

Agenda for a meeting of the Strategy & Finance Committee to be held in the Council Chambers, District Office, 15 Galileo Street, Ngaruawahia on **WEDNESDAY 23 AUGUST 2017** commencing at **9.00am**.

Information and recommendations are included in the reports to assist the committee in the decision making process and may not constitute Council's decision or policy until considered by the committee.

1. APOLOGIES AND LEAVE OF ABSENCE

2. CONFIRMATION OF STATUS OF AGENDA

Mr J Dawson, representative from Hamilton & Waikato Tourism will be in attendance from 9.00am to discuss item 6.1.

Ms K Bredenbeck, representative from Waikato Enterprise Agency will be in attendance from 9.15am to discuss item 6.2.

Representative from the Raglan Volunteer Coastguard will be in attendance from 9.30am to discuss item 6.3.

3. DISCLOSURES OF INTEREST

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GJ Ion

CHIEF EXECUTIVE

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Open Meeting

To	Strategy & Finance Committee
From	Gavin Ion Chief Executive
Date	28 June 2017
Prepared by	Wanda Wright Committee Secretary
Chief Executive Approved	Y
Reference #	GOV1318
Report Title	Confirmation of Minutes

1. EXECUTIVE SUMMARY

To confirm the minutes of the Strategy & Finance Committee meeting held on Wednesday 28 June 2017.

2. RECOMMENDATION

THAT the minutes of the meeting of the Strategy & Finance Committee held on Wednesday 28 June 2017 be confirmed as a true and correct record of that meeting.

3. ATTACHMENTS

S&F minutes

MINUTES for a meeting of the Strategy & Finance Committee of the Waikato District Council held in the Council Chambers, District Office, 15 Galileo Street, Ngaruawahia on **WEDNESDAY 28 JUNE 2017** commencing at **9.04am.**

Present:

Cr JM Gibb (Chairperson)
His Worship the Mayor, Mr AM Sanson
Cr A Bech
Cr DW Fulton
Cr S Henderson
Cr SD Lynch
Cr FM McNally
Cr BL Main
Cr EM Patterson
Cr JD Sedgwick
Cr NMD Smith
Cr LR Thomson

Attending:

Mr G Ion (Chief Executive)
Mr V Ramduny (Acting General Manager Strategy & Support)
Mr T Harty (General Manager Service Delivery)
Mrs A Parquist (Acting General Manager Customer Support)
Mrs W Wright (Committee Secretary)
Mr B MacLeod (Chair, Raglan Community Board)
Mr J Allan (Finance Planning and Resourcing Team Leader)
Mrs J Vernon (Strategic Planning and Resource Management Team Leader)
Mrs B Connolly (Senior Policy Planner)
Mrs L van den Bemd (Community Development Advisor)
Ms D Tracey (Strategic Planner)
Ms D Rawlings (Special Projects Advisor)
Ms M Russo (Corporate Planner)
Mr C Dawson (Consultant, BBO)

APOLOGIES AND LEAVE OF ABSENCE

Resolved: (Crs McNally/Main)

THAT an apology be received from Cr Church and Cr McGuire.

CARRIED on the voices

S&F1706/01

CONFIRMATION OF STATUS OF AGENDA ITEMS

Resolved: (Crs Thomson/Sedgwick)

THAT the agenda for a meeting of the Strategy & Finance Committee held on Wednesday 28 June 2017 be confirmed and all items therein be considered in open meeting with the exception of those items detailed at agenda item 6 which shall be considered with the public excluded;

AND THAT in accordance with Standing Order 9.4 the order of business be changed with agenda item PEX2.1 [*Professional Negligence and Weathertight Homes Claims – Six Monthly Report*] being considered after agenda item PEX2.2 [*Lakeside Private Plan Change Update*];

AND FURTHER THAT all reports be received;

AND FURTHER THAT the Chair of the Raglan Community Board be given speaking rights for the duration of the open section of this meeting.

CARRIED on the voices

S&F1706/02

DISCLOSURES OF INTEREST

There were no disclosures of interest.

CONFIRMATION OF MINUTES

Resolved: (Crs Sedgwick/Main)

THAT the minutes of a meeting of the Strategy & Finance Committee held on Wednesday 24 May 2017 be confirmed as a true and correct record of that meeting.

CARRIED on the voices

S&F1706/03

REPORTS

Financial Review of Key Projects
Agenda Item 5.1

The report was received [*S&F1706/02 refers*] and discussion was held.

Financial Performance Summary for the period ending 31 May 2017
Agenda Item 5.2

The report was received [*S&F1706/02 refers*] and discussion was held.

Solid Energy Lake Puketirini Rezoning
Agenda Item 5.3

The report was received [S&F1706/02 refers].

The Strategic Planning and Resource Management Team Leader gave a verbal report and answered questions from the Committee

Resolved: (Cr Lynch/His Worship the Mayor)

THAT the recommendation for the Solid Energy land surrounding Lake Puketirini to be rezoned from recreational to rural be approved for inclusion in the District Plan Review.

CARRIED on the voices

S&F1706/04

Update on Waikato District Council's Heritage Forum
Agenda Item 5.4

The report was received [S&F1706/02 refers].

The Senior Policy Planner took the report as read and answered questions from the Committee.

Summary of Movements in Discretionary Funds to 15 June 2017
Agenda Item 5.5

The report was received [S&F1706/02 refers].

2017 Community Projects for External Funding
Agenda Item 5.6

The report was received [S&F1706/02 refers].

The Community Development Adviser took the report as read and answered questions from the Committee.

Resolved: (Crs Thomson/Patterson)

THAT the Strategy & Finance Committee recommends to Council that the 2017 projects for external funding be adopted;

AND THAT that the projects be included on the Council External Funding List for other funding opportunities.

CARRIED on the voices

S&F1706/05

Request for Community Committee Grants
Agenda Item 5.7

The report was received [S&F1706/02 refers].

The Acting General Manager Strategy & Support gave an overview of this item and answered questions from the Committee.

Resolved: (Cr Smith/His Worship the Mayor)

THAT the Strategy & Finance Committee recommends to Council that funding is provided to support the following community committees based on the requests received subject to invoice:

- **Newstead Resident Association Incorporated - \$500.00**
- **North East Waikato Community Committee - \$300.00**
- **Te Kowhai Community Committee – \$585.93**
- **Tamahere Community Committee - \$3,300.00**
- **Gordonton Community Committee – 4,000.00**
- **Tauwhare Community Committee - \$500.00**
- **Mercer School reimbursement of copy charges – up to \$500.00**
- **Glen Afton Community Committee - \$300.00**

CARRIED on the voices

S&F1706/06

Approved Counterparty Review
Agenda Item 5.8

The report was received [S&F1706/02 refers] and discussion was held.

Feedback to the Remuneration Authority on the Local Government Review Consultation Document
Agenda Item 5.9

The report was received [S&F1706/02 refers] and discussion was held.

Resolved: (Cr Sedgwick/His Worship the Mayor)

THAT the feedback to the Remuneration Authority on the Local Government Review Consultation Document be retrospectively approved.

CARRIED on the voices

S&F1706/07

Early engagement for the Long Term Plan 2018-28
Agenda Item 5.10

The report was received [*S&F1706/02 refers*] and discussion was held.

Resolved: (Crs Thomson/Bech)

THAT the Strategy & Finance Committee endorses the early engagement approach outlined in this report for the Long Term Plan 2018-28, noting that a full engagement strategy will be developed and brought before the Council at a later date.

CARRIED on the voices

S&F1706/08

Regional Infrastructure Technical Specification – Recommendation to Commence Public Consultation
Agenda Item 5.11

The report was received [*S&F1706/02 refers*] and discussion was held.

Resolved: (Crs Patterson/Sedgwick)

THAT the Strategy & Finance Committee recommends to Council that the Regional Infrastructure Technical Specifications be released for public consultation;

AND THAT the consultation is undertaken by the Waikato Local Authority Shared Service (“LASS”) and any submissions addressed by the LASS.

CARRIED on the voices

S&F1706/09

Waikato Regional Airport Limited Statement of Intent 2017/18
Agenda Item 5.12

The report was received [*S&F1706/02 refers*] and discussion was held.

EXCLUSION OF THE PUBLIC

Agenda Item 6

Resolved: (His Worship the Mayor/Cr Thomson)

THAT the public be excluded from the meeting to enable Council to deliberate and make decisions on the following items of business:

Confirmation of Minutes dated Wednesday 24 May 2017

REPORTS

a. Professional Negligence and Weathertight Homes Claims – Six Monthly Report

This resolution is made in reliance on section 48(1)(a) and 48(2)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by sections 6 or 7 of that Act which would be prejudiced by the holding of the whole or the relevant part(s) of the proceedings of the meeting in public are as follows:

Reason for passing this resolution to withhold exists under: Ground(s) under section 48(1) for the passing of this resolution is:

Section 7(2)(a)

Section 48(1)(a)(i)

b. Lakeside Private Plan Change Update

This resolution is made in reliance on section 48(1)(a) and 48(2)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by sections 6 or 7 of that Act which would be prejudiced by the holding of the whole or the relevant part(s) of the proceedings of the meeting in public are as follows:

Reason for passing this resolution to withhold exists under: Ground(s) under section 48(1) for the passing of this resolution is:

Section 7(2)(h)

Section 48(1)(d)

c. Heritage Assistance Fund – Amendment to the Allocation of Funds

This resolution is made in reliance on section 48(1)(a) and 48(2)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by sections 6 or 7 of that Act which would be prejudiced by the holding of the whole or the relevant part(s) of the proceedings of the meeting in public are as follows:

Reason for passing this resolution to withhold exists under: Ground(s) under section 48(1) for the passing of this resolution is:

Section 7(2)(a)(b)(i)(ii)(c)(i)(f)(i)

Section 48(1)(a)(i)(ii)(d)

d. Tamahere Recreation Reserve Funding Options

This resolution is made in reliance on section 48(1)(a) and 48(2)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by sections 6 or 7 of that Act which would be prejudiced by the holding of the whole or the relevant part(s) of the proceedings of the meeting in public are as follows:

Reason for passing this resolution to withhold exists under: Ground(s) under section 48(1) for the passing of this resolution is:

Section 7(2)(f)(i)(ii)

Section 48(1)(d)

AND FURTHER THAT Mr Dawson (BBO) be permitted to remain in the meeting, after the public has been excluded, because of his knowledge of Agenda Item PEX2.2 [Lakeside Private Plan Change Update].

CARRIED on the voices

S&F1706/10

Resolutions S&F1706/11 – S&F1706/14 are contained in the public excluded section of these minutes.

Having resumed open meeting and there being no further business the meeting was declared closed at 11.48am.

Minutes approved and confirmed this day of 2017.

JM Gibb

CHAIRPERSON

Minutes2017/S&F/170628 S&F Minutes

Open Meeting

To	Strategy & Finance Committee
From	Gavin Ion Chief Executive
Date	13 July 2017
Prepared by	Rose Gray Council Support Manager
Chief Executive Approved	Y
Reference #	GOV1318
Report Title	Receipt of Minutes – Audit & Risk Committee

1. EXECUTIVE SUMMARY

To receive the minutes of the Audit & Risk Committee meeting held on Wednesday 5 July 2017.

2. RECOMMENDATION

THAT the minutes of a meeting of the Audit & Risk Committee held on Wednesday 5 July 2017 be received.

3. ATTACHMENTS

A&R minutes

MINUTES of a meeting of the Audit & Risk Committee of the Waikato District Council held in the Committee Rooms 1 and 2, District Office, 15 Galileo Street, Ngaruawahia held on **WEDNESDAY 5 JULY 2017** commencing at **9.10am**.

Present:

Ms M Devlin (Chairperson)
Cr AD Bech
Cr DW Fulton (Acting for His Worship the Mayor)
Cr JM Gibb
Cr BL Main
Cr JD Sedgwick

Attending:

Cr NMD Smith
Mr GJ Ion (Chief Executive)
Mr TG Whittaker (General Manager Strategy & Support)
Mr T Harty (General Manager Service Delivery)
Ms A Parquist (Acting General Manager Customer Delivery)
Mrs RJ Gray (Council Support Manager)
Ms A Diaz (Finance Manager)
Mrs K Jenkins (Project Management Advisor)
Ms M Russo (Corporate Planner)
Mr A Marais (GIS Team Leader)
Ms M Proctor (Audit Manager Audit New Zealand)
Mr L Pieterse (Director Audit New Zealand)
Ms M Baena-Escamilla (Continuous Improvement Analyst)
Mr K Lockley (Zero Harm Manager)
Mrs G Jones (Legal Counsel)
Mr S Pandey (Asset Management Team Leader, Waters)
Ms J Remihana (Programme Delivery Manager)
Mrs V Jenkins (HR Manager)
Mr K Pavlovich (Compliance and Income Team Leader)
Mr P Storey (Raglan Kopua Holiday Park Board Member)
Ms L Wilkins (Bizworx Consultancy Ltd)
Mr B MacLeod (Raglan Kopua Holiday Park Board Member)
Mr D Sutton (KPMG)
Mr B Nand (KPMG)

APOLOGIES AND LEAVE OF ABSENCE

Resolved: (Crs Sedgwick/Main)

THAT an apology be received from His Worship the Mayor, Mr Sanson.

CARRIED

A&R1707/01

CONFIRMATION OF STATUS OF AGENDA ITEMS

Resolved: (Crs Sedgwick/Gibb)

THAT the agenda for a meeting of the Audit & Risk Committee held on Wednesday 5 July 2017 be confirmed and all items therein be considered in open meeting with the exception of those items detailed at agenda item 7 which shall be discussed with the public excluded;

AND THAT all reports be received;

AND FURTHER THAT in accordance with Standing Order 9.4 the order of business be changed with agenda item 7, Exclusion of the Public being considered following agenda item 4 and agenda item 5.4 be considered when appropriate.

CARRIED

A&R1707/02

DISCLOSURES OF INTEREST

The Chair, Ms Devlin, advised members of the Committee that there were references to City Care in reports in the agenda. She declared an interest as a Director of City Care. It was also noted that there were no decisions required in respect of City Care.

Cr Gibb advised members of the Committee that she declared a non-financial conflict of interest in item PEX 2.4 [*Contract and Procurement Issues*].

CONFIRMATION OF MINUTES

Resolved: (Crs Bech/Main)

THAT the minutes of a meeting of the Audit & Risk Committee held on Wednesday 22 March 2017 be confirmed as a true and correct record of that meeting.

CARRIED

A&R1707/03

EXCLUSION OF THE PUBLIC

Agenda Item 7

Resolved: (Crs Gibb/Bech)**THAT the public be excluded from the meeting to enable the Audit & Risk Committee to deliberate and make decisions on the following items of business:**

- a. **Confirmation of Minutes dated 22 March 2017**

REPORTS

- a. **Raglan Kopua Holiday Camp Park Internal Controls Review**

This resolution is made in reliance on section 48(1)(a) and 48(2)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by sections 6 or 7 of that Act which would be prejudiced by the holding of the whole or the relevant part(s) of the proceedings of the meeting in public are as follows:

Reason for passing this resolution to Ground(s) under section 48(1) for the withhold exists under: passing of this resolution is:

Section 7(2)(a)

Section 48(1)(a)(d)

- b. **Professional Negligence and Weathertight Homes Claims – Six Month Report**

This resolution is made in reliance on section 48(1)(a) and 48(2)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by sections 6 or 7 of that Act which would be prejudiced by the holding of the whole or the relevant part(s) of the proceedings of the meeting in public are as follows:

Reason for passing this resolution to Ground(s) under section 48(1) for the withhold exists under: passing of this resolution is:

Section 7(2)(a)

Section 48(1)(a)(i)

- c. **Register of Members' Interests Elected Members & Senior Staff**

This resolution is made in reliance on section 48(1)(a) and 48(2)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by sections 6 or 7 of that Act which would be prejudiced by the holding of the whole or the relevant part(s) of the proceedings of the meeting in public are as follows:

Reason for passing this resolution to withhold exists under: **Ground(s) under section 48(1) for the passing of this resolution is:**

Section 7(2)(f)(i)(ii)(h)(i)(j)

Section 48(1)(a)(d)

d. Contract and Procurement Issues

This resolution is made in reliance on section 48(1)(a) and 48(2)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by sections 6 or 7 of that Act which would be prejudiced by the holding of the whole or the relevant part(s) of the proceedings of the meeting in public are as follows:

Reason for passing this resolution to withhold exists under: **Ground(s) under section 48(1) for the passing of this resolution is:**

Section 7(2)(b)(i)(ii)

Section 48(1)(d)

e. Fraud Declaration

This resolution is made in reliance on section 48(1)(a) and 48(2)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by sections 6 or 7 of that Act which would be prejudiced by the holding of the whole or the relevant part(s) of the proceedings of the meeting in public are as follows:

Reason for passing this resolution to withhold exists under: **Ground(s) under section 48(1) for the passing of this resolution is:**

Section 7(2)(a)

Section 48(1)(a)(d)

f. Committee Time with Audit New Zealand

This resolution is made in reliance on section 48(1)(a) and 48(2)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by sections 6 or 7 of that Act which would be prejudiced by the holding of the whole or the relevant part(s) of the proceedings of the meeting in public are as follows:

Reason for passing this resolution to withhold exists under: **Ground(s) under section 48(1) for the passing of this resolution is:**

Section 7(2)(f)(g)(h)(i)(j)

Section 48(1)(a)(d)

AND THAT Ms Devlin (Chair), Mr Pieterse and Ms Procter (Audit New Zealand) remain in the meeting after the public has been excluded to facilitate

the discussion on item PEX 7 [*Public excluded items*] in the public excluded section of the meeting;

AND FURTHER THAT Mr Storey, Mr MacLeod and Ms Wilkins remain in the meeting after the public have been excluded for agenda item 2.1 [*Raglan Kopua Holiday Camp Park Internal Controls Review*] with speaking rights given to Mr Storey.

CARRIED

A&R1707/04

Resolutions A&R1707/05 – A&R1706/06 are contained in the public excluded section of these minutes.

Having resumed open meeting, the meeting adjourned at 11.15am and resumed at 11.31am.

REPORTS

Waikato District Council's Approach to the Impact of Disruptive Technology – Progress Report

Agenda Item 5.1

The report was received [*A&R1707/02 refers*].

The Asset Management Team Leader, Waters took the report as read and spoke of the workshops that had been held on disruptive technology.

Strategic Risk Update

Agenda Item 5.2

The report was received [*A&R1707/02 refers*].

The Project Management Advisor took the report as read and spoke of reviewing the inherent risk level for cyber security.

A request was made for the impact on Council reputation be considered as part of all the strategic risks.

Procurement and Contract Management Review

Agenda Item 5.3

The report was received [*A&R1707/02 refers*].

The Procurement Manager took the report as read and highlighted the following key issues:

- reviewed and reduced a lot of processes

- improved contract management and contract management systems
- workshops being held for training.

2016/17 Annual Report Risk Assessment

Agenda Item 5.5

The report was received [A&R1 707/02 refers].

The Finance Manager took the report as read and highlighted the following key issues:

- timing risk element for audit of Strada Corporation Limited
- timing of valuation report from the Valuers for parks and reserves assets – this may be delayed owing to health issues of the Valuer. There may be some slippage in our own internal timing but this should not affect the overall final audit process.

Audit Arrangement Letters

Agenda Item 5.6

Tabled:

Audit NZ's letter to His Worship the Mayor regarding the Proposal to conduct the audit of Waikato District Council on behalf of the Auditor-General for the 2017, 2018 and 2019 financial years

The report was received [A&R1 707/02 refers].

The Finance Manager took the report as read and discussion was held.

In response to a question raised, Mr Pieterse confirmed that in conjunction with Council staff, Audit NZ agreed to continue to explore options for further efficiencies. However, the fees proposed were a reasonable reflection of the work required.

WannaCry Cyber Threat Update

Agenda Item 5.4

The report was received [A&R1 707/02 refers].

The GIS Team Leader took the report as read and discussion was held on the following issues:

- prioritising of fire walls etc and communication with staff to be aware of incoming spikes
- patching programme implemented recently giving technical staff appropriate windows and timings to ensure work is carried out
- discussion has been held with security companies. It was agreed that penetration testing would be considered to provide greater insight into the integrity of the system.
- level of engagement with the external environment in which we operate in. Business continuity plan in place. Downer and City Care are aware of challenges and issues.

- risk register – residual risk for cyber security may need to increase to moderate rather than low.
- backup system in place and tests on recovery carried out.

Drinking Water Agenda Item 5.7

The report was received [A&RI 707/02 refers].

The Compliance Income Team Leader took the report as read. The following issues were discussed:

- basic contingency plans
- emergency management process
- use of social media as part of emergency communications processes
- tracking of maintenance tasks for auditing
- gaps in processes and procedures
- DWA unit – staffing resource

It was noted that Water NZ had published a report, which had been passed on to our Councillors from the first stage of the Havelock North report.

Zero Harm Update Agenda Item 6.1

The report was received [A&RI 707/02 refers].

The Zero Harm Manager took the report as read and highlighted the following key points:

- positive aspects of report in relation to council being fully subscribed to the Waikato Bay of Plenty LASS contractor prequalification schedule
- replacement of the ACC work practices safety programme that has been trialled under a star safety ranking system
- quarterly report required trends/improvements categorised
- recent staff survey shows increase in confidence in staff with zero harm and welfare and making this a high priority.

Update on Progress Against Audit issues

Agenda Item 6.2

The report was received [A&R1707/02 refers].

The Corporate Planner took the report as read and highlighted the following key points:

- completed a further 19 issues from the last quarter
- significant progress has been made in the areas of risk management and project management
- progress in procurement and contract management work to move to completed.

Organisational Risk Direction

Agenda Item 6.3

The report was received [A&R1707/02 refers] and discussion was held.

The Project Management Advisor took the report as read and highlighted the following key points:

- communication being carried out on TedEx Talks regarding risk, gap between tiers and the impact on the organisation
- conversations being held on treatments and risks that staff are responsible for.

The Chair acknowledged that embedding risk as part of day to day business, owned by the business.

Project Lessons Learnt Summary

Agenda Item 6.4

The report was received [A&R1707/02 refers].

The Project Management Advisor took the report as read and provided a brief overview.

The Chair congratulated management on the report.

The Chair requested that future reports should include the following criteria:

- Delivery against the budget
- Timeline
- Objectives.

Update on Process Audit and Quality Improvement
Agenda Item 6.5

The report was received [A&R/1707/02 refers] and discussion was held.

The Continuous Improvement Analyst took the report as read and provided a brief overview.

Updated Future Workplan
Agenda Item 6.6

The report was received [A&R/1707/02 refers].

There being no further business the meeting was declared closed at 1.01pm.

Minutes approved and confirmed this day of 2017.

Margaret Devlin
CHAIRPERSON
Minutes/170705A&R

Open Meeting

To	Strategy & Finance Committee
From	Tony Whittaker General Manager Strategy & Support
Date	08 August 2017
Prepared by	Sharlene Jenkins PA General Manager Strategy & Support
Chief Executive Approved	Y
Reference #	GOV1318 / 1783332
Report Title	Hamilton & Waikato Tourism – 2016-2017 Annual Report to Waikato District Council

1. EXECUTIVE SUMMARY

Jason Dawson, Chief Executive Hamilton & Waikato Tourism will be in attendance to present the 2016-2017 Annual Report to Waikato District Council.

2. RECOMMENDATION

THAT the report from the General Manager Strategy & Support be received.

3. ATTACHMENTS

Hamilton & Waikato Tourism 2016-2017 Annual Report to Waikato District Council – Year ending 30 June 2017

2016-2017 Annual Report to Waikato District Council

Year ending 30 June 2017

Executive Summary

Hamilton & Waikato Tourism (HWT) is the region's Regional Tourism Organisation (RTO) whose role is to generate competitive economic benefit through visitor sector strategies focused on increasing visitor length of stay and spend. HWT is funded through a public/private partnership with the region's seven local authorities and the tourism industry.

New Zealand's tourism industry is experiencing exponential growth with international visitor arrivals and expenditure at its highest level ever. The Hamilton and Waikato region has shared in this significant growth.

Recent data released by the Ministry for Business, Innovation and Employment (MBIE) show the region's visitor expenditure has climbed to \$1.442 billion for the 12 months ending June 2017, an 8% increase on the previous year. Hamilton and Waikato is the fifth largest region by expenditure behind Auckland, Christchurch, Queenstown and Wellington.

Currently international visitors contributed an estimated \$364 million to the region, while domestic spend delivered \$1.08 billion. Guest nights are also growing with an estimated 7.28 million guest nights in the region (year ending May 2017), an increase of 7.7% on the previous year.

Governance & operations

Jason Dawson was appointed Chief Executive Officer to Hamilton & Waikato Tourism Limited (HWT) following the departure of Kiri Goulter. Jason joined the organisation in August 2016.












Amber Doughty joined the organisation in July 2016 as its new Administration & Marketing Assistant and Rebecca Evans, Marketing Manager, returned from maternity leave in February 2017.

Graeme Osborne retired from the HWT Board in October 2016 and Annabel Cotton was appointed Chair in November 2016.

Karleen Turner-Puriri and Malcolm Phillipps were appointed as directors from 1 January 2017. They join Don Scarlet (Mercury), Simon Douglas (AA New Zealand) & Mark Morgan (Hamilton Airport) on the Hamilton & Waikato Tourism board.

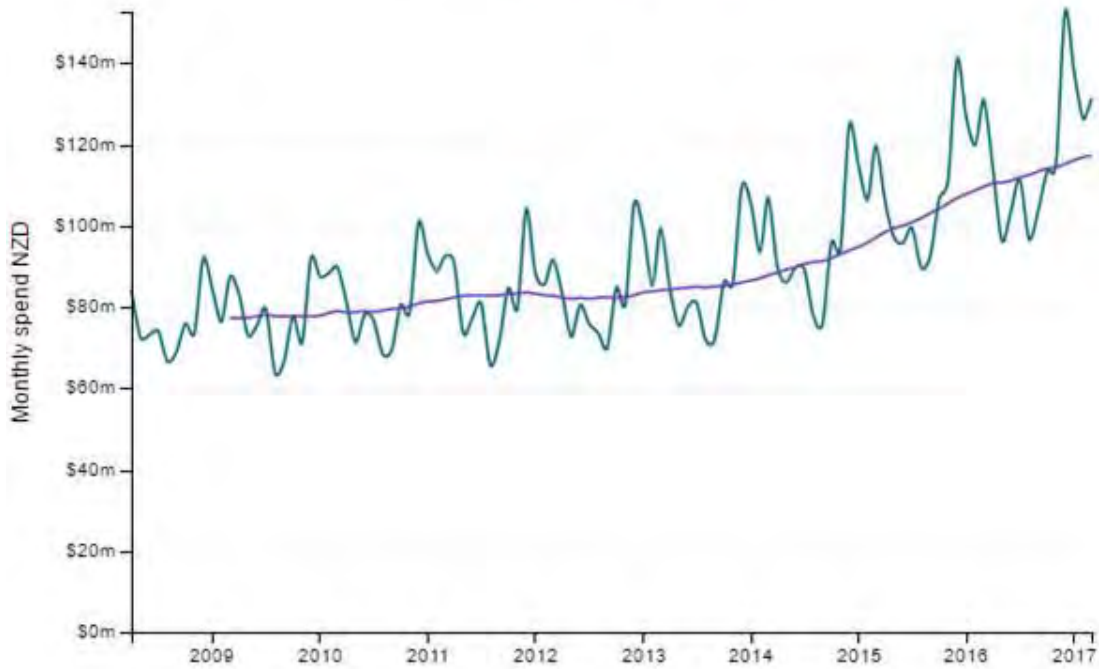
Performance targets

HWT have seven performance targets which are set in the 'Schedule of Services for Local Government 2016-2017'. HWT and the sector have performed well in the previous 12 months (1 July 2016 to 30 June 2017).

Measure	Result
 Visitor nights 5% increase of total visitor nights vs national	 7.8% for Hamilton & Waikato 4.0% national growth rate (Year ending May 2017)
 Visitor spend 5% increase in visitor spend across the region	 8% increase on previous year \$1.442 billion annual expenditure (Year ending June 2017)
 Conventions & business events Grow market share of business events from 9% to 10%	 10.8% market share Third largest region behind Auckland & Wellington (Year ending March 2017)
 Visitor awareness & perceptions Improve by 3 points, including Waikato residents	 -1 Previous results: 2015 (-6) & 2016 (-3) 2017: Holiday +32; VFR -7; Business -32; Other -7
 Website: hamiltonwaikato.com 20% increase in website visits on previous year	 8.28% increase on previous year (1 July 2016 – 30 June 2017)
 Industry investment \$400,000 of industry contributions towards marketing activities	 \$453,338 international & domestic partnerships, trade show investment, famil in-kind contributions and visitor guide sales (Year ending June 2017)
 Return on investment Total visitor spend per dollar of HWT spend	 \$1,092 Visitor spend per dollar of council funding \$0.90c Commercial guest nights per dollar of council funding (Year ending June 2017)

Visitor statistics and expenditure

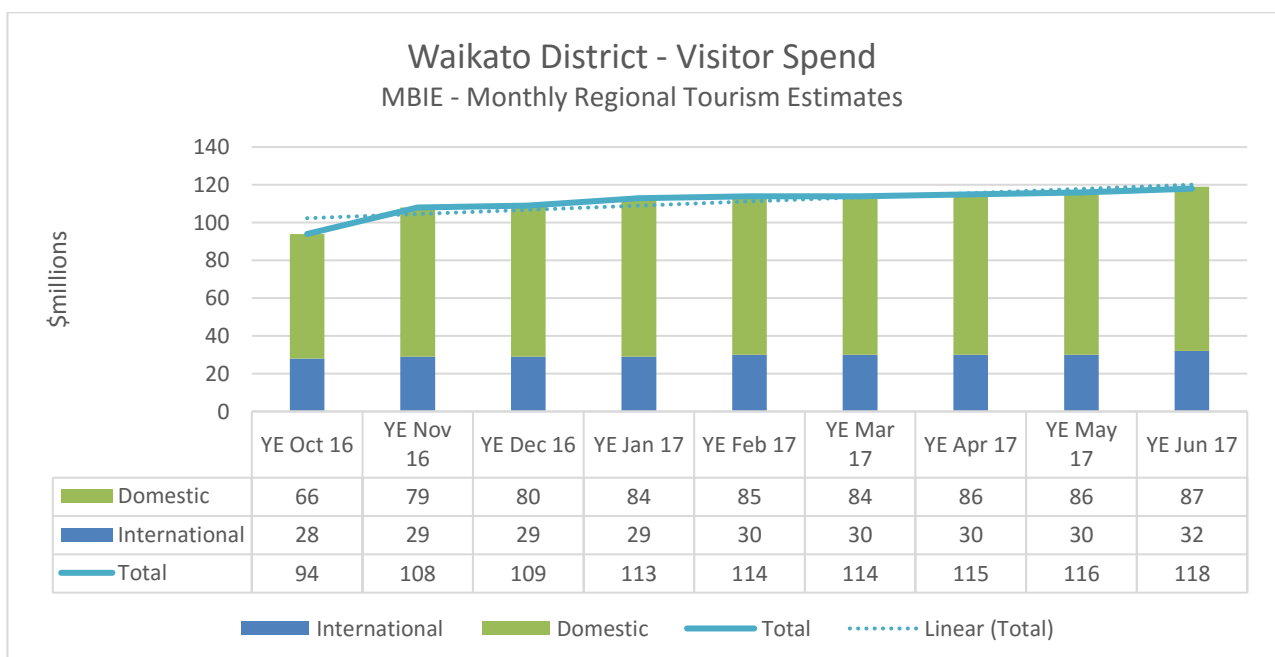
Hamilton & Waikato RTO Historical spending pattern



Source: Monthly Regional Tourism Estimates, MBIE (June 2017)

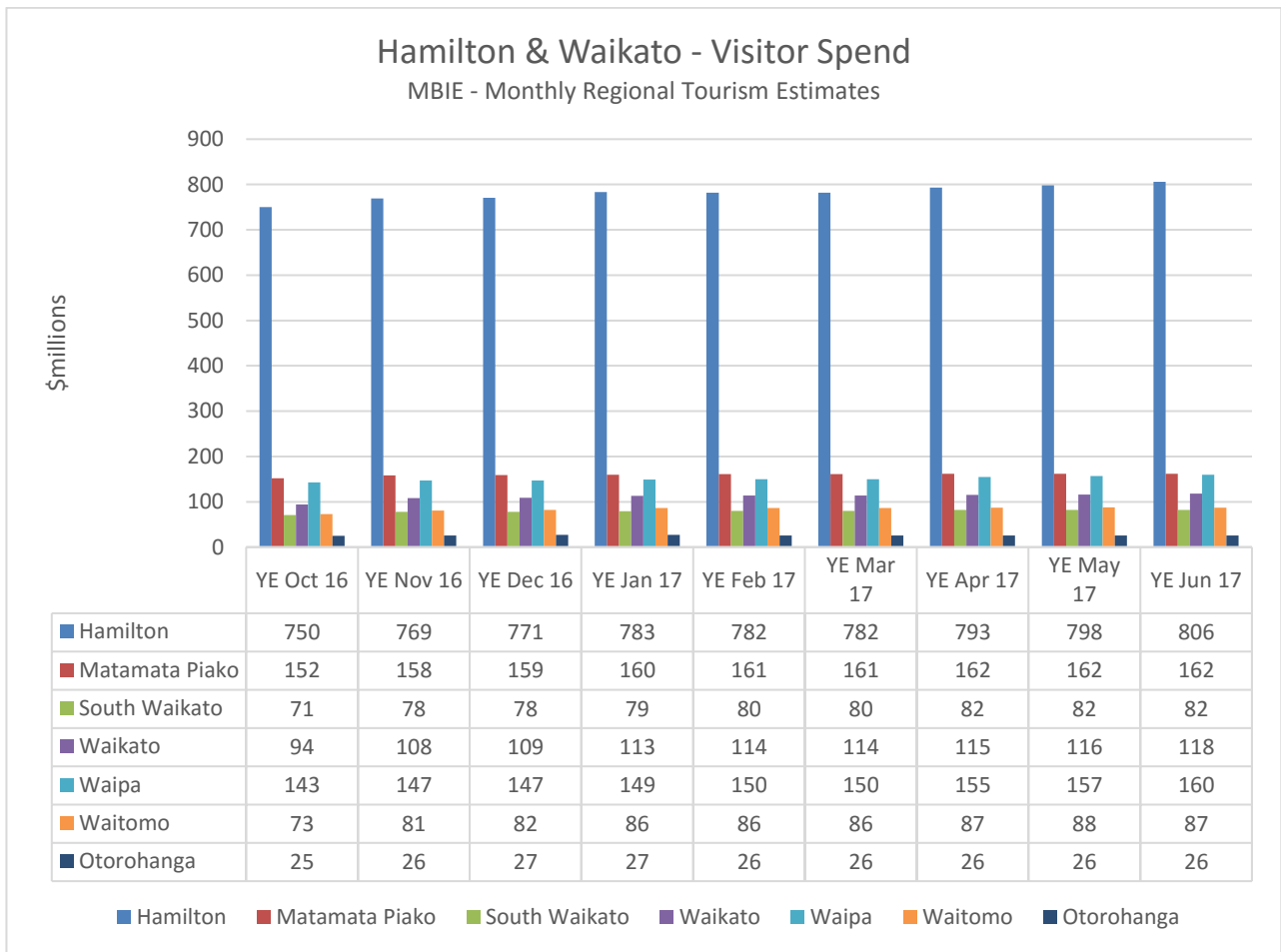
Visitor expenditure in Waikato District

Visitor expenditure data is measured by the Ministry of Business, Innovation and Employment (MBIE) in the Monthly Regional Tourism Estimates (MRTE). Data was originally captured at a regional level only. However, from September 2016 we can now provide data at a territorial local authority level.



Source: Monthly Regional Tourism Estimates, MBIE (June 2017)

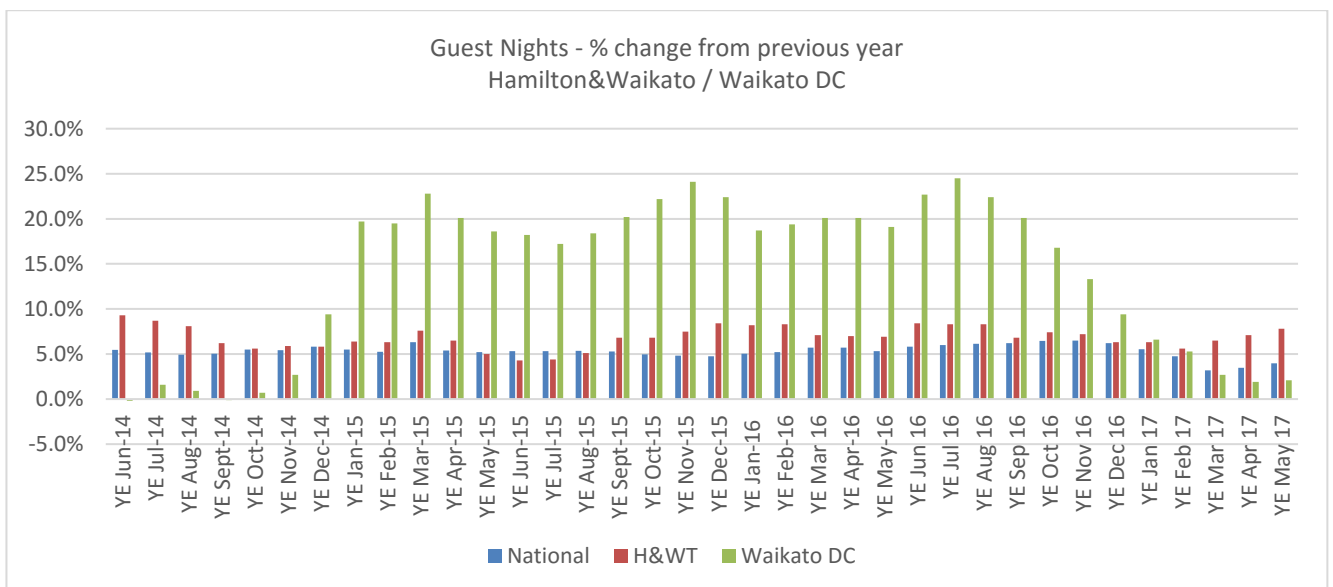
The following graph compares visitor expenditure from Waikato District Council with other districts within Hamilton & Waikato.



Source: Monthly Regional Tourism Estimates, MBIE (June 2017)

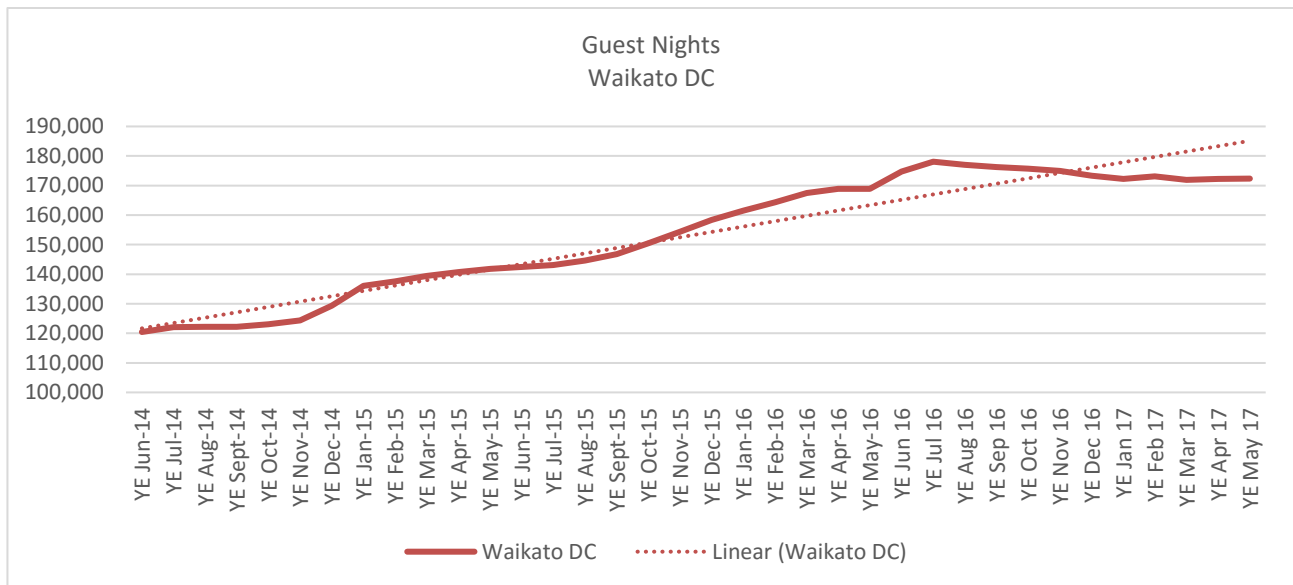
Commercial guest nights in Waikato District

Following a period of slower growth through 2014-2015, guest nights have increased over 2016 in Waikato, particularly over the shoulder season. During 2017 there is a slowing in growth rates which is partly due to no new significant commercial accommodation in the district.



Source: Commercial Accommodation Monitor, Statistics NZ (May 2017)

Commercial guest nights (hotels, motels, backpackers & holiday parks) for Waikato District continue to grow and peaked at 178,000 (year ending July 2016). The trend continues to show growth in commercial accommodation guest nights in Waikato District, with a slight decline over the past six months. In total, there were 172,365 guest commercial nights for Waikato District for the year ending May 2017.



Source: Commercial Accommodation Monitor, Statistics NZ (May 2017)

Leisure Marketing

DOMESTIC MARKETING

Short Escapes Campaigns

During October 2016, our first Short Escapes domestic campaign of the year ran in our key markets of Auckland, Wellington, Christchurch, as well as neighbouring regions Bay of Plenty and Taranaki. The second Short Escapes consumer campaign, and HWT's largest domestic campaign for the year, commenced in late January and ran through to Easter 2017. The campaign was designed to encourage consumers in external domestic markets (drive and fly) to take a short break in the region, with a focus on outdoor activities, summer events and partner operator experiences. The campaign consisted of both online and offline activity including Google display advertising, search advertising, social media activity, e-newsletters, print, broadcast (The AM Show), cinema and influencer marketing.

Explore Your Own Backyard Campaigns

The first Explore Your Own Backyard campaign took place in December 2016, encouraging locals to explore the Hamilton & Waikato region over the Christmas period. The second round of the campaign was undertaken in May-June 2017 to focus on exploring the region in the winter months and during the July school holidays.

Hamilton & Waikato Regional Visitor Guide

The 2017 Official Hamilton & Waikato Regional Visitor Guide was published in December 2016 and distributed through New Zealand i-SITEs, airports, national and international trade shows, Tourism NZ off-shore offices and conference delegate packs. The guide operates on a cost-neutral basis with advertising sales paying for production and distribution.

Major Events

HWT worked in partnership with Waipa District Council and Hamilton City Council to support the Waipa component of the World Masters Games (WGM) in April 2017 and the DHL New Zealand Lions Series 2017 Hamilton match in June 2017. Key activity included:

- Promotion of these events through HWT's Short Escapes campaign and in the Official 2017 Hamilton & Waikato Regional Visitor Guide
- Advertising pre-events through key consumer publications (Arrivals magazine, Kia Ora magazine, etc)
- Provision of a double-page spread in the Official WGM Programme
- Content provision to Tourism NZ for inclusion in online promotional activity
- Planning, preparation and co-hosting a stand at the WGM HQ at Shed 10 in Auckland
- Coordination of media famils before and during the DHL New Zealand Lions Series
- Hosting of the media welcome event for the DHL New Zealand Lions Series 2017 Hamilton match
- Creation and hosting of web landing pages on hamiltonwaikato.com
- Profiled through HWT social media channels

INTERNATIONAL MARKETING

Tour the North Island Campaign

Hamilton & Waikato worked with Tourism New Zealand on a NZD\$1 million consumer campaign in the eastern seaboard of Australia during July-August 2016. Other campaign partners included Northland, Auckland, Coromandel, Bay of Plenty, Rotorua, Taupō and Ruapehu, key tourism operators, Flight Centre and Air New Zealand. The campaign targeted first time arrivals as well as repeat visitors, promoting North Island touring holidays in the shoulder season of September-November 2016.

Fire & Ice Campaign

The Fire and Ice campaign with Auckland International Airport took place in April. Targeting the Eastern Seaboard of Australia, the campaign promoted a Central North Island winter holiday based around a ski proposition with a touring element. We worked with our neighbouring regional tourism organisations including Rotorua, Taupō and Ruapehu.

Travel Trade

HWT participated in number of onshore and offshore travel trade events and promotional activities throughout the year, resulting in training over 1500 travel trade representatives.

New Zealand's largest international travel trade events, TRENZ, was held in Auckland in May. Approximately 1,200 delegates attended TRENZ with nearly 300 international travel buyers. HWT was joined by eight regional tourism operators including Hobbiton Movie Set, Waitomo Glowworm Caves, Legendary Black Water Rafting Co, Pa Harakeke, Rural Tours, Hamilton Gardens, Sanctuary Mountain Maungatautari and Roselands Waitomo.

HWT also hosted 74 travel trade agents on famils in the region throughout the year.

Explore Central North Island

HWT has continued its participation in the 'Explore Central North Island' (ECNI) collective which is an international marketing alliance with Rotorua, Taupō, Coromandel, Bay of Plenty, Ruapehu and Hawke's Bay regional tourism organisations.

ECNI collective activity during this period including trade training missions in the USA and Canada, South America and India. The collective also hosted an expo for travel trade in Auckland which was attended by 80 exhibitors from around the central North Island (including 15 tourism businesses from the Hamilton & Waikato region) and attracted nearly 200 travel trade 'buyers'.

Media

Media continues to be an important workstream and area of influence for HWT. Throughout the year HWT pitches, provides information and hosts a wide variety of tourism-related broadcast, print and online media representatives. During 2016-2017, HWT hosted 89 international and domestic media outlets (124 pax) including Sidharth Malhotra, India (target EAV \$4m), SkySports UK (13.7m viewers) and Guokr, China (EAV \$2.57m).

Industry

Hamilton & Waikato Tourism's first Industry Symposium for the year was held in November 2016 and attracted over 120 attendees. The second symposium, attended by 150 members of the local tourism industry, took place in May 2017. This event was followed by two specialist workshops – one on accessibility and one on social media which were also very well-attended.

Marketing activity for Waikato District

A summary of specific trade and leisure marketing for Waikato District is detailed below.

Target market	Campaign or activity	Waikato district experiences profiled
Australia	Tour of the North Island Campaign July - August 2016	Raglan, Surfing at Raglan, Raglan Museum, Wairēinga/Bridal Veil Falls, Helicorp packages including Raglan and West Coast highlights, Zealong Tea Estate
Media – domestic & international	Media hosting and famils profiling Waikato District: <ul style="list-style-type: none"> NZ Herald Travel Editor (EAV \$32k) The Strait Times, Singapore (1.4m readership, 60k EAV) LA Magazine, US (138k circ, EAV \$672k) Indian Telegraph Frankfurter Magazine, Germany (EAV \$314k) Freelance Indian Journalist (EAV \$35k) Wildboy Adventures, NZ 	Solscape Eco Retreat, Raglan Surf School, Raglan Rock, Wahine Moe, Wairēinga/Bridal Veil Falls, Waiuku Lodge, The Shack, Zealong Tea Estate
Travel Trade - famils	Waikato District profiled in following trade famils: <ul style="list-style-type: none"> Aus Mega Allstars Frontliners Aus Mega Allstars Frontliners Greenspot Tours Product Managers 	Zealong Tea Estate, Raglan Kayak, Raglan Palm Beach Motel

Target market	Campaign or activity	Waikato experiences profiled
Travel Trade - events	<ul style="list-style-type: none"> • KiwiLink South America, Sept 2016 • KiwiLink America, Sept 2016 • ECNI North America Roadshow, Oct 2016 • TNZ/RTO AU Trade event, Feb 2017 • IBO/RTO event, April 2017 • TNZ/RTO event, April 2017 • ECNI Tradeshow, April 2017 • TRENZ, May 2017 • Down Under Answers USA Tourism Exchange, May 2017 • Australian Sales Calls in QLD, May and June 2017 • Australian Allstars Roadshow, June 2017 • Sales calls to IBOs and wholesalers throughout the year 	Internationally Trade-Ready Product: Raglan Surf School, WahineMoe, Palm Beach Motel, Zealong Tea Estate
Travel Trade – Explore Central North Island Alliance	<p>HWT are part of the Central North Island RTO Trade marketing alliance known as ‘Explore Central North Island’ which includes the two touring routes – The Thermal Explorer Highway and the Pacific Coast Highway and 8 RTOs</p> <ul style="list-style-type: none"> • KiwiLink South America, Sept 2016 • KiwiLink America, Sept 2016 • ECNI North America Roadshow, Oct 2016 • ECNI Tradeshow, April 2017 	Zealong Tea Estate, Raglan Surf School, WahineMoe, Franklin Tourism Cluster
Domestic – consumer	<p>Waikato District was profiled as part of regional promotions in the following publications:</p> <ul style="list-style-type: none"> • Let’s Go Kids • What’s Up Motel Compendium • Fitness journal – September • Fitness Journal – October • Fitness Journal – December • Fitness journal – January • Waikato Dining Guide • Dominion Post DPS • NZ Herald Weekend DPS • Fitness journal – April • New Zealand Surfing Magazine • Kia Ora magazine (Lions Tour edition) • Arrivals magazine (in relevant World Masters Games and Lions Tour edition) 	Manu Bay, Whale Bay, Mt Karioi, Wairēinga/Bridal Veil Falls, Raglan water activities, Raglan Rock, Raglan Surf School, WahineMoe, Mt Karioi Loop Cycleway, Pipiwharau, Te Uku wind farm, Kopua Holiday Park, Solscape Eco Retreat, Hakarimata Summit Track

Target market	Campaign or activity	Waikato experiences profiled
Domestic consumer – Auckland, Bay of Plenty & Taranaki, Wellington, Rotorua, Christchurch	‘Short Escapes’ campaign – October 16	Soundsplash, Raglan Rock, Hakarimata Walkway, Wairēinga/Bridal Veil Falls, Te Awa River Ride
Domestic consumer – Auckland, Bay of Plenty & Taranaki, Wellington, Rotorua, Christchurch	‘Short Escapes’ campaign – Jan – Apr 2017	Raglan Rock, Zealong Tea Estate, Hakarimata Walkway, Wairēinga/Bridal Veil Falls, Soundsplash, Raglan
Domestic consumer - local, Hamilton & Waikato	‘Explore Your Own Backyard’ campaign, Dec 16 – Jan 17	Soundsplash, Raglan, Raglan Rock, Raglan Arts weekend, Hakarimata Walkway, Te Awa River Ride
Domestic consumer - local, Hamilton & Waikato	‘Explore Your Own Backyard’ campaign, June 2017	Karioi Classic, Raglan Rock, Hakarimata Walkway, Wairēinga/Bridal Veil Falls
Domestic consumer – Chinese New Zealanders	Ongoing campaign activity has continued through our Weibo social media channel.	Raglan, Te Toto Gorge, Soundsplash, Surfing in Raglan, Hakarimata Kauri Loop Walk, Lake Hakanoa, Pokeno Icecream, Wairēinga/Bridal Veil Falls, Stand Up Paddleboarding, Pipliwharuroa Trail, Hakarimata Summit Track, Karakariki Track, Matariki Events, Raglan Rock
Domestic & International consumer	The Cycling and Mountain Biking Tourism Marketing Network activity continues to promote cycling and mountain biking within our alliance area, including the development of the website www.ridenz.co	Waikato District cycling experiences featured include Mt Karioi Loop, Raglan Inlet, Te Ara Kakariki Mountain Bike Trail, Te Awa - The Great NZ River Ride
Domestic & International – consumer and trade	Our annual Hamilton & Waikato regional visitor guide was produced and distributed through NZ i-SITES, airports, national and international trade shows, Tourism NZ off-shore offices and conference delegate packs	Waikato District profiled in ‘Regional Highlights’ section and through the ‘Raglan’ and ‘North Waikato’ sections through editorial and operator advertisements
Domestic & international consumer, travel trade and media	Quarterly e-newsletters are distributed to our consumer, trade and media databases	Zealong Tea Estate, Raglan Rock, Karioi Classic, Raglan Arts Weekend, Matariki Events, Te Awa River Ride, Huntly Half Marathon, Soundsplash, Wairēinga/Bridal Veil Falls, Raglan, Palm Beach Motel, Solscape, Surfing in Raglan

Domestic & International consumer	Waikato District profiled through HWT's various online and social profiles including hamiltonwaikato.com, Facebook, Instagram, Twitter and YouTube.	Daniel Kereopa, Karamu Walkway, Lake Hakanoa, Raglan, Pipiwharau Trail, Hakarimata Summit Track, Pokeno, North Waikato, Hakarimata Kauri Loop, Te Uku Windfarm, Wairēinga/Bridal Veil Falls, Mt Karioi, Te Ara Kakariki, Watersports in Raglan, Orca in Raglan, Huntly Half Marathon, Karakariki Track, Village Farm Shop, Port Waikato, Soundsplash, Huntly, Te Toto Gorge, The Shack, Rock-It Kitchen, Karioi Trail Run, Raglan Arts Weekend, Karioi Classic, Turangawaewae Regatta, Raglan Coconut Yoghurt, Matariki Events, Tough Guy & Gal Challenge, Solstice, Rangiriri Battle Site, Wahinemoe, Raglan Rock
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Conventions & Business Events

Hamilton and Waikato is now the third largest region behind Auckland and Wellington for conventions, meetings and business events for the year ending March 2017. Our region has now secured a 10.8% market share of delegate days of this lucrative market.

Every conference we can secure for Hamilton and Waikato is significant for the region, regardless of the sector or size. Conference delegates are also influenced to return for a future holiday based on their positive Waikato experiences.

A delegate attending a business event was worth twice as much of a leisure traveller to the region, with an average delegate per night value of \$350 per night for international delegates and \$509 per night for domestic delegates.

Hamilton & Waikato Tourism regional business events "Powerful Possibilities" campaign launched March 2016. The campaign was based on a key regional brand attribute identified in The Waikato Story and the graphic device is shown below:



Activity	Event
Famils – major & multi-day	7-10 December 2016, Annual Multiday Famil 16 buyers. 20 Convention Bureau Partners included
	7-10 April 2017, Pre-Convence Trade Show Famil Seven buyers. 17 Convention Bureau Partners included
	2 June 2017, Post-MEETINGS Australian Buyer Famil 35 Australian buyers, visited Claudelands and Hobbiton with Waikato interactive training
Famils – individual PCOs	19 individual famils Individual Famils <ul style="list-style-type: none"> • Wayne Harris, Go Conference & Incentive (October 2016) • Sue Archibald, Promote Ltd • Media Famil - Stu Freeman, Meeting Newz • Fergus Brown, Holiday Parks Association • Brendan Hokowhitu, NAISA, University of Waikato • Kim Mundell, Health Informatics New Zealand • Emma White, DTR • Rebecca Travers, Institute of Judicial Studies • Orbit Hamilton team famil day (4pax) • Debbie Paardekooper, Avenues Event Management TNZ Famils <ul style="list-style-type: none"> • Herbalife Conference (August 2016) • Air NZ & Tourism NZ Incentive Managers (August 2016) • Panorama Tours (September 2016) • Media famil, Remi Deve (December 2016) • China MICE Famil (March 2017) • Indian Travel Sellers Pre/Post MEETINGS (June 2017) • Post MEETINGS China MICE Agents (June 2017) CINZ Conference <ul style="list-style-type: none"> • Famil to Discover Waitomo Glowworm Caves and Blackwater Rafting Company • Hamilton Gardens
Trade Shows & sales runs	Associations Form National Conference, Melbourne (4-5 July 2016) Wellington joint-hosted networking function and sales calls – 29 buyers (July 2016) Tourism NZ Sydney sales mission – with Hobbiton & Claudelands (August 2016) Hamilton & Waikato Business Events Showcase – 42 exhibitors, 117 buyers (Aug 2016) Auckland joint-hosted networking functions and sales calls - 40 buyers (Sept 2016) Australian Society of Association Executives (AuSAE), Auckland (10-11 October 2016) CINZ Conference, Hamilton (11-13 October 2016) Professional Conference Organisers (PCO) Conference, Brisbane (27-29 Nov 2016) Asia-Pacific Incentives and Meetings Expo (AIME), Melbourne (21-22 February 2017) Convence 2017, Auckland (11 April 2017) - Awarded Best Regional Stand MEETINGS 2017, Auckland (31 May - 1 June 2017)

Activity	Event																																																																														
Enquiries	<p>213 enquiries total (July 2016 – June 2017)</p> <p>49% increase in enquiries from July 2015 – June 2016</p> <div data-bbox="363 365 1414 981" style="border: 1px solid black; padding: 10px;"> <p style="text-align: center;">Conference & Business Event Enquiries</p> <table border="1" style="display: none;"> <caption>Conference & Business Event Enquiries Data</caption> <thead> <tr> <th>Month</th> <th>2013</th> <th>2014</th> <th>2015</th> <th>2016</th> <th>2017</th> </tr> </thead> <tbody> <tr><td>Jan</td><td>9</td><td>6</td><td>2</td><td>6</td><td>10</td></tr> <tr><td>Feb</td><td>2</td><td>10</td><td>12</td><td>7</td><td>10</td></tr> <tr><td>Mar</td><td>5</td><td>4</td><td>3</td><td>20</td><td>26</td></tr> <tr><td>Apr</td><td>11</td><td>13</td><td>7</td><td>18</td><td>15</td></tr> <tr><td>May</td><td>6</td><td>12</td><td>8</td><td>17</td><td>19</td></tr> <tr><td>Jun</td><td>10</td><td>11</td><td>13</td><td>14</td><td>21</td></tr> <tr><td>Jul</td><td>9</td><td>11</td><td>22</td><td>27</td><td>0</td></tr> <tr><td>Aug</td><td>14</td><td>9</td><td>22</td><td>24</td><td>0</td></tr> <tr><td>Sep</td><td>8</td><td>8</td><td>7</td><td>10</td><td>0</td></tr> <tr><td>Oct</td><td>3</td><td>9</td><td>8</td><td>22</td><td>0</td></tr> <tr><td>Nov</td><td>5</td><td>6</td><td>9</td><td>18</td><td>0</td></tr> <tr><td>Dec</td><td>11</td><td>8</td><td>11</td><td>12</td><td>0</td></tr> </tbody> </table> </div>	Month	2013	2014	2015	2016	2017	Jan	9	6	2	6	10	Feb	2	10	12	7	10	Mar	5	4	3	20	26	Apr	11	13	7	18	15	May	6	12	8	17	19	Jun	10	11	13	14	21	Jul	9	11	22	27	0	Aug	14	9	22	24	0	Sep	8	8	7	10	0	Oct	3	9	8	22	0	Nov	5	6	9	18	0	Dec	11	8	11	12	0
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Editorial and advertising	<p>66 pieces of media secured (July 2016 – June 2017) including:</p> <ul style="list-style-type: none"> • BIZ Hamilton (July, August & September 2016) • Meeting Newz & e-newsletter (July, August, September, October, November & December 2016, April & May 2017) • Inside Tourism (August 2016) • Executive PA Magazine (September 2016) • Waikato Business News (November & December 2016) • Micenet (December 2016) • 2017 Business Events directory printed (December 2016) • MICE BTN website (March 2017) • Mix Meetings (April 2017) • CINZ e-newsletter (April & May 2016) • Maori Television (May 2017) • Scoop.co.nz (April 2017) • Stuff.co.nz (May 2017) • Waateanews.com (May 2017) • CINZ Meetings Daily (May 2017) • Tourism Ticker (May 2017) • CIM Newsbites Newsletter (June 2017) • Cambridge i-SITE Newsletter (June 2017) 																																																																														
Partner Interaction	<p>90 separate meetings with Convention Bureau Partners (July 2016 – June 2017)</p> <p>Events:</p> <ul style="list-style-type: none"> • BEWais (emerging business event leaders) event at Roaming Giant on sales & customer experience (10 August 2016) • BEWais educational workshop session run by TMS (9 March 2017) • Partner famil of Waipa experiences (21 March 2017) • BeWais event, product update and tour Good George Brewery (9 May 2017) 																																																																														

The inaugural Hamilton & Waikato Tourism Business Events Showcase was held in August 2016 which attracted 42 exhibitors and attended by 117 business event buyers.

Hamilton and Waikato hosted the Conventions & Incentives New Zealand (CINZ) conference in October 2016 which was the first time the conference has been held in the region since its inception 40 years ago.

Bidding for international conferences has become a key activity of the Hamilton & Waikato Convention Bureau, with the support of the Conference Assistance Programme from Tourism New Zealand. The following international conferences have been secured with this programme:

Conference name	Date	PAX	Value (\$)
Asian Conference on Machine Learning 2016	Nov 2016	280	687,940
Asia-Pacific Software Engineering Conference – APSEC	Dec 2016	250	482,640
Meeting of the ISO/IEC JTC1/SC27 Working Groups on IT Security Techniques	Apr 2017	260	786,120
Conference of the International Society for River Science (ISRS)	Nov 2017	250	726,990
IEEE International Conference on Industrial Electronics for Sustainable Energy Systems	Feb 2018	350	716,800
Native American and Indigenous Studies Association (NAISA)	June 2018	800-1000	1,700,000
International Conference on Asian Digital Libraries	Dec 2018	150	496,960
IEEE International Conference on Trust, Security, Privacy in Computing & Communications	Aug 2019	270	589,950
International Conference on Polar and Alpine Microbiology	Sep 2019	250	482,640
He Manawa Indigenous Conference	TBC	TBC	TBC
TOTAL ESTIMATED VALUE TO THE REGION:			\$6,670,040

Product development

After 12 months of consultation and development, the Tourism Opportunities Plan was adopted and launched. The Plan provides a framework and direction for delivering new and improved tourism experiences over the next 10 years that have the potential to drive growth in the tourism sector and its contribution to the regional economy.

The objectives of the Tourism Opportunities Plan are to:

- Review and confirm the region’s visitor proposition including different parts of the region.
- Provide recommendations for the development of visitor experiences and infrastructure to support and enhance the tourism proposition.
- Provide investment recommendations and priorities to guide local government planning and resources, and private sector investment.

The key focus of the Plan is based around five game-changers:

1. Waikato River
2. Brand Strategy
3. Hamilton City Riverfront
4. Kiingitanga Story
5. Regional Events Strategy

Activating tourism opportunities in Waikato District

Opportunities were grouped around ‘experiences’ with specific activities in the Waikato District identified for development including:

- **Discover Your Own Backyard:**
 - Emerging: Raglan Precinct – Destination Action Plan delivered and adopted; Mountain Bike track opened; Wairēinga/Bridal Veil Falls pilot night tours
 - Emerging: Themed-drive Itineraries - West Coast Journey explored with new information now on our website
 - New: Agri-Tourism – continue to work with Zealong Tea to add to their offering
- **Middle-Earth & Beyond:**
 - Emerging: Cluster of Conservation – Hakarimata forest park
- **Inspiring Pathways:**
 - Emerging: Home of Cycling – Te Awa Cycle Trail
 - Emerging: Waikato Walks – Hakarimata Summit Track; Kauri Loop; Wairēinga/Bridal Veil Falls
 - New: Sports Tourism – Hampton Downs; Te Awa Lakes development
 - New: Cultural Tourism - Waicliff Cultural tours (Wairēinga/Bridal Veil Falls); support for Ngaruawahia proposals

Programme	HWT role	Waikato District activity
Game Changer	Lead	Regional Events Strategy – event audit completed; workshops begin from Sept 17
Game Changer	Lead	Regional Brand Strategy – brand audit completed; visitor proposition workshop held; consultation begins from Oct 17
Game Changer	Support	Waikato River – extension of Te Awa cycleway to Ngaruawahia
Game Changer	Support	Kiingitanga – Waikato-Tainui Tourism Symposium to be held Sept 17
Destination Action Plans	Lead	Raglan Destination Action Plan completed – support for establishment of destination management organisation; co-funded new destination research & photography
New product development	Support	Waicliﬀ Cultural Tours, Wairēinga/Bridal Veil Falls, Ngaruawahia Opportunities, Te Rakau Humarie o Te Kiingitanga; GoSkyDive
Product enhancements	Support	Raglan Rock - development meeting arranged and attended with Tourism NZ
Product enhancements	Support	Woodlands Estate and Profs Café, Zealong Tea, Hampton Downs, Mercer Airfield, LaValla Tuakau, Rangiriri

To find out more and download a copy of the Tourism Opportunities Plan:

www.hamiltonwaikato.com/TOP

Conclusion

The record growth of New Zealand’s visitor sector is forecast to continue for the foreseeable future. Although this growth is positive for regional economies, it also presents new opportunities and challenges.

The growth has seen seasonal peak periods become increasingly busy allowing tourism operators to benefit from this strong demand. This high demand has resulted in capacity constraints and placed pressure on infrastructure. The new Tourism Infrastructure Fund (TIF) administered by the Ministry for Business, Innovation & Employment (MBIE) provides up to \$25 million per year for the development of visitor-related public infrastructure such as carparks, freedom camping facilities and sewerage and water works.

The current first round of funding criteria only supports communities facing immediate pressure from tourism growth and in need of central government assistance – areas with high visitor numbers, small ratepayer bases and no possible means to fund development.

However, we will continue to work with Waikato District Council to actively seek funding from the Ministry for Business, Innovation & Employment (MBIE) and external investment for tourism infrastructure development. There is also a possibility that the Tourism Infrastructure Fund will consider funding feasibility studies to allow quality funding applications to be considered in future rounds.

We continue to see the positive impacts of effective regional marketing, with the current trend for visitors to stay in the Waikato for the first or last night of their travels growing not only in the summer months but also in our shoulder seasons (spring and autumn). Other reasons are due to visitors and travel sellers recognising our region is an easily accessible alternative to other destinations such as Auckland who are currently experiencing capacity constraints and expensive accommodation rates. With this continued trend, the Waikato District is well placed to leverage this opportunity.

Finally, we would like to thank our local government and industry partners, and specifically Waikato District Council councillors and staff, for their continued support of Hamilton & Waikato Tourism.

Jason Dawson
Chief Executive
Hamilton & Waikato Tourism
August 2017

Open Meeting

To	Strategy & Finance Committee
From	Tony Whittaker General Manager Strategy & Support
Date	03 August 2017
Prepared by	Sharlene Jenkins PA General Manager Strategy & Support
Chief Executive Approved	Y
Reference #	GOV1318 / 1779798
Report Title	Waikato Enterprise Agency – Raglan and Huntly iSITE Operational Report for July to June 2017

1. EXECUTIVE SUMMARY

Kim Bredenbeck, General Manager Waikato Enterprise Agency will be in attendance to present the Raglan and Huntly iSITE Operational Report for July to June 2017.

2. RECOMMENDATION

THAT the report from the General Manager Strategy & Support be received.

3. ATTACHMENTS

Waikato Enterprise Agency Raglan and Huntly iSITE Operational Report for July to June 2017

2017

ISITE OPERATIONAL REPORT FOR JULY TO DECEMBER 2016

Waikato Enterprise Agency
Kim Bredenbeck
2/1/2017

GLOSSARY

WEA -Waikato Enterprise Agency.

RTO-Regional Tourism Organisation
HWT

Hamilton Waikato Tourism is the name of our RTO

NZT - New Zealand Tourism

FIT- Free Independent Travellers overseas travellers using their own means to travel around NZ

i-SITE -Visitor Information Centres affiliated to Tourism New Zealand These agencies are Qual Marked and audited with very strict guidelines to operate within

Yammer - iSITE networking on-line communication tool

Famils - Short for familiarisation tours

Regional Cluster Meetings- The Waikato Regional Network of 15 visitor centres meeting on a 6 weekly basis to share ideas and work together in cooperation with the Waikato RTO

New Zealand Inc - The big picture for tourism our identity and reputation as a country

Tourism Data and Statistics

For the year ended March 2016




- Total tourism expenditure was \$34.7 billion, an increase of 12.2 percent from the previous year.
- International tourism expenditure increased 17.1 percent (\$1.7 billion) to \$11.8 billion, and contributed 17.4 percent to New Zealand's total exports of goods and services.
- Domestic tourism expenditure increased 7.4 percent (\$1.4 billion) to \$20.2 billion.
- Tourism generated a direct contribution to GDP of \$12.9 billion, or 5.6 percent of GDP.
- The indirect value added of industries supporting tourism generated an additional \$9.8 billion for tourism, or 4.3 percent of GDP.

EXECUTIVE SUMMARY

The following report reflects the operational activities of the Raglan and Huntly iSITE's (Information Centre's). This report tracks 6 months activity from July to December 2016 and covers the low, medium and the beginning of the high season in tourism terms.



The Huntly site continued to observe and host a steady stream of visitors seeking information pertaining to walks, cycling, hiking and tramping as the weekend warriors departing Auckland on a Friday evening and returning on Sunday continue to emerge as a valuable sector we call them the Three F's Sector.

FUN	FITNESS	FOOD
🍷 Financially secure 40's to 70's keen on doing things together and getting out of the city	🍷 This sector wants to stay fit and active doing a range of activities from hiking, paddling to surfing etc	🍷 Experience food and a variety of cuisines and cooking styles
		

Current International Trends

(Source National Business Review)

Migration, tourist numbers at peak

2:06 pm on 31 January 2017

The number of people travelling to New Zealand to live or visit is greater than ever before. The number of visitor arrivals rose by 12 percent to new heights of almost 3.5 million. "People coming over for holidays made up more than half of the visits in 2016," For the year, Australia made up 40 percent of the nearly 3.5 million visitors, followed by China on 12 percent and the United States on 8 percent.

"Arrivals from Australia increased by 9.2 percent per annum from the previous year, despite its labour market weakening and the economy contracting by 0.5 percent in the September quarter," Infometrics economist Hilary Parker said. "A possible explanation is that people are choosing to travel to New Zealand



Tourisms contribution to the Waikato District

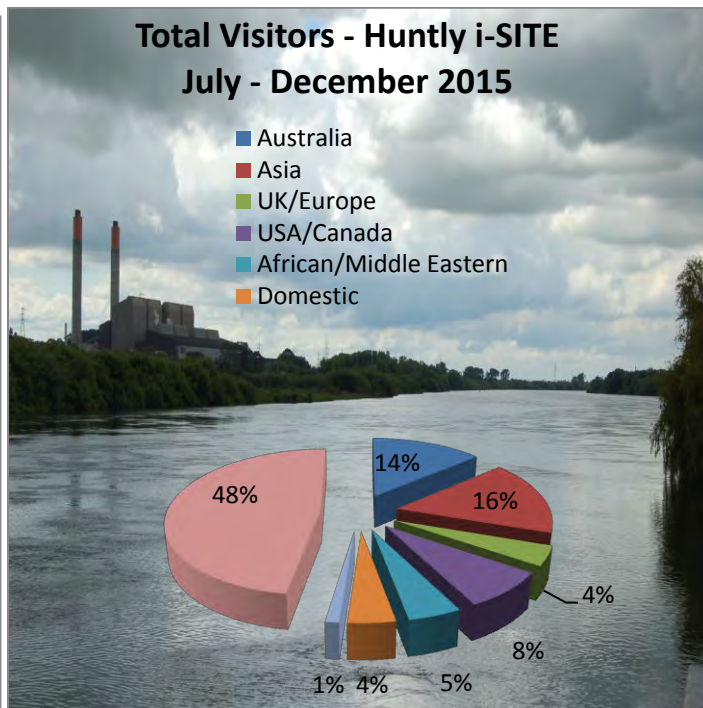
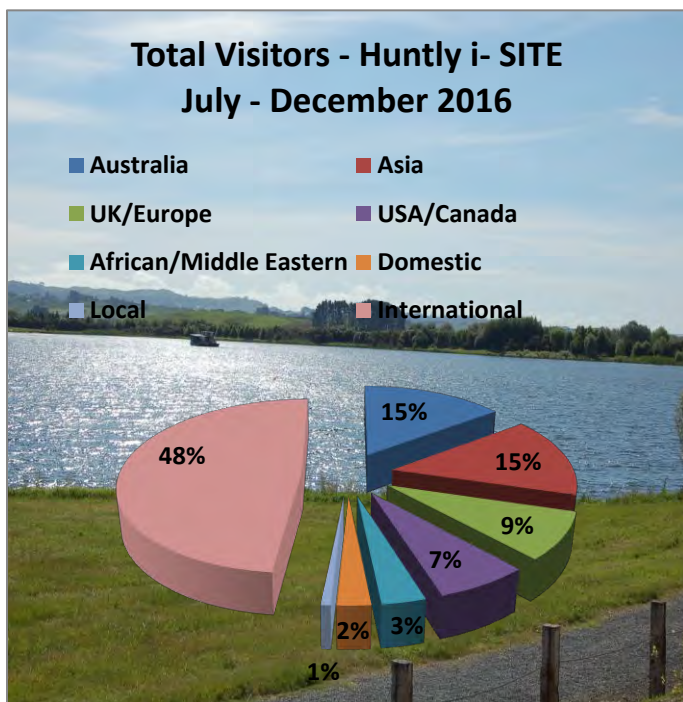
One in Six (16.6%) jobs held by Waikato district residents are supported by Tourism this was reported by the Tourism Industry Association in 2015.

Tourism is New Zealand's largest export industry in foreign exchange earnings. It employs 7.5 percent of the New Zealand workforce. It contributes to 34.7 billion to the economy and the Waikato is benefitting; with our natural resources, location to Hobbiton, Auckland Airport etc.

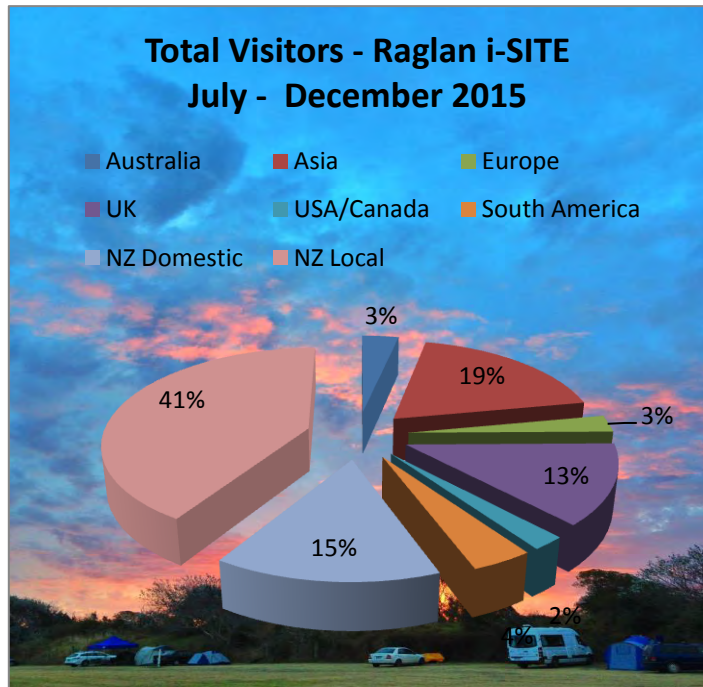
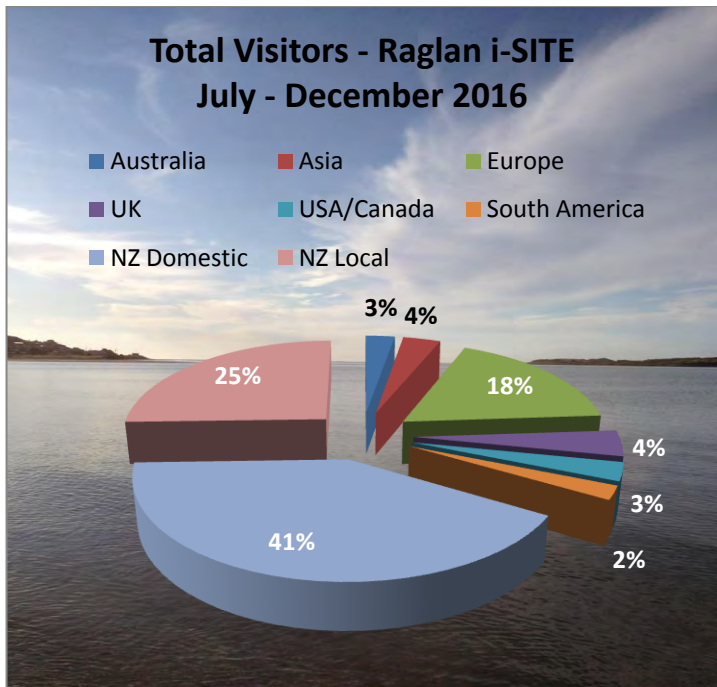
The iSITES hosted a combined total of **46,672** visitors for the six months of July to December 2016. Down slightly on last years combined total of **47,153** the decrease is observed from our domestic NZ market in Huntly largely due to our inclement weather. The weather has always impacted on tourism and consequently our teams at Raglan and Huntly have been recording daily weather patterns to corroborate our data findings and analysis. The relevance and impact the weather has on domestic and



over a six month period. Particularly local and domestic visitors as they opt to hit the malls or stay home when the weather is not conducive to outdoor activities. The winter, spring and start of summer months had a total of 184 days for visitors to travel. Of those days 104 had rain or showers and were cloudy. 174 had temperatures below 25 degrees this has impacted on visitor numbers as New Zealanders are less inclined to undertake tourism activities in bad



International visitors are holding at 48% and the Free Independent Travellers (FIT) will be reported in the annual report with greater analysis from our high period of Jan, Feb, March as these months tend to provide greater numbers. The FIT sector along with our domestic sector is the most desirable visitors to attract into our district.



Local Residents and New Zealand Domestic visitors continue to use the Raglan iSITE making up a total of 66% of the traffic recorded. This is in contrast to last year for the same period at 56%.

Raglan is an iconic destination and remains popular with New Zealanders across the board. Our team try and collect regional data from the domestic visitor sector when possible and many are coming from the Auckland and greater Waikato regions.

The Asian visitor market was down, with good growth being registered from Europe.

The summer statistics will be interesting to analyse our initial scan indicates that the inclement weather from the later part of last year has continued during summer yet our bookings for member’s accommodation and activities are higher than expected.

The Waikato District and Raglan Visitor Centre’s have been hosting visitors, local and domestic enquiries since 1997 in Huntly and 1999 for Raglan. The Waikato Enterprise Agency has held the contracts for this period of time and we want to acknowledge the partnership with council in this service.

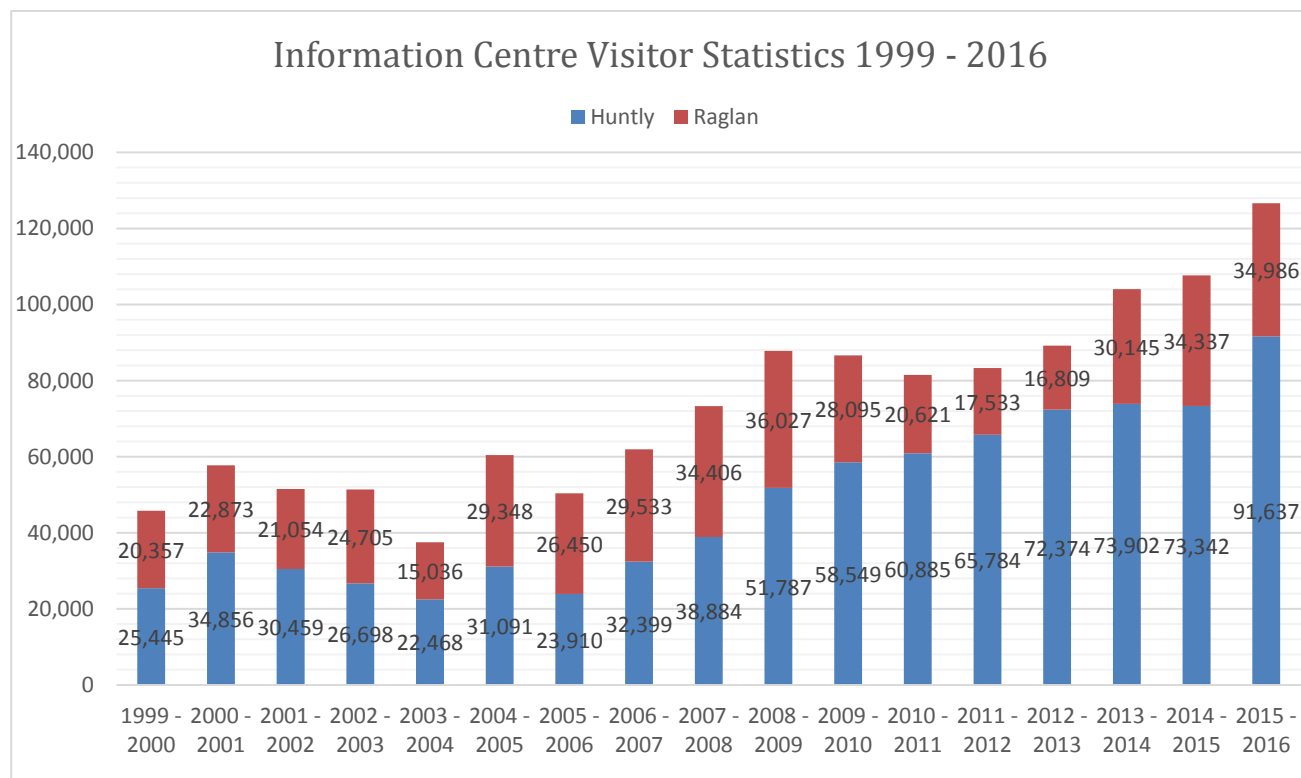


44

Below is a look at our visitor statistics during this time and it shows some of the highs and lows we have had that have impacted on our sector over the past 2 decades.

It does show steady growth and showed excellent foresight by the council in 1997 to promote the district its people, businesses and tourism operators to visitors to our district.

We went from hosting 45,802 visitors in 1999 from both sites to hosting over 120,000 visitors in 2015/2016. Our statistics reflect interactions with visitors we do not record visitors that come into our site without speaking to our staff.

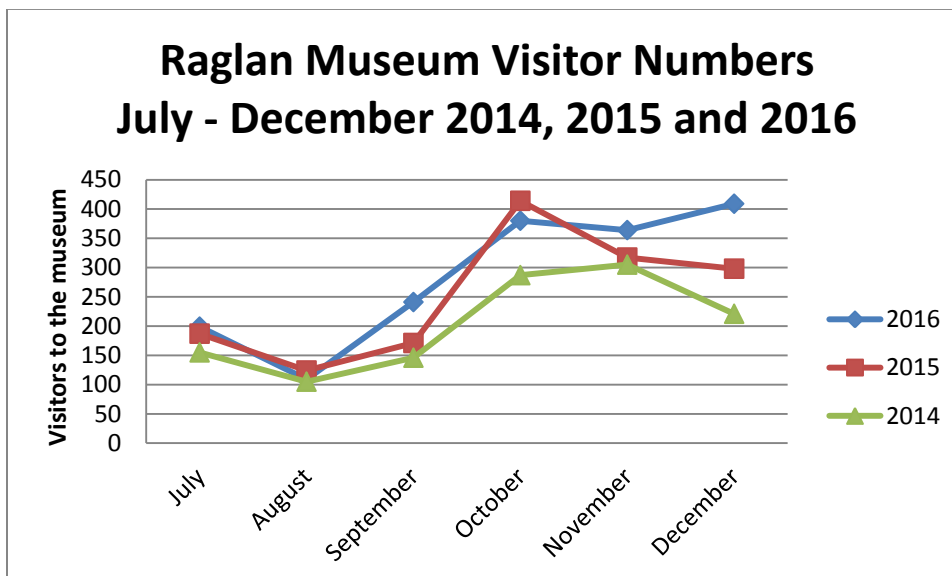


The Waikato Enterprise Agency is proud of its model as it has never asked for extra investment beyond its annual contracted figure in 20 years all signs, brochure racks, internal improvements have been funded by us. We have a strong policy to develop our own talent within our Waikato District Communities of Huntly and Raglan and our current team leader in Raglan started as a young cadet over 4 years ago.

The Museum at Raglan has the good fortune to be housed with the iSITE and is able to be open for very long hours as the iSITE is open 7 days per week 364 days per annum closed only for Christmas Day. Visitors to the Raglan Museum continue to grow as the quality and standard of exhibitions remain very high. Feedback from visitors assures our team the committee at the Museum are doing an excellent job.

Museum Statistics 2015-2016

Museum Visitor Statistics			
Month	2016	2015	Difference
July	199	187	12
August	109	124	-15
September	241	171	70
October	380	414	-34
November	364	317	47
December	409	298	118
Total	1702	1511	+198



Trip Advisor is a travel tool that over 200 million people have downloaded and use when travelling. Any seasoned tourist will use this site to look at reviews and suggestions. The iSITE's at Raglan and Huntly are consistently receiving great reviews, there is a simple capacity for a person to seriously damage a business by posting a negative review and the team are mindful of this.

Below is a review that most iSITES dream of getting and it was posted in July 2016 regarding service a visitor had received from a staff member at our Huntly iSITE.

This review has attracted many visitors since and our team can be very proud of what is a pretty fantastic endorsement of our expertise and customer service model.

Taken from Trip Advisor



"This place rescued my North Island trip"

Review of [Huntly i-SITE Visitor Information Centre](#)



Sunil C Leicester, United Kingdom

[Huntly i-SITE Visitor Information Centre](#)

156 Great South Road, Huntly 3700, New Zealand

+64 7-828 6406

Ranked #2 of 6 [things to do in Huntly](#)

"This place rescued my North Island trip"

Reviewed 9 July 2016

I was travelling around the North Island of New Zealand back in February 2016 in a camper van. I had only 2 weeks to reach Wellington to drop the van off and so many sights to see. I spent almost a week just in the Northlands and I didn't know how to manage all the other places because they were not exactly in a straight line. I went to the Huntly i-site and met Janelle. I explained my situation and she immediately left what she was doing to help me plan. She got out a map and told me I should go to Waitomo that same afternoon, so I could see the caves. She then suggested I could visit some other local sights the next morning before going to Hobbiton. From Hobbiton I would go to Rotorua and stay the night and then go to Wai O Tapu the next day and Mitai Maori Village in the evening. Then on to Lake Taupo and then the following day to Napier and the Hawke's bay wineries. I honestly don't know how I would have managed without Janelle's help. She was so helpful, she booked my tickets for Waitomo and Hobbiton, recommended the camp sites I should stay at, gave me a discount code for Mitai Maori village (this code is not normally available to the public) and wanted to impart much more information to me but I had to leave in order to reach Waitomo, so she had to kindly say that she wished there was more time but I needed to leave to make it to Waitomo in time. I think I had 15 minutes to spare in the end and was lucky because once I arrived the tour I went on (with Spellbound) was fully booked up. Also her recommendations for lesser known sights in the area was brilliant. I had an amazing second week with the van and saw so many beautiful places, thanks to her planning. The i-sites of New Zealand were all very good but Huntly does deserve a special mention. visited February 2016

"Huntly i site great both Janelle and Yvi gave all information we wanted and more thank you."

Reviewed 18 May 2016

Were sent to Manor Views thanks Janelle 4 poster bed great view just great. The history of Manor Views and rest of Huntly was all good. Yvi sent us to other places on our way home we could not do it all as we did not have another week. Thanks

Visited May 2016

Cate S Port Macquarie, Australia  39 helpful votes

"Best souvenirs."

Reviewed 30 April 2016

Could this be the best i-SITE in North Island, NZ? We found reasonably priced souvenirs and the staff were very welcoming and helpful with their advice and brochures.

Visited April 2016

Sandra R Hamilton, New Zealand


 23 helpful votes

"Don't just drive past"

Reviewed 28 April 2016

I admit I have driven right past this i-Site dozens of times over the years, wondering why such a small place needs one. I was pleasantly surprised today when I finally visited it. Very helpful lady behind the desk, brochures from all over the country and lots of neat souvenirs/gifts. Check out the artwork on the fence and the view of the power station across the river.

Visited April 2016
Maastricht, The Netherlands

 5 helpful votes

"The best I site!"

Reviewed 12 April 2016

Ganille was very helpfull when I explained my plans visiting Northland for a couple of days. She really listened to what I was looking for and made flexible reservations for 4 nights. Perfect service !!

Visited March 2016



["awesome customer service"](#)

Reviewed 1 week ago

If you need real local information about Whaingaroa (Raglan) go talk to the awesome staff of the I site - they rock! Great electric bikes for hire too.

billjohnson291

Pahiatua, New Zealand

["good service"](#)

karina f

Cambridge, New Zealand

["i-SITE with a view"](#)

Reviewed 18 December 2016

popped in the other day with my family and discovered they had a museum in the i-SITE at Raglan. Also the two girls were very helpful and knowledgeable. i sat down by the window that had some chairs while looking at my new found brochures with accommodation etc and admired the beautiful water view over across the way. I was...[More](#)

["Very helpful"](#)

Reviewed 10 September 2016

I arrived to ask about local walks and came away with lots of options and was very happy with the service I received. Thanks!

Annkatrin S

["information"](#)

Reviewed 14 July 2016

They have a really nice service and they gave me personal advice. I was searching for a surfing course and I they helped me a lot.

["Awesome service"](#)

Reviewed 11 July 2016 [via mobile](#)

Lovliest staff, lady on front desk 10/07/16 was extremely helpful when it came to a personal issue I needed help with!! Many thanks!

swiss_globetrotter86

Chur, Switzerland

Sandra R

Hamilton, New Zealand

["Excellent customer service"](#)

Reviewed 26 May 2016

I often visit Raglan and have never needed to visit the iSite so I thought it was time I did. I met an absolutely lovely lady who offered good advice regarding different places I could visit to take photos. A knowledgeable local who offered great customer service. I think people forget that iSites are not just about providing brochures

PROMOTIONAL STORIES

As we look to effectively promote and market our district our teams are researching their communities to identify and present good local stories as they look to develop their sales techniques by way of story telling our local history, it gives us unique point of difference whilst also enabling us to better promote our members and on-sell our district.

VISITORS ARE LOOKING TO PURCHASE MEMORIES NOT MEMENTOS!

We have welcomed some new members to our teams in Raglan and Huntly and they bring a broad range of experience, skills and education to ensure we continue to grow and improve our products and services. We are developing a strategic focus for the next 5 years and the plan will be presented to council when we deliver our Annual Report in August.

As a service and host industry we ensure our team is able to undertake tourism training and customer service training as the opportunities present. The teams at both visitor centres have continue to grow their education and skills in the tourism sector and we are extremely pleased with their commitment to customer service and any unhappy customer feedback is addressed immediately although the vast majority of feedback is extremely positive



The iSITE at Huntly and the iSITE at Raglan whilst offering the same products have differing client expectations; the image below hopefully provides some key



WAIKATO ENTERPRISE AGENCY HISTORY

For those new to Council the following will provide some background to our history, experience and Kaupapa.

The Waikato Enterprise Agency (WEA) is a registered charitable trust overseen by a board of trustees made up from the community. We have been operating since 1987 having spent our first two decades undertaking primarily economic development roles.

Our robust understanding of tourism, economic and community development combined with valuable experience and intellectual property gathered during this time has enabled us to hold a number of local and Government contracts for several decades.

We have successfully combined our tourism services alongside our firm commitment to small business and working alongside individuals to strengthen their skills and ability to sustain the current economic environment.

Our longevity exists because we have a strong kaupapa and belief combined with two decades of experience working with individuals to move them forward in their lives and gain employment, live functionally and have a better life.

We are committed to our Waikato District communities by supporting the development of our residents and in particular our youth with real employment experience and opportunities.

The WEA is made of a diverse team of 15 people that represent an accurate reflection of the community we serve. We have a team of 8 staff delivering tourism services between both sites at Huntly and Raglan, and a facilitation team developing and delivering a range of contracts with an emphasis on working with individuals incarcerated in the Waikato region.

Our team facilitates on average of 880 inmates per annum delivering short course programs that provide life skills, behavioural skills, and employment, all largely underpinned by emotional intelligence and a network of businesses and members that ensure sustainable outcomes are achieved.

Ko ahau mai hoki tapatahi,whakaute, he whakawhirinaki ma tatou whakakaha takitahi kia a te pono.
We bring integrity, respect, and trust by strengthening individuals with the truth.

In conclusion the highway continues to progress as council looks at the future of the Huntly iSITE and its potential location. the agency stands with its original contention that Pokeno is an appropriate site aligning to the Queens Redoubt Trust building and land.

This follows the successful model at Raglan as the iSITE provides excellent open hours access and also takes a gold coin donation and sells goods on their behalf to help generate an annual average of 8k minimum. The redoubt property has land around it to ensure buses and campervans can be parked clear of the road combined with a growing community of people in need of products and services within Pokeno.

This will allow the agency to pursue income options that will support its sustainability and costs.



Open Meeting

To	Strategy & Finance Committee
From	T N Harty General Manager Service Delivery
Date	1 August 2017
Prepared by	Samantha Frederick Leasing Officer
Chief Executive Approved	Y
Reference #	GOV1318 / 1781053
Report Title	Raglan Volunteer Coastguard – Raglan Wharf Occupation

I. EXECUTIVE SUMMARY

The Raglan Volunteer Coastguard has been in occupation at the rebuilt Raglan Wharf since 23 July 2012. From this point in time through to 2016, Council has provided grants to assist with paying the lease rental to the level of \$33,346.00 + GST per annum.

In 2016 the Waikato Mayoral Forum undertook to align the funding mechanisms in the region via a centralised process through Waikato Regional Council. At this time Council advised Waikato Regional Council of the rental funding provided to the Raglan Volunteer Coastguard and subsequently removed this funding from the district's general rate.

As the process went through the Central Northern Coastguard and the Waikato Regional Council, the tagging for the Raglan Volunteer Coastguards rent was removed and the funds were consequently used elsewhere leaving a substantial deficit accumulating on Raglan Volunteer Coastguards rent account.

Staff are seeking guidance for how the issue of the rent for the Raglan Volunteer Coastguard is resolved, and has invited representatives of the Raglan Volunteer Coastguard, along with the CEO of the Central Northern Coastguard, to come and speak to the report and share their contribution to options moving forward.

2. RECOMMENDATION

THAT the report from the Service Delivery General Manager be received;

AND THAT Council consider each option outlined in section 4.2;

AND FURTHER THAT Council approves one of the two options to determine the way forward for the Raglan Volunteer Coastguards lease rental payments.

3. BACKGROUND

The Raglan Volunteer Coastguard (RVCG) lease commenced on 23 July 2012 with the official opening following on 5 April 2013. Since the lease commencement Council has been providing a grant, through Councils grants budget and the Harbour Board reserve, to the RVCG which covered the total rent of \$33,346 + GST annually.

During the process of entering into the new lease for the rebuilt Raglan Wharf, the Council approved by way of memo (attachment 1) it would assist with funding for the lease rental for a three year period (from the commencement date of 23 July 2012), provided that the RVCG remained in occupation for those three years. At no time was it ever discussed that a commercial rent would be waived or not applied to the lease following that period. This information was communicated to the RVCG in the form of a letter dated 22 August 2012 (attachment 2).

Raglan Harbour Board Leases

Council resolved in 2002 that the assignment of Raglan Harbour endowment leases (of which the Raglan Wharf is one) would be considered with the following in mind:

- District Plan provisions, including objectives and policies
- Financial Ability of potential assignees to meet their obligations under the lease, such as rent, rates and maintenance of improvements
- Financial ability to complete a proposed development
- Relevant business and management experience
- Strategic Considerations and Raglan Naturally Plan;

This outlined the nature and way the endowment properties would be managed, which is, in effect, as commercial properties. This is further captured through the Long Term Plan where it itemises the expected rent revenue, meaning that if the rent was not recovered for the RVCG lease, the LTP budget would have a shortfall of \$33,346 + GST per annum.

Waikato Regional Council

In 2016 the Mayoral Forum sought to centralise the way that community funding was managed across all territorial authorities in an effort to align the application processes that were occurring for multiple agencies and regular community groups. This fund was labelled the Regional Services Fund (RSF) and was managed solely by WRC. As a result of the coming change Council advised WRC of the funding it provided to relative community groups, including the RVCG. It was this Council's understanding that the funding for the RVCG's lease would be provided for in the form of the larger grant awarded to their governing body, the Central Northern Coastguard (CNCG).

At the time of the change in the funding mechanism, WRC indicated that a grant of \$175,000 would be made to the CNCG, from the RSF. It was Council's understanding that \$33,346 + GST of the total amount would be tagged to the RVCG and was intended to cover WDC's current funding contributions towards the lease rental. In addition to this, Council removed this specific funding aspect from the general rate so that ratepayers would not be contributing to it twice, through both the WDC and WRC rates.

Following a meeting on 23 June 2017 between Council staff, Waikato Regional Council staff and representatives of the Raglan Volunteer Coastguard, it was confirmed that WRC had resolved to have the tagging removed from the grant that was being provided to the CNCG. While WRC still recognised the \$33,346 + GST as an actual cost and communicated this via an email of 30 June 2016 (between Ishana Ageel, WRC, and the CNCG CEO Callum Gillespie), WRC would no longer be involved in the detail of how the grant was applied.

Following the funding being approved and forwarded to the CNCG, and due to the decision made to remove the tag from the funds stipulating the amount for the RVCG lease rental, the \$33,346.00 was used elsewhere by the CNCG, leaving the RCVG without the funds to pay their annual lease rent.

WRC confirmed that their Long Term Plan process includes a review of this grant and an opportunity for feedback/additional funding from the recipients. The CNCG may therefore request additional funds through this process, but this will only come into effect if agreed through the consultation process and when the next LTP begins (being 1 July 2018).

4. DISCUSSION AND ANALYSIS OF OPTIONS

4.1 DISCUSSION

Council has confirmed to the RVCG that it is not in a position to 'waive' the rent, and as such there is still an amount of \$66,692 + GST owing. This amount will continue to increase annually for the duration of the RVCG occupation if the WRC LTP process is unable to accommodate the application for further funding to cover the lease rental from 2018/19.

The RVCG is of the understanding that they were never accountable for the rent from the outset of their occupation. It is their belief that the rent is an issue that needs to be sorted between WDC and WRC, to be covered through one of the Council's Long Term Plan processes, or that the Harbour Board reserve continues to fund their rent.

Council removed the funding from the general rate as it has been accounted for through WRC's rates. If Council continued to fund the lease rental from the Harbour Board reserve, the region and districts would effectively be supplementing the RVCG twice.

4.2 OPTIONS

Option 1 – fund the Raglan Volunteer Coastguards rent shortfall, at \$33,346 + GST per annum for the 2016/17 and 2017/18 years, through the Harbour Board reserve, totalling \$66,692 + GST. In addition to this, CNCG to apply for further funding through WRC's LTP review process which will come into effect 1 July 2018, to be tagged for the annual lease rental.

The Raglan Harbour Board reserve has a closing balance at 30 June 2017 of \$52,510.

Option 2 – advise the Raglan Volunteer Coastguard that they are in arrears of their rent, which means that they are also in breach of their lease; requiring that the lease rental either be paid or preparations be made to terminate the lease. Under this option staff would work with the RVCG to consider any practically achievable options suggested by the Raglan

Volunteer Coastguard that will bring the issue of the lease rental to a conclusion. Options could include grants to fund the good / service that the lease rental funds were used for, should a grant for retrospective rent not be attainable.

5. CONSIDERATION

5.1 FINANCIAL

If Council continue to not receive rent for the occupation of tenancy 1 of Raglan Wharf, it will continue to be in a shortfall of \$33,346 + GST per annum through to the end of their tenancy in 2019 (unless WRC allow more funding through their LTP which will give us relief in the 2018/19 year). This will result in over \$66,692.00 lost revenue to Council and reduce the balance of the Raglan Harbour Board reserve. Should WRC not be able to provide additional funding in the 2018/19 year this will leave a total of \$100,038 + GST arrears.

5.2 LEGAL

As per clause 1.1 of their Deed of Lease, through lack of funds to pay their lease rental the Raglan Volunteer Coastguard is in breach of their lease.

5.3 ASSESSMENT OF SIGNIFICANCE AND ENGAGEMENT POLICY AND OF EXTERNAL STAKEHOLDERS

The Significance and Engagement policy provides at Schedule 1 a list of Waikato District Council's strategic assets, which identifies the – Raglan Wharf and Raglan Harbour endowment properties as strategic assets.

The Policy requires Council to take into account the degree of importance and determine the appropriate level of engagement, as assessed by the local authority, of the issue, proposal, decision or matter, in terms of the likely impact on and consequently for:

- a) The district or region;
- b) Any persons who are likely to be particularly affected by, or interested in, the issue, proposal, decision or matter;
- c) The capacity of the local authority to perform its role, and the financial and other costs of doing so.

6. CONCLUSION

The Raglan Volunteer Coastguard is currently in breach of its lease due to non-payment of rent, which is standing at \$66,692 + GST in arrears. Given that the Raglan Wharf is an endowment property intended to operate as a commercial property, a way forward to recover the rent is required, that will not incur further costs to the districts ratepayers.

7. ATTACHMENTS

Attachment 1 – memo to approve funding

Attachment 2 – letter to RVCG to confirm funding

ATTACHMENT I

MEMORANDUM



To	Richard Bax
	Cc Bruce Airey, Beth Hole
From	Jan Miller
Subject	Raglan Volunteer Coastguard
File	Raglan Wharf
Date	30 July 2012

The draft Deed of Lease has been prepared and before it goes back to the tenant for their comments and input I would appreciate clarification around practical working of the rent and the grant to pay for the rent.

This tenant is an incorporated society set up to perform a service to the community, being search and rescue at sea and providing a towing service for boats when required.

Under the terms of the lease the rent charged is the commercial rate of \$33,346.00 plus GST plus operating expenses. This rent has been budgeted in the LTP.

The grants budget allows for \$6,500.00 as a contribution to the Raglan Volunteer Coastguard.

There is a shortfall of \$26,846.00 which can be covered from the Harbour Reserve.

Please refer to Beth's email which is attached where she explains the money go-round.

This is a request for approval for the funding of the grant for \$26,846.00 plus GST p.a. for 3 years.

A handwritten signature in dark ink, appearing to read "R Bax".

30/7/12

Richard Bax
GENERAL MANAGER, WATER AND FACILITIES

ATTACHMENT 2

Your Ref

In reply please quote
2007215

If calling, please ask for

22 August 2012

Raglan Volunteer Coastguard Incorporated
P O Box 169
RAGLAN

Dear Mr Hawken

DEED OF LEASE FOR RAGLAN VOLUNTEER COASTGUARD INCORPORATED AT RAGLAN WHARF

The council appreciates the community service that your organisation provides.

In order to assist the Coastguard to continue providing this service the council will assist with funding towards the rent of the lease for the building at the Raglan Wharf.

The funding from the council covers the rent from the commencement date of the lease for a term of three years.

This is on the understanding that the coastguard will remain in the building on the Raglan Wharf for the whole term of three years.

Yours sincerely

R J Bax
GENERAL MANAGER
WATER AND FACILITIES

Open Meeting

To	Strategy & Finance Committee
From	Gavin Ion Chief Executive
Date	2 August 2017
Chief Executive Approved	Y
Ref #	GOV1318
Report Title	Financial Review of Key Projects

I. EXECUTIVE SUMMARY

To update the Committee on the monitoring and process that has been undertaken during 2016/2017 to ensure that the financial implications of projects are known at an early stage.

The report also recommends a list of projects for monitoring in 2017/2018.

2. RECOMMENDATION

THAT the report from the Chief Executive – *Financial Review of Key Projects* - be received;

AND THAT the following list of projects be approved as Key Projects for 2017/2018:

- Ngaruawahia Council office upgrade construction (carry forward)
- Tamahere recreation reserve project
- Raglan stormwater reticulation extensions (carry forward)
- Ngaruawahia Kent Street / George Street stormwater network upgrades (carry forward)
- New reservoirs for Huntly, Central District and Hopuhopu and Pokeno reservoir sites (carry forward)
- Land purchases for Pokeno, Central District and Hopuhopu reservoir sites (carry forward)
- Tuakau water supply reticulation extensions
- Pokeno wastewater scheme construction - Stage 2 (carry forward)
- Huntly wastewater treatment plant upgrade (carry forward)
- Meremere wastewater treatment plant upgrade
- Raglan wastewater treatment plant upgrade
- Pokeno stormwater reticulation extensions
- SCADA improvements

3. BACKGROUND

The Chief Executive, on an annual basis, provides details on a range of projects to be monitored and reported to the Strategy & Finance Committee. The projects are selected based on value, level of risk and other factors. A series of projects were identified for particular scrutiny during 2016/2017. Regular reports are provided on progress.

A list of projects is proposed in this report for 2017/2018.

4. DISCUSSION AND ANALYSIS OF OPTIONS

4.1 DISCUSSION

Council has been kept fully informed of the financial consequences of the key projects that were identified at the start of the financial year. This is a final report for the 2016/2017 financial year and supplements monthly reports to the Infrastructure Committee on the detailed projects.

The table attached to this report gives an update on the specific projects that Council wished to be given special consideration. The list was based on the major non-roading projects which Council planned to undertake for 2016/2017, including carry forwards.

Council has chosen not to reduce the upfront risk. This could have been done by investing in advance design work or other scoping work in advance of setting budgets.

For various reasons (land purchase delays, financial constraints, slow consumer interest other dependencies) most of the 2016/2017 projects need to be carried forward.

It should also be noted that the nature of a number of these projects is that problems are only uncovered when Council undertakes the project. Reticulation issues, for example, are hidden until the pipes are exposed. Topographical and geotechnical issues can also arise in relation to a number of projects.

Councillors should also note that the purpose of this report is to identify progress with key projects from a financial perspective. This simply means that issues are identified earlier so that Council can make decisions before committing Council funds. It does not give certainty around the tender process as this is driven often by market forces, not by the project itself.

4.2 OPTIONS

This report is largely for information only. It is to update Councillors on progress with the financial implications of the key projects identified for the 2016/2017 financial year and to agree a list for 2017/2018.

The report contains the latest forecast cost and a comparison to the budget allocation.

Council may consider that other actions should be taken to control costs. The emphasis of the report and the requirement was to identify potential issues and to advise Council so that cost implication could be considered before work proceeds.

Improved reporting has been implemented to keep the Chief Executive and the various Committees informed of progress on the key projects.

Any technical questions about the projects or infrastructure requirements should be addressed at the Infrastructure Committee meeting, not as part of this report.

The following is the list of agreed projects for 2016/2017:

- Wastewater Scheme – Pokeno Stage 2
- Water reservoirs/storage Hopuhopu
- Pokeno water reservoir
- Tamahere recreation reserve
- Wastewater Huntly
- Horotiu water reservoir
- Huntly water reservoir
- Ngaruawahia office front of house
- Stormwater upgrades Raglan
- Stormwater upgrades Ngaruawahia

The proposed list for 2017/2018 is as follows:

- Ngaruawahia Council office upgrade construction (carry forward)
- Tamahere recreation reserve project
- Raglan stormwater reticulation extensions (carry forward)
- Ngaruawahia Kent Street / George Street stormwater network upgrades (carry forward)
- New reservoirs for Huntly, Central District and Hopuhopu and Pokeno reservoir sites (carry forward)
- Land purchases for Pokeno, Central District and Hopuhopu reservoir sites (carry forward)
- Tuakau water supply reticulation extensions
- Pokeno wastewater scheme construction - Stage 2 (carry forward)
- Huntly wastewater treatment plant upgrade (carry forward)
- Meremere wastewater treatment plant upgrade
- Raglan wastewater treatment plant upgrade
- Pokeno stormwater reticulation extensions
- SCADA improvements

5. CONSIDERATION

5.1 FINANCIAL

All of the projects included in the list form part of the Annual Plan for 2016/2017 or 2017/2018 or are carry forwards.

5.2 LEGAL

As part of undertaking the work, Council needs to ensure that the approach taken is consistent with the Purpose of Local Government.

Under this Act, good quality in relation to local infrastructure, local public services and performance of regulatory functions means infrastructure, services and performance that are efficient, effective and appropriate to present and anticipated future circumstances.

In other words, to meet the current and future needs of communities for good quality local infrastructure, local public services and performance of regulatory functions in a way that is most cost-effective for households and businesses.

5.3 STRATEGY, PLANS, POLICY AND PARTNERSHIP ALIGNMENT

The report is concerned with the community outcome of Thriving Waikato in relation to the economic importance of a number of the projects.

The report is also concerned with the economic wellbeing of residents in the district. If costs exceed budgets then alternative funding sources need to be found or elements of the project reviewed.

Projects such as water and wastewater schemes that impact on the Waikato River are of particular significance to Tangata Whenua. For example, discussions are ongoing with Iwi around the Hopuhopu reservoir water storage project.

5.4 ASSESSMENT OF SIGNIFICANCE AND ENGAGEMENT POLICY AND OF EXTERNAL STAKEHOLDERS

Councillors will review the list of key projects and identify any change in significance, where appropriate.

Highest levels of engagement	Inform	Consult	Involve	Collaborate	Empower
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	This report is an update on progress. It is to inform.				

State below which external stakeholders have been or will be engaged with:

Planned	In Progress	Complete	
		✓	Internal
	✓		Community Boards/Community Committees
	✓		Waikato-Tainui/Local iwi
	✓		Households
	✓		Business
			Other Please Specify

6. CONCLUSION

Staff believe that appropriate systems are in place to identify the cost implications of the various key projects that Council wished to ensure were given additional monitoring during the year. Council has been kept informed of cost implications as they arise. This report provides an update on progress with the key projects for 2016/2017 and a list is proposed for 2017/2018.

7. ATTACHMENTS

Financial Review of Key Projects

KEY PROJECTS

Team	Project Description	Project Owner	Full Year Budget	Full Year Actual	Remaining Budget	Expected Completion Date	Progress & Risk Comment
Programme Delivery	Ngaruawahia council office upgrade construction	Jacki Remihana	471,379	104,878	366,501	Jan-18	Scope significantly reduced to meet budget - Front of House and Call Centre works will be completed over Christmas period next financial year. Discussing relocation of services to ensure continuity for the public.
Programme Delivery	Tamahere Sports Ground Reserve Management Plan	Hamish Cairns	452,078	461,416	-9,338	Multi year project	Final levelling and seeding completed, working through the specifications with the contractor to ensure that the final outcome meets specifications. Minor flooding issues being remedied on the school boundary. Pond construction is complete but total works cannot be completed until the grass grows, planting is to be completed as weather allows. Spend includes planning for Piazza and recreation area - will be overspent for the financial year, a report approved by Council requesting negative carry forward of budget, currently working through budget and planning of the next phase.
Programme Delivery	Raglan stormwater reticulation extensions	Surya Pandey	356,312	49,159	307,153	TBA	Council going ahead with daylighting with works expected to occur in 2017/18; a successful public discussion meeting was held in May with a follow up scheduled for 1 August at the local marae.
Programme Delivery	Ngaruawahia, Kent St/George St Stormwater Network upgrades	Hamish Cairns	481,892	10,163	471,729	Oct-17	Works were expected to be carried out between March and June for this years programme of works, however due to the recent cyclone events at the Contractor's current sites, their resources are being utilised for emergent work in Auckland and as a result are currently unavailable to commence WDC work until after June. There are further works beyond June as part of this contract that will come from the 2017/18 budget.
Programme Delivery	New Reservoirs for Huntly, Central District, Hopuhopu and Pokeno	Richard Clark	7,800,397	4,727,117	3,073,280	Nov-17	Huntly - Roof is partially constructed inside the reservoir, awaiting other contract works at Huntly Treatment Plant before the roof can be completed. Construction completion, filling and disinfection planned for August, final commissioning expected in November. Central District - Reservoir construction mostly complete with only minor works outstanding. Filling and disinfection to commence late July following Hopuhopu. Commissioning expected in September. Pokeno -Pipework outside of reservoir complete. Sub foundation pipework currently being installed and concrete pour to follow. Tank walls and roof materials have been delivered to site with construction commencing in August. Filling and disinfection to commence September. Commissioning expected in November. Hopuhopu - Reservoir construction is complete, filling and disinfection of reservoir planned for July with final commissioning expected in September.
Programme Delivery	Land Purchases for Pokeno, Central District and Hopuhopu Reservoir Sites	Elton Parata	367,708	167,746	199,962	Sep-17	All sites now secured and works underway. Hopuhopu long term agreement still under negotiation with Waikato Tainui.
Three Waters - Planning	Huntly wastewater treatment plant upgrade	TBA	1,632,951	4,839	1,628,112	TBA	WDC was successful in securing an interest-free development loan through the Housing Infrastructure Fund (HIF) with The Ministry for Business, Innovation and Employment. There is a wider conversation with developers and WDC staff that any HIF funding could be bundled with the Te Kauwhata Lakeside Development plan change/development proposal (and WDC) and a state of the art treatment plant could be established in Huntly to accommodate both Te Kauwhata and Huntly current and future wastewater demand.
Programme Delivery	Pokeno Wastewater scheme construction - Stage 2	Paul White	2,802,442	897,042	1,905,400	Sep-17	Construction is over 50% complete, works within the heritage overlay area and private drainage connections to commence July. At the end of June, 44 properties have signed to connect to the scheme during construction, final push to get additional connections to occur in July.

Open Meeting

To	Strategy & Finance Committee
From	Tony Whittaker General Manager Strategy & Support
Date	10 August 2017
Prepared by	Jenni Vernon Strategic Planning Resource Management Team Leader
Chief Executive Approved	Y
Reference #	GOV1318 / 1785103
Report Title	New National Environmental Standard for Plantation Forestry

I. EXECUTIVE SUMMARY

The new Resource Management (National Environmental Standards (“NES”) for Plantation Forestry) Regulations 2017 come into force on 01 May 2018 and are made under the Resource Management Act 1991 (“the Act”) and prescribe national environmental standards for plantation forestry (see [attachments](#) for the full NES).

Purpose of regulations

Part 1 of the regulations provides for matters of interpretation, application of the regulations, provision for plan rules to be more stringent in some circumstances, and identifies material incorporated by reference in the regulations.

Part 2 of the regulations provides for eight main plantation forestry activities to be permitted activities when carried out in accordance with specified conditions that require foresters to manage the adverse environmental effects of the activities. The regulated activities are:

- afforestation (regulations 8 to 17);
- pruning and thinning to waste (regulations 18 to 21);
- earthworks (regulations 22 to 35);
- river crossings (regulations 36 to 49);
- forestry quarrying (regulations 50 to 61);
- harvesting (regulations 62 to 71);
- mechanical land preparation (regulations 72 to 75); and
- replanting (regulations 76 to 81).

The permitted activity conditions include:

- standards to avoid, remedy, or mitigate environmental effects;
- requirements for compliance with management plans for higher-risk activities; and
- the use of tools for risk assessment regarding erosion, wilding trees, and fish spawning.

The risk assessment tools form part of the regulations. They enable a location specific assessment to be undertaken of the level of risk from plantation forestry activities in relation to erosion, wilding trees, and fish spawning. This allows the effects to be managed where risks are present.

Part 2 of the regulations also provides for ancillary activities in subpart 9 for slash traps (regulations 83 to 92), indigenous vegetation clearance (regulations 93 and 94), and non-indigenous vegetation clearance (regulation 95) that occur when conducting the 8 main forestry activities.

Subpart 10 of Part 2 provides for general provisions, including requirements and conditions for discharges, disturbances and diversions, noise and vibration, dust, indigenous bird nesting, and fuel storage and refuelling (regulations 96 to 105).

Part 3 (regulation 106) of the regulations enables a local authority to charge for monitoring permitted activities. These charges may be fixed in accordance with section 36 of the Act.

Classification of activities and consent requirements

The regulations make certain forestry activities permitted, controlled, restricted discretionary, or discretionary under the Act. If an activity does not meet one or more of the relevant permitted activity terms and conditions, including those in the ancillary activities or general provisions, it will require resource consent under the Act.

The regulations incorporate the erosion susceptibility classification (“ESC”) to determine activity status. The ESC classifies land into zones according to the erosion risk from plantation forestry activities. The zones are Low, Moderate, High, and Very high.

Application of regulations and their relationship to local plan rules (including stringency)

Regulation 5 provides that the regulations apply to the plantation forestry activities specified in the regulations. Activities to which the regulations do not apply will continue to be addressed in regional and district plans.

The regulations will generally prevail over regional and district plan rules that apply to plantation forestry activities. The regulations will generally take precedence over relevant rules for plantation forestry because plan rules may not be more lenient than a national environmental standard. More lenient means that a rule permits or authorises an activity that the standard prohibits or restricts.

A plan rule cannot be more stringent than a national environmental standard unless the standard expressly provides for this. A plan rule is more stringent if it prohibits or restricts what the standard permits or authorises. The regulations allow plan rules to be more stringent in certain circumstances specified in regulation 6, where they give effect to certain

national instruments, recognise and provide for certain matters of national importance under the Act, or manage specific unique and sensitive environments.

There are also certain activities and effects that are excluded from the regulations where regional and district plan rules continue to apply. Where a national environment standard states that an activity is permitted, a plan may specify terms and conditions to deal with effects of that activity that are different from the effects dealt with in the standard. For example, the effects on cultural and historic heritage and the effects from logging truck movements are excluded from the regulations, which allows plan rules to continue to manage effects on them.

2. RECOMMENDATION

THAT the report from the General Manager Strategy & Support be received.

3. ATTACHMENTS

- National Environmental Standards for Plantation Forestry - Overview of the regulations
- <http://www.mfe.govt.nz/land/proposed-nes-plantation-forestry/consultation-proposed-national-environmental-standard>



National Environmental Standards for Plantation Forestry

Overview of the regulations

New Zealand Government



New national rules for plantation forestry

Plantation forestry is New Zealand's third largest primary sector. It delivers significant economic and social benefits to New Zealand, employing over 26,000 people and generating around \$5 billion in export earnings each year. Plantation forests also provide environmental benefits such as improving water quality, controlling erosion, and providing a temporary carbon sink.

As with most land uses, plantation forestry activities can also adversely affect the environment if not well managed. The greatest risk occurs when land is exposed during harvesting or earthworks.

Previously, the rules governing forestry activities were provided in district and regional council plans. These rules were designed to take into account local environmental conditions and community priorities. While local variation has offered some benefits, it has unnecessarily increased costs and operational complexity for the forestry sector, particularly for forests that cross council boundaries¹. This variation across council plans has also meant that there has been an inconsistent level of environmental management.

Now, a new nationally consistent set of regulations will create more certainty. The National Environmental Standards for Plantation Forestry (NES-PF) permit core forestry activities provided there are no significant adverse environmental

effects. Where the risks of harm to the environment are too high, or if a forest operator can't meet the regulatory requirements for a permitted activity, the operator will need to apply for resource consent.

At the same time, the regulations recognise that different rules may be needed to manage some specific local circumstances and give effect to other RMA national direction tools such as the National Policy Statement for Freshwater Management and the New Zealand Coastal Policy Statement. Councils will be able to impose stricter rules in unique and sensitive environments, including those with special significance to the community.

Forestry activities regulated by the NES-PF

The NES-PF covers eight core plantation forestry activities:

- » afforestation
- » pruning and thinning-to-waste
- » earthworks
- » river crossings
- » forest quarrying
- » harvesting
- » mechanical land preparation
- » replanting.

¹ Research indicates that more than 300 forest owners (whose land accounts for more than 80 per cent of the national plantation estate) have forests across more than two districts and approximately 200 of these owners manage forests in two or more regions.

The regulations apply to any forest larger than one hectare that has been planted specifically for commercial purposes and harvest. This does not include, for example, trees grown for fruit, nut crops, shelter belts, or nurseries.

There are also certain activities and effects that are not in the scope of the regulations. In most cases, the regulations do not cover plantation forestry activities that occur outside the boundaries of the forest land², such as the effects of logging trucks using public roads. Existing regional and district plan rules will continue to apply to the activities and effects that are outside the scope of the regulations; examples include but are not limited to, cultural and historic heritage, agrichemical use, burning, water yield and milling and processing activities.



Managing the environmental effects of forestry activities

Most forestry activities are permitted by the NES-PF as long as foresters meet specific conditions to prevent significant adverse environmental effects. The regulations are based on existing good practice standards for the forestry industry.

If foresters are unable to meet these conditions, they will need to apply for a resource consent.

Some of the conditions in the NES-PF are:

- » for afforestation, permitted activity conditions include setbacks for tree planting from rivers, lakes, wetlands, coastal areas and significant natural areas. Setbacks provide a buffer between forestry activity and these areas, providing shading and habitat for aquatic species and helping to avoid erosion of stream banks
- » for harvesting to be a permitted activity, foresters must submit a harvest plan to their local council if requested. The plan should identify environmental risks, including erosion susceptibility using the Erosion Susceptibility Classification tool, and must list the mitigations to be used to respond to those risks and achieve compliance with permitted activity conditions
- » for earthworks, permitted activity conditions include the requirement to install and maintain stormwater and sediment control measures. Spoil, the by-product of excavation and earthworks, cannot be deposited where it may readily enter or deliver sediment into a water body, coastal area or significant natural area.

Under the NES-PF, some of the rules governing forestry activities may be stricter than in current council plans; while in some other cases they may be more lenient. An independent review of council plans from nine regions, representing a cross-section of jurisdictions and environmental characteristics, showed that the NES-PF will raise environmental standards for most effects when compared to existing council rules.

² The exception is a rule relating to the carriage of quarry material between forests within two kilometres of each other, where they have the same owner.

Tools for councils and foresters

Three tools are available to councils and foresters to help determine when consents will be needed for forestry activities. These tools identify the risk of wilding conifer spread, erosion, and disturbance to waterways while fish are spawning. The tools will also help foresters to identify and plan their forestry operations to avoid or mitigate these risks.

Erosion Susceptibility Classification:

This divides the New Zealand landscape into four categories. Land areas coloured green (low) and yellow (moderate) have lower erosion risk and so forestry activities are permitted. Permitted activities are subject to conditions under the regulations that are based on industry good practice standards. Where there is a high or very high risk of erosion (areas mapped as orange and red), stricter requirements apply and some forestry activities cannot be carried out without resource consent.

Wilding Tree Risk Calculator:

The regulations include measures to control the spread of wilding trees. Land owners and forest operators are required to apply the Wilding Tree Risk Calculator to a site when they are considering establishing a new plantation forest or replanting a different type of conifer that has a higher risk score than the previous species. If the risk of wilding spread is high, resource consent will be needed for afforestation and planting the new species.



Fish Spawning Indicator:

Freshwater fish species are vulnerable to disturbance during spawning. The NES-PF uses the Fish Spawning Indicator to identify a list of 33 fish species that require protection from disturbance during spawning, and imposes controls on certain forestry activities during these times. The Fish Spawning Indicator allows a forest operator to determine if one or more of the listed fish species may be present in their area, and identifies the applicable spawning times for that site.



Provisions for local priorities

The NES-PF is designed to provide a nationally consistent set of rules that address the risks of forestry activities and protect sensitive environments. However, there are some locations that require a greater degree of protection than is provided for in the regulations. For this reason, the NES-PF allows councils to make rules that are more stringent where necessary.

Regional and district councils are able to impose stricter rules in relation to significant natural areas, outstanding natural features and landscapes, specified geological areas, and sensitive receiving environments. A local rule can also be stricter than the NES-PF if it is needed to give effect to the National Policy Statement for Freshwater Management or the New Zealand Coastal Policy Statement.



New processes for forestry management

The NES-PF marks a significant change in the way forestry activities are managed under the Resource Management Act and will have a direct impact on how councils and foresters conduct their day-to-day activities.

Councils:

Councils will no longer need to develop forestry-specific rules in their plans for those activities covered by the NES-PF or include forestry activities under general plan rules. This should reduce the costs of plan development and litigation. Council staff in planning, consenting, and monitoring and compliance roles will need to understand the rules that apply to forestry activities and how they relate to other rules in their plans and wider legislation. Central government will provide guidance materials and support for councils to help them implement the new regulations, including where they have the flexibility to apply more stringent rules.

Forest owners and operators:

Forest operators will need to familiarise themselves with the requirements for each activity and understand how the tools apply to their own land. Where required they will need to prepare and keep records of their forestry earthworks management plan, harvest plan, and quarry erosion and sediment management plan. Standardised templates and best practice examples are being developed along with further guidance materials to ensure forest owners and operators understand what is required of them and how to prepare their plans under the NES-PF.

Forest operators will also need to understand when and how to use the Erosion Susceptibility Classification, the Wilding Tree Risk Calculator and the Fish Spawning Indicator in their operational planning.

Iwi:

Māori may have an interest in the NES-PF as forest owners and as kaitiaki. Agreements made between iwi and councils can be protected in the NES-PF through the flexibility to manage and protect unique local environments and sensitive receiving environments, including significant water bodies, by applying more stringent rules. Cultural and historic heritage sites such as wāhi tapu are out of scope of the NES-PF regulations, so existing local rules and wider legislation will still apply.

Implementing the regulations

The NES-PF will come into effect on 1 May 2018. This allows time for the Ministry for Primary Industries and the Ministry for the Environment to provide support and guidance to councils and foresters to help them understand their responsibilities under the NES-PF.

Find out more

Website: www.mpi.govt.nz/growing-and-producing

NES-PF support: 0800 88 83 33

Email support: info@mpi.govt.nz

Postal address:

Spatial, Forestry and Land Management

Ministry for Primary Industries

P O Box 2526

Wellington 6140

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New Zealand Government

Open Meeting

To	Strategy & Finance Committee
From	Tony Whittaker General Manager Strategy & Support
Date	01 August 2017
Prepared by	Jenni Vernon, Resource Management & Strategic Planning Team Leader Jane Macartney, Senior Policy Planner
Chief Executive Approved	Y
Reference #	GOV1318 / 1784698
Report Title	Proposed withdrawal of the notified Plan Change 16, (Stage 1 of the Tuakau Structure Plan)

I. EXECUTIVE SUMMARY

The proposed Plan Change 16 (“PCI6”), to give effect to Stage 1 of the Tuakau Structure Plan, was notified on 16 July 2016. On 12 December 2016 Council resolved to withdraw the industrial component of PCI6. The remaining areas under PCI6 are the Tuakau Living Zone and the Tuakau Country Living Zone.

Fifty-two submissions were received regarding the remaining areas and a section 42A (“s42A”) hearing report was prepared by staff. However, in the interim, a new National Policy Statement – Urban Development Capacity and the Resource Legislation Amendment Act 2017 were passed, and the North Waikato Integrated Growth Management Business case was developed. This triggered a need for an independent peer review (see attachments) of the s42A and contents of PCI6 to determine if progressing PCI6 in its current form was in the best interests of these new overarching legislative requirements, and the direction being sought by the North Waikato Integrated Growth Management Business case.

Further the s42A and the peer review highlighted the complexities of proceeding with PCI6 in advance of Council’s District Plan Review notification in early 2018.

The merits of progressing with the PCI6 hearing, or withdrawing it, were considered at a Council workshop on 26 July 2017. The majority of Councillors at that workshop supported the withdrawal of PCI6.

This report therefore seeks the necessary resolution to withdraw PCI6 as provided for in Schedule 1 of the Resource Management Act 1991.

2. RECOMMENDATION

THAT the report from the **General Manager Strategy & Support** be received;

AND THAT pursuant to clause 8D (I) in Schedule I of the Resource Management Act 1991, Council resolves to withdraw Proposed Plan Change 16 (Stage I of the Tuakau Structure Plan).

AND FURTHER THAT Proposed Plan Change 16 be withdrawn given:

- the nature of the submissions;
- the legislative changes resulting from the National Policy Statement – Urban Development Capacity 2016;
- the Resource Legislation Amendment Act 2017;
- the North Waikato Business Case; and
- the expected notification of the Proposed Waikato District Plan in early 2018

and this means that it is more appropriate for the growth of Tuakau to be managed on a district-wide basis and through the comprehensive District Plan Review process that is already underway.

3. BACKGROUND

Notified Version of PCI6

PCI6 was notified on 16 July 2016 to implement Stage I of the Tuakau Structure Plan. It introduced a Tuakau Living Zone and a Tuakau Country Living Zone, and also identified new zoning and provisions for the existing industrial area on Whangarata and Bollard Roads.

The notified version of PCI6 resulted in a total of 545 submission points. A significant number of those submission points opposed PCI6 on the grounds that it was a retrograde step because it did not enable future industrial growth. In December 2016 Council resolved to withdraw the industrial component of PCI6 on the grounds that the District Plan Review was the most appropriate process to consider the issues raised regarding industrial development.

Remaining Submissions

PCI6 involves changes to both the Waikato Section and Franklin Section of the Waikato District Plan (“WDP”). There are stand-alone sections containing issues, objectives, policies and rules which have been designed to apply only to areas identified for rezoning on the PCI6 maps. Therefore, the content of PCI6 could be considered a “mini comprehensive district plan review”, in that it provides a complete framework of provisions for land use and subdivision for selected land parcels and not for the entire Waikato District.

The comprehensive nature of PC16 resulted in a wide spectrum of submissions. While some submitters support the notified version, there are a considerable number of submitters who have either requested: the withdrawal of PC16; a deferral of the matters raised to the comprehensive District Plan Review; or amendments to the provisions to increase flexibility for development and reduce administrative complexity.

Some submitters request a move from the limit of one dwelling per title (in the notified version of PC16) to provisions that enable greater opportunities for multi-unit housing / comprehensive residential developments. Other submissions request greater flexibility in respect to minimum lot sizes, given the changing demographic profile of the Tuakau community which is also reflected at regional and national levels.

PC16 is not in isolation

Under section 75(3) of the Resource Management Act 1991 (“RMA”), a district plan must give effect to:

- a) any national policy statement; and
- b) any New Zealand Coastal Policy Statement; and
- c) any regional policy statement.

Since PC16 was notified the National Policy Statement – Urban Development Capacity 2016 (“NPS-UDC”) came into force on 01 December 2016, which directs local authorities to provide sufficient development capacity in their district plans to ensure demand can be met. This includes both the total aggregate demand for housing and business land, and also the different types, sizes and locations. This development can be “outwards” (greenfields) and / or “upwards” (intensification of existing urban environments). The NPS-UDC identified high growth areas, one of which is the Waikato District.

Further, the NPS-UDC requires development capacity to be provided for in plans and supported by infrastructure with different expectations in the short, medium and long-term. It encourages integration and coordination of land use and infrastructure planning. This will require a sustained effort from local authorities, council-controlled organisations, and infrastructure providers (including central government) to align their intentions and resources.

Some provisions of the Resource Legislation Amendment Act 2017 (“RLAA”) came into effect on 19 April 2017 with other provisions taking effective October 2017. These provisions provide new, more flexible direction about:

- a) permitted subdivision unless restricted by a plan or National Environmental Standard (“NES”);
 - b) boundary activities which can be approved by neighbours on infringed boundaries;
 - c) the management of significant risks from natural hazards are now a section 6 matter;
 - d) local authorities have new functions to ensure that there is sufficient residential and business development capacity to meet expected demand.
-

The intent of this RLAA is to change is to enable better provision of residential and business development capacity in decision-making by councils under the RMA and to contribute to improved housing affordability.

The Programme Business Case for North Waikato Integrated Growth Management began in December 2016 as a multi-party initiative with Waikato District Council, Waikato Regional Council, Auckland Council, Auckland Transport, and the New Zealand Transport Agency to identify planning options in the North Waikato to cater for future urban growth over the next 30 years.

The recommended programme in this initiative involves Tuakau accommodating a population of 15,000 and 6,000 employees in Year 2035 growing to a population of 20,000 and 8,000 employees in Year 2045. These recommended numbers are considerably more than those anticipated by the Tuakau Structure Plan adopted by Council in December 2014.

Significant factors that have influenced the recommended programme are the close proximity of a growing Auckland City and the associated Unitary Plan provisions, and the spill-over effects that are expected to increase as investments in housing and businesses in the North Waikato become more attractive.

Comprehensive Review of the Waikato District Plan

In 2014, Council resolved to commence a comprehensive review of the WDP. Public notification of the proposed WDP is expected in early 2018. Ultimately, this document will supersede the differing provisions in the Waikato Section and Franklin Section of the operative WDP in favour of one set of provisions that are broadly consistent throughout the district. While the PCI6 process is in advance of the District Plan review, it will be superseded by the proposed WDP as it progresses through the statutory process. This adds unnecessary complexities and costs, and negates the purpose of having integrated planning processes at a district wide level.

4. DISCUSSION AND ANALYSIS OF OPTIONS

The two options available to Council are: Option 1 to progress PCI6 through Schedule 1 process; or Option 2 to withdraw it.

Option 1: Progress PCI6 through Schedule 1 process

To progress PCI6 through the Schedule 1 process will involve setting a date and holding a hearing with an independent hearing panel to hear and consider the submissions received. Council resolved that this panel comprise an independent chair, two qualified Councillors, and an iwi representative.

Proceeding with PCI6 would deliver on the expectation from submitters and landowners that a hearing will occur. Some submitters have already prepared concept plans for a potential subdivision of their land, and others have discussed with staff the potential timing of PCI6 becoming operative so that they can make more informed financial decisions for their future.

PCI6 would implement part of the Tuakau Structure Plan, and the scope of the submissions would allow some amendments to be made in terms of density. Equally, it goes some way towards achieving the expected outcomes for the NPS-UDC.

Option 2: Withdrawal of PCI6

Since PCI6 was notified there are a number of planning processes which have overtaken the approach taken in PCI6. Unfortunately the submissions do not provide adequate scope to align PCI6 with these. The withdrawal of PCI6 would enable Tuakau to be considered more comprehensively, both in terms of structure and function of the town, as well as the wider district.

There is a risk of multiple planning processes taking place concurrently with Tuakau being subject to the Franklin Section of the Waikato District Plan, as well as the proposed Waikato District Plan. Withdrawing PCI6, and including Tuakau through the District Plan Review process, will allow consistent management of Tuakau, fewer planning documents and more efficient use of Council resources which are focussed on a single integrated District Plan Review process.

Clause 8D in Schedule 1 of the RMA provides for the withdrawal of whole, or part of proposed changes to district plans. Provisions can be withdrawn at any time up until the point where appeals are made to the Environment Court, or the plan change is approved by the local authority.

The withdrawal of PCI6 does not prevent owners of land that was to be rezoned to lodge resource consent applications for subdivision and a change in land use. However, such applications would not be supported by the framework of objectives and policies for the existing Rural and Rural Residential Zones.

5. CONSIDERATION

5.1 FINANCIAL

To proceed with PCI6 would incur costs for the hearing and any subsequent appeals including the use of external consultants. To withdraw PCI6 would incur advertising costs only.

5.2 LEGAL

PCI6 has progressed in terms of the statutory requirements set out in Schedule 1 of the RMA. If submitters were to appeal a decision of the hearing panel, the legal implications would be reported to Council and direction sought.

5.3 STRATEGY, PLANS, POLICY AND PARTNERSHIP ALIGNMENT

A PCI6 implements part of the adopted Tuakau Structure Plan and, overall, is consistent with the Franklin District Growth Strategy, the Waikato District Development Strategy, Future Proof and the Waikato Regional Policy Statement.

The withdrawal of PCI6 would allow Council to give full effect to the NPS-UDC; the Resource Legislation Amendment Act 2017; the North Waikato Integrated Growth Management programme; and progress a whole of district consideration of District Plan provisions.

5.4 ASSESSMENT OF SIGNIFICANCE AND ENGAGEMENT POLICY AND OF EXTERNAL STAKEHOLDERS

The Significance and Engagement Policy is not triggered by the matters considered in this report but the individual submitters will need to be informed of the Council decision.

Highest levels of engagement	Inform	Consult	Involve	Collaborate	Empower
	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<i>Tick the appropriate box/boxes and specify what it involves by providing a brief explanation of the tools which will be used to engage (refer to the project engagement plan if applicable).</i>	<p>Significant levels of engagement have already occurred with the Tuakau community through the processes leading up to adoption of the Tuakau Structure Plan in 2014. These included open days and informal drop-in sessions.</p> <p>Council has also satisfied the requirements for mandatory consultation with parties identified in clause 3 in Schedule 1 of the RMA (including iwi and adjoining local authorities) and a presentation on PCI6 was given to Future Proof prior to public notification of PCI6. Opportunities for public participation have also been given through the submission processes, and the hearing process provides a further opportunity for submitters to participate.</p>				

State below which external stakeholders have been or will be engaged with:

Planned	In Progress	Complete	
		✓	Internal
✓			Community Boards/Community Committees
✓			Waikato-Tainui/Local iwi The final decision will be communicated at the next Iwi Reference Group meeting plus a formal letter to Waikato-Tainui.
✓			Households
✓			Business
			Other Please Specify

6. CONCLUSION

There are merits with Options 1 and 2. However, on balance, it is concluded that it is more appropriate to withdraw PCI6 given the planning processes and documents which have overtaken PCI6 since it was notified and the submissions received not providing scope to align PCI6 with these. The documents and processes include:

- a) The National Policy Statement – Urban Development Capacity came into force on 01 December 2016 which was after PC16 had been notified and must be given effect to;
- b) The Resource Legislation Amendment Act 2017;
- c) Council is progressing the Programme Business Case for North Waikato Integrated Growth Management which identifies significantly more growth in Tuakau than was ever anticipated either in the Tuakau Structure Plan or PC16; and
- d) Council will be notifying a proposed Waikato District Plan in early 2018 so that a district-wide approach to growth management can be implemented without having to deal with the complexity of overlapping statutory processes.

7. ATTACHMENT

- Plan Change 16 Tuakau Structure Plan report prepared by MWH (now part of Stantec) dated 25 July 2017
-

Plan Change 16
Tuakau Structure Plan

Review of Residential Density



Prepared for:
Waikato District Council

Prepared by: Carolyn Wratt

July 25, 2017

Revision	Description	Author		Quality Check		Independent Review	
1	Draft for Client	CW		AC		CS	
2	Updated to address CS review	CW		AC		CS	
3	Updated to reflect broader growth matters	CW		AC		CS	

Sign-off Sheet

This document entitled Plan Change 16 Tuakau Structure Plan was prepared by Carolyn Wratt ("MWH, now part of Stantec") for the account of Waikato District Council. Any reliance on this document by any third party is strictly prohibited. The material in it reflects the professional judgment of MWH, now part of Stantec in light of the scope, schedule and other limitations stated in the document and in the contract between MWH, now part of Stantec and the Client. The opinions in the document are based on conditions and information existing at the time the document was published and do not take into account any subsequent changes. In preparing the document, MWH, now part of Stantec did not verify information supplied to it by others. Any use which a third party makes of this document is the responsibility of such third party. Such third party agrees that MWH, now part of Stantec shall not be responsible for costs or damages of any kind, if any, suffered by it or any other third party as a result of decisions made or actions taken based on this document.

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Andrew Cumberpatch

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Executive Summary

As it was originally notified, Plan Change 16 (PC16) enables residential and industrial growth in Tuakau by rezoning discrete parcels on the edge of Tuakau for urban growth. PC16 is proposed as a stand-alone section to the Waikato District Plan, including objectives, policies and rules to manage development of the new zones proposed in PC16. PC16 only affects properties identified on the PC16 zone maps. The provisions in the Franklin Section of the Waikato District Plan will continue to apply to the areas of Tuakau outside the geographical extent of PC16 until superseded by the comprehensive review of the Waikato District Plan.

The underlying framework document for PC16 is the Tuakau Structure Plan, which was adopted by Waikato District Council in December 2014. PC16 is intended to generally implement Stage 1 of this structure plan in order to enable residential growth in Tuakau (Figure 1). The Tuakau Structure Plan illustrates the extent of this structure plan area, intended zoning and how development is to be staged between 2016 and 2046. PC16 introduces new zones and seeks to extend the urban footprint of Tuakau.

Stage 1 of the Tuakau Structure Plan has four components:

- (a) Industrial Zone on the south-eastern edge and by the Waikato River;
- (b) Light Industrial Zone on the south-eastern edge of the town centre and along the western side of River Road;
- (c) Residential Zone in the western, southern and north-eastern edges of the existing residential development; and
- (d) Rural-Residential Zone in the north-eastern corner.

On 12 December 2016, Council resolved to withdraw the industrial component of PC16 so that it can instead be addressed as part of the comprehensive review of the Waikato District Plan. The residential component of PC16 remains. This means that all the submissions received on the withdrawn provisions have also fallen away as the provisions to which they relate no longer remain.

Since the withdrawal of the industrial provisions and maps from PC16, only the Tuakau Living Zone and the Tuakau Country Living Zone remain as part of PC16.

Fifty two submissions were received to the notified version of PC16, with seventeen specifically addressing either lot size or density. While there are a number of submissions that broadly support PC16, there are also some which specially seek smaller lot sizes.

The purpose of this report is to review the submissions received regarding lot size, outline the options available and recommend an approach. While there are many other provisions in PC16 apart from subdivision and residential densities, the focus of this analysis is only on lot size and development densities.

PC16 has not been considered in isolation however, as district plans are required by Section 75(3) of the Resource Management Act (RMA) to give effect to:

- (a) any national policy statement; and
- (b) any New Zealand coastal policy statement; and
- (c) any regional policy statement.

Of most relevance to the consideration of residential densities is the National Policy Statement for Urban Development Capacity which is now in force. The Waikato Regional Policy Statement also contains a number of provisions relevant to new urban growth in the Waikato.

Since PC16 was notified, Council have progressed a programme business case for North Waikato Integrated Growth Management which identifies Tuakau as a location to accommodate significant growth both in terms of residential growth and economic / employment opportunities. These levels are significantly higher than those that informed the Tuakau Structure Plan (which PC16 is designed to implement).

Council are also progressing the District Plan review process which is comprehensively considering planning provisions for the whole of the District and combining them into a single Proposed Waikato District Plan (as opposed to the current situation where there are two sections to the Waikato District Plan, being the Waikato Section and the Franklin Section).

Given the planning processes and documents which have overtaken PC16 since it was notified, the recommended approach is to withdraw PC16 under Clause 8D of Schedule 1 of the RMA. This will:

- a) enable Tuakau to be considered more comprehensively, both in terms of the structure and function of the town internally, as well as the wider District.
- b) enable Council to meaningfully give effect to the National Policy Statement on Urban Development Capacity across the District and implement the programme business case for North Waikato Integrated Growth Management.
- c) Allow consistent management of Tuakau and fewer planning documents by allowing the Tuakau issues to be considered as part of the Proposed Waikato District Plan process.

Overall, it is a more efficient use of Council resources focused on a single integrated District Plan review process.

However if Council are of a mind to retain PC16, the scope of submissions allow some amendments in terms of better managing density on the outer edges of Tuakau. The scope provided by submissions means there are a range of options open for consideration. Some submissions seek higher levels of residential development in both the Tuakau Living Zone and Tuakau Country Living Zone, while others support the PC16 provisions as notified. The request for increased development is generally through requests to reduce the minimum lot size and average lot size. The desire to increase the development potential is also expressed in terms of removing the net site area for comprehensive residential developments. One submission seeks reduction of the site size for dependent persons dwellings. There are also two submissions which express concern that PC16 has not considered reverse sensitivity effects.

Having considered the scope provided by submissions and the higher level planning documents to which PC16 must give effect, the following amendments are recommended:

- (a) New objective to minimise reverse sensitivity effects;
- (b) New policies to address reverse sensitivity effects;
- (c) Reducing the number of residential lots on the interface with the Rural Zone through larger minimum lot sizes and/or larger rear yard setbacks;
- (d) Introduction of a 300m setback for dwellings from the boundary of the site of an intensive farming activity;

- (e) Reducing the site size for dependent person dwellings in Rule 21E.35.1 to 700m² with a maximum unit size of 70m² in the Tuakau Living Zone;
- (f) Amending Rule 27B.45.1 for a minimum lot size of 2500m² and an average lot size of 5000m² for the Tuakau Country Living Zone; and
- (g) Simplification of the averaging Rule 21E.56.1(a)(iii) for Tuakau Living Zone.

In terms of the Tuakau Living Zone, it is recommended that Rule 21E.56.1(a)(i) requiring a net site area of at least 450m², and Rule 21E.56.1(a)(ii) requiring an average net site area of all allotments to be at least 600m² be retained as notified.

These amendments and notified provisions aim to achieve a balance between enabling efficient use of the zoned land for residential development whilst integrating with the existing urban area of Tuakau. The residential development provisions will not undermine the ability to achieve the Tuakau Structure Plans – both in terms of the new areas for residential development as well as intensification around the town centre.

By largely retaining the lot size provisions as contained in PC16, there is still the ability to provide higher density comprehensive residential development within Tuakau Living Zone as a discretionary activity. These rules will provide for housing choice and give effect to the National Policy Statement for Urban Development Capacity. PC16 as notified clearly gives effect to the RPS in terms of achieving the target densities. Reducing the lot size for dependent person's dwellings will enable housing for less able members of the community whilst not undermining the dwelling densities.

The amendments as recommended in terms of reverse sensitivity will assist in minimising the potential for reverse sensitivity effects and thus give effect to the RPS objectives and policies on this matter.

1.0 INTRODUCTION

1.1 PLAN CHANGE 16 TUAKAU STRUCTURE PLAN

The Waikato District Plan is a single planning document comprising two sections – the Waikato Section and the Franklin Section. Following the Auckland Council local government reorganisation on 1 November 2010, the southern part of the former Franklin District was amalgamated with the Waikato District. Tuakau was formerly within Franklin District Council but now forms part of Waikato District Council jurisdiction.

In terms of the planning regime, the current urban area of Tuakau is managed by the Franklin Section of the Waikato District Plan. Plan Change 16 (PC16) was notified on 16 July 2016 and sought changes to both the Franklin Section and Waikato Section to enable residential and industrial growth in Tuakau. PC16 is proposed as a stand-alone section to the Waikato District Plan, including objectives, policies and rules to manage development of the new zones proposed in PC16. PC16 introduced new zones and seeks to extend the urban footprint of Tuakau.

Stage 1 of the Tuakau Structure Plan has four components:

- (a) Industrial Zone on the south-eastern edge and by the Waikato River;
- (b) Light Industrial Zone on the south-eastern edge of the town centre and along the western side of River Road;
- (c) Residential Zone in the western, southern and north-eastern edges of the existing residential development; and
- (d) Rural-Residential Zone in the north-eastern corner.

PC16 only affects properties identified on the PC16 zone maps. The provisions in the Franklin Section of the Waikato District Plan will continue to apply to the areas of Tuakau outside the geographical extent of PC16 until superseded by the comprehensive review of the Waikato District Plan.

The underlying framework document for PC16 is the Tuakau Structure Plan, which was adopted by Waikato District Council in December 2014. PC16 is intended to generally implement Stage 1 of this structure plan in order to enable residential growth in Tuakau (Figure 1). The Tuakau Structure Plan illustrates the extent of this structure plan area, intended zoning and how development is to be staged between 2016 and 2046.

Submissions closed on 31 August 2016, and the period for further submissions closed 18 November 2016. On 12 December 2016, Council resolved to withdraw the industrial component of PC16 so that it can instead be addressed as part of the comprehensive review of the Waikato District Plan. The residential component of PC16 remains. This means that all the submissions received on the withdrawn provisions have also fallen away as the provisions to which they relate no longer remain.

Since the withdrawal of the industrial provisions and maps from PC16, only the Tuakau Living Zone and the Tuakau Country Living Zone remain as part of PC16. The PC16 maps are contained in Appendix A.

1.2 PURPOSE OF THIS REPORT

The Waikato District Council engaged MWH Global now part of Stantec (MWH) to assist with the review of the submissions received regarding lot size, outline the options available and recommend an approach. While there are many other provisions in PC16 apart from subdivision and residential densities, the focus of this analysis is only on lot size and development densities. This review has been undertaken by MWH to detail the following:

- (a) a summary of the PC16 lot size provisions;
- (b) summarising the submission points made on lot size;
- (c) an overview of the relevant higher level planning documents;
- (d) outline the approaches available to Council for managing lot size;
- (e) identify the benefits and disadvantages of each approach;
- (f) recommend an approach; and
- (g) Section 32AA evaluation for the recommended approach.

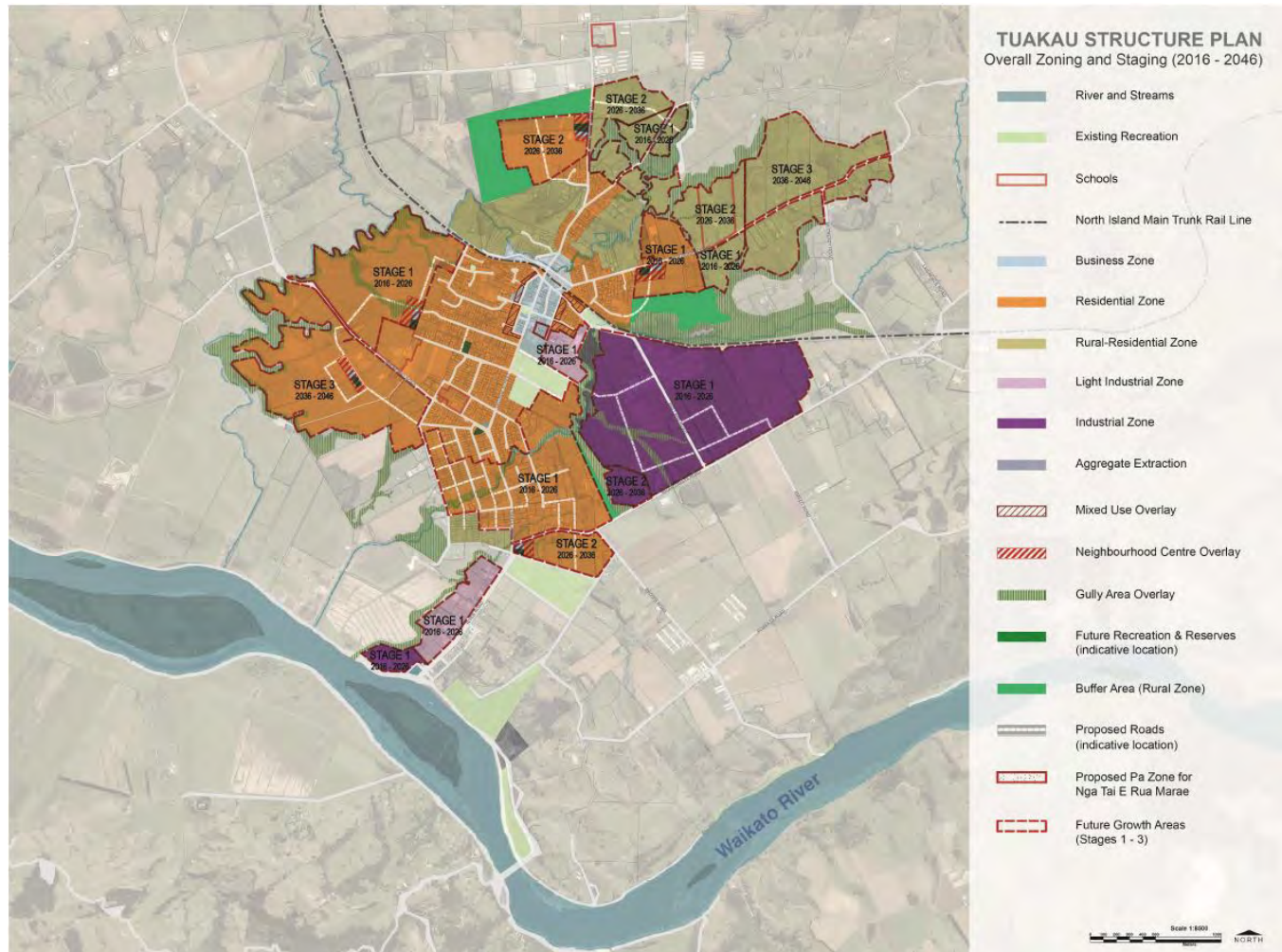


Figure 1: Tuakau Structure Plan Showing Stages of Development

2.0 OVERVIEW OF PLAN CHANGE PROVISIONS

The following sections provide a summary of the provisions proposed to manage lot size in PC16. PC16 was developed as a stand-alone section within the Waikato Section of the Waikato District Plan so proposes an entirely new suite of objectives, policies and rules. PC16 has many similarities to the rules in the Waikato Section, rather than adopting the rules in the Franklin Section of the Waikato District Plan. It should be noted that the Franklin Section still applies to the existing built development in Tuakau and this is not proposed to change as a result of PC16.

2.1 OBJECTIVES

There are ten new Objectives as notified in PC16 as follows:

- 15C.2.1: Residential, rural residential and industrial development in Tuakau results in a high quality urban environment.
- 15C.2.11: Urban expansion and development is integrated with the development of infrastructure.
- 15C.2.15: Adverse effects of use and development are avoided by the provision of water, energy and telecommunication supplies and wastewater and stormwater disposal systems.
- 15C.4.1: Wetlands, lakes and rivers are protected from the adverse effects of subdivision and land disturbance.
- 15C.4.5: Indigenous biodiversity and the life-supporting capacity of indigenous ecosystems are maintained or enhanced.
- 15C.6.1: Risks to health, safety and property as a result of change in land use and development are managed.
- 15C.6.7: Human health or the environment are not harmed by the use or development of contaminated land.
- 15C.6.10: People, property and the environment are protected from the adverse effects of hazardous substances or radioactive material.
- 15C.8.1: Adverse effects of activities on amenity values are managed so that the qualities and character of the surrounding environment are not unreasonably compromised.
- 15C.8.6: Signs visible from public places do not compromise visual amenity or road safety.

Of these objectives, the most relevant to lot size are Objectives 15C.2.1 seeking a high quality urban environment, 15C.2.11 integrating land use with infrastructure and 15C.8.1 which manages effects on the amenity of the surrounding environment.

2.2 POLICIES

Each objective has a suite of policies to deliver the outcome established by the objective. The policies which apply to the three most relevant objectives are:

Objective	Policies
<p>15C.2.1: Residential, rural residential and industrial development in Tuakau results in a high quality urban environment.</p>	<p>15C2.2: Subdivision, land use and development in Tuakau's new residential areas are to occur in a manner that incorporates the principles of the Tuakau Urban Design Guide to promote the development of high quality living environments.</p> <p>15C.2.3: Subdivision, land use and development in Tuakau's new residential areas are to provide or maintain a transport network that:</p> <ul style="list-style-type: none"> (a) is designed to achieve a high standard of connectivity, walkability, safety and amenity; (b) incorporates new roads identified in the Tuakau Urban Design Guide to achieve an interconnected grid of local roads; (c) utilises parcels of land identified as indicative roads on the planning maps by vesting them as public roads to achieve a high level of connectivity; (d) utilises the existing grid layout to achieve a high level of connectivity between and within neighbourhood blocks; (e) incorporates connections between existing and future urban development; and (f) incorporates convenient and high amenity walking and cycling routes that link to transport networks, community focal points, including schools, local neighbourhood centres, the town centre and public open space. <p>15C.2.4: Subdivision in Tuakau's new residential areas is designed to result in a transport network that:</p> <ul style="list-style-type: none"> (a) achieves an attractive streetscape; (b) minimises the number of rear lots; (c) minimises the number of access points onto roads by pairing entranceways; (d) results in appropriate road widths that reflect the function of the road; (e) provides safe intersections for pedestrians, cyclists and vehicles; and (f) limits the number of cul-de-sacs and unconnected road networks except where topographical and environmental constraints prevent connectivity. <p>15C.2.5: Subdivision is designed to achieve a high level of amenity and efficiency for future residents by:</p> <ul style="list-style-type: none"> (a) aligning roads, neighbourhood blocks and allotments for

Objective	Policies
	<p>maximum sunlight access;</p> <p>(b) maximising the number of front allotments;</p> <p>(c) limiting rear allotments except where topography, existing boundaries or natural features prevent the development of front allotments;</p> <p>(d) providing for a range of allotment sizes and densities to allow for a variety of living environments; and</p> <p>(e) allowing for higher housing densities in locations where they are supported by walking and cycling networks and public transport and are in close proximity to the town centre or a neighbourhood centre and public recreation reserves.</p> <p>15C.2.6: Medium density housing is designed to:</p> <p>(a) be associated with areas being retained as open space;</p> <p>(b) be in close proximity to public transport nodes and the town centre;</p> <p>(c) provide attractive streetscape; and</p> <p>(d) provide high quality private outdoor living areas.</p> <p>15C.2.7: Infill residential subdivision and development are designed to achieve a high level of amenity through:</p> <p>(a) the maintenance or enhancement of the streetscape;</p> <p>(b) the appropriate placement of additional dwellings; and</p> <p>(c) the appropriate location of high quality private outdoor living areas</p> <p>15C.2.8: Subdivision, land use and development are designed to:</p> <p>(a) provide quality public open spaces (including esplanade reserves and strips and neighbourhood parks);</p> <p>(b) ensure reserves and esplanade reserves are designed to provide opportunities for passive surveillance, with the majority of their boundaries adjacent to roads, rather than directly adjoining the rear of allotments;</p> <p>(c) incorporate ecological and pedestrian and cycle trails within esplanade reserves which should be fronted by park edge roads; and</p> <p>(d) protect trees that have special amenity value.</p> <p>15C.2.9: Network utilities are designed, located and operated to avoid any adverse effects on the environment, community health and amenity.</p> <p>15C.2.10: Network utilities should, where technically practicable, be located underground and share locations or facilities where visual, landscape or other positive effects will be achieved</p>

Objective	Policies
<p>15C.2.11</p> <p>Urban expansion and development is integrated with the development of infrastructure.</p>	<p>15C.2.12: The location, type and density of subdivision, land use and development are to ensure infrastructure and services can be provided and used efficiently, and facilitate the safe, efficient and effective operation of infrastructure.</p> <p>15C.2.13: Subdivision, land use and development are to be located, designed and staged to ensure that it is adequately supported by existing or planned infrastructure, community facilities and local services.</p> <p>15C.2.14: Rural residential subdivision, land use and development are to be designed and located so that they do not rely on the provision of urban infrastructure.</p>
<p>15C.8.1</p> <p>Adverse effects of activities on amenity values are managed so that the qualities and character of the surrounding environment are not unreasonably compromised.</p>	<p>15C.8.2: Subdivision, building and development are to be located and designed to:</p> <ul style="list-style-type: none"> reflect the natural and physical qualities and characteristics of the local area; achieve an attractive streetscape; ensure buildings have bulk and location consistent with the overall form of the settlement; avoid buildings and structures dominating adjoining land, public places or freshwater bodies; provide private open space for residents; encourage retention and provision of trees, vegetation and landscaping; provide adequate road access, vehicle maneuvering and parking and loading spaces on site; manage the number of daily vehicle movements generated by the land use activity; promote security and safety of public land, buildings and places; mitigate adverse foreseeable effects (including reverse sensitivity effects) on, and from, nearby land use, particularly existing lawfully established activities; maintain adequate daylight and direct sunlight to buildings, outdoor living areas and public places; contain adverse effects within the site where they are generated including, but not limited to, glare, lighting, litter, electromagnetic radiation, vibration, vermin, traffic, spray drift and noise; contain adverse effects within the site where they are associated with offensive or objectionable dust, smoke, odor and fumes; and remedy or mitigate adverse effects where they cannot be contained within the site where they are generated. <p>15C.8.3: Activities with similar effects or a similar expectation of amenity should be located together.</p>

Objective	Policies
	<p>15C.8.4: Activities with dissimilar effects or a dissimilar expectation of amenity should be separated where possible.</p> <p>15C.8.5: Scale, intensity, timing and duration of effects of activities are to be managed to be compatible with the amenity and character of the locality.</p>

2.3 RULES

Residential density is delivered by two mechanisms generally – lot size provisions for subdivision and subsequent construction of a single dwelling on that site, and rules regarding the number of dwellings on a site i.e. comprehensive residential developments. PC16 proposes two residential zones:

- (a) Tuakau Living Zone; and
- (b) Tuakau Country Living Zone.

2.3.1 Tuakau Living Zone

The proposed rules for the Tuakau Living Zone that manage density include:

- 21E.34.1 Permitted activity for one dwelling on the land contained in the certificate of title (non-compliance with the conditions is a discretionary activity Rule 21E.34.2)
- 21E.35.1 Permitted activity for a dependent persons dwelling on sites with a net site area of at least 900m² (non-compliance with the conditions is a restricted discretionary activity Rule 21E.35.2)
- 21E.52.1 Discretionary activity for comprehensive residential development with at least 5 dwellings and an average net site area of 300m² per dwelling (non-compliance with the conditions is a non-complying activity Rule 21E.52.3)
- 21E.56.1 Restricted discretionary activity for subdivision where there is a net site area of at least 450m², with an average net site area of 600m² where 50% of total allotments are at least 550m², and 25% of total allotments are at least 650m² (non-compliance with the conditions is a discretionary activity)

These proposed rules enable subdivision with an average lot size of 600m², meaning that the parent lot must be at least 1200m² to start with. While the minimum lot size is 450m², in order to meet the average lot size requirements of 600m², all lots must be balanced by a larger lot. For example, a lot size of 450m² must be balanced by a site of 750m² in order to meet the average lot size requirement of 600m².

The proposed rules do enable more dense development where either a consent is sought for a comprehensive development as a discretionary activity, or a single dependent persons dwelling is added to a site with a net site area of at least 900m² (giving an average density of

one dwelling per 450m²). There are no rules pertaining to a maximum size of the dependent persons dwelling, although they are required to be removable which may constrain the size somewhat.

Whilst there are a number of other requirements for subdivision, of most relevance to the matter of residential density is Rule 21E.61.1 which requires a building platform that can either accommodate a circle with a diameter of at least 18m (which equates to an area of 254.5m²) or a rectangle of at least 200m² which has a minimum dimension of 12m exclusive of yards. Building coverage is maximum 40% for single dwellings, while comprehensive residential developments can achieve up to 50% building coverage.

Comprehensive residential developments are a discretionary activity under Rule 21E.52.5, including a requirement for an average net site area per unit of 300m². To comply with this rule, the development must include at least 5 dwellings. The building height, scale, form and architectural style, and the site layout must be consistent with Appendix E Comprehensive Residential Development Design Guidelines.

2.3.2 Tuakau Country Living Zone

The proposed rules for the Tuakau Country Living Zone that manage density include:

- Rule 27B.33.1 Permitted activity for a single dwelling on the certificate of title (non compliance with the conditions, such as a second building on a site, is a discretionary activity under Rule 27B.33.2)
- Rule 27B.34.1 Permitted activity for a dependent persons dwelling (non compliance with the conditions is a restricted discretionary activity)
- Rule 27B.45.1 Controlled activity for subdivision where every site has a net site area of at least 5000m² (noncompliance with the conditions is a discretionary activity)

Essentially these rules ensure each site is a minimum 5000m² and has a single dwelling on it. The rules enable a dependent persons dwelling on the site, giving an average density of one dwelling per 2500m² in these situations. There is no limit on the size of the dependent persons dwelling unit.

3.0 EXISTING ENVIRONMENT

Before considering options for PC16, it is important to understand the current environment and pattern of development in Tuakau. In order to understand the current pattern of development, it is important to understand the current rules. Subdivision in the existing Residential Zone in Tuakau (Rule 26.6.1.1B (Franklin Section)) states that the minimum net site area for proposed allotments is 350m² with no other requirements. Table 1 sets out the differences between the rules applying to the existing urban Tuakau development and PC16.

Table 1: Comparison of the Rules for Development for Existing Tuakau Urban Area and PC16

	Franklin Section of the Waikato District Plan	PC16
Residential provisions	<p>Minimum net site area 350m² for new allotments</p> <p>Proposed lots less than net 350m² require concurrent land use consent.</p> <p>Multi-unit housing involving no more than 3 attached units is a permitted activity. Default fo controlled activity if more than one set of 3 attached units.</p> <p>Maximum density of any medium density housing development shall be no greater than one household unit per 300m² of net area (applies only to land identified as medium density housing in a structure plan).</p>	<p>One dwelling per title in the Tuakau Living Zone is a permitted activity.</p> <p>Dependent persons dwelling on sites with a net site area of at least 900m²</p> <p>Comprehensive residential development with an average net site area of 300m² per dwelling</p> <p>Subdivision has a net site area of at least 450m², with an average net site area of 600m² where 50% of total allotments are at least 550m², and 25% of total allotments are at least 650m²</p>
Countryside living / rural residential provisions	<p>One dwelling per Rural Residential site in Tuakau is a permitted activity if the title was created after 31 May 1994.</p> <p>One dwelling house per Rural Residential site which existed prior to 31 May 1994 with a contiguous land area of at least 3000m² requires consent to a controlled activity.</p> <p>Subdivision in the existing Rural Residential Zone requires lot sizes to range between 2500m² and 8000m² with an average of no less than 3000m². Any balance sites over 8000m² are excluded from the calculation</p>	<p>Every site has a net site area of at least 5000m²</p>

Existing Environment
 July 25, 2017

	of the average.	
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Although the Residential Zone in the Franklin Section of the Waikato District Plan enables a high level of development, it has not been fully realised.

The map developed by Waikato District Council GIS (Figure 3) shows the predominance of titles greater than 900m². There are pockets of development with smaller lots and it is worth noting that these are adjacent to the proposed Tuakau Living Zone on Buckland Road, on the western edge of Tuakau. The areas with smaller freehold titles are Hua Place, Lili Road and Gibson Road.

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The approximate number of titles within each size category is outlined below in Table 2 and Figure 2.

Table 2: Distribution of Title Sizes in the Existing Residential Zone

Title Size	Approximate Number of Sites
<300m ²	44
300 – 400m ²	84
400 – 500m ²	149
500 – 600m ²	154
600 – 700 m ²	151
700 – 800m ²	108
800 – 900m ²	89
>900m ²	505

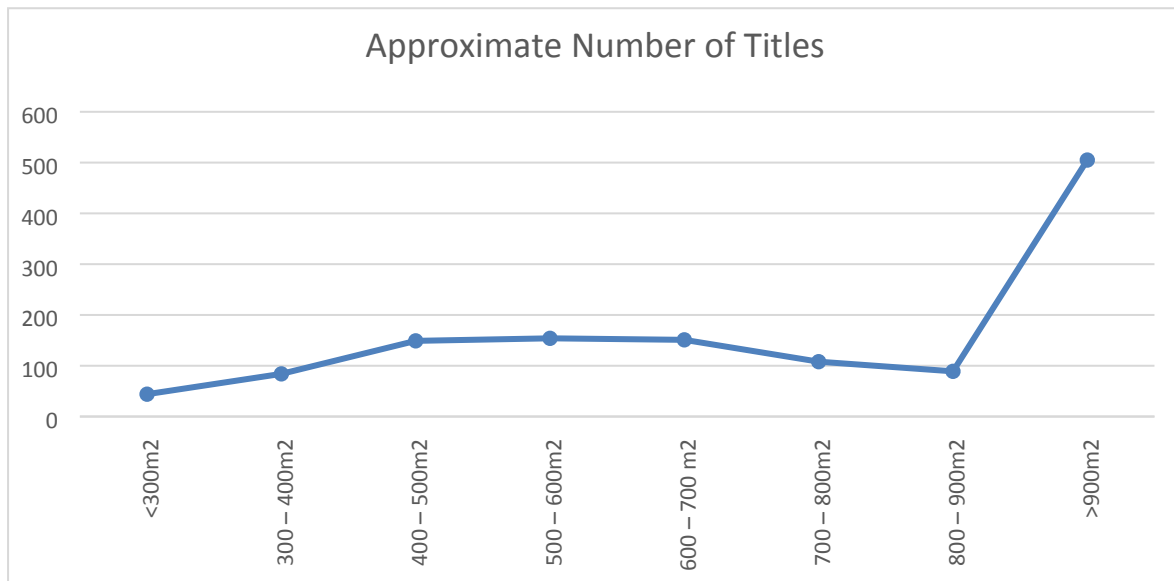


Figure 2: Distribution of Title Sizes

This analysis shows clearly that the existing residential area contains a predominance of titles greater than 900m², with the next most popular title size being 400-700m².

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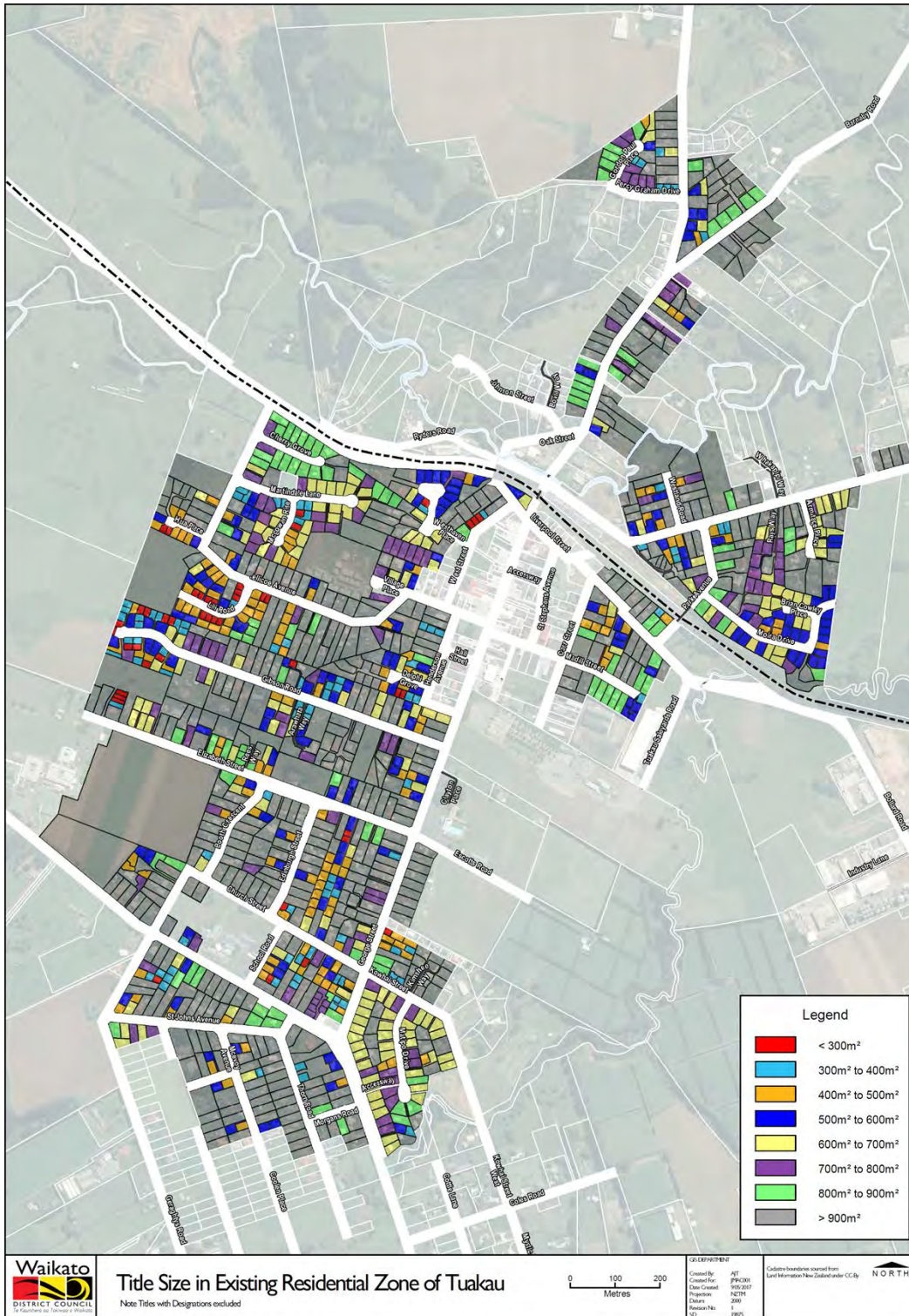


Figure 3: Existing Title Size Distribution for Tuakau

4.0 SUBMISSIONS

Fifty two submissions were received to PC16, with seventeen specifically addressing either lot size or density. A summary of those submissions is contained in Appendix B. While there are a number of submissions that broadly supported PC16, there are also some which specially seek smaller lot sizes.

In terms of vacant lot subdivision in Tuakau Living Zone, three submissions address Rule 21E.56.1. For minimum lot size (Rule 21E.56.1(a)(ii)) the following amendments are sought:

- (a) reduce the minimum lot size to 400m² (2SEN Ltd and Tuakau Estates Ltd [14]); and
- (b) reduce the minimum lot size to 350m² (Madsen Lawrie Consultants [52]).

For the average lot size rule (Rule 21E.56.1(a)(ii)), the following amendments are sought:

- (a) reduce the average net site area of all allotments less than 800m² to be 500m² (Michael Shen [9] and 2SEN Ltd and Tuakau Estates Ltd [14]); and
- (b) reduce the average net site size to 450m² (Madsen Lawrie Consultants [52]).

The submitters who address this matter consider that the proposed provisions do not sufficiently recognise the locational attributes of the Tuakau Township, which is subject to spill over effects from housing demands within the Auckland region. The submitters draw comparisons with the rules pertaining to the residential zone in Pokeno which has a minimum average allotment size of 500m² (excluding allotments over 800 m² in area). The submitters consider that Tuakau is subject to similar locational attributes to Pokeno, and therefore similar allotment sizes should be provided for.

For the average lot size for the combination of allotments (Rule 21E.56.1(a)(iii)), the following relief is sought:

- (a) delete the rule (Michael Shen [9]); and
- (b) amend the rule so 50% should be at least 450m², and 25% should be at least 550m² (Madsen Lawrie Consultants [52]).

Michael Shen [9] considers that the averaging lot size rules are cumbersome. The submitter considers that if minimum and minimum average allotment rules were complied with, it is anticipated that a mixture of allotment sizes would be provided for regardless of these additional provisions.

Although the David Evans [11] does not specify any particular lot areas, his submission considers that where adjacent to rural zoned land, subdivision and development should provide larger lot sizes and/or larger dwelling setbacks from rural zone boundaries to minimise the potential for reverse sensitivity and conflicts with adjacent rural activities. Similar concerns are expressed in the submission from Horticulture New Zealand [15] and the ability for residential development to constrain legitimate use of elite soils for primary production activities. The submission suggests providing a yard, planting, fencing and no-complaints covenant buffer to manage reverse sensitivity between urban activities and production farming activities.

In terms of multi-unit residential developments there are two main points raised. Madsen Lawrie Consultants [52] seeks that the 900m² requirement in Rule 21E.35.1 for dependent's persons dwelling be reduced to 500m². Shalendra Kumar [10], Greig Holdings Ltd [12], Greig & Bovill Developments Limited [16], G and Y Aarts [34], The Surveying Company [35] and Raymond Hargrave [38] all submitted on the same matters and seek amendments to Rule 21E.34 Number of dwellings. The submissions seek amendments to permit constructing

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dwelling as a permitted activity if every building proposal on the site of an existing or proposed multi-unit housing activity is accompanied by a detailed site plan which depicts notional lot boundaries for each unit and demonstrates that each unit can comply with all of the requirements set out in Rules 21E.36 to 21E.50. The submissions also state support for no minimum size for lots as such (unless specified by regional rules).

While one submission supports the 5000m² lot size for Tuakau Country Living (Tony Scott Risetto [1]), ten submissions seek reduction of the minimum lot size. This is expressed as either a reduction of the minimum lot size to 2500m² or alignment with the Franklin Section rules, being a minimum lot size of 2500m² and average lot size of 3000m².

Lavalla Farm Ltd [17] seeks prohibition on further subdivision of Tuakau Living Zone properties to prevent an incremental increase of density through further subdividing a large balance lot. Casper Family Trust [37] seeks a restricted discretionary activity status for the subdivision of 1500m² lots if the site is connected to a reticulated wastewater system.

The submission from Waikato Regional Council [39] considers that the stage 1 residential areas provide adequate compliance with the policy direction and as such, can be considered to give effect to the RPS. The submission considers that unanticipated pressure on Tuakau's growth is heavily influenced by its proximity to Auckland and to the major transportation networks. The submission states support for the Plan Change's intention to address the immediate need for additional residential land. The submission supports the areas proposed by PC16 for rezoning and the achievement of residential densities as outlined in the Tuakau Structure Plan.

Future Proof [13] submitted on PC16, stating its support for the whole of PC16. The submission recognises that Tuakau is not part of the sub-region, but that the Future Proof Strategy is currently being updated and will incorporate Tuakau as a growth area for Waikato District Council. The submission considers PC16 will give effect to the Future Proof Strategy and its settlement pattern, as well as provisions of the RPS.

In summary, the scope provided by submissions means there is a range of options open for consideration. Some submissions seek higher levels of residential development in both the Tuakau Living Zone and Tuakau Country Living Zone, while others support the PC16 provisions as notified. The request for increased development is generally through requests to reduce the minimum lot size and average lot size. The desire to increase the development potential is also expressed in terms of removing the minimum net site area for residential developments. One submission seeks reduction of the minimum site size for a dependent persons dwellings. There are also two submissions considering that PC16 has not considered reverse sensitivity effects.

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5.0 RELEVANT PLANNING DOCUMENTS

Under section 75(3) of the RMA, a district plan must give effect to the following:

- (a) any national policy statement; and
- (b) any New Zealand coastal policy statement; and
- (c) any regional policy statement.

5.1 NATIONAL POLICY STATEMENTS

Five national policy statements (NPS) have been gazetted to date, being:

- (a) New Zealand Coastal Policy Statement (2010);
- (b) NPS on Electricity Transmission (2008);
- (c) NPS for Renewable Electricity Generation (2011);
- (d) NPS for Freshwater Management (2014); and
- (e) NPS for Urban Development Capacity (2016).

Of most relevance to residential density is the NPS for Urban Development Capacity (NPS-UDC). The NPS-UDC came into force on 1 December 2016 which was after PC16 had been notified. The NPS-UDC directs local authorities to provide sufficient development capacity in their district plans to ensure that demand can be met. This includes both the total aggregate demand for housing and business land, and also the demand for different types, sizes and locations. Development capacity refers to the amount of development allowed by zoning and regulations in plans that is supported by infrastructure. This development can be “outwards” (in terms of greenfield sites) and/or “upwards” (by intensifying existing urban environments).

The NPS-UDC has particular requirements for high-growth urban areas (urban areas with either a resident or transient population of over 30,000 people and projected growth of 10% between 2013 to 2023) or medium-growth urban area (urban areas with a resident population of over 30,000 people and projected growth of 5-10% between 2013 to 2023). Given the current population numbers of Tuakau being less than 30,000 either permanently or transiently, the objectives and policies in the NPS-UDC specific to those areas will not apply.

However we note that the guidance developed by the Ministry for the Environment interprets these numbers collectively across the District (rather than individual towns) and has therefore identified Waikato district as a high-growth area.¹ In this case, the following objectives and policies must be implemented immediately to give effect to the NPS-UDC:

- All objectives
- PA1: Sufficient development capacity in the short, medium and long term
- PA2: Other infrastructure required to support urban development
- PA3: Provide choice; promote efficient use of land and infrastructure; limit adverse effects on competition

¹ Table 1, Introductory Guide to the National Policy Statement on Urban Development Capacity 2016

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- PA4: Take into account the benefits and costs of urban development at a national, interregional, regional, district and local scale
- PC1–2: Provide an additional margin of feasible development capacity
- PC3: Respond when development capacity is insufficient
- PC4: Use all practicable options to provide development capacity
- PD1–2: Work with other local authorities and infrastructure providers on housing and business assessment and to agree development capacity
- PD3–4: Work with neighbouring local authorities and infrastructure providers to agree minimum targets and future development strategy

The NPS-UDC also has requirements for all other areas, including those that do not meet the definition of high-growth or medium-growth. Of particular relevance to residential densities in PC16 are the following Objectives in the NPS-UDC:

OA2: Urban environments that have sufficient opportunities for the development of housing and business land to meet demand, and which provide choices that will meet the needs of people and communities and future generations for a range of dwelling types and locations, working environments and places to locate businesses.

OA3: Urban environments that, over time, develop and change in response to the changing needs of people and communities and future generations.

OC1: Planning decisions, practices and methods that enable urban development which provides for the social, economic, cultural and environmental wellbeing of people and communities and future generations in the short, medium and long-term.

These are delivered by the following Policies which apply to any urban environment that is expected to experience growth:

PA3: When making planning decisions that affect the way and the rate at which development capacity is provided, decision-makers shall provide for the social, economic, cultural and environmental wellbeing of people and communities and future generations, whilst having particular regard to:

- a) Providing for choices that will meet the needs of people and communities and future generations for a range of dwelling types and locations, working environments and places to locate businesses;
- b) Promoting the efficient use of urban land and development infrastructure and other infrastructure; and
- c) Limiting as much as possible adverse impacts on the competitive operation of land and development markets.

The key messages for PC16 from the NPS-UDC is to provide a range of housing choice, efficient use of land and infrastructure and provide for current and future people and communities.

5.2 WAIKATO REGIONAL POLICY STATEMENT

The Waikato Regional Policy Statement (RPS) addresses new development in a number of ways. Objective 3.12 addresses development of the built environment, and seeks to manage land use in an integrated, sustainable and planned manner. Of most relevance to residential densities in PC16 is the need for:

- g) minimising land use conflicts, including minimising potential for reverse sensitivity;
- h) anticipating and responding to changing land use pressures outside the Waikato region which may impact on the built environment within the region;

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Objective 3.21 Amenity seek to maintain or enhance the qualities and characteristics of areas and features, valued for their contribution to amenity.

The management of reverse sensitivity effects is a theme running through the RPS. For example, Policy 4.4 applies to regionally significant industry and primary production:

The management of natural and physical resources provides for the continued operation and development of regionally significant industry and primary production activities by:

- f) avoiding or minimising the potential for reverse sensitivity; and

Implementation Method 6.1.2 recognises the role district plans have in terms of managing reverse sensitivity:

Local authorities should have particular regard to the potential for reverse sensitivity when assessing resource consent applications, preparing, reviewing or changing district or regional plans and development planning mechanisms such as structure plans and growth strategies. In particular, consideration should be given to discouraging new sensitive activities, locating near existing and planned land uses or activities that could be subject to effects including the discharge of substances, odor, smoke, noise, light spill, or dust which could affect the health of people and / or lower the amenity values of the surrounding area.

The RPS also recognises that the Waikato Region will experience growth and development and establishes objectives and policies to address this as follows.

Policy 6.1 Planned and coordinated subdivision, use and development

Subdivision, use and development of the built environment, including transport, occurs in a planned and coordinated manner which:

- a) has regard to the principles in section 6A;
- b) recognises and addresses potential cumulative effects of subdivision, use and development;
- c) is based on sufficient information to allow assessment of the potential long-term effects of subdivision, use and development; and
- d) has regard to the existing built environment.

Implementation Method 6.1.1 recognises the importance of district plans and development planning mechanisms:

Local authorities shall have regard to the principles in section 6A when preparing, reviewing or changing regional plans, district plans and development planning mechanisms such as structure plans, town plans and growth strategies.

Policy 6.12 requires growth to be in accordance with the Franklin District Growth Strategy until Future Proof Growth Strategy and relevant district plans are amended.

Policy 6.12 Implementing Franklin District Growth Strategy

The Franklin District Growth Strategy (2007) provides for the management of growth in the part of the Waikato and Hauraki Districts that was the former Franklin District. Growth should be managed in accordance with this Strategy. In particular:

- a) management of the built environment should be in accordance with the general visions and development directions described for the relevant towns and rural character areas in Sections 7 and 8, and Map 1.0 of the Franklin District Growth Strategy; and
- b) new industrial development should predominantly be located in the strategic industrial nodes in Table 6-3.

The Franklin District Growth Strategy applies until the Future Proof Growth Strategy and relevant district plans are amended.

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Policy 6.14 identifies areas contained in Future Proof for development. While the Future Proof Strategy does not technically apply to the Franklin Section of Waikato District, the Strategy's development principles generally align with those contained in the Franklin District Growth Strategy and are considered applicable to PC16. Policy 6.14(b) requires that:

- b) new residential (including rural-residential) development shall be managed in accordance with the timing and population for growth areas in Table 6-1 (section 6D);

While this Policy does not identify Tuakau, the submission from Future Proof [13] on PC16 states that Future Proof Strategy is currently being updated and will incorporate Tuakau as a growth area for Waikato District Council. The submission states that Tuakau is already identified in the RPS as having land suitable for a strategic industrial node.

Policy 6.15 establishes density targets for the Future Proof area and sets the average gross density target of 8 – 10 households per hectare for greenfield development in Waikato District's rural villages where sewerage is reticulated. Policy 6.15 seeks to ensure that over time, urban development will become more compact through the promotion of development density targets. This is to seek improvement in areas including the viability of public transport, the efficient use of infrastructure and a reduction of urban sprawl onto highly productive soils.

It is important to note this is a gross target, not a net target. It is accepted that not every site is capable of developing due to constraints such as the location of the current dwelling, slope, access, trees etc. In addition, the larger sites will need to provide infrastructure such as roads and reserves which further reduces the potential development yield.

In previous advice to Watercare Services Ltd regarding the Pukekohe wastewater treatment plant and water servicing to Pukekohe and southern greenfields developments such as Kingseat and Patumahoe, MWH used an allowance of 45% for roads, parks and other undevelopable parts of a site as this enables a more realistic subdivision yield. Allowing 45% for infrastructure means a lot size of between 550m² and 688m² (using 8-10 households per hectare density, derived from 5500m² developable area²).³

Policy 6.15 does not however set any specific target densities for rural-residential development.

Policy 6.17 requires rural-residential development to recognise a number of matters including:

- a) the potential adverse effects (including cumulative effects) from the high demand for rural-residential development;
- b) the high potential for conflicts between rural-residential development and existing and planned infrastructure and land use activities;
- c) the additional demand for servicing and infrastructure created by rural-residential development;
- d) the potential for cross-territorial boundary effects with respect to rural-residential development; and
- e) has regard to the principles in section 6A.

Section 6A is particularly key as it sets out principles to guide new development. Principles in Section 6A relevant to residential densities in PC16 include the following:

- b) occur in a manner that provides clear delineation between urban areas and rural areas;
- i) promote compact urban form, design and location to:

² The 5500m² developable area is 55% of 1ha

³ Note that this developable land figure of 45% differs from the 80% used in Table 1 of the Tuakau Structure Plan

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- i) minimise energy and carbon use;
- ii) minimise the need for private motor vehicle use;
- iii) maximise opportunities to support and take advantage of public transport in particular by encouraging employment activities in locations that are or can in the future be served efficiently by public transport;
- iv) encourage walking, cycling and multi-modal transport connections; and
- v) maximise opportunities for people to live, work and play within their local area;
- m) avoid as far as practicable adverse effects on natural hydrological characteristics and processes (including aquifer recharge and flooding patterns), soil stability, water quality and aquatic ecosystems including through methods such as low impact urban design and development (LIUDD);
- o) not result in incompatible adjacent land uses (including those that may result in reverse sensitivity effects), such as industry, rural activities and existing or planned infrastructure;

Section 6A principles specific to rural-residential development include:

- b) not conflict with foreseeable long-term needs for expansion of existing urban centres;
- d) avoid ribbon development and, where practicable, the need for additional access points and upgrades, along significant transport corridors and other arterial routes;
- f) minimise visual effects and effects on rural character such as through locating development within appropriate topography and through landscaping.

5.3 OTHER PLANNING PROCESSES

There are a number of planning processes which Waikato District Council are pursuing concurrently to PC16. While Section 75 of the RMA sets out matters which district plans must give effect to, there is no statutory requirement to consider other planning processes. However in terms of PC16, these planning processes are an important consideration in terms of alignment and community interest.

5.3.1 District Plan Review

Waikato District Council is currently undertaking a review of the Waikato District Plan. As a result of the amalgamation of the Waikato District and southern portion of former Franklin District in November 2010, the Waikato District Plan now consists of essentially two parts - the Waikato Section and the Franklin Section. A full review of the district plan is being undertaken to develop a single set of planning provisions for the whole district.

Because the two sections of the District Plan were developed under two different territorial authorities (Waikato District Council and the former Franklin District Council), they differ significantly not only in their layout and style, but also in terms of the provisions and the outcomes they deliver. PC16 is a key example of this as Tuakau was formerly within Franklin District Council but now forms part of Waikato District Council jurisdiction. The current urban area of Tuakau is managed by the Franklin Section of the Waikato District Plan, while PC16 is more aligned with the Waikato section of the Waikato District Plan in terms of its layout and provisions.

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PC16 only affects properties identified on the PC16 zone maps. The provisions in the Franklin Section of the Waikato District Plan will continue to apply to the areas of Tuakau outside the geographical extent of PC16 until superseded by the comprehensive review of the Waikato District Plan. The target notification timeframe for the Proposed Waikato District Plan is early – mid 2018. While the PC16 process is in advance of the District Plan Review, it is a Plan Change to the Franklin Section of the Waikato District Plan and will be superseded by the Proposed Waikato District Plan once it is notified.

5.3.2 Programme Business Case for North Waikato Integrated Growth Management

Council has undertaken a programme business case for North Waikato Integrated Growth Management. The purpose of the programme business case is to identify the planning options in the North Waikato to cater for future urban growth over the next 30 years. The programme business case focuses on transport and land use in the North Waikato from the south of Huntly through to the Auckland border. The North Waikato has SH1 through the middle and the Waikato expressway connection Bombay Hills to Longswamp. The towns currently sit around the current SH1 infrastructure and therefore become a key connector for local movements as well as regional and national movements. Tuakau is a key consideration of this programme business case.

Four Investment Objectives were developed with the programme partners and stakeholders. They guide decision making on where resource and funding are committed and clearly articulate what the outcomes of investment should be. The Investment Objectives are:

1. Improve North Waikato's liveability through increased access to, from and within the future urban areas, including to services and amenities, employment areas, town centres;
2. Enhance Waikato's connectivity through increased effectiveness and efficiency of the multi modal transport network to, from and within the future urban areas;
3. Improved national and regional economic growth through strengthening the performance of the Auckland and Waikato region connectivity and improving connections with the Waikato region; and
4. Deliver on the Future Proof principles and provide infrastructure as required and consistent with development patterns set by the Future Urban Land Supply Strategy.

Other assessment criteria included risk levels, achievability, economic (benefit-cost ratio), social impacts and technical feasibility. During the development of the programme business case it was agreed that it was critical to identify a programme that increased funding for infrastructure as well as reduce unit costs per new household for the programme partners to ensure the sustainable development of North Waikato.

Programme Option 6B is the recommended programme. This programme provides proactive planning and response with increased population in the medium to long term for Tuakau

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(15,000 - 20,000 residents), shared services for Tuakau and Pokeno in the north and Huntly in the south.

The programme will provide a projected population and employment shown in the tables below, the brackets are the business of usual numbers. These projections are for approximately 50,000 residents within the towns with approximately 17,700 employment opportunities, which reflects the aim to achieve a job per household (approximately 2.5 people per household) in the longer term.

Table 3 North Waikato population projected for recommended programme

Town	2016	2025	2035	2045
Tuakau	4,639	8,000	15,000	20,000
Pokeno	2,132	4,868	9,674	11,954
Meremere	564	708	734	711
Te Kauwhata	1,769	4,000	6,000	8,000
Huntly	7,491	8,014	8,310	9,000

Table 4 North Waikato employment projected for recommended programme

Town	2016	2025	2035	2045
Tuakau	1,432	3,000	6,000	8,000
Pokeno	524	1,200	2,500	3,500
Meremere	13	50	100	200
Te Kauwhata	455	1,000	1,500	2,000
Huntly	2,259	3,000	3,200	4,000

A key component of delivery of the programme business case is the land use planning. The tasks and timeframes within which these will be undertaken are as follows:

1-3 years

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- Master planning exercise to understand long term development options for Tuakau within existing approved structure plan footprint.
- Review of Development Contributions policy
- Development of urban design principles for town site developments
- Residential zoning change in Tuakau and Pokeno
- Business and commercial zoning change in Tuakau and Pokeno
- Council led and initiated plan changes.
- Council lead and co-ordinated Master planning (with partners).
- Opportunity to identify infrastructure, service and development partnerships and prioritise actions.
- Establish and prioritise land release timetable
- Develop monitoring programme
- Identify and protect strategic corridors, community assets including parks and reserves.

4 – 10 years

- Designate for key infrastructure and facilities (Council and partners)
- Infrastructure, service and development partnership opportunities/actions implemented.
- Monitoring and review
- Precinct planning
- Identify and protect strategic corridors, community assets including parks and reserves.
- Secure land for key future assets/corridors
- Enable temporary land uses on key corridors.
- Protection of social, park and recreation areas, education areas and road corridors

11-20 years

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- Identify and protect strategic corridors, community assets including parks and reserves.
- Designation and land purchase for key infrastructure. and facilities
- Council lead plan review and re zoning
- Monitoring and review
- Maintain and protect strategic corridors, community assets including parks and reserves.
- Secure land for key future assets/corridors
- Enable temporary land uses on key corridors.
- Protection of social, park and recreation areas, education areas and road corridors

21 – 30 years

- Council lead plan review and re zoning
- Monitoring and review
- Maintain and protect strategic corridors, community assets including parks and reserves.
- Secure land for key future assets/corridors
- Enable temporary land uses on key corridors.

6.0 OPTIONS

This section considers the options for progressing PC16. In the broadest sense, there are two main options available to Council to consider – either withdraw PC16 or continue to progress PC16 using the processes set out in Schedule 1 of the RMA. While this section sets out those options and the advantages and disadvantages of each, Section 7.0 of this report sets out the recommended approach, having considered all the options available.

6.1 WITHDRAWAL OF PC16

As outlined in Section 5.3 of this report, there are other parallel planning processes occurring, which means that progressing PC16 may not be the most efficient process. Since PC16 was notified, the programme business case for North Waikato Integrated Growth Management has been progressed which identifies Tuakau for significant levels of growth, far greater than identified in the Tuakau Structure Plan.

In addition, the Proposed Waikato District Plan is programmed for notification in early – mid 2018 which will effectively supersede PC16. Depending on how far PC16 has progressed, there is the risk of multiple planning processes running concurrently. For example, appeals on PC16 may be still in progress while the Proposed Waikato District Plan is notified which could potentially result in three different sets of planning provisions applying to the same area (albeit reduced weighting of the provisions of the Proposed Waikato District Plan). There is the risk of duplication in terms of a hearing progressing on provisions which will be over-ridden by a more comprehensive Proposed District Plan. This results in a complex process which provides significant uncertainty and confusion for the community.

As outlined in Section 5.1 of this report, the NPS-UDC has come into force and must be given immediate effect to. As Waikato District is classified in the implementation guidance as a high-growth area, there are a number of requirements which Waikato District is required to do. While PC16 could arguably go some way towards giving effect to the NPS-UDC, the implementation of the NPS-UDC should arguably be considered more holistically across the District rather than in a single town.

PC16 as notified only achieves part of the Tuakau Structure Plan. The Tuakau Structure Plan considers the growth and development of Tuakau as a whole; including residential intensification in the town centre, economic development of the town centre and residential nodes around key features. PC16 has not incorporated some of the finer details of the structure plan such as the residential node near Tuakau School.

Clause 8D of Schedule 1 of the RMA allows for the withdrawal of whole or part of proposed changes to district plans. Provisions (and indeed whole plan changes) can be withdrawn at any time up until the point where appeals are made to the Environment Court or the plan change is approved by the local authority.

8D Withdrawal of proposed policy statements and plans

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(1) Where a local authority has initiated the preparation of a policy statement or plan, the local authority may withdraw its proposal to prepare, change, or vary the policy statement or plan at any time—

(a) if an appeal has not been made to the Environment Court under clause 14, or the appeal has been withdrawn, before the policy statement or plan is approved by the local authority; or

(b) if an appeal has been made to the Environment Court, before the Environment Court hearing commences.

(2) The local authority shall give public notice of any withdrawal under subclause (1), including the reasons for the withdrawal.

The process for withdrawing any part of PC16 is very straight forward and only requires public notice of the withdrawal, including the reasons for the withdrawal. This is a process that has already been undertaken with PC16 as Council resolved to withdraw the industrial provisions from PC16 on 12 December 2016 C on the grounds that it is more appropriate to address new provisions for industry in Tuakau through the comprehensive district plan review currently underway. The decision to withdraw the industrial component was publicly notified on 12 December 2017.

If PC16 is withdrawn, the submissions on PC16 will effectively fall away.

Table 5 Advantages and Disadvantages of Withdrawing PC16

	Withdrawing PC16	Progressing PC16 through the Schedule 1 process
Advantages	<p>Enables Tuakau to be considered more comprehensively – in terms of the structure and function of the town as well as the wider District</p> <p>Enables Council to more thoroughly consider a planning response to the NPS-UDC</p> <p>Enables consideration of Tuakau in terms of growth for wider North Waikato</p> <p>Enables the Tuakau Structure Plan to be re-considered given the other planning directives of the NPS-UDC and programme business case</p> <p>Enables more integrated and consistent planning provisions by addressing Tuakau through the District Plan Review process</p>	<p>Submitters are already involved and have an expectation that the process will continue</p> <p>Submitters have already invested money in consultants to prepare submissions</p> <p>Achieves part of the Tuakau Structure Plan</p> <p>Supports investment decisions that have already been made on the basis of PC16</p> <p>Goes some way towards giving effect to the NPS-UDC</p>

	Withdrawing PC16	Progressing PC16 through the Schedule 1 process
	<p>Avoids multiple planning processes taking place concurrently</p> <p>More efficient use of Council resources focused on a single integrated District Plan review process</p>	
Disadvantages and Risks	<p>Frustration from submitters and landowners</p> <p>Council could be seen to be inefficient with multiple processes eg two withdrawals of PC16</p> <p>Consultation fatigue from the community</p> <p>Investment decisions may have already been made on the basis of PC16 and these may not be realised</p>	<p>Will be overtaken by the Proposed Waikato District Plan</p> <p>Inefficient use of Council resources</p> <p>Does not enable Tuakau to be considered comprehensively</p> <p>May not be an effective implementation of the NPS-UDC</p> <p>May result in inconsistent planning provisions for Tuakau with the rest of Tuakau and other towns in the District</p> <p>Will not deliver the programme business case for North Waikato growth</p> <p>Risk of multiple planning processes taking place concurrently</p>

6.2 PROGRESSING PC16

This section considers the broad option of progressing with PC16 and the process set out in Schedule 1 of the RMA. In particular, the focus is on managing densities in the PC16 provisions as sought by submissions.

As outlined in Section 2 of this report, PC16 introduces provisions significantly different from the existing developed areas of Tuakau. It should be noted that the geographical extent of PC16 is limited to an extension to Tuakau and does not seek to change the zone or the rules of the urban areas of Tuakau.

There are a number of matters to be considered in terms of the residential densities contained in PC16. The RPS sets out target densities for greenfields development and Section 6A sets out development principles. The key messages for PC16 from the NPS-UDC are to provide a range of housing choice, efficient use of land and infrastructure and provide for current and future people and communities.

The submissions generally seek more intensive residential development than that proposed by PC16, with smaller minimum lot sizes and average lot sizes. The lot size provisions contained

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in PC16 are considerably larger than the minimum lot sizes which apply to the existing Tuakau urban area (in the Franklin Section of the Waikato District Plan). However the existing residential development has certainly not maximised those provisions, with only 34% of the residential lots being less than 600m² (which is the average lot size contained in PC16).

In addition, there are two submissions who raise concerns about the potential for reverse sensitivity. As PC16 is opening up additional areas for residential development, this is a valid concern. The areas proposed to be rezoned for residential development all will be surrounded by primary production activities including grazing of beef and market gardens. We note that roads and streams may provide some separation between residential and rural zones on the edge. This is certainly a matter that the RPS recognises and seeks to avoid, or at least minimise. More houses usually equates to greater potential for reverse sensitivity issues to arise.

Based on the scope provided by submissions, there are a number of options for residential densities that can be considered in terms of the plan change provisions. This section sets out the various options available and identifies the advantages and disadvantages of each. This section considers the options for four different residential forms:

- (a) Tuakau Living Zone subdivision and development with a single dwelling;
- (b) Multi-unit comprehensive residential development in Tuakau Living Zone;
- (c) Dependent persons dwellings / minor household units in Tuakau Living Zone; and
- (d) Subdivision and development of Tuakau Country Living Zone.

This section focusses on the broad approaches rather than the cascade of objectives, policies and rules which is addressed in Section 7.

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6.2.1 Tuakau Living Zone

6.2.1.1 Option 1A: Retain the Notified Residential Density Provisions

In terms of the subdivision and development of a single dwelling, as set out in Section 2.3.1 of this report, the proposed rules enable subdivision to an average lot size of 600m², with a minimum lot size of 450m². In order to meet the average lot size requirements, a smaller lot size must be balanced by a larger lot. The averaging rules require 50% of total allotments to be at least 550m², and 25% of total allotments are at least 650m².

6.2.1.2 Option 1B: Increase the Residential Densities

Various higher density scenarios are sought by submitters:

- (a) minimum lot size to 400m² with an average net site area of 500m² applying to all allotments less than 800m² (2SEN Ltd and Tuakau Estates Ltd [14]); and
- (b) minimum lot size 350m² with an average net site size of 450m² (Madsen Lawrie Consultants [52]).

Through any of these scenarios, the effect would be an increase in the number of lots and therefore the residential density compared to the proposed provisions in PC16.

6.2.1.3 Option 1C: Mix of Residential Densities

David Evans [11] considers that where adjacent to rural zoned land, subdivision and development within the Tuakau Living Zone should provide larger lot sizes and/or larger dwelling setbacks from rural zone boundaries to minimise the potential for reverse sensitivity and conflicts with adjacent rural activities. This approach was taken in Pokeno where existing rural activities on Hitchen Road are protected by the Large Lot Residential Overlay which increases the minimum lot size to 1,200m² and thus limits the number of dwellings in close proximity to the rural activities. Potential reverse sensitivity issues with the surrounding rural area are minimised by increased setbacks for dwellings adjoining the Rural Zone.

The submission from Horticulture New Zealand [15] also expresses concern at the potential for reverse sensitivity issues and the ability for residential development to constrain legitimate use of elite soils for primary production activities. The submission seeks that the location and density of subdivision are to ensure sustained productive rural activities. Development is to be cognisant of adjoining activities and designed in a manner that ensures reverse sensitivity effects on rural production activities are avoided. The submission suggests providing a yard, planting, fencing and no-complaints covenant buffer to manage reverse sensitivity between urban activities and production farming activities. The submission considers that PC16 fails to recognise that poorly designed and located urban subdivision, building and development can result in reverse sensitivity effects and conflict at the rural/urban interface. This is an issue of particular importance given the plan's intent to expand urban activities across rural production land.

Horticulture New Zealand states in its submission that it is not satisfied that provision of building set back requirements will avoid or mitigate adverse effects on rural activities or address the potential for reverse sensitivity. The submission considers the current setback provisions are not consistent with proposed Policy 15C.8.2. The submission points out that in a worst case scenario, a residential dwelling could be located within 1.5m of a rural boundary. This is not considered to avoid or mitigate adverse effects on lawfully established rural activities and will generate reverse sensitivity effects.

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The submissions from David Evans and Horticulture New Zealand allows consideration of larger lots where areas are adjacent to Rural Zoned land, so Option 1C could be larger lot sizes near the Rural Zone with smaller lots closer to the existing residential areas. This can be achieved via two ways – larger lots on the urban-rural interface or larger setbacks from the rural zone.

This would not be a viable option if Stage 1 of the Tuakau Structure Plan was to be followed by Stage 2 which pushed further into the Rural Zone. However this is not the case, and Stage 1 does have a sizeable interface with the adjoining Rural Zone. It is noted that roads and streams can act as buffers to increase the separation distance.

Table 6: Advantages and Disadvantages of Residential Density Options for Tuakau Living Zone

	Option 1A Notified Provisions for Tuakau Living Zone	Option 1B Increase the Residential Densities of Tuakau Living Zone	Option 1C Mix of Residential Densities of Tuakau Living Zone
Advantages	<p>Provisions are more in accordance with the existing predominant pattern of residential development for Tuakau.</p> <p>Lower density development on the periphery of a town is more in accordance with the urban design principle of consolidation.</p> <p>Exceeds the density targets in Policy 6.15 of the RPS.</p> <p>Enables a moderate increase in population.</p> <p>Enables a range of residential lot sizes.</p> <p>The detailed averaging rules enable a range of lot sizes to be delivered.</p> <p>Will result in a similar pattern of development to existing Tuakau residential areas.</p>	<p>Allows more efficient use of the land by enabling more dwellings.</p> <p>Exceeds the density targets in Policy 6.15 of the RPS.</p> <p>Matching the Pokeno provisions would create consistency.</p> <p>Allows similar densities to pockets of development in Tuakau such as the western edge of Tuakau.</p> <p>Will enable a substantial increase in population.</p>	<p>Allows a range of lot sizes and densities</p> <p>Reduces the potential for reverse sensitivity effects near the interface with the Rural Zone with less dwellings near the Rural Zone.</p> <p>Allows similar densities to that already existing on the western edge of Tuakau.</p> <p>Exceeds the density targets in Policy 6.15 of the RPS.</p> <p>Enables a moderate increase in population.</p> <p>Improved legibility of development.</p> <p>Accords with the principles of increased density towards the core.</p>

	Option 1A Notified Provisions for Tuakau Living Zone	Option 1B Increase the Residential Densities of Tuakau Living Zone	Option 1C Mix of Residential Densities of Tuakau Living Zone
Disadvantages and Risks	<p>May not be the most efficient use of the land resource.</p> <p>May result in blanket uniform lot sizes.</p> <p>Risk of reverse sensitivity effects, particularly if lots towards the smaller end of the spectrum are located on the boundary with the Rural Zone.</p> <p>Potential for the character of resulting development in the scattered PC16 areas to contradict the existing urban areas of Tuakau which will continue to be managed by the Franklin Section provisions until they are superseded by the district plan review process.</p>	<p>Increases the risk of reverse sensitivity effects, particularly as the proposed new residential areas adjoin the Rural Zone.</p> <p>Significant change in character from the existing residential development in Tuakau.</p> <p>Risk of an "inside out" pattern of development for Tuakau where higher densities are on the periphery.</p>	<p>May reduce the development potential of properties adjacent to the interface with the Rural Zone.</p> <p>Still potential for reverse sensitivity issues.</p>

6.2.2 Multi-unit Residential Developments

Rule 21E.52.5 enables comprehensive residential development as a discretionary activity, so long as the standards are met. Any activity that does not comply with a condition for comprehensive residential development is a non complying activity.

Comprehensive residential developments are defined in the Waikato Section as:

Means an integrated development, including residential units, open space, access and other activities listed in Appendix E: Comprehensive Residential Development Guidelines.

Appendix E then provides more clarity on the term:

Definitions

Comprehensive residential development means 5 or more new residential dwellings, where no part of the dwelling is superimposed on any part of another dwelling (except for underground

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parking). Each comprehensive residential development will be designed and planned in an integrated manner, and all required resource and subdivision consents are to be submitted together, along with sketch plans of the proposed development. The land on which the proposed residential dwellings are to be sited must form a separate, contiguous area.

Explanation: In a comprehensive development the houses and any subdivision are designed as one. The development will require resource consent because it exceeds the usual building coverage and density standards. The intention of the comprehensive housing provisions is to permit more intensive housing developments if they are designed with additional features that compensate for the failure to comply with standards, and ensure a high standard of amenity. Shared open space is an important factor in enabling a higher density. These guidelines will also be relevant in applications for more than one dwelling on a certificate of title.

There are no requirements regarding identified locations for comprehensive residential developments, although arguably this could be a matter for consideration given that it is a discretionary activity and therefore discretion is not restricted. The parent lot would need to be greater than 1500m² to enable the construction of at least five dwellings where each is assigned a minimum net area of 300m².

There are no specific rules in PC16 for multi-unit residential developments where there are more than one unit on the site or less than five units (ie not a comprehensive residential development). Developments of more than one dwelling but less than five could potentially fall under two rules:

- (a) Rule 21E.34.2 as an activity that does not comply with Rule 21E.34.1 (which requires a maximum of one dwelling per site) and would therefore be a discretionary activity; or
- (b) Rule 21E.52.3 as an activity that does not comply with Rule 21E.52.2 (ie does not comply with Clause c) requiring at least 5 dwellings) and would therefore be a non-complying activity.

The submissions which led to the consideration of multi-unit housing are from Shalendra Kumar [10], Greig Holdings Ltd [12], Greig & Bovill Developments Limited [16], G and Y Aarts [34], The Surveying Company [35] and Raymond Hargrave [38]. The submissions seek amendments to Rule 21E.34 to allow multiple dwellings on a site, and Rule 21E.56 to exempt developments from complying with the minimum lot size if a resource consent has been obtained for the land use. This approach is often used where a land use consent is obtained for multiple unit dwellings, and a subsequent subdivision consent is obtained to “shrink wrap” the property boundaries around the dwellings.

6.2.2.1 Option 2A: Retain the Notified Residential Density Provisions

Residential densities in Tuakau Living Zone are established in two ways:

- a) Single dwelling rules; and
- b) Comprehensive residential development.

As set out in Section 2.3.1 of this report, the proposed rules enable subdivision to an average lot size of 600m², with a minimum lot size of 450m². In order to meet the average lot size requirements, a smaller lot size must be balanced by a larger lot. The averaging rules require 50% of total allotments to be at least 550m², and 25% of total allotments are at least 650m².

Comprehensive residential developments are a discretionary activity under Rule 21E.52.5, including a requirement for an average net site area per unit of 300m². To comply with this Rule, the development must include at least 5 dwellings.

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Medium density housing is considered by the Ministry for the Environment to be comprehensive developments including four or more dwellings with an average density of less than 350m² per unit. It can include stand-alone dwellings, semi-detached (or duplex) dwellings, terraced housing or apartments within a building of four storeys or less. These can be located on either single or aggregated sites, or as part of larger master planned developments. A minimum net lot size of 300m² will likely result in terraced and duplex forms of housing.

6.2.2.2 Option 2B: No Density Standards for Multi-unit Residential Developments

Shalendra Kumar [10], Greig Holdings Ltd [12], Greig & Bovill Developments Limited [16], G and Y Aarts [34], The Surveying Company [35] and Raymond Hargrave [38] all seek amendments to enable multi-unit residential development with no minimum size for lots (unless specified by regional rules). The submissions seek:

- (a) creation of lot sizes less than 350m² subject to concurrent land use consent (replication of Rule 26.6.1.1B(2) in the Franklin Section)
- (b) Multi-unit housing on a single title (replication of Rule 27.6.1.1A Delineated Area/Notional Lot in the Franklin Section)

These submissions relate to Rule 21E.34 and they essentially request alignment with the Franklin Section rules for multi-unit housing. If a development does not comprise at least five dwellings, then it is not a Comprehensive Residential Development as defined by the Waikato Section. Should these submissions be accepted, the outcome they seek is that multi-unit residential developments will have no minimum lot size provided they can comply with the bulk and location standards.

It would mean that multi-unit housing could achieve densities greater than an average net site area per unit of 300m² (which is the minimum lot size for comprehensive residential developments in Rule 21E.52.5). In terms of the form of housing, deleting any minimum net site area requirements could enable a wide range of housing forms, including multi-level apartments.

Table 7: Advantages and Disadvantages of Residential Density Options for Multi-unit Residential Developments

	Option 2A Notified Provisions	Option 2B No Density Standards
Advantages	<p>Sets maximum density expectations.</p> <p>Enables options for residential living.</p> <p>Enables better planning for infrastructure provisions as the maximum density can be calculated with certainty.</p>	<p>Enables maximum flexibility for development.</p> <p>Ability for landowners to maximise yield.</p> <p>Could accommodate significantly more growth.</p> <p>Offers increased options for residential living.</p> <p>Enables efficient use of the land resource.</p> <p>Enables a wide range of housing forms.</p>
Disadvantages	<p>The minimum density will become</p>	<p>Risk of an "inside out" pattern of development for Tuakau where</p>

	Option 2A Notified Provisions	Option 2B No Density Standards
and Risks	the maximum.	<p>significantly higher densities are on the periphery.</p> <p>Increases the risk of reverse sensitivity effects, particularly as the proposed new residential areas adjoin the Rural Zone.</p> <p>Could significantly change the residential character of Tuakau.</p> <p>Risk of incompatible development with adjoining lower density residential development.</p> <p>Potential for adverse effects on amenity.</p> <p>Three waters infrastructure servicing cannot be calculated with any certainty and development may exceed supply capacity.</p> <p>Undermines the density requirements for comprehensive residential developments if developments with 2-4 units have no density standards.</p> <p>Encourages small scale higher density rather than larger scale comprehensive development.</p>

6.2.3 Dependent Persons Dwellings / Minor Household Units in Tuakau Living Zone

Rule 21E.3.5 allows construction or alteration and occupation of a dependent persons dwelling as a permitted activity, provided the activity meets the conditions. These include a requirement that there is only one dependent person’s dwelling on the site and that the dwelling is removable. For the purposes of this assessment, no regard has been given to the intended occupancy of the unit, the focus is on the residential density that the rule enables. However because of the intended occupancy of the house and the need for it to be removable, it is likely that the dwelling will be secondary in size and function to the primary dwelling.

6.2.3.1 Option 3A: Retain Minimum Lot Size as Notified

Rule 21E.3.5 requires that there is only one dependent person’s dwelling on a site of at least 900m² and that dwelling must be removable. Irrespective of whether the dwelling is removable (as required by the standards of Rule 21E.3.5), the Rule provides for a density of one dwelling per 450m². There are no limits on the size of the dwelling other than a requirement to meet the bulk and location standards, including maximum site coverage.

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6.2.3.2 Option 3B: Decrease the Minimum Lot Size

Madsen Lawrie Consultants [52] seeks that site size requirement in Rule 21E.35.1 for dependent person's dwelling be reduced to 500m². This would enable a dwelling density of one dwelling per 250m².

Table 8: Advantages and Disadvantages of Residential Density Options for Dependent Persons Dwellings / Minor Household Units in Tuakau Living Zone

	Option 3A Notified Provisions	Option 3B Decrease in Minimum Lot Size
Advantages	<p>Overall density more closely matches that of the minimum lot size for fee simple vacant / single dwelling development.</p> <p>Ease of providing three waters servicing, particularly in terms of wastewater and water supply as the densities are expected.</p>	<p>Potential to accommodate significantly more population.</p> <p>Provides more affordable housing options.</p> <p>Increases the number of sites that could accommodate a second dwelling.</p>
Disadvantages and Risks	<p>Reduces the number of sites that can accommodate a second unit, as it only applies to those sites greater than 900m².</p>	<p>Potential to produce a significantly higher level of residential development.</p> <p>Potential adverse effects on character and amenity.</p> <p>Issues with servicing for the three waters, particularly wastewater and water supply with significantly more usage than anticipated.</p> <p>Potential to exploit the rules as a backdoor method to achieve densities higher than comprehensive residential developments without needing a resource consent.</p> <p>Potentially easier to achieve a discretionary subdivision as the house is already there and there are no additional effects from the act of subdividing.</p>

6.2.4 Tuakau Country Living Zone

Rule 27B.45.1 enables subdivision where every site has a net site area of at least 5000m² as a controlled activity. Essentially these rules ensure each site is a minimum 5000m² and has a single dwelling on it.

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6.2.4.1 Option 4A: Retain the Minimum Lot Size as Notified

One submission supports the 5000m² lot size for the Tuakau Country Living (Tony Scott Risetto [1]).

6.2.4.2 Option 4B: Decrease the Minimum Lot Size for Tuakau Country Living

Ten submissions seek reduction of the minimum lot size to 2500m². In particular there submissions seeking alignment with the Franklin Section provisions ie range of lot sizes between 2500m² and 8000m² and an average lot size of 3000m². Casper Family Trust [37] seek a restricted discretionary activity status for subdivision of 1500m² if the site has wastewater reticulation available. Reducing the lot size to 2500m² would double the development possible for the Tuakau Country Living Zone. If subdivision to lot sizes of 1500m² was enabled, that would result in over 3 times more lots.

Table 9: Advantages and Disadvantages of Residential Density Options for Tuakau Country Living Zone

	Option 4A Notified Provisions	Option 4B Decrease Minimum Lot Size
Advantages	<p>More noticeable distinction between residential and rural residential development.</p> <p>Fewer household units and therefore less cumulative impacts from on-site wastewater management.</p> <p>Fewer households results in less change in character.</p> <p>Provides more of a buffer role in terms of the gradation from residential to rural landscapes.</p>	<p>Potential to accommodate increased population.</p> <p>Ability for landowners to maximise yield.</p> <p>Offers more people the opportunity to live in a rural residential lifestyle.</p> <p>More aligned with the current Franklin lot size provisions.</p>
Disadvantages and Risks	<p>Accommodates less population.</p> <p>Land use is less efficient.</p>	<p>Higher risk of reverse sensitivity effects from adjacent Rural Zoned land but also existing industrial activities.</p> <p>Too small to farm and too large to maintain as a residential site.</p> <p>More likely to come under pressure for further development to align with residential densities.</p>

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6.3 RESIDENTIAL YIELDS

It is useful to compare the possible number of lots that could result from various options. It should be noted that this exercise has only been undertaken based on the fee simple vacant lot / single dwelling scenario as it is difficult to estimate where, or even if, comprehensive development options will be pursued.

Waikato District Council provided the following land area estimations:

PC16 Map 1 = Proposed Tuakau Living Zone = approximately 63 ha

PC16 Map 2 = Proposed Tuakau Living Zone = approximately 2.1206 ha

PC16 Map 3 = Proposed Tuakau Living Zone = approximately 30.66 ha

PC16 Map 4 = Proposed Tuakau Living Zone = approximately 109.15 ha

Total area proposed to be rezoned to Tuakau Living Zone = approximately 205 ha

The estimated land area proposed to be Tuakau Country Living Zone is as follows:

PC16 Map 5 = Proposed Tuakau Country Living Zone = approximately 42 ha

As set out in Section Error! Reference source not found. of this report, a realistic allowance for roads, parks, stormwater management and other undevelopable parts of a site is 45%. This would provide 113ha of land for residential development in the Tuakau Living Zone.

A lesser allowance of 10% is used for the Tuakau Country Living Zone to recognise less land likely to be used for roading and other uses such as stormwater management. This would allow 37.8ha of developable land. This is a very conservative estimate because it does not take into account the housing that already exists within this proposed zone or the geotechnical constraints associated with topography and watercourses.

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Using these allowances, various lot sizes could yield the following number of lots:

Table 10: Potential Number of Lots

Lot size	Potential Lots that Could be Created*
Tuakau Living Zone	
Average net site area 600m ² (as notified)**	1,883
Average net site area of all allotments less than 800m ² to be 500m ² (Michael Shen [9] and 2SEN Ltd and Tuakau Estates Ltd [14]);	2,260
Average net site size 450m ² (Madsen Lawrie Consultants [52]).	2,511
RPS densities (Policy 6.15)	1640 – 2050
Tuakau Country Living Zone	
Minimum lot size 5000m ² (as notified)	75
Minimum lot size 2500m ² (Lavalla Farm Ltd [17], Casper Family Trust [37], McGill and Hewitt [41], E and M Marsh [46])	150
Average lot size based on the Franklin Section rules of average 3000m ²	126

* Note: no account has been taken of the number of existing lots in these zones so the above numbers represent the potential total number of lots rather than additional lots.

** Note; this analysis has not made any assumptions about the number of comprehensive residential developments that may be proposed.

7.0 RECOMMENDED APPROACH

7.1 WITHDRAWING PC16

Since PC16 was notified, there are a number of planning processes which have overtaken the approach taken in PC16 and unfortunately the submissions do not provide scope to align PC16 with these. Those documents and processes include:

- a) the NPS-UDC came into force on 1 December 2016 which was after PC16 had been notified and must be given effect to;
- b) Council is progressing the programme business case for North Waikato Integrated Growth Management which identifies significantly more growth in Tuakau than was ever anticipated in either the Tuakau Structure Plan or PC16; and
- c) Council are progressing the District Plan Review which is an all-of-District consideration of District Plan provisions.

Given that PC16 has effectively been overtaken by these process and documents, I recommend withdrawing PC16. This will enable Tuakau to be considered more comprehensively, both in terms of the structure and function of the town as well as the wider District. According to the Ministry for the Environment Implementation Guidance, Waikato District is classified as a high-growth area and there are expectations that go along with this that immediate effect will be given to the objectives and policies of the NPS-UDC. Whilst it could be argued that PC16 does give effect to the NPS-UDC, PC16 has not been undertaken as a result of District-wide comprehensive planning for growth. Withdrawing PC16 will allow Council to more thoroughly consider a comprehensive planning response to the NPS-UDC and the role Tuakau plays in accommodating growth.

The Tuakau Structure Plan has effectively been overtaken by the programme business case for North Waikato Integrated Growth Management and the growth targets for Tuakau are considerably higher than those used to inform the development of the Structure Plan. In addition, the programme business case identifies Tuakau for significant growth of employment opportunities and the Structure Plan may need to be reconsidered in order to deliver both of these targets.

There is a high risk of multiple planning processes taking place concurrently with Tuakau being subject to the Franklin Section of the Waikato District Plan, PC16 as well as the Proposed Waikato District Plan. Withdrawing PC16 and including Tuakau through the District Plan Review process will allow consistent management of Tuakau and fewer planning documents. It is a more efficient use of Council resources focused on a single integrated District Plan review process.

7.2 PROGRESSING PC16

However, if Council are of a mind to retain PC16, the scope of submissions allow some amendments to be made in terms of density.

Firstly, there is no right number when it comes to lot sizes and it certainly is not a matter of one size fitting all circumstances. Instead, lot size is a balancing of the advantages and

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disadvantages of a range of lot sizes (both minimum sizes and average sizes), with a particular focus on the desired end outcome.

Whilst PC16 is seeking to increase the size of Tuakau and its population through zoning new areas as residential, it must integrate with the current pattern of development and character. The current existing environment should not be ignored.

The current rule for subdivision in the existing Residential zone in Tuakau enables subdivision to a minimum net site area of 300m² with no other requirements. The existing development pattern of Tuakau shows a clear predominance of lots greater than 900m². What is interesting to note is that the Plan already enables this level of development, but it has not been fully taken up. It should be recognised that infill development is more challenging than greenfields development, particularly where the existing dwelling is located in the middle of the section. When the dwelling is located in the middle of the site, it is an impediment to further subdivide to create infill development. There are pockets of development with smaller lots, particularly in Hua Place, Lili Road and Gibson Road which are all on the western edge of Tuakau.

In addition, when determining lot size, one should be mindful of the various higher level planning documents and their directives. In this regard, it is worth noting that all options for managing residential density will deliver the densities set out in Policy 6.15 of the RPS, including the lot size rules for Tuakau Living Zone as contained in the notified version of PC16.

7.2.1 Fee Simple Subdivision / Vacant Lot Development

In terms of the scope provided by submissions, the minimum lot size for the Tuakau Living Zone could range between 350m² and 450m² (as notified). Using the scope of submissions for the average lot size, it could range from 450m² to 600m² (as notified). I note that two submissions request the residential density rules to match the Pokeno subdivision rules for consistency. Rule 26.6.1A for Residential 2 is as follows:

Have a minimum net area of 450m² and for all lots below 800m² have a minimum average net area no less than 500m² and be of sufficient size and dimensions to accommodate existing or proposed development as a Permitted Activity;

Pokeno Residential 2 Zone has the same minimum lot size as that proposed by PC16, but it is the average lot size which differs. In terms of comparing PC16 rules with other similar Waikato towns, the following rules apply:

Table 11 Comparison of Lot Size Provisions

Towns	Minimum Lot Size	Average Lot Size
Tuakau Living Zone (as proposed by PC16)	450m ²	the average net site area of all allotments is at least 600m ² , and there is combination of allotments of which: <ul style="list-style-type: none"> • 50% of total allotments are at least 550m², and • 25% of total allotments are at least 650m²,
Te Kauwhata West	650m ²	the average net site area of all allotments is at least 875m ² and there is combination of allotments within each neighbourhood block of which: at least 50% are 800m ² or greater, and at least 25% are 900m ² or greater
Te Kauwhata	450m ²	where the land to be subdivided is greater than 3,000m ² in size there is a combination of allotments of which 25% of total allotments are at least 550m ² , and
Pokeno	450m ²	all lots below 800m ² have a minimum average net area no less than 500m ²
Living Zone (Waikato Section of the Waikato District Plan)	450m ²	excluding utility allotments and access allotments the average net site area of all allotments is at least 600m ² , and for every allotment less than 600m ² , there is one lot of 600m ² or more
Residential Zone (under the Franklin Section of the Waikato District plan)	350m ²	No requirements.

It is clear from PC16 that Waikato District Council developed the proposed rules for the new areas of Tuakau to match those in other parts of the Waikato District, rather than using the development rules from the Franklin Section of the Waikato District Plan (which applies to the existing Tuakau built environment). Analysis of the rules from other towns shows that the minimum lot size proposed by PC16 is aligned with that of other similar towns, including Pokeno. For this reason, I recommend the minimum lot size for Tuakau Living Zone is retained as notified in Rule 21E.56.1 as minimum net site area of 450m². This will reduce the risk of Tuakau having an “inside out” form of development where there is considerably more dense development on the outer edge of the town than in the centre.

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In terms of the average lot size rules, I note that there is a reasonable level of variation between the towns and the Living Zone rules. At the lower end is Pokeno with an average of 500m², through to Te Kauwhata West with an average lot size of 875m². Pokeno is a different scenario however. Pokeno only had a very small area of existing development, and the Pokeno Structure Plan identified this as the village centre for medium density housing and commercial uses. Integrating new development with the existing built environment was not so much about matching as complementing as new residential development was a significantly different form and function from the existing development.

However, Tuakau, already has a significant area of residential development and PC16 is essentially expanding the boundaries of the Tuakau urban area. The new urban areas will have a similar form and function to the existing urban area. Considering the existing pattern of development would lead one to favour the larger 600m² average site area to be more aligned with existing residential development. There are two additional factors to consider with Tuakau – its proximity to the Auckland boundary and therefore the higher potential for commuter rail to be realised and the fact it is surrounded by rural land used and valued for primary production.

As discussed in Section 4, two submissions are cognisant of the proximity of the proposed new development to the Rural Zone and the primary production activities that are legitimately undertaken. The submitters recognise the potential for reverse sensitivity effects from rural activities and seek larger lot sizes and/or larger dwelling setbacks from the Rural Zone boundary to better manage this. I agree that this is a matter that PC16 has not fully considered or addressed. PC16 appears to envisage that streams and roads will provide appropriate setbacks from rural activities. By decreasing the average lot size, there is the potential for greater numbers of dwellings in close proximity to the Rural Zone and therefore greater potential reverse sensitivity effects.

This matter was considered in the development of the Pokeno Structure Plan and subsequent plan change and the solution in the case of Pokeno was an overlay which increases the minimum lot size to 1,200m² as well as an increased setback for buildings of 10m for those lots adjoining the Rural Zone. The effect of this approach is to limit the number of dwellings in close proximity to the rural activities. Potential reverse sensitivity issues with the surrounding rural area are minimised by increased setbacks and lower densities of dwellings adjoining the Rural Zone. This would not be a viable option if Stage 1 of the Tuakau Structure Plan was to be followed by Stage 2 which pushed further into the Rural Zone as it would have the effect of creating an “island” of larger lots in the middle of what would ultimately be an urban environment. However as this is not the case, I recommend adoption of both an increased lot size near the boundary with the Rural Zone as well as an increased yard requirement. An increased setback from the Rural Zone boundary will not “sterilise” these lots for future development if Tuakau should grow further in the future. Instead it will allow the back portion of the section to be developed if/ when that occurs and not interrupt the development pattern.

I note that Casper Family Trust [37] seek introduction of a 300m setback for dwellings from the boundary of the site of an intensive farming activity and I would support this. While a reciprocal setback would be ideal for the establishment of new intensive farming activities to better manage potential reverse sensitivity effects, it is outside the scope of PC16 to manage activities on the surrounding Rural Zoned land.

I note that the avoidance or minimisation of reverse sensitivity is a key matter in the RPS, featuring in Objective 3.12(g), Policy 4.4(f) and Development Principle 6A(o). Adopting such an approach would meaningfully give effect to the RPS in terms of reverse sensitivity.

Adopting such an approach will lower the yield of the proposed Tuakau Living Zone however. Therefore in terms of striking a balance between avoiding or minimising potential

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reverse sensitivity effects, integrating with the existing Tuakau residential development and maximising efficient use of the land, I recommend an average lot size of 600m² is retained. My reasons for this is that the comprehensive residential development allows greater development density as a discretionary activity and will allow greater development where it is appropriate and if there is market demand for it.

As noted in the submission from Michael Shen [9], the averaging lot size rules are complex. The submitter considered that if minimum and minimum average allotment rules were complied with, it is anticipated that a mixture of allotment sizes would be provided for regardless of these additional provisions. So long as there are mechanisms such as consent notices on titles to prevent further subdivision of large balance blocks, the averaging rule could be simplified.

7.2.2 Multi-unit Residential Developments

As outlined in Section 4 of this report, six submissions sought amendments to enable residential development with no minimum size for lots (unless specified by regional rules). This would remove any parameters around residential density for multi-unit residential developments.

One of the fundamental principles of urban design is consolidation. As outlined in the Ministry for the Environment publication *People + Places + Spaces*, this principle is about promoting higher-intensity development around existing or new nodes and lower density on the periphery.⁴ The purpose of this is to allow local communities, businesses and public transport to be strengthened and resource efficiencies achieved, while reducing environmental impacts on peripheral areas. The urban design principle advocates locating higher density, and a greater range of uses, towards the core. Given the existing pattern of development in Tuakau, there is a risk that enabling a higher density of development on the edges of Tuakau results in an “inside out” pattern of development where there is higher density residential density on the fringe of the town and lower density in the core.

A 400m walkable pedshed is often used as a good indicator of where development should be at its highest densities. It is worth noting that all areas proposed by PC16 as Tuakau Living Zone are some distance outside 400m from the town centre.

The Tuakau Structure Plan identifies an area around the core town centre for mixed use. The Structure Plan recommends an overlay that provides for a mixture of more compact housing types together with compatible business and community services, offices and public facilities. Around the town centre, there is a risk that higher density development on the periphery of Tuakau will be taken up in preference to re-development near the town centre. This may have the effect of undermining the structure plan in this regard, and may result in the structure plan not being able to be achieved. This concept is supported by the general approach to locating higher density housing near amenities. Generally, medium density housing needs to be located within an easy five minute walk (approximately 400m) of shops, services, public transport nodes, parks or other amenities for residents. The location of medium density developments is critical to achieving a good living environment. However there are no requirements in PC16 in terms of location of comprehensive residential developments / multi-unit developments so they could potentially go anywhere. It should be noted that at a policy level, Policy 15C.2.6(b) provides some guidance, in that it states that medium density housing is designed to be in close proximity to public transport nodes and the town centre.

⁴ *People + Places + Space*, Ministry for the Environment, 2002

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The development of new housing and associated development with a high density including buildings of a greater height and scale can compromise the character of the residential environments and have significant adverse effects on the amenity values as a consequence. There is a risk that enabling intensive residential development in the Tuakau Living Zone greater than the density specified of minimum 300m² net site area per residential unit significantly changes the character of not only the existing residential, but the future residential area as well. Removing the minimum net site area requirement for multi-unit residential developments could result in multi-level apartments. Allowing this form of development on the periphery of Tuakau has the potential to undermine the intensification of the town centre as outlined in the Tuakau Structure Plan, and for these reasons I do not recommend removal of the minimum average lot size.

In terms of the activity status of multi-unit developments, although there are two potential activity classifications for multi-unit developments it would seem more likely that such a development would be classed as a Discretionary activity by way of Rule 21E.34.2. This would result in the same activity status as a comprehensive residential development. I do not consider there is a need to create a new activity to cover multi-unit housing, and neither would I support a more lenient activity status than Discretionary. It seems logical to have an activity status aligned with that of comprehensive residential developments seeing as they are similar style of developments. As a discretionary activity, it would allow the issue of lot size to be addressed.

7.2.3 Dependent Person's Dwellings / Minor Household Units in Tuakau Living Zone

One submission sought reduction of the site size requirement in Rule 21E.35.1 for dependent's persons dwelling to 500m². I have taken no note of the occupancy of the unit as that is irrelevant when considering residential developments. I note that there are no size limits on dependent person's dwellings other than being removable. If the minimum lot size were reduced, there is the potential that these would essentially be used as a backdoor method for achieving greater residential densities. A dependent person's dwelling could potentially be subdivided under Rule 21E.56.2 as a restricted discretionary activity for subdivision that does not comply with the condition for a restricted discretionary activity. The argument could be made that as the dwelling is already on site, the effects of a subdivision are negligible.

However I consider that dependent person's dwellings do serve a useful social purpose and allow dependent people to live in their own space whilst being close to family for assistance as required. Given that comprehensive residential developments can be achieved to a density of one dwelling per 300m² net site area, I recommend that the minimum lot size of 900m² as notified in Rule 21E.35.1 be amended to 700m², as this is more consistent with the minimum lot size of for comprehensive residential developments. If Council are of a mind to reduce the minimum lot size for dependent persons dwelling, then I recommend this be accompanied by the inclusion of maximum floor area sizes to ensure that the household remains secondary to the primary dwelling in appearance and function.

I note that the submissions from G and Y Aarts [34] amongst others seek the replacement of the dependent person's dwelling with a minor household unit with a maximum floor area of 70m², so there is scope provided by submissions to consider this matter. Most district plans have a maximum floor area requirement for minor household units, ranging from 45m² – 72m². This size limit changes the impact on the over residential density as they

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are considerable smaller than the primary house and therefore secondary in nature. I would support the introduction of 70m² as an appropriate size limit to ensure that they are secondary units to the primary dwelling.

7.2.4 Tuakau Country Living Zone

Ten submissions sought reduction of the minimum lot size to 2500m², while one submission sought a restricted discretionary activity status for subdivision of 1500m² where it is connected to a reticulated wastewater system. Other submissions sought alignment with Franklin Section rules.

In terms of rules applying to other rural residential areas, I note that Rule 27.62.1 in the Waikato Section of the Waikato District Plan requires a minimum lot size of 5000m². The rural residential development to the east of State Highway 1 at Pokeno has a 2500m² minimum lot size, with an average lot size of 5000m².

I note the key reason for 2,500m² is so that the site can treat and dispose of wastewater on site. However, I recommend rejecting the request to lower the minimum site area to 1500m². Even though the site may be serviced for reticulated wastewater, 1500m² would be considerably smaller than all other rural residential sites and would essentially be a large residential site. This would result in a significantly different character and purpose for rural residential development.

Rule 27B.45.1 enables subdivision where every site has a net site area of at least 5000m² as a controlled activity. Essentially these rules ensure each site is a minimum 5000m² and has a single dwelling on it.

With regards to the proposed Tuakau Country Living Zone, I note that there are a number of submissions from the existing industrial uses expressing concern about the potential for reverse sensitivity effects. I consider it would be risky for Council to increase the number of people potentially affected by the discharges and noise associated with the existing industry. However I see benefit in allowing flexibility to develop land zoned as Tuakau Country Living to best reflect the contours of the land and the characteristics of the site. I therefore recommend that rule 27B.45.1 be amended for a minimum lot size of 2500m² and an average lot size of 5000m². Sites at the smaller end of the spectrum will integrate easily with the current 3000m² sites that could be created under the Rural Residential provisions of the Franklin Section of the Waikato District Plan.

7.2.5 Reverse Sensitivity

As alluded to in Section 7.1 of this report, with the extension of urban zoning as proposed by PC16, there is the increased risk of reverse sensitivity effects arising. Although this is a key consideration in the RPS, there currently is no policy framework or rules in PC16 to address reverse sensitivity (a matter that was addressed in the submission from Horticulture New Zealand [15]). The policy framework of PC16 has been drafted with a focus on the residential development internally, not on its connections and relationships with surrounding landuses (not only the rural interface but also the existing urban area of Tuakau). Using the scope provided by the submissions from Horticulture New Zealand [15], Casper Family Trust [37] and David Evans [11], I recommend that Council develops a cascade of Objective, Policies and Rules to manage reverse sensitivity effects and thereby give effect to RPS Objective 3.12(g), Policy 4.4(f), Method 4.4.1(d), Method 6.1.2, General Principle 6A(o), Method 15.4.1(a).

7.3 SECTION 32AA EVALUATION

Section 32AA of the RMA requires a further evaluation to be undertaken for any changes that are proposed to be made to the proposal since the proposal was notified. Section 32AA(1)(b) requires the evaluation be undertaken in accordance with Section 32(1) to (4) and undertaken at a level of detail that corresponds to the scale and significance of the changes. In terms of the changes recommended in Sections 7.1-7.5 above, below is an evaluation of those recommended changes in accordance with Section 32.

As economic evaluations are outside my area of expertise and qualifications, I have identified the costs and benefits at a broad scale but have not attempted to quantify them.

Are the objectives the most appropriate way to achieve the purpose of the Act? (Section 32(1)(a))

The only change I have recommended in terms of objectives is the inclusion of an objective to minimise and manage potential reverse sensitivity effects. Making amendments on this matter would enable PC16 to give effect to the RPS provisions around reverse sensitivity including:

- (a) Objective 3.12(g);
- (b) Policy 4.4(f);
- (c) Method 4.4.1(d);
- (d) Method 6.1.2;
- (e) General Principle 6A(o); and
- (f) Method 15.4.1(a).

Are the provisions the most appropriate way to achieve the objectives? (Section 32(1)(b))

There are a number of provisions which I recommend amending including the following:

- (a) New policies to address reverse sensitivity effects;
- (b) Reducing the number of residential lots on the interface with the Rural Zone through larger minimum lot sizes and/or larger rear yard setbacks;
- (c) Introduction of a 300m setback for dwellings from the boundary of the site of an intensive farming activity;
- (d) Reducing the site size for dependent person dwelling in 21E.35.1 to 700m² with a maximum unit size of 70m²;
- (e) Amending Rule 27B.45.1 for a minimum lot size of 2500m² and an average lot size of 5000m²; and
- (f) Simplification of the averaging Rule 21E.56.1(a)(iii) for Tuakau Living Zone.

There are two key objectives in consideration of this question, namely

15C.2.1: Residential, rural residential and industrial development in Tuakau results in a high quality urban environment; and

15C.8.1: Adverse effects of activities on amenity values are managed so that the qualities and character of the surrounding environment are not unreasonably compromised.

The amendments proposed will help to achieve the above objectives. Implementing policies and rules to minimise reverse sensitivity effects will contribute to a high quality urban environment by lessening the impact of noise, dust, vibration, spray drift, lights and

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other amenity effects that can be generated by the use of the surrounding Rural Zoned land for primary production activities. This is also an issue for the existing industrial uses where there is concern at the potential complaints from the noise and odour.

Most importantly perhaps, the inclusion of policies and rules to better manage reverse sensitivity will achieve Objective 15C.8.1 and reduce the potential for the character of the surrounding environment to not be compromised by new residential development. This is relevant to not only the surrounding rural environment but also the existing industrial uses within Tuakau and on the outskirts of the town.

The change recommended to the rule for a dependent person dwellings strikes a balance between efficient use of the land resource whilst integrating more seamlessly with the existing development of urban Tuakau, and potential development of the newly zoned areas proposed by PC16.

If an additional objective were to be included in PC16 minimising reverse sensitivity effects, most of the amendments recommended above (apart from (d)) would assist in achieving that objective.

What are the other reasonably practicable options for achieving the objectives? (Section 32(1)(b)(i))

The options provided by the scope of the submissions are identified and evaluated in Section Error! Reference source not found. of this report.

What is the efficiency and effectiveness in achieving the objectives? (Section 32(1)(b)(ii))

The amendments recommended will be highly effective in achieving the relevant Objectives.

What are the benefits and costs of the environmental, economic, social, and cultural effects that are anticipated from the implementation of the provisions? (Section 32(2)(a))

The options provided by the scope of the submissions are evaluated in Section Error! Reference source not found. of this report in terms of benefits and costs.

What is the economic growth that is anticipated to be provided or reduced? (Section 32(2)(a)(i))

Economic growth is enabled by PC16 in a number of ways. Releasing more land for housing will result in economic gains for all the parties involved in land development, including the land owners themselves, surveying companies, engineers, building industry etc. Any additional residential growth in Tuakau will undoubtedly result in economic growth for the retailers and services in the town centre as it provides a local service town role.

What is the employment that are anticipated to be provided or reduced? (Section 32(2)(a)(ii))

Whilst PC16 (as modified by the withdrawals of the industrial provisions) does not create employment opportunities, any increase in the population will undoubtedly result in more economic activity in the town centre and therefore result in more employment opportunities.

Is there uncertain or insufficient information? (Section 32(2)(c))

There is always uncertainty with enabling development of land, particularly the market demand. As has happened in Pokeno, the market may demand a different product from that enabled by the provisions and the maximum development may not be realised. This is highlighted by the existing urban area of Tuakau where the current rules of the Franklin

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Section of the Waikato District plan enable development down to 350m² but this certainly is not reflected in the development patterns that exist.

This pattern of development does exist in some peripheral areas of the town (such as at the end of Gibson Road).

What is the risk of acting or not acting? (Section 32(2)(c))

The most significant risk of not acting is the potential for reverse sensitivity effects to arise, particularly on the interface of the residential area with the Rural Zone. Although streams and roads may provide some separation, the residential development enabled by PC16 will increase the number of dwellings in close proximity to the surrounding Rural Zone.

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8.0 CONCLUSION

In conclusion, given the planning processes and documents which have overtaken PC16 since it was notified, I recommend withdrawing PC16 under Clause 8D of the RMA. This will enable Tuakau to be considered more comprehensively, both in terms of the structure and function of the town internally, as well as the wider District. It will enable Council to meaningfully give effect to the NPS-UDC across the District and implement the programme business case for North Waikato Integrated Growth Management.

Considering Tuakau within the Proposed Waikato District Plan will allow consistent management of Tuakau and fewer planning documents. It is a more efficient use of Council resources focused on a single integrated District Plan review process.

However if Council are of a mind to retain PC16, the scope of submissions allow some amendments to be made in terms of better managing density on the outer edges of Tuakau. Having considered the scope provided by submissions and the higher level planning documents to which PC16 must give effect, the following amendments are recommended:

- (a) New objective to minimise reverse sensitivity effects;
- (b) New policies to address reverse sensitivity effects;
- (c) Reducing the number of residential lots on the interface with the Rural Zone through larger minimum lot sizes and/or larger rear yard setbacks;
- (d) Introduction of a 300m setback for dwellings from the boundary of the site of an intensive farming activity;
- (e) Reducing the site size for dependent person dwellings in Rule 21E.35.1 to 700m² in the Tuakau Living Zone; and
- (f) Amending Rule 27B.45.1 for a minimum lot size of 2500m² and an average lot size of 5000m² for the Tuakau Country Living Zone.

In terms of the Tuakau Living Zone, it is recommended that the minimum average lot size under Rule 21E.52.2 of 300m² for comprehensive residential developments is retained. Similarly it is recommended that Rule 21E.56.1(a)(i) requiring a net site area of at least 450m², and Rule 21E.56.1(a)(ii) requiring an average net site area of all allotments is at least 600m² be retained as notified

These amendments and notified provisions aim to achieve a balance between enabling efficient use of the zoned land for residential development whilst integrating with the existing urban area of Tuakau. The residential development provisions will not undermine the ability to achieve the Tuakau Structure Plan – both in terms of the new areas for residential development and intensification around the town centre. By largely retaining the lot size provisions as contained in PC16, there is still the ability to provide higher density comprehensive residential development as a discretionary activity. These rules will provide for housing choice and give effect to the NPS-UDC. PC16 as notified clearly gives effect to the RPS in terms of achieving the target densities. Reducing the lot size for a dependent person's dwellings will enable housing for less able parts of the community whilst not undermining the dwelling densities.

The amendments as recommended in terms of reverse sensitivity will assist in minimising the potential for reverse sensitivity effects and better managing the interface between rural and urban; thus giving effect to the RPS objectives and policies on this matter.

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APPENDIX

Appendix A PC 16 Maps

Appendix B Summary of Submissions Addressing Residential Density

Sub no.	Submitter	Summary of Submission
1	Tony Scott Risetto	Support rezoning of Barnaby Road into 5000m ²
5	Waikato Regional Council	<p>Where new residential zoning is proposed, WRC supports the more intensive use of these areas for residential housing.</p> <p>WRC considers that areas of medium-high residential density development are desirable where there is good connection and proximity to the Tuakau town centre. WRC considers that these residential areas should be used as efficiently as possible within the constraints of infrastructure provision.</p> <p>Where country living zoning is proposed, WRC neither supports nor opposes the proposed Country Living Zone at Barnaby Road and Harrisville Road. WRC considers that rural residential development should be more strongly controlled in parts of the region where demand is high and would like to see a greater evaluation of the proposed zone in respect of the provisions of the RPS.</p>
9	Michael Shen	<p>The proposed provisions are not considered to sufficiently recognise the locational attributes of the Tuakau township, which is subject to spillover effects from housing demands within the Auckland region. For comparison, the new residential zones in Pokeno has a minimum average allotment size of 500 m² (excluding allotments over 800 m² in area). As Tuakau is subject to similar locational attributes to Pokeno, it is considered that similar allotment sizes should be provided for.</p> <p>The requirements that 50% of total allotments are at least 550m² and 25% of total allotments are at least 650m² are considered to be cumbersome. Given that minimum and minimum average allotment rules would need to be complied with, it is anticipated that a mixture of allotment sizes would be provided for regardless of these additional provisions. Retaining these additional requirements are also considered to increase the difficulty of performing small-scale subdivisions.</p> <p>Decision sought:</p> <p>Amend Rule 21E.56.1(a)(ii) to "the average net site area of all allotments less than 800 m² is at least 500 m²"</p> <p>Delete Rule 21E.56.1(a)(iii);</p>
10 12 16 34	Shalendra Kumar Greig Holdings Ltd Greig & Bovill Developments Limited G and Y Aarts The Surveying	<p>Supports multi-unit development</p> <p>Tuakau Country Living Zone – Seek every allotment, other than a utility allotment or access allotment, has a site area of at least 2500m²,and</p> <p>Support for no minimum size for lots as such (unless specified by regional rules).</p>

Sub no.	Submitter	Summary of Submission
35 38	Company Raymond Hargreave	
11	David Evans	Supports the intent of the proposed zone maps. Where adjacent to rural zoned land, subdivision and development should provide larger lot sizes and/or larger dwelling setbacks from rural zone boundaries to minimise the potential for reverse sensitivity and conflicts with adjacent rural activities.
13	Future proof	<p>Future Proof supports the objective and related policies in this section of the Plan Change. These will help to ensure that good outcomes are achieved. In particular the policies relating to amenity, transport and higher density housing are in alignment with key principles of the Future Proof Strategy and the development principles of the RPS.</p> <p>Future Proof supports the rules contained in PC16 in so far as they give effect to the objectives and policies.</p>
14	2SEN Ltd and Tuakau Estates Ltd	<p>Seeks modification of Subdivision Rule 21E.56 to provide for density controls within the Tuakau New Residential Zone of 1: 500 m² net site area (average) per dwelling;</p> <p>The density proposed within PC16 is inconsistent with the density provided both on the (recently developed) adjoining sites to the west of 48 and 52 Dominion Road. In particular, the Moria Road development was completed under the (Franklin) Residential zone which provides for 350m² net (delineated) area (Rule 27.6.1.1A). It is also noted that new residential zones in Pokeno have a minimum average allotment size of 500m² (excluding allotments over 800 m² in area).</p> <p>Seek amendments to reduce to minimum of 400m², and average net site area of all allotments (less than 800m²) is at least 500m²</p>
17	Lavalla Farm Ltd	<p>Seeks to reduce the minimum lot size of Tuakau Country Living Zone to 2500m²</p> <p>Prohibition on further subdivision of Tuakau Living Zone properties to prevent incremental increase of density through further subdividing a large balance lot.</p>
37	Casper Family Trust	Controlled activity for Tuakau Country Living Zone (a) every allotment, other than a utility allotment or access allotment, has a site area of at least 2500m ²
41	McGill and Hewitt	Seeks to reduce the minimum lot size of Tuakau Country Living Zone to 2500m ²

Sub no.	Submitter	Summary of Submission
46	E and M Marsh	Seeks to reduce the minimum lot size of Tuakau Country Living Zone to 2500m ²
52	Madson Lawrie Consultants	<p>Rule 21E.35.1 The rule requiring 900m² is excessive, seeks reduction to 500m².</p> <p>21E.56.1 seeks minimum lot size be reduced to 350m²</p> <p>Reduce the average lot size to 450m² from 600m²</p> <p>50% should be at least 450m²</p> <p>25% should be at least 550m²</p>

Open Meeting

To	Strategy & Finance Committee
From	Tony Whittaker General Manager Strategy & Support
Date	03 August 2017
Prepared by	Kevin Stokes Strategic Planner
Chief Executive Approved	Y
Reference #	GOV1318 / 1779619
Report Title	Submission on draft Future Proof Planning Growth - He Whakakaupapa Whanaketanga

I. EXECUTIVE SUMMARY

The Draft Future Proof Strategy Planning for Growth - He Whakakaupapa Whanaketanga, ("the Strategy") was publicly released on 12 June 2017. Submissions closed on 21 July 2017.

As Waikato District Council ("WDC") is one of the partners to the Strategy, it is particularly important to show support for the Strategy and to make sure the document reflects WDC aspirations for future growth in our district.

The Strategy should support the WDC District Plan Review and enable WDC to provide for growth and development under the National Policy Statement on Urban Development Capacity ("NPS-UDC").

2. RECOMMENDATION

THAT the report from the **General Manager Strategy & Support** be received;

AND THAT the **Waikato District Council** submission on the **Draft Future Proof Strategy Planning for Growth – He Whakakaupapa Whanaketanga** be recommended to **Council** for retrospective approval (it is noted that the submission has been sent to **Council Submission Committee**);

AND FURTHER THAT the **Strategy & Finance Committee** nominate **His Worship the Mayor**, or alternate, to speak to the **Waikato District Council** submission when the hearing schedule is confirmed by **Future Proof**.

3. BACKGROUND

The Strategy aims to manage growth in a collaborative way for the benefit of the Future Proof sub-region, both from a community and resource perspective. The growth Strategy provides a framework for ongoing co-operation and implementation. This will ensure the costs and resources required to fund and manage infrastructure such as transport, wastewater, stormwater, recreation and cultural facilities are provided for in an integrated manner.

The settlement pattern is the cornerstone of the Strategy as it provides the blueprint for growth and development by identifying the existing and future locations of residential and business land and considers the mix of land use, transportation and other infrastructure in an integrated manner.

The Strategy also aims to ensure the unique relationship taangata whenua have with the whenua awa, moana, maunga, taiao katoa: land, waterways, ocean, mountains, wider environment and other people in the sub-region. This includes, but is not limited to, the practice of kaitiakitanga.

4. DISCUSSION AND ANALYSIS OF OPTIONS

4.1 DISCUSSION

The Strategy update is being undertaken in two phases:

Strategy Update: Phase 1 – 2017	Strategy Update: Phase 2 – 2018/2019
<ul style="list-style-type: none"> ▪ Focus on growth management and settlement pattern implementation. ▪ Confirm the guiding principles and context. ▪ Update the settlement pattern. ▪ Include the Northern Waikato District Council Address cross-boundary issues. ▪ Align with other regional strategies and plans. 	<ul style="list-style-type: none"> ▪ Address requirements of the NPS-UDC. ▪ Update the settlement pattern component of Phase 1. ▪ An updates required as a result of the adoption of the Waikato Plan. ▪ Any updates required as a result of new legislation, policies or strategies.

4.2 OPTIONS

Option 1 – was not to submit.

Option 2 – to submit as a key partner of the Future Proof Growth Strategy.

5. CONSIDERATION

5.1 FINANCIAL

NIL

5.2 LEGAL

NIL

5.3 STRATEGY, PLANS, POLICY AND PARTNERSHIP ALIGNMENT

To make a submission as part of our commitment to Future Proof, and the need to represent our local community aspirations regarding growth.

5.4 ASSESSMENT OF SIGNIFICANCE AND ENGAGEMENT POLICY AND OF EXTERNAL STAKEHOLDERS

(Ascertain if the Significance & Engagement Policy is triggered or not and specify the level/s of engagement that will be required as per the table below (refer to the Policy for more detail and an explanation of each level of engagement):

Highest levels of engagement	Inform	Consult	Involve	Collaborate	Empower
	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<i>Tick the appropriate box/boxes and specify what it involves by providing a brief explanation of the tools which will be used to engage (refer to the project engagement plan if applicable).</i>	This submission forms an important part of our future growth planning.				

State below which external stakeholders have been or will be engaged with:

Planned	In Progress	Complete	
		✓	Internal
			Community Boards/Community Committees
			Waikato-Tainui/Local iwi (provide evidence / description of engagement and response)
			Households
		✓	Business
		✓	Other Please Specify

6. CONCLUSION

Waikato District Council has submitted in support of the Future Proof Strategy with minor changes to accommodate the ability to move the “Indicative Village Limit” for future demand.

7. ATTACHMENTS

Waikato District Council Submission to Future Proof dated 18 July

26 July 2017

Future Proof
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Name of Submitter:
Waikato District Council
Private Bag 544
NGARUAWAHIA 3742

Draft Future Proof Strategy Planning for Growth – He Whakakaupapa Whanaketanga

This feedback is from the Waikato District Council (the Council) regarding the draft Future Proof Strategy 2017 released for consultation on 12 June 2017.

Waikato District Council is centred to the north and west of Hamilton City and takes in much of the northern Waikato Plains and also includes the Hakarimata Range. In 2010 the district acquired part of the adjacent Franklin District which was dissolved as part of the creation of the Auckland Council this increased the total area by 4,405km² and adding the growing settlements of Tuakau and Pokeno.

Waikato District Council has been a partner in Future Proof since 2009 with the initial Strategy. WDC shares the vision of diverse and vibrant metropolitan centres, linked to thriving towns and rural communities and place of choice – live, work, play, invest and visit.

Indicative Village Limit

Proposed Section	Proposed Changes
<p>Within the Waikato District, indicative village limits have been proposed for the villages on the Hamilton City periphery, including Taupiri, Gordonton, Whatawhata, Te Kowhai, Matangi, Tamahere and Horotiu. These are shown on Maps 1 and 2. The expectation is that land within an indicative village limit may be developed to a rural-residential density only (excluding Taupiri and Horotiu where some reticulation is provided for), with a single commercial centre providing for the daily convenience needs of residents in the immediate area.</p>	<p>Within the Waikato District, indicative village limits have been proposed for the villages on the Hamilton City periphery, including Taupiri, Gordonton, Whatawhata, Te Kowhai, Matangi, Tamahere and Horotiu. These are shown on Maps 1 and 2. The expectation is that land within an indicative village limit may be developed to a rural-residential density only (excluding Taupiri and Horotiu where some reticulation is provided for), with a single commercial centre providing for the daily convenience needs of residents in the immediate area. The exception would be where the land is serviced and could therefore be zoned residential</p>
<p>The Indicative Village Limits does not clearly state that the governing council has the ability to move the lines when demand requires additional land supply. There would need to be an investigation undertaken to show how the additional land supply meets the additional demand. This could be serviced or un-serviced</p>	

Council supports the direction in which the Future Proof Strategy is heading and the two phase approach as it allows time for Future Proof partners to address requirements of the NPS-UDC and to take into account influences from the global environment such as Urbanisation, Ageing Population, continuing globalization and accelerating technological change.

Yours sincerely

Dynes Fulton
DEPUTY MAYOR

Open Meeting

To	Strategy & Finance Committee
From	Tony Whittaker General Manager Strategy & Support
Date	04 August 2017
Prepared by	Kurt Abbot Organisation Planning & Project Support Manager
Chief Executive Approved	Y
DWS Document Set #	GOV1318 / PR-213-01 / 1786128
Report Title	Community Engagement Update

I. EXECUTIVE SUMMARY

The purpose of this report is to provide the Committee with an update on engagement initiatives that Council has completed since November 2016 or are currently being undertaken. It is also an opportunity for the Committee to provide feedback on how these initiatives are progressing and to identify any other initiatives that should be noted.

Some of these engagement initiatives are as follows:

Completed

- Hakarimata Waharoa Project
- MOU with Ngaati Haua
- 5 year review of JMA's with Waikato-Tainui and Maniapoto Maaori Trust Board
- Freedom Camping Bylaw
- Sunset beach erosion report
- Meremere library
- Alcohol licensing workshops
- Dog Exercise area bylaw review
- Karioi Track (3.4km walking/biking track from Wainui Road)
- Roding Raglan
- Huntly Library upgrade
- Youth Engagement Plan
- Raglan Wharf – handrail and balustrade renewals
- Easter Trading Policy
- Pukekawa refuse and recycling
- Roding roadshow Te Mata
- Roding roadshow Waerenga
- Roding roadshow Te Kowhai
- Roding (Alliance) District Wide
- Annual Plan 2017/18
- Fees and Charges
- Post cyclone recovery meeting

In Progress

- Huntly Garden Place Placemaking
- Placemaking
- Youth Action Groups
- Priority projects
- Pokeno Future Growth
- Signage at Te Kopua Native Reserve
- MOU with Ngaati Tamainupoo
- Community Plan (all communities)
- Waikato Plan
- Invites for Formal Hui with Iwi Governance Groups
- Joint Committee hui (Waikato Tainui and Maniapoto Maaori Trust Board)
- Dogs in Libraries
- Spey me Baby
- Sunset Beach erosion
- Huntly memorial hall
- Ngaruawahia Community Facilities
- Pokeno Waste Water Phase 2
- LTP – forestry target rate
- Te Kauwhata Walkway/Cycle ways
- Waikato River Authority funding application August 2015
- Water Meters installation
- Waste Water spill mitigation
- Speed Management Plan - Speed Bylaw
- North Waikato Passenger Transport Review
- Rangiriri WeX State Highway transfers to local road
- Longswamp WeX State Highway transfers to local road
- Hamilton WeX State Highway transfers to local road
- Mangawara Bridge construction (Taupiri)
- Tamahere business hub and reserve
- Northern Feasibility programme (Northern iSite, Pokeno Sports Park and Pokeno Library)
- State Highway transfers to local road
- Wi Neera Street connectivity
- North Waikato Integrated Programme Business Case
- Natural Parks Reserve Management Plan
- District Wide Toilets
- Rainwater Tank Strategy
- Long Term Plan 2018-28
- Mana Whenua reps

Ongoing

- Taupiri Boat Ramp Upgrade
- District Plan Review
- Economic Development Work Programme
- Alcohol liaison statutory agency meetings
- Dogsmart Education Programme
- Dog Registration Process
- Food Act 2014 transition
- Food Safety newsletter - stakeholder engagement
- Huntly Bypass Stakeholder meetings
- Hamilton Bypass Stakeholder Meetings
- Community Liaison Group Meeting Genesis Energy
- Holcim CLG Meetings

- Perry's
- Yashili
- Community Liaison Group Meeting Titoki Sands

Planned

- Future Proof
- Liquor Control Bylaw
- Dog Exercise Area - Tuakau Bylaw Review
- Raglan boat ramps - Wallis and Wainui
- The Point Reserve Management Plan
- Onewhero and Glen Murray Recycling drop off
- Representation review
- Annual Report 2016/17
- Dog Smart

For further details on these initiatives please refer to the attachment to this report, Community Engagement register.

2. RECOMMENDATION

THAT the report from the General Manager Strategy & Support be received.

3. ATTACHMENTS

- Community Engagement Register

Project Name	Organisation Group	Service Catchment (e.g. area of influence, area you need to engage with)	Highest level of Engagement required (refer to page 7 of the significance and engagement policy)	Formal consultation required (Yes/No)	Iwi Engagement required (Yes/No)	Status	General Update (e.g. what was the community engagement about, time spent, what was the outcome)
Freedom Camping Bylaw (NEW)	Customer Support	District Wide	Consult	Yes (SCP)		Completed	Adopted at the September Council meeting
Dog Exercise area bylaw review	Customer Support	Pokeno and Tamahere community	Consult	No		Completed	The two dog exercise areas at Pokeno and Tamahere were adopted at the September Council meeting. Final decision letters are scheduled to be sent to submitters by mid-November.
Alcohol licensing workshops	Customer Support	District Wide	Inform	No	no	Completed	Workshops for duty managers and licensees to be held for on/off licensees following workshops for clubs completed last year.
Hakarimata Waharoa Project	Strategy & Support	Ngaruawahia	Collaborate	yes	yes	Completed	The Waharoa was unveiled in December 2016.
Youth Engagement Plan	Strategy & Support	District Wide	Empower	No	no	Completed	Govern Up programme developed to engage with young people and support with governance and leadership training. Engaged with young people in Onewhero, Tuakau, Pokeno, Te Kauwhata, Meremere, Huntly and Ngaruawahia to develop groups and projects. Raglan and Tamahere contacted but no response back. Project ends 30 June 2017.
5 year Review of the JMA's with Waikato-Tainui and Maniapoto Maori Trust Board	Strategy & Support	District Wide	Involve	yes	yes	Completed	Review is complete and report has been issued.
MOU with Ngaati Haua	Strategy & Support	Tamahere	involve	no	yes	Completed	The MOU with Ngaati Hauaa iwi Trust was signed on 18 April 2017.
Easter Trading Policy	Strategy & Support	District wide	Involve	Yes	no	Completed	The Easter Trading Policy was adopted by Council on 10 April.
Annual plan 2017/18	Strategy & Support	District Wide	Inform (TBC)	Yes	no	Completed	Hearings and deliberations were completed on 31 May and 1 June. The Annual Plan was adopted at an Extra-ordinary Council meeting on 28 June.
Fees and Charges	Strategy & Support	Consult		Yes		Completed	Consultation and a hearing has been undertaken. Submitters yet to be notified of Council's decision.
Roading Roadshow	Service Delivery	Te Mata	Consult	No	No	Completed	Engagement with the Te Mata Community to receive feedback on roading related issues
Roading Roadshow	Service Delivery	Waerenga	Consult	No	No	Completed	Engagement with the Waerenga Community to receive feedback on roading related issues
Post Cyclone Recovery Meeting	Service Delivery	Onewhero	Consult	No	No	Completed	Engagement with the Onewhero Community post cyclone with MPI and other agencies

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Roading Roadshow	Service Delivery	Te Kowhai	Consult	No	No	Completed	Engagement with the Te Kowhai Community to receive feedback on roading related issues
Roading (Alliance)	Service Delivery	District Wide	Consult	No	No	Completed	Engaged with utility companies (WEL Networks, Counties Power & chorus), in order to coordinate forward work programmes
Karioi track (3.4km walking/biking track from Wainui Road)	Service Delivery	Raglan	Collaborate	No		Completed	Before work can commence consultation is required with neighbouring land owners. Discussions with Raglan Community Board on the best way forward due to commence in September/October.
Roading Raglan	Service Delivery	residents/ratepayers in local area	Inform	No		Completed	To introduce the community to the Waikato District Alliance and discuss the changed method of delivering roading maintenance and roading renewal activities. To identify any local issues on the roading network.
Huntly Library upgrade	Service Delivery	Huntly Ward	Inform	No		Completed	
Sunset Beach erosion report	Service Delivery	Port Waikato/extended community	Collaborate	No	yes	Completed	Adopted at June 2016 Council meeting
Meremere Library	Service Delivery	Meremere Community	Consult	No	no	Completed	Consultation completed - works on detailed design now underway
Raglan Wharf - handrail and balustrade renewals	Service Delivery	Raglan Wharf stakeholders and tenants	Consult	No		Completed	Consultation complete. Works to commence in the next few weeks.
Pukekawa refuse and recycling	Service Delivery	Pukekawa	Consult	No	No	Completed	<p>The reaction from the community was fantastic - 65% of letter recipients (431 rate payers) took the time to let Council know their preferred option.</p> <p>Of those responses, 74% (321) voted in favour of a weekly kerbside pre-paid refuse and recycling collection, which includes a weekly two-crate recycling collection, and an annual inorganic collection.</p> <p>As a result of this response, the monthly recycling drop-off service at Pukekawa Hall has ceased.</p>

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Dogs in Libraries	Customer Support	District Wide	Inform	No	no	In progress	As per our business plan, the animal control team wanted to introduce initiatives that would allow our officers to interact with the community in a positive way whilst providing education. We have teamed with the library leadership team to develop the Dogs in Libraries programme that will involve school children reading to dogs in the library environment. This has been proven to improve children's literacy skills, build self confidence and lowers anxiety of children. This programme is now running and has been launched in Ngaruawahia, Raglan, Tuakau, Huntly, Te Kauwhata and Meremere Libraries. This sees staff sitting with up to 20 children a week to teach dog safety, build confidence, encourage library attendance and contributes towards our 20/20 engagement challenge.
Spey me Baby	Customer Support	District wide	Engage	No	No	In progress	Central government has made a commitment to reduce dog bites and as a result of this, a fund has been developed to subsidise desexing of classified menacing dogs. WDC has made application for funding for 100 dogs plus advertising costs which has been approved. This programme is now happening with a large number of dogs already registered. Funding use has been extended for another 6 months which will enable us to complete the 100 planned desexings.
Huntly Garden Place Place making	Strategy & Support	Huntly Ward	collaborate	No	T	In progress	The Huntly Community Board has an initiative to re-develop Garden Place in Huntly as a community-driven project with a view to revitalising this precinct. The Board are taking a staged approach to this redevelopment. The first stage has seen a seat built which can accommodate 24 people. This was designed by a member by the Huntly Community Board and built with community help. The seat surrounds the existing tree at the fore front of Garden Place. Discussions are underway with local artists on painting the seat. The board is currently researching quotes for a sunshade for the area and following up with photos and quotes for a wrap for the public toilet. Further discussions are underway with Council staff on the feasibility of removing the coal skips. One of the little Free Libraries is due to be installed within this area.
Place making	Strategy & Support	District Wide	collaborate	No	no	In progress	Place making is gaining momentum in the district. Staff are working alongside groups in Raglan, Huntly, Tauwhare, Tuakau and Pokeno. A presentation was provided to the Pokeno community in November 2015 with a view to kick starting projects in that area. Pokeno have identified a project that will see a little free library installed in to a public area by October 2016. Workshops have been run with the community committee and the wider community. Staff will continue to present Place making strategy to community boards and committees in 2016. A web page has been created for communities to access for ideas and information. Staff are building momentum for the Place making concept across the district.
Youth Action Groups	Strategy & Support	District Wide	Empower	No	no	In progress	Projects taking place all over the district. Ngaruawahia YAG running Youth health Expo at Ngaruawahia High School. Huntly Youth Action Group running CreativeCon at Huntly College. Te Kauwhata Youth Action Group running TK Extravaganza at RSA in Te Kauwhata. Onewhero and Tuakau gifting trees to the community. Taupiri running Community Planting day. Raglan almost confirmed activity.

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Priority projects	Strategy & Support	District Wide	Collaborate	No	no	In progress	The Community Boards and Committees received a report at their December meeting requesting they develop, through engagement with their communities, their community plans. The Community Plan template was supplied. As a part of the template, the community board/committee have provided a list of projects to be included in the LTP. Staff are currently providing comments for consideration at a Council workshop scheduled for September 2017.
Pokeno Future Growth	Strategy & Support	Pokeno	Involve	No	yes	In progress	The first community 'Drop-in' session was held on Saturday 29 October 2016. This was to begin the planning process of where the community sees the need and aspirations for future growth in and around their town. This project will lead eventually to new Structure plan for the Pokeno area following on from PC 24. approximately 95 people attended this drop in session and was well received.
Signage at Te Kopua Native Reserve	Strategy & Support	Whaingaroa / Raglan	Collaborate	Yes	yes	In progress	This is still in progress and currently sitting with the Hounuku Trust.
MOU with Ngaati Tamainupoo	Strategy & Support	Ngaruawahia and surrounds	Involve	no	yes	In progress	Ngaati Tamainupoo wish to enter into a MOU with the Council. The MOU will be finalised and signed in 2017.
Community Plan (all communities)	Strategy & Support	District Wide	Empower	No	No	In progress	The work has been taken over by Betty who will assist communities to write their communities plans as resourcing allows.
Waikato Plan	Strategy & Support	District Wide	Consult	Yes	yes	In progress	The draft plan was workshopped with the councillors on 6 March 2017. Adoption of draft Plan and summary – Feb 2017 Public consultation – March/April 2017 (advertised in Franklin News, North Waikato News, Raglan Chronicle, Waikato Times & The Herald. Also a link on our website) Final sign-off – August 2017 Implementation underway
Invites for Formal Hui with Iwi Governance Groups	Strategy & Support	District Wide	Collaborate	no	yes	In progress	Letters have been sent to all iwi, hapuu and Marae groups and council have attended 2 meetings in 2017 with more being planned.
Joint Committee hui (Waikato Tainui and Maniapoto Maaori Trust Board)	Strategy & Support	District Wide	Collaborate	no	yes	In progress	The first hui for 2017 have been held with both Waikato-Tainui and Maniapoto. Two further hui are planned toward the end of the year.
Long Term Plan 2018-28	Strategy & Support	District Wide	Involve	Yes	yes	In progress	Strategic direction workshops with Councillors, community board and community committee members have been completed. Community engagement around this direction (information) and councils activities will start this month.
Mana whenua reps	Strategy & Support	District Wide	Consult	No	Yes	In progress	Discussion with mana whenua reps from North Waikato and Waikato-Tainui regarding a better process to ensure that iwi/ hapuu are involved early in developments, to ensure that iwi values and aspirations are preserved and taken into account during the planning of these developments. To be discussed further across the organisation including as a JMA project

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Sunset beach erosion	Service Delivery	Port Waikato, Sunset beach	Collaborate	No	yes	In Progress	Collaborative approach to dealing with the retreat of public assets from eroding Sunset beach, Port Waikato. Key dates: Dec 2014: Consultation with local stakeholders and GHD report produced for council. June 2015: GHD report published and presented to beach residents, other stakeholders and OTCB. July 2015: Report presented to residents and ratepayers AGM and webpage set up. August 2015: Report presented to Iwi. September 2015: Stakeholder open day to discuss retreat options. Oct 2015 to Jan 2016: Feedback on options and time frames. Feedback closes on 10 February 2016. March 2016: Report to council advising of options for managed retreat of community assets in Sunset beach. Report made public and meetings with Iwi and Community organisations. November 2016: Cultural Impact Assessment completed.
Huntly Memorial Hall	Service Delivery	Huntly	Consult	Yes	Yes	In Progress	Staff and Elected members held an open day on 2 April at Huntly Bowling Club, submissions closed, workshop held with Council 10 May, Report to go to Infrastructure in June. Further work to be done with a Huntly community working group to develop and present options to Council for the 2018/28 LTP. Met with Huntly Community Board in Dec 2016, GMD (consultant undertaking work) has met with some community groups, further meetings taking place with an update to the Huntly Community Board to happen in March 2017. Staff working with the HCB - survey to be undertaken using different media paltforms. Currently out for consultation - all Ward ratepayers have been sent pack, available in the Huntly library and online
Ngaruawahia Community Facilities	Service Delivery	Ngaruawahia Community	Consult	No	no	In progress	Next phase of this project is the feasibility study to be presented to Council.
Pokeno Waste Water Phase 2	Service Delivery	Old Pokeno Village residents	Consult	No	yes	In progress	Construction is underway, continuing to engage with property owners with a view to having more properties connect.
LTP - Forestry target rate	Service Delivery	Forestry companies and local residents	Consult	No	no	In progress	Most recent collaboration was with the Heavy Haulage Industry, in regards to instability and vegetation issues on Klondyke Road; as a result the Alliance Team have been actively managing dropout / slips and vegetation, between markers 4-8 during September and October, resulting in the road being significantly safer to traverse. Rayonier Ltd (one of the main harvesting companies) have indicated that all of their harvesting and transportation activities within the Onewhero Forest, will be complete by the end of 2017.

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Te Kauwhata Walkway/Cycle ways	Service Delivery	Te Kauwhata	Consultation	No	no	In progress	Consultation to include selected stakeholders (inc Committee, NZTA) through using a Consultant to inform the Te Kauwhata Cycle and Walkway strategy, expect draft from consultant end of Jan 2017.
Waikato River Authority funding application August 2015	Service Delivery	Rotokauri lake catchment	Empower	No	yes	In progress	August 2015: Application to WRA submitted with endorsements from WDC, Rotokauri committee, WRC, HCC and Iwi. December 2015: Funding approved for Rotokauri Lake catchment. Feb 2016: Report to Infrastructure committee advising both funding amount granted and potential work programme for the catchment. Deed to Infrastructure and Council approved for implementation. Signed by Councillors Peterson and Baddley. Year one for the WRA programme successfully delivered.
Water Meters installation	Service Delivery	Raglan, Huntly, Ngaruawahia	Inform	No	no	In progress	In progress beginning 01/07/2017. Majority of meters are installed, a few hundred still to go.
Waste Water spill mitigation	Service Delivery	Raglan Ward+ depends on location impacted	Inform	No	see comment	In progress	Provide Raglan Community Board with Waters Service Request Dashboard monthly (suggest make this report available on request to Iwi/hapu in Raglan)
Speed Management Plan - Speed Bylaw	Service Delivery	Port Waikato & Pokeno	Involve	Yes	no	In Progress	The draft Speed Bylaw Review Policy was approved by the P&R Committee on the 13 June 2017. Following this Council commenced an early engagement process to seek community feedback on 28 roads identified by NZTA as being high risk and in need of speed review within the northern area of the District between 23 May and 23 June 2017. The submissions have been reviewed and approval to undertake the formal consultation on those roads where a change in the speed limit is considered appropriate will be presented to P&R Committee on the 15 August. There are 54 roads being consulted on which have resulted from the assessment of the initial 28 high risk sites and 15 adhoc sites and adjacent sections of road where appropriate.
North Waikato Passenger Transport Review	Service Delivery	North Waikato	Involve	Yes - next phase of project	no	In Progress	Project teams continue to work on the programme business case for funding approval. Close liaison is being undertaken between this project and the wider study involving transport issues associated with the North Waikato growth areas. Councillors were updated on the new bus service fare proposal and a position paper relating to rail viability between Hamilton and Auckland is scheduled to be discussed on 13 June. Bus options have been discussed with the working group/forum to determine if there are any concerns or comments and test if they address the issues raised during the household travel survey undertaken in October 2016. There was general support with the options presented. Next steps is to present these options to the community board/committees from Huntly north in September and further community engagement is underway at Port Waikato in relation to the option of having a community transport option rather than the fortnightly bus service. Following this the proposed changes will be included in the LTP 2018-28 planning process.

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Rangiriri WeX State Highway transfers to local road (will require some community engagement)	Service Delivery	Rangiriri - Te Kauwhata	Involve	No	yes	In progress	NZTA are leading the engagement around the project timeframes and roading changes.
Longswamp WeX State Highway transfers to local road (will require some community engagement)	Service Delivery	Te Kauwhata - Hampton downs	Involve	Yes	yes	In progress	Consultation with landowners over designation changes undertaken. Possible further construction management involve discussion. Contract has been awarded and is in the planning stage.
Hamilton WeX State Highway transfers to local road (will require some community engagement)	Service Delivery	Gordonton to Tamahere	Involve	Yes	yes	In progress	Staff attend regular meetings with NZTA and the City Edge Alliance regarding this project. An issues register has been prepared to track all outstanding tasks. Co ordination is progressing however there are still a few issues that are stalled pending funding decisions.
Mangawara Bridge construction (Taupiri)	Service Delivery	Taupiri Township	Involve	No	yes	In progress	Waiakto District resource consent is now in place, after a successful hearing. Project is in design phase.
Tamahere business hub and reserve	Service Delivery	Tamahere Ward	Involve		yes	In progress	The Tamahere Recreational Reserve is being undertaken in stages – Stage one is earthworks, Stage two is the development of playground, landscape, fitness trail and skate park. The Commercial Hub is a development being undertaken by Fosters. Currently working through funding for Stage II. Met with Ngati Haua 9 May to discuss requirements. targeted rate consultation open 30 July 2017 – 25 August 2017. Will workshop results with Councillors 11 September 2017.
Northern Feasibility programme (Northern iSite, Pokeno Sports Park and Pokeno Library)	Service Delivery	North Waikato		No	potentially	In progress	Assessment is complete, next steps to progress project ready for presentation to Council March 2017.
State Highway transfers to local road (will require some community engagement)	Service Delivery	TBC-depends on location impacted			no	In progress	Staff continue to work through this process with NZTA. Project plans and work programmes are in place. Investigation on SH1B has commenced from a safety perspective.
Wi Neera Street connectivity	Service Delivery	Raglan Ward			yes	In progress	

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North Waikato Integrated Programme Business Case	Strategy & Support & Service Delivery Groups	Northern Waikato	Inform, Consult, Involve, Collaborate & Empower	Yes (outputs will inform District Plan Review, Future Proof Review and LTP)	Yes, this is being done through Future Proof and will be done through the District Plan Review Iwi Reference Group	In progress	Workshop with councillors held on 4 April 2017. This has been followed by a presentation to Future Proof and community workshops with the following: - Onewhero Tuakau Community Board (1 May 2017) - Te Kauwhata Community Committee (3 May 2017) - Pokeno Community Committee (9 May 2017) - Meremere Community Committee (11 May 2017). Further engagement sessions will be held with the Huntly Community Board (16 May) and Franklin Local Board (6 May). Engagement with the District Plan Review Iwi Reference Group will be done on 18 May.
Natural Parks Reserve Management Plan	Service Delivery	District wide	Consult	Yes	yes	In progress	Engagement to seek input as to what should be included in the draft plan occurred between 1 February and 3 March 2017. Feedback was received from 30 interested parties. Staff are now beginning to prepare the draft management plan (taking public feedback in to consideration). Once completed the draft will be taken to Council for approval to complete a second stage of public consultation (likely to occur mid 2017).
District Wide Toilets	Service Delivery	Tuakau and Ngaruawahia	Consult	No	no	In progress	Centennial Park to be constructed, minor repairs to the Point and Tuakau (whilst site being established - now linked to Northern Feasibility)
Rainwater Tank Strategy	Service Delivery	District Wide	Education	Yes	Yes	In Progress	We are currently developing the community engagement plan and education documents for roll out in July
Alcohol liaison statutory agency meetings	Customer Support	District Wide	Collaborate	No	no	Ongoing	Meetings of alcohol licensing statutory reporting agencies held three times per year.
Dogsmart Education Programme	Customer Support	District Wide	Inform	No	no	Ongoing	An education package has been created to present to school age children. This presentation teaches children about caring for their pets, staying safe around dogs and what to do if approached by an aggressive dog. We have committed to presenting this programme at least 2 times per month but are optimistic that we will exceed this target significantly.
Dog Registration Process	Customer Support	District Wide	Inform	No	no	Ongoing	Each year we send out yearly invoices to dog owners reminding them of their obligations to register their dogs. This year we increased the material that we sent out with our yearly invoices to educate dog owners to the changes to our bylaws following the bylaw review. We also sent out information on payment options and worked with a designer to make our forms and information more engaging with our community. This process was successful and we are preparing to begin again for the upcoming 2017/18 registration period.
Food Act 2014 transition	Customer Support	District Wide	Inform	No	no	Ongoing	Education and information of food businesses on requirements of new Act. Involves one on one interactions with business owners and targeted correspondence to businesses nearing transition dates. Information also
Food Safety newsletter - stakeholder engagement	Customer Support	District Wide	Inform	No	no	Ongoing	Biennial food safety newsletter implemented to send to food business owners and Marae in WDC.
Huntly Bypass Stakeholder meetings	Customer Support	Huntly	Inform	No	yes	Ongoing	Update on progress to stakeholders approx. every 3 months
Hamilton Bypass Stakeholder Meetings	Customer Support	Horsham Downs, Tamahere	Inform	No	No	Ongoing	WRC, NZTA and Alliance to track progress and identify community concerns

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Community Liaison Group Meeting Genesis Energy	Customer Support	Huntly	Inform	No	Yes	Ongoing	Update on progress to stakeholders annually
Holcim CLG Meetings	Customer Support	Pokeno	Inform	No	no	Ongoing	Update on progress to stakeholders quarterly
Perry's	Customer Support	Tuakau	Inform	No	yes	Ongoing	Update for stakeholders every 6 months
Yashili	Customer Support	Pokeno	Inform	No	potentially	Ongoing	Update for stakeholders every 6 months
Community Liaison Group Meeting Titoki Sands	Customer Support	Tamahere	Inform	No	no	Ongoing	To update stakeholders and interested parties (Tamahere Community Committee, Tamahere school, Environment Tamahere Inc., DoC every 6 months).
Economic Development Work Programme	Strategy & Support	District Wide	Collaborate	No	yes	ongoing	The Work Programme is reported three monthly through the Strategy and Finance Committee. Current: Huntly Community Board on video case study work in August. Nagruawahia case study- Will be updating community board in August or September. General updates to Community Boards and committees through to end of September
Taupiri Boat Ramp Upgrade	Strategy & Support	Taupiri	Involve	no	yes	ongoing	Awaiting input from Taupiri Marae representatives
District Plan Review	Strategy & Support	District Wide	Involve	yes	yes	ongoing	Support staff in District Plan Engagement with Iwi reps. This is ongoing, providing feedback through the district plan review currently being undertaken by Vishal's team from Iwi's perspective.
Liquor Control Bylaw	Customer Support	District Wide	Consult	Yes (SCP)	no	Planned	To be undertaken in 2017.
Dog Exercise Area - Tuakau Bylaw Review	Customer Support	Tuakau	Engage	No	No	Planned	Tuakau dog owners have identified the need for an off leash exercise area in their community. Animal Control staff agree on the need but this would require some engagement prior to the Dog Control Bylaw being amended. Some communication has been had with dog owners as a result of formal complaints. This communication has acknowledged the need for something to be done and a commitment made that we would look into it this year. This consultation is now planned for August/September 2017.
DogSmart	Customer Support	District Wide	Engage	No	Yes	Planned	Currently WDC is using a school education programme developed and owned by Christchurch City Council. Our primary focus for the role of the Education and Engagement Officer is to develop and implement a Waikato specific dog education programme with bilingual content.

Project Name	Organisation Group	Service Catchment (e.g. area of influence, area you need to engage with)	Highest level of Engagement required (refer to page 7 of the significance and engagement policy)	Formal consultation required (Yes/No)	Iwi Engagement required (Yes/No)	Status	General Update (e.g. what was the community engagement about, time spent, what was the outcome)
Future Proof	Strategy & Support	District Wide	Consult	Yes	yes	Planned	Draft Future Proof Strategy was workshopped with the councillors on 28 February. Feb – March: Draft Strategy and a summary will be completed. Strategy workshopped with partners. April: Amendments based on feedback. May: Strategy adopted for public notification by FPIC (or recommended to partners for notification). May – September: consultation, hearings, agreement and recommendations to partner councils. October: Final Strategy will be launched.
Representation Review	Strategy & Support	District Wide		Yes	yes	Planned	Workshop with Council on 19 June will provide a clearer direction on the project. Discussion with Iwi, mana whenua and Maaori reps from across the Waikato regarding Maaori representation options. Preferred option to be socialised with Councillors and decision made on next steps.
Annual Report 2016/17	Strategy & Support	District Wide	Inform	Yes	No	Planned	Second interim audit starting 19 June. Engagement will occur once the report is adopted by Council in October.
Raglan boat ramps - Wallis and Wainui	Service Delivery	Raglan Community inc emergency services (Wallis) and Coastguard (both)	Inform	No	yes	Planned	Renewal works to be undertaken at the boat ramps, have made initial contact with the coastguard and will work with identifying stakeholders as the assessments are undertaken.
The Point Reserve Management Plan	Service Delivery	District wide - emphasis on Ngaruawahia	Consult	Yes	yes	Planned	Engagement to seek input as to what should be included in the draft plan will occur during June. Staff will then draft the plan prior to a second round of consultation.
Onewhero and Glen Murray Recycling Drop off	Service Delivery		Consult	No		Planned	

Open Meeting

To	Strategy & Finance Committee
From	Tony Whittaker General Manager Strategy & Support
Date	15 August 2017
Prepared by	Alison Diaz Finance Manager
Chief Executive Approved	Y
Reference #	GOV1301/ 1787095
Report Title	General rate position for the year ended 30 June 2017

I. EXECUTIVE SUMMARY

This report advises the general rate position for the financial year ending 30 June 2017 and seeks support for surplus funds to be allocated to projects in the 2017/18 financial year. To accommodate all of these projects a contribution will be required from uncommitted general accounting reserve funds.

2. RECOMMENDATION

THAT the report from the **General Manager Strategy & Support** be received;

AND THAT the **Strategy & Finance Committee** recommends to Council that ten new budget items (totalling \$1,218,435) in 2017/18 be funded by the 2016/17 surplus of \$1,030,889 with the balance of \$187,546 to come from the general accounting reserve fund.

3. BACKGROUND

Council has considered a number of budget adjustment requests during the year to address changes that occurred since the 2016/17 Annual Plan was adopted. These budget adjustments include the approval of carry forwards from the prior financial year (moving remaining budget for projects not completed as at 30 June 2016 into 2016/17), along with amendments required as a result of tender processes and other ad-hoc funding requests that have arisen during the year. The comparison between this revised budget and actual expenditure and income determines whether the final general rate position is a surplus or a deficit.

4. DISCUSSION AND ANALYSIS OF OPTIONS

4.1 DISCUSSION

The difference between the revised budget and actual usage of general rate funding during the year has resulted in an overall surplus (after carry forward projects have been considered) of \$1,030,889. This figure includes a transfer from the LTCCP contribution reserve of \$719,051. The balance in that reserve is \$2,057,378 and is planned to be fully expended by 30 June 2018.

The general rate surplus is calculated as follows, and is shown in the far right column of the table below. The prior year's results have also been provided.

The total general rate available (A) is the general rate income for 2016/17 combined with the general rate funding carried forward from 2015/16.

Deducted from the general rate available is the general rate spent in 2016/17. Removing the general rate required to be carried forward gives the net general rate surplus for the year.

General Rate Breakdown	2015/16 Total \$	2016/17 Total \$
General rate income for the year	48,856,465	50,910,839
Carried forward General Rate from the prior year	2,036,964	1,691,929
Total Available (A)	50,893,429	52,602,768
Total General Rate spent (B)	(48,055,191)	(49,592,277)
Surplus General Rate (A-B)	2,838,238	3,010,491
General Rate to be carried forward to the next year	(1,691,929)	(1,979,602)
Total General Rate surplus	1,146,309	1,030,889

4.2 SUMMARY OF MAJOR VARIANCES IMPACTING GENERAL RATE

The following variances explain the general rate surplus:

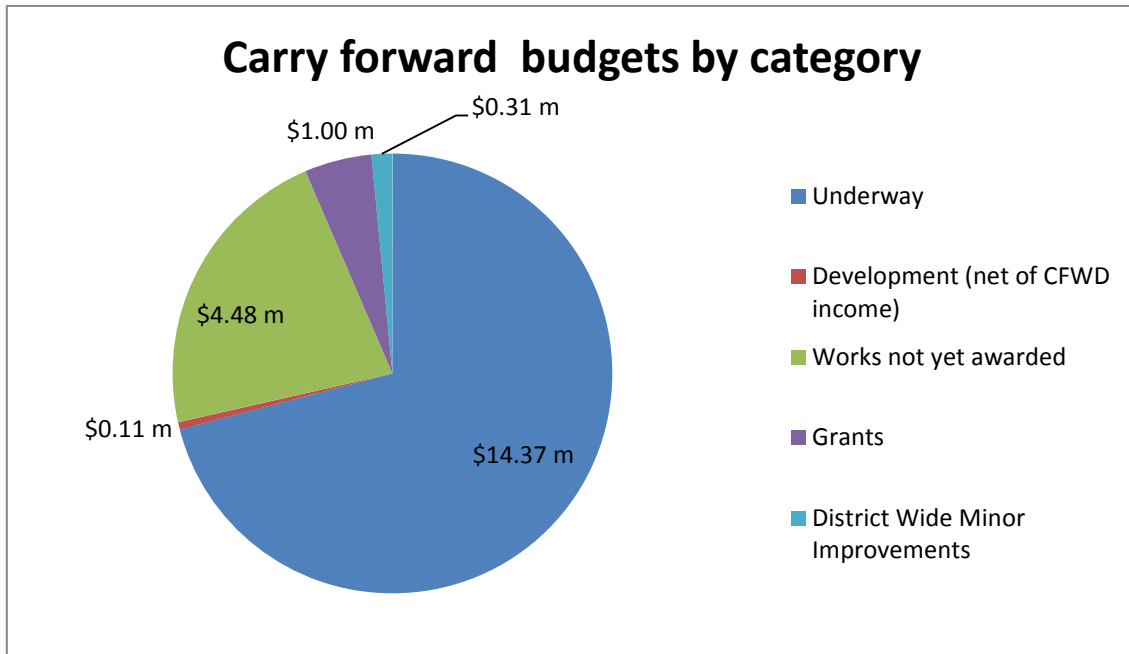
- General rate income was \$365,500 above expectations as further valuation updates from subdivision and building consents, were processed during June 2016.
- Regulatory income was higher than budgeted; animal control, building quality, and monitoring income was \$39,000, \$109,000, and \$52,900 better than forecast respectively.
- General rate funded staff costs came in \$409,600 less than budget due to internal changes and vacancies.

4.3 CARRY FORWARD OF BUDGET INTO 2017/18

Carry forwards arise when budgets are not fully expended by the end of the financial year.

General operational budgets that were not committed by the end of June 2017 have not been carried forward and instead contribute to the 2016/17 general rate surplus.

Total capital and specific operational project carry forwards (\$20.27 million) are summarised by category below:



4.4 FUNDING REQUESTS

In setting the Annual Plan for 2017/18 the general rate surplus from prior year's assisted council to fund the differences without having to increase general rates over and above what was indicated for the third year of the LTP.

The way the 2016/17 general rate surplus is managed will be one factor in determining whether Council can operate within the parameters of the LTP for the next financial year (2017/18).

The carry forward is transparent in that only budget legitimately associated with the same project is carried forward. The remainder contributes to the general rate surplus and requests to fund new or current initiatives underway without sufficient budget is identified separately.

Staff recommend that the following items have budget allocated from the 2016/17 general rate surplus and the existing balance in the General Accounting Reserve Fund:

Item	Description	Amount (\$)
I. Building Quality; Waikato building consents group	Building cluster work is currently underway. A contribution will be required that is not included in current budgets.	\$49,075

Item	Description	Amount (\$)
2. Building Quality; Online consenting	The first stage of the E-Building Consents project has been completed with at least 96% of consents being processed digitally. A further \$50,000 is being requested from the 2016/17 surplus to continue the development of an online consenting solution.	\$50,000
3. Resource consents; Easier consenting	The Resource Legislation Amendment Act 2017 requires council to develop new and amend existing processes and services by 18 October 2017. The costs for project management and technical advice is \$130,000.	\$130,000
4. Human Resources; Cadetship programme	A cadetship programme is to be introduced in January 2018 and will be rotated through the service delivery and consents areas of council. The investment of \$38,000 will be split between general rate (\$25,460) and other reserves (\$12,540).	\$25,460
5. Strategic Planning; Representation review	Election Services have been contracted to provide assistance with the representation review.	\$15,000
6. Pokeno structure plan	The amount received from developers in Pokeno for removal of trees, is to be invested back in the Pokeno community.	\$20,700
7. Strategic Planning; District plan review	Specialist reports to support the plan change is estimated to cost a further \$385,000 to complete. \$100,000 of this relates to a share in flood modelling work with the Waikato Regional Council.	\$385,000
8. Internal audit; Meter installation review	Following on from the findings of a recent procurement review relating to the water meter project, a further report has been commissioned by the council.	\$50,000
9. Legal costs	As per resolution WDC1707/47, an amount of \$385,000 plus GST and other related expenses will be set aside.	\$413,200
10. Economic Development advisor	A fixed term role is being requested to support additional ED initiatives underway.	\$80,000
	TOTAL	\$1,218,435

A further \$187,546 of General Accounting Reserve Fund is required to support these programme of works. This would come from the uncommitted balance within the reserve, leaving \$280,951 available for future allocations.

4.5 OPTIONS

The Council could decide to:

- (a) Transfer the general rate surplus in full to the General Accounting Reserve Fund for future deliberation; or
- (b) Allocate a portion of the funds to the suggested items, transferring the remainder to the General Accounting Reserve Fund; or
- (c) Allocate more/or less of the funds to specific projects.

Consideration should be given to the organisations capacity to undertake additional work over and above what has already been committed via the Annual Plan and finalisation of prior year work programmes.

Option (b) is preferred.

5. CONSIDERATION

5.1 FINANCIAL

Changes to timing of projects affect reserve balances, therefore, there will be variances between the budgeted opening balances for 2017/18 and actual opening balances. The delays in capital works could create positive variances in the new financial year for debt repayment and depreciation expense.

5.2 STRATEGY, PLANS, POLICY AND PARTNERSHIP ALIGNMENT

Any items recommended for funding from the General Accounting Reserve Fund should align with the Council's strategic direction of financial prudence as contained within the LTP and finance strategy.

5.3 ASSESSMENT OF SIGNIFICANCE AND ENGAGEMENT POLICY AND OF EXTERNAL STAKEHOLDERS

Residents, ratepayers, Iwi partners and other key stakeholders are consulted with in order to set work programmes and levels of service for the LTP and associated Annual Plan's. The significance & engagement policy is not triggered for the proposed new budget items.

6. CONCLUSION

Carry forwards when coupled with net operational savings has resulted in a general rate surplus of \$1,030,889. Council are being asked to consider the budget requests within this report and determine an appropriate allocation of surplus funds.

Open Meeting

To	Strategy & Finance Committee
From	Tony Whittaker General Manager Strategy & Support
Date	09 August 2017
Prepared by	Julienne Calambuhay Management Accountant
Chief Executive Approved	Y
DWS Document Set #	GOV1318 / 1784259
Report Title	Summary of Movements in Discretionary Funds to 31 July 2017

1. EXECUTIVE SUMMARY

To provide the Committee with a summarised report giving balances of all the discretionary funds including commitments as at 31 July 2017.

2. RECOMMENDATION

THAT the report from the General Manager Strategy & Support be received.

3. ATTACHMENTS

Summary of Movements in Discretionary Funds to 31 July 2017

**Summary of Movements in Discretionary Funds
As of 31 July 2017**

	Carry Forward 2016/17	Annual Plan Budget 2017/18	Plus Income 2017/18	Less Expenditure 2017/18	Net Funding Remaining 2017/18	Less Commitments 2017/18	Funding Remaining after Commitments
Rural Ward	14,573.85	30,963.00	-	6,247.67	39,289.18	5,000.00	34,289.18
Huntly	26,842.38	24,026.00	-	550.00	50,318.38	30,746.48	19,571.90
1 Meremere	8,929.26	6,421.00	-	970.69	14,379.57	700.00	13,679.57
Ngaruawahia	37,439.11	20,999.00	-	-	58,438.11	23,410.00	35,028.11
Onewhero Tuakau	28,515.44	28,878.00	-	-	57,393.44	7,657.51	49,735.93
Raglan	8,078.47	14,271.00	-	-	22,349.47	5,116.61	17,232.86
Taupiri	2,895.38	1,624.00	-	-	4,519.38	1,000.00	3,519.38
2 Te Kauwhata	57,105.16	11,278.00	-	-	68,383.16	45,606.00	22,777.16
Mayoral	1,943.58	8,000.00	-	500.00	9,443.58	1,000.00	8,443.58

1 Meremere budget inclusive of budget for salaries of \$4,871

2 Te Kauwhata budget inclusive of budget for salaries of \$7,080

Open Meeting

To	Strategy & Finance Committee
From	Tony Whittaker General Manager Strategy & Support
Date	02 August 2017
Prepared by	Shannon Kelly Youth Engagement Advisor
Chief Executive Approved	Y
Reference #	GOV1318 / 1780438
Report Title	Youth Engagement Update – August 2017

I. EXECUTIVE SUMMARY

The purpose of this report is to update the Strategy & Finance Committee on Youth Engagement and in particular the implementation of the “Govern Up” programme throughout the district. See [attachments](#) for full details of the “Govern Up” programme.

Key Highlights

1. Council were contracted to engage 60 young people in leadership, mentoring and volunteer roles through the programmes. Council had 92 young people engaged in mentoring, leadership and volunteering which exceeded this contractual obligation by 53.3%.
2. 566 young people participated in a “Govern Up” events across the district (as well as parents, teachers and community members over 24 years old). Council exceeded this contractual obligation to engage young people in a “Govern Up” event by 943%.
3. Council were contracted to provide services to seven towns. We were able to use our funding to provide support to eight youth groups in eight towns, increasing our reach by 14%.
4. We were able to tap into existing youth groups in Taupiri and Raglan to support their capacity in new and existing youth projects in their communities.
5. The “Govern Up” project has created positive social media throughout the district to celebrate and acknowledge our young people and consequently, received queries from youth in Meremere to participate in the “Govern Up” project, and in youth representation on their local community committee. Meremere Community Committee have been invited to formally appoint the current youth representative to align with the implementation and development of a youth action group in Meremere.

Key Challenges

1. For many of the young people involved, they determined the success of the event on the number of people who attended and participated in their event. Council consider this to be only one of the factors that would determine a successful event. In only one circumstance, were youth challenged by the lack of attendance at their event. Council looked at the whole event planning process and the key learnings they had developed as a result of some of the contrast they experienced.
2. Council now knows that if we were to continue youth engagement in this way (in this case youth action groups and youth representatives) across the district we would require further capacity, preferably for, or from the Meremere, Tuakau, Onewhero, Port Waikato area. Really strong relationships need to be developed between young people and the youth mentor in the community and we need to ensure that this relationship is worth initiating. This has been brought up as a suggestion at the Pokeno Community Committee meeting and in conversations with other community board members across the district as well as Councillor Church.
3. Since the development of the Youth Engagement Advisor role, Council has observed that youth action groups take between three months and 12 months to form and develop to a level that they can move into project work for their communities. The youth action groups that progressed well in their projects – Ngaruawahia, Huntly, Te Kauwhata, Onewhero and Tuakau – were all towns that the Youth Engagement Advisor had already established or partly established groups.
4. At this current time Council has no youth action group in Raglan or Tamahere, and there has been little or minimal relationship building with the communities, schools, young people and the Youth Engagement Advisor in those areas.
5. The areas that have been successful in developing projects, have been areas with existing groups that have regular contact with the mentor on their community board or committee and/ or the Youth Engagement Advisor. Council can use this information to assist when creating youth action groups, and further leadership opportunities, in order to better disperse the workload, or to determine capacity for projects.

2. RECOMMENDATION

THAT the report from the General Manager Strategy & Support be received.

3. ATTACHMENTS

Attachment 1: Summary of “Govern Up” programmes in each community – July 2017

Attachment 2: Report to the Ministry of Youth Development in July 2017 (via participant online survey)

Attachment 3: Selection of photos and social media posts from individual events

Attachment 4: Onewhero Youth Action Group photos and videos

(https://www.dropbox.com/sh/ocxdfsuquvvcq5/AADE-0jBDhUdAybn_ONmsjbra?dl=0)

ATTACHMENT I: Summary of “Govern Up” programmes in each community - July 2017

Established Groups under the Youth Engagement Plan

Ngaruawahia

Embrace the Future (the Ngaruawahia Youth Action Group), ran a Youth Health Expo at Ngaruawahia High School on Friday, 23 June 2017. Approximately 300 young people attended. The event was supported by Radio Tainui, Ngaruawahia Community House and the Waikato District Council, and attended by stallholders from Nga Tu Tangata, WINTEC, Family Planning, Whai Marama Youth Services, WDHB Suicide Prevention/ Mental Health Services, Te Ahurei a Rangatahi, and Youth INtact.

The group distributed more than \$450 worth of prizes. Ten young people coordinated the entire event. Acknowledgements go to Kiri Morgan, Anne Ramsey, and Shannon Kelly. Congratulations go to Embrace the Future for their strong decision making skills and leadership ability.

The Youth Expo gained a lot of social media and as a result 6 more young people volunteered to be a part of the group. The new members are all young people from Ngaruawahia, are full time students in tertiary education, and are aged 18 and older.

Huntly

The Huntly Youth Action group ran an event called Huntly CreativeCon on Sunday, 02 July 2017. The intention of the event was to hold a creative community expo that would offer a Dance Battle, a Battle of the Bands, a Poetry Slam and a Graffiti comp. The group’s plan was to have stalls from community groups line the outer walls, and for the community groups to run raffles, stalls and fundraisers. The group met every week for half an hour to plan and promote CreativeCon.

The event was supported by Huntly College, Waikato District Council and Te Ahurei a Rangatahi. Approximately 25 young people from Huntly met to create and implement an event for the community.

On the day, approximately 30 people attended, including a core team of youth volunteers. Due to the timing of the event and the unavailability of many people initially interested, the event had a lower turn out than the young people expected.

Credit goes to the core team of young people who met every week and planned the project from beginning to end. It was a powerful opportunity for these young people to step up into leadership roles when things were not working out, and make some last minute adjustments in the moment.

The Huntly CreativeCon was a great first experience for many of the young people who attended. There has been conversation that this event should happen again, and the Huntly youth would require community support to ensure that this happens.

Te Kauwhata

The Te Kauwhata Youth Action group, facilitated by Sara Hall, ran the TK Extravaganza: The Wacky Hair Disco on Friday, 30 June 2017. More than 20 young people volunteered as helpers for the event and over 100 young people attended. The event was strongly supported by Community Committee members Toni Grace (Chairperson) and Tim Hinton (Youth Mentor).

The Te Kauwhata Youth Action group met regularly and worked quite hard for at least three months to achieve their goal. In that time, the Youth Leader worked closely with the Community Committee, the youth mentor and the Youth Engagement Advisor to ensure that everything worked well.

New Groups (not in the Youth Engagement Plan)Tuakau

The Tuakau Youth Action group ran an Adopt a Tree event on Saturday, 08 July 2017. The group met at 10.00am and were finished by 1.30pm. All 50 trees were adopted and communities in Onewhero, Tuakau, Meremere, Pokeno and Port Waikato benefited from the event. The Tuakau Youth Action Group was strongly supported by Community Board member Bronwyn Watson and Councillor Jacqui Church as well as good support from Tuakau College School Counsellor Paul Heta.

Onewhero

The Onewhero Youth Action group also ran an Adopt a Tree event on Saturday, 17 June 2017. The project started when the Youth Engagement Advisor asked the group to consider and plan an event that would help benefit the Onewhero community. The group planned and implemented the Adopt a Tree project in three months and arranged trees through Councillor Jacqui Church. Fifty families attended to pick up a free fruit tree and community engagement was high. The event was strongly supported by Councillor Jacqui Church and Youth Engagement Advisor Shannon Kelly, however real credit is due to the whole Onewhero Youth Action Group for their strong decision making skills and leadership ability.

Raglan

Over 40 Raglan youth identified the need to have accessible resources for their transient youth population (i.e. they were always outdoors, at the beaches etc). They wanted to have a travelling BBQ that would allow them to set up and run activities anywhere in the Raglan area, and so they used the Govern Up funding to purchase a movable Basketball hoop, balls, and a transportable BBQ to accommodate their young people.

The Raglan Surfside Youth Group trialled their new equipment by holding a Basketball competition and BBQ on Wednesday, 28 June 2017.

Taupiri

The Taupiri Youth Group has been working to deliver a community planting day to improve the tracks that had fallen into disrepair on Taupiri Mountain. While the date was initially set for June, the group have had to reschedule the date for September.

This group comprises of up to 40 young people from the community, and their main priority is the wellbeing of the mountain. The group's aim to create a safe space for young people and to do something to help the community, has been widely documented and celebrated. For this project, the Taupiri Youth Group has received positive support from the Waikato District Council, Waikato Tainui, community groups, Taupiri Community Board and local businesses. The Taupiri Youth Group used the Govern Up funding to purchase 500 plants for the community planting day.

Sharnay Cocup, the leader of the Taupiri Youth Group and a local community board member, was recently recognised as one of 100 women of influence in New Zealand.

Tamahere

One insightful young person, Leah McElligot, collaborated with ex school friends from Tamahere to deliver a tree planting programme at their old school, Tamahere Primary School, and plant a number of fruit trees along the border of the school.

The intention behind the tree planting was to allow young people who had been members of the school to give back to the community that had looked after them as young people.

These young people have loosely formed the Tamahere Youth council, and currently work with the local ward councillor, ex councillors and other community leaders to make the right connections, select and purchase trees and plan, discuss and decide on appropriate planting areas for these trees. They have used the Govern Up funding to purchase the fruit trees from a local nursery. At the present time they liaise with the Youth Engagement Advisor through the local ward councillor.

ATTACHMENT 2**Response to Ministry of Youth Development Participant report online survey****10 July 2017****Retrieved from Quarterly Youth Service Provider Report – 2016 / 2017****Introduction**

As part of your contract with the Ministry of Youth Development you are required to complete and submit this report on a quarterly basis. This will allow us to:

- monitor the number of opportunities being offered and delivered to young people in your area,
- estimate the percentage of young people interacting with these services that are from a disadvantaged background,
- understand any changes being made to the services that you deliver, and
- obtain some examples of success stories through narrative reporting.
- monitor the extent to which your programmes and opportunities are improving the capability and resilience of young people,
- monitor how satisfied the young people are with the service that they are receiving, and
- gain some narrative reports from young people about their experiences.

...

Which period are you reporting on?

1 April 2017 to 30 June 2017 (Quarter 4)

4. Please record the total number of unique individual young people that you have worked with during this quarter:

92 in the programme – 566 young people attended events run by young people

5. And now please record the total number of unique individual young people you have worked with since 1 July 2016:

120

8. Please provide an explanation of any differences (if any) between the volumes contracted and the volumes delivered:

We originally planned to have at least 60 young people from towns in our Waikato District to participate in the Govern Up project, but we had 92 young people join up, and approximately 566 young people engaged in the activities created by youth. This was because they were interested and engaged at a level that allowed them to fully participate. Once young people got comfortable planning their projects, a roll on effect occurred where the project teams told their friends and their friends and other interested young people wanted to join in. As a result we had approximately 92 young people involved in the planning and volunteering of eight events. At each event we had a total tally of approximately 566 young people from our district being involved, engaged or participating in the events.

9. Please provide details of 3 successes of your activities:**Project one: Onewhero Planting day:**

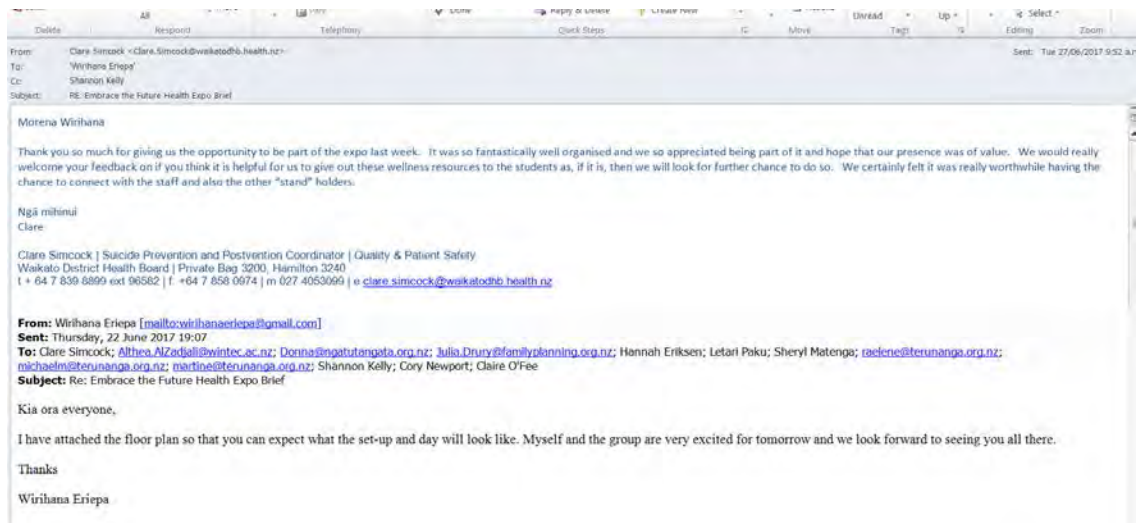
3 details of success:

- The Onewhero Youth Action group planned and coordinated every part of the project including the marketing, advertising and distribution of 50 trees;

- The reasoning for gifting trees was empowering; the Onewhero Youth Action group wanted young people in Onewhero to have access to fresh fruit in their community.
- The planning and promotion of the event was well received and the media picked up on their work (as advertised in online at <http://www.scoop.co.nz/stories/AK1705/S00662/waikato-district-youth-group-projects-celebrated.htm>)
- The team had a fantastic day and the event was a huge success with all 50 trees going to families in the Onewhero, Port Waikato, Tuakau areas. When the group started there was a line of people waiting to sign up and most of the trees were gifted before 9am in the morning.
- By gifting these trees, young people were able to contribute to food security and healthy eating options in the community.
- All of the youth action group were introduced to the workings of the Onewhero-Tuakau Community Board and now have a formal place as youth rep on the community board. They are invited on a monthly basis and receive a rewards voucher to attend the community board as the youth rep for their community.
- From this event, the youth group has identified another community need (the defunct BMX track) they would like to get involved in. The youth group is in talks with local organisers to determine what they would like to see at the BMX track and how to get involved.

Project Two: Ngaruawahia Embrace the Future Youth Health Expo

- The group planned every item and worked in collaboration with youth health providers from in and around Ngaruawahia to support local youth in the town
- More than 280 young people from Ngaruawahia High School participated in the Youth Health Expo (80 x senior students, 120 x year 10's and 120 x year 9 students per period)
- Each student had a list of things they needed to find out from the stalls and would go in the draw to win a bunch of prizes – as a result of them filling out the each of the students learnt about the various services available to them in their community and got to engage with a range of people who could support them in their health and wellbeing. The group also got to give away over \$500 in prizes.
- More than 15 stall holders attended the Youth Health Expo. Community groups came together to support the youth group and feedback was positive. We received many emails about the event, and have attached one below.



- One of the leaders of the Ngaruawahia Youth Action Group has been participating as the Youth rep on the Ngaruawahia Community Board for the year. He has been a valuable contribution to the community board and is mentored by the local ward Councillor and the Chairman of the Community Board.

Programme 3: Te Kauwhata Wacky Hair Disco

- Over 110 young people attended the TK Wacky Hair disco; of which more than 25 were youth volunteers. The event was designed for young people between 5-13 years of age.
- The event was planned and coordinated solely by the Te Kauwhata Youth Action Group, led by Te Kauwhata youth leader who is aged 16.
- The youth leader was on the radio to promote her event (Free FM) which led to her developing her confidence and public speaking skills
- The youth leader was then nominated as the youth rep for the Te Kauwhata community committee and regularly updates the community committee about the needs of the young people in the Te Kauwhata Community. She is strongly supported by the Chair and the Youth Mentor of the Community Committee.
- From her involvement in the Govern Up programme, the leader has put herself and the youth group forward to organise the local skate park opening which is coming up shortly, and has decided to go to tertiary education a year early to kick start her career and make a difference in her community.

Programme 4: CreativeCon event

- The CreativeCon event was the first event that most of the Huntly youth action group had ever run before. The event was designed to have a dance battle, poetry slam, creative workshops, battle of the bands and a graffiti competition.
- It was the first time that young people had an opportunity to MC an event, and they did a wonderful job
- The promotion was well received on Facebook and Event Finder – members of the public attended and were supportive of the groups accomplishments.
- Young people came out of their communities and participated - one young person overcame her shyness to create a spoken word and speak it on the day.
- Most of the young people involved in this project came from a disadvantaged background with low socio-economic status. Of the 25 young people who organised the event, approximately 20 of them were from disadvantaged backgrounds.

Programme 5: Raglan basketball and BBQ Youth Comp

- The Raglan youth group wanted to have resources that were accessible to the youth in Raglan. They highlighted that for many young people they were transient (i.e, they were always outdoors, at the beaches etc). They wanted to have a travelling BBQ that would allow them to set up and run activities anywhere in the Raglan area, and so purchased a movable Basketball hoop, balls, and a transportable BBQ.
- More than 40 young people were involved in the decision making process to purchase a BBQ and basketball gear for the community. We will send the video link to the MYD email address to accompany this.

Programme 6: The Tuakau Youth Action Group Great Tree Run

- The Tree Run had involved a huge number of volunteers who have registered with the school.
- Free fruit trees were advertised by the youth action group and interested parties were invited to ring the school and leave their names and details. The youth group coordinated the addresses and the volunteers and arranged for the volunteers to pick up trees from the school and take them out and plant at the homes of the interested parties.

- The youth mentor and local ward councillor have been involved in mentoring and guiding the group in many aspects of project management and event management.
- The event was organised solely by the Youth Action Group, with support of adults and community groups.
- Teams such as the Tuakau Rugby 1st 15 were involved in the tree planting and distribution, as well as students from Tuakau College.
- Tree planting took place in both Tuakau and Pokeno.
- All of the young people involved in this project whakapapa back to Tuakau/ Pokeno area.

Programme 7: Taupiri Youth Group Community Planting Day

- The Taupiri Youth Group decided to hold a community planting day to improve the tracks that had fallen into disrepair on Taupiri Mountain
- Over 40 young people from low socio-economic backgrounds came together to plan and organise a huge community planting day on the mountain for their community. All of the young people come from the area and are passionate about the wellbeing of the mountain.
- More than 150 member's people from the community signed up to attend.
- The Taupiri Youth Group sought support from a range of people including private land owners, Waikato District Council, Waikato Tainui, community groups, Taupiri Community Board and local businesses
- The leader of the group, Sharnay Cocup, is the Waikato District Councils youngest elected community board member, and a national youth award winner.

Programme 8: Tamahere Youth Council tree planting with Tamahere School

- One insightful young person had collaborated with ex school friends from Tamahere to deliver a tree planting programme at their old school, Tamahere Primary School, and plant a whole lot of fruit trees along the border of the school.
- The intention behind the tree planting was to allow young people who had been members of the school to give back to the community that had looked after them as young people.
- The youth council works with the local ward councillor, ex councillors and other community leaders to make the right connections, select and purchase trees and plan, discuss and decide on appropriate planting areas in the community.

Programme 9: Govern Up mentoring:

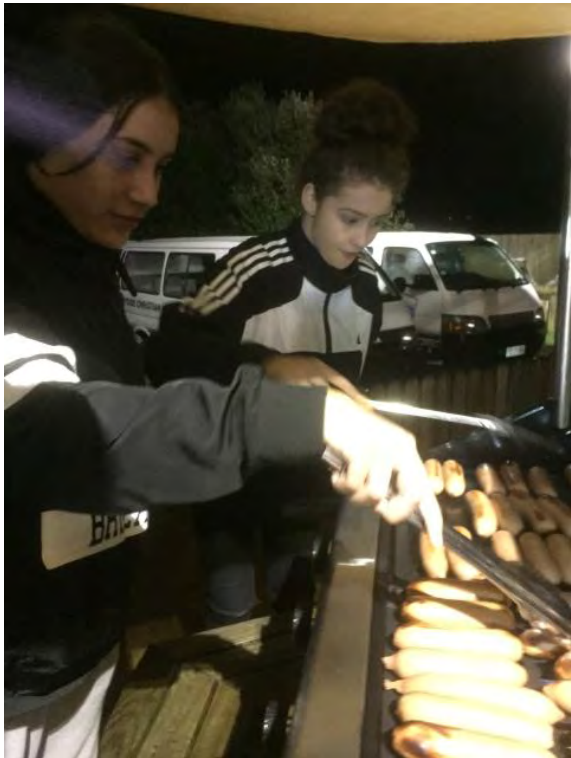
- This programme allowed me to meet with young people across the district and empower them to create wonderful projects for the community.
- I was able to collaborate and become a co-operative component for young people to become leaders.
- Young people and local councillors and community board members across the district proactively developed meaningful safe relationships with young people in their towns and young people have developed positively from these interactions and support.
- As a result of these young people stepping up into leadership and mentoring roles, other adults in the community have seen the great work youth are doing and have stepped up to support the work they are trying to achieve.
- Leaders in Meremere and Tamahere now want to participate as a youth rep on the community board or committee for their town as well.
- These activities have helped enhance the logistical and organisational capabilities of young people involved in Govern Up.

- The project allowed local governing bodies (i.e. community boards and community committees) to develop more engaging and meaningful relationships with local youth action groups.
10. Please provide details of 2 things that you would like to improve on:
- Increasing the length of the programme from 6 months to a year.
 - Having more time to increase further collaboration between the local groups and other youth groups for extra support, networking and growth.
11. Please describe how the young people (or agencies) benefited from the services you were contracted to deliver and provide two examples of success stories (see guidance notes below):
- 50 families in the Onewhero community have fruit trees, and eventually free fruit for young people and families to eat.
 - 300 students in Ngaruawahia had a unique opportunity to develop networks and relationships with key youth health providers in their community.
 - 25 young people in Huntly had the opportunity to develop the first CreativeCon event, an event that will continue to be held with community support
 - Young people in Raglan now have the opportunity to use basketball and BBQ resources that are readily accessible for their active youth community
 - Three young people involved in Govern Up were selected for the Rewi Alley Scholarship and are travelling to China in July.
 - As a result of participating in the project one young person has decided to start tertiary education a year early and strive for her dreams to help her community.
 - Four of the youth leaders in separate Govern Up projects have been invited to sit on a range of governance committees, including a forum for the Waikato District Health Board, a local youth advisory panel, a community facilities advisory panel and a youth suicide advisory group.
 - Young people in the Govern Up project have now gone on to other leadership roles in other areas. Ngaruawahia, Huntly, Te Kauwhata, Tuakau and Onewhero all have a youth leader from Govern Up who is now on the Community Board or community Committee in their towns.
12. Please describe what trends, issues and/or impacts have been identified for the young people (or agencies) that influence the outcomes:
- Trends:**
- Project development, leadership development and mentoring opportunities were taken up by young people who were interested in developing themselves as leaders, but many were unable to participate from the beginning to the end of the project. For many students they started on the initial concepts and then were unable to come to other planning sessions. For many students, once the initial planning was done, other young people jumped on and participated where they could. We found it extremely important to allow young people to participate as they were able, rather than in a prescribed set format, which didn't work.
 - Many of our young people were impacted by many things, including time constraints due to school, work, family, or extra-curricular studies. Some of our students left school or the town, were expelled or had serious family issues that took precedence.
 - We found that young people worked better when highlighting the positive aspects of the work they had created rather than coming from a need to fix.
 - We found that making sure young people had food at the planning meetings allowed them to connect through food and networking, and was a regular incentive for young people to participate. This was highlighted as a benefit of coming to the planning sessions.

- Things that impacted projects were: school holidays, exams, school assignments, other leadership opportunities.
- Projects were influenced by the strength of the relationship that youth mentors and community board/ committee members were able to develop with the youth group and the young people. If a youth group had an unfamiliar relationship with a mentor or ward councillor, the project was powerfully influenced by this.
- From this project we could see that the stronger a relationship the young people had with their adult support structures, the better the project turned out. I.e in Te Kauwhata the Disco had over 100 young people attend, and the Chairperson and youth mentor were both heavily involved in supporting the youth leader in this project. We can directly correlate the amount of support given to each group with the number and level of attendance in youth.
- In most instances, concerns or problems were resolved by positive emphasis and encouragement. For example, at one stage, the Ngaruawahia Group wanted to pull out. By strongly encouraging them and telling them that they were doing a wonderful job and giving them a reality check of positive things that they had accomplished allowed them to get back on track and keep going. As a result over 300 young people attended and the event left a lasting impression on services and young people across the town.
- Adults changed their perceptions positively about young people in their towns, and young people became empowered as a result of running fantastic programmes.

ATTACHMENT 3: Selection of photos and social media posts from individual events

Raglan Basketball Competition and BBQ – July 2017



Onewhero Youth Action Group Adopt a Tree Project



Onewhero Youth Action Group
Back Left to Right: Charles Paterson, Matthew Lancaster and Tuene Henderson.
Front Left to Right: Caleb Monk, Alexis Vaughn, Jemimah Elley.



Group Members preparing food
and the hall the day before



Community members wait patiently to sign up for their tree, and enjoy complimentary tea and coffee while they wait and engage



The end of the day – all trees donated to community members! Well done team.

Jemma Elley with Jacqui Church and 4 others
May 29

Hi all,

The Onewhero Youth Action Group is giving away FREE fruit trees on the 17th of June at the Onewhero School Hall

This is an effort to give back to the community, as well as aid in families' self sufficiency.

There are a limited number of trees so **FIRST IN FIRST SERVED**.

Questions welcome 😊



The Onewhero Youth Action Group want to give back to our community. So we're giving away FREE fruit trees!

WHEN: 17th June 8:30am - 12pm

WHERE: Outside Onewhero School Hall

There are a limited number of trees so it will be first come first served. We also ask you to take only one tree per family. If you have any inquiries please email us at Onewhero.youth.action@gmail.com

Like Comment Share

You, Jacqui Church and 89 others

Sarah Pointon That is so cool
Like Reply 2 · May 29 at 7:47pm

Nicola Nicholson Putting that in the diary! That is so cool!
Like Reply 3 · May 29 at 7:51pm

Anna-sofia Williams What a fantastic idea!!! I hope I get there in time lol!
Like Reply 3 · May 29 at 7:51pm

Jemma Elley Additionally, if anyone requires assistance with planting, we are happy to help!
Like Reply 3 · May 29 at 7:52pm

Nicola Nicholson replied · 1 Reply

Brittney Ross Such a great idea!!
Like Reply 2 · May 29 at 7:55pm

Vincent Alexander Awesome, we were just talking about planting some fruit trees. Liz Alexander
Like Reply 3 · May 29 at 7:56pm

Liz Alexander replied · 1 Reply

Nicola Nicholson Not being cheeky but is there a limit per family?
Like Reply 2 · May 29 at 7:57pm

Nicola Nicholson replied · 2 Replies

Kardia Daji That is awesome, putting that in our diary to 😊
Like Reply 2 · May 29 at 7:58pm

Elyse Joan Price Sian McMillan
Like Reply 2 · May 29 at 7:59pm

James Evans Melinda Evans
Like Reply 1 · May 29 at 8:04pm

Alesha Guard This is an awesome idea guys! I hope it goes well 😊
Like Reply 2 · May 29 at 8:15pm

Tracey Horner Paton Such a great idea
Like Reply 2 · May 29 at 8:23pm

Cushla Carey Rita Anne Carey Margaret Davies
Like Reply 3 · May 29 at 8:23pm

Denise Horner Wow that's awesome
Like Reply 2 · May 29 at 8:25pm

Sally Wagstaff How about earmarking some for the Onewhero Domain? I would be happy to volunteer to plant up a few.... that way a lot of people in our community get to enjoy them.
Like Reply 8 · May 29 at 8:26pm

Sue Hull replied · 1 Reply

Helen Shields What an awesome idea!!!
Like Reply 3 · May 29 at 8:39pm

Jacqui Church The funding for this has come through WDC from DIA as an initiative in youth engagement. Happily I have been able to work with the Onewhero Youth Action Group this year & who are totally inspiring in their efforts! They all have done a great job organising this planting. I only wish they had more than the 50 food trees to giveaway! 🙏
Like Reply 6 · May 29 at 8:43pm

Alexis Vaughan replied · 3 Replies

Anna Lindstrom Wow! Fantastic.
Like Reply 2 · May 29 at 8:45pm

Anna Lindstrom Wow! Fantastic.
Like Reply 2 · May 29 at 8:45pm

Rita Anne Carey Cushla Carey Margaret Davies
Like Reply 3 · May 29 at 8:51pm

Cushla Carey replied · 1 Reply

Vioki Smith Ross Smith
Like Reply 1 · May 29 at 9:12pm

Cassandra Lynne Appleton Philip Conroy Julie Appleton Ayla Appleton
Like Reply 3 · May 29 at 9:41pm

Josh Doughty Cody White perfect for ya house mate 🙌
Like Reply 2 · May 29 at 10:00pm

Josh Doughty replied · 2 Replies

Sue Hull Domain planting is happening soon so it would be good to plant a few, can a few plants be put aside
Like Reply 4 · May 30 at 9:10am

Alexis Vaughan replied · 1 Reply

Jonelle Hewitt This is so awesome Alexis Vaughan, good on you guys, plenty of families who would benefit from this !!
Like Reply 3 · June 7 at 10:02am


Alexis Vaughan replied · 1 Reply

Shannon Kelly Shannon Kelly
Like Reply 1 · June 8 at 3:40pm

Jemma Elley Caleb Monk
Like Reply 2 · June 8 at 5:16pm

Write a comment...

Tuakau Youth Action Group Adopt a Tree Project

 **Semau Whanau** ▸ **SEMAU WHANAU YOUTH MENTORS INCORPORATION AKA S.W.Y.M INC (AfterTYCHours)**

July 16 at 7:16pm · 🌐

Thank you Tuakau Youth Action Group for bringing us a beautiful orange fruit tree! Our awesome TYC Youth Leaders had the privilege of planting it for us 😊😊

It's now in our backyard with our 6 feijoa trees, 1 lemon tree, 1 peach tree, an apple tree (that the birds get before us lol) a mandarin tree and a grapevine! Lots of fruit for our TYC kids 🙏🙏 Yes we are very blessed 😊😊
😊😊 — with Tylah Montgomery and Jade Mere Nada Corbett.



17 Reactions 3 Comments 2 Shares

ATTACHMENT 4: Onewhero Youth Action Group photos and Videos

(https://www.dropbox.com/sh/ocxdfsquvvcq5/AADE-0jBDhUdAybn_ONmsjbra?dl=0)

Open Meeting

To	Strategy & Finance Committee
From	Tony Whittaker General Manager Strategy & Support
Date	19 July 2017
Prepared by	Debbie Dalbeth
Chief Executive Approved	Y
DWS Document Set #	GOV1318 / 1764152
Report Title	2016-2017 Non-Financial Performance Report

I. EXECUTIVE SUMMARY

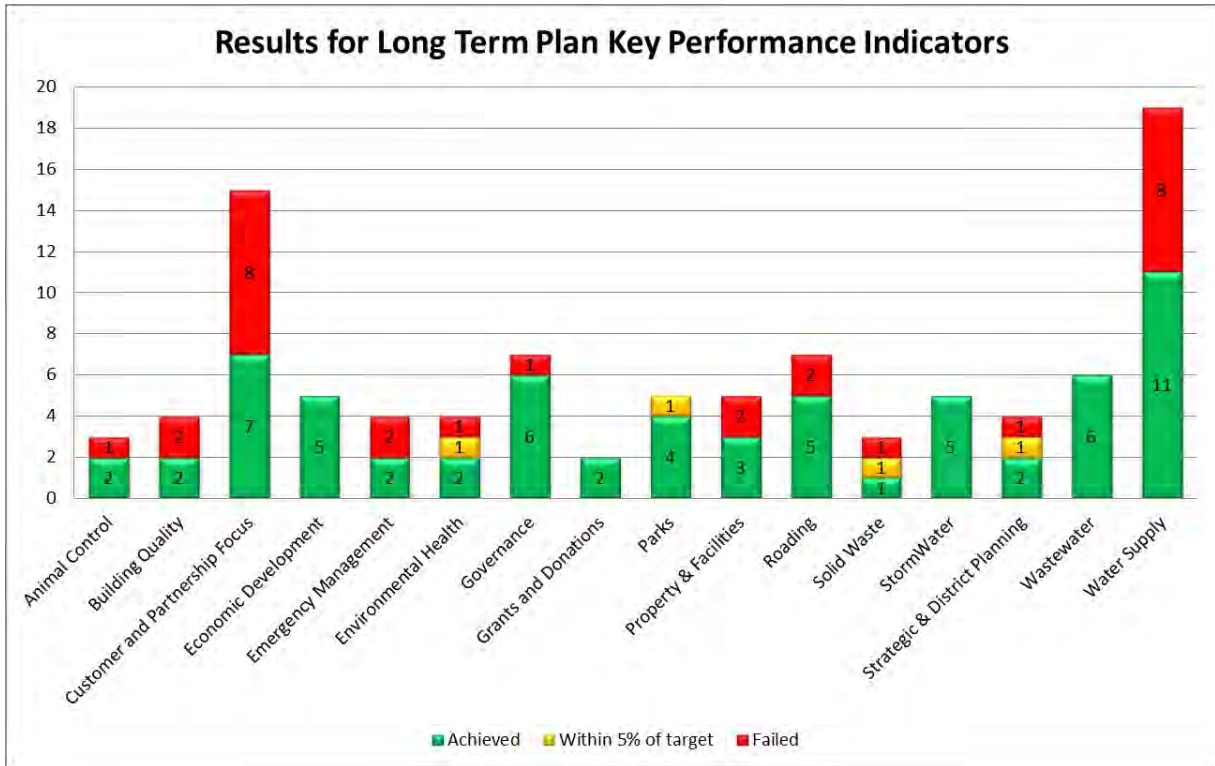
The purpose of this report is to provide the Committee with the end-of-year non-financial results. This includes the 2016/17 Long Term Plan (“LTP”) Key Performance Indicators (“KPIs”) and the Resident Satisfaction survey.

These results have been incorporated into the Annual Report.

2. RECOMMENDATION

THAT the report from the General Manager Strategy & Support be received.

3. LTP KPIs



Achieved	Within 5% of target	Not Achieved
66%	4%	30%

Ninety eight KPIs are being reported in the Annual Report. The above graph shows the number of KPIs that were achieved, came close or did not achieve, grouped by category.

The below chart shows while results improved considerably last year the number of LTP KPIs achieved this year has dropped and the number of KPIs failed has increased. In total 20 KPIs changed status from last year to this year.

Seven that failed last year have now met the target, these include:

- A dramatic increase in the amount of money spent on Tourism last year;
- The % of community funding and grant recipients that met grant obligations;
- The number of Iwi joint committee meetings doubled;
- Drinking water now complies with part 4 and 5 of the NZ standards;
- The real water loss from Southern and Western districts now meets target; and
- The number of complaints around Stormwater has dropped.

Nine KPIs have failed this year when last year they met the target. These include:

- The number of good dog owners has increased by 2.75% instead of the 5% target set;

- The % of time that council's pool water doesn't meet NZ standards has increased (This is due to a new service provider that more accurately measures quality);
- 80% of the number of business continuity processes were documented instead of 100%;
- Only 6.8% of the sealed local road network was resurfaced against the 8% target;
- An increase in the consumption of drinking water per resident from 240 to 270 litres;
- The % of real water loss has increased in Pokeno and Mid-Waikato;
- An increase in the number of rubbish bags that missed collection; and
- The number of complaints around drinking water has increased.

Four KPIs failed that were within 5% of the target last year. These were:

- The % of building consents that are completed within timeframes has dropped from 96% to 85.74%;
- The % of excessive noise complaints that are responded within timeframes has dropped to 79% against the 90% target;
- % of residents who feel they have the opportunity to be involved in Council projects and processes has dropped; and
- There has been an increase in the number of serious injury and fatalities on the local roads.

	2014/2015	2015/2016	2016/2017
Achieved	27 (41%)	67 (68%)	65 (66%)
Within 5% of target	7 (11%)	8 (8%)	4 (4%)
Not achieved	32 (48%)	23 (24%)	29 (30%)
TOTAL MEASURES	66	98	98

Attached to this report is *Appendix 1 - 2016-17 LTP KPI report*.

4. RESIDENTS SATISFACTION SURVEY

The National Research Bureau ("NRB") surveyed Waikato District Council residents at approximately 10 residents per week over the last year. At the end of each quarter, after 100 residents were surveyed, we received interim data that was used to inform Council. This approach is optimal to mitigate seasonal bias or 'moment in time' events from slanting

Councils annual results. This report contains the final weighted results that incorporate all the quarterly surveys.

Attached Appendix 4 - 2016-17 WDC Satisfaction Survey Summary.

Increasing Trends

- Satisfaction with Parks and Reserves has levelled off over the last few years with a result of 92% this year.
- Overall satisfaction with the service received when contacting the Council offices has improved to 70% from 66% last year.
- Satisfaction with Animal control has increased to 77% this year and dissatisfaction has dropped to 14% which has always been below the peer group average.
- Satisfaction with public toilets has continued to increase and has reached a high of 74% this year.
- Satisfaction with public libraries dramatically increased in 2015 when we started surveying only those who have used a public library. The result this year is 95%.
- Satisfaction with footpaths has been steadily increasing since 2011. In 2015, when we started recording data from only those people who have used a footpath and satisfaction is up to 72% this year.
- Satisfaction with the water service increased when we surveyed only those residents with a connection to the water supply. This year's result of 79% is the same as last 2 years.
- Satisfaction with wastewater increased in 2015 when we surveyed only those residents connected to the council wastewater system. This year satisfaction is at 93% which is on a par with last year's result.

Decreasing Trends

- Satisfaction with the Rubbish Collection increased to a high of 93% last year but has dramatically decreased to 71% this year with dissatisfaction of 21% going above the peer group dissatisfaction for the first time.
- Satisfaction with recycling dropped slightly from 83% last year to 80% this year. At 13%, dissatisfaction continues to be slightly above the peer group average of 11%.
- Satisfaction with building and inspection services was between 27% and 35% each year until 2014. Since 2015 we only survey those who have used the service and this provided a dramatic increase which has gradually decreased to 64% this year.
- Satisfaction with Stormwater services overall has continued to decrease from 52% in 2014, to 41% this year.
- Satisfaction with unsealed roads had been steadily increasing each year up to last year's result of 53%, this year it has dropped slightly to 49%.
- Satisfaction with the standard of Council roads overall has decreased to a low of 51% this year. Dissatisfaction has increased to a high of 27% which is over the peer group dissatisfaction level of 23%.

- Residents that feel they have the opportunity to be involved and participate in the way the council makes decisions has decreased this year, from 67% to 59%. The percent of residents who believe they don't have the opportunity has dramatically increased from 33% to 41%.

Attached *Appendix 2 - Survey Trend Graphs*

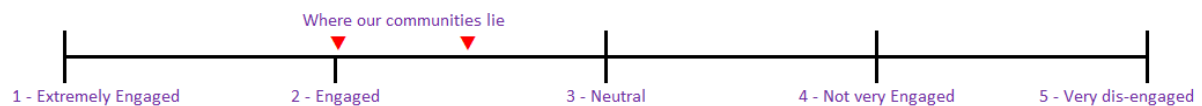
5. ENGAGEMENT

Engagement is measured from 5 key questions in our Residents Survey:

1. Satisfaction with the way council involves the public in the decisions it makes
2. Satisfaction with Rates Spending
3. Satisfaction with Community Spirit
4. Satisfaction with Quality of Life
5. Satisfaction that Council makes decisions that meet the needs and aspirations of their residents

Residents are asked for their satisfaction on a scale of 1 to 5 and the results from these 5 questions form an engagement index. The end of year engagement result is 2.25. NRB's end of year report breaks the results down into wards which has enabled us to measure engagement by ward.

Attached is *Appendix 3 - Engagement by Ward* that shows how each ward compares to each other, peer councils and the national average overall and for each engagement question.



6. OUTCOMES - COUNCILLORS ASKED FOR 2 QUESTIONS TO BE ADDED TO THIS SURVEY

1. Is there any one thing about the Council's actions, decisions or management in the last few months that comes to mind as something you do like or approve of?
2. Is there any one thing that comes to mind with regard to the Council's actions, decisions or management in the last few months that you dislike or disapprove of?

This is asked to gauge the level of support residents had for Council's actions and decisions. This year 31% of residents say there is a Council action/decision/management they approve of compared to 32% last year. This is below our peer group average of 42% and the national average of 46%. Raglan ward had the highest approval rating at 50% while Eureka has the lowest approval rate of 8%.

The main actions that residents approved of was with Rubbish/recycling issues from Newcastle and Tamahere; Improved Roding/footpaths/road safety from Tamahere; and Council doing a good job/good communication from Raglan.

40% of residents say there is a Council action/decision/management they disapprove of which is above last year's result of 30%. This is still below our peer group average of 41% and the national average of 46%.

Raglan has the highest disapproval rate of 63% while Eureka has the lowest disapproval rate of 20%.

The main actions that residents disapproved of was with Rubbish collection/recycling/cost issues from Huntly, Awaroa ki Tuakau and Tamahere; lack of consultation/communication/don't listen from Raglan.

It is interesting to note that views are polarised, Raglan had the highest approval and disapproval rating and Eureka the lowest in both. It could indicate that when asked, residents are likely to have something they approve and disapprove of. Interestingly the same issue within wards are mentioned by residents as something they approve of and disapprove of.

Attached is *Appendix 3 - Engagement by Ward* that shows the approval/disapproval graphs at the end. The full Satisfaction Survey report available in the Councillors lounge has more detail on Outcomes at the end of the Section 4.

7. NEW LTP MEASURES:

There are 8 new LTP measures detailed below that depend on data from the Residents Survey.

Respondents were asked if they feel they have the opportunity to be involved and participate in the way the Council makes decisions, 59% said yes they feel they have the opportunity while 21% said they had actually tried to participate. This compares with 2015/16 where 67% said they felt they had the opportunity and 20% said they had actually tried to participate.

Over the last two years Council has undertaken a significant amount of consultation and engagement with the public in line with legislative requirements and as part of our 20/20 challenge. It is encouraging to see the trend in the below questions show improvement from last year to this year. It should also be noted that there is a large percent of respondents who are neither satisfied nor dissatisfied around consultation and engagement.

New Measures – no trend data available	Target	2016 - End of Year	2017 - End of Year	Trend
The public are consulted about the right issues	60%	41%	45%	↑
Information about key community issues is easily accessible	60%	46%	52%	↑
Information available on these issues is clear and instructive	60%	42%	49%	↑
There is a suitable range of consultation options available	60%	50%	49%	↔
There is sufficient time and opportunity available to provide feedback	60%	47%	55%	↑
Average level of effort to conduct business with council	2016 ≤ 3 2017 ≤ 2.5	2.6	2.25	↓
Satisfaction with the resolution of a request with council	70%	59%	62%	↑
Satisfaction of residents that they were able to contact their councillor/Mayor as and when required	100%	76%	83%	↑

8. CONCLUSION

The percent of KPIs achieved in this second year of the current LTP has dropped from last year. While this is disappointing the percentage is still well above the results of the previous LTP. It should be noted there are a lot more KPIs being tracked in the current LTP due to the mandatory performance measures handed down from central government.

The new method of surveying residents for the Residents Satisfaction Survey has smoothed out seasonal bias and enabled us to get an early indication of how we were progressing toward our goals. In reviewing some of the results, the targets set for the new measures may have been too ambitious.

NRB have now provided the full end of year report and verbatim responses which are available in the Councillors lounge and can be supplied in electronic form on request. The NRB report will also be available on the Waikato District Council website.

9. ATTACHMENTS

Appendix 1 – 2016-17 LTP KPI Report

Appendix 2 – Survey Trend Graphs

Appendix 3 – Engagement by Ward

Appendix 4 – 2016-17 WDC Satisfaction Survey Summary



Waikato District Council

Scorecard Report

Period: Jul-16 - Jun-17

Scorecard Name
2015-18 LTP Waikato District Council

Date From
01-Jul-2016

Date To
30-Jun-2017

LINKED ITEMS	UNIT	TARGET	ACTUAL	INDICATOR
2015-18 LTP Governance				
Satisfaction of residents that they were able to contact their Councillor / Mayor as and when required	%	100.00	83.00	
<i>COMMENTS:</i> The result (83%) is off the target of 100%. The contact details of our councillors are publicly available (e.g. Council's website or through the Council Call Centre). Some of our councillors also write regular columns for community newspapers with their contact details provided and their contact details are also regularly provided in The Link newsletter. In addition, our councillors provide regular updates on key council initiatives at the community board/community committee meetings.				
Number of upheld objections/appeals lodged against election process	#	0.00	0.00	
<i>COMMENTS:</i> There were no upheld objections/appeals lodged against the election process.				
Iwi ki te Haapori - Number of joint committee meetings held per annum	#	4.00	4.00	
<i>COMMENTS:</i> N/A				
Iwi ki te Haapori - Number of identified or notified breaches/objections under Joint Management Agreements, MOU's and MOA's	#	0.00	0.00	
<i>COMMENTS:</i> No issues raised.				
Iwi ki te Haapori - Number of formal governance hui held between council and iwi / hapu groups	#	3.00	7.00	
<i>COMMENTS:</i> four hui held in the reporting period: JMA hui with Waikato Tainui and Maniapoto,. Engagement hui with Mangatangi Marae trustees. MOU signing with Ngaati Haua Iwi Trust.				
Percentage of minutes of all open meetings that are made publicly available via the Council's website	%	100.00	100.00	
<i>COMMENTS:</i> Completed				
Percentage of Council decisions that comply with statutory requirements	%	100.00	100.00	
<i>COMMENTS:</i> All Council decisions made during the course of the year were made in accordance with due consideration of statutory requirements.				

2015-18 LTP Animal Control

The percentage of aggressive dog behaviour complaints, where immediate risk to public safety is present, that has council personnel on site within 1 hour	%	95.00	98.79	
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COMMENTS: 100% of service requests for aggressive dogs (current threat) were responded to within the one hour time frame this month. This gives us a year end figure of 98.79% which is within target.

The percentage of complaints regarding stray stock that have council personnel on site within 1 hour	%	95.00	95.27	
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COMMENTS: 95.00% of stray stock service request were responded to within our targeted 1 hour time frame for the month of June. This gives us a year end figure of 95.27% which is above our target.

The number of dog owners on the selected owner policy list (i.e. good dog owners) for known dog's increases by 5% each year	%	35.00	32.75	
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COMMENTS: 20.62% of dog owners on Selected owner policy, 12.13% on Farm owner policy - both "Good" Dog owners categories. Total = 2999 owners = 32.75%

Although this figure is below our target for this year we have been encouraged by the positive response we have had from our customers when doing property inspections. The majority of interactions animal control staff have with dog owners is when offences have been committed and therefore, it is a good opportunity to engage with our good owners during visits to their properties. We will continue to work with these owners in the next financial year to ensure they are benefiting from any reduction in registration fees that they may be eligible for.

2015-18 LTP Building Quality

The percentage of existing buildings with building WOFs that are monitored and audited for compliance annually - YTD	%	33.00	51.00	
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COMMENTS: We now aim to inspect buildings with BWOF's on a two yearly cycle. The target was met even with our extremely high inspection workload which is due to the rise in consent numbers, particularly in the number of dwellings. It should be noted that there are currently 38 consents that require a Code Compliance Certificate along with the respective Compliance Schedule and Compliance Schedule Statement which in turn will increase the number of buildings requiring a BWOF and BWOF audit inspection.

The percentage of buildings that provide sleeping care or paid accommodation which are audited for compliance annually - YTD	%	100.00	100.00	
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COMMENTS: The target has been met for the year. This KPI will remain a high priority due to the nature of the facilities used for sleeping.

The percentage of swimming pools that are inspected for compliance annually - YTD	%	20.00	1.72	
---	---	-------	------	--

COMMENTS: With the Fencing of Swimming Pools Act being repealed and now part of the Building Act effective from 01 January 2017. The inspections of pools on a three yearly cycle will resume once a pool inspector has been appoint. This will be within the first quarter of this year. To catch up the required number of inspections the building inspectors will assist.

The percentage of building consent applications which are processed within 20 working days - YTD	%	100.00	85.74	
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COMMENTS: We achieved 85.74% compliance with the statutory timeframe YTD. To help with these timeframes consents are still being outsourced to a part-time contractor who is processing from home and also utilising another Building Review Officer that is on Maternity Leave to process from home. We now have a new Building Review Officer started in the Tuakau Office . We also have one of the Building Inspectors processing to help with the workload. With the added resources we expect that we will be able to achieve the 100% target by the second quarter.

2015-18 LTP Strategic & district planning

Percentage of resource consent applications which are processed within the statutory time frames	%	100.00	99.92	
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COMMENTS: Of the 79 consents issued in June, 100% were issued within the statutory timeframe. This compares with 95 consents issued in June 2016, which were also all issued within the Statutory timeframe. YTD 99% of resource consents have been issued within statutory timeframes. Out of the 938 consents issued this year, only one was out of time.

Percentage of residents who feel they have the opportunity to be involved and participate in publicly-notified Council projects and processes, to help Council make informed decisions.	%	70.00	59.00	
---	---	-------	-------	--

COMMENTS: 59% (out of a target of 70%) of residents have indicated that they have the opportunity to be involved and participate in publicly-notified projects and processes. Opportunities for engagement continue to be provided through the website, community open days, The Link newsletter, hearings etc. As indicated previously, Council has undertaken a number of projects/initiatives which have been notified through statutory processes (either through the Local Government Act, the Resource Management Act or the Reserves Management Act). Council maintains an engagement register containing a list of engagement activities. This register is updated on an ongoing basis and is reported to Council bi-monthly.

The percentage of projects in identified areas of growth and as contained in the Long Term Plan, which are on track or completed.	%	100.00	100.00	
---	---	--------	--------	--

COMMENTS: All projects in identified areas of growth are on track or completed.

The percentage of all landuse consents that have been issued and are current that have been monitored for compliance in the past 2 years	%	77.00	78.00	
--	---	-------	-------	--

COMMENTS: All land use resource consents are checked after they have been issued and put into a database which schedules when monitoring is required. The monitoring frequency is based on the level of risk posed by the consent. This measure shows that Council is proactively monitoring historic consents. In some cases where there is low risk then monitoring may occur less frequently than 2 years.

2015-18 LTP Solid waste

The percentage of schools in the district that receive solid waste education	%	55.00	81.00	
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COMMENTS: 47 out of the 58 schools in the District were visited

The number of times that bags or bins are missed in Council's kerbside collection	#	200.00	1,784.00	
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COMMENTS: This target has failed in the first quarter due to the service changes. The missed collections were predominately in the Northern area which were due to a new contractor being unfamiliar with the collection area. These complaints have now reduced drastically but the measure will continue to be exceeded for the year due to this first quarter.

The percentage of kerbside collection complaints that are resolved within agreed timeframes.	%	100.00	95.90	
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COMMENTS: 1049 complaints out of 1094 were responded to within the required timeframes

2015-18 LTP Environmental Health

Percentage of registered food premises inspected/audited annually	%	100.00	100.00	
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COMMENTS: All premises requiring inspection have been inspected or audited. The new Food Act came into force on 1 March 2016 with a 3 year transition period applying to existing food businesses. New food businesses establishing must register under the new Act. At the end of the year there were 167 food premises operating under the old Food Hygiene regulations, 46 businesses operating under a template food control plan under the old Act and 62 businesses operating under a template food control plan under the new Food Act. Not all of these required an inspection/audit due to the timing of registration. In addition there were 31 food businesses operating a national programme under the new Food Act that Council does not audit.

The percentage of medium risk or higher fee category licensed premises that are inspected annually	%	100.00	100.00	
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COMMENTS: All medium or higher risk category premises operating within the district that sell alcohol have been inspected during the year as required. No significant issues or non compliances with the conditions of their licences were observed during these inspections.

Percentage of excessive noise complaints responded to within agreed timeframes. (Due to geographical characteristics of the district response times will vary in different parts of the district)	%	90.00	78.63	
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COMMENTS: The Environmental Health Team received 1212 excessive noise complaints during the year that required investigating. Agreed response timeframes were complied with 78.63% of the time. The improvement in response time from the previous year has slipped again with variable performance from the contractor. We have been working with the contractor to attempt to address the issues identified with some changes in how the service is delivered being proposed by the contractor.

Percentage of environmental health complaints responded to within agreed timeframes	%	95.00	94.27	
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COMMENTS: A total of 227 complaints were received during the year of which 214 were responded to within agreed timeframes. The team strives to meet the set service levels but fell just short but still well within the overall organisational service level of 90%.

2015-18 LTP Economic Development

% increase in Net Promoter Score (level of likelihood that business owners will recommend WDC as a district to do business in)	%	20.00	25.00	
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COMMENTS: The Waikato District received an average rating of 8.7 out of 10 as a place where business owners would recommend a colleague or friend to do business. This is an increase on the 8.5 recorded in November 2016, representing an improving trend over the last 6 tracking periods. This resulted in a NPS score for March 2017 of +12.0, up 5% on November 2016 results. Since December 2014, our NPS has moved 20 places from -8 to +12.

Number of enquiries that generate through the Open Waikato website	#	81.00	145.00	
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COMMENTS: There were 145 enquiries via Open Waikato channels over the 2016/17 year, with the primary generator being bookings for the Waikato Innovation Park business service held in Raglan, Tuakau and Huntly. We have more than doubled the year's target of 81 enquiries.

The percentage delivery of the Economic Development strategic work programme	%	90.00	100.00	
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COMMENTS: Additional to the successful delivery of the economic development strategy work programme, the economic development team has also successfully led or supported the following strategic projects: Application to the regional mid-sized tourism infrastructure fund (x2), Application to \$1B Housing Infrastructure fund, Organisational development initiatives to deliver efficiency and performance improvements, a sub-regional Council's Business Friendliness Survey, and communications & marketing initiatives and support.

The percentage increase in number of business units in the Waikato District (Same or higher than NZ growth rate in number of business units)	%	1.60	2.20	
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COMMENTS: The percentage increase of business units growth in the Waikato district was 2.2%, exceeding the national growth of 1.6%. The district now has 8,691 business units.

Measureable tourism expenditure in \$	\$	99,000,000.00	112,000,000.00	
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COMMENTS: Total tourism expenditure for Waikato District 2016 was \$112M. This reflects a 17% increase in spend, compared to a national average of 8.3% for the same period.

2015-18 LTP Grants and Donations

Number of discretionary grant funding rounds undertaken per year	#	4.00	4.00	
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COMMENTS: Discretionary Grant funding rounds for 2016/2017 have been undertaken as follows:

- Round 1 - opened 1 November 2016, closed 3 February 2017
- Round 2 - opened 10 February 2017, closed 7 April 2017
- Round 3 - opened 1 May 2017, closed 7 July 2017
- Round 4 - opened 11 August 2017, closed 6 October 2017

The percentage of community funding/grant recipients meeting grant obligations, as evidenced through accountability reports	%	100.00	100.00	
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COMMENTS: Accountability reporting has been successfully maintained on all discretionary funding allocated during the year.

2015-18 LTP Parks

Percentage of Customers who are satisfied with Parks And Reserves, including sports fields and playgrounds overall	%	80.00	92.00	
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COMMENTS: Positive to see that a majority of people are happy with the services provided by Council's Contractors.

Good work

Percentage of Interments completed within the requested timeframe	%	95.00	100.00	
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COMMENTS: All interments completed within appropriate timeframes. Customers were satisfied with outcomes. No issues to report.

Percentage progress of the Playground Strategy implementation plan	%	90.00	100.00	
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COMMENTS: Completed All

Percentage of customers who are satisfied with Public toilets in the residents satisfaction survey	%	75.00	74.00	
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COMMENTS: Good work from Council's Contractors in a very difficult environment.

Percentage of natural areas (categorised in parks strategy) which have had restoration efforts undertaken	%	4.00	7.49	
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COMMENTS: Ecological enhancement activities proceeding within budget and on target. Highlights already this year include WDC winning the Local Authority Protecting Native Plant life award and having the Rotokauri Ecological Enhancement project selected as a finalist by the Society for Ecological Restoration awards. The percentage target for ecological enhancement activities this year has been met.

2015-18 LTP Property and Facilities

Percentage of buildings that require a warrant of fitness that comply	%	100.00	100.00	
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COMMENTS: 100 % of buildings requiring a BWoF comply

Percentage of time that pool water meets the NZS5826 Part 1 Water Standards : 2000 code of practice for the operation of swimming pools	%	95.00	89.92	
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COMMENTS: Great result, since problems were ironed out at the beginning of the contract, water standards have been consistently high.

Percentage of customers who are satisfied with the pool facility	%	85.00	91.00	
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COMMENTS: Of the 28% of respondents who replied to the survey 91% were satisfied.

Percentage of satisfied customers as per the council housing for the elderly survey	%	72.00	92.00	
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COMMENTS: Of the 56% of the customers who replied to the survey there was 92% satisfaction.

Reduction in total annual energy consumption	%	-1.50	2.50	
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COMMENTS: Although Energy consumption has increased by 2.5% the \$ value has decreased by 6.5% due to the AOG electricity contract which started on 1 July 2016.

2015-18 LTP Emergency Management

The percentage of community response plans completed	%	30.00	13.00	
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COMMENTS: We currently have nine plans at different stages of development around the district.

Community response groups are working to put together a plan of how they will respond to the needs of their communities in the event of a disaster. This is an important part of Civil Defence Emergency Management, that the communities know what to do to support each other. During Ex TC Debbie the Port Waikato Community Response Group were asked to assist in supporting their community when Port Waikato became isolated by a slip.

Council maintains a minimum number of trained staff to fulfil core Emergency Operations Centre roles	#	30.00	120.00	
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COMMENTS: We continue to offer Civil Defence Emergency Management training to our staff on a regular basis. We currently have over 120 staff who can work in the emergency operations centre when required.

In the last six months a further 20 staff have completed Intermediate training, civil defence centre training and welfare in a coordination centre.

Percentage of councils business continuity processes implemented	%	100.00	80.00	
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COMMENTS: Critical Business process have been captured. Full review of BC processes was not undertaken during final quarter due to prioritisation of resources. To be undertaken during first half of new financial year. Business risk was deemed not to be impacted by this reprioritisation

Council manages local participation in the national Get Ready, Get Thru campaign annually	%	100.00	100.00	
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COMMENTS: Get Ready Week is held every year to mark the International Day for Natural Disaster Reduction (13 October). The week, which starts 10 October this year, is an opportunity for us to focus on public education and preparedness activities. This year the theme for Get Ready Week was Prepared Kids. Our front of house and libraries promoted the get ready material during the course of the campaign and the Ministry of Civil Defence and Emergency Management launched a school resource called What's the plan.

2015-18 LTP Customer and Partnership Focus

Percentage of customers satisfied that council consults with the community regarding the right issues	%	60.00	45.00	
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COMMENTS: 45% (out of a target of 60%) of respondents have indicated that they are very satisfied/satisfied with 28% neutral and 19% dissatisfied and 4% very dissatisfied. The combined satisfied/very satisfied/neutral figure is 73%. Council recently undertook a comprehensive round of pre-consultation and consultation on the Annual Plan with affected residents. The waste water targeted rate was certainly a 'right issue' that Council consulted - which makes the result of the survey perplexing.

Percentage of customers satisfied with the ease of access to information regarding key community issues	%	60.00	52.00	
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COMMENTS: 52% (out of a target of 60%) of respondents have indicated that they are satisfied with the ease of access to information on key community issues. 27% are neutral and 18% very dissatisfied. The combination of the very satisfied/satisfied/neutral group is positive. Information will continue to be provided to the community through various means (e.g. website, social media, The Link, through community open days, letter drops, counter pamphlets etc). Staff are also always on hand to address any request for information. Council has a robust repertoire of tools through which information can be made easily accessible to the public but suggestions for improvements are always welcome.

Percentage of customers satisfied that the material available on key issues is clear and provides sufficient information to allow feedback	%	60.00	49.00	
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COMMENTS: 49% (out of the target of 60%) of respondents feel that the material provided by Council on key issues is clear and provides sufficient information. 27% are neutral and 23% very dissatisfied. Our communications team helps with the review and layout of information provided to the public. Complex issues are always simplified for the purpose of ease of understanding by our community without detracting from legislative requirements. We are continuously looking at best practices and the way information is provided by other councils to improve our approach. The lego video done to explain the Annual Plan option was a good case in point in which complex information was simplified for ease of understanding by the public.

Percentage of customers satisfied that council provides a suitable range of options and avenues to engage through	%	60.00	49.00	
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COMMENTS: 49% (out of a target of 60%) of respondents have indicated that they are either satisfied or very satisfied with the range of options and tools provided by Council for engagement. 26% are neutral and 19% very dissatisfied. Council continues to implement its Community Engagement Strategy and its Significance & Engagement Policy. The issues that Council engages upon is also driven by legislative requirements. There are a number of channels and tools the public can use to inform Council if they feel they would like to be engaged on a particular issue. Key staff and councillors have completed engagement training during the course of the year.

Percentage of customers satisfied that Council provides sufficient time and opportunity for engagement with the community	%	60.00	55.00	
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COMMENTS: 55% (out of 60%) of respondents feel that Council provides sufficient time and opportunity for engagement. However, 26% of respondents are neutral. The times and opportunities for engagement are informed by our councillors based on their understanding of their respective communities. Council provides appropriate time and tools for engagement - be it for community open days, market days, hearings, online etc. Additionally, community boards and communities are also important stakeholders for whose views are sought by Council as evidence by the recent LTP strategic planning workshops.

Level of Customer effort	#	2.50	2.25	
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COMMENTS: Our full year result reflects that customers are reporting it is becoming easier to business with council. Every quarter this year is lower than our best quarter last year.

% of Service Requests (CRM calls) responded to within agreed timeframes	%	85.00	90.09	
<i>COMMENTS:</i> Staff continue to respond to Service Requests well within the target				
Percentage of respondents / customers who are satisfied or very satisfied with the resolution of their request of council	%	70.00	62.00	
<i>COMMENTS:</i> Although staff recognise that they cannot always provide the answer that our customers are looking for, there has been a concerted effort to improve communication and clearer setting of customer expectations. Although the final result of 62% satisfaction does not reach our target of 70%, the 3% increase on last year endorses the effort and direction towards making business as simple as possible for our customers.				
Percentage of respondents who are satisfied or very satisfied with the overall service received when contacting the Council	%	75.00	70.00	
<i>COMMENTS:</i> Customer have rated us higher for 'service received' than 'satisfaction with resolution of request'. All staff are making an effort to represent council professionally so it is likely this behaviour softens the customers perception of us when considering service. The organisation knows the importance of making every interaction count, and availability to customers is a priority. A 4% increase on last years result supports the positive changes staff continually endeavour to make.				
Net Promoter Score (level of likelihood that library users will recommend to friends and family their library as a place to go)	%	80.00	91.81	
<i>COMMENTS:</i> We have successfully achieved this KPI with 91.81% of the 293 respondents saying they would recommend our libraries as a place to go. The survey for the 17/18 financial year will continue to focus on our existing customer satisfaction but also try and understand how we can engage with those community members that are not currently using the growing number of services within libraries.				
Level of customer satisfaction that the quality of libraries resources meets their needs	%	90.00	90.36	
<i>COMMENTS:</i> A very positive response. Our focus for the next survey will be to increase the number of respondents through improved customer engagement and better use of online channels. We also want to survey non library users to understand why they choose not to engage with our six district libraries.				
Percentage of books that are less than 5 years old	%	50.00	68.44	
<i>COMMENTS:</i> This KPI has been achieved through appropriate culling of old stock, the rotation of the collection across sites and the purchase of new material to meet the needs and wants of our members. As the Collection Policy is currently been reviewed this financial year, close attention to and analysis of our collections through the Collection HQ software will be a focus.				
Percentage of books that are less than 10 years old (excluding reference, specialist items, local history and core stock of long term value)	%	100.00	94.76	

COMMENTS: This is a good result and sees us almost reaching our 100% target. This result is a reflection of the hard work that has been made by all of the Customer Delivery team. The efficient approach that they have taken to ensure that our Library collections are relevant and meeting the needs of our Communities. This is also evident through our customer satisfaction survey.

Reliable daily access to free Internet service at all libraries (excluding supplier issues)	%	100.00	100.00	
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COMMENTS: The Aotearoa People's Network Kaharoa (APNK) service has been utilised consistently at all sites throughout this financial year. This service extends an offering into communities that is valued by a wide range of customers. With the introduction of the late night opening hours at five of our six sites, this has seen more of our Community groups using our library spaces to gain access to the full services that APNK can provide.

Number of publicly shared reports assessing Council's progress against its goals and objectives	#	4.00	4.00	
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COMMENTS: The quarterly non-financial report is presented to the Strategy & Finance Committee and then displayed on the Waikato District Council website. The annual plan will also publicly share Council's progress.

2015-18 LTP Roading

The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number.	#	1.00	4.00	
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COMMENTS: For the 6 month period Jan - June 2017, 32 fatal and serious crashes were recorded. This is an increase of 1 from the previous half year (July - Dec 2016 = 31). For the 12 months ending 30 June 2017, 62 fatal and serious injury crashes had been recorded in the NZTA crash database. 59 FSI crashes were also recorded in the previous financial year. Note that CAS has only recorded to the 11/06. There were 4 crashes that were road related, i.e. loss of traction due to slippery surfaces.

This result is subject to change.

Percentage of development areas that have co-ordination plans for forward works programming and development requirements complete.	%	60.00	66.00	
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COMMENTS: The development programme for Pokeno is completed. A co-ordination plan is in place for Te Kauhwhata which was developed as part of the HIF (Housing Infrastructure Fund). Tuakau for 17/18.

The percentage of customer service requests relating to roads to which we respond within the timeframes specified.	%	80.00	96.34	
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COMMENTS: For the year to date 2689 road requests have been received and 2626 of those were responded to within timeframe. For the month of June 2017 246 calls were received, 9 of those were not responded to on time giving a 96.34% result for the month. For the year 1 July 2016 to 30 June 2017 the overall response result is 97.66%

The percentage of customer service requests relating to footpaths responded to within the timeframe specified in LTP	%	80.00	100.00	
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COMMENTS: 169 footpath requests have been received so far this year of which 161 have been responded to within the agreed time. During June the corresponding figures are 14 of 14 responded to on time or 100.00%. For the year 1 July 2016 to 30 June 2017 the overall result is 95.27%

The percentage of the sealed local road network that is resurfaced	%	8.00	6.80	
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COMMENTS: 227.68 km of the road network were sealed during 2016/17 which equates to 6.2% of the length of sealed road. In addition a further 23.73 km or 0.6% of road was rehabilitated which resulted in the road getting a new surface. This gives a total of 6.8% of the network that received a new surface.

The average quality of ride on a sealed local road network, measured by smooth travel exposure.	%	91.00	98.00	
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COMMENTS: The result of 98% comfortably achieves the target of 91% across both rural and urban sealed roads.

The percentage of footpaths that fall within the level of service or service standard that is set out in LTP	%	90.00	99.67	
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COMMENTS: All the District footpaths were surveyed in January/February 2016 and graded from 1 - Excellent to 5 -Very Poor. 99.67% of the total length of footpath was rated as 3 Fair or better. This is reflective of the proactive approach taken by the Alliance and responsiveness to customer requests.

2015-18 LTP Stormwater

The number of flooding events that occurs in the district	#	5.00	0.00	
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COMMENTS: Target met.

The number of habitable floors affected in a stormwater flooding event expressed per 1000 properties connected to the councils stormwater system per event	#	0.30	0.00	
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COMMENTS: Target met.

The median response time to attend a flooding event, measured from the time that Council receives notification to the time that service personnel reach the site.	m	480.00	0.00	
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COMMENTS: Target met, no flooding events this year.

The number of complaints received by Council about the performance of its stormwater system, expressed per 1000 properties connected to the stormwater system	#	4.00	3.65	
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COMMENTS: Target met.

Council's level of compliance with resource consents for discharge from its stormwater system, measured by the number of abatement notices, infringement notices, enforcement orders and convictions received in relation those resource consents.	#	0.00	0.00	
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COMMENTS: No enforcement notices

2015-18 LTP WasteWater

The number of dry weather sewerage overflows from the territorial authority's sewerage system, expressed per 1000 sewerage connections to that sewerage system	#	5.00	1.80	
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COMMENTS: Target met.

20 dry weather overflows this year.

The median attendance time where Council attends to sewage overflows resulting from a blockage or other fault in its sewerage system, from the time that Council receives notification to the time that service personnel reach the site.	m	60.00	30.00	
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COMMENTS: Target met with a median of 30 minutes.

41 calls from 45 met the 60 minute timeframe for the year.

The median resolution time where Council attends to sewage overflows resulting from a blockage or other fault in its sewerage system, from the time Council receives notification to the time personnel confirm resolution of the blockage or other fault.	m	240.00	106.00	
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COMMENTS: Target met with a median of 106 minutes.

42 out of 45 calls resolved within required timeframe of 240 minutes this year.

The total number of complaints received by Council about odour, system faults, blockages, response to issues with its sewerage system.(expressed per 1000 connections to the sewerage system):	#	25.00	7.28	
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COMMENTS: Target met.

81 wastewater complaints this year.

Council's level of Compliance with resource consents for discharge from its wastewater system, measured by the number of abatement notices, infringement notices and enforcement orders	#	2.00	0.00	
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COMMENTS: 3 Letters of Direction (Huntly WWTP, Te Kauwhata WWTP, Matangi WWTP) and 3 Formal Warnings (Te Kowhai, Meremere, Tauwhare)

Council's level of Compliance with resource consents, measured by the number of Convictions for discharge from its wastewater system,	#	0.00	0.00	
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COMMENTS: No convictions notices

2015-18 LTP Water - drinking

The extent to which Councils drinking water supply complies with part 4 of the drinking water standards (bacteria compliance criteria)	#	18.00	18.00	
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COMMENTS: 5 Zones have outstanding part 4 compliance issues relating to the performance of the treatment plants; Huntly (4) Raglan (1)

However no transgressions were reported from DWS sampling in these zones.

Therefore all 18 zone are compliant

The extent to which Councils drinking water supply complies with part 5 of the drinking-water standards (protozoal compliance criteria)	#	15.00	15.00	
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COMMENTS: 1 Zone has an outstanding part 5 compliance issue, Raglan. Raglan has experienced a number of part 5 issues throughout the year, though none have been confirmed as non-compliance with DWS by DWA.

The median on site attendance time for an urgent call out where Council attends a call-out in response to a fault or unplanned interruption to its networked reticulation system	m	60.00	28.00	
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COMMENTS: Target met.

107 of 128 calls met the 60 minute timeframe this quarter.

The median resolution time for an urgent call out where Council attends a call-out in response to a fault or unplanned interruption to its networked reticulation system	m	240.00	88.00	
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COMMENTS: Target met.

118 out of 128 calls met the 5 day timeframe this year.

The median on site attendance time for a non-urgent call out, where Council attends a call-out in response to a fault or unplanned interruption to its networked reticulation system	Days	5.00	1.00	
<i>COMMENTS:</i> Target met.				

349 out of 363 complaints met the 5 day timeframe this year.

The median resolution time for a non-urgent call out where Council attends a call-out in response to a fault or unplanned interruption to its networked reticulation system	Days	5.00	1.00	
<i>COMMENTS:</i> Target met.				

341 out of 363 calls met the 5 day timeframe this year.

The total number of complaints received by Council about drinking water clarity, taste, odour, water pressure or flow, continuity of supply and response to any of these issues (expressed per 1000 connections to the water system)	#	17.00	22.11	
<i>COMMENTS:</i> Over target.				


317 complaints this year.

The average consumption of drinking water per day per resident within the Waikato district	L	250.00	270.00	
<i>COMMENTS:</i> Total volume/365days/population connected 4800ML/365/(total population 73577 *0.66 (approximately 2/3 of our residents are connected to the water network)) 2017/18 water balance report should provide a more accurate picture of network performance as all connections would have been metered and read for that period.				

The percentage of real water loss from Councils networked reticulation system in Central District	%	25.00	33.50	
<i>COMMENTS:</i> Table 1.2 2017 Water Balance Report prepared by Thomas Consultants.				

The percentage of real water loss from Councils networked reticulation system in Huntly	%	20.00	30.50	
<i>COMMENTS:</i> Table 1.2 2017 Water Balance Report prepared by Thomas Consultants. Calculated from a partial data set due to the timing of the district wide meter installation project and includes some assumptions. 2017/18 water balance report should provide a more accurate picture of network performance as all connections would have been metered and read for that period.				

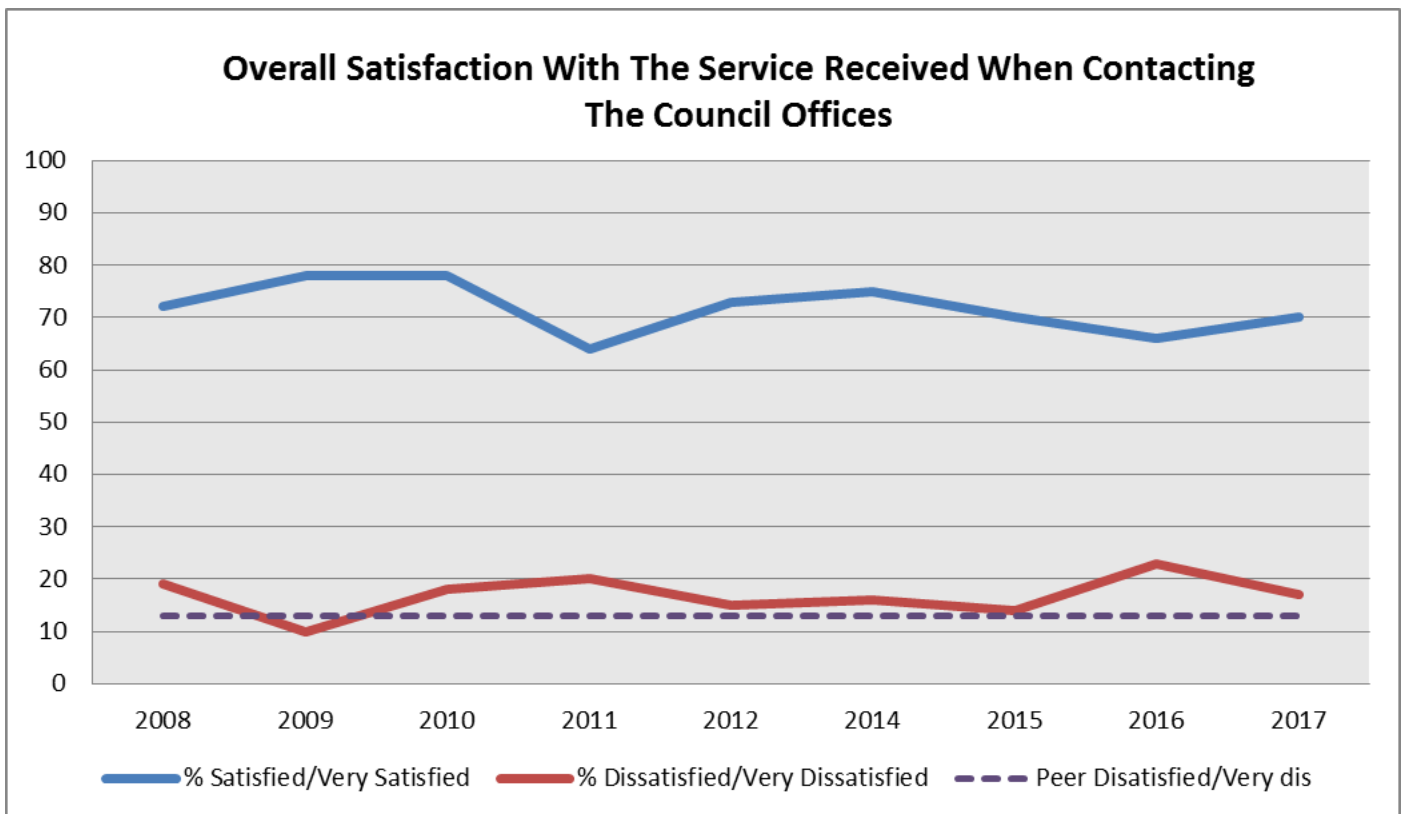
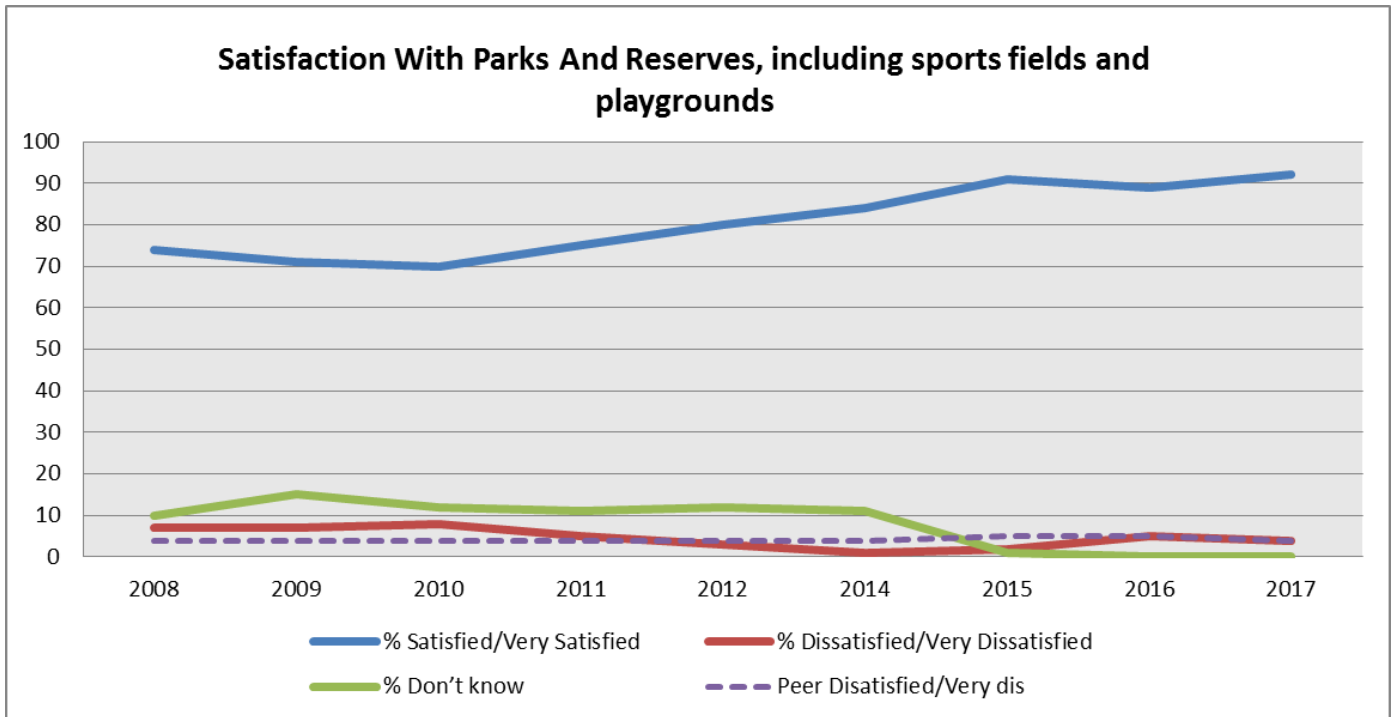
The percentage of real water loss from Councils networked reticulation system in Mid Waikato	%	30.00	34.40	
<i>COMMENTS:</i> Table 1.2 2017 Water Balance Report prepared by Thomas Consultants. Calculated from a partial data set due to the timing of the district wide meter installation project and includes some assumptions. 2017/18 water balance report should provide a more accurate picture of network performance as all connections would have been metered and read for that period.				
The percentage of real water loss from Councils networked reticulation system in Onewhero	%	25.00	10.60	
<i>COMMENTS:</i> Table 1.2 2017 Water Balance Report prepared by Thomas Consultants. Small scheme with low demand, water loss as a percent does not accurately represent network performance.				
The percentage of real water loss from Councils networked reticulation system in Pokeno	%	20.00	34.20	
<i>COMMENTS:</i> Table 1.2 2017 Water Balance Report prepared by Thomas Consultants				
The percentage of real water loss from Councils networked reticulation system in Port Waikato	%	25.00	53.00	
<i>COMMENTS:</i> Table 1.2 2017 Water Balance Report prepared by Thomas Consultants. Small scheme with low demand, water loss as a percent does not accurately represent network performance				
The percentage of real water loss from Councils networked reticulation system in Raglan	%	30.00	28.10	
<i>COMMENTS:</i> Table 1.2 2017 Water Balance Report prepared by Thomas Consultants. Calculated from a partial data set due to the timing of the district wide meter installation project and includes some assumptions. 2017/18 water balance report should provide a more accurate picture of network performance as all connections would have been metered and read for that period.				
The percentage of real water loss from Councils networked reticulation system in Southern & Western Districts	%	20.00	15.30	
<i>COMMENTS:</i> Table 1.2 2017 Water Balance Report prepared by Thomas Consultants				
The percentage of real water loss from Councils networked reticulation system in Taupiri/Hopuhopu	%	10.00	0.00	
<i>COMMENTS:</i> Scheme supplied from Ngaruawahia. Taupiri/Hopuhopu scheme now included in Central Waikato.				
The percentage of real water loss from Councils networked reticulation system in Te Akau	%	25.00	34.00	
<i>COMMENTS:</i> Table 1.2 2017 Water Balance Report prepared by Thomas Consultants. Small scheme with low demand, water loss as a percent does not accurately represent network performance				

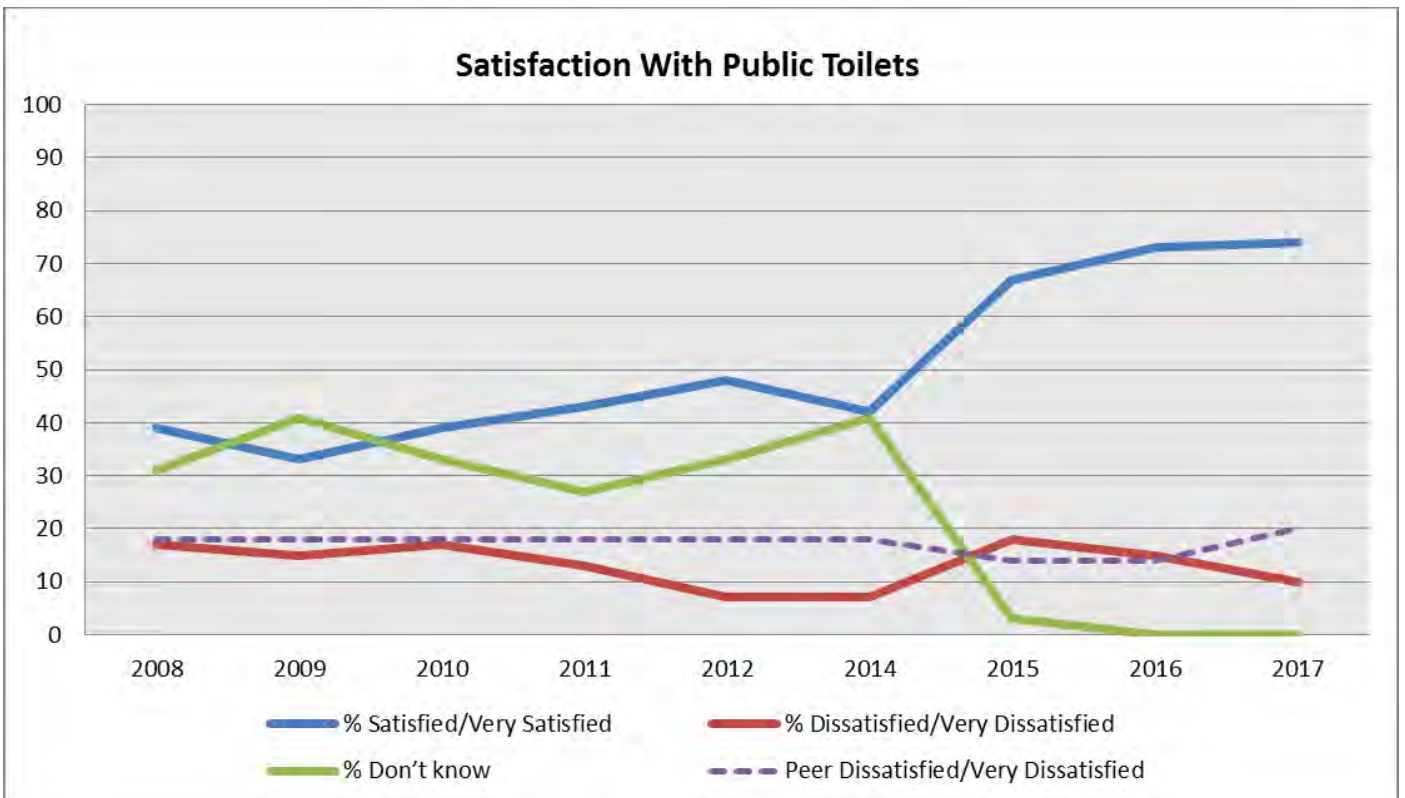
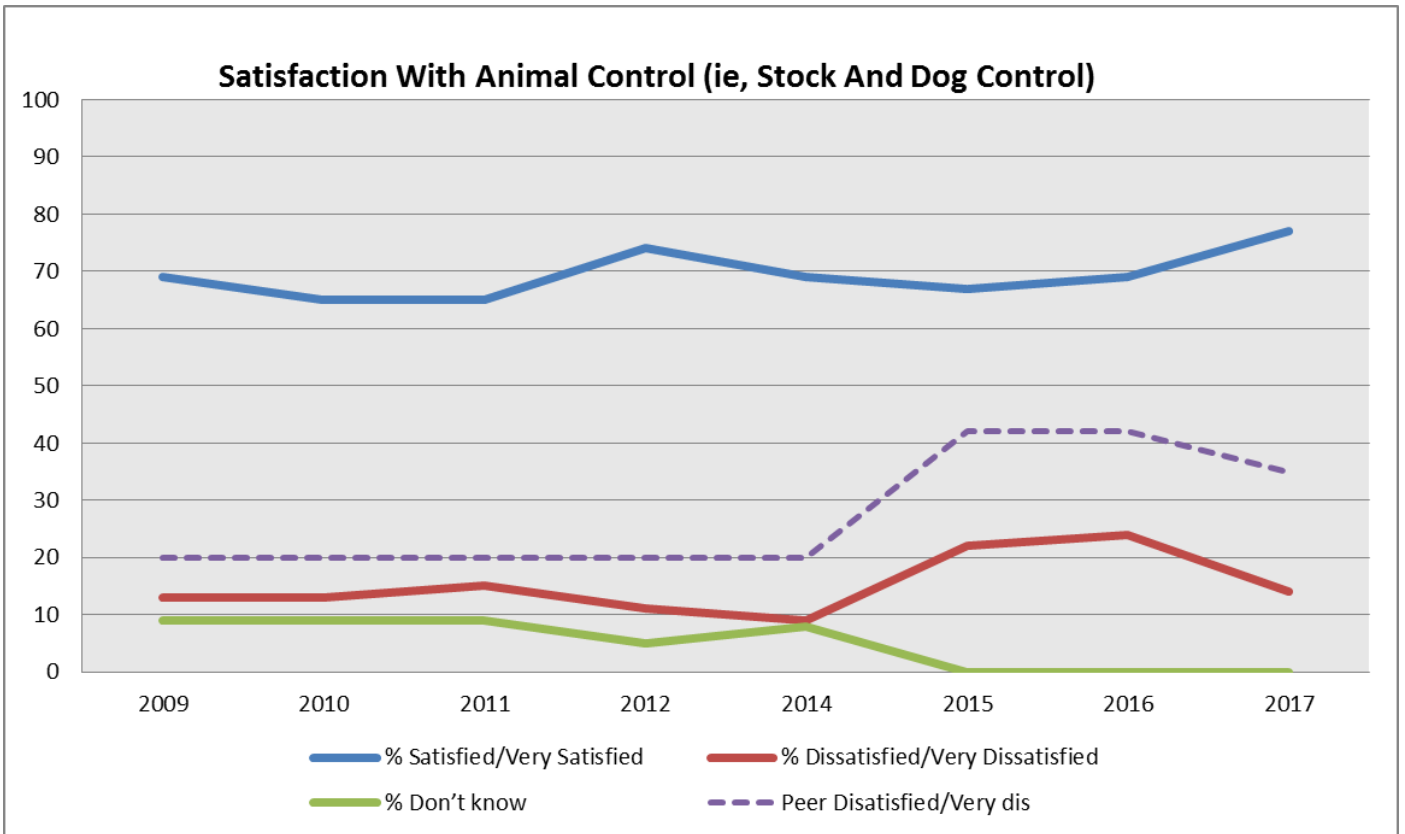
The percentage of real water loss from Councils networked reticulation system in Tuakau	%	20.00	14.50	
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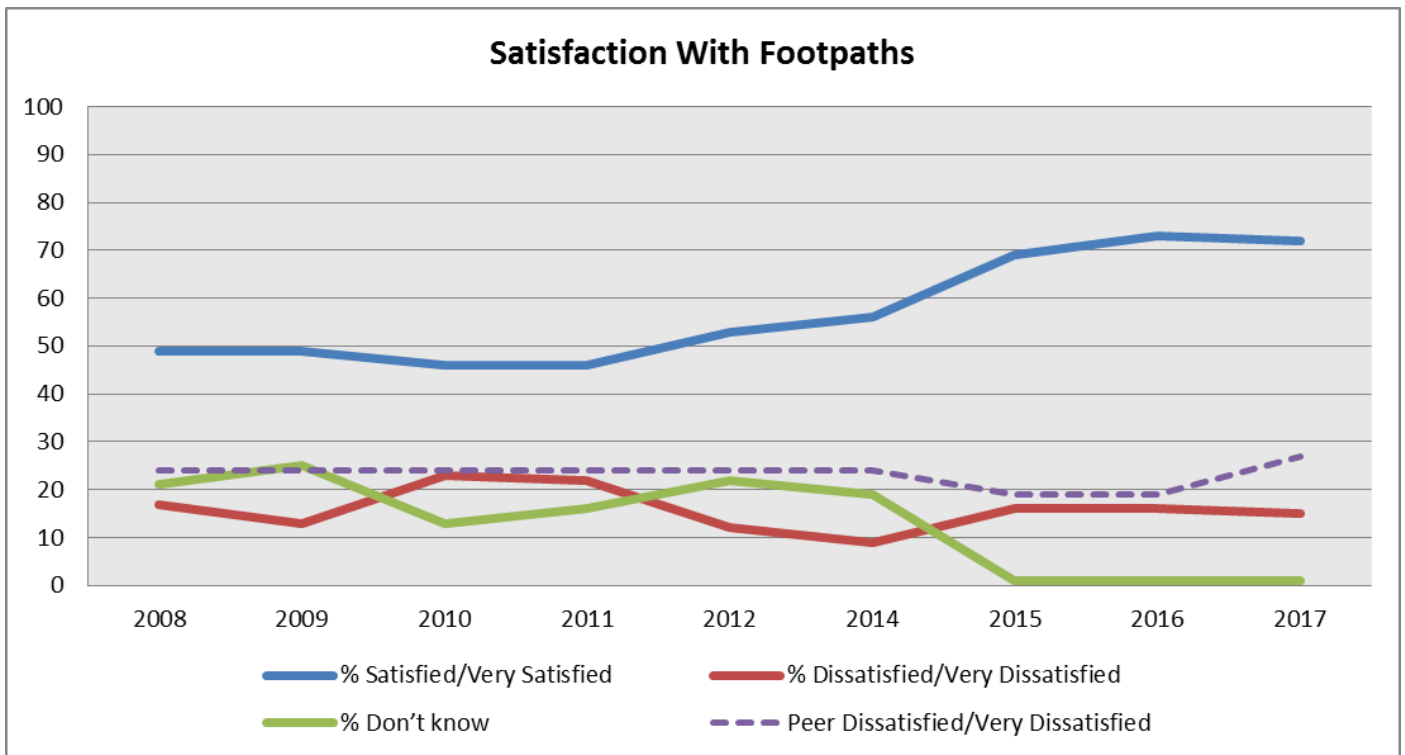
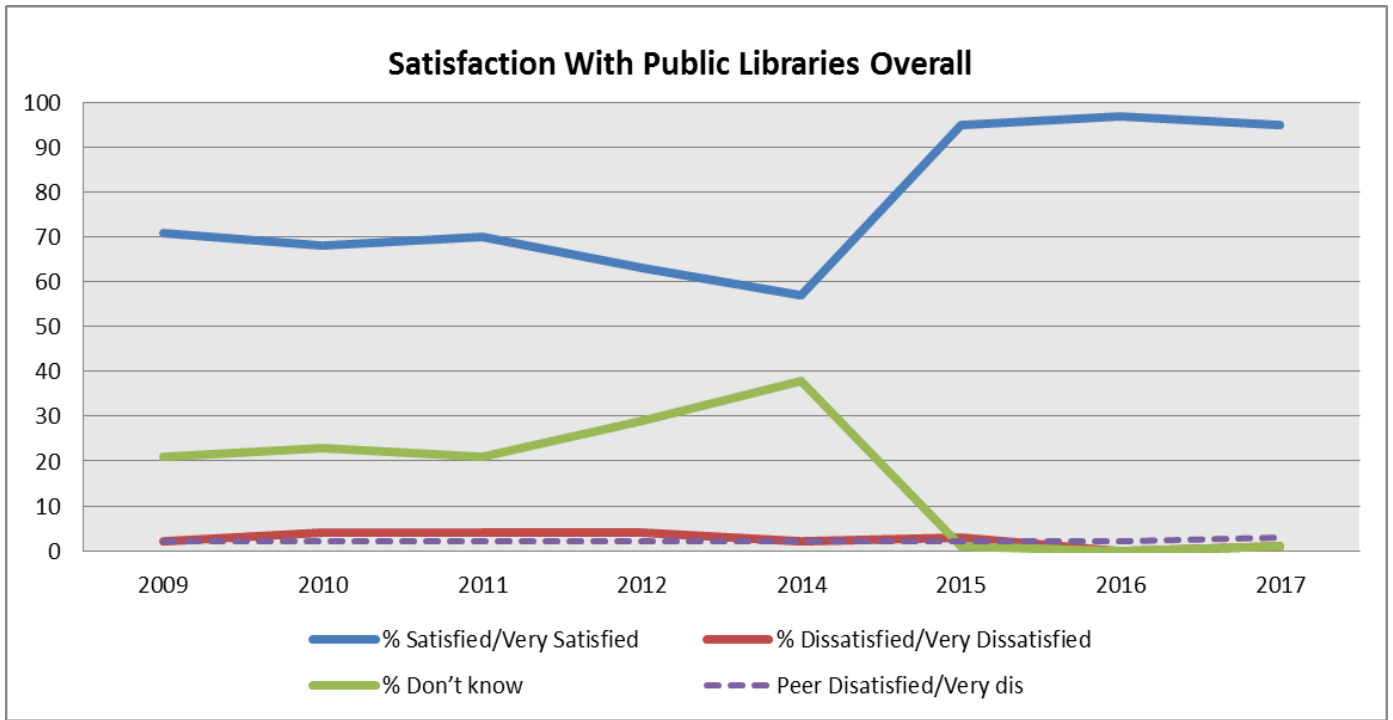
COMMENTS: Table 1.2 2017 Water Balance Report prepared by Thomas Consultants

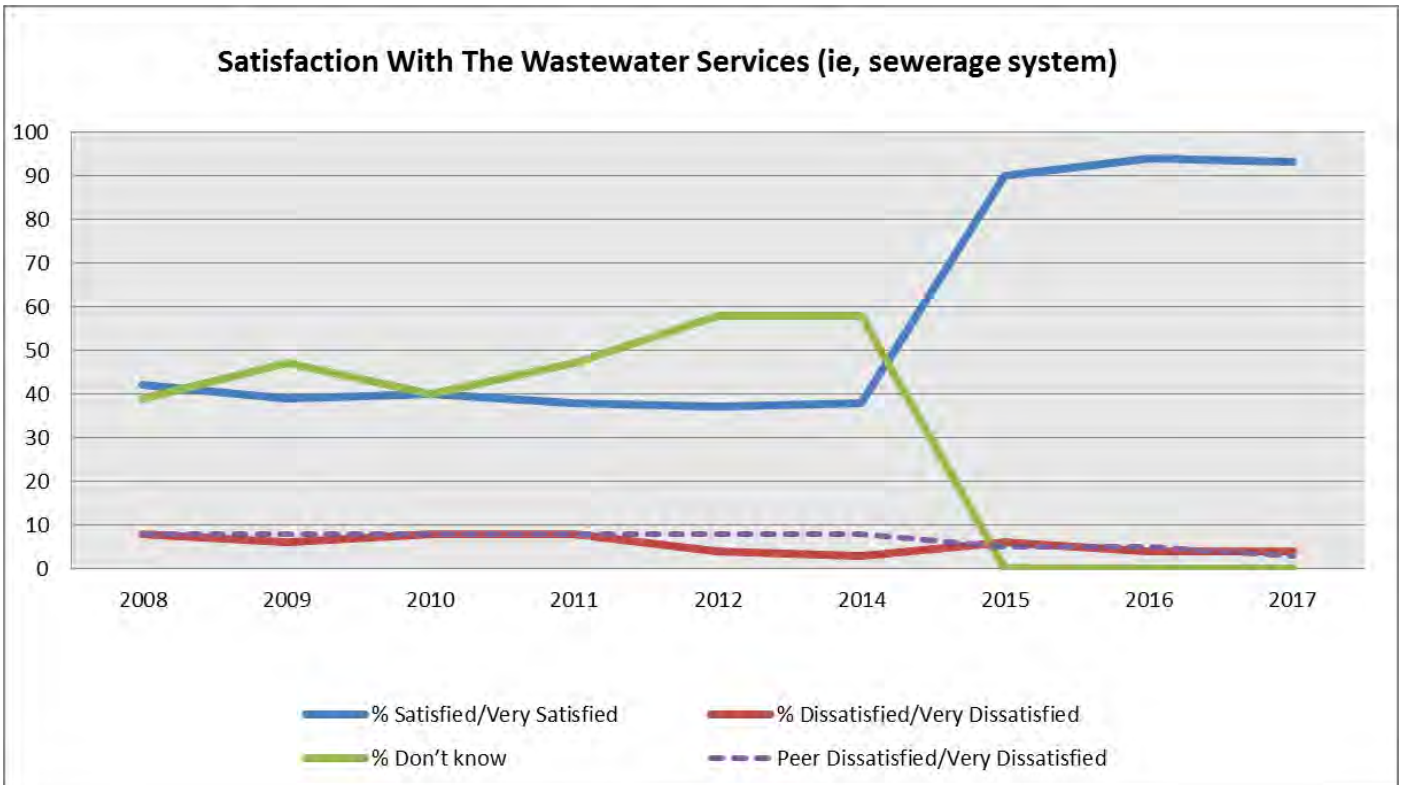
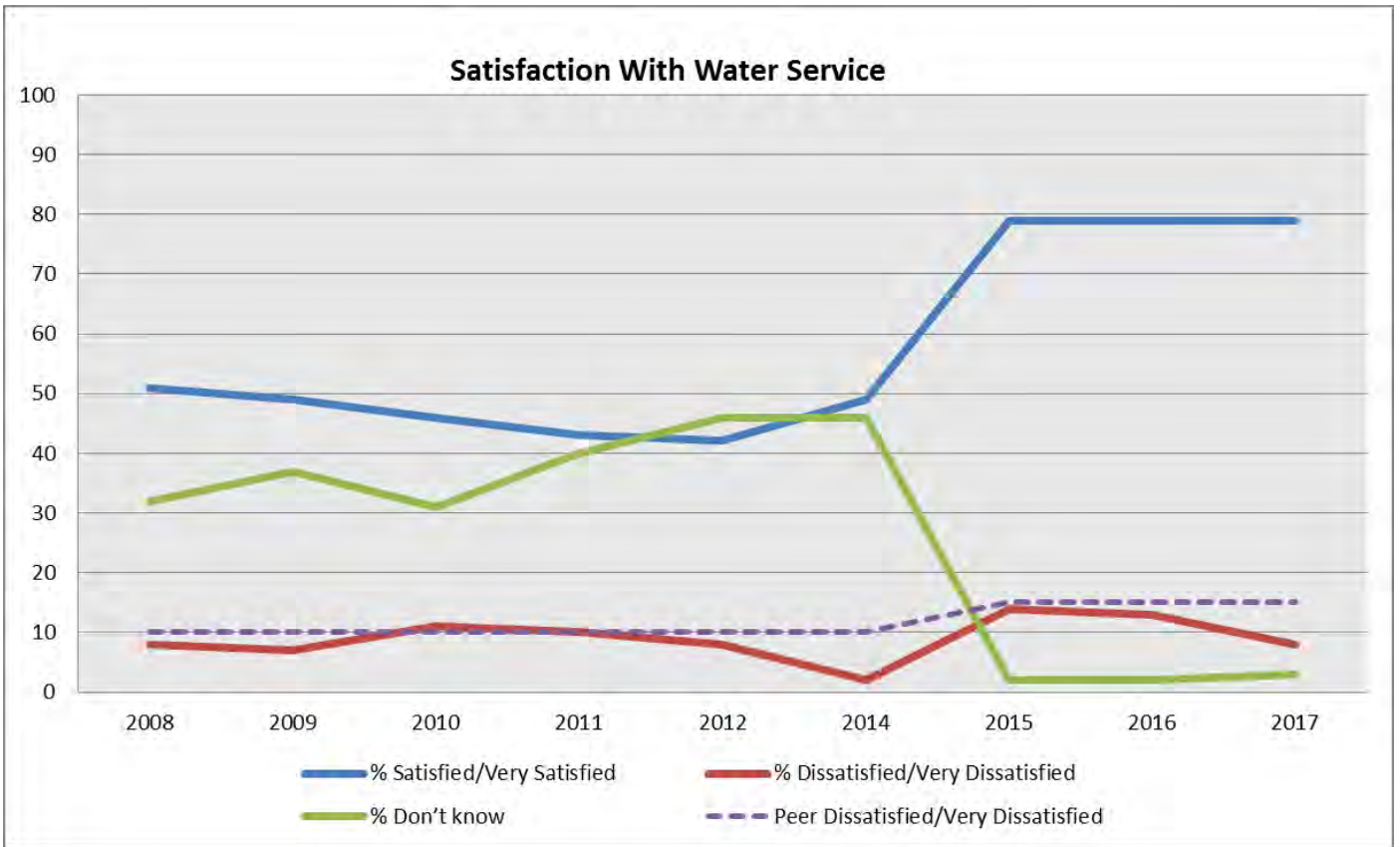
Overall Performance	%	0.00	0.00	
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Residents Satisfaction Survey Trend Graphs – 2017

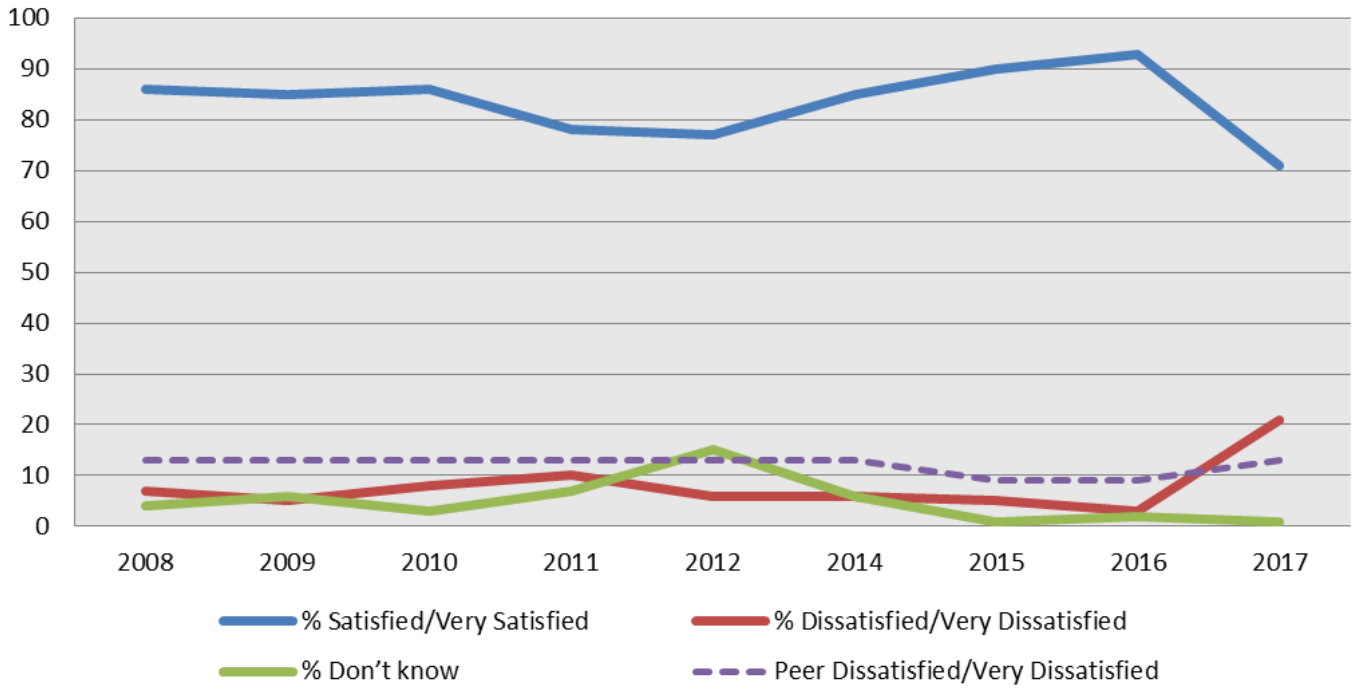




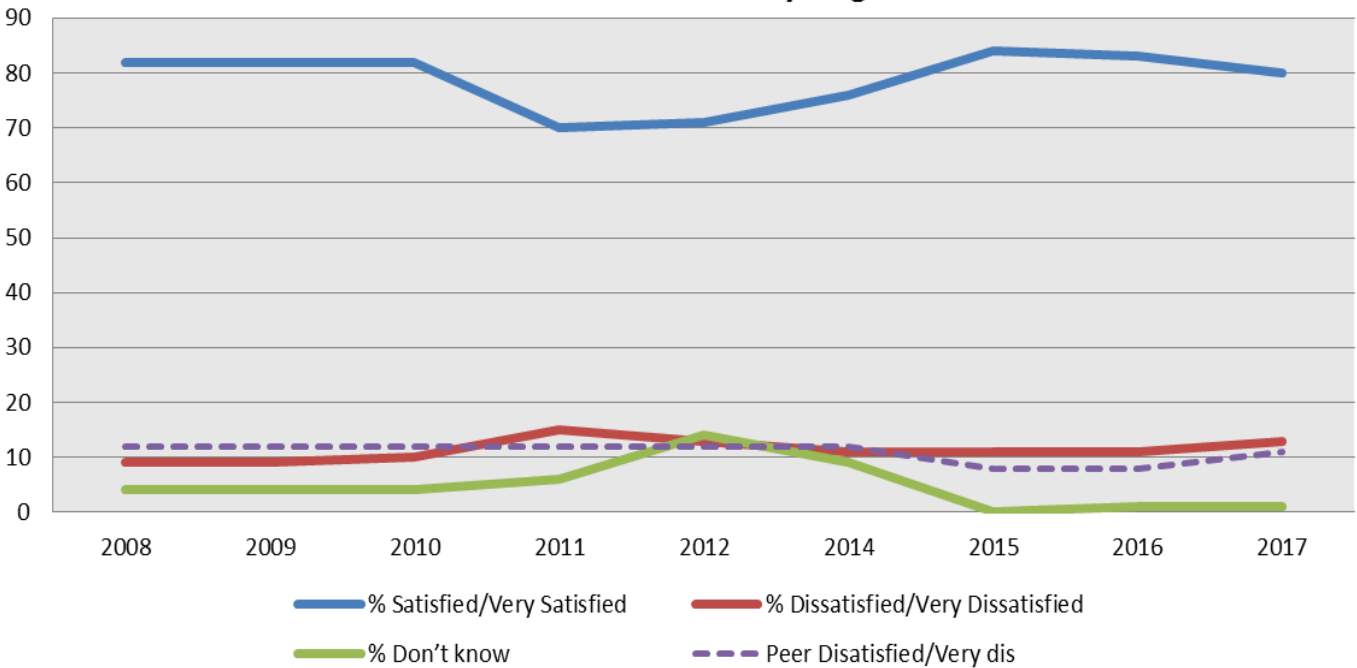




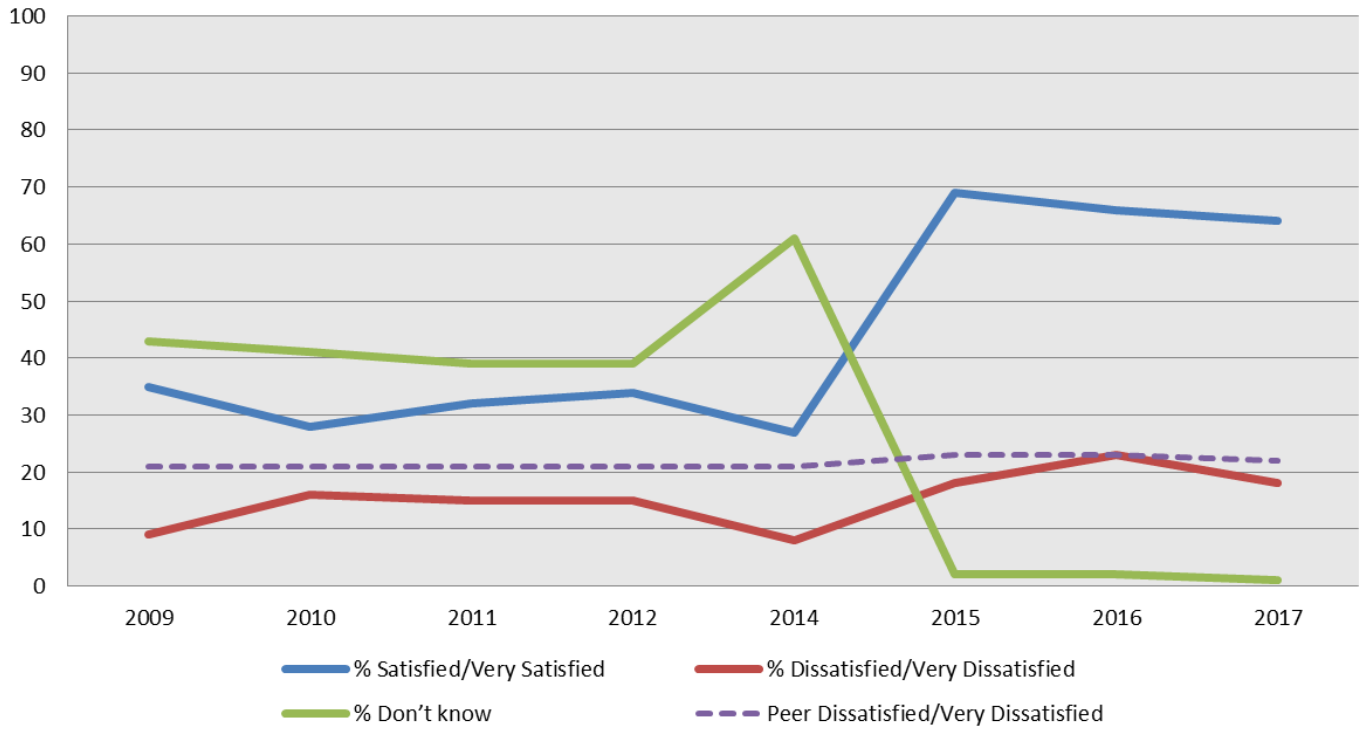
Satisfaction With The Rubbish Collection



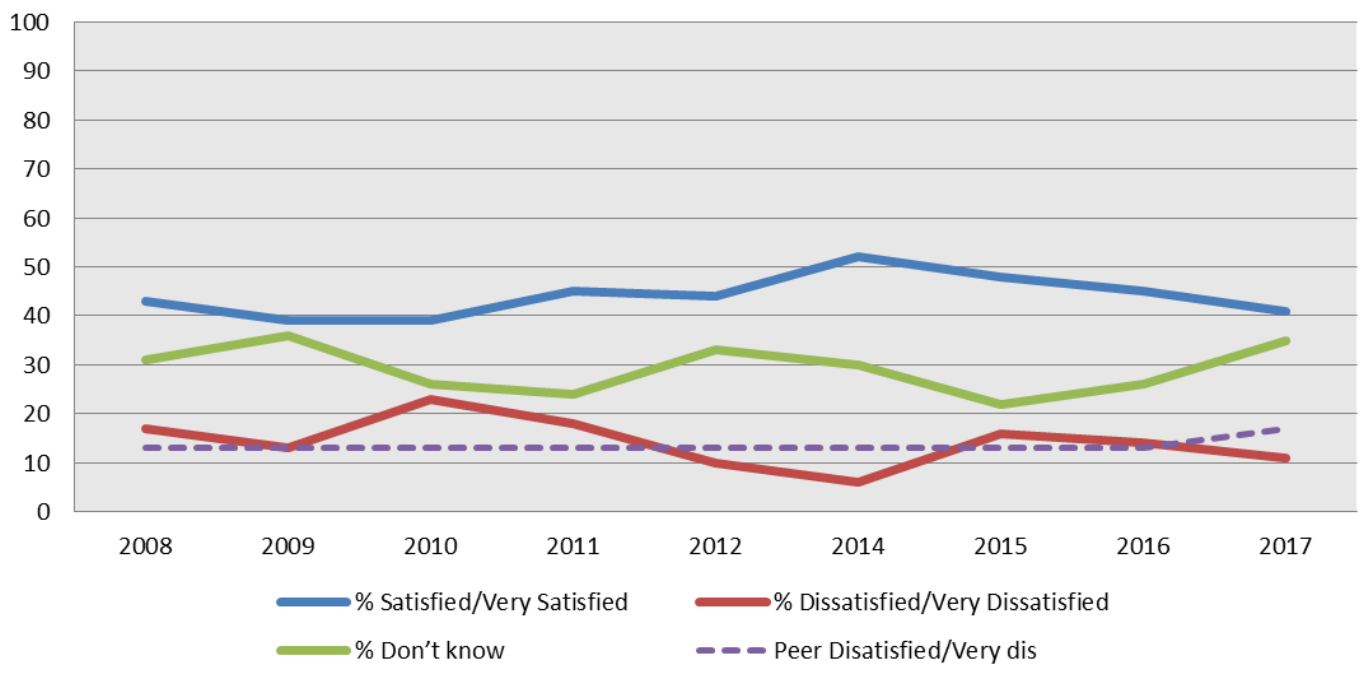
Satisfaction With Recycling Services

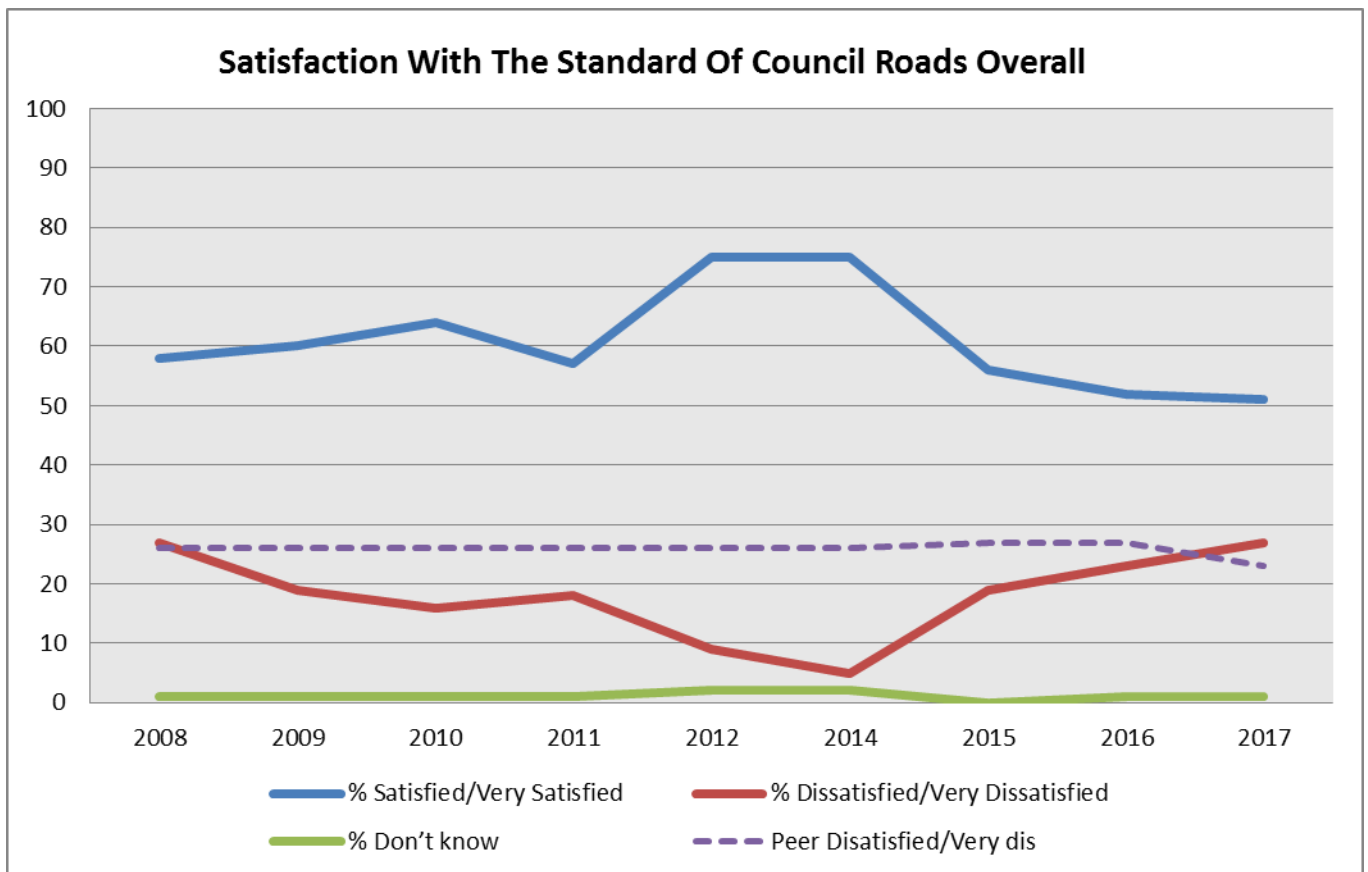
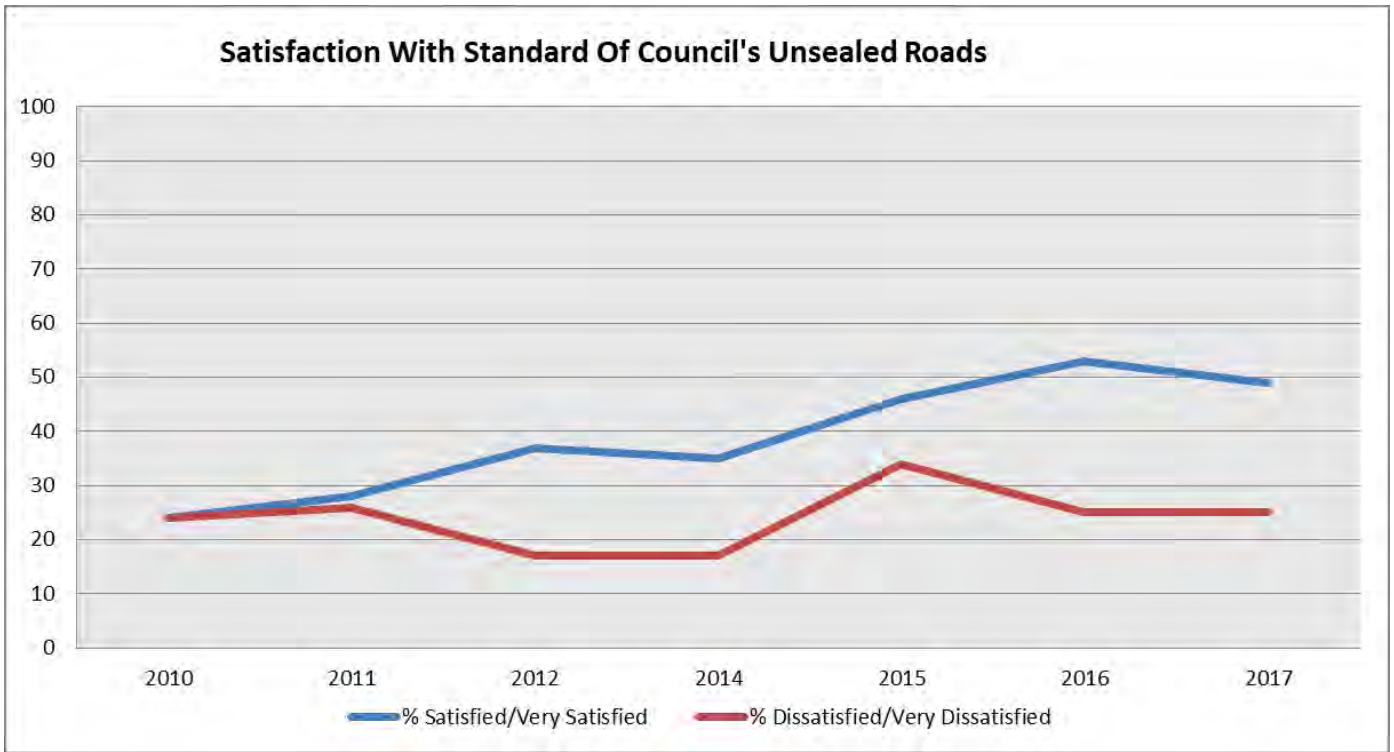


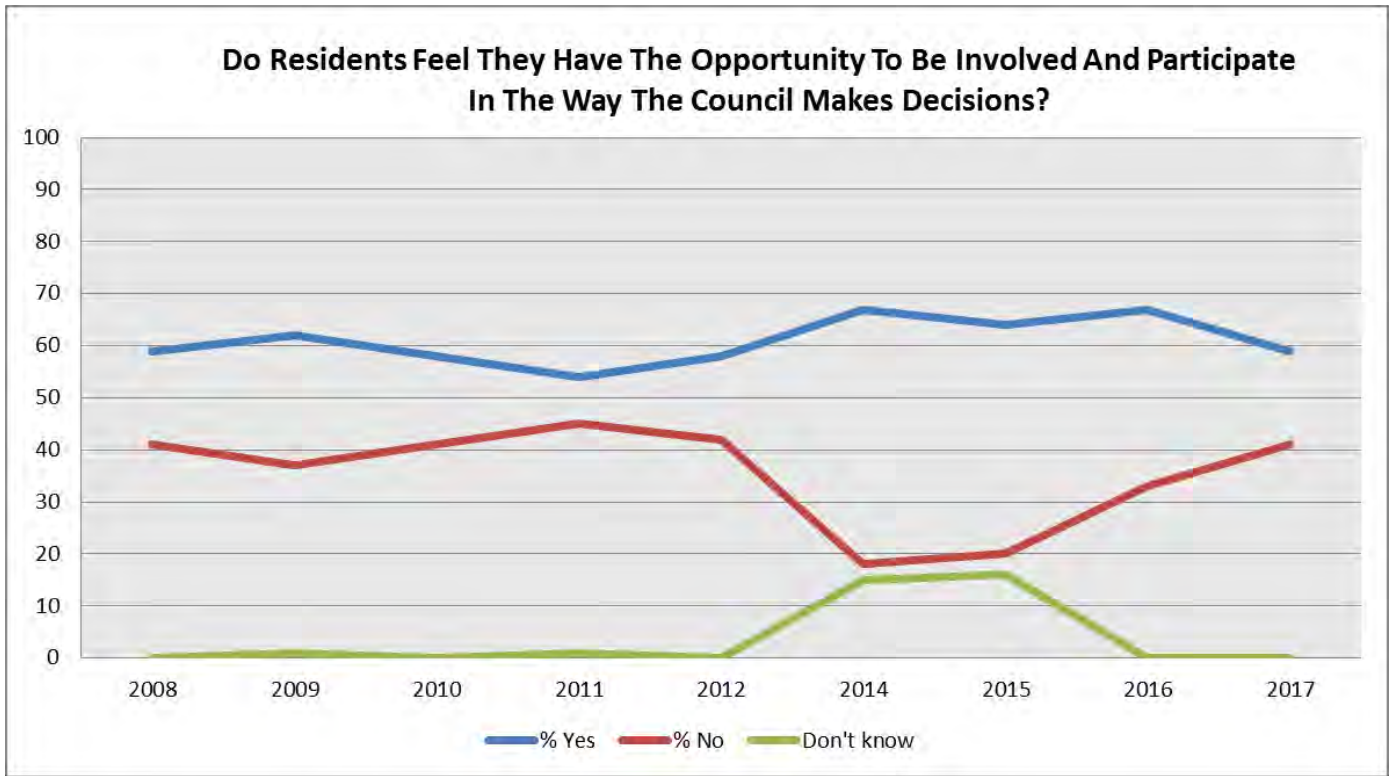
Satisfaction With Building And Inspection Services

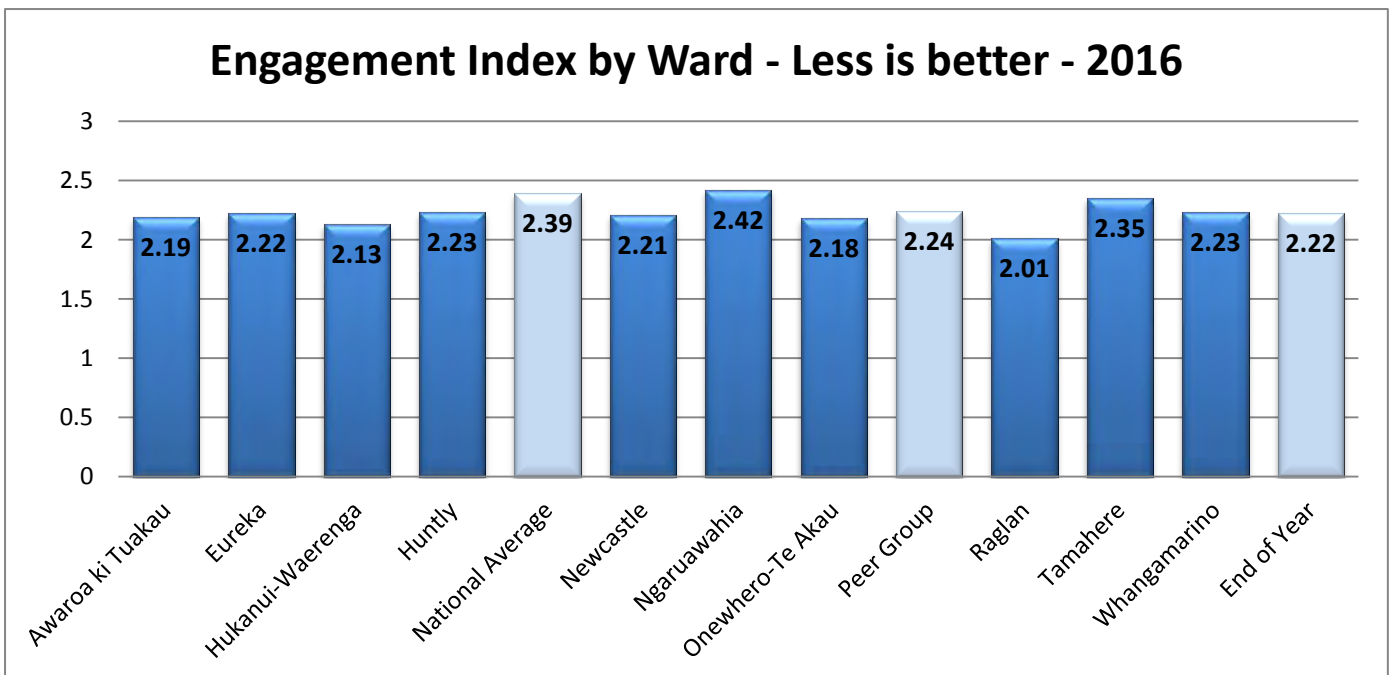
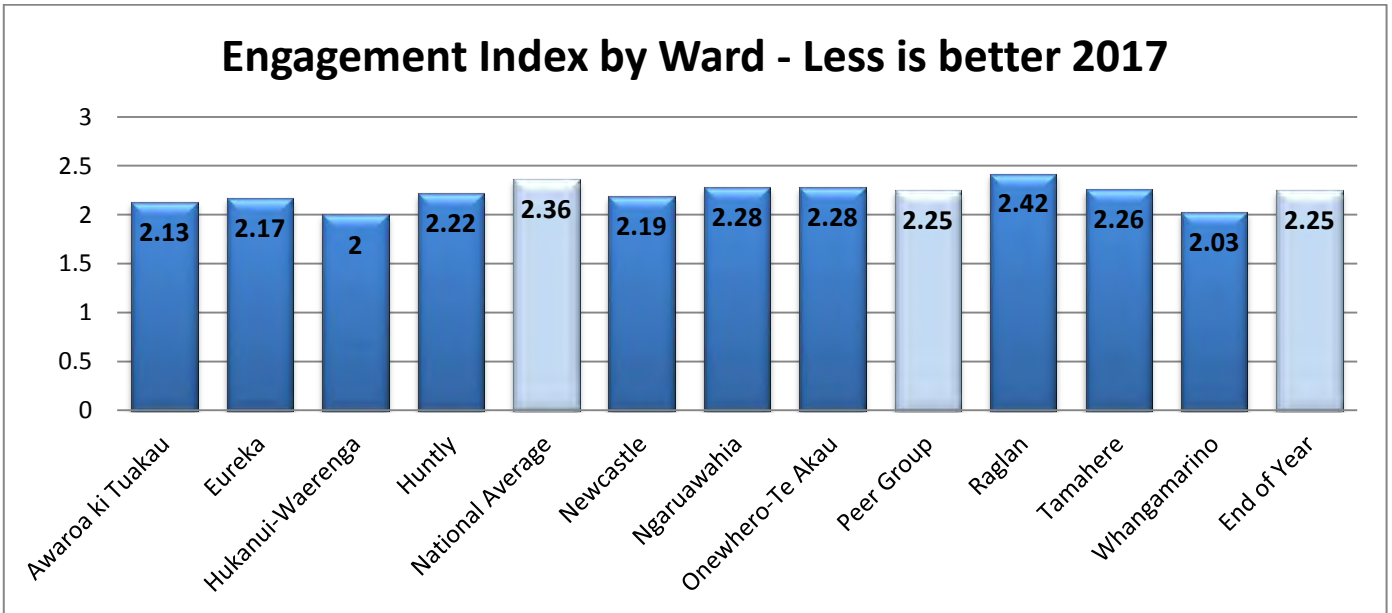
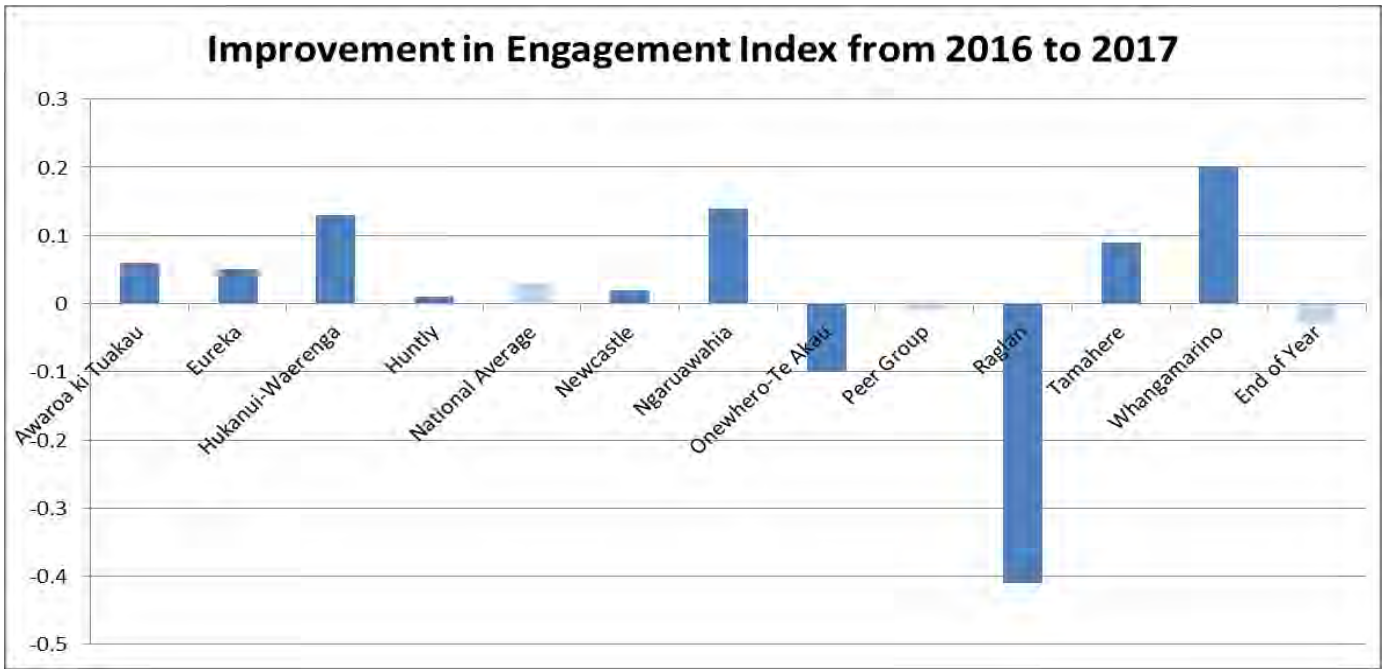


Satisfaction With Stormwater Services Overall

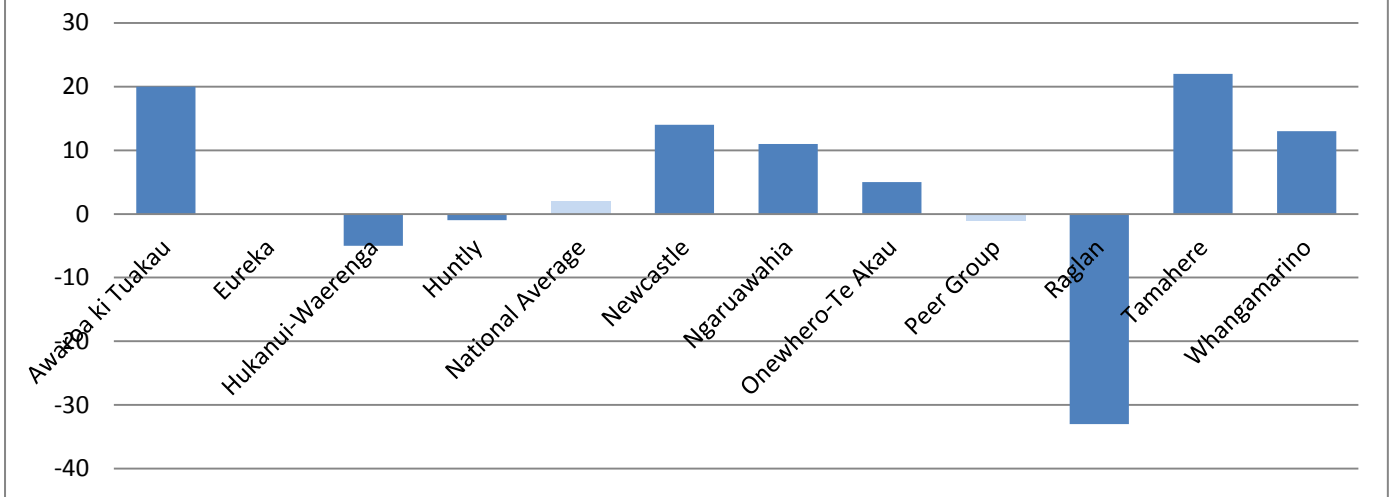




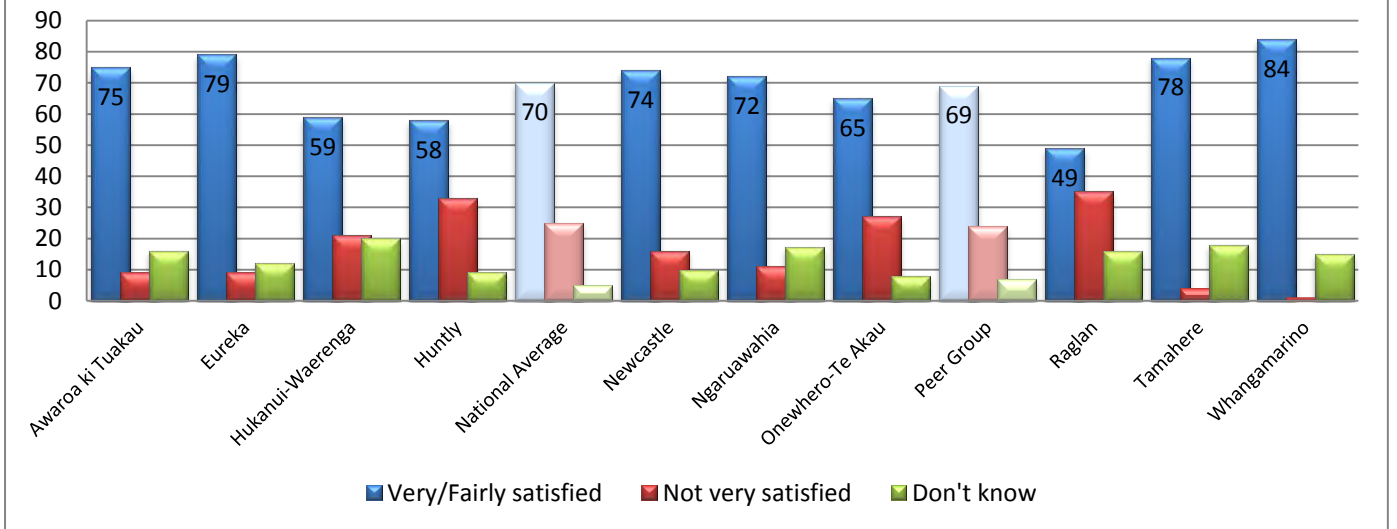




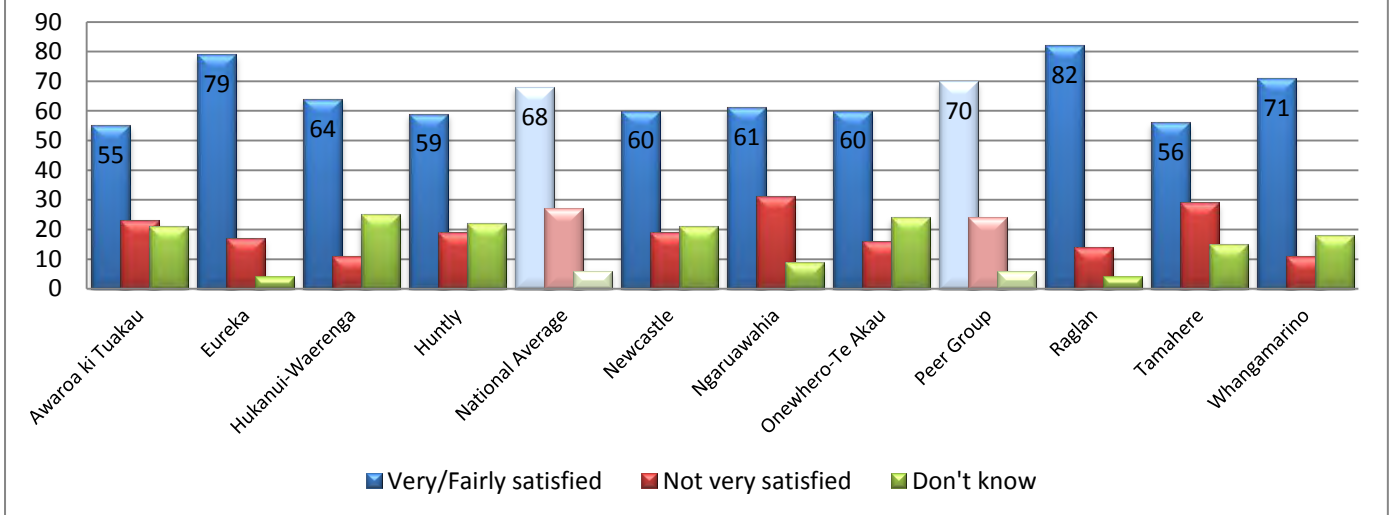
Satisfaction Difference between 2016 and 2017 with Rates Spending



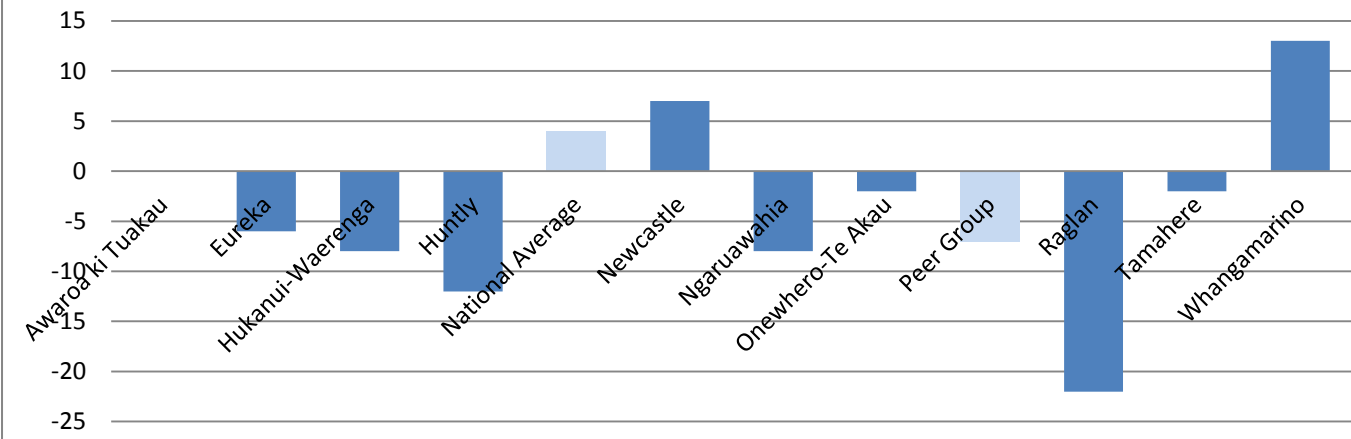
Satisfaction with Rates Spending 2017



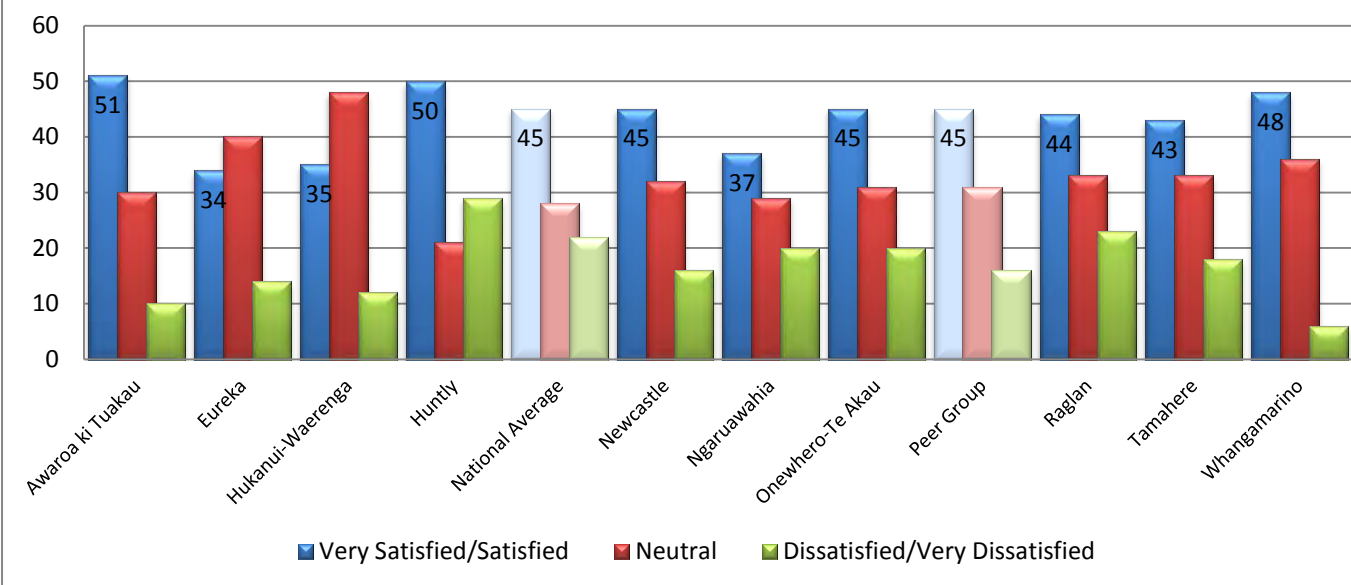
Satisfaction with Rates Spending 2016



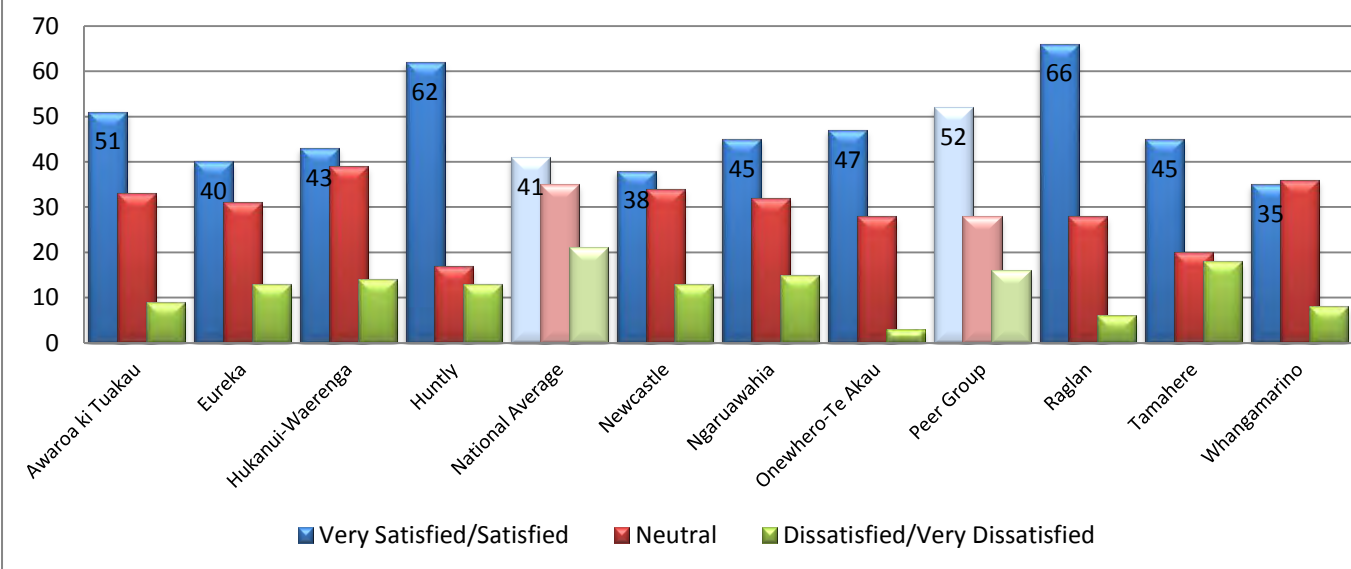
Satisfaction Difference between 2016 and 2017 with the way the public are involved with decision making



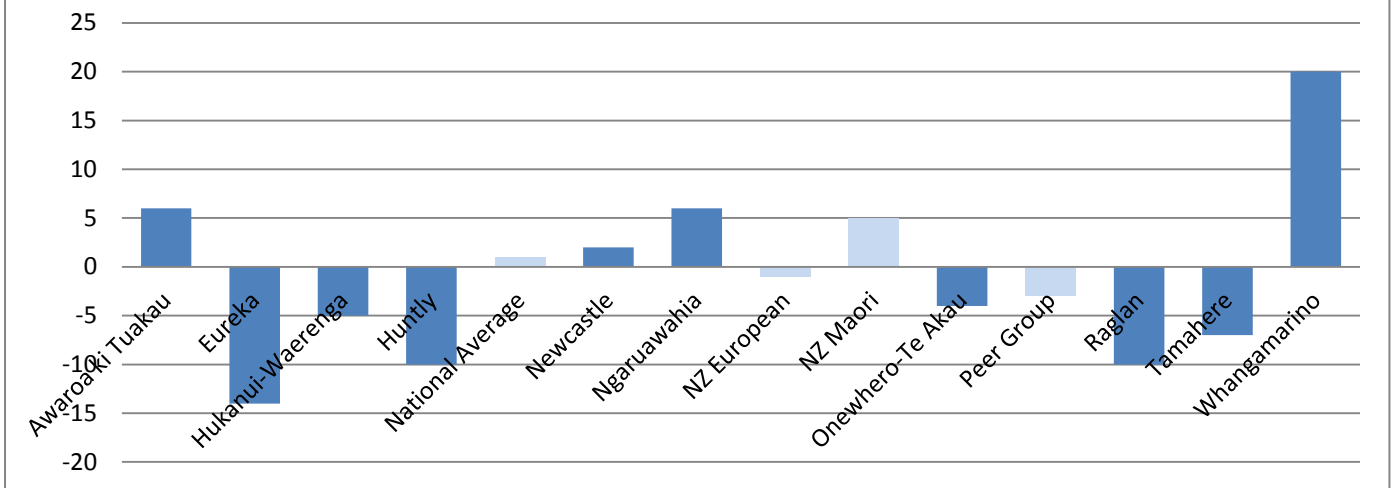
Council Involves the public in decisions it makes 2017



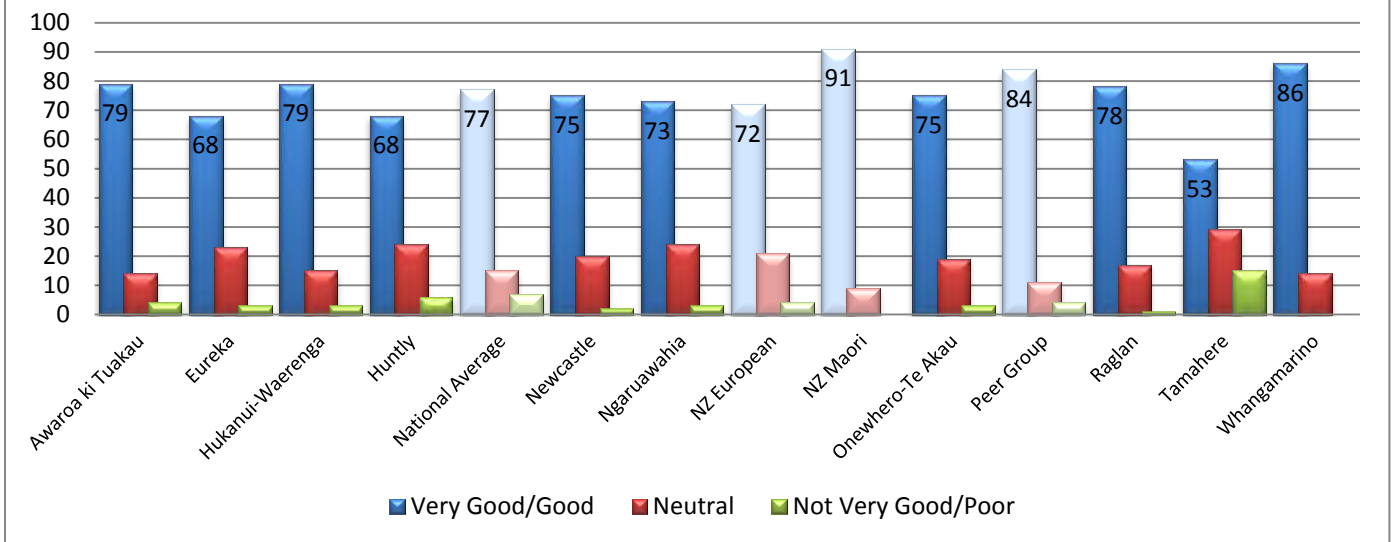
Council Involves the public in decisions it makes 2016



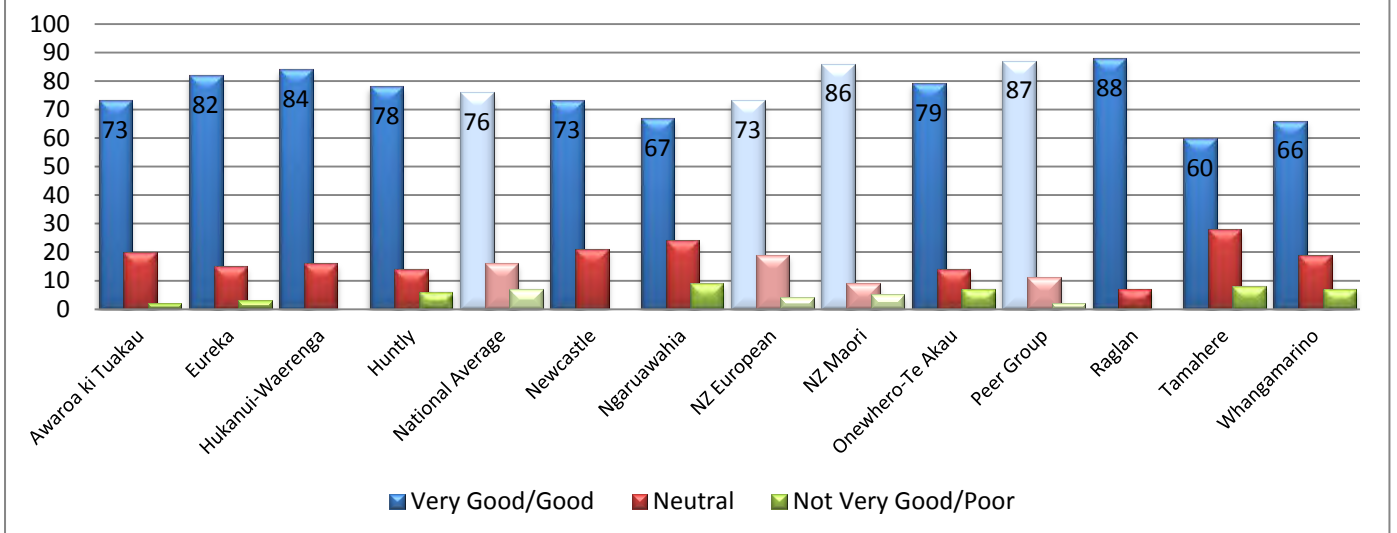
Satisfaction Difference between 2016 and 2017 with Community Spirit



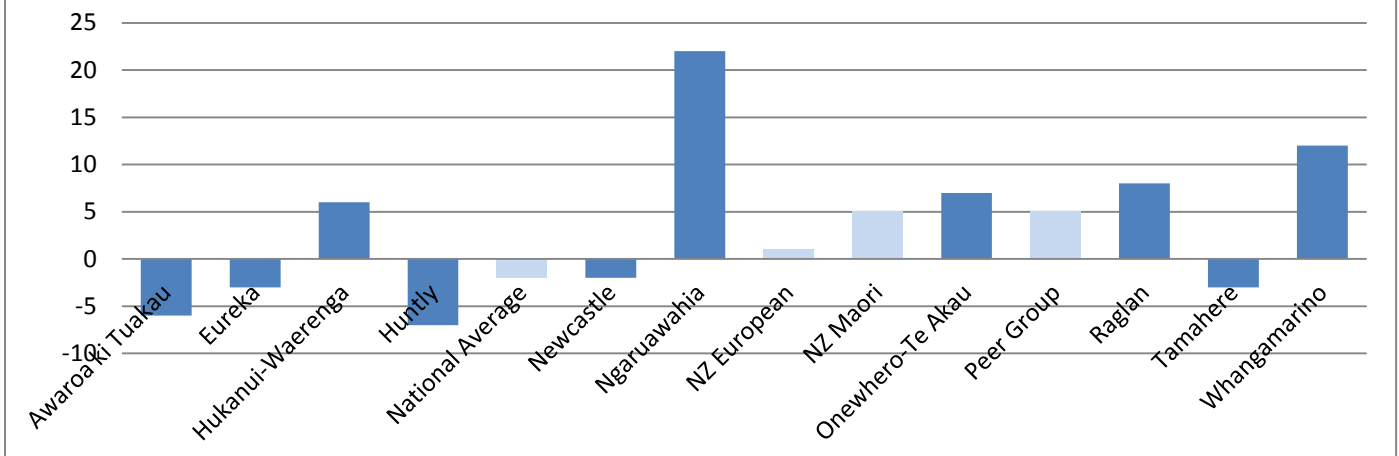
Community Spirit 2017



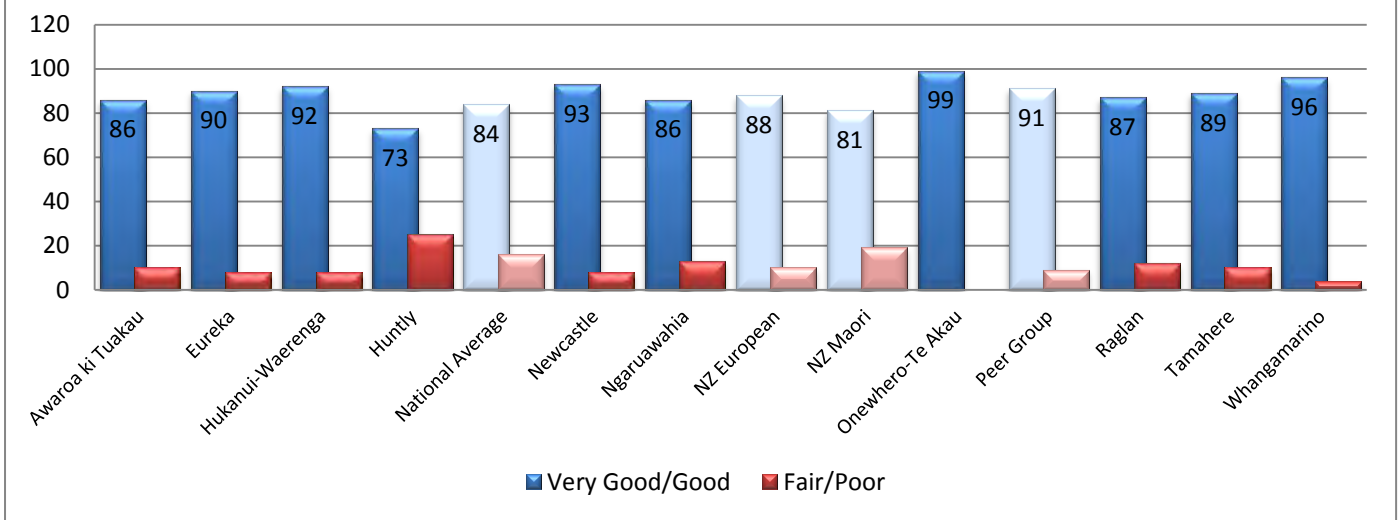
Community Spirit 2016



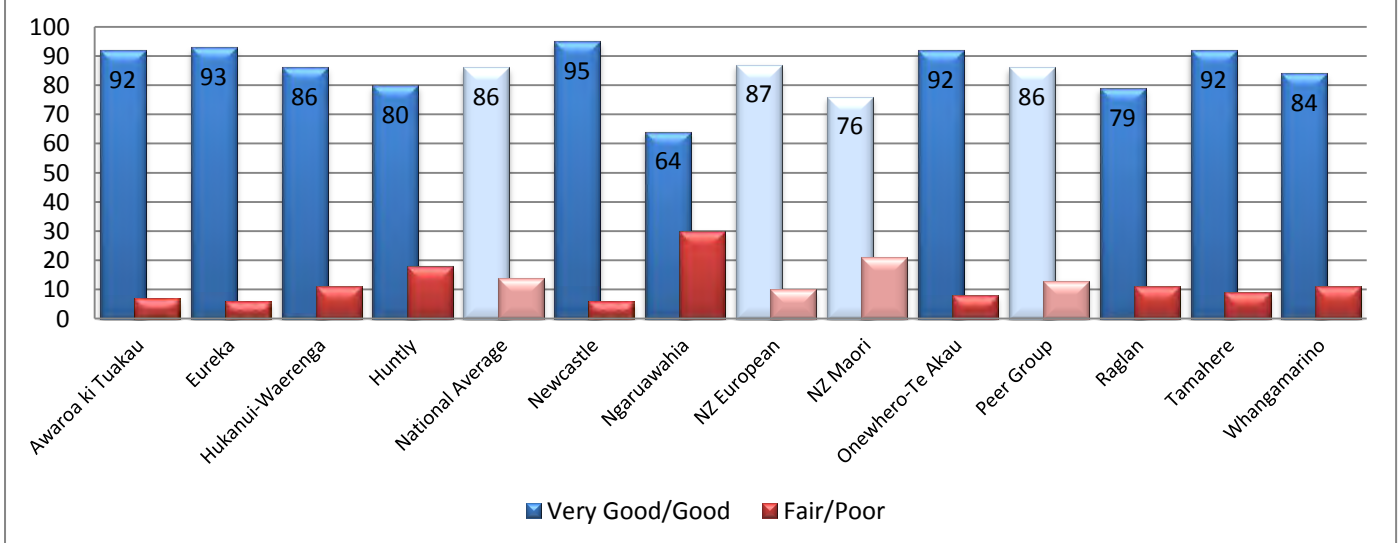
Satisfaction Difference between 2016 and 2017 with Quality of Life



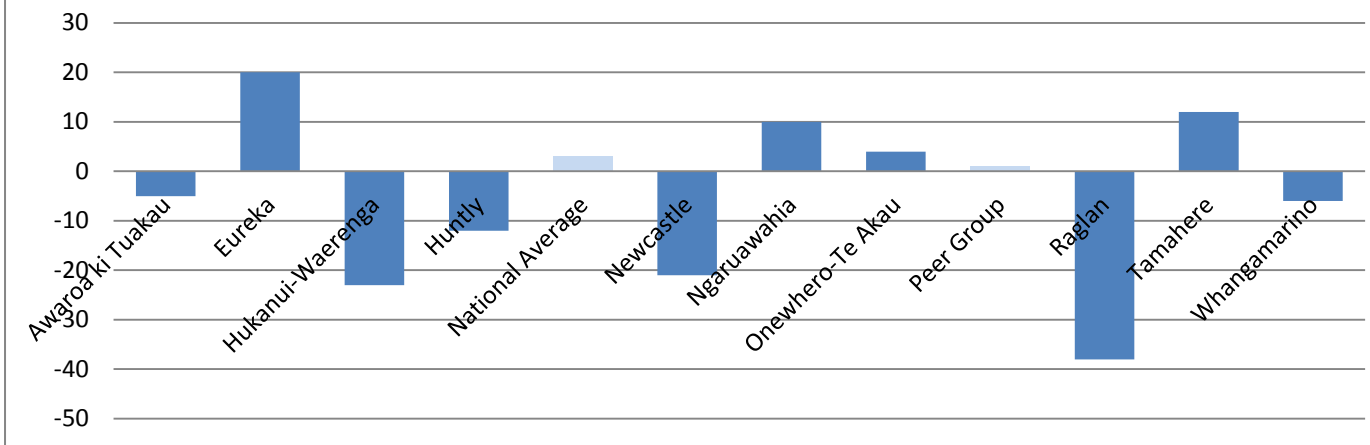
Quality of Life 2017



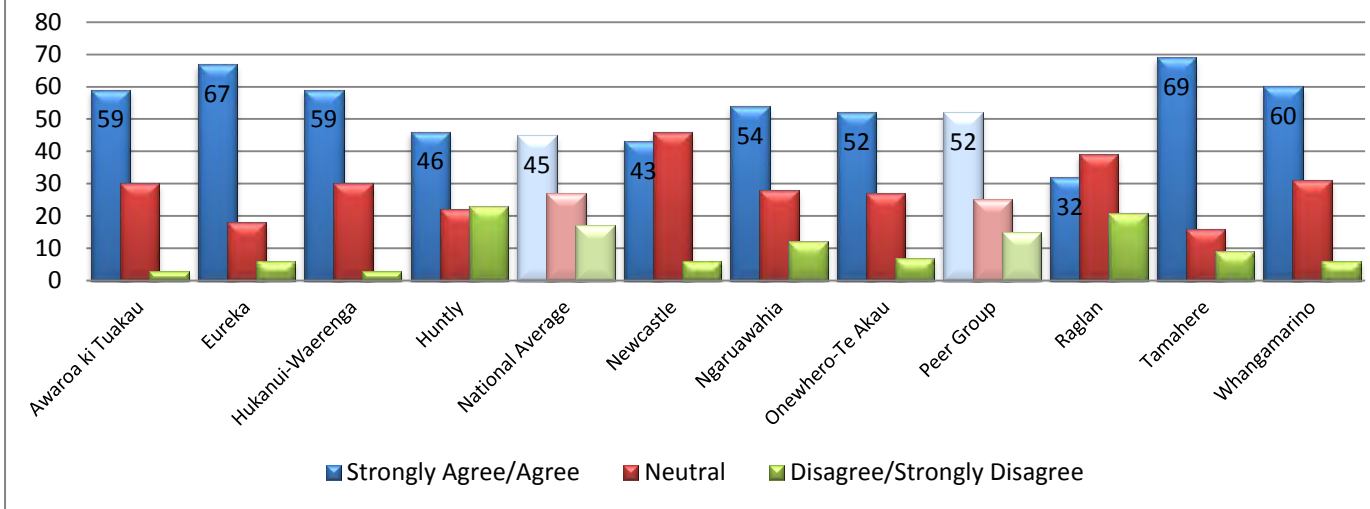
Quality of Life 2016



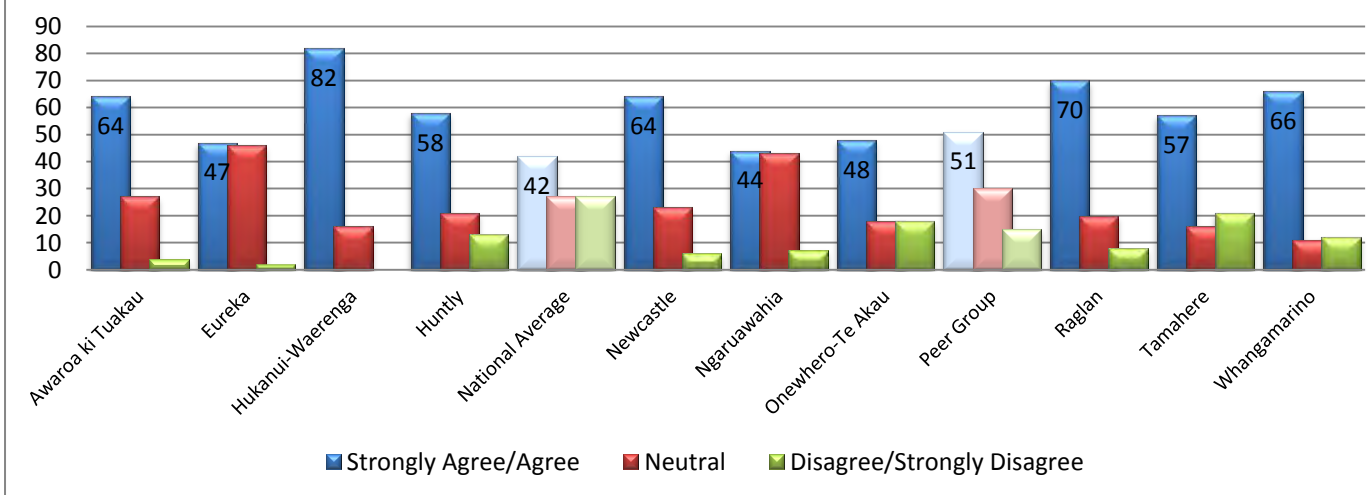
Satisfaction Difference between 2016 and 2017 that council decisions meet the needs of residents

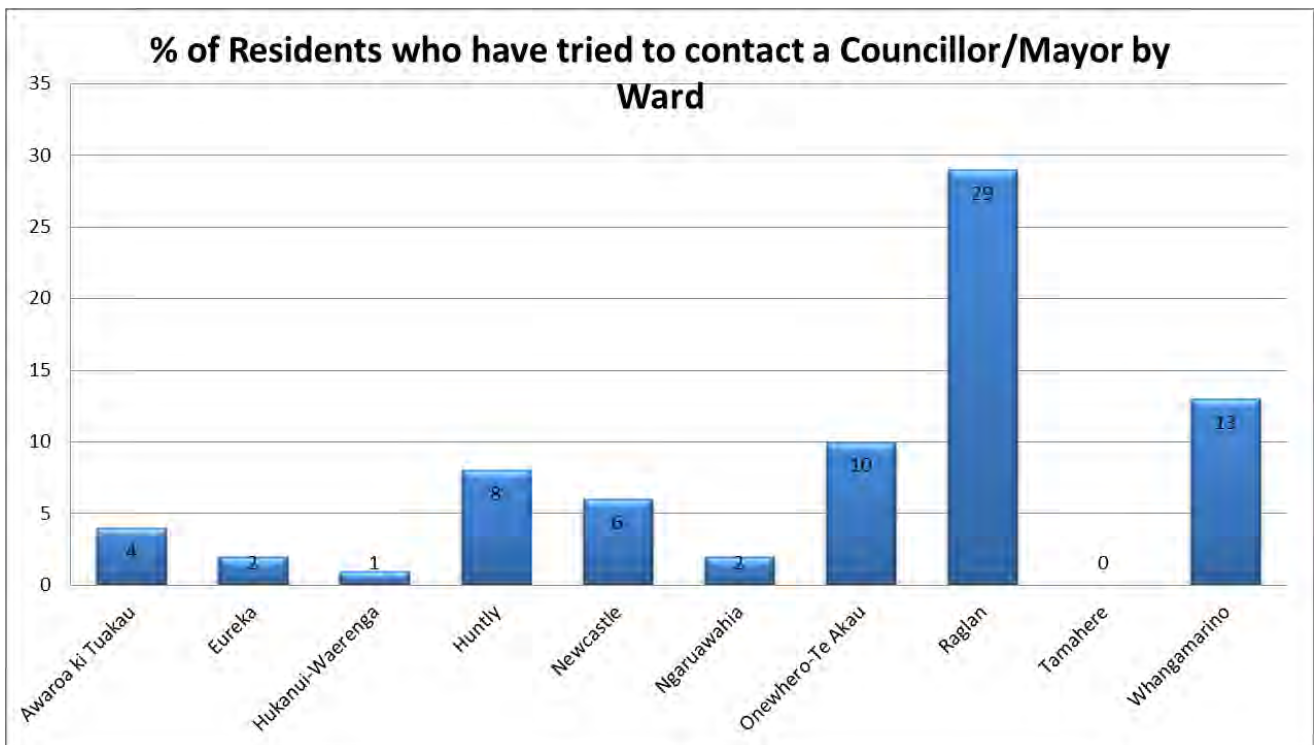
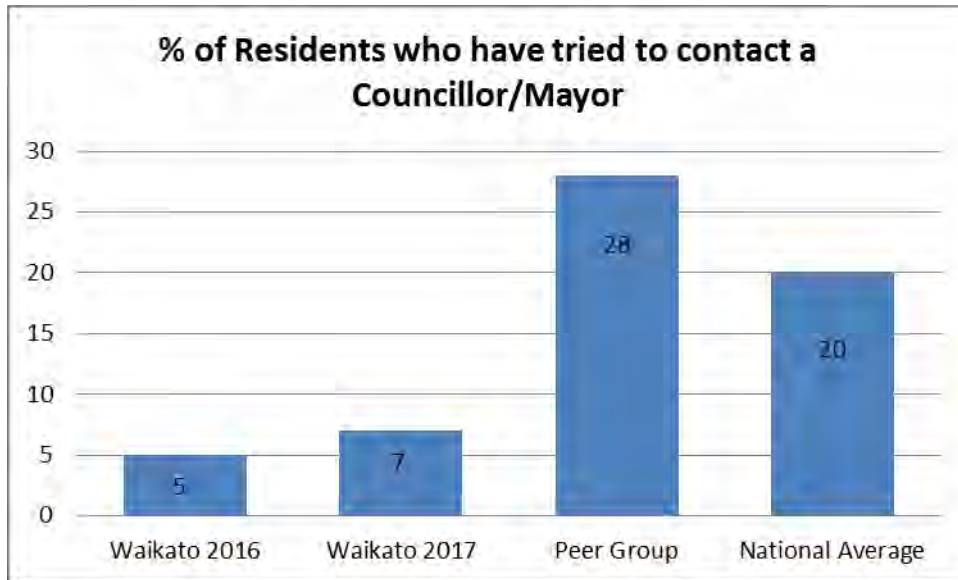


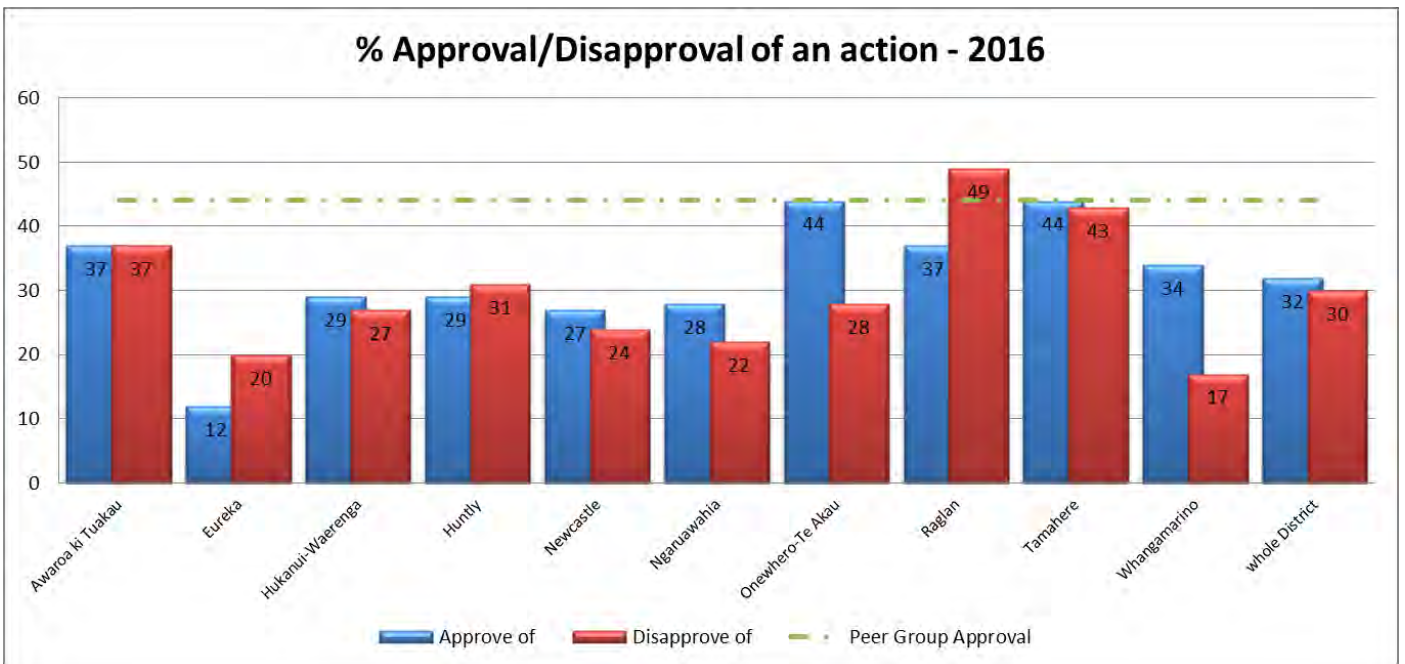
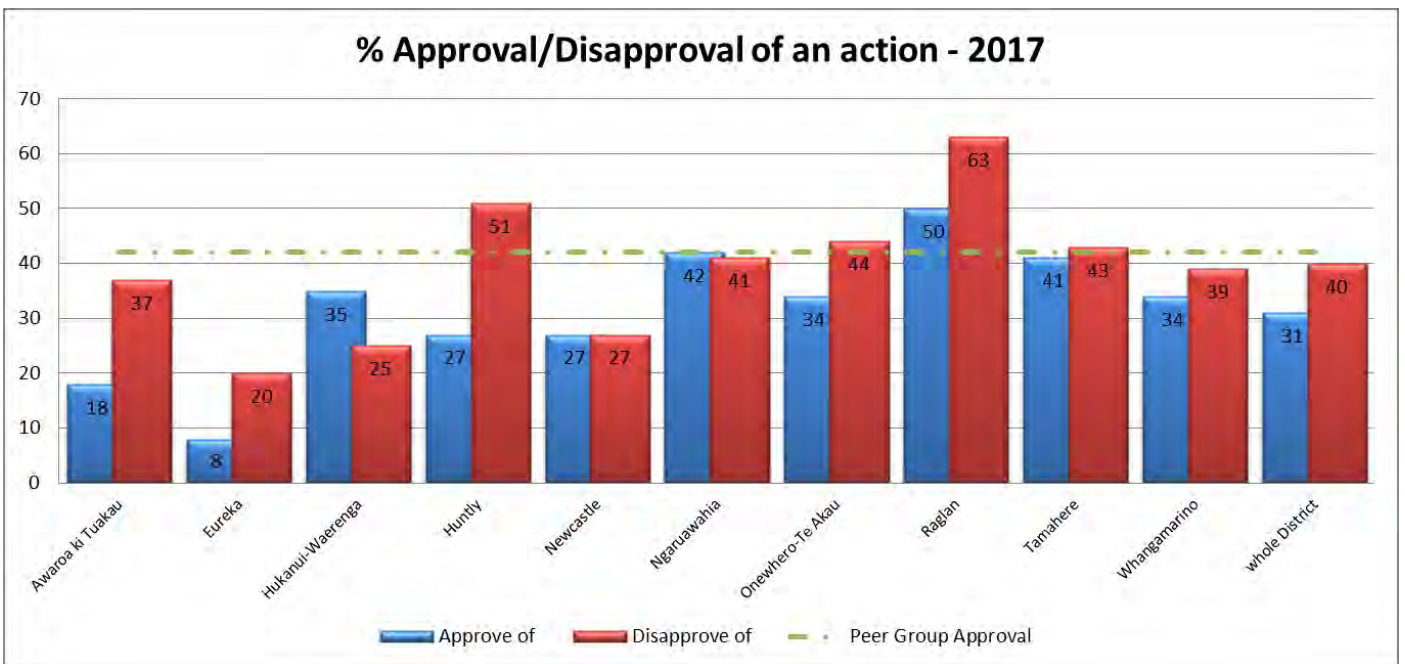
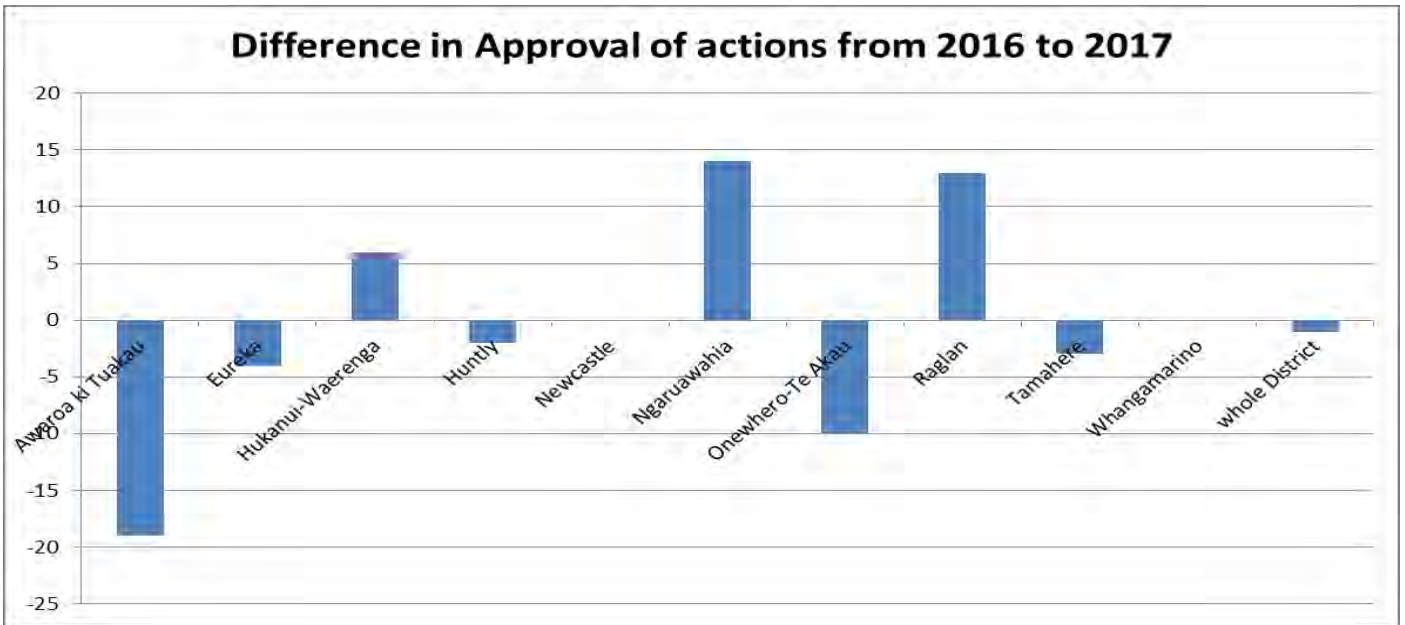
Council makes decisions that meet the needs and aspirations of residents 2017



Council makes decisions that meet the needs and aspirations of residents 2016









C. EXECUTIVE SUMMARY

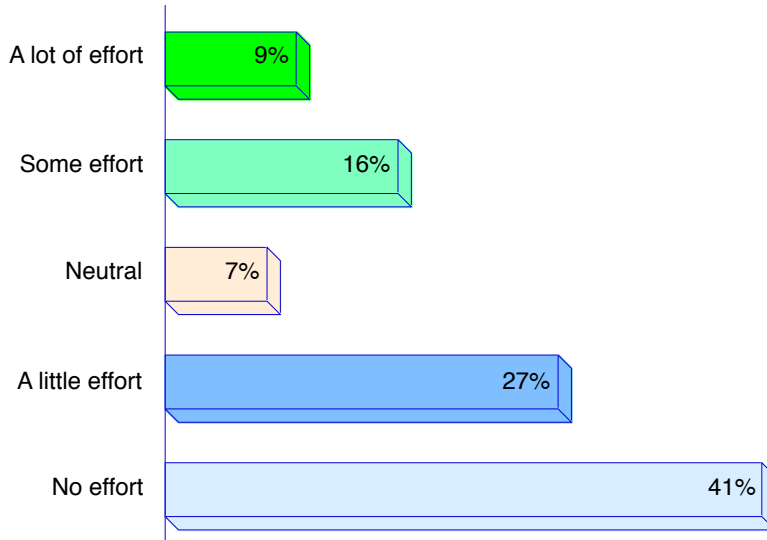
This report summarises the opinions and attitudes of Waikato District Council residents and ratepayers to the services and facilities provided for them by their Council and their elected representatives.

The Waikato District Council commissioned this survey as a means of measuring their effectiveness in representing the wishes and viewpoints of their residents. Understanding residents' and ratepayers' opinions and needs will allow Council to be more responsive towards its citizens.

CONTACT WITH COUNCIL

47% of residents have contacted Council staff at the Council offices or service centres by phone, in person and/or by email, in the last 12 months, which is similar to the 2015 result.

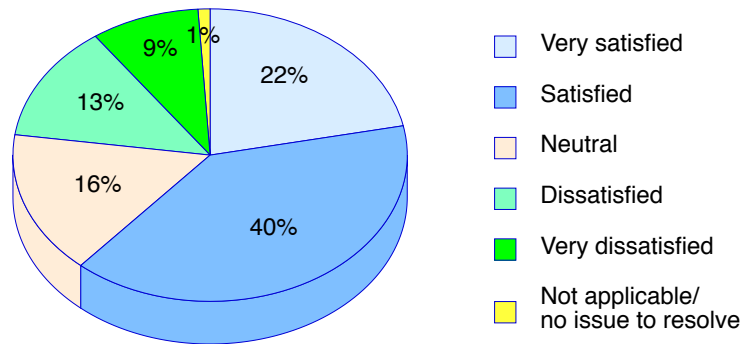
How Much Effort Did It Take To Conduct Business With Council ...



Base = 240[†]

Satisfaction With How Issue Was Resolved

Contacted Council Staff In Last 12 Months



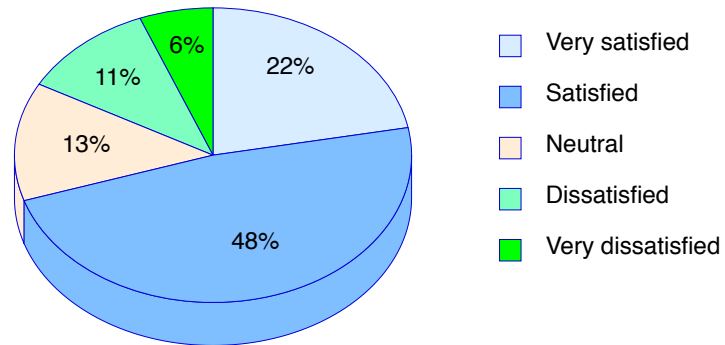
Base = 240[†]

(Does not add to 100% due to rounding)

[†] those residents who say they have contacted Council in last 12 months

Satisfaction With Overall Service Received

Contacted Council Staff In Last 12 Months



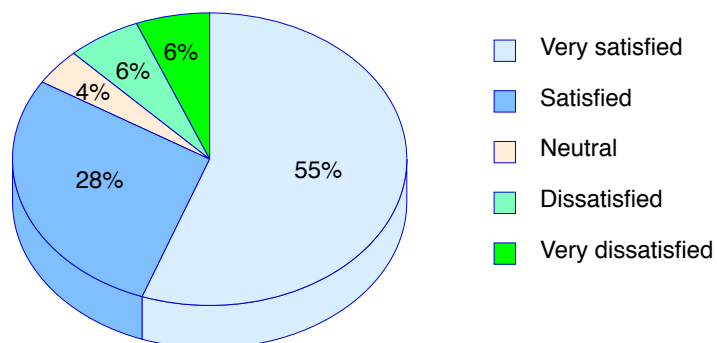
Base = 240[†]

[†] those residents who say they have contacted Council in last 12 months

Contact With Councillors/Mayor

In the last 12 months 7% of residents have contacted, or attempted to contact, a Councillor (including the Mayor).

Satisfaction That They Are Able To Contact Them Should The Need Arise ...



Base = 42[†]

(Does not add to 100% due to rounding)

[†] those residents who say they have contacted, or attempted to contact, a Councillor in last 12 months

SATISFACTION WITH SERVICES AND FACILITIES - OVERALL

	Very satisfied/ Satisfied %	Neutral %	Dissatisfied/ Very dissatisfied %	Don't know %
Standard of Council's roads overall (excluding State Highways)	51	21	27	1
Stormwater services [†]	41	12	11	35

[†] does not add to 100% due to rounding

SATISFACTION WITH COUNCIL SERVICES/FACILITIES - USERS/VISITORS

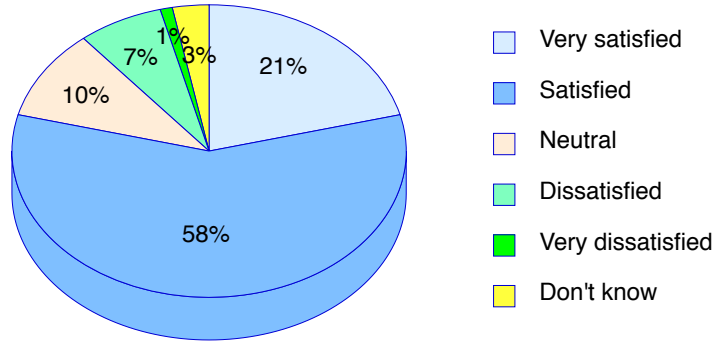
	Base	Very satisfied/ Satisfied %	Neutral %	Dissatisfied/ Very dissatisfied %	Don't know %
Public libraries [†]	186	95	2	1	1
Parks and reserves, including sports fields and playgrounds [†]	321	92	5	4	-
Recycling services	452	80	6	13	1
Animal control, ie, stock and dog control	79	77	9	14	-
Public toilets	196	74	16	10	-
Footpaths [†]	349	72	13	15	1
Building and inspection services [†]	57	64	18	18	1
Standard of unsealed roads	210	49	26	25	-

[†] does not add to 100% due to rounding

SATISFACTION WITH SERVICES PROVIDED BY COUNCIL

Water Supply

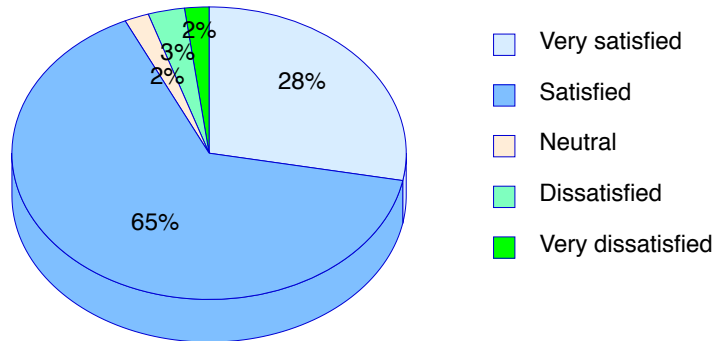
Council Provided Piped Water Supply



Base = 263

Wastewater Services

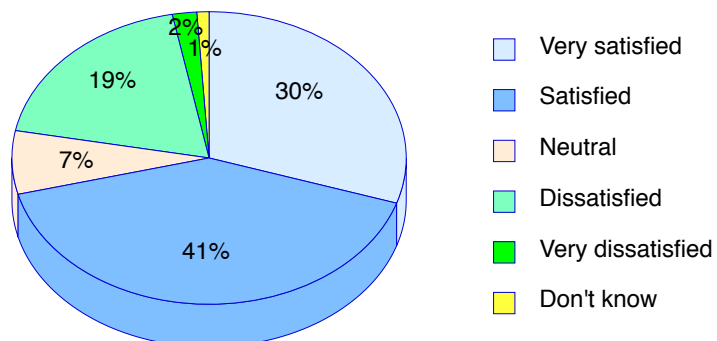
Council Provided Sewerage System



Base = 167

Rubbish Collection Service

Council Provided Regular Rubbish Collection Service



Base = 453

LOCAL ISSUES

Governance/Democracy

59% of residents feel that as a ratepayer or resident they have the opportunity to be involved and to participate in the way the Council makes decisions (67% in 2015), while 41% say they don't (33% in 2015).

21% of residents have tried to participate in Council's decision making process, which is similar to the 2015 result.

Level Of Satisfaction With Aspects Of The Consultation Process

	Very satisfied/ Satisfied %	Neutral %	Dissatisfied/ Very dissatisfied %	Don't know %
There is sufficient time and opportunity available to provide feedback	55	19	22	4
Information about key community issues is easily accessible	52	27	18	3
Information available on these issues is clear and instructive [†]	49	27	23	2
There is a suitable range of consultation options available	49	26	19	6
The public are consulted about the right issues	45	28	23	4

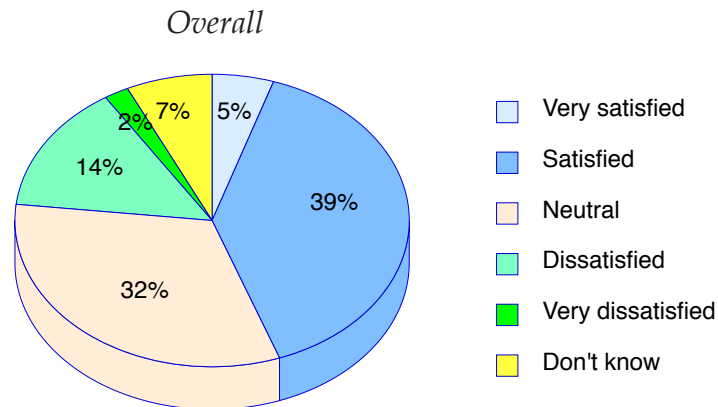
Base = 114

(those residents who say they have tried to participate in Council's decision making process)

% read across

[†] does not add to 100% due to rounding

Overall Satisfaction With The Way Council Involves The Public In The Decisions It Makes



(Does not add to 100% due to rounding)

The percent dissatisfied/very dissatisfied is similar to the Peer Group Average and slightly below the National Average.

Participation In Decision Making Process

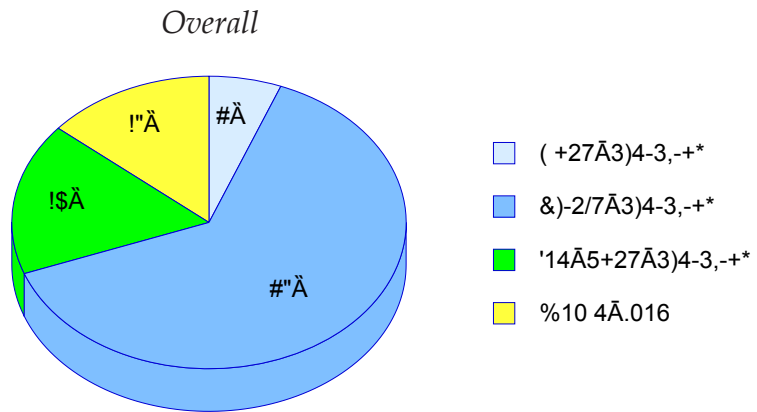
In general 22% of residents are interested in participating in Council's decision making process, 32% say they are not, while 44% say it depends on the issue. 2% of residents are unable to comment. These readings are similar to/on par with the 2015 results.

Outcomes

40% of residents say there is a Council action/decision/management they **dislike or disapprove** of (30% in 2015), while 31% say there is a Council action/decision/management they **like or approve** of (32% in 2015).

Community Engagement

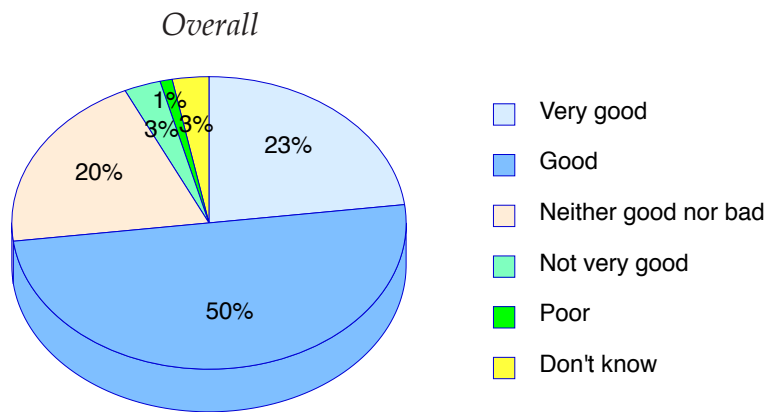
Satisfaction With Rates Spending



(Does not add to 100% due to rounding)

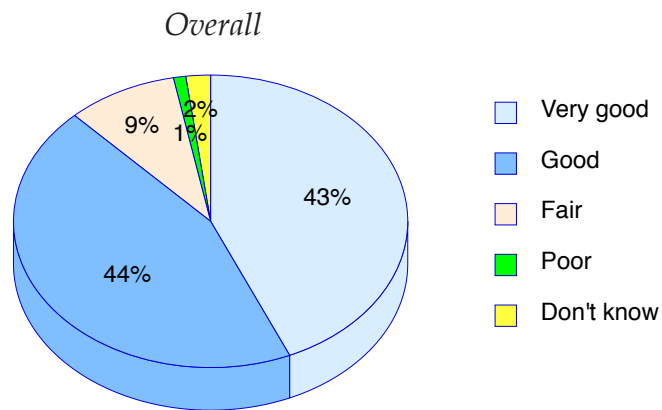
The percent not very satisfied is below the Peer Group and National Averages.

Community Spirit



The percent rating community spirit as very good/good (73%) is below the Peer Group Average (84%) and slightly below the National Average (77%).

Quality Of Life

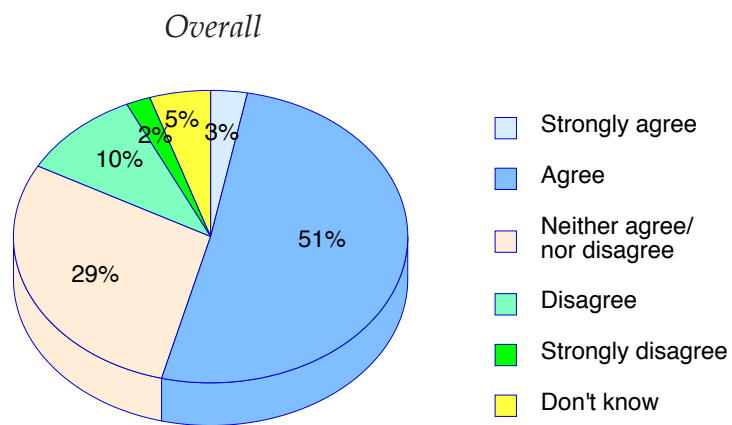


(Does not add to 100% due to rounding)

The 'very good' rating is similar to the Peer Group Average and on par with the National Average.

Council Consultation And Community Involvement

Council Makes Decisions That Meet The Needs And Aspirations Of Their Residents?



The percent who agree/strongly agree (54%) is on par with the Peer Group Average and above the National Average.

* * * * *

Open Meeting

To	Strategy & Finance Committee
From	Tony Whittaker General Manager Strategy & Support
Date	04 August 2017
Prepared by	Giles Boundy Senior Environmental Planner
Chief Executive Approved	Y
Reference #	GOV1318 / 1784657
Report Title	Proposed National Environmental Standard for the Outdoor Storage of Tyres

1. EXECUTIVE SUMMARY

The purpose of this report is to provide an update on the proposed National Environmental Standard for the Outdoor Storage of Tyres (“proposed NES”). Submissions on the proposed NES closed on Friday, 04 August 2017.

2. RECOMMENDATION

THAT the report from the General Manager Strategy & Support be received.

3. BACKGROUND

In September 2016 the Government included nationally consistent rules for the responsible storage of tyres to its list of priorities for national direction.

On 22 June 2017, the Ministry for the Environment released a consultation document on a Proposed NES. The proposed NES was introduced to enable Territorial Local Authorities to more consistently manage the risk of the outdoor storage of end of life tyres, including:

- Risk associated with fires;
- Pests and vermin;
- Discharge of contaminants;
- Financial liability associated with removing illegally dumped tyres; and
- Visual and amenity and impacts.

Currently the rules for the outdoor storage of tyres is determined by regional and district councils under the Resource Management Act and bylaw powers under the Local Government Act 2002.

Key points of the proposed NES include:

- A discretionary activity status rule requiring resource consent for any new stockpile of 200m³ or above and allow for councils to introduce stricter controls in their district plans.
- The proposed NES would not affect tyres disposed of to land (for example, to cleanfills and landfills). Disposal of tyres to land will continue to be for councils to control through district and regional plans.
- The proposed NES would not extinguish existing use rights under Section 10 of the Resource Management Act.

Local Government New Zealand (“LGNZ”) have prepared a draft submission which addresses a number of matters pertinent to district councils, including that a blanket 200m³ may not be appropriate in residential, reserves areas or other sensitive areas (e.g. such as high value landscape areas) and that the proposed NES explicitly should provide for this.

4. ATTACHMENTS

- Proposed National Environmental Standard for the Outdoor Storage of Tyres Consultation Document



Ministry for the
Environment
Manatū Mō Te Taiao

A PROPOSED NATIONAL ENVIRONMENTAL
STANDARD FOR THE

Outdoor Storage of Tyres

CONSULTATION DOCUMENT

This document may be cited as: Ministry for the Environment. 2017. *A proposed National Environmental Standard for the Outdoor Storage of Tyres: Consultation document*. Wellington: Ministry for the Environment.

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Manatū Mō Te Taiao
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the most liveable place in the world

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Message from the Minister

This proposed new regulation to control storage of waste tyres is part of a broader package of measures to address this environmental problem.

New Zealand produces approximately 5 million waste, or end of life, tyres each year. The majority of these end up in uncontrolled stockpiles, landfills or are illegally disposed of. These tyres produce leachate contaminants like heavy metals, pose a fire risk, and can support significant rodent or mosquito populations as well as damaging the aesthetics of communities.



There are currently no national regulations to manage the outdoor storage of tyres. We are repeatedly seeing cases around New Zealand of abandoned tyre stockpiles having to be disposed of by councils at public expense. It would be possible for each of our councils to put rules into their district plans to control such activities, but a more efficient approach is national regulation. This is consistent with the Government's direction on a range of environmental issues like telecommunications, aquaculture, forestry, pest control, and stock exclusion from waterways.

This straightforward regulation simply requires a council consent for significant outdoor stockpiles of tyres. This gives the council the opportunity to put in place site appropriate conditions to manage the environmental issues, and to require a bond to protect ratepayers from a potential future liability.

The intention behind this proposed regulation is to also drive the tyre industry towards more sustainable recycling and disposal options. As part of this package, funding from the Government's Waste Minimisation Fund (WMF) is being provided towards a significant investment in infrastructure with the waste industry to collect and shred end-of-life tyres. A funding arrangement has also been entered into with Golden Bay Cement to install machinery to enable millions of tyres per year to be used in the manufacture of cement. WMF funding is also being provided to other potential end-of-life tyre uses such as in road and cycleway surfacing, floor underlay, fuel and construction products.

We welcome feedback on this proposed National Environmental Standard through this consultation document. Our objective is to reduce the risk of environmental harm from the stockpiling of waste tyres and to support the development of more environmentally sound recycling and disposal options.

Hon Dr Nick Smith
Minister for the Environment

Section 1: Background

About this consultation

The Government is considering developing a national environmental standard (NES) under the Resource Management Act 1991 (RMA) to control the activity of outdoor tyre storage.

Anecdotal evidence suggests outdoor tyre storage is a common activity in New Zealand. However, there are risks if tyres are not stored in an appropriate way.

Currently, there are no national regulations that relate specifically to the storage of tyres. The rules for storing tyres are determined by regional and district councils under the framework of the RMA and bylaw powers under the Local Government Act 2002. The Government is considering how best to manage the risks of harm to the environment, human health, and local communities from storing tyres and is seeking feedback on the proposal to develop an NES under the RMA for this purpose.

We are seeking information from local government, businesses and the public on the proposal to develop an NES, so we can better understand the costs and benefits of the proposed intervention.

This consultation only seeks information on the proposal to develop an NES. It does not seek information on how best to increase tyre recycling in New Zealand. In October 2015, the Government targeted the Waste Minimisation Fund towards growing markets for recycled tyre products. This Government initiative is directed at increasing New Zealand's rate of end-of-life tyre recycling.

Submissions close at 5.00 pm on Friday 4 August 2017. Information on how to make a submission, including questions to guide your feedback, is included in [section 5](#).

Previous government action on tyres

For decades New Zealand has faced problems with the recycling and storage of used tyres. In recent years the Government has considered how best to address both of these issues.

In May 2014, the Government released a discussion document to consult on four waste streams for potential government intervention, including tyres. It asked whether these are the right waste streams for potential government intervention and whether any of these products should be declared priority products requiring a product stewardship scheme to be developed and accredited under the Waste Minimisation Act 2008.

For all waste streams identified, including tyres, the majority of submitters were supportive of these products being the focus of potential government intervention. Many submitters wanted regulations to be developed to create a 'level playing field' for managing these product waste streams, but also wanted to make sure any mandatory product stewardship schemes are well designed.

Following the Government's consultation it was determined that before introducing regulation more analysis was needed to understand the barriers to end-of-life tyre recycling in New Zealand. The Ministry for the Environment commissioned KPMG to undertake an investigation into on-shore waste tyre recycling. KPMG's report determined that a principle barrier to the recovery of end-of-life tyres for recycling in New Zealand is the limited markets for recycled tyre products.

In light of the KPMG report, the Government in October 2015 targeted the Waste Minimisation Fund towards growing markets for recycled tyre products. This Government initiative is directed at increasing New Zealand's rate of end-of-life tyre recycling. Successful projects from this funding round will begin over the course of 2017 and 2018. Growing markets for recycled tyre products addresses the economics of used tyre recycling; however, the initiative does not address the risk associated with storing tyres outdoors.

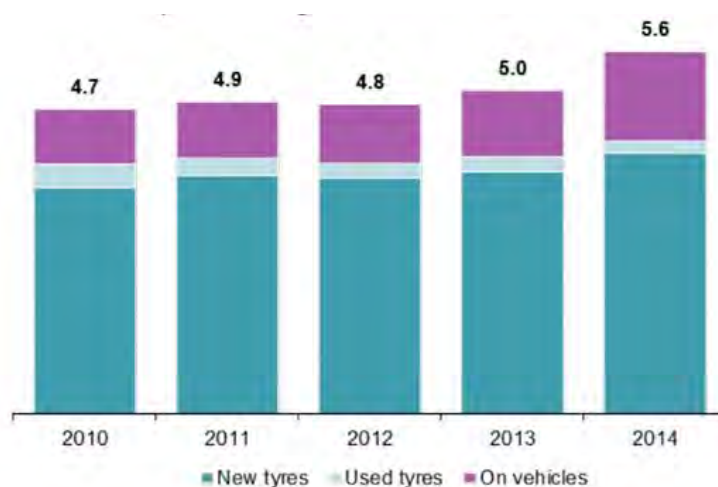
Section 2: The problem with storing tyres

What are end-of-life tyres?

End-of-life tyres (ELTs) are used tyres that are not or cannot be reused for their originally intended purpose and are not re-treaded. The term tyres in this document refers to all pneumatic (air filled) tyres for cars, motorcycles, trucks, buses, off-road vehicles, aircraft, and certain solid tyres (forklifts), but not bicycle tyres.

Approximately four million car and one million truck and other ELTs are generated annually in New Zealand. Due to increased vehicle kilometres the supply of ELTs in New Zealand is increasing. For example, between 2010 and 2014 the total number of tyres entering New Zealand increased by 22 per cent (KPMG, 2015).

Figure 1: Number of tyres entering New Zealand, in millions



Source: KPMG Waste Tyres Economic Research: Report 3 (2015) p14.

Research suggests an estimated 30 per cent of ELTs are being exported, used for agricultural purposes, or recycled, with the remaining 70 per cent being disposed of to landfill, stored on land, or otherwise unaccounted for (KPMG, 2015).

The risks with storing tyres

Storing tyres outdoors poses a risk of harm to the environment, human health, and local communities. For example:

- Fires – tyre piles represent a risk of significant adverse effects from fire. Tyres do not spontaneously combust but can be ignited accidentally or deliberately and can be difficult to extinguish (depending on the size, location and formation of the pile). Tyre fire smoke and run-off contains a range of toxic and carcinogenic compounds, including dioxins, furans, mercury and lead, which can require evacuation of nearby downwind residential areas and contaminate soil and water supplies (Firecone, 2004).
- Pests – large tyre piles can become a human health risk by creating breeding grounds for mosquito and rodent species that may spread diseases. New Zealand currently has few mosquitoes capable of carrying serious diseases, and those that exist do not appear to breed in tyres (Firecone, 2004). However, alien mosquito species capable of carrying serious diseases (such as dengue fever) that are known to breed in tyres are relatively

frequently discovered near ports and at the border (Ministry for the Environment, 2014 and Firecone, 2004). These risks are likely to increase as the effects of climate change become more prevalent.

- Discharge of contaminants – inappropriate storage of tyres can result in leaching of toxic materials into soil and occasionally groundwater. The concentration of leaching is specific to storage time and local conditions. The longer a tyre pile is exposed, the more contaminants will be released, particularly in damp conditions. Contaminants that can leach from tyres include cadmium, lead, aluminium, manganese and zinc (Kim, 2004). Laboratory tests suggest that leachate from tyres may be toxic to some fish species (such as rainbow trout), invertebrates and algae (MWH, 2004).
- Financial liability – illegal dumping and abandonment of tyre stockpiles can create a large financial liability for removing the tyres or cleaning up the site. Removal of illegally dumped tyres has cost councils and landowners from \$8,000 to \$100,000, depending on the amount of tyres and location (Firecone, 2004).
- Visual and amenity impacts – large piles of tyres are unsightly for neighbours and communities in general and can impact on the pleasantness and aesthetic coherence of an area. Large tyre piles can also have negative impacts on New Zealand’s clean green image. Tyre piles can also increase vermin (as noted below) which can have an adverse effect on the amenity of an area.

The storage of tyres in New Zealand

New tyres / useable tyres

New / useable tyres are a valuable commodity that can retail for between \$50 and \$400 each. Because these tyres are valuable there are more incentives for the owner of the tyres to store them in a protected way. For example, new and useable tyres are likely to be stored in a secure environment such as a warehouse, distribution centre, or retail facility that is not easily accessible by the general public. Storing the tyres in this way minimises the risk of harm occurring by reducing amenity effects and the risks of fire or contaminant leaching.

Outdoor tyre storage

Anecdotal evidence suggests that in New Zealand it is common to stockpile used and end-of-life tyres with the intent of future reuse or reprocessing. The most typical form of temporary storage for large volumes of end-of-life tyres is in outdoor tyre stockpiles that are normally uncovered. These stores typically have limited security measures and can be more easily accessed by the general public than new tyre warehouses.

Anecdotal evidence suggests individuals and small businesses are the most likely to become involved in the activity of stockpiling end-of-life tyres. End-of-life tyres are often stockpiled because:

- stockpiling provides a cheap method of disposal and an opportunity to reduce business costs
- individuals hope the economic value of end-of-life tyres will increase in the future, and thereby store tyres in anticipation of this (waste banking)
- individuals store end-of-life tyres to use as a feedstock supply for future tyre recycling technologies (as mentioned previously tyre recycling in New Zealand faces economic barriers).

Outdoor tyre stockpiling is an issue if storage practices are insufficient to mitigate the risk of adverse effects. As tyres reach an end-of-life state they lose their commodity value. This decreases the incentive to store end-of-life tyres appropriately and increases storage risks as described previously.

There is a risk that introducing the proposed NES may result in an increase in illegal dumping of waste tyres due to increased compliance costs. The cost of remediating dumped tyres would fall on councils and/or private landowners. However, existing tyre stockpiles would not be affected if the effects of the activity remain the same or similar in character, intensity, and scale due to the existing use rights exemption under s10 of the RMA.

Illegal dumping of tyres on both private and public land has also been a reported problem. The cost of dumping tyres illegally is seldom borne by disposers but rather those who have responsibility for the affected land.

There are provisions in place through the Litter Act 1979 to prohibit illegal dumping. However, we understand that it is difficult for councils to identify illegal dumpers and councils have limited resource and capacity to address illegal dumpers. The fines associated for dumping under the Litter Act 1979 do not provide a sufficient disincentive for dumping or sufficient compensation to cover the clean-up cost and prosecution (being a maximum of \$5,000 for an individual or \$20,000 for a body corporate).

The proposed NES would not affect tyres disposed of to land (for example, to cleanfills and landfills). Disposal of waste to land in this manner is likely to be subject to a resource consent which should either ensure that tyres are not permitted to be disposed of on the site, or that the adverse effects of their disposal are adequately managed.

Section 3: Our proposal for managing the storage of tyres

Problem definition

The supply of used and end-of-life tyres (ELTs) in New Zealand is increasing. There are limited markets for resource recovery of tyres once they have reached the end of their useable life. Collectors and retailers are incentivised to store and dispose of used tyres in the cheapest way possible to increase commercial margins. As a result, research suggests the majority of used tyres in New Zealand are disposed of in non-levied landfills, stockpiled or illegally disposed of.

Whilst the RMA provides a framework for local government to establish rules to control tyre storage, these options have been, and continue to be, underutilised. Rules that do exist create variation in both content and enforcement. As a result, operators can exploit gaps in regulatory settings by moving used tyre stockpiles between regions. These settings create difficulties for agencies when implementing and enforcing controls, and hinder the collection of information to understand the activity.

These market and regulatory drivers lead to the stockpiling of used and end-of-life tyres. This will increase in future with the growing supply of tyres. Outdoor tyre stockpiles pose risks to the environment, human health, and local communities due to the risk of fire, amenity effects, leaching of contaminants, pest breeding, and stockpile abandonment. The risks a tyre stockpile poses increases with the size of the pile.

Tyres stored indoors have the benefit of being more secure, covered, and not in public view and therefore do not present the same adverse effects and risks.

The Government has already taken steps to address the lack of markets for used tyres through the Waste Minimisation Fund, with funded projects implemented in 2017/2018. However, we are certain that this measure alone will not address the core risks identified to the environment, human health, and local communities as it only addresses the market component contributing to increasing used tyre stockpiles.

Tyre stockpiles are likely to still exist or develop even if markets for ELTs develop. Therefore, the regulatory gap identified above remains the outstanding driver leading to the development of tyre stockpiles.

Objectives

The objectives identified seek to address the adverse effects on the environment and risk of harm to human health and to local communities from the activity of outdoor tyre storage.

The primary objectives of the proposed regulation are to provide certainty that:

- the risks of harm to the environment, human health, and local communities from storing tyres outdoors are appropriately managed
- outdoor tyre storage practices are consistently managed across New Zealand, removing gaps in regulatory settings which create perverse incentives to move tyres between regions.

In assessing options against these objectives it is also desirable that the regulation meets the following secondary objectives:

- measures are easy to understand for councils and operators
- measures are able to be implemented and enforced
- measures provide a way to collect information about outdoor tyre storage.

National direction under the Resource Management Act 1991

To achieve the Government's objectives we are proposing to develop a national environmental standard (NES) under part 5 of the Resource Management Act 1991 (RMA).

The RMA is New Zealand's main piece of legislation that sets out how we should manage our environment. The RMA was created to achieve a more coordinated, streamlined, and comprehensive approach to environmental management.

In general, decisions under the RMA about land and resource use are made by local government (regional councils, unitary authorities, and city and district councils). However, the RMA also allows central government to provide direction on specific national, regional or local issues, using a range of tools.

We consider that the problem of outdoor tyre storage, the objectives of the project, and our proposed solution are aligned with the overarching purpose of the RMA to promote the sustainable management of natural and physical resources. The proposed NES allows for the continuation of tyre storage activities to enable people and communities to provide for their economic well-being while avoiding and mitigating adverse effects on the environment from this activity.

What are national environmental standards?

National environmental standards are legally enforceable regulations made under part 5 of the RMA. They provide certainty by setting out national requirements for particular activities. An NES can prescribe technical standards, methods or requirements for land use and subdivision, water take and use, use of the coastal marine area, discharges, and noise matters. They can also require monitoring, particularly if the standard is aimed at improving the environment.

An NES is a regulation that can control activities directly and independently of regional or district rules. An NES may also prescribe the way councils manage activities and resources, including classifying activities, prescribing methods, or monitoring requirements. However, councils can impose stricter standards through the rules in their plans if the NES specifically states they can do so.

The proposal

We are proposing to develop an NES to manage the risks presented by outdoor tyre storage. In doing so we want to acknowledge that the adverse effects increase when the quantity of tyres stored increases.

The proposed NES would affect district and city councils.

An NES for the outdoor storage of tyres could be comprised of the following controls.

Table 1: Proposed controls for storing tyres outdoors

Tyre volume	Control
1. Small quantities of tyres stored outdoors less than 200m ³	No controls included in the NES, therefore tyre piles of this size would be a permitted activity without standards. However, consent authorities would retain the ability to impose more stringent controls in their district plans.
2. Large quantities of tyres (200m ³ and above)	<p>Classified as a discretionary activity. Before undertaking this activity a resource consent must be obtained from the consent authority, which may include conditions as set by that authority.</p> <p>We consider it would be appropriate for direction to be provided to consent authorities on areas to consider when assessing a resource consent application including, but not limited to:</p> <ul style="list-style-type: none"> • the layout of proposed storage piles (including height of the piles and distance from property boundaries and buildings) • the location of the site • mechanisms for the control of stormwater • mechanisms proposed for fire management (such as security requirements and water supply) • mechanisms for the control of vermin and insects • the duration for which the activity is to be undertaken • the visual and amenity effects of the proposal • whether a bond under section 108 of the RMA is appropriate.

Giving direction to consent authorities on the issues to be considered in a consent application would give certainty to territorial authorities about what they need to consider when assessing applications and also give applicants an idea of the issues they need to cover in their applications.

The NES would also expressly allow district and city councils to include stricter controls in their district plans.

Any additional conditions imposed by councils could directly address the environmental risks of this activity by including location restrictions, fire prevention, and minimisation of fire spread requirements and/or ground cover requirements (to reduce effects of leaching).

The proposed NES would automatically apply to all district and city councils and would override any existing conflicting plan provisions. Consent authorities would put the proposed NES into practice when making resource consent decisions and then enforce it.

The introduction of the proposed NES would not require councils to update their district plans to become effective; however, they may choose to do so, including by 'piggy backing' the desired changes into another plan change. Implementing an NES saves councils the cost of undertaking a plan-change process and any potential submitters the cost of submitting on proposed local plan changes. National regulation through an NES would provide certainty for operators storing tyres across multiple regions and would also allow for consistent gathering of information.

Due to existing use rights under the RMA, an NES would not apply to existing tyre stores, provided the effects of the activity are the same or similar in character, intensity, and scale to those which existed before the NES became operative.

Before the release of this consultation document, a range of regulatory and non-regulatory options were considered as part of the Ministry for the Environment's regulatory impact analysis. The regulatory impact analysis considers the development of an NES under the RMA to be the most targeted and effective intervention to manage the risks with storing tyres.

The effects of the proposed regulation, including the affected activity type, are discussed in [Section 4](#) of this document.

Section 4: Effects of the proposed National Environmental Standard

This section considers the effect that the proposed National Environmental Standard (NES) would have on the New Zealand public, including councils, businesses, iwi authorities, and consumers. It is framed by the activities in scope and a suggested timeframe for entry-into-force of the proposed regulatory framework.

We want **your feedback** to inform the process of making regulations. We have provided specific questions under each of the subheadings of this section (activities in scope, and timeframe) to guide your feedback.

What activities would be in scope of the proposed National Environmental Standard?

Activities in scope

The proposed NES would affect individuals / businesses differently depending on the volume of tyres that are being stored outdoors on a property. Tyre stores that are larger than 200m³ would require a resource consent from the local council as a discretionary activity (such consent could include conditions set by council).

We estimate that a volume of 200m³ tyres is equivalent to approximately 2500 standard passenger tyres (EPUs) (loosely stacked) or 3800 EPUs (laced). Draft New Zealand Fire Service advice recommends that individual tyre piles do not exceed 360m³. The proposed NES takes a precautionary approach by setting threshold at which consent is required at 200m³ or above.

Tyre storage

We consider that 'storage or storing tyres' is the action or method of storing something for future use. Under the proposal a tyre would be deemed to be stored when it is present on a property. There would not be any timeframes that need to be met before 'storage' is triggered.

State of tyres

The NES would apply to tyres in all states for example, whole, chipped, shredded.

Outdoor storage

We consider outdoor storage is when tyres are not stored in a building which includes walls on all sides and a roof. Should this proposal proceed, further detail would be incorporated in the drafting of the NES.

Activities out of scope

Any tyre stores of less than 200m³ would not be subject to the proposed NES. This threshold is anticipated to exclude small tyre stores for legitimate purposes (such as tyres used for silage cover) which present a reduced level of risk. This level of tyre storage would become a permitted activity without standards by default as it is not specially mentioned in the NES.

Questions

1. Do you agree with the Government's proposal to develop a national environmental standard to control the activity of storing tyres outdoors? Why/why not?
2. Do you agree with the proposed definition of tyres (all pneumatic (air filled) tyres for cars, motorcycles, trucks, buses, off-road vehicles, aircraft, and certain solid tyres (forklifts), but not bicycle tyres)? Why/why not?
3. Do you think the proposed volume threshold of 200m³ is appropriate? Why/why not?
4. Do you agree with the Government's proposal to classify outdoor tyre stores of more than 200m³ as a discretionary activity under the Resource Management Act 1991 (instead of a restricted discretionary activity)? Why/why not?
5. Are you aware of any activities that may involve the storage of tyres outdoors which should be exempt from this proposal? If so, what are they and why should they be exempt?
6. Do you think it is appropriate to provide direction to consent authorities when processing consents in the NES? What do you think of the matters proposed to be considered in table 1 in this consultation document?

Questions for the tyre industry

7. Do you currently store tyres outdoors? If so, how many?
8. Do you anticipate the introduction of the NES would have either positive or negative impacts for you or your business? If yes, please explain.
9. Do you anticipate the introduction of the NES would have a cost impact on you or your business? If yes, please explain.

Questions for local government

10. Do you consider the proposal to be workable in practice, that is, would your organisation be able to issue consents, monitor activities, and enforce the proposed NES?
11. What additional conditions do you consider should be mandated, if any, by the NES?
12. Do you have any additional information about the impacts from storing tyres on the environment, economy or communities?

Timeframe

The Government proposes that, should the proposed NES be developed under part 5 of the RMA it could enter into effect by mid-2018.

Should this proposal proceed, upon entry-into-force, the activity of storing more than 200m³ of tyres would be classed as a discretionary activity.

Any persons seeking to undertake this activity must obtain a resource consent, and if these regulations are breached the enforcement mechanisms of the RMA would apply.

The proposed timeframe would enable the Government to undertake the necessary policy decisions and processes, and would provide businesses, consumers and regional and district councils with enough lead-in time to prepare for entry-into-force of the NES.

We consider this to be a reasonable amount of time for any individuals and businesses that currently store or plan to store tyres outdoors to plan for the proposed requirements.

Questions

13. What are your views on the Government's proposed timeframe for entry-into-force of the NES under part 5 of the RMA?
14. Are there any issues about the proposed timeframe for entry-into-force of the NES that the Government should consider?
15. Are there any ways the Government could help businesses, consumers and local government to prepare ahead of the regulations' entry-into-force?

Section 5: Consultation process

How to make a submission

The Government welcomes your feedback on this consultation document. The questions posed throughout this document are a guide only and all comments are welcome. You do not have to answer all the questions.

To ensure your point of view is clearly understood, you should explain your rationale and provide supporting evidence where appropriate.

You can make a submission in three ways:

- use our online submission tool, available at www.mfe.govt.nz/consultation/proposed-national-environmental-standard-outdoor-storage-of-tyres. This is our preferred way to receive submissions
- download a copy of the submission form to complete and return to us. This is available at www.mfe.govt.nz/consultation/proposed-national-environmental-standard-outdoor-storage-of-tyres. If you do not have access to a computer, a copy of the submission form can be posted to you
- write your own submission.

If you are posting your submission, send it to A Proposed National Environmental Standard for the Outdoor Storage of Tyres, Ministry for the Environment, PO Box 10362, Wellington 6143 and include:

- the title of the consultation (A Proposed National Environmental Standard for the Outdoor Storage of Tyres)
- your name or organisation
- postal address
- telephone number
- email address.

If you are emailing your submission, send it to tyre.submissions@mfe.govt.nz as a:

- PDF
- Microsoft Word document (2003 or later version).

Submissions close at 5.00 pm on Friday 4 August 2017.

Contact for queries

Please direct any queries to:

Email: tyre.submissions@mfe.govt.nz

Postal: A Proposed National Environmental Standard for the Outdoor Storage of Tyres,
Ministry for the Environment, PO Box 10362, Wellington 6143

Publishing and releasing submissions

All or part of any written submission (including names of submitters) may be published on the Ministry for the Environment's website, www.mfe.govt.nz. Unless you clearly specify otherwise in your submission, the Ministry will consider that you have agreed to have your submission and your name posted on its website.

Contents of submissions may be released to the public under the Official Information Act 1982 if requested. Please let us know if you do not want some or all of your submission released, stating which part(s) you consider should be withheld and the reason(s) for withholding the information.

Under the Privacy Act 1993, people have access to information held by agencies about them. Any personal information you send to the Ministry with your submission will only be used in relation to matters covered by this document. In your submission, please indicate if you prefer we do not include your name in the published summary of submissions.

References

Firecone. 2004. *Management of End-Of-Life Tyres*. Wellington. (Commissioned by the Ministry for the Environment).

Kim, Nick. 2004. *Potential contamination from tires (tyres): PAH leaching update*. (Prepared for Environment Waikato).

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Ministry for the Environment. 2014. *Priority Waste Streams for Product Stewardship Intervention: A discussion document*. Wellington: Ministry for the Environment.

MWH New Zealand Limited. 2004. *End of Life Tyre Management: Storage Options*. Dunedin. (Commissioned by the Ministry for the Environment).

Open Meeting

To	Strategy & Finance Committee
From	Tony Whittaker General Manager Strategy & Support
Date	08 August 2017
Prepared by	Rajendra Java Procurement Manager
Chief Executive Approved	Y
Reference #	GOV1318 / 1784697
Report Title	Summary of Procurement Savings for the Financial Year 2016-2017

I. EXECUTIVE SUMMARY

This report summarises the savings achieved during the last financial year (2016-2017).

Procurement savings take into account the gains from using the All of Government (“AoG”) and syndicated procurement contracts, in addition to those arising out of negotiated local procurement and contracts. The total savings amounts to over \$426,000 for the FY2016-2017.

The Savings are shown as two distinct groups as explained below:

1. **Completed:** Savings where all activities have been completed, and the savings have been accrued or reported by Ministry of Business, Innovation and Employment (“MBIE”) (for All of Government (“AoG”) contracts).
2. **Potential:** These are actions which have been completed to produce savings in the coming years:
 - a. Recruiting Services Contract expected to result in savings of over \$38,000 per annum from January 2017 onwards. In the first 6 months of this service, Waikato District Council had posted 51 out of the 91 Jobs, which led to savings of over \$25,000 on hosting fees alone.
 - b. Telecommunications costs that would be lower by over \$22,000 due to use of new Telecommunications as a Service (“TaaS”) contracts initiated by Department of Internal Affairs.

The details of all the different initiatives undertaken that have resulted in savings are attached.

It should be noted however that there has been an increase in use of AoG suppliers from a base of \$675,000 in 2014-2015 to over \$2.02 million in the last financial year (FY2015-2016 was \$1.19 million).

Savings from banking transactions are reported on a calendar year basis, therefore the figure reported pertains to the 2016 calendar year.

Out of the total savings reported, over \$182,000 were initiatives that were put in place in this financial year and the rest were from activities initiated earlier.

In addition to this, the procurement function is involved in a number of one off initiatives which are not included above. For example, supporting tender processes, preparing project briefs and contract documentation, and support of Local Authority Shared Services ("LASS") procurement initiatives. A significant number of Waikato Local Authority Shared Services ("WLASS") projects are being used as a collaborative approach to generate savings for all WLASS councils.

2. RECOMMENDATION

THAT the report from the General Manager Strategy & Support be received.

3. ATTACHMENTS

Savings Register FY 2016-2017

Savings Register FY 2016-2017											
S No	Month	Description of the goods / Service	Category	Status	Category	Proposed / Historic Price	New / Final Price	Type	Remarks		
1	Dec-16	Banking Transaction Fees	AoG	Completed	Old	\$ 65,792	\$ 12,456	\$ 53,335	Annual	Annual saving report from BNZ for calendar year	
2	Oct-16	Aquamats for Raglan WTP	WDC	Completed	New	\$ 72,627	\$ 69,903	\$ 2,724	One time	Discount negotiated based on earlier offers	
3	Dec-16	Fuel from BP	Syndicated	Completed	Old	Pricing applied to all fuel purchased through BP cards issued to each vehicle	\$ 187,443	\$ 66,630	Annual	Based on Savings report received as of 30th June 2017. Savings calculated as difference between amount charged and the National Average Pump Price for Fuel.	
4	Dec-16	IBM Kenexa staff surveys	WDC	Completed	New	\$ 38,925	\$ 25,857	\$ 13,068	One time	Staff Survey offer scope and negotiation discussions led to savings	
5	Dec-16	Animal control Vehicle lights - Wade Group	WDC	Completed	New	\$ 51,898	\$ 28,656	\$ 23,242	One time	Lighting offer scope and negotiation discussions led to savings	
6	Jan-17	Recruiting Services through Aotal	WDC	In Progress	New	\$ 49,750	\$ 11,600	\$ 38,150	3y contract	Annual Saving mainly through elimination of fees paid per job hosted and capping support at 45\$ per hour service to \$57,500 per month.	
7	Jun-17	LED lights	WDC	Completed	New	\$ 54,186	\$ 32,995	\$ 21,191	One time	Negotiated by decreasing the warranty terms from 10 years to 5 years.	
8	Jul-16	Telecommunications	Syndicated	Completed	New	Migrated to new offering call TaaS through DIA & MBIE.	Savings on shared data bucket and call charges within Aus. and NZ are free from all mobiles. Current cost per annum 94,000\$. Expected cost per annum is 80,000 for existing connections. Voice and Data connections under TaaS included for additional spend of \$120K	\$ 22,534	Annual	Saving through shared pool of data based on number of phone connections. Only data devices connected to same pool at nominal charge of 5\$ per month. All call and TXT msg to numbers in NZ & Australia will be free and unlimited. There is another notional savings in the form of cancellation of termination charges for existing contracts worth 30K. Being notional this has not been included in the savings.	
9	Jun-17	AoG contracts - Reported savings not included above	AoG	As of Q4	Old	Air Travel	\$ 32,699	\$ 1,205	FY 16-17	Based on savings reported by MBIE compiled for 2016/17 FY (report dated 08/08/2017)	
			AoG	As of Q4	New	Electricity	\$ 988,129	\$ 58,085	FY 16-17		
			AoG	As of Q4	Old	Office Supplies	\$ 93,644	\$ 25,229	FY 16-17		
			AoG	As of Q4	Old	IT Hardware	\$ 2,037	\$ 197	FY 16-17		
			AoG	As of Q4	Old	Motor Vehicles	\$ 619,774	\$ 65,604	FY 16-17		
			AoG	As of Q4	New	Print Technology & Associated Services	\$ 37,849	\$ 3,291	FY 16-17		
			AoG	As of Q4	Old	Print Devices Old Plan	\$ 115,507	\$ 10,044	FY 16-17		
			AoG	As of Q4	Old	Reticulated Gas	\$ 30,781	\$ 21,743	FY 16-17		
Total Completed								\$ 365,588			
Total Potential								\$ 60,684			
Grand Total								\$ 426,272			
Total - New								\$ 182,285			
Total - Old								\$ 243,987			

Open Meeting

To	Strategy & Finance Committee
From	Tony Whittaker General Manager Strategy & Support
Date	08 August 2017
Prepared by	Mairi Davis Financial Accountant
Chief Executive Approved	Y
Reference #	GOV1301 / 1783142
Report Title	Treasury Risk Management Policy - Compliance Report at 30 June 2017

1. EXECUTIVE SUMMARY

The purpose of this report is to inform the Strategy & Finance Committee of compliance with Treasury Risk Management Policy.

Please note that the report has been prepared based on financial statement information for the 2016/17 financial year which remains draft at this stage.

2. RECOMMENDATION

THAT the report from the General Manager Strategy & Support be received.

3. ATTACHMENTS

Treasury Risk Management Policy - Compliance Report at 30 June 2017

Waikato District Council

Treasury risk management policy - Compliance report

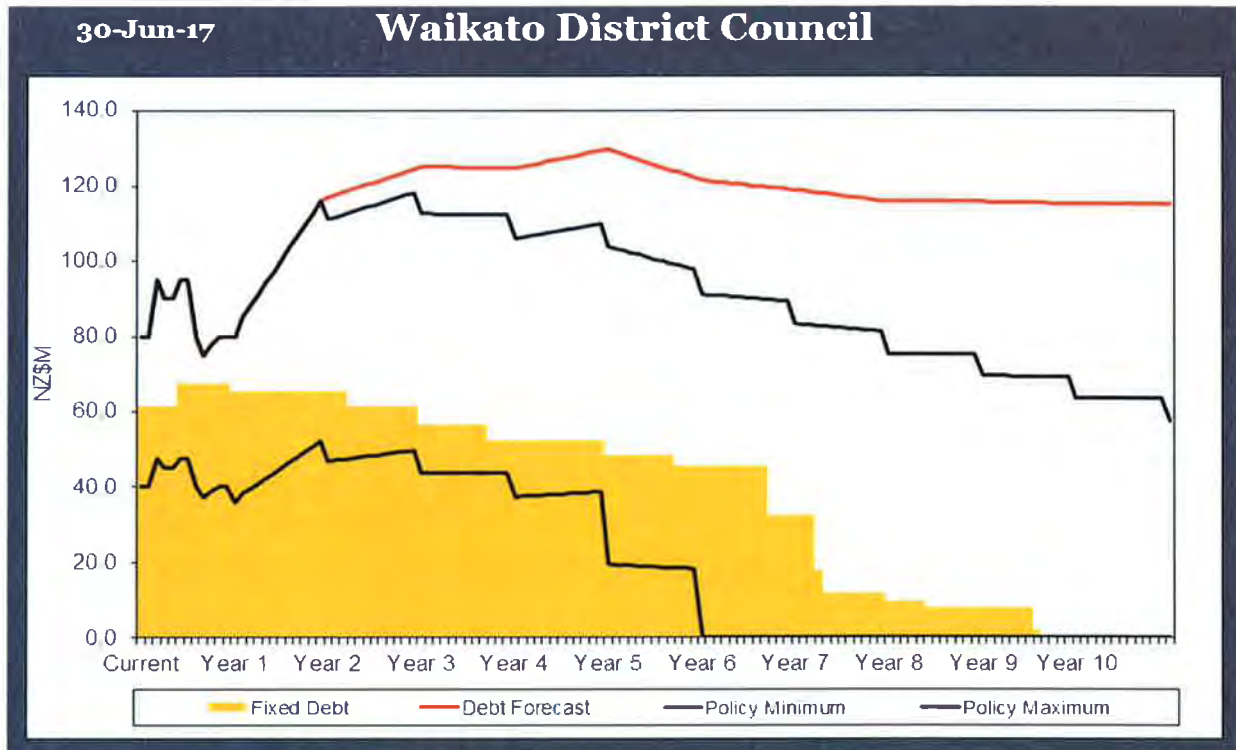
As at 30 June 2017

Policy criteria	Policy limit	Actual	Within policy?
<p>1 The percentage of net external debt to annual revenue</p> <p>Net external debt =</p> <p>Total annual revenue =</p>	<150%	69.7%	✓
	total external debt (net of related borrower notes) less term deposits and available cash / cash equivalents		
	earnings from rates, government grants & subsidies, user charges, interest, dividends, financial and other revenue excluding non-government capital contributions (eg developer contributions and vested assets)		
<p>2 Net interest expense on net external debt as a percentage of total annual revenue</p> <p>Net interest expense =</p>	<20%	3.1%	✓
	total interest and financing costs less interest income		
<p>3 Net interest expense on net external debt as a percentage of annual rates</p>	<25%	4.6%	✓
<p>4 Liquidity ratio</p> <p>Liquidity =</p>	>110%	135%	✓
	external term debt plus committed bank facilities plus available liquid investments as a percentage of external term debt		
<p>5 <u>Interest rate benchmark chart</u></p> <p>Comparison of actual monthly and year-to-date accrued returns vs investing the entire treasury portfolio at the combined average of the 90-day bill rate and the five-year investor swap rate over the last two years.</p>			
<p>The chart displays three interest rate lines over time. The Benchmark (incl margin) starts at approximately 5.25% in Jun-15 and generally trends downwards to about 4.55% by Jun-17. The Budget is a flat pink line at 5.25%. The Actual rate (green line) fluctuates around the budget, starting at 5.25% in Jun-15, peaking at 5.40% in Jul-15, and ending at 5.05% in Jun-17.</p>			
<p>6 Actual borrowing costs are <= budgeted borrowing costs</p> <p>Current month</p> <p>Year to date</p>	<p>Budget</p> <p>\$299,016</p> <p>\$3,588,190</p>	<p>Actual</p> <p>\$284,100</p> <p>\$3,548,753</p>	<p>✓</p> <p>✓</p>

7 Current interest rate swaps (including forward starts)				
	<u>Amount</u>	<u>Effective date</u>	<u>Termination date</u>	<u>Fixed rate</u> (if effective)
	\$			
	2,000,000	2-Mar-09	1-Mar-19	6.45%
	3,000,000	22-Sep-11	22-Sep-17	4.55%
	2,000,000	19-Jun-12	22-Mar-21	5.23%
	3,000,000	20-Jul-12	20-Oct-20	5.59%
	5,000,000	17-Jun-13	15-Mar-18	5.67%
	2,000,000	19-Jun-13	19-Mar-21	5.95%
	3,000,000	22-Jun-13	22-Mar-23	4.00%
	4,000,000	22-Jun-13	23-Sep-19	3.58%
	4,000,000	22-Jun-13	22-Jun-22	3.83%
	4,000,000	22-Jun-13	23-Mar-20	3.64%
	3,000,000	23-Mar-15	25-Mar-24	4.64%
	3,000,000	23-Mar-15	23-Sep-24	4.53%
	2,000,000	23-Sep-15	23-Sep-19	4.41%
	4,500,000	23-Dec-15	23-Sep-24	4.59%
	2,000,000	21-Mar-16	21-Mar-24	4.94%
	2,000,000	23-Mar-16	25-Sep-17	4.37%
	2,000,000	22-Jun-16	22-Jun-18	3.49%
	4,000,000	22-Jun-16	23-Sep-24	4.62%
	2,000,000	22-Jun-16	20-Mar-18	3.89%
	3,000,000	19-Jun-17	29-Mar-18	2.97%
	2,000,000	22-Jun-17	23-Jun-25	3.52%
	3,000,000	22-Sep-17	23-Sep-24	
	2,000,000	25-Sep-17	25-Feb-27	
	6,000,000	31-Oct-17	29-Jan-27	
	2,000,000	15-Mar-18	16-Sep-19	
	3,000,000	15-Mar-18	20-Oct-20	
	5,000,000	15-Mar-18	30-Jun-20	
	2,000,000	1-Mar-19	1-Dec-25	
	4,000,000	23-Sep-19	23-Mar-20	
	4,000,000	23-Mar-20	25-Mar-24	
	4,000,000	23-Mar-20	25-Mar-24	
	3,000,000	20-Oct-20	21-Oct-24	
	3,000,000	20-Oct-20	21-Oct-24	
	61,500,000	Total "live" swaps		
		Average interest rate of live swaps		4.47%
8	Forward start period to be no more than 24 months <u>unless</u> there is a match with the expiry date of an existing swap of the same notional amount		5 swaps with start periods > 24 months forward ✓ all are matched with existing swaps	
9	<u>Counterparty credit risk - swaps</u> NZ registered banks (each) - ANZ / National - ASB - BNZ - HSBC - Westpac	\$30m	\$0m \$0m \$13.53m \$0m \$0m	✓ ✓ ✓ ✓ ✓

10 Council's net external debt should be within the following fixed/floating interest rate risk control limits.:

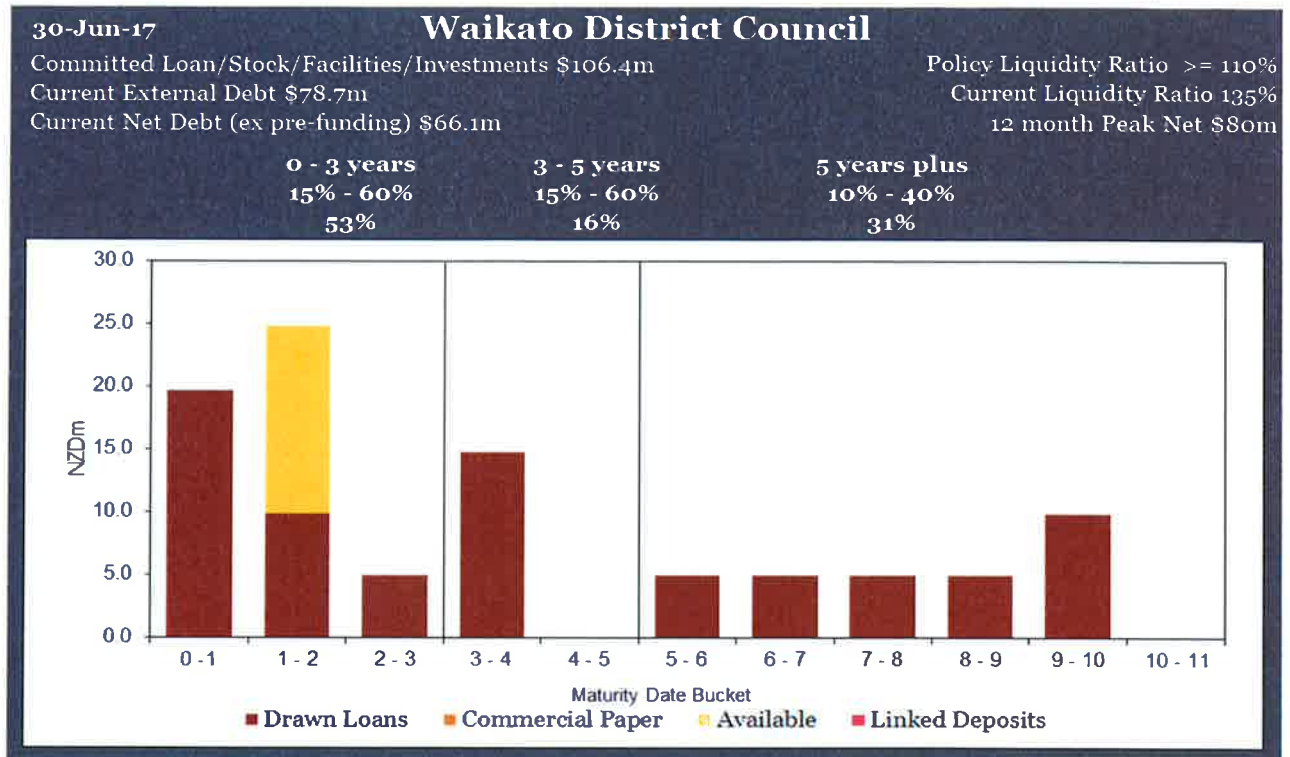
Debt period ending	\$m	Policy criteria	Actual	Within policy
Current	80	50% - 100%	77%	✓
Year 1	80	45% - 100%	82%	✓
Year 2	117	40% - 95%	56%	✓
Year 3	125	35% - 90%	45%	✓
Year 4	125	30% - 85%	42%	✓
Year 5	130	15% - 80%	37%	✓
Year 6	121	0% - 75%	37%	✓
Year 7	119	0% - 70%	27%	✓
Year 8	116	0% - 65%	9%	✓
Year 9	116	0% - 60%	7%	✓
Year 10	115	0% - 55%	0%	✓



	Policy criteria	Policy limit	Actual	Within policy?
11	Debt affordability benchmark - limit on debt (actual debt <= limit on debt)	\$179m	\$80m	✓
	2015/16	166,000,000		
	2016/17	177,000,000		
	2017/18	178,900,000		
12	Balanced budget benchmark (revenue / expenses)	>=100%	103%	✓
13	Essential services benchmark (CAPEX / dep'n - infrastructure)	>=100%	141%	✓
14	Debt servicing benchmark (borrowing costs / revenue)	<15%	3.2%	✓
	borrowing costs =	finance expenses per statement of comprehensive revenue and expense		
15	<u>Borrowing at June 2017</u>	This graph depicts <u>actual</u> borrowing - LGFA plus bank (BNZ).		
16	Actual monthly borrowing is within end-of-year budget	\$79,454,000	\$78,720	✓

17 The maturity profile of the total committed funding in respect of all loans and committed facilities

0 to 3 years	15% - 60%	53%	✓
3 to 5 years	15% - 60%	16%	✓
5 years plus	10% - 40%	31%	✓



18 Financial assets

\$'000

Share investments held for strategic purposes	
Local Authority Shared Services Limited	219
Waikato Regional Airport Limited	2,639
Strada Corporation Limited	700
NZ Local Government Insurance Corp Limited	63
Investments held to reduce the current ratepayer burden	
Community loans as below	350
Short-term investments held for liquidity & working capital requirements	
Bank & cash balances	889
Short-term bank deposits	2,800
Total investments	\$7,660
For treasury purposes, LGFA borrower notes are netted off against related borrowing	

19 Community loans

<u>Borrower</u>	<u>Current balance \$\$</u>	<u>Maturity date</u>	<u>Interest rate</u>
Tamahere Hall Committee	179,969	Jun-22	all at 6.34%
Te Kowhai Hall Committee	24,541	Jun-21	
Woodlands #1	-	Aug-16	
Woodlands #2	27,498	Jun-19	
Tauhei Hall Committee	9,522	Jun-20	
Opuatia Community Centre	5,600	Dec-20	
Glen Murray Community Hall	10,000	Dec-18	ex Franklin loans
Onewhero Society of Performing Arts	2,200	Dec-18	
Pokeno School Board of Trustees	-	Dec-16	all at 0%
	<u>\$350,280</u>		

	Policy criteria	Policy limit	Actual	Within policy?
20	<u>Counterparty credit risk - investments</u>			
	NZ Government	unlimited	\$0m	✓
	NZD resistered supranationals	\$20m	\$0m	✓
	LGFA	\$20m	\$1.28m	✓
	NZ registered banks (each)	\$10m		
	- ANZ / National		\$0.7m	✓
	- ASB		\$0.7m	✓
	- BNZ		\$10.54m	✓
	- HSBC		\$0m	✓
	- Westpac		\$0.7m	✓
21	Council currently acts as guarantor for:	there are no guarantees in place at reporting date.		

22	Cashflow forecast at	30-Jun-17											
		Jul-2017	Aug-2017	Sep-2017	Oct-2017	Nov-2017	Dec-2017	Jan-2018	Feb-2018	Mar-2018	Apr-2018	May-2018	Jun-2018
	Cash opening balance	3,089,763	1,521,169	2,321,901	1,898,270	5,247,533	3,891,425	2,807,005	5,893,993	4,889,827	3,469,829	2,950,877	10,445,230
	Cash in												
	Operating income	6,902,198	6,501,834	21,156,765	8,021,412	8,103,948	6,377,037	21,151,937	8,468,041	6,400,423	9,283,012	21,082,196	6,305,959
	Interest & dividends	5,000	6,000	5,000	20,000	8,000	5,000	5,000	20,000	10,000	5,000	5,000	6,000
	Capital income	3,102,028	596,348	1,385,862	1,124,771	1,225,180	1,505,329	1,336,506	1,265,760	1,622,852	1,614,296	1,291,772	1,043,447
	Borrowing	15,000,000	2,000,000	-	5,000,000	-	24,640,000	-	-	3,000,000	2,000,000	-	-
	GST refund	1,012,016	1,352,508	1,316,760	1,312,634	1,454,437	-	2,683,019	1,470,041	1,561,250	-	2,564,778	1,886,780
	Total cash in	26,021,242	10,456,690	23,864,387	15,478,817	10,791,565	32,527,366	25,176,462	11,223,842	12,594,525	12,902,309	24,943,747	9,242,186
	Cash out												
	Operating expenses	7,551,910	6,621,105	7,229,185	6,604,783	6,373,320	7,151,057	6,720,093	6,470,413	6,440,931	6,415,112	6,470,938	6,477,739
	Borrowing costs	210,748	12,092	732,242	191,440	10,478	740,925	189,933	8,791	729,336	147,439	60,363	759,369
	Capital expenditure	9,279,838	2,224,792	5,263,355	4,359,941	4,741,612	6,039,804	5,324,056	4,924,471	6,030,241	6,858,709	5,727,588	3,532,102
	Loan repayments (& new deposits)	9,800,000	-	7,000,000	-	-	19,680,000	5,000,000	-	-	-	-	-
	GST payment	747,341	797,969	4,063,235	973,391	1,022,262	-	4,855,393	824,333	814,016	-	5,190,504	996,268
	Total cash out	27,589,837	9,655,958	24,288,017	12,129,554	12,147,672	33,611,786	22,089,475	12,228,007	14,014,524	13,421,261	17,449,394	11,765,478
	Change in cash	(1,568,594)	800,732	(423,630)	3,349,263	(1,356,108)	(1,084,420)	3,086,988	(1,004,166)	(1,419,999)	(518,952)	7,494,353	(2,523,292)
	Cash closing balance	1,521,169	2,321,901	1,898,270	5,247,533	3,891,425	2,807,005	5,893,993	4,889,827	3,469,829	2,950,877	10,445,230	7,921,937

Open Meeting

To	Strategy & Finance Committee
From	Tony Whittaker General Manager Strategy & Support
Date	07 August 2017
Prepared by	Clive Morgan Economic Development Manager
Chief Executive Approved	Y
Reference/Doc Set #	GOV1318 / 1785969
Report Title	Economic Development Update

I. EXECUTIVE SUMMARY

The purpose of this report is to update Council on the various economic development projects and other economic development activity. The key items include:

- Economic Development team closed out the year with all Key Performance Indicators achieved.
- Economic Development Work Programme closed out the year with 23 of 26 projects completed or in progress.
- Council's Housing Infrastructure Fund indicative business case was successful in obtaining \$37 million of central government funding for Te Kauwhata residential growth of 2,600 houses (this includes existing structure plan growth).
- Staff are evaluating ideas for application to the \$100 million Tourism Infrastructure Fund.
- Google image optimisation has achieved over 350,000 views of the Waikato district.
- Staff are developing new Northern Connector bus decals for the regional bus service as well as a marketing campaign to promote the district.
- Small business guide developed to help businesses establishing in the district work with Council.
- New Ngaruawahia Cultural Visitor Experience trial is underway.
- Staff have commissioned an International Relations Strategy to guide Council's approach to the growing opportunities in the Asia region.

2. RECOMMENDATION

THAT the report from the General Manager Strategy & Support be received.

3. REPORT

BACKGROUND

The purpose of this report is to update Council on the various economic development projects and activity.

ECONOMIC DEVELOPMENT STRATEGY WORK PROGRAMME

The Economic Development Strategy (“EDS”) and associated Implementation Plan were adopted by Council in December 2015 and March 2016 respectively.

The implementation work programme prioritises projects to commence in 2016.

The EDS actions sit under seven strategic focus areas:

- Sector development
- Business recruitment
- Business start up
- Spend attraction
- Population attraction
- Skills development and attraction
- Excellence in Council service delivery

Long-Term Plan Key Performance Indicators

The Long-Term Plan Key Performance Indicators scorecard report is attached ([Appendix I](#)). The Economic Development team, with the support of other teams and partners, achieved all key performance indicators (KPIs) for the financial year 2016/17.

Work Programme 2016/17

A work programme status report is attached ([Appendix 2](#)). The Economic Development Work Programme is on track. Of the 26 actions, 23 have been completed or are now on going and responsibility is held by other teams. Two have progressed in excess of 80%, and one has been deferred to 2017/18.

Work Programme 2017/18

Staff are preparing the 2017/18 work programme based on the current economic development strategy and the 2016/17 work programme evaluation. Staff are mindful that careful scheduling of programme activities is required in order to run in sequence with the upcoming Long-Term Plan consultation and planning processes, whilst ensuring progress continues.

Not only is the Economic Development team driving the Economic Development Work Programme, but are leading in a number of corporate initiatives and strategic projects. This balance has been discussed at an executive level and its importance has been confirmed. An

additional funding allocation has been provided via the general rate surplus report (to be confirmed by Council) to provide for additional support in delivery of the work programme.

Open Waikato

Website statistics over the three months ending the month shown:

Measure	November 2015	February 2016	May 2016	August 2016	November 2016	February 2017	May 2017
Sessions	1,830	21,904	2043	1987	2705	2385	3383
Users	1,378	21,109	1666	1712	2186	1895	2819
New Visitors	80.7%	96.2%	78.7%	83.6%	79.45%	77.53%	81.79%
Average Session Duration	00:01:15	00:00:20	00:01:48	00:01:145	00:02:03	00:02:33	00:01:47
Bounce Rate*	78.80%	84.53%	69.90%	67.89%	64.29%	65.03%	71.30%

* This refers to the percentage of visits that go to only one page before leaving the site.

Activity over the three months to June 2017 has seen increased users and sessions and new visitors to the site, which is the result of a targeted business campaign that ran for 4 weeks online. The bounce rate has increased which is a typical result of this type of campaign. Overall, the quality of the visits has improved over the last 12 months as demonstrated by the lower bounce rate and higher average session duration.

Small business guide

A Small Business Guide has been developed to assist with businesses wanting to start up or relocate to the Waikato district. The guide named 'Waikato is open for business' provides an overview of the different steps involved in opening a business in our district. This new online resource is available on the Economic Development page of the Waikato District Council website: www.waikatodistrict.govt.nz/guide.

Campaigns

An editorial and advertisement was placed in the National Business Review – Spotlight on Waikato special feature in June 2017. The focus was on business attraction to Horotiu and the overall district growth. The targeted Freight & Logistics campaign will be rolled out over the next 12 months. Staff continue to implement social media campaigns for the Waikato Innovation Park service and have seen an average of 5 appointments made per month since the social media campaigns were established.

We have been working with Waikato Regional Council to develop new bus skins for the Northern Connector and Raglan bus routes. The decal is being finalised for the Northern Connector bus and Waikato Regional Council is using this bus design to promote the 'new look' buses. Staff are currently developing the associated marketing campaign with Waikato Regional Council. The patronage of the Northern Connector bus for 2016 was

almost 250,000 which will be a key message used to help promote the 'take the bus' campaign.



Example of Bus decal. NB: BUSIT logo will be moved forward, Council logos will be removed on this side and curve will not fall across Parliament Building.



NB: The waka image is currently being replaced with the Turangawaewae waka/crew.

Visitor attraction

Staff have added two articles onto www.NewZealand.com to help promote Waikato district to visitors. This website is the international tourism website for New Zealand. We will continue to add articles over the next 12 months focusing on different tourism attractions within Waikato district.

Google Image Optimisation

As of 10 August 2017, 142 photos of Waikato district have been added to Google Images which have been viewed 359,399 times.

Highlights include:

- Gateway Industrial Park image –23,694 views over 4 months
- Pokeno Village estate –11,199 views over 4 months
- Northgate Business Park –10,028 views over 4 months
- Tuakau CBD –14,962 views over 9 months
- Mount Taupiri - 15,833 views over 9 months

- Te Kauwhata Anzac Memorial (2 images) –93,428 views over 10 months
- Ngarunui Beach –39,715 views over 10 months

KEY PROJECTS

\$1 billion Housing Infrastructure Fund

On 11 July 2017, the government announced Waikato District Council was one of five successful applicants to the \$1 billion Housing Infrastructure Fund (“HIF”). Waikato District Council’s application sought funding of circa \$37 million.

The HIF is a one-off contestable fund, aimed at accelerating short and medium-term supply of new housing in high-growth urban areas. A draft indicative bid to the Housing Infrastructure Fund was submitted on 02 December 2016 for facilitating residential development in Te Kauwhata. Subsequently, an indicative business case was submitted on 31 March 2017.

As a successful applicant, Council has been asked to enter into a Heads of Agreement (“HoA”) which captures the intent of Council, Ministry of Business, Innovation and Employment (“MBIE”), and New Zealand Transport Agency (“NZTA”) to collaborate on the Te Kauwhata residential development. Staff are currently reviewing the HoA in preparation of presenting this to Council for approval.

A Steering Group and Project Team has been established to develop a Detailed Business Case (“DBC”). The Steering Group includes staff and representation from MBIE and NZTA. The DBC template is based on NZTA guidelines and government’s ‘Better Business Case Model’. The focus of the DBC is on identification of the best infrastructure solutions to enable bringing houses to market faster.

Council will be required to enter into a funding agreement with MBIE and NZTA. The agreement terms are currently being drafted by a working group comprising of staff from the five Council’s, MBIE and NZTA. MBIE have encouraged staff to be one of the first two Council’s to complete their DBC. This reflects the comparative scale of Council’s application relative to the larger Councils, particularly in relation to any required contingency claims due to cost variations.

All DBCs are required to be completed by 31 December 2017.

Background

Waikato District Council’s proposal sought funding of \$ 36,509,977 for:

Wastewater upgrades:

- A new wastewater trunk line and associated components to carry wastewater from Te Kauwhata to Huntly.
- Wastewater upgrades - Huntly Wastewater treatment plant upgrade.
- Water upgrades - Reticulated water infrastructure upgrade of the Te Kauwhata infrastructure.

Road upgrades

- Local road infrastructure upgrades including road widening, rail crossing and pedestrian and cycle improvements.

The requested funding will:

- Bring forward the construction of 1,190 houses provided 3-5 years earlier than currently scheduled in the Long-Term Plan. These 1,190 dwellings are already planned for within the Te Kauwhata Structure Plan, however the infrastructure upgrades outlined in this report will allow for these dwellings to be delivered earlier.
- An additional 1,500 households within the Lakeside development (“Lakeside”) proposed by Winton Partners. This development is not currently programmed and will be facilitated by infrastructure funding under the HIF. The Lakeside development is subject to a Plan Change to the Waikato District Plan.

Council’s proposal is consistent with the Future Proof settlement pattern and has planning alignment from key identified partners (Waikato Regional Council, Hamilton City Council, Waipa District Council and NZTA). We have also received support from Auckland Council for our application.

Next steps:

Detailed business cases completed by TAs	July-Dec 2017 [Indicative]
Funding agreements executed	Following completion of the detailed business case

\$100 million Tourism Infrastructure Fund (“TIF”)

Round one of the new Tourism Infrastructure Fund (“TIF”) opened on 03 August 2017, with funding available for the development of visitor-related public infrastructure such as carparks, freedom camping facilities and sewerage and water works.

The purpose of the TIF is to provide financial support for local tourism-related infrastructure where tourism growth (domestic and international) is placing pressure on, or potential growth is constrained by, existing infrastructure and the local community is unable to respond in a timely way without assistance.

The TIF is intended to protect and enhance New Zealand’s reputation both domestically and internationally by supporting robust infrastructure which in turn contributes to quality experiences for visitors and maintains the social licence for the sector to operate.

Councils or community organisations (not-for-profit) with council support are eligible to apply for local visitor-related infrastructure.

Priority will be given to:

- applicants who have high visitor to ratepayer ratios, and are financially constrained and have investigated alternative funding options.
- projects that address capacity constraints due to visitor growth, support the Tourism Strategy and represent value for money.

Applicants are expected to co-fund to the maximum extent they are able and projects will not be eligible if seeking funding under \$100,000 (though a series of linked projects can be joined in one application).

Commercial projects, infrastructure where central government already has dedicated investment (such as mobile blackspot coverage), or infrastructure projects without a substantial visitor-volume driven component will not be eligible.

Staff attended a Ministry of Business, Innovation and Employment workshop in Thames on 21 July 2017 for a briefing of the TIF and application criteria. It was stated that these workshops were being held in locations likely to receive funding. Projects must be included in the Long-Term Plan and be supported by appropriate strategy and not be fully funded. Infrastructure must unequivocally benefit visitors over residents and community support must be clearly demonstrated.

Key differences between the TIF and the Mid-sized Regional Tourism Infrastructure Fund include:

- ability to bring forward LTP projects.
- feasibility studies can be funded.
- no timeframes on completion.
- increased funding pool.
- eligibility tests.
- no other central government funding allowed.

Next steps:

Staff are seeking further clarification from MBIE with regards to appropriate initiatives, and evaluating opportunities (including feasibility study funding) for Waikato District Council's TIF application. Councillors from Whangamarino, Raglan and Newcastle Wards have indicated community interest. Staff have also received a request from the Whaingaroa Raglan Destination Management Organisation ("WRDMO") to include a number of initiatives in Council's application. Applications close at 4pm on Monday, 04 September 2017.

OTHER ACTIVITY

Ngaruawahia Cultural Tourism Proposition

Staff have met with and are supporting a two month trial for a Waikato-Tainui tourism offering in Ngaruawahia, led by Te Rakau Humarie o Kiingitanga. Approximately 40-60 Chinese tourists are currently visiting the town every second day and receive an overview of Maaori history, culturally significant sites and a range of cultural experiences. The trial ends at end of August and feedback to date has exceeded expectations. A successful trial is likely to result in an increase in the number of tours and a more succinct offering. There has already been strong interest and participation from local marae in the trial and rangatahi have been involved in cultural displays and performances. Staff perceive that this activity will be a catalyst for Ngaruawahia's cultural offering, and create a positive and lasting impacts

through local employment and empowerment. Consideration of appropriate infrastructure will be required to further support this initiative.

Economic Development Opportunity Pipeline

The Economic Development Opportunities Pipeline (“EDOP”) is a summation of potential opportunities, investments and activities that may occur within the Waikato district and that the Economic Development team is actively involved in. The EDOP is generated through work programme activities and via our communication channels. It includes initiatives from concept stage through to confirmed projects.

Currently there are 19 projects sitting in the EDOP that may occur in the next 48 months:

- 11 have a high likelihood or are in process.
- 5 have a medium likelihood of progressing.
- 3 have a low likelihood of progressing.

The impact of the growing number of EDOP activities as well as the Economic Development Work Programme and internal organisational support requirements is stretching current Economic Development team resources. Staff are reviewing capacity and workflows and assessing the need for additional resource.

International Relations Strategy

Staff have engaged Eastern Bridge to prepare and consult on an International Relations Strategy (“the Strategy”) for Asia. The Strategy was commissioned to provide direction and guidance to Council regarding how to best manage and engage: the existing Waikato-based businesses with links to China; the growing level of Asia-based delegations visiting the district looking for investment opportunities; export opportunities for local businesses; and personal invitations received by the Mayor to visit China and Taiwan.

Staff have held preliminary discussions with the Mayor and the Economic Development Advisory Group, Zealong Tea Estate and Cobb-Vantress regarding a proposed trip in October to China. The purpose of this trip is to build on existing relationships with Asia (such as Mengnui/Yashili, Zealong Tea Estate and Cobb-Vantress) with a view to promote Waikato district as an investment opportunity, our businesses, to establish long-term fruitful connections.

In order to optimise any investment in an International Relations Strategy, Eastern Bridge recommends that Council:

- establishes webpages in Simplified Chinese, Japanese and / or Korean;
- provides training opportunities to support Council staff, businesses and organisations to become Asia Ready;
- identifies a sister city partner which can raise the District’s international image, provide a conduit to support economic development goals and enhance awareness in local communities through educational and cultural exchange;
- formalises processes for handling incoming enquiries;

- engages with stakeholders across key sectors and works collaboratively to engage Internationally; and
- engages with community groups to encourage their support and participation in the relationship.

Next steps include preparing a draft itinerary for recommendation to Council. If Council adopt this Strategy, appropriate staff support and resources (currently not allocated or budgeted) will be required.

Cobb-Vantress NZ Ltd

Council has received a resource consent application to establish a chicken husbandry farm which is currently in process.

4. ATTACHMENTS

- Appendix 1: Long Term Plan Key Performance Indicators Scorecard Report 2016/17
- Appendix 2: Economic Development Strategy work programme 2016/17
- Appendix 3: Waikato District Council International Relations Strategy

Appendix 1: Long Term Plan Key Performance Indicators Scorecard Report 2016/17

Scorecard Name
2015-18 LTP Economic Development

Date From
01-Jul-2016

Date To
30-Jun-2017

LINKED ITEMS	UNIT	TARGET	ACTUAL	INDICATOR
% increase in Net Promoter Score (level of likelihood that business owners will recommend WDC as a district to do business in) COMMENTS: The Waikato District received an average rating of 8.7 out of 10 as a place where business owners would recommend a colleague or friend to do business. This is an increase on the 8.6 recorded in March 2016, representing an improving trend over the last 12 months. This resulted in a Net Promoter Score for March 2017 of +12.0, up 6 points (or 100%) on March 2016 results. Since December 2014, our Net Promoter Score has improved 20 points from -8 to +12.	%	20.00	100.00	
Number of enquiries that generate through the Open Waikato website COMMENTS: There were 145 enquiries via Open Waikato channels over the 2016/17 year, with the primary generator being bookings for the Waikato Innovation Park business service held in Raglan, Tuakau and Huntly. We have more than doubled the year's target of 81 enquiries which was an increase of 20% on last year.	%	20.00	116.00	
The percentage delivery of the Economic Development strategic work programme COMMENTS: Additional to the successful delivery of the economic development strategy work programme, the economic development team has also successfully led or supported the following strategic projects: Application to the regional mid-sized tourism infrastructure fund (x2), Application to \$1B Housing Infrastructure fund, Organisational development initiatives to deliver efficiency and performance improvements, a sub-regional Council's Business Friendliness Survey, and communications & marketing initiatives and support.	%	90.00	100.00	
The percentage increase in number of business units in the Waikato District (Same or higher than NZ growth rate in number of business units) COMMENTS: The percentage increase of business units growth in the Waikato district was 2.2%, exceeding the national growth of 1.6%. The district now has 8,691 business units.	%	1.60	2.20	
Measureable tourism expenditure in \$ COMMENTS: Total tourism expenditure for Waikato District 2016 was \$112M. This reflects a 17% increase in spend, compared to a national average of 8.3% for the same period.	\$	99,000,000.00	112,000,000.00	
Overall Performance	%	0.00	0.00	

Appendix 2: Economic Development Strategy Work Programme 2016/17

The table below summarises the priority projects and activities for the 2016/17 financial year as at 10 February 2017.

Strategy	Theme	Action	Budget	Completed By	Progress	Status
Sector Development	Freight & logistics sector development	1. Develop online and printed prospectus to outline the freight and logistics sector value proposition	\$5,000	01/12/16	100%	Commenced 01/07/16. Prospectus design is now completed. Next steps: Printed version will be available once print volume confirmed at meeting with Ports of Auckland in February. Expenditure to date: \$1000.
		2. Promote the opportunities presented by the Ports of Auckland Waikato freight hub	\$5,000	30/06/17	100%	Available online www.openwaikato.co.nz/freight the resource is available and a social media campaign for 2017/18 has been developed.
Business Retention, Attraction	Business funding and support programmes	3. Establish Waikato Innovation Park service in Tuakau, Pokeno and Te Kauwhata	\$4,000	31/10/16	100%	Complete. Service is now business as usual for Waikato Innovation Park. Expenditure to date: \$4,000. Next step: Further promotion (refer item 9).
	Customer Relationship Management	4. Establish processes and culture to foster high value key relationships	Nil	30/06/17	Reported separately	Primarily delivered through support of 2016/17 Our Plan organisational development programme objectives. Reported separately.
		5. Review large development project support processes	\$10,000	31/05/17	100%	Promapp process created to provide consistent approach. More development will be required next year.
	International Connections	6. Support the regional Waikato Means Business 'Waikato Story' development	Nil	December 2016	100%	Led by the Waikato Regional Council. Waikato Story is now live and can be found at http://www.waikatostory.nz/
	Business start up	7. Build awareness of innovation support services available to assist new businesses	\$2,000	30/06/17	100%	A social media campaign to promote the service was run in January 2017 across both Open Waikato and Council platforms. Primary goal was to launch the new Raglan based service.
		8. Establish an innovation network throughout the district	\$3,000	30/06/17	100%	The Waikato Innovation Park service is now available across our key localities with the services based from Ruakura, Tuakau and Raglan.

Strategy	Theme	Action	Budget	Completed By	Progress	Status
		9. Establish a new service to assist small businesses engagement with Council	\$8,000	30/06/17	100%	New guide developed as an online resource on Waikato District Council website – promoted through LINK newsletter.
Spend Attraction		10. Support the Waikato regional tourism organisation, Hamilton & Waikato Tourism (“HWT”) and support the delivery of the HWT Visitor Strategy and Tourism Opportunities Plan	\$150,000	30/06/17	100%	Hamilton & Waikato Tourism (“HWT”) handed ownership of the Raglan Visitor Destination Plan to Raglan Naturally and creation of local Destination Tourism Management organisation for Raglan. Expenditure to date: \$150,000 (Invoiced six monthly). Next Step: Staff are meeting with HWT in February to identify the next Waikato district related project.
		11. Identification of the preferred location for the Huntly I-Site	\$0	30/06/17	N/A	Led by Service Delivery and forms part of a Northern Facilities study. Economic Development staff supported this project.
		12. Tourism Growth Partnership. Apply for funding from the recently established Regional Mid-Sized Tourism Facilities Grant Fund <i>(New Government applications opened August 2016.)</i>	\$0	15/09/16	100%	An application to the fund was submitted on 15 September. The projects put forward were to enhance the visitor experience in Raglan through way-finding signage, footpath improvements and improved pedestrian access along Wainui road to the reserve. Council’s application was unsuccessful. Expenditure to date: NIL. Next Step: Staff will advise Council if future funding grant announcements are made.
Population Attraction		13. Promote Waikato’s towns lifestyle proposition to support Council’s investment in planning and infrastructure	\$20,000	30/06/17	100%	Storyboarding completed for Ngaruawahia and town promotion ran in North Waikato news during Fieldays week.
		14. Huntly Focus Develop a location marketing and development strategy to promote Huntly as a place to live, work and play	\$17,000	30/06/17	100%	A story board has been developed and location marketing and development has been drafted. This will be fed into Huntly 5000 community plan for consultation.

Strategy	Theme	Action	Budget	Completed By	Progress	Status
Build Skills		15. Education to Employment. Support Smart Waikato Trust to develop and implement strategies to improve employment outcomes for local youth.	\$5,000	30/10/17	100%	Smart Waikato Trust has prepared a Huntly and Ngaruawahia Collaborative Youth Strategy and is facilitating the establishment of a network of employers and educators to improve employment prospects for the district's youth. Smart Waikato has applied for \$350,000 through Momentum Waikato. Of 75 applicants they are one of six remaining applications being considered. This funding will be used to support youth to employment programmes across the district. Expenditure to date: \$6,000. Next Steps: Programming development into 2017/18 work plan.
Excellence in Council Service Delivery and Core Activity		16. Assess Council's business friendly performance. Participate in the Waikato Means Business, Business Friendly Councils survey.	\$2,000	01/07/16	100%	Waikato Means Business, the Waikato Region Economic Development Strategy programme, commissioned a survey of local councils to assess how business friendly councils considered their service to be. This report will be compared to a customer perception survey of business friendliness to identify gaps and opportunities for improvement. Expenditure: \$1,900. Next steps: The report will now be shared with the Waikato Means Business Steering Group and the Chief Executives Forum to determine how the report is to be taken forward early in the new year.
		17. Marketing and Information. Drafting of Open Waikato Marketing and communications plan to support the work programme	\$0	20/09/16	100%	The Executive Team to receive the plan February 2017. Expenditure: NIL. Next steps: Internal awareness campaign underway to promote Open Waikato to staff.

Strategy	Theme	Action	Budget	Completed By	Progress	Status
		18. Open Waikato maintenance and enrichment. Continuous development of Open Waikato to attract new business, residents and visitors to the district	\$20,000	30/06/17	100%	Staff have reviewed 100 percent of the website. This content refresh includes our images. Search optimisation has significantly improved as highlighted by the 30,000 views through Google Maps and Google Search. Expenditure: NIL. (Expenditure will be required for next phase which will include new case studies and new images).
Business Retention, Attraction	Attract new property development	19. Promote development opportunities resulting from District Plan review and structure plans.	\$10,000	On going	On going	As appropriate, staff have advised customers to discuss their plans with the District Plan review team to help develop future opportunities.
Excellence in Council Service Delivery and Core Activity		20. Digital Enablement – Government led. Support the Government funded roll-out of Ultrafast Fibre and Rural Broadband	\$100,000	2020	On going	A Government announcement in February confirmed that Ngaruawahia, Horotiu, Whatawhata, Raglan, Taupiri, Huntly, Te Kauwhata and Tuakau will receive UFB2 funding. It is understood that Crown Fibre Holdings are considering a third round of UFB funding. Staff are awaiting formal advice. Next steps: Ongoing support of rollout through agreed marketing programme over the implementation period.
Excellence in Council Service Delivery and Core Activity		21. Digital Enablement – Tamahere and Matangi community led advocacy for a fibre optic level of service solution	\$0	On going	100%	A survey of the Tamahere and Matangi area was held to assess the level of support for a fibre optic service and the extent to which the community would co-fund a fibre service. Staff have advocated directly and in support of Councillors the opportunity for fibre broadband in Tamahere and Matangi communities. Ultrafast Fibre's business case decision will determine staff's next steps.
Population Attraction		22. Strategic cross-boundary advocacy. Support Council cross-boundary collaboration and advocacy for effective growth and development policy and planning and future transport infrastructure	\$0	On going	On going	The North Waikato Integrated Programme Business Case is a joint partnership initiative involving Waikato District Council, Waikato Regional Council, New Zealand Transport Agency, Auckland Council and Auckland Transport aimed at coming up with a preferred land use plan for the north Waikato with supporting infrastructure to accommodate growth. The June workshop with the Franklin Local Board

Strategy	Theme	Action	Budget	Completed By	Progress	Status
						<p>was held on 6 June 2017 where our Mayor and staff presented the programme business case. The Board received the NWBC positively although their primary concerns are with issues within the Auckland Council boundaries.</p> <p>Work continues to be progressed towards draft 2 of the report. The Business case was presented to the Regional Transport Committee on 2 August and is part of the discussion for the new Investment Logic mapping (ILM) process regarding the need for the section of SH1 between Bombay (Mill Road) to the Hampton Downs interchange being upgraded.</p>
Excellence in Council Service Delivery and Core Activity		<p>23. District Plan Review</p> <p>Support the review project to ensure appropriate business rules are considered and included in the revised plan.</p>	\$0	On going	100%	<p>Led by the Planning and Strategy Team. Economic Development staff are supporting economic analysis aspects and sector representative engagement.</p> <p>Next Steps: Continuing to assist in advisory capacity.</p>
Spend attraction		<p>24. Raglan Focus</p> <p>Develop a Raglan visitor infrastructure strategy to support the timely provision of future infrastructure to enhance Raglans tourism proposition</p>	\$10,000	30/06/17	90%	<p>Collated all relevant information and surveys for report to be completed by 30 August 2017. Delayed as critical information supplied by third party contained inconsistencies and data errors which require correcting.</p>
Build Skills		<p>25. Labour Market demand trends. Identify emerging demand for skills and occupations in the district to inform education providers in the region</p>	\$2,000	30/6/17	80%	<p>Scoped report and contracted consultant to prepare, awaiting data from the District Plan Social and Economic Profile Report to supplement research. Awaiting final draft report from consultant.</p>
Business Retention, Attraction		<p>26. Develop a business and political delegations engagement plan</p>	\$2,000	30/06/17	0%	<p>Deferred to 2017/18 year due to priority conflict.</p>



Waikato District Council

International Relations Strategy

Prepared by Eastern Bridge





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The prime rural land of the Waikato District provides a strong economic foundation for many urban communities and diverse agricultural, energy and manufacturing activities. Rapidly developing sectors in the District include Information Media and Telecommunications, Healthcare and Social Assistance, Construction and Manufacturing, all of which are experiencing growth higher than 11.5 percent per annum.

The strong economic performance which the District has been experiencing over the past 5 – 10 years has engendered interest in developing relationships internationally which would lead to increased trade and investment, as well as educational and cultural exchange. Accordingly, Eastern Bridge has been engaged by the Council to assist with the management of its international relationships.

The first part of Eastern Bridge's management service was to develop a strategy in conjunction with the Council, which was aimed at identifying areas of focus. The strategy document provides an overview of North East Asian regional markets, with reference to the main economic opportunities available to those who wish to develop constructive international relationships. Such opportunities may include investment, export education, tourism and trade.

The Strategy makes seven recommendations for the Council. These recommendations are that the Council:

- identifies a market or markets on which to focus
- develops webpages in Simplified Chinese, Japanese and / or Korean . These pages should provide relevant information relating to business and economic development opportunities
- provides training opportunities to support the Council staff, businesses and organisations to become Asia Ready
- formalises a processes for handling incoming enquiries
- identifies a sister city partner which can raise the District's international image, provide a conduit to further economic development goals and enhance awareness in local communities through educational and cultural exchange
- engage with industry sector groups to encourage involvement in the International Relations Strategy
- engage with the community to encourage residents' support and participation in the relationship

CHINA



The People's Republic of China is the world's most populous nation and one of the largest economies (2nd by nominal GDP, 1st by purchasing power parity). The world's largest exporter, China produces a vast array of agricultural, industrial and consumer products. With its growing prosperity, China has been able to transform itself into a global economic powerhouse over the past few decades.

China is New Zealand's main trading partner as well as our largest source of international students. There is also a steadily increasing number of Chinese tourists visiting New Zealand. Chinese migrants make up an important segment of New Zealand's population, thereby enhancing the cultural diversity of their adopted communities. Currently the largest Chinese communities are based in Auckland, Christchurch and Wellington. There are, however, rapidly growing communities throughout provincial New Zealand.



People's Republic of China (China) 中华人民共和国 (中国)																												
Population	1,367,485,388		Government links with New Zealand	Yes																								
Capital	Beijing		Representative in New Zealand	Ambassador Wang Lutong																								
NZ-China Economic Links																												
<p>In 2014, 215,040 Chinese tourists visited New Zealand. They spent \$1 billion, or an average daily spend of \$710.</p> <p>4% of Chinese international students choose to study in here. In 2014 there were 30,179 Chinese students in New Zealand.</p> <p>Chinese invested \$102.9 billion (USD) overseas in 2014. They invested \$1.9 billion (NZD) in NZ during 2015. Chinese investment in New Zealand amounted to 14% of all inward FDI (2015).</p> <p>China takes 15% of all NZ export products (\$8 billion). China imports mostly primary products including: dairy, meat, wood and seafood.</p>		<table border="1"> <tr> <td>Currency</td> <td>Yuan (RMB)</td> </tr> <tr> <td>GDP Growth</td> <td>6.7%</td> </tr> <tr> <td>GDP (PPP)</td> <td>\$19.51 trillion</td> </tr> <tr> <td>GDP Per Capita (PPP)</td> <td>\$14,300</td> </tr> <tr> <td>Gross National Savings</td> <td>47.4% of GDP</td> </tr> <tr> <td>Foreign Reserves</td> <td>3.21 trillion</td> </tr> <tr> <td>FDI outward</td> <td>1.1 trillion</td> </tr> <tr> <td>FDI inward</td> <td>1.7 trillion</td> </tr> <tr> <td>% of global GDP in New Zealand</td> <td>14%</td> </tr> <tr> <td>Export value</td> <td>\$2.27 trillion</td> </tr> <tr> <td>Import value</td> <td>\$1.596 trillion</td> </tr> <tr> <td>NZ export</td> <td>\$NZ10,719 million</td> </tr> </table>			Currency	Yuan (RMB)	GDP Growth	6.7%	GDP (PPP)	\$19.51 trillion	GDP Per Capita (PPP)	\$14,300	Gross National Savings	47.4% of GDP	Foreign Reserves	3.21 trillion	FDI outward	1.1 trillion	FDI inward	1.7 trillion	% of global GDP in New Zealand	14%	Export value	\$2.27 trillion	Import value	\$1.596 trillion	NZ export	\$NZ10,719 million
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The People																												
Workforce	800 million	<p>Chinese and Waikato</p> <p>Very few Chinese have a good knowledge of the Waikato Region although there is a small Chinese community of approximately 7,000 living in and around Hamilton.</p> <p>There are also a number of Chinese international students studying at Waikato University. Many of these students will either return home or move to Auckland following graduation.</p> <p>There are several Chinese owned businesses operating in the Region, including construction, dairy processing, as well as small hospitality businesses.</p>																										
Unemployment	4.2%																											
Language	Mandarin (the Common language) but there is a range of dialects																											
Ethnic Groups	Han make up 91% of China. There are up to 50 Ethnic minorities																											
Major Cities	Shanghai 23.7m Beijing 20.3m Chongqing 13.3m Guangdong 12.4m Tianjin 11m																											
Chinese in NZ	260,121 (89,121 by birth, 171,000 by ancestry) (2013 Statistics NZ)																											
NZers in China	Approx. 2000																											
Waikato District Chinese	Approx. 20																											
Foreign Relations																												
<p>There are a number of connections between Waikato Region and China, however there currently isn't any formal relationships between Waikato District and China.</p>		<p>Sensitivities</p> <p>China has a number of sensitive border disputes with its neighbours. The PRC claims sovereignty over Taiwan (ROC), a claim which Taiwan disputes. New Zealand supports the PRC's claim. The Chinese diaspora living in New Zealand tends to maintain strong links with the Mainland and national pride can sometimes cause conflict with other ethnic groups in New Zealand.</p>																										

HONG KONG & TAIWAN



Hong Kong is a Special Administrative Region of the People's Republic of China, located in the south of the country. Originally a British colony, it was returned to China in 1997. Due to this colonial history it enjoys a high level of autonomy over its affairs. The GDP of Hong Kong is staggering for the size of the region. 2015 estimates for GDP were \$412.3 billion – Purchasing Power Parity (PPP) and \$310 billion (nominal). Hong Kong has the 10th highest GDP per capita of all countries. The Chinese mainland is Hong Kong's main trading partner, accounting for over half of all trade.

Taiwan is an island in Southeast Asia, located north of the Philippines and off the southeast coast of China. In July 2013, Taiwan and New Zealand signed a free trade agreement, making it an attractive place for Kiwis to do business. Taiwan has a population of over 23 million people. Approximately 78% of these live in urban areas. The largest city is the capital, Taipei, with 2.6 million people. Other major cities include Kaohsiung (1.5 million), Taichung (1.2 million) and Tainan (815,000). Most of the population and infrastructure are on the western coast of the Island due to the rugged, mountainous terrain on the east. With a GDP per capita of \$46,800, Taiwan is one of the most prosperous societies in Southeast Asia.

Hong Kong Special Administrative Region of the People's Republic of China (Hong Kong)		Republic of China (Taiwan) 中華民國 (台灣)	
Population		Population	23,508,362
Capital	Hong Kong	Capital	Taipei
Government links with New Zealand	Via the Embassy of the People's Republic of China	Government links with New Zealand	Unofficial links via the Taipei Economic and Cultural Office
Representative in New Zealand	Wang LuTong	Representative in New Zealand	Wu Chien-kuo
Currency	Hong Kong Dollar (HKD)	Currency	Yuan (TWD)
GDP Growth	2.4%	GDP Growth	0.7% (2015 est.)
GDP (PPP)	\$414.6 billion	GDP (PPP)	\$1.099 trillion (2015 est.)
GDP Per Capita (PPP)	\$56,700	GDP Per Capita (PPP)	\$46,800 (2015 est.)
Gross National Savings	24.8% of GDP	Gross National Savings	36.3% (2015 est.)
FDI outward	\$1.72 trillion	FDI outward	\$271.9 billion (31 December 2015 est.)
FDI inward	\$1.838 trillion	FDI inward	\$69.09 billion (31 December 2015 est.)
% of investment in New Zealand	4%		
Export value	\$499.4 billion	Export value	\$USD \$284.9 billion (2015 est.)
Import Value	\$524.3 billion	Import value	\$USD \$228.6 billion (2015 est.)
NZ export	\$912 million (NZD)	NZ export	\$NZ 1 billion (2014)
<p>Sensitivities: Hong Kong is a fairly autonomous self-governing city which falls under the People's Republic of China. There is tension between the people of Hong Kong and the Mainland Chinese living and travelling there. There is also tension between the people of Hong Kong and their government which is seen to be too pro-Beijing. Tension between the Hong Kong government and Beijing government also exists.</p>		<p>Sensitivities: Taiwan is not officially recognised by the New Zealand government. The People's Republic of China has a claim over Taiwan.</p>	

SOUTH KOREA



South Korea is one of the most highly developed and prosperous nations in the world. It has a population of approximately 50 million, 82.5% of which lives in urban areas. Major cities include the capital, Seoul (9.7 million people), Busan (3.2 million), Incheon (2.6 million) and Daegu (2.2 million). South Korea's economy is largely export based. \$535.6 billion worth of goods and services were exported in 2015 making South Korea the 6th largest exporter globally.

New Zealand and S. Korea have complementary economies and are natural trading partners. S. Korea is our sixth largest export destination. Two-way trade has grown more than four times since 1990. New Zealand is popular with Korean tourists who are our seventh largest group of overseas visitors. South Korea is also New Zealand's fourth largest source of international students. In 2015 New Zealand and S. Korea signed a Free Trade Agreement which came into effect in December 2015. This comprehensive agreement contains a section designed to encourage freer flows of investment.



Korea 대한민국			
Population	49,115,196 (July 2015 est.)		Government links with New Zealand
Capital	Seoul		Embassy in Wellington
			Representative in New Zealand
			Ambassador Kim Hae-yong
NZ-Korea Economic links			
In December 2015 New Zealand entered into a Free Trade Agreement with South Korea. 74,224 Korean tourists visited New Zealand in 2015, an increase of 23.1%. In 2015 Korean companies invested \$484 million in New Zealand.		Currency	Won (KRW)
		GDP Growth	2.6% (2015 est.)
		GDP (PPP)	\$1.849 trillion (2015 est.)
		GDP Per Capita (PPP)	\$36,500 (2015 est.)
		Gross National Savings	35.7% of GDP (2015 est.)
		Foreign Reserves	\$368.5 billion (31 December 2015 est.)
		FDI outward	\$293.2 billion (31 December 2015 est.)
		FDI inward	\$191.3 billion (31 December 2015 est.)
		% of global FDI in New Zealand	
		Export value	\$535.5 billion (2015 est.)
		Import value	\$430.8 billion (2015 est.)
		NZ export	\$1.8 billion
		The People	
Workforce	26.89 million (2015 est.)	Koreans and Waikato There is a small but notable Korean population in the Waikato Region. Korean migrants are one of the largest owners of sushi shops locally. There are also Korean owned education businesses, supermarkets and hair dressers. There are several Korean churches which play an active role in the Waikato Korean community.	
Unemployment	3.5% (2015 est.)		
Language	Korean, English (widely taught in junior high and high schools)		
Ethnic Groups	homogeneous (except for about 20,000 Chinese)		
Major Cities	Seoul 9.77 m Busan 3.21 m Incheon 2.68 m Daegu 2.24 Daejeon 1.56 m Gwangju 1.53 m (2015)		
Koreans in NZ	30,171 (2013 Statistics NZ)		
NZers in Korea	1,500		
Waikato Koreans	Approx. 500		
Foreign Relations			
There are no formal relationships between Waikato District and a Korean city.		Sensitivities	
		Koreans generally prefer to stay within their own communities. This makes it hard for smaller centres to attract Korean migrants.	

JAPAN



Japan is another of the most highly developed and prosperous nations in the world. A world leader in consumer electronics and car manufacturing, it is currently the third largest economy in the world (by nominal GDP), behind China and the USA. With a population of over 126 million, Japan is the 3rd most populous nation in East & South-east Asia. The GDP of Japan is currently comprised of 1.2% agriculture, 26.6% industry and 72.2% services.

New Zealand has a strong and complementary trading relationship with Japan, founded on long-established contracts, reliability and high quality products. New Zealand supplies food and industrial materials, such as wood and aluminium, whilst Japan exports finished industrial goods and machinery. Services exports between our two countries play a big part in our trading relationship, particularly in the education and tourism sectors. Japan is New Zealand's third largest source of overseas students (after China and India), and the fifth largest source of tourists. Japan is also New Zealand's fifth largest source of foreign direct investment, with significant investments in the forestry sector.



Japan 日本国			
Population	126,919,659 (July 2015 est.)		Government links with New Zealand
Capital	Tokyo		Embassy in Wellington
			Representative in New Zealand
			Ambassador Toshihisa Takata
NZ-Japan Economic Links			
<p>New Zealand and Japan have enjoyed a relationship which has spanned decades. During the 1980s and 1990s many Kiwis studied Japanese and there were a great number of sister city relationships formed. While the Japanese economy has cooled in recent years it is still the third largest economy in the world and New Zealand's fourth largest trading partner. 93,600 Japanese tourists visited New Zealand in the past 12 months, an increase of 11% on the previous year. 9,742 Japanese students studied in New Zealand in 2014. In 2014 Japan imported \$2.9 billion worth of New Zealand goods.</p>		Currency	Yen (JPY)
		GDP Growth	0.5% (2015 est.)
		GDP (PPP)	\$4.83 trillion (2015 est.)
		GDP Per Capita (PPP)	\$38,100 (2015 est.)
		Gross National Savings	25.3% of GDP (2015 est.)
		Foreign Reserves	\$1.261 trillion (31 December 2014 est.)
		FDI outward	\$1.313 trillion (31 December 2015 est.)
		FDI inward	\$217.4 billion (31 December 2015 est.)
		% of global FDI in New Zealand	7%
		Export value	\$624 billion (2015 est.)
		Import value	\$625.4 billion (2015 est.)
		NZ export	\$2.9 billion (2014)
		The People	
Workforce	64.32 million (2015 est.)	<p>Japanese and Waikato</p> <p>There is a small resident population of around 170 Japanese living in the Waikato Region. The main employer is the food and hospitality sector.</p>	
Unemployment	3.3% (2015 est.)		
Language	Japanese		
Ethnic Groups	Japanese 98.5%, Koreans 0.5%, Chinese 0.4%, other 0.6%		
Major Cities	Tokyo 38.0 m Osaka-Kobe 20.23 m Nagoya 9.46 m Kitakyushu-Fukuoka 5.51 m Shizuoka-Hamamatsu 3.36 m Sapporo 2.57 m (2015)		
Japanese in NZ	14,118 (2013 Statistics NZ)		
NZers in Japan	3,000 (2016 est.)		
Foreign Relations			
There is no formal sister city relationship between Waikato District and a Japanese partner			



The educational and cultural exchange benefits of Sister City and Friendship City relationships are well understood in New Zealand but there is less awareness of the important role these relationships can play in economic development. As a general rule, these Sister and Friendship City relationships have significance for Chinese, Japanese and Korean authorities and can provide less restricted access to government departments, civic and government leadership, as well as businesses and organisations which would otherwise be inaccessible to New Zealand commercial interests. Such relationships legitimise the activities of New Zealand companies operating in an Asian Sister or Friendship City, especially when the companies are seen to be supported by a New Zealand council. Finally, they can provide an important platform for the promotion of New Zealand products and services, thus facilitating opportunities for economic development.

A Sister City relationship should not be entered into lightly. To be successful, any relationship should be based on mutual benefit. With this in mind, it is important for the Council to have clearly established goals when developing their partnerships.



Culture, educational exchange and civic visits are fundamental building blocks in the Sister and Friendship City relationship and later will provide a platform for establishing business opportunities. Such exchanges often have great significance, especially when New Zealand participants show a genuine interest in the language and culture of their Sister or Friendship City. Civic visits are an important indicator that the relationship is being taken seriously. They are expensive: for outgoing delegations, flights, accommodation and spending money; for incoming delegations, the cost of hosting. Delegations must be well prepared: interested parties should be invited to participate; the decision makers in the visiting group should be identified; relevant information supplied - for example, information about local schools if attracting international students is an identified priority.

EXPORT EDUCATION



Export education is New Zealand's fifth largest export and contributed \$3.53 billion in 2015. The Government has set a target to increase the sector to \$5 billion by 2025. Export Education directly supports 30,000 jobs while providing downstream economic benefits, for example, through increased retail activity and additional income to homestay parents. International students come in many guises: primary age students accompanied by a parent; intermediate and high school students; tertiary level students; English language students; those studying short term and specialist programmes and those attending training camps.

Promoting a city as a location for Export Education is a significant task and requires substantial engagement with local education stakeholders. As with the promotion of tourism, specific information for each city or district needs to be developed. This should include the local 'story', what differentiates your district from others (in particular Auckland) and the services and pathways to further study or employment.

The Export Education sector is price sensitive and while New Zealand is the most cost effective 'western' destination for international students, Auckland dominates the market offering a range of price options. Finding suitable homestays can be a challenge. Having a reliable pool of 'kiwi' homestays is an advantage when trying to attract students. Apart from regular classes, there is a strong demand for short term and specialist programmes which can be developed by schools, or third party education providers.

A council can play an important role in promoting their district as an education destination. A Sister City connection can act as a conduit to an Education Bureau in the target city. Information can be provided on council websites.

INVESTMENT ATTRACTION

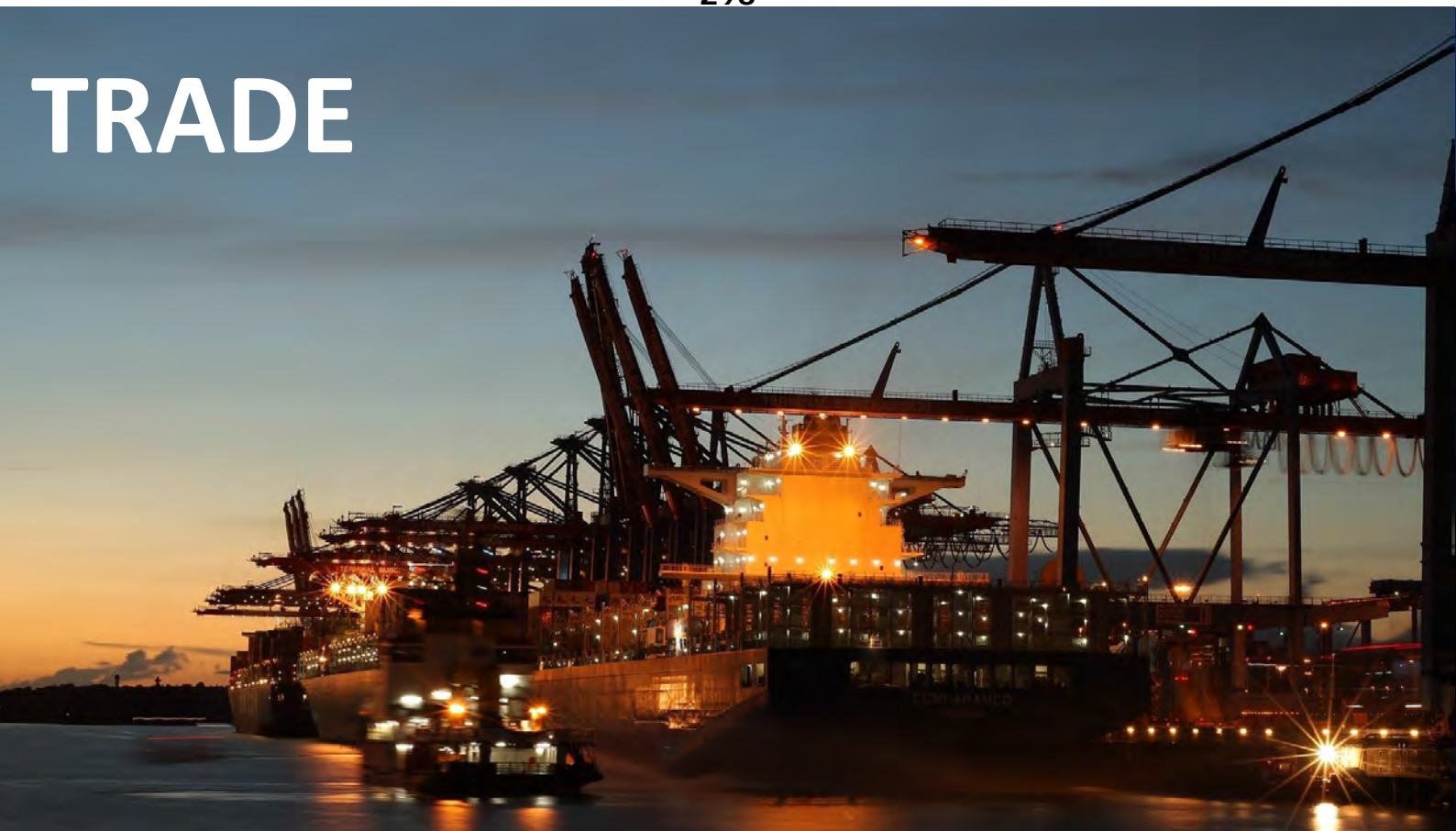


For New Zealand to grow and prosper, it needs to be connected as efficiently as possible to our trade and investment partners. As part of that process, Foreign Direct Investment (FDI) has become increasingly important. America is the largest investor in New Zealand. China is the second. Contrary to common belief, the United States is the biggest purchaser of New Zealand property and land, while most Asian countries have generally focused their investment on food production and processing (especially dairy) and the waste management and energy sectors.

Most New Zealand local authorities specify investment attraction as one of their motivations for developing a Sister City relationship. Many East Asian local authorities have the same motivation but few New Zealand local authorities are ready to deal with investment enquiries. Councils should be prepared to provide relevant information in the target language. Information required includes: New Zealand specific data on immigration; taxation; investment and employment policies. Also available should be information on local economies; markets; infrastructure; logistics; labour; salaries and sector-specific data for cities and districts.

Should a council wish to attract interest in a particular project, an investment case should be prepared. Councils should consider whether they will offer incentives to potential investors. These may include long term leases, property development, or the provision of a case manager to assist the investor through the process. Investment projects can be promoted through council websites, as well as by leveraging Sister City relationships to connect with

TRADE



Councils can play an important role in assisting exporters of local products. While it isn't a council's responsibility to sell the product, it can provide market information and training through seminars. The council can also help to connect local businesses with counterparts in Sister Cities by including them in mayoral-led delegations and working with the partner government and New Zealand Trade and Enterprise to arrange suitable meetings. Local businesses can also be showcased through the gift-giving process, where high quality, locally produced products may be presented to the delegates. There are a number of e-commerce and m-commerce (mobile-commerce) companies operating in New Zealand which provide both direct sale and export services. These companies can be an effective way to sell products into offshore markets, however they must be approached with caution as there are often high fees and high rates of commission involved.

TOURISM



It is important to note that the easiest Asian groups to attract for tourism purposes will be those with ethnic communities already living in New Zealand. Such groups are an important barometer of the local tourism offering and its suitability for Asian travellers. There are three main categories of tourists: those who travel in groups, on package tours and as independent travellers.

Promotional material for tourism should be available in the target languages. It should include the 'story' of the tourism product. The uniqueness of the experience should be highlighted and any safety issues explained.

Dining and accommodation options need to be considered. While many travellers will want to savour New Zealand food, those staying in the country for longer periods will probably prefer food which is familiar.

Tour packages are an efficient way of attracting Asian travellers. They can be promoted directly through the Sister City conduit to the local tour companies in Asia. It will be expected that a commission will be paid to the Asian booking agent, so this will need to be included in the overall price of the product.

Councils should encourage tourism operators in their area to embrace WeChat. This is a powerful tool for introducing the Chinese to New Zealand's tourism services. The platform allows for the inclusion of text, photos and videos; it enables followers to ask questions and add comments and even purchase services and products.



RECOMMENDATIONS

1. That the Council establish webpages in Simplified Chinese, Japanese and / or Korean. These pages should provide important information relating to migrants who wish to establish a business or invest locally.

There is very little information about the Waikato District available in Chinese, Japanese or Korean. By providing content in the migrants own language you are showing them that you are a welcoming district, you will also set yourself apart from other districts. Suggested content includes:

Publicly Available	
General overview	<ul style="list-style-type: none"> • Message from the mayors and a general welcome • The Waikato story
Economic Overview	<ul style="list-style-type: none"> • Demographics • General economic performance statistics
Business Environment	<ul style="list-style-type: none"> • Describe key business-enabling infrastructure • Distance to markets (Domestic and International) • Introduce business organisations (Chamber of Commerce etc)
Lifestyle Overview	<ul style="list-style-type: none"> • Housing Information • Healthcare Services • Aged Care Services • Childcare, Schools and Tertiary Services (including academic ranking) - this will also help with international students. • Tourism and other scenic spot information.
Contacts	<ul style="list-style-type: none"> • Relevant contacts and profiles

Existing Resources	(This information is already available on the relevant government website)
Immigration Policy	Immigration New Zealand
Taxation Policy	Inland Revenue Department

Available on Request	
Indicative Costs of doing Business in the Waikato	<ul style="list-style-type: none"> • Average utility prices. • Logistics costs • Rental costs (based on office and industrial premises). • Average cost of employing staff.
Business Opportunities	<p>For specific investment projects, information relating to an individual project should be provided but only after due-diligence has been conducted on the incoming enquirer.</p> <p>When the investor is proven to be credible, more information on each project can be made availa-</p>

2. That the Council provide training opportunities to support Council staff, businesses and organisations to become Asia Ready.

	Action	Responsibility
Training Scheduled be Developed	Training for Council Staff and Elected Representatives	Eastern Bridge / Council
	Training for Schools and Education	Eastern Bridge / Council
	Training for Tourism Operators	Eastern Bridge / Council
	Training for Exporters (SMEs)	Eastern Bridge / Council
Introductions to Trade Associations	A list of relevant support organisations will be compiled and made	Eastern Bridge

Did you know that East Asian and New Zealand cultures differ greatly and that without an understanding of the basic cultural dynamics it can be a struggle to understand why Asian partners take certain actions? Three important Asian cultural concepts are 'Saving Face', 'Relationships' and 'Obligation', or 'Mianzi',

Mianzi (saving face)	<p>Mianzi literally means 'face' in Chinese, however this concept is used throughout East Asia. In Western terms, it could be compared to a highly exaggerated form of kudos. You can give and receive 'mianzi'. You can also take away and lose 'mianzi'.</p> <p>Mianzi can be given through sincere compliments, symbolic gestures, hosting of banquets or the giving of gifts. Mianzi can be taken away by proving someone wrong, correcting them, or undermining their authority. Simple mistakes may have serious consequences, such as placing the head of a group in the wrong location at a formal meeting.</p> <p>By giving mianzi over a period of time you will start to build 'guanxi'.</p>
Guanxi (relationships)	<p>Guanxi, or 'relationships' is a concept which is widely discussed. Many Westerners consider guanxi as something which can be built up over a short period of time – this is not the case.</p> <p>Guanxi is developed through long-term mutual exchange and respect. People who claim to have guanxi have usually endured struggles and had their relationship tested.</p> <p>When true guanxi is developed both parties can feel secure in the knowledge that the other has their best interests at heart and will avoid doing anything to hurt the other's interest.</p>
Renqing (obligation)	<p>Renqing is a far less discussed concept in Western literature. Renqing is best described as 'obligation', and comes with guanxi. Renqing may not be obvious and takes time to develop. For example, if a Chinese friend of the Council continually hosts Council delegations in China, an obligation to reciprocate may be expected of the Council at a later stage. It is important to understand when Renqing becomes corruption.</p>

3. That the Council identifies a sister city partner which can raise the District's international image, provide a conduit to support economic development goals and enhance awareness in local communities through educational and cultural exchange.

When choosing a sister city partner it is important to take into account many variables including: size, geographic location, existing contacts, willingness to engage and the alignment of the goals of both parties. It is recommended that a council doesn't rush into a relationship. Initially, a council should develop in outline what cooperation and partnership would look like. Once both parties are agreeable to the outlined relationship it is safe to proceed by signing an MOU. This is not a legal document but does provide a framework for future cooperation. Once tangible and ongoing benefits have been proven both parties may wish to further upgrade their relationship and sign a Sister City agreement.

City snapshots—Three cities looking for New Zealand partners	
Jiangyin (China)	<p>Jiangyin is a township under the Wuxi government's administration (sister city with Hamilton). Jiangyin has a population of just over 1.2 million people and is just over one-hour drive from Shanghai's Jiading district (sister district of Hauraki).</p> <p>Jiangyin is ranked the second richest town in China (based on his size). Jiading offers a higher standard of living than most cities or towns in China. There is a high proportion of high net wealth individuals residing in the area. There are opportunities for Waikato businesses to sell local products and for schools to recruit international students. There is also an opportunity to attract investment under Immigration New Zealand's Investor Migrant Scheme.</p>
Iksan (South Korea)	<p>Iksan is a city on the south west coast of South Korea. The city is less affluent that those of Seoul, Busan or their neighbouring provinces, however Central Government has invested heavily in the province to boost economic development.</p> <p>Iksan city has been designated as a key food research and processing hub. Several universities and food tech companies have relocated to the area and key infrastructure has been developed. Many Korean food processing businesses have based themselves in the city. Jellabuk Province which surrounds Iksan is an important farming area.</p> <p>There are opportunities to recruit international students and for investment into food processing, as well as</p>
Suzhou Industrial Park (China)	<p>Suzhou Industrial Park (SIP) is a high tech industrial and commercial centre in Jiangsu province. SIP is under the administration of Suzhou Local government but enjoys relative autonomy. The Park has the goal of attracting international high-tech industries, promoting innovation and assisting in technology transfer.</p> <p>SIP has direct rail links to Shanghai, Hangzhou and the Jiangsu Provincial Capital, Nanjing.</p> <p>The Park is separated into many zones (including a tourism zone) and boasts several resorts, activity centres and scenic spots. There is also a science and education zone where many top Chinese universities have established graduate schools and research institutes.</p>

4. That the Council formalises processes for handling incoming enquiries

Enquiry received	Respond in the language in which the enquiry was received and introduce the online resources. Welcome further contact and advise the enquirer that he / she can communicate in their own lan-
Follow up communication asking for more	Council needs to clarify what specific information is required if the enquirer has not already made this clear.
	If the investor doesn't respond with specific information there is a good chance they are time wasters. Leave the dialogue open for them to come back with more information.
	When an enquiry comes back with more specific information, determine whether the aspirations are compatible with those of Waikato District.
	Should the aspirations not be appropriate for Waikato the enquirer could be referred to another local authority.
Due Diligence	If their proposals are compatible, seek more information about the client's background. Arrange a meeting if possible, either at the Council offices or in Auckland if the enquirer is in New Zealand.
	Once Council has the enquirer's original name and some background information, conduct basic due diligence online.
Gauge importance	After identifying whether the potential investor is worth pursuing, it is then important to gauge the possible scale and scope of the project.
	If the potential economic benefit of the investment is minimal, provide supporting information in the enquirer's own language but do not actively offer additional support.
Assign a Case Manager	If the potential scale of the investment will bring meaningful benefits to the Region, introduce a designated contact person (a case manager) who will work with the potential investor.
	The Case Manager will engage with the investor (or the investor's translator) in English but important documentation can be prepared and provided in the investor's first language. Engage with the potential investor on his /her terms, for example WeChat if that is his /her chosen
Arrange a meeting	Learn about the investor and develop a dossier on the project, related people and activities. Be aware of commercially sensitive information and sign a confidentiality agreement if necessary.
	Identify what support the investor needs from Council. It is important to make a judgement as to whether the investor's needs are realistic.
	Should this not be the case, negotiate with the investor and he / she will probably revise his / her position.
	Conduct a basic feasibility assessment on the project and assess whether it can be achieved with help from Council.
	If Council support is required, the Case Manager should work with the investor to develop an economic benefit report to present to Council.

5. That the Council engages with stakeholders across key sectors and works collaboratively to engage Internationally.

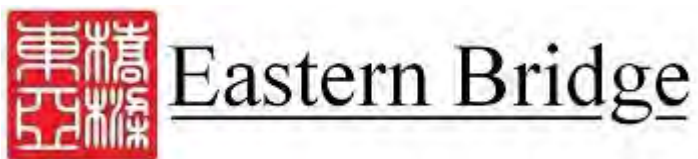
	Activity	Responsibility
Investment	Identify key stakeholders	Council
	Develop a list of investment-ready projects	Council / Eastern Bridge
	If capacity allows, develop business cases for projects which do not have an existing investment case	Council
	Produce language specific content introducing the area and investment conditions.	Eastern Bridge
	Promotion (locally and internationally)	Council / Eastern Bridge / INZ / NZTE
	Council led delegation	Council / Eastern Bridge / INZ
	Export Education	Identify sector stakeholders
Develop a database of key information about the schools.		
Develop suitable marketing material		
Engage with agents		
Council led delegation		Council / Eastern Bridge / INZ
Trade Facilitation	Identify key stakeholders	Council / Chamber of Commerce / Eastern Bridge
	Training	Council / Eastern Bridge / NZCTA / KNZBC / NZJBC
	Introductions to supporting organisations	NZTE / MFAT / NZCTA / KNZBC / NZJBC / Eastern Bridge
	Local catalogue of products (translated)	Council / Businesses / Eastern Bridge
	Council led delegation	Council / Eastern Bridge / NZTE
Tourism	Identify stakeholders	Council
	Training	Eastern Bridge
	Introduction to supporting organisations	TNZ / Eastern Bridge / Agents
	Develop marketing material (translation)	Businesses / Eastern Bridge
	Engage with local ethnic media	Eastern Bridge

6. That the Council engages with community groups to encourage their support and participation in the relationship

Actions will depend on which target market the Council selects.



Waikato District International Relations Strategy Developed by Eastern Bridge Limited



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Open Meeting

To	Strategy & Finance Committee
From	Gavin Ion Chief Executive
Date	14 August 2017
Prepared by	Lynette Wainwright Committee Secretary
Chief Executive Approved	Y
Reference	GOV1318
Report Title	Exclusion of the Public

I. EXECUTIVE SUMMARY

To exclude the public from the whole or part of the proceedings of the meeting to enable the Strategy & Finance Committee to deliberate and make decisions in private on public excluded items.

2. RECOMMENDATION

THAT the report of the Chief Executive be received;

AND THAT the public be excluded from the meeting to enable the Strategy & Finance Committee to deliberate and make decisions on the following items of business:

Confirmation of Minutes dated Wednesday 28 June 2017

Receipt of Minutes:

- **Audit & Risk Committee dated Wednesday 5 July 2017**

REPORTS

a. Economic Development Update

This resolution is made in reliance on section 48(1)(a) and 48(2)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by sections 6 or 7 of that Act which would be prejudiced by the holding of the whole or the relevant part(s) of the proceedings of the meeting in public are as follows:

Reason for passing this resolution to withhold exists under: **Ground(s) under section 48(1) for the passing of this resolution is:**

Section 7(2)(f)(i)(h)(i)(j)

Section 48(1)(3)(a)(d)

b. Request by Pokeno Village Holdings Ltd for a Private Plan Change for the Graham Block, Pokeno – Place Change 21

This resolution is made in reliance on section 48(1)(a) and 48(2)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by sections 6 or 7 of that Act which would be prejudiced by the holding of the whole or the relevant part(s) of the proceedings of the meeting in public are as follows:

Reason for passing this resolution to withhold exists under: **Ground(s) under section 48(1) for the passing of this resolution is:**

Section 7(2)(b)(ii)

Section 48(1)(3)(a)(i)(ii)

c. Request for a Private Plan Change 20 by Lakeside Development Limited

This resolution is made in reliance on section 48(1)(a) and 48(2)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by sections 6 or 7 of that Act which would be prejudiced by the holding of the whole or the relevant part(s) of the proceedings of the meeting in public are as follows:

Reason for passing this resolution to withhold exists under: **Ground(s) under section 48(1) for the passing of this resolution is:**

Section 7(2)(b)(ii)

Section 48(1)(3)(a)(i)(ii)

d. Waikato Regional Airport Ltd (WRAL)

This resolution is made in reliance on section 48(1)(a) and 48(2)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by sections 6 or 7 of that Act which would be prejudiced by the holding of the whole or the relevant part(s) of the proceedings of the meeting in public are as follows:

Reason for passing this resolution to withhold exists under: **Ground(s) under section 48(1) for the passing of this resolution is:**

Section 7(2)(a)

Section 48(1)(3)(a)(i)(ii)