (for services where those who receive a greater benefit pay more).

To see the impacts on different property types, go to pages 35-38 of this document.

While we are required to look at the work programme and budget for the next 10 years, we take an in depth look at the first three years only. The budget for the remaining seven years – and therefore rating impacts for this period – reflect the cyclical nature of some of our work programmes. They are indicative only and may change.

INCREASE IN TOTAL RATES REVENUE

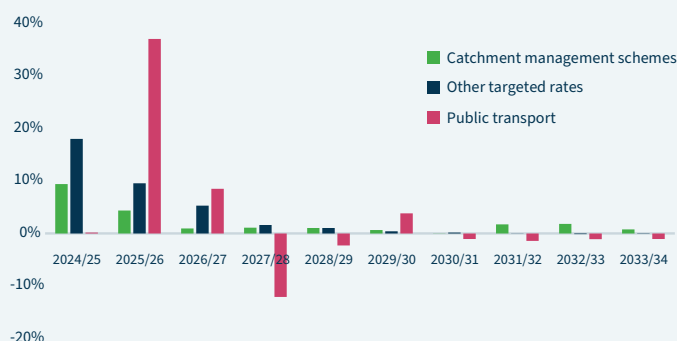


We assume the number of properties in the region will increase by 1.5 per cent each year. This means the total increase in rates revenue is spread over a larger number of ratepayers. The graph above shows the difference between the total increase in rates revenue, compared to what we expect the increase in rates revenue from existing ratepayers will be, after recognising the new ratepayers who will also contribute to funding our activities.

Our targeted rates fund discrete activities that we provide to groups or sectors of the community. We understand that for some of our ratepayers, these targeted rates make up the majority of the rates they pay us – in particular in relation to catchment management activities. The increases in these targeted rates, which make up part of the overall change in our total rates revenue, is shown below.

The increase in public transport rates revenue in 2025/26 reflects our proposal to commence regional rating for public transport services. This increase in rates revenue should be offset by a decrease in rates for these services by local councils. The decline in these rates in 2027/28 reflects the three-year funding approval cycles with New Zealand Transport Agency Waka Kotahi. Refer to page 13 of this document to read about this proposal.

YEAR ON YEAR PERCENTAGE INCREASE IN TARGETED RATES REVENUE FROM CURRENT RATEPAYERS



Not all proposals will impact everyone, so it's important you find out how your rates will be affected.

Use our rates calculator [waikatoregion.govt.nz/ratescalculator](https://www.waikatoregion.govt.nz/ratescalculator) or call our rates team on 0800 800 401



Ka whakanuia ō whakaaro **Your views matter**

In June, our councillors will make a final decision on the work we will focus on over the next 10 years and how it will be paid for. But before they do, they want to hear your views.

There are five specific topics we're seeking your feedback on.

- Increasing our natural heritage rate (see page 12)
- Collecting a region-wide public transport rate (see page 14)
- Discontinuing the Regional Development Fund (see page 19)
- Funding for Te Waka (see page 20)
- Changes to the funding of primary industry compliance (see page 22)

In this document, we've also shared information on some of the other important work we're planning to do. See pages 23-27.



You'll find the contact details for the councillors holding the pen on the final decisions on pages 41-42 and information on how to submit on page 43.



Ngā haumitanga rerenga rauropi

Investing more in our region's biodiversity

Protecting and restoring biodiversity is an investment in our future. We can't live without biodiversity; our economy depends on it. But funds we established to support conservation projects in our rohe (region) haven't kept pace with demand or the rate of inflation.

More New Zealanders are getting stuck into conservation-related projects and they're looking increasingly for philanthropic and government investment.

This is reflected in the increased number of applications we've received to our three contestable funds, as part of our Natural Heritage Partnership Programme, which have now been in place for between 14 and 30 years.

Many worthwhile community-led conservation projects have been made possible through our funding. They include planting projects, predator control, community engagement, sustainability

programmes and marae-based social enterprises. There's been some bigger ecological restoration projects that have received funding from us too.

The number of groups, level of participation, and size and complexity of the projects has changed over time. The amounts being sought for projects have also been on the rise as applicants look to sustain their projects over multiple years.

Our per property natural heritage rate of \$5.80 was first introduced in 2005 but has not kept pace, resulting in us not being able to support the growing number of community programmes or take into account increased costs of the work.

What we're proposing

[Share your views >>](#)

Increasing our natural heritage rate

Reversing biodiversity loss in our region is possible, but only with greater and more collective effort. So we're proposing to increase the per property natural heritage rate.



This will enable us to provide funding to more community groups carrying out work to protect and restore our region's unique plants, animals and marine life, and the indigenous ecosystems they live in.

Increasing the rate to \$8.68 per property brings it in line with inflation since the programme was established.

For every \$1 of the natural heritage rate spent on mahi (work) delivered by communities, the region achieves biodiversity investment of between \$3 and \$5.

But we're keen to test support for further accelerating this work. We think an increase in this rate to \$15 – providing an additional \$1.403 million (incl. GST) per annum – will help achieve our biodiversity goals sooner.

In relation to the natural heritage rate, which option do you prefer?

Preferred option	OPTION 1	OPTION 2	OPTION 3
	Council increases the natural heritage rate to \$8.68 per property per annum, with further increases for the proposed work programme after this.	Council increases the natural heritage rate to \$15 per property per annum (to enable more work to be done sooner to improve biodiversity).	Council keeps the natural heritage rate at \$5.80 per property per annum.
	Impact on level of service 	Impact on level of service 	Impact on level of service Inflation may impact our ability to deliver the same level of work.
	Total cost 2024/25 – \$1.674 million 2025/26 – \$1.898 million 2026/27 – \$1.986 million	Total cost 2024/25 – \$2.894 million 2025/26 – \$2.937 million 2026/27 – \$2.981 million	Total cost 2024/25 – \$1.119 million 2025/26 – \$1.135 million 2026/27 – \$1.153 million
	Impact on rates 2024/25 – \$8.68 per property 2025/26 – \$9.69 per property 2026/27 – \$10 per property	Impact on rates 2024/25 – \$15 per property 2025/26 – \$15 per property 2026/27 – \$15 per property	Impact on rates 2024/25 – No change (\$5.80 per property) 2025/26 – No change (\$5.80 per property) 2026/27 – No change (\$5.80 per property)
	Impact on debt Nil	Impact on debt Nil	Impact on debt Nil

Where natural heritage rate funding goes

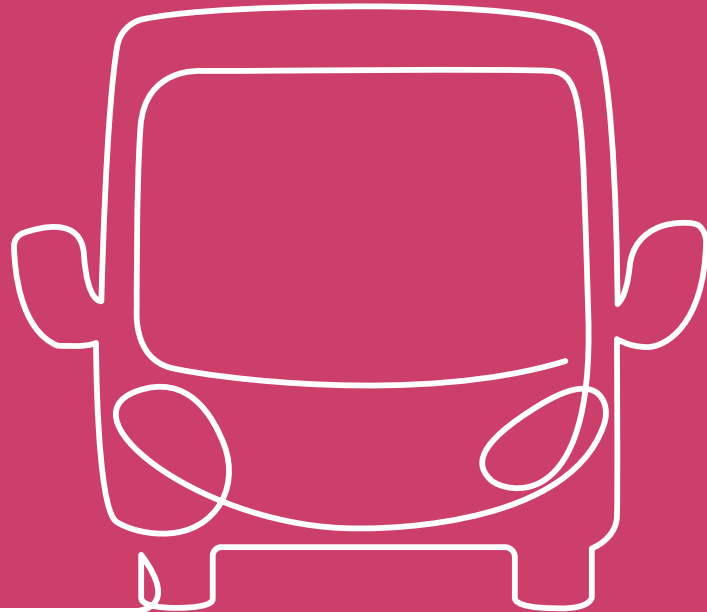
- The **Natural Heritage Fund** is for ecological restoration projects that have very long term, inter-generational benefits. To date, it has been used for a wide range of projects, including Sanctuary Mountain Maungatautari, Waipā peat lakes reserves and the purchase of the Ed Hillary Hope Reserve. Money for this fund comes from the natural heritage targeted rate of \$5.80 per property per annum.
- The **Environmental Initiatives Fund** is for local environmental restoration projects, practical environmental initiatives that involve community participation, or educational/promotional activities that raise awareness of environmental issues. Projects may be funded for up to three years but not exceed a total of \$40,000. Money for this fund comes from the natural heritage targeted rate of \$5.80 per property per annum.

The **Small Scale Community Initiatives Fund** is also part of the Natural Heritage Partnership Programme. It's for pest animal and plant control work of up to \$5000 by community groups or private landowners, with a maximum of \$195,000 available from the contestable fund each year. Money for this fund comes from the uniform annual general charge rate, not the natural heritage targeted rate.

2024-2034 Long Term Plan | 12

WAIKATO REGIONAL COUNCIL





Haumitanga kia marama ai ngā ara me ngā waka tūmatanui **Simplifying public transport investment**

Our public transport services provide access to education, employment, recreation, healthcare and more, while also helping to cut congestion and reduce carbon emissions.

But the legacy funding arrangements that have evolved over time are more complex than they need to be. They create barriers to the comprehensive strategic planning we need to do to deliver consistent public transport region-wide, as well as administrative burdens that can result in unnecessary costs and delays to much-needed service improvements.

We think there's a better way – a solution that could improve affordability while also enhancing our ability to respond efficiently to changing community needs.

What we're proposing

[Share your views >>](#)

Collecting a region-wide public transport rate

We're proposing changes to the way public transport bus services are rated for in our region.

Currently, Waikato Regional Council only rates for public transport services in Hamilton, Thames-Coromandel, Hauraki and Matamata-Piako.

Outside of these areas, your district council rates for these services. We then invoice each council for the funds we need to plan and operate the region's public transport network. We are the only region in New Zealand to work in this way. It means:

- Planning, funding, and implementation of public transport services takes longer.
- Additional administrative overheads are incurred.
- Funding splits for services that cross jurisdiction boundaries must be agreed between councils, independently ratified and often be reviewed annually.
- There can be a lack of clarity around the precise contribution required from each council.

- A review is probably necessary whenever there's a significant change to routes, frequencies or vehicle types that is likely to impact the total cost or distribution of costs between councils.

In Hamilton, Thames-Coromandel, Hauraki and Matamata-Piako, 80 per cent of the rate funding required comes from direct beneficiaries – that's properties within 800 metres of a bus stop in Hamilton and properties within urban areas that have a public transport service in the other districts. The remaining 20 per cent is spread across the council boundaries

However, in districts where the territorial authority rates for public transport and passes this funding through to Waikato Regional Council, public transport is typically funded from general rates, spreading the cost of service across all ratepayers in those districts equally, irrespective of their location.

There is no impact on either levels of service or the council's borrowing as a result of this proposal.

Proposed rating model

Our proposal involves Waikato Regional Council rating for existing public transport services in Ōtorohanga, Rotorua, South Waikato, Taupō, Waikato, Waipā and Waitomo districts from 2025/26. That's year two of this long term plan. From then on, the district councils would no longer need to collect rates to fund public transport – so overall, this change should be cost-neutral.

We have assumed the NZ Transport Agency Waka Kotahi would continue to fund 51 per cent of the net cost of all public transport bus services in the region, but there is still some uncertainty regarding the total funding that will be available.

The total amount we would collect through rates to fund existing services is \$16.021 million per annum in 2024/25.

We are currently considering two rating options, which we'd like your feedback on. Based on your feedback, more work will be undertaken over the next 12 months to better define the rating option and check back with you through next year's annual plan.

The two key differences between the options are:

First – whether all properties in each district of the region contribute to public transport investment because of the benefits to the wider community and the environment, or whether only those with access to public transport services should contribute.

Second – whether the Hamilton Waikato Metropolitan Area (metro area) should be treated as a distinct area instead of relying on city and district council boundaries. This would provide a way to ensure investment for implementing the public transport services envisaged in the Metro Spatial Plan's transport programme can be collected from the area that is expected to benefit most from that programme.

In all options, the investment required is based on the cost of running the public transport services in that area. The services themselves are determined by the Waikato Regional Public Transport Plan. The choice of rating model doesn't affect the total amount of rates collected.



Do you support Waikato Regional Council rating for public transport services across the region?



If Waikato Regional Council started rating for public transport across the region, which rating option would you prefer?

Preferred option

OPTION 1

- 80 per cent of the funding required from rates comes from properties within 5 kilometres of a bus route.
- 20 per cent of the funding required from rates is paid by all other properties in the area.

We would define a new area that reflects the higher levels of service experienced in Hamilton and urban areas, and key corridors in the Waikato and Waipā districts. All people in this 'metro' area will pay the same amount towards 'metro' services.

This approach means those people travelling within the metro area (for example, commuting from Cambridge or Tamahere into Hamilton) all pay towards public transport in the area. This reflects that:

- The metro area generally has more bus services and higher frequency overall.
- There are existing habits of informal park and ride or drive-up and drop off.
- There are greater decongestion benefits within the metro area that all users experience on key corridors.

OPTION 2

- 80 per cent of the funding required from rates comes from properties within 800 metres of a bus stop.
- 20 per cent of the funding required from rates comes from properties between 800 metres and 5 kilometres of a bus stop.

This assumes that only people with access to public transport gain any benefit from it, and so their rates will be higher.

How the options impact rates in Ōtorohanga, Rotorua, South Waikato, Taupō, Waikato, Waipā and Waitomo

For those areas where we would be assuming responsibility for the funding of public transport services from 1 July 2025, the rating impacts are dependent on the approval of a proposed programme by NZ Transport Agency Waka Kotahi. Based on the programme that has been put forward for approval, the following rates would be assessed in 2025/26 and adjusted after that for any price changes or new services introduced.

Where services are provided that support inter-district public transport connections, costs for these district areas will be grouped to reflect that all of the districts benefit from the connections.

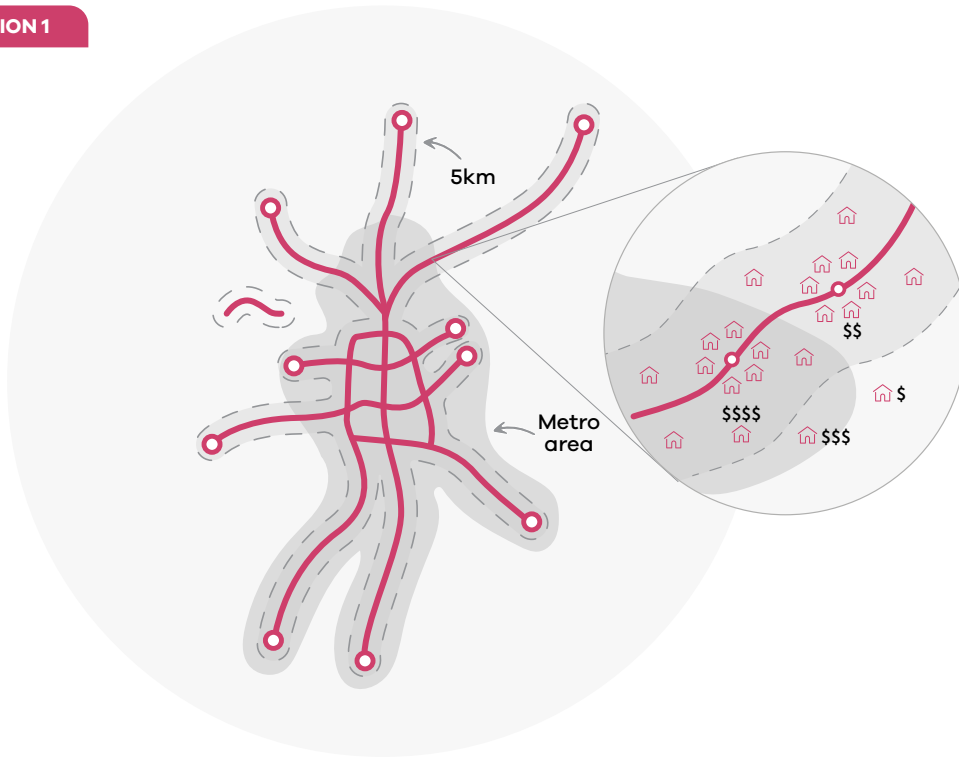
OPTION 1

	METRO (Hamilton/parts of Waipā and Waikato)		NORTH AND WEST WAIKATO (Pokeno and Raglan)		EAST WAIKATO (Matamata-Piako/Hauraki/ Thames-Coromandel)		SOUTH WAIKATO (Ōtorohanga/ South Waikato/ Waitomo)		TAUPŌ	
	Within 5km	District-wide	Within 5km	District-wide	Within 5km	District-wide	Within 5km	District-wide	Within 5km	District-wide
per \$100,000 CV	\$26.74	\$4.87	\$3.46	\$0.21	\$6.68	\$0.34	\$9.03	\$0.62	\$2.24	\$0.31

OPTION 2

	WAIKATO		WAIKATO		EAST WAIKATO (Matamata-Piako/Hauraki/ Thames-Coromandel)		SOUTH WAIKATO (Ōtorohanga/ South Waikato/ Waitomo)		TAUPŌ	
	800m walk up	5km indirect access	800m walk up	5km indirect access	800m walk up	5km indirect access	800m walk up	5km indirect access	800m walk up	5km indirect access
per \$100,000 CV	\$27.47	\$2.29	\$42.35	\$3.93	\$16.16	\$1.59	\$18.99	\$2.10	\$3.49	\$0.48

OPTION 1



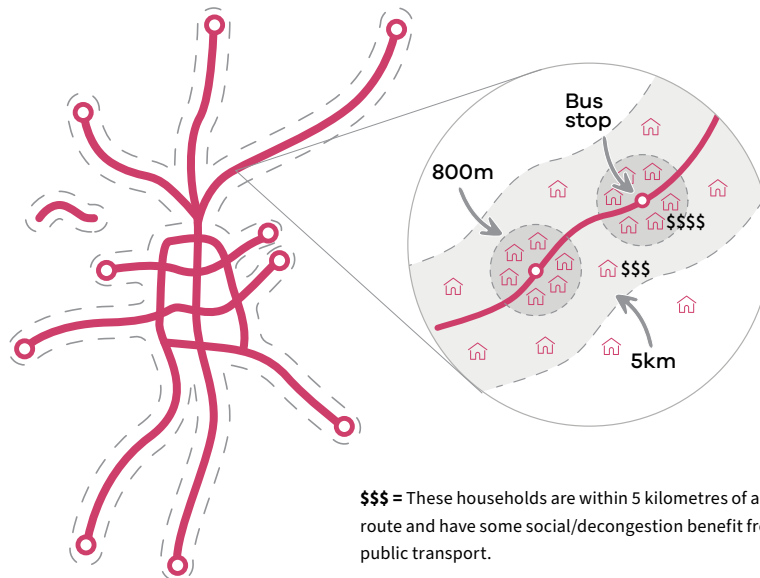
\$ = These households receive the least benefit from public bus services, so pay the least, though they still get some social benefit.

\$\$ = These households pay more as they are closer to public bus services and therefore receive slightly more benefit.

\$\$\$ = While not being as close to public bus services, these households still benefit from decongestion and wider social benefits from greater use of public transport in the metro area.

\$\$\$\$ = These households pay the most as they are closest to lots of public bus services and receive the most decongestion and social benefit.

OPTION 2



\$\$\$ = These households are within 5 kilometres of a public bus route and have some social/decongestion benefit from access to public transport.

\$\$\$\$ = These households pay the most as they are within walking distance of a bus stop.

How the options impact rates for Hamilton, Hauraki, Matamata-Piako and Thames-Coromandel

Currently, 80 per cent of investment required in Hamilton comes from properties with 'direct access' to public transport (that is, within 800 metres of a bus stop). Likewise in Hauraki, Thames-Coromandel and Matamata-Piako 80 per cent of investment comes from the urban areas that have a bus service.

Hamilton (rate per \$100,000 capital value)		Hauraki, Matamata-Piako and Thames-Coromandel (rate per \$100,000 capital value)	
800m walk up	District-wide	Urban (Statistics NZ defined)	District-wide
\$32	\$6.21	\$9.11	\$0.81

Preferred option

OPTION 1

Under Option 1, 80 per cent of investment would come from properties within 5 kilometres, spreading the funding requirement across more properties.

Twenty (20) per cent of the funding required would still come from the wider district or metro area.

This is most similar to the existing approach in these areas, with everyone in the district or metro area contributing to public transport.

Hamilton (rate per \$100,000 capital value)		Hauraki, Matamata-Piako and Thames-Coromandel (rate per \$100,000 capital value)	
Within 5km	District-wide	Within 5km	District-wide
\$26.74	\$4.87	\$6.68	\$0.34

OPTION 2

Under Option 2, 80 per cent of funding would still come from properties within 800m of a bus stop.

The 20 per cent of funding that is currently collected from the wider districts would instead come from the area within 5 kilometres of a bus stop.

People outside of those areas would no longer contribute to public transport funding.

Modelling indicates that rates would be significantly higher for those properties within walk-up distance of bus stops in Hauraki, Matamata-Piako and Thames-Coromandel.

Hamilton (rate per \$100,000 capital value)		Hauraki, Matamata-Piako and Thames-Coromandel (rate per \$100,000 capital value)	
800m walk up	5km drive up	800m walk up	5km drive up
\$31.81	\$6.02	\$16.16	\$1.59

Whakapakari pūtea ā-rohe **Regional economic development funding**

Legislation requires councils to improve the social, economic, environmental and cultural wellbeing of our communities. This is embedded in our purpose: *Working together for a Waikato region that has a healthy environment, vibrant communities and strong economy.*

A healthy environment enables communities to thrive. If we get that right, then we'll have a strong economy. And that's what we're here to do – create a sustainable future for people today and generations to come.

Some of our core activities – such as flood and drainage infrastructure, public transport and resource management – clearly promote or influence economic activity and wellbeing.

But what should our role in economic development be beyond these core activities?

To date, it has involved a funding partnership with Te Waka, the region's economic development agency, as well as a fund we established for projects that provide a win-win for both the economy and environment.

What we're proposing

[Share your views >>](#)

Discontinuing the Regional Development Fund

The Regional Development Fund (RDF) was created through the 2015-2025 Long Term Plan to enable investment in regionally significant projects with economic outcomes achieved in a way that also enhance the environment.

To date, just three grants totalling \$3.14 million have been approved. With the fund undersubscribed, staff time required to administer the fund and an opportunity cost to holding the fund in its current form, councillors decided in October 2023 to close it to applications pending a review through the LTP.

We're now proposing to disestablish the fund. This will allow previously accumulated and unallocated funds totalling \$3.979 million and staff time to be redirected to strategic priorities that may have a greater impact as economic enablers.

This in turn would enable the current investment fund returns set aside for the RDF to be repurposed – noting the overall reduction in fund returns that will be available over the period of this plan.

Projects funded to date

- Te Ariki Sugar Loaf Wharf: \$2 million – approved on 24 March 2021
- Waikato Screens: \$575,000 – approved on 29 April 2021
- Kōpū Marine Precinct: \$565,000 – approved on 27 April 2023



In relation to the Regional Development Fund, which option do you prefer?

Preferred option

OPTION 1

Council discontinues the Regional Development Fund.

Impact on level of service ↓

Total cost

2024/25 – reduction in expenditure of \$680,000 (the current contribution to the RDF)
2025/26 – reduction in expenditure of \$698,000
2026/27 – reduction in expenditure of \$716,000

Impact on rates

2024/25 – Nil
2025/26 – Nil
2026/27 – Nil

Impact on debt

Nil

OPTION 2

Council continues to operate the Regional Development Fund.

Impact on level of service No change

Total cost

2024/25 – \$680,000
2025/26 – \$698,000
2026/27 – \$716,000

Impact on rates

2024/25 – \$0.31 per \$100,000 capital value
2025/26 – \$0.32 per \$100,000 capital value
2026/27 – \$0.32 per \$100,000 capital value

Impact on debt

Nil

What we're proposing

[Share your views >>](#)

Funding for Te Waka

Te Waka is the region's economic development agency. It was established in 2018 by the Waikato Mayoral Forum, which brings together the region's mayors and the regional council chair.

The agency's aim is to champion and lead the region's collective voice for economic and business needs by working in partnership with iwi, business, government and community organisations.

Over the last three years, we have been providing Te Waka with \$750,000 per annum.

We plan to continue funding Te Waka to the same amount, using the unallocated money from the Regional Development Fund to pay for it over the next three years.

No long-term funding is currently provided for beyond these three years.

Councillors considered a targeted rate of approximately \$72 (incl. GST) per property on the region's 6158 commercial and 5877 industrial businesses, but ruled this out for now.

If the Regional Development Fund is retained, the funding for Te Waka would need to come from rates. This would result in an increase of \$0.35 per \$100,000 capital value.

Regional councillors believe there needs to be greater accountability over how the funding is used. So funding would be contingent on Te Waka meeting accountability measures.



In relation to Te Waka, which option do you prefer?

Preferred option

OPTION 1

Council provides \$750,000 per annum over three years to Te Waka using unallocated money from the Regional Development Fund.

Impact on level of service No change

Total cost

2024/25 – \$750,000

2025/26 – \$750,000

2026/27 – \$750,000

Impact on rates

2024/25 – Nil

2025/26 – Nil

2026/27 – Nil

Impact on debt

Nil

OPTION 2

Council does not continue to fund Te Waka.

Impact on level of service ↓

Total cost

2024/25 – Nil

2025/26 – Nil

2026/27 – Nil

Impact on rates

2024/25 – Nil

2025/26 – Nil

2026/27 – Nil

Impact on debt

Nil

2024-2034 Long Term Plan | 20

WAIKATO REGIONAL COUNCIL



Tūtohu taiwhenua me te tautoko

Rural compliance and support

We're proposing a change to the way we fund our primary industry compliance activities.

This will include a new mix of targeted and general rate funding, the cessation of the existing permitted activity monitoring rate, and the introduction of a new primary industry compliance rate which will be assessed against all properties 20 hectares or greater in area.

There is no impact on the council's borrowing as a result of this proposal.

What we're proposing

[Share your views >>](#)

Changes to the funding of primary industry compliance

Permitted activity monitoring

The *Waikato Regional Plan* has over 70 permitted activity rules, of which several higher priority rules relating to effluent and sediment discharges are subject to proactive monitoring.

The full cost of our permitted activity monitoring programme is currently funded by a targeted rate on all 24,609 properties 2 hectares or greater (\$73.37 (incl. GST) per rateable property).

We're proposing to change this. From 2024/25, a 20 per cent funding contribution will come from the general rate to recognise there is a wider public benefit and to bring the funding mix in line with other comparable work.

The remaining 80 per cent of the programme's cost will be recovered via a targeted rate on properties 20 hectares or greater. We're making this change because:

- the majority of work undertaken by the permitted activity monitoring programme focuses on larger rural properties
- the new permitted activity monitoring rules in Proposed *Waikato Regional Plan Change 1: Waikato and Waipā river catchments* and the rules relating to freshwater farm plans are focused on properties 20 hectares or greater.

The changes have the following impact:

- A targeted rate reduction of \$73.37 per annum for the estimated 13,800 properties that are between 2 and 20 hectares.
- A rates increase of approximately \$111 (incl. GST) per annum for those 10,860 properties 20 hectares or greater.
- An increase in the general rate of \$441,000 (equivalent to a 0.3 per cent increase).

The targeted rate funding for permitted activities monitoring and farm plan implementation will be combined to a new primary industry compliance rate to be assessed against properties 20 hectares or greater.


Farm plan implementation

The work of our Primary Industry Engagement (PIE) section relates to the farm planning regulations and is currently fully funded from the general rate.

These regulations predominantly impact on properties 20 hectares and greater, so we're proposing to change how this programme is funded.

A 50 per cent funding contribution – decreasing to 20 per cent over three years – will come from the general rate to recognise the wider water quality improvements sought by communities. The remaining cost will be recovered through a targeted rate on properties 20 hectares or greater.

A 50:50 funding split would result in a targeted rates increase of approximately \$91 (incl. GST) in year one for those 10,860 properties 20 hectares or greater, and an overall decrease in the general rate of \$872,000. When the full transition to 80 per cent funding from the new targeted rate is in place, properties 20 hectares or greater will pay \$159 per annum, with a \$1.569 million reduction in the general rate.

 To see the impacts on different property types, go to pages 35-38 of this document.

Use our rates calculator
waikatoregion.govt.nz/ratescalculator
or call our rates team on 0800 800 401



Do you support the council's preferred option to change the funding of these activities which would result in a new primary industry compliance rate (\$275 in 2024/25, increasing to \$376 in 2026/27) to be assessed against properties 20 hectares or greater?



Te whakaraupapatanga o ētahi mahi kē **Other work we're prioritising**

We don't ask for your feedback on everything in our long term plan, because not every area of activity we prioritise through our strategic direction requires consultation or provides options to gain your feedback on.

These could be things we are required to do, things we have already committed to, things we can't afford not to do, or things that don't meet pre-determined thresholds like community interest or financial value.

Much of our new work over the next three years is about collecting the right information to help build the resilience of our regional environment into the future.

He mahi whakapai i a Whangamarino me Waikare Improving Whangamarino Wetland and Lake Waikare

Lake Waikare and Whangamarino Wetland – a site of international significance – are in a highly degraded state. We have a collective responsibility to improve the state of these waterbodies over time.

Poor water quality and sediment and nutrient loads to the lake and wetland are affecting these special areas. In addition, pest plant and animal species have invaded these environments causing further degradation, a loss of biodiversity and reduced cultural and recreational values.

There is no easy or quick fix. The deterioration has occurred over time, and so it will take time to improve. That is not the responsibility of any one organisation or person – it will take a whole community. Our council has an important role to play, supporting that community. Over the next two years, we'll define and test options to reverse degrading trends and support long

term rehabilitation of Whangamarino Wetland and Lake Waikare by developing a multi-stakeholder agreement on a catchment action plan.

Implementation of the plan will be considered and budgeted for through the 2027-2037 Long Term Plan. In the meantime, our work supporting landowners to reduce erosion will continue, with funding for fencing

and planting. We are also continuing to work with the Department of Conservation and Te Riu o Waikato on koi initiatives in the lower Waikato, including Lake Waikare.

The \$400,000 investment proposed for this project will be funded from prior year surplus funds held by the council.

The catchment is a critical part of the Lower Waikato-Waipā Flood Control Scheme, which was designed in 1959 following a decade of severe floods. As part of the scheme, Lake Waikare and the Whangamarino Wetland are used for flood storage and attenuation for the surrounding catchment and the Waikato River.

The scheme helps to safeguard lives, protect valuable urban and rural land and regionally significant infrastructure, like the railway line and State Highway 1, from the effects of prolonged and frequent flooding. We need to identify options for improving the health and wellbeing of the lake, wetland and lower Waikato River, while also continuing to provide effective flood protection. This is a difficult balancing act, but we believe solutions do exist and we want to explore and test these for future implementation.

Rautaki tiaki wai A strategy for water security

Water is our most precious resource and throughout the world is increasingly threatened by pollution and over-allocation. In the Waikato, protecting and improving water is consistently the number one environmental concern for our communities.

Despite the perception that we are surrounded by plentiful water, climate change and the legacy effects of land use mean that in some areas of the region there isn't enough fresh water to go around.

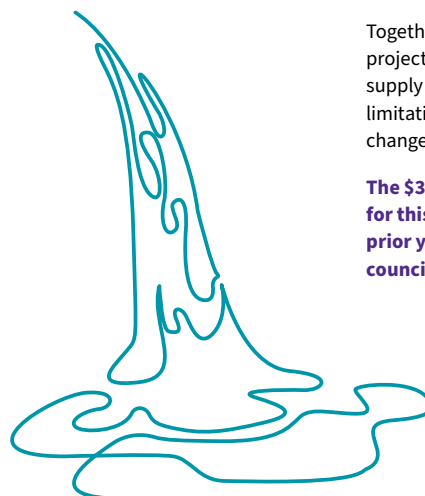
The drought of early 2020 created massive challenges for municipal water suppliers in the Waikato region and beyond. The Waikato Mayoral Forum, comprising local mayors and the regional council chair, recognised that climate change could increase the frequency of drought events and change municipal water demand patterns across our region. The drought also impacted farmers and ecosystems.

So in our strategic direction we have a goal to increase regional water security through a multi-stakeholder plan to ensure wellbeing and resilience within defined environmental limits for the next 30 years.

The Water Security Management Plan will identify options to increase water security and enable sustainable growth in our rohe (region). This work will be carried out from 2024/25 to 2025/26 and will include working with iwi partners, local councils and stakeholders.

Together, they'll examine scenarios of projected growth and reduced water supply to help us understand the limitations of existing systems and the changes needed going forward.

The \$388,000 investment proposed for this project will be funded from prior year surplus funds held by the council.



Ngā mahi ki te takutai moana Understanding our coastal marine areas

The Waikato region's coastal and marine environment includes 1200 kilometres of coastline and encompasses one third of our region.

It's used for leisure, aquaculture, recreational and commercial fishing, shipping and tourism, and is of significance to iwi Māori, so maintaining the health of these areas is very important.

But the current lack of information on the state of our coastal marine environment makes making the right decisions challenging.

We're going to change that, starting with increased investment in specialised monitoring equipment and new work programmes, as well as additional staff.

With these new resources, we will step up our coastal water quality monitoring in the Firth of Thames. Among other things, this will help us to better understand links between the state of estuarine and river systems.

We'll also target coastal biodiversity, habitat distribution and ecosystem health. Crucially, this will expand the

current focus on estuaries to include rocky reefs and other subtidal habitats that are impacted by human activities.

This coastal marine biodiversity programme will cover both coasts of the Waikato region and provide baseline data essential for comparison over time.

This mahi (work) will cost \$6.425 million over the 10 years of this plan and will be funded through the general rate.



Ka whakapakari i ngā mahi ārai kīrearea Stepping up pest management

Biosecurity helps to protect the things we love and our way of life from harmful organisms. It takes all of us to protect what we treasure: the outdoor environment where we fish, farm, hunt and explore; the rich biodiversity of our unique ecosystems; and even the food we grow, eat and export. Ko Tātou This is Us.

While our biosecurity programme received a funding boost in 2018, our services are now stretched and the basic information we collect on our biodiversity tells us we are losing more than we gain. We're planning to change that.

We'll be increasing investment in the surveillance and control of several priority pest plant programmes, as well as building on the gains made in the multi-agency koi, wilding pine, and kauri management programmes.

An injection of funds will also help us address and support a range of freshwater and marine biosecurity issues such as caulerpa (invasive seaweed), alligator weed and corbicula (gold clam).

In years 4 and 5 of this plan, we'll also provide additional support across a range of biosecurity and biodiversity

programmes in specific areas of our rohe (region), such as Taupō and the Coromandel Peninsula.

This investment will result in improved resilience of native ecosystems, protection of production values, a stop to the further spread of pests, as well as benefits for our communities and economy.

This mahi (work) will cost \$6.5 million over five years and will be funded through the biosecurity rate.

Ko te rei te take For peat's sake

The Waikato has about 83,000 hectares of Organic Soils (aka peat), including the 9000-hectare Kopuatai Peat Dome. Of this total area, about 65,000 hectares have been drained, mostly for productive purposes such as pastoral agriculture, cropping, horticulture and peat mining.

Drainage of peat results in land subsidence of about 2 centimetres per year, and carbon dioxide emissions which add to our greenhouse gas footprint. Ongoing subsidence is a problem for sustainable drainage and flood protection infrastructure.

To better understand the resource and inform a peatland vulnerability index, we've been probing the region's peaty soils over the past year. It's the first time since 1976 that such a large, systematic peat depth survey has been completed in the Waikato region.

At the same time, we have been looking at international literature and traditional knowledge to identify opportunities to reduce and stop subsidence and greenhouse gas emissions. We have also used accepted greenhouse gas accounting methods to understand the size of emissions from drained peat.

If we want to start preserving our peatlands, we need to reconsider the way they are managed, like keeping drained peat wetter. But how to do that effectively – in a way that reduces subsidence and emissions while sustaining productive use – needs to be robustly and scientifically tested.

So, we will be testing some of the identified opportunities, to reduce subsidence and greenhouse gas emissions, in partnership with landowners, scientists, and experienced land and drainage managers. Then we'll use that data to develop an updated, science-based good-practice guide and decision support tool.

This mahi (work) will cost \$2.3 million over five years and will be funded through the general rate.



Ngā tai ki Wharekawa 2120 Wharekawa Coast 2120

Severe flooding that impacted the western coastline of the Firth of Thames in January 2018 saw the community come together looking for action.

The result is the Wharekawa Coast 2120 Community Plan, a non-regulatory plan completed in 2023 that recommends community responses to freshwater flooding, coastal inundation and coastal erosion.

The plan has been developed by Hauraki District Council in partnership with iwi, Waikato District Council and Waikato Regional Council, and with input from a technical advisory group that includes our staff. The plan will help guide the work of other communities for their long term resilience.

Our regional resilience team led the development of a natural hazards risk assessment for Wharekawa Coast to determine the communities' thresholds for major and moderate events.

The plan includes recommended actions and steps the communities would like to see implemented to adapt to natural hazards and climate change risk for increased resilience and sustainable economic opportunities.

Some of the community's preferred actions are regarded as a regional council responsibility and have associated costs.

Getting this mahi (work) underway is a priority for us, but first we need to put in place a funding system to enable it to happen. So over the next 12 months we're going to engage an expert to help us develop funding options, which we'll then consult the community on through our 2024/25 Annual Plan next year. Depending on the outcome, we hope to establish the new catchment rate from 1 July 2025.

Mahere whaitua ā-rohe Regional spatial planning

We're taking the first step towards a spatial plan for the whole region.

The goal of a spatial plan is to provide a strategic approach to planning that coordinates policies across local boundaries to enable greater efficiencies, ensuring that development is sustainable, balanced and meets the needs of the region. It also identifies the potential for each part of the region and the needs to be satisfied to achieve that potential.

Taking a strategic spatial approach will allow us to make better informed decisions and smarter investments

to improve the wellbeing of our communities and environment.

We'll be pulling together a cross-section of people to get an integrated view of the region, encompassing things like housing, transportation, climate change impacts, economic development, environmental and culture aspirations, health, infrastructure, and more.

Ultimately, we intend to spatially represent this understanding by mapping out the desired future state of the region and how we might get there.

This will help to ensure a good quality of life for our communities, sustainable development, efficient provision of infrastructure and services needed to service growth, and adequate land supply for future residential, commercial and industrial development. By improving efficiencies, we help to save money.

This mahi (work) will cost \$1 million over four years, with the project funded from prior year surplus for the first two years (\$500,000) and then through general rates for the next two years (\$500,000).

He tereina pāhihi Te Huia: passenger rail service

Te Huia, our passenger rail service between Waikato and Auckland, is operating as a trial until mid-2026.

Being a trial creates many 'known unknowns' – in particular, we don't have funding certainty from government beyond the end of June 2024.

But to ensure the ongoing success of the service and the longer term needs of its passengers, we need to assume it will continue.

Future service improvements

While its future is uncertain, we must plan now for service improvements.

Incremental improvements to Te Huia services are planned from 2027/28 – year four of this long term plan. There are therefore no funding implications for these improvements in the first three years of this long term plan.

We know the improvements will come later than many passengers might like, but we've been mindful of the need to constrain and reduce increases in cost.

The plan is to incrementally increase the number of services from the current 22 trips per week up to 36 as existing services reach capacity, providing

additional services Monday to Saturday and a new Sunday return service.

However, if for some reason the current 75.5 per cent contribution from NZ Transport Agency Waka Kotahi is reduced to 51 per cent, the service would no longer be affordable for ratepayers and would need to be stopped.

Renewal of rolling stock

Twelve 1970s carriages were purchased and refurbished for our Te Huia service, knowing they had a limited life. We need to plan for the replacement of the carriages with either electric or hybrid-electric units.

Greater Wellington Regional Council (GWRC) is leading a tender process for the purchase of new carriages. Joining this process reduces our purchase costs and delivery risks and achieves order delivery times aligned with the end of life of our existing rolling stock.

The proposed whole-of-life cost is up to \$130.3 million, with the assets having a projected lifespan of 50 years. To proceed with new rolling stock, we want to achieve similar terms as those recently approved for Greater Wellington Regional Council, and for

funding to include NZTA subsidy (51 per cent) and a Crown contribution (39 per cent), with our costs being debt funded and spread over the life of the assets, repaid from rates (10 per cent of the total cost).

During budget talks in January, some councillors questioned whether it is our responsibility to purchase – and own – rolling stock.

While we have signalled to GWRC an interest in joining its procurement process, confirmation of our order and a deposit of up to 10 per cent (\$13 million, with our council's share assumed to be \$1.2 million) will not be required until 2026. This enables time for costs to be firmed up and consulted on through a future annual plan, and the future of Te Huia to be determined. The remaining capital funding that our council would be expected to meet is provided for in 2029/30. No provision for other operating costs has been made due to the current uncertainty of these costs.

For a deposit to be paid, all funding arrangement negotiations would need to be finalised and the cost split between NZTA (51 per cent), the Crown (39 per cent) and our council (10 per cent).



Ngā mahi kua maunu
Work we're not doing

Kua maunu te kaupapa Eco Retrofit Eco Retrofit withdrawn

Eco Retrofit, the sustainable homes initiative proposed in our 2021-2031 Long Term Plan and broadly supported by ratepayers at the time, hit some unexpected roadblocks over the past three years.

The proposal would have supported ratepayers with the up-front cost of insulation, heating, double glazing, solar power and other improvements up to the value of \$15,000. The costs would then have been recovered over time through a voluntary targeted rate on the beneficiaries, with no impact on general ratepayers.

Eco Retrofit would have leveraged our access to lower interest rates through the Local Government Funding Agency, with borrowing of up to \$35 million over 10 years projected, with no impact on ratepayers.

However, unforeseeable changes to the Credit Contracts and Consumer Finance Act (CCCFA) that came into effect on 1 December 2021, soon after our plan was adopted, meant we were unable to practically deliver the scheme at the favourable rates intended.

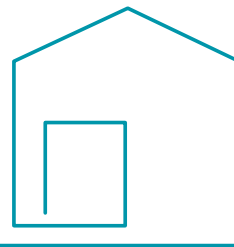
Waikato Regional Council, alongside other councils that found the act had hampered their ability to provide low-cost credit, lobbied the government for an exemption to its most restrictive requirements.

In response, the Minister of Commerce and Consumer Affairs commissioned an investigation in 2022 that validated many of these complaints. At the time of writing, draft regulations to exempt local government voluntary targeted rate schemes from the CCCFA were in the process of being finalised.

However, banks are now delivering low-cost credit for sustainable home improvements at rates similarly competitive to those we could offer.

We see it as a positive development that the market has been able to step up and help our communities enjoy healthier homes at competitive rates. Councillors therefore agree it is now more pragmatic if we do not proceed with the Eco Retrofit scheme at this time.

This change has no cost impact.



Kaupapa tiaki whare On the house

Our On the house programme enables eligible residents in the Tokoroa airshed to replace old, non-compliant wood burners with fully subsidised clean heat alternatives like heat pumps, pellet burners or high-efficiency wood burners.

It's just one of the ways we've been helping to manage air quality in Tokoroa, where efforts to reduce exceedances of the national environmental standards, caused by smoke, continue.

While we provide the funding, the scheme is locally administered by South Waikato District Council and is delivered by an energy solutions provider.

The fund was set up in 2008 as part of the Warm Homes Clean Air Programme, a partnership with South Waikato District Council, the South Waikato Pacific Island Community and Raukawa.

It's had great success over the years, resulting in hundreds of homes being upgraded to cleaner and more efficient heating.

But uptake has slowed in recent years because many of those eligible have already upgraded. As a result, we plan to discontinue the scheme in its current form.

However, we recognise that changes to the national air quality standards will require an alternative in the future. We'll be updating our existing air quality strategy, which will take a look at the tools needed to drive continued environmental improvements across the region, but particularly in air sheds like Tokoroa, Taupō and Te Kūiti.

This mahi (work) will result in a budget reduction of between \$60,000 and \$120,000 per annum.

➤➤ For the latest air quality monitoring information visit our environmental data hub: waikatoregion.govt.nz/envirohub



Penapena pūtea me te mahi whai rawa **Investment and affordability**

Our financial strategy sets out how we're going to balance the funding changes we need to make against the work and services we need to deliver and what our communities can afford to pay.

It also sets limits on rates revenue and rates increases. This ensures our financial sustainability and gives you some certainty about what you can expect to pay over the next three years. Beyond this, we provide some forecasting for the remaining seven years of this long term plan.

The council's operating revenues are less than operating expenses for one of the 10 years of this plan. The difference between revenue and expenses in 2024/25 is \$2.179 million and reflects the payment of existing funding commitments for the Regional Development Fund being met from accumulated reserves, as well as decisions to ensure that we are appropriately funding certain capital projects between depreciation and borrowing. The council has resolved that an unbalanced budget is financially prudent, having considered the reasons outlined in the Financial Strategy.

Key objectives

We need to ensure the rates we charge are as fair as possible. While this isn't easy, we try to achieve the best balance by:

- having the right mix of funding for our activities to keep rates and fees and charges affordable, fair and equitable now and for the future
- using resources effectively and efficiently in the delivery of high quality services to the community
- ensuring agile and adaptive financial management practices are in place to navigate uncertainty and manage risks
- basing our investments (including capital works programmes) on clear options analysis which consider 'whole of life' costs as well as the needs of both current and future generations.

Rates revenue

Over the term of this plan, our rates revenue is projected to increase from \$130.355 million in 2023/24 to \$178.260 million in 2033/34.

Overall, we're aiming to limit the total increase in rates revenue from current ratepayers to less than 10 per cent in any one year. This limit on rates reflects the council's focus on the affordability of the services we provide.

Rates revenue will be limited to 75 per cent of the total revenue we need to deliver our services.

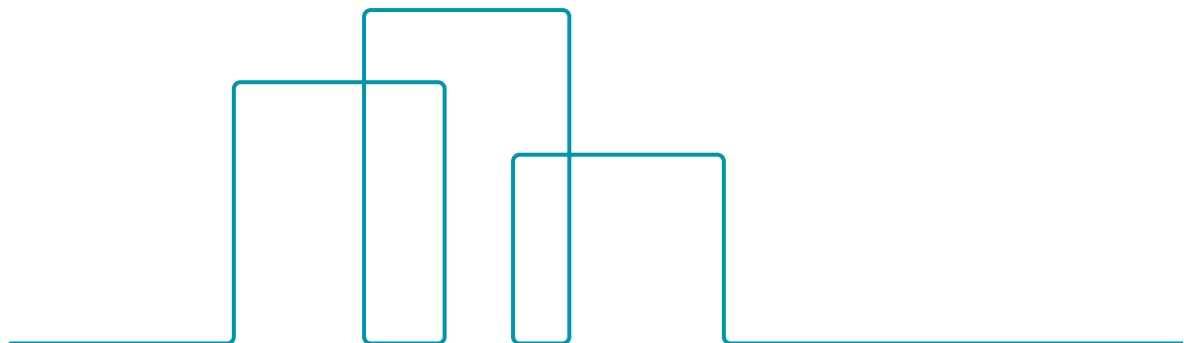
Fees and charges

Based on the proposed budget, staff have reviewed the fees and charges that are set in relation to regulatory services and information gathering. The methodology for the calculation of these charges has not been changed, but there are price rises in response to increases in the underlying projects.

 Visit waikatoregion.govt.nz/ltp to read the schedule of fees and charges.

Targeted rates

Targeted rates are used to fund specific activities and may not apply to all ratepayers. Examples include our funding for catchment works, flood protection and public transport.



Borrowing

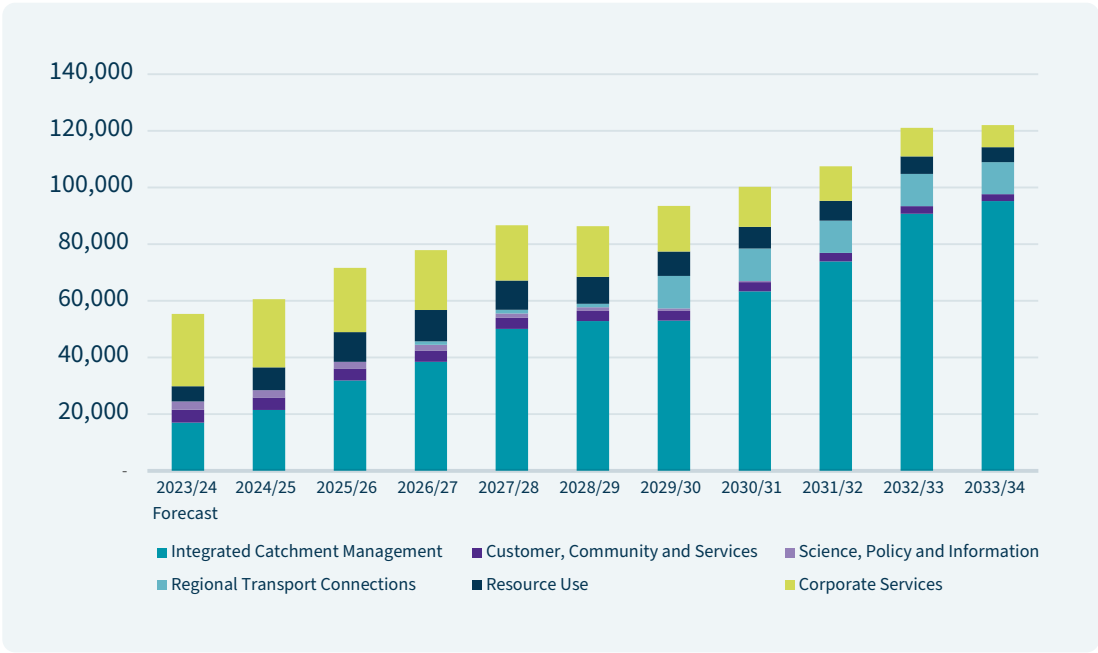
Over the term of this long term plan, we expect our external borrowing programme will reach a maximum of \$122 million, to fund capital expenditure. This is well below our debt limit of 100 per cent of our total revenue.

A key assumption behind the forecast borrowing programme is that 100 per cent of the budgeted infrastructure capital works programme will be delivered.

We have not been able to achieve this level of delivery over recent years for a number of reasons, including severe weather events.

When combined with the need to adapt the ways in which we manage these assets moving forward, there is a high level of uncertainty regarding the level of borrowing we will be required to undertake over the next 10 years.

FORECAST BORROWING PROGRAMME (\$000)



TOTAL BORROWING AGAINST LIMITS

	2023/24 Forecast	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000	2031/32 \$000	2032/33 \$000	2033/34 \$000
Forecast borrowing	55,356	60,686	71,680	77,924	86,723	86,333	93,505	100,290	107,517	121,057	122,099
WRC borrowing limit - 100% of total revenue	196,968	206,992	222,105	231,852	237,392	238,704	244,273	245,550	248,432	252,055	256,224
LGFA* borrowing limit - 175% of total revenue	344,695	362,235	388,684	405,742	415,435	417,732	427,478	429,713	434,756	441,097	448,392

*Local Government Funding Agency - provides financing costs and diversified financing sources for New Zealand local authorities and council-controlled organisations.

Financial risk management

We provide a range of core services to our community, and we need to ensure key areas of our business have the necessary funding to continue.

It's especially important that we earmark contingency funding for disaster recovery work and that we maintain a buffer against potential cost and revenue variations influenced by our public transport services.

Investment strategy

We hold an investment fund which was set up from the sale proceeds of shares in the Port of Tauranga and Ports of Auckland in the early 1990s. We work hard to ensure this fund is carefully managed and effectively balances risk and return.

Returns from the fund are used to ensure its value keeps pace with inflation and provides an offset to our rates revenue.

We've reviewed this fund as part of this LTP, and we're proposing to change the asset classes that we invest in, reflecting the advice from our strategic investment advisers.

Moving forward, 60 per cent of the fund will be invested in 'growth' assets, with 40 per cent invested in 'cash' assets. This is a change from the current 40 per cent allocation to growth assets. The increase in risk associated with this change is offset by a reduction in the return from the fund that we will allocate to spend each year. This reduced spend means we'll have a 75 per cent confidence level of achieving the budgeted return.

With the reduced distribution, the investment fund returns will be used solely to subsidise our general rate requirement. Previously, we have also used fund returns for our regional economic development activities such as the Regional Development Fund and to support Te Waka.

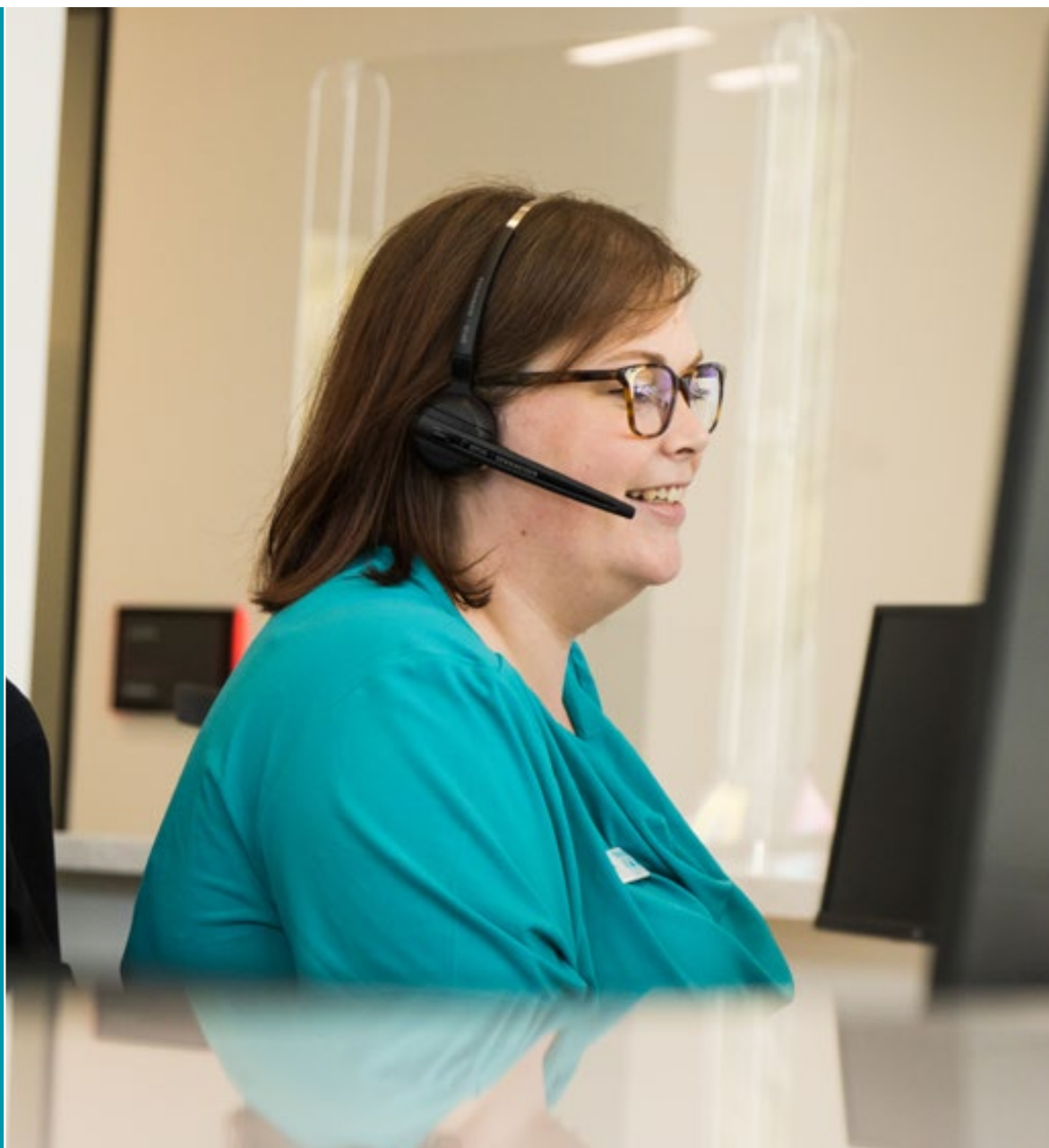
Rates remission and postponement policies

We're proposing to make some changes to our rates remission policies, as well as introducing some new policies. The key changes to our policies are:

- **Rates remission for financial hardship** – we want to make it easier for our ratepayers to access this support. We've removed the need for your rates account to be paid by direct debit; however, we will still require all rates payments to be up to date.
- **Remission of rates for Māori freehold land under development** – this new policy aims to facilitate the occupation, development, and utilisation of Māori freehold land. Unused Māori freehold land is not rateable. Under this new policy we will provide the remission of some rates while land is under development.
- **Remission of rates on properties affected by natural disasters** – if the worst happens, this policy will allow the remission of certain rates while your property is uninhabitable.



Visit waikatoregion.govt.nz/ltp to read about all of our rates remission and postponement policies.



Te wāhi ki o tāke kaunihera **What this means for your rates**

These tables indicate rating impacts across a sample of properties in 2024/25. Additional targeted rates may apply depending on where your property is located.



Use our rates calculator to see the full proposed rates for your property.

waikatoregion.govt.nz/ratescalculator

Hamilton

	\$500,000 capital value		\$1,000,000 capital value		\$2,000,000 capital value		\$10,000,000 capital value	
	CURRENT	PROPOSED	CURRENT	PROPOSED	CURRENT	PROPOSED	CURRENT	PROPOSED
All property rates	232.37	246.92	348.24	366.39	579.98	605.33	2,433.91	2,516.81
Public transport	124.56	127.98	229.12	235.96	438.23	451.92	2,111.16	2,179.61
Catchment	20.20	21.72	40.41	43.45	80.82	86.90	404.09	434.48
Total estimated rates	377.14	396.63	617.77	645.80	1,099.04	1,144.15	4,949.16	5,130.91

Hauraki

	\$500,000 capital value		\$1,000,000 capital value		\$2,000,000 capital value		\$10,000,000 capital value	
	CURRENT	PROPOSED	CURRENT	PROPOSED	CURRENT	PROPOSED	CURRENT	PROPOSED
All property rates	238.57	255.77	376.31	391.49	636.11	655.52	2,714.53	2,767.80
Public transport	3.11	8.64	6.23	17.29	12.45	34.57	62.27	172.86
Catchment	208.61	220.30	417.23	440.60	417.23	440.60	2,086.15	2,202.99
Other targeted rates (2ha+ only)			74.79	0.68	76.21	1.36	87.59	6.79
Other targeted rates (20ha+ only)						274.94		274.94
Total estimated rates	450.29	484.71	874.55	850.05	1,142.00	1,406.99	4,950.54	5,425.36

Matamata-Piako

	\$500,000 capital value		\$1,000,000 capital value		\$2,000,000 capital value		\$10,000,000 capital value	
	CURRENT	PROPOSED	CURRENT	PROPOSED	CURRENT	PROPOSED	CURRENT	PROPOSED
All property rates	248.43	263.62	380.35	399.78	644.20	672.11	2,755.00	2,850.71
Public transport	12.16	4.35	24.31	8.70	48.62	17.40	243.12	87.01
Catchment	208.61	220.30	417.23	440.60	417.23	440.60	2,086.15	2,202.99
Other targeted rates (2ha+ only)			74.79	0.68	76.21	1.36	87.59	6.79
Other targeted rates (20ha+ only)						274.94		274.94
Total estimated rates	469.20	488.27	896.69	849.76	1,186.27	1,406.40	5,171.86	5,422.43

Ōtorohanga

	\$500,000 capital value		\$1,000,000 capital value		\$2,000,000 capital value		\$10,000,000 capital value	
	CURRENT	PROPOSED	CURRENT	PROPOSED	CURRENT	PROPOSED	CURRENT	PROPOSED
All property rates	235.24	258.57	353.97	389.69	591.45	651.92	2,491.21	2,749.77
Public transport*								
Catchment	47.75	50.89	95.51	101.78	238.77	254.44	955.10	1,017.77
Other targeted rates (2ha+ only)			74.79	0.68	76.21	1.36	87.59	6.79
Other targeted rates (20ha+ only)						274.94		274.94
Total estimated rates	282.99	309.46	524.27	492.14	906.43	1,182.66	3,533.90	4,049.27

Rotorua

	\$500,000 capital value		\$1,000,000 capital value		\$2,000,000 capital value		\$10,000,000 capital value	
	CURRENT	PROPOSED	CURRENT	PROPOSED	CURRENT	PROPOSED	CURRENT	PROPOSED
All property rates	262.14	277.43	407.78	427.40	699.07	727.34	3,029.32	3,126.86
Public transport*								
Catchment	50.48	33.64	100.95	67.29	252.38	168.21	1,009.51	672.86
Other targeted rates (2ha+ only)			74.79	0.68	76.21	1.36	87.59	6.79
Other targeted rates (20ha+ only)						274.94		274.94
Total estimated rates	312.62	311.07	583.53	495.36	1,027.66	1,171.85	4,126.42	4,081.44

South Waikato

	\$500,000 capital value		\$1,000,000 capital value		\$2,000,000 capital value		\$10,000,000 capital value	
	CURRENT	PROPOSED	CURRENT	PROPOSED	CURRENT	PROPOSED	CURRENT	PROPOSED
All property rates	247.63	271.31	378.77	415.16	641.03	702.86	2,739.12	2,877.03
Public transport*								
Catchment	27.47	18.55	54.95	37.10	137.37	92.76	549.48	371.03
Other targeted rates (2ha+ only)			74.79	0.68	76.21	1.36	87.59	6.79
Other targeted rates (20ha+ only)						274.94		274.94
Total estimated rates	275.11	289.86	508.50	452.94	854.61	1,071.91	3,376.19	3,529.78

Taupō

	\$500,000 capital value		\$1,000,000 capital value		\$2,000,000 capital value		\$10,000,000 capital value	
	CURRENT	PROPOSED	CURRENT	PROPOSED	CURRENT	PROPOSED	CURRENT	PROPOSED
All property rates	234.74	246.51	352.98	369.76	589.46	612.06	2,481.26	2,550.49
Public transport*								
Catchment	24.43	28.88	48.86	57.77	122.16	144.41	488.63	577.66
Other targeted rates (2ha+ only)			74.79	0.68	76.21	1.36	87.59	6.79
Other targeted rates (20ha+ only)						274.94		274.94
Total estimated rates	259.17	275.39	476.63	428.20	787.82	1,032.77	3,057.48	3,409.87

Thames-Coromandel

	\$500,000 capital value		\$1,000,000 capital value		\$2,000,000 capital value		\$10,000,000 capital value	
	CURRENT	PROPOSED	CURRENT	PROPOSED	CURRENT	PROPOSED	CURRENT	PROPOSED
All property rates	295.15	300.34	473.79	473.22	831.08	818.98	3,689.39	3,585.07
Public transport	1.19	1.56	2.38	3.11	4.76	6.22	23.81	31.12
Catchment	60.91	66.93	82.08	90.34	124.43	137.17	463.19	511.80
Other targeted rates (2ha+ only)			74.79	0.68	76.21	1.36	87.59	6.79
Other targeted rates (20ha+ only)						274.94		274.94
Total estimated rates	357.24	368.82	633.04	567.35	1,036.48	1,238.67	4,263.98	4,409.71

Waikato

	\$500,000 capital value		\$1,000,000 capital value		\$2,000,000 capital value		\$10,000,000 capital value	
	CURRENT	PROPOSED	CURRENT	PROPOSED	CURRENT	PROPOSED	CURRENT	PROPOSED
All property rates	273.65	285.27	430.80	443.09	745.10	758.73	3,259.50	3,283.82
Public transport*								
Catchment	91.74	100.49	183.47	200.99	458.68	502.47	1,834.72	2,009.88
Other targeted rates (2ha+ only)			74.79	0.68	76.21	1.36	87.59	6.79
Other targeted rates (20ha+ only)						274.94		274.94
Total estimated rates	365.39	385.77	689.07	644.76	1,280.00	1,537.49	5,181.82	5,575.42

Waipā

	\$500,000 capital value		\$1,000,000 capital value		\$2,000,000 capital value		\$10,000,000 capital value	
	CURRENT	PROPOSED	CURRENT	PROPOSED	CURRENT	PROPOSED	CURRENT	PROPOSED
All property rates	235.42	255.43	354.33	383.41	592.15	639.36	2,494.76	2,687.00
Public transport*								
Catchment	25.13	27.06	50.25	54.12	125.64	135.29	502.54	541.17
Other targeted rates (2ha+ only)			74.79	0.68	76.21	1.36	87.59	6.79
Other targeted rates (20ha+ only)						274.94		274.94
Total estimated rates	260.54	282.49	479.37	438.21	794.00	1,050.95	3,084.89	3,509.89

Waitomo

	\$500,000 capital value		\$1,000,000 capital value		\$2,000,000 capital value		\$10,000,000 capital value	
	CURRENT	PROPOSED	CURRENT	PROPOSED	CURRENT	PROPOSED	CURRENT	PROPOSED
All property rates	236.69	266.25	364.46	405.05	612.42	682.65	2,596.06	2,903.41
Public transport*								
Catchment	120.69	110.12	160.09	146.44	238.88	219.06	869.21	800.03
Other targeted rates (2ha+ only)			74.79	0.68	76.21	1.36	87.59	6.79
Other targeted rates (20ha+ only)						274.94		274.94
Total estimated rates	357.38	376.38	599.33	552.17	927.51	1,178.00	3,552.87	3,985.17

*If we pick up rating for public transport services, the rate would not take effect until 2025/26 in the Ōtorohanga, Rotorua, South Waikato, Taupō, Waikato, Waipā and Waitomo districts and so is not reflected in these tables.

Ripoata tātari kaute

Audit report

Independent auditor's report on Waikato Regional Council's consultation document for its proposed 2024-34 Long-Term Plan

I am the Auditor-General's appointed auditor for Waikato Regional Council (the Council). The Local Government Act 2002 (the Act) requires the Council to prepare a consultation document when developing its long-term plan. Section 93C of the Act sets out the content requirements of the consultation document and the Council requested me to audit the consultation document. I have carried out this audit using the staff and resources of Audit New Zealand. We completed our audit on 28 March 2024.

Opinion

In our opinion:

- the consultation document provides an effective basis for public participation in the Council's decisions about the proposed content of its 2024-34 long-term plan, because it:
 - fairly represents the matters proposed for inclusion in the long-term plan; and
 - identifies and explains the main issues and choices facing the Council and region, and the consequences of those choices; and
- the information and assumptions underlying the information in the consultation document are reasonable.

Emphasis of matter - uncertainty over funding of Te Huia passenger rail service

Without modifying our opinion, we draw attention to page 27, which outlines the Te Huia passenger rail service that the Council is operating as a trial until mid-2026. The Council assumes that the Waka Kotahi NZ Transport Agency (the Agency) funding contributions it receives during the trial will continue for the remainder of the long-term plan. There is a high level of uncertainty over this assumption because the funding has not yet been confirmed. If the Agency does not provide this funding or provides less funding than assumed, the service will be stopped, which will affect the proposed levels of service over the 10-year period.

Basis of opinion

We carried out our work in accordance with the International Standard on Assurance Engagements (New Zealand) 3000 (Revised) *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*. In meeting the requirements of this standard, we took into account particular elements of the Auditor-General's Auditing Standards and the International Standard on Assurance Engagements 3400 *The Examination of Prospective Financial Information* that were consistent with those requirements.

We assessed the evidence the Council has to support the information and disclosures in the consultation document. To select appropriate procedures, we assessed the risk of material misstatement and the Council's systems and processes applying to the preparation of the consultation document.

We did not evaluate the security and controls over the publication of the consultation document.

Responsibilities of the Council and auditor

The Council is responsible for:

- meeting all legal requirements relating to its procedures, decisions, consultation, disclosures, and other actions associated with preparing and publishing the consultation document and long-term plan, whether in printed or electronic form;
- having systems and processes in place to provide the supporting information and analysis the Council needs to be able to prepare a consultation document and long-term plan that meet the purposes set out in the Act; and
- ensuring that any forecast financial information being presented has been prepared in accordance with generally accepted accounting practice in New Zealand.

We are responsible for reporting on the consultation document, as required by section 93C of the Act. We do not express an opinion on the merits of any policy content of the consultation document.

40

2024-2034 Long Term Plan

Independence and quality management

We have complied with the Auditor-General's independence and other ethical requirements, which incorporate the requirements of Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* (PES 1) issued by the New Zealand Auditing and Assurance Standards Board. PES 1 is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour.

We have also complied with the Auditor-General's quality management requirements, which incorporate the requirements of Professional and Ethical Standard 3 *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* (PES 3) issued by the New Zealand Auditing and Assurance Standards Board. PES 3 requires our firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Other than our work in carrying out all legally required external audits, we have no relationship with or interests in the Council.



Clarence Susan
Audit New Zealand
On behalf of the Auditor-General, Tauranga, New Zealand

WAIKATO REGIONAL COUNCIL



Whakapā atu ki ō kaikaunihera

Contact your councillors

If you have any questions about what we're proposing for the next 10 years, please get in touch with your councillor.

Waikato



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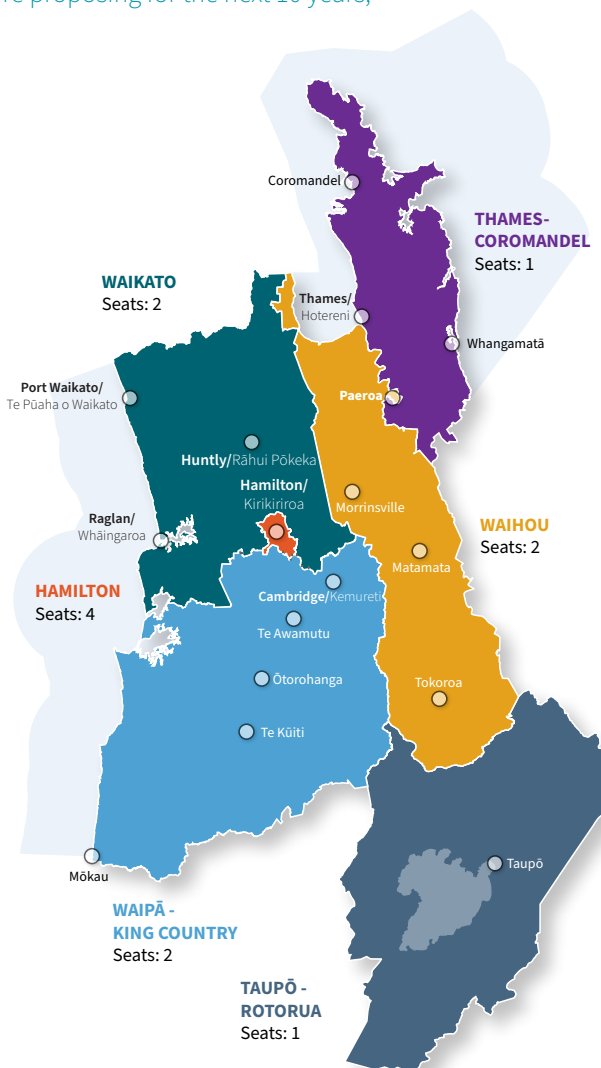
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Taupō-Rotorua



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42

2024-2034 Long Term Plan

Ngā Hau e Whā

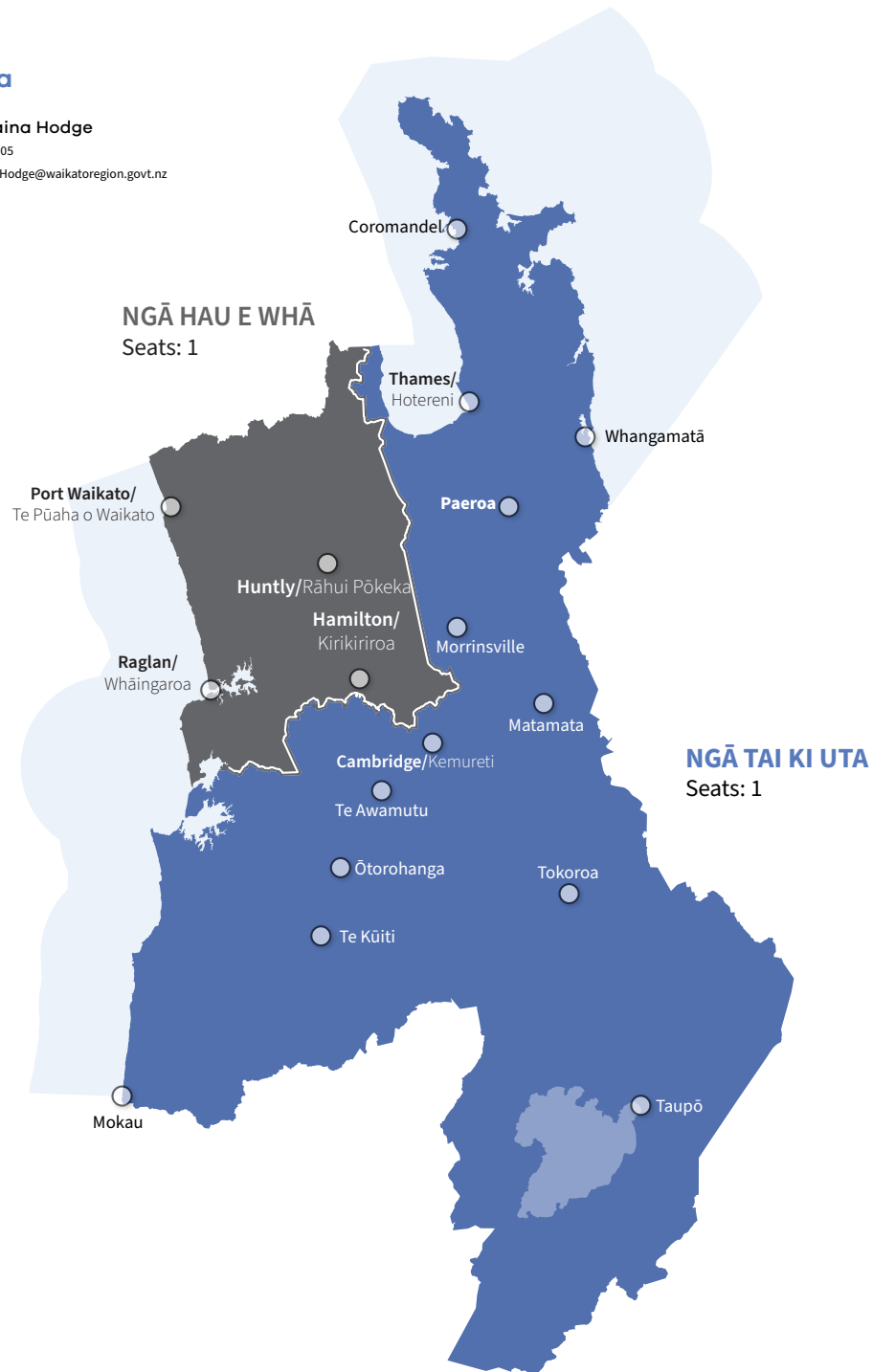


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Ngā Tai Ki Uta



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Homai ōu whakaaro Share your views

» Consultation closes at 4pm
on Thursday, 2 May 2024.

It's important that our councillors know what you think about the proposals outlined in this consultation document.

This is your chance to influence their decision making. You can pick up a copy of this consultation document at any Waikato Regional Council office or email hveyoursay@waikatoregion.govt.nz and we will post one to you.

How you can give us your feedback

➤ **Online:** go to waikatoregion.govt.nz/ltp

Should you require more information, a range of resources are also available on this page to give you a detailed insight into the financial impacts of the proposals.

➤ **Email:** hveyoursay@waikatoregion.govt.nz

➤ **Want to submit but don't have access to a computer or the internet? Your feedback can also be:**

Posted to:

Corporate Planning
Waikato Regional Council
Private Bag 3038
Waikato Mail Centre
Hamilton 3204

Delivered to one of our offices:

Hamilton Office 160 Ward Street	Taupō Office 100 Horomatangi Street
Paeroa Office 13 Opatito Road	Whitianga Office 33-35 Albert Street



Your feedback and any information you include is considered public information and will be available in reports and documents relating to this process, in addition to being published on our website. On the following pages are the questions we're consulting on for your consideration.

Please tick the option box of your preference. A section is included for additional comments and, if necessary, you may add additional pages of feedback.

Title (please circle): Dr Mr Mrs Miss Ms					Other (please specify):
First name:					Surname:
Organisation/group submitting (if applicable):					
Email (please print):					
Address (full address, including rural delivery):					
					Postcode:
Phone (day time):					Mobile:
You are invited to speak to council about your feedback from 14-17 May 2024.					
If you/your group would like to present please indicate here: Yes No					

In relation to the natural heritage rate, which option do you prefer?

- ☐ Option 1 (preferred) – Increase the rate to \$8.68 per property.
- ☐ Option 2 – Increase the rate to \$15 per property.
- ☐ Option 3 – Keep the rate at \$5.80 per property.

Do you support Waikato Regional Council rating for public transport services across the region?

- ☐ Yes ☐ No

If Waikato Regional Council started rating for public transport services across the region, which rating option would you prefer?

- ☐ Option 1 (preferred) – 80 per cent of the funding required from rates comes from properties within 5km of a bus route.
 - 20 per cent of the funding required from rates is paid by all other properties in the area.
- ☐ Option 2 – 80 per cent of the funding required from rates comes from properties within 800m of a bus stop.
 - 20 per cent of the funding required from rates comes from properties between 800m and 5km of a bus stop.

Regional economic development funding

In relation to the Regional Development Fund, which option do you prefer?

- ☐ Option 1 (preferred) – Discontinue the Regional Development Fund
- ☐ Option 2 – Continue to operate the Regional Development Fund

In relation to Te Waka, which option do you prefer?

- ☐ Option 1 (preferred) – Council provides \$750,000 per annum over three years to Te Waka using unallocated money from the Regional Development Fund.
- ☐ Option 2 – Cease funding Te Waka

Rural compliance and support

Do you support the council's preferred option to change the funding of these activities which would result in a new primary industry compliance rate (\$275 in 2024/25, increasing to \$376 in 2026/27) to be assessed against properties 20 hectares or greater?

- ☐ Yes ☐ No

Do you have any other comments?



He taiao mauriora ▲ **Healthy environment**

He hāpori hihiri ▲ **Vibrant communities**

He ōhanga pakari ▲ **Strong economy**

Policy Series PS24/03
ISSN 2230-4339 (Print)
ISSN 2230-4347 (Online)
April 2024 #7502

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Additional information to support Matamata-Piako District Council's submission to Waikato Regional Council's 2024 – 2034 Long Term Plan

Topic: WRC's proposed region-wide public transport rate

Why change the existing funding mechanism for regional public transport services

Waikato Regional Council (WRC) notes that regional public transport (buses) provide access for the needs of many users while servicing *education, employment, recreation, healthcare*, and more. The earlier funding arrangements have evolved over time and have become unnecessarily complex; creating barriers to planning and service delivery.

Accordingly, WRC is proposing a solution, which is likely to improve affordability and enhance service changes in ways that better respond to the changing community needs. WRC wants the region's rating system (how it currently funds public buses) to change for the better.

Currently, with only the following (4) councils on board, WRC directly-sources rates (80% from property owners within an 800m radius of bus stops) within the following districts:

1. Hamilton
2. Thames-Coromandel,
3. Hauraki and
4. Matamata-Piako

For the Other (7) districts in the region (listed as follows), working with these councils on funding is not so easy. These other councils first must obtain funding from their own ratepayer-base i.e. from all 100% of the ratepayers, and then, WRC invoices each council in turn to obtain the funds it needs to plan and operate services.

Other (7) councils' include:

1. Ōtorohanga
2. Rotorua – Southwest of the urban area
3. South Waikato
4. Taupō
5. Waikato
6. Waipā and
7. Waitomo

The current process is administratively burdensome, requires considerable WRC staff time to engage and broker funding splits, is complex to manage, and makes service review calculations and the resulting service changes very complicated to cost, agree, and then formalise. WRC instead wants to do things differently.

WRC wants to direct-rate those other district councils' starting from 2025/26 (year 2 of the 10-year plan) thereby alleviating the need for these individual councils to collect rates. After that, WRC will continue to directly-rate all of the above listed Waikato councils in the region.

The reason for commencing the rating for the above councils from 2025/26 is to allow more time for the rating models to be refined, to allow time for councils to accommodate a changing structure, and to enable WRC to put a suitable communications programme out to ratepayers forewarning them of the pending rates changes – that WRC will send a separate rates bill for public transport (bus) services.

Assumption: WRC anticipate that the NZ Transport Agency Waka Kotahi will continue to fund 51% of the net cost of all public bus services in the region (based on suitably available funding through the NLTP). The 2024/25 funding required (via rates) has been costed at \$16.021 million.

Option 1 is the least cost on Matamata Piako District Council's (MPDC) ratepayers

- MPDC's preferred option is *Option 1* rather than Option 2 (which is the current status quo for Eastern Waikato councils – Matamata-Piako District, Hauraki and Thames-Coromandel).
- MPDC's ratepayers are currently being rated by WRC either **\$9.21** (for those 80% of the properties within 800m of a bus stop) or **\$0.81** (for those 20% of the properties between 800m and 5km of a bus stop).
- By shifting to Option 1, MPDC's ratepayers would be rated by WRC either **\$6.68** (for those 80% of the properties within 5km of a bus stop) or **\$0.34** (for those 20% of properties 5km or more from a bus stop).
- By continuing with Option 2, MPDC's ratepayers would be rated by WRC either **\$16.16** (for those 80% of the properties within 800m of a bus stop) or **\$1.59** (for those 20% of properties 800m and 5km of a bus stop).

Summary: From a pure cost perspective, Option 1 is the least cost on MPDC's ratepayers.

Option 1 broadens the extent from the bus stop

Option 1 is not just about cost it's also about spreading funding coverage i.e. the proposed change broadens the extent (or area covered) from where property rates are collected from.

Currently, the extent of the "walk-up to the bus" distance is only 800m i.e. households 800m either side of stops are the potential bus users with the greatest gains. They pay the most as they are closest to the bus services and get the most direct benefits (social and decongestion).

However, WRC wants to instead spread the funding by extending the distance to "walk-up to the bus" from 800m to 5kms. And those properties outside of the 5km extent represent the 20% of ratepayers, i.e. they become the households who receive the least benefit, so pay the least, yet they still have some social benefit.

Summary: From a coverage perspective, Option 1 spreads the costs/investments and benefits more evenly amongst MPDC's ratepayers.

Relative to a MSP future where does MPDC's bus corridor sit?

The Hamilton Waikato Metropolitan Spatial Plan (MSP) is a vision and framework for how Hamilton City and the neighbouring communities within Waipā and Waikato districts will grow and develop over the next 100 + years creating one of the most liveable places in New Zealand.

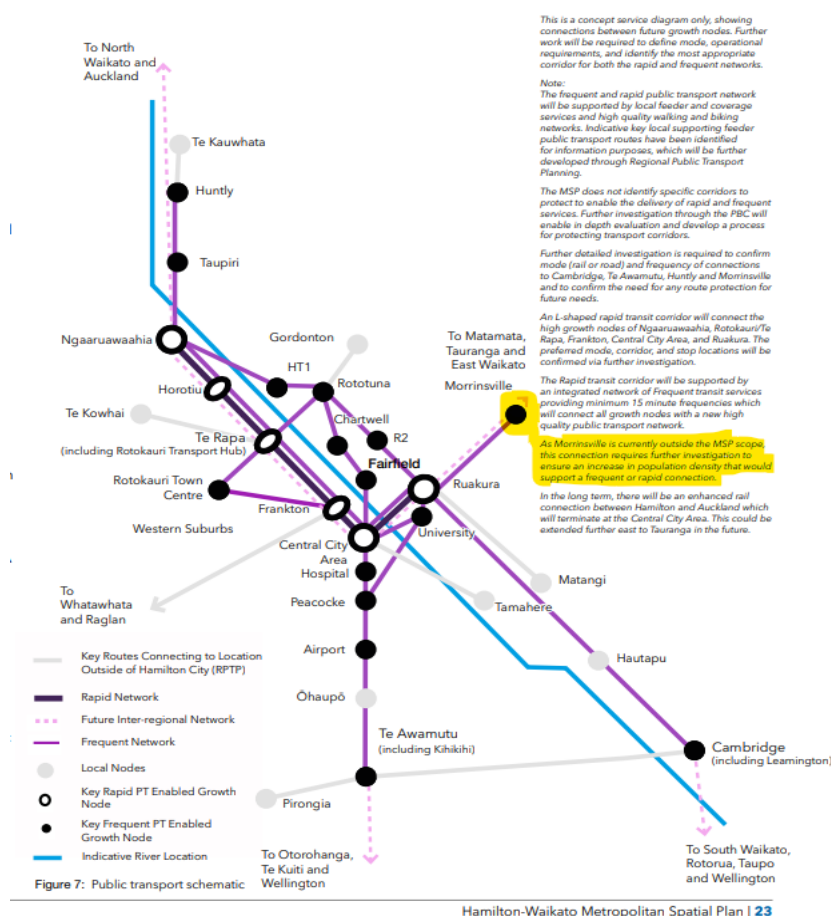
The MSP is delivered through the Future Proof partnership between Waikato-Tainui, Tainui Waka Alliance, taangata whenua, Central Government, Waikato District Council, Waipā District Council, Hamilton City Council and Waikato Regional Council and ensures preparation for future growth.

As shown below (and highlighted in yellow) in the transport diagram on page 23 of the MSP, Morrinsville currently sits outside the of the MSP scope. It is important to note comments of...

"As Morrinsville is currently outside of the MSP scope, this connection requires further investigation to ensure an increase in population density that would support a frequent and rapid connection."

This signals the appropriateness of funding 80% of the public transport rate from properties that are situated within 5kms of the bus route (rather than at the present 800m), thereby spreading the funding requirement across more properties. The remainder 20% coming from the wider district.

Our district is more rural than urban and quite dispersed lacking the urban concentrations of other districts – Hamilton and Cambridge as examples.



GIS representations of proximity to the MPDC bus corridors

The following GIS representations were prepared with the assistance of MPDC GIS staff.

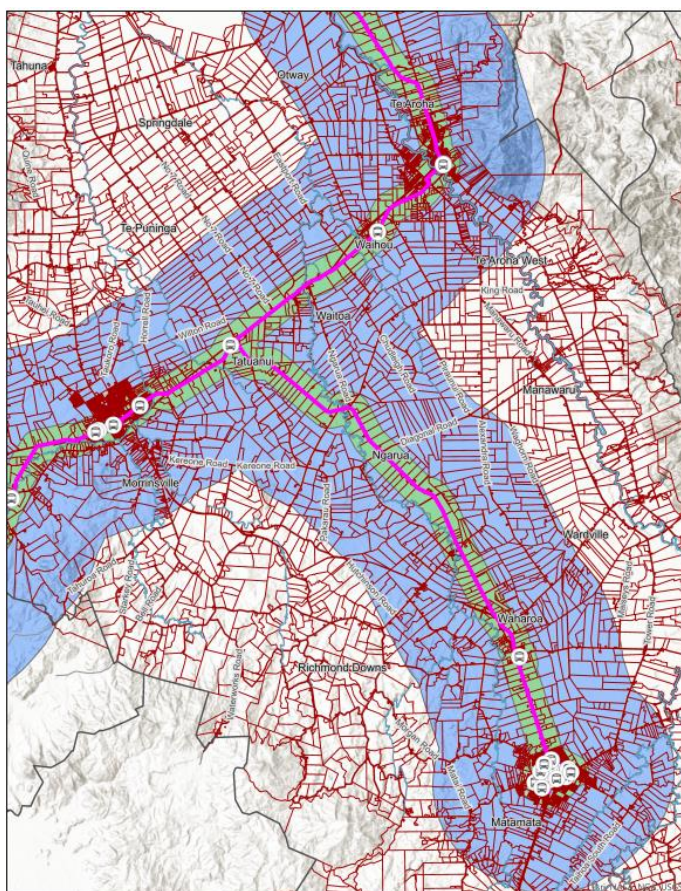
There appears to be no consistent urban concentration of properties to support the continuation of the existing 800m rate take from our district by WRC for public bus services. The 5km extent (blue) is significantly broader and allows for more properties to contribute to public transport services.

District-wide

Below, the district extents are clearly displayed. Bus corridors on the Matamata to Morrinsville corridor/route and again the Te Aroha to Morrinsville corridor/route lack population e.g. only at Waharoa are passengers able to gain access to service outside of Matamata and Morrinsville.

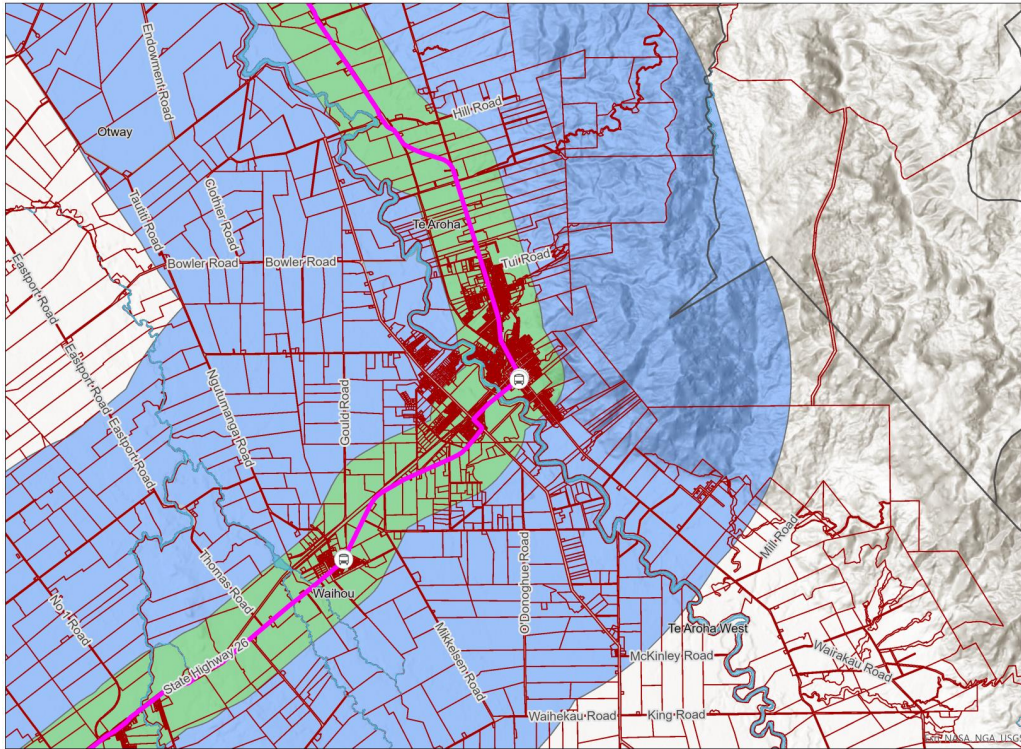
Likewise, those settlements between Te Aroha and Morrinsville e.g. Waihou, Waitoa and Tātuanui wouldn't have sufficient property concentrations to realistically support public buses 800m either side of the route, hence it seems reasonable to widen the present extent to 5kms to spread rate payer funding.

It is reasonable to expect in rural communities people will travel further to gain access to a public bus service. Below are examples from Te Aroha, Matamata and Morrinsville.



Te Aroha

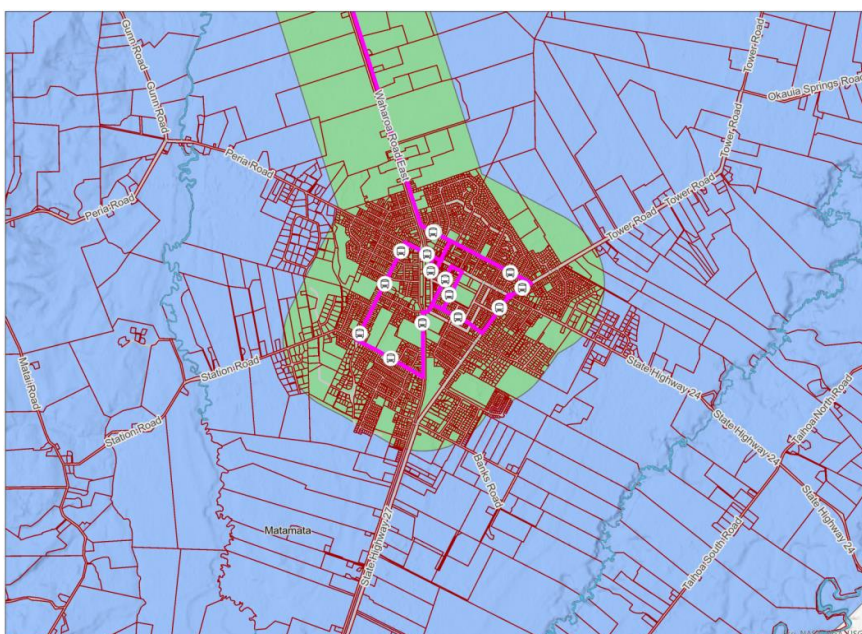
Below the green area shows existing 800m extents either side of the bus route; comprising 80% of the present rate take for public buses by WRC. These extents are narrow and exclude more rural properties that could easily benefit from the bus service situated within 5km either side of the route (the blue area). Beyond that, the uncoloured extents west and south east (and not adequately shown) are where potentially the 20% of ratepayer base could come from.



Matamata

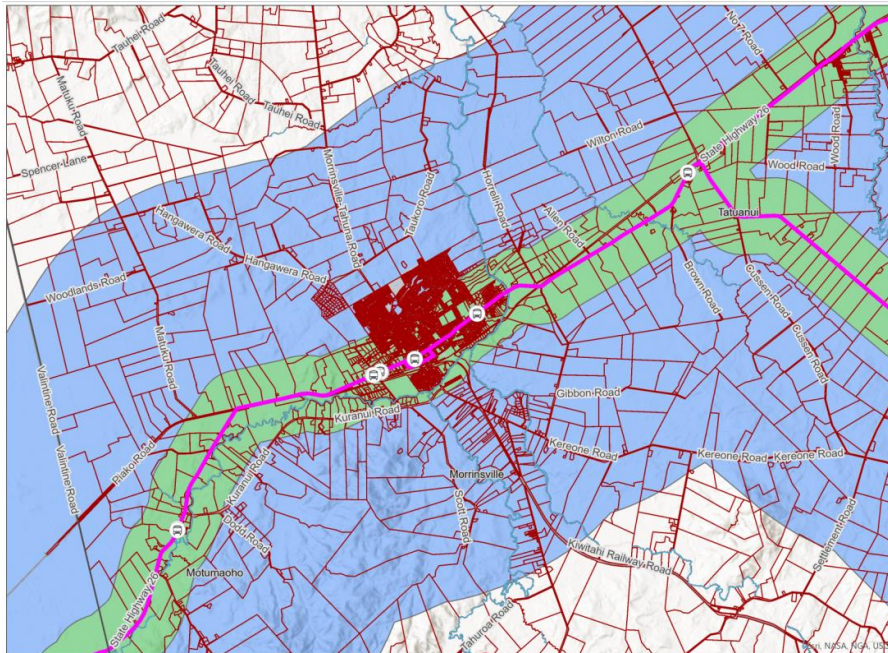
Matamata's bus route includes much of the inner urban area and incorporates a good clustering of bus stops. This is because it was considered and planned when the trial service was established in July 2021. The more evenly positioned bus stops are the easier it is for bus users to get to and from and on and off buses. The downside is operationally in terms of the added time to complete service kilometres travelled.

Matamata's 800m extent although displaying comprehensive service coverage relative to Te Aroha and Morrinsville doesn't account for many of the new subdivision areas to the South/South-east e.g. between SH27 and Station Road, East between SH24 and Banks Road and further West off Peria Road. This shows that there are considerable people living in the wider blue (5km extent) i.e. beyond the present 800m extent of the bus route who could benefit from the service.



Morrinsville

From the below image of Morrinsville, we can see that while there is a clear bus corridor through the town, currently the number and location of stops is limited, particularly as Morrinsville expands out to the North/NorthEast e.g. Lockerbie as well as to the South-south east. This means that the 800m coverage (in green) doesn't sufficiently include the town. Again, by broadening the extent to 5kms, Morrinsville is better represented in terms of a fairer public transport rate.



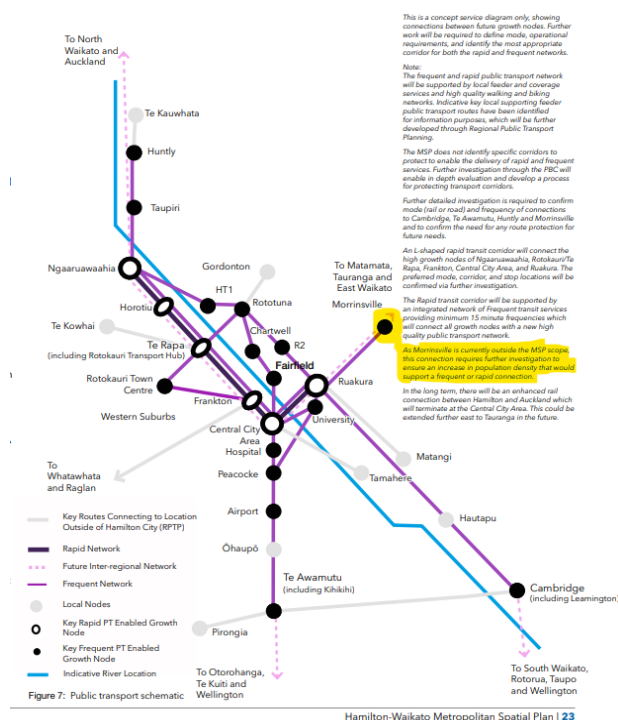
Matamata-Piako District Council Feedback

Should all properties (within each district of the region contribute/fund public buses due to “wider community and environmental benefits”, or should only those properties with access to public bus services contribute?

MPDC thinks that it is reasonable for all properties to contribute to the wider community and environmental benefits. Not all districts have good direct access public (bus) transport services.

Should the Hamilton/Waikato Metropolitan Area (Metro area) be treated distinctly, i.e. free of city and district council boundaries? This might be a way of ensuring funding of public bus services in the transport programme is collected from the area most likely to benefit from that programme.

The Metro area is different as it defines a specific geographical area of potential public transport benefit. By ring-fencing the Metro area other less populated district areas can be recognised as less targeted with less obvious benefits.



1. Do you support Waikato Regional Council rating for public transport services across the region?

- ★
- ☐ Yes
- ☐ No

MPDC supports WRC rating for public (bus) transport services across the region – as this is a more consistent and administratively more efficient than how funding is currently being sourced.

2. If Waikato Regional Council started rating for public transport across the region, which rating option would you prefer?

See more information in the tables below. *

☐ Option 1

☐ Option 2

MPDC supports Option 1 for the reasons outlined by WRC – cost and coverage.

3. Comments and feedback

Let us know why you picked this option and anything else you think might be relevant.

MPDC acknowledges that route 22 Eastern Connector services within our district are in the early stages of development and don't yet provide a great deal of choice to bus users.

By extending the rate-payer base and spreading the investment wider, more ratepayers can contribute to any potential future enhancements and benefits derived from these services.

4. Attachments (Please upload any file you wish to attach to your feedback. Maximum file size is 5MB)

 Upload file

Our Ref: NR - 11481
Enquiries to: Laura Hopkins

15 April 2024

Waikato Regional Council
Private Bag 3038
Waikato Mail Centre
Hamilton 3240



Dear Waikato Regional Council

Submission - Draft 2024-2034 Long Term Plan

Thank you for the opportunity to provide comment on Waikato Regional Council's 2024-2034 Long Term Plan. Council appreciated the presentation from Waikato Regional Council (WRC) representatives on key issues and proposals of the plan, and the opportunity to ask questions and seek clarification. This allowed for a robust discussion on the pertinent issues facing our communities.

Council values WRC as a key strategic partner in the promotion of the social, economic, environmental, and cultural well-being of communities.

Council discussed the consultation document at a workshop held on 10 April 2024. Overall, Council is in support of the proposals, however we do not support the primary industry compliance funding proposal.

Primary industries play a significant role in the economy of our district. Whilst we are cognisant of the complex issues that all local authorities are facing in the preparation of Long Term Plans including ourselves, Council wishes to highlight the particular challenges that our rural communities are facing including increasing costs, compliance and demands, which are impacting the physical and mental health of rural communities.

Council has reviewed the consultation document and requests that WRC consider the following in the interests of our communities:

Natural Heritage Rate

Council prefers option 1 – *WRC increases the natural heritage rate to \$8.68 per property per annum, with further increases for the proposed work programme after this.*

Council acknowledges that the natural heritage rate has not kept pace with demand or inflation and supports the increased appetite and passion of the community in undertaking community-led conservation projects. Therefore, we support this in principle, however the timing of this increase is queried, given the current economic climate.

Region-Wide Public Transport Rate

Council supports WRC rating for public transport services across the region and prefers option 1 – *80 per cent of the funding required from properties within 5*

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Morrinsville & Te Aroha 07 884 0060 - Matamata 07 881 90 50

kilometres of a bus route; and 20 per cent of the funding is paid by all other properties in the area.

WRC already rates for public transport in the Matamata-Piako District. The above option spreads the investment over a larger ratepayer base, thus resulting in a reduced amount for ratepayers in our area. Staff have prepared detailed comment regarding the rating impact for our district and this is attached for your consideration.

Regional Development Fund

Council prefers option 1 – *WRC discontinues the Regional Development Fund.*

Council is in agreement with the proposal to disestablish the Regional Development Fund and re-direct the funding to where it will be better utilised and have greater impact.

Funding for Te Waka

Council prefers option 1 – *WRC provides \$750,000 per annum over three years to Te Waka using unallocated money from the Regional Development Fund.*

Council is in agreement with this proposal and is in strong support of Regional Councillors in their demand for greater accountability over how the funding is used.

Additionally, and in relation to the Regional Development Fund, WRC may wish to consider its funding to Hamilton & Waikato Tourism, given the importance of the tourism sector to the Waikato region and the funding challenges that this organisation is facing.

Funding Primary Industry Compliance

As noted above, Council does not support this proposal.

In addition to the comments relating to general pressures on our rural community, Council also notes that the reason stated for the increase is partially due to the new permitted activities under Waikato Regional Plan Change 1. Plan Change 1 only affects properties that are located within the Waipa and Waikato River catchments, therefore is not relevant to the majority of the Matamata-Piako District (noting there is a small part at the south and north of our district included in this catchment). If this is based on a user pays/benefits model, then we would query if the increase in rates should only fall on those properties within the Waipa and Waikato catchments, and not the entire region as properties over 20 hectares outside the Waipa and Waikato catchments won't be contributing to the increased monitoring costs.

Council seek clarity on the longer-term implications of this proposal e.g. the consultation document explains the impact of the new primary industry compliance rate for the first two years of the Long Term Plan only.

Council would like to note the importance of the farm planning system to be cost-effective and practical for our communities and to be mindful of escalating costs to the primary sector. The increasing level of compliance is of concern to many of our rural ratepayers.

Other Feedback

Council commends WRC for its focus on resilience as guided by its strategic priorities. Flood protection schemes are of critical importance to our district and Council agrees that the schemes are a critical aspect of the resilience of our rural communities who are vulnerable to weather events. Council are keen to learn more about how WRC is managing flood protection in our district and how households will benefit from the further investment planned in this area.



In regards to the programme, 'for peat's sake' – we note that there has already been substantial investment and a previous study. Council seek further clarity regarding the \$2.3 million of funding allocated over five years. Is the further work an extension of the earlier study undertaken and an extension of previous work undertaken? Due to the importance of this work to our district and wider region, we are keen to work towards solutions and outcomes.

Finally, and as discussed with representatives from WRC at the Council workshop referenced above, Council would like to see further regional collaboration between all councils and look forward to supporting this to address some of the shared issues and challenges we face in the Waikato rohe. In particular, we are looking forward to our involvement in the development of a spatial plan, as a strong voice for the Matamata-Piako district.

We trust the points raised above are helpful to WRC when considering all submissions to the 2024-2034 Long Term Plan. Council does not wish to be heard at the hearing.

If you require clarification of the points raised in this submission or any additional information, please contact Laura Hopkins on (07) 884 0060 or email lhopkins@mpdc.govt.nz

Regards

Adrienne Wilcock (on behalf of Matamata-Piako District Council)
Mayor
Matamata-Piako District Council



7 Pūrongo me whakataua | Decision Reports

7.3 CCO Performance Monitoring - Waikato Regional Airport Limited 2024/25 Draft Statement of Intent and Half-Yearly Report

CM No.: 2843920

Te Kaupapa | Purpose

The purpose of this report is for Council to receive and consider the Waikato Regional Airport Limited (WRAL) 2024/25 draft Statement of Intent and the interim half-yearly report to 31 December 2023 as required by the Local Government Act 2002 (LGA).

Rāpopotonga Matua | Executive Summary

Council-Controlled Organisations (CCOs) are required by the LGA to prepare and publish an annual Statement of Intent. WRALs draft Statement of Intent for 2024/25 and Half-yearly report is attached to this report. Council are invited to provide feedback on this document prior to its finalisation.

Additionally, within two months after the end of the first half of each financial year, the board of a CCO must deliver to the shareholders a report on the organisation's operations during that half year.

Tūtohunga | Recommendation

That:

1. The information be received.
2. Council receives the Waikato Regional Airport Limited (WRAL) Interim Half-Yearly Report to 31 December 2023.
3. Council receives the Waikato Regional Airport Limited (WRAL) 2024/25 Draft Statement of Intent.
4. Council:
 - a) Approves the Waikato Regional Airport Limited (WRAL) 2024/25 Draft Statement of Intent.

OR;

- b) Provides feedback to Waikato Regional Airport Limited (WRAL) on the 2024/25 Draft Statement of Intent [*to be specified*].

Horopaki | Background

Waikato Regional Airport Limited (WRAL)

WRAL are a Council-controlled organisation (CCO) of which Matamata-Piako District Council hold a 15.6% shareholding. The group incorporates:

- Waikato Regional Airport Limited (trading as Hamilton Airport) - 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 - has an intent to provide non-aeronautical earnings to the Group through the operation of a hotel and conference centre facility at Hamilton Airport.
- Hamilton & Waikato Tourism Limited – this 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.

The following core purposes have been identified under WRAL's current ten-year strategic plan:

1. An enabler of air services to the region.
2. A supporter and developer of aviation through investment in, and provision of, airport infrastructure and support services for both general aviation and commercial airline activities.
3. The operator of a first class, safe, sustainable and compliant airport that connects the Mighty Waikato to New Zealand.
4. To strategically position the Group to enhance capital value and be financially self-sustaining through an income diversification strategy.

WRAL is jointly owned by five Waikato Councils with the following shareholding arrangement:

Council	Shareholding
Hamilton City Council	50.00%
<i>Matamata-Piako District Council</i>	15.6%
Waikato District Council	15.6%
Waipa District Council	15.6%
Ōtorohanga District Council	3.2%

An independent board of Directors is appointed by the shareholders who are bound by the company constitution.

Statement of Intent

CCOs are required by the Local Government Act 2002 (LGA) to prepare and publish an annual Statement of Intent. The purpose of a statement of intent is to:

- a) State publically 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.

WRAL have provided their draft Statement of Intent to shareholding councils for feedback. This is due to WRAL by 30 April 2024. Following this process, the draft Statement of Intent will be finalised and brought back to Council for agreement. Within one month of receiving the final statement of intent, it must be published on Council's website and maintained on the site for a period of no less than 7 years.

Half-Yearly Report

The LGA also requires CCOs to produce a half-yearly report within two months after the end of the first half of each financial year. WRAL's interim half-yearly report to 31 December 2023 is attached to this report for information.

Ngā Take/Kōrerorero | Issues/Discussion

Opportunity to Provide Feedback on the draft Statement of Intent

Council is invited to provide comment on the draft Statement of Intent. The board must consider any comments on the draft statement of intent that are made by shareholders, on or before 1 May in the year preceding the year to which the draft statement relates.

Although historically, Council has chosen not to provide a formal letter of expectation to its CCOs, this is allowed for in section 64B of the LGA. A statement of expectations may:

- a) Specify how the CCO is to conduct its relationships with—
 - (i) shareholding councils; and
 - (ii) the communities of those councils, including any specified stakeholders within those communities; and
 - (iii) iwi, hapū, and other Māori organisations; and
- b) Require the organisation to act consistently with—
 - (i) the statutory obligations of the shareholding councils; and
 - (ii) the shareholders' obligations pursuant to agreements with third parties (including with iwi, hapū, or other Māori organisations).

A statement of expectations may include other shareholder expectations, such as expectations in relation to community engagement and collaboration with shareholders and others in the delivery of services. A statement of expectations must be published on the relevant council's website.

Draft Statement of Intent Content

The draft Statement of Intent highlights WRAL's key objectives for the 2024/25 year alongside key financial and non-financial performance targets to assess performance in relation to its core purpose and key objectives.

WRAL are proposing the following financial key performance targets:

	2025	2026	2027
EBITDA excl Land Sales	\$6.0m	\$7.0m	\$8.0m
EBITDA incl Land Sales	\$9.0m	\$20.0m	\$20.0m
NPBT no less than	\$2.6m	\$13.0m	\$14.0m
Net Operating Cash Flow	\$4.0m	\$5.0m	\$6.0m
Total Debt excl Design Buildings (max)	\$39m	\$50m	\$50m
Percentage of non-landing charge revenue	60%	60%	60%
Land Sales	\$4m	\$20m	\$20m
Interest Coverage	3.0x	3.0x	3.0x

Hamilton City Council's (HCC) Economic Development Committee Resolution

Hamilton City Council (alongside all other shareholding councils) were invited to provide comment on WRALS draft Statement of Intent. This was considered by HCC's Economic Development Committee (the Committee) at a meeting held on 12 March 2024. In providing feedback to WRAL, the Committee resolved the following:

<p>6. External Agencies and CCO Reporting</p> <p><u>Waikato Regional Airport Limited</u></p> <p>Margaret Devlin, Scott Kendall and Ben Langley of Waikato Regional Airport Limited spoke to their six-monthly update. They responded to questions from Members concerning opportunities for international travel, dividend policy, letters of expectation, priority projects, financial statements and future-proofing the airport.</p> <p>Resolved: (Cr Taylor/Mayor Southgate)</p> <p>That the Economic Development Committee:</p> <p>a) receives the Statement of Intent for Waikato Regional Airport Limited 2024-2025 (Attachment 4 to the staff report);</p> <p>b) delegates the CE and Mayor Southgate to work with other shareholding Councils to request Waikato Regional Airport Limited amend their 2024-2025 Statement of Intent to strengthen the following matters that were outlined in Hamilton City Council Letter of Expectation:</p> <ul style="list-style-type: none"> i. Payment of dividends; ii. International air services capability; <p>c) requests staff report back to the 9 May Economic Development Committee meeting concerning a) and b) above.</p>

The Committee have requested item a) and b) above to be reported back to their next meeting on 9 May 2024. Therefore, HCC are seeking a meeting of shareholding Mayors and Chief Executives to discuss this matter and seek a consensus view and unified shareholders letter of expectation to drive issues noted in HCC's letter of expectation dated 14 November 2023 (attached), namely dividend payments and international air services capability. At the time of writing this report, a meeting was yet to be arranged.

Interim Half-Yearly Report

The interim half-yearly report (attached for Council's information) provides an update as at 31 December 2023 on performance against targets set out in WRAL's Statement of Intent including year-end forecasts. This is detailed below:

Performance against Statement of Intent

For the six month period ended 31 December 2023
(unaudited)

	SOI	Actual	Forecast
	Full Year 30/6/24	6 months 31/12/23	Full Year 30/6/24
Financial Targets			
EBITDA excluding Land Sales	\$6,000	\$3,099	\$5,972
EBITDA including Land Sales	\$7,500	\$5,961	\$8,758
Net Profit before Tax	\$1,000	\$3,164	\$2,600
Net Operating Cash Flow excl Land Sales	\$6,000		
Total Debt (not exceeding)	\$35,000	\$22,030	\$24,200
Percentage of non-landing charges revenue	60%	67%	64%
Land Sales	\$3,000	\$3,623	\$3,623
Interest coverage	3.0x	4.9x	3.9x

The group has several non-financial performance targets covering the range of activities the group undertakes across its aeronautical activities, property, climate change response and caring for its people and community. At 31 December 2023, the Group was on track to meet substantially all of its targets except for certain targets in relation to an aeronautical development that has been deferred with agreement from the future tenants.

Mōrearea | Risk

If Council does not receive and consider the reports as detailed in the LGA, there is a risk of non-compliance with statutory requirements.

Ngā Whiringa | Options

Council may provide feedback to WRAL or may approve the 2024/25 draft Statement of Intent as attached to this report.

Recommended option

There is no recommended option.

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:

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

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.

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

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

Having regard to the decision making provisions in the LGA and Council's Significance and Engagement Policy 2023, 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. 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.	In consideration of the level of significance, no engagement is required.
Section 79 – how to achieve compliance with sections 77 and 78 is in proportion to the significance of the issue.	Council's Significance and Engagement Policy has been considered. 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 LGA 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.

The half-yearly report must be published on Council's website within one month of receiving it and Council must 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 WRAL supports the achievement of all community outcomes. In particular, the economic value and contribution of Hamilton Airport to the entire Waikato region is noted.


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.


In the last six financial years, Council has received the following dividend payments:

Financial Year	Dividend
2022/23	\$78,100
2021/22	\$0
2020/21	\$0
2019/20	\$46,875
2018/19	\$39,062
2017/18	\$31,250

Ngā Tāpiritanga | Attachments

A  WRAL Interim Half-Yearly Report to 31 December 2023



B  DRAFT WRAL 2024/25 Statement of Intent



[C↓](#). Hamilton City Council Letter of Expectation to WRAL



Ngā waitohu | Signatories

Author(s)	Laura Hopkins Policy Advisor	
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INTERIM REPORT

WAIKATO REGIONAL AIRPORT LIMITED

For the six months ended 31 December 2023



 **Hamilton
Airport**

CHIEF EXECUTIVE'S REPORT



Key results at a glance

- 3%

Passenger volume: 195,000
Decrease of 6,000

+ 7%

Aircraft movements: 16,800
Increase of 1,200

+ 10%

Operating revenue: \$10.0m
Growth of \$0.9m

- 8%

EBITDA excluding land sales: \$3.1m
Decrease of \$0.2m

Net surplus after tax: \$2.6m

Total shareholder funds: \$236.0m

* Changes are measured compared to the six months ended 31 December 2022

exacerbated by a global maintenance issue with Airbus engines creating conflicting demands on turboprop fleet between main centres and regions.

- The JetPark Hotel property has also not seen the recovery in customers it had expected citing the same overall economic challenges, however has still achieved growth on the same period last year.

Despite these challenges, the Group finds itself still tracking to budget for the year-to-date and full year. While behind its earnings (EBITDA) compared to the same period last year, full year year-on-year growth will still be achieved.

7% growth in aeronautical movements tells one part of a very positive story for the re-emergence of our general aviation sector. The other lies within our property investment strategy. As has been previously reported, the Group had acquired the improvements of some significant aeronautical properties in the previous year and we have been able to support the growth aspirations of our existing tenants by enabling them to move on airport to larger facilities, whilst also welcoming regular new operators to the airport.

The last six months has also seen the first credible engagement with international airlines in a decade. The Airport has been responding to genuine inquiries regarding the possibility of scheduled Trans-Tasman services. Key drivers behind these inquiries have been two-fold; firstly our strategic location in close proximity to Auckland as an alternate; and secondly as a destination in our own right with growth in the regional catchment, paired with the introduction of smaller Embraer E190 and Airbus A220 aircraft to Australian fleets, making us once again a potentially viable Trans-Tasman port.

While the property market has not been conducive to land activity, the apparent slow-down evident from our financials was not unexpected and in keeping with the staging strategy of our Titanium Park development. The 2024 financial year was always expected to live in the shadow of 2023, which saw settlement of pre-sold sections from the Central Precinct 5th Stage. Titanium Park is now substantially sold out with just three hectares of the total 30 hectares developed on the eastern side of the airport available for sale or lease.

Work has continued by Titanium Park Limited (TPL) to advance the Northern Precinct Private Plan Change. While the plan change was granted by Waipa District Council in June 2023, TPL is now working to resolve appellants' concerns over the ecological impacts of the

COMMENTARY

Much of the narrative around the WRAL Group's successes during the last three years has been due to the diversification strategy that has sustained the Group through the most challenging times in the Airport's history.

While this is the first financial year since 2019 to have benefited from no restrictions to COVID-related travel, across the Group we are experiencing the challenges of the economic headwinds.

- The airport has experienced largely steady passenger numbers year-on-year, despite an expectation for growth, with discretionary travel reductions for both business and leisure purposes evident. A second factor has been the challenges national airline, Air New Zealand, has faced with crewing constraints on its domestic fleet further

proposed development and parties have amicably agreed a preferred solution with the intention to have fully resolved over the remainder of the financial year. The 100ha of re-zoned land will ensure the Airport precinct cements its presence to be a significant regional industrial/commercial hub, with a supply of land expected to serve market demand south of the Hamilton City over the next two decades.

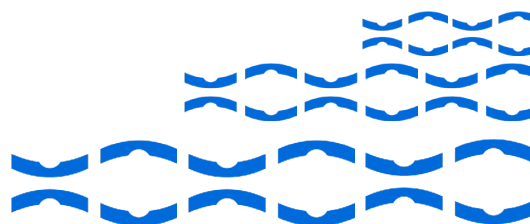
Hamilton & Waikato Tourism (HWT) continue to support the local tourism industry with activities returning to their more normal flow as the region is now welcoming large numbers of visitors from international markets after a challenging three year period of varying border and travel restrictions. The final workstreams funded by the \$1.7 million of central government grants received over the last three years were also completed in the six month period. Looking ahead, the organisation faces some significant challenges as its funding councils complete their next round of 10-year long term planning processes which will impact the future delivery model of HWT.

Shortly before completion of the six-month period, the Group was able to switch on its 0.5Mega Watt solar farm. WRAL is the first airport in New Zealand to have commissioned its

own facility. Gifted the name Tama-nui-te-ra (Son of the Sun) by local iwi partners Ngaati Haua, early indications are the generation facility is delivering as expected with over half of the power requirements of the airport terminal generated on site from 100% renewable energy through the summer months to date, adding to the financial benefits. The solar farm commissioning coincided with the Airport being awarded the prestigious Level 4 certification under the global airport body ACI's Airport Carbon Accreditation scheme, one of only four airports in New Zealand and 81 worldwide to achieve this level.

The management team has been very focused on wellbeing initiatives that genuinely provide support to our people and continue to ensure that WRAL is an employer of choice, retaining our people who continue to deliver in excess of the ambitious program of work that underpins our 10-year strategy.

Mark Morgan
Group Chief Executive



Waikato Regional Airport Ltd - Interim Report - six months ended 31 December 2023 - 3

FINANCIAL STATEMENTS

Consolidated Statement of Comprehensive Income & Expense

For the six month period ended 31 December 2023
(unaudited)

	2023 \$ '000	2022 \$ '000
Revenue		
Operating revenue	10,007	9,047
Land sales	3,623	14,723
Other gains/(losses)	-	9,591
	13,630	33,361
Expenses		
Operating expenses	(4,224)	(3,184)
Cost of land sales	(761)	(4,228)
Employee benefits expense	(2,684)	(2,537)
Depreciation & amortisation	(2,009)	(2,033)
Finance costs	(613)	(295)
Other losses	(173)	(147)
	(10,466)	(12,483)
Net surplus/(deficit) before tax	3,164	20,878
Tax expense	(587)	(3,169)
Net surplus/(deficit) after tax	2,577	17,709
Other comprehensive revenue & expense		
Revaluation of property, plant & equipment	-	-
Deferred tax	-	-
Total other comprehensive revenue & expense	-	-
Total comprehensive revenue & expense	2,577	17,709

These interim financial statements have been prepared in accordance with Tier 2 PBE Accounting Standards.

FINANCIAL STATEMENTS

Consolidated Statement of Changes in Equity

For the six month period ended 31 December 2023
(unaudited)

	Share Capital \$ '000	Retained Earnings \$ '000	Revaluation Reserves \$ '000	Total \$ '000
Opening Balance - 1 July 2022	14,860	96,637	99,228	210,725
Net profit/(loss) after tax	-	-	-	-
Other comprehensive income	-	-	-	-
Total comprehensive income	-	17,709	-	17,709
Dividends paid to shareholder	-	(500)	-	(500)
Closing Balance - 31 December 2022	14,860	113,846	99,228	227,934
Opening Balance - 1 July 2023	14,860	114,596	104,476	233,932
Net profit/(loss) after tax	-	2,577	-	2,577
Other comprehensive income	-	-	-	-
Total comprehensive income	-	2,577	-	2,577
Dividends paid to shareholder	-	(500)	-	(500)
Closing Balance - 31 December 2023	14,860	116,673	104,476	236,009

FINANCIAL STATEMENTS

Consolidated Statement of Financial Position

As at 31 December 2023
(unaudited)

	2023 \$ '000	2022 \$ '000
Current Assets		
Cash and cash equivalents	626	798
Trade and other receivables	1,194	2,463
Inventories	575	500
Development property	13,690	9,012
	16,085	12,773
Non Current Assets		
Property, plant, and equipment	162,227	159,848
Investment property	92,620	84,470
Intangible & other non-current assets	906	788
	255,753	245,136
Total Assets	271,838	257,909
Current Liabilities		
Trade and other payables	1,490	5,925
Income received in advance	900	1,738
Employee entitlements	578	549
	2,968	8,212
Non Current Liabilities		
Provisions for Infrastructure Development	4,932	1,700
Deferred tax liability	5,719	7,063
Borrowings	22,030	13,000
	32,861	21,763
Total Liabilities	35,829	29,975
Net Assets	236,009	227,934
Equity		
Share capital	14,860	14,860
Retained earnings	116,673	113,846
Revaluation reserves	104,476	99,228
Total Equity	236,009	227,934

FINANCIAL STATEMENTS

Consolidated Statement of Cash Flows

For the six month period ended 31 December 2023
(unaudited)

	2023 \$ '000	2022 \$ '000
Operating activities		
Receipts from operations	9,121	10,457
Receipts from land sales	3,831	14,723
Payments to suppliers and employees	(6,283)	(6,571)
Payments for construction of development property	(1,811)	(2,318)
Payment of interest	(636)	(321)
Payment of income taxes	(2,380)	(444)
Net cash from/(used in) operations	1,842	15,526
Investing activities		
Receipts from sale of property, plant and equipment	-	4
Purchases of property, plant & equipment	(2,880)	(10,456)
Purchases of investment properties	(302)	-
Purchases of intangible assets	(16)	(193)
Net cash from/(used in) investment activities	(3,198)	(10,645)
Financing activities		
Receipts from/(repayments of) borrowings	1,810	(3,995)
Payments of dividends	(500)	(500)
Net cash from/(used in) financing activities	1,310	(4,495)
Net change in cash for the period	(46)	386
Add opening cash and cash equivalents balance	672	412
Closing cash and cash equivalents	626	798

PERFORMANCE REPORTING

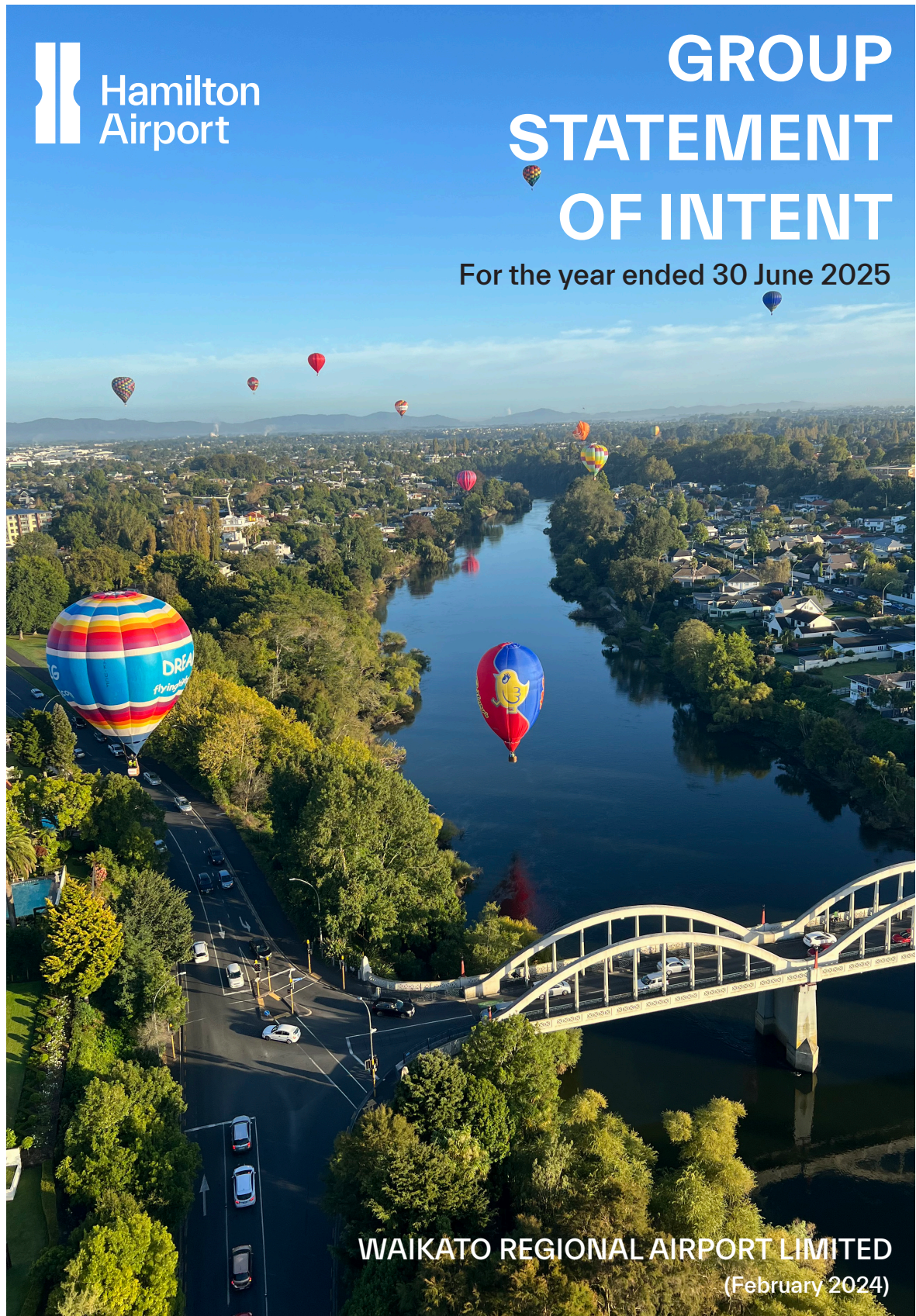
Performance against Statement of Intent

For the six month period ended 31 December 2023
(unaudited)

	SOI	Actual	Forecast
	Full Year 30/6/24	6 months 31/12/23	Full Year 30/6/24
Financial Targets			
EBITDA excluding Land Sales	\$6,000	\$3,099	\$5,972
EBITDA including Land Sales	\$7,500	\$5,961	\$8,758
Net Profit before Tax	\$1,000	\$3,164	\$2,600
Net Operating Cash Flow excl Land Sales	\$6,000		
Total Debt (not exceeding)	\$35,000	\$22,030	\$24,200
Percentage of non-landing charges revenue	60%	67%	64%
Land Sales	\$3,000	\$3,623	\$3,623
Interest coverage	3.0x	4.9x	3.9x

The group has several non-financial performance targets covering the range of activities the group undertakes across its aeronautical activities, property, climate change response and caring for its people and community. At 31 December 2023, the Group was on track to meet substantially all of its targets except for certain targets in relation to an aeronautical development that has been deferred with agreement from the future tenants.





INTRODUCTION

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 2025 and succeeding two financial years.

STRATEGIC INTENT

The Group has identified its core purposes under its current ten-year strategic plan to be:

CORE PURPOSES

- 1. An enabler of air services to the region.
- 2. A supporter and developer of aviation through investment in, and provision of, airport infrastructure and support services for both general aviation and commercial airline activities.
- 3. The operator of a first class, safe, sustainable and compliant airport that connects the Mighty Waikato to New Zealand.
- 4. To strategically position the Group to enhance capital value and be financially self-sustaining through an income diversification strategy.



ABOUT THE WRAL GROUP

The Group comprises 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** - has an intent to provide non-aeronautical earnings to the Group through the operation of a Qualmark 4 Star 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.

KEY OBJECTIVES OF THE WRAL GROUP

The Group's key objectives and activities that will be undertaken to deliver on these include the following:

Operate an efficient and compliant airport.

Operate a first class, safe and compliant regional airport by providing for essential projects, together with any compliance expenditure warranted.

Enhance the traveller experience.

Maximise traveller satisfaction and airport experience through continued investment in passenger facilities and technologies that also assist to drive sustainable outcomes.

Maintain a viable aeronautical business.

- Assist airlines to identify opportunities to increase flight schedules and passenger numbers.
- Identify and activate new development opportunities within the general aviation sector.
- Position and protect the airport as an efficient, cost effective international port.
- Remain collaborative with local authorities and central government agencies for joint infrastructure and transport initiatives.

Maximise revenue diversification through non-aeronautical business opportunities.

- Promote and secure tenants for the flight training academy facilities to secure new aeronautical operators and enhance a vibrant general aviation community.
- Support Pyper Vision to deliver trials of the fog dispersal technology to improve airline efficiency and customer experience, whilst also enhancing value of WRAL's investment in this venture.

People

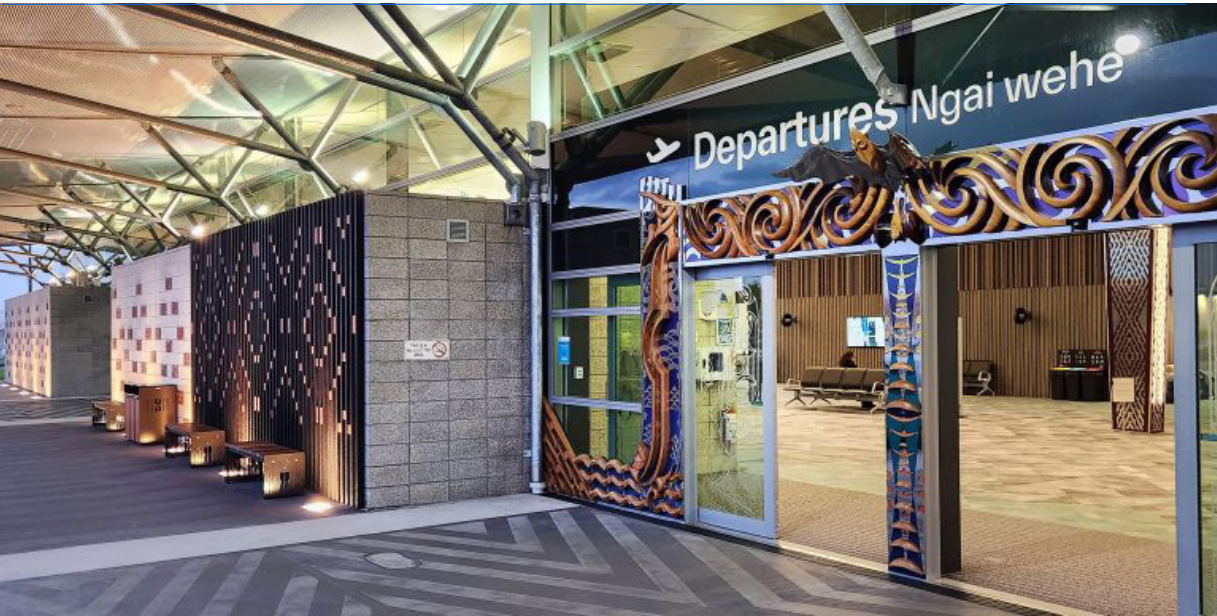
- Invest in an organisation-wide strategy that takes a holistic view of employee wellbeing, recognising wellbeing as a measure of our organisation's success.
- Provide training and development to personnel to ensure individually and collectively, our personnel remain leaders of best practice in their respective fields.
- Retain a high performing team to build resilience, capability and responsiveness to growth and change opportunities.

Sustainability

- Maintain the Jet Park Hotel's Qualmark Silver Enviro rating.
- Continue to align initiatives in the HLZERO sustainability framework, WRAL's commitment to net zero carbon emissions by 2050, to the global Airport Carbon Accreditation program and advance Level 4+ application.

Develop and optimise the land holdings of the Group to generate a long-term income from a diversified property portfolio.

- Titanium Park Limited will continue marketing for sale, development and optimised investment, all available non-aeronautically strategic land in a planned and co-ordinated approach.



- Support the development of land within the bounds of a sound, strategic approach to long-term planning as defined in the 2022 updated aeronautical master plan.
- Upon a successful mediated outcome of the Plan Change via the Environment Court, complete detailed design for Stage One of the Northern Precinct Development
- Complete ecological management plan and commence development of ecological habitat compensation site.

Operate the airport hotel to return to (or exceed) its investment business case growth targets and customer satisfaction targets following the disruptions to its growth strategy from the pandemic.

- Improvement of hotel brand awareness through continued marketing activity.

Subject to the finalisation of funding under the Council LTP process, assist in the development and marketing of the Hamilton and Waikato region as a visitor destination to domestic and international visitors.

- Implement activities within the Destination Management Plan to assist with the restart and reimagining of the tourism sector in a regenerative/sustainable manner.
- Maintain and strengthen support for regional tourism through partnerships with local government, the tourism industry and the wider regional community.

Te Tiriti and Te Ao Maaori

- Create a cultural legacy that authentically embraces and values Maaori tikanga (customs) and te reo (the language) meaningfully in our organisation, and that respects the kaitiakitanga (guardianship) of mana whenua and principles of te tiriti o Waitangi.



KEY PERFORMANCE TARGETS

The following annual performance targets are proposed for the Waikato Regional Airport Limited Group in relation to its core purpose and key objectives.

	2025	2026	2027
EBITDA excl Land Sales	\$6.0m	\$7.0m	\$8.0m
EBITDA incl Land Sales	\$9.0m	\$20.0m	\$20.0m
NPBT no less than	\$2.6m	\$13.0m	\$14.0m
Net Operating Cash Flow	\$4.0m	\$5.0m	\$6.0m
Total Debt excl Design Buildings (max)	\$39m	\$50m	\$50m
Percentage of non-landing charge revenue	60%	60%	60%
Land Sales	\$4m	\$20m	\$20m
Interest Coverage	3.0x	3.0x	3.0x

NON-FINANCIAL PERFORMANCE TARGETS

The following non-financial key performance targets are proposed for the Waikato Regional Airport Limited Group in relation to its core purpose and key objectives for the year ending 30 June 2025.

Health, safety and wellbeing.

- Zero Work Safe notifiable accidents/injuries
- Operate a workplace that fosters employee wellbeing and improving organisational culture, as measured by the Employee Engagement Survey.

Aeronautical compliance.

- To maintain the Airport Certification Standards as required by the Civil Aviation Authority.
- Ensure airport is operationally available for all scheduled passenger services (except for uncontrollable events).

Maintain a viable aeronautical business.

- Assist airlines to identify opportunities to increase flight schedules and passenger numbers.
- Identify and activate new development opportunities within the general aviation sector.
- Position and protect the airport as an efficient, cost effective international port.
- Remain collaborative with local authorities and central government agencies for joint infrastructure and transport initiatives.

Property.

- Complete detailed design for Stage One of the Northern Precinct Development.
- Complete ecological management plan and commence development of ecological habitat compensation site

Climate Change Response.

- Reduce Group electricity purchases by at least 20% on 2024 levels (measured in kWh used) due to the solar farm development.
- Advance application for Level 4+ accreditation to the Airport Council International's Airport Carbon Accreditation Programme.
- Reduce landfill waste through reduced usage of non-recyclable single-use materials and improved sustainable material usage in construction.



NON-FINANCIAL PERFORMANCE TARGETS

Governance and management of the Group.

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, the community including climate change response and Te Tiriti o Waitangi.

The Board and Management will ensure that 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.

Shareholder value.

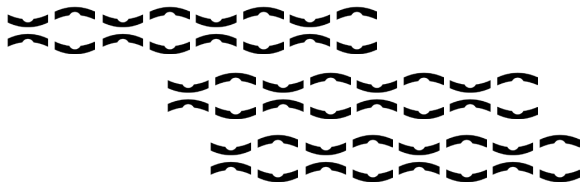
While no commercial valuation of shares has been completed, the consolidated balance sheet of WRAL as at 30 June 2023 shows shareholder equity of \$234 million based on current independent valuations of the Group's property, plant and equipment and investment properties.

The Directors will review the performance and outlook for the group annually in accordance with the Group's dividend policy before declaring any dividends.

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.

There are no additional major transactions presently contemplated for which shareholders have not already been consulted over. 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.







14 November 2023

Barry Harris
Chairperson
Waikato Regional Airport Limited
Airport Road, RD2
Hamilton 3282

Dear Barry

LETTER OF EXPECTATION – WAIKATO REGIONAL AIRPORT LIMITED AND SUBSIDIARIES

This letter sets out Hamilton City Council's (Council) expectations of Waikato Regional Airport Limited (WRAL) and its subsidiaries for consideration in WRAL's business planning and the development of a revised 2024/25 Statement of Intent (SOI) following the impact of COVID-19 and aftermath.

Council expects the WRAL Board to do everything possible to pursue the best interest of the company across all elements of the business but do so with a full understanding of the much broader strategic interests of its shareholders.

1. Statement of Intent

In accordance with the Local Government Act 2002, Council expects the WRAL Board to submit its SOI in advance of the next budget year. Council reviews all WRAL reports and accountability documents, and we request your revised draft SOI 2024/25 is provided as early as possible, and no later than 1 July 2024.

In developing the SOI, Council welcomes discussion on the content of this letter and the WRAL Board's views on its priorities in drafting your annual SOI for the coming year and beyond.

Council has been supportive of the direction of the business and recognises the significant work undertaken by the WRAL Board and Executive of WRAL on its long-term master development planning, including but not limited to the planning zone change to the land known as the Northern Precinct.

Council expects this Letter of Expectation (LoE) will give the WRAL Board a clear sense of WRAL's purpose; strategic direction; and its business outcomes. Council expects the WRAL Board to accept and understand its powers, responsibilities and obligations as placed upon it by its shareholders.

2. Principle of good governance relationships with shareholders, information flows and no surprises

As a local government entity funded by ratepayers, Council, as shareholder, can face more rigorous scrutiny in the conduct of its business and performance of its investments than private shareholders.

It is vital the WRAL Board directly or through its Executive Team keeps shareholder(s) fully informed on matters material to the business and or of public interest.

Where there are commercial sensitivities involved WRAL should communicate directly with Council's Chief Executive and/or the shareholder representative (Deputy Chief Executive, Sean Murray) and can have total confidence that those matters will be managed appropriately and in confidence by Council.

Council takes health and safety matters seriously. To ensure that WRAL is adequately addressing health and safety risks, the draft SOI, or a separate letter, should outline how the Board will implement the Health and Safety at Work Act 2015 and include a summary of the Board's processes to this end.



3. Major Transactions

Board members should be aware of the major transaction thresholds that apply for the company and each subsidiary. These are set out in the company constitution and should be used, rather than reliance on the Companies Act.

Any major transactions should be signaled via the SOI and identified as such or through special advice and request for shareholder resolution dependent upon timing.

Approval of a SOI is not approval of a major transaction by the shareholder.

Council will engage with you to assist in preparing necessary reports for Council to facilitate consideration by Elected Members of any major transaction along with other shareholders. Adequate time should be allowed for approval, once your board approves the transaction for presentation to the Shareholder, prior to signing contracts for the transaction.

As a minimum each SOI must clearly state the definition of a major transaction for the company and whether there are major transactions planned during the SOI period.

4. Council Shareholding

Council remains a 50 percent shareholder of WRAL. Council would always consider increasing its shareholding in the business unless an opportunity arises for a new investor to take a stake in the airport with a strong strategic fit and common aspiration for the business but only if there is no detrimental impact to the business or the interests of Hamilton city and the region.

5. Consistency with wider objectives of Council

It is important that the Board and Executive of WRAL be familiar with the relevant strategies and policies of Council that have a bearing on the WRAL operation.

Section 59 of the Local Government Act sets out the principal objectives of a Council Controlled Organisation (CCO). Council sets out its objectives, in accordance with s59 (1) (a), in the Hamilton Plan and this should be considered when developing the SOI.

- **Location consideration** - although WRAL is not located within Council's territorial boundaries, Council has a strong interest in the ongoing development of land use in and around the airport operation and its implications for future core infrastructure provision and land use planning. Given its strong relationship with the Waipa District Council (where the WRAL resides) and other local and central government planning collaborations, the WRAL Board should keep Council fully informed on matters to do with land use and major infrastructure planning requirements.
- **The Hamilton to Auckland Corridor Plan H2A** – Council also specifically requests that the WRAL Board and Management through its management team engage fully with the Hamilton – Auckland Corridor Plan initiative. This is a partnership between Central Government, NZTA and the Auckland, Waikato, Hamilton, and Waipa Councils. This is a critical initiative to secure a long-term plan for this rapid growth corridor. The Hamilton Airport must fully engage with this initiative in sharing its input and expertise and to ensure that its strategic interests are fully considered a part of the plan.
- **An Economic Enabler** - Council sees its investment in WRAL providing vital infrastructure and services to foster business activity and economic growth. This aligns with Council's broader infrastructure investments that have a material impact upon the city's and surrounding region's economic activity. HCC expects the Board to fully recognize WRAL's role as a business enabler for the city and region and report on those initiatives and outcomes where it has played a role in facilitating new business opportunities.

6. Proposed Plan Change 20 – Airport Northern Precinct Extension to the Operative Waipa District Plan

Council acknowledges the Airport Northern Precinct as a significant sub regional industrial node and supports the extension of the Airport Northern Precinct given the positive economic benefits that the Airport and further development will offer the City and sub-region.

We acknowledge the status of the Plan Change and WRAL's intention for the Northern Precinct to be a high quality industrial park, modelled along the lines of Highbrook in Auckland.

We reaffirm our shared interest to consult and cooperate on matters raised during the plan change consultation process and work together to reach mutual solutions, specifically in relation to industrial land use activities, retail uses, wastewater servicing and shared walking and cycling connectivity from the Northern Precinct to Hamilton City. These matters are critical to ensuring the strategic location of the Airport is maximized and sustainable in the long-term.

Industrial land use activities

We share the WRAL vision that the Northern Precinct become a high value business park environment where activities co-locate to leverage the strategic opportunity close to Hamilton City and alongside the Hamilton Airport. The Northern Precinct planning controls allow for a wide range of activities to occur. The Airport is of such strategic importance and value to the sub-region that Council seek the activities which locate there are high value, such as specialized manufacturing, warehousing, logistics, distribution, research facilities. We seek that lower value industrial activities are discouraged from locating in the Northern Precinct for example, activities that emit odour and noise. Managing the types of activities that occur within the Northern Precinct will ensure a high value business park environment is created and maintained into the future.

Retail

The provision of retail activities within the Northern Precinct is important for servicing the day-to-day needs of the workforce that will locate here. However, an oversupply of retail both in terms of the total quantum (gross floor area) and the range of retail activities risk creating a retail destination for consumers beyond those who will work in the Northern Precinct. This oversupply would undermine existing centres within the City boundary and increase trip generation. We ask that careful consideration is given regarding the types and size of retail activities that occur here. We support the provision of convenience retail such as food, beverage, bakery, butchery and fresh produce outlets would cater to the daily needs of Northern precinct patrons but request that these should be limited in size to small format stores. We ask that no large format retail is allowed to establish within the Northern Precinct. Trade retail activities such as industrial clothing, safety equipment, farming, agriculture and marine suppliers are supported as this does not significantly affect existing and planned centres within the sub-region.

Wastewater

Council has worked with local Councils and Iwi/Man Whenua to develop the Southern Metro Wastewater Treatment Plant (SMWTP) business case. This proposes a new wastewater treatment facility in the Southern Hamilton area which over time is intended to service a wide area including the airport precinct. Whilst the business case is strong, we acknowledge the current financial and deliverability uncertainty for the new wastewater treatment plant, and that this has an impact on many parties decision making processes.

We note the Northern precinct proposes a tank and truck wastewater solution which is not a sustainable long-term solution as it does not align to integrated three-waters planning that has been undertaken for the sub-region and the proposed SMWTP. We request that WRAL support connecting and contributing financially to the Southern Metro Wastewater Treatment Plant (SMWTP) when it becomes available (noting the uncertainty referred above).

It would be desirable for WRAL work alongside Council and Waipa District Council to develop and agree the

overall wastewater servicing plan and design details for the airport development area. This would include master-planning, designing and constructing the permanent reticulated wastewater infrastructure to: service the proposed development meet the requirements of the Regional Infrastructure Technical Specifications (RITS) and future-proof the infrastructure to be compatible with the long term servicing through the Southern Plant. In the interim, this may include designing and constructing wastewater facilities to provide interim centralized storage that can be converted to a terminal pumping station to convey flows from the airport development area to the treatment plant.

Shared Walking and Cycling path

We note the plan for the Northern Precinct includes the requirement for a walking and cycling path which is an important link into Southern Hamilton. We would like to work together (along with Waipa District Council) to agree an alternate alignment for a walking cycling route and support any future road stopping application for Faiping Road that does not impact the planned location of the Southern Metro Wastewater Treatment Plant (SMWTP) on land which Council has acquired.

7. Council Aspirations for WRAL

Council also considers the following specific objectives and aspirations apply:

Core operation

- Operate in full accordance with the terms of its operating licenses and conditions as per relevant statutory requirements.

Maximise returns

- Prudently manage the business to maximize the returns on investment, enabling the Board to maintain and sustain a healthy balance sheet, a profitable trading position and be able to fund future renewals and growth activity.

Payment of Dividends

- Subject to Board strategy, Council expects a dividend from its investment in WRAL if possible and sustainable. Where no dividend is paid, Council expects any trading surpluses to be invested back into the business or to offset debt at the Board's direction. This will be a matter for ongoing review.

Diversification of revenue

- The Board should preserve its capacity to diversify its business base, particularly through its property interests, which will add value to the WRAL operation.
- The Board should continue to operate and grow aviation services, regional commuter and freight services, and flight training activities.

International air service capability

- The Board should protect, as best it can, the airports "international" designation and continue to serve international landings where it can under its current operating license and commercial arrangements with airlines.
- The company is encouraged to be proactive in the development of additional aviation activity at the airport including an increase in domestic and international passenger services and air freight. WRAL should pursue new international air service opportunities (charter and scheduled) where it can with an initial focus on international airport city pairing that match existing runway capability notably east-coast Australia and the Pacific rim.
- Should any new opportunities come out of this approach the Board should report to shareholders on the matter and how they will manage new establishment costs (if required) in support of new services.

8. Waikato Regional Airport Hotel Limited

Council welcomes the ongoing revitalisation of the Hamilton Airport Hotel and encourage any proposal to extend the hotels room capacity. However, we expect as noted earlier that the Board will be prudent and alleviate any risk to WRAL associated with this activity.

We recognise the significant achievements of WRAL over the last year and since incorporation. We thank you for your diligence on behalf of Council and the company.

Yours sincerely



Lance Vervoort
Chief Executive
Hamilton City Council

7 Pūrongo me whakatau | Decision Reports

7.4 CCO Performance Monitoring - Waikato Local Authority Shared Services Limited (Trading as Co-Lab) 2024/25 Draft Statement of Intent, Half-yearly Report and Appointment of Director

CM No.: 2839598

Te Kaupapa | Purpose

The purpose of this report is to detail the following matters regarding Waikato Local Authority Shared Services; Trading as Co-Lab (Co-Lab). This includes:

1. Council to receive and consider the 2024/25 Co-Lab draft Statement of Intent;
2. Council to receive the interim Co-Lab half-yearly report to 31 December 2023;
3. Council to approve the appointment of Mr John Holyoake, Chief Executive of Western Bay of Plenty District Council as a Director of Co-Lab, representing the Eastern Waikato region.

Rāpopotonga Matua | Executive Summary

Co-Lab is a Council-controlled organisation (CCO) jointly owned by the 12 councils in the Waikato region. Co-Lab's vision is: 'Council collaboration through Co-Lab maximises community wellbeing' and their purpose is to 'support our councils to achieve this vision by helping them identify and realise shared opportunities.'

CCOs are required by the LGA to prepare and publish an annual Statement of Intent. Co-Lab's draft Statement of Intent for 2024/25 is attached to this report and Council are invited to provide feedback to Co-Lab prior to its finalisation. Within two months after the end of the first half of each financial year, the board of a CCO must also deliver to the shareholders a report on the organisation's operations during that half year. Co-Lab's half yearly report to 31 December 2023 is attached for Council's information.

Additionally, following the resignation as Director of Mr Don McLeod, Council are asked to consider a request to approve the appointment of Mr John Holyoake, Chief Executive of Western Bay of Plenty District Council as a Director of Co-Lab representing the Eastern Waikato region.

Tūtohunga | Recommendation

That:

1. The information be received.
 2. Council receives the Waikato Local Authority Shared Services (Trading as Co-Lab) Interim Half-Yearly Report to 31 December 2023.
 3. Council receives the Waikato Local Authority Shared Services (Trading as Co-Lab) 2024/25 Draft Statement of Intent.
 4. Council:
 - a) Approves the Waikato Local Authority Shared Services (Trading as Co-Lab) 2024/25 Draft Statement of Intent.
- OR;
- b) Provides feedback to Waikato Local Authority Shared Services (Trading as Co-Lab) on the 2024/25 Draft Statement of Intent [*to be specified*].
5. Council:
 - a) Approves the appointment of Mr John Holyoake, Chief Executive of Western Bay of Plenty District Council as a Director of Waikato Local Authority Shared Services (Trading as Co-Lab).
- OR;
- b) Does NOT approve the appointment of Mr John Holyoake, Chief Executive of Western Bay of Plenty District Council as a Director of Waikato Local Authority Shared Services (Trading as Co-Lab).

Horopaki | Background

Waikato Local Authority Shared Services; trading as Co-Lab (Co-Lab)

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 Council-controlled organisation (CCO) owned by 12 local authorities in the Waikato region. In 2022, Taupō District Council sold its ordinary share in Co-Lab to Western Bay of Plenty District Council. Council approved the resolution to appoint Western Bay of Plenty District Council as a shareholder at its Corporate and Operations Committee meeting on 23 February 2022. On 8 February 2023, Council approved subsequent amendments to the company constitution to reflect this.

Co-Lab's key purpose is to drive collaboration between councils, to improve customer service and performance, and to reduce costs. They aim to introduce efficiency and effectiveness gains and champion the benefits that collaboration can bring, including a reduction of duplication and waste and the promotion of 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.

Council participates in the following initiatives:

Name	About
RATA	Enabling good practice roading and waters asset management.
Waikato Building Consent Group	Coordinated support to Building Consent Authorities.
Co-Lab Learning	Online e-learning and in-person training.
Co-Lab Geospatial Services	Manages Waikato geospatial data platforms Oneview & Data Portal.
Co-Lab Water Services	Sampling and analysis, Trade Waste and Smart Water.
Regional Infrastructure Technical Specifications (RITS)	Manages accepted products list for infrastructure projects.
Energy and Carbon Management	Supports councils to achieve good energy efficient practices and assess climate change impact.
Waikato Regional Transport Model (WRTM)	Enables integrates planning of land use and transport.

The 2024/25 draft Statement of Intent notes that Council does not participate in Co-Lab procurement services. This is because Council has not opted in to all parts of the service offering. The following sits under the banner of Co-Lab Procurement Services with Council participating in 1) and 2) below:

- 1) Co-Lab leading joint procurements that benefit councils e.g. Professional Services Panel (PSP) and insurance collective;
- 2) Co-Lab providing on-going administrative support and contract management for those joint arrangements (e.g. the PSP) (This is included within the Company Management Services fee);
- 3) Co-Lab providing a procurement resource for councils that may not have in house capability.

Co-Lab have highlighted a Council as 'participating' in the service only if they are involved in the 3 items above (i.e. Co-Lab provides a procurement resource to Council).

Draft Statement of Intent

CCOs are required by the Local Government Act 2002 (LGA) to prepare and publish an annual Statement of Intent. The purpose of a statement of intent is to:

- a) State publically 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.

Co-Lab have provided their draft Statement of Intent to shareholding councils for feedback. This is due to Co-Lab by 1 May 2024. Following this process, the draft Statement of Intent will be finalised and brought back to Council to receive for information. Within one month of receiving the final statement of intent, it must be published on Council's website and maintained on the site for a period of no less than 7 years.

Half-Yearly Report

The LGA also requires CCOs to produce a half-yearly report within two months after the end of the first half of each financial year. Co-Lab's interim half-yearly report to 31 December 2023 is attached to this report for information.

Appointment of Director for Eastern Waikato Region

Following the resignation as Director of Mr Don McLeod, Council is asked to approve the appointment of Mr John Holyoake, Chief Executive of Western Bay of Plenty District Council as a Director of Co-Lab representing the Eastern Waikato region (Hauraki, Matamata-Piako, Thames-Coromandel and Western Bay of Plenty District Councils).

Ngā Take/Kōrerorero | Issues/Discussion

Opportunity to Provide Feedback on the draft Statement of Intent

Council is invited to provide comment on the draft Statement of Intent. The board must consider any comments on the draft statement of intent that are made by shareholders, on or before 1 May in the year preceding the year to which the draft statement relates.

The LGA also allows for Council to issue a formal statement of expectations to its CCOs. Although historically, Council has chosen not to provide a formal statement of expectations to its CCOs, this is detailed 64B of the LGA. A statement of expectations may:

- a) Specify how the CCO is to conduct its relationships with—
 - (i) shareholding councils; and
 - (ii) the communities of those councils, including any specified stakeholders within those communities; and
 - (iii) iwi, hapū, and other Māori organisations; and
- b) Require the organisation to act consistently with—
 - (i) the statutory obligations of the shareholding councils; and
 - (ii) the shareholders' obligations pursuant to agreements with third parties (including with iwi, hapū, or other Māori organisations).

A statement of expectations may include other shareholder expectations, such as expectations in relation to community engagement and collaboration with shareholders and others in the delivery of services. A statement of expectations must be published on the relevant council's website.

Content of Co-Lab's Draft Statement of Intent

The draft Statement of Intent outlines Co-Lab's 3-year strategy. The strategy will see the company:

- Improve the way that it communicates the value it provides to shareholders, and increase that value;
- Focus on growing shared services, which may include providing services to councils who are not shareholders, but never at the expense of value to shareholders; and;
- Employ great people with diversity of thought so shareholders receive high-quality services.

This strategy is detailed below and centres around the following performance outcomes:

1. To reduce costs;
2. To create value for councils;
3. To enable innovation and change.

Statement of Intent at a glance - our 3-year strategy



To ensure delivery of the 3-year strategy, Co-Lab propose the following annual key performance indicators:

Strategic goal	3-year Objective	Annual KPI
Shareholding councils understand we provide them value	<ul style="list-style-type: none"> We know the value we provide shareholders has improved by 15%, by 30 June 2027* (baseline y/e 30 June 23). By 30 June 2027, 80% of shareholders agree they get value from Co-Lab. All shareholders take up at least one additional shared service. <p><i>*Based on the regional benefits of collaboration (not an individual councils' benefits from collaboration).</i></p>	<ul style="list-style-type: none"> Year-on-year increase in the value we provide to councils. 80%+ of council survey respondents believe those Co-Lab services they received meet or exceed their expectations (evidenced by an annual survey). Year-on-year increase in the utilisation of services we provide to councils.
Deliver value by growing the scale of our shared service function	<ul style="list-style-type: none"> Expand the utilisation of Co-Lab's shared services by a minimum of 24 customers, by June 2027 (baseline y/e 30 June 23) 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Staff engagement increases by 5% by 30 June 2027. Staff turnover is less than 15%. Our vacancies are filled by suitable candidates within 3 months. <p><i>All baselined y/e 30 June 23)</i></p>	<ul style="list-style-type: none"> Year-on-year increase in staff engagement. Staff turnover is less than 15%. Vacancies are filled by suitable candidates within 3 months.

Of note, Co-Lab propose to reduce council member charges for the 2024/25 year by approximately \$900k across all work streams; drawing on cash reserves to fund forecasted operational losses over the next three financial years. Co-Lab state that their financial position remains robust.

Co-Lab are also signalling their intention to change the way that cross-council infrastructure procurement is funded. The draft statement of intent includes this resource under 'Company Management & Support' as opposed to a user pays model. This change is intended to remove a barrier to councils using this resource and provide a greater incentive to do so.

Interim Half-Yearly Report

The interim half-yearly report (attached for Council's information) an update as at 31 December 2023 on performance against targets set out in Co-Lab's Statement of Intent.

Appointment of Director for Eastern Waikato Region

On 23 March 2022, Council's Corporate and Operations Committee approved the appointment of Mr Don McLeod, Chief Executive of Matamata District Council as a Director representing the Eastern Waikato group of councils. This was subsequently approved at a Co-Lab Board meeting.

Following the resignation of Mr McLeod, John Holyoake, Chief Executive of Western Bay of Plenty District Council has applied for the position with the support of other shareholding councils in the Eastern Waikato region. This report seeks Council approval for Mr John Holyoake to be appointed as a Director of Co-Lab. Mr Holyoake's Curriculum Vitae will be provided separately to this report.

In accordance with section 13 of the company constitution (attached to this report), the Co-Lab Board consists of not less than three (3) and not more than eight (8) directors, of whom:

- a. one shall be appointed by unanimous resolution of the Council Representative Directors, and must be Independent;
- b. one may be appointed by Waikato Regional Council;
- c. one may be appointed by Hamilton City Council;
- d. one may be appointed by the Waikato and Waipa District Councils;
- e. *one may be appointed by the Thames-Coromandel, Hauraki, Western Bay of Plenty and Matamata-Piako District Councils;*
- f. one may be appointed by the Ōtorohanga, Waitomo, South Waikato, and Rotorua District Councils; and,
- g. [the appointments under b. – f. above, collectively being referred to as the Council Representative Directors]
- h. any other appointments shall be by special resolution of the shareholders.

Co-Lab's Board is made up of five representative directors and an independent chair. Each shareholder (council) is represented on the Board by a council representative director. Currently, one Director represents the Eastern Waikato area which includes Matamata-Piako, Thames-Coromandel, Hauraki and Western Bay of Plenty District Councils. Current Directors are listed below:

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
Gavin Ion	Waikato and Waipa District Councils
Vacant	Hauraki, Matamata-Piako, Thames-Coromandel District and Western Bay of Plenty District Council

Board appointments are made for a three-year term. Board members may be reappointed for a further term, but can only serve a maximum of six years consecutively. The Board has all the powers necessary for managing, directing, and supervising the management of the business and affairs of the company.

Note that Council is currently developing its policy on the appointment of directors to CCOs to assist Council in the board appointment process going forward.

Section 58 of the LGA states that the role of a director of a CCO is to assist the organisation to meet its objectives and any other requirement in its statement of intent. Additionally, section 57(2) notes that a local authority may appoint a person to be a director of a council organisation only if the person has, in the opinion of the local authority, the skills, knowledge, or experience to:

- a) guide the organisation, given the nature and scope of its activities; and
- b) contribute to the achievement of the objectives of the organisation.

Mōrearea | Risk

If Council does not receive and consider the reports as prescribed in the LGA, there is a risk of non-compliance with statutory requirements.

If Council does not approve the appointment as per the recommendation, councils within the Eastern Waikato Region (including Matamata-Piako) will not have a representative on the Co-Lab Board to advocate for their interests/needs.

Ngā Whiringa | Options

Council may approve the Co-Lab 2024/25 draft Statement of Intent as attached to this report, or may choose to provide feedback to Co-Lab prior to the finalisation of the document,

Council is asked to consider the appointment of Mr John Holyoake, Chief Executive of Western Bay of Plenty District Council as the Eastern Waikato representative Director for Co-Lab.

Recommended option

Council may provide feedback to Co-Lab on their draft Statement of Intent if they choose to do so.

It is recommended that the Council approves the appointment of Mr John Holyoake, Chief Executive of Western Bay of Plenty District Council as the Eastern Waikato representative Director for Co-Lab.

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

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.

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

Appointment of Board Directors must be made in accordance with the considerations of section 57(2) of the LGA as detailed above in this report.

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

Having regard to the decision making provisions in the LGA and Council's Significance and Engagement Policy 2023, 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. 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.	In consideration of the level of significance, no engagement is required.
Section 79 – how to achieve compliance with sections 77 and 78 is in proportion to the significance of the issue.	Council's Significance and Engagement Policy has been considered. 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 LGA 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.

The half-yearly report must be published on Council's website within one month of receiving it and Council must 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





Council's investment in Co-Lab supports the achievement of all 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.

Co-Lab have provided the expected annual cost of the services that Council has opted into, as well as the annual investment. Note that the figures are subject to change, and may be updated following the finalisation of Co-Lab's Statement of Intent for 2024/25. This document is attached for Council's information.

Ngā Tāpiritanga | Attachments

- A.  Company Constitution (*Under Separate Cover*)
- B.  Co-Lab Interim Half-Yearly Report to 31 December 2023 (*Under Separate Cover*)
- C.  DRAFT Co-Lab 2024/25 Statement of Intent (*Under Separate Cover*)
- D.  Proposed Co-Lab Schedule of Investment 2024/25 (*Under Separate Cover*)

Ngā waitohu | Signatories

Author(s)	Laura Hopkins Policy Advisor	
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Approved by	Niall Baker Policy Team Leader	
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	Don McLeod Chief Executive Officer	
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8 Ngā Pūrongo Whakamārama | Information Reports

8.1 Hauraki Gulf Forum Meeting 4 December 2023 and 4 March 2024

CM No.: 2846400

Te Kaupapa | Purpose

The purpose of this report is to present the minutes of the Hauraki Gulf Forum (HGF or “the Forum”) meetings from 4 December 2023 and 4 March 2024.

Rāpopotonga Matua | Executive Summary

The HGF is a statutory body, which promotes and facilitates integrated management and the protection and enhancement of the Hauraki Gulf, under the Hauraki Gulf Marine Park Act 2000. In addition to representation from Matamata-Piako District Council, the Forum has representation on behalf of the tangata whenua of the Hauraki Gulf and its islands, the Ministers of Conservation, Fisheries and Māori Development, and elected representatives from Auckland Council, Waikato Regional Council, and the Waikato, Hauraki and Thames-Coromandel District Councils. Councillor James Sainsbury is Matamata-Piako District Council’s representative on the Forum and is available to speak to the minutes and answer any questions.

Tūtohunga | Recommendation

That:

1. The information be received.

Horopaki | Background

The HGF is administered by Auckland Council and meets quarterly to examine issues related to the Gulf’s management. Its current focus is on three priority topics, which include:

1. Improving integrated management through collaborative planning, informed decision-making and action.
2. Restoring water quality values by addressing land use activities that degrade those values.
3. Recognising those critical marine values and ecosystems through advocating for protection, restoration and enhancement.

Within these priority topics, there is a range of strategic issues that the HGF will focus on.

Ngā Take/Kōrerorero | Issues/Discussion Hauraki Gulf Forum Meeting 4 December 2023

Several items were included on the agenda of the December 2023 HGF meeting. These included an update on kina barrens, the Waiheke Marine Project, the “Bare Dirt” campaign and the Asian Paddle Crab (*Charybdis japonica*) trapping project at Okiwi (Aotea Great Barrier).

The Co-Chairs’ produced a report highlighting the sinkhole that had opened up on the Gulf-side of Parnell, allowing raw sewage to flow into the Hauraki Gulf at a rate of several hundred litres a second. This report also noted that the meeting would focus on the effects of this discharge on the Gulf as well as how similar situations could be prevented in the future. The report also mentioned that the new government provided new opportunities to advocate for and progress outcomes for the Hauraki Gulf. A briefing to the incoming government was attached to the report. The Co-

Chairs' also encouraged people to be on lookout for the seaweed species *Caulerpa* (which has been described as the worst marine pest to ever to reach New Zealand) over the summer.

In his update report, Executive Officer, Alex Rogers noted that the Forum had recently provided a small grant to the Southern Seabirds Trust (SST) to launch a pilot campaign in Mercury Bay and Tairua to engage recreational fishers in practicing seabird-smart fishing. He also noted the extent of *Caulerpa* within the Hauraki Gulf and the need for the community to be vigilant to this pest, and to report any sightings.

An update and presentation was given regarding the Parnell sinkhole and the Beachlands project, the latter of which involved the construction of a pipeline into the Hauraki Gulf enabling the discharge of treated sewage from the Beachlands area. The Forum thanked Ngāti Whātua Ōrākei for their rangatiratanga in laying a rāhui tapu over the affected area of Te Waitematā and thanked Watercare teams that worked tirelessly to repair the sinkhole. It called on Watercare to consider additional investment in Hauraki Gulf restoration projects, including providing financial resource for iwi kaitiaki experts. The Forum recorded its strong opposition to the Beachlands project.

The meeting schedule for the HGF was confirmed for the 2024/25 period. Forum Members provided updates, including presentations from Biosecurity New Zealand and Ngati Pāoa on Exotic *Caulerpa* and the Waiheke *Caulerpa* outbreak respectively.

The minutes and the open minute item attachments (which includes the items presented to the Forum) from this meeting is available under a separate cover.

Hauraki Gulf Forum Meeting 4 March 2024

The March 2024 HGF meeting included an update from Legasea on mushy fleshed fish, as well as presentations on the review of the summer seabird smart fishing campaign, retreating from the tide: integrating ecosystems improvement into a flood scheme and supporting the takutai moana coastal and marine strategic priority.

In the Co-Chairs' Report, Toby Adams and Nicola McDonald highlighted the importance of year ahead, noting that the Hauraki Gulf Tīkapa Moana Marine Protection Bill was before Parliament, and that decisions were due on the Hākaimangō – Matiatia Marine Reserve and regarding options for restricting bottom impact fishing in the Marine Park. It also highlighted the further spread of *Caulerpa*, particularly around Aotea Great Barrier Island and acknowledged that the new Minister for Biosecurity, Hon. Andrew Hoggard had announced a \$5m investment into stopping its spread.

The meeting also had Constituent Party updates, the purpose of which is to brief Forum members on key priorities and work programmes occurring among the Forum's Constituent Parties. It received written briefings from Waikato Regional Council, Hauraki District Council, Thames Coromandel District Council, Fisheries New Zealand, the Department of Conservation and Auckland Council.





The Forum's work plan was also discussed, with the Executive Officer facilitating a round-table discussion on the members' priorities for the next three years. The HGF requested that the Executive Officer draft the 2024-2026 work plan, accounting for the feedback provided at the meeting. The intention is that the final work plan would be adopted at the 10 June 2024 meeting.

In the Executive Officer's Report, Alex Rogers echoed some of the matters raised by the Co-Chairs. He noted that he was monitoring the progress of the Marine Protection Bill, and that he and Co-Chair Toby Adams would be delivering the Forum's position on the Bill to the Select Committee later in March 2024. The Report mentioned that following up with Watercare regarding

the Parnell sewer collapse was a priority. It also noted that the Forum's opposition to any discharge structures being built into the Gulf had been registered with the company.

The minutes and the open minute item attachments (which includes the items presented to the Forum) from this meeting is available under a separate cover.

Ngā Tāpiritanga | Attachments

- A.  Hauraki Gulf Forum Minutes Attachments 4 December 2023 *(Under Separate Cover)*
- B.  Hauraki Gulf Forum Minutes 4 December 2023 *(Under Separate Cover)*
- C.  Hauraki Gulf Forum Minutes Attachments 4 March 2024 *(Under Separate Cover)*
- D.  Hauraki Gulf Forum Minutes 4 March 2024 *(Under Separate Cover)*

Ngā waitohu | Signatories

Author(s)	Nathan Sutherland Team Leader RMA Policy	
Approved by	Ally van Kuijk District Planner	
	Dennis Bellamy Group Manager Growth & Regulation	

8 Ngā Pūrongo Whakamārama | Information Reports

8.2 Staff Long Service Presentation

CM No.: 2838473

Te Kaupapa | Purpose

The purpose of this report is to provide recognition to staff for their years of service.

Rāpopotonga Matua | Executive Summary

Jo Gifford to be presented with a Long Service Award in recognition of 30 years' service to Matamata-Piako District Council.

Tūtohunga | Recommendation

That:

1. The information be received.

Ngā Tāpiritanga | Attachments

There are no attachments for this report.

Ngā waitohu | Signatories

Author(s)	Stephanie Hutchins Governance Support Officer	
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Approved by	Sandra Harris Placemaking and Governance Team Leader	
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