

Agenda for a meeting of the Strategy & Finance Committee to be held in the Council Chambers, District Office, 15 Galileo Street, Ngaruawahia on **WEDNESDAY 22 AUGUST 2018** 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

Ms Kim Bredenbeck, representative from Waikato Enterprise Agency will be in attendance from 9.00am to discuss item 5.4.

3. DISCLOSURES OF INTEREST

4. CONFIRMATION OF MINUTES

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6. EXCLUSION OF THE PUBLIC

GJ Ion
CHIEF EXECUTIVE

Open Meeting

To	Strategy & Finance Committee
From	Gavin Ion Chief Executive
Date	28 June 2018
Prepared by	Lynette Wainwright 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 27 June 2018.

2. RECOMMENDATION

THAT the minutes of the meeting of the Strategy & Finance Committee held on Wednesday 27 June 2018 be confirmed as a true and correct record of that meeting.

3. ATTACHMENTS

S&F minutes 27 June 2018

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 27 JUNE 2018** commencing at **9.02am**.

Present:

Cr JM Gibb (Chairperson)
His Worship the Mayor Mr AM Sanson [*until 9.40am and from 9.55am until 11.17am and from 11.24am*]
Cr A Bech
Cr JA Church
Cr DW Fulton
Cr Henderson [*from 10.34am*]
Cr SD Lynch
Cr RC McGuire
Cr FM McInally
Cr BL Main
Cr EM Patterson
Cr JD Sedgwick
Cr NMD Smith

Attending:

Mr B MacLeod (Chair Raglan Community Board)
Mr T Whittaker (General Manager Strategy & Support)
Mrs LM Wainwright (Committee Secretary)
Ms A Diaz (Finance Manager)
Mr V Ramduny (Planning & Strategy Manager)
Ms B Connolly (Policy Planner Community Development)
Ms S Kelly (Youth Engagement Advisor)
Mr S Thompson (Financial Operations Team Leader)
Ms K Cousins (Marketing Officer)
Mrs B Parham (Legal Counsel, Tompkins Wake)

APOLOGIES AND LEAVE OF ABSENCE

Resolved: (Crs Sedgwick/Main)

THAT an apology be received from Cr Thomson;

AND THAT an apology for lateness be received from Cr Henderson.

CARRIED on the voices

S&F1806/01

CONFIRMATION OF STATUS OF AGENDA ITEMS

Resolved: (Crs Patterson/Main)

THAT the agenda for a meeting of the **Strategy & Finance Committee** held on **Wednesday 27 June 2018** 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 considered 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 6.2 [*Development Contributions Policy and Associated Appendices 2018/19 for review and adoption*] being considered the last item and that other items be considered as appropriate during the course of the meeting;

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&F1806/02

DISCLOSURES OF INTEREST

Crs Fulton, Gibb and Sedgwick advised members of the Committee that they would declare a non financial conflict of interest in item 6.4 [*Approval of the Proposed Waikato District Plan (Phase One) for Notification*].

Cr Smith advised members of the Committee that he would declare a non financial conflict of interest in item 6.2 [*Development Contributions Policy and Associated Appendices 2018/19 for review and adoption*].

CONFIRMATION OF MINUTES

Resolved: (Crs McInally/Main)

THAT the minutes of a meeting of the **Strategy & Finance Committee** held on **Wednesday 23 May 2018** be confirmed as a true and correct record of that meeting.

CARRIED on the voices

S&F1806/03

RECEIPT OF MINUTES**Resolved: (Crs Main/Bech)****THAT the minutes of a meeting of the Audit & Risk Committee held on Tuesday 12 June 2018 be received.****CARRIED on the voices****S&F1806/04****REPORTS**Adoption of the Long Term Plan 2018-28
Agenda Item 6.1The report was received [*S&F1806/02 refers*] and discussion was held.**Resolved: (His Worship the Mayor/Cr Smith)****THAT subject to audit clearance, Council adopts the Long Term Plan 2018-2028 in accordance with Section 93 of the Local Government Act 2002;****AND THAT Council approves the debt projections contained within the Long Term Plan (including the Housing Infrastructure Fund interest free loan).****CARRIED on the voices****S&F1806/05**

Cr Church requested her dissenting vote be recorded.

Update on District Plan Review Project Expenditure
Agenda Item 6.3The report was received [*S&F1806/02 refers*] and discussion was held.Approval of the Proposed Waikato District Plan (Phase One) for Notification
Agenda Item 6.4The report was received [*S&F1806/02 refers*] and discussion was held.

Cr Gibb vacated the Chair and Cr Bech assumed the Chair for this item

Crs Gibb, Fulton and Sedgwick declared a conflict of interest, withdrew to the public gallery and did not speak to, or vote on this item.

Resolved: (Cr Smith/His Worship the Mayor)

THAT the Strategy & Finance Committee recommends to Council that the Proposed Waikato District Plan (Phase One) – including the associated Planning Maps – be approved for notification on 18 July 2018 pursuant to Sections 73 and 79 of the Resource Management Act 1991 (“RMA”) and Clause 5 of Part I of the Schedule I of the RMA;

AND THAT any amendments to correct any minor errors, including numbering, grammar, cross referencing, hyperlinking and mapping, may be undertaken prior to notification on 18 July 2018, subject to:

- a. The changes being minor corrections that do not change the effect and/or meaning of any provisions; and
- b. A record of all changes and the reason for the change is kept and is to be made available on request;

AND FURTHER THAT the Section 32 Evaluation reports also be made available to the public at the same time that the Proposed Waikato District Plan (Phase One) is notified;

AND FURTHER THAT the Strategy & Finance recommends to Council that it confirms that, in accordance with Clause 4A of Part I of Schedule I of the RMA, a full copy of the draft proposed district plan has been provided to the following identified iwi authorities (as the representatives of their respective hapuu) within the district for consideration of the draft provisions and to provide advice on the draft provisions:

- Waikato-Tainui
- Ngati Tamaoho
- Ngati Maniapoto
- Tainui Awhiro and
- Hauraki Collective;

AND FURTHER THAT the Strategy & Finance Committee recommends to Council that it has had particular regard to the advice received on the draft proposed district plan from those iwi authorities before notifying the draft plan;

AND FURTHER THAT the submission period be open for 60 workings days from the date of notification;

AND FURTHER THAT the formal Council seal be applied to the Proposed Waikato District Plan (Phase One) and be signed by His Worship the Mayor and the Chief Executive once the resolution of the Strategy & Finance Committee is approved by Council and prior to notification;

AND FURTHER THAT the Strategy & Finance Committee notes that Phase Two of the Proposed Waikato District Plan – climate change and natural hazards provisions – will be notified in early 2019.

CARRIED on the voices

S&F1806/06

Cr Gibb assumed the chair for the remainder of the meeting.

Private Plan Change 20 Lakeside Development – Operative Date
Agenda Item 6.5

The report was received [*S&F1806/02 refers*] and discussion was held.

Resolved: (Crs Main/Fulton)

THAT the Strategy & Finance Committee recommend to Council that pursuant to clause 20 in Schedule 1 of the Resource Management Act 1991, public notice is given that declares the provisions in Plan Change 20 Lakeside Developments to the Waikato District Plan (Waikato Section) operative with effect from 13 July 2018.

CARRIED on the voices

S&F1806/07

Master Planning – Proposed Approach
Agenda Item 6.6

The report was received [*S&F1806/02 refers*] and discussion was held.

Resolved: (His Worship the Mayor/Cr Smith)

THAT the Strategy & Finance Committee recommends to Council that it adopts the ‘Proposal for Waikato District Blueprint Waikato District Council’ by Urbanismplus Ltd with Prosperous Places Ltd, Brisbane;

AND THAT the Strategy & Finance Committee recommends to Council that it approves the Chief Executive to reallocate the Long Term Plan 2018-2028 budget for Master Planning as appropriate to fund this proposal.

CARRIED on the voices

S&F1806/08

Financial performance summary for the period ending 31 May 2018
Agenda Item 6.7

The report was received [*S&F1806/02 refers*] and discussion was held.

His Worship the Mayor withdrew from the meeting at 9.40am during discussion on the above item.

Approved Counterparty Review
Agenda Item 6.8

The report was received [*S&F1806/02 refers*] and discussion was held.

Financial Review of Key Projects
Agenda Item 6.9

The report was received [*S&F1806/02 refers*] and discussion was held.

Development Contributions Policy and Associated Appendices 2018/19 for review and adoption
Agenda Item 6.2

The report was received [*S&F1806/02 refers*] and discussion was held.

Cr Smith declared a conflict of interest, withdrew to the public gallery and did not speak to, or vote on this item.

Resolved: (Cr Patterson/His Worship the Mayor)

THAT the Strategy & Finance Committee recommends to Council that it adopt the amended draft Development Contributions Policy 2018/19 and the related appendices.

CARRIED on the voices

S&F1806/09

His Worship the Mayor re-entered the meeting at 9.55am during discussion on the above item.

Youth Engagement Update
Agenda Item 6.10

The report was received [*S&F1806/02 refers*] and discussion was held.

Cr Henderson entered the meeting at 10.34am during discussion on the above item.

The meeting adjourned at 10.35am and resumed at 10.52am.

EXCLUSION OF THE PUBLIC

Agenda Item 7

Resolved: (Crs Main/Smith)

THAT the report of the Chief Executive be received;

AND 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 23 May 2018

Receipt of Audit & Risk Committee Minutes dated Tuesday 12 June 2018

REPORTS

a. Extension of Contract I4/329 – Provision for Rating Valuation Services

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)(i)

Section 48(1)(3)(d)

b. Sundry Debtor Write Off – Vici Jerry

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)

c. Unrecoverable Debt Write Offs for Resource Consents

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)

d. 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)(3)(a)(i)

e. Economic Development Verbal 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)

CARRIED on the voices

S&F1806/10

Resolutions S&F1806/11 – S&F1806/15 are contained in the public excluded section of these minutes.

There being no further business the meeting was declared closed at 11.50am.

Minutes approved and confirmed this day of 2018.

JM Gibb
CHAIRPERSON

Open Meeting

To	Strategy & Finance Committee
From	Tony Whittaker General Manager Strategy & Support
Date	10 August 2018
Prepared by	Vishal Ramduny Planning & Strategy Manager
Chief Executive Approved	Y
Reference #	GOV1318 / 2054419
Report Title	Submission on the National Planning Standards (for retrospective approval)

I. EXECUTIVE SUMMARY

The purpose of this report is to seek retrospective approval from the Strategy & Finance Committee on Council's submission on the National Planning Standards ("NPS").

The purpose of the NPS is to improve consistency in plan and policy statement structure, format and content. The standards were introduced as part of the 2017 amendments to the Resource Management Act 1991 ("RMA"). Their development is enabled by sections 58B 58j of the RMA. They support implementation of other national direction such as national policy statements and help people to comply with the procedural principles of the RMA.

The attached submission seeks the inclusion of Council onto the list of councils who are to receive a proposed two year extension in implementation timeframes, resulting in implementation of the NPS occurring after seven years from the date of gazettal, instead of five years. The reason for this is to enable Council to progress towards decisions on its Proposed District Plan.

2. RECOMMENDATION

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

AND THAT the **Strategy & Finance Committee** recommends to **Council** that its submission to the **Ministry for the Environment** on the **National Planning Standards** be retrospectively approved.

3. ATTACHMENTS

Waikato District Council submission on the National Planning Standards

Draft first set of National Planning Standards

SUBMISSION FORM

Contact information

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	NGO	<input type="checkbox"/>
	Business / Industry	<input type="checkbox"/>
	Local government	<input checked="" type="checkbox"/>
	Central government	<input type="checkbox"/>
	Iwi	<input type="checkbox"/>
	Other (please specify)	<input type="checkbox"/>

* Questions marked with an asterisk are mandatory.

Draft first set of National Planning Standards

Do you support the draft first set of National Planning Standards?

Yes

No

Please note that support is subject to the provision of the relief sought in this submission.

Submission

This submission seeks only the inclusion of Waikato District Council (“WDC”) into the list of councils who are to receive a proposed two year extension in implementation timeframes, resulting in implementation of the National Planning Standards occurring after seven years from the date of gazettal, instead of five years.

The application of the proposed two year extension from 5 years to 7 years relies on councils meeting the following criterion:

The council has notified, or is due to notify, the decisions version of an RMA plan, or a partial decision that encompasses the majority of the plan, between April 2016 and April 2019.

Although WDC does not meet the criterion, the Waikato Proposed District Plan (Stage 1) ("PDP") was notified on 18 July 2018 and its progression through Schedule 1 of the Resource Management Act 1991 ("RMA") is expected to be in accordance with the following timetable:

- Submissions close on 9 October 2018 with further submissions to be accepted until the end of December 2018.
- Notification of Stage 2 (Natural Hazards and Climate Change) of the PDP is to take place in February/March 2019.
- Hearings for both stages to commence in approximately June 2019.
- Decisions will be made at the end of 2019 into the beginning of 2020 and appeals commencing at the beginning of 2020.

It is the view of the WDC that, as a matter of fairness, it should be included in the list for the reasons set out below:

Timing of implementation

The gazettal of the Draft National Planning Standards ("Standards") is expected to occur by 18 April 2019. WDC would be required to fully implement the Standards by 2024. The proposed timeframe for the implementation of the Standards coincides with the Schedule 1 process for the PDP.

Given the strategic importance of WDC's proximity to two major cities of Auckland and Hamilton, both with high population growth, it is anticipated that a significant number of submissions and appeals will be received on the PDP. This will result in WDC expending considerable resources (both officers time and financial resources) to complete the Schedule 1 process for the PDP.

In light of the timing of the implementation of the Standards and the progress of the PDP running parallel to each other, the WDC's primary focus will be on resolving and progressing the Schedule 1 process for the PDP as opposed to the implementation of the Standards.

Impacts on council

If the WDC is not granted the two year extension and is instead required to comply with the implementation timeframe of five years (by 2024), immediately upon the completion of the Schedule 1 process for the PDP (expected to be in 2022-2023), it is estimated that it will effectively have only approximately 12 months to fully implement the Standards. This is a significantly shorter timeframe than other councils.

In order to ensure that WDC is able to comply with the five year timeframe for the implementation of the Standards whilst at the same time progressing the PDP, WDC would require additional resources to meet their obligations under both processes. The WDC has not budgeted for such additional resources within this timeframe.

Having completing the Schedule 1 process and made the PDP fully operative, WDC will then have to immediately implement the Standards within a timeframe that is significantly less than other councils and at a significant cost. This results in the WDC being placed in a position where they are prejudiced more than other councils.

Further, the proposed five year timeframe for the implementation is likely to confuse the public as they will simply see two similar processes being carried out one after the other (or in parallel with each other) which may result in a reduction in public confidence in the WDC and the Schedule 1 process.

The consultation document released simultaneously with the Standards provides that the proposed implementation timeframes gives councils greater flexibility and lower costs. Further the document suggests that the implementation periods enables councils to make 'choices' about their approach to implementing the Standards into their plans. This position is not reflected in the case of WDC. Without the extension, WDC will incur greater costs and does not have a choice with regards to how or when the Standards will be integrated into their plan.

Furthermore, the risk of WDC being unable to comply with their obligations in relation to the implementation of the Standards within the standard timeframe of five years is likely to result in a further reduction in public confidence.

Relief Sought

The WDC seeks to be included in the list of councils who receive a seven year implementation timeframe. To do so will ensure it can meet its obligations in relation to the PDP and the Standards without having to require additional resources, lose public confidence or elect which process will take priority.

The criterion by which the list is determined is, in WDC's submission, arbitrary and inflexible. It does not take into account any circumstances other than the date of notification of a decisions version of an RMA plan and does not reflect unique situations such as WDC's.

It is WDC's understanding that it is the only local authority in the country who has notified a proposed plan between the release of the Standards and the expected date of gazettal of 18 April 2019. In the circumstances, there is no reason why WDC should not be included in the list of other councils who have seven years to implement the Standards.

Vishal Ramduny
Planning and Strategy Manager, Waikato District Council

9 August 2018

Open Meeting

To	Strategy & Finance Committee
From	Tony Whittaker General Manager Strategy & Support
Date	10 August 2018
Prepared by	Kelly Nicolson Policy Planner
Chief Executive Approved	Y
Reference #	GOV1318 / 2054461
Report Title	Feedback on Draft Local Government New Zealand Position on Climate Change Mitigation

I. EXECUTIVE SUMMARY

This report is in response to a request from Local Government New Zealand (“LGNZ”) to the Local Government sector to provide feedback on LGNZ’s Draft Position Statement on Climate Change Mitigation (Attachment I).

The purpose of the Draft Position Statement is to signal the ambition that local government has for, and the commitments it makes to, contributing to the overall effort to reduce emissions in New Zealand. It also sets out the further support that local authorities need in order to enhance their contributions to emissions reductions.

The document has been developed with input from LGNZ’s Mitigation Reference Group, which is comprised of elected members and officers from a range of councils from across the country.

LGNZ’s National Council has requested that the Draft Position Statement be available to councils for consultation and feedback to allow finalisation. The final date for feedback is 30 August 2018.

LGNZ recognise that there is an urgent need for more action if we are to avoid significant risk from climate change. The Draft Position Statement acknowledges that local government could have a more proactive role in climate change mitigation rather than relying solely on central government to carry out this role.

The Draft Position Statement precedes the government’s Zero Carbon Bill, which is due to be before Parliament in late 2018. It is likely that the Bill will require greater effort from all sectors within New Zealand – including individuals, communities, business and industry, local government and central government – to reduce carbon emissions if New Zealand is to reach its emissions reduction target of 11% below 1990 levels by 2030.

Local government currently only has a statutory obligation to assist their communities to adapt to the effects of climate change. However, many City, District and Regional Councils around New Zealand have been proactively working to reduce carbon emissions within both their organisations and their communities.

As part of the development of the Draft Position Statement, LGNZ carried out a survey in 2017 to identify the range of actions and strategies that councils across the country are doing to reduce emissions both within council and out in the community. The survey has resulted in a stocktake of emissions reduction activities (Attachment 2). This document lists the different approaches that councils across New Zealand are taking to reduce emissions and highlights the commitment that councils already have to climate change mitigation.

Waikato District Council's ("WDC's") response to the survey is included in the stocktake. You will note that WDC has not been as proactive in addressing climate change mitigation as some other councils. However the WDC response does not acknowledge all that it does with regards to reducing emissions. For example: Council has adopted the Waste Minimisation Plan in 2012; WDC has appointed a Waste Minimisation Officer; internal waste audits are carried out to determine how we are managing waste within the organisation; support is provided to community initiatives such as Xtreme Waste in Raglan; and WDC has included hybrid vehicles in its fleet.

The stocktake list is intended to be informative. It illustrates how other councils are contributing to emissions reduction and provides tangible examples of initiatives that can be adopted within other organisations and communities to help reduce emissions.

LGNZ has requested that the local government sector provides feedback on the general direction set by the Draft Position Statement.

LGNZ is particularly interested in feedback on the following:

1. Does your council agree with the direction of travel on climate change mitigation that has been described in the Draft Position Statement?
2. Is the Draft Position Statement ambitious and specific enough?
3. Does your council agree with the commitments that the Draft Position Statement makes, and in particular are there any commitments that should be omitted and/or other commitments that should be included?
4. Are there any other relevant matters that should be included and/or any matters that should be excluded?

Staff are currently collecting and collating feedback on the Draft Position Statement. Some of the initial comments have suggested that there is general support for the direction of travel on climate change mitigation described in the Draft Position Statement but that the language used in the statement is not always clear in its meaning or purpose. Comments on these matters will be included in the feedback.

2. RECOMMENDATION

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

AND THAT staff continue to collate feedback on the **Draft Position Statement on Climate Change Mitigation** and submit that feedback to **Local Government New Zealand** by **30 August 2018**.

3. ATTACHMENTS

1. Local Government New Zealand's Draft Position Statement on Climate Change
2. Stocktake of Emissions Reduction Activities

Draft - Local government position on climate change mitigation

July 2018

Local government acknowledges that it has a role to play in contributing to emissions reductions, along with central government and every other individual, community, sector and business in New Zealand. LGNZ is seeking feedback on this draft position by 30 August 2018.



**We are.
LGNZ.**

Te Kāhui Kaunihera o Aotearoa.

**CLIMATE
CHANGE** 

Introduction

In 2017, local government released its Position Statement on Climate Change. In that Position Statement, local government recognised an urgent need for action to avoid future risks from climate change.

Since the release of the Position Statement in 2017, the Labour-led Government has committed to doing more to address the impacts of climate change, including by introducing a Zero Carbon Bill to Parliament in late-2018. It is highly likely that this will set emissions reduction targets in law and establish an independent Climate Change Commission. Local government welcomes the Government's commitment to greater action on climate change, and looks forward to the introduction of the Zero Carbon Act.

Notwithstanding the current lack of a coherent plan for New Zealand's transition to a net zero emissions economy, territorial and regional authorities have demonstrated commitment to contributing to the domestic reduction of greenhouse gas emissions (emissions) that New Zealand has committed to making, under the Paris Agreement. Councils have adopted a range of actions and strategies to reduce emissions within their organisations and their communities.

New Zealand's communities are also increasingly acknowledging the challenges and opportunities that climate change presents and the need for action.

For local government, climate change adaptation is a significant challenge and key area of focus. However, councils acknowledge that they have a role to play in climate change mitigation. In fact, local government sees climate change mitigation and adaptation as interrelated – they both require joint strategy. The introduction of the Zero Carbon Act will further cement the need for local government to play a role in both adapting to and mitigating the impacts of a changing climate.

This Sector Position on Climate Change Mitigation outlines the ambition that local government has for, and the commitments it makes to contributing to, the overall effort to reduce emissions in New Zealand. It also sets out the further support that local authorities need in order to enhance their contributions to emissions reductions. The Sector Position has been developed in light of the critical need for climate change mitigation if communities are to be prosperous and resilient, and in light of the anticipated increase in focus on climate change mitigation in coming months.

Local government's vision for prosperous communities

Local government acknowledges that climate change will affect all current and future communities. The impacts that we observe today are the result of historical emissions and the increase in emissions in recent decades will lead to significant change in the coming years.

Local government has a shared vision for what prosperous communities will look like in 2050 and beyond. The 2050 vision encompasses the environmental, social, cultural and economic well-being of communities. Local authorities recognise that climate

change creates both opportunities and significant challenges for achieving prosperity in these four areas.

Responsive leadership and a holistic approach to climate change mitigation that takes into account impacts on community well-being is therefore urgent. Emissions reductions are urgently needed at every level to ensure that communities continue to be prosperous. Local government has ambitions for the direction of travel that it will take to contribute to the achievement of emissions reductions.

Local government's role in climate change mitigation

Local government acknowledges that it has a role to play in contributing to emissions reductions, along with central government and every other individual, community, sector and business in New Zealand. Councils have a role to play in highlighting and helping communities understand the issues associated with climate change, and what people can do to address them.

Local government commits to fulfilling two key roles in contributing to emissions reductions, namely:

1. Councils reducing their own emissions; and
2. Councils taking a leadership role to encourage, support and coordinate efforts to reduce emissions within the city, district or region they represent.

Local authorities reducing their own emissions

Local authorities will demonstrate leadership and commitment to their communities by taking a holistic approach to striving to achieve emissions reductions across all areas of their operations.

A stocktake completed in 2017 reveals that a number of councils are already taking action to reduce their own emissions. Councils can and will continue to build on the work that is already underway by adopting strategies and taking actions to reduce their organisation's emissions. Councils will draw on the best practice examples of actions already underway within the sector.

Councils acknowledge that there are areas where they can move on contributing to emissions reductions right now. Procurement, transport and waste management for example, are areas where councils know that they can have significant influence and achieve progress towards reducing emissions.

Local authorities leading community emissions reduction efforts

Local authorities commit to taking a leadership role within the city, district or region they represent by encouraging, coordinating and supporting community-wide emissions reduction efforts. However, local government acknowledges that it cannot credibly undertake such a role if it does not first demonstrate tangible commitment to reducing its own emissions.

Local government will continue to communicate with its communities about the importance of reducing emissions, and the need for everyone to “do their bit” to contribute to emissions reductions. It will continue to advocate for, encourage and support wider uptake of action by its communities to reduce emissions. Councils will engage with a wide range of stakeholders to identify feasible options for reducing emissions within their cities, districts or regions, and will collaborate with stakeholders to maximise results. Local government acknowledges that it can play a coordinating role by supporting local efforts to reduce emissions, such as working with local businesses to provide electric vehicle infrastructure or support for waste minimisation initiatives, among other things.

Greater action by local government on climate change mitigation

Local government recognises that if real progress on climate change mitigation is to be achieved, there is a need for greater action by all facets of New Zealand society. Local government therefore commits to building on its existing efforts to reduce emissions and the previous commitments that it has made in the Position Statement, and councils in particular:

1. Commit to exploring options for developing a corporate mitigation/emissions reduction strategy and action plan to guide internal decision-making.
2. Commit to taking an ambitious approach to operational decision making that prioritises emissions reductions. Councils will, through the decision making process, evaluate the potential of actions to contribute to, and give priority to those actions that will result in, emissions reductions. Councils will maximise opportunities to reduce emissions which offer co-benefits, such as, but not limited to, cost savings, prudent financial management, carbon sequestration, improved water quality outcomes and water catchment security.
3. Will take a more proactive role in sharing knowledge, learnings and resources that will further support the local government sector as a whole to learn off different initiatives and use that knowledge to contribute to emissions reductions.
4. Will take advantage of the range of opportunities that they are presented with to reduce emissions, both within their communities and organisations. For example, local government acknowledges that the Government’s Provincial Growth (Regional Economic Development) Fund and 1 billion trees scheme present opportunities for councils to take up actions that can contribute to emissions reductions and offsets.

Measuring emissions

Local authorities acknowledge that they will be better able to target efforts towards emissions reductions if they properly understand their council’s and their city’s, district’s or region’s emissions. However, the complexity and cost of emissions profiling is a barrier preventing a large number of councils from measuring and properly understanding their emissions profile.

Local authorities commit to exploring options for sharing learnings, knowledge and resources with respect to frameworks and approaches for measuring emissions. Local government will continue to seek to work in partnership with central government to:

- Explore options for developing a nationally consistent approach to measurement of emissions, and provision of support for a framework that builds council capacity and capability in this area; and
- Explore options for developing a framework that ensures equitable allocation of resources to support climate change mitigation leadership.

Notwithstanding the difficulties that a number of councils currently face in undertaking measurement and profiling of their emissions, local authorities commit to continuing to take actions and adopt strategies that are aimed at achieving emissions reductions.

Regional collaboration to address climate change mitigation

Approaches to and strategies for achieving emissions reductions will depend on local conditions and circumstances, and therefore vary across New Zealand’s regions.

Local government acknowledges that regional collaboration between territorial and regional authorities is one way that regions can coordinate opportunities to reduce emissions, share knowledge and achieve consistent outcomes that will work for the particular region.

Local authorities commit to exploring opportunities for regional collaboration on climate change action, and will encourage the involvement of stakeholders and other interested local parties on any regional climate change action groups that territorial and regional authorities choose to establish.¹ Conversations about what can be done to reduce emissions need to be collaborative and involve a wide range of sectors and stakeholders.

¹ Note that regional climate change working groups have already been convened in Wellington and Canterbury regions.

Alignment of climate change mitigation and adaptation

Local government recognises that climate change adaptation and mitigation are interrelated. The emissions trajectory that we get locked into now will determine the extent of the adaptation challenge that New Zealand has to deal with. As such, there is a need to think in a more holistic and integrated way about how climate change can be addressed.

Councils will take an integrated approach to climate change adaptation and mitigation strategy and planning. In particular, councils commit to addressing their emissions trajectory hand-in-hand with increasing resilience. Councils will give priority to actions that simultaneously reduce emissions and better prepare their city, district or region for climate change impacts, by building resilience and enabling effective adaptation.

Barriers precluding local government from doing more

Local government has previously recognised in its Position Statement the value of explicitly incorporating climate change considerations, including emissions, into land-use decisions, district plans, urban design and development, energy use, transport planning and waste management, notwithstanding the existing lack of a statutory mandate to do so. Councils have previously committed to:

- ensuring that low carbon, climate-resilient development is adopted as a key tenet of urban growth and development and land-use decisions; and
- developing their understanding of the impacts of zoning and land use decisions on the emissions trajectory for their communities, in order to be able to make land-use decisions that mitigate emissions.

Notwithstanding those commitments, and the work that a number of councils have been undertaking to fulfil them, existing legislative and policy frameworks prevent councils from doing more to deliver and contribute to emissions reductions, both directly (as a provider of infrastructure and services) and indirectly (through their influence over activities responsible for emissions).

A number of local government legislative and policy frameworks do not align well with, or make any provision for, the overarching goals of climate change mitigation and reducing emissions. Existing frameworks do not sufficiently enable councils to deliver or facilitate the achievement of emissions reductions, particularly in respect of matters such as spatial planning, urban form, transport and the built environment.

Central government policy settings and incentives must provide clear, consistent and enduring direction to ensure local government is making decisions and adopting actions that will contribute towards achieving a net-zero emissions future.

There is an opportunity for cities, districts and regions to be supported by a legislative and policy framework that encourages and supports them to take different approaches to achieving emissions reductions, which would be more consistent with New Zealand's overarching climate change mitigation goals. Local government would benefit from and will advocate for:

- A clear legislative mandate for councils to contribute to the achievement of emissions reductions through those matters over which they have reasonable control, including revisions to legislative and policy frameworks to ensure that they empower and support councils to take a wide range of mitigation actions. Revisions to the Building Act and procurement frameworks for example would better enable councils to contribute to emissions reductions; and
- New policy tools that support councils to deliver and contribute to emissions reductions. Legislative provision for regional spatial planning and policies promoting quality compact urban form, for example, are powerful tools that would help councils to deliver integrated land use, infrastructure and transport planning, and achieve emissions reductions.

The local government sector intends to work to identify in detail the aspects of existing legislative and policy frameworks which need to be revised and updated in order to achieve better alignment with, and better support councils to contribute to, the achievement of the goal of net-zero emissions in New Zealand.

Local government does however urge the Government to ensure that if it is considering making changes to existing legislation and policy to achieve alignment with mitigation goals, it must discuss and carefully work through those changes with local government and its communities first. Central government must work with local government to understand the implications of any changes it is considering and the support that councils would need to deliver on any changes.

To comment with feedback on this draft please email grace.hall@lgnz.co.nz by 30 August 2018.



**We are.
LGNZ.**

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Councils' climate change mitigation work

A stocktake of emissions reduction activities

July 2018



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Foreword

Foreword



Adapting to and mitigating the impacts of climate change is a priority focus for councils across New Zealand. This stocktake of mitigation work underway in councils across New Zealand highlights the contributions local government is already making to emissions reductions, and is underpinned by the sector's recognition that we can and must do more.

Kia ora koutou

Adapting to and mitigating the impacts of climate change is a priority focus for councils across New Zealand. That's why LGNZ is leading a flagship Climate Change project focused on both adaptation and mitigation. This Stocktake of councils' climate change mitigation work is one of our Climate Change project deliverables.

Local government acknowledges that it has a role to play in reducing emissions, along with central government and every other individual, community, sector and business in New Zealand.

The need for climate change mitigation is urgent. We need to reduce emissions now, in order to lessen the significant adaptation costs and challenges that councils and our communities are already dealing with.

Although New Zealand has for a long time lacked a coherent plan for transitioning to a net zero emissions economy, territorial and regional authorities have for a number of years now demonstrated commitment to reducing emissions in their organisations and communities. The introduction of the Zero Carbon Bill to Parliament later this year will mean it is even more critical that councils take steps to contribute to emissions reductions.

This stocktake of mitigation work underway in councils across New Zealand highlights the contributions local government is already making to emissions reductions, and is underpinned by the sector's recognition that we can and must do more. This stocktake is designed to support councils to do more. The range of actions and strategies outlined provide practical examples of things that councils could do to contribute to emissions reductions.

I implore all councils to take stock of their existing efforts on climate change mitigation, and to use this resource as the impetus to take even greater action. We all must do our bit to address climate change, and must demonstrate to our communities our commitment to ensuring that New Zealand achieves its climate change mitigation goals.

Ngā mihi nui

Dave Cull

President
LGNZ

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Introduction

Introduction

Local government acknowledges that as well as being at the frontline of adaptation, councils have a role to play in climate change mitigation. City, district and regional authorities are well-positioned to be leaders within their communities through taking steps to reduce their own emissions. Local authorities can also coordinate and support community efforts to reduce emissions.

In late 2018, the New Zealand Government will introduce its proposed Zero Carbon Bill to Parliament. This Bill will likely set an ambitious emissions reduction target for New Zealand. Notwithstanding that Bill, New Zealand has already committed to reducing greenhouse gas emissions by 11 percent below 1990 levels by 2030 under the Paris Agreement.

If New Zealand is to meet its emissions reduction targets, all levels of government, communities, industry and businesses need to do their bit.

Local government is already doing its bit to contribute to the reduction of emissions. That is demonstrated by the stocktake of actions and strategies underway in councils across the country to reduce emissions within their organisations and communities, which is set out in this document.

Despite councils' leadership on emissions reductions to date, the local government sector can and must do more. This stocktake is designed to provide councils with guidance on the additional things that they could do, in collaboration with their communities and other stakeholders, to contribute to the reduction of domestic emissions.

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Emissions in New Zealand

New Zealand's recent record on greenhouse gas emissions tells a powerful story of significant under-investment in energy and emission reduction strategies and actions, with priority having been given to significant investment in enabling infrastructure to support increased customer and economic gains.

In New Zealand, from 1990 – 2015, gross emissions have increased by 24 percent, with most of the emissions coming from transport and agricultural production. Net greenhouse gas emissions have risen 64 percent, because of increasing gross emissions and higher logging rates in production forests (ie deforestation).

While New Zealand's contribution to global greenhouse gas emissions is small (0.17 percent), it has the fifth-highest level of emissions per person of the 35 countries in the OECD.

New Zealand is already experiencing the impacts of past global emissions. The full extent of future global warming and the impacts of this on New Zealand's communities depends on the emissions trajectory that New Zealand gets locked into from this point forward.

Councils' emission reduction activities – the current state of play

Councils across New Zealand have been demonstrating leadership on emissions reduction commitments and actions for some time. Councils are aware of the risks that climate change presents to infrastructure and community resilience, and so have been and are adopting strategies and actions to minimise those risks, in addition to adapting to them.

< Councils across New Zealand have been demonstrating leadership on emissions reduction commitments and actions for some time. >

In 2017, LGNZ undertook a survey to understand the range of actions and strategies that councils across the country have adopted to reduce emissions, both within their organisations and communities.

LGNZ received survey responses from 44 city, district and regional authorities. Those responses are summarised in Section 3 of this document.

The survey responses demonstrate the range of actions and strategies that have been adopted by councils. Some councils have focused on developing and implementing climate change action plans that require broad commitment to achieving an emissions reduction target through action across all facets of the organisation. Other councils have identified particular areas or functions where they can make changes to make targeted, but not insignificant, contributions to cutting down emissions. In many cases, emissions reductions are an indirect consequence of councils taking a more sustainable or environmentally friendly approach to the way that they do things.

Evidently councils recognise that there are a range of areas in which they can contribute to emissions reductions: via procurement decisions, by the way in which infrastructure is designed and operated, through land use planning, by engagement and collaboration with the community, through partnerships with external organisations, through internal decision-making processes, via policy decisions and frameworks or strategies designed to promote organisation-wide behavioural change, to name but a few.

Why we've produced this stocktake

LGNZ has collated the information about what councils are doing to reduce emissions for a number of reasons:

- The information illustrates that councils are already doing their bit to contribute to emissions reductions. We want to highlight local government's leadership and show the progress that councils are making.
- We want to highlight local government's recognition, in response to community expectations, that it can and must do more to reduce emissions.
- A key issue for councils is how managed and affordable growth can occur without increasing risks to resilience from spiralling energy use and emissions. The case studies will provide useful insights into how councils are both thinking about and finding creative ways to address that challenge and reduce emissions.
- We want to provide councils with tangible examples of initiatives that they could adopt in their organisations and communities to reduce emissions. We want to provide councils with guidance on how they could partner with their communities and other stakeholders to deliver actions and strategies for reducing emissions.
- We want to make sure that the sector is prepared for the new requirements that the Zero Carbon Act will place on all New Zealanders to do their bit to contribute to emissions reductions.

Key themes

Although the actions that councils are taking to reduce emissions differ by size of council and the resources that councils have available to them, the range of actions contained in the stocktake reveal a number of common themes:

Realising co-benefits

Councils should maximise opportunities to reduce emissions and achieve other co-benefits. Emissions reduction actions and strategies can result in a range of additional benefits including reduced costs, reduced congestion, improved health outcomes, waste minimisation, improved amenity and creation of new jobs and skills.

Long-term agenda

Achieving emissions reductions now will ensure long-term benefits for communities. Actions or strategies to reduce emissions should take a long-term view, and should result in long-lasting change. When making decisions, councils should adopt the option that will result in long-term benefits.

Holistic and systems approaches

Councils should take a holistic approach to emissions reduction activities. This means thinking about how the goal of achieving emissions reductions can be embedded across councils' systems, functions and operations.

Resilience is interwoven

When looking at options for emissions reductions, councils should also give thought to whether the action or strategy will enhance community resilience. Emissions reduction initiatives can have complementary benefits of enabling the community to withstand and be prepared for sudden or more long-term changes brought about by climate change.

Community buy-in is critical

For emissions reduction actions and strategies to be effective, they need to be long-lasting and an engrained part of the way a council does its business. To ensure that happens, it is critical that there is community support for a council's emissions reduction activity. That can be achieved by calling on the community to help with the emissions reduction action, or supporting the community in its own efforts to reduce emissions.

Councils can lead behavioural change

Communities also have a part to play in reducing emissions. If a community sees its council demonstrating tangible commitment to reducing emissions, members of that community are likely to willingly make positive changes to their own carbon footprint.

What your council can do

We encourage your council to review the stocktake of emissions reduction activities and give thought to which actions undertaken in other councils could be replicated in your own council and community.

< Every small change that your council makes to the way in which it operates will ultimately help to reduce emissions. >

Every small change that your council makes to the way in which it operates will ultimately help to reduce emissions. While the changes that your council can make might seem minor in the big scheme of things, if wholesale reductions in emissions are to result, all New Zealanders need to make changes to their behaviour. By changing the way that your council does things, your council can role model the changes in behaviour that are needed to your community, and can demonstrate its commitment to leading and coordinating communities to reduce emissions

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Stocktake of emissions reduction survey responses

Stocktake of emissions reduction survey responses

In late 2017, councils were asked to outline the activities that they have underway, or intend to undertake, to reduce emissions within their organisations and/or communities. The table below sets out a stocktake of the responses which were received from participating councils. These responses were received in late 2017.

< The survey responses demonstrate that significant work is underway in councils across the country to contribute to emissions reductions. >

The survey responses demonstrate that significant work is underway in councils across the country to contribute to emissions reductions. The range of actions and strategies that councils have adopted to contribute to emissions reductions is broad and varied. Some of the actions and strategies have a strong sustainability focus as opposed to having climate change mitigation at their core, but will likely contribute directly or indirectly to emissions reductions.

Councils are encouraged to review the range of actions and strategies underway in councils across the country and think about which of the actions or strategies they could adopt or consider.

Summary of emissions reduction activities/initiatives	Regional mitigation initiatives
Ashburton District Council	
Exploring and implementing more efficient alternatives as part of day to day activities (eg reducing waste to landfill, replacing sodium streetlights with LEDs etc) but not through an explicit emission reduction policy.	Participant in Canterbury Regional Climate Change Working Group.
Auckland Council	
<ul style="list-style-type: none"> • Adopted Low Carbon Auckland Plan in 2014, which sets a 30-year minimum pathway and 10-year plan for Auckland as a region. Set an emissions reduction target of 40% by 2040. • A review and refresh of the Plan is underway – updated plan is likely to combine both mitigation and adaptation measures. • Auckland has signed the C40 Paris Pledge. • Involved in a number of climate change mitigation initiatives through the Low Carbon Auckland, reported on each year through an Annual Update Report. <p>Highlights from the 2017 report include:</p> <ul style="list-style-type: none"> • Record number of passengers used Auckland’s public transport network last year – 20 million train trips and 90 million public transport trips in total. • Construction of 14.2km of cycle ways has improved the safety and appeal of cycling as a transport choice. • Auckland Transport has purchased 15 new electric trains to meet growing demand and to prepare for the electrification of the railway line between Papakura and Pukekohe. • Five community recycling centres have been established since 2014, each diverting around 70% of the waste they receive from landfill. These, and other initiatives, have helped to reduce per capita waste from 160kg (2010) to 144kg (2017). • The re-fit of the Council’s head office at 135 Albert Street achieved a world-leading six Green Star Rating for the office interior’s sustainability. • The Mayor’s Million Trees programme has already planted 170,000 primarily native trees. • In 2017 the council launched the ‘Live Lightly’ initiative, making it easier for Aucklanders to live low carbon lifestyles by highlighting the everyday lifestyle choices people can make to save money, have a healthier life and care for Papatuanuku. • Panuku Development Auckland announced that it will require new homes in its ‘Transform and Unlock’ locations to achieve at least a 6 Homestar rating. 	

Summary of emissions reduction activities/initiatives	Regional mitigation initiatives
Bay of Plenty Regional Council	
<ul style="list-style-type: none"> • BOP Waste and Resource Efficiency Strategy (2013 - 2023). • Council land management advisers provide forestry opportunity advice - upon enquiries, staff provide government contracts for ETS or PFSI packages and information that is publically available (2008 - 2012). • Providing feedback on energy policies (2005 - 2007) and support district councils with cleaner production focuses on reducing waste linked to reducing GHG from landfills. • SmartGrowth recognising the linkage between urban form and energy use. • Public transport is linked through a more efficient transport system with reduced use of fossil fuels. • Regional GHG inventory/community carbon footprint (2006 by Landcare Research, 2017 by Aecom). • Planting permanent trees in regional parks. • BOPRC and Grow Rotorua in association with Lake Rotorua Stakeholder Advisory Hroup, Lake Rotorua Primary Producers Collective, Dairy NZ, Beef + Lamb NZ and Scion hosted the Land Use Opportunities Symposium in 2015 - provided information and opportunities on/for afforestation. • Lake Rotorua Incentive Scheme encourages converting pastoral land to forest - outcomes will reduce emissions from agriculture activities and increase carbon sinks. Council's effort in reducing nitrogen inputs into Lake Rotorua likely to result in reduced stock numbers, which will result in reductions of GHG from animals and amount of fertiliser needed to support larger animal numbers. • Council building upgrade design incorporated features which will halve the energy consumption and save 50 tonnes of Co2 emissions. On-site EV charging stations provisioned in the upgrade project. • Actively seeks suppliers with environmental sustainability considerations and gives preference to goods and services that use renewable energy sources, recycled and/or non-toxic materials, reusable goods, efficient and equitable. • Council's sustainable fleet management principles - combination of cleaner vehicles, fuel-efficient operation and driving and reducing amount of road traffic generation. Has EVs in the fleet and planning to transition all light fleet vehicles to EVs. In house recycling and onsite waste audits. • Member and part of Sustainable Business Network initiatives. • Planted 345 trees to offset 51.75 tonnes of carbon 2009 and later planted 345 native trees to offset another 51.75 tonnes in 2013 (Carbon4Good). 215,000 plants planted by Council in 2017 winter. 	

Summary of emissions reduction activities/initiatives	Regional mitigation initiatives
Central Hawke's Bay District Council	
Developing an Environmental and Sustainability Strategy. Always consider best environmental alternative whenever designing or redeveloping assets and facilities.	
Central Otago District Council	
Sustainability Strategy includes climate change initiatives.	Council has engaged Bodeker Scientific to produce a climate change report for the Central Otago District.
Christchurch City Council	
<ul style="list-style-type: none"> • Sustainable Energy Strategy for Christchurch 2008 - 2018 (due to be reviewed). • Christchurch Energy Action Plan 2015 (due to be reviewed). Climate Smart Strategy 2010 - 2025 (due to be reviewed). • Two of the Council's strategic priorities include climate change leadership and informed and proactive approaches to natural hazard risks. • Internal council programme of work - Resource Efficiency and GHG Emission Policy signed by CEO in May 2017 - guides management of energy use, GHG emission generation, solid waste generation and water use. • CCC was the first organisation in NZ to achieve Energy-Mark Gold certification for energy management and achieved CEMARS certification. • Council set itself a target of becoming net carbon neutral by 2030. • Council has established an Innovation and Sustainability fund to support projects that support Council's strategic priorities. • Christchurch Agency for Energy has provided funding towards a range of Christchurch renewable energy projects. • Christchurch Energy Action Plan includes six programme areas of work focusing on energy efficiency, renewable energy and encouraging uptake of battery electric vehicles and charging infrastructure. • Provides resource efficiency support to businesses through the Target Sustainability Service. • A range of sustainability focused community projects - sustainable homes, Build Back Smarter home advice service, food resilience and community gardens programme and delivery of Future Living Skills courses in collaboration with Sustainable Living Education Trust. • Developed and implemented fully battery-electric car sharing initiative with Yoogo. 	Participant in the Canterbury Climate Change Working Group

Summary of emissions reduction activities/initiatives	Regional mitigation initiatives
Clutha District Council	
<ul style="list-style-type: none"> • Funding support for home heating efficiency scheme. • Hybrid vehicles for vehicle fleet. 	
Dunedin City Council	
<ul style="list-style-type: none"> • Te Ao Turoa (environment strategy for the city) has a carbon target. • Several national/international CC declarations including the Compact of Mayors that DCC is working through its commitments to. Key actions include organisational carbon footprinting through the Enviromark CEMARS scheme; shift to LED street lighting; EV fleet changes; gas recovery at the DCC landfill. 	
Environment Canterbury	
<ul style="list-style-type: none"> • Within the organisation: printing efficiency group; Resource Efficiency Group assessing ECan's carbon footprint and feasibility of obtaining 'Zero Carbon' or similar certification and progressing various emissions reduction initiatives such as an EV shared fleet scheme. • Underway is developing a process to ensure that climate change is robustly and consistently factored into relevant Council decisions across portfolios. • In the future, will develop the case to transition our transport fleet to EV and/or mobility as a service model. • Within the community: public transport provision, biodiversity projects that involve tree planting and wetland rejuvenation, study underway on freight mode shift from road to rail and shipping, air plan and clean burning rules. 	
Environment Southland	
<ul style="list-style-type: none"> • Environment Southland replaced its coal fired boiler with a wood chip fired boiler. However, this was before Council notified rules restricting the use of domestic heating appliances in response to the NES – Air Quality rather than climate change mitigation. • The use of electric/hybrid vehicles for Council activities has been discussed. 	
Gore District Council	
<ul style="list-style-type: none"> • Facilitating the roll out of EV chargers in Gore. • Clean air loan scheme introduced to meet regional air shed requirements, which will by default reduce Co2 emissions. • A tree planting programmes in the Council's parks and reserves. 	

Summary of emissions reduction activities/initiatives	Regional mitigation initiatives
Greater Wellington Regional Council	
<ul style="list-style-type: none"> • GWRC Climate Change Strategy - along with an implementation plan, adopted October 2015. Strategy designed to align and coordinate CC actions across GWRC's responsibilities and operations. • Establishment of a Corporate Sustainability Programme - committing resource to measuring GWRC's own emissions and implementing measures to reduce them. • Amendments in 2016 to vehicle purchase policy to prioritise the purchase of EVs - internal combustion engine vehicles are now only purchased when no suitable EV option exists. Fleet now contains 8 EVs. • Network of EV chargers established across all GWRC offices and depots across the region; mostly for GWRC use but some for visitors, will expand overtime. • In addition, waste minimisation, energy efficiency, provision of facilities and services that encourage active and public transport use amongst staff, encouraging car pooling etc. • Significant involvement in enabling forests in the region to draw CO₂ down from the atmosphere. Has 440ha of regenerating native forest covenanted under the Permanent Forest Sink Initiative. • Involvement with active travel and ride sharing initiatives and promoting these. • Management of the Metlink public transport network. • Development of a Climate Change Consideration Process, which requires all new initiatives and all council and committee decisions to include a climate change assessment. Ensures GWRC has a consistent, organisation wide system in place that enables officers to assess the emissions associated with an activity. 	<p>Convenes the Regional Electric Vehicle Working Group which is comprised of officers from councils across the region. Group operates as a coordinating mechanism for the promotion of EVs and in relation to the development of charging infrastructure. Produces a coordination update every six months which summarises the current state of play and short term outlook. Officials from NZTA, Ministry of Transport and EECA as well as staff from local lines companies and relevant businesses participate.</p> <p>Has worked with all councils in the region to establish a Regional Climate Change Working Group, comprised of one main and one alternate elected member from each council. The purpose of the group is to provide a forum via which councils can network, discuss issues, share information and where appropriate, achieve a consistent approach across all jurisdictions on climate change mitigation and adaptation. Recommendations generated by the group are for consideration by each council. It is expected that an officer level Low Carbon Transition Steering Group will be established to support the mitigation objectives set out by the Working Group.</p> <p>Councils across the region collaborated to commission the 2014 Wellington Greenhouse Gas Inventory, which provides a breakdown of emissions by territorial authority boundary. Data for the region and Wellington was updated in 2016 but for other councils not practical to update on anything on more than a 4-5 year basis. It is expected all councils will participate in a full update in the 2018/19 financial year. Inventory is instrumental to climate change mitigation efforts in the region as it enables councils to understand emissions sources and opportunities for reduction.</p>

Summary of emissions reduction activities/initiatives	Regional mitigation initiatives
Hamilton City Council	
<p>In July 2016 HCC resolved to adopt a set of 11 Sustainability Principles that underpin how sustainability is considered in Council's decision making and operations. Principles focusing on emissions are:</p> <p>Principle 4: Council works with central government to deliver on national GHG emission reduction targets and supports resilience to CC in our communities.</p> <p>Principle 5: Council promotes walking, cycling, public transport and other low carbon transport options.</p> <p>Principle 6: Council works to improve the resource efficiency and health of homes, businesses and infrastructure in our city.</p> <p>Principle 7: Council supports the use of renewable energy and uptake of EVs.</p> <p>Council undertakes an annual stocktake of sustainability actions it is undertaking.</p>	
Horizons Regional Council	
<ul style="list-style-type: none"> • Internal energy efficiency review conducted in 2016. • Initiatives to reduce emissions have begun, including changes to vehicle fleet and purchase of an EV. • Corporate Assets team is assessing a number of options to improve energy efficiency and reduce emissions identified in the review, which showed Horizons can save 18,740kg of carbon emissions in energy consumption p/annum. • Recycling is a key initiative and contractors are requested to utilise eco-friendly products. • Regional Public Transport Plan provides for public transport in the Horizons Region within constraints of central government funding and management model. It has a range of objectives, policies and actions to improve and increase services and their uptake. 	N/A.
Hurunui District Council	
<p>Proposed DP has clear rural and settlement zones and has subdivision sizes in the settlement areas that allow for high density housing. This means that developments in settlements are located close to existing population centres and facilities, and reduce sprawl outside the settlements.</p>	Participant in the Canterbury Regional Climate Change Working Group
Hutt City Council	
<ul style="list-style-type: none"> • EV charging stations. • Changing council fleet to EVs. • Completing survey for Carbon Disclosure Project. • Reporting HCC energy consumption and carbon emissions monitoring. • Urban Forest Plan. 	Participant in Wellington Region Climate Change Working Group

Summary of emissions reduction activities/initiatives	Regional mitigation initiatives
Kapiti Coast District Council	
<ul style="list-style-type: none"> • Council participates in CEMARS. • Has an environmental sustainability programme of works which includes community-based initiatives. • Has an eco-design advisory service. • Has a range of energy management initiatives. • Recently partnered with Spark NZ to install electric vehicle charging infrastructure in the district. • Provides support to Enviroschools programme. • Has a Waste Minimisation Officer. 	Participant in Wellington Region Climate Change Working Group
Mckenzie District Council	
<ul style="list-style-type: none"> • Carbon trading, however the decision to do so was less focused on emissions and more focused on a revenue stream. 	Participant in the Canterbury Regional Climate Change Working Group
Manawatu District Council	
<ul style="list-style-type: none"> • Solid waste minimisation strategy. • Upgrade of waste water treatment plan. • Switch to LED street lighting. • Proposed solar panels for new recycling centre. 	
Masterton District Council	
<ul style="list-style-type: none"> • MYMasterton: Our People, Our Land strategy. Climate change actions in that strategy include reducing our impact on climate change (mitigation) by improving energy efficiency/conservation; minimising waste; enabling and promoting cleaner transport; working towards a more circular vs linear economy; working towards low carbon economy/achieving government target of 50% reduction in GHG emissions from 1990 levels by 2050. Preparing for future changes (adaptation) by planning ahead to build resilience; keeping informed and sharing information; being open to economic opportunities generated by a 'low carbon economy'. Strategy currently at the targeted engagement stage. 	Participant in Wellington Region Climate Change Working Group
Matamata-Piako District Council	
Council has given consideration to developing an environmentally friendly approach as part of LTP discussions.	
Napier City Council	
<ul style="list-style-type: none"> • Recently purchased some electric cars and facilitated the instalment of electric car recharge stations in the city. • Have developed strategies such as the City Vision and Coastal Edge Master Plan that aim to encourage new ways of getting around the city, ie cycling and walking. 	Participants in the Hawke's Bay Biodiversity Strategy.

Summary of emissions reduction activities/initiatives	Regional mitigation initiatives
Nelson City Council	
<p>We are very much in the early stages of work in this space. We have recently received approval for a waste minimisation role who will also be tasked with carbon reduction initiatives.</p>	
New Plymouth District Council	
<ul style="list-style-type: none"> • NPDC has an Energy Management Officer with the purpose of driving down energy use within Council’s assets and this is being achieved. • NPDC’s Let’s Go (Transportation) team has made significant progress in terms of working with schools and businesses to increase active travel. • Currently constructing a new refuse station with functionality built in to divert as much waste from landfill as possible through working with local community groups to manage the recycling/upcycling process. • Currently working with landowners to protect areas of bush/forest with significant biodiversity value. • NPDC has no central overarching strategy or policy guiding a coordinated response to climate change. NPDC does have a GHG reduction target for its own asset base. • Currently evaluating options for the upgrade of our (sludge) thermal drier associated with our wastewater treatment plant. The fuel source for this asset will greatly influence or emissions profile. 	
Northland Regional Council	
<ul style="list-style-type: none"> • Current fleet of 10 electric vehicles - 7 fully electric and 3 plug in hybrid vehicles. • 80 solar panels atop main HQ which help to charge electric vehicles - 20kW rooftop ‘solar array’ currently generates enough power to drive about 500 EV kilometres per day. • Bike racks at work and encourage staff to bike to work; two bikes within work vehicle fleet. 	

Summary of emissions reduction activities/initiatives	Regional mitigation initiatives
Palmerston North City Council	
<ul style="list-style-type: none"> • Rooftop solar PV and solar hot water facilities. • Micro-hydro facility at Turitea Dam. • Gas capture at Awapuni Landfill & Co-gen plant at WWTP. • Eco-design advisor service providing energy efficiency advice to community. • Council in the process of replacing existing light fittings with LEDs, including street lights and buildings. • E-bikes for staff to use to move about town. • Recently procured 2 extended range electric vehicles for building officers. Currently procuring 2 fully electric rubbish trucks. • Implementing a sustainable practices/behaviour change approach to waste minimisation (including moving to zero-waste events) and active transport. • Encouraging energy efficiency and compact city provisions through the District Plan. • Investigating use of waste heat from wastewater pipes to heat community pools. • Tree plantings. 	
Queenstown Lakes District Council	
<ul style="list-style-type: none"> • Funding in the 2018 LTP to capture and flare gas from Victoria Flats landfill. • Electric vehicle charging stations being installed within the district. • Significant district-wide transport initiatives underway - \$2 bus fares, improved frequency of public transport, establishment of Frankton-CBD cycleway. • Energy efficiency audits of pools facilities underway (part-funded by EECA) to reduce natural gas usage. • Investigating waste heat capture from WW flows to heat pools. 	
Selwyn District Council	
<p>Selwyn 2031 District Development Strategy - outcomes sought seek to reinforce consolidated towns and urban forms and create a hierarchy of centres which provide goods and services to their local communities. Adopting a centres-based framework and consolidated urban forms help contribute to reduce road transport and provides transport choice within towns such as walking and cycling. These outcomes will be implemented in the DP including by urban design requirements in town centres and a zoning pattern for employment areas/town centres which support the Selwyn 2031 township and activity centre networks, as well as provisions for medium density housing. In addition, the DP will need to give effect to the NPS on renewable energy and so provide for local, community and regional scale renewable energy activities. The DP is currently being reviewed and will be released for consultation in 2020.</p>	Participant in Canterbury Region Climate Change Working Group

Summary of emissions reduction activities/initiatives	Regional mitigation initiatives
South Waikato District Council	
<p>Air quality and home heating initiatives within our community. Include offering subsidies and loan options for converting inefficient fire places with more efficient forms of heating such as heat pumps and modern log burners. Council's Burnwise Scheme endorses wood suppliers who commit to providing good wood in the community.</p>	
Southland District Council	
<ul style="list-style-type: none"> • Lower emission vehicles. • Wind energy generation (Rakiura) - Stewart Island's power generation authority. 	<p>Not at this stage but liaising on development of a climate change workstream at a regional level currently</p>
Tasman District Council	
<p>Council-owned production forests, has a policy on the ETS. Tasman District Council Forests - Forest Management Plan 2014 - 2019 in place.</p>	
Taupo District Council	
<ul style="list-style-type: none"> • In the initial stages of starting the review of the Taupo District Plan and will consider how emissions could be reduced via the District Plan. • Have done some work around looking at the potential for electric vehicles in our fleet - will be investigated further once recruit a Fleet Manager in the short term future. Current challenge for uptake of EVs is that the council is in temporary accommodation spread between six different sites - however, it is very likely that our new building will have the infrastructure installed for EVs. 	
Tauranga City Council	
<ul style="list-style-type: none"> • Citywide community carbon footprint prepared for 2015/2016 (in draft). Purpose to understand local emissions profile, enable informed decision making and policy development, develop opportunities to work with key emission sectors and stakeholders in the community. • As part of a collaboration agreement with EECA to reduce energy use, currently working on a number of opportunities for energy management and savings with several key teams. • Implemented EnergyPro software to help us gain insights and data which will help support energy management goals. Waste Management and Minimisation Plan 2016 - Action Plan. • Community Wellbeing Strategic Plan 2018 - 2021 adopted and going into LTP community consultation. • Commitment to increase community resilience and preparedness. • Tauranga Transport Strategy and Cycleways Action Plan. • Development of a citywide environment strategy underway. 	<p>The Tauranga Carbon Reduction Group (local advocacy group) coordinates an informal forum, including Bay of Plenty Regional Council, Tauranga City Council and Western Bay of Plenty District Council.</p>

Summary of emissions reduction activities/initiatives	Regional mitigation initiatives
Thames-Coromandel District Council	
<ul style="list-style-type: none"> • Thames public transport trial. • Planting the memorial forests offsets emissions. • Using regional landfill and not having own separate new ones. • Supporting installation of electric vehicle charging units. 	
Timaru District Council	
<ul style="list-style-type: none"> • Have adopted and implemented and a 3 bin kerbside Waste Minimisation collection level of service. This minimises waste to landfill which has reduced the Timaru community's carbon footprint significantly. • The new Aquatic Centre uses wood fuel and heat pumps for heating the four pools and thus has avoided using coal with its high emission regime. 	
Upper Hutt City Council	
<ul style="list-style-type: none"> • Sustainability Strategy (2012 - 2022) to be reviewed next year. • Land Use Strategy 2016 - 2043. • Riparian planting along Mangaroa River. • Eco-design advice. • Energy monitoring (using E-bench). • Sponsor Evolocity (regional schools programme). • LED street light upgrades. • Trialling water sensitive urban design through use of roadside drainage swales. • Encourage park and ride. • Investigating sustainable energy options for council projects including solar and other options for possible upgrade of the pool. • Love Food Hate Waste/waste-free parenting. • Supported EV charging stations (some funding and providing car space/signage). • Urban cycleway project (commuter cycling). • Promote sustainable business (SBN networking). • Trial 'Be the Change' project at local intermediate school - learning about sustainability/climate change to promote community-led initiatives and leaders. • Internal council recycling and food waste collection (composting/worm bins). • Free home energy assessment (Fund Sustainability Trust to complete). • Funds for community gardens and zero waste. • Sustainable living courses. • Reusable bag campaign - reusable cloth bags distributed to community and retail. 	Participant in Wellington Region Climate Change Working Group

Summary of emissions reduction activities/initiatives	Regional mitigation initiatives
Waikato District Council	
<p>No initiatives adopted or proposed to be adopted that focus specifically on climate change. There will be provision for the identification of hazard areas, low impact design and energy efficiency through allotment building orientation and walkable neighbourhoods to be included in the proposed district plan when notified and some mitigation measure for climate change impacts on infrastructure in the current 30 year infrastructure strategy.</p>	
Waimakariri District Council	
<p>Considering options for transitioning vehicle fleet to EV fleet and evaluating costs/benefits of vehicle ownership versus transport as a service.</p>	<p>Participant in the Canterbury Region Climate Change Working Group.</p>
Waipa District Council	
<ul style="list-style-type: none"> • Biggest initiative is promoting a more walkable urban environment by ensuring that new greenfield developments are planned and developed to be integrated into the existing urban environment in a manner that promotes walking and cycling as a key form of accessibility. Moving away from car based urban form/design (curvilinear cul-de-sac types) and promoting more connected grid like road forms. Getting engineers to accept that roads are for people not just cars. Moving to more compact forms of residential development that support walking neighbourhoods and towns. • The district has a walking and cycling strategy and is developing a more linked up walking and cycling network across the district. • Recent structure plans for growth cells are pertinent in promoting a more sustainable resilient urban form. 	
Waitaki District Council	
<p>Assisted in the installation of four EV charging stations throughout the district.</p>	
Wellington City Council	
<p>WCC has adopted the Low Carbon Capital Plan, which enshrines a variety of actions to reduce emissions in the city under three central themes: Greening Wellington's growth, Changing the way we move, and Leading by example. Sets a target of reducing both Council and citywide emissions by 80% before 2050. This key document is complemented by other strategies like the Wellington Resilience Strategy and Wellington 2040.</p>	<ul style="list-style-type: none"> • Participant in the Wellington Region Climate Change Working Group. • Participant in the Regional Electric Vehicle Working Group to promote and coordinate EVs in the region.
Whakatane District Council	
<ul style="list-style-type: none"> • The Council has adopted a Sustainability Strategy (2010) and developed accompanying Action Plans to look at mitigating the Council's environmental impact. • The Council is also commencing a climate change project which will include a review of the Sustainability Strategy and wider consideration of mitigation and adaptation in response to climate change. 	

Summary of emissions reduction activities/initiatives	Regional mitigation initiatives
Whangarei District Council	
<ul style="list-style-type: none"> • Under development is a 2 part CC Strategy. Part 1 is a Corporate Sustainability Strategy - internally facing, guides how the organisation can create a more sustainable workplace and deliver our services to the community in a more sustainable way. Intention is to get own house in order before looking outward, although there is alignment with Whangarei Waste Minimisation Plan 2017. P1 in first draft and going through staff review. P2 is a district CC adaptation strategy acknowledging that the organisation needs to adapt to CC - addressing the changes that we are already seeing and will continue to encounter even if there is a reduction in future emissions. Work on P2 has not yet begun. • Action Plan supporting P1 complements existing initiatives to promote sustainability within Council including, introduction of EVs to the fleet. • Councillors have informally given direction to review the fleet vehicle purchasing policy and look seriously at integrating more EVs. • One district water treatment plant for potable drinking water is going to be demolished and replaced with a new plant; design brief for the new building requires sustainability principles and methods (including reducing emissions) to be integrated into the design and operational aspects of the building. Part of the feasibility study includes investigating how renewable energy infrastructure can be incorporated within the design and used by the plant. WDC Water Services team have some records of the carbon footprint from the operation of plants across the District. This complements the approach to make the operating system as efficient as currently possible. • Carbon footprint has also been informally assessed against the off-setting credits provided by forestry on Council owned land in the water catchments. • Consultant is assisting Council with energy management consulting, energy auditing, contract procurement, power factor analysis, tariff reviews and carbon emission reporting. • Biogas generator was recently installed at main wastewater treatment plant, which is fuelled by methane produced by microbes that digest the organic waste. Gas is able to be captured from the Landfill and used for energy. Council and Northland Waste are assessing options to sell the gas for energy or to use it for Council operations. • Under consideration at the moment is the initiative to accept food waste at the main wastewater treatment plant. A digester solely for food waste could be established to generate more methane gas for energy and at the same time reduce the waste currently going to the landfill - initiative at the early stages of discussion. 	<p>The Northland Sustainability Network is comprised of representatives from organisations across the region such as the Northland DHB, Northland RC and industry. It supports the sharing of sustainability learnings with each other and helps build regional momentum.</p>



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Bay of Plenty.	Greater Wellington.	Kāpiti Coast.	Palmerston North.	Taranaki.	Wairoa.
Buller.	Grey.	Kawerau.	Porirua.	Tararua.	Waitaki.
Canterbury.	Hamilton.	Mackenzie.	Queenstown- Lakes.	Tasman.	Waitomo.
Carterton.	Hastings.	Manawatu.	Rangitikei.	Taupō.	Wellington.
Central	Hauraki.	Marlborough.	Rotorua Lakes.	Tauranga.	West Coast.
Hawke's Bay.	Hawke's Bay Region.	Masterton.	Ruapehu.	Thames- Coromandel.	Western Bay of Plenty.
Central Otago.	Horizons.	Matamata-Piako.	Selwyn.	Timaru.	Westland.
Chatham Islands.	Horowhenua.	Napier.	South Taranaki.	Upper Hutt.	Whakatāne.
Christchurch.	Hurunui.	Nelson.	South Waikato.	Waikato District.	Whanganui.
Clutha.	Hutt City.	New Plymouth.	South Wairarapa.	Waikato Region.	Whangarei.
Dunedin.	Invercargill.	Northland.	Southland District.	Waimakariri.	
Far North.		Ōpōtiki.			

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Open Meeting

To	Strategy & Finance Committee
From	Tony Whittaker General Manager Strategy & Support
Date	27 July 2018
Prepared by	Kevin Stokes Project Manager Pokeno & Tuakau
Chief Executive Approved	Y
Reference #	GOV1318 / 2013992
Report Title	Private Plan Change 21 Graham Block Development – Operative Date

I. EXECUTIVE SUMMARY

Proposed Private Plan Change 21 (“PPC21”) proposed to rezone an area of approximately 26 hectares of land in Pokeno from Rural to Residential 2 zone in the Waikato District Plan – Franklin Section (the District Plan).

The plan change is estimated to provide for up to approximately 100 stand-alone residential dwellings. The plan change also proposes to relocate the existing Large Lot Overlay which currently applies to land already zoned Residential. This overlay is proposed to be relocated to the southern corner of the plan change area. This change could enable approximately 50 additional residential dwellings to be developed in an area that is already earmarked for residential development.

Collectively, the plan change affects approximately 47ha in total, and is estimated to provide for approximately 150 additional dwellings for the Pokeno Township.

2. RECOMMENDATION

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

AND THAT pursuant to clause 20 in Schedule I of the Resource Management Act 1991, public notice is given that declares the provisions in Plan Change 21 Graham Block Development to the **Waikato District Plan (Franklin Section)** operative with effect from **7 September 2018**.

3. BACKGROUND

PPC21 was publicly notified on 15 September 2017, with a closing date for submissions of 13 October 2017. The summary of submissions was publicly notified on 10 November 2017. The period for further submissions closed on 24 November 2017.

The hearing associated with PPC21 and the submissions was held in the Waikato District Council Committee Rooms 1 and 2 in Ngaruawahia on 21 March 2018. No appeals were received.

4. DISCUSSION AND ANALYSIS OF OPTIONS

4.1 DISCUSSION

As the appeal period for PPC21 has closed and no appeals were received, Council can now approve the Plan Change as operative. Pursuant to Clause 20(1)(2) in Schedule 1 of the Resource Management Act 1991 Council must publicly notify the date in which the Plan Change becomes operative at least five working days before the date on which it becomes operative.

4.2 FINANCIAL

All financial costs have been on-charged to the applicant where possible. These costs have included staff time, legal service, consultants, public notification notices, the hearing and printing costs.

4.3 LEGAL

The Plan Change document and other relevant planning documents were legally reviewed by Tompkins Wake. The Plan Change satisfies the requirements of the Resource Management Act 1991 ("RMA"). It also satisfies the level of engagement for an RMA document as contained in the Council's Significance and Engagement Policy.

4.4 STRATEGY, PLANS, POLICY AND PARTNERSHIP ALIGNMENT

The Private Plan Change broadly aligns to the Future Proof Growth & Development Strategy and to the North Waikato Integrated Growth Management Programme Business Case.

4.5 ASSESSMENT OF SIGNIFICANCE AND ENGAGEMENT POLICY AND OF EXTERNAL STAKEHOLDERS

Highest levels of engagement	Inform	Consult	Involve	Collaborate	Empower
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input 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>	The public notification process was undertaken as part of Schedule I of the Resource Management Act.				

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

5. CONCLUSION

Council is requested to declare PPC21 Graham Block Development operative. Staff will place a Public Notice of the Private Plan Change in the relevant newspapers. The Plan Change will be advertised on 30 August 2018 in the Franklin County News with an operative date of Friday, 7 September 2018.

6. ATTACHMENTS

NIL

Open Meeting

To	Strategy & Finance Committee
From	Tony Whittaker General Manager Strategy & Support
Date	06 August 2018
Prepared by	Sharlene Jenkins PA General Manager Strategy & Support
Chief Executive Approved	Y
Reference #	GOV1318 / 2051241
Report Title	Waikato Enterprise Agency

1. EXECUTIVE SUMMARY

Kim Bredenbeck, General Manager Waikato Enterprise Agency will be in attendance to present the i-Site Operational Report for July 2017 to June 2018.

2. RECOMMENDATION

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

3. ATTACHMENTS

Waikato Enterprise Agency Operational Report for July 2017 to June 2018

Operational Report

Huntly and Raglan i-SITES

July to June 2018



REPORT INDEX

Description	Page/s
Combined Outputs for Raglan and Huntly	2 – 8
Raglan Annual Performance	9 – 13
Huntly Annual Performance	13 – 17
Airbnb the Impacts	18 – 21



This report contains the tourism services activities from the Huntly and Raglan i-SITEs as contracted by the Waikato District Council. It follows the year from July 2017 to June 2018.

Both sites are working in conjunction with the Waikato Cluster of information and i-SITE centre's in a much more collaborative manner ably lead by Jason Dawson and his fantastic team at Hamilton/Waikato.

The communication sharing from providing valuable insights for us within the region and we are also being kept informed when any new significant businesses start up etc.

We have had an interesting year that has encompassed an audit, stronger qualmark benchmarks to meet and we have finally seen the impacts of online sites such as Airbnb, Bookabach, Booking.com etc as they bed in their service components on line.

Our tourism network in the region and nationally are all facing similar challenges in relation to accommodation membership because of these sites.

Our team are currently re-thinking our business model and looking at ways we can compete and co-operate in the current marketplace.

Our aim at this point is to keep a reasonable level of available beds for sale particularly in Raglan.

Our membership has stayed loyal and consistent but this new financial year looking forward we can see a definite shift in the level of interest in being a member of the i-SITE from accommodation operators.

COMBINED VISITOR ACTIVITY FOR THE DISTRICT

The information centres located at Raglan and Huntly hosted a combined total of **146203** visitors, with Huntly hosting **118837**, up + 20381 from 98456 on this time last year. The significant growth came from Asia (+11397), Europe/UK (+878), South America (+1433), and Domestic/Local (+4739).

Raglan hosted a total of **27369** which includes inquiries via Phone, Email and website. Raglan i-SITE is slightly down this year by -2315 this was due to demand for accommodation outstripping supply.

SOME KEY HIGHLIGHTS

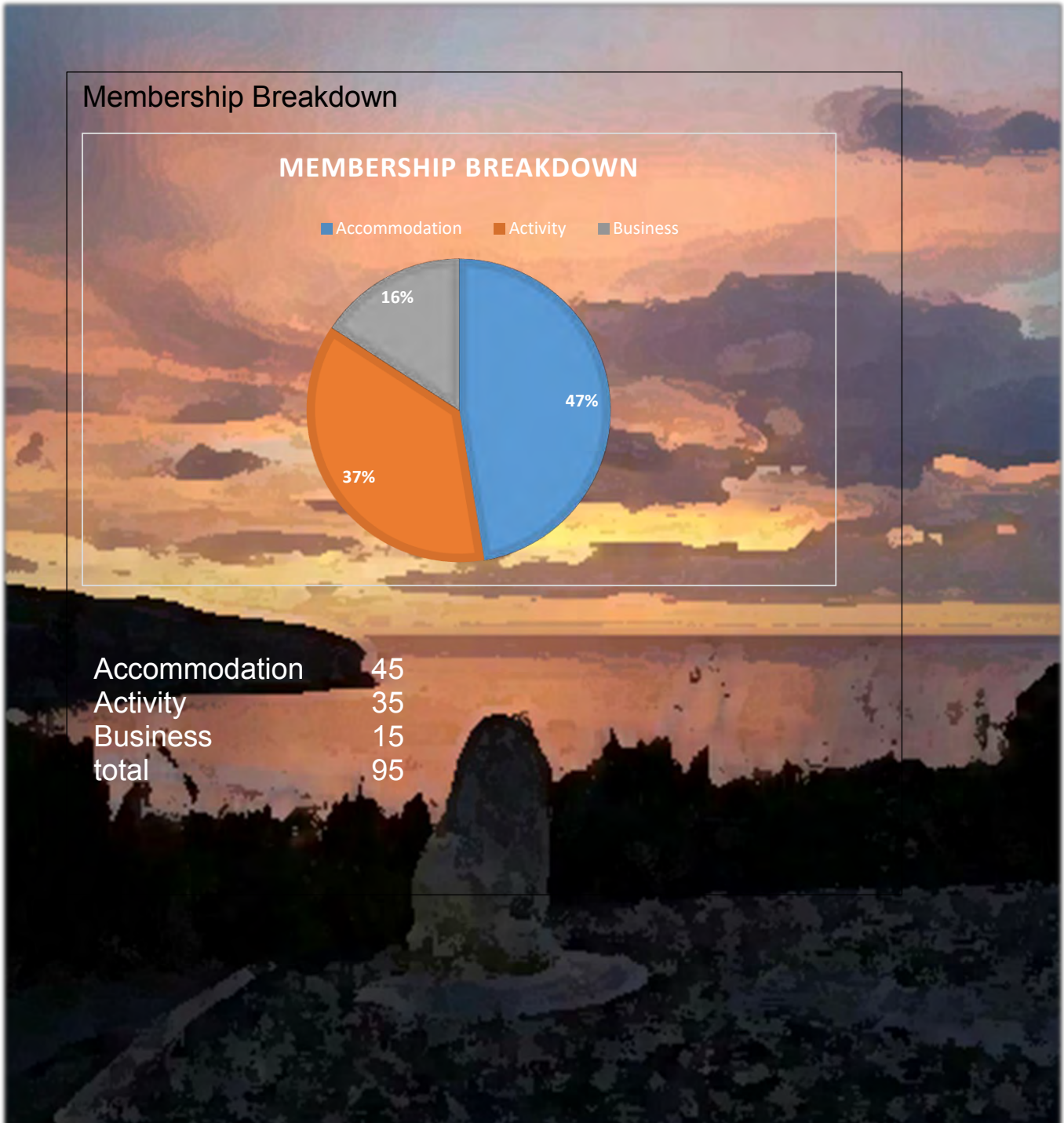
\$101,703.27 was sold on behalf of members

\$15,765 transport was sold to residents

\$18,627.18 was sold to residents attending mostly local events

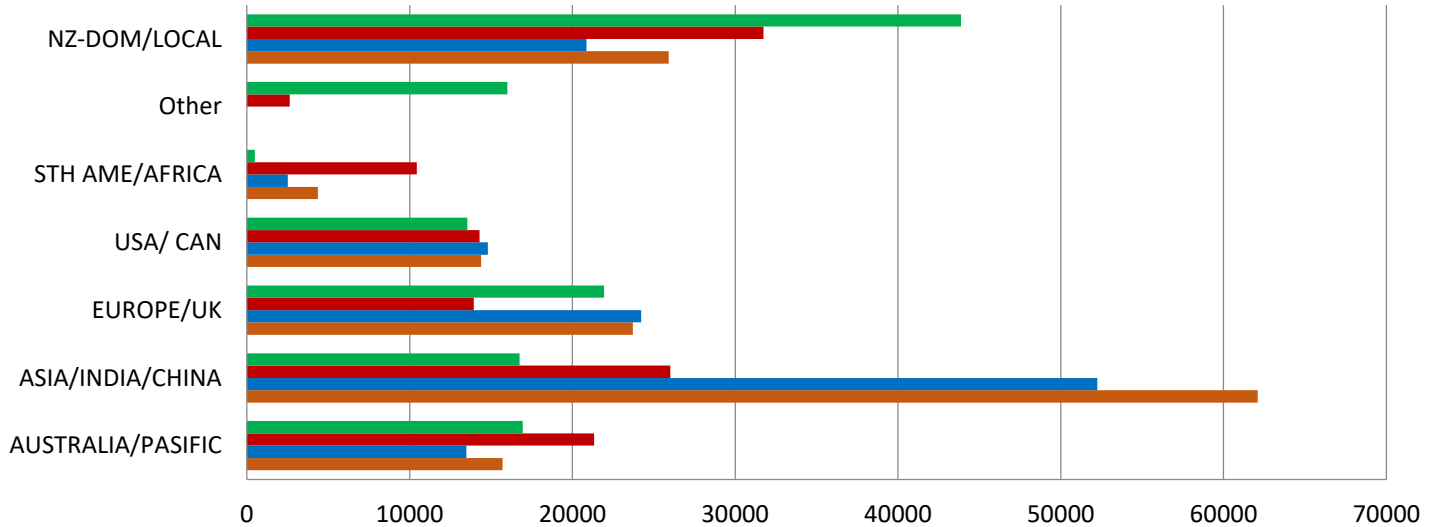
\$45,450 in shop sales

i-SITE MEMBERS



VISITOR COMPARISONS

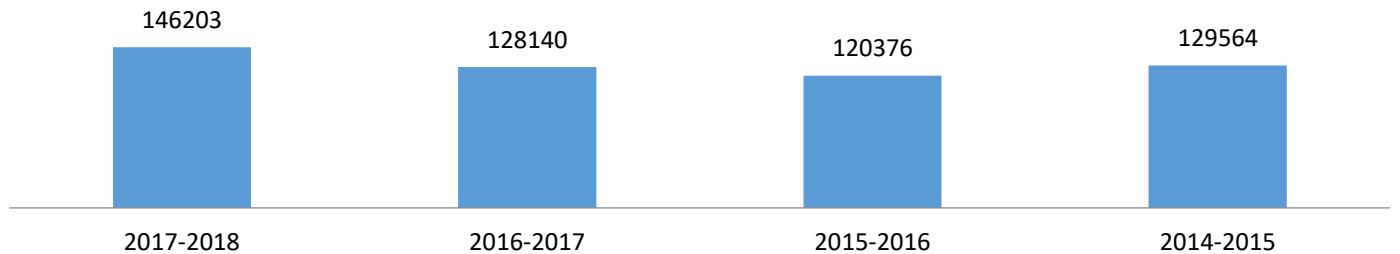
Visitor Comparisons 2017, 2016, 2015, 2014



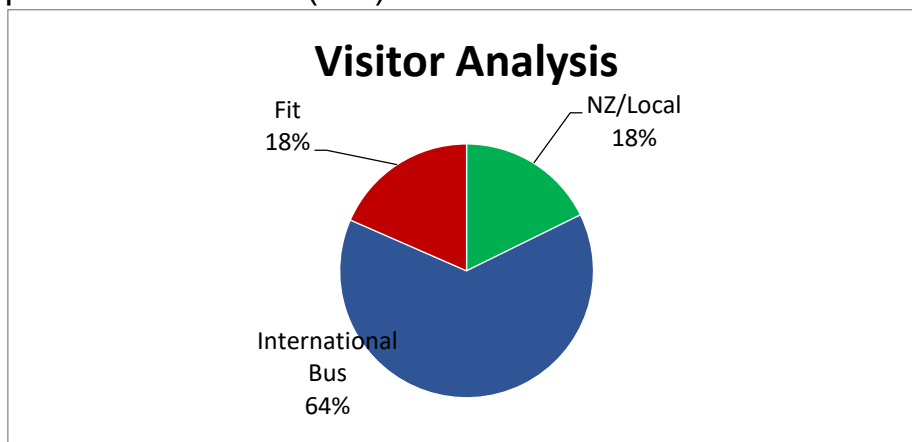
	AUSTRALIA/PASIFIC	ASIA/INDIA/CHINA	EUROPE/UK	USA/ CAN	STH AME/AFRICA	Other	NZ-DOM/LOCAL
2014-2015	16942	16759	21952	13546	495	16005	43865
2015-2016	21338	26009	13935	14285	10442	2627	31740
2016-2017	13480	52251	24228	14809	2519	0	20853
2017-2018	15714	62093	23712	14397	4366	0	25921

Visitor Comparisons 2017, 2016, 2015, 2014

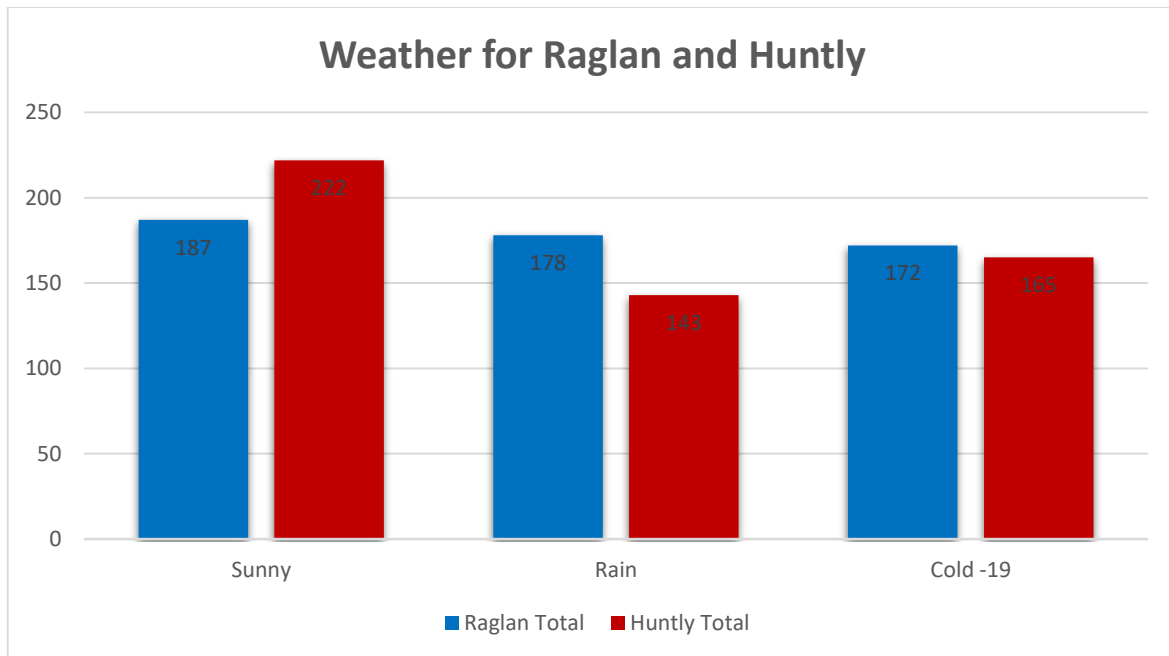
Total



The Free Independent Traveller (FIT)



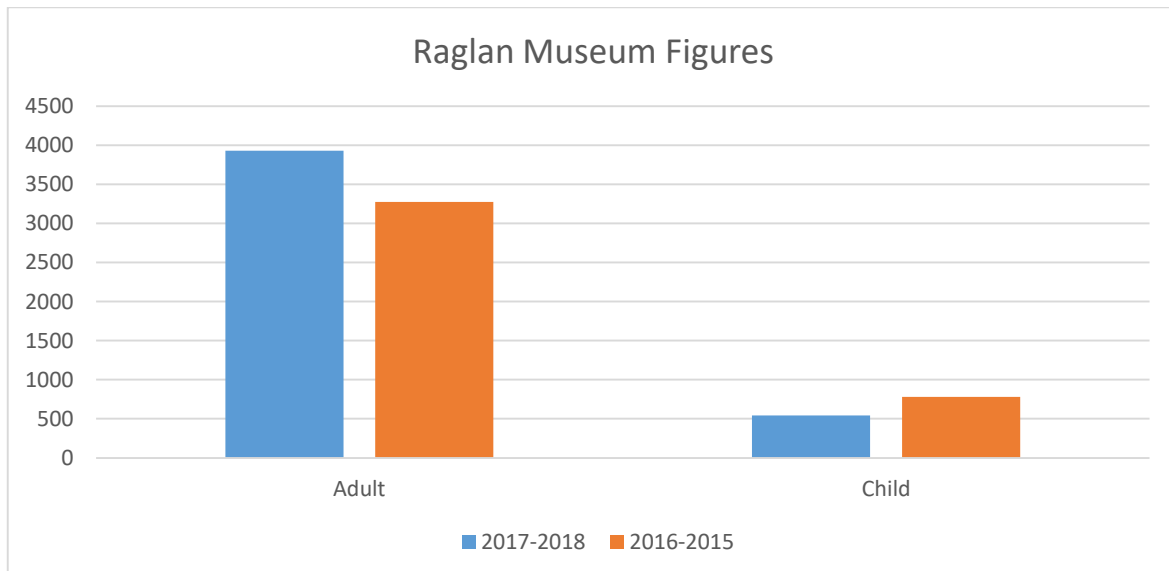
The Free Independent Traveller remains an important customer as their schedules tend to be less planned and they are more likely to use an i-SITE to inform and book their activities.



The summer was a relatively settled warm season with a small stormy period in early January that was experienced by the whole country. Raglan experienced 187 sunny days with Huntly recording 222 sunny days.

Raglan experienced 178 days where it rained at some point during the day with Huntly recording 143 days. Both areas experienced between 164 to 172 days below 19%.

MUSEUM @ RAGLAN



4475 visitors visited the museum over this period, which was an increase of **+423** and is a credit to the committee that put together exhibitions that are well presented and appeals to locals and visitors. The most popular exhibition this year was the Landmarks of Whaingaroa – Art by Jenny Rhodes exhibition.

Visitors from all over New Zealand came to see the historical artwork of Jenny and see the transformation that Raglan has undergone over the years.



The Rhodes family

Daily Visitor Statistics

Huntly
 Raglan
 Hampton

Yes
 No

In response to our audit we have stopped manually recording our daily visitor statistics and have developed a daily recording process through survey monkey to help record our daily visitors for each month.

Screen shot of the system operating in Raglan and Huntly.

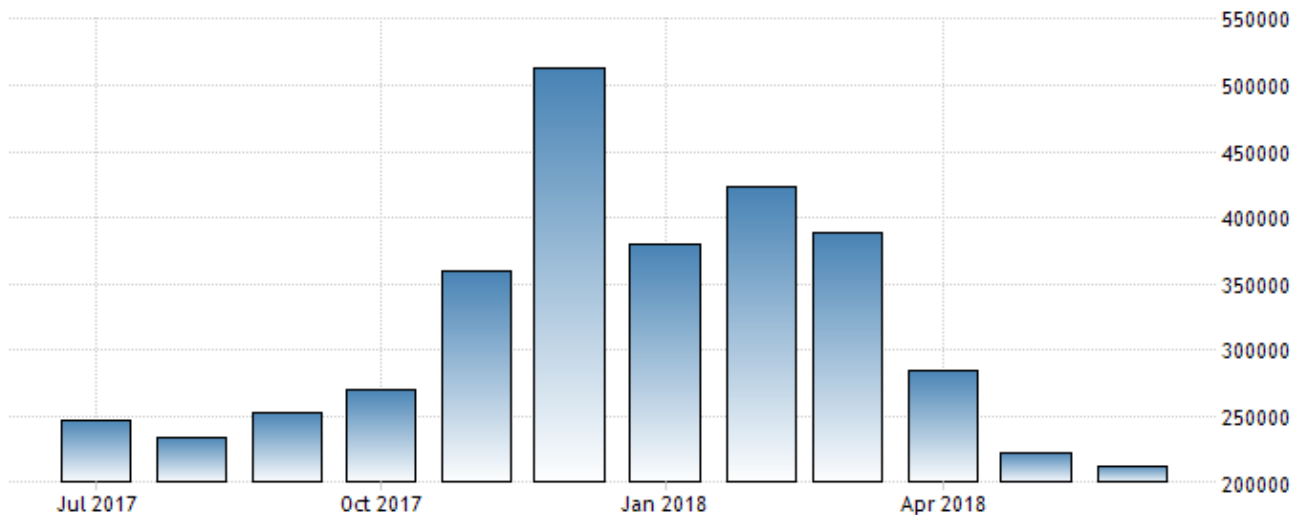
New Zealand Tourist Arrivals 1921-2018 | Data

| Chart | Calendar

Total overseas visitor arrivals in New Zealand went down by 17,800 or 7.8 percent from the previous year to 212,200 in June 2018.

The arrivals declined sharply from the United Kingdom (-15,700 to 5,900). Visitors from Australia (-7,100 to 98,900) and Ireland (-1,200 to 600) also decreased. In contrast, visitors from Asia were up 12 percent, with arrivals from Indonesia (+1,900 or 37 percent), China (+1,200 or 7 percent) and Malaysia (+800 or 24 percent) growing vigorously. The Huntly visitor statistics reflect these increases through FIT and bus numbers that have seen significant growth.

NEW ZEALAND TOURIST ARRIVALS



SOURCE: TRADINGECONOMICS.COM | STATISTICS NEW ZEALAND

Last year more than 3 million foreign tourists visited New Zealand – a cracking result. The tourism industry has now overtaken dairy as New Zealand's largest export earner with total contribution of \$13.5 billion, according to the Tourism Industry Association (TIA).

Going forward, the combination of a great product, cheap international credit, a globally growing middle class and some pretty sharp global marketing; means this number is likely to rise.

All of these guests need people to look after them, activities to do and accommodation to stay in.

Right now we are really struggling to meet the existing demand in a couple of key centres during the peak season. That problem is going to get worse.

According to Statistics NZ, New Zealand's total accommodation capacity (in hotels, motels and backpackers) is 2.7 million stay-nights a month.

With the expansion into business accommodation this year Airbnb could end up at 16,000 properties which (depending on their availability) might yield up a further 400,000 stay-nights.

i-SITES WHERE WOULD WE BE WITHOUT THEM?

i-SITES provide the official welcome to a destination and play a key role in influencing a visitor's stay and spend. They are the experts on the ground and can make a lasting impression by providing a personalised service, sharing local secrets, and encouraging visitors to return and / or recommend the destination to their friends and family.

Economic impact research highlighted the role i-SITE visitor centres play in unlocking visitor spending in the tourism sector. The report showed that for every \$1 provided in funding, the network as a whole returned as average of \$8.70 in GDP, and the overall visitor spending facilitated and handled by the i-SITE network is estimated at \$298.5m.

Raglan Annual Report 2018

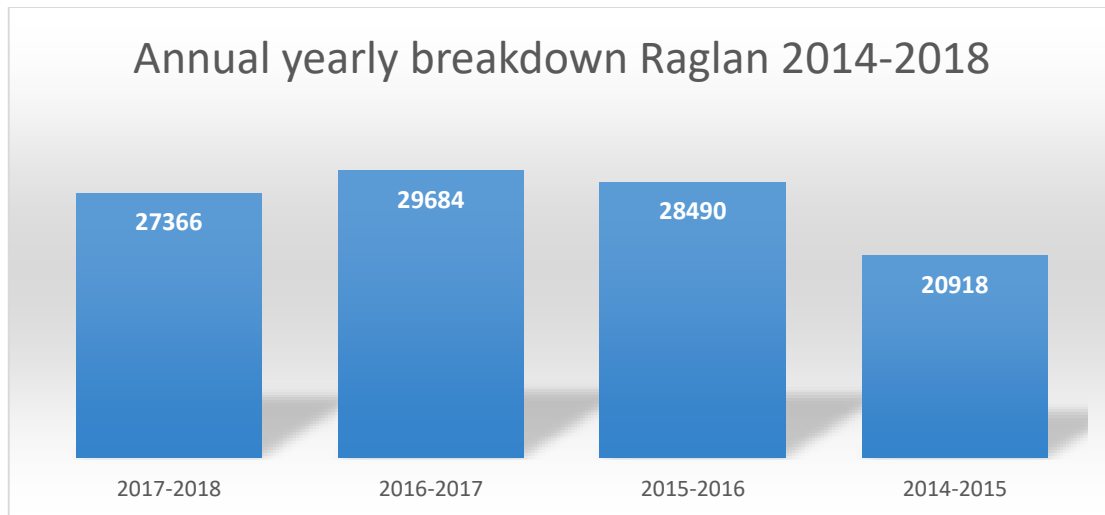


Visitor Statistics Raglan 2018

Annual yearly breakdown Raglan 2014-2018					
Country	2017-2018	2016-2017	2015-2016	2014-2015	Total
AUSTRALIA	1595	1533	890	572	4590
ASIA	876	1182	1055	909	4022
EUROPE	4339	6063	3455	2888	16745
UK	1689	2301	1374	1113	6477
USA/ CAN	1677	1806	1064	803	5350
STH AME	419	623	652	495	2189
Other	N/A	N/A	2627	1495	
NZ-DOM	11119	10861	10353	7471	39804
NZ-LOC	5652	5315	7020	5172	23159
Total	27369	29684	28490	20918	102336

Raglan also fields a total of 1,825 phone calls per annum a daily average of 5 a day of which 4 of those would be local inquires.

We have recorded a slight decrease in our numbers having experienced a very busy time providing lots of local information over what was a relatively strong summer season. It is worth noting that we did have a decrease in visitors from Europe, UK and Asia which was in contrast to our Huntly Statistics that showed solid growth in the Asian market in line with NZ International data.



The statistics reflect a decrease that we observed in response to our inability to meet the market demand for accommodation. Our team coped with a Raglan that was at capacity nearly every weekend from Dec-April 2018.

On our books we had limited options available to meet the many and varied demands for accommodation. Not all accommodation was based in town and for visitors staying for a night prefer to stay no further than 10min drive from the township.

Visitor Interest Breakdown Raglan 2018

Country	2017-2018	2016-2017	2015-2016	2014-2015	Total
Accommodation	2179	4078	2337	2213	10807
Activities	3564	6381	3678	3793	17416
Transport	369	379	738	545	2031
Browsing	11842	5483	4018	3953	25296
Brochure	1796	1876	1621	1936	3853
Directions	2572	4686	1616	960	9834
Event	547	328	1543	869	3287
Local Business	1812	6277	3978	3435	15002
Local Expertise Inquiry	1791	3465	1255	1545	3046
Total	26472	27612	20784	17704	89224

Accommodation inquiries are down on this time last year however when measured across previous years the numbers are slightly down and reflective of a lack of product to meet demand.

Visitors inquiring for accommodation usually stay for one to two nights however this year we have had a couple of inquiries for a 1 month stay whom we managed to get a weekly rate for and a 6-night inquiry for December 2018 for a couple. Are still inquiring about freedom camping?

VISITORS TO RAGLAN ARE INTERESTED IN:

Walks

Things to do via our members

Waterfall

Beaches

Fishing

Shopping

Eating

Museum

Child friendly activities

Freedom camping

KARIOI MAUNGA CLOSED

Since 29th March 2018 Karioi Maunga has been closed due to Myrtle Rust that was discovered on a Rata tree.

DOC is continuing surveillance work on Karioi to help understand the extent and spread of myrtle rust on our Maunga.

Regardless of this Raglan i-SITE still have many walks available for visitors and if interested many have been satisfied with Pirongia being an additional option for much longer hikes.

I WANT TO EXPLORE

I WANT TO TASTE

I WANT TO EXPERIENCE

With expert local knowledge at 80 locations nationwide, your journey starts at i-SITE.

i-SITE Visitor Information


100% PURE NEW ZEALAND
newzealand.com/isite

Events of Significance

- ❖ Soundsplash
- ❖ Kawhia Kai Festival
- ❖ 7s Hamilton
- ❖ Circus Aotearoa
- ❖ Creative market
- ❖ Waitangi day
- ❖ Ruapuke roots
- ❖ Single Surf fin surf comp manubay
- ❖ Kite Surfing Competition, Kite Jam
- ❖ Backdoor Oceanbridge Manu Bay

Visitor Endorsements

Raglan



Paul_BCESSnock
Cessnock

Reviewed 3 August 2017

Fantastic visit

My wife and I visited Raglan info center from Taupo and found the lady to be very informative and told us all about the museum . We returned the next day and the museum is an absolute must do visit with an incredible price tag... [More](#)

[Ask Paul_BCESSnock about Raglan i-SiTe Visitor Information Centre](#)

1 Thank Paul_BCESSnock

This review is the subjective opinion of a TripAdvisor member and not of TripAdvisor LLC


whaingar0a-Info, Manager at Raglan i-SiTe Visitor Information Centre, responded to this review

Responded 24 August 2017

Thank you for your review and all your kind words you shared in regards to the museum we hope you enjoyed your stay and we look forward to your return.

[Report response as inappropriate](#)

This response is the subjective opinion of the management representative and not of TripAdvisor LLC



Julie M
Wellington,
New Zealand

Reviewed 25 July 2017

Very good indeed, associated with the museum

We found the young lady we met very helpful and friendly. The display and information were impressive, the staff very enthusiastic and knowledgeable. Great to have this I-Site attached to the museum.

[Ask Julie M about Raglan i-SiTe Visitor Information Centre](#)

1 Thank Julie M

Raglan i-SITE Visitor Information Centre

13 Waikanae Rd, Raglan

4.5 ★★★★★ 31 reviews

- William Matthias**
3 reviews 2 photos
★★★★★ a day ago
Very friendly staff
Like
- Charlie Stowers**
Local Guide 40 reviews
★★★★★ a week ago
- Richard O'Malley**
Local Guide 3 reviews
★★★★★ a week ago
- Marat Bakeev**
Local Guide 37 reviews 116 photos
★★★★★ a week ago
- Sheryl Ferguson**
7 reviews
★★★★★ 2 months ago
By
By
Like

Huntly Annual Report August 2018



Visitor Statistics Huntly 2018

Annual yearly breakdown Huntly 2014-2018					
Country	2017-2018	2016-2017	2015-2016	2014-2015	Total
AUSTRALIA/PASIFIC	14119	11947	20448	16370	62884
ASIA/INDIA/CHINA	61217	51069	24954	15850	153090
EUROPE/UK	17684	15864	9106	17951	60605
USA/ CAN	12720	13003	13221	12743	51687
STH AME/AFRICA	3947	1896	9790	0	15633
Other	N/A	N/A	N/A	14510	14510
NZ-DOM	6568	3438	12815	31222	54043
NZ-LOC	2582	1239	1552		5373
Total	118837	98456	91886	108646	417825
INTERNATIONAL BUS	93322	81724	47094	N/A	222140
INTERNATIONAL FIT	16365	4302	30176	N/A	38928
Total	109687	86026	77270	N/A	261068
PHONE	365+	365+	365+	365+	365+

Please note that the columns that are NA mean the statistics are being collected with greater accuracy and aligned to the appropriate columns, or they are being collated in a different manner as compared in previous years. It is pleasing to note that the domestic visitor inquiries grew along with South America and Asia collectively.

The bus market remains strong even though many are either not allowed to come into the site or given very little time.

Events aligned to rugby like the tour by the Lions in June 2017 to July 2017, these crossed over 2 financial years.

Combined with the Rugby League World Cup with 2 key games in Hamilton that drew sold out crowds and Huntly was able to secure a fantastic mural on a wall facing the highway.

The site hosted over a 100 Lion supporters who had called in on their way to Auckland to have lunch, many of whom had indicated they would be back.

We duly them sent them on their way with lots of brochures and a promise to look after them on their return.

During the school holidays the hosted many domestic visitors who were travelling with their families, visiting places within the Waikato region for the majority of the

time. Places of interest Waitomo, Raglan, Rotorua, Taupo and during the colder seasons National Park. During the stormy periods, which hit NZ early 2018 many domestic visitors, stopped in to check the road conditions anyone travelling to the east were advised to stay in Huntly for the night or more central.

Huntly i-SITE also received a small number of Domestic/local visitor travelling by tour bus one in particular from Auckland were travelling to the Wearable arts in Wellington.

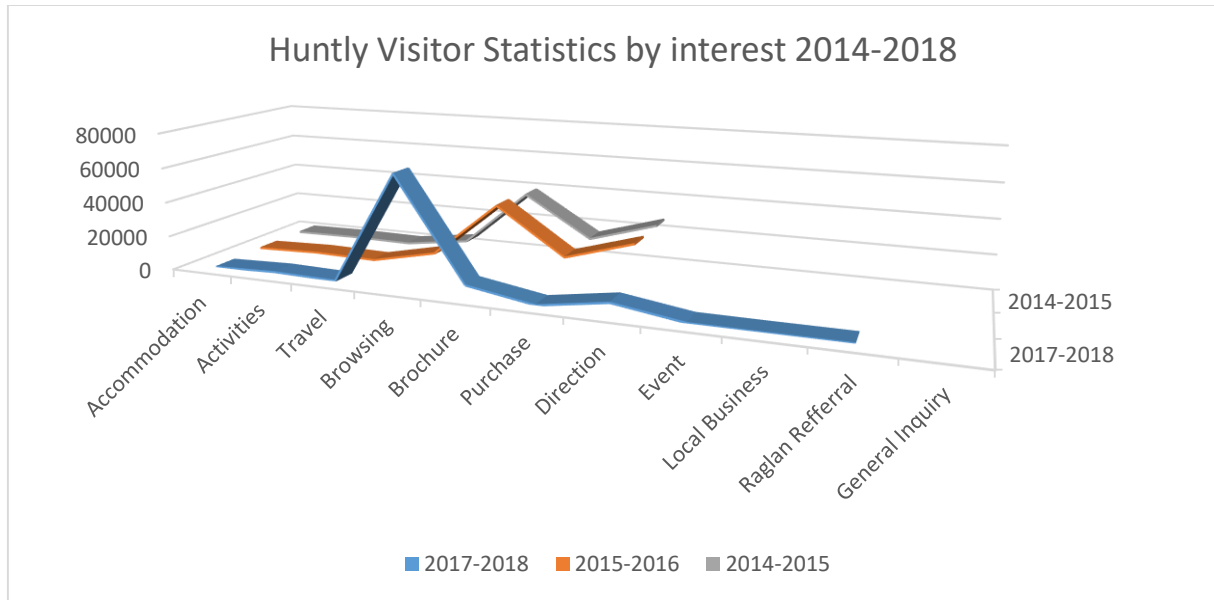
Visitor Interest Breakdown Huntly 2018

Huntly Visitor Statistics by interest 2014-2018				
Country	2017-2018	2016-2017	2015-2016	2014-2015
Accommodation	783	1034	915	1199
Activities	1210	2346	1999	1626
Transport	331	1376	1267	1110
Browsing	34523	13245	9341	6272
Brochure	16478	43115	41149	38971
Purchase	57964	23468	14972	15275
Directions local and Regional	6110	23567	26539	26830
Event	689	645	530	487
Local Business	482	365	690	329
Raglan Referral	589	723	435	187
General Inquiry these stats are allocated	across the appropriate	column and are more accurate	12374	12735
Total	119,159	109,884	110,211	105021

These statistics have been amended since they were supplied for the audit as information was expected to be turned around with very short time frames to suit the consultants.

We record a great deal of data that does not necessarily get collated however they can provide good insights into the activities interventions staff do in the name of tourism.

We have subsequently had the necessary time to go through our manual data and compile with greater accuracy.



The majority of Huntly i-SITE visitors travel by tour bus and are only here for a short period of time. Main interest is food, direction to toilets and information on their next destination.

Visitors travelling to the airport in Auckland stop in to find out things to do on their way to the airport.

Huntly i-SITE recommends Lake Hakanoa, Rangiriri Cultural & Heritage Museum, Hampton Downs and of course an Ice Cream at Pokeno regardless of the weather.

If visitors are travelling south and wanting things to do on the way to their next destination we recommend Hakanoa, Hobbiton, Kauri Loop track, and the Hakarimata scenic reserve to name a few.



VISITOR ENDORSEMENTS

DATE	NAME	ADDRESS	COMMENTS
29.2.18	Tamara	CH 4632 Town Beach	super service! thank you
3/3/18	Chalmers	Biloela Queensland	great centre
3-3-18	Steve/Laurie Naukovich	440 Lincoln St. NE US	fantastic Country!!
3-3-18	Leann/Felix	22523 Hamburg, Germany	We love it
3.3.18	JACKO	U.K.	Such a lovely lady
9-3-18	COWAN	VANCOUVER BC CANADA	GREAT HELP
9-3-18	ASH/CONSTABLE	BRISBANE AUSTRALIA	Awesome CAT
10-3-18	DON JACKI JEANNE GALE	SPARTA, WISCONSIN USA	Happy to be here :)
11-3-18	S. Teoli	Ballantrae, ON (CANADA)	LOVE LOVE NZ!
10/12-18	Carol Beck	Manhattan Beach CA USA	
14/03-2018	Bob Reid	Timmins ON CANADA	Love NZ
14/03/2018	Sylvia Lau	TORONTO, ON CANADA	
14/03/18	ANDERSONS	DAGSBORO, DELAWARE, USA	GOOD INFO keep it going!!
18/03/18	HALLS	COLUMBIA, MISSOURI, USA	Ka mihi, ka mihi, ka mihi!!
20/3/18	Stu & Camille	The Breeze Waihatu	* You guys rule! *
22/3/18	panampai Yantarakitsiri	194 soi 11 Phetkasorn Hatyai Thailand	Thank you very much! Love here
22/3/18	Marilyn & Steve	Oldham UK	Very helpful as usual.
23/3/18	DAVID HERR - Francis	9 Allée des Reines de Fées 83400 HYÈRES, FRANCE	SUPER !!
27/3/18	Graham & Andrea	Christchurch, NZ	Thanks for all your help!
31/3/18	Jim & Donita Vogt	Longmont, Colorado USA	Great service
31/3/18	Mark & Rosalie Oppenheim	Downers Grove, IL USA	great country
31/3/18	Reg and Judy	Port Augusta SA Australia	Great chat advice :)
4/1/18	But & Lucy Cate	South Carolina USA	Awesome

DATE	NAME	ADDRESS	COMMENTS
1st April 2018	DAVID SCHWENKE	5 Tutuwatua Cres. Weymouth.	ONE LOVE Proud New Zealander
1st April 2018	Ngahua Stevens	63 HARWELL PLACE MANGERE	NICE SHOP TO VISIT
2nd April 2018	Billy & Lorrie Bylhouwer	Prince Edward Island Canada	Loved NZ!
5 4 2018.	Apluna		Very nice!
6 04 2018	Nee Bell	105 Rayner Road	HURTY PROUD
7 04 2018	Helena & Peter Flinn	38 Woodburn St Dunkeld, Victoria Australia	Very helpful
14-04-2018	CHRIS + BERENGETTE PINCHAS	Cohuna Vic Aus	Very helpful + nice
14. 04. 2018	ATTAMA ZAWAWI	Honey Vacation KL, MALAYSIA	very good.
14. 04. 2018	ABD AZIZ HADI	Honey Vacation, K. Lumpur	very good.
14. 04. 2018	RUFYANI SMCETH	Honey Vacation, Malaysia	nice.
April Saturday	Paris	10 DAVIES PLACE	Amazing Place
19.04.2018	Brenna		Great Service Taylor-Rose!
20.4.2018	Ngoc Bui	Dist 7 HCMC. Vietnam	Great Wellcome Friendly
20.04.2018	Thang Ha	Sai gon, Vietnam	Great shop to visit
20.04.2018	Regina, SK CANADA	Regina, SK CANADA	Great Visis.
22.04.2018	DAVID & HEONA CARROLL		
22.04.2018	Anna Kranjec	Red Deer, Canada	
22.04.2018	Merdi Lewis	Airdrie, AB Canada	Amazing!
30.4.18	Jeffrey & Ray	Detroit MI USA	Great Country
02-05-18	Cathy (Dana)	Philippines	
May 8 18	Maria & Anna Cruz	Philippines	
11-9-18	Jeff & Dianne Austin	Chch NZ	Very good service Thank
30-05-18	Andre & Magali Lodico	FRANCE 83 ST MAXIMILLA	Great Country. We love!
14.6.18	Tony Jennings	Bordertown, STE BAUME Australia	Good Service,
11 11 11	Diane Johnston	Bordertown, Australia	lovely country :)

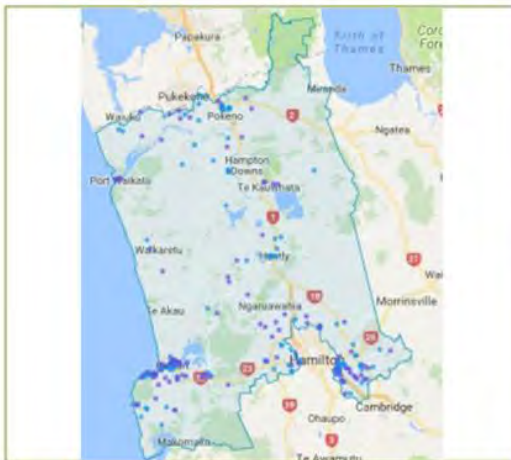
THE IMPACTS OF AIRBNB AND OTHER ACCOMMODATION OPTIONS

Hamilton & Waikato
TOURISM

Airbnb Stats WAIKATO District
July 2018

467 Active Rentals

55% "Entire Home" Rentals



Average Daily Rate

\$109



Occupancy Rate

36%



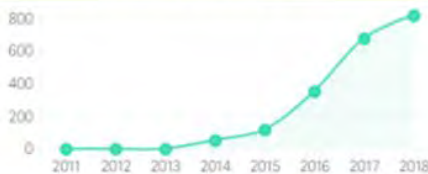
Revenue

The total nightly rate + cleaning fee earned in the last month. Does not include taxes or service fees.

\$1,019



Rental Growth 92%



Rental Size – Avg 2 Bedrooms / 4.8 Guests



Professional Hosts



www.AirDNA.co/market-data

Data and graphs show information/averages for month of July 2018

There is a significant debate taking place throughout the country about the impacts of Airbnb, Bookabach etc. These opportunities that property owners in NZ are taking up by the thousands are currently being reviewed by individual councils. Some articles state that current business orientated accommodation providers would not meet current demand. The question is "would that be a bad thing" ?

The problem with these operations is they stand apart from the sector in that they do not pay tax, they do not belong to or support tourism in any meaningful way other than offsetting their

mortgages etc.

These businesses are having an impact on i-SITES and could contribute to their downfall long term. The industry requires councils to step up and take a close look at the impacts from this phenomenon.

The Waikato District has a growing group of this type of accommodation provider it is notable that Raglan has a large group.

Any operators that are running more than a single entity will most likely be classified as a business in the near future.

It is worth noting some councils are requiring these accommodation providers to sign a statutory declaration to confirm limited use of their premises offering this service and it can vary from 10 days per annum to 16 days etc?

Like many new technologies, Airbnb has been controversial wherever it sets up and New Zealand is no exception. Despite similar Kiwi-made products, especially in the bach rental sector, Airbnb's entry into the market has not been welcomed by many in the tourism industry. There are calls for tighter regulations, but smart businesses will look for the opportunities Airbnb might bring.

Regulations & Airbnb

The tourism industry feels that Airbnb and its hosts have an unfair advantage in the market. Traditional tourist accommodation such as hotels have higher costs, including compliance costs, higher tax rates and increased insurance.

There are also questions on the pressure that Airbnb puts on long-term housing, with many landlords finding they can make more renting to holiday makers, which leaves locals with nowhere to go. Queenstown is a good example of this; seasonal workers have not been able to find accommodation as their normal beds have been converted to Airbnb rentals.

This is why councils are looking to introduce regulations to cover the holiday rental market. Ideas floated have included limiting the number of nights Airbnb properties can be rented out and increasing taxes for hosts.

Even if these measures are passed, it's unlikely that Airbnb will disappear from New Zealand, so business owners should be looking at ways to maximise the opportunities they bring.

Building Industry

Airbnb's entry into the New Zealand market has highlighted shortages in both short and long-term accommodation. Airbnb's supporters claim that land prices and building regulations are a much bigger factor in housing shortages, but even if holiday rentals are scapegoats, it's clear that there are not enough homes in many areas and this brings opportunities for the housing market.

The same is true of traditional tourist accommodations. Government research suggests that there will be a shortage of 4,500 rooms by 2025. This makes Airbnb crucial to tourism at the moment, as they can make up the shortfall of rooms, especially during peak times.

It does show that there are opportunities for those wanting to enter the tourist accommodation market. Although new hotels have a large lead time, the shortage of beds shows the potential in the market.

Tourism Industry

Anecdotal evidence shows that tourists using Airbnb are after a different experience to those staying in hotels. Airbnb accommodation often caters to larger groups, offers kitchens or allows a visitor to stay with the host, experiencing life as a local.

Airbnb also brings tourism to non-tourist areas, as there is now accommodation in these areas.

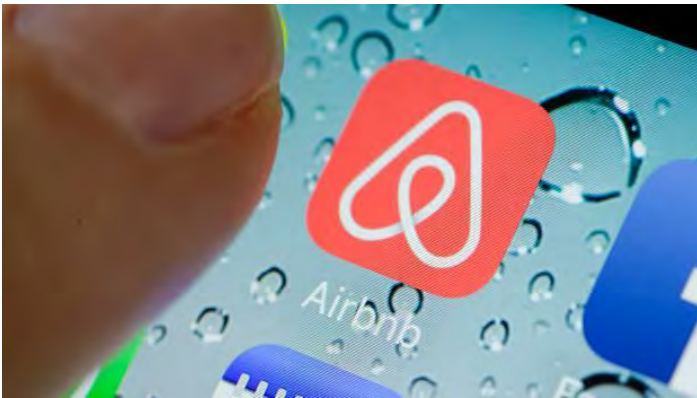
The tourism industry can look to cater for the types of tourists that are looking for a different experience. Those in non-tourist areas may find that they can expand existing businesses to accommodate the occasional tourist.

Airbnb already offers ways to connect through the offer of Experiences. New Zealand Experiences offered include vineyard tours and learning Maori customs. Although only offered in Queenstown at the moment, Experiences are sure to expand. Business owners have the opportunity to advertise to a worldwide audience and showcase their products to interested tourists.

New Markets Using Airbnb

The average house or room on Airbnb is only rented for 60 nights per year. But for the truly motivated, the so-'If uncontrolled, tourism can kill tourism': Airbnb could ruin cities because it brings in too many visitors, warns travel expert

29 Jun, 2016 12:00pm



Tourism hotspots could eventually feel the physical impact of the increase in visitors to the city caused by Airbnb. Photo / Getty Images

Daily Mail

By: Lucy Morris for MailOnline

Airbnb could be ruining Europe's most treasured historic cities, it's been claimed.

[The chief executive of the Association of British Travel Agents](#) (ABTA), Mark Tanzer, said that the affordability of home rental websites such as Airbnb is having a detrimental effect on tourist hot spots such as Florence and Barcelona.

Tanzer claimed that there has been an influx of visitors to historic European sites. And, because of this, they will eventually struggle to cope with the numbers.

"You can see the strain not just on the tourist experience but on the actual fabric of the city and on the residents there," Tanzer explained at a conference in London recently, [The Times](#) reported.

"Overcrowding in key destinations is becoming a pressing issue. Without controls, we know tourism can kill tourism."

This unchecked influx of visitors could damage local economies, he warned. He added: "People will stop going. Or the danger is that you will get the footfall but you will not get the value of tourism - people spending in restaurants or shopping and supporting the local economy.

If they can't get around the city you are going to lose value from tourism even if the numbers are going up."

"Customers have certain expectations and rights regarding travel accommodation and other services, irrespective of how those arrangements are purchased, whether is it a question of quality, safety, or protection of the customers' money." An ABTA spokesperson said today.

"We believe that new distribution models such as peer to peer accommodation, particularly those that are run on a professional, commercial basis, should be held to the same standards as traditional models; both industry and holidaymakers should be assured that any commercial enterprise is properly monitored and regulated.

"One issue that is becoming increasingly pressing is that of overcrowding in some major tourist destinations.

The growth of the peer to peer economy, and the arrival of tourists from new source markets, are responses to a growing demand for tourism.

Some food for thought as this debate continues to grow.

Open Meeting

To	Strategy & Finance Committee
From	Gavin Ion Chief Executive
Date	9 August 2018
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 2017/2018 to ensure that the financial implications of projects are known at an early stage and to agree a list of projects for the 2018/19 financial year.

2. RECOMMENDATION

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

AND THAT progress on the following list of projects for 2018/19 be reported to this committee for the coming year:

- **Mangawara Bridge construction (Taupiri)**
- **Raglan wastewater treatment plant upgrade**
- **Raglan wastewater rising main renewals**
- **Te Kauwhata water supply reservoir extensions**
- **Te Kauwhata wastewater reticulation extensions**
- **Tamahere Recreation Reserve Project**
- **Tamahere sports ground**
- **Ngaruawahia library**
- **Tuakau cemetery**
- **Pokeno parks and reserves**
- **Tuakau dog pound**

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 2017/2018. Regular reports are provided on progress.

A list has been compiled for 2018/19 which the Committee is being asked to consider.

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 2017/2018 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 2017/2018, including carry forwards.

Council has historically 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.

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.

Some of the projects are delayed for strategic reasons. An example is where we were awaiting a final decision on our Housing Infrastructure Fund application. This impacted the upgrade of our Huntly Wastewater Plant.

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.

Councillors have now indicated their willingness to review the risk management approach on some key projects. This will be worked through in the next year.

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 2017/2018 financial year.

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 implications could be considered before work proceeds.

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

In addition to monitoring progress, the Committee is being asked to approve a list of projects for 2018/19.

The following is the list of projects proposed for the new financial year:

- Mangawara Bridge construction (Taupiri)
- Raglan wastewater treatment plant upgrade
- Raglan wastewater rising main renewals
- Te Kauwhata water supply reservoir extensions
- Te Kauwhata wastewater reticulation extensions
- Tamahere Recreation Reserve Project
- Tamahere sports ground
- Ngaruawahia library
- Tuakau cemetery
- Pokeno parks and reserves
- Tuakau dog pound

It should be noted that some of the projects are contingent on the speed of development and are controlled by developers rather than Council.

5. CONSIDERATION

5.1 FINANCIAL

All of the projects included in the list form part of the Annual Plan for 2017/2018 or are carry forwards. The projects proposed for 2018/2019 are all included in the LTP.

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 delivering the Council vision of Liveable, Thriving and Connected Communities.

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 wastewater and reservoir projects.

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 2017/2018 and suggested a list of projects for 2018/2019.

7. ATTACHMENTS

Financial Review of Key Projects

KEY PROJECTS

Team	Project Description	Full Year Budget	Full Year Actual	Unspent Budget	Expected Completion Date	Progress & Risk Comment
Programme Delivery	Ngaruawahia council office upgrade construction	424,138	255,298	168,840	Aug-18	Received quotes to raise the height of the accessible counter and install a secondary wall and door. Received quote for \$10k for noise attenuation for call centre. Waiting on timing from Contractor then to seek approval from Angela Parquist, Lynn Shirley and Gavin Ion.
Programme Delivery	Tamahere Recreation Reserve Project	2,451,919	259,340	2,192,579	Multi year project	Existing storm water systems to be reviewed to alleviate flooding issues. Fosters to commence fitness trail in two weeks pending Tamahere Community Committee (TCC) and Te Awa acceptance of layout, this will be constructed to provide the most available space for the sports fields. Fosters are currently in negotiations with one of the invited skate park suppliers and Project Manager to follow up for alternate pricing from Jay Stone Skate. Play Creations have provided their proposal which has been accepted by the TCC members and Fosters are to include works which have not been covered under this proposal. Carpark design is complete and feedback given for amendments. Piazza design completed however it is advised that this works be put on hold until condition of the grounds improve. Lighting design of piazza, play space, skate park, and future facility area will give the ability to isolate each section should we require. Feedback from the TCC members is that they feel these works should be pushed back to summer months when there is better ground conditions as well as better supplier available.
Programme Delivery	Raglan stormwater reticulation extensions	365,576	99,769	265,807	Oct-18	After initial lack of tender response, work has been re-tendered, responses evaluated and negotiations with preferred tenderer are complete. Tender report finished and awaiting internal sign off in order to award contract. Physical works will be coordinated with the adjacent carpark works.
Programme Delivery	Ngaruawahia, Kent St/George St Stormwater Network upgrades	471,728	439,793	31,935	Oct-18	Kent and George Street initial contract is complete, as built received and Practical Completion Certification has been issued. Tender for stage 2 scope (utilising savings from another budget) has closed and evaluations complete. Tender report finished and awaiting internal sign off in order to award contract.
Programme Delivery	New Reservoirs for Huntly, Central District, Hopuhopu and Pokeno	1,740,192	1,395,335	344,857	Aug-18	An inspection using a drone has been carried out on Central Districts, Hopuhopu and Huntly reservoirs with Pokeno to occur mid July. Pokeno - Reservoir is commissioned. Huntly – Reservoir is commissioned. Further wind damage has raised issue of the structural integrity of the previously damaged panels and will require complete replacement. Central District – New variable speed drive has been installed and awaiting date to finalise control programming for final commissioning. Hopuhopu – Reservoir is commissioned. New roofing panels have been installed however an inspection has raised issues that the subcontractor has not done the repairs to WDC's satisfaction and requires further work.
Programme Delivery	Land Purchases for Pokeno, Central District and Hopuhopu Reservoir Sites	204,905	783	204,122	Aug-18	All sites now secured and works underway. Hopuhopu long term lease agreement is understood to have verbal approval from Waikato Tainui but not the signed documentation that supports it. The Chief Executive has followed this up with Waikato Tainui with the aim of having a fully signed documentation in place in the near future.
Waters	Tuakau water supply reticulation extensions	1,639,774	49,431	1,590,343	TBA	To finalise priorities following completion of the proposed District and Structure Plans. Based on demand, this work will not be required until 2018/19 or later.
Programme Delivery	Pokeno Wastewater scheme construction - Stage 2	1,905,401	1,836,163	69,238	Mar-18	Works complete including variation negotiations. Extension of time claims have been discussed and awaiting Engineer to Contract to make determination, partial Practical Completion to be issued (one line requires remedial works). Additional connections contract to be prepared and advertised with the physical works to be undertaken in 2018/19.
Waters	Huntly wastewater treatment plant upgrade	1,628,112	5,681	1,622,431	TBA	Significant capex expenditure is on hold pending decision on future of site (i.e. pump away/consolidated site). Investigations have identified operational actions to be completed including de-sludging. Actions are being prioritised based on resource and budget availability across the districts wastewater treatment plants.
Waters	Meremere wastewater treatment plant upgrade	2,175,854	18,920	2,156,934	TBA	Significant capex expenditure is on hold pending decision on overall solution of wastewater treatment plant sites. Preliminary engineering thinking relevant to the short term renewal includes investigation of a cost effective side-stream membrane system currently under discussion. Council water operations is resolving inflow and infiltration with land owners and the Meremere School, in respect to remedying roof water and impervious surface flows to household drains. Actions are being prioritised based on resource and budget availability across the districts wastewater treatment plants.
Waters	Raglan wastewater treatment plant upgrade	1,196,719	39,858	1,156,861	2018/19	Project was largely on hold during 2017/18 to ensure any proposed solution was in keeping with changes that may occur as part of the upcoming resource consent renewal. Decision has recently been made to design and build a tertiary membrane in 2018/19 allowing compliance achievability and supporting any additional mitigation necessary for the 2021 renewal.
Waters	Pokeno stormwater reticulation extensions	1,102,912	0	1,102,912	Jun-19	Dependent on developer schedule, pipeline from Winstones catchment to Pond forecast by developer to occur 2017/18 did not materialise, remaining works pushed out to 2018/19 per Dines Fulton Hogan May schedule.
Waters	SCADA Improvements	1,300,000	109,314	1,190,686	Multi year project	Contract for procurement of radio telemetry units awarded, procurement of radio and base stations underway and installation at pilot sites due to commence early in 2018/19.

Open Meeting

To	Strategy & Finance Committee
From	Tony Whittaker General Manager Strategy & Support
Date	07 August 2018
Prepared by	Alison Diaz Finance Manager
Chief Executive Approved	Y
Reference #	GOV1301 / 2054411
Report Title	General Rate Position for the year ended 30 June 2018

I. EXECUTIVE SUMMARY

This report advises the general rate position for the financial year ending 30 June 2018 and seeks support for surplus funds to be moved to the General Accounting Reserve Fund.

2. RECOMMENDATION

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

AND THAT the **Strategy & Finance Committee** recommends to Council that the 2017/18 surplus of \$1,831,528 is transferred to 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 2017/18 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 2017 into 2017/18), 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 \$1,831,528.

The general rate surplus is calculated as follows, and is shown in the far right column of the table below. Two prior year's results have also been provided.

The total general rate available (A) is the general rate income for 2017/18 combined with the general rate funding carried forward from 2016/17.

Deducted from the general rate available is the general rate spent in 2017/18. 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 \$	2017/18 Total \$
General rate income for the year	48,856,465	50,910,839	53,480,823
Carried forward General Rate from the prior year	2,036,964	1,691,929	1,979,602
Total Available (A)	50,893,429	52,602,768	55,460,425
Total General Rate spent (B)	(48,055,191)	(49,592,277)	(51,030,070)
Surplus General Rate (A-B)	2,838,238	3,010,491	4,430,355
General Rate to be carried forward to the next year	(1,691,929)	(1,979,602)	(2,598,827)
Total General Rate surplus	1,146,309	1,030,889	1,831,528

4.2 SUMMARY OF MAJOR VARIANCES IMPACTING GENERAL RATE

The following variances explain the general rate surplus:

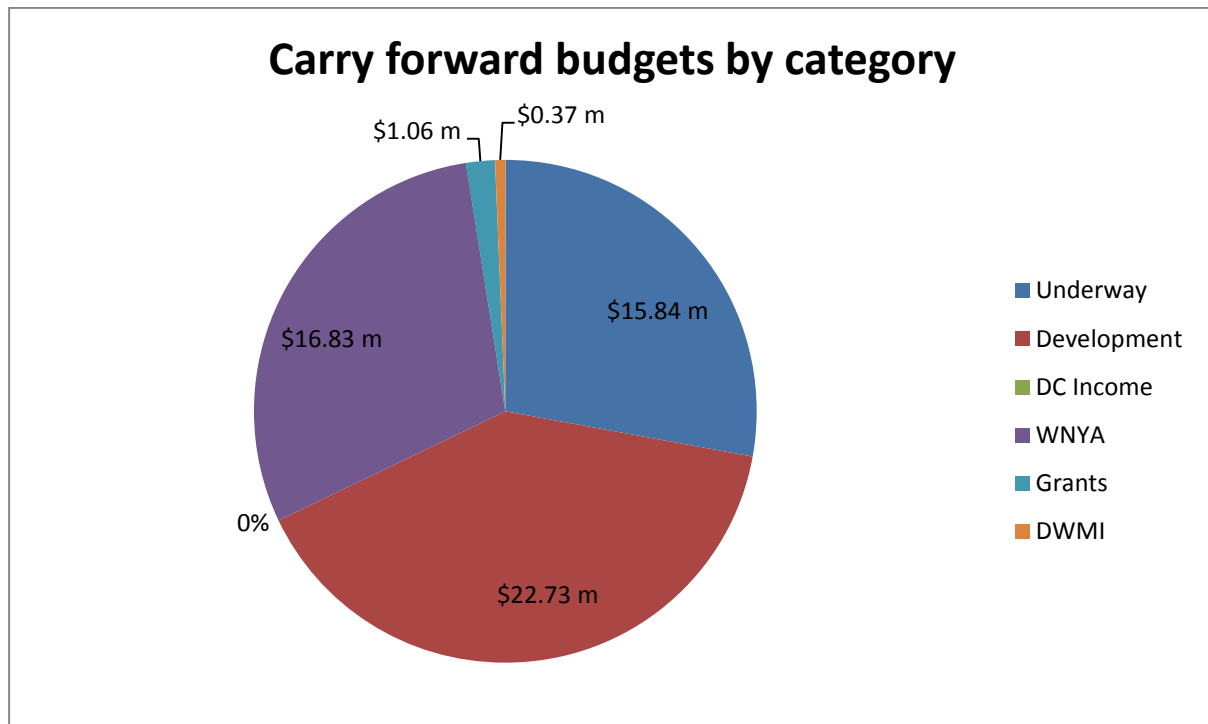
- General rate income was \$411,000 above expectations as further valuation updates from subdivision and building consents, were processed during June 2017.
- Depreciation expense for parks and reserves was \$300,000 lower than anticipated.
- Rural fire budgets no longer required saving \$136,000.
- General rate funded staff costs came in \$663,000 less than budget due to internal changes and vacancies.
- Savings in corporate costs such as advertising, printing, insurance, subscriptions, copier leases, information management and rating valuation account for the remaining \$322,000 of surplus. These costs are passed on to the various groups in the organisation via lower overhead charges, showing as general rate savings in that particular area of service provision e.g. regulatory, democracy etc.

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.

The carry forward process for capital and one-off operational projects is transparent in that only budget legitimately associated with the same project is carried forward. A portion of operational savings have been used to increase training budgets for 2018/19. Any remaining budget savings contribute to the general rate surplus and requests to fund new initiatives underway will be identified separately for council approval.

Total capital and specific operational carry forwards (\$56.83 million) are summarised by category below:



Carry forward requests have increased substantially from the prior year, with capital works projects not yet awarded increasing from \$4.2 million to \$16.2 million. This is in line with the 'pause' discussed with Council to allow planning and co-design elements of the programme to be strengthened.

Development works have been presented as a gross amount in the graph above rather than net of development contribution income as has been shown in previous years. Development contribution income that has been assessed but is not yet payable is approximately \$19 million. Work is underway to determine whether any adjustment will be required for development related income in the 2018/19 financial year.

4.4 FUNDING REQUESTS

The way the 2017/18 general rate surplus is managed will be one factor in determining whether Council can operate within the parameters of the Long Term Plan ("LTP") for the next three financial years (2018/19 through to 2020/21).

Council will recall that through the setting of Council's LTP that both efficiency and salary savings were included in the calculation of the net budget required. Salary savings of \$827,000, \$864,000 and \$505,000 are expected in year's one to three of the plan, and general efficiency savings of \$41,000 and \$559,000 are expected in year's two and three of the plan. These savings targets, particularly for salaries, are aggressive and given proposed changes to better deliver upon council's vision of Liveable Thriving Connected Communities may be difficult to achieve. In addition costs associated with district plan appeals, liability claims etc. will need to be quantified and allowed for over time.

Retaining surplus funds will be an important mitigation in keeping rates at the indicated levels.

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 specific projects, transferring the remainder to the General Accounting Reserve Fund.

Consideration should be given to the organisations capacity to undertake additional work over and above what has already been committed via the LTP and finalisation of prior year work programmes.

Option (a) is preferred pending the outcome of the Gearing for Growth and Greatness initiative.

5. CONSIDERATION

5.1 FINANCIAL

Changes to timing of projects affect reserve balances, therefore, there will be variances between the budgeted opening balances for 2018/19 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 \$1,831,528. Council are being asked to transfer the surplus funds to the General Accounting Reserve Fund.

Open Meeting

To	Strategy & Finance Committee
From	Tony Whittaker General Manager Strategy & Support
Date	06 August 2018
Prepared by	Julienne Calambuhay Management Accountant
Chief Executive Approved	Y
DWS Document Set #	GOV1318
Report Title	Summary of Movements in Discretionary Funds to 31 July 2018

1. EXECUTIVE SUMMARY

To provide the Strategy & Finance Committee with a summarised report giving balances of all the discretionary funds including commitments as at 31 July 2018.

2. RECOMMENDATION

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

3. ATTACHMENTS

Summary of Movements in Discretionary Funds to 31 July 2018

**Summary of Movements in Discretionary Funds
As of 31 July 2018**

	Carry Forward 2017/18	Annual Plan Budget 2018/19	Plus Income / Grants 2018/19	Less Expenditure 2018/19	Net Funding Remaining 2018/19	Less Commitments 2018/19	Funding Remaining after Commitments
Rural Ward	6,846.00	30,963.00	-	-	37,809.00	6,845.91	30,963.09
Huntly	24,523.00	24,026.00	-	1,250.31	47,298.69	16,325.39	30,973.30
Meremere	11,763.00	6,499.00	-	-	18,262.00	2,160.72	16,101.28
Ngaruawahia	35,234.00	20,999.00	-	-	56,233.00	14,540.00	41,693.00
Onewhero Tuakau	38,618.00	28,878.00	-	2,500.00	64,996.00	8,395.43	56,600.57
Raglan	5,826.00	14,271.00	-	1,027.39	19,069.61	5,783.50	13,286.11
Taupiri	2,572.00	1,624.00	-	-	4,196.00	79.09	4,116.91
Te Kauwhata	43,641.00	11,391.00	-	-	55,032.00	36,668.55	18,363.45
Mayoral	4,734.00	8,000.00	-	608.70	12,125.30	-	12,125.30

Open Meeting

To	Strategy & Finance Committee
From	Tony Whittaker General Manager Strategy & Support
Date	2 August 2018
Prepared by	Mairi Davis
Chief Executive Approved	Y
Reference #	GOV1318 / 2049348
Report Title	Treasury Risk Management Policy - Compliance Report at 30 June 2018

I. EXECUTIVE SUMMARY

The purpose of this report is to inform the Strategy & Finance Committee of compliance with the Treasury Risk Management Policy.

The area of non-compliance detailed in the previous report (as at 31 March) has now corrected itself and the \$30 million limit on the value of swap transactions placed with any one counterparty is also no longer in breach.

2. RECOMMENDATION

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

3. ATTACHMENTS

Treasury Risk Management Policy - Compliance Report at 30 June 2018.

Waikato District Council
 Treasury risk management policy - Compliance report
 As at 30 June 2018

	Policy criteria	Policy limit	Actual	Within policy?									
1	The percentage of net external debt to annual revenue Net external debt = Total annual revenue =	<150%	59.3%	✓									
		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)											
2	Net interest expense on net external debt as a percentage of total annual revenue Net interest expense =	<20%	2.9%	✓									
		total interest and financing costs less interest income											
3	Net interest expense on net external debt as a percentage of annual rates	<25%	4.1%	✓									
4	Liquidity ratio Liquidity =	>110%	130%	✓									
		external term debt plus committed bank facilities plus available liquid investments as a percentage of external term debt											
5	<p><u>Interest rate benchmark chart</u> 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>Legend: — Benchmark (incl margin) — Budget — Actual</p>												
6	Actual borrowing costs are <= budgeted borrowing costs Current month Year to date		<table border="1"> <thead> <tr> <th></th> <th>Budget</th> <th>Actual</th> </tr> </thead> <tbody> <tr> <td>Current month</td> <td>\$366,095</td> <td>\$350,689</td> </tr> <tr> <td>Year to date</td> <td>\$4,393,144</td> <td>\$3,590,905</td> </tr> </tbody> </table>		Budget	Actual	Current month	\$366,095	\$350,689	Year to date	\$4,393,144	\$3,590,905	<p>✓ ✓</p>
	Budget	Actual											
Current month	\$366,095	\$350,689											
Year to date	\$4,393,144	\$3,590,905											

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%
2,000,000	19-Jun-12	22-Mar-21	5.23%
3,000,000	20-Jul-12	20-Oct-20	5.59%
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	22-Jun-22	3.83%
4,000,000	22-Jun-13	23-Mar-20	3.64%
4,000,000	22-Jun-13	23-Sep-19	3.58%
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%
4,000,000	22-Jun-16	23-Sep-24	4.62%
2,000,000	22-Jun-17	23-Jun-25	3.52%
3,000,000	22-Sep-17	23-Sep-24	4.78%
2,000,000	25-Sep-17	25-Feb-27	3.67%
6,000,000	31-Oct-17	29-Jan-27	3.67%
10,000,000	28-Feb-18	28-Feb-28	3.33%
2,000,000	15-Mar-18	16-Sep-19	4.53%
5,000,000	15-Mar-18	30-Jun-20	4.06%
3,000,000	15-Mar-18	20-Oct-20	4.22%
10,000,000	28-Aug-18	30-Aug-27	
10,000,000	28-Feb-19	27-Feb-26	
2,000,000	1-Mar-19	1-Dec-25	
4,000,000	23-Sep-19	23-Mar-20	
10,000,000	30-Sep-19	28-Sep-29	
4,000,000	23-Mar-20	25-Mar-24	
4,000,000	23-Mar-20	25-Mar-24	
5,000,000	30-Jun-20	29-Jun-29	
3,000,000	20-Oct-20	21-Oct-24	
3,000,000	20-Oct-20	21-Oct-24	
3,000,000	22-Mar-23	22-Jun-29	
4,000,000	25-Mar-24	25-Sep-26	
4,000,000	25-Mar-24	25-Mar-27	
4,000,000	23-Sep-24	23-Sep-27	
3,000,000	21-Oct-24	21-Oct-27	
75,500,000	Total "live" swaps		4.23%
Average interest rate of live swaps			4.23%

8 Forward start period to be no more than 24 months unless there is a match with the expiry date of an existing swap of the same notional amount

7 swaps with start periods > 24 months forward all but one are matched with existing swaps

9 Counterparty credit risk - swaps

NZ registered banks (each)

- ANZ / National
- ASB
- BNZ
- HSBC
- Westpac

\$30m

\$0m

✓

\$0m

✓

\$29.67m

✓

\$0m

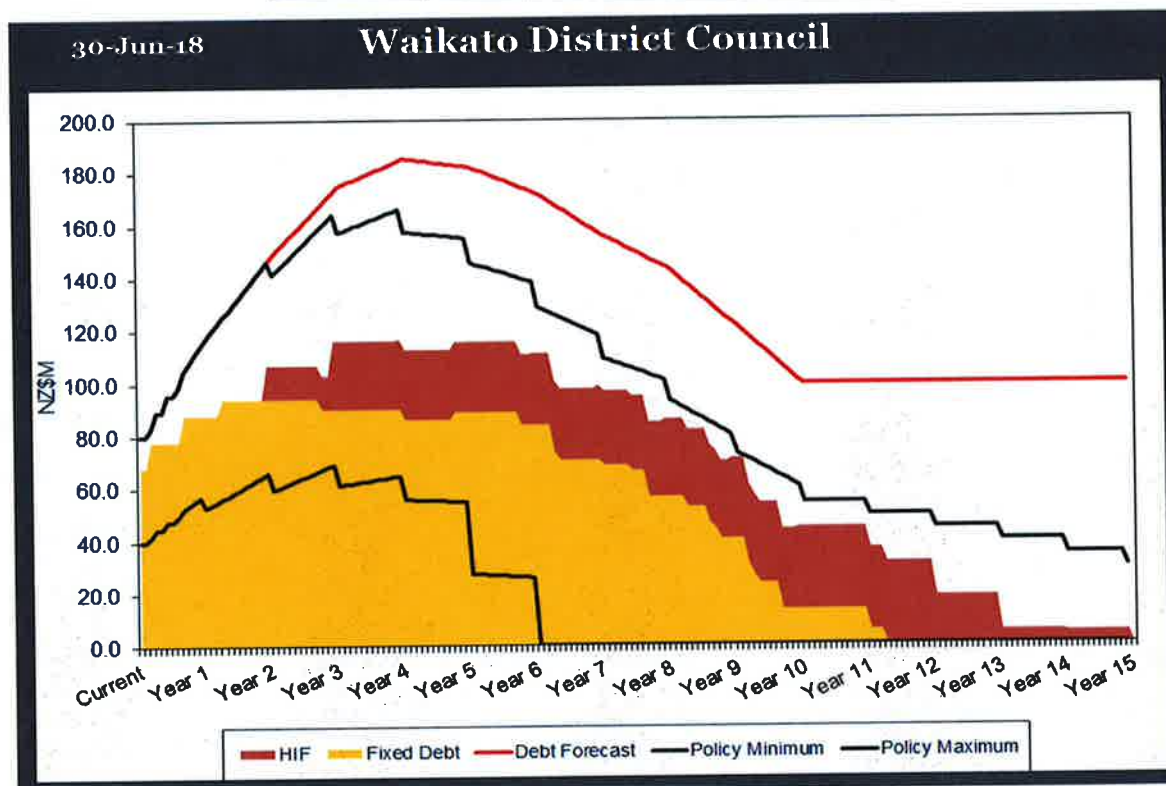
✓

\$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%	85.0%	✓
Year 1	117	45% - 100%	75.3%	✓
Year 2	149	40% - 95%	71.9%	✓
Year 3	175	35% - 90%	66.5%	✓
Year 4	185	30% - 85%	60.8%	✓
Year 5	182	15% - 80%	63.6%	✓
Year 6	172	0% - 75%	64.7%	✓
Year 7	156	0% - 70%	62.1%	✓
Year 8	143	0% - 65%	60.1%	✓
Year 9	122	0% - 60%	58.5%	✓
Year 10	99	0% - 55%	45.2%	✓

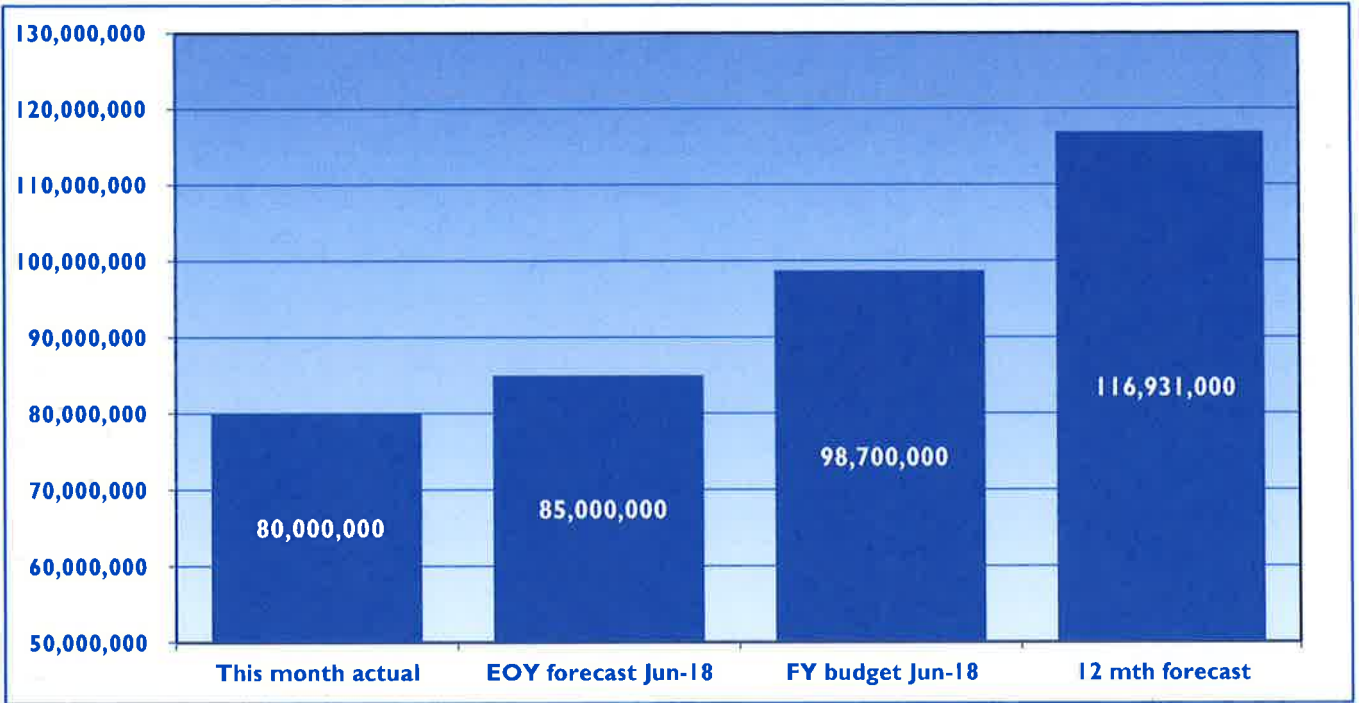


	Policy criteria	Policy limit	Actual	Within policy?
11	Debt affordability benchmark - limit on debt (actual debt <= limit on debt)	\$177m	\$80m	✓
12	Balanced budget benchmark (revenue / expenses)	>=100%	104%	✓
13	Essential services benchmark (CAPEX / dep'n - infrastructure)	>=100%	166%	✓
14	Debt servicing benchmark (borrowing costs / revenue) borrowing costs =	<15%	3.1%	✓

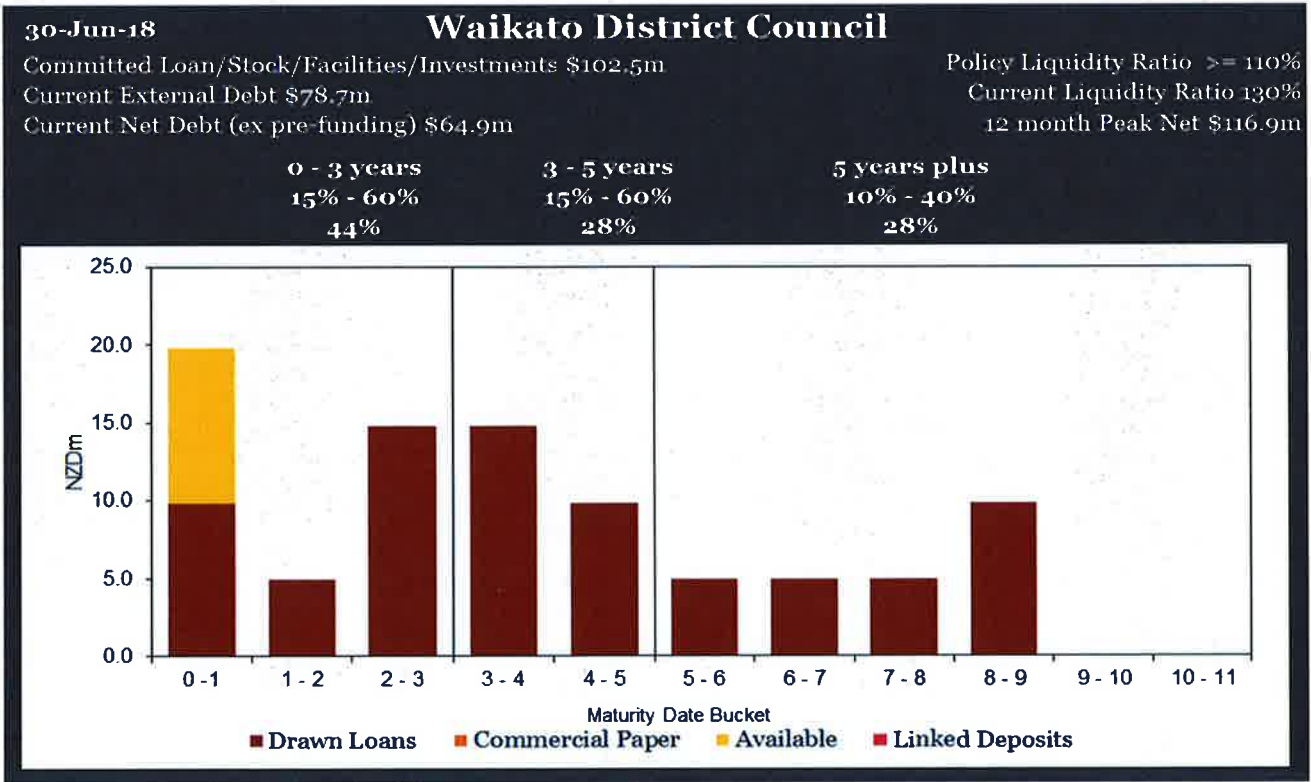
finance expenses per statement of comprehensive revenue and expense

15 Borrowing at June 2018

This graph depicts actual borrowing - LGFA plus bank (BNZ).



16	Actual monthly (gross) borrowing is within end-of-year budget	\$98,700,000	\$80,000,000	✓
17	The maturity profile of the total committed funding in respect of all loans and committed facilities			
	0 to 3 years	15% - 60%	44%	✓
	3 to 5 years	15% - 60%	28%	✓
	5 years plus	10% - 40%	28%	✓



18	Financial assets	\$'000		
	Share investments held for strategic purposes			
	Local Authority Shared Services Limited	219		
	Waikato Regional Airport Limited	12,797		
	Strada Corporation Limited	700		
	NZ Local Government Insurance Corp Limited	62		
	Investments held to reduce the current ratepayer burden			
	Community loans as below	185		
	Short-term investments held for liquidity & working capital requirements			
	Bank & cash balances	1,085		
	Short-term bank deposits	13,800		
	Total investments	\$15,048		
	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	148,338	Jun-22	} all at 6.33%
	Te Kowhai Hall Committee (early repayment)	-	Jun-21	
	Woodlands #2	16,572	Jun-19	
	Tauhei Hall Committee	9,522	Jun-20	
	Opuatia Community Centre	4,200	Dec-20	
	Glen Murray Community Centre	5,000	Dec-18	
	Onewhero Society of Performing Arts	1,100	Dec-18	
		<u>\$184,731</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		\$3.45m	✓
	- ASB		\$3.45m	✓
	- BNZ		\$4.239m	✓
	- HSBC		\$0m	✓
	- Westpac		\$3.45m	✓
21	Council currently acts as guarantor for:	there are no guarantees in place at reporting date.		

Open Meeting

To	Strategy & Finance Committee
From	Tony Whittaker General Manager Strategy & Support
Date	13 August 2018
Chief Executive Approved	Y
DWS Document Set #	GOV1318 / 2054556
Report Title	Final Statements of Intent 2018/19

I. EXECUTIVE SUMMARY

Pursuant to section 64 of the Local Government Act 2002, a Council Controlled Organisation is required to provide a draft Statement of Intent (“SOI”) to its shareholder (Council) by 1 March each year. Council has an opportunity to give feedback on the draft before May, with each Council Controlled Organisation required to provide a final SOI to the shareholder by 30 June.

Council has three Council Controlled Organisations that prepare SOI’s: Waikato Regional Airport Limited (“WRAL”); Waikato Local Authority Shared Services Limited (“WCLASS”); and Waikato District Community Wellbeing Trust (“WBT”). All draft SOI’s were received by 1 March 2018 and reported to the Strategy & Finance Committee.

Following feedback from the Shareholding Councils WRAL and WCLASS have finalised their Statements of Intent for 2018/2019. These were submitted in accordance with legislative timings.

The WBT submitted their draft SOI in February which was finalised based on support from Council at that time.

The three SOI’s are attached.

2. RECOMMENDATION

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

3. ATTACHMENT

- Waikato Regional Airport Limited Statement of Intent 2018/19
- Waikato Local Authority Shared Services Limited Statement of Intent 2018/19
- Waikato District Community Wellbeing Trust Statement of Intent 2018/19



Waikato Regional Airport Limited
Statement of Intent
2018/2019
June 2018

1.0 Introduction

This statement is presented by the Directors in accordance with s.64 (1) of the Local Government Act 2002 and sets out the Board's intentions for the Company for the year ending 30 June 2019 and succeeding two financial years.

2.0 Strategic Intent

The Airport has identified its core purpose and key objectives that recognise the strategic intent of the business:

Core Purpose

1. Enabler of air services to the region.
2. Operate a first class, safe and compliant regional airport.
3. Strategic positioning of the business to enhance capital value.

Key Objectives of Waikato Regional Airport Limited

1. Operate an efficient and compliant airport.
2. Enhance the traveller experience.
3. Maintain a viable aeronautical business.
4. Maximise revenue diversification through non-aeronautical business opportunities.

Key Objectives of the Group (*incorporating Titanium Park Limited & Hamilton Waikato Tourism Limited*)

1. Operate an efficient and compliant airport.
2. Enhance the traveller experience.
3. Maintain a viable aeronautical business.
4. Maximise revenue diversification through non-aeronautical business opportunities.
5. Develop and optimise the land holdings of the Group to generate a long-term property income from a diversified property portfolio.
6. To promote the Hamilton & Waikato region as an appealing destination to international and domestic visitors.

3.0 In Pursuing its Goals the Company will:

- At all times behave in a professional and ethical manner in all its business dealings with its customers and stakeholders.
- Be a good employer.
- Ensure a safe and healthy work place environment that complies with government legislation.
- Identify and recognise Shareholders' expectations, within the bounds of corporate prudence.

4.0 Nature and Scope of Activities to be Undertaken

(4.1) Operate an efficient and compliant airport

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

(4.2) Enhance the traveller experience

Maximise traveller satisfaction and airport experience.

(4.3) Maintain a viable aeronautical business

Identify opportunities to develop new, and expand existing, domestic passenger services.

Promote development and growth of the general aviation sector.

To allow the main runway to be extended when supported by an appropriate business case.

Position and protect the airport as an efficient, cost-effective international port of arrival for private, corporate and medical aircraft.

(4.4) Maximise revenue diversification through non-aeronautical business opportunities

Support the development of land within the bounds of a sound strategic approach to long-term planning for the airport precinct by its subsidiary Titanium Park Limited (TPL).

TPL will identify and market for sale or development all available surplus airport-owned land in a planned and co-ordinated approach.

Look to develop, design and build opportunities and additional non-aeronautical revenue streams.

Land sales and property development are always subject to volatility dependent on regional and national economic conditions. Therefore, this presents a degree of risk for the Group that will be carefully managed.

(4.5) Ensure appropriate internal and external resource to enable a commercially driven and high performing organisation

Knowledgeable and capable, high performing and appropriately resourced management team to ensure sound reporting and accountability, and delivery of the strategic plan.

(4.6) Capital Expenditure

Planned major capital expenditure included in the three-year forecast is:

2019	\$1.4m
2020	\$1.5m
2021	\$1.5m

Strategic Activities

Key activities for the 2018/19 year are:

- Optimise domestic passenger services and the customer experience;
- Maximise property lease income.
- Continue to implement the comprehensive property business plan that will address development and investment opportunities to grow long term property income for the Group.
- Finalise the most appropriate future operating model for the hotel.
- Review zoning and master planning for the WRAL farm.

5.0 Performance Targets

The following annual performance targets are for Waikato Regional Airport Limited (Parent).

Years ending 30 June	2019	2020	2021
5.1 Shareholders' funds to total assets <i>a minimum of</i>	65%	65%	65%

Definitions:

Shareholders' funds: Total assets less the total liabilities.

Total assets: The value of all assets reported in the Company's statement of financial position at the end of each reporting period.

	Year Ending 30 June		
	2019	2020	2021
<i>Based on the company forecasts</i>			
5.2 Earnings before interest, taxation & depreciation (EBITDA) <i>of at least</i>	\$3,400,000	\$4,200,000	\$4,400,000
5.3 Net profit after tax <i>of no less than</i>	\$127,000	\$650,000	\$800,000
5.4 Net cash flow (operating & investing)			
Net operating cash flow	\$1,900,000	\$2,300,000	\$2,400,000
Net investing cash flow (excl TPL)	(\$4,300,000)	(\$1,500,000)	(\$1,500,000)
Funding Titanium Park Limited	<u>\$900,000</u>	<u>\$900,000</u>	<u>\$900,000</u>
Total net cash flow (operating & investing) <i>at least</i>	(\$1,400,000)	\$1,700,000	\$1,800,000
Net debt <i>a maximum of</i>	\$18,000,000	\$18,000,000	\$18,000,000
5.5 Total liabilities/shareholders' funds (debt/equity ratio) <i>a maximum of</i>	35:65	35:65	35:65

5.6	Percentage of non-landing charges revenue of <i>at least</i>	74%	74%	74%
5.7	Interest cover of <i>at least</i> <i>(The interest cover measures the number of times the net profit before interest, tax and depreciation (EBITDA) covers interest paid on debt.)</i>	4.0x	4.0x	4.0x
5.8	Net profit before tax, interest, revaluations to total assets	0.5%	0.5%	0.5%
5.9	Net profit before tax, interest, revaluations to shareholder funds	0.5%	0.5%	0.5%
5.10	Net profit after tax, interest, revaluations to total assets	0.08%	0.1%	0.1%
5.11	Net profit after tax, interest, revaluations to shareholder funds	0.1%	0.1%	0.1%
Non-financial performance targets				
5.12 Health & Safety				
5.12.1	Facilitate Health & Safety meetings every 2 months with representatives from each company department			
5.12.2	Zero Work Safe notifiable accidents/injuries			
5.12.3	Independently review and audit the Health and Safety system each year.			
5.13 Operational Compliance				
5.13.1	To achieve the Airport Certification Standards as required by the Civil Aviation Authority and as evidenced by Civil Aviation Authority audit reports			
5.13.2	Ensure airport is operationally available for all scheduled passenger services (except for uncontrollable events)			
5.13.3	Facilitate noise management meetings every 4 months in accordance with the Noise Management Plan			
5.14 Customer Satisfaction				
5.14.1	Collect, document and act (where viable) on customer feedback forms to continuously monitor and improve the customer experience. Maintain a database to ensure recurring negative feedback is promptly acted upon			

6.0 Statement of Accounting Policies

The accounting policies adopted by the Group for the year ending 30 June 2019 and succeeding 2 years are those as adopted in the 2017 Annual Report prepared under Tier 2 of the Public Benefit Entity Standards Reduced Disclosure Regime (PBE Standards RDR).

7.0 Dividend Policy

WRAL will review payment of an ordinary annual dividend based on the forecast Cash Flow for the year 2018–19 and propose to make a decision in the last quarter of the financial year ending 2019-20.

8.0 Information to be provided to Shareholders

- 9.1 The Annual Report of the Company.
- 9.2 An Interim Report circulated to Shareholders each half-year including a Chair's Report, Consolidated Income Statement, Consolidated Balance Sheet and progress against Financial Performance Targets.
- 9.3 Shareholder Briefings.

9.0 Future Investment Proposals

If the Company wishes to subscribe for, purchase, or otherwise acquire shares in any other company or any other organisation it can do so only after first obtaining approval from the majority of shareholders at either a General Meeting or at a Special Meeting convened for that purpose.

10.0 Commercial Value of the Shareholders Investment

No valuation of shares has been completed.

The consolidated balance sheet of WRAL as at 30 June 2017 shows shareholder equity of \$82m. Company Property, Plant & Equipment is based upon a 2016 valuation and land which was revalued as at 30 June 2017. Company assets such as runways, aprons, taxiways and the terminal building are based upon depreciated replacement cost.

11.0 Compensation from Local Authorities

There are no activities of the Company for which the Directorate would seek compensation from any local authority.

12.0 Major Transactions

Shareholders approve major transactions via a special resolution. A major transaction is defined as:

- (a) the acquisition of, or an agreement to acquire (whether contingent or not), assets the value of which is more than 10% of the value of the Company's assets before the acquisition; or
- (b) the disposition of, or an agreement to dispose of (whether contingent or not), assets the value of which is more than 10% of the value of the Company's assets before the disposition; or

- (c) a transaction which has or is likely to have the effect of the Company acquiring rights or interests or incurring obligations or liabilities, the value of which is more than 10% of the value of the company's assets before the transaction;

but does not include:

- (d) any transaction entered into by a receiver appointed pursuant to a security over all or substantially all of the property of the Company.

Nothing in paragraph (c) of this definition applies by reason only of the Company giving, or entering into an agreement to give, a floating charge secured over assets of the Company the value of which is more than 10% of the value of the company's assets for the purpose of securing the repayment of money or the performance of an obligation.

There are no major transactions planned during the period.

13.0 Health and Safety

The Board and Management will ensure that all requirements to the Health and Safety at Work Act 2015 are maintained. This will be achieved by the engagement of an independent consultant and audit processes to ensure the organisation and its subsidiary companies are maintaining compliant and best practise processes. At all times the Company will continue to monitor and review health and safety requirements via monthly reporting.



**STATEMENT OF INTENT
FOR 2018/19**

30 June 2018

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Waikato Local Authority Shared Services Limited

Introduction

This Statement of Intent is a public declaration of the activities and intentions of the Council Controlled Organisation, Waikato Local Authority Shared Services Limited (WLASS). The statement outlines the proposed work plan for 2018/19 and the Directors' accountabilities to the shareholders for corporate performance, as is intended by Schedule 8 of the Local Government Act 2002.

Local Authority Shared Services Limited was incorporated under the Companies Act 1993 on the 13th day of December 2005, and changed its name to WAIKATO LOCAL AUTHORITY SHARED SERVICES LIMITED (WLASS) on the 4th day of April 2016. WLASS is owned by the 12 Waikato local authorities. WLASS provides a legal entity, representative of all the shareholding councils, which can enter into contracts and agreements with external suppliers and provide value to the shareholders by reducing costs. WLASS contracts are available to be joined by any shareholder that so chooses.

Much of the work of WLASS is undertaken by Working Parties or Advisory Groups made up of staff representatives from the shareholding councils, with expertise and interest in particular services. The WLASS CEO provides facilitation and co-ordination of the Working Parties, and is an ex officio member of the Advisory Groups.

WLASS also provides support to the Waikato Mayoral Forum and its work streams, including acting as the legal entity to manage all of the contracts arising from the work of the Mayoral Forum and making all contract payments.

Objectives of WLASS

The objectives of WLASS are to:

- enable the Waikato councils to collectively be more effective as a region on the national stage
- contribute to building central government's confidence in the Waikato region, and to encourage central government investment
- achieve effectiveness and efficiency gains
- reduce duplication of effort and eliminate waste through repetition
- make it easier for customers to engage with councils in the Waikato region
- promote and contribute to the development of best practice
- promote business transformation to improve customers' experiences.

Nature and Scope of Current Activities

There are currently 12 major initiatives operating under the WLASS umbrella, plus a support role for the collaborative work streams of the Waikato Mayoral Forum.

- 1 **Shared Valuation Data Service (SVDS).** This service provides timely and accurate valuation data to the 10 member Councils (Waikato Regional, Hamilton City, Hauraki, Matamata Piako, Rotorua, South Waikato, Thames Coromandel, Waikato, Waipa and Waitomo District Councils). The SVDS has become the accepted valuation database for the region. Data sales significantly reduce costs to the participating councils.
- 2 **Road Asset Technical Accord (RATA).** RATA was initially established as a centre of excellence for road asset planning in 2014, as a work stream under the Mayoral Forum. The activity transferred to WLASS on 1 July 2016. The aim of RATA is to achieve best practice in road asset management by improving capability, capacity and outcomes through effective collaboration. By leading asset management best practice, RATA delivers better decision making through the effective collection and use of good quality data, and the implementation of good practice processes and systems for data collection, analysis and management.

Waipa District Council currently acts as the host council for RATA, providing accommodation and overheads (which are fully recovered from the participating councils), and managing the employment agreements/relationships with the three staff members. This activity is fully funded by the nine participating councils (Hamilton City, Hauraki, Matamata Piako, Otorohanga, South Waikato, Thames Coromandel, Waikato, Waipa and Waitomo District Councils, supported by the NZ Transport Agency) and operates as a separate cost centre.

- 3 **Waikato Regional Transportation Model (WRTM).** This model became fully operational in February 2010. It provides accurate information to Councils and to external users (for a charge) for their transport modelling requirements. The WRTM is the only recognised strategic transport modelling resource in the Waikato Region, and is jointly funded by the NZ Transport Agency. WRTM is making a significant contribution to strategic planning of land use and infrastructure within the region, and has been involved in regionally and nationally significant investigations including: the Waikato Expressway Network Plan; the Waikato Regional Land Transport Strategy and Regional Policy Statement; and transport impact assessments in relation to the development of Ruakura. The activity is fully funded by the seven participating councils (Waikato Regional, Hamilton City, Matamata Piako, Taupo, Thames Coromandel, Waikato, and Waipa District Councils, supported by the NZ Transport Agency), and operates as a separate cost centre. The WRTM has been managed by RATA since 1 July 2016.
- 4 **Waikato Building Consent Group (WBCG).** The WBCG was initially set up by five Waikato local authorities in 2004 to foster co-operation, collaboration and consistency in building functions, legislative interpretation and process documentation across the partnering councils. The Group now comprises eight councils (Hamilton City, Hauraki, Matamata Piako, Otorohanga, Thames Coromandel, Waikato, Waipa and Waitomo Districts). The WBCG has developed a common quality assurance system with associated supporting documentation and media that meet the legislative requirements of the Building Act 2004 and the Building (Accreditation of Building Consent Authorities) Regulations 2006. These regulations cover all aspects of the operational management and compliance of a Building Consent Authority (BCA).

Waikato District Council currently acts as the host council for the WBCG, providing accommodation and overheads (which are fully recovered from the WBCG members), and managing the employment agreements/relationships with the two staff members

and any contractors. The activity is fully funded by the participating councils, and operates as a separate cost centre. The activity transferred to WLASS on 1 July 2016.

- 5 Future Proof.** This is a collaborative partnership between Hamilton City, Waikato and Waipa Districts, Waikato Regional Council and Tāngata whenua, with assistance from the New Zealand Transport Agency. The partners have jointly developed the Future Proof Growth Strategy and Implementation Plan – a 50-year vision and implementation plan specific to the Hamilton, Waipa and Waikato sub-region (Future Proof sub-region), which was adopted by the partners on 30 June 2009.

The accommodation, overhead and employment arrangements of the Future Proof Planner are managed by Hamilton City Council. The activity is fully funded by the participating councils, and operates as a separate cost centre. Future Proof transferred to WLASS on 1 July 2016.

- 6 Energy Management.** WLASS entered into a Collaboration Agreement with the Energy Efficiency Conservation Authority (EECA) in February 2016. This arrangement is estimated to bring in up to \$210,000 in revenue from EECA over three years, subject to meeting specific energy saving targets. The activity is fully funded by the 11 participating councils (Matamata Piako was not eligible, as it has previously received EECA funding), and operates as a separate cost centre.

- 7 Joint Procurement Initiatives.** WLASS is a party to numerous joint procurement contracts between the company, shareholding Councils and suppliers. Some contracts (e.g. insurance brokerage services; various collective insurance policies; courier and postal services; historic aerial photography) involve all of the shareholding councils. Other joint procurement contracts have been negotiated, but only some of the shareholding councils have chosen to participate (e.g. the Professional Services Panel; computer-generated print, mail house and e-services; IT Professional Services Panel; Internal Audit Services). A part-time procurement specialist was engaged in February 2018 for a period of one year, to:

- Assist all councils to utilise the existing WLASS contracts, AoG contracts and syndicated contracts that are appropriate for each council, to ensure that opportunities for savings are being maximised
- Develop standard regional procurement policies, templates and procedures and provide training in each council
- Manage the existing WLASS contracts to improve relationship management and ensure that their value is being maximised.

The contractor is working directly with staff in each council to ensure that contract savings are being maximised and that good procurement systems and processes are in place.

- 8 Historic Aerial Photos.** In May 2015, WLASS entered into a Memorandum of Understanding with LINZ to scan the Waikato Historic Aerial Photos archive. The LINZ Crown archive contains over 500,000 historic aerial photo negatives captured by surveys flown over New Zealand between 1936 and 2005. All of the shareholding councils are participating in this 4-year project, which includes a subsidy of \$56,000 from LINZ. The project is running ahead of schedule and is now expected to be completed by the end of 2018. The information is now freely available to the public on a website (<http://www.retrolens.nz/map/>), which acknowledges the participation of WLASS.

- 9 Waikato Regional Aerial Photography Service (WRAPS).** WRAPS was set up in the 1990s for the supply of colour, digital, ortho-rectified, aerial photography for the Waikato Region. So far, there have been five WRAPS contracts – 2002, 2007, 2012, and 2016. The current WRAPS contract is scheduled for completion by June 2019. Consideration

is currently being given to changing the frequency of coverage to 4-yearly. WRAPS became a WLASS project in December 2014 and is fully funded by the 12 participating councils.

- 10 Aligned Resource Consent Planning.** The toolkit developed last financial year to provide regional consistency and best practice processes in the administration of resource consenting has now been implemented, and is being used by nine councils (Taupo and Otorohanga are not currently participating, and Waikato Regional Council processes different types of resource consents from the territorial local authorities). WLASS controls the documentation on the WLASS website, and the Waikato Resource Consent Forum manages the process for making updates and amendments to the templates and documents in the toolkit.
- 11 Regional Infrastructure Technical Specifications (RITS).** The RITS document sets out how to design and construct transportation, water supply, wastewater, stormwater and landscaping infrastructure in the eight participating councils' areas (Hamilton City, Hauraki, Waikato, Waipa, Matamata-Piako, Otorohanga, Waitomo, and South Waikato District Councils). Prior to developing RITS, each council had its own Infrastructure Technical Specifications, which resulted in different standards having to be met across the Waikato region. The purpose of RITS is to provide a single regional guide and specifications for building public infrastructure.

The RITS is published on the WLASS website (<http://www.waikatolass.co.nz/>), and ongoing maintenance of the document is the responsibility of a Project Co-ordinator, managed by WLASS.

- 12 Local Government Contractor Health & Safety Pre-qualification Scheme.** The contract with SHE Assure to manage the Local Government Health & Safety Contractor Pre-qualification Scheme, which was developed by WLASS, continues to operate well. Twenty councils and one CCO are now using the scheme and over 1,500 contractors have registered, which enables them to be pre-qualified to work for any of the participating councils.

Work in Progress

Asset Valuation

The Asset Valuation Working Party has developed a regional 3-waters asset valuation template and is currently preparing a schedule of regional asset classes, components, lives and unit rates. A methodology for calculating annual regional Unit Rates and Base Lives from the collated data is also in preparation. This information will be vital to ensure regional consistency in asset revaluations.

Once the template has been finalised, it is proposed to send it to Audit NZ for review and sign off as an approved document for Asset Valuations. This will enable all participating councils to use the same template with confidence that it meets audit requirements, as well as improving regional consistency in the approach to asset valuation, which should have flow-on insurance benefits. Ongoing maintenance of the regional asset valuation template, developing a regional database of asset lives and rates, and updating the database annually, will become the responsibility of the Asset Valuation Steering Group, chaired by an independent co-ordinator.

Shared Valuation Data Service (SVDS)

The contract with InterGen for SVDS support and hosting services expired on 1 February 2018. Over the past year, a project team comprising members of the SVDS Advisory Group has been looking at the ongoing provisioning of SVDS, and assessing options. The project team has recommended a change from SVDS to a "Software as a Service" (SaaS) option, which will provide a significantly improved application, reduce risks, reduce operational costs, and avoid new capital expenditure.

The Board approved in May the replacement of SVDS by the SaaS product Valor from Cubetec. Work will commence on this during 2018/19. This change is expected to provide efficiency gains as well as financial savings over the life of the product.

RATA

It is being proposed that Taupo District Council will join RATA from 1 July 2018. However, as Taupo won't be participating in the Data Collection contracts for a couple of years, the impacts are not significant in terms of additional expenses, but their participation will reduce the contribution required from each council to fund RATA's overheads.

Proposed New Activities

In response to the challenge set in the 2016/17 SOI (to "*investigate business transformation opportunities which will improve customer experiences and provide added value, particularly within the digital field of operation*"), a number of projects commenced in the 2017/18 financial year which are likely to result in new work streams for WLASS.

The projects currently being investigated are:

Strategic Review of WLASS

The Board has undertaken a strategic review of the future of WLASS and has resolved to expand the capability and resourcing of the company, with a strong focus on digital transformation and improving the customer experience. The transformation of WLASS into a delivery agent will include recruiting a full-time Chief Executive and additional staff to develop a range of strategic services. The Board will also be moving to change the company's constitution to enable the changes that will be required to the company/board governance structure and to establish a shareholder forum.

A detailed implementation plan will be developed over the first six months of this financial year, and this piece of work will be the top priority for the incoming interim CEO. The previous CEO retired in April 2018, and an interim CEO has been appointed for a year to manage the transition while the implementation plan is developed.

Waikato Data Portal

Geographic Information Systems (GIS) in the Waikato region are characterised by a wide range of systems and software, and are at varying levels of maturity. The Board has approved a business case for a Waikato Data Portal, which would underpin a regional approach to the provision of spatial information and open data, and enhance the customer experience by providing a single site where customers could access spatial information and other types of data from councils across the Waikato region. The data portal will be implemented over a three period. The costs of this project are funded out of current surpluses in year one and from shareholder contributions in years two and three.

Digital Strategy

Work is in progress to develop a WLASS Digital Strategy. This initiative will form a key part of the implementation plan associated with the new strategic direction of WLASS.

Additional Costs

Savings from the implementation of Valor to replace SVDS have been factored into the financial information included in this Statement of Intent. Costs for the extension of the WRAPS contract have been factored into the 2018/19 year and the impact of the Waikato Data Portal has also been allowed for. Other than these changes, no new costs have been included in this Statement of Intent.

Waikato Mayoral Forum

Establishment of the **Waikato Mayoral Forum** in 2012 resulted in the creation of five work streams to investigate collaborative opportunities in the areas of governance, spatial planning, two waters, roading, and economic development. An additional work stream for bylaws and policies was created in 2013, focussing on reducing the number and standardising the format of Council policies and bylaws, and developing RITS.

The governance work stream is currently in abeyance. The spatial plan work stream is now known as the Waikato Plan, and is governed by a Joint Committee, which was established in July 2015. New funding to implement the Waikato Plan over the coming three years has been included, noting that funding from external parties is expected to contribute to the cost of this project in Years 2 and 3.

The two-waters project is no longer an active Mayoral Forum project. Hamilton City, Waipa District and Waikato District councils have all been considering options for the future delivery of water services as a result of the Mayoral Forum project. As noted above, the roading work stream (RATA) transferred into WLASS on 1 July 2016. The Economic Development work stream has developed a strategy, and implementation of the “Waikato Means Business” plan was devolved to an independent Steering Group in July 2015. The work of the Policy and Bylaws work stream is in abeyance.

The Mayoral Forum are considering potential new work streams for the new triennium, and there may be a further role for WLASS, which already provides administrative and financial support both to the Mayoral Forum and its work streams.

Governance

WLASS has twelve Directors, with each Director representing a shareholder Council.

Unless otherwise agreed by the appointing Councils, each Director shall be the Chief Executive of a local authority. In addition, the Board may appoint up to three professional directors to supplement the Directors’ expertise. At this time, no independent directors have been appointed to the Board.

WLASS conducts itself in accordance with its constitution, its annual Statement of Intent as agreed with shareholders, the provisions of the Local Government Act 2002, and WLASS policies.

Directors

The current Directors of WLASS are:

Director	Position	Director Appointed By
Gavin Ion (Chair)	Chief Executive, Waikato District Council	Waikato District Council
Blair Bowcott	Executive Director, Special Projects, Hamilton City Council	Hamilton City Council
Langley Cavers	Chief Executive, Hauraki District Council	Hauraki District Council
Don McLeod	Chief Executive, Matamata-Piako District Council	Matamata-Piako District Council
Dave Clibbery	Chief Executive, Otorohanga District Council	Otorohanga District Council
Geoffrey Williams	Chief Executive, Rotorua District Council	Rotorua District Council
Craig Hobbs	Chief Executive, South Waikato District Council	South Waikato District Council
Gareth Green	Chief Executive, Taupo District Council	Taupo District Council
Rob Williams	Chief Executive, Thames-Coromandel District Council	Thames-Coromandel District Council
Vaughan Payne	Chief Executive, Waikato Regional Council	Waikato Regional Council
Garry Dyet	Chief Executive, Waipa District Council	Waipa District Council
Chris Ryan	Chief Executive, Waitomo District Council	Waitomo District Council

Activities for which the Board seeks Compensation

Additional shared services may be developed during the year that this Statement of Intent is current. Any such services will only be delivered by WLASS after the Directors have agreed that the proposed new service meets the objectives of WLASS.

Shareholders will continue to contribute to the operational costs of the WLASS on an annual basis. Specific projects will be funded solely by those councils which choose to participate, subject to funding approval from each participating council.

Performance Targets

To ensure that the Company continues to operate effectively and efficiently, the performance targets for 2018/19 are as follows:

TARGET	METHOD	MEASURE
Procurement Joint procurement initiatives for goods and services for WLASS councils will be investigated and implemented.	Procurement is from sources offering best value, service, continuity of supply, and/or opportunities for integration.	The Procurement Specialist has developed standard regional procurement policies, templates and procedures and provided training in each council by the end of the financial year. New suppliers are awarded

		contracts through a competitive tender process.
Collaborative Projects Priorities for collaboration are identified, business cases are developed for the highest priority projects, and the projects are implemented.	The focus is on shared services which will benefit all councils.	A minimum of three priority projects for collaboration are identified per annum. If considered of value, business cases are developed for approval by the Board, and the projects are implemented.
Existing WLASS Contracts Existing contracts are managed and renegotiated as required.	Appointed vendors deliver on the terms of their contracts and deliver value to the shareholders.	The WLASS Contracts Register is maintained and managed. Contracts which are due for renewal are tested for competitiveness and either renegotiated or re-tendered through a competitive process.
Cashflow The company shall maintain a positive cashflow position.	The Financial Accountant reviews cashflow monthly, and the WLASS Board reviews the financial statements quarterly.	The WLASS Board reviews the financial statements at least quarterly.
Cost Control Administration expenditure shall be managed and monitored.	The Financial Accountant and Chief Executive review expenditure monthly.	Administration expenditure shall not exceed budget by more than 5%, unless prior approval is obtained from the Board.
Reporting Six monthly reports provided to Shareholders.	The Chief Executive prepares a written report for the WLASS Board every meeting. One 6-monthly and one Annual Report are prepared for shareholders.	The Board shall provide a written report on the business operations and financial position of WLASS to the shareholders every six months. Every second report shall be the Annual Report, which includes a report that all of the statutory requirements of the WLASS are being adhered to.
Waikato Mayoral Forum The company shall provide administrative support to the Mayoral Forum work streams and to the Mayoral Forum.	Mayoral Forum projects shall be managed financially through the WLASS.	Approved invoices for Mayoral Forum projects are paid by the 20 th of the month following their receipt.
Shared Valuation Data Services (SVDS) The SVDS is reliable, well maintained and available to all users.	A Contract Manager is appointed for SVDS. The Contract Manager monitors performance of the contractors and reports quarterly to the SVDS Advisory Group.	The SVDS is available to users at least 99% of normal working hours. The SVDS Advisory Group meets at least 6-monthly.

	<p>Risks associated with the SVDS are well managed.</p> <p>The long-term provision of SVDS services is achieved.</p>	<p>The Annual Business Plan is accepted by the Advisory Group by 31 March 2019, and includes consideration of strategic and operational risks, a disaster recovery plan, and a business continuity plan.</p> <p>The timetable and milestones for implementing the long-term provision of SVDS Services (as agreed by the Board), are being achieved.</p>
<p>Insurance Achieve the relevant KPIs in Appendix 4 of the Insurance Brokerage contract with Aon.</p>	<p>The Insurance Broker delivers on the terms of their contract and provides value to the participating councils.</p>	<p>Strategic advice provided by Aon on the insurance programme structure is assessed as satisfactory in the annual WLASS Shareholders' survey by the participating councils.</p> <p>The day-to-day service provided by Aon is assessed as satisfactory in the annual WLASS Shareholders' survey by the participating councils.</p>
<p>RATA Deliver better data for decision making across the Waikato Region, enabling more consistent best practice</p> <p>Lead engagement and increase capability within the sector</p>	<p>Quarterly update reports are provided to all stakeholders participating in the Data Collection contracts.</p> <p>Data supplied by contractors is of good quality and meets all of the participating councils' requirements.</p> <p>Innovation: Identify opportunities to modify standard approaches and/or develop new approaches that will lead to optimal asset management.</p> <p>Leadership: Lead engagement and increase capability within the sector.</p>	<p>Reports are presented to stakeholders in October/January/April and July each year.</p> <p>Reports on progress presented to WLASS Board as at 30 December and 30 June.</p> <p>All data are reviewed for compliance and all good practice requirements are met.</p> <p>Procurement of services complies with WLASS and NZTA's procurement requirements.</p> <p>Present to a national conference on RATA innovations at least once per year.</p> <p>At least two RATA guidance documents detailing good practice are produced each year.</p> <p>RATA Forums are held 2-monthly to share learnings and experience.</p>

<p>Waikato Regional Transport Model (WRTM) The WRTM is reliable, well maintained and available to all users.</p>	<p>RATA manages the WRTM on behalf of the participating councils, and monitors the performance of the model supplier (currently Traffic Design Group).</p> <p>RATA reports quarterly to the WRTM Project Advisory Group.</p>	<p>All modelling reports requested from the model supplier are actioned within the agreed timeframe, scope and budget.</p> <p>A report from RATA on any new developments and on the status of the model is provided to the WLASS Board at least every six months.</p> <p>The quality of the base model complies with NZTA guidelines (as set out in the NZTA's Economic Evaluation Manual), and is independently peer reviewed each time the model is updated.</p>
<p>Waikato Building Consent Group Provide strategic direction and actively pursue improvements in Building Control across the Waikato region.</p>	<p>Implement the strategic priorities detailed in the "Build Waikato" May 2017 strategic review document.</p>	<p>Milestones for the five strategic review work streams are achieved for:</p> <ul style="list-style-type: none"> • Digital experience and technology: a common online customer experience. Success is defined as user friendly, convenient, quick, end-to end management and communication, measured by customer surveys and systems comparisons. • People capability. Success is defined as a successful recruitment and training programme, measured by compliance with BCA Reg. 8 - 11. • Quality assurance. Success is defined as continued accreditation and increased service consistency, measured by accreditation outcomes, BCA annual audits, and customer surveys. • Lift industry competency and compliance. Success is measured by increased industry compliance, with reduced RFIs, and reducing percentages of application or building consent rejection. • Central government: engagement and legislative influence. Success is measured by legislative submissions and outcomes.

	Fulfil the roles and responsibilities set out in clause 9 of the WBCG's Memorandum of Understanding, 2016.	<p>There is a common understanding and buy-in by all BCAs for the WBCG vision and actions that are taken to achieve this vision, measured by:</p> <ol style="list-style-type: none"> i. Full participation in WBCG projects and programmes ii. Audits demonstrating implementation and compliance with the agreed QA systems iii. Consistency in service delivery, measured by customer surveys. <p>Risk management is visible through regular reviews of the Risk Register.</p> <p>All funding requirements are met by each of the participating councils.</p> <p>Minimum of two reports presented to the WLASS Board on the Group's activities.</p>
<p>Future Proof Planning for growth in the sub-region is co-ordinated and collaborative.</p> <p>The Future Proof budget is well managed and monitored.</p> <p>Future Proof influences and inputs into District Plan, Regional Plan, growth strategy and any other planning processes which manage growth within the sub-region and neighbouring regions.</p>	<p>Joint preparation and input into Phase 2 of the Strategy update.</p> <p>Bi-monthly reports presented to Waikato Plan and Future Proof Chief Executive Group, and six monthly and annual reports to WLASS Board.</p> <p>Future Proof works collaboratively and provides input into the planning work undertaken by all FP partners and any other relevant planning authorities.</p>	<p>Phase 2 of the Future Proof Strategy is adopted by the Future Proof Implementation Committee no later than December 2018.</p> <p>The overall Future Proof work programme is delivered within the approved budget.</p> <p>Future Proof makes submissions (using RMA and Local Government processes), on District Plans, LTPs, growth management planning documents, and any central government initiatives which have the potential to impact growth management planning in the sub-region.</p>
<p>Aligned Resource Consent Planning Project Implementation of the Aligned Resource Consent Planning project is underway during 2018/19.</p>	<p>Progress on implementation of common forms and other initiatives is reported to shareholders on a regular basis.</p>	<p>Common forms are in place for all Councils involved by December.</p>
<p>Shareholder Survey Shareholders are satisfied with the performance of WLASS.</p>	<p>An annual survey of shareholders is undertaken to assess satisfaction levels with WLASS.</p>	<p>A survey of shareholders is undertaken each year, and the results are reported to all shareholders.</p>

<p>Review of Benefits Shareholders are informed of the benefits being provided to shareholding councils by WLASS.</p>	<p>The benefits of WLASS (including financial and non-financial achievements) are regularly analysed and reported to shareholders.</p>	<p>Information on the financial and non-financial benefits being achieved by WLASS are included in the 6-monthly and Annual Report to shareholders. The WLASS website is regularly maintained and updated.</p>
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Policy Statements

Statement of Accounting Principles

Financial statements are for a company wholly owned by the 12 local authorities within the Waikato Region, in the proportion of one share per local authority. Financial statements are prepared in accordance with the requirements of the Local Government Act 2002, which includes the requirement to comply with the New Zealand Generally Accepted Accounting Practice (NZ GAAP), the Financial Reporting Act 1993 and the NZ Financial Reporting Standard No. 42.

Specific Accounting Principles

The following particular principles, which have a significant effect on measurement of the financial position, will apply:

- Receivables are recorded at their face value, less any provisions for impairment.
- Investments are valued at the prevailing market value.
- Fixed assets are recorded at cost, less accumulated depreciation.

Intangible Assets

Where intangible assets are purchased, such as intellectual property and computer software, these are capitalised and written off on a straight line basis over their expected life, but over no greater than seven years.

Depreciation / Amortisation is provided on a straight-line basis on all assets other than land, and shall align with normal accepted depreciation for the types of services being developed.

Impairment Testing

Assets with a finite life are reviewed annually for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Balance Sheet Ratios

The Local Government Act 2002 requires the Statement of Intent to include the projected ratio of shareholders' funds to total assets within the Forecast Statement of Financial Position.

WLASS is budgeted to have accumulated shareholders fund of \$414,939 at 30 June 2019, which relates to 56.9% of total assets. The only liabilities of WLASS are trade creditors.

The Forecast Financial Statements for 2018/19 are included as part of this Statement of Intent.

Procedures for the Purchase and Acquisition of Shares

The Board will give approval before WLASS subscribes for, purchases, or otherwise acquires shares in any company or other organisation, which is external to the Group.

Inventories

It is not envisaged that the company will hold inventories, other than those that might relate to providing computer-based services to a number of parties. They will be valued at net realisable value.

Taxation

Taxation will be provided as required against the company, in line with the required legislation.

In accordance with the Public Audit Act 2001 and the Local Government Act 2002, the Auditor General will be responsible for the audit of the company's financial statements.

As the current shared services are on a cost recovery basis, it is not envisaged that any dividends will be paid.

Value of Shareholders' Investment

The Directors' estimate of the commercial value of the shareholders' investment in WLASS is equal to the shareholders equity in the company. Reassessment of the value of this shareholding shall be undertaken on or about 1 April each year.

Distributions to Shareholders

The Company is not expected to make profits that would ordinarily be distributed by way of dividends. Any surplus funds remaining from an activity or from the annual operations of the Company shall be carried forward to the ensuing year and may be used to reduce service costs, invest in further developing other services, and/or as the Directors may decide.

Compensation

The Directors of WLASS will not receive any fees or expenses for work undertaken on behalf of the company.

As the basis of funding for WLASS, payment will be sought from all local authorities that receive services from WLASS.

Information Provided to Shareholders

The company will deliver the following information to shareholders:

- Within two months of the end of the first half of the financial year, a 6-monthly report, including a Statement of Financial Performance, a Statement of Changes in Equity, a Statement of Financial Position, and a Statement of Cashflows and Service Performance.
- Within three months of the end of the financial year, an audited Statement of Financial Performance, Statement of Changes in Equity, Statement of Financial Position, a Statement of Cashflows and Service Performance, plus a summary of how the company has fared against its objectives.

Review of Statement of Intent

The Directors shall approve by 1 March of each year a Draft Statement of Intent for distribution to, and consideration by, the shareholders.

The shareholders must provide any comments or feedback on the Draft Statement of Intent within two months of receipt of the document. The Directors must consider all comments that are received, and shall deliver the completed Statement of Intent to the shareholders by 30 June.

Financials

Company Summary

Waikato Local Authority Shared Services Company Summary For the Year Ended 30 June 2019					
	Budget 2017/18	Budget 2018/19	Variance	Budget 2019/20	Budget 2020/21
Income					
Company Administration	301,788	299,784	(2,003)	301,827	308,309
Procurement	599,655	439,166	(160,489)	323,166	333,166
Information Technology	43,600	45,594	1,994	90,327	70,327
Energy Management	124,200	136,500	12,300	0	0
Shared Valuation Data Service (SVDS)	649,648	701,892	52,244	717,334	618,131
Road Asset Technical Accord (RATA)	930,621	978,560	47,939	1,765,754	965,453
Waikato Regional Transport Model (WRTM)	102,299	98,626	(3,673)	336,810	319,838
Waikato Building Consent Group	316,105	318,548	2,443	325,556	332,719
Future Proof	580,977	544,391	(36,586)	409,391	384,391
Waikato Mayoral Forum	471,672	525,000	53,328	500,000	500,000
Total Income	4,120,565	4,088,061	(32,503)	4,770,165	3,832,332
Operating Expenditure					
Company Administration	301,788	299,784	(2,003)	301,827	308,309
Procurement	572,655	656,058	83,403	323,166	333,166
Information Technology	43,600	134,727	91,127	90,327	70,327
Energy Management	124,200	136,500	12,300	0	0
Shared Valuation Data Service (SVDS)	684,864	886,017	201,153	695,412	535,472
Road Asset Technical Accord (RATA)	951,598	1,016,336	64,738	1,800,839	960,438
Waikato Regional Transport Model (WRTM)	102,299	98,626	(3,673)	336,810	319,838
Waikato Building Consent Group	316,105	529,548	213,443	325,556	332,719
Future Proof	580,977	544,391	(36,586)	409,391	384,391
Waikato Mayoral Forum	471,672	571,439	99,767	500,000	500,000
Total Operating Expenditure	4,149,757	4,873,426	723,668	4,783,329	3,744,659
Earnings before interest, tax and depreciation/ amortisation (EBITA)	(29,193)	(785,365)	(756,172)	(13,164)	87,674
Non-Cash Operating Expenditure					
Company Admin Non-Cash Expenditure	171	256	85	0	0
SVDS Non-Cash Expenditure	91,223	90,444	(779)	0	0
WRTM Non-Cash Expenditure	72,916	72,916	0	0	0
Total Non-Cash Operating Expenditure	164,310	163,616	(694)	0	0
Earnings before interest and tax (EBIT)	(193,503)	(948,981)	(755,478)	(13,164)	87,674
Net Surplus (Deficit) before tax	(193,503)	(948,981)	(755,478)	(13,164)	87,674
Company Admin Net Surplus (Deficit) before tax	(171)	(256)	(85)	0	0
Procurement Net Surplus (Deficit) before tax	27,000	(216,892)	(243,892)	0	0
IT Net Surplus (Deficit) before tax	0	(89,133)	(89,133)	0	0
Energy Mgmt. Net Surplus (Deficit) before tax	0	0	0	0	0
SVDS Net Surplus (Deficit) before tax	(126,439)	(274,569)	(148,130)	21,922	82,659
RATA Net Surplus (Deficit) before tax	(20,977)	(37,776)	(16,799)	(35,085)	5,015
WRTM Net Surplus (Deficit) before tax	(72,916)	(72,916)	0	0	0
Building Net Surplus (Deficit) before tax	0	(211,000)	(211,000)	0	0
Future Proof (Deficit) before tax	0	0	0	0	0
Mayoral Forum Net Surplus (Deficit) before tax	0	(46,439)	(46,439)	0	0
Net Surplus (Deficit) before tax	(193,503)	(948,981)	(755,478)	(13,164)	87,674
Capital Expenditure					
SVDS Enhancements	10,384	0	(10,384)	0	0
Total Capital Expenditure	10,384	0	(10,384)	0	0


Company Administration

Notes		Budget 2017/18	Budget 2018/19	Variance	Budget 2019/20	Budget 2020/21
Income						
		213,531	213,802	271	213,808	218,512
		78,256	71,982	(6,274)	73,711	75,174
	1	10,000	14,000	4,000	14,308	14,623
		301,788	299,784	(2,003)	301,827	308,309
Expenses						
	1	48,000	45,000	(3,000)	45,990	47,002
	1	5,095	5,600	505	5,723	5,849
		20,600	20,600	0	20,910	21,220
		94	96	2	98	100
	1	510	400	(110)	409	418
		2,548	2,500	(48)	2,555	2,611
		2,784	2,784	0	2,845	2,907
		1,325	1,351	26	1,381	1,411
		2,548	2,598	51	2,656	2,714
		2,768	2,739	(29)	2,799	2,861
	2	199,724	150,000	(49,724)	200,000	204,400
		5,605	5,717	112	5,842	5,971
	2	10,190	10,000	(190)	10,220	10,445
	3	0	50,000	50,000	0	0
		0	400	400	400	400
		301,788	299,784	(2,003)	301,827	308,309
Earnings before interest, tax and depreciation/ amortisation (EBITA)						
		0	0	(0)	0	0
Non-Cash Expenses						
	4	171	256	85	0	0
		(171)	(256)	(85)	0	0
Net Surplus (Deficit) before tax						
		(171)	(256)	(85)	0	0
Notes						
1) Based on 2017/18 actual costs.						
2) The budget has been reduced by \$50K in 2018/19 to reflect actual costs in 2017/18. An allowance of \$50K has been added in years 2 and 3 for additional resources to be engaged to progress new work streams, following completion of the strategic review of WLASS.						
3) Proposed new budget for continuation of strategic review.						
4) MoneyWorks to be full amortised by 30 June 2019. Financial system under review.						


Procurement

Notes		Budget 2017/18	Budget 2018/19	Variance	Budget 2019/20	Budget 2020/21
Income						
1	Procurement Member Charges	20,000	80,000	60,000	20,000	20,000
	N3 Membership Fee Recovery	18,000	18,000	0	18,000	18,000
2	Value Financials Fee Recovery	30,946	30,946	0	30,946	30,946
3	Insurance Brokerage Fee Recovery	150,300	200,300	50,000	150,300	160,300
4	Infometrics Fee Recovery	69,920	69,920	0	69,920	69,920
	Health and Safety Working Party	5,000	5,000	0	5,000	5,000
	WRAPS Recovery	153,489	0	(153,489)	0	0
5	Regional Infrastructure Tech Spec Co-ordinator	0	15,000	15,000	15,000	15,000
	Historical Aerial Photos Recovery	77,000	0	(77,000)	0	0
	Aligned Resource Consent Planning	75,000	0	(75,000)	0	0
	Asset Valuation Services	0	20,000	20,000	14,000	14,000
	Total Income	599,655	439,166	(160,489)	323,166	333,166
Expenses						
1	Professional Services	20,000	80,000	60,000	20,000	20,000
	N3 Membership Fee Recovery	18,000	18,000	0	18,000	18,000
2	Value Financial Fees	30,946	30,946	0	30,946	30,946
3	Insurance Brokerage Fee Payable	150,300	200,300	50,000	150,300	160,300
4	Infometrics	69,920	69,920	0	69,920	69,920
	Health and Safety Working Party	5,000	5,000	0	5,000	5,000
5	WRAPS Services	153,489	130,892	(22,597)	0	0
6	Regional Infrastructure Tech Spec Co-ordinator	0	15,000	15,000	15,000	15,000
5	Historical Aerial Photos Services	50,000	31,000	(19,000)	0	0
	Aligned Resource Consent Planning	75,000	0	(75,000)	0	0
	Asset Valuation Services	0	20,000	20,000	14,000	14,000
5	Procurement Advisor	0	55,000	55,000	0	0
	Total Expenses	572,655	656,058	83,403	323,166	333,166
5	Earnings before interest, tax and depreciation/ amortisation (EBITA)	27,000	(216,892)	(243,892)	0	0
	Earnings before interest and tax	27,000	(216,892)	(243,892)	0	0
	Net Surplus (Deficit) before tax	27,000	(216,892)	(243,892)	0	0
Notes						
<ol style="list-style-type: none"> Increase in 2018/19 to provide for new Professional Services Panel (PSP) tender and legal review process. The councils involved are Taupo including two CCO's, Waitomo District, Waikato Regional Council and WLASS. Provision of \$10k every second year to meet with London Underwriters. Note: The brokerage contract will be re-tendered in 2018/19, and new rates will apply from 2019/20. An additional \$40K has also been budgeted in 2018/19, to engage Lion Partnership to undertake a review as part of the brokerage contract tender The councils involved are Hamilton City, Hauraki, Matamata-Piako, South Waikato, Thames Coromandel, Waikato District and Waikato Regional Councils. Funds transferred from revenue in advance. To fund a contractor to manage and review requests for changes/improvements/updates to the document. Funded only by those Councils using RITS (all of the shareholding Councils, excluding Rotorua, Taupo, Thames Coromandel and Waikato Regional). 						


Information Technology

Waikato Local Authority Shared Services Information Technology (IT) For the Year Ended 30 June 2019						
	Notes	Budget 2017/18	Budget 2018/19	Variance	Budget 2019/20	Budget 2020/21
Income						
IT Initiative Contributions		43,600	35,000	(8,600)	35,000	35,000
Waikato Data Portal Project	1	0	8,017	8,017	52,750	32,750
Collaboration Portal Additional Licences		0	1,577	1,577	1,577	1,577
Meeting Expenses		0	1,000	1,000	1,000	1,000
Total Income		43,600	45,594	1,994	90,327	70,327
Expenses						
Waikato Data Portal Project	1,2	7,600	97,150	89,550	52,750	32,750
Collaboration Portal	3	35,000	36,577	1,577	36,577	36,577
Meeting Expenses		1,000	1,000	0	1,000	1,000
Total Expenses		43,600	134,727	91,127	90,327	70,327
Earnings before interest, tax and depreciation/ amortisation (EBITA)	4	0	(89,133)	(89,133)	0	0
Earnings before interest and tax		0	(89,133)	(89,133)	0	0
Net Surplus (Deficit) before tax		0	(89,133)	(89,133)	0	0
Notes						
1) Revenue in advance to decrease the 2018/19 income. 2) GIS Shared Portal Data Portal project is now included as part of the Waikato Data Portal project. 3) All councils are involved except Rotorua and Taupo, who are participating via BOPLASS. 4) Revenue in advance to offset deficit.						


Energy Management

Waikato Local Authority Shared Services Energy Management For the Year Ended 30 June 2019						
	Notes	Budget 2017/18	Budget 2018/19	Variance	Budget 2019/20	Budget 2020/21
Income						
EECA Collaboration - Council Contributions	1	89,200	101,500	12,300	0	0
EECA Revenue		35,000	35,000	0	0	0
Total Income		124,200	136,500	12,300	0	0
Expenses						
EECA Collaboration		89,200	101,500	12,300	0	0
Professional Services Costs		35,000	35,000	0	0	0
Total Expenses		124,200	136,500	12,300	0	0
Earnings before interest, tax and depreciation/ amortisation (EBITA)		0	0	0	0	0
Earnings before interest and tax		0	0	0	0	0
Net Surplus (Deficit) before tax		0	0	0	0	0
Notes						
1) All councils are involved, except Matamata-Piako, who were not eligible. The Agreement expires on 30 April 2019.						


Shared Valuation Data Service (SVDS)

Waikato Local Authority Shared Services Shared Valuation Data Service (SVDS) For the Year Ended 30 June 2019						
	Notes	Budget 2017/18	Budget 2018/19	Variance	Budget 2019/20	Budget 2020/21
Income						
SVDS Member Charges		206,980	211,120	4,140	215,764	105,764
TA Valuation Services Recovery		80,189	80,189	0	81,953	83,718
SVDS Enhancements Recovery	1	10,414	0	(10,414)	0	0
SVDS Data & Software Sales		352,065	410,583	58,518	419,616	428,649
Total Income		649,648	701,892	52,244	717,334	618,131
Expenses						
SaaS provision Implementation & Mods	2	0	250,000	250,000	200,000	100,000
Hosting Contract		49,592	0	(49,592)	0	0
Software Contract		107,470	0	(107,470)	0	0
RVSL Holding & Application Support	3	0	86,700	86,700	22,152	0
Management Services		288,568	294,339	5,771	73,585	0
TA Valuation Services		79,954	81,553	1,599	83,347	85,181
SaaS Hosting	4	0	31,000	31,000	200,000	256,000
SaaS Contingency	4	0	25,000	25,000	25,000	25,000
Consultancy Fees		24,192	24,192	0	24,724	25,268
DVR Data Services Project Manager		45,000	45,000	0	20,000	0
Software Support Contingency		6,369	15,000	8,631	15,000	15,000
Support & Hosting Contract Renewal Consulting		50,000	0	(50,000)	0	0
Security Certificates		300	300	0	307	0
Insurance	5	1,385	4,291	2,906	4,321	1,447
Legal Fees	6	8,000	8,000	0	4,176	4,268
Secretarial Services		3,057	3,118	61	3,187	3,257
On charge of WLASS Admin Costs		20,977	17,524	(3,453)	19,613	20,052
Total Expenses		684,864	886,017	201,153	695,412	535,472
Earnings before interest, tax and depreciation/ amortisation (EBITA)	7	(35,216)	(184,125)	(148,909)	21,922	82,659
Non-Cash Expenses						
Depreciation	8	91,223	90,444	(779)	0	0
Earnings before interest and tax		(126,439)	(274,569)	(148,130)	21,922	82,659
Net Surplus (Deficit) before tax		(126,439)	(274,569)	(148,130)	21,922	82,659
Capital Expenditure						
Enhancements	1	10,384	0	(10,384)	0	0
Total Capital Expenditure		10,384	0	(10,384)	0	0
Total Cash Expenditure		(45,599)	(184,125)	(138,526)	21,922	82,658
Notes						
<p>1) No further enhancement work to be done on the SVDS asset.</p> <p>2) Cost for the implementation of new service has an approximate total value of \$550,000, spread over three years.</p> <p>3) Hosting and Software contracts to be combined into Hosting & Application support contract. Finishing in 2019/20.</p> <p>4) Estimated costs for new service provider. Cost to increase as Councils switch from SVDS.</p> <p>5) Professional indemnity and technology liability insurance finishing 2019/20.</p> <p>6) Provision in 2017/18 to tie in with contract review.</p> <p>7) Revenue in advance to offset deficit.</p> <p>8) SVDS Asset to be fully depreciated by 30 June 2019.</p>						

Road Asset Technical Accord (RATA)

Waikato Local Authority Shared Services Road Asset Technical Accord (RATA) For the Year Ended 30 June 2019						
	Notes	Budget 2017/18	Budget 2018/19	Variance	Budget 2019/20	Budget 2020/21
Income						
Data Collection	1	320,985	321,300	315	1,062,880	202,356
Member Charges	2	591,636	600,500	8,864	645,261	704,217
Project Management (WRTM)		18,000	18,000	0	18,000	18,000
IDS licence fees	3	0	38,760	38,760	39,613	40,880
Total Income		930,621	978,560	47,939	1,765,754	965,453
Expenses						
Data Collection	1	320,985	321,300	315	1,062,880	202,356
IDS licence fees	3	0	38,760	38,760	39,613	40,880
Forward Works Programme Tours		5,095	3,000	(2,095)	3,066	3,133
Waikato RATA Forum	4	3,057	1,500	(1,557)	1,533	1,567
Benchmarking of Reg Road Outcomes		20,380	20,000	(380)	20,440	22,484
Deterioration Modelling		47,893	30,000	(17,893)	30,660	31,335
Staff and Contractor Services	5	361,000	434,000	73,000	456,834	470,631
External Contractor (Data Collection)		7,133	0	(7,133)	0	0
On charge of WLASS Admin Costs		20,977	21,776	799	19,613	20,052
Overheads	6	165,078	146,000	(19,078)	166,200	168,000
Total Expenses		951,598	1,016,336	64,738	1,800,839	960,438
Earnings before interest, tax and depreciation/ amortisation (EBITA)	7	(20,977)	(37,776)	(16,799)	(35,085)	5,015
Earnings before interest and tax		(20,977)	(37,776)	(16,799)	(35,085)	5,015
Net Surplus (Deficit) before tax		(20,977)	(37,776)	(16,799)	(35,085)	5,015
Notes						
<p>1) Data collection is charged monthly in arrears based on actual work done. Discussions for commitment by Councils to begin in 2018.</p> <p>2) Member charges are calculated on the basis of each council's participation, as detailed in the RATA Business Plan, with the expected addition of Taupo District Council from 1 July 2018.</p> <p>3) IDS licences are charged to participating Councils based on actual fees.</p> <p>4) Formerly Asset Managers' Forum.</p> <p>5) Recruited new staff member in Asset Information Engineer position.</p> <p>6) Waipa District Council provides RATA with full support services, including vehicles, staff training/development, IT/phones, stationery, accommodation, communications and Group Manager support.</p> <p>7) Revenue in advance to offset deficit.</p>						


Waikato Regional Transport Model (WRTM)

Waikato Local Authority Shared Services Waikato Regional Transport Model (WRTM) For the Year Ended 30 June 2019						
	Notes	Budget 2017/18	Budget 2018/19	Variance	Budget 2019/20	Budget 2020/21
Income						
WRTM Member Charges		90,299	86,626	(3,673)	324,810	307,838
External User Recovery		12,000	12,000	0	12,000	12,000
Total Income		102,299	98,626	(3,673)	336,810	319,838
Expenses						
WRTM Project Manager		18,000	18,000	0	18,000	18,000
Minor Model Upgrades		30,570	31,181	611	31,867	32,568
Model Update to 2018 Base Year		0	0	0	90,000	120,000
Peer Review		5,095	5,197	102	5,311	5,428
Annual Scheduling of Works Review		4,586	4,678	92	4,781	4,886
Insurance		1,385	1,385	0	1,415	1,447
External User Costs	1	10,000	10,000	0	10,000	10,000
Household Interview Survey (HIS) Scoping	2	0	0	0	0	0
HIS Input into National Survey	3	25,000	0	(25,000)	120,000	120,000
Update ONRC in WRTM		0	20,000	20,000	0	0
Regional Projections Project Contribution		0	0	0	48,000	0
On charge of WLASS Admin Costs		7,663	8,185	522	7,436	7,509
Total Expenses		102,299	98,626	(3,673)	336,810	319,838
Earnings before interest, tax and depreciation/ amortisation (EBITA)						
		0	0	0	0	0
Non-Cash Expenses						
Depreciation	4	72,916	72,916	0	0	0
Earnings before interest and tax		(72,916)	(72,916)	0	0	0
Net Surplus (Deficit) before tax		(72,916)	(72,916)	0	0	0
Notes						
1) Update of Future Land Use reference scenario post Auckland Unitary Plan decisions and Future Proof / Smart Growth updates. 2) Prov Sum item - HIS research topic with NZTA at present. This budget will allow the WRTM partners to scope inputs needed. 3) Purchase of data set through Ministry of Transport collaborative procurement 4) The WRTM asset will be fully depreciated by 30 June 2019. The model will be reconstructed during 2023/24 with new census data and a						

Waikato Building Consent Group

Notes		Budget 2017/18	Budget 2018/19	Variance	Budget 2019/20	Budget 2020/21
Income						
	1	276,105	318,548	42,443	325,556	332,719
	2	40,000	0	(40,000)	0	0
		316,105	318,548	2,443	325,556	332,719
Expenses						
		220,600	180,600	(40,000)	184,573	188,634
		0	40,000	40,000	40,880	41,779
	3	0	211,000	211,000	0	0
		20,389	20,389	0	20,838	21,296
		6,400	6,400	0	6,541	6,685
		653	653	0	667	682
		3,000	3,000	0	3,066	3,133
		400	400	0	409	418
		7,663	10,106	2,443	10,329	10,556
	4	57,000	57,000	0	58,254	59,536
		316,105	529,548	213,443	325,556	332,719
	3	0	(211,000)	(211,000)	0	0
		0	(211,000)	(211,000)	0	0
		0	(211,000)	(211,000)	0	0
Notes						
1) Participating councils are Hamilton City, Hauraki, Matamata Piako, Otorohanga, Thames Coromandel, Waikato, Waipa and Waitomo District councils.						
2) The Accumulated Fund relates to the original five councils (Hamilton, Matamata-Piako, Otorohanga, Waikato and Waipa) and has now been fully expended.						
3) Revenue received in advance to offset deficit.						
4) Waikato DC provides the Building Consent Group with support services, including accommodation, IT, HR and Group Manager support.						


Future Proof

Waikato Local Authority Shared Services Future Proof For the Year Ended 30 June 2019						
	Notes	Budget 2017/18	Budget 2018/19	Variance	Budget 2019/20	Budget 2020/21
Income						
Member Charges	1	580,977	544,391	(36,586)	409,391	384,391
Total Income		580,977	544,391	(36,586)	409,391	384,391
Expenses						
Implementation Advice		110,000	110,000	0	110,000	110,000
Tāngata Whenua Implementation Advice		15,000	10,000	(5,000)	10,000	10,000
Independent Chair		45,000	45,000	0	25,000	25,000
Tāngata Whenua Forum (NKAOTW)		15,000	20,000	5,000	15,000	15,000
Future Proof Planner		65,000	70,000	5,000	70,000	70,000
Future Proof & Waikato Plan Administrator		0	15,000	15,000	15,000	15,000
On charge of WLASS Admin Costs		20,977	14,391	(6,586)	14,391	14,391
Office Support / Services / Mileage	2	15,000	15,000	0	15,000	15,000
<u>Future Proof Implementation Projects</u>						
Waikato DP Review		15,000	10,000	(5,000)	0	0
General Submissions		20,000	25,000	5,000	25,000	15,000
Cross-Boundary issues with Auckland Council		5,000	5,000	0	5,000	5,000
Data for Monitoring		5,000	5,000	0	10,000	10,000
Strategy Actions - Implementation		20,000	30,000	10,000	70,000	70,000
Water Policy Group Projects	3	10,000	10,000	0	10,000	10,000
<u>Future Proof Strategy Update - Phase 1</u>						
Future Proof Strategy Update 1		25,000	0	(25,000)	0	0
Publishing		15,000	0	(15,000)	0	0
Consultation		45,000	0	(45,000)	0	0
<u>Future Proof Strategy Update - Phase 2</u>						
Future Proof Strategy Update 2	4	50,000	50,000	0	0	0
NPS Assessments incl. Data Requirements		50,000	25,000	(25,000)	0	0
Consultation		0	30,000	30,000	0	0
Publishing		0	15,000	15,000	0	0
RPS and DP Changes to Implement NPS		15,000	20,000	5,000	15,000	0
Update Future Proof website		20,000	20,000	0	0	0
Total Expenses		580,977	544,391	(36,586)	409,391	384,391
Earnings before interest, tax and depreciation/ amortisation (EBITA)						
		0	0	(0)	0	0
Earnings before interest and tax						
		0	0	(0)	0	0
Net Surplus (Deficit) before tax						
		0	0	(0)	0	0
Notes						
<p>1) Participating councils are Hamilton City, Waikato and Waipa Districts and Waikato Regional Council.</p> <p>2) Hamilton City Council provides the support services for Future Proof, including accommodation and operational costs.</p> <p>3) Implementing Three Waters Action Plan and other Water Policy Group projects.</p> <p>4) Update to meet the requirements of the NPS.</p>						


Waikato Mayoral Forum

Notes		Budget 2017/18	Budget 2018/19	Variance	Budget 2019/20	Budget 2020/21
Income						
	1	466,672	0	(466,672)	0	0
		0	130,000	130,000	247,500	247,500
		0	390,000	390,000	247,500	247,500
		5,000	5,000	0	5,000	5,000
		471,672	525,000	53,328	500,000	500,000
Expenses						
		466,672	520,000	53,328	495,000	495,000
	2	0	46,439	46,439	0	0
		5,000	5,000	0	5,000	5,000
		471,672	571,439	99,767	500,000	500,000
Earnings before interest, tax and depreciation/ amortisation (EBITA)		0	(46,439)	(46,439)	0	0
Earnings before interest and tax		0	(46,439)	(46,439)	0	0
Net Surplus (Deficit) before tax		0	(46,439)	(46,439)	0	0
Notes						
1) External funding of \$130,000 is expected to contribute to income in 2018/19, and \$247,500 (50%) is expected from external sources thereafter. The budget assumes that the Waikato Plan project continues over the next 3 years. However, if one or more of the participating councils decides not to continue funding their share of the project, the project may not continue.						
2) Funds transferred from 2017/18 revenue in advance.						

Balance Sheet

Waikato Local Authority Shared Services					
Balance Sheet					
For the Year Ended 30 June 2019					
	Budget 2017/18	Budget 2018/19	Variance	Budget 2019/20	Budget 2020/21
CAPITAL					
Shares - SVDS	1,607,001	1,607,001	0	1,607,001	1,607,001
Shares - WRTM	1,350,000	1,350,000	0	1,350,000	1,350,000
Profit and Loss	(2,367,172)	(1,593,081)	774,091	(2,542,062)	(2,555,226)
Plus Current Year Operating Surplus/(Deficit)	(193,503)	(948,981)	(755,478)	(13,164)	87,674
TOTAL CAPITAL FUNDS	396,326	414,939	18,613	401,775	489,450
ASSETS					
CURRENT ASSETS					
Prepayments	1,523	2,784	1,261	2,845	2,907
Accounts Receivable	36,119	449,687	413,568	524,718	421,557
RWT On Interest	2,800	0	(2,800)	0	0
Local Authority Shared Services 00	0	0	0	0	0
Local Authority Shared Services On-Call	630,820	266,317	(364,503)	249,032	347,663
GST	(54,465)	9,817	64,281	165	(1,096)
TOTAL CURRENT ASSETS	616,797	728,604	111,806	776,760	771,031
NON-CURRENT ASSETS					
SVDS - Intangible Asset	3,085,700	3,085,700	0	3,085,700	3,085,700
WRTM - Intangible Asset	2,296,855	2,296,855	0	2,296,855	2,296,855
MoneyWorks Software	1,195	1,195	0	1,195	1,195
Accumulated Depreciation	(5,189,605)	(5,383,750)	(194,145)	(5,383,750)	(5,383,750)
TOTAL NON-CURRENT ASSETS	194,146	0	(194,145)	0	0
TOTAL ASSETS	810,943	728,604	(82,339)	776,760	771,031
LESS CURRENT LIABILITIES					
Accounts Payable	399,218	293,065	(106,153)	354,074	260,361
Accounts Payable Accrual	15,399	20,600	5,201	20,910	21,220
TOTAL CURRENT LIABILITIES	414,617	313,665	(100,952)	374,984	281,581
NET WORKING CAPITAL	396,326	414,939	18,613	401,775	489,450

Statement of Cashflows

Waikato Local Authority Shared Services					
Statement of Cashflows					
For the Year Ended 30 June 2019					
	Budget 2017/18	Budget 2018/19	Variance	Budget 2019/20	Budget 2020/21
Cashflows from Operating Activities					
Interest Received	10,000	14,000	4,000	14,308	14,623
Receipts from Other Revenue	4,077,839	4,074,061	(3,778)	4,755,857	3,817,710
Payments to Suppliers	(4,085,276)	(4,873,426)	(788,150)	(4,783,329)	(3,744,659)
Taxes Paid	(1,260)	0	1,260	0	0
Goods & Services tax (net)	6,679	(119,905)	(126,584)	(4,121)	10,958
Net cash from operating activities	7,982	(905,269)	(913,251)	(17,285)	98,631
Capital Enhancements					
Capital Enhancements	(10,384)	0	10,384	0	0
Net cash from investing activities	(10,384)	0	10,384	0	0
Net increase in cash, cash equivalents and bank accounts	(2,401)	(905,269)	(902,868)	(17,285)	98,631
Opening cash and cash equivalents and bank overdrafts	633,221	1,171,586	538,365	266,317	249,032
Closing cash, cash equivalents and bank accounts	630,820	266,317	(364,503)	249,032	347,663
Summary of Bank Accounts					
BNZ - Call a/c	630,820	266,317	(364,503)	249,032	347,663
Closing Balance of Bank	630,820	266,317	(364,503)	249,032	347,663

Waikato District Community Wellbeing Trust

Statement of intent

For the year ending 30 June 2019

Waikato District Community Wellbeing Trust
Statement of intent
For the year ending 30 June 2019

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Waikato District Community Wellbeing Trust
Statement of intent
For the year ending 30 June 2019

Introduction

This Statement of Intent (SOI) is presented by the Waikato District Community Wellbeing Trust (the Trust) as required by Section 64(1) of the Local Government Act 2002.

The SOI forms the basis for the accountability of the Trustees of the Trust to Waikato District Council, and sets out the objectives, scope of activities undertaken, and performance targets by which the Trust will be measured.

The purpose of this statement of intent is to:

- State publicly the activities and intentions of this council controlled organisation for the year and the objectives to which those activities will contribute;
- Provide a basis for accountability and transparency.

This Statement of intent covers the year to 30 June 2019 and also includes prospective financial information for the following two financial years.

Jacqui Church (Chair)

Entity information

Legal name

Waikato District Community Wellbeing Trust.

Type of entity and legal basis

The Trust was incorporated on 1 November 2010 under the Charitable Trust Act 1957 and is domiciled in New Zealand. On the same date the Trust was registered in accordance with the Charities Act 2005 to give it charitable status.

The Trust was established by Waikato District Council (WDC) and is a council-controlled organisation as defined under section 6 of the Local Government Act 2002, by virtue of WDC's right to appoint the Trustees.

Waikato District Community Wellbeing Trust
Statement of intent
For the year ending 30 June 2019

Objectives of the Trust

The principal activities of the Trust are undertaken to:

- Promote the social, environmental and cultural wellbeing of the Waikato district and its communities;
- Deliver on the aspirations and community outcomes of the Waikato district as identified and promoted by the community; and,
- Fund projects identified by Council's planning documents.

Governance

The Trust will be governed in accordance with the terms of the Trust Deed.

Objective

1. To comply with the terms of the Trust Deed and in particular with the duties of the Trust as set out in clause 11 of the Deed.

Clause 11 of the Deed lists the Trust's objectives as:

- a) To consider and approve projects submitted by Waikato District Council (Council);
- b) To publicise the projects and activities of the Trust;
- c) To actively promote the work of the Trust with a view to ensuring the long term operations of the Trust;
- d) To ensure information about the Trust's activities and objectives is available to people within the area and fosters a sense of community achievement and betterment;
- e) To develop appropriate funding allocation mechanisms; and,
- f) To be guided by a clearly defined set of principles.

Performance measure

1. Undertake an annual legal review of compliance with the Trust Deed; no later than two months after the end of the financial year.

Investment

The Trust will, in accordance with the Trust Deed, invest or reinvest part or parts of the Trust Fund not immediately required for the purposes of the Trust (whether income or capital) in investments or securities, as the Trust Board considers beneficial to the Trust Fund. The Trust will also seek other opportunities and avenues for growing the trust Fund. The intention of the Trustees is that the real value of the Trust Fund is preserved.

Objective

1. To adhere to the Trust's *Management of Investment Portfolio and Distribution Policy*.
2. To review, on an annual basis, the investment mandate and the performance of the portfolio manager.

Performance measure

1. At each quarterly meeting, review compliance with the Trust's *Management of Investment Portfolio and Distribution Policy* during that quarter.

Waikato District Community Wellbeing Trust Statement of intent For the year ending 30 June 2019

Fund disbursement

The Trust will, as appropriate, disburse funds towards projects that meet the Trust's criteria and meet the objectives of the Trust Deed...

Objective

1. As per the *Management of Investment Portfolio and Distribution Policy*, to distribute total grants that do not exceed 50% of the accumulated net income after allowing for accumulated expenses, inflation movements and prior year distributions.

Performance measures

1. A distribution process is undertaken that distributes the annual fund to eligible recipients in accordance with funding targets set up by the Trustees in accordance with the *Management of Investment Portfolio and Distribution Policy* for the current year
2. Six monthly reports are received from all successful applicants within the required time frames.

Portfolio and distribution policy compliance

Agreed targets

1. Ensure that the real (inflation adjusted) value of the Fund is protected.
2. Ensure that no more than 10% of the capital is distributed in any one year.
3. Ensure there is diversification of investments with a 7.5% cap on the value of any single investment in the portfolio.
4. The portfolio investment manager will report regularly to the Trustees.
5. The Trustees will annually review the performance of the portfolio manager.

Structure of the Trust's operations, including governance arrangements

The Trust comprises a Board of five Trustees who oversee the governance of the Trust.

The operation and administration of the Trust are undertaken by staff of WDC. Those staff are: Finance Manager, PA to the General Manager-Strategy & Support, Community Development Coordinator and Financial Accountant.

The Trustees are:

Mayor	Allan Sanson
Councillor	Jacqui Church (Chair)
Councillor	Rob McGuire
WDC appointee	Eileen Bateup
WDC appointee	Judi Muru

Main sources of the Trust's cash and resources

The Trust's introductory fund was provided by distribution of the capital fund of the Waikato Foundation Trust.

The proceeds of that distribution are invested in a portfolio of financial assets managed by Kiwi Wealth Limited. The returns from the portfolio are the Trust's source of continuing revenue.

Waikato District Community Wellbeing Trust
Statement of intent
For the year ending 30 June 2019

Prospective statement of financial performance

	FY Budget	FY Forecast			
	2017/18	2017/18	2018/19	2019/20	2020/21
	\$	\$	\$	\$	\$
Revenue					
Finance income	52,582	102,839	61,429	62,374	63,206
Dividend income from portfolio of investments managed by Kiwi Wealth Limited	25,340	24,107	28,937	29,382	29,774
Realised gains on investments	-	177,135	113,718	115,467	117,007
Unrealised gains on investments	175,481	243,355	100,519	102,065	103,426
Total revenue	253,403	547,436	304,603	309,288	313,413
Expenses					
Audit fees	7,500	7,700	7,700	7,700	7,700
Portfolio management fees	24,439	23,552	26,013	26,413	26,765
Other expenditure	1,272	909	1,150	1,163	1,174
Grants	75,842	145,529	217,258	76,108	77,397
Unrealised losses on investments	-	-	-	-	-
Total expenses	109,053	177,690	252,121	111,384	113,036
Surplus/(deficit) for the period	144,350	369,746	52,482	197,904	200,377

Waikato District Community Wellbeing Trust
Statement of intent
For the year ending 30 June 2019

Prospective statement of financial position

	FY Budget	FY Forecast			
	2017/18	2017/18	2018/19	2019/20	2020/21
	\$	\$	\$	\$	\$
Assets					
Current assets					
Bank accounts and cash	308,564	326,470	290,439	245,161	343,430
Other financial assets	3,354,531	3,870,093	3,970,612	4,072,677	4,176,103
Accrued interest	-	-	-	-	-
Total current assets	3,663,095	4,196,563	4,261,051	4,317,838	4,519,533
Total assets	3,663,095	4,196,563	4,261,051	4,317,838	4,519,533
Liabilities					
Current liabilities					
Creditors and other payables	85,784	215,386	227,392	86,275	87,593
Accrued expenses	7,540	7,700	7,700	7,700	7,700
Total current liabilities	93,324	223,086	235,092	93,975	95,293
Total liabilities	93,324	223,086	235,092	93,975	95,293
Net assets	3,569,771	3,973,477	4,025,959	4,223,863	4,424,240
Equity					
Introductory fund	2,579,899	2,579,899	2,579,899	2,579,899	2,579,899
Capital maintenance fund	403,364	406,932	486,402	566,921	651,398
Accumulated funds	586,508	986,646	959,658	1,077,043	1,192,943
Total net assets / equity	3,569,771	3,973,477	4,025,959	4,223,863	4,424,240

Waikato District Community Wellbeing Trust
Statement of intent
For the year ending 30 June 2019

Prospective statement of cash flows

	FY Budget	FY Forecast			
	2017/18	2017/18	2018/19	2019/20	2020/21
	\$	\$	\$	\$	\$
Cash flows from operating activities					
Cash was received from:					
Interest receipts	52,582	102,841	61,429	62,374	63,206
Dividends received	25,340	24,107	28,937	29,382	29,774
Cash was applied to:					
Payments to donees	(241,297)	(118,798)	(205,529)	(217,258)	(76,108)
Payments to suppliers	(33,162)	(31,744)	(34,587)	(35,245)	(35,613)
Net cash flows from operating activities	(196,537)	(23,594)	(149,750)	(160,747)	(18,741)
Cash flows from investing and financing activities					
Cash was received from (applied to):					
Sale (acquisition) of investments	194,728	177,135	113,718	115,467	117,007
Net cash flows from investing and financing activities	194,728	177,135	113,718	115,467	117,007
Foreign exchange translation differences	-	-	1	2	3
Net increase (decrease) in cash for the year	(1,809)	153,541	(36,031)	(45,278)	98,269
add opening bank accounts and cash	310,373	172,929	326,470	290,439	245,161
Closing bank accounts and cash	308,564	326,470	290,439	245,161	343,430

Waikato District Community Wellbeing Trust
Statement of intent
For the year ending 30 June 2019

Statement of accounting policies

Basis of preparation

The Board of Trustees has elected to apply PBE SFR-A (PS) *Public Benefit Entity Simple Format Reporting – Accrual (Public Sector)* for Tier 3 entities on the basis that the Trust does not have public accountability (as defined) and has total annual expenses of less than \$2million.

Notwithstanding the comments above, the following Tier 2 PBE accounting standards have been applied:

PBE IPSAS 4 The effects of changes in foreign exchange rates; and,
PBE IPSAS 29 Financial instruments: recognition and measurement.

All transactions in the financial statements are reported using the accrual basis of accounting.

The financial statements are prepared on the assumption that the Trust will continue to operate in the foreseeable future.

Goods and services tax

The Trust is not registered for GST. All amounts in the performance report are inclusive of GST.

Significant accounting policies

Interest and dividend revenue

Interest revenue is recognised as it is earned during the year.
Dividend revenue is recognised when the dividend is declared.

Foreign currency transactions

Foreign currency transactions are translated into New Zealand Dollars using the exchange rate prevailing at the dates of the transactions. Foreign exchange gains and losses, resulting from the settlement of such transactions and from the translation at the end of the period exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognised in surplus (deficit) for the year.

Grant expenditure

All grants made by the Trust are classified as discretionary.

Discretionary grants are those grants where the Trust has no obligation to award on receipt of the grant application. Such grants are recognised as expenditure when approved without condition by the Board and the approval has been communicated to the applicant. Discretionary grants made subject to conditions are recognised as expenditure when all conditions have been met.

Income tax

The Trust has charitable status and is exempt from income tax.

Statement of accounting policies (cont)

Bank accounts and cash

Bank accounts and cash comprise cash on hand and deposits held at call with financial institutions.

Investment portfolio

Components of the investment portfolio are classified as financial assets at fair value through surplus (deficit) for the year. The reason for this classification is that the portfolio is comprised of identified financial instruments which are managed together and for which there is evidence of short-term profit-taking.

All financial assets in the portfolio are classified as a current asset.

After initial recognition, financial assets in this category are measured at their fair values with gains or losses on re-measurement recognised in the surplus (deficit) for the year.

Creditors and accrued expenses

Creditors and accrued expenses are measured at the amount owed.

Forecast assumptions

1. Portfolio income

KIWI WEALTH have estimated an average return on the portfolio of 7.26% per annum before expenses.

The split of the total return between interest, dividends and gains/losses is estimated using proportions calculated from an average of past results.

2. Expenses

Audit fees are estimated at \$7,700 for each of the four forecast years.

Portfolio management fees are assumed at a rate of 0.61% of the opening portfolio value in each year.

Other expenditure comprises annual return fees, bank charges, custodial fees (portfolio) and audit disbursements.

3. Grants expenditure

It is assumed that for the current year all outstanding grants will be paid by 30 June 2018.

It is further assumed that in subsequent years 80% of the maximum allowable distribution will be approved and fully paid by year end.

The maximum allowable distribution is set out in the *Management of Investment Portfolio and Distribution Policy*. Total grants must not exceed 50% of the accumulated net income after allowing for accumulated expenses, inflation movements and prior year distributions.

4. Creditors and other payables

Creditors and other payables are made up of the amount owing to Waikato District Council and the June portfolio management fee.

It is assumed that the total year-end balance owing to WDC is paid in full in the following year.

5. Accrued expenses

Accrued expenses is made up of audit and bank fees.

6. Equity

The Trust was established with an initial capital contribution resulting from the transfer of 35% of funds previously held by the Waikato Foundation Trust as at 31 January 2012. This was recognised as revenue in that year and transferred to the introductory fund.

The capital maintenance fund is made up of accumulated annual charges transferred from accumulated funds to maintain the real value of the Trust fund.

The accumulated funds and capital maintenance funds together represent the total net increase in the fund value since the inception of the Trust.

Waikato District Community Wellbeing Trust
Statement of intent
For the year ending 30 June 2019

Other financial disclosures

Ratios

The Local Government Act 2002 requires a statement of intent to include the projected ratio of equity to total assets.

The ratio of equity to total assets is forecast as follows:

2017/18	94.7%
2018/19	94.5%
2019/20	97.8%
2020/21	97.9%

Compensation

The Trustees will not seek any fees or expenses for work undertaken on behalf of Waikato District Community Wellbeing Trust.

Information to be provided to the Trustees

The Trustees will be provided with the following information:

- Within four months of the end of the financial year the audited financial statements plus a summary of how the Trust has performed against its objectives and performance targets;
- Quarterly reports on the performance of investments; and,
- A draft statement of intent for consideration in February of each year.

Open Meeting

To	Strategy & Finance Committee
From	Tony Whittaker General Manager Strategy & Support
Date	30 July 2018
Prepared by	Melissa Russo Corporate Planner
Chief Executive Approved	Y
Reference #	GOV1318 / 2013828
Report Title	Community Engagement Update

I. EXECUTIVE SUMMARY

The purpose of this report is to provide the Strategy & Finance Committee (“the Committee”) with an update on engagement initiatives that Council has completed since February 2018 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.

Below is a list of some of the more recent engagement initiatives:

Completed

- Waste Minimisation Management Plan
- Development Contributions Policy
- Long Term Plan 2018-28
- Matariki Competition
- Tuakau Children’s Day
- Kotui Launch
- Careers Day (Huntly College)

In Progress

- Huntly Memorial Hall
- Port Waikato Community Hub
- Natural Parks Reserve Management Plan
- Representation Review
- District Plan Review

- Gambling Venues Policy
- Dangerous Affected and Insanitary Buildings

Ongoing

- Daycare Centre Visits
- Reading Programme
- Resthome Visits
- Dog Smart Education Programme
- Growing Places E-Newsletter

Planned

- Liquor Control Bylaw
- Public Places Bylaw
- Annual Report 2017/18
- Whatawhata Community Facility

For a full list of engagement projects and their progress please refer to the attachment to this report, *Community Engagement register*.

2. RECOMMENDATION

THAT the report from the General Manager Strategy and Support be received;

3. BACKGROUND

An engagement register was initially developed for staff to be made aware of other engagement activities that were being undertaken throughout the organisation.

The register then formed the attachment to this report as a standing item to the Strategy & Finance Committee to keep Councillors informed of the engagement activities being undertaken by staff.

4. CONSIDERATION

4.1 FINANCIAL

There is no financial impact of continuing this reporting.

4.2 LEGAL

There are no legal implications.

5. CONCLUSION

An update on the more recent engagement activities has been provided.

6. ATTACHMENTS

Community Engagement Register

Project Name	Organisation Group	Staff member responsible	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	July Comment (e.g. what was the community engagement about, time spent, what was the outcome)
Tuakau Duck race	Customer Support	Denise	Tuakau	Collaborate	No	No	Complete	Tuakau Duck Race - support a local daycare centre and engaged with other businesses/groups in the community to be involved with this event. Free activities for children to participate in.
Te Awamarahi and Tuakau Poukai	Customer Support	Denise	Tuakau	Consult	No	No	Complete	Promote library and council services. Took information on dogs, papakainga, upcoming submissions, voting areas, roading projects etc and promoted our library membership and maori collection
Daycare Centre Visits	Customer Support	Denise	Tuakau	Inform	No	No	Ongoing	Integrated with dog control to visit daycare centres 'in their space' to read books to them aswell as promoting safety around dogs
Local primary and highschool visits	Customer Support	Denise	Tuakau	Inform	No	No	Ongoing	Attended local Primary and High schools to promote the library services and programmes e.g. dogs in library, skoob, TT and the reading programme
Tuakau Childrens Day	Customer Support	Denise	Tuakau	Collaborate	No	No	Complete	Joined with other local voluntary groups and daycare centres, the rotary club etc to put on a free childrens day with free activity, sausage sizzles etc. We promoted our toddler time and SKOOB at this event aswell as library memberships (read to the children and provided resouces to complete craft activities similar to what we do in TT and SKOOB)
Career Days Huntly College and Rakumungamunga	Customer Support	Denise	Huntly	Inform	No	No	Complete	Staff attended and promoted our collections especially our new Ecolections. Online memberships were offered also.
Kimihia Rest Home Visit	Customer Support	Denise	Huntly	Inform	No	No	Ongoing	Staff spent time restocking and rearranfging the Clinet library to make it fresh and inviting and to remove old tatty stock. Discussion held with the Manager and a survey to be presented to families and clients promoting the library services available.
Book Chat	Customer Support	Denise	Huntly	Collaborate	No	No	Ongoing	Meeting room space is made available and customers with an interest in sharing their latest reading . Tea and coffee is available and new stock is shown to the members of the group.
Skoob	Customer Support	Denise	Huntly/Te Kauwhata	Inform	No	No	Ongoing	A staff member creates a fun and interactive craft session and discussions are held based on books and literacy. Afternoon tea is upplied for the children that attend. These sessions are run monthly for an hour during term time.
Author Visits	Customer Support	Denise	Huntly/Te Kauwhata	Inform	No	No	Ongoing	Recently there have been visits organised with local authors their published newly released books.
Climate Change Workshop	Customer Support	Denise	Huntly	Inform	No	No	Complete	Recently the Huntly site hosted a session to promote the need to make some changes to ensure the protection of our environment and for the future,
Reading Together Visits	Customer Support	Denise	Huntly	Inform	No	No	Ongoing	Parents of primary school children attend 4 sessions run by a teacher at the school focussing on the benefits of reading with your child. The final session is held at the library and is an exceelnt opprotuinty to encourage library membership and to explain the collection and share knowledge to the wider community.
Toddler Time	Customer Support	Nazreen	Tuakau	Engage	No	No	Ongoing	Local ECE and mums with bubs come for music and storytime. Also a craft activity is done with the children.
SKOOB	Customer Support	Nazreen	Tuakau	Engage	No	No	Ongoing	A staff member creates a fun and interactive craft session and discussions are held based on books and literacy. Afternoon tea is supplied for the children that attend. These sessions are run monthly for an hour during term time.
Reading program	Customer Support	Nazreen	Tuakau	Empower	No	No	Ongoing	Run during the school holiday to encourage reading amongst children.
Kotui Launch	Customer Support	Nazreen	Tuakau	Inform	No	No	Complete	The launch of Kotui done at the library with members of the public attending to celebrate in the event.
Music Month	Customer Support	Nazreen	Tuakau	Collaborate	No	No	Complete	Tuakau Youth group got involved and worked with library to play music for the whole month and to promote and encourage music skills amongst our younger members and other customers.
Focus Group	Customer Support	Nazreen	Tuakau	Consult	No	No	Complete	Community members came together on a late night to give feedback on what they wanted or would like in the library.
Stepping Up program	Customer Support	Nazreen	Tuakau	empower	No	No	Ongoing	Working with Spark jump and stepping Up group to deliver relevant basic computer skills workshop in the library.
SMINKSLABS workshop	Customer Support	Nazreen	Tuakau	Engage	No	No	Planned	This is a free robotic workshop all scheduled for 5th of Sept. Schools and members of the community will be invited for this.
Community co-design project	Customer Support	Nazreen	Tuakau	Collaborate	No	No	In progress	Co-designing with Tuakau College and Waikato Alliance on a community based project.

Project Name	Organisation Group	Staff member responsible	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	July Comment (e.g. what was the community engagement about, time spent, what was the outcome)
Chris Sanders book tour	Customer Support	Nazreen	Tuakau	Engage	No	No	Complete	Chris Sanders delivered a musical story time in the library and promoted his books as well. Well over 45 people attended this event.
ECR	Customer Support	Jordan	District Wide	Inform	No	No	Complete	Outbound calling campaign undertaken from contact Centre to just under 500 dog owners, to resolve issues identified with re-registration notices for dog owners with multiple dogs - this prevented dog owners with 4 or more dogs receiving individual forms for each dog.
Ngaruawahia Daycare/Kindy Bookswap	Customer Support	Elizabeth Saunders	Ngaruawahia and surrounds	Collaborate	No	No	Ongoing	We have engaged with our local kindergartens and daycares regarding our library service and how best we can capture this age group - currently we are experiencing a downturn with our weekly toddler time sessions and children just can't get to us - so we decided to go to them! This has been fantastically received so far (a total of 4 daycares/kindergartens have taken us up on this offer) and we have had one successful swap so far with the next one scheduled for August 2018.
Assisi Home & Hospital and Tamahere Eventide Book Swap	Customer Support	Elizabeth Saunders	Tamahere/Matangi	Collaborate	No	No	Ongoing	We identified a gap in library services for our aged residents in Tamahere/Matangi. They have no library close to them within our district. Both Cheryl and myself touched base with both of these resthomes and did presentations to both regarding our new digital collection and giving the option of a quarterly book swap of 150 books. Both Assisi and Tamahere have loved this idea and we have already completed one book swap for Assisi and the first book swap with Tamahere will take place in the first week of August - fantastic stuff! We have also signed up a few residents onto our digital collection which was really appreciated.
Matariki Competition	Customer Support	Cheryl Maskell	Whole District	Collaborate	No	No	Complete	This year our annual Matariki Competition has been greatly received again - a total of 550 entries from all ages across the district which is a fabulous result! The Matariki prizegiving will take place on Wednesday 25th July in the Chambers. The number of entries were reliant on early engagement with all schools and each Library Co-ordinator had a list of schools in their areas which they went and talked to and encouraged participation - another example of fantastic engagement with our local communities.
Spey me Baby	Customer Support	Helen	District wide	Inform	No	No	In progress	Two dogs were neutered under Spey Me Baby.
Huntly Garden Place Place making	Strategy & Support	Lianne	Huntly	Collaborate	No	No	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.

Project Name	Organisation Group	Staff member responsible	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	July Comment (e.g. what was the community engagement about, time spent, what was the outcome)
Place making	Strategy & Support	Lianne	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	Shannon	District Wide	Empower	No	No	In progress	A youth strategy and the development of two new roles is being developed to work out who will be responsible for providing recruitment and support for this space. I-Jay Huirama is providing a co-ordinating capacity support in the youth action group space in the interim
Pokeno Future Growth	Strategy & Support	Vishal	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	Vishal	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	Vishal	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	Betty	District Wide	Empower	No	No	In progress	None of this work has been started at this time due to other commitments.
Waikato Plan	Strategy & Support	Vishal	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	Vishal	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	Vishal	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	Melissa	District Wide	Involve	Yes	Yes	Complete	Consultation took place between 14 March and 16 April. 733 submissions were received. Council adopted the Long Term Plan on 27 June 2018
Mana whenua reps	Strategy & Support	Vishal	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

Project Name	Organisation Group	Staff member responsible	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	July Comment (e.g. what was the community engagement about, time spent, what was the outcome)
Sunset beach erosion	Service Delivery	Elton	Port Waikato	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. May 2017 to October 2017 work continues with a community working group from Port Waikato to confirm the preferred option for Replacement Hall/community space and car park.
Huntly Memorial Hall	Service Delivery	Donna Rawlings	Huntly	Consult	No	No	In Progress	Consultation was undertaken in March. A report on the consultation results and project approach were presented to Infrastructure Committee in June. Working with Community Project Team to prioritise and cost work, once impact on targeted rate known (if any) will go back out to community to consult
Pokeno Waste Water Phase 2	Service Delivery	Paul White	Pokeno	Consult	No	Yes	In progress	Consultation HDT HNZ about Authority for proposed works. HDT happy for NgatiTamaoho to act on their behalf, waiting on response from other Iwi before resubmitting to HNZ. Consultation ongoing.
Te Kauwhata Walkway/Cycle ways	Service Delivery	Elton	Te Kauwhata	Consult	No	No	In progress	Ongoing work around land issues being undertaken.
Waste Water spill mitigation	Service Delivery	Karl	Raglan	Inform	No	Yes	In progress	Provide Raglan Community Board with Waters Service Request Dashboard monthly (suggest make this report available on request to Iwi/hapu in Raglan)
North Waikato Passenger Transport Review	Service Delivery	Vishal	North Waikato	Involve	Yes - next phase of project	No	In Progress	Council have now approved the LTP for public consultation, which included the NWPT enhanced bus service. Discussions continue on the passenger transport link between Hamilton and Auckland with a particular focus on a rail link. The 2nd stage of the ILM workshop is complete.
Longswamp WeX State Highway transfers to local road (will require some community engagement)	Service Delivery	Gary	Te Kauwhata - Hampton downs	Involve	Yes	Yes	In progress	Project construction phase is well underway. Most local road issues resolved at design phase. Expect a possible few local issues to tidy up nearer end of contract in 2019.
Hamilton WeX State Highway transfers to local road (will require some community engagement)	Service Delivery	Gary	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.
Northern Feasibility programme (Northern iSite, Pokeno Sports Park and Pokeno Library)	Service Delivery	Vishal	North Waikato	Involve	No	Yes	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	Gary	TBC-depends on location impacted	Involve		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	Gary	Raglan	Consult		Yes	On hold	Project has been put on hold due to local Iwi withdrawing support for the project at this time. Further discussions are to be undertaken between the Iwi , Mayor and CE.

Project Name	Organisation Group	Staff member responsible	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	July Comment (e.g. what was the community engagement about, time spent, what was the outcome)
North Waikato Integrated Programme Business Case	Strategy & Support	Vishal	North Waikato	Empower	Yes	Yes	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	Elton	District wide	Consult	Yes	Yes	In progress	A report is being drafted to the August Infrastructure Committee outlining the review programme for a number of Reserve Management Plans. This report will include consultation timesframes for this RMP. Consultation is expected to occur in the first half of 2018/19
District Wide Toilets	Service Delivery	Annetta	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)
Future Proof	Strategy & Support	Vishal	District Wide	Consult	Yes	Yes	In progress	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	Vishal	District Wide	Consult	Yes	Yes	In progress	The initial proposal was publicly notified for consultation opened on 20 June and will run until 1 August.
The Point Reserve Management Plan	Service Delivery	Elton	District wide - emphasis on Ngaruawahia	Consult	Yes	Yes	In progress	A report is being drafted to the August Infrastructure Committee outlining the review programme for a number of Reserve Management Plans. This report will include consultation timesframes for this RMP.
Development Contributions Policy review	Customer Support	Alison	Targeted through Growing Places newsletter	Consult	Yes	No	Complete	The Development Contributions Policy and appendices were consulted on. A hearing was held in May.
Dogs in Libraries	Customer Support	Helen	District Wide	Inform	No	No	Ongoing	Seven visits to libraries in our district
Alcohol liaison statutory agency meetings	Customer Support	Craig Birkett	District Wide	Collaborate	No	No	Ongoing	Meetings of alcohol licensing statutory reporting agencies held three times per year.
Dogsmart Education Programme	Customer Support	Helen	District Wide	Inform	No	No	Ongoing	No dogsmart activities conducted in this month but Dirty Dog Challenge was a HUGE success.

Project Name	Organisation Group	Staff member responsible	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	July Comment (e.g. what was the community engagement about, time spent, what was the outcome)
Food Act 2014 transition	Customer Support	Tony Pipe	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 provided in Food Safety newsletter.
Food Safety newsletter - stakeholder engagement	Customer Support	Tony Pipe	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	Margaret Glassey	Huntly	Inform	No	Yes	Ongoing	Update on progress to stakeholders approx. every 3 months
Hamilton Bypass Stakeholder Meetings	Customer Support	Ian Boddington	Horsham Downs, Tamahere	Inform	No	No	Ongoing	WRC, NZTA and Alliance to track progress and identify community concerns
Community Liaison Group Meeting Genesis Energy	Customer Support	Ian Boddington	Huntly	Inform	No	Yes	Ongoing	Update on progress to stakeholders annually
Holcim CLG Meetings	Customer Support	Leah Logan	Pokeno	Inform	No	No	Ongoing	Update on progress to stakeholders quarterly
Perry's	Customer Support	Leah Logan	Tuakau	Inform	No	Yes	Ongoing	Update for stakeholders every 6 months
Yashili	Customer Support	Leah Logan	Pokeno	Inform	No	Yes	Ongoing	Update for stakeholders every 6 months
Community Liaison Group Meeting Titoki Sands	Customer Support	Margaret Glassey	Tamahere	Inform	No	No	Ongoing	To update stakeholders and interested parties (Tamahere Community Committee, Tamahere school, Environment Tamahere Inc., DoC every 6 months).
Whaingaroa-Raglan Affordable Housing project	Strategy & Support	Clive	Raglan	Collaborate	No	Yes	Ongoing	Providing assistance and supporting community-led initiative Whaingaroa Raglan Affordable Housing Project (WRAP) to undertake a resident survey.
Raglan Naturally community plan	Strategy & Support	Clive	Raglan	Collaborate	No	Yes	Ongoing	Providing support to coordinator of community-led Raglan Naturally with 11 focus groups to update the community plan.
District Plan Review	Strategy & Support	Vishal	District Wide	Involve	yes	Yes	In progress	At their extraordinary meeting on 27 June Council approved the draft District Plan to be publicly notified in July.
Liquor Control Bylaw	Customer Support	Tony Pipe	District Wide	Consult	Yes	No	Planned	To be undertaken in 2019.
Raglan boat ramps - Wallis and Wainui	Service Delivery	Annetta	Raglan	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.
Public Places Bylaw	Service Delivery	Melissa	District Wide Raglan	Consult	Yes	No	Planned	Planning is in progress to amend the Public Places Bylaw in the first half of 2018/19. This review will consider 'boy racer' provisions, parking in Raglan and the use of drones in our district.
Whatawhata Community Facility	Service Delivery	Donna Rawlings	Whatawhata community	Involve	Yes	Yes	Planned	Location has been agreed and working with the project team to develop feasibility study and project plan so that initial round of community consultation can be undertaken. Consultation will be targeted to those living in the area.
Customer Survey in Growing Places E-Newsletter	Customer Support	Will	District wide	Consult	No	No	Ongoing	As part of our quarterly building and resource consents e-newsletter (Growing Places), we have surveyed the recipients to ascertain the value of the newsletter, what more they'd like to see in it, and what interest there is in a face-to-face opportunity to get together (eg a developers' forum). Results still to come.
Waste Minimisation Management Plan	Service Delivery	Amy	District wide	Consult	Yes	Yes	Complete	Following the Special Consultative Procedure a Hearing was held on 13 June. It was adjourned until 19 June and adopted at the Extra Council meeting on 27 June 2018.
Dangerous, Affected and Insanitary Building Policy	Strategy & Support	Amy	District Wide	Consult	Yes	No	In progress	The proposed Dangerous, Affected and Insanitary Building Policy was approved for consultation at the P & R meeting on 15 May 2018. Consultation commenced 18 June 2018 and will close 18 July 2018; with a Hearing date scheduled for 1 August 2018.

Project Name	Organisation Group	Staff member responsible	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	July Comment (e.g. what was the community engagement about, time spent, what was the outcome)
Annual Report 2017/18	Strategy & Support	Melissa	District wide	Inform	Yes	No	Planned	Following the adoption of the Annual Report in October copies of the Annual Report Summary will be circulated to residents in the district with the LINK.
Port Waikato Community Hub	Strategy & Support	Melissa	Port Waikato	Consult	Yes	No	In progress	Planning is in progress to consult on a targeted rate for the new Port Waikato Community Hub. A letter will be sent to all those ratepayers who will be affected by the significant increase.
Onewhero/Te Akau Water Supply	Service Delivery	Pranavan	Onewhero/Te Akau	Collaborate	Yes	No	On hold	Planning is in progress to engage with the property owners who are connected to the Onewhero and Te Akau water treatments plants. Council is considering decommissioning these plants and supplying rain water collection facilities to those residents affected. Staff will work with residents following approval from Council on this proposal. Project is on hold due to low priority.
Parking Review - Raglan	Customer Support	Craig Birkett	Raglan	Consult	Yes	No	In progress	Meeting with the Raglan Community Board. Feedback from the community at this meeting on proposals around boat trailer permitting and paid parking in Raglan. Also concern expressed about the use of Joyce Petchell reserve for additional parking.
2018 Speed Limit Bylaw Amendment to the 2011 Speed Limit Bylaw	Service Delivery	Gareth/Amy	District Wide	Engage	Yes - next phase of project	No	In progress	Council workshop on July 23, agreed to commence Early Engagement on proposed Speed to the CB and key stakeholders
Gambling Venues Policy 2018	Customer Support	Tony Pipe	District Wide	Consult	Yes	no	In progress	Consultation opened 11 July 2018 following workshops on the proposed policy with councillors. Targetted consultation with relevant stakeholders and licence holders. Consultation to close 13 August 2018.

Open Meeting

To	Strategy & Finance Committee
From	Tony Whittaker General Manager Strategy & Support
Date	7 August 2018
Prepared by	Clive Morgan Economic Development Manager
Chief Executive Approved	Y
Reference/Doc Set #	GOV1318 / 2053617
Report Title	Economic Development Update

I. EXECUTIVE SUMMARY

The purpose of this report is to update the Strategy & Finance Committee on the various economic development projects and other economic development activity. The key items include:

- Economic Development Work Programme for 2017/18 was 92% completed with 26 of 29 projects finished.
- Economic Development achieved four out of five Long Term Plan Level of Service Key Performance Indicators.
- Open Waikato has had a successful year with a 9.6% growth of enquiries and two 'Explore' promotional videos greatly received by the community.
- TaTa Valley and Winstone Nutritional Park resource consent applications for stage one earthworks have been received for their respective developments in Pokeno.
- Championing and supporting the new master planning approach, Blueprints, led by Urbanismplus.
- Finalising the Youth to Employment Coordinator proposal. Staff are encouraged by the response we have had with key prospective partners.
- Reviewing and resizing the Youth Engagement Advisor position prior to commencing with recruitment.
- Assisting with organising the Waikato Regional Economic Development Agency ("REDA") Economic Summit to be held 30 and 31 August 2018 at the Don Rowlands Centre in Karapiro.
- Latest figures for tourism expenditure show \$131M in tourism expenditure for the year to July 2018, a significant increase over last year.

2. RECOMMENDATION

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

3. REPORT

BACKGROUND

The purpose of this report is to update the Strategy & Finance Committee 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.

Work Programme 2017/18

The Economic Development Work Programme concluded with 26 of 29 projects completed (92%). One of the projects was 50% completed, however the other two were hindered due to their reliance on external parties outside of our control. Planning is currently underway for the ED Work Programme for 2018/19.

Long Term Plan Key Performance Indicators (“LTP KPIs”)

The Economic Development team completed the year having met four of the five Long Term Plan Level of Service Key Performance Indicators.

- I. KPI: Number of enquiries that generate through Open Waikato
 - Target: 20% increase on previous year
 - Result: 51% increase (ACHIEVED)
 - Open Waikato received 272 enquiries this year, 51% growth on the previous year.

2. KPI: Percentage increase in Net Promoter Score (NPS)
 - Target: 20% increase on previous year
 - Result: -8% decrease (NOT ACHIEVED)
 - This was not reached as we had a -8% reduction from +12 and 8.7/10 (in 2016/17 year) to +11 and 8.6/10 (in 2017/18 year). Staff consider that this improvement in the Net Promoter Score will be difficult to significantly shift, particularly due to having received an NPS of -14 in 2014/2015 year. Staff will be engaging with SIL Research Ltd, the contracted research company to discuss results and identify possible initiatives to lift this result.

3. KPI: Growth in Business Units
 - Target: Same or higher than New Zealand growth rate (2%)
 - Result: 2% (ACHIEVED)
 - The percentage increase of business units growth in the Waikato district was 2.0%, equal to the national growth rate. The district now has 8,874 business units.

4. KPI: Measureable tourism expenditure in \$
 - Target: \$112M
 - Result: \$124M (ACHIEVED)
 - Total tourism expenditure to March 2018 was \$124M, a 9.6% increase on previous year.

5. KPI: Percentage delivery of economic development strategic work programme
 - Target: 90% completion
 - Result: 100% (ACHIEVED)
 - The role of Economic Development Manager was backfilled throughout the strategic 100 day project and the following strategic work programme items were completed during 2017/18: Tourism Infrastructure Fund; Housing Infrastructure Fund Detailed Business Case (successful in securing \$38M); 100 day project; Long Term Plan 2018-2028; Section 17A review of i-SITE contracts.

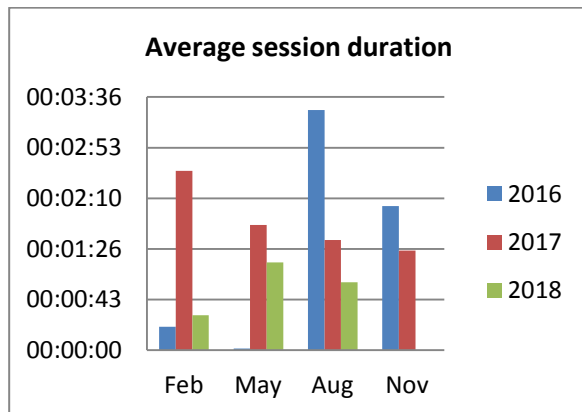
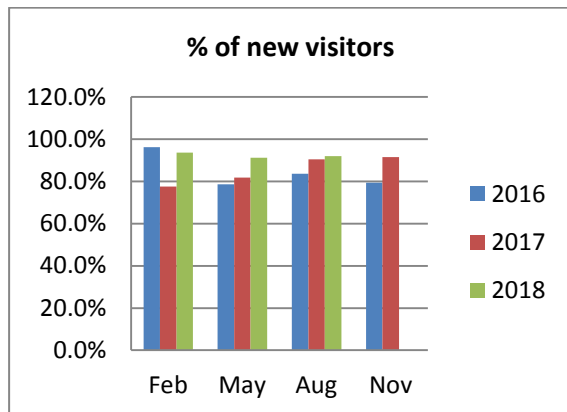
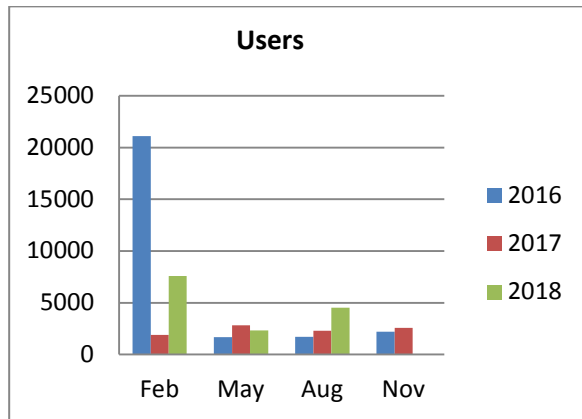
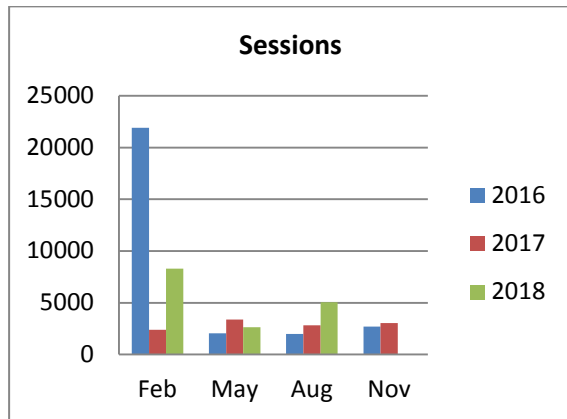
Throughout the 2017/2018 year, staff had significant unscheduled activity which impacted on our resourcing.

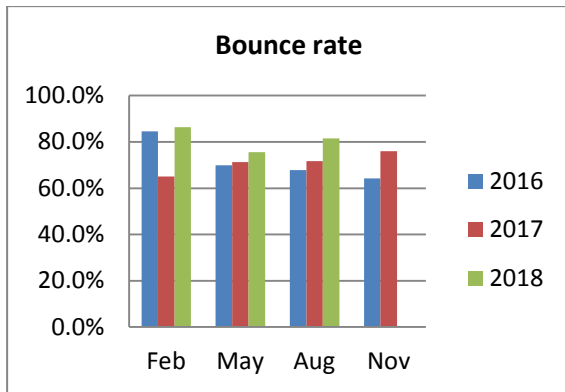
Open Waikato

Website statistics over the three months ending the month shown:

Measure	2016				2017				2018		
	Feb	May	Aug	Nov	Feb	May	Aug	Nov	Feb	May	Aug
Sessions	21,904	2043	1987	2705	2385	3383	2805	3029	8313	2631	5057
Users	21,109	1666	1712	2186	1895	2819	2298	2560	7593	2336	4507
New Visitors	96.20%	78.70%	83.60%	79.45%	77.53%	81.79%	90.50%	91.50%	93.60%	91.20%	92%
Average Session Duration	0:00:20	00:01:5	00:01:145	0:02:03	0:02:33	0:01:47	0:01:34	0:01:25	0:00:30	0:01:15	0:00:58
Bounce Rate*	84.53%	69.90%	67.89%	64.29%	65.03%	71.30%	71.76%	75.93%	86.41%	75.60%	81.57%

- This refers to the percentage of visits that go to only one page before leaving the site. Bold figures represent months that targeted campaigns ran.





Our results for the last quarter were higher than average due to a promotional campaign that ran alongside the new videos for Explore Huntly and Explore Ngaruawahia. The campaign was targeted at Auckland-based business owners and this resulted in over 2,029 visits.

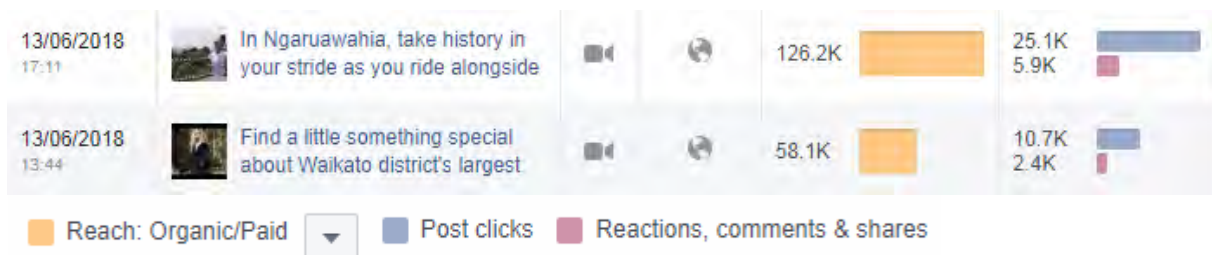
Our top three highest visited pages for the three month period 1 May to 31 July 2018 were:

1. Live – Our Towns
2. Visit – Our Towns
3. Home

It is worth noting that the top two were the landing pages for each ad set for the promotional campaign and the bounce rate (as expected) was higher at an average of 88%.

Open Waikato Videos

We launched the new Explore Huntly and Explore Ngaruawahia pages on our Open Waikato Facebook page and received the following results:



The Open Waikato Facebook page also grew to 905 page 'likes' from 32 after this campaign.

Tata Valley Ltd

Resource consent for Stage One earthworks has been received for an agri-showcase and adventure tourism development in Pokeno.

Winstone Nutritional Ltd

Resource consent for Stage One earthworks has been received for a boutique dairy ingredients based product processing site in Pokeno.

KEY PROJECTS

Blueprint Project

Staff have been championing and supporting the new master planning approach, Blueprints, led by Urbanisplus. An internal project team has been established to manage the introductory group of public workshops which will be held from 6 August to 15 August. This initial phase will include Local Area Blueprint workshops in Te Kauwhata, Huntly, Meremere, Pokeno and Tuakau. Each public session will be followed by a strategic planning workshop facilitated by Urbanisplus and attended by multi-disciplined staff from across the organisation.

Governance and oversight of the Blueprint project includes a Blueprint forum (“the Forum”) consisting of Councillor Noel Smith and Councillor Aksel Bech along with staff being the General Manager Service Delivery, General Manager Customer Support, Economic Development Manager, and the Strategy and Planning Manager. Furthermore to ensure representation of our iwi community, Manaaki Nepia Strategy and Relationships, Waikato-Tainui, has been appointed to the Forum. The Forum will have its initial meeting before the end of August.

This initial phase of Local Area Blueprint’s has been contracted into a short timeframe to assist Council to prepare it’s engagement with the central government Hamilton to Auckland Corridor planning process that is currently underway. This does present a risk of low public attendance however staff have been encouraged with the great assistance of Councillors, staff and community board Chairs to help with promoting attendance of these workshops. At the time of writing, fifty members of the community had attended the Te Kauwhata community session.

OTHER ACTIVITY

Youth to Employment Coordinator

Staff, together with Smart Waikato, have met with Ministry of Social Development (“MSD”) to present the Youth to Employment Coordinator draft proposal. The draft proposal includes a kaitiakitanga (guardianship) approach by the governance board and the overall structure was received positively. The proposal is being fine-tuned to align the key performance indicators with NEET (not in education, employment or training) targets for MSD and other key agencies, such as Waikato-Tainui, Waikato District Health Board and Ministry of Youth Development. Staff are encouraged with the response we have received.

Youth Engagement

In the absence of a Youth Engagement Advisor, staff have engaged with various community members and are supporting the youth engagement initiative. This includes reviewing and resizing the current Youth Engagement Advisor position prior to commencing recruitment.

Economic Summit 2018

Staff are assisting with organising the Waikato Regional Economic Development Agency (“REDA”) Economic Summit to be held 30 and 31 August 2018 at the Don Rowlands Centre in Karapiro. Staff understand that over 200 RSVPs have been received and staff have

reviewed the invitation list to ensure our district is appropriately represented. Staff are following up on this.

Waikato Tourism Monthly Statistics – June 2018

Hamilton & Waikato Tourism provide monthly statistics for New Zealand, Waikato region and Waikato district. Tourism expenditure in the Waikato region reached \$1.532B in the year to July 2018. The Waikato district reached a new high of \$131M, of which the full breakdown is in Appendix Two.

Staff have recently been made aware Ministry of Business, Innovation and Employment are reviewing Tourism Expenditure statistics due to growing industry concern that these statistics may not be accurately capturing expenditure. Staff are following up with the regional tourism organisation.

Waikato District Enterprise Agency

Discussions are underway with Waikato District Enterprise Agency regarding the provision of i-SITE contract for Waikato District.

4. ATTACHMENTS

Appendix One: Economic Development Work Programme 2017/18

Appendix Two: Hamilton & Waikato Tourism – Waikato Monthly Statistics – July 2018

Economic Development Work Programme 2017/18

Overall completion: 92%

Theme	Action	Completion	Progress
Business & Political delegations plan	3. Develop a stakeholder plan and political advocacy plan.	50%	The political advocacy has a longer-term approach and staff have met with two political consultants who are preparing proposals for WDC to consider - plan to be accepted. Staff have also connected with a consultant to prepare a proposal for a stakeholder advocacy business plan for consideration.
Hampton Downs Development	17. Hampton Downs Industry Training Cluster and pre-feasibility study	1%	Staff to meet with MBIE innovation team – initial meeting to progress this study. Next steps: MBIE suggest meeting date.
Marketing & Comms Plan implementation	19. Promote Open Waikato as an educational resource. Pilot programme through Ngaruawahia High School.	1%	Staff have contacted Ngaruawahia High School to determine interest in the pilot project. To date no response has been received.
	20. Continued implementation of the Open Waikato Brand Strategy	100%	2 x Pool Vehicles have been signwritten with Open Waikato decal. Internal staff are aware of Open Waikato and have actively referred numerous customers to the team. Feedback received has been that Open Waikato is widely known across WDC.
Digital Enablement Plan	16. Project manage the fibre and rural broadband initiatives	100%	Ongoing – 3 year programme. Tamahere-Matangi-Tauwhare, Huntly are next underway. Horotiu and Whatawhata are completed. Ngaruawahia nearing completion. Raglan will be completed end of 2019. Chorus towns by 2021. Wi-Fi town initiative for Ngaruawahia and Huntly are in feasibility stages with Ultrafast Fibre.
Asia-China Strategy	11. Implement approved recommendations from International relations strategy.	100%	The implementation project will progress into the next financial year due to the sister city agreement and other long-term recommendations. Open Waikato translation will continue into the next financial year.
Large development/ investment customer support processes	8. Ongoing development of high-value customer support processes	100%	Reviewed current process in Promapp to identify gaps. Workshop planned in June with key internal team leaders/managers to further progress this piece of work. It is envisaged that this will progress into the next financial year.
Waikato Town Promotion	23. Implement video and associated media/pr campaign for Huntly.	100%	Huntly video shoot has been completed. Media/PR campaign completed.
	24. Implement video and associated media/pr campaign for Ngaruawahia.	100%	Ngaruawahia video shoot has been completed. Media/PR campaign completed.

Theme	Action	Completion	Progress
Activate North Waikato Tourism	28. Provide support and resources to assist establishing the Whaingaroa-Raglan Destination Management Organisation.	100%	WRDMO have received funding for tourism activities in Raglan.
Activate North Waikato Tourism	27. Support Franklin Tourism Group to showcase the north Waikato tourism operation. Investigate repositioning to a DTO	100%	Staff have been working with Franklin Tourism Group over the year to update the Franklin website which is in final development.
Business focused social media campaign	12. Continued prospectus enhancement and social media campaigns targeted to immigrant business.	100%	International business campaign was run in June. The four week campaign had 81,208 impressions, reached 31,322 people and had 606 clicks to the website.
Innovation Network	13. Continue promotion of Waikato Innovation park service.	100%	Marketing Officer promoted the WIP service through targeted social media campaigns has found resounding success in Raglan. A letter has been developed for Tuakau, Onewhero and surrounds to further promote the service.
Education to employment	15. Continue to support Smart Waikato and implement strategies to improve employment outcomes for youth.	100%	Launch of Smart Transitions for Huntly and Ngaruawahia in collaboration with Smart Waikato has been deferred. Youth to Employment role has been approved through the Long Term Plan process and Staff are seeking co-funding from external agencies.
Activate North Waikato Tourism	26. Campaign with FTG to promote northern section of Waikato (Tuakau Pokeno, Port Waikato, Mercer) & i-SITES during shoulder season	100%	Completed photo campaign on Facebook for Franklin Country. Photos will be used in website to further promote the area.
Activate North Waikato Tourism	29. Ensuring reporting requirements and levels of service agreement with Hamilton Waikato Tourism is maintained	100%	Staff have requested further reporting from HWT to provide monthly tourism data. Latest data received shows a tourism expenditure of \$128M to year April 2018. HWT reports 6 monthly to Strategy & Finance Committee and provides an excellent service to the group. An internal review of the agreement will be undertaken as the cost-benefit to WDC outweighs performing a section 17a review.
Emerging Skills	25. Labour Market Demands Study. Identify emerging demand for skills and occupations in the district to inform key stakeholders and to inform key stakeholders in the region.	100%	Completed labour market report and presented to regional representatives. Met with MSD regarding social development role for the district. This will be further developed as part of the social development strategy in next financial year.
Professional development	9. Economic development team training and development	100%	Staff attended the Economic Development Conference in Wellington in October 2017.
Section 17A Reviews	1. Review i-SITE & HWT contracts per S17A./	100%	Report has been completed and reviewed and was presented in May 2018 Strategy & Finance Committee for consideration.

Theme	Action	Completion	Progress
Stakeholder plan and CRM system	2. Investigate and implement best option for stakeholder and customer management systems	100%	IT Team have created an internal 'Open 4 Business' (O4B) database within Property & Rating.
LTP planning and engagement	4. LTP engagement and planning support.	100%	Staff have been involved with LTP planning, engagement and support, and have led the workstream as identified. Business cases have also been created and input as part of the LTP consultation.
	5. Lead LTP social sector workstream consultation/ engagement		
	6. Resource business cases for additional ED support		
Raglan Visitor Infrastructure Study	7. Presentation to Council and key stakeholders and internal units.	100%	Completed December 2017.
Huntly i-SITE relocation	21. Support Service Delivery team to deliver the i-SITE relocation	100%	ED Team have led this project and report has been completed on North Waikato Visitor Information Services Provision.
Product development support	22. Promote new visitor product and product renewal district wide.	100%	Social Media campaign showcasing district visitor aspects ran December 2017 to January 2018. Staff attend tourism-related meetings frequently to assist businesses and operators in the district.
Freight & Logistics Campaign	14. Promote the Waikato Freight Hub to Auckland businesses.	100%	Freight and Logistics campaign completed in December 2017 with the following results: - Impressions: 5,513,917/Clicks: 6786/CTR: 0.12% - Editorial ran in FTD Supply Chain Magazine for February/March edition.
Asia-China Strategy	10. Mayoral delegation to China and development of international relations strategy.	100%	Trip completed in October 2017.
Hampton Downs development	18. Support Hampton Downs development plans.	100%	Economic Development Team have met with Hampton Downs and continue to assist with their development goals. Staff have facilitated discussions with Hampton Downs key staff and internal staff to further assist.

Visitor Expenditure in NEW ZEALAND

\$28.669b

Domestic \$16.92b

International visitors \$11.74b

3,786,927

International visitors to NZ (+3.8%)

Australia	1,471,248	+1.4%	HOLIDAY	1,990,880	+6.5%
China	449,024	+12.8%	Visit Friend/Relative	1,091,312	+3.9%
USA	337,280	+3.6%	Business	301,376	+1.9%
UK	235,184	-3.8%	Education	68,752	+5%
Japan	101,056	-0.1%	Conference	74,352	+5.2%
Germany	101,504	-2.9%			

Visitor Statistics - how's the REGION doing?



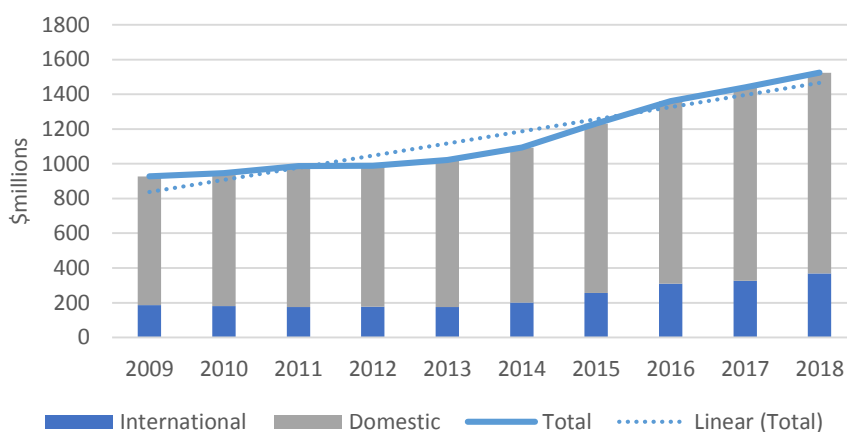
Visitor Expenditure in the REGION

\$1.532b

5th highest in NZ

Domestic visitors - \$1.167b

International visitors - \$365m



Commercial Accommodation Monitor

(hotel, motel, holiday parks, backpackers)



1,407,192

commercial guest nights

1.87 nights

average stay

Estimated Number of

Visitor Nights (AA Traveller)

4,955,944



Business Events

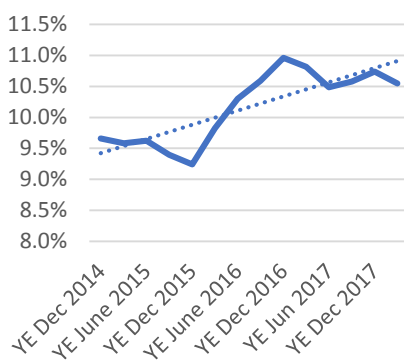
10.6%

market share of events

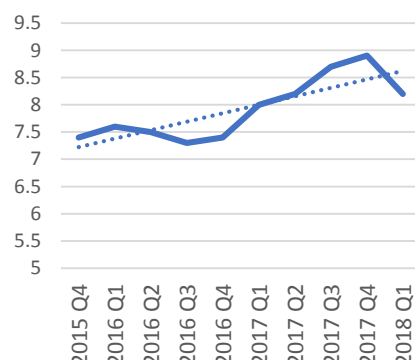
8.2%

Market share of delegate days

Market share of % events



Market Share of Delegates



AA Traveller Monitor (YE April 2018)

MBIE: International Visitor Arrivals (YE June 2018)

MBIE: Convention Activity Survey (Q1 March 2018)

MBIE: Monthly Regional Tourism Estimates (YE June 2018)

MBIE: Commercial Accommodation Monitor (YE May 2018)

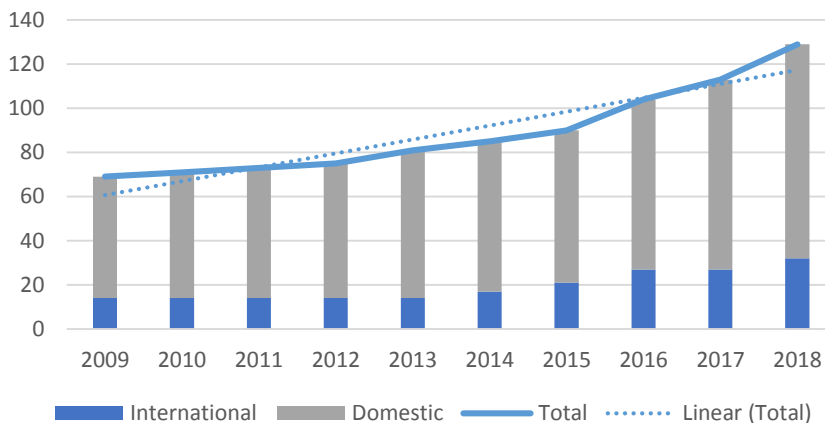
73,600 Population Estimate (2017)

\$100,700 Avg Household Income (2017)



Visitor expenditure in Waikato
\$131m

Domestic visitors - \$99m
International visitors - \$32m



Commercial Accommodation Monitor (hotel, motel, holiday parks, backpackers)



167,924

commercial guest nights
(down -2.6%)

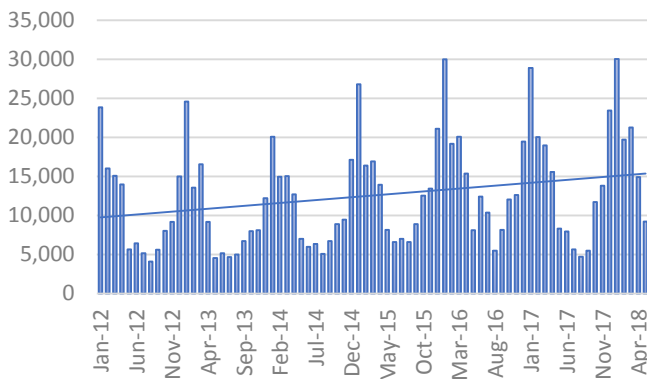
30.89%

YE Occupancy Rate
(down -1.2%)

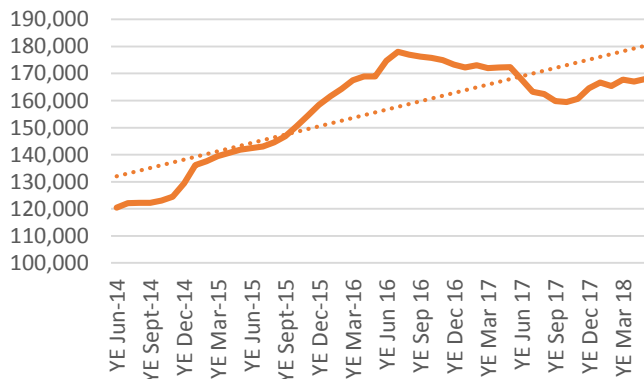
1.93 nights

average stay

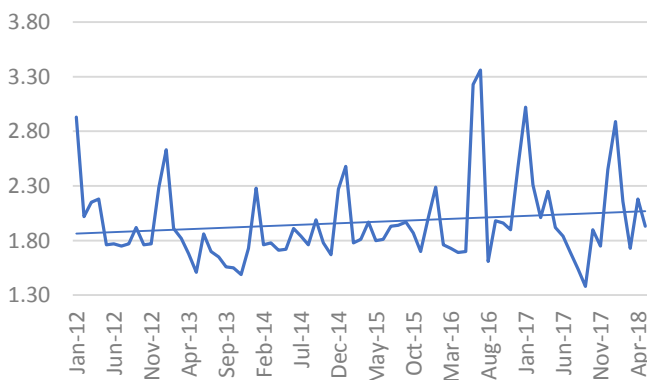
Guest Nights (Monthly)



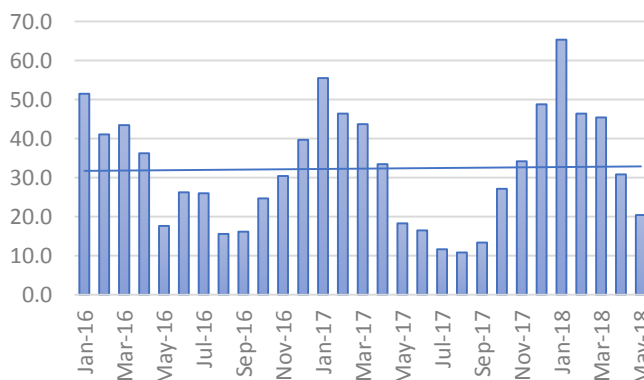
Guest Nights (Year End)



Avg Length of Stay (Days / Month)

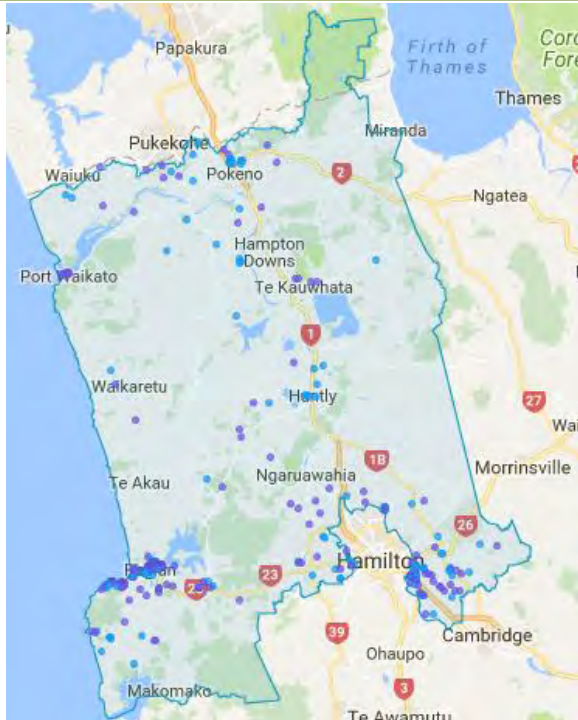


Occupancy Rate (Monthly)



467 Active Rentals

55% "Entire Home" Rentals



Average Daily Rate



Occupancy Rate

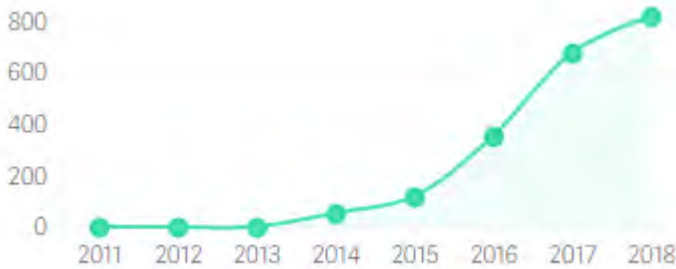


Revenue

The total nightly rate + cleaning fee earned in the last month. Does not include taxes or service fees.



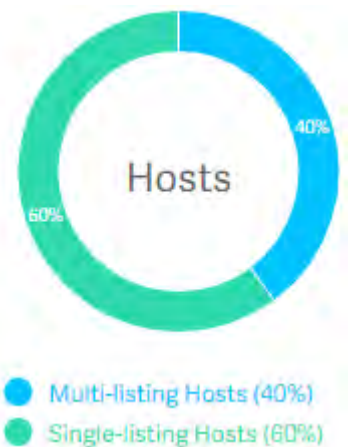
Rental Growth 92%



Rental Size – Avg 2 Bedrooms / 4.8 Guests



Professional Hosts



Open Meeting

To	Strategy & Finance Committee
From	Gavin Ion Chief Executive
Date	14 August 2018
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 to the Strategy & Finance Committee to deliberate and made decisions in private on public excluded items.

2. RECOMMENDATION

THAT the report from 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 27 June 2018

REPORTS

a. Northgate Business Park Verbal Update

The general subject of the matter to be considered while the public is excluded, the reason, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 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:
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Section 7(2)(f)(h)(i)(j)

Section 48(1)(3)(a)(d)

b. Pokeno Land Consortium Verbal Update

The general subject of the matter to be considered while the public is excluded, the reason, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 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)

c. Economic Development Verbal Update

The general subject of the matter to be considered while the public is excluded, the reason, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 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)