

# Council Public Agenda - 26 July 2022

Council Chambers  
101 Bank Street  
Te Awamutu



Chairperson  
His Worship the Mayor JB Mylchreest

Members  
EH Barnes, AW Brown, LE Brown, PTJ Coles, RDB Gordon, ML Gower, SC O'Regan, MJ Pettit, EM Stolwyk, CS St Pierre, BS Thomas, GRP Webber

26 July 2022 09:00 AM

Agenda Topic		Presenter	Time	Page
1.	Apologies	Chairperson	09:00 AM-09:01 AM	3
2.	Disclosure of Members' Interests	Chairperson	09:01 AM-09:02 AM	4
3.	Late Items	Chairperson	09:02 AM-09:03 AM	5
4.	Confirmation of Order of Meeting	Chairperson	09:03 AM-09:04 AM	6
5.	Councillors Update on Attendances	Elected Members	09:04 AM-09:20 AM	7
6.	Confirmation of Minutes -28 June 2022	Chairperson	09:20 AM-09:23 AM	8
6.1	Unconfirmed Open Minutes - 28 June 2022			9
7.	Documents Signed under Council Seal	Chairperson	09:23 AM-09:25 AM	30
8.	Water Reforms - Better Off Funding	Peter Thomson	09:25 AM-09:55 AM	31
9.	Submission to Select Committee - Water Services Entities Bill	Dawn Inglis	09:55 AM-10:25 AM	95
Break			10:25 AM-10:40 AM	
10.	Submission - Waikato Regional Public Transport Plan	Bryan Hudson	10:40 AM-11:10 AM	133
11.	Alternate for Future Proof Committee	Jo Gread	11:10 AM-11:15 AM	145

12.	Community Board Review	Dr Steven Finlay and Jo Gread	11:15 AM-11:45 AM	148
13.	Amendment to Infrastructure Strategy	Kirsty Downey, Ken Morris and Diana Aquilina	11:45 AM-11:55 AM	154
14.	Easement to Protect Relocated Sewer Line	John Miles	11:55 AM-12:00 PM	163
15.	Road Dedication and Potential Disposal of Unformed Road Rukuhia	John Miles	12:00 PM-12:04 PM	168
16.	Resolution to Exclude the Public	Chairperson	12:04 PM-12:05 PM	176

WORKSHOPS: (Timings are indicative only)

OPEN

1.20pm LGNZ Remits 2022 (30 minutes)

# COUNCIL AGENDA



## APOLOGIES

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# COUNCIL AGENDA



## DISCLOSURE OF MEMBERS' INTERESTS

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Members are reminded to declare and stand aside from decision making when a conflict arises between their role as an elected member and any private or other external interest they may have.

# COUNCIL AGENDA



## LATE ITEMS

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Items not on the agenda for the meeting require a resolution under section 46A of the Local Government Official Information and Meetings Act 1987 stating the reasons why the item was not on the agenda and why it cannot be dealt with at a subsequent meeting on the basis of a full agenda item. It is important to note that late items can only be dealt with when special circumstances exist and not as a means of avoiding or frustrating the requirements in the Act relating to notice, agendas, agenda format and content.

# COUNCIL AGENDA



## CONFIRMATION OF ORDER OF MEETING

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### **Recommendation**

*That Council confirms the order of the meeting.*

# COUNCIL AGENDA



## COUNCILLORS UPDATE ON ATTENDANCES

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Councillors who have attended a conference, seminar or meeting on behalf of Waipa District Council may provide a verbal update.

# COUNCIL AGENDA



**To:** His Worship the Mayor and Councillors  
**From:** Governance  
**Subject:** **CONFIRMATION OF MINUTES**  
**Meeting Date:** 26 July 2022

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## **1 EXECUTIVE SUMMARY – WHAKARĀPOPOTOTANGA MATUA**

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The local authority, its committees, subcommittees and any local and community boards must keep minutes of their proceedings. These minutes must be kept in hard or electronic copy, authorised by a Chairperson’s manual or electronic signature once confirmed by resolution at a subsequent meeting. Once authorised the minutes are the prima facie evidence of the proceedings they relate to.

The only topic that may be discussed at a subsequent meeting, with respect to the minutes, is their correctness.

## **2 RECOMMENDATION – TŪTOHU Ā-KAIMAHI**

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*That the open minutes of the Waipa District Council meeting held on 28 June 2022, having been circulated, be taken as read and confirmed as a true and correct record of that meeting.*

## **3 ATTACHMENT - ĀPITITANGA**

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Council Minutes – 28 June 2022



# COUNCIL MINUTES



**Time:** 9.00am

**Date:** Tuesday 28 June 2022

**Venue:** Council Chambers, Waipā District Council,  
101 Bank Street, Te Awamutu

## PRESENT

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### Chairperson

His Worship the Mayor JB Mylchreest

### Members

AW Brown, LE Brown, PTJ Coles, RDB Gordon, ML Gower, SC O'Regan (via Zoom), MJ Pettit, EM Stolwyk, CS St Pierre, BS Thomas, GRP Webber (via Zoom).

A moments silence was held to acknowledge the passing of Andrew Te Awaitaia (Anaru) Thompson, the Tumaki of the Kingitanga.

## 1 APOLOGIES

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### RESOLVED

1/22/35

*That the apology for non-attendance from Councillor Barnes be received.*

Councillor Stolwyk / Councillor St Pierre

## 2 DISCLOSURE OF MEMBERS' INTERESTS

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Councillor Coles declared an interest in Item 9.

Councillor L. Brown declared an interest in Item 13.

Mayor Mylchreest declared an interest in Item 9.

## 3 LATE ITEMS

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Nil

# COUNCIL MINUTES



## 4 CONFIRMATION OF ORDER OF MEETING

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### RESOLVED

1/22/36

*That Council confirms the order of the meeting.*

Councillor Stolwyk/ Councillor St Pierre

## 5 COUNCILLORS UPDATE ON ATTENDANCES

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Councillors who attended a conference, seminar or meeting on behalf of Waipā District Council provided a verbal update.

Councillor Coles attended a meeting with Muslim Leaders in Cambridge and a fundraising event for the Maungatautari Sanctuary Mountain.

Councillor Gordon attended a webinar on the Essential Guide to the Water Services Bill.

Councillor Pettit attended the Community Board Review workshop meeting.

Councillor L. Brown attended the Diplomatic Heads of Mission Study Tour meeting, a Ram Raid meeting supported by the Te Awamutu Chamber of Commerce, supported the Hazardous Waste Collection and attended the Water Services Bill webinar.

Councillor Stolwyk attended the Cambridge Community Board meeting and the Rural Provincial Conference in Wellington.

Councillor St Pierre attended a webinar on the Essential Water Services Bill, and a webinar to launch a book called Enhancing the Regulatory Effectiveness of Protected Areas.

Councillor Thomas attended the monthly Commsafe meeting.

Councillor O'Regan attended the Community Board Review workshop, a Future Proof meeting, and a Women in Politics evening hosted by Hamilton Mayor Paula Southgate.

Mayor Mylchreest attended the Rural Provincial Conference in Wellington.

# COUNCIL MINUTES



## 6 CONFIRMATION OF MINUTES

### RESOLVED

1/22/37

*That the open minutes of the Waipā District Council meeting held on 31 May 2022, having been circulated, be taken as read and confirmed as a true and correct record of that meeting.*

Councillor Gordon/ Councillor L. Brown

## 7 DOCUMENTS SIGNED UNDER COUNCIL SEAL

Council policy and delegated authority provides for use of the Council seal prior to notification to Council in specified cases.

### RESOLVED

1/22/38

*That the following schedule of documents to which the Common Seal of the Waipā District Council has been applied under delegated authority be received:*

a) *Warrants as set out below:*

<b>Position for Warrant</b>	<b>Name of Staff</b>
<i>Group Manager Customer and Community Facilities</i>	<i>Sally Sheedy</i>
<i>Manager Community Facilities</i>	<i>Brad Ward</i>
<i>Compliance Officer -Waters</i>	<i>Srean Poung</i>
<i>Major Capital Works</i>	<i>Robert Sinclair</i>
<i>Graduate Development Engineer</i>	<i>Brendon Amorangi Koevoet</i>
<i>Building Compliance Officer - Processing</i>	<i>Gregory John Shotton</i>

Councillor Stolwyk/ Councillor L. Brown

# COUNCIL MINUTES



## 8 ADOPTION OF ANNUAL PLAN 2022/2023 AND SETTING OF RATES

The Strategic Planning and Policy Committee heard and deliberated on submissions to the Draft 2022/23 Annual Plan (the plan) on 3 and 4 May 2022. The Committee's requested amendments were incorporated into the plan. On 7 June 2022, the Strategic Planning and Policy Committee resolved that a recommendation be made to Council to adopt the 2022/23 Annual Plan; set the Waipā District Council Rates for the 2022/23 financial year; and adopt the Development Contributions Policy 2022/23, at this meeting.

Strategic Projects Driver Haven Walsh presented the report. It was noted that an amendment was required in the recommendation for the Water Rates billing date for Te Awamutu/Pirongia which should read as 29 August 2022 for the July instalment and not 22 August 2022.

It was further noted that the cover page of the Annual Plan Document would be updated to resemble those used in previous years, and an additional paragraph would be added to highlight the decisions made during deliberations regarding changes made to the Community Grants and the Cambridge Resthaven Trust funding. A hyperlink to the Local Government (Financial Reporting and Prudence) Regulations 2014 in the Financial Disclosure Statement would also be included.

Mayor Mylchreest and Councillors congratulated staff for the work done on the Annual Plan with landing on 4.4% rates increase given the current inflationary climate.

### RESOLVED

1/22/39

*That Council:*

- a) **RECEIVES** the report of Haven Walsh, Strategic Projects Driver titled 'Adoption of 2022/23 Annual Plan and setting of rates' (document number 10830543);
- b) **ADOPTS** the draft 2022/23 Annual Plan (document number, 10708122 attached as Appendix 1) as the 2022/23 Annual Plan in accordance with Section 95 and Schedule 10 of the Local Government Act 2002; and in adopting the Annual Plan, Council:
  - i. **Approves** the financial estimates for the 2022/23 financial year with a rate requirement of SEVENTY EIGHT MILLION AND SEVEN HUNDRED

# COUNCIL MINUTES



AND TWENTY-TWO THOUSAND, SIX HUNDRED AND NINETY-FIVE DOLLARS (\$78,722,695) GST exclusive; and

- ii. **Approves** borrowing from external sources of ONE HUNDRED AND FIVE MILLION DOLLARS (\$105,000,000) in accordance with the Annual Plan;
- c) **ADOPTS** the draft Waipā District Council Development Contributions Policy 2022/23 (document number 10818661 attached as Appendix 2) as the Waipā District Council Development Contributions Policy 2022/23;
- d) **DELEGATES** to the Chief Executive the authority to make minor editorial changes and the correction of minor errors to the draft 2022/23 Annual Plan and the draft Development Contributions Policy 2022/23 as part of the publication process; and
- e) **SETS** the rates, payment dates and penalties on rating units in the Waipā District for the financial year commencing on 1 July 2022 and ending on 30 June 2023, pursuant to the provisions of the Local Government (Rating) Act 2002, and the Local Government Act 2002 as follows:

*[Rates requirement figures quoted in the section below are inclusive of GST at the prevailing rate.]*

### **General rate**

*A general rate is set under section 13 of the Local Government (Rating) Act 2002 based on the capital value of each rating unit in the district. The rate for 2022/23 is 0.1285 cents in the dollar on the capital value of each rating unit.*

*Amount to be raised: \$29,789,445 inclusive of GST.*

### **Uniform annual general charge (UAGC)**

*A uniform annual general charge is set under section 15 of the Local Government (Rating) Act 2002 at \$751.00 inclusive of GST per separately used or inhabited part of a rating unit.*

*The uniform annual general charge will fund a portion of the district wide funding.*

*Amount to be raised: \$19,097,930 inclusive of GST.*

### **Targeted rates**

# COUNCIL MINUTES



*Targeted rates are set under sections 16 and 19 of the Local Government (Rating) Act 2002 for the activities listed below.*

## **Targeted area rate**

*A targeted area rate is set on each rating unit in the district. The targeted area rate will be a fixed amount per rating unit. This rate will be set on a differential basis based on location of the rating unit, being the areas of Te Awamutu, Kakepuku, Cambridge, Maungatautari and Pirongia. The rate for the 2022/23 year is shown in the following table:*

Area	\$ Rate (GST inclusive)	\$ Raising
Cambridge	319.56	2,981,188
Kakepuku	195.44	250,166
Maungatautari	253.55	380,581
Pirongia	171.51	555,352
Te Awamutu	267.09	1,863,469

*The targeted area rate will fund the public community/group benefit element of activities.*

*The activities funded from the targeted area rate include community boards, community grants, libraries, Cambridge pool, Te Awamutu Events Centre, District museum, Cambridge Town Hall (Cambridge area only) community properties (Cambridge and Te Awamutu areas), passenger transport, Cambridge Refuse Centre grant, and National Cycling Centre of Excellence.*

*Amount to be raised: \$6,030,757 inclusive of GST.*

## **Cambridge community sports hall**

*A targeted rate is set to fund the loan charges for the grant made for the development of the sports hall located at the Cambridge High School. The rate is set on land in the Cambridge and Maungatautari areas only.*

*The targeted rate is a fixed amount of \$10.69 inclusive of GST per rating unit.*

*Amount to be raised: \$113,274 inclusive of GST.*

## **Urban Town Halls**

# COUNCIL MINUTES



*A targeted rate is set to fund the maintenance costs for the Pirongia Memorial Hall and the Kihikihi Town Hall and part of the maintenance costs of the Cambridge Town Hall. The rate is set on land in the Cambridge and Te Awamutu areas, and the Pirongia township being roll number 4605.*

*The targeted rate is a fixed amount of \$5.90 inclusive of GST per rating unit.*

*Amount to be raised: \$98,951 inclusive of GST.*

## **Capital works**

*A targeted rate is set to fund capital costs in connection with improvements and extensions to footpaths, kerbing and channelling of roads and street lighting as follows. The rate is set on land in the Cambridge and Te Awamutu areas only.*

*The capital works rate is based on the capital value of the rating unit. It is set on a differential basis based on location of the rating unit, with the categories being the areas of Te Awamutu and Cambridge. The rates in cents per dollar of capital value are shown in the following table:*

Area	Rate in cents per dollar (GST inclusive)	\$ Raising
Cambridge	0.0006	54,239
Te Awamutu	0.0009	39,435

*Amount to be raised: \$93,674 inclusive of GST.*

## **Stormwater**

*A targeted rate is set to fund the operating costs and loan charges for stormwater. The stormwater rate is based on the capital value of each rating unit in the district. The stormwater rate is set on a differential basis based on location of the rating unit, the categories being urban and rural. Urban is defined as being the urban drainage areas of Cambridge, Te Awamutu, Kihikihi, Ōhaupō, Pirongia and Karāpiro, as shown on Drainage Maps on [www.waipadc.govt.nz](http://www.waipadc.govt.nz). Rural is defined as the remaining area of the district not defined as urban. The rates for 2022/23 in cents per dollar of capital value are shown in the following table:*

	Rate in cents per dollar (GST inclusive)	\$ Raising
Urban	0.0394	4,093,208
Rural	0.0054	664,999

# COUNCIL MINUTES



*Amount to be raised: \$4,758,207 inclusive of GST.*

## **Sewerage charges**

*A targeted rate is set for sewerage disposal costs and loan charges for each rating unit in the areas of the Cambridge sewerage scheme and the Te Awamutu sewerage scheme.*

*The targeted rate is set on a differential basis based on the provision of service, the categories of service being connected and serviceable. Connected means any rating unit that is connected to the Cambridge or Te Awamutu sewerage scheme. Serviceable means any rating unit situated within 30 metres of a public sewerage drain in one of the above Council sewerage scheme areas to which it is capable of being effectively connected but which is not so connected.*

*Rating units that are neither connected to the scheme nor serviceable are not liable for this rate.*

*For connected rating units, the rate is calculated based on the number of pans and urinals at the rating unit, with the charge being the same dollar rate based on the total number of pans. For example, if the rating unit has 17 pans, all 17 pans will be calculated at \$494.56 per pan.*

*For serviceable rating units, the rate is an amount per rating unit. A rating unit used primarily as a residence for one household will be treated as having no more than one pan or urinal.*

*The rates for the 2022/23 year are:*

	\$ Rate per pan or urinal (GST inclusive)	\$ Raising
Connected (3 or less pans)	810.75	11,096,911
Connected (4 to 10 pans)	689.15	842,127
Connected (11-15 pans)	567.53	244,604
Connected (16-20 pans)	494.56	108,803
Connected (21-35 pans)	445.91	237,672
Connected (36-45 pans)	389.17	49,034
Connected (46 or more pans)	364.84	461,155
	\$ Rate per rating unit (GST inclusive)	\$ Raising
Serviceable	405.38	157,691

*Amount to be raised: \$13,197,996 inclusive of GST.*

## **Water charges**

*Non-metered connections*



# COUNCIL MINUTES



*A targeted rate is set to fund water supply costs and loan charges to non-metered rating units.*

*The targeted rate is set for serviceable rating units, and is a fixed amount per separately used or inhabited part of a rating unit. Serviceable means within 100 metres of a supply pipe and capable of being effectively connected but not so connected.*

*The rate for the 2022/23 year is:*

	\$ Rate per Suip (GST inclusive)	\$ Raising
Serviceable	121.06	26,053

*Rating units that have a metered supply and those that are not serviceable are not liable for this rate.*

*Amount to be raised: \$26,053 inclusive of GST.*

## *Metered Connections*

*Targeted rates are set for the supply of water and to fund loan charges to rating units with metered connections:*

- ❖ *(i) an amount per separately used or inhabited part of a rating unit; and*
- ❖ *(ii) a charge based on the amount (in cubic metres) of water supplied.*

❖ *In both cases, the rate is set for all metered rating units other than rating units subject to a separate water supply contract. The amount of the consumption-based component of the rate depends on the service provided, namely potable or raw water supply. The rates for the 2022/23 year are:*

	\$ Rate per SUIP (Incl GST)	Consumption \$ Rate (GST incl)
Potable Water	139.96	1.6997 per m <sup>3</sup>
Raw Water	139.96	0.4249 per m <sup>3</sup>

❖ *Amount to be raised: \$14,406,739 inclusive of GST.*

*Arohena Rural water supply area*

# COUNCIL MINUTES



*A targeted rate is set to fund the Arohena rural water supply loan costs for Waipā ratepayers within the Arohena rural water supply area (administered by the Ōtorohanga District Council).*

*The Arohena water rate is based on the capital value of each rating unit located within the Arohena rural water supply area. The rate for 2022/23 in cents per dollar of capital value is 0.0078 inclusive of GST.*

*Amount to be raised: \$5,635 inclusive of GST.*

## **Recycling charges**

*A targeted rate is set to fund the provision of a kerbside refuse recycling service to each household in the district.*

*The targeted rate is a fixed amount of \$124.00 inclusive of GST per separately used or inhabited part of a rating unit SUIP (where for the purposes of Recycling rates, only includes an SUIP used principally for residential purposes).*

*Amount to be raised: \$2,747,807 inclusive of GST.*

## **Community hall charges**

*Council has a number of community halls which have a targeted rate set for each hall. The targeted rates are to fund part of the costs of the relevant community hall.*

*These rates are a fixed amount per separately used or inhabited part of a rating unit (SUIP) (where for the purposes of Community Hall rates only includes a SUIP used principally for residential purposes), and will be charged to every rating unit within the relevant community hall areas on which there is at least one residential household.*

*The plans showing the boundaries of the various community hall areas can be found at [www.waipadc.govt.nz](http://www.waipadc.govt.nz).*

*The following table shows the details for the various community hall targeted rates:*

# COUNCIL MINUTES



	\$ Rate per Suip (GST inclusive)	\$ Raising
Fencourt Hall	16.00	6,510
Hautapu Hall	20.40	10,261
Horahora Hall	26.95	4,042
Karapiro Hall	26.75	9,764
Koromatua Hall	20.40	5,998
Maungatautari Hall	37.25	6,556
Monavale	30.00	6,541
Ngahinapouri Hall	30.00	10,502
Ohaupo Hall	13.30	6,079
Parawera Hall	18.60	2,324
Paterangi Hall	28.55	5,825
Pukeatua Hall	21.30	4,047
Rangioawhia Hall	14.25	1,880
Rukuhia Hall	26.10	8,300
Te Miro Hall	27.90	5,161
Te Rore Hall	13.80	662
Whitehall Hall	30.00	3,000

## **Community Centre Charges**

*Council has a number of community centres which have a targeted rate set for each community centre. The targeted rates are to fund part of the costs of the relevant community centre.*

*These rates are a fixed amount per separately used or inhabited part of a rating unit SUIP (where for the purposes of community centre rates, SUIP only includes a SUIP used principally for residential purposes), and will be charged to every rating unit within the relevant community centre area on which there is at least one residential household.*

*The plans showing the boundaries of the various community centres areas can be found at [www.waipadc.govt.nz](http://www.waipadc.govt.nz).*

*The following table shows the details for the various community centres targeted rates:*

	\$ Rate per Suip (GST inclusive)	\$ Raising
Kaipaki	39.70	12,227
Ohaupo	38.80	38,762
Pirongia	17.35	16,191

# COUNCIL MINUTES



## **Early payment of rates**

*Sections 55 and 56 of the Local Government (Rating) Act 2002 empower us to accept early payment of rates. Council accepts payment in full of all rates assessed in each year on or before the due date for the first instalment of the year. No discount will be given to any payment of rates received on this basis.*

## **Rates payable by instalments**

*Rates (other than rates for metered water supply) are payable by four equal instalments with the due dates and penalty dates as set out in the table below:*

Instalment	Due Date	Penalty Added
Instalment 1	22 August 2022	29 August 2022
Instalment 2	21 November 2022	28 November 2022
Instalment 3	21 February 2023	28 February 2023
Instalment 4	22 May 2023	28 May 2023

## **Water Rates payable by instalment**

*Invoices for the supply of water via metered connections are payable in four instalments. The location where the water is supplied within the District will determine the month of meter reading, invoice date, due date and the penalty date. The due dates and penalty dates are per the following table.*

Location	Invoiced during month of:	Due Date	Penalty Added
Te Awamutu / Pirongia	July	29-Aug-22	5-Sep-22
	October	30-Nov-22	7-Dec-22
	January	2-Mar-23	9-Mar-23
	April	29-May-23	6-Jun-23
Kihikihi	July	29-Aug-22	5-Sep-22
	October	30-Nov-22	7-Dec-22
	January	2-Mar-23	9-Mar-23
	April	29-May-23	6-Jun-23
Cambridge	August	30-Sep-22	7-Oct-22
	November	9-Jan-23	16-Jan-23
	February	31-Mar-23	11-Apr-23
	May	30-Jun-23	7-Jul-23
Pukerimu / Ohaupo	September	31-Oct-22	7-Nov-22
	December	30-Jan-23	7-Feb-23
	March	1-May-23	8-May-23
	June	31-Jul-23	7-Aug-23

## **Penalties on rates not paid by the due date**

*Section 58 of the Local Government (Rating) Act 2002 enables penalties to be imposed. A penalty of 3 per cent will be added to all instalments or part thereof remaining unpaid on the relevant date in the "Penalty Added" column of the*

# COUNCIL MINUTES



*table above under the heading “Rates payable by instalment”. This penalty does not apply to invoices for metered water supply.*

*An additional penalty of 3 per cent will be added to any rates assessed in any previous year that are still unpaid on 5<sup>th</sup> July 2022. The penalty will be added on 6<sup>th</sup> July 2022.*

*A further additional penalty of 3 per cent will be added to rates from the previous years that are still unpaid after 5<sup>th</sup> January 2023. The penalty will be added on 6<sup>th</sup> January 2023.*

### ***Penalties on metered water supply not paid by the due date***

*Section 58 of the Local Government (Rating) Act 2002 enables penalties to be imposed. A penalty of 3 per cent will be added to all instalments or part thereof remaining unpaid on the relevant date in the “Penalty Added” column of the table above under the heading “Water Rates payable by instalment”.*

Councillor Stolwyk/ Councillor Gordon

[Mayor Mylchreest and Councillor Coles departed the meeting at 9.29am due to declared conflicts of interest]

[Deputy Mayor Stolwyk assumed the role as Chairperson]

## 9 MAKING PLAN CHANGES OPERATIVE: PLAN CHANGES 13 AND 18

Hearings by RMA Accredited Commissioners were completed last year on two plan changes, and decisions made. These plan changes were:

- Council Plan Change 13: Uplifting Deferred Zones (PC13)
- Council Plan Change 18: Beekeeping in the Residential Zones (PC18)

The following appeals were received on the PC13:

- An appeal relating to the C4 growth cell against the decision to reject a submission seeking a new road access in C4.
- An appeal relating to the T6 growth cell against the decision to reject a submission seeking to reduce an area in T6 identified as stormwater reserve and show as residential.

# COUNCIL MINUTES



It was noted that both appeals had been formally withdrawn with no further action or changes being made to the plan change.

No appeals were received on PC18. The decision on PC18 recommended Council prepare a bylaw to replace the bee controls in the district plan. At the Council meeting of 26 April 2022, the Animal Nuisance bylaw (including controls on beehives) was adopted. The passing of this bylaw means that the bee controls in the district plan can now be removed and PC18 made operative.

The report sought Council approval under the relevant provisions of Schedule 1 to the Resource Management Act to make these two plan changes operative.

## RESOLVED

1/22/40

That Council;

- a) **RECEIVE** the report 'Making Plan Changes Operative: Plan Changes 13 and 18 (document number 10804593) of Tony Quickfall, Manager District Plan and Growth);
- b) **APPROVE** Council Plan Change 13 (document number 10635386): Uplifting Deferred Zones under clause 17 of Schedule 1 to the Resource Management Act 1991;
- c) **APPROVE** Council Plan Change 18 (document number 10585097): Beekeeping in the Residential Zones under clause 17 of Schedule 1 to the Resource Management Act 1991;
- d) **DELEGATE** to the Chief Executive authority to affix the Council seal to Council Plan Change 13 and Council Plan Change 18 pursuant to clause 17(3) of Schedule 1 to the Resource Management Act 1991; and
- e) **APPROVE** Council Plan Change 13 and Council Plan Change 18 being made operative on 28 July 2022 under clause 20 of Schedule 1 to the Resource Management Act 1991.

Councillor A. Brown / Councillor L. Brown

[Mayor Mylchreest and Councillor Coles re-joined the meeting at 9.30am and Mayor Mylchreest resumed the role as Chairperson]

# COUNCIL MINUTES



## 10 ORGANISATIONAL KEY PERFORMANCE INDICATORS 2022/23

The Organisation Key Performance Indicators (previously termed The Chief Executive (CE) KPIs) are an outcome of a process to define Council's 'Internal' Strategic Priorities for the coming financial year.

These internal or operational priorities are deemed the most appropriate focus areas to sit alongside and assist the delivery of a set of 'External' Strategic Priorities (priorities with which the community would see tangible results) that were developed to guide the 2021-31 Long Term Plan (LTP). They aim to drive the organisation to continually improve performance over time.

In response to a request for an update on the Urban Mobility Working Groups progress, it was reported that the Urban Mobility Reference Group had been unable to meet in person to date.

It was noted that a workshop is scheduled in August on the Emissions Reduction Plan and on the Climate Adaptation Plan under the Environment Strategy.

There was a request for inclusion of a measure under "preparing for climate change" to better reflect the actions identified.

### RESOLVED

1/22/41

*That Council;*

- a) *Receive the 'Organisation Key Performance Indicators 2022/23' report (document number 10830327) of Garry Dyet, Chief Executive; and*
- b) *Approve the Organisation Key Performance Indicators as set out in Appendix 1 of this report for the purposes of evaluating the Chief Executive's performance for the 2022/23 financial year; and*
- c) *Approve the refreshed milestones associated with Council's External Strategic Priorities as set out in Appendix 2 of this report.*

Councillor St Pierre/ Councillor Gower

# COUNCIL MINUTES



## 11 JUNE 2022 AUDIT AND RISK COMMITTEE MEETING

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The purpose of the report was to inform Council of the key matters discussed at the Audit and Risk Committee meeting held on 13 June 2022.

The annual refresh of the Top Risks (strategic risks) and Risk Appetite Statement were workshopped prior to the meeting.

Key reports presented to the Audit and Risk Committee meeting included internal audit follow up reviews of Payroll, Business Continuity Management Gap Analysis and Cybersecurity.

### RESOLVED

1/22/42

*That Council receive the report of Genny Wilson, Business Resilience and Risk Advisor titled June 2022 Audit and Risk Committee Meeting, document number 10832565.*

Councillor A. Brown / Councillor Gordon

[Meeting adjourned at 9.48am and resumed at 10.05am]

## 12 NEW ZEALAND SPORTS HALL OF FAME PROJECT

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The New Zealand Sports Hall of Fame Incorporated (“Hall of Fame”) is an incorporated charity working with a group of influential local residents towards developing a new hall of fame in a leased new building adjacent to the Cambridge Velodrome. The envisaged hall of fame will be a combination of three existing sports halls of fame. It includes the Māori sports hall of fame, a horse racing hall of fame, both currently virtual, and the New Zealand Sports Hall of Fame that has been located in the historic Dunedin Railway Station building since 1999.

The intention of the Hall of Fame was for it to be in a position to secure sufficient funding from various philanthropic trusts, businesses, Council and other funders to finance the project without borrowing, however due to a relatively urgent need to secure go-ahead for the project, the Hall of Fame was seeking the security of a loan guarantee arrangement with Council. As well as greatly assisting to ensure the project would go ahead, a loan guarantee from Council would support the entity in their fund raising endeavours as this would demonstrate support for the project from the Waipā District Council.



# COUNCIL MINUTES



Council has a policy which allows loan guarantees to be provided in certain circumstances. In most cases the organisation would already have had a loan proposal from a financial institution, which is not the case in this instance. In this case the Hall of Fame was only looking to the loan guarantee arrangement as a fallback / underwrite position in case this was needed.

Trustee Alan Livingstone was in attendance to take questions from Councillors.

It was noted that the Community had yet to be consulted on the project.

There was a request for regular reporting back to Council on the Trusts progress and financial position to be included in the recommendation.

## **RESOLVED**

1/22/43

*That Council*

- a) *Receives the report of Jolanda Hechter, Manager Finance titled New Zealand Sports Hall of Fame Project document number 1086060;*
- b) *AGREES to provide a loan guarantee to the New Zealand Sports Hall of Fame Incorporated ("Hall of Fame") up to a maximum amount of SEVEN HUNDRED AND FIFTY THOUSAND DOLLARS (\$750,000) subject to the following conditions:*
  - i) *the offer of loan guarantee being open for a maximum of 3 years only (noting the loan length may be up to 10 years);*
  - ii) *Council being satisfied with the terms and provider of the loan;*
  - iii) *the Hall of Fame granting Council a registered security interest over all its present and after acquired property, except the Hall of Fame memorabilia, under the Personal Property Securities Act 1999 throughout the duration of the loan guarantee;*
  - iv) *the Hall of Fame remaining a charity throughout the duration of the loan guarantee;*
  - v) *the Hall of Fame remaining located in the Waipā District throughout the duration of the loan guarantee;*
  - vi) *Council agreeing an appropriate loan guarantee agreement with the Hall of Fame to record the above arrangements; and*
  - vii) *The Hall of Fame meeting all legal and documentation costs associated with putting the guarantee arrangement in place; and*
  - viii) *the provision of a three-monthly report to the Council outlining the financial position of the Trust.*

# COUNCIL MINUTES



- c) *NOTES that recommendation b) is contrary to Council's Community Grants and Guarantees policy criteria due to the Hall of Fame not owning its own land nor being located on Council owned land, but this is considered justified due to the unique circumstances of this proposal, including the proposed conditions, and there are no plans to amend this policy; and*
- d) *DELEGATES to the Group Manager Business Support authority to negotiate and execute all relevant agreements and documentation to implement recommendation b) on behalf of Council.*

Councillor Stolwyk/ Councillor Gower

[Councillor L. Brown had declared an interest in Item 13 and departed the meeting at 10.27am]

## **13 CONSIDERATION OF SUPPORT FOR SALE OF ALCOHOL PROPOSED MEMBERS BILL**

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Following media coverage in regard to MP Chlöe Swarbrick's proposed Private Members' Bill, the Sale and Supply of Alcohol (Harm Minimisation) Amendment Bill, a memo from the Manager Compliance was included in a recent Friday Councillors mailout, summarising the various bills and some staff commentary.

On 3 June 2022 His Worship the Mayor received a request from the Medical Officer of Health for the Waikato District Health Board, requesting that Council formally record support for the members bill, nominate a Councillor to advocate central government in support of the Bill, and that Council request a review of the Sale and Supply of Alcohol Act 2012.

Discussion was held around the balance between protecting the public from alcohol harm and the future viability of local sports clubs with the loss of alcohol sponsorship deals.

# COUNCIL MINUTES



## RESOLVED

1/22/44

*That Council*

- a) **Receives** the report of Karl Tutty, Manager Compliance titled “Consideration of support for Sale of Alcohol proposed members bill” (Document 10830319);

Councillor Coles/ Councillor A. Brown

- b) **Receives** the untitled letter of Richard Hoskins, Medical Officer of Health dated 12 June 2022 (Document 10830325);

Councillor Coles/ Councillor St Pierre

- c) **Endorse** the proposed Private Members Bill: Sale and Supply of Alcohol (Harm Minimisation) Amendment Bill, which aims to:

- i. remove the special appeal process through Local Alcohol Policies.
- ii. wind down alcohol advertising and sponsorship of sport.

Councillor Pettit/ Councillor O’Regan

[Councillors Gordon and Webber requested that their vote against be recorded]

- d) **Requests** the proposed Private Members Bill: Sale and Supply of Alcohol (Harm Minimisation) Amendment Bill, be **supported** by the Government and/or non - Executive Members of Parliament;

Councillor Pettit/ Councillor St Pierre

[Councillors Gordon and Webber requested that their vote against be recorded]

- e) **Delegates** Councillor Marcus Gower to advocate to central government and to the Non – Executive Members of Parliament in support of the proposed Bill;

Councillor Stolwyk/ Councillor Coles

- f) **Requests** the New Zealand Government review the Sale and Supply of Alcohol Act 2012.

Councillor St Pierre/ Councillor Coles

[Councillor L. Brown re-joined the meeting at 10.56am]

# COUNCIL MINUTES



## 14 RESOLUTION TO EXCLUDE THE PUBLIC

### RESOLVED

1/22/45

**THAT the public be excluded from the following parts of the proceedings of this meeting.**

*The general subject of the matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:*

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
15. Public Excluded Minutes – 31 May 2022 16. Te Awamutu Walk of Fame 17. Cambridge Sports Walk of Fame 18. Acquisition of Land – C8 Growth Cell for Stormwater Pond	<i>Good reason to withhold exists under section 7 Local Government Official Information and Meetings Act 1987</i>	<i>Section 48(1)(a)</i>

*This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act, or Sections 6, 7 or 9 of the Official Information Act 1982, as the case may be, which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, are as follows:*

Item No.	Section	Interest
15,18	Section 7(2)(i)	<i>To enable the Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</i>
15	Section 7(2)(b)(ii)	<i>To protect information which if public would unreasonably prejudice the commercial</i>



		<i>position of the person who supplied or who is the subject of the information.</i>
16,17	<i>Section 7(2)(a)</i>	<i>To protect the privacy of natural persons, including that of deceased natural persons.</i>

Councillor A. Brown / Councillor Pettit

The meeting went into Public Exclusion at 10.55am  
 There being no further business the meeting closed at 11.11am.

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**CONFIRMED AS A TRUE AND CORRECT RECORD**

**CHAIRPERSON:** .....

**DATE:** .....

# COUNCIL AGENDA



**To:** His Worship the Mayor and Councillors  
**From:** Governance  
**Subject:** **DOCUMENTS SIGNED UNDER COUNCIL SEAL**  
**Meeting Date:** 26 July 2022

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## 1 EXECUTIVE SUMMARY – WHAKARĀPOPOTOTANGA MATUA

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Council policy and delegated authority provides for use of the Council seal prior to notification to Council in specified cases.

## 2 RECOMMENDATION– TŪTOHU Ā-KAIMAHI

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*That the following schedule of documents to which the Common Seal of the Waipā District Council has been applied under delegated authority be received:*

a) *Warrants as set out below:*

<b>Position for Warrant</b>	<b>Name of Staff</b>
<i>Enforcement Officer (Contractor)</i>	<i>Sarah Woollaston</i>
<i>Building Compliance Officer - Processing</i>	<i>Kailing Li</i>

# COUNCIL REPORT



**To:** His Worship the Mayor and Councillors  
**From:** Manager Project Delivery (Major Capital Works)  
**Subject:** **Water Reforms – Better Off Funding**  
**Meeting Date:** 26 July 2022

## 1 PURPOSE - TAKE

The purpose of this report is to recommend that Council supports a short-list of prioritised projects/initiatives to allow further development of a formal Funding Proposal for the Three Waters Reform: Better Off Support Package for Tranche 1 allocations, and to inform engagement with mana whenua and iwi to consider the short-list and assist Council to determine how it may use its funding allocation.

## 2 EXECUTIVE SUMMARY – WHAKARĀPOPOTOTANGA MATUA

As part of the proposed Three Waters Reform, government has developed a \$2 billion Better Off Support fund to invest in the future of Local Government and community wellbeing and allocated to territorial authorities on a nationally consistent formula basis.

Up to \$500 million of Better Off funding (Tranche 1) will be made available for use by Councils from 1 July 2022, with the remainder available (Tranche 2) from 1 July 2024 when the new water services entities are anticipated to be established.

Waipā District Council's nominal funding allocation is:

Tranche 1	\$5.24 million
Tranche 2	\$15.73 million

Access to Tranche 1 funds requires Council to submit a formal Funding Proposal to the Department of Internal Affairs (DIA) no later than 30 September 2022, and to sign a Funding Agreement with the government. Any unallocated or unspent Tranche 1 funds will accumulate with the Tranche 2 allocation, and therefore not be lost. All Tranche 1 and 2 funding must be used/spent by 30 June 2027.

DIA has set three eligibility criteria for Tranche 1, listed below. Projects must satisfy one or more criteria at a high or very high level. The Funding Proposal must also

demonstrate genuine engagement with iwi/Māori in determining how Council will use its Tranche 1 allocation.

- Supporting communities to transition to a sustainable and low-emissions economy, including **by building resilience to climate change and natural hazards**.
- Delivery of infrastructure and/or services that **enable housing development and growth**, with a focus on brownfield and infill development opportunities where those are available.
- Delivery of infrastructure and/or services that **support local place-making and improvements in community well-being**.

Long Term Plan (LTP) project costs within Years 1–3 are not eligible, but incremental cost for acceleration or enhancement, and cost increases due to unbudgeted inflation, can be applied for planned projects. LTP project costs beyond Year 3 are eligible for funding in their entirety.

A list of possible projects for a Tranche 1 Funding Proposal has been developed internally by senior staff. A DIA assessment tool has been used for preliminary analysis to confirm project eligibility and relative ranking. The six highest scoring projects suggested for a short-list for further consideration and engagement with mana whenua and iwi are listed below. All projects are funded in the LTP, except for “Cambridge Library Feasibility Study” which was considered in the Draft LTP.

1. Design and Build Te Ara Wai
2. Urban Mobility Network Programme Implementation
3. Cycling - Te Awamutu/Ngaroto/Pirongia Connection
4. Ngā Roto Management Plan (Heritage Restoration)
5. Cambridge Library Feasibility Study
6. Street Lighting Improvements – Urban areas

A further potential project that has just been identified at the time of finalising this report is the development of a resource recovery centre on land owned by Council in Matos Segedin Drive. Early thinking is that this project may also rank highly, and if so, it might also be further considered and progressed to engagement with mana whenua and iwi together with the six listed above.

Three Options are considered in the report:

1. Do nothing.
2. Delay preparation of Funding Proposal until 3 Waters Reform legislation is more advanced.
3. Progress with preparation of a Funding Proposal and identify a prioritised short-list of projects.

Option 3 is recommended. Support for a preferred short-list will enable ongoing work to prepare a Funding Proposal before the deadline date of 30 September. It is also relevant to note that during this period submissions on the Water Services Entities Bill will be considered by the government’s Finance and Expenditure Committee. Also,



Communities 4 Local Democracy, of which Waipā is a participating Council (along with 30 other local authorities), will be making submissions and running its Demand Better campaign.

### 3 RECOMMENDATION – TŪTOHU Ā-KAIMAHI

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*That Council*

- a) *Receives the report of Peter Thomson, Manager Project Delivery titled Water Reforms – Better Off Funding (document number 10831999);*
- b) *Supports Option 3, the preparation of a draft funding proposal for the Better Off Support Package Tranche 1 allocation for the following short-list of projects/initiatives:*
  - I. *Design and Build Te Ara Wai;*
  - II. *Urban Mobility Network Programme Implementation;*
  - III. *Cycling - Te Awamutu/Ngaroto/Pirongia Connection;*
  - IV. *Ngā Roto Management Plan Heritage Restoration;*
  - V. *Cambridge Library Feasibility Study;*
  - VI. *Street Lighting Improvements – Urban Areas;**and possibly, the Development of a Resource Recovery Centre; to facilitate further work preparing a draft Funding Proposal for the Better Off Support Package Tranche 1 allocation;*
- c) *Supports engagement with mana whenua and iwi to assist Council in determining a draft Funding Proposal and how Council may use its Better Off Support Package Tranche 1 allocation;*
- d) *Requests that staff report back to the Service Delivery Committee meeting on 20 September 2022 with a Funding Proposal for the Tranche 1 allocation from the Better Off Support fund, which reviews all relevant issues and options regarding any decision to lodge a Tranche 1 Funding Proposal and entering into a Funding Agreement with the Government.*

### 4 BACKGROUND – KŌRERO WHAIMĀRAMA

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The government has developed, in close partnership with Local Government New Zealand, a package of \$2.5 billion to support the sector through the transition to the new water services delivery system, and to position the sector for the future. The intent of this package is to support local authorities through the transition process, to ensure financial impacts of reform are managed and that all Councils/communities will transition to the new system for delivering three waters services in a better position than where they are now.

There are two broad components to this support package:

- \$2 billion of funding to invest in the future of Local Government and community wellbeing, while also meeting priorities for government investment (the “better off” component)

- \$500 million to ensure that no local authority is financially worse off as a direct result of the reform (the “no worse off” component).

This report focuses on the Better Off Support Package funding allocations.

The Better Off Support Package, which comprises a \$2 billion fund (\$1b Crown funding and \$1b from the new water services entities), is allocated to territorial authorities based on a nationally consistent formula that considers population, relative deprivation and land area. The government’s formula is designed to recognise the relative needs of local communities, the unique challenges facing local authorities in meeting those needs, and differences across the country in the ability to pay for those needs. Territorial authorities can use this funding to support the delivery of local wellbeing outcomes in a manner consistent with the priorities of central and Local Government. It is an investment by the Crown into the future for Local Government and community.

Councils are required to demonstrate that the use of this funding supports the three waters service delivery reform objectives and other local wellbeing outcomes, and aligns with the priorities of central and Local Government, through meeting some or all the following criteria:

1. Supporting communities to transition to a sustainable and low-emissions economy, including **by building resilience to climate change and natural hazards**.
2. Delivery of infrastructure and/or services that **enable housing development and growth**, with a focus on brownfield and infill development opportunities where those are available.
3. Delivery of infrastructure and/or services that **support local place-making and improvements in community well-being**.

**Appendix 1** from DIA (Department of Internal Affairs), “*Guide to the better off funding package for local authorities*” outlines the key information regarding the funding and application process. The key points are also summarised below:

1. Notional Better Off allocation for Waipā: Tranche 1 \$5.24m; Tranche 2 \$15.73m.
2. Tranche 1 funding is available for use from 1 July 2022, subject to an approved Funding Proposal and countersigned Funding Agreement.
3. Tranche 1 Funding Proposal submission portal opened 11 April and closes 30 September 2022.
4. Council does not have to apply for the full (or any of) Tranche 1 amount upfront.
5. Funds not applied for, or any unused Tranche 1 allocations are not lost, but will not be available until Tranche 2 funding approvals from 1 July 2024.
6. All Tranche 1 and 2 funding allocation must be used by 30 June 2027.
7. Council can only submit one Tranche 1 Funding Proposal, but this may include multiple projects or initiatives.
8. Project costs beyond Year 3 (2023/24) of the current LTP are eligible for funding in their entirety.

9. Project costs within Years 1 – 3 of the current LTP can be accelerated or enhanced, but only the incremental cost is eligible for funding. Cost increases due to inflation etc can be applied for eligible projects.
10. Council is expected to engage with iwi/Māori before submitting any Tranche 1 Proposal. DIA will review this detail to understand the level of engagement undertaken.
11. Council costs associated with compliance with the new Water Services Act will not be eligible.
12. A waiver may be issued where a Proposal is not submitted by 30 September, however waivers are entirely at the discretion of DIA.
13. If Council wishes to consult on its project(s) and this holds up the funding Proposal, then this may also be grounds for a waiver, again, at DIA discretion, on a case-by-case basis.
14. Council is encouraged to use its appointed DIA Relationship Manager (John Mackie, Bay of Plenty & Waikato) to help complete its Proposal and access funds.

## 5 SIGNIFICANCE & ENGAGEMENT

Staff have considered the key considerations under the Significance and Engagement Policy, in particular sections 7 and 8 and have assessed that the matter in this report has a medium level of significance. This is generally because there is a low level of significance for the wider community because the projects being short-listed were consulted on as part of the 2021-2031 Draft LTP. Further, community engagement has also been provided through the 2022/23 Annual Plan, and other project specific engagement processes. However overall, the level of significance is elevated to medium as mana whenua and iwi engagement is required as part of the Funding Proposal application process.

It is proposed to undertake direct engagement with mana whenua and iwi as part of the development and preparation of the formal Funding Proposal, and to keep the wider community informed of the Council's prioritisation work taking place to identify suitable projects that meet DIA funding eligibility criteria, and Council's strategic priorities.

## 6 OPTIONS – NGĀ KŌWHIRINGA

Option	Advantages	Disadvantages
<b>Option 1:</b> Do nothing	<ul style="list-style-type: none"> <li>▪ No staff or other Council resources required.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Unable to develop Funding Proposal to meet lodgement deadline of 30 September 2022.</li> <li>▪ Unable to secure Tranche 1 allocation until Tranche 2 allocations are available in 2024.</li> </ul>

Option	Advantages	Disadvantages
		<ul style="list-style-type: none"> <li>▪ Community cannot derive any benefits from Better Off capital allocation until at least 2024.</li> </ul>
<p><b>Option 2:</b> Delay preparation of Funding Proposal until 3 Waters Reform legislation is more advanced</p>	<ul style="list-style-type: none"> <li>▪ Greater clarity on direction of Reforms.</li> <li>▪ Defers use of Council resources.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Timeframe remaining to prepare and approve a Funding Proposal prior to 30 September 2022 may be insufficient to satisfy all eligibility requirements.</li> <li>▪ Council may not be able to obtain a discretionary waiver from Department of Internal Affairs to extend the Tranche 1 application deadline.</li> </ul>
<p><b>Option 3:</b> Progress with preparation of a Funding Proposal and identify a prioritised short-list of projects</p>	<ul style="list-style-type: none"> <li>▪ Allows maximum time left available to complete preliminary project prioritisation, engage with mana whenua and iwi, and prepare Funding Proposal to meet deadline date of 30 September 2022.</li> <li>▪ Council can secure Tranche 1 funding for immediate application/expenditure on approved projects.</li> <li>▪ Community gets early benefits of Better Off Support investment.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Commits Council resources.</li> <li>▪ Re-work may be necessary if there are further changes to Reform legislation that impact on the Better Off Support funding package.</li> <li>▪ There is a relatively short timeframe to consider project options for the Proposal, and to undertake any wider engagement with other sectors of the community.</li> </ul>

**The recommended option is Option 3.**

The reason for this is there is a very short time left in which to prepare a Funding Proposal for the Tranche 1 allocation of \$5.24m and submit it prior to the closing date of 30 September 2022. Council would then be entirely dependent on successfully applying for a discretionary waiver from DIA to lodge a “late” Proposal in order to access Tranche 1 funds before the next allocation of Tranche 2 in mid-2024. Alternatively, it is indicated that Tranche 1 funds can be applied for when the Tranche 2 funding opportunity is made available (from 1 July 2024).

Option 3 does not commit Council to lodging a Proposal, as Council can still decide not to lodge if other Three Waters Reform issues take precedence. However, it does allow Council to retain all options for accessing its Tranche 1 allocation in the interim.

### Short-Listing Projects/Initiatives

A long-list of possible projects has been identified internally by senior staff in discussion with the Executive. A number of these projects have been discounted, and these are discussed further below.

Possible projects which are expected to meet the eligibility criteria after a preliminary assessment, have been entered into the DIA's Project Assessment and Scoring template. This has allowed eligibility, prioritisation factors, and wellbeing criteria to be assessed and scored. From this scoring a relative ranking of the possible projects has emerged as shown in the **Summary Table** below. A full version of the scoring table showing all assessment detail is included in **Appendix 2**.

Projects ranked 1 to 6 were all considered and consulted on as part of the 2021-2031 Draft LTP. All these projects were allocated budgets when the LTP was approved, except for the "*Cambridge Library Feasibility Study*".

It is worth reiterating that project costs in LTP Years 2 and 3 are not eligible for funding, unless it is additional cost to enhance, accelerate or meet unbudgeted inflation. The "*Te Awamutu/Ngaroto/Pirongia Cycling Connection*" project falls into this category, with current inflation estimates expected to exceed the LTP budgets, and project completion still heavily dependent on approximately \$4.68m of external funding from the community.

The LTP combined Years 4 to 10 budgets are expected to be eligible for funding in their entirety – acknowledging the limitation of the Tranche 1 to meet costs up to Waipā's allocation of \$5.24m. Any Year 4 to 10 projects supported would need to be completed by mid-2027 to claim allocated Better Off funds.

The top two ranked projects (*Te Ara Wai* and *Urban Mobility Network*) each have the capacity to consume the entire Tranche 1 allocation on their own. The *Te Ara Wai* project has an external funding budget of just over \$2m. The *Urban Mobility Network* project has no approved transportation subsidy from Waka Kotahi at present.

Waipā District Council Basic Programme information (\$5.24 M Tranche 1)							Wellbeing Criteria	Total Score / 100	Rank	
Project / Initiative	Waipā AP 2022/23, plus LTP Yr 3 Budgets	Waipā LTP 2021-31 Combined Yr 4 to 10 Budgets	New or Additional Budget Estimated	Total Project Cost in \$000's	Est End Date	Project Type	Prioritisation Score (weighted) x 5			Total Wellbeing Outcomes Score (20)
Design & Build Te Ara Wai	\$ 7,763,200	\$ 12,716,884	\$ -	\$ 20,480	Jun-25	Enhance Planned	70	12	82	1
Urban Mobility Network Programme Implementation (Cycling Projects Cambridge, Te Awamutu/Kihikihi)	\$ 3,147,000	\$ 6,090,100	\$ -	\$ 9,237	Jun-27	Accelerate Planned	55	13	68	2
Cycling - Te Awamutu/Ngaroto/Pirongia Connection	\$ 8,663,456	\$ -	\$ 1,732,691	\$ 10,396	Jun-25	Enhance Planned	55	10	65	3
Ngā Roto Management Plan (Heritage Restoration)	\$ 109,032	\$ 360,896	\$ -	\$ 470	Jun-27	Accelerate Planned	55	9	64	4
Cambridge Library Feasibility Study	\$ -	\$ -	\$ 250,000	\$ 250	Jun-25	New	45	8	53	5
Street Lighting Improvements - Urban areas	\$ 235,675	\$ 1,261,350	\$ -	\$ 1,497	Jun-27	Accelerate Planned	45	4	49	6
Signalised Pedestrian Traffic Crossing on Alexandra Street, Te Awamutu (safety project)	\$ -	\$ -	\$ 450,000	\$ 450	Jun-25	New	40	7	47	7
CDEM PROJECT PROPOSAL Western Waikato and Waikato District Council Emergency Management Response Plan Development 2022/23	\$ -	\$ -	\$ 15,000	\$ 15	Jun-23	New	35	9	44	8
New Roundabout at Kaipaki/Lamb/Cambridge Road intersection, Growth Cell C4, C11. Plan Change 26 Infrastructure Requirements	\$ -	\$ -	\$ 5,000,000	\$ 5,000	Jun-27	New	35	7	42	9
New 1400 m collector road and 2 new roundabouts on Lamb Street, C4 growth cell. Plan Change 26 Infrastructure Requirements.	\$ -	\$ -	\$ 15,000,000	\$ 15,000	Jun-27	New	35	7	42	10
Kihikihi to Waikeria Cycleway	\$ -	\$ -	\$ 13,110,000	\$ 13,110	Jun-27	New	20	10	30	11

Project Summary Table

Given the high potential funding demand from the top ranked projects, and the limit of the Tranche 1 allocation, a short-list of the top six projects listed below is suggested:

**Project Short List for further work/engagement:**

1. Design & Build Te Ara Wai
2. Urban Mobility Network Programme Implementation
3. Cycling - Te Awamutu/Ngaroto/Pirongia Connection
4. Ngā Roto Management Plan (Heritage Restoration)
5. Cambridge Library Feasibility Study
6. Street Lighting Improvements – Urban areas

**Development of Resource Recovery Centre at Matos Segedin Drive, Leamington**

It should be noted that at a very late stage in the process of preparing this report a further project has been identified for consideration. This is the development of a resource recovery centre which could potentially be built on Council land at Matos Segedin Drive, Leamington, Cambridge. It is thought that this project may score well

against the criteria for the funding, and it is consistent with a project already envisaged within Council's long term plan and Waste Minimisation Plan, which sees a community facility created in partnership with a community operator/s. Council currently provides building space to the Cambridge Rotary Urban Miners e-Waste recovery operation, but the site that this operates from is a not a long-term proposition and a multi-purpose site focused on resource recovery is considered to be a better option for that activity.

### **Discounted Projects**

Proposed projects not meeting DIA eligibility criteria:

- Staff Parks Depot Requirements – Investigations
- Waipā's CCTV System
- Climax Engine Housing - Confirmation of Location and Design

*Ahu Ake - Community Spatial Plan - implementation of Keystone Projects:* Insufficient programme development is possible in the timeframe available. It is suggested this project be held over until Tranche 2 funding is considered in 2024.

*Affordable Housing - supporting Kāinga Ora planning in Waipā:* Insufficient programme development is possible in timeframe available. It is suggested this project be held over until Tranche 2 funding is considered in 2024, and pending the outcome of negotiations with Kāinga Ora, and allows for development of mana whenua and iwi engagement.

*Pioneer Walkway Cycleway, Te Awamutu:* This project is not funded in the 2021-2031 LTP. However, a Constraints and Solutions investigation on the original feasibility study is currently underway for the full length of the walkway from Racecourse Road to Albert Park Drive. The report will not be available in time to inform the Tranche 1 Funding Proposal but could be considered in the future for Tranche 2 funding.

*Te Awa River Ride Cycleway extension from Maungatautari Road to Waipuke Park:* This project needs further investigation and study to fully prepare a business case and therefore will not be ready to consider for the Tranche 1 Funding Proposal. Work could be progressed during 2022/23 to allow its consideration for any Tranche 2 Funding Proposal, in 2024.

### **Mana whenua and iwi Engagement**

Demonstrating genuine engagement is a requirement of the DIA funding application process, and a key consideration under Council's Significance and Engagement Policy. Prior to engagement hui, staff will carry out preliminary assessments of the short-listed projects having regard to iwi environmental management plans. The assessment framework from Ahu Ake supported by mana whenua will also be incorporated into this consultation. This will assist with considering mana whenua and iwi aspirations and incorporating these into the evaluations for the draft Funding Proposal.

### Funding Agreement

Council will be required to sign the government's Funding Agreement to access the Better Off funding package. The template DIA Funding Agreement is included as **Appendix 3**. The Agreement template is of a standard format and has very similar terms and conditions used by DIA for the agreed Stimulus Plan funding with Council of \$6.82 million.

Funding is only payable under the Agreement once the DIA is satisfied with the following documents and evidence:

1. The Funding Agreement, executed by Council
2. The final Funding Proposal prepared by Council, in a form approved by DIA.

The Funding comprises a grant and does not comprise an equity investment or loan. Signing the Agreement will oblige Council to collaborate and co-operate with DIA (and its National Transition Unit) to provide for the implementation and carrying out of certain parts of the Three Waters Reform Programme, with a view to achieving the Reform Objectives.

DIA has acknowledged the importance of Councils independently expressing their views of the Three Waters Reform programme, stating that the Funding Agreement for the Better Off Support Package does not prevent or prohibit Councils from doing this. In responses to Councils' frequently asked questions, DIA has advised that *"for the avoidance of doubt, publicly criticising or expressing opinions on reform cannot reasonably be expected to have an adverse effect on the reputation, good standing or goodwill of the Department of the New Zealand Government and would not represent a breach of the funding agreement."*

However, it is noted that the template Funding Agreement is silent on this subject and there are no specific clauses in the Agreement which directly confirm DIA's acknowledgement.

Communities 4 Local Democracy - He hapori mō te Manapori (31 partner Councils, including Waipā) has sent a letter of 26 May 2022 to DIA (refer to **Appendix 4**), requesting that amended clauses be included in the Funding Agreement, as partner Councils would like to see the government's reassurance on these matters reflected in the draft Funding Agreement. At time of writing, it is understood Communities 4 Local Democracy (and Council as a partner member) is still awaiting a response from DIA.

## 7 OTHER CONSIDERATIONS – HEI WHAIWHAKAARO

### Council's Vision and Strategic Priorities

Suggested short-listed projects have all been considered and/or approved through the 2021-2031 Long Term Plan statutory processes and are consistent with the Council's vision and external strategic priorities which were determined as part of the same.



**Legal and Policy Considerations – Whaiwhakaaro ā-Ture**

Staff confirm that the Option 3 and suggested project short-list complies with Council’s legal and policy requirements. There are no legal implications of Option 3.

**Financial Considerations – Whaiwhakaaro ā-Pūtea**

There is no financial impact from the recommendations. Internal staff costs to undertake engagement with mana whenua and iwi, and preparation work on the Better Off Tranche 1, can be met by 2022/2023 approved budgets and will not have an impact on rates.

**Risks - Tūraru**

There are no known significant risks associated with the decisions required for this matter.

**Iwi and Mana Whenua Considerations - Whaiwhakaaro ki ngā Iwi me ngā Mana Whenua**

Iwi and mana whenua will be asked to engage with Council in determining how it will use the Better Off Tranche 1 funding allocation.

**Climate Change – Hurihanga Āhuarangi**

Proposed projects for Better Off Tranche 1 funding are assessed against several criteria including “Supporting communities to transition to a sustainable and low-emissions economy, including by building resilience to climate change and natural hazards”.

**8 NEXT ACTIONS**

<b>Action</b>	<b>Responsibility</b>	<b>By When</b>
Engagement meetings with mana whenua through Ngā Iwi Tōpū O Waipā (NITOW)	Manager Project Delivery	31 August 2022
Engagement with iwi trusts, i.e., Waikato-Tainui; Raukawa; Maniapoto.	Manager Project Delivery	31 August 2022
Prepare Funding Proposal, in particular the programme overview for projects; how the programme meets eligibility criteria; details of mana whenua and iwi engagement; a wellbeing assessment of expected programme benefits.	Manager Project Delivery	31 August 2022
Report back to the Service Delivery Committee meeting on 20 September 2022 with a Funding Proposal for the Tranche 1 allocation from the Better Off Support fund and review all relevant issues and options regarding any decision to lodge a Tranche 1 Funding Proposal and enter into a Funding Agreement with the Government.	Manager Project Delivery	20 September 2022

## 9 APPENDICES - ĀPITITANGA

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No:	Appendix Title
1	DIA Guide to the better off funding package for local authorities
2	Better Off Support – Project Assessment and Scoring template
3	DIA Funding Agreement Template
4	Communities 4 Local Democracy letter of 26 May 2022 to DIA



Peter Thomson  
**MANAGER PROJECT DELIVERY**  
**(MAJOR CAPITAL WORKS)**



Approved by Dawn Inglis  
**GROUP MANAGER SERVICE DELIVERY**

## **APPENDIX 1**

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DIA Guide to the better off funding package for local authorities (*document number 10835847*)

# Three Waters Better Off Support Package

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Guide to the better off funding package for  
local authorities



**Te Tari Taiwhenua**  
**Internal Affairs**

## Table of Contents

Page	Contents
2	Table of Contents
3	Headline Information
4	About the better off package
5	About the application and funding process
6	Relationship managers
7	Funding application documentation
8	How to identify and prioritise initiatives
9	Funding Proposal – key areas of consideration
10	Iwi/Māori engagement
11	Wellbeing assessments
12	Administration process – key areas of consideration
13	Notional funding allocations - methodology
15	Appendix A: Notional funding allocation table
16	Appendix B: Wellbeing assessment examples
18	Appendix C: How to access the DIA's Grants Management System
19	Appendix D: Relationship manager details

## Headline Information



### Key Dates

- ▶ Funding Proposal submission portal opens online **Monday 11 April 2022** and close **Friday 30 September 2022**
- ▶ Tranche 1 funding is available for use from **1 July 2022**



### Applying for Funds

- ▶ There are **two** key **documents** to apply for and access the funding:
  - The Funding Proposal, outlining your council's intentions
  - The Funding Agreement
- ▶ You can only submit **one** Funding Proposal, but may include multiple projects or initiatives.
- ▶ You can use funding to cover projects up to **five years** in duration (through to 30 June 2027)
- ▶ You have a **relationship manager** assigned to your council to help you complete your proposal and access the funds (see **Appendix D** for details)



### Funding Release

- ▶ An **initial instalment** of 10% of your funds will be released on approval of your Funding Proposal
- ▶ Subsequent instalments will be released in **arrears of costs** incurred, on receipt of:
  - A payment request (up to **one a month** can be submitted); and
  - Proof of **progress** on your expenditure programme

## About the better off package

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### The better off package is:

- An investment by the Crown into the future for local government and community wellbeing; and
- In recognition of the significance to the local government sector (and the communities they serve) of the transfer of responsibility for water service delivery.

The use of this funding supports councils to transition to their new role post-reform through meeting some or all of the following criteria, as laid out in the Heads of Agreement:



Supporting communities to transition to a sustainable and low-emissions economy, including **by building resilience to climate change and natural hazards.**



Delivery of infrastructure and/or services that **enable housing development and growth**, with a focus on brownfield and infill development opportunities where those are available.



Delivery of infrastructure and/or services that **support local place-making and improvements in community well-being.**

## About the application and funding process

The better off package is one of the financial support packages to be provided to Local Authorities under the Three Waters Reform, as outlined in the Heads of Agreement.

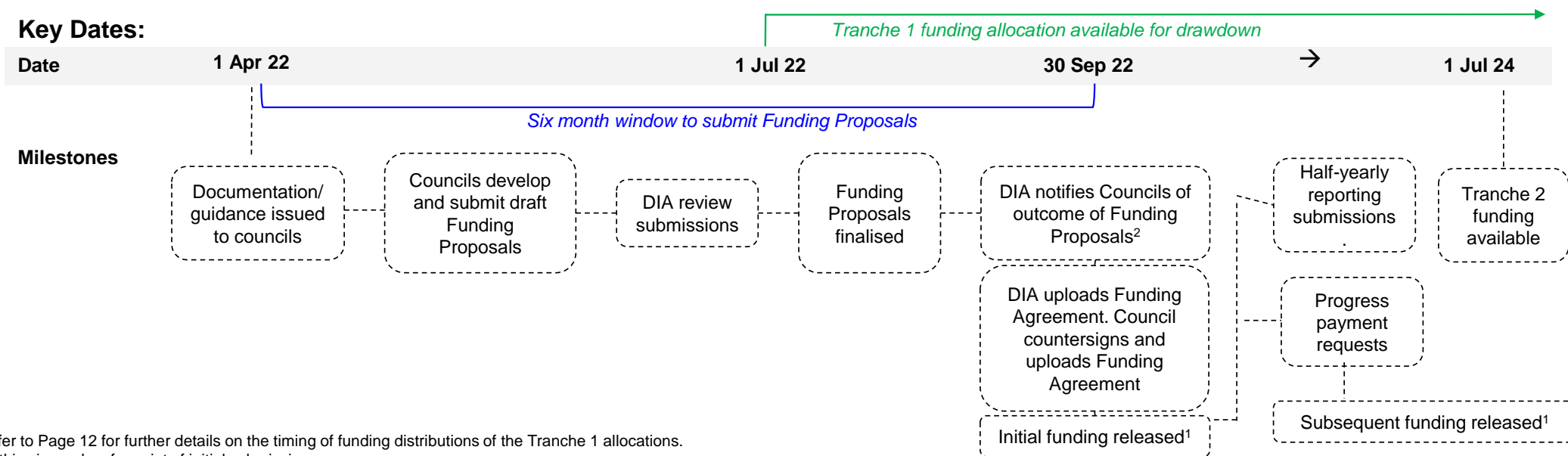
The \$2 billion package has been pre-allocated to councils based on a nationally consistent formula, and is available in two tranches. The first \$500 million of Crown Funding is available from 1 July 2022 and the remaining \$1.5 billion is available from 1 July 2024. This guide is specific to the first tranche of funding, however it is expected that access to Tranche 2 funding will follow a similar process.

This guide sets out the information needed for Local Authorities to engage with the Funding Agreement and Funding Proposal templates.

These are available on the Three Waters Reform webpage at: <https://www.dia.govt.nz/three-waters-reform-programme-reform-support-package>:

- Funding Proposal template available **01/04/2022** (NB: template for review only, proposals must be submitted online via the Grants Management System)
- Funding Agreement available **01/04/2022**

### Key Dates:



<sup>1</sup> Refer to Page 12 for further details on the timing of funding distributions of the Tranche 1 allocations.

<sup>2</sup> Within six weeks of receipt of initial submission.



## Relationship managers

To streamline the funding application and approval process, each council will be assigned a Relationship Manager to support them in developing their Funding Proposals. They will be available to provide additional guidance on an as-required basis.

Crown Infrastructure Partners have been appointed to fill this role.



### The Relationship Manager's Role

Relationship managers are in place to work with, and support local authorities through the end-to-end Funding Proposal process. They also provide a liaison point between the councils and the DIA throughout the approval process.

#### Identify and Prioritise

Assist councils to **identify** and **prioritise** initiatives that:

- ▶ Meet the funding criteria & conditions
- ▶ Provide value for money
- ▶ Demonstrate wellbeing outcomes

#### Prepare

Help local authorities to **prepare** funding proposals, including:

- ▶ Preparing the schedule of expenditure
- ▶ Identifying milestones linked to project delivery
- ▶ Advising on contingency requirements
- ▶ Completing the wellbeing assessments

#### Submit

Support Councils to **submit** funding proposals to DIA:

- ▶ Navigate the online Grants Management System
- ▶ Liaise with the DIA and the Cross Government Evaluation team to resolve any queries on the Funding Proposal

## Funding application documentation

### Funding Agreement

Local Authorities are required to sign the **Funding Agreement** to access the better off funding package.

DIA will provide a completed Funding Agreement following its review of the funding proposal. A pro-forma copy of the Funding Agreement is available [here](#).

The Agreement sets out the **purpose** of the funding, and the **requirements and conditions** that local authorities agree to meet to access the funding. The Agreement includes detail on the following:

- Funding conditions and criteria
- Overview of what the funding stimulus may be spent on
- Conditions attached to the funding
- Engaging with and supporting transition activities
- Reporting and other requirements

### Funding Proposal

The Funding Proposal is the document Local Authorities will use to access funding, and specifies the Programme of Expenditure they wish to apply funding to. It will be submitted to DIA for review to ensure that it meets the following criteria:

#### Funding criteria

- The Programme must support one or more of the better off package criteria (*refer page 4*)
- Funding proposals must be for:
  - new initiatives/projects; and/or
  - to accelerate, scale-up and/or enhance the quality of planned investment
- The duration of the Programme of Expenditure must be 5 years or less (completion date on or before 30 June 2027)
- The Total Maximum Amount Payable must be equal to or less than the funding allocation (*refer page 13*)

Local Authorities have flexibility to apply better off funding as they deem appropriate, provided it is consistent with these funding conditions and the Funding Agreement, and approved via the Funding Proposal.

#### The Funding Proposal will cover the following elements:

- Programme overview (including work to be undertaken, summary of costs, relevant milestones and dates.)
- Demonstration that engagement was undertaken with iwi/Māori on the use of funding.
- How the Programme meets one or more of the better off package funding criteria and conditions
- A brief wellbeing assessment setting out the expected benefits of the Programme



Administration of the better off package will be managed through the DIA online Grant Management System. **To apply you will need access to this system.** See **Appendix C** for more information

## How to Identify and Prioritise Initiatives

The funding criteria provides flexibility for Councils to identify a potentially wide range of funding proposals.

Where a council has existing strategic plans and documentation that meet the funding criteria, these may inform your project selection, including proposals to accelerate, scale up or enhance current and planned initiatives.

To assist in identifying and prioritising your initiatives, below are examples of projects that may be eligible based on the criteria, along with key considerations when prioritising a list of initiatives. Judgement is required when making these decisions, and councils may choose to assign different weighting to these prioritisation factors based on the needs of your community.

Initiative Examples	
1	<b>Public Transport Improvement Programme*</b> <ul style="list-style-type: none"> <li>Replace bus fleet with electric buses</li> <li>Upgrade public transport hubs to make them more user-friendly and safe</li> <li>Increase frequency of services in busy times, and identify and provide public transport options to under-served areas</li> </ul>
2	<b>Street Lighting Project</b> <ul style="list-style-type: none"> <li>Replace street lights with energy efficient bulbs</li> <li>Increase street lighting in underlit and unsafe areas</li> </ul>
3	<b>Coastal Placemaking Initiative</b> <ul style="list-style-type: none"> <li>New coastal public space and open air water park</li> </ul>
4	<b>Community Connectivity Initiative*</b> <ul style="list-style-type: none"> <li>Assist communities in need with affordable wifi connections and wifi-enabled devices</li> </ul>
5	<b>Digital Automation Programme*</b> <ul style="list-style-type: none"> <li>Transform resource consent application system</li> </ul>
6	<b>Supporting people living with disabilities to participate fully in society*</b> <ul style="list-style-type: none"> <li>Improve accessibility to community facilities including ramp access and handrails</li> <li>Installation of high specification bathrooms for people with complex disabilities</li> </ul>

Initial Eligibility Check	
Does the initiative meet the funding conditions listed on page 4?	
Prioritisation Factors	
<b>Value for Money</b>	Do the identified wellbeing outcomes justify the cost?
<b>Strategic Plans</b>	Is there existing strategic planning documentation to support this initiative?
<b>Iwi/Māori Support</b>	Has the council engaged with iwi/Māori on the intended use of the funding?
<b>Risk Analysis</b>	Does your risk analysis show any undue concerns in completing the project - for example, are the resources required readily available?
<b>Community Support</b>	Does the initiative have rate-payer and local community support?

\*See Appendix B for examples of wellbeing assessments for these initiatives

## Funding Proposal – Key areas of consideration

Key areas of consideration to be aware of when developing the Funding Proposal:

<p><b>Relationship between funding tranches</b></p> <p>The first tranche (\$500m available in July 2022 as per this guidance document) is distinct from the second, but councils are expected to <b>consider how the first tranche could support funding proposals for the second tranche</b>.</p> <p>Local authorities do not have to apply for the full Tranche 1 amount upfront, funds not applied for in Tranche 1 will be made available in Tranche 2.</p> <p>The second tranche will be subject to future guidance and application processes, however the same funding criteria and conditions are expected to apply.</p>	<p><b>Output-based milestones</b></p> <p>Milestones must be linked to <b>specific and measurable outputs</b>. Milestones should reflect progress of project delivery. For example:</p> <ul style="list-style-type: none"> <li>• In relation to project stages (e.g. procurement, design, construction); or</li> <li>• Based on project progress (e.g. percentage of works completed)</li> </ul> <p><b>Contingency</b></p> <p>When preparing your schedule of expenditure, consider whether a contingency allowance is appropriate to allow for cost increases outside your control.</p> <p>A process will be developed in the coming months to enable you to utilise unspent contingency.</p>	<p><b>Prior funding applications</b></p> <p>If you have a project that meets the better off funding criteria, and has previously been submitted and reviewed through <b>another contestable funding source</b>, speak to your Relationship Manager.</p> <p>You may be able to re-use your prior application details to streamline your Funding Proposal application.</p> <p>Examples of funding that may fit this criteria are:</p> <ul style="list-style-type: none"> <li>• Infrastructure Acceleration Fund (IAF)</li> <li>• National Land Transport Programme (NLTP)</li> <li>• IRG Shovel Ready</li> </ul>
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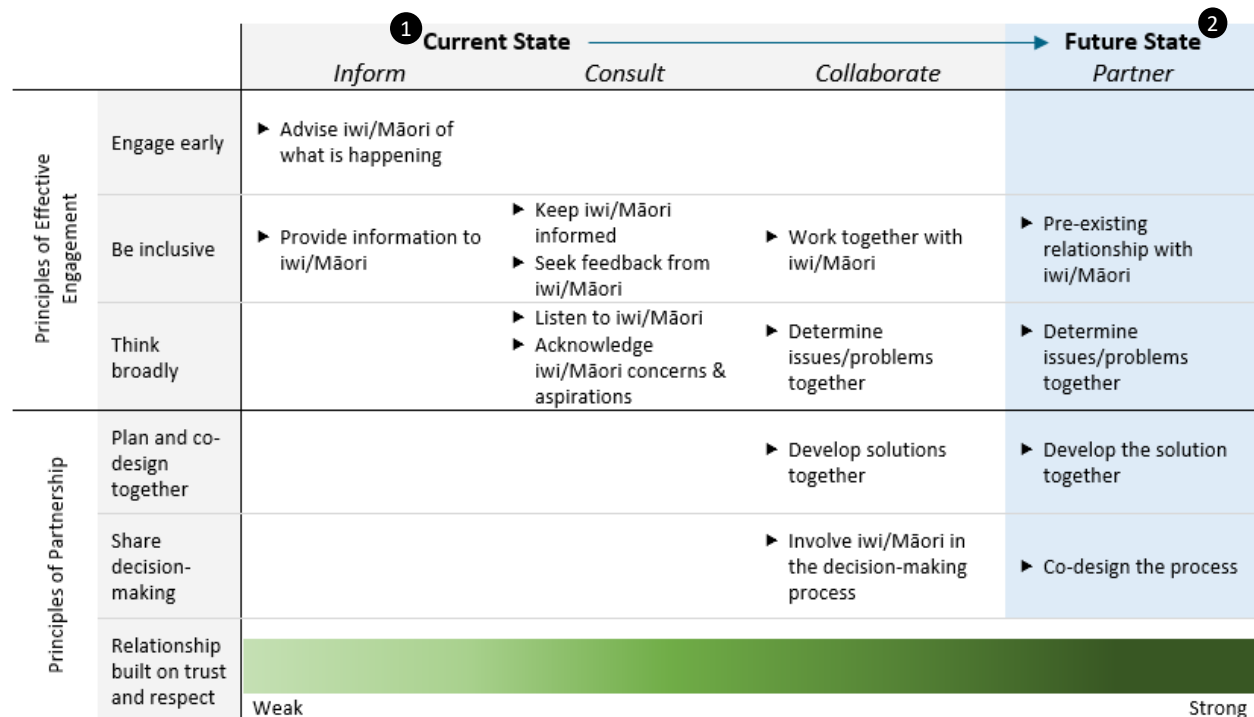
<p><b>Other areas of consideration</b></p>	<p><b>Iwi/Māori: Pathway to target state of partnership</b></p>	<p><i>Refer to Page 10</i></p>
	<p><b>Wellbeing assessment</b></p>	<p><i>Refer to Page 11</i></p>

 Relationship Managers will work with Local Authorities to finalise their Funding Proposals. They will be able to assist with specific questions around these considerations.

## Iwi/Māori engagement

The criteria for the Better off funding package recognises that local authorities are expected to engage with iwi/Māori in determining how it will use its funding allocation. For tranche one, it is expected that the Funding Proposal demonstrates genuine engagement, extending beyond standing committees (see below).

The diagram below illustrates a continuum of engagement to partnership between Local Authorities and iwi/Māori. The funding tranches have been designed in a way that understands that most councils sit on the continuum at or near the current state. Investment in time and resources is required by both parties in order to build a relationship that is closely aligned to partnership. In recognition of this, the **minimum** expectations for Tranche 1 are set around the current state. However, the expectation with respect to accessing Tranche 2 funding is that the target state is achieved, or that there is a demonstrated pathway as to how it will be achieved.



**Tranche 1 Minimum Expectations (Current State):**

- Identify Māori impacted by the kaupapa (purpose) of the work, with a focus on hapū, iwi, post-settlement government entities, other mana whenua
- Evidence of genuine engagement, extending beyond standing committees
- Identify issues/concerns arising from the engagement, and steps taken to accommodate and support these interests.

**Tranche 2 Minimum Expectations (Target State):**

- Relationships built on trust and mutual respect
- Funding Proposals have been co-designed and co-implemented from inception
- Decision-making on initiatives to fund and prioritise have been made jointly.

## Wellbeing assessments

Councils are expected to provide a wellbeing assessment setting out the expected benefits and wellbeing outcomes for each Programme.

The assessment should outline how the programme will deliver on:

- The broader “wellbeing mandates” under the framework of the Local Government Act 2002 (LGA), and
- The specific wellbeing criteria for the better off package shown on page 3

### LGA areas of wellbeing



Social wellbeing



Economic wellbeing



Environmental wellbeing



Cultural wellbeing

### Considerations for completing the Wellbeing Assessment

- **Define** the expected wellbeing outcomes from the Programme.
- **Describe** how the Programme outcomes will promote the better off package outcomes and wellbeing objectives for your community.
- **Decide** how you will measure, monitor and report on your stated wellbeing outcomes, preferably using your existing processes. (e.g. indicators of change/key performance indicators)



See **Appendix B** for examples of Wellbeing Assessments based on the initiatives shown on page 8.

## Administration Process - Key areas of consideration

Key administration principles to be aware of when planning and applying for the better off funding package:

<b>Release of funding</b>	<p>Following approval of a Funding Proposal and an executed Funding Agreement, an initial disbursement of <b>10% of the Total Maximum Payable</b> amount will be released.</p> <p>The remainder will be disbursed on receipt of a progress payment request from Councils:</p> <ul style="list-style-type: none"> <li>• Councils may submit a progress payment request, along with a progress report, up to once a month. This will be reviewed and approved by Crown Infrastructure Partners (CIP).</li> <li>• The review will focus on evidence that payments are linked to progress on the Programme.</li> <li>• On confirmation the review is satisfactory, funds will be released in arrears of costs incurred.</li> </ul>
<b>Monitoring and reporting</b>	<p>The Funding Agreement will outline the reporting requirements for councils.</p> <ul style="list-style-type: none"> <li>• Reporting is half-yearly (periods ending 30 June and 31 December), and a template will be provided to submit online.</li> <li>• CIP will monitor local authorities' progress against the Funding Proposal to provide assurance that Crown funding is being spent as intended and that projects are progressing within a reasonable timeframe.</li> <li>• The half-yearly reporting will also include monitoring of the achievement of outcomes as specified per the Funding Proposal.</li> <li>• There will be a process to address any material under-delivery or deviation from scope.</li> </ul>
<b>Project Substitution</b>	<p>There may be circumstances in which a council wishes to substitute or re-allocate funds allocated to another project in the Funding Proposal. These decisions will be considered by CIP, and made on a case-by-case basis.</p> <p>It may be prudent to consider having a “back-up” list of projects you have discussed with your relationship manager that can be used as a substitute in the event an approved initiative is unable to proceed.</p>
<b>Funding shortfalls</b>	<p>Funding allocations will not be ‘topped up’ to meet any shortfalls experienced by councils.</p>

## Funding allocations - methodology

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**A funding allocation framework has been developed, which is based on a nationally consistent formula.**

The Government and Local Government New Zealand have agreed to this formula as it recognises the relative needs of local communities, the unique challenges facing local authorities in meeting those needs and the relative differences across the country in the ability to pay for those needs.

### General approach to determining notional funding allocations



The **population** in the relevant council area.  
**(75% weighting)**



The NZ **deprivation index**\* adjustment to recognise the relative distribution of need across the country  
**(20% weighting)**



The **land area** covered by a council, excluding national parks  
**(5% weighting)**

\*The New Zealand index of deprivation is an area-based measure of socioeconomic deprivation in New Zealand that combines nine variables from the Census, including income levels, educational qualifications, home ownership, employment, family structure, housing and access to transport and communications. It has been introduced in the formula for allocating the better off component of the support package to recognise the relative distribution of need across the country. It enables a balanced distribution of funding across territorial authorities that complements the remaining two criteria that recognise needs associated with a larger population base and land area.



# APPENDICES

## APPENDIX A: Notional funding allocations

Council	Allocation (\$m)		
	Tranche 1	Tranche 2	Total
Auckland	127.14	381.43	508.57
Ashburton	4.19	12.57	16.76
Buller	3.50	10.51	14.01
Carterton	1.70	5.10	6.80
Central Hawke's Bay	2.83	8.50	11.34
Central Otago	3.21	9.63	12.84
Chatham Islands	2.21	6.62	8.82
Christchurch	30.61	91.82	122.42
Clutha	3.27	9.82	13.09
Dunedin	11.54	34.63	46.17
Far North	8.79	26.38	35.18
Gisborne	7.21	21.62	28.83
Gore	2.29	6.86	9.15
Greater Wellington	5.08	15.23	20.31
Grey	2.98	8.95	11.94
Hamilton	14.65	43.95	58.61
Hastings	8.72	26.16	34.89
Hauraki	3.78	11.34	15.12
Horowhenua	4.99	14.96	19.95
Hurunui	2.67	8.01	10.68
Invercargill	5.78	17.33	23.11
Kaikoura	1.55	4.66	6.21
Kaipara	4.04	12.11	16.14
Kapiti Coast	5.26	15.79	21.05
Kawerau	4.32	12.95	17.27
Lower Hutt	8.36	25.07	33.43
Mackenzie	1.55	4.65	6.20
Manawatu	3.76	11.29	15.05
Marlborough	5.76	17.28	23.04
Masterton	3.88	11.65	15.53
Matamata-Piako	4.32	12.95	17.27
Napier	6.46	19.37	25.82
Nelson	5.18	15.54	20.72
New Plymouth	7.90	23.69	31.59
Total			

Council	Allocation (\$m)		
	Tranche 1	Tranche 2	Total
Opotiki	4.68	14.04	18.72
Otorohanga	2.66	7.99	10.65
Palmerston North	8.16	24.47	32.63
Porirua	5.41	16.22	21.63
Queenstown Lakes	4.03	12.09	16.13
Rangitikei	3.33	9.99	13.32
Rotorua Lakes	8.05	24.15	32.19
Ruapehu	4.12	12.35	16.46
Selwyn	5.59	16.77	22.35
South Taranaki	4.55	13.65	18.20
South Waikato	4.64	13.92	18.56
South Wairarapa	1.88	5.63	7.50
Southland	4.80	14.41	19.21
Stratford	2.57	7.70	10.27
Tararua	3.80	11.39	15.19
Tasman	5.64	16.91	22.54
Taupo	4.93	14.80	19.74
Tauranga	12.10	36.30	48.41
Thames-Coromandel	4.05	12.15	16.20
Timaru	4.97	14.92	19.90
Upper Hutt	3.90	11.69	15.59
Waikato	7.88	23.65	31.53
Waimakariri	5.54	16.63	22.18
Waimate	2.42	7.26	9.68
Waipa	5.24	15.73	20.98
Wairoa	4.66	13.97	18.62
Waitaki	3.71	11.13	14.84
Waitomo	3.55	10.64	14.18
Wellington	14.42	43.27	57.69
Western Bay of Plenty	5.34	16.03	21.38
Westland	2.79	8.36	11.15
Whakatane	5.66	16.99	22.66
Whanganui	5.98	17.94	23.92
Whangarei	9.48	28.45	37.93
Total	500.00	1,500.00	2,000.00

## APPENDIX B: Wellbeing assessment examples

Example 1	Initiative Description: <b>Public Transport Improvement Programme</b>		
	Better off funding criteria met:		Wellbeing areas met:
	1. Supporting communities to transition to a sustainable and low-emissions economy 2. Delivery of infrastructure and/or services that support local place-making and improvements in community well-being.		1. Social 2. Environmental
	Wellbeing Outcomes	How Outcome is Measured	How Outcome is Reported
	Lower carbon emissions	Reduction in carbon emissions	Annual Report
Increase in use of public transport	Increase in # people using buses and trains Increase in % people that feel safe using public transport	Annual Report	

Example 2	Initiative Description: <b>Community Connectivity Initiative</b>		
	Better off funding criteria met:		Wellbeing areas met:
	1. Delivery of infrastructure and/or services that support local place-making and improvements in community well-being.		1. Social 2. Economic
	Wellbeing Outcomes	How Outcome is Measured	How Outcome is Reported
	Increase in access to reliable at home wifi service	Increase in # people with access to reliable wifi connections	Annual Report
Increase in access to wifi enabled devices to support work and study from home	Increase in % people with the ability to work and/or study from home	Annual Report	

## APPENDIX B: Wellbeing assessment examples

<b>Example 3</b>	<b>Initiative Description: Digital Automation Programme</b>		
	<b>Better off funding criteria met:</b>		<b>Wellbeing areas met:</b>
	1. Delivery of infrastructure and/or services that enable housing development and growth		1. Economic
	<b>Wellbeing Outcomes</b>	<b>How Outcome is Measured</b>	<b>How Outcome is Reported</b>
Faster processing of resource consents	Decrease in time taken to process a consent Increase in customer satisfaction on consent process	Annual Report	

<b>Example 4</b>	<b>Initiative Description: Supporting people living with disabilities to participate fully in society</b>		
	<b>Better off funding criteria met:</b>		<b>Wellbeing areas met:</b>
	1. Delivery of infrastructure and/or services that support local place-making and improvements in community well-being.		1. Social 2. Cultural
	<b>Wellbeing Outcomes</b>	<b>How Outcome is Measured</b>	<b>How Outcome is Reported</b>
Community facilities are inclusive and accessible to those living with disabilities	Increase in # community facilities with disability friendly access Increase in % people with disabilities that feel community spaces are accessible	Annual Report	
Those with complex disabilities can access and use public bathroom facilities	# Public high specification bathrooms installed	6 Monthly Better Off Report Submission	

## Appendix C: How to access the DIA's Grants Management System

### STEP 1: Create the Better Off organisation profile

- ▶ Your relationship manager will provide DIA staff with the following information on behalf of your council:
  - Council name
  - Contact name (*this person will become the "Profile Secretary"*)
  - Contact phone number
  - email address (*this will be used for payment advice and other correspondence*)
- ▶ DIA staff will create the Better Off organisation

### STEP 2: Linking an individual to administer the profile

- ▶ A RealMe invitation link will be emailed to the nominated contact, connecting them to the Better Off council profile. RealMe credentials are required for logging in, but can be created if need be.
- ▶ The contact person will fill out the organisation profile, including:
  - Bank account for payment
  - Upload of bank account verification document (bank deposit slip, statement confirming bank account name and number)
- ▶ Once logged in, the named contact can invite other individuals to join the organisation profile (to act as signatories for example).

### STEP 3: Submit the Funding Proposal

- ▶ Nominated individuals linked to the Better Off organisation can create, edit and submit the Funding Proposal for the Council they represent.
- ▶ Once submitted, the Funding Proposal will be reviewed and the DIA will issue a decision within 6 weeks.

**email** ▶ [community.matters@dia.govt.nz](mailto:community.matters@dia.govt.nz) **phone** ▶ 0800 824 824 **login** ▶ <https://communityadviceandgrants.dia.govt.nz>

## Appendix D: Relationship manager details

Below are the contact details for the Relationship Managers assigned to each region.

Region	Name	email contact
Auckland & Northland	Martin Smith	<a href="mailto:martin.smith@crowinfrastucture.govt.nz">martin.smith@crowinfrastucture.govt.nz</a>
Bay of Plenty & Waikato	John Mackie	<a href="mailto:john.mackie@crowinfrastucture.govt.nz">john.mackie@crowinfrastucture.govt.nz</a>
Taranaki	Anthony Wilson	<a href="mailto:anthony.wilson@crowinfrastucture.govt.nz">anthony.wilson@crowinfrastucture.govt.nz</a>
Manawatu/Rangatikei & Top of the South	Ian Garside	<a href="mailto:ian.garside@crowinfrastucture.govt.nz">ian.garside@crowinfrastucture.govt.nz</a>
Hawkes Bay	Geof Stewart	<a href="mailto:geof.stewart@crowinfrastucture.govt.nz">geof.stewart@crowinfrastucture.govt.nz</a>
Wellington	Brent Manning	<a href="mailto:brent.manning@crowinfrastucture.govt.nz">brent.manning@crowinfrastucture.govt.nz</a>
Canterbury	Paul Utting	<a href="mailto:paul.utting@crowinfrastucture.govt.nz">paul.utting@crowinfrastucture.govt.nz</a>
Otago/Southland and West Coast	Steve Apeldoorn	<a href="mailto:steve.apeldoorn@crowinfrastucture.govt.nz">steve.apeldoorn@crowinfrastucture.govt.nz</a>

## APPENDIX 2

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Better Off Support – Project Assessment and Scoring template (*document number 10852958*)

Appendix Two

Waipā District Council information (\$5.24 M Tranche 1) – Project Assessment & Scoring template					Three Waters Reform – Better Off Support – Tranche 1							Initial Eligibility Check - Must Meet (High/V.High) one or more of eligibility criteria					Eligibility against Prioritisation Factors					Wellbeing Criteria					Total Score / 100	Rank
Waipā Project / Initiative	Comments	Waipā Annual Plan 2022/23, plus LTP Yr 3 (2023/24) Budgets	Waipā LTP 2021-31 Combined Yr 4 to 10 Budgets	New or Additional Budget Estimated	Total Project Cost in \$000's	Total Better Off Funding \$000' to be confirmed	Cash regenerative /Sunk Cost	Est Start Date mmm/yyy	Est End Date	Project Type	Criteria 1: Supporting communities to transition to a sustainable and low emissions economy	Criteria 2: Delivery of infrastructure and/or services that enable housing development and growth	Criteria 3: Delivery of infrastructure that support improvements in community well-being	Initial Eligibility Check Pass / Fail	Strategic Plan (Business Case / Prev Funding Document) Yes / No	Value for money (do Wellbeing outcomes justify cost) Yes / No	Risk Analysis (resources to undertake etc) Yes / No	Community Consultation - None, Low, Medium, High, V.High	iwi/Māori consultation - None, Low, Medium, High, V.High	Prioritisation Score (weighted) x 5	Social Wellbeing	Economic Wellbeing	Environmental Wellbeing	Cultural Wellbeing	Total Wellbeing Outcome Score (20)			
Design & Build Te Ara Wai	Approved and funded LTP project. Funding mix of Loan, Asset Sales, and External	\$ 7,763,200	\$ 12,716,884	\$ -	\$ 20,480	\$ -	Sunk	Oct-22	Jun-25	Enhance Planned	Low	Low	High	Pass	Y	Y	Y	High	V.High	70	V.High	Medium	Medium	High	12	82	1	
Urban Mobility Network Programme Implementation (Cycling Projects Cambridge, Te Awamutu/Kihikahi)	Approved and funded LTP project. But assumes no funding available from Waka Kotahi.	\$ 3,147,000	\$ 6,090,100	\$ -	\$ 9,237	\$ -	Sunk	Jan-23	Jun-27	Accelerate Planned	V.High	Medium	High	Pass	Y	Y	Y	High	Medium	55	High	High	V.High	Medium	13	68	2	
Cycling – Te Awamutu/Ōngaroto/Pirongia Connection	Approved and funded LTP Year 1-3 project. Requires estimated 20% budget increase. Enhance to complete adjoining section linking to Pioneer Walkway/cycleway, and alternative overland route to avoid the SH39 bridge across Mangapiko Stream.	\$ 8,663,456	\$ -	\$ 1,732,691	\$ 10,396	\$ -	Sunk	Oct-22	Jun-25	Enhance Planned	Medium	Low	High	Pass	Y	Y	Y	High	Medium	55	High	Medium	High	Medium	10	65	3	
Ngā Roto Management Plan (Heritage Restoration)	Approved and funded LTP project.	\$ 109,032	\$ 360,896	\$ -	\$ 470	\$ -	Sunk	Oct-22	Jun-27	Accelerate Planned	Low	Low	High	Pass	Y	Y	Y	Medium	High	55	Medium	Low	High	High	9	64	4	
Cambridge Library Feasibility Study	Considered in Draft LTP. "New" budget as at 2020 - may need inflation adjustment	\$ -	\$ -	\$ 250,000	\$ 250	\$ -	Sunk	Oct-22	Jun-25	New	Low	Low	High	Pass	Y	Y	Y	Medium	Low	45	High	Medium	Low	Medium	8	53	5	
Street Lighting Improvements - Urban areas	Approved and funded LTP project. Level of Service improvements. But assumes no funding available from Waka Kotahi.	\$ 235,675	\$ 1,261,350	\$ -	\$ 1,497	\$ -	Sunk	Oct-22	Jun-27	Accelerate Planned	Medium	Medium	High	Pass	Y	Y	Y	Medium	Low	45	Medium	Low	Low	None	4	49	6	
Signalised Pedestrian Traffic Crossing on Alexandra Street, Te Awamutu (safety project)	No business case yet, new urgent safety issue for school. Assumes no funding available from Waka Kotahi.	\$ -	\$ -	\$ 450,000	\$ 450	\$ -	Sunk	Jan-23	Jun-25	New	Low	Medium	High	Pass	Y	Y	Y	Low	Low	40	High	Medium	Low	Low	7	47	7	
CDEM PROJECT PROPOSAL Western Waikato and Waikato District Council Emergency Management Response Plan Development 2022/23	Waipa's pro-rata share with Waikato, Waitemoa, and Ōtorohanga of total project estimate of \$40k plus disbursements. Project to be initiated and completed in 2022/23.	\$ -	\$ -	\$ 15,000	\$ 15	\$ -	Sunk	Oct-22	Jun-23	New	Low	Medium	High	Pass	Y	Y	Y	Low	Medium	35	Low	High	High	Medium	9	44	8	
New Roundabout at Kaipakiki/Lamb/Cambridge Road intersection, Growth Cell C4, C11. Plan Change 26 Infrastructure Requirements	Growth 50%, assume 10% funding from Waka Kotahi	\$ -	\$ -	\$ 5,000,000	\$ 5,000	\$ -	Sunk	Jan-23	Jun-27	New	Low	V.High	High	Pass	Y	Y	Y	None	Low	35	Medium	High	Low	Low	7	42	9	
New 1400 m collector road and 2 new roundabouts on Lamb Street, C4 growth cell. Plan Change 26 Infrastructure Requirements.	Growth 100%, assume no funding from Waka Kotahi	\$ -	\$ -	\$ 15,000,000	\$ 15,000	\$ -	Sunk	Jan-23	Jun-27	New	Low	V.High	Medium	Pass	Y	Y	Y	None	Low	35	Medium	High	Low	Low	7	42	10	
Kihikahi to Waikeia Cycleway	Estimate based on recent 2022 Options Assessment, Option B – Tiki Road passing Ōrākau memorial site	\$ -	\$ -	\$ 13,110,000	\$ 13,110	\$ -	Sunk	Jan-23	Jun-27	New	Medium	Medium	High	Pass	N	Y	N	Low	Low	20	High	Medium	High	Medium	10	30	11	

Better Off Support – Project Assessment and Scoring Template



## APPENDIX 3

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DIA Funding Agreement Template (*document number 10835820*)



# **FUNDING AGREEMENT**

**BETWEEN**

**DEPARTMENT OF INTERNAL AFFAIRS**

**AND**

**[NAME OF RECIPIENT]**

**AND**

**CROWN INFRASTRUCTURE PARTNERS  
LIMITED (AS MONITOR)**

**FOR**

**THREE WATERS REFORM – BETTER OFF  
PACKAGE (TRANCHE 1 FUNDING)**

## AGREEMENT

The parties (identified below in Part 1) agree to be bound by the terms and conditions of this Agreement, as set out below in Part 1 (Key Details), Part 2 (General Terms), Part 3 (Definitions and Construction), Schedule 1 (Permitted Funding Activities) and Schedule 2 (Transition Support Arrangements).

### PART 1: KEY DETAILS

- 1 **Parties** The Sovereign in right of New Zealand, acting by and through the [Deputy Chief Executive] of the Department of Internal Affairs (**DIA**)
- [NAME OF RECIPIENT] (**Recipient**)
- Crown Infrastructure Partners Limited (**Monitor**)
- 2 **Background** The New Zealand Government is undertaking a reform programme for “Three Waters” (drinking water, wastewater and stormwater) service delivery for communities (**Three Waters Reform Programme**).
- The Crown entered into a Heads of Agreement with New Zealand Local Government Association Incorporated Te Kahui Kaunihera o Aotearoa (**LGNZ**) under which, amongst other things, the Crown proposed that a Three Waters Reform financial support package be provided to local authorities, comprising:
1. a “no worse off” package which will seek to ensure that financially, no local authority is in a materially worse off position to provide services to its community directly because of the Three Waters Reform Programme and associated transfer of responsibility for the provision of water services (including the transfer of assets and liabilities) to the Water Services Entities; and
  2. a “better off” package of \$2 billion which supports the goals of the Three Waters Reform Programme by supporting local government to invest in the wellbeing of their communities in a manner that meets the priorities of both the central and local government, and is consistent with the agreed criteria for such investment set out in the Heads of Agreement,
- to be given effect in agreements between each local authority and the Crown (through DIA).
- The better off package will comprise:
1. \$1 billion of Crown funding, \$500 million of which is intended to be provided to local authorities from 1 July 2022 to enable early investment (“**Tranche 1 Funding**”); and
  2. the remaining \$1 billion to be funded by the new Water Services Entities.
- This Agreement relates to the provision of funding to the Recipient from the Tranche 1 Funding of \$500 million.
- The Crown’s objectives with the better off package are, acknowledging the Reform Objectives, to demonstrate central government confidence in the future for local government by providing the sector with additional funds to support local wellbeing outcomes in a way that aligns with the priorities of central and local government, including through meeting some or all of the following criteria:
1. supporting communities to transition to a sustainable and low-emissions economy, including by building resilience to climate change and natural hazards;

2. delivery of infrastructure and/or services that:
  - a. enable housing development and growth, with a focus on brownfield and infill development opportunities where those are available;
  - b. support local place-making and improvements in community well-being.

The Recipient is a [territorial authority with statutory responsibility for delivering Three Waters services within its own district or city]. The Recipient will work collaboratively with the New Zealand Government in connection with the Three Waters Reform Programme.

Crown Infrastructure Partners Limited is party to this Agreement to undertake a review and monitoring role on behalf of the DIA, as further described in this Agreement.

DIA has agreed to contribute funding to the Recipient on the terms and conditions of this Agreement (**Agreement**). This funding is being provided to enable the Recipient to undertake the activities described in Schedule 1.

Key details of this Agreement are set out in this **Part 1**. The full terms and conditions are set out in **Part 2**. Defined terms and rules of interpretation are set out in **Part 3**.

**3 Conditions Precedent**

No Funding is payable under this Agreement until DIA has confirmed to the Recipient in writing that it has received, and found, in its sole discretion, to be satisfactory to it in form and substance, the following documents and evidence:

1. This Agreement, duly executed by the Recipient.
2. The final Funding Proposal prepared by the Recipient, in a form approved by DIA.

The Recipient is responsible for the content of the Funding Proposal and approval by DIA for the purposes of this Agreement shall not impose any obligations on DIA in respect of the Funding Proposal other than as expressly set out in this Agreement.

These conditions precedent must either be satisfied (in the opinion of DIA) or waived by DIA (at its sole discretion) by 30 September 2022. In the event that they are not satisfied or waived within that time, DIA may notify the Recipient that this Agreement has not come into effect and is null and void.

**4 Permitted Funding Activities**

The Recipient may only use the Funding:

1. for the purposes set out in Schedule 1; and
2. for any other purpose with DIA or the Monitor's prior written approval,

(each a **Permitted Funding Activity**).

**5 Funding Proposal**

The Recipient is to undertake the Permitted Funding Activities in accordance with the Funding Proposal approved by the DIA (or otherwise with DIA or the Monitor's prior written approval).

**6 End Date**

The End Date is [1 July 2027], or such later date determined by DIA in its discretion. **[Note: Recipients may propose an End Date having regard to the funding activities covered by this agreement, no later than 30 June 2027. DIA intend that the End Date is to be confirmed for each agreement]**

**7 Funding**

The total Funding available under this Agreement is up to **NZ\$[INSERT HERE]** plus GST (if any). This is the Total Maximum Amount Payable.

The first instalment of Funding under this Agreement is (NZ\$[insert] plus GST (if any)) subject to satisfaction of the Conditions Precedent set out in Item 3 above and receipt of a duly completed Payment Request in accordance with clause 1 of Part 2.

The Recipient may submit progress payment claims for the balance of the Funding under this Agreement, subject to satisfaction of the conditions set out below and the other terms and conditions of this Agreement.

Each instalment of Funding under this Agreement, following payment of the first instalment, is subject to:

- (a) Receipt of a duly completed Payment Request in accordance with clause 1 of Part 2.
- (b) DIA receiving and being satisfied with the six-monthly reports specified in the Key Details, together with the other information required in this Agreement.
- (c) DIA being satisfied that the Recipient is using reasonable endeavours to comply with the Transition Support Arrangements set out in Schedule 2.
- (d) DIA being satisfied that the Recipient is complying with the requirements of any Remedial Plan.
- (e) No Termination Event, or event entitling DIA to suspend funding under this Agreement, subsisting.

The first Payment Request may be submitted upon the Commencement Date occurring. Each subsequent Payment Request may be submitted at any time, but no more than one such Payment Request may be submitted in any month, except (in each case) to the extent agreed by DIA in its sole discretion.

## 8 Reporting

The Recipient will provide DIA via the DIA's Grant Management System portal with six-monthly reports by the 15<sup>th</sup> Business Day following the end of each six month period ending on 30 June and 31 December), with effect from the Commencement Date. Each six-monthly report must include the information set out below, in the standard reporting form specified by DIA.

If the frequency of reporting is changed to quarterly, as further described in clause 2.14, then the obligations described in this Agreement in respect of each six-monthly report will equally apply to the required quarterly reports (to be provided by the 15<sup>th</sup> Business Day following the end of each Quarter).

The Recipient will also provide DIA via the DIA's Grant Management System portal with a final report by the 15<sup>th</sup> Business Day following the End Date. The final report must include the information set out below, in the standard reporting form specified by DIA.

Each report is to be in form and substance satisfactory to DIA in its sole discretion.

**Each six-monthly report** must include the following information:

- (a) Description of activities undertaken during the relevant six month period (including progress against relevant milestones);
- (b) A summary of expenditure for the relevant six month period (including any co-funding by the Recipient);
- (c) Plans for the next six month period (including a financial forecast for cashflow purposes);
- (d) Any major risks arising or expected to arise with the Permitted Funding Activities, costs or performance of this Agreement, together with actual or proposed mitigations for those risks (including, where the Permitted Funding Activities) costs are forecast to exceed budgeted

costs, how the shortfall is to be funded);

- (e) A summary of the outcomes achieved as a result of the Permitted Funding Activities; and
- (f) Any other information relevant to this Agreement and/or DIA's involvement in connection with the Permitted Funding Activities that is notified by DIA or the Monitor in writing to the Recipient.

**The final report** must include the following information:

- (a) Description of activities undertaken during the term of this Agreement;
- (b) A summary of expenditure on the Permitted Funding Activities (including any co-funding by the Recipient);
- (c) A summary of the outcomes achieved as a result of the Permitted Funding Activities;
- (d) Any specific reporting requirements set out in this Agreement; and
- (e) Any other information relevant to this Agreement and/or DIA's involvement in connection with the Permitted Funding Activities that is notified by DIA or the Monitor in writing to the Recipient.

**9 Special Terms**

During the term of this Agreement the Recipient shall use reasonable endeavours to comply with the Transition Support Arrangements, as set out in Schedule 2.

**10 Representative**

DIA's Representative:

Name: Michael Lovett

Email: [threewaters@dia.govt.nz](mailto:threewaters@dia.govt.nz)

Recipient's Representative:

Name: [name]

Email: [email]

Monitor's Representative:

Name: [name]

Email: [email]

**11 Address for Notices**

To DIA:

Three Waters Reform  
Level 7, 45 Pipitea Street  
Wellington 6011

Attention: Michael Lovett

Email: [threewaters@dia.govt.nz](mailto:threewaters@dia.govt.nz), with a copy to [legalnotices@dia.govt.nz](mailto:legalnotices@dia.govt.nz)

To the Recipient:

[address]

Attention: [name]

Email: [email]

To the Monitor:

[address]

Attention: [name]

Email: [email]

**SIGNATURES**

**SIGNED** by the **SOVEREIGN IN RIGHT OF NEW ZEALAND** acting by and through the [Deputy Chief Executive] of the Department of Internal Affairs or his or her authorised delegate:

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Name: Michael Lovett

Position: Deputy Chief Executive, Local Government

Date:

**SIGNED** for and on behalf of [RECIPIENT NAME] by the person(s) named below, being a person(s) duly authorised to enter into obligations on behalf of the Recipient:

---

Name:

Position:

Date:

---

Name:

Position:

Date:

**SIGNED** for and on behalf of **CROWN  
INFRASTRUCTURE PARTNERS LIMITED** by the  
person(s) named below, being a person(s) duly  
authorised to enter into obligations on behalf of  
the Monitor:

---

Name:

Position:

Date:

---

Name:

Position:

Date:

*END OF PART 1*



## PART 2: GENERAL TERMS

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### 1 FUNDING

- 1.1 DIA must pay the Funding (up to the "Total Maximum Amount Payable" specified in the Key Details) to the Recipient, subject to the terms of this Agreement. Unless stated otherwise in this Agreement, the Recipient may only claim the Funding to the extent necessary to cover Eligible Costs that have been or will be incurred by the Recipient, and the Recipient must use the Funding solely on Eligible Costs.
- 1.2 The Recipient must submit for DIA's approval a Payment Request via the DIA's Grant Management System portal at the time specified in, and otherwise in accordance with, Item 7 in the Key Details.
- 1.3 Each Payment Request must include the amount of Funding requested, be authorised by the Chief Executive or an authorised representative of the Recipient, and be accompanied by the following supporting documentation:
- (a) a breakdown / total transaction listing of total Eligible Costs that have been or will be incurred to undertake the Permitted Funding Activities, substantiated by invoices and cost details;
  - (b) for the first Payment Request submitted following payment of the first instalment of Funding, a breakdown / total transaction listing of expenditure related to the first instalment, substantiated by invoices and cost details;
  - (c) a summary of the number of jobs created through people employed in the relation to the Permitted Funding Activities; and
  - (d) any other reasonable information or evidence requested by DIA or the Monitor in relation to summary project information or Eligible Costs that have been incurred or will be incurred.
- 1.4 DIA is not required to pay any Funding in respect of a Payment Request:
- (a) if any reports specified in the Key Details have not been provided or are not in form and substance satisfactory to DIA or the Monitor in its sole discretion;
  - (b) if the Conditions specified in Item 7 of the Key Details relating to that instalment have not been satisfied;
  - (c) if payment will result in the Funding exceeding the "Total Maximum Amount Payable" specified in the Key Details;
  - (d) if this Agreement has expired or been terminated; and/or
  - (e) while the Recipient is in material breach of this Agreement.

For the avoidance of doubt, DIA's obligation to make Funding available under this Agreement is strictly subject to clause 6.2.

- 1.5 Subject to the terms of this Agreement, DIA must pay each valid Payment Request by the 20th day of the month after the month the relevant Payment Request is approved by the DIA, and if such day is not a Business Day, on the next Business Day. DIA will pay the Funding to the Recipient's nominated Bank Account.

- 1.6 The Funding made available under this Agreement comprises grant funding and does not comprise an equity investment or loan. It is only repayable in the specific circumstances set out in this Agreement.
- 1.7 DIA may, at its discretion, notify the Recipient in writing that it wishes to enter into a GST Offset Agreement in connection with the payment of GST on any Funding. The Recipient must, where applicable, take all such steps as are reasonably required to achieve that GST offset in accordance with the Goods and Services Tax Act 1985.

## 2 RECIPIENT'S RESPONSIBILITIES

### Standards and compliance with laws

- 2.1 The Recipient must comply with all applicable laws, regulations, rules and professional codes of conduct or practice.

### Permitted Funding Activities

- 2.2 The Recipient must not, without DIA's or the Monitor's prior written consent, make any Material Variation to the Permitted Funding Activities (including their description and scope).
- 2.3 The Recipient must ensure that the Permitted Funding Activities are carried out:
  - (a) promptly with due diligence, care and skill, and in a manner that is consistent with Best Industry Practice; and
  - (b) by appropriately trained, qualified, experienced and supervised persons; and in accordance with any directions of DIA or the Monitor, notified by DIA or the Monitor in writing from time to time.
- 2.4 The Recipient must use reasonable endeavours to ensure that the Permitted Funding Activities are completed by the End Date.
- 2.5 The Recipient is solely responsible for the activities and matters carried out as Permitted Funding Activities, including being solely responsible for the acts and omissions of any contractors and subcontractors in connection with the same.
- 2.6 The Recipient must ensure that all agreements it enters into with any contractors or any other party in connection with the Permitted Funding Activities are on an "arm's length" basis, provide value-for-money and do not give rise to any Conflict of Interest. The Recipient must provide DIA with reasonable evidence of compliance with this clause 2.6 in response to any request by DIA from time to time.

### Information Undertakings

- 2.7 The Recipient must provide DIA and the Monitor with the reports specified in the Key Details, in accordance with the timeframes and reporting requirements set out in the Key Details.
- 2.8 The Recipient must provide DIA and the Monitor with any other information about the Permitted Funding Activities requested by DIA and/or the Monitor within the timeframe set out in the request.
- 2.9 The Recipient must promptly notify DIA and the Monitor if:

- (a) the Recipient (or any of its personnel or contractors) becomes aware of, or subject to, a Conflict of Interest; or
- (b) the Recipient becomes aware of any matter that could reasonably be expected to have an adverse effect on the Permitted Funding Activities and any related programme, or result in a Termination Event or a breach of any term of this Agreement by the Recipient,

and if requested by DIA must promptly provide DIA with its plan to mitigate and manage such Conflict of Interest or such matter.

- 2.10 The Recipient must not at any time do anything that could reasonably be expected to have an adverse effect on the reputation, good standing or goodwill of DIA or the New Zealand Government. The Recipient must keep DIA informed of any matter known to the Recipient which could reasonably be expected to have such an effect.
- 2.11 The Monitor has been appointed by DIA to undertake a review and monitoring role under this Agreement, including by:
  - (a) reviewing and confirming satisfaction with the reports specified in the Key Details;
  - (b) reviewing and approving Payment Requests submitted by the Recipient;
  - (c) seeking, reviewing and confirming satisfaction with further information from the Recipient; and
  - (d) making recommendations to DIA and the New Zealand Government in respect of the Funding and the Agreement.

The Recipient agrees that all its communications and correspondence under this Agreement will be made with DIA or, to the extent directed by DIA or provided for above, the Monitor.

#### **Funding, records and auditors**

- 2.12 The Recipient must receive and manage all Funding in accordance with good financial management and accounting practices and to a high standard that demonstrates appropriate use of public funds.
- 2.13 The Recipient must keep full and accurate records (including accounting records) of the Permitted Funding Activities and retain them for at least 7 years after the last payment of Funding under this Agreement. The Recipient must permit DIA or the Monitor (or any auditor nominated by DIA or the Monitor) to inspect all records relating to the Permitted Funding Activities and must allow DIA, the Monitor and/or the auditor access to the Recipient's premises, systems, information and personnel for the purposes of this inspection. DIA shall bear any third party costs arising from such inspection, unless the inspection reveals a breach of this Agreement, in which case the Recipient shall bear such costs.

#### **Monitoring**

- 2.14 Without limiting anything in clause 2.15, at the request of the DIA (or the Monitor), the Recipient and the DIA and/or the Monitor shall meet by the 15th Business Day following the end of each six month period, to jointly discuss the Recipient's compliance with its obligations under this Agreement during the relevant six-month period (including its obligations under Items 5 and 9 of the Key Details). Where the DIA (or the Monitor)

considers (acting reasonably) that the Recipient has not complied with its obligations under this Agreement during the relevant six-month period:

- (a) DIA (or the Monitor) and the Recipient shall in good faith discuss:
  - (i) the identified areas of non-compliance and agree the steps that the Recipient will take to address such areas of non-compliance going forwards (**Remedial Plan**). If the parties are unable to agree a Remedial Plan by the 30<sup>th</sup> Business Day following the end of the relevant six month period, then DIA (or the Monitor) shall (acting reasonably and having regard to the matters raised by the Recipient in such discussions) provide the Recipient with a remedial plan which shall, for the purpose of this Agreement, be deemed to be the Remedial Plan. The Recipient shall comply with the requirements of any Remedial Plan;
  - (ii) acknowledging the commitment of resources (including staff) required by the Recipient to comply with its obligations under this Agreement (including the Transition Support Arrangements set out in Schedule 2), how the parties can work together to ensure such obligations are appropriately managed by all parties; and
- (b) DIA (or the Monitor) may increase the frequency of the reports required under Item 8 of the Key Details from six-monthly to quarterly.

- 2.15 At the request of the DIA (or the Monitor) at any time after the occurrence of a Relevant Event, the Recipient and the DIA and/or the Monitor shall meet promptly to jointly discuss the circumstances relating to that event. DIA (or the Monitor) and the Recipient shall in good faith discuss the steps that the Recipient will take to address that event (a **Response Plan**). If the parties are unable to agree a Response Plan within 20 Business Days following a request under this clause, then DIA (or the Monitor) shall (acting reasonably and having regard to the matters raised by the Recipient in such discussions) provide the Recipient with a response plan which shall, for the purpose of this Agreement, be deemed to be the Response Plan. The Recipient shall comply with the requirements of any Response Plan and non-compliance by the Recipient shall entitle DIA to suspend funding under this Agreement until such time as the non-compliance is remedied to DIA's satisfaction (acting reasonably).

### 3 INTELLECTUAL PROPERTY

- 3.1 DIA acknowledges that the Recipient and its licensors own all pre-existing intellectual property which they contribute to the Permitted Funding Activities , and all new intellectual property which they create in the course of the Permitted Funding Activities.
- 3.2 The Recipient grants an irrevocable, perpetual, royalty-free, sub-licensable licence to DIA and the Monitor to use all reports, documents, information and other materials created or provided by the Recipient to DIA or the Monitor under or in connection with the Permitted Funding Activities and this Agreement.
- 3.3 The Recipient warrants that it has obtained (or will obtain, prior to creation of each relevant work) all rights and permissions necessary to enable the grant and exercise of the licence in clause 3.2 without infringing the intellectual property rights of any third party.

**4 TERM AND TERMINATION**

- 4.1 This Agreement will be effective on and from the Commencement Date, which will be the latest to occur of:
- (a) the date this Agreement has been signed by all parties; and
  - (b) the date on which DIA has provided written notice to the Recipient that the Conditions Precedent specified in the Key Details have either been satisfied (in the opinion of DIA) or waived by DIA (at its sole discretion).
- 4.2 This Agreement will remain in force until the End Date, unless terminated in accordance with this Agreement.
- 4.3 DIA can terminate this Agreement with immediate effect, by giving notice to the Recipient, at any time:
- (a) while DIA reasonably considers that the Recipient has become or is likely to become insolvent;
  - (b) while the Recipient is subject to the appointment of a liquidator, receiver, manager or similar person in respect of any of its assets or a Crown Manager or Commission is appointed in respect of the Recipient under Part 10 of the Local Government Act 2002; or
  - (c) subject to clause 4.4, while any one or more of the following events or circumstances remains unremedied:
    - (i) the Recipient is materially in breach of any obligation, or a condition or warranty, under this Agreement;
    - (ii) the Recipient has provided DIA with information in connection with or under this Agreement that (whether intentionally or not) is materially incorrect or misleading, and/or omits material information;
    - (iii) DIA reasonably considers that this Agreement or a Permitted Funding Activity has caused, or may cause, DIA and/or the New Zealand Government to breach any legal obligations (including its international trade obligations);
    - (iv) the Recipient abandons a Permitted Funding Activity without the prior written consent of DIA (or the Monitor);
    - (v) the Recipient is involved in any intentional or reckless conduct which, in the opinion of DIA, has damaged or could damage the reputation, good standing or goodwill of DIA or the New Zealand Government, or is involved in any material misrepresentation or any fraud;
    - (vi) the Recipient (or any of its personnel or contractors) is subject to a Conflict of Interest which cannot be managed to DIA's satisfaction; or
    - (vii) any change in law, regulations or other circumstances materially affects DIA's ability to perform its obligations under this Agreement.

- 4.4 However, where DIA considers that a Termination Event set out in clause 4.3(c) can be remedied, DIA must give notice to the Recipient requesting a remedy, and must not exercise its right of termination unless the relevant event remains unremedied for at least 14 days (or any longer period agreed with the Recipient) after that notice has been provided by DIA.
- 4.5 On expiry or termination of this Agreement, where the aggregate of (a) the total Funding paid under this Agreement and (b) any other money received or allocated by the Recipient, in each case to carry out a Permitted Funding Activity, exceeds the amount required to perform the Permitted Funding Activity, the Recipient must upon request refund to DIA the excess amount.
- 4.6 At any time DIA may recover the amount of any Funding that has been spent or used other than in accordance with this Agreement, or not applied to Eligible Costs by the End Date, together with interest on all such amounts calculated at 10% per annum from the date of the mispending to the date the money is repaid.
- 4.7 Clauses 1.2, 1.4, 1.5, 2.1, 2.7, 2.12, 2.13, 3, 4, 5, 6, 7, 8, 9, 10 and 11 survive expiry or termination of this Agreement, along with any other parts of this Agreement necessary to give effect to those provisions. Expiry or termination of this Agreement does not affect any accrued rights, including any rights in respect of a breach of this Agreement or Termination Event that occurred before expiry or termination.

## 5 **WARRANTIES AND UNDERTAKINGS**

- 5.1 The Recipient warrants that, in the course of its activities in connection with the Permitted Funding Activities, it will not infringe any intellectual property or other rights of any contractor or any other third party.
- 5.2 The Recipient warrants that, as at the date of this Agreement:
- (a) It has full power and authority to enter into and perform its obligations under this Agreement which, when executed, will constitute binding obligations on it in accordance with this Agreement's terms, and it has complied with the Local Government Act 2002 in entering into this Agreement;
  - (b) the Recipient is solvent and is not subject to the appointment of a liquidator, receiver, manager or similar person in respect of any of its assets or to the appointment of a Crown Manager or Commission under Part 10 of the Local Government Act 2002;
  - (c) all information and representations disclosed or made to DIA by the Recipient in connection with this Agreement are true and correct, do not omit any material matter, and are not likely to mislead or deceive DIA as to any material matter;
  - (d) it has disclosed to DIA all matters known to the Recipient (relating to the Permitted Funding Activities, the Recipient or its personnel) that could reasonably be expected to have an adverse effect on the reputation, good standing or goodwill of DIA or the New Zealand Government; and
  - (e) it is not aware of any material information that has not been disclosed to DIA which may, if disclosed, materially adversely affect the decision of DIA whether to provide the Funding.
- 5.3 The Recipient warrants that the Funding has been or will be applied solely to Eligible Costs

and such warranty will be deemed to be repeated continuously so long as this Agreement remains in effect by reference to the facts and circumstances then existing.

- 5.4 DIA warrants that, as at the date of this Agreement, it has full power and authority to enter into and perform its obligations under this Agreement which, when executed, will constitute binding obligations on it in accordance with this Agreement's terms.
- 5.5 The Recipient acknowledges that DIA has entered into this Agreement in reliance on these warranties and undertakings.
- 5.6 The Recipient acknowledges and agrees that DIA has made no warranty or representation that any funding or financial support is or will be available to the Recipient in respect of the Permitted Funding Activities, other than the Funding.

## 6 **LIABILITY**

- 6.1 The maximum liability of DIA under or in connection with this Agreement, whether arising in contract, tort (including negligence) or otherwise, is limited to the total amount of Funding paid or payable under this Agreement.
- 6.2 The Recipient undertakes to pay any and all cost overruns of the Permitted Funding Activities and any funding shortfall, and DIA and the New Zealand Government have no obligations or responsibility whatsoever in respect of such cost overruns and funding shortfall and accept no financial risk in the Permitted Funding Activities.
- 6.3 DIA is not liable for any claim under or in connection with this Agreement or the Permitted Funding Activities, whether arising in contract, tort (including negligence) or otherwise, where such claim is or relates to any loss of profit, loss of revenue, loss of use, loss of reputation, loss of goodwill, loss of opportunity (in each case whether direct, indirect or consequential) or any other indirect, consequential or incidental loss or damages of any kind whatsoever.
- 6.4 The Monitor will not have any liability whatsoever under or in connection with this Agreement to DIA or the Recipient. The limitation of liability set out in this clause does not apply to the Monitor's liability for any fraudulent, malicious or criminal act or omission of the Monitor to the extent that such liability cannot be limited or excluded by law.

## 7 **CONFIDENTIALITY**

- 7.1 Subject to clause 7.2 and 7.3, each party must keep the other parties' Confidential Information in confidence, and must use or disclose that Confidential Information only to the extent necessary to perform its obligations, and/or take the intended benefit of its rights, under this Agreement. However, this will not prohibit:
  - (a) either party from using or disclosing any information with the written prior consent of the relevant other party;
  - (b) use or disclosure of information that has become generally known to the public other than through a breach of this Agreement;
  - (c) either party from disclosing information to its personnel, contractors or advisors with a need to know, so long as the relevant personnel, contractors and advisors use the information solely to enable that party to perform its obligations and/or take the intended benefit of its rights under this Agreement, and so long as they

are informed of the confidential nature of the information and, in the case of the Recipient, the Recipient receives an acknowledgement from its personnel, contractors or advisors that they acknowledge, and must comply with, the confidentiality obligations in this Agreement as if they were party to it;

- (d) disclosure required by any law, or any compulsory order or requirement issued pursuant to any law; or
- (e) DIA or the Monitor from using or disclosing to any party any documents, reports or information received in relation to this Agreement, provided that prior to any such disclosure DIA or the Monitor (as applicable) removes all information that is commercially sensitive to the Recipient from the relevant work.

7.2 The Recipient acknowledges and agrees that nothing in this Agreement restricts DIA and/or the Monitor's ability to:

- (a) discuss, and provide all information in respect of, any matters concerning the Recipient, the Permitted Funding Activities or this Agreement with any Minister of the Crown, the Monitor, any other government agency or any of their respective advisors;
- (b) meet its obligations under any constitutional or parliamentary convention (or other obligation at law) of or in relation to the New Zealand Parliament, the New Zealand House of Representatives or any of its Committees, any Minister of the Crown, or the New Zealand Auditor-General, including any obligations under the Cabinet Manual including the "no surprises" principle; and
- (c) publicise and report on the awarding of the Funding, including the Recipient's and any of its contractor's names, the amount and duration of the Funding and a brief description of the Permitted Funding Activities, on websites; in media releases; general announcements and annual reports.

7.3 The Recipient acknowledges that:

- (a) the contents of this Agreement; and
- (b) information provided to DIA and the Monitor (including the reports specified in the Key Details),

may be official information in terms of the Official Information Act 1982 and, in line with the purpose and principles of the Official Information Act 1982, this Agreement and such information may be released to the public unless there is good reason under the Official Information Act 1982 to withhold it.

7.4 DIA acknowledges that the Recipient is subject to the Local Government Official Information and Meetings Act 1987 and that its confidentiality obligations under this clause 7 are subject to its compliance with that Act.

## 8 MEDIA AND COMMUNICATIONS

8.1 The Recipient will keep DIA informed on a "no surprises" basis in relation to any media statements or press releases (including social media posts) to be made by the Recipient regarding this Agreement and/or DIA's involvement in connection with the Permitted Funding Activities.



- 8.2 The Recipient will refer any enquiries from the media or any other person about the terms or performance of this Agreement to DIA's Representative.
- 8.3 The Recipient will acknowledge the New Zealand Government as a source of funding in all publications (including any digital presence) and publicity regarding the Permitted Funding Activities in accordance with funding acknowledgement guidelines agreed with DIA.
- 8.4 The Recipient does not have the right to enter into any commitment, contract or agreement on behalf of DIA or any associated body, or to make any public statement or comment on behalf of DIA or the New Zealand Government.
- 8.5 All correspondence with DIA under this clause 8 must be directed to DIA's Representative and copied to [threewaters@dia.govt.nz](mailto:threewaters@dia.govt.nz) and the Monitor.

## 9 DISPUTES

- 9.1 In the event of any dispute, controversy or claim arising out of or in connection with this Agreement, or in relation to any question regarding its existence, breach, termination or invalidity (in each case, a **Dispute**), either party may give written notice to the other parties specifying the nature of the Dispute and requesting discussions under this clause 9 (**Dispute Notice**). As soon as reasonably practicable following receipt of a Dispute Notice, the parties must meet (in person, or by audio or video conference) and endeavour to resolve the Dispute by discussion, negotiation and agreement.
- 9.2 If the matter cannot be amicably settled within 20 Business Days after the date of the Dispute Notice then, at the request in writing of either party, the matter in respect of which the Dispute has arisen must be submitted, together with a report describing the nature of such matter, to the Representatives (or, if no such Representatives have been appointed, the respective Chief Executives of the parties) (together the **Dispute Representatives**).
- 9.3 Within 20 Business Days after the receipt of a request under clause 9.2, one individual (who does not act in his or her professional capacity as legal counsel for either party) selected by each of the Dispute Representatives, must make a presentation of no longer than 30 minutes to each of the Dispute Representatives (which may be by telephone or remotely), who will then attempt in good faith to reach a common decision within a half-day. The decision of the Dispute Representatives is binding on the parties.
- 9.4 In the case of a Dispute, if the Dispute Representatives have not met within 20 Business Days of receiving a request in accordance with clause 9.2, or if they fail to reach a common decision within the stated time period, either party may by notice in writing to the other parties refer the Dispute to be referred to mediation before a single mediator appointed by the parties. Each party will bear its own costs of mediation and the costs of the mediator will be divided evenly between the parties to the dispute.
- 9.5 If the parties are unable to agree on the appointment of a mediator within 5 Business Days of the notice requiring the Dispute to be referred to mediation, a mediator may be appointed at the request of any party by the Arbitrators' and Mediators' Institute of New Zealand Inc.
- 9.6 If the Dispute is not resolved within 20 Business Days of referral to mediation, the parties may commence court proceedings without further participation in any mediation.
- 9.7 Nothing in this clause 9 will prevent either party from seeking urgent interim relief from a

court (or other tribunal) of competent jurisdiction.

## 10 REPRESENTATIVES

- 10.1 All matters or enquiries regarding this Agreement must be directed to each party's Representative (set out in the Key Details).
- 10.2 Each party may from time to time change the person designated as its Representative on 10 Business Days' written notice to the other parties.

## 11 GENERAL

- 11.1 Each notice or other communication given under this Agreement (each a **notice**) must be in writing and delivered personally or sent by post or email to the address of the relevant party set out in the Key Details or to any other address from time to time designated for that purpose by at least 10 Business Days' prior written notice to the other parties. A notice under this Agreement is deemed to be received if:

- (a) **Delivery:** delivered personally, when delivered;
- (b) **Post:** posted, 5 Business Days after posting or, in the case of international post, 7 Business Days after posting; and
- (c) **Email:** sent by email:
  - (i) If sent between the hours of 9am and 5pm (local time) on a Business Day, at the time of transmission; or
  - (ii) If subclause (i) does not apply, at 9am (local time) on the Business Day most immediately after the time of sending,

provided that an email is not deemed received unless (if receipt is disputed) the party giving notice produces a printed copy of the email which evidences that the email was sent to the email address of the party given notice.

- 11.2 The Recipient agrees to execute and deliver any documents and to do all things as may be required by DIA to obtain the full benefit of this Agreement according to its true intent.
- 11.3 No legal partnership, employer-employee, principal-agent or joint venture relationship is created or evidenced by this Agreement.
- 11.4 This Agreement constitutes the sole and entire understanding with respect to the subject matter hereof and supersedes all prior discussions, representations and understandings, written or oral.
- 11.5 No amendment to this Agreement will be effective unless agreed in writing by the parties, provided that the Monitor's agreement will not be required in respect of (and the Monitor will be deemed to have agreed to) any amendment to this Agreement that does not relate to the scope of the Monitor's review and monitoring role under this Agreement (including, for example, the Transition Support Arrangements).
- 11.6 Neither the Recipient nor the Monitor may assign or transfer any of their contractual rights or obligations under this Agreement, except with DIA's prior written approval.

- 11.7 DIA may assign or transfer any of its contractual rights or obligations under this Agreement without the other parties' prior approval. DIA may at any time disclose to a proposed assignee or transferee any information which relates to, or was provided in connection with, the Recipient, the Permitted Funding Activities or this Agreement.
- 11.8 No failure, delay or indulgence by any party in exercising any power or right conferred on that party by this Agreement shall operate as a waiver. A single exercise of any of those powers or rights does not preclude further exercises of those powers or rights or the exercise of any other powers or rights.
- 11.9 The exercise by a party of any express right set out in this Agreement is without prejudice to any other rights, powers or remedies available to a party in contract, at law or in equity, including any rights, powers or remedies which would be available if the express rights were not set out in this Agreement.
- 11.10 This Agreement is not intended to confer any benefit on or create any obligation enforceable at the suit of any person not a party to this Agreement.
- 11.11 Any provision of this Agreement that is invalid or unenforceable will be deemed deleted, and will not affect the other provisions of this Agreement, all of which remain in force to the extent permitted by law, subject to any modifications made necessary by the deletion of the invalid or unenforceable provision.
- 11.12 This Agreement is to be governed by the laws of New Zealand, and the parties submit to the non-exclusive jurisdiction of the courts of New Zealand.
- 11.13 This Agreement may be executed in any number of counterparts (including duly electronically signed, scanned and emailed copies). So long as each party has received a counterpart signed by each of the other parties, the counterparts together shall constitute a binding and enforceable agreement. This Agreement is intended to constitute a binding and enforceable agreement in accordance with its terms.

*END OF PART 2*

### PART 3: DEFINITIONS AND CONSTRUCTION

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#### Defined terms

In this Agreement, unless the context requires otherwise, terms defined in the Agreement have the meaning set out therein and:

*Authorisation* means:

- (a) any consent, authorisation, registration, filing, lodgement, agreement, notarisation, certificate, permission, licence, approval, authority or exemption from, by or with a governmental agency or required by any law (including any consent under the Resource Management Act 1991); or
- (b) in relation to anything which will be fully or partly prohibited or restricted by law if a governmental agency intervenes or acts in any way within a specified period after lodgement, filing, registration or notification, the expiry of that period without intervention or action.

*Best Industry Practice* means that degree of skill, care and foresight and operating practice that would reasonably and ordinarily be expected of a skilled and competent supplier of services engaged in the same type of undertaking as that of the Recipient or any contractors (as applicable) under the same or similar circumstances as those contemplated by this Agreement.

*Business Day* means any day other than a Saturday, Sunday or public holiday within the meaning of section 44 of the Holidays Act 2003.

*Commencement Date* has the meaning given in clause 4.1 of Part 2.

*Conditions* means the conditions to the payment of a Funding instalment as specified in Item 7 of the Key Details.

*Confidential Information* of a party (Owner), means any information in the possession or control of another party (Holder) that:

- (a) was originally acquired by the Holder in connection with this Agreement through disclosures made by or at the request of the Owner; and/or
- (b) was originally acquired by the Holder in connection with this Agreement through any access to, or viewing, inspection or evaluation of, the premises, facilities, documents, systems or other assets owned or controlled by the Owner; and/or
- (c) is derived from information of a kind described in paragraph (a) or (b) above;

but excludes any information which the Holder can show:

- (d) was lawfully acquired by the Holder, entirely independently of its activities in connection with this Agreement, and is free of any other obligation of confidence owed to the Owner; and/or
- (e) has been independently developed by the Holder without reference to the Owner's Confidential Information, and without breaching any other obligation of confidence owed to the Owner.

Notwithstanding the foregoing, the terms of this Agreement are not Confidential Information.

*Conflict of Interest* means any matter, circumstance, interest or activity of the Recipient, its personnel or contractors, or any other person with whom the Recipient has a relationship that:

- (a) conflicts with:
  - (i) the obligations of the Recipient (or its personnel or contractors) to DIA or the Monitor under this Agreement; or
  - (ii) the interests of the Recipient in relation to this Agreement and/or the undertaking of the Permitted Funding Activities; or

- (b) otherwise impairs or might appear to impair the ability of the Recipient (or any of its personnel or contractors) to carry out the Permitted Funding Activities diligently and independently in accordance with this Agreement.

*Eligible Costs* means the actual costs that have been or will be reasonably incurred by the Recipient on or after the Commencement Date and no later than the End Date to undertake a Permitted Funding Activity in accordance with this Agreement, excluding overhead and management time that is not directly attributable to undertaking a Permitted Funding Activity.

*Funding* means the funding or any part of the funding (as the context requires) payable by DIA to the Recipient in accordance with the terms of this Agreement, as described in the Key Details.

*Funding Proposal* means the Funding Proposal setting out the scope of the Permitted Funding Activities(s) to which Funding is to be applied, in the form approved by DIA.

*GST Offset Agreement* means a deed of assignment between DIA as Assignor and the Recipient as Assignee providing for the offset of the amount of GST in accordance with the Goods and Services Tax Act 1985.

*Key Details* means Part 1 of this Agreement.

*Material Variation* means, in respect of a Permitted Funding Activity, any variation which on its own or together with any other variation or variations results in, or is likely to result in the budgeted expenditure (taking into account all variations) being exceeded or a Permitted Funding Activity being materially delayed, or any variation that materially amends the scope, specifications or function of a Permitted Funding Activity.

*Monitor* means Crown Infrastructure Partners Limited, appointed by the DIA to assist in managing the Funding by undertaking a review and monitoring role.

*Payment Request* means a request submitted to DIA by the Recipient seeking payment of Funding.

*Quarter* means a financial quarter, being a three monthly period ending on 30 June, 30 September, 31 December or 31 March.

*Relevant Event* means actual or forecast failure to materially achieve an outcome(s) of the Funding Proposal (as determined by DIA or the Monitor acting reasonably), including where arising from unfunded cost overruns, material unapproved scope changes, material delay in achieving the delivery timeframes, or failure to meet the End Date for completion of the Permitted Funding Activities.

*Reform Objectives* means the following:

- (a) that there are safeguards (including legislative protection) against privatisation and mechanisms that provide for continued public ownership;
- (b) significantly improving the safety and quality of drinking water services, and the environmental performance of drinking water, wastewater and stormwater systems (which are crucial to good public health and wellbeing, and achieving good environmental outcomes);
- (c) ensuring all New Zealanders have equitable access to affordable three waters services and that the Water Services Entities will listen, and take account of, local community and consumer voices;
- (d) improving the coordination of resources, planning, and unlocking strategic opportunities to consider New Zealand's infrastructure and environmental needs at a larger scale;
- (e) ensuring the overall integration and coherence of the wider regulatory and institutional settings (including the economic regulation of water services and resource management and planning reforms) in which the local

government sector and their communities must operate;

- (f) increasing the resilience of three waters service provision to both short- and long-term risks and events, particularly climate change and natural hazards;
- (g) moving the supply of three waters services to a more financially sustainable footing, and addressing the affordability and capability challenges faced by small suppliers and local authorities;
- (h) improving transparency about, and accountability for, the planning, delivery and costs of three waters services, including the ability to benchmark the performance of the new Water Services Entities; and
- (i) undertaking the reform in a manner that enables local government to further enhance the way in which it can deliver on its broader “wellbeing mandates” as set out in the Local Government Act 2002.

*Remedial Plan* has the meaning given in clause 2.14(a) of Part 2.

*Response Plan* has the meaning given in clause 2.15 of Part 2.

*Termination Event* means any one or more of the events or circumstances set out in clause 4.3.

*Transition Support Arrangements* means the obligations set out in Schedule 2.

*Water Services Entity* means:

- (j) the new water services entities to be established by legislation giving effect to the Three Waters Reform Programme; and
- (k) the local establishment entities to be established by legislation in advance of the establishment of the new water services entities.

## **Construction**

In the construction of this Agreement, unless the context requires otherwise:

*Currency:* a reference to any monetary amount is to New Zealand currency;

*Defined Terms:* words or phrases appearing in this Agreement with capitalised initial letters are defined terms and have the meanings given to them in this Agreement;

*Documents:* a reference to any document, including this Agreement, includes a reference to that document as amended or replaced from time to time;

*Inclusions:* a reference to “includes” is a reference to “includes without limitation”, and “include”, “included” and “including” have corresponding meanings;

*Joint and Several Liability:* any provision of this Agreement to be performed or observed by two or more persons binds those persons jointly and severally;

*Parties:* a reference to a party to this Agreement or any other document includes that party's personal representatives/successors and permitted assigns;

*Person:* a reference to a person includes a corporation sole and also a body of persons, whether corporate or unincorporate;

*Precedence :* if there is any conflict between the different parts of this Agreement, then unless specifically stated otherwise, the Key Details will prevail over Part 2;

*Related Terms:* where a word or expression is defined in this Agreement, other parts of speech and grammatical forms of that word or expression have corresponding meanings;

*Statutes and Regulations:* a reference to an enactment or any regulations is a reference to that enactment or those regulations as amended, or to any enactment or regulations substituted for that enactment or those regulations;

*Writing*: a reference to “written” or “in writing” includes email and any commonly

used electronic document format such as .DOC or .PDF.

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*END OF PART 3*

**SCHEDULE 1: PERMITTED FUNDING ACTIVITIES**

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**[Note: Permitted activities on which the Recipient may spend the Funding on, as described in the Recipient's approved Funding Proposa will be inserted by DIA]**



## SCHEDULE 2: TRANSITION SUPPORT ARRANGEMENTS

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The Recipient will collaborate and co-operate with the DIA (including through the DIA's National Transition Unit (**NTU**)) to provide for the implementation and carrying out of certain parts of the Three Waters Reform Programme, as further described below.

In making requests under these arrangements, DIA (including the NTU) will have regard to the Recipient's available resources and the competing demands on those resources. It is intended that such requests are made and considered by DIA, the NTU and the Recipient in a collaborative and co-operative manner with a view to achieving the Reform Objectives and ensuring the Recipient is able to continue to carry out its other functions and activities.

The Recipient agrees to provide the collaboration and co-operation requested. If a council controlled organisation (**CCO**) of the Recipient is involved in the delivery of water services then the Recipient agrees to ensure that its CCO does the same.

1. The Recipient will collaborate and co-operate with the DIA (including the NTU) to facilitate the Three Waters Reform Programme (to the extent the law permits).
2. Subject to the consent of any affected employee (and in compliance with the Recipient's employment law and health and safety obligations), the Recipient will:
  - (a) comply with any reasonable request by the Executive Director of the DIA's National Transition Unit (**NTU**) for employees of the Recipient to be seconded to, or otherwise facilitate the engagement of employees with, the DIA for the purpose of assisting the DIA with the Three Waters Reform Programme; and
  - (b) enable, and where necessary facilitate, the participation of the Recipient's staff in any process or engagement with the NTU that relates to their potential employment with a Water Services Entity, including (but not limited to) attending information sessions, accessing NTU channels such as the "People Platform", providing input into the Water Services Entity organisational design and role design, engaging in unions and professional body processes developed to engage and support staff through transition.
3. The Recipient will respond to and comply with any reasonable request by the Executive Director of the NTU for information that the Recipient holds for the purpose of assisting the DIA with the Three Waters Reform Programme.
4. The Recipient acknowledges and agrees that its obligation to provide information under paragraph 3:
  - (a) may include, subject to compliance with applicable laws including the Privacy Act 2020, a requirement to provide information in relation to the assets, liabilities, contracts, property, employees, customers, processes, pricing information relating to water services fees and associated costs, and any other matters that relate to water services delivery;
  - (b) includes a requirement to comply with any reasonable request to research and collate information; and
  - (c) includes a requirement to comply with any reasonable request to provide information in a particular format and within a particular timeframe.
5. The Recipient will notify, and respond to requests for information by, DIA of intended decisions:
  - (a) that relate to the provision of water services; or
  - (b) that may affect (other than in an immaterial way) the provision of water services.

The Recipient acknowledges that such decisions include a decision:

- (c) to adopt or amend a long-term plan or to adopt an annual plan, in each case as contemplated by the Local Government Act 2002;
  - (d) to adopt a policy required by the Local Government Act 2002;
  - (e) that is significantly inconsistent with, or is anticipated to have consequences that will be significantly inconsistent with, any policy or plan adopted by the Recipient under the Local Government Act 2002;
  - (f) to purchase or dispose of assets other than in accordance with its long-term plan;
  - (g) to purchase or dispose of an asset, if the purchase or disposal of the asset will have a material impact on the capacity to provide water services or on the financial well-being of the Recipient;
  - (h) to enter into any contract (other than an employment agreement) that imposes, or will continue to impose, any obligation in relation to the delivery of water services on the existing local authority after 30 June 2024 and the consideration for which is material in the context of the three water services or operations of the Recipient;  
or
  - (i) to borrow money for a period that extends beyond 30 June 2024.
6. The Recipient must not act inconsistently with its long-term plan and its annual plan as it relates to the provision of water services.
7. The Recipient shall include estimated and indicative prices for water services on invoices to consumers on an information only basis, based on a water revenue discovery process undertaken by the DIA. This disclosure obligation will not apply until the DIA has completed this discovery process and notified the Recipient of the basis of disclosure.
8. The Recipient must respond to and comply with any reasonable request by the Executive Director of the NTU to assist DIA and the NTU in the preparation of asset management plans and pricing plans for the Water Services Entities. The Recipient acknowledges that such requests may include:
- (a) a request to compile certain categories of information as part of an information base to inform the preparation of such plans (including, for example, existing water services assets held by or on behalf of the Recipient, current sources of funding for water services and details of employee roles within the Recipient's region or district that are involved in providing water services); and
  - (b) a request to consider particular options or matters for the Recipient's region or district to inform the preparation of such plans.

## APPENDIX 4

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Communities 4 Local Democracy letter of 26 May 2022 to DIA (*document number 10835832*)



26 May 2022

Mr Michael Lovett  
Deputy Chief Executive Local Government  
Department of Internal Affairs  
PO Box 805  
WELLINGTON 6140

BY EMAIL: michael.lovett@dia.govt.nz

Dear Mr Lovett

**Re: Draft Funding Agreement concerning Tranche 1 “Better Off” Package**

We write, with their agreement, on behalf of the Partner Councils of the **Communities 4 Local Democracy - He hapori mō te Manapori** campaign, to propose a number of amendments to the draft Funding Agreement provided to councils at the end of April 2022.

As you will be aware, Partner Councils have some concerns relating to the draft Funding Agreement most of which have found their way into media commentary and in respect of which the Government has responded positively to the concerns expressed. Partner Councils would like to see the Government’s reassurance on these matters reflected in the draft Funding Agreement. To this end we have commissioned legal advice that proposes a set of amendments that both reflects Partner Councils concerns and the Government’s assurances. We ask that these draft amendments be considered by you and then included in a revised draft Funding Agreement.

In the event that you do not agree to these amendments we ask that you either provide revised wording for Partner Councils to consider or provide an explanation as to why the draft clauses we are proposing are not acceptable given the Government’s commentary on these points.

Our proposed amendments are set out below.

***Draft clause – proposed to be added in clause 2 (under "Recipient's responsibilities")***

***Paramount clauses***

2.16 Notwithstanding anything to the contrary in this Agreement, the parties agree that:

- a) **C4LD membership and activities permitted:** *The Recipient's membership in Communities 4 Local Democracy (C4LD) is permitted by DIA and is not considered a breach an event or circumstance referred to in clause 4.3(c) or otherwise a breach of this Agreement. DIA may not terminate this Agreement under clause 4.3 by reason of the Recipient's membership in C4LD or as a result of any lawful activities carried out by the Recipient in connection with its membership of C4LD.*
- b) **Wider opposition permitted:** *Nothing in this Agreement, including the Recipient's receipt of Funding under and in accordance with this Agreement, will restrict, limit or interfere with the Recipient's ability or right to continue opposing, criticize, take positions, advocate or submit against, or otherwise challenge or oppose (in any direct or indirect manner) the Government's Three water reform proposals (publicly or otherwise), and no lawful act, omission, activity, communication, submission, notice or proceeding or any other act or thing done by the Recipient in relation to such opposition, criticism, submission or challenge will constitute a breach of any of the Recipient's obligations under this Agreement.*
- c) **Limit on support arrangements:** *The Recipient's obligation to collaborate and co-operate with the DIA under this Agreement shall not require the Recipient to take any action or provide any resources that the Recipient reasonably considers will interfere with its normal business operation or ability to carry out or complete any activities or obligations that are normally, or otherwise required to be, completed by the Recipient in the ordinary course of its business. If the Recipient reasonably considers that any collaboration or co-operation requested by the DIA (including any requested secondment, or other proposed engagement, of the Recipient's employees, any requested involvement of the Recipient's staff or any other matter referred to in Schedule 2 of this Agreement) will interfere with its normal business operations or otherwise cannot be complied with by the Recipient for any legitimate reason, the Recipient will:*
  - i. *promptly notify the DIA of this (within 5 working days of such request being made, where reasonably practicable);*
  - ii. *communicate with the DIA regarding whether any alternative collaboration or co-operation can be provided by the Recipient instead (in a manner that the Recipient considers would not interfere with its normal business operations or other obligations in the circumstances); and*
  - iii. *not be a breach of this Agreement for its failure to comply with the relevant request if it has complied with the above obligations.*
- d) **Independent Funding:** *The Funding is a separate and independent arrangement between the parties for the purposes set out in this Agreement and except where expressly stated otherwise in this Agreement does not affect any existing or future funding or other arrangement between the parties, or imply any obligation or commitment by the Recipient, in connection with the Three Waters assets or otherwise.*

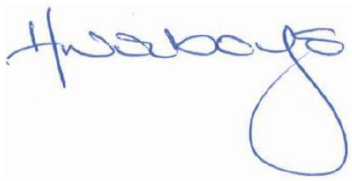
Proposed clauses 2.16(a) and (b) make clear that councils may continue to oppose the Government's Three Water reform proposals without triggering the "reputation" clause that the Government wishes to be retained in the draft Funding Agreement. The Minister has stated publicly that this is the case, so the clause merely reflects the Government's position and puts the point beyond doubt.

Proposed clause 2.16(c) addresses concerns in the sector that the work of the DIA Transition Unit and the obligations on councils in the draft Funding Agreement may have adverse impacts on business as usual requirements. It proposes a reasonable and even-handed process in the event that a concern arises. We understand that this reflects the commitment of the Transition Unit to work collaboratively with councils and would provide considerable reassurance to councils who are considering whether to sign up to the draft Funding Agreement.

Finally, proposed draft clause 2.16(d) makes clear that any funding provided pursuant to the draft Funding Agreement does not constitute compensation paid by the Crown for Three Waters assets. This is consistent with the Government's position that councils will remain owners of the assets after the reforms proceed.

If you would like to discuss points arising from this letter, please do not hesitate to contact us.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'H. Worboys', with a large loop at the end.

Mayor Helen Worboys  
Chair  
Communities 4 Local Democracy

A handwritten signature in black ink, appearing to read 'Dan Gordon', with a large loop at the end.

Mayor Dan Gordon  
Deputy Chair  
Communities 4 Local Democracy

# COUNCIL REPORT



**To:** His Worship the Mayor and Councillors  
**From:** Group Manager Service Delivery  
**Subject:** **Submission to Select Committee – Water Services Entities Bill**  
**Meeting Date:** 26 July 2022

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## 1 PURPOSE - TAKE

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The purpose of this report is to seek Elected Member approval of a draft submission from Waipā District Council (Council) to the Finance and Expenditure Committee (the Select Committee) of Parliament on the Water Services Entities Bill.

## 2 EXECUTIVE SUMMARY – WHAKARĀPOPOTOTANGA MATUA

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The Water Services Entities Bill had its first reading in Parliament on 9 June 2022, and was referred to the Finance and Expenditure Committee (Select Committee) for public submissions. Submissions closed on 22 July 2022, with a report back from the Select Committee expected by 11 November 2022. Council staff lodged a draft submission on 22 July 2022, with notification to the Select Committee that an update will be provided once this has been considered by Council.

The legislation is being promoted as an important step forward to ensure that we all have safe and affordable water services that meet the needs of communities and the environment. It aims to ensure that we all get high-quality water services no matter where we live. The Bill is the first part of a suite of legislation the government is progressing to establish the new system for three waters service delivery.

Council is a member of the Communities 4 Local Democracy (C4LD) group which was formed by member Territorial Authorities in opposition to the government's proposal of Water Service Delivery Reform. C4LD has prepared a draft submission (attached as Appendix 1 to this report) which has been used to develop the draft Council submission (attached as Appendix 2 to this report). This is now presented for Council's consideration. Council will also need to determine if it wishes to be heard by the Select Committee. It is noted that all submissions will be publicly released and published to the Parliament website.

### 3 RECOMMENDATION – TŪTOHU Ā-KAIMAHI

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*That Council*

- a) *Receives the report of Dawn Inglis, Group Manager Service Delivery, titled Submission to Select Committee – Water Services Entities Bill (document number 10832037);*
- b) *Approves the submission on the Water Services Entities Bill attached as Appendix 2 to this report (document number 10835278), and delegates the Chief Executive to formally submit this to the Finance and Expenditure Committee of Parliament;*
- c) *Approves His Worship the Mayor, Jim Mylchreest, to be heard on this submission at the Finance and Expenditure Committee of Parliament.*

### 4 BACKGROUND – KŌRERO WHAIMĀRAMA

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This first Water Services Entities Bill (Bill) provides for the establishment of four dedicated Water Service Entities that will provide safe and affordable drinking water, wastewater and stormwater services. It sets out the representation, governance and accountability arrangements of the new entities – including taking on the majority of the recommendations from the independent Working Group on Representation, Governance and Accountability – made up of Local Government and iwi/Māori members.

This Bill does not transfer assets and liabilities from local authorities to Water Services Entities or integrate the entities into other regulatory systems, such as the resource management, economic regulatory regimes and consumer protection. These matters will be addressed in further legislation that will be introduced later this year.

#### **Key provisions in the Bill**

- Councils will be allocated shares in the water services entities to ensure continued public ownership - with 1 share allocated per 50,000 people, rounded up. In other words, all Councils no matter their population will have at least one share.
- Each entity will have two levels of governance. There will be a competency-based board and a Regional Representative Group made up of Council and mana whenua representatives.
- Protections against the loss of public ownership include provisions preventing an entity from using water services assets as security for any purpose, divesting in its ownership in water services or from selling or any other loss of control of significant infrastructure.
- Any divestment proposal would require unanimous support from Council owners.
- The Bill also provides for transitional arrangements relating to the establishment and governance of the new entities; strategic direction, planning and reporting; employment; and the oversight powers of the Department of Internal Affairs during the establishment period.



- The transition arrangements provide employment security for Councils' current three waters employees by transferring existing employment positions to the relevant water services entity.
- This Bill does not transfer assets and liabilities from local authorities to water services entities or integrate the entities into other regulatory systems, such as the resource management and economic regulatory regimes. These matters will be addressed in further legislation that will be progressed later in 2022.
- A summary of the roles nominated in the Bill, and the responsibilities of each is nominated below:

	Water Service Entity	Regional Representative Group	Board appointment committee	Mana Whenua	Regional Advisory Panel
Board members		Appoint / remove	Perform delegated functions/powers re appoint/remove	Equal representation to territorial authority representatives	
Appointment and remuneration policy		Review & approve	Prepare and maintain		
Government Policy Statement	Give effect to				
Statement of strategic & performance expectations	Give effect to	Issue, review, replace			
Te Mana o te Wai statements	Must prepare a response (with m/w); give effect to TMoTW			Provide, review, replace TMoTW statements	
Statement of intent	Must prepare, provide, publish	Receive SoI			
Asset Management Plan	Must prepare, provide, publish	Receive AMP			
Funding & Pricing Plan	Must prepare, provide, publish	Receive FPP			
Infrastructure strategy	Must prepare, provide, publish	Receive IS			
Annual Report	Must prepare, provide, publish	Review the performance			Advice on performance & exercise of duties, functions, powers

## 5 SIGNIFICANCE & ENGAGEMENT POLICY

Staff have considered the key considerations under the Significance and Engagement Policy, in particular sections 7 and 8 and have assessed that the matters in this report have a **medium** level of significance. This reflects the impacts that the Water Reform programme will have on Council and our Waipā communities, but that this report is solely focused on the submission which is being presented to the Select Committee. It is also noted that community feedback on the reforms was provided through a public engagement survey undertaken in Waipā in August/September 2021.

## 6 OPTIONS – NGĀ KŌWHIRINGA

Option	Advantages	Disadvantages
<b>Option 1:</b> Do not submit on the Legislation	<ul style="list-style-type: none"> <li>▪ <i>No staff or other Council resources required</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ <i>Unable to document concerns raised in proposed Bill</i></li> </ul>

Option	Advantages	Disadvantages
<p><b>Option 2:</b> Approve the draft submission and note that Council wishes to be heard</p>	<ul style="list-style-type: none"> <li>▪ Council able to provide commentary to Parliament on concerns regarding the proposed establishment of four water service entities</li> </ul>	<ul style="list-style-type: none"> <li>▪ Commitments needed to support attendance at Select Committee</li> </ul>
<p><b>Option 3:</b> Approve the draft submission and note that Council does not wish to be heard</p>	<ul style="list-style-type: none"> <li>▪ No commitments required for attendance at Select Committee</li> </ul>	<ul style="list-style-type: none"> <li>▪ Council seen as not committed to the position of opposition to the proposed reforms</li> </ul>

The recommended option is Option 2. The reason for this is that this option allows for a Council representative to present the proposed submission to the Finance and Expenditure Committee, providing the opportunity to reinforce Waipā District Council's position.

## 7 OTHER CONSIDERATIONS – HEI WHAIWHAKAARO

### Council's Vision and Strategic Priorities

The submission has been developed based on the aspirations of Council's vision (Building Connected Communities) and the Community Outcomes which are focused on the four wellbeings. The government's proposal of a Water Services Entity to deliver water services to Waipā communities is assessed as not being aligned with Council's vision, as it will create challenges around co-ordination of growth impacts, and possible issues with the co-ordination and management of stormwater services where these interface with community services and transportation assets. Also, the proposal could have a significant detrimental impact on achieving our community outcomes, which are focused on providing for community wellbeing.

### Legal and Policy Considerations – Whaiwhakaaro ā-Ture

Staff confirm that the proposed submission on the Water Services Entities Bill complies with Council's legal and policy requirements.

### Financial Considerations – Whaiwhakaaro ā-Pūtea

There are no financial implications arising from the recommendation to submit on the Water Services Entities Bill.

**Risks - Tūraru**

Whilst the Water Reform programme overall may result in risks for Waipā District Council, there are no known significant risks associated with the decisions required for this matter.

**8 NEXT ACTIONS**

Action	Responsibility	By When
Final approved submission provided to Committee Secretary of Finance and Expenditure Committee (Select Committee) of Parliament to replace current draft submission.	Group Manager Service Delivery	27 July 2022
Mayor Jim Mylchreest to present submission to the Select Committee	Group Manager Service Delivery and His Worship the Mayor	To Be Confirmed

**9 APPENDICES - ĀPITITANGA**

No:	Appendix Title
1	Community 4 Local Democracy Submission - Draft
2	Waipā District Council – Draft Submission

Dawn Inglis

**GROUP MANAGER SERVICE DELIVERY**

## APPENDIX 1

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Community 4 Local Democracy - Draft Submission (*document number 10851476*)

**Submission**

**to**

**Finance and Expenditure  
Select Committee**

**on**

**Water Services Entities Bill**

**22 July 2022**

## 1. Introduction

Communities 4 Local Democracy - He hapori mō te Manapori ("C4LD") is a coalition of like-minded territorial and unitary local authorities formed to develop and propose a set of reforms to Three Waters policy settings that will deliver similar outcomes to those proposed by the Government whilst respecting community property rights and local voice.

The 31 participating councils are:

1. Far North District Council;
2. Kaipara District Council;
3. Whangarei District Council;
4. Matamata-Piako District Council;
5. South Waikato District Council;
6. Thames-Coromandel District Council;
7. Waipa District Council;
8. Kawerau District Council;
9. Opotiki District Council;
10. Whakatane District Council;
11. South Taranaki District Council;
12. Central Hawke's Bay District Council;
13. Napier City Council;
14. Wairoa District Council;
15. Horowhenua District Council;
16. Manawatu District Council;
17. Ruapehu District Council;
18. Tararua District Council;
19. Masterton District Council;
20. Upper Hutt City Council;
21. Marlborough District Council;
22. Grey District Council;
23. Westland District Council;
24. Ashburton District Council;
25. Christchurch City Council;
26. Hurunui District Council;
27. Kaikoura District Council;
28. Mackenzie District Council;
29. Timaru District Council;
30. Waimakariri District Council; and
31. Waimate District Council.

Taken together, C4LD participating councils democratically represent approximately 1.4 million people. [Check]

All participating councils are the current owners of Three Waters assets on behalf of their respective communities. These assets have been bought and paid for by these communities over many generations. In all cases C4LD participating councils wish to retain meaningful control and influence over the property that they own on behalf of their communities. The Water Services Entities Bill (“the Bill”) before the Select Committee strips our communities of these rights.

To be clear, C4LD supports reform of the Three Waters sector. Our disagreement with the Government is centred on its approach to asset reconfiguration in the sector. We do not disagree with achieving appropriate health and environmental outcomes nor do we disagree with ensuring local iwi and hapū have appropriate input into investment decision-making at a local level. Suggestions to the contrary on either score by any person or persons are incorrect.

C4LD has one primary and two secondary recommendations to make to the Select Committee. They are as follows:

### ***Primary Recommendation***

C4LD opposes this Bill and recommends that it not proceed any further.

### ***Secondary Recommendations***

#### “Establishment Date”

C4LD recommends that the “establishment date” either be simply 1 July 2024 or be the earlier of either 1 July 2024 or a date set by Order in Council provided that such an Order in Council occurs after the date of the General Election following the 2020 General Election.

#### Stormwater

Additionally, and if the Bill does proceed, our other secondary recommendation is that the scope of the Bill be confined to drinking water and wastewater assets and that stormwater assets remain with territorial and unitary authorities.

If stormwater is to be included, then the Select Committee should amend the Bill to allow for the establishment of bespoke council by council pathways for this transfer, and include a clear definition of “stormwater services”.

**A delegation from C4LD wishes to appear before the Select Committee to speak to its submission.**

## **2. Executive Summary**

[To be completed once substantive text agreed]

### 3. C4LD Advocacy to date

As noted above, C4LD supports appropriate reform of the Three Waters sector. Consequently, C4LD recognised from the outset that simply saying “no” was not enough and that there was an obligation to develop a set of alternative policy proposals that would advance a constructive reform agenda but in a manner that meaningfully respects community property rights and local voice.

C4LD engaged water regulatory infrastructure experts Castalia to provide that advice. This ultimately resulted in set of material that was presented to the Minister and other political parties, and in substantive submission on economic regulation in the Three Waters sector. Additionally, the Prime Minister and each Member of Parliament was sent a letter outlining our approach. As background C4LD attaches:

- a. Its’ presentation to the Minister dated XXXX [Appendix 1];
- b. Its’ letter to the Prime Minister dated XXXX [Appendix 2]
- c. Its’ submission to the Ministry of Business, Innovation and Enterprise on economic regulation dated XXXX [Appendix 3]; and
- d. Its’ letter to Members of Parliament dated XXXX [Appendix 4].

As this material illustrates, C4LD’s alternative set of reform proposals are credible and supported by independent expert analysis.

The decision for the Select Committee is whether to support this reasonable alternative or to acquiesce in the expropriation without compensation of assets owned by the local communities of New Zealand.

### 4. Critique of the Government’s Case for Change

Attached as Appendix 5 is a report to C4LD from Castalia that sets out the analytical and policy failures of the Government which underpins the reform model set out in the Bill.

There are five key flaws in the Government’s proposal, namely:

- I. The Government claims that massive investment is needed in New Zealand water services. Unfortunately, the analysis it relies upon is flawed, as numerous case studies illustrate. These are set out in section 2 of Appendix 5;
- II. If the “gold plating” implicit in the current reform proposal proceeds, consumers risk paying high water charges. This is because the Government’s claimed cost savings are highly implausible. This is outlined in section 3 of Appendix 5;



- III. Critically, the proposed water service entities will be unaccountable to the public and communities of interest, which undermines their long-term sustainability. This is addressed in section 4 of **Appendix 5**;
- IV. The reforms also increase fiscal risk because the Crown is providing a fiscal backstop for the four water service entities who will become some of the largest corporates in New Zealand. Given the weak accountability framework, the risks are elevated and it is possible that the Crown takes a more direct governance interest in the entities over time, weakening local involvement (as has occurred overseas where similar reform models were experimented with). This is addressed in section 5 of **Appendix 5**; and
- V. Finally, because of the Government's critical process flaws available alternative reform options were not properly considered. Moreover, the evidence base the Government used was skewed towards a high-risk reform option. This is addressed in section 6 of **Appendix 5**;

[Insert Executive Summary of findings once Castalia Report finalised].

## **5. A Better Approach – C4LD's Alternative Reform Proposals**

On 12 December 2019 the Productivity Commission publicly issued its 30 November 2019 report on "Local Government Funding and Financing." Chapter 11 of that report dealt specifically with the Three Waters sector. The Productivity Commission made the following observations and recommendations:

1. The 3 Waters sector has substantial room for improved performance;
2. A key contributing factor to this state of affairs is a poor regulatory framework governing water quality (health and environmental);
3. The Government should encourage (but not direct) aggregation and improved governance over 3 Waters service delivery;
4. The performance of the three-waters sector would substantially improve by using an approach that:
  - i. rigorously enforces minimum performance standards; and
  - ii. is permissive about the way councils structure and operate their three-waters businesses;
5. The Government should consider also having backstop arrangements to deal with councils that fail to lift performance sufficiently to meet minimum health and environmental performance standards; and

6. Financial assistance to communities will likely be needed to assist deprived communities meet minimum health and environmental standards. The assistance needs to be designed to avoid rewarding past inaction and instead reward action for sustainably lifting the performance of water providers to these communities.

These recommendations followed approximately 18 months of analysis and evidence gathering (the inquiry commenced on 16 July 2018). C4LD fully supports the Productivity Commission's analysis and recommendations. In contrast, the Government's Bill almost completely departs from the Productivity Commission's recommendations.

C4LD's approach to Three Waters reform is built upon the Productivity Commission's recommendations. Accordingly, C4LD's approach is neither frivolous nor unusual. Most importantly it is based on expert analysis carried out not only by our own contracted experts in water services infrastructure reform but also on the Government's own expert body on regulatory and economic reform matters.

C4LD has taken the Productivity Commission's approach and produced a 10-point Three Waters reform plan. C4LD's alternative Three Waters reform plan is centred around this 10-point plan. Its components are:

1. As a foundation principle, community property rights in Three Waters assets should be both respected and meaningful;
2. The Government should agree to amend its current reform process and allow time for the revised approach to be reflected in draft legislation;
3. With respect to investment decision-making, asset owners should actively seek to initiate authentic discussions with mana whenua at a local level that consider co-design and partnership arrangements that acknowledge and enable Te Tiriti based pathways at a local and regional level;
4. Asset owners agree to commit to meeting health and environmental standards, once known, within an appropriate time frame;
5. The regulatory framework should specify a "backstop" provision that identifies a set of circumstances which would justify future Crown intervention if an asset owner was not making acceptable progress towards meeting those regulatory requirements;
6. Progress should be reported on annually by asset owners and be benchmarked across the sector;

7. To further incentivise sector progress, a formal process might be established that requires an asset owner to prepare a plan that would map out the steps it proposes to take to meet the required standards in a financially viable and sustainable manner;
8. A process to finance and allocate funds to areas that will require financial assistance be designed that is national in application and independently administered accordingly to objective and transparent criteria;
9. This subsidy scheme will be designed to meet investment shortfalls until such time as sufficient progress has been made. At which point the scheme will cease and asset owners will finance matters on a business-as-usual approach; and
10. A sector-wide sector best-practice improvement process be created and membership made compulsory.

Each of these points is expanded on below.

#### Property Rights and Alternative Asset Configurations

Territorial and unitary authorities are body corporates with perpetual succession (s.12(1) LGA 2002). They have the full capacity to carry on or undertake any activity or business, do any act, or enter any transaction and have full rights, powers, and privileges (s.12(2) LGA 2002). In other words, they are legal persons capable of owning property and do so on behalf of their communities (s.12(4) LGA 2002).

It is beyond legal argument that, at present, territorial and unitary councils are the legal owners of their Three Waters assets. They have all the rights and obligations that go with ownership. That is only capable of changing if Parliament intervenes to strip owners of those rights and obligations. It is beyond legal argument also that Parliament has the power to do this – Parliament is supreme and sovereign.

When this occurs, that act of property “taking” is known legally as expropriation. The usual obligation on the expropriating Government is to pay fair compensation to the previous owners of the expropriated property. This principle lies, for example, at the heart of the Public Works Act (see s.60, Basic Entitlement to Compensation, Public Works Act 1981). By way of further example, in 2021 the current Government gave itself the power to expropriate the capacity of private laboratories for COVID related matters. However, in doing so it provided also for compensation to be paid should that power be exercised (see s.11A COVID 19 Public Health Response Act 2020). This was right and proper.

Under the Bill before the Select Committee, the assets of territorial and unitary authorities are to be compulsorily transferred to the four new water services entities. It is a compelled transfer not an agreed transfer. Further, the Bill allocates to these councils proportionate to their population size, rather than being proportionate to the true value of the transferring assets, a

“share” which entitles them solely to vote on a possible (but highly unlikely) privatisation proposal. **All other rights and obligations of the present owners of the Three Waters assets are extinguished.** This is most obviously seen in Clause 166 of the Bill which states as follows:

**166 Financial independence**

*(1) A territorial authority owner (in its capacity as a holder of shares in a water services entity, or any other capacity), a regional representative group, or a regional representative—*

- (a) has no right, title, or interest (legal or equitable) in the assets, security, debts, or liabilities of a water services entity (and the constitution cannot confer any such right, title, or interest; and*
- (b) must not receive any equity return, directly or indirectly, from a water services entity; and*
- (c) must not give a water services entity any financial support or capital; and*
- (d) must not lend money or provide credit to a water services entity; and*
- (e) must not give any person any guarantee, indemnity, or security in relation to the performance of any obligation by a water services entity.*

These are the common and usual rights and obligations associated with ownership. They will no longer exist.

More egregiously, the Bill does not contain a compensation clause such as that used in the COVID 19 Public Health Response Act 2020.

To avoid paying compensation, the Government is resorting to sophistry when it says that the present owners will continue to own their Three Water assets. This is patently untrue.

Quite simply, this Bill is expropriating without compensation the assets of councils held on behalf of their communities. This is legislation of the worse kind. The Select Committee should enquire as to why this is occurring.

Having made those points, the question arises as to whether this most egregious of intervention in property rights is necessary to achieve productive reform of the Three Waters sector? Quite simply it is not.

Set out in **Appendix 6**, is a report to C4LD from Castalia which identifies an alternative set of structural arrangements that would achieve the change that all agree is necessary, but which would crucially, respect community property rights.

The alternative reform model(s) are summarised below.

**[Summarise Castalia report]**

Reform Timetable

As noted above and in **Appendix 5**, the Government's case for change is irredeemably flawed. It is a house built on quicksand.

Minor amendments to the Bill before the Select Committee cannot correct that position. For that reason, C4LD's primary recommendation is that the Bill does not proceed.

A completely new approach built on the C4LD 10-point plan is required. It is acknowledged that this will take extra time, but this position is a product of the flawed policy process that the Government has undertaken. Essentially three years have been wasted.

Whilst further time to achieve reform is unfortunate it is nonetheless important that the underlying reform framework be effective, workable, and durable because of the inter-generational nature of the assets concerned. But the Bill achieves none of these things. This is because a bipartisan approach to reform has not materialised. As noted earlier, the Opposition has already publicly committed to repeal and replace the reform outcome that this Bill purports to introduce.

Notwithstanding the delay in any reform timetable, we should take the time to get things right. New Zealand can do much better than this Bill.

#### *"Establishment Date"*

A timetabling aspect of the Bill concerns the definition of "establishment date" in Clause 1(1) of Schedule 1 to the Bill. Under the Bill the "establishment date" for the new water service entities is regarded as the earlier of 1 July 2024 or a date set by Order in Council.

However, C4LD considers that the Government's proposal to strip communities of their property rights in Three Waters assets is proceeding without a clear electoral mandate. In its 2020 Election Manifesto it simply stated: *"Labour will reform New Zealand's drinking water and wastewater system and upgrade water infrastructure to create jobs across the country."* This is a vague statement that in no way justifies the extensive nature of the reform set out in the Bill.

C4LD supports reform too; just not the Government's proposal. Public polling strongly suggests C4LD's perspective is not an isolated one.

It is worth reflecting on the fact that both the National Party and ACT have publicly committed to repeal this Bill (if passed) should they be successful at the next General Election. Consequently, the Government's decision not to compromise on aspects of the reform design model has deprived the country of a bipartisan and durable reform proposal. Given the long-term regulatory and investment uncertainty this position gives rise to, C4LD makes the following recommendation.

C4LD recommends that, if the Bill proceeds, the "establishment date" either be simply 1 July 2024 or be the earlier of either 1 July 2024 or a date set by Order in Council provided that such an

Order in Council occurs **no earlier** than the date of the General Election that follows the 2020 General Election.

#### Mana Whenua [Section requires review]

A widespread but incorrect criticism of C4LD's advocacy is that we oppose the involvement of mana whenua in investment decision-making in the Three Waters sector.

C4LD does not oppose the involvement of mana whenua in investment decision-making but our approach to the matter is based on a first principles approach to property rights.

Under C4LD's approach, the Three Waters assets would remain under community ownership. As part of the regulatory framework, Three Waters asset owners would be required to engage with mana whenua on what role in investment decision-making best suits mana whenua. Under our approach the spectrum of possible outcomes ranges from co-governance through to simple consultation and involvement between asset owners and mana whenua on investment decisions. That is the essence of local voice and of the rights associated with owning property. It is a position that allows for the local arrangements between councils and mana whenua to be co-designed locally so that they are more direct and meaningful. The four-entity model (particularly in the North Island) cannot do that as there are simply insufficient governing positions for all the many and varied views of all iwi and hapū to be accommodated.

To be very clear on this point, C4LD has released a position statement on Iwi/Māori partnership in the context of Three Waters reform. This is attached in **Appendix 7**.

#### Improved Regulation

A key part of the 10-point plan is an improved regulatory framework. An effective regulatory regime will provide a strong incentive on asset owners to ensure that investment is made in a timely manner to avoid breaching the minimum regulatory standards (health and environmental). Providing a fit for purpose regulatory regime is a key task of Central Government. For decades Central Government has failed in this task, particularly for drinking water where enforcement of minimum standards effectively was absent. Accountability for the overall state of Three Waters infrastructure lies with Central Government as much as it might do with local government.

Nonetheless progress has been made in recent times. In the drinking water sector this has seen the creation of Taumata Arowai. Taumata Arowai is the regulator of drinking water standards. Failure to meet the required standards is likely now to result in vigorous enforcement. This will provide a powerful incentive on asset owners to keep investment up to date.

C4LD accordingly congratulates the Government on the creation of Taumata Arowai and fully supports that body provided it remains independent and able to make evidence-based decisions and rules.

In the environmental space, there is likely more work to be done to ensure that the regulatory regime sends appropriate and timely signals to asset owners to invest appropriately.

C4LD supports the Productivity Commission's idea of a backstop regulatory intervention if asset owners do not move with appropriate speed to address investment concerns. Such an approach would provide a further incentive on asset owners to reform governance and operational models in the sure knowledge that if they did not, the Crown would have the ability to intervene and force outcomes to occur.

This is not a novel idea. A similar approach was used in the gas industry to incentivize gas market participants to improve consumer outcomes themselves. If they did not, the Crown reserved to itself the right to further intervene (and a create an Energy Commission) to force better outcomes for consumers. In the event the gas industry responded, and the regulatory backstop was not required (see the former subpart 3 of Part 4A of Gas Act 1992). The regulatory backstop approach was very effective at sending a powerful incentive on asset owners to respond appropriately.

#### Sector Collaboration, Benchmarking and Financial Assistance

[Next section from Jim Harland – It requires alignment with the substantive text]

The Productivity Commission recommended there was a need for financial assistance to some communities to meet future water standards. This is supported by Communities 4 Local Democracy as part of its 10 point plan referred to earlier.

In order to meet 5- 10 of the C4LD 10 point plan there is a need for an organisation which can lead the owners response and implementation. This organisation also needs to be responsible for identifying those communities that will need support to reach the regulatory standards in a timely fashion.

Responding to this there is also a need for an allocation mechanism (criteria) and a source of funding.

The transport sector provides a model of what this could look like in practice with the Waka Kotahi Board which is supported by:

- A user pays funding system;
- Approving investment criteria (known as a Financial Assistance Rate);
- Investment bids being made through a local/ regional planning system with decisions made nationally by a board;

- Approval and administering a Financial Assistance Rate for activities or contribution to activities for approved organisations in accordance with any criteria set by the Minister of Transport; and
- Variable Financial Assistance Rates to approved organisations based on factors that materially impact on their ability to deliver transport outcomes.

The transport sector is also supported by a Road Efficiency Group which is a collaboration between Waka Kotahi, Road Controlling Authorities (all local authorities and DOC) and Local Government New Zealand. It is focused on change to transform the sector, implement the findings of the Road Maintenance Task Force and local sector improvement initiatives. These include data quality, asset management, classification system for the network (ONRC, ONF), levels of service and benchmarking. Attached are two Road Controlling Authority summary reports which provide some of this information in a format that is of value to decision makers and customers (**Appendices 8 and 9**).

Following this example a national competency/skills based board shall be established to identify criteria for investment and approve the funding for improving the water outcomes by future water entirety delivery arrangements agreed through the Establishment Plan process discussed earlier. This would be an owner's body and could include Crown representatives if the Crown was investing in the reformed water system. It could be known as a Water Owners and Consumers Board (**see Figures 1 and 2**). **Figures 1 and 2 outline two relationship maps which could apply based on the two models C4LD is putting forward; Council owned + Regulation and Council Owned Enterprise.**

**This Board would need to have knowledge of, experience and expertise in relation to:**

- **Perspectives of mana whenua, mātauranga, tikanga, and te ao Māori**
- **Performance monitoring and governance**
- **Network infrastructure industries**
- **Asset Management**
- **Procurement**
- **Service Delivery**
- **Customer service**
- **Environmental**
- **Investment**



It could have 5 to 8 members; 5 if local authorities were on their own or 8 if the Crown was involved. Local authorities would need to agree a method to select their board members and relevant ministers (Environment, Local Government, and Health) could agree on the Crown appointed Board members.

This board would need to be supported by a small secretariat which would assist the board to develop an investment framework based on agreed criteria. To meet regulatory standards and timeframes these could include:

- A high level of deprivation;
- A static or declining population / commercial base which impacts on their ability to pay;
- Condition of the network the timeframe needed to bring it up to a regulatory standards;
- Support for tourism destinations with peak day pressures and a small number of water connections;
- Would potentially breach borrowing debt limits (LGFA or self-improved); and
- Approved and support continuous improvement / benchmarking, level of service.

Funding for the board and its secretariat could come from a per charge across the three waters.

The number of connections for the different three waters are:

Water	1,742,876
Waste	1,677,912
Stormwater	<u>1,894,271</u>
Total	5,314,059

If a charge was applied to water connections and used as the unit for charging based on a charge of \$100.00 and \$165.00, this would generate the following income for investment:

Direct Charge	Per Year	30 Year
\$100.00	\$174.3m	\$5.2 billion
\$165.00	\$287.5m	\$8.6 billion

Water is used in this example as the basis for the charge. This charge would apply to all water connection including a body corporate of the appropriate type which would be owned by a Council or grouping of Councils which maybe a recipient of funding. It is possible for the Crown to invest directly in the system to improve health and environmental outcomes sooner.

It is recognised this is a form of cross subsidisation which is transparent to consumers with decisions made based on a national assessment of local/regional need and risk. As the quality of the three water system improves the need for financial support to meet standards should decline. The Government proposes to achieve cross subsidisation regionally with the four entity model.

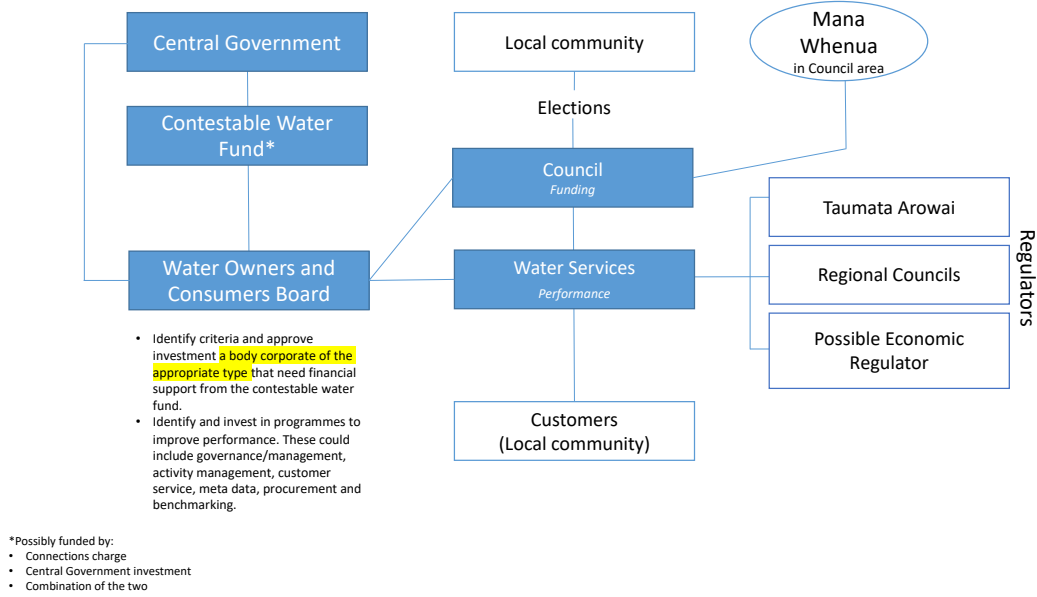
Experience in the transport and other sectors has also shown that benchmarking is a critical tool to lift performance as the information disclosure provides an incentive to improve. There are a number of mandatory reporting rules (standards) already approved by the Secretary of the Department of Internal Affairs (S261b of the Local Government Act 2002) which could be built on as they include safety, maintenance, customers (e.g. faults, response times, satisfaction), regulatory compliance, demand management, system adequacy (Stormwater). Some of these measures could be used by an economic regulator should this be necessary after a review of the new systems performance, say in 10 years' time. It is critical any measurement has a strong focus on an Iwi/Maori, customer, health, environmental, economic benchmark approach to levels of service and performance. They also need to drive the effective and efficient delivery of the three waters services.

In summary, it is possible to establish a system to provide financial support to communities which may struggle to meet regulatory standards for three waters in a timely manner.

A National competency based Board, possibly known as a Water Owners and Consumers Board could be appointed by the relevant ministers and local government on behalf of the owners to identify communities which need financial support to meet water areas of investment, Financial Assistant Rates and overview benchmark performance in the sector. This would include bringing together data from Taumata Arowai, the economic regulator regional councils and the economic regulator should this be established in the future. This could be funded by a per connection charge for users possibly matched with Crown investment, direct Crown investment or a combination of approaches.

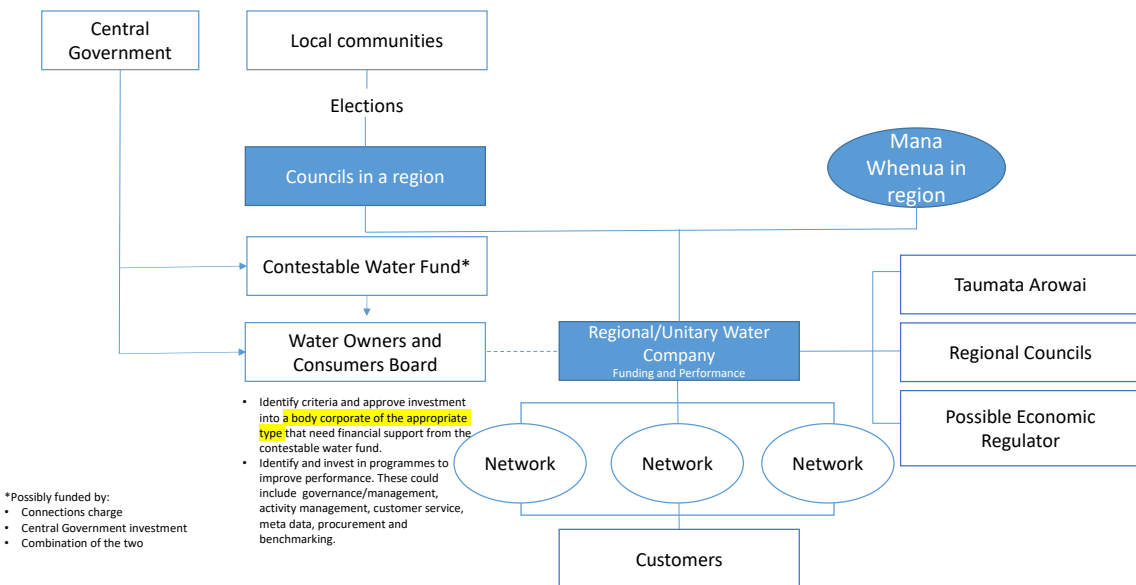
**Figure 1**

COUNCIL OWNED + REGULATION – RELATIONSHIPS MAP



**Figure 2**

COUNCIL OWNED ENTERPRISE – RELATIONSHIPS MAP



### Implementation Process for C4LD Model

As noted earlier, C4LD supports appropriate reform to Three Waters policy settings. As part of that approach, it is acknowledged that the Government will require confidence that C4LD's approach would result in a meaningful change to Three Waters asset governance and management across New Zealand.

To provide this needed level of confidence, C4LD has looked to the precedent contained in the Energy Companies Act 1992. That statute outlined a restructuring process for the then owners of electricity lines businesses to reconfigure themselves into a more effective form of corporate governance as part of an overall effort to improve outcomes in that sector. The key point to note is that while the statute required asset owners to prepare, for ministerial approval, a plan to improve governance, the Government did not intervene to strip owners of their property rights as is the case with the present Bill.

The outcome of this restructuring approach endures to the present day. For example, Orion New Zealand Limited remains a subsidiary of Christchurch City Holdings Limited (89.3%) and Selwyn District Council (10.7%). Orion is a professional and expert body that provides effective and expert governance and management of lines assets in Canterbury. It serves over 210,000 homes and businesses across a 8000 square kilometre area. Orion demonstrates that effective services can be delivered to consumers whilst maintaining community property rights.

The approach set out in the Energy Companies Act 1992 had several key components most of which could be easily adapted to apply to Three Waters assets. A possible framework might look as follows:

1. Not later than an appointed, but, reasonable, date each territorial and unitary authority must prepare and submit to the Minister, for the Minister's approval, an establishment plan relating to the creation and/or operation of a Three Waters asset owning entity in respect of the assets that territorial or unitary authority owns;
2. The Establishment Plan might be required, inter alia, to:
  - i. Identify with reasonable precision the Three Waters assets to be vested in the relevant Three Waters entity;
  - ii. Value a Three Waters entity on an appropriate basis;
  - iii. Contain a share allocation plan to the local authority owner or owners;
  - iv. Indicate whether or not any debt securities should be issued by the relevant Three Waters entity to any person on the vesting in the Three Waters entity of the relevant Three waters assets;
  - v. Contain, in draft form, the governing documents in respect of the Three Waters entity;
  - vi. Indicate the time within which the relevant Three Waters assets should be vested in the relevant Three Waters entity;

- vii. Identify a fair and equitable system for the transfer of appropriate employees from a local authority to the Three Waters entity; and
  - viii. Contain such other details as either the Minister or territorial or unitary authority considers appropriate.
3. The framework should allow an establishment plan to be prepared and submitted jointly by two or more local authorities;
  4. The framework should allow for an existing corporate entity to be used if that is appropriate in the circumstances;
  5. There should be public consultation by local authorities on the proposed establishment plan;
  6. The future financial stability of the Three Waters entity should be a criterion for the Minister to consider;
  7. The Minister should have the ability to require a proposed establishment plan to be revised if the Minister is not satisfied with part of the original establishment plan; and
  8. There should be enforcement consequences for failing to submit an establishment plan to the Minister by the set deadline.

## 6. Stormwater

Three Waters assets are composed of three asset classes: drinking water; wastewater; and stormwater. Drinking water and wastewater assets are (for the most part) readily identifiable and it is these asset classes on which the bulk of policy work has focused. Stormwater assets are quite another thing.

This point is likely to be picked up in individual council submissions and in submissions from sector organisations, but broadly speaking, the concerns are:

- The net benefits of the case for transferring stormwater infrastructure to the proposed new water entities has not been made with sufficient robustness, nor have the implications of doing so been fully understood. Consequently, the proposals for stormwater are under-developed and the scope and impacts are uncertain;
- Stormwater facilities are key parts of a city and districts greenspace and provide significant co-benefits through recreational, ecological and cultural services. Considerable drainage infrastructure is in the road corridor – kerbs and channels and some blue-green infrastructure such as tree pits, rain gardens and swales. This also means that some of the key expertise in

relation to stormwater management sits within a council's parks/planning and transport teams;

- Often a stormwater system is a fully integrated system which includes public and private land, roads and waterways, meaning that ownership and management of the stormwater system is complex and fragmented – key owners include council, transport authorities and private property owners. This all makes it very difficult to identify “users” in the same way as other services, and to determine who would drive priorities for flood management under the proposed new structure; and
- Stormwater is intrinsically linked to placemaking and closely connects with a number of other council roles, functions, and services. Many of these involve material overlaps: they serve different functions at different times which may it difficult to immediately transfer.

If stormwater is to be included in the new regime, Then C4LD would support LGNZ's proposal to undertake a staged transition of stormwater, or to have a “joint arrangement” (between entities and council/s) to establish a unique transition pathway. It will be important that there is a negotiated approach to the transition, which takes into account the individual circumstances of our stormwater assets and service delivery.

We understand that Christchurch City Council will propose recommendations of the following nature to the Select Committee, namely that:

- (a) The transfer of stormwater to the four new water service entities should be deferred until full assurance of the feasibility of including stormwater in this model can be provided; or
- (b) If stormwater is to be included, then:
  - establish bespoke council by council pathways for this transfer; and
  - include a clear definition of “stormwater services”.

C4LD supports those recommendations.

## 7. Conclusion

The Water Services Entities Bill is poor legislation. In particular:

- a. It expropriates, without compensation, community assets contrary to all principles of law;
- b. It is widely opposed by communities across New Zealand because it removes local voice in favour of a centralised approach contrary to all principles of localism;
- c. It does not have support across all iwi and hapu; [Review – are we able to say this?]

- d. It is based on data and analysis that is incorrect or, at best, seriously flawed;
- e. In an asset class that requires regulatory certainty to achieve investment certainty, it has failed to achieve bipartisan support across political parties meaning it will not deliver a durable and sustainable basis for reform; and
- f. Alternative approaches to reform could achieve a more durable outcome to the long-term benefit of the country.

Accordingly, C4LD strongly opposes the Water Services Entities Bill and its primary recommendation to the elect Committee is that the Water Services Entity Bill not proceed.

For the reasons described above C4LD's secondary recommendations are:

- i. That the "establishment date" defined in the Bill either be simply 1 July 2024 or be the earlier of either 1 July 2024 or a date set by Order in Council provided that such an Order in Council occurs after the date of the General Election following the 2020 General Election.
- ii. That the scope of the Bill be confined to drinking water and wastewater assets and that stormwater assets remain with territorial and unitary authorities;
- iii. If stormwater is to be included within the scope of the Bill, then the Select Committee should amend the Bill to allow for the establishment of bespoke council by council pathways for this transfer, and include a clear definition of "stormwater services."

**A delegation from C4LD wishes to appear before the Select Committee to speak to its submission.**

Ngā mihi nui,

[Signatures of Participating Councils]

Communities 4 Local Democracy - He hapori mō te Manapori

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## APPENDICES

Appendix 1 = presentation to Minister of Local Government

Appendix 2 = Letter to Prime Minister

Appendix 3 = Submission on Economic Regulation

Appendix 4 = Letter to MP's

Appendix 5 = Castalia data/policy critique

Appendix 6 = Castalia model description

Appendix 7 = Position Statement on Iwi/Māori Partnership

Appendix 8 = REG 1

Appendix 9 = REG 2

DRAFT



## Position on Iwi Māori Partnership

### Key Points

- The Government's 'one size fits all' model does not reflect local realities and communities of interest and, importantly, iwi and hapū rohe and areas of interest.
- We believe any arrangements will be more effective if they reflect common local interests, decision-making and build on existing relationships.
- We actively seek to initiate authentic discussions with mana whenua at a local level that consider co-design and partnership arrangements that acknowledge and enable Te Tiriti based pathways at a local and regional level.
- We seek a pause so we can have more time to work on a way forward that works for everyone.

### Detail

The Government's decision to mandate the Three Waters Reform was disappointing to most Councils in Aotearoa New Zealand. Ninety percent of Councils submitted their opposition to the Government's four entity model.

The Government did not respond to this opposition, nor the significant negative public reaction, and continued with their plans to mandate the implementation of this model.

In response, some concerned Councils got together and developed a Memorandum of Understanding in order to better work together on an alternative way to effect change.

We formed Communities 4 Local Democracy He hapori mō te Manapori (C4LD) which now has 31 partner Councils representing over 1.4 million New Zealanders and is growing.

We are providing a constructive voice for the majority of Aotearoa New Zealand with real concerns about this reform and the rush with which it is being imposed on our communities.

There are 10 specific things we agree on and that we stand for, three of which are:

- Better drinking water and environmental outcomes are essential
- Proper and effective regulation and an independent regulator
- Partnering with mana whenua and co-designing a governance framework locally and regionally

Overall, we stand for fresh ideas for better water for everyone.

All our members value the importance of developing strong and meaningful partnerships with Iwi Māori for the future of 3 Waters.

**We do not, nor believe we should, have a fixed view on how we would best achieve this.**

We do know that a 'one size fits all' solution simply will not work for anyone.

The Government's proposal will not reflect local realities and communities of interest and, importantly, iwi and hapū rohe and areas of interest.

Any arrangements will be more effective if they reflect common local interests, decision-making and build on existing relationships.

We actively seek to initiate authentic discussions with mana whenua at a local level that consider co-design and partnership arrangements that acknowledge and enable Te Tiriti based pathways at a local and regional level.

The concept of Te Mana o te Wai reflects the paramount importance of the wai. In particular it is about restoring and preserving the balance between te wai, te taiao, and nga tāngata.

The guidance provided by Te Mana o te Wai delivered with local knowledge will help us better respond to current challenges and realise future opportunities to achieve objectives that are shared by all communities.

Together as a community we can tackle the pressing issues of water quality, water security, sustainable economic growth and development, resilience and climate change mitigation and/or adaptation, and to do this in a way that also respects shared values.

**Our primary undertaking, therefore, must be to care for water.**

The next step is to consider how we make decisions in partnership, in the best interests of our water in a holistic sense. Seeing Three Waters Reform through this lens is an attractive kaupapa.

It is unfortunate that the Government and Department of Internal Affairs did not consider and discuss the proposed Three Waters Reform on this basis.

This is complex work, and our members have continually underlined the importance of Government providing sufficient time to work through this. It is worth noting that in most cases, partner Councils already had workstreams under way that were leading us in the direction of change.

**We have an opportunity to turn this around.**

To do this we are seeking a pause so we can have more time to work on a way forward that works for everyone. A vital part of this is developing a true partnership with mana whenua with hui and kōrero about how we best achieve this.

Rushed and forced reform is in no-one's interest. For such significant reform it is imperative that this is done in partnership and with the consent of both the sector and Iwi Māori.

We support a bipartisan political approach so that changes brought about by these reforms endure. There is a commitment from all partner Councils to achieve this. Without bipartisan support there is a high risk that the changes proposed by the Government will not survive future changes of government.

We have particularly focused our attention on two models which we believe will achieve a more durable approach, and also ensure greater involvement for mana whenua than is presently being offered by the Government - essentially a panel that appoints the board, and a guiding document "Mana Whakahono ā Rohe". We acknowledge the working group has recommended some changes but in our view those recommendations fall short of what is required to achieve broad support.

We would value the opportunity to discuss this further with mana whenua and seek to create opportunities to do so. We all are also supportive of a greater involvement for mana whenua with the new Water Regulator, Taumata Arowai.

We are aware there are those who would benefit by discrediting our group or by misrepresenting our values and aims.

**Our group are committed to genuine partnership with mana whenua and a reform proposal that is durable, widely-supported and fit for purpose.**

We represent a significant percentage of the local government sector and over 1.4m people.

We are genuine in our desire to work in partnership with Iwi Māori and would welcome discussion on these matters and opportunities for clarification.

We want to make it clear:

- Iwi partnership and relationships are critical and important to us, and any suggestion otherwise is simply not correct
- All partner Councils have relationships with their mana whenua at a local level and these are highly valued
- We strongly support giving effect to Te Mana o te Wai

C4LD formed just 12 weeks ago, and we accept there is a lot more work for us to do, including furthering authentic conversations and discussions with mana whenua. While there have been attempts to do this, we are very clear that more work is needed – work that we are committed to doing.

We believe a less rushed process would have allowed the creation of an appropriate governance in a co-design process with mana whenua. This outcome can still be achieved.

We want to know what success looks like for mana whenua and how we can work collectively, collaboratively and in partnership to achieve better outcomes for all our communities.

Ngā mihi



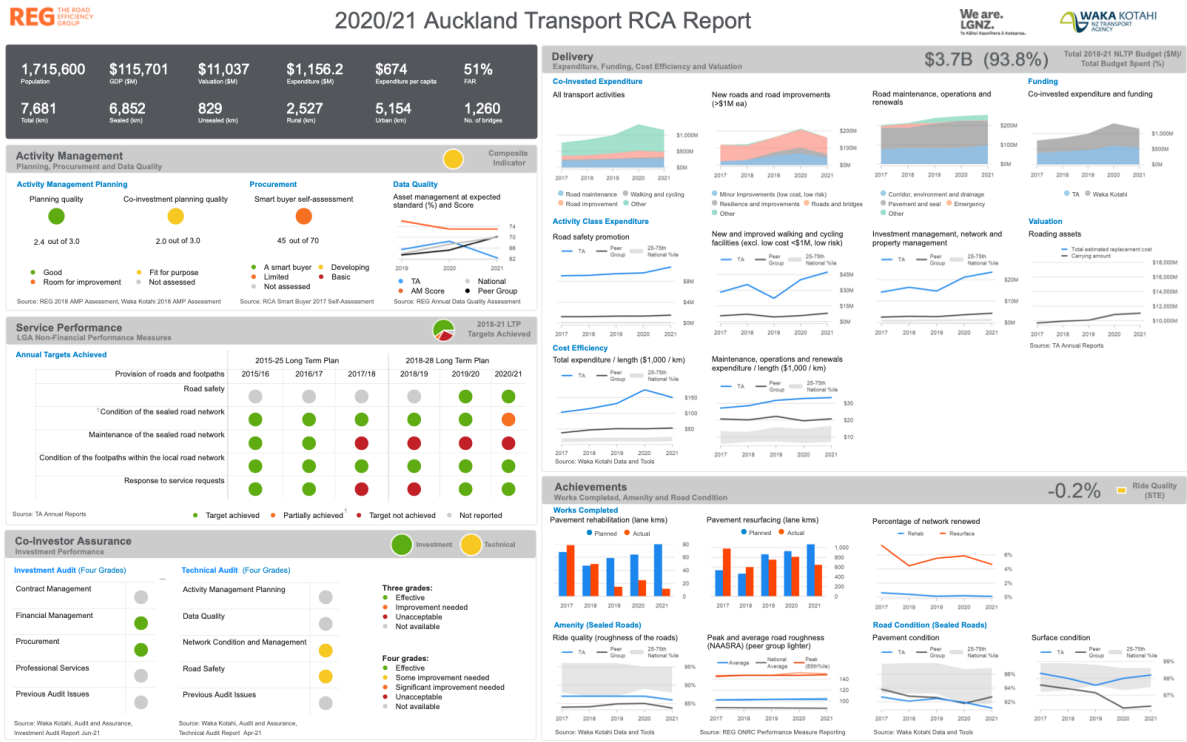
Mayor Helen Worboys  
**Chair**



Mayor Dan Gordon  
**Deputy Chair**



Mayor Lyn Riesterer  
**Co-chair**  
**Iwi Māori Working Group**



### Co-Investor Assurance

Investment Performance

**Investment Audit (Four Grades)**

Contract Management, Financial Management, Procurement, Professional Services, Previous Audit Issues

**Technical Audit (Four Grades)**

Activity Management Planning, Data Quality, Network Condition and Management, Road Safety, Previous Audit Issues

Status: Final for Publication

Page 1 of 2

December 2021 v3.0.1

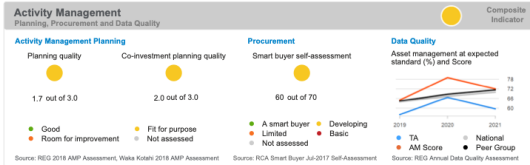




## 2020/21 Waimakariri District Council RCA Report



66,300 Population	\$1,685 GDP (\$M)	\$753 Waste (\$M)	\$22.6 Expenditure (\$M)	\$341 Expenditure per capita	51% FAR
1,564 Total (km)	977 Sealed (km)	587 Unsealed (km)	1,271 Rural (km)	293 Urban (km)	290 No. of bridges



### Service Performance

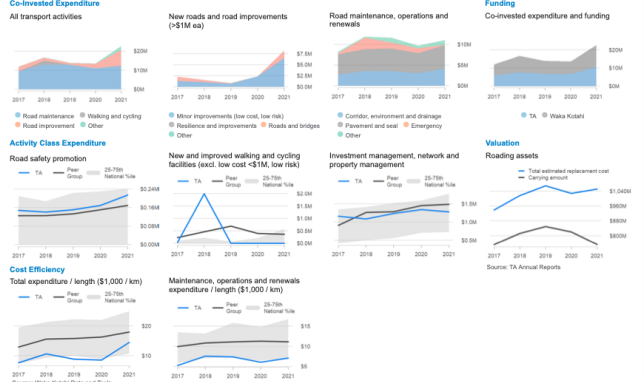
LGA Non-Financial Performance Measures

Annual Targets Achieved	2015-25 Long Term Plan			2018-28 Long Term Plan		
	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Provision of roads and footpaths	●	●	●	●	●	●
Road safety	●	●	●	●	●	●
Condition of the sealed road network	●	●	●	●	●	●
Maintenance of the sealed road network	●	●	●	●	●	●
Condition of the footpaths within the local road network	●	●	●	●	●	●
Response to service requests	●	●	●	●	●	●

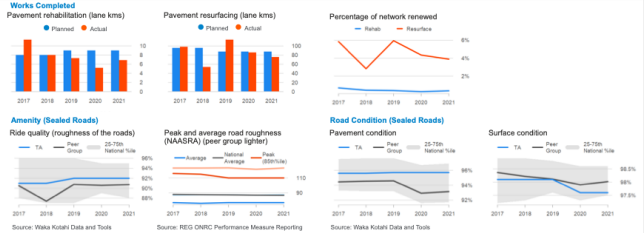
### Co-Investor Assurance

Investment Performance	Investment	Technical
Contract Management	●	●
Financial Management	●	●
Procurement	●	●
Professional Services	●	●
Previous Audit Issues	●	●

### Delivery Expenditure, Funding, Cost Efficiency and Valuation



### Achievements



Status: Final for Publication

Page 1 of 2

December 2021 v3.0.1



## APPENDIX 2

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Waipā District Council Draft Submission on Water Services Entities Bill (*ECM number 10835278* )

# Submission

**Water Services Entities Bill**

**July 2022**

## NAME OF SUBMISSION

**By:** Waipā District Council

**Submission deadline:** 22 July 2022 (as a placeholder draft) with final submission provided on 26 July after Council approval

**Authority:** **Draft** - Council endorsed submission to be submitted after 26 July

**Format:** Submitted electronically

**Hearing:** Council wishes to be heard

**Link to document:** [Water Services Entities Bill](#)

DRAFT



## Water Services Entities Bill

**By: Waipā District Council**

### ***Introduction***

Waipā District Council (the Council) welcomes the opportunity to provide comment on the Water Services Entities Bill (the Bill).

### ***General Comments***

1. The Council is strong in its opposition to the four entity model of reform proposed by this Bill. Council requests that the Select Committee recommends that it be withdrawn and significantly revised on the basis that it is contrary to basic property rights, the rights of local communities to have say over their local services, and will lead to poorer outcomes for communities. The Governance arrangements as proposed are complex and could reduce Council's ability to address key strategic needs for its communities.

The specific concerns with the current model are:

- Communities have not been consulted over the proposed appropriation of ratepayer funded infrastructure and services.
- The Bill offers demonstrably poorer outcomes on a range of measures including accountability to customers, iwi-Maori partnerships, management and operational performance and flexibility for the future.
- The assumptions underpinning the four entity model have been shown to be flawed, and the cost savings required to meet financial targets are unrealistic.
- Any real local influence over services will be effectively lost.
- This Bill does not have cross party support and will not offer the level of certainty needed for long term infrastructure investments.
- Protections against privatisation, whilst improved since earlier exposure drafts of the Bill were shared, are still subject to central government changes in direction on this matter.

Council wholeheartedly supports the work of Communities 4 Local Democracy He hapori mo te Manapori, and asks the Select Committee to give proper consideration of the suggested alternative model for reform that protects these rights, while delivering all of the stated outcomes of government.

This Bill is not in the best interests of New Zealand and Council asks that the Select Committee recommends the Bill be withdrawn to enable government to work with Local Government to co-design a more effective model of reform with better outcomes for the whole community.

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However, if this outcome is not supported by the Select Committee, then the following key areas are where Council believes further consideration is necessary.

### ***Specific Comments***

#### **1. *Community Wellbeing***

- 1.1 Throughout the Bill, there is no inclusion of the requirement for the WSE to deliver on community wellbeing. Water services are essential to the achievement of community outcomes; access to safe, reliable and **affordable** drinking water, wastewater and stormwater services that meet public health, environmental, and cultural expectations are fundamental for our communities. This should also include specific reference to services.
- 1.2 Council recommends that this omission be resolved.

#### **2. *Stormwater***

- 2.1 Council considers that the scope of the Bill should be confined to drinking water and wastewater assets and that stormwater assets remain with territorial and unitary authorities. If however stormwater is to be included, then the Select Committee should amend the Bill to allow for the establishment of bespoke Council by Council pathways for this transfer, and include a clear definition of “stormwater services”.
- 2.2 Council requests that stormwater services and assets remain with Councils to manage and maintain.

#### **3. *Water Service Entity (WSE) Objectives***

- 3.1 Climate mitigation as well as adaptation requirements need to be included in the WSE objectives.
- 3.2 Council recommends that climate mitigation is included in the list of objectives.

#### **4. *Water Service Entity Principles***

- 4.1 The requirements for partnering and engaging by the WSE needs to include land developers and customers. These relationships need to be effective for any WSE to be successful.
- 4.2 Council requests that these parties are explicitly nominated in the Bill.

#### **5. *WSE Board Skill Requirements***

- 5.1 The Board will require skills to support their role in overseeing the delivery of services, including knowledge of the water industry, consumer issues, and good business practice. Alongside this an understanding of what is necessary to deliver safe, reliable, and affordable drinking, waste, and stormwater services. It is also noted that the Bill does not require Board meetings to be in line with the Local Government Official Information and Meetings Act (LGOIMA) 1987.

- 5.2 Council requests that these skill sets be included in the requirements for WSE Board membership, and that all Board meetings be required to comply with Local Government Official Information and Meetings Act (LGOIMA) 1987

## **6. WSE Regional Representative Group**

- 6.1 The Regional Representative Group (RRG) is proposed to be made up of 12 to 14 people (six to seven nominated from the Local Authority Councils in the entity area, and six to seven from Iwi and mana whenua), but there is no requirement for the Council representatives to reflect the nature of the Councils (metropolitan, provincial or rural). There is no requirement in the Bill for the RRG to call for an annual shareholder meeting, or for non-voting observers to be appointed.
- 6.2 Council requests a requirement be added to the Bill which requires the RRG to be broadly representative of the different mix of metropolitan, provincial and rural territorial authorities within the entity area, and be required to call annual shareholder meetings, and allow non-voting observers to be appointed.

## **7. Regional Advisory Panel**

- 7.1 The Regional Advisory Panels (RAPs) are proposed to be established by the RRG to allow for the gaining of public confidence and trust in the overall model, as the RAPs will be a conduit between the RRG, the shareholding local authorities and their communities. It is this mechanism that will provide the means for communicating local views and concerns.
- 7.2 Council requests that the Bill place an obligation on the RRGs to seek advice from regional panels when developing a Statement of Strategic and Performance Expectations, when commenting on an infrastructure strategy, when commenting on a key policy or funding and pricing plan, and when approving a Board appointment and remuneration policy.

## **8. Regional Advisory Panel**

- 8.1 As the Bill is currently drafted, the Regional Advisory Panel is required to “exercise their roles wholly or mostly for the benefit of all communities in the WSE’s service area”. This is considered inappropriate and will diminish the central role of the RAP which is expected to advocate and advise on the needs of local communities.
- 8.2 Council requests that the collective duty of a Regional Advisory Panel be amended to advocate for the interests of its local area, having had regard to both the interests of the local area and wider WSE service area.

## **9. WSE Hierarchy of Obligations**

- 9.1 The WSE is required to give effect to:
- The Government Policy Statement **and**
  - Statement of Strategic & Performance Expectations **and**
  - Te Mana o te Wai Statements
- 9.2 Council recommends that a clear hierarchy is necessary to manage any contradictions/conflicts between these.

## **10. Consumer Forum**

- 10.1 The establishment of a meaningful, well supported, consumer forum is considered appropriate for the community to gain confidence that the WSE meets their needs and requirements. This will allow any WSE to gather consumer/customer views, understand their needs, expectations, and service requirements.
- 10.2 Council supports the proposal that a Community Forum be established by each WSE, with one established for Waipā communities to participate in, alongside one for significant water users in the Waipā area (for example Fonterra).

## **11. Waters Charges – Rates Rebate Scheme**

- 11.1 The Bill does not provide any commentary on whether there will be an equivalent scheme to support those on lower household incomes to pay their water charges. Currently this is provided for in the Rates Rebate Scheme.
- 11.2 Council requests that this oversight be addressed.

## **12. Summary**




- 12.1 Council supports the submission from the Community 4 Local Democracy Group, and the promoted alternative proposal that a Council-owned enterprise be established for the delivery of safe, reliable and affordable drinking water, wastewater and stormwater services that is well connected to the communities which have built and maintained these assets over many generations. The four entity model will not deliver on key community outcomes, and carries significant risk, especially during the transition phase of such a large reform programme.



### **TE AWAMUTU - HEAD OFFICE**

101 Bank Street, Private Bag 2402, Te Awamutu Ph 07 872 0030

### **CAMBRIDGE - SERVICE CENTRE**

23 Wilson Street, Cambridge Ph 07 823 3800  /WaipaDistrictCouncil  /Waipa\_NZ  /Waipa\_DC

# COUNCIL REPORT



**To:** His Worship the Mayor and Councillors  
**From:** Manager Transportation  
**Subject:** **Submission – Waikato Regional Public Transport Plan**  
**Meeting Date:** 26 July 2022

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## 1 PURPOSE - TAKE

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The purpose of this report is to seek approval to make a submission on behalf of Waipā District Council on the Waikato Regional Public Transport Plan.

## 2 EXECUTIVE SUMMARY – WHAKARĀPOPOTOTANGA MATUA

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This report introduces a draft submission on the Waikato Regional Public Transport Plan (RPTP).

Following the meeting, and subject to any amendments required by Council, the draft submission will be finalised and lodged with Waikato Regional Council by 29 July 2022.

The RPTP sets out the priorities and needs of public transport services and infrastructure to be delivered in the Waikato over a 10 year period by Waikato Regional Council (WRC).

The Plan has been prepared in partnership with territorial authorities and key stakeholders from a wide range of sectors.

## 3 RECOMMENDATION – TŪTOHU Ā-KAIMAHI

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*That Council*

- a) *Receives the report of Bryan Hudson, Manager Transportation, titled Submission – Waikato Regional Public Transport Plan, (document number 10845468);*
- b) *Approves the Council’s submission to Waikato Regional Council on the Waikato Regional Public Transport Plan, attached as Appendix 1 to this report (document number 10845681);*

- c) Approves ..... to present Waipā District Council's submission on the Waikato Regional Public Transport Plan.

## 4 BACKGROUND – KŌRERO WHAIMĀRAMA

Waikato Regional Council has prepared a draft Regional Passenger Transport Plan and is currently seeking public submissions on the Plan. Copies of the Plan are available on their website and by following the links below.

[Link to full draft Regional Passenger Transport Plan](#)

[Link to Two Page Summary of Draft Regional Passenger Transport Plan](#)

At the Council Workshop meeting on 28 June 2021, Nigel King and Andrew Wilson, from Waikato Regional Council, presented Waipā District Council with a vision on how to improve the public transport network in the Waikato region, enabling communities to access education, employment and social connections. For Waipā townships, this is mainly achieved by providing ridership-oriented services (high service frequencies and direct route alignments in areas with the highest concentration of people and activity, resulting in higher patronage).

## 5 SIGNIFICANCE & ENGAGEMENT –

Staff have considered the key considerations under the Significance and Engagement Policy, in particular sections 7 and 8 and have assessed that the matters in this report have a **low** level of significance. The reason that it is low is that Waipā District Council has in early 2022 formally consulted district residents on Council's Transportation Strategy, including passenger transport services, and the submission proposed is aligned to the recently adopted Transportation Strategy 2022-2052.

## 6 OPTIONS – NGĀ KŌWHIRINGA

Option	Advantages	Disadvantages
<b>Option 1:</b> Do not submit on the Plan	<ul style="list-style-type: none"> <li>No staff or other Council resources required</li> </ul>	<ul style="list-style-type: none"> <li>Unable to address questions raised in proposed plan</li> </ul>
<b>Option 2:</b> Approve the draft submission and note that Council wishes to be heard	<ul style="list-style-type: none"> <li>Council able to provide commentary to WRC on concerns regarding the proposed plan</li> </ul>	<ul style="list-style-type: none"> <li>Commitment needed to support attendance at the hearings</li> </ul>
<b>Option 3:</b> Approve the draft submission and note that Council does not wish to be heard	<ul style="list-style-type: none"> <li>No commitments required for attendance at the hearings</li> </ul>	<ul style="list-style-type: none"> <li>Council possibly seen as not committed to addressing relevant issues</li> </ul>

The recommended option is Option 2. The reason for this is because this option allows for a Council representative to present the proposed submission to WRC, providing the opportunity to reinforce Council's position. A nomination for a Waipā District Council representative to present the submission will be sought from the meeting.

## 7 OTHER CONSIDERATIONS – HEI WHAIWHAKAARO

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### **Council's Vision and Strategic Priorities**

The submission has been developed based on the 2021-2031 Long Term Plan (LTP) and Waipā District Council Transportation Strategy 2022-2052 that propose to improve public transport to support access to education, employment and social connections.

### **Legal and Policy Considerations – Whaiwhakaaro ā-Ture**

The purpose of the Plan and principles for public transport services are defined in the Land Transport Management Act 2003 (LTMA).

The purpose of the Plan is to:

- describe the public transport services that are integral to the public transport network
- define the policies and procedures that apply to those public transport services
- identify the information and infrastructure that support public transport services.

The Plan is open to public consultation. Waipā District ratepayers contribute to funding and use the services and it is therefore appropriate for Council to make a submission on the Plan.

### **Financial Considerations – Whaiwhakaaro ā-Pūtea**

There are no short-term financial implications arising from the recommendation to submit on the Waikato Regional Public Transport Plan.

Council has funding in the 2021-2031 Long Term Plan for local contributions to bus services and Total Mobility Services totalling \$5.1M. The local contribution increases each year as bus services and hours of operation increase. In future Annual Plans or Long Term Plan preparations, Council may have to adjust budgets for this service but there will be time to determine those funding requirements with funding partners - Hamilton City, Waka Kotahi and Waikato Regional Council.

### **Risks - Tūraru**

There are no known significant risks associated with the decisions required for this matter.

## 8 NEXT ACTIONS

Action	Responsibility	By When
Final approved submission provided to Waikato Regional Council	Group Manager Service Delivery	29 July 2022
Nominated representative to present submission to Waikato Regional Council	To be confirmed	16 August 2022

## 9 APPENDIX- ĀPITITANGA

No:	Appendix Title
1	Draft Submission – Waikato Regional Public Transport Plan 2022-2023



Bryan Hudson  
**MANAGER TRANSPORTATION**



Approved by Dawn Inglis  
**GROUP MANAGER SERVICE DELIVERY**



## **APPENDIX 1**

---

Draft Submission – Waikato Regional Public Transport Plan 2022-2023  
(document number 10845681)

# Submission

Waikato Regional Public Transport Plan

July 2022



## NAME OF SUBMISSION

**By:** Waipā District Council

**Submission deadline:** 29 July 2022

**Authority:** Council endorsed submission

**Format:** Submitted electronically

**Hearing:** We wish to be heard

**Link to document:** [Waikato Regional Public Transport Plan 2022-2023](#)

## - **Waikato Regional Public Transport Plan 2022-2023**

- **By: Waipā District Council**

- **Submission deadline: 29 July 2022**

### - **Introduction**

Waipā District Council (the Council) welcomes the opportunity to provide comment on the Waikato Regional Public Transport Plan 2022-2032.

### - **General Comments**

1. Calibri (body) 11

2.

### **Specific Comments**

#### **1. Question 11**

*Do you agree with the proposed ridership and coverage aspirations for different parts of our region?*

- 1.1 The Plan is in line with Waipā District Council's bus service improvement plan. High capacity and frequency is required on high use routes, and coverage or on demand services are required for dispersed areas.

#### **2. Question 14**

*Do you support the aspiration of public transport becoming carbon negative?*

- 2.1 Yes.

#### **3. Question 15**

*Do you support the concept of council potentially offsetting unavoidable emissions to the extent public transport services are delivered in a way that sequesters more carbon than it produces over time?*

- 3.1 No. Offsetting should be a last resort to not deliver on carbon neutral/negative goals. There are perhaps better ways to achieve this through other transport policy changes.

#### **4. Question 17**

*Do you support the aspiration of improving interregional passenger rail?*

- 4.1 Yes. Passenger rail may be seen as an expensive service, but it is highly effective for mode change, carbon reduction and transport accessibility for those longer trips.

#### **5. Question 18**

*Do you support the rail improvements priorities outlined in the plan?*

5.1 Yes. Additional stops, improved rolling stock, better connections within Auckland.

**6. Question 19**

*What would you change and why?*

6.1 Electrification – paramount in achieving zero emissions  
Hamilton CBD stop – to accommodate growth/densification and improve convenience, especially if CBD redevelopment is occurring.

**7. Question 20**

*What opportunities are you aware of for the regional council to partner with another transport provider or organisation in a way that could enhance accessibility and wellbeing of communities?*

7.1 Better integration of the existing car sharing services to supplement buses and appeal to a wider audience. Integrate health shuttles into funded services. Stronger service provision by or with Ministry of Education, matched by funding.

**8. Question 21**

*Do you agree with the aspiration of ensuring a baseline level of accessibility to essential services?*

8.1 Yes. A base level might include a daily bus service between villages and major towns or city.

**9. Question 22**

*What do you consider to be essential services?*

9.1 Education, healthcare, leisure, shopping.

**10. Question 23**

*Do you or people you know struggle to access essential services? If yes, what would be needed to ensure access?*

10.1 No. Disability individuals and groups ask Council to ensure that wheelchair enabled taxi and bus services are available.

**11. Question 24**

*Can you access all the essential services you need in the location you live? If not, where is the nearest location(s) that have those services?*

11.1 Yes. Tertiary healthcare is typically only available in Hamilton.

**12. Question 27**

*Do you agree with the aspiration of building a network of fast, frequent reliable public transport corridors and concentrating growth along those corridors?*

12.1 Yes. This also has the benefit of enabling Waipā residents to commute to work, school and for other purposes.

**13. Question 28**

*If you currently drive a car, what trips could you or people in your household regularly undertake on public transport, assuming it was fast and reliable?*

13.1 Commuting and many education trips.

**14. Question 29**

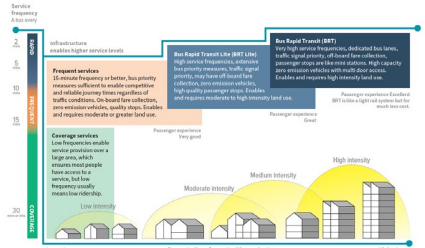
*What trips would you not be able to undertake on public transport and why?*

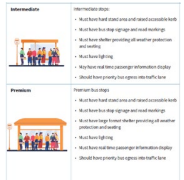
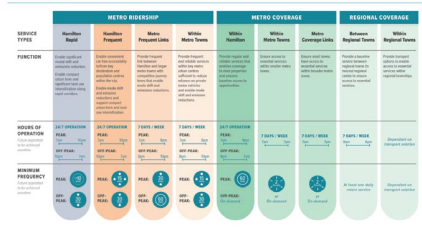
14.1 Trips to afterhours medical emergency departments and late hour employment as bus service hours are not convenient or enabling of this.

**15. Question 30**

*What other comments do you have about the draft 2022-2023 Waikato Regional Public Transport Plan?*

15.1 Support the Plan. Additional comments:

Reference in Plan	Council Comment
<p><b>1.1 Purpose and legislative requirements</b></p> <p>The principles guiding delivery of public transport services</p>	<ul style="list-style-type: none"> <li>The success of the Plan does require working in partnership with Councils and Waka Kotahi to deliver bus prioritisation over car oriented roads and developments.</li> <li>All new major urban development will need to design and build for buses.</li> </ul>
<p><b>2.3.5 Network aspirations – interregional passenger rail</b></p> <p>Establishment of Te Huia passenger rail service</p>	<ul style="list-style-type: none"> <li>Important to plan towards electrification of this line for efficiency and sustainability long term.</li> </ul>
<p><b>2.3.5 Network aspirations – interregional passenger rail</b></p> <p>Our key priorities for improving Te Huia over the next 10 years</p>	<ul style="list-style-type: none"> <li>Currently no electrification in 10 years</li> <li>No station planned in Hamilton CBD</li> <li>Plans for CBD redevelopment should integrate a passenger transport component (rail/bus hub) – <i>this goes beyond 10 years, but some prior planning is essential</i></li> </ul>
<p><b>2.3.8.3 Frequency, infrastructure and land use</b></p> 	<ul style="list-style-type: none"> <li>Bus priority measures should be consistent throughout various service levels, otherwise it is unlikely to achieve the desired level of service and increase public transport use.</li> </ul>

Reference in Plan	Council Comment
<p><b>2.3.8.6 Bus stop descriptions</b></p> 	<ul style="list-style-type: none"> <li>▪ Potential for customer touchpoints for Intermediate and Premium (e.g. integrated USB charging ports, interactive maps, secure bike racks, surveillance, etc).</li> </ul>
<p><b>2.3.9 Regionwide service level guide</b></p> 	<ul style="list-style-type: none"> <li>▪ Hours of operation are different to those reflected in the Waipā Public Transport Improvement Plan (6:00am – 7:00pm), for early commuters to work.</li> </ul>



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# COUNCIL REPORT



**To:** His Worship the Mayor and Councillors  
**From:** Manager Governance  
**Subject:** **ALTERNATE FOR FUTURE PROOF COMMITTEE**  
**Meeting Date:** 26 July 2022

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## 1 PURPOSE - TAKE

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The purpose of this report is to seek appointment of an alternate for the Future Proof Committee.

## 2 EXECUTIVE SUMMARY – WHAKARĀPOPOTOTANGA MATUA

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The Mayor and Deputy Mayor are Council's appointed members on the Future Proof Committee.

In order to ensure that Waipā District Council has representation on this committee when the Mayor or Deputy Mayor are unavailable it is recommended that Councillor O'Regan is appointed as an alternate to that committee.

## 3 RECOMMENDATION – TŪTOHU Ā-KAIMAHI

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*That Council*

- a) *Receives the report of Jo Gread, Manager Governance titled Alternate for Future Proof Committee (document number 10850026), and*
- b) *Appoints Councillor O'Regan as an alternate to the Future Proof Implementation Committee, a joint committee of Hamilton City Council, Waikato District Council, Waipā District Council, Waikato Regional Council, Matamata-Piako District Council and tangata whenua.*

## 4 BACKGROUND – KŌRERO WHAIMĀRAMA

On 18 November 2019 Council appointed Mayor Mylchreest and Councillor Stolwyk to the Future Proof Implementation Committee.

The Future Proof Implementation Committee is a joint committee of Hamilton City Council, Waikato District Council, Waipā District Council, Waikato Regional Council, Matamata-Piako District Council and tangata whenua with the purpose of implementing the Future Proof Strategy and Implementation Plan.

It is late in the triennium to be making this appointment, however the appointment of an alternate has been requested by Waikato Regional Council, and it appears likely that neither the Mayor or the Deputy Mayor will be available for the last scheduled meeting of this Committee for the triennium.

## 5 SIGNIFICANCE & ENGAGEMENT – KAUPAPA WHAI MANA ME NGĀ MATAPAKINGA

Staff have considered the key considerations under the Significance and Engagement Policy, in particular sections 7 and 8, and have assessed that the matter in this report has a low level of significance as it simply provides for alternative representation on the Future Proof Implementation Committee when the appointed members are unavailable to attend.

## 6 OPTIONS – NGĀ KŌWHIRINGA

Option	Advantages	Disadvantages
<p><b>Option 1:</b> Do nothing</p>	<ul style="list-style-type: none"> <li>No additional resource required.</li> </ul>	<ul style="list-style-type: none"> <li>If the Mayor and Deputy Mayor are both unavailable on day of the committee meeting Waipā Council will not be represented.</li> </ul>
<p><b>Option 2:</b> Appoint Councillor O'Regan as an alternate on the Future Proof Implementation Committee</p>	<ul style="list-style-type: none"> <li>Ensures Waipā Council's representation at this joint committee if the Mayor and Deputy Mayor are unavailable.</li> </ul>	<ul style="list-style-type: none"> <li>None</li> </ul>

The recommended option is Option 2. The reason for this is to ensure that Waipā Council has representation at all Future Proof Implementation Committee meetings.

## 7 OTHER CONSIDERATIONS – HEI WHAIWHAKAARO

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### Council’s Vision and Strategic Priorities

The Future Proof Implementation Committee helps us to effectively plan and provide for growing communities.

### Legal and Policy Considerations – Whaiwhakaaro ā-Ture

Staff confirm that option 2 complies with Council’s legal and policy requirements.

### Financial Considerations – Whaiwhakaaro ā-Pūtea

There are no costs associated with this decision.

### Risks - Tūraru

There are no known significant risks associated with the decisions required for this matter.

## 8 NEXT ACTIONS

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Action	Responsibility	By When
Advise Waikato Regional Council of alternate appointment	Governance Team	31/7/2022



Jo Gread  
**MANAGER GOVERNANCE**



Ken Morris  
**DEPUTY CHIEF EXECUTIVE / GROUP MANAGER BUSINESS SUPPORT**

# COUNCIL REPORT



**To:** His Worship the Mayor and Councillors  
**From:** Manager Governance  
**Subject:** **COMMUNITY BOARD REVIEW**  
**Meeting Date:** 26 July 2022

---

## 1 PURPOSE - TAKE

---

The purpose of this report is to present the community board review completed by Dr Steven Finlay of EQUIP Consultancy / Local Government New Zealand; and for Council to adopt the recommendations of that review for implementation in the new triennium.

## 2 EXECUTIVE SUMMARY – WHAKARĀPOPOTOTANGA MATUA

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In response to a resolution of the Finance and Corporate Committee of 12 October 2021 a review was undertaken by EQUIP Consultancy (EQUIP) with the purpose of improving the role and functions of community boards.

The report from EQUIP is included as Appendix 1 of this report and includes the following recommendations:

1. The state and relevance of Community Boards needs to increase so that Council can see the value proposition of participative democracy in action.
2. Council to reaffirm its relationship to its Community Boards and delegate responsibility, resourcing and oversight to the appropriate committee and Executive Leadership Team.
3. Community Boards to reaffirm their relationship to Council and staff and to improve their governance maturity with professional relationships.
4. Council to renew Delegations to a more narrowly defined community need.
5. Community Boards to re-engage with their communities and Mana Whenua, with support from Council staff enabling engagement processes.

### 3 RECOMMENDATION – TŪTOHU Ā-KAIMAHI

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*That Council*

- a) *Receives the report of Jo Gread, Manager Governance titled Community Board Review (document number 10850416);*
- b) *Adopts the recommendations included in the report prepared by EQUIP Consultancy titled 'Waipa District Council Community Board Review, The State and Relevance of Community Boards in 2022' included in Appendix 1 of this Report (document number 10857300).*

### 4 BACKGROUND – KŌRERO WHAIMĀRAMA

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Waipā District Council carried out a representation review in 2021, where Councillors decided to retain the Cambridge and Te Awamutu community boards in their current form, with the exception of reducing the number of Cambridge subdivision elected members from 5 to 4.

The below recommendation was passed at the Finance and Corporate Committee meeting on 12 October 2021 as part of the hearings and deliberations on the 2021 Representation Review:

*Direct staff to undertake a review to improve the role and functions of community boards. Prior to commencing that review the scope and parameters of that review to be agreed by the Finance and Corporate committee.*

In response to submissions received against keeping community boards the committee members felt that the community boards should be kept, but steps should be taken to ensure they are working effectively. On 19 April 2022 the Finance and Corporate Committee agreed the following scope and parameters of the review:

- I. *An externally conducted review to produce a report for Council to consider outlining recommendations for change;*
- II. *No limitations on the scope of recommendations that can be put forward as long as what is proposed fits within the current legislative framework; and*
- III. *The review to include consideration of existing documentation as well as interactive sessions with both Community Boards, an interactive session with Councillors, and interviews with selected staff and key stakeholders.*

Council appointed EQUIP who are an arm of Local Government New Zealand to complete the external review, with Dr Steven Finlay from EQUIP completing the work.

## 5 SIGNIFICANCE & ENGAGEMENT – KAUPAPA WHAI MANA ME NGĀ MATAPAKINGA

Staff have considered the key considerations under the Significance and Engagement Policy, in particular sections 7 and 8, and have assessed that the matter in this report has a low level of significance as this decision is about improving community boards role and function and increasing the value that the community gets from the investment in them, and not about whether we have community boards or not.

## 6 OPTIONS – NGĀ KŌWHIRINGA

Option	Advantages	Disadvantages
<p><b>Option 1:</b> Do nothing</p>	<ul style="list-style-type: none"> <li>Requires no further resources or changes</li> </ul>	<ul style="list-style-type: none"> <li>Is not utilising the additional layer of elected membership to its full extent.</li> <li>Nothing changes</li> <li>Continued disconnect between Council and Community Boards.</li> <li>Increased disconnect between community boards and the community.</li> </ul>
<p><b>Option 2:</b> Adopt all the recommendations in the report from EQUIP</p>	<ul style="list-style-type: none"> <li>Supports Community Boards to succeed and achieve their potential</li> <li>Improves connection and a better relationship between Council and Community Boards</li> <li>Better outcomes for local communities.</li> </ul>	<ul style="list-style-type: none"> <li>New way of working</li> <li>Will require additional resource</li> </ul>

The recommended option is Option 2. The reason for this is that Council has made a decision as part of its representation review to keep community boards. Adopting the recommendations in this report will ensure we are optimising the elected member structure for the benefit of our local communities.

## 7 OTHER CONSIDERATIONS – HEI WHAIWHAKAARO

### Council’s Vision and Strategic Priorities

Implementing the community board review recommendations will assist Council to deliver its vision of building connected communities as well as contributing to its strategic priorities of creating vibrant communities and effectively planning and providing for growing communities.

### Legal and Policy Considerations – Whaiwhakaaro ā-Ture

Staff confirm that option 2 complies with Council’s legal and policy requirements.

### Financial Considerations – Whaiwhakaaro ā-Pūtea

The total estimated costs to implement Option 2 is approximately \$10,000 - \$15,000 per annum across both Community Boards. This will cover additional costs such as induction, on-going professional development and mentoring costs. It is proposed that the additional cost will be funded by rates.

Staff support is a key part of delivering these recommendations, but this will be managed with existing staff resource.

The Local Government Act 2002 in Schedule 7, clause 38, specifically requires Council’s to provide the necessary administrative and other facilities for its community board so it is important that adequate funding is available.

### Risks - Tūraru

The following significant risks have been identified and will be treated as set out below:

Risk Description	If the elected members and staff do not commit to delivering the recommendations then the changes will not be effective
Current Residual Risk Rating	High
Current Treatments	Measurable planned actions to be implemented. Report seeks elected member commitment to the recommendations and a Council committee will be given responsibility of overseeing and monitoring new practices. Executive oversight to ensure organisational wide staff commitment, including approval of resource plan and timeline to implement recommendations. Induction/mentoring and training programme developed for the Community Boards.

Target Residual Risk Rating – if different from current rating	Medium
Planned Additional Treatments	Development of detailed implementation plan to be approved by Executive.

## 8 NEXT ACTIONS

Action	Responsibility	By When
Resource Plan and timeline to implement recommendations prepared and approved by Executive Team prior to new triennium	Governance/Executive	30 September 2022

## 9 APPENDIX - ĀPITITANGA

No:	Appendix Title
1	EQUIP Report – Waipā District Council Community Board Review - The State and Relevance of Community Boards in 2022



Jo Gread  
**MANAGER GOVERNANCE**



Ken Morris  
**DEPUTY CHIEF EXECUTIVE / GROUP MANAGER BUSINESS SUPPORT**



## **APPENDIX 1**

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Waipā District Council Community Board Review - The State and Relevance of Community Boards in 2022 (document number 10857300)



# Waipā District Council Community Board Review

## The State and Relevance of Community Boards in 2022

Dr Steven Finlay, EQUIP Consultancy

15th July 2022



## CONTENTS

<b>Executive summary and recommendations</b> .....	3
<b>Practical implementation</b> .....	4
<b>Why community boards matter</b> .....	5
<b>The state and relevance of Waipā’s Community Boards</b> .....	6
<b>Reboot 2.0</b> .....	7
<b>Recommendation 1</b> .....	9
<b>Recommendations 2 and 3</b> .....	11
<b>Renewing engagement through relationship</b> .....	14
<b>Recommendation 4</b> .....	15
<b>Recommendation 5</b> .....	18
<b>Workshop summaries</b> .....	21
<b>How key stakeholders see Community Boards</b> .....	25
<b>Further resources</b> .....	26

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## Executive summary and recommendations

Following the recent representation review Waipā District Council ('Council') voted to continue with Community Boards but to review their state and relevance.

This review fulfils that action and recommends that Council, Executive Team, staff and Community Boards work collectively to raise both the state of Community Boards functioning and relevance to their respective communities.

The review recommends

1. The state and relevance of Community Boards needs to increase so that Council can see the value proposition of participative democracy in action.
2. Council to reaffirm its relationship to its Community Boards and delegate responsibility, resourcing and oversight to the appropriate committee and Executive Leadership Team.
3. Community Boards to reaffirm their relationship to Council and staff and to improve their governance maturity with professional relationships.
4. Council to renew Delegations to a more narrowly defined community need.
5. Community Boards to re-engage with their communities and Mana Whenua, with support from Council staff enabling engagement processes.



## Practical implementation



This review recommends that Council, Executive Team, staff and Community Boards work collectively to raise both the state of Community Boards functioning and relevance to their respective communities.

How do these recommendations work in practice? At each level, these recommendations can be practically actioned;

so that Council:

- affirm and support a reset to the roles and relationships of Community Boards at Mayoral and CEO level
- agree to lead in co-designing, signing off and overseeing refreshed delegations
- agree to set the appropriate Committee to oversee and monitor new practices between staff and Community Boards
- align Council - level strategic outcomes and work programmes with Community Boards' engagement and input;

so that Executive Team:

- receive the CEO's delegated advisory role for Community Boards to set staff resourcing and monitor new delegations and behaviours
- support staff to enable Community Boards to build skills and be resourced to meet this new ambitious agenda;

so that staff:

- review forward work programmes for 'big ticket' Community Board input to place-making and other high-value opportunities
- increase their support and reporting style and content to enable better Community Board decision-making;

so that Community Boards:

- commit to this reset and diligently work to engage with communities on their new focus areas
- commit to professional relationships with Council staff, and to build governance maturity,
- reset their relationships both with themselves, their communities, Council, Mayor, CEO and the Executive Team; and

so that communities, including Mana Whenua:

- increase their engagement as active participants in democratic decision-making.



## Why community boards matter



As the current Reform Agenda<sup>1</sup> gathers pace, central government is rethinking the role Councils might play in evidencing and co-delivering community need as part of a functioning democratic system.

The Reform Agendas' activities are making provisions for community inputs to be recognised and given effect to.

Specifically, the replacement legislation for the Resource Management Act (RMA) will include a new Strategic Planning Act which carries a requirement for regional spatial planning and will sit above the Natural and Built Environment Act, Local Government Act, Climate Change Adaptation Act and Land Transport Management Act. This legislation carries placeholders for community plans and planning as the vehicle by which local outcomes are envisioned.

Additionally, central government as a Te Tiriti partner includes significant legislation designed to protect and enable Mana Whenua decision-making.

In light of this, local councils are also rethinking their community boards. In three current examples, Taupō<sup>2</sup> and Ruapehu are re-imagining community boards to offer spaces for Mana Whenua partnership and to demonstrate participative democracy in action. Whanganui is also actively promoting Community Board input at the Council Committee level, raising the quality of communication between Council and Community Board.

LGNZ's latest submission<sup>3</sup> on the Future for Local Government (FfLG) has as its first recommendation, to 'replace the long-term plan with a more dynamic and strategic planning framework that accounts for the changes being made by other major reform programmes and that allows **communities** to play a greater role in setting their community vision and reviewing progress' (*emphasis added*). The timing for a refresh of Community Boards could not be more apt.

### Community priorities and outcomes

The rationale for increasing community board effectiveness is based on principles embedded in the Local Government Act, alongside co-funding opportunities inside the Reform Agenda which assumes effective community representation. Giving communities a direct say in the future shape and nature of their spaces is underpinned by a principle of communities as 'active partners', not just consultees<sup>4</sup>. Facilitating active citizenship is a key goal of sector best practice, and an expectation as the new central government – local government landscape becomes clearer. If these opportunities are not realised, the communities will be figuratively and literally worse off. If these opportunities and challenges are taken up, communities have the best chance of co-defining the future they stand to inherit.

<sup>1</sup> See <https://www.lgnz.co.nz/reforms/> for a precis of all the Reform Agenda work underway by LGNZ

<sup>2</sup> <https://www.1news.co.nz/2022/06/14/local-hapu-taupo-district-council-sign-co-governance-agreement/>

<sup>3</sup> [https://www.lgnz.co.nz/assets/PDFs/FfLG\\_DesignedFinal.pdf](https://www.lgnz.co.nz/assets/PDFs/FfLG_DesignedFinal.pdf)

<sup>4</sup> See Mike Read 'Devolving power – can the public service let go?' Public Sector Journal 44.1, April 2021 - pp 3-5.



## The state and relevance of Waipā's Community Boards

Good collaboration between boards and councils involves seeking advice from community boards early in the decision-making process and being invited to have input into the process as well as the decision<sup>5</sup>.

The findings of this review are clear. All interviewees and participants accepted and agreed that there is significant opportunity to improve the state - or functioning - of Community Boards and their relevance - or strategic value - to Council and communities.

In their submission to the earlier Representation Review, Te Awamutu Community Board quoted Dr Mike Reid as follows:

'Principal policy adviser at Local Government New Zealand Mike Reid said in his experience community boards were "very effective" but it depended on how they were treated by councils. "Their effectiveness depends on whether the council gives them powers or not and whether the council gives them support." So, in some areas, boards are not that effective because council does not give them support and may not give them any decision-making role so it really comes down to local context," Mr Reid said.'

The Te Awamutu submission goes on: 'Our Community Boards could certainly be more effective if we were taken seriously and given the opportunity to feedback directly to councillors'.

Cambridge Community Board were also clear they could be more effective in how they engage both with communities (in testing need, and prioritising their focus) and how they build political relationships with Councillors and Committee activities to 'land' evidence-based proposals into Council work programmes.

This review represents an opportunity to collectively learn from the lessons of the past and not repeat them, but to reset how Council resources and supports Community Boards to be successful.

The recommendations are built from the themes of each Community Board and link in feedback from Mana Whenua and key stakeholders in each community.

The review also recommends extending staff support to ensure a key request from both Boards is taken up, that their input into planning processes is extended and taken seriously. Community Boards request input at the front stage of a process, and not 'last thing', at the back.

This is a reset that will take a shift in thinking and actions from all parts of the Council.

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<sup>5</sup> LGNZ Good governance guide for community boards (2019) p.19.



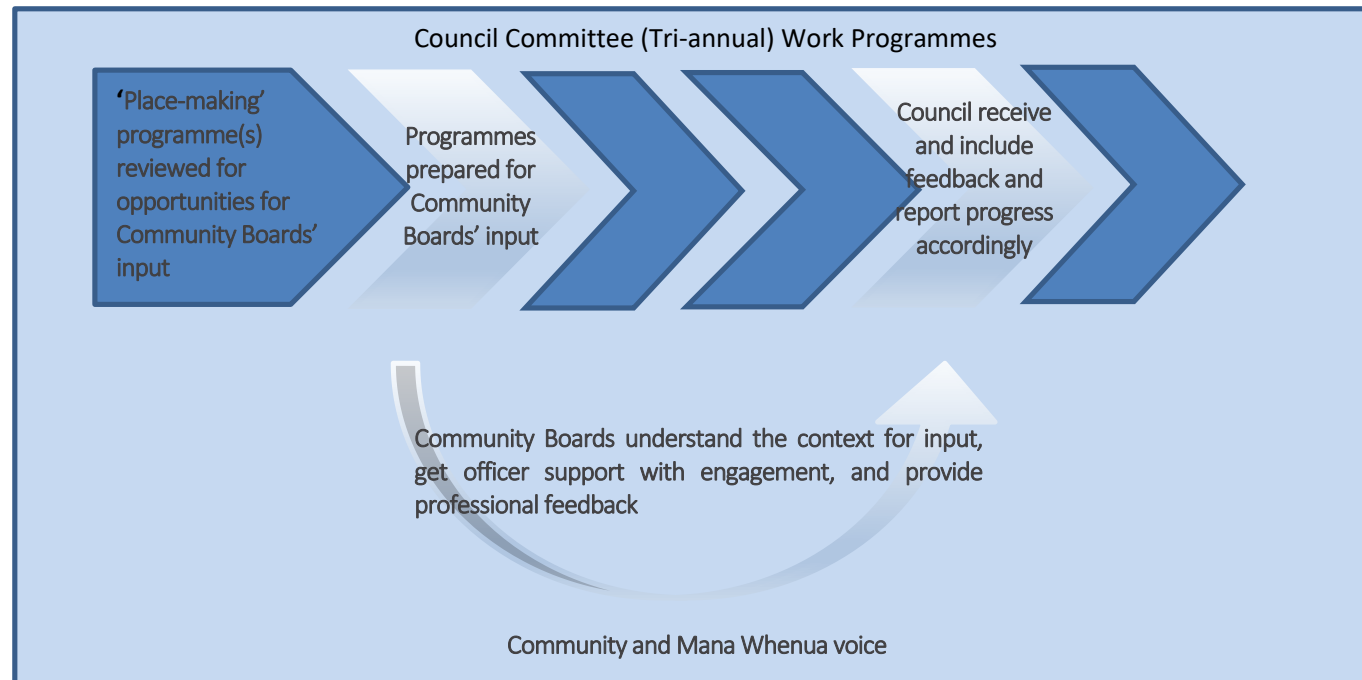
## Reboot 2.0

As the LGNZ Community Board guidance (above) notes, the responsibility for the state and relevance for Community Boards sits as much with Council, its Executive and officers, as it does with Board members and indeed the communities themselves. The new Triennium represents an opportunity to ‘reset’ the relationships between Council, Committees, Community Boards and communities. One element cannot be seen in isolation from the others.

Conversely, success for Waipā Community Boards relates to how Council - at Mayor and CEO level - their Committee Chairs, Elected Members, Executive Team, and staff all set up and support Community Boards to more fully and effectively engage and participate in meaningful local democracy. The state and relevance of Community Boards is predicated on the relative alignment and space ‘made for’ their engagement and input to Council work programmes. This report visualises this process hereafter as a ‘map’ or ‘holistic system’ of re-engagement opportunities.

The full re-engagement map (over) and each subsequent descriptive part thereafter needs to be read with a cyclical ‘flow’ of information in mind, as pictured below.

Following the overall engagement map, each recommendation and its own logic map is presented, to show the thinking and further detail under each recommendation.

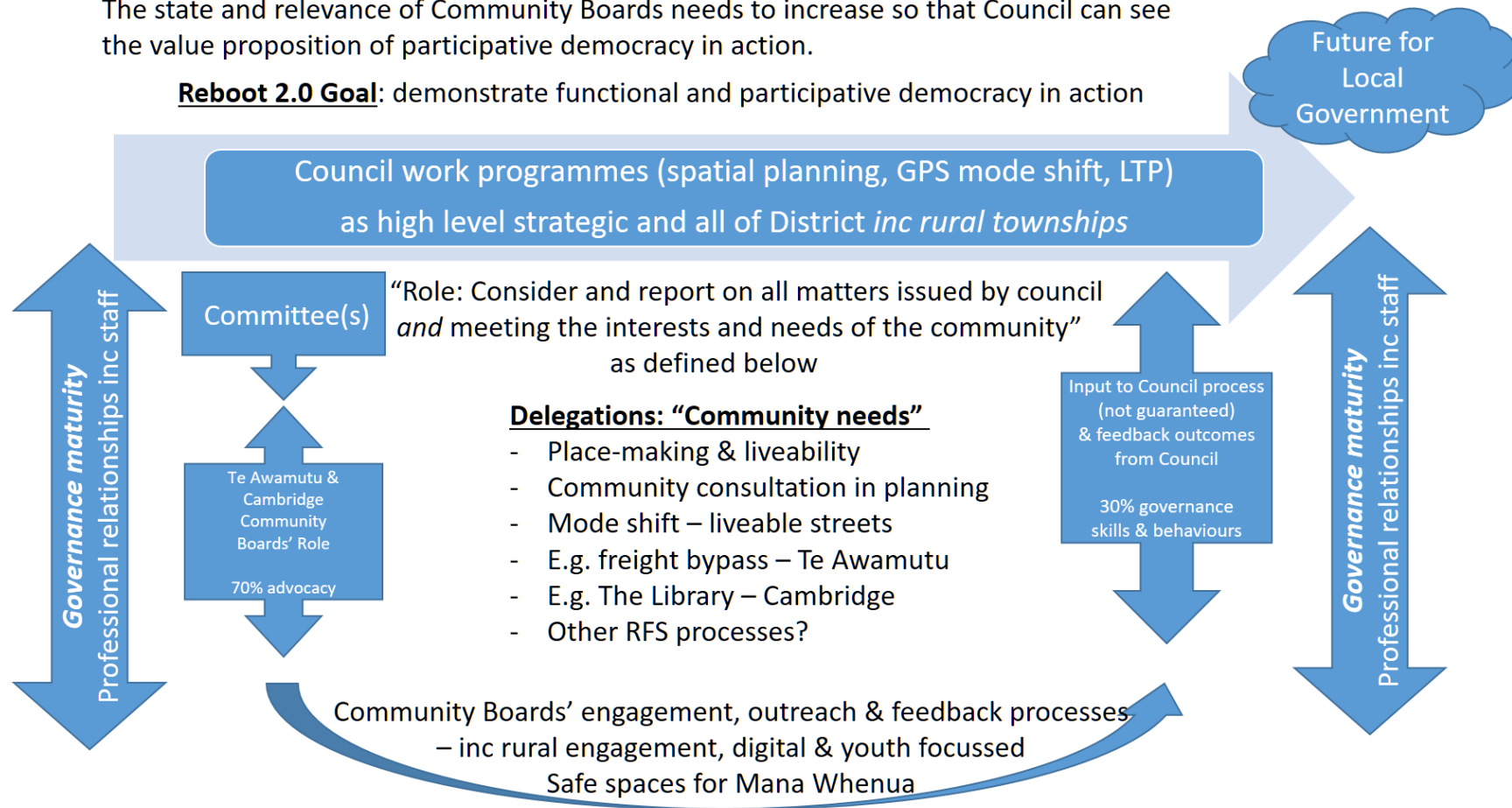




Future for Local Government 'FfLG' is the key Reform Agenda opportunity.

The state and relevance of Community Boards needs to increase so that Council can see the value proposition of participative democracy in action.

**Reboot 2.0 Goal:** demonstrate functional and participative democracy in action

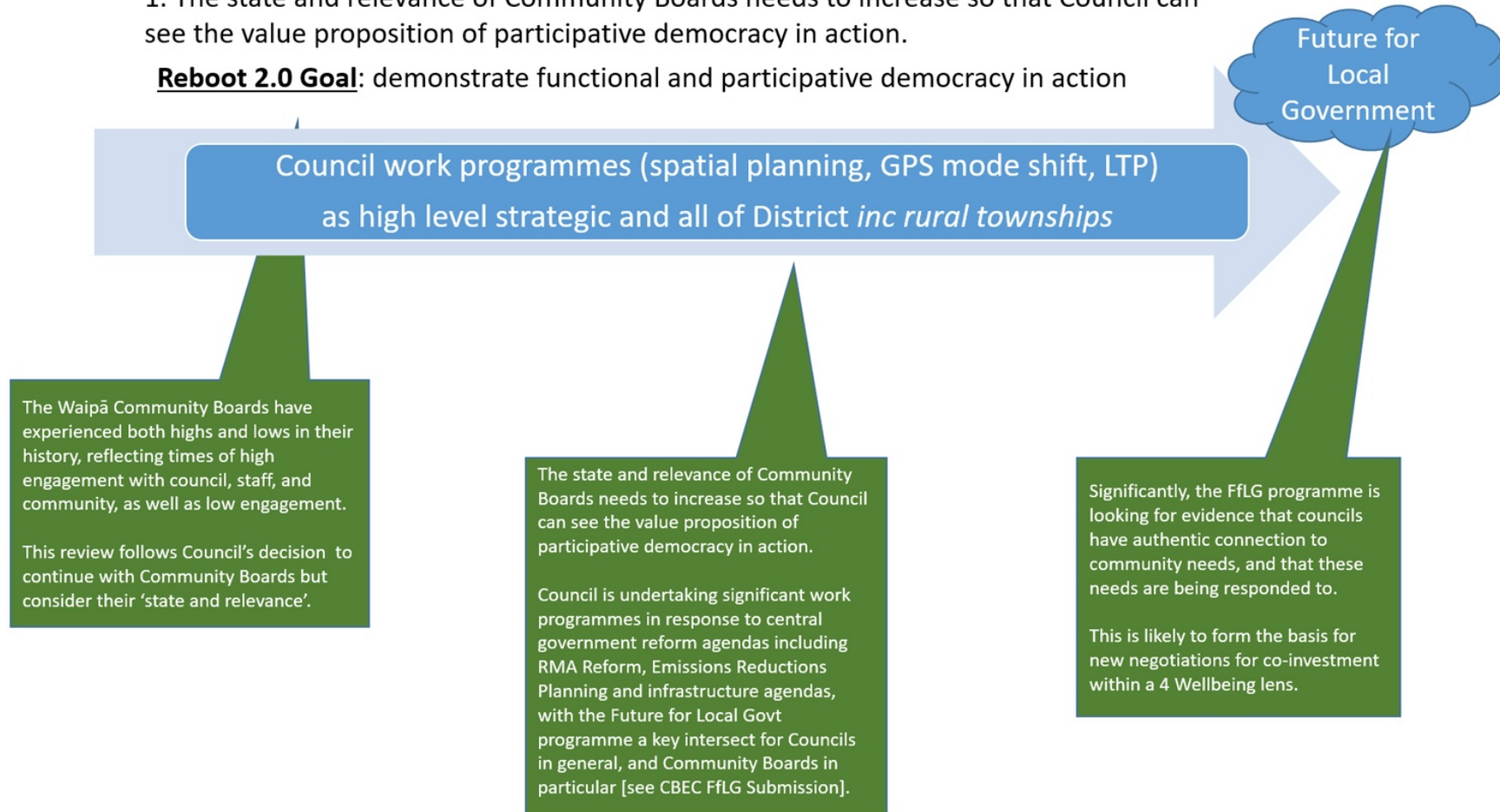


This 'map' was co-designed from review workshops, and flows from Community Board, Executive, CEO, Mayoral and staff feedback (see p.24). It models alignment of Council's work programmes with Community Board input, alongside skills and behaviours that LGNZ commonly works with to improve governance maturity.

## Recommendation 1

1. The state and relevance of Community Boards needs to increase so that Council can see the value proposition of participative democracy in action.

**Reboot 2.0 Goal:** demonstrate functional and participative democracy in action





‘Perhaps the most critical factor behind an effective community board is the quality of the board’s relationship to its parent council. Relationships take time to build but are quickly undermined.’<sup>6</sup>

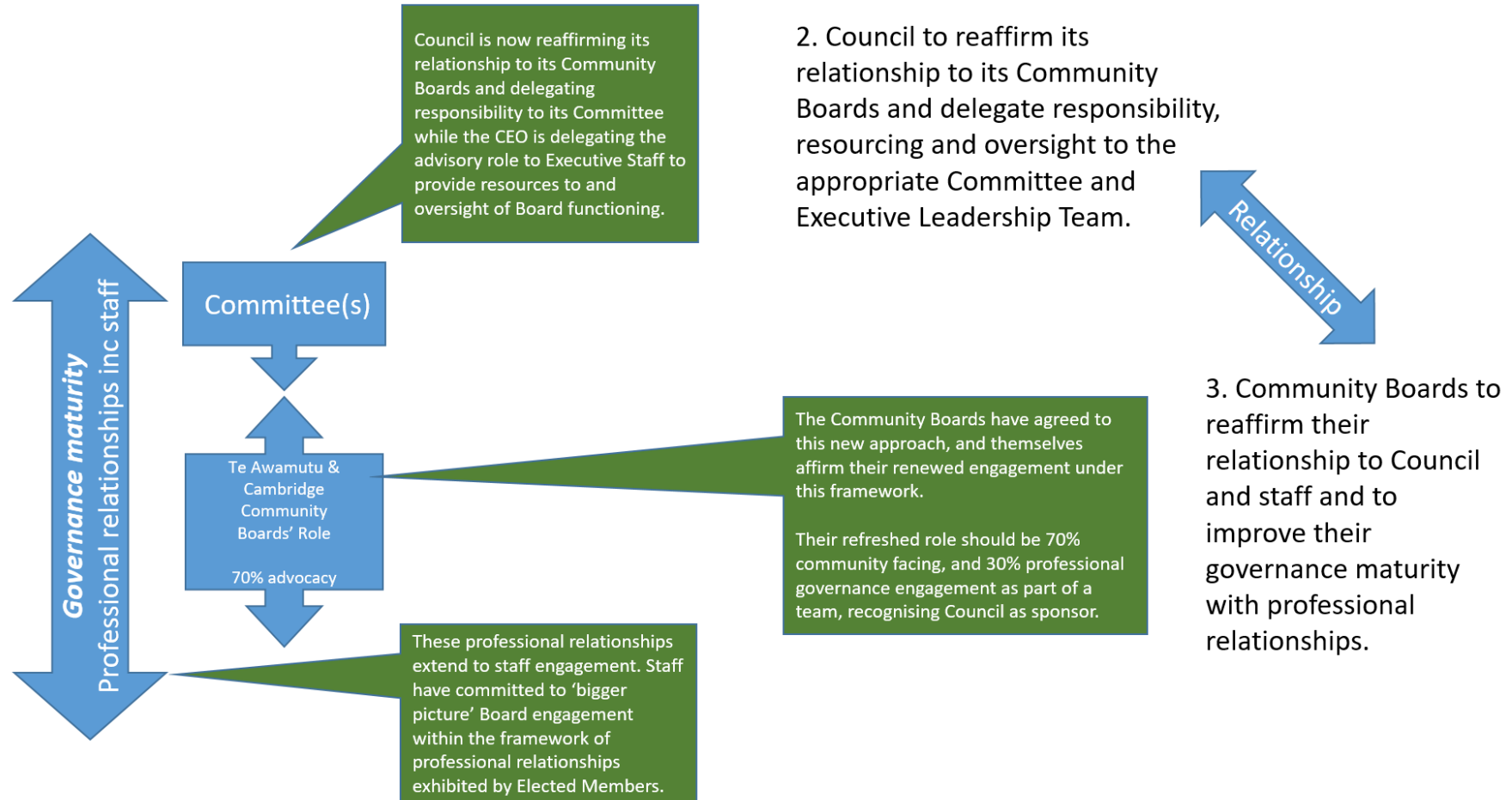
The key theme throughout all these recommendations is to reset the relationship between Council and their Community Boards. This reset involves a number of shifts outlined below and in the following pages, ‘from’ the current state as observed and informed by interviews, ‘to’ new actions, given Community Boards have been retained by Council vote through the Representation Review. There are a number of re-engagement opportunities that all need buy-in, if improvements are to flow.

From	To
Community Board Elected Members somewhat connected to Reform Agendas	Bring community board members into the Reform Agenda discussion happening at the Council table. The ‘FfLG’ Reform Agenda wants Councils to be deeply connected to communities Community Board involvement - examples include urban mobility and bigger ticket items such as the Library in Cambridge
Community Boards not seen for their strategic value	Community Boards getting ready to add strategic value Community Boards setting strategic priorities which align to Council outcomes, ‘engaging at the front of the process’ Community Boards innovating without duplication and ‘reality checking’ on scope and scale of community-driven proposals Community Boards enable co-funding conversations: Council as last dollar funder, not first.
Community Board not strongly linked to Council induction and strategy, planning etc	Community Boards linked to Council induction and strategy, engaging early on planning and place-making opportunities

For the relevance of Community Boards to increase, Council must prepare for their input to relevant decisions. The feedback indicates this shift will increase the view among Board Elected Members that their views are being taken seriously, and thus increase their motivation to improve their own Board functioning and effectiveness.

<sup>6</sup> LGNZ Good governance guide for community boards (2019) p.18.

## Recommendations 2 and 3





## Recommendation 2: Council to reaffirm its relationship to its Community Boards and delegate responsibility, resourcing and oversight to the appropriate Committee and Executive Leadership Team (ELT).

### ‘Boards and their council need to work on relationships and communication is fundamental to good relationships’<sup>7</sup>

The success of this reset is based on two promises of future change. Promise one is for Council to make space for Boards’ input. Promise two is then resetting the relationship so that this space for input is followed through on. Councils’ political and executive leadership ‘sets the tone’ for how boards function generally, and in Waipā specifically. This review sets as a priority starting at the top, and having the Council leadership reaffirm this review and the reset this entails, so that expectations are set and resources allocated to all levels. This will include additional support for staff and Elected Members to ensure they are resourced to set the new relationships up for success. The actions outlined on p.4 are targeted at each level so that, ultimately, communities - including Mana Whenua - feel valued to increase their engagement.

Function	Action	Example Performance Measure
Responsibility	ELT buy into improvements, set staff action to review work programmes for Community Board opportunities e.g. Bylaws and Policies as they are developed, Cambridge Library proposal under FfLG ‘better off’ funding (if approved)	Community Board briefed and input received at the start of the process, not the end
Resourcing	Supporting staff to enable good Community Board decision-making across annual and triennium work programmes	Staff prepare for and receive high quality Community Board input to key work programme opportunities
Oversight	Monitoring and adapting to embed these working practices and new behaviours to ensure successful engagement	Oversight Committee observes improved staff and Community Board interactions

<sup>7</sup> LGNZ Good governance guide for community boards (2019) p.18.



### Recommendation 3: Community Boards to reaffirm their relationship to Council and staff and to improve their governance maturity with professional relationships.

Increased induction and ongoing support will be critical to this reset, as will an increased plan of officer resourcing to help set and achieve better expectations and outcomes. These all flow from Recommendation 2 that Council and its leadership set the expectations that the organisation can then follow.

However Recommendation 3 places the reciprocal obligation on Community Boards to increase their governance maturity, which is the bread and butter of LGNZ's Elected Member learning and development programme. Maturity is supported by good information provided by officers, supporting good decision-making by Elected Members.

A common theme of discussion across both Boards was resetting the role of Board members. Arguably, 70% of their focus should be on community facing needs and opportunities, and the remaining 30% on developing the skills for mature professional engagement. This dual role recognises the independence of community boards as 'unincorporated entities' but whose remits sit within the LGA and whose key professional sponsor is their council. This also comes with experience.

Function	Action	Example Performance Measure
Oversight	Co- design of 'what success looks like' e.g. progressing their strategic goals for the term: setting goals; officer engagement; professional engagement with Councillors and community	Community Board Reports reflect strategic priorities with better reporting to the Boards, which includes a future focus
Resourcing	Community Board access improved induction, mentoring and ongoing support	From annual verbal report to 6 months written report with tracked priorities and progress against strategic objectives
Responsibility	Community Board commit to demonstrate governance maturity 30% professional relationships	Community Board engagement and decision-making is improved, as measured by mid-term and end of term group reflection



## Renewing engagement through relationship

Sitting between Recommendations two and three is a renewal of the relationship between the Council and Community Boards, as demonstrated above on page 11. For the relationship reset to be successful, there are a number of shifts that need to take place, as outlined below. This includes, first and foremost, allowing the time Dr Mike Reid from LGNZ suggests it takes to build, or rebuild, good relationships. These new practices also will need time to 'bed-in', with a 'system' of support wrapping around them.

From	To
Council have mixed views on the value and capability of Boards	Council and all Elected Members giving new practices a chance to be practiced, with support
Current advisory sits with one senior officer	Executive oversight of Community Board activity, supporting staff, aligning work programmes for Community Board input  Executive expect and approve a resource plan and timeline for Community Board support  Senior staff and officers prepare for Community Board engagement
Staff reporting replica of other reports	Staff support for Community Board preparation, timing and decision-making information  Staff develop a resource plan and timeline for Community Board engagement dropping out of forth-coming work programmes



## Recommendation 4

4. Council to renew delegations to a more narrowly-defined community need.

To support this 2.0 Reboot, Council have agreed to renew delegations to be specific in the definition of community need.

These delegations affirm the agenda under the FfLG Reform process, where Boards can demonstrate value both to Council and to their communities.

**“Role: Consider and report on all matters issued by council and meeting the interests and needs of the community” as defined below**

Excluded from delegations and activities will be quarterly updates and other ‘rats and mice’ low value engagements.

A high value offer might be as engagement interfaces for planning, albeit with the support from staff briefings and preparation to enable this.

### **Delegations: “Community needs”**

- Place-making & liveability
- ‘Placeholders’ for community consultation
- Mode shift – liveable streets
- E.g. Freight bypass – Te Awamutu
- The Library – Cambridge etc
- Other RFS processes?

Te Awamutu has a history of successful transport route planning and implementation, as well as an urgent need to manage heavy industry traffic away from the main streets. The expected mode shift activity can enhance this expectation, which the Transport Manager will support. Cambridge can work on big ticket items too. These big ticket items might span across Triennia if needed.





## Renewing delegations as ‘focus areas’ of community need and opportunity



Renewing delegations can motivate Community Board member effectiveness. The focus areas suggested below reflect past successes of Waipā Community Boards as well as high value strategic opportunities that may unlock ‘FfLG Better Off’ co-funding opportunities.

The Local Government Act (LGA) Section 52 (f) provides for ‘any other responsibilities delegated to it’ by Council. LGA Sections (a) to (e) are retained for business as usual activity, but with management of reporting to reduce duplication, and ensure the value from Community Boards’ time and resources is maximised.

Delegations: Focus Areas “Community Needs”	Actions	Example performance measures
Delegations are co-designed but signed off by Council as ‘owner’.	Encouraging two-way communication between Council and Community Board, and to check against existing processes	A meeting between Council and Community Boards to share strategic priorities and establish delegations
Place-making <sup>8</sup> & liveability	Place-making and liveability intersects with the FfLG Reform, Spatial Planning Act, and other RMA Reform proposals. This is the key strategic opportunity for communities to have their say on the future of their communities through these reform processes	Community Boards’ strategic plans increase their ownership of local ‘place-making’ opportunities
‘Placeholders’ for community consultation	Council planning makes space for Community Board input, and responds positively when it is received. Community Boards Town planning and plans increasingly align with Council planning, as community voice is increasingly reflected in planning processes and decision-making	Council and Community Boards agree on ‘big ticket’ planning opportunities up front and follow through on input
Mode shift – liveable streets	Transport officers review opportunities for Community Boards to input to funding opportunities inside the One Network Framework <sup>9</sup> and other frameworks	Community Boards input to ‘street shaping’ activities e.g. urban mobility
Freight bypass – Te Awamutu	Transport officers review opportunities for Te Awamutu heavy freight management, noting growth projections across the District and the connections to the new Waikato Expressway	Te Awamutu inputs to management of heavy freight options
Other RFS processes?	Community Boards continue to receive community feedback on other Request for Service (RFS) actions, but test these against their strategic plans and priorities	Strategic plans enable trade-offs and priorities, but also responsiveness

<sup>8</sup> The attachment people have to place is critical.. [it is] the local area in which they live, and how this supports and develops aspects of personality and identity through the principles of “distinctiveness, continuity, self-esteem and self-efficacy” (Why Local Government Matters, ACELG, 2015.) CBEC Submission to FfLG, p.3.

<sup>9</sup> The One Network Framework includes place-making and liveable spaces: ‘creating liveable towns and cities goes well beyond transport’ see [link](#)



The key shift that Recommendation 4 entails is arguably the crux of the agreement that this new set of relationships should operate at. Reminding ourselves of the diagram on p.7, there is a delicate alignment of ‘big ticket’ opportunities that officers can ‘bid forward’ as potential areas for Council sign off on, but that also need to align with Community Board vision, strategic goals, and priorities. Officers and ELT engagement undertaken in this review identified the following opportunities as achievable given their awareness of the ‘big shifts’ that the District as a whole has to respond, to under central government legislation and expectations.

From	To
Limited planning input	Support for focus areas, staff preparing Community Boards with maps and graphics as context for decisions
Diffused focus	Focus on town liveability opportunities Place-making <sup>10</sup> at Town centre level, testing the look and feel for the future Supporting national GPS expectations on ‘mode shift’ <sup>11</sup>
Some priorities at Community Board level	Align with Council work programmes information ahead of input – remembering Community Boards as autonomous entities Officer alignment on FfLG initiatives to engage with Community Boards ahead of decision-making
Limited induction and ongoing support	More induction and ongoing mentoring Community Boards understand their 70% advocacy, 30% professional relationship role Full day induction process, getting to know each other, why Elected Members stood Each Board building strategic priorities Pitching priorities back to Council, agreeing delegations within professional relationships and taking a proportional approach <sup>12</sup>

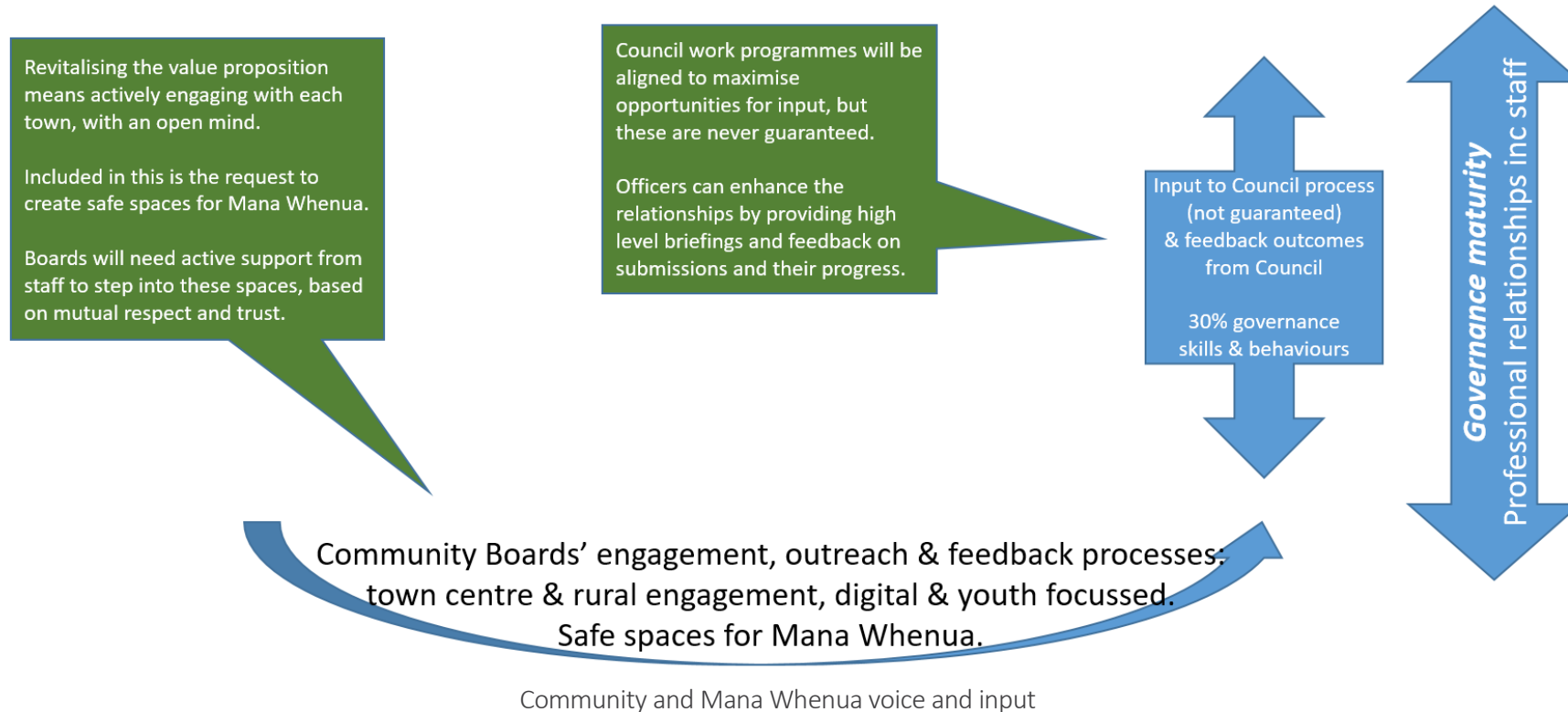
<sup>10</sup> Place-making is flagged as a specific set of opportunities inside the FfLG Reports, see [link](#)

<sup>11</sup> GPS Mode Shift supports additional modes of transport, not just car journeys, as a first choice. See [link](#)

<sup>12</sup> LGNZ Good governance guide for community boards (2019) p.26

### Recommendation 5

5. Community Boards to re-engage with their communities and Mana Whenua, with support from Council staff enabling engagement processes.





‘In many ways a board’s value to its local authority reflects the strength and relevance of the local networks it is plugged into’<sup>13</sup>

At the heart of community boards are communities. The following themes reflect the discussion undertaken at the Community Board workshops, which can be incorporated into induction activities, and further enabled through ongoing mentoring.

These themes reach into the space of governance maturity and are the bread and butter of Elected Member roles across the sector. Elected Members are invited to access and utilise LGNZ learning and development resources for a ‘deeper dive’ into these themes.

Theme	Actions	Example Performance Measures
70% Community Advocacy	Communities’ networks are represented on Boards who actively reach out to communicate early opportunities for input via their networks. Listening and checking, testing evidence, bringing community voice into engagement processes	Boards build priorities based on Council work programme opportunity and community need
What do communities need and want?	Communities participate in democracy by bringing their voice into the process. Community voice gets translated into Council deliverables	Community feel represented
How do boards test and prioritise these needs?	Test community need against strategic priorities. Building a coalition of the willing around the governance table. Building governance maturity to reality check proposals: evidence, validation of need, alignment with Council work programmes	Building a strong Elected Member culture
How do Mana Whenua engage?	Continue the korero with Te Kāhōhi to enable a mana-enhancing dialogue with Mana Whenua which begins with acknowledging the relationship, resources and cultural safety required for engagement. Align with wider Council activity seeking to enhance the Mana Whenua partnerships	Mana Whenua engagement begins at Community Board level. Marae visits for Elected Members
Standing space for Mana Whenua	Community Boards create ‘standing ground’ for Mana Whenua engagement, as Agenda Items, with additional support from Te Kāhōhi and other Council- wide processes	Standing Item on Agendas. Strategic support an aspirational goal

<sup>13</sup> LGNZ Good governance guide for community boards (2019) p.18.



## Revitalising relationships with communities:

### bringing community and Mana Whenua voice more fully into local democracy

What is it that community boards are able to offer that will make them a valuable part of their local authority and be recognised as such by councillors and the community?<sup>14</sup>

If these recommendations can be taken together and practically implemented, what might the future look like?

The central government Reform Agenda contains risks and opportunities which will play out across each district and region in New Zealand. How each district prepares for these opportunities will determine what outcomes can be negotiated for the wellbeing of all in each district. Having communities' voices at the table in these negotiations will be vital, and cannot exclude the voices of Mana Whenua, who are developing their own iwi and hapu strategic plans. Other councils are resourcing their iwi relationships to align their respective strategies for success, noting central government's own Te Tiriti obligations. The future opportunities will belong to the brave. To realise these opportunities, bravery means Council seeking Board *and* Mana Whenua input 'at the beginning of the process' as the shifts (below) show.

One size, however, does not fit all, and one solution alone will not fix the challenges facing Waipā. Taken together, these recommendations map renewed re-engagement to maximise the chances for a revitalised value proposition where communities participate in democracy and shape their own future, a goal worthy of re-investment.

From	To
Limited, or single issue engagement issue by issue	More collective engagement – with priorities understood
Limited Mana Whenua engagement	Council and Te Kanohi support for Mana Whenua space on Community Board Agendas and with Marae visits Linking to broader Council activity refreshing the relationship with Mana Whenua Community Board align with and support iwi Strategic Plans
Executive and officers often with 'one way' engagement	Executive and officers setting Community Boards up for success Community Board input 'at the beginning' and not the end Two way reporting on progress Practical implementation of community voice

<sup>14</sup> LGNZ Good governance guide for community boards (2019) p.18.



## Workshop summaries



### Te Awamutu

Waiho i te toipoto. Kāua i te toiroa

- Let us keep close together, not wide apart

For Te Awamutu Community Board a key theme was learning from past interactions and moving towards new opportunities.

The Board felt that prior submissions such as the request for community safety cameras had not been integrated into Council delivery activities adequately. The resulting delivery had minimum follow up reporting back to the Board on cameras focused on traffic counting as opposed to safety.

Moving beyond this and other historic challenges the Board agreed to a reset of behaviours, activities and relationships both to themselves and the community and Council.

Te Awamutu have had recent successes in improving traffic flows around the town based on positive interactions between the prior Mayor, CEO and Community Board chair indicating the importance of mutual trust and respect.

The recommendations For Te Awamutu including liveability and advocacy for heavy industry traffic flows away from the town centre flow directly from this feedback.

### Te Awamutu feedback to the Representation Review

All plans for Te Awamutu, Kihikihi and Kakepuku should be coming to Community Board with enough time for us to engage with the respective communities, not almost at the end where we contribute a paragraph in a submission.

When we are informed of projects and how we are able to participate:

- affects our ability to engage with community
- affects our contribution to the plan
- affects the outcomes.

The Community Board can be better utilised as the conduit between local community and council.

To do so our input must be valued as meaningful feedback from our community, that we can be involved and given the time to do so, that we can be taken seriously.



## Te Awamutu workshop key themes

- Letting go of negative history
  - Accepting each party's responsibility to learn and change
- Building the "buy in" back [70% of advocacy role]
  - Regaining trust with community
  - Understanding the value of the Community Board again - reboot 2.0!
- Setting goals and focus areas to re-engage
  - Who are we Te Awamutu? Revitalisation and storytelling
  - 'Liveability' of main street, traffic flows [ past success]
  - Bypass – managing industry freight
- Working as a Board – Coalition of the Willing – 51% majority, canvassing support.
- Working as a group – taking issues forward in agreement / together.
- Working with Council Staff – [30% of role, professional engagement]



## Cambridge workshop key themes

A key integrating theme for Cambridge was how to build effectiveness and influence across the Council system as a whole.

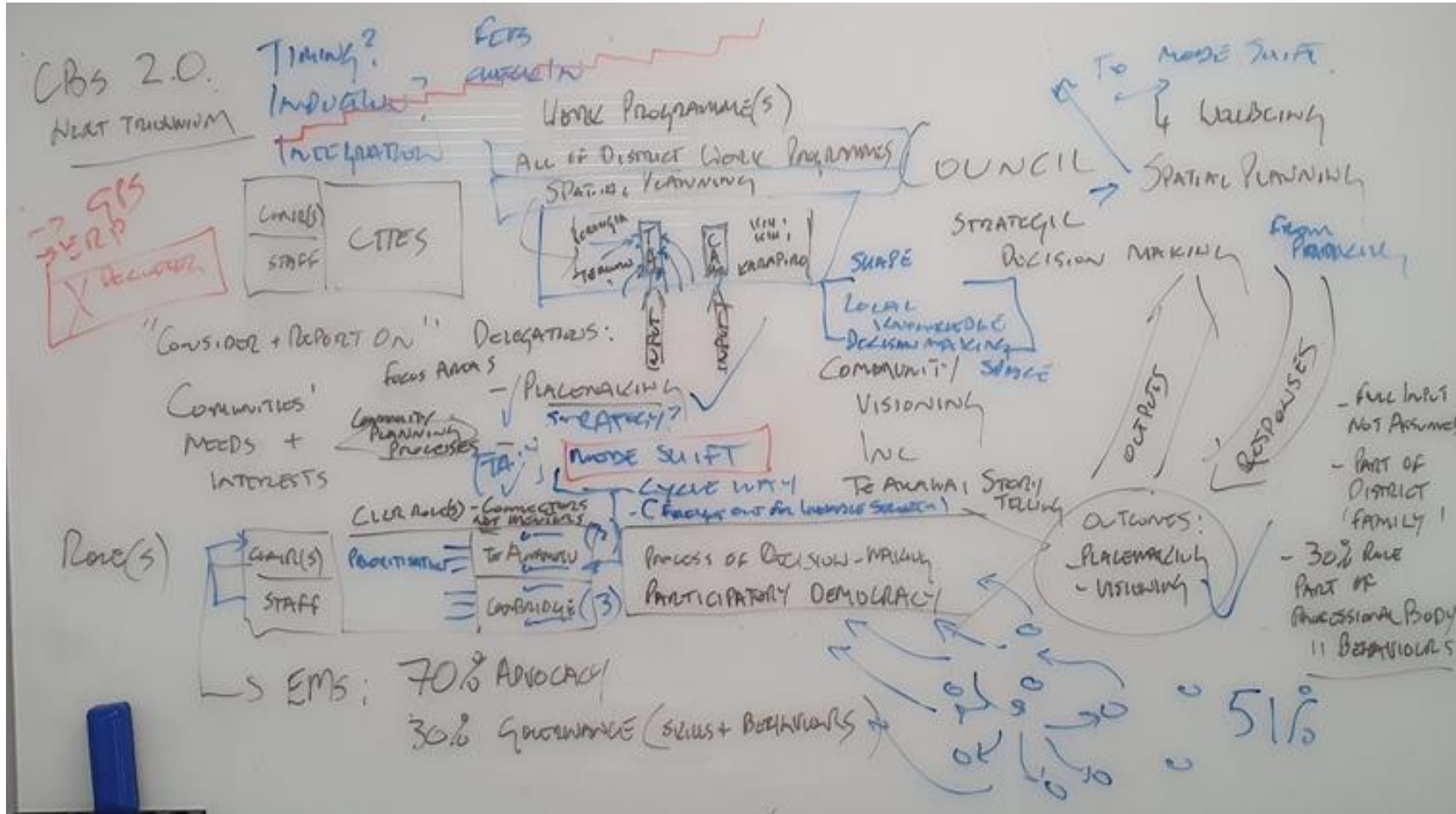
The interactive session role-played testing an issue from the community and then navigating staff and Councillor relationships to ensure Community Boards' influence could be maximized.

The recommendations for aligning Community Board delegations and Council work programs (over the page) have been developed based on feedback from both Boards.

- Effectiveness – how to navigate “the system” better to get better results / outcomes
- How to influence for outcomes
- Understanding “community needs and issues” [ 70%] - 4 Wellbeings
  - Gathering evidence from community – testing for root cause of issue/ problem?
- Positively engaging with council staff to bring their work underway to test and add to evidence
- using what knowledge is currently available, the resources at hand.
- Engaging with Cttee chairs to
  - Understand timing of work programmes, when is best timing and format to submit issues?
  - Influencing and building connections to Council Cttees, political partnerships?
- *Governance role [ 30%] with Cllr as connector support*
  - Building ‘bigger picture’ thinking & being the Cambridge voice
  - Setting goals for the Triennium, getting feedback on progress
- All of the above for induction in honest ‘plain speak’



Executive, Staff and Community Board co-designed framework



Co-designed engagement map developed through the workshops, and testing in a combined Board Session on Saturday 11<sup>th</sup> July.



## How key stakeholders see Community Boards

### Te Kanohi and staff feedback

The Waipā District is covered with history pointing to the impact of colonization on Mana Whenua, which has ongoing consequences. Iwi and hapu have very limited resources and must focus on rebuilding their own future goals. Having enough resources to achieve this is a stretch. Community Boards have been culturally unsafe for Mana Whenua in our past experience. But that doesn't mean we aren't open to incremental opportunities. One way forward might be to have a space on Boards' Agendas for engagement that starts with getting to know the iwi and hapu in each rohe. Boards can come to us, and experience our manaakitanga. We might then have the trust to engage with Boards, but we need to recognise where we are on the journey. There are still opportunities.

Under a Te Tiriti partnership Councils need to acknowledge the relationship, resourcing and respect that is a pre-requisite for engagement. Participation and protection are also key. Discussion of Ruapehu's example where Community Boards are aligning to support iwi and hapu strategic plans as the key outcome for Mana Whenua.

Chambers of Commerce	<a href="#">Te Awamutu</a>	<a href="#">Cambridge</a>
Strengths	Partnering with Te Awamutu Community Board to build momentum and community ownership of revitalised town story - Who Are We Te Awamutu.  Significant opportunity to tell a new story about the strengths and possibilities within Te Awamutu.	Seeing the opportunity to build positive relationships with the business community and support Cambridge through peak spending times, e.g. improving Cambridge 'look and feel' through Christmas season. Sought support for business recycling of cardboard and other 'buy local' opportunities.
Areas for Improvement	Strongly positive on the need to revitalise Te Awamutu and attract young families and investors into the town and surrounds. Understanding the value of 'brand' to place-making and business attraction.	Negative on the role and functions of Boards. Low visibility of Board's role. Saw the Chamber as the natural place for council to community engagement. Chamber governance and their representative on the Community Board to increase communication to support the Chamber's ongoing engagement.
Other comments	The ' <a href="#">Who Are We Te Awamutu</a> ' programme is currently part of Te Awamutu's Community Board activity. Suggest this is continued and supported for co-funding support (Council being the last dollar funded, not the first).	Robust discussion on the role of boards and the place of other community networks, that businesses did not represent all community networks reflected by community boards.



## Further resources

LGNZ Future for Local Government Opportunities [https://www.lgnz.co.nz/assets/PDFs/FFLG\\_DesignedFinal.pdf](https://www.lgnz.co.nz/assets/PDFs/FFLG_DesignedFinal.pdf)

See <https://www.lgnz.co.nz/reforms/> for a precis of all the Reform work underway

Mike Read 'Devolving power – can the public service let go?' Public Sector Journal 44.1, April 2021 - pp 3-5. [Attached as full article © Dr Mike Read 2021]

LGNZ Localism and Community Boards <https://www.lgnz.co.nz/news-and-media/2021-media-releases/back-to-the-future-aotearoa-needs-community-boards-now-more-than-ever/>

CBEC Community Boards rationale and value (2021) <https://www.lgnz.co.nz/assets/Reason-for-Community-boards.pdf>

CBEC Community Board Conference 2021 resources <https://www.lgnz.co.nz/local-government-in-nz/community-boards/community-board-conference/2021-cbec-conference/>

Iwi and hapu tools for engagement: How to improve Crown and Local Authority-initiated environmental planning engagement, from the perspectives of Ngāi Tahu environmental kaitiaki Masters' [thesis](#) Courtney Bennett

LGNZ Good governance guide for community boards (2019) p.18.

<https://www.lgnz.co.nz/assets/cf6ea91049/Good-Governance-Guide-for-Community-boards-2019-edition-v2.docx>

Taupo Mana Whenua agreement:

<https://www.1news.co.nz/2022/06/14/local-hapu-taupo-district-Council-sign-co-governance-agreement/>

# COUNCIL REPORT



**To:** His Worship the Mayor and Councillors  
**From:** Group Manager Strategy  
**Subject:** **AMENDMENT TO INFRASTRUCTURE STRATEGY**  
**Meeting Date:** 26 July 2022

## 1 PURPOSE - TAKE

The purpose of this report is to seek Council approval to amend the 2021-2051 Infrastructure Strategy.

## 2 EXECUTIVE SUMMARY – WHAKARĀPOPOTOTANGA MATUA

This report seeks Council approval to amend the 2021-2051 Infrastructure Strategy to correct an administrative error pursuant to section 46 of the *Legislation Act 2019*. This will involve the reinsertion of transport projects that were mistakenly dropped from the draft Infrastructure Strategy before the Strategic Planning and Policy Committee approved it for adoption by Council in June 2021. The reinsertion of these projects in the Infrastructure Strategy does not affect the funding or timing of any existing projects.

## 3 RECOMMENDATION – TŪTOHU Ā-KAIMAHI

*That Council*

- a) *Receives the report of Kirsty Downey, Group Manager Strategy titled Amendment to Infrastructure Strategy ECM 10850813;*
- b) *Notes that projects named T2, T4, T6, T8-T9, T11-T13 and T15 in the consultation version of the 2021-2051 Infrastructure Strategy (“Transport Projects”) were mistakenly dropped from the final version of that strategy; and*
- c) *Pursuant to section 46 of the Legislation Act 2019 approves the amendment of the 2021-2051 Infrastructure Strategy to:*
  - i. *reinsert the Transport Projects;*
  - ii. *rename the Transport Projects T5-T13 ; and*

- iii. *for project T15 (to be renamed T13 as per recommendation (c)(ii) above), amend the start date to 2024 to align with the actual start date specified in the 2021-31 Long Term Plan,*

*as detailed in Appendix 1 to this report ECM 10850829.*

## 4 BACKGROUND – KŌRERO WHAIMĀRAMA

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Council consulted on its draft Infrastructure Strategy between 26 March and 27 April 2021 as part of its consultation on the draft Long Term Plan. The 2021-2051 Infrastructure Strategy, along with the 2021-31 Long Term Plan, was adopted by Council on 29 June 2021, following a recommendation of the Strategic Planning and Policy Committee.

The consultation version of the Infrastructure Strategy included reference to a number of key projects, including a number of transport projects.

Following consultation, the Infrastructure Strategy was updated in line with usual practice to: incorporate feedback from the review of the strategy by Audit New Zealand; improve readability; and improve the accuracy of projects/costs. This included the removal of some Community Services projects, which are discretionary to include in any Infrastructure Strategy under the *Local Government Act 2002*, and many were considered to be of low-value or Business as Usual (BAU) so didn't warrant inclusion in the strategy. Not including these projects in the strategy does not affect the funding or timing of any existing projects.

As part of this process, some long term transport projects were mistakenly dropped from the draft Infrastructure Strategy before the Strategic Planning and Policy Committee approved it for adoption by Council in June 2021.

It is recommended that the Infrastructure Strategy be updated to reinsert the subject transport projects. The projects in question were consulted on as part of the public consultation on the draft Infrastructure Strategy. No submissions were made to remove these projects from the Infrastructure Strategy. Neither the Strategic Planning and Policy Committee, nor Council, considered their removal.

The Transport projects in question were named T2, T4, T6 and T8-T9, T11-T13 and T15 in the consultation version of the Infrastructure Strategy. These will need to be renamed T5-T13 in the Infrastructure Strategy. They will include the same information that was consulted on, apart from T15 (to be renamed T13), which will have a start date of 2024 (rather than 2028) to align with its actual project start date as specified in the 2021-31 Long Term Plan. These projects are attached as Appendix 1 to this report, with the renumbering/new start date depicted as tracked changes.

On becoming aware of this oversight, staff have analysed the Infrastructure Strategy and confirm these are the only projects that require reinsertion. The reinsertion of

these projects in the Infrastructure Strategy does not affect the funding or timing of any existing projects.

This change is able to be made pursuant to section 46 of the *Legislation Act 2019*, which enables Council to make decisions to rectify technical errors or omissions in previous decisions, where the correction will not affect any rights or reverse the previous decision.

## 5 SIGNIFICANCE & ENGAGEMENT

Staff have considered the key considerations under the Significance and Engagement Policy, in particular sections 7 and 8 and have assessed that the matter(s) in this report have low level of significance.

The draft Infrastructure Strategy was consulted on as part of the consultation undertaken on the draft Long Term Plan. The consultation version of the strategy included the Transportation projects. No submissions were made to remove the Transport projects from the Infrastructure Strategy. The reinsertion of these projects into the strategy does not affect the funding or timing of any existing projects. The correction will not affect any rights and similarly, it will not reverse the previous decision. The Infrastructure Strategy is a high level document which will be further reviewed as part of the development of the 2024-34 Long Term Plan.

## 6 OPTIONS – NGĀ KŌWHIRINGA

Option	Advantages	Disadvantages
<b>Option 1:</b> Do nothing	<ul style="list-style-type: none"> <li>No staff time is required to be spent on this matter.</li> </ul>	<ul style="list-style-type: none"> <li>The Infrastructure Strategy does not contain all relevant information relating to infrastructure projects.</li> </ul>
<b>Option 2:</b> Reinsert the Transport projects into the Infrastructure Strategy	<ul style="list-style-type: none"> <li>The Infrastructure Strategy contains all Transportation projects that were consulted on with our community as part of the development of the Long Term Plan.</li> </ul>	<ul style="list-style-type: none"> <li>Staff time is required to correct this administrative error.</li> </ul>

The recommended option is Option 2. This will ensure that the Infrastructure Strategy contains the Transport projects that were in the draft strategy that was publicly consulted on and aligns to the 2021-31 Long Term Plan.

## 7 OTHER CONSIDERATIONS – HEI WHAIWHAKAARO

### Council's Vision and Strategic Priorities

#### Legal and Policy Considerations – Whaiwhakaaro ā-Ture

Staff confirm that the reinsertion of Transport projects in the 2021-2051 Infrastructure Strategy complies with Council's legal and policy requirements. Section 46 of the *Legislation Act 2019* enables Council to make decisions to rectify technical errors or omissions in previous decisions, where the correction will not affect any rights or reverse the previous decision.

#### Financial Considerations – Whaiwhakaaro ā-Pūtea

There are no financial costs resulting from this decision. The reinsertion of the Transport Projects *in* the 2021-2051 Infrastructure Strategy does not affect the funding or timing of any existing projects.

#### Risks - Tūraru

There are no known significant risks associated with the decision required for this matter.

## 8 NEXT ACTIONS

Action	Responsibility	By When
Reinsert Transport Projects T5-T13 and T15 to the 2021-2051 Infrastructure Strategy	Strategy	29 July 2022

## 9 APPENDIX - ĀPITITANGA

No:	Appendix Title
1	Transport Projects ECM 10850829



Kirsty Downey  
GROUP MANAGER STRATEGY



Reviewed and Approved by Ken Morris  
DEPUTY CHIEF EXECUTIVE / GROUP  
MANAGER BUSINESS SUPPORT

## **APPENDIX 1**

Transport projects ECM 10850829



**APPENDIX 1**

<b>Project T52: Urban growth projects – Cambridge (long term)</b>		<b>Area:</b> Cambridge
<p><b>Most likely scenario:</b> Cambridge growth cell related projects to plan and install roads and footpaths to meet long term future housing needs, LOS and road safety targets.</p> <p>There will be projects required to meet expected growth beyond the Long Term Plan 2021-2031. Timing will be dependent on development impetus around Cambridge.</p>		
<b>Anticipated Project dates:</b> 2028 to 2038	<b>Estimated costs (including inflation):</b> \$28.6 million (across all decisions)	<b>Funding Source</b> Growth

<b>Project T64: Urban growth projects – Te Awamutu and villages (medium-long term)</b>		<b>Area:</b> District
<p><b>Most likely scenario:</b> New roads are planned and developed to meet growing housing needs, LOS and safety targets in towns outside Cambridge.</p> <p>Provides for housing growth around other towns such as Te Awamutu, and villages of Kihikihi, Pirongia, Ngāhinapōuri. The timing of projects will be subject to development progress.</p>		
<b>Project dates:</b> 2018 to 2021	<b>Estimated costs (including inflation):</b> \$2.1 million	<b>Funding Source</b> Growth and LOS
2021 to 2028	\$11.6 million	

<b>Project T76: Urban growth projects – villages (long term)</b>		<b>Area:</b> District
<p><b>Most likely scenario:</b> New roads are planned and developed to meet growing housing needs, LOS and safety targets in towns outside Cambridge. Precise projects, costs and timescales will be responsive to events and cannot be determined at this time. Some level of project planning and implementation is likely to be continuous across a range of projects.</p> <p>Provides for housing growth around villages such as Ōhaupō, Pirongia and Ngāhinapōuri . The timing of projects will be subject to development progress.</p>		

<b>Anticipated project dates:</b> 2023 to 2043	<b>Estimated costs (including inflation):</b> \$ 9.8 million	<b>Funding Source</b> Growth
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<b>Project T8: Te Awamutu western arterial route</b>		<b>Area:</b> Te Awamutu
<p><b>Most likely scenario:</b> Te Awamutu Western Arterial Heavy Traffic Route is constructed to reduce heavy vehicle traffic in CBD streets.</p> <p>The arterial route is already designated and Council may be required to purchase further designated properties in the LTP period and beyond.</p>		
<p><b>Alternative scenario 1:</b> Do nothing. This option risks increasing conflict with local traffic, and lower amenity value or environmental quality of the CBD.</p>		
<p><b>Alternative scenario 2:</b> Intersection changes which direct traffic around the CBD may provide medium-term relief.</p>		
<b>Anticipated project dates:</b> 2028 to 2033(possible intersection changes) 2038 to 2048	<b>Estimated costs (including inflation):</b> \$ 58 million (total)	<b>Funding Source</b> LOS

<b>Project T9: Town centre vehicle parking</b>		<b>Area:</b> Cambridge and Te Awamutu
<p><b>Most likely scenario:</b> Improved parking provision and management on roadsides and in Council car parks.</p> <p>Maintaining vibrant and accessible town centres requires continued improvement in parking provision and operation.</p>		
<p><b>Alternative scenario:</b> No additional provision.</p> <p>This will lead to private provision of parking within commercial buildings; and parking charges introduced to manage demand and fund parking provision.</p>		
<b>Anticipated project dates:</b> 2028 to 2033	<b>Estimated costs (including inflation):</b> \$ 4.1 million	<b>Funding Source</b> LOS

**Project T101: Repurposing revoked state highways****Area:** Cambridge

**Most likely scenario:** A group of projects to bring the revoked State Highways [those replaced by the Waikato Expressway] into the local road network; to bring them to Council's LOS standards; to improve pedestrian and cycle facilities at intersections; and to align these roads with the Cambridge Town Concept Plan Refresh (each LTP from 2021 to 2027).

Sections of the former state highway have become part of the Council-managed local road network. Some intersections, principally those at Albert/Queen Streets, Albert/Duke Streets, Shakespeare/Tirau, will in time require transformation to create urban local road functionality and amenity.

Anticipated project dates:	Estimated costs (including inflation):	Funding Source
2018 to 2021		LOS
2021 to 2028	\$4.4 million	
2028 to 2033	\$2.1 million	
	\$3.4 million	

**Project T112: Cycling and walking projects****Area:** District

**Most likely scenario:** Combining urban and recreational cycling/walking projects from Council's Integrated Transport Strategy in each subsequent LTP.

There have been community requests for good urban and recreational cycling opportunities. Projects are included in Council's adopted Integrated Transport Strategy. Council has already committed to developing the Te Awa Cycleway project.

Precise projects, costs and timescales will be responsive to events and cannot be determined at this time.

**Alternative scenario:** Do nothing resulting in more traffic conflicts with cyclists and pedestrians on existing roads and river crossings, further congestion; there would be no consequential reduction in carbon and nitrous oxide emissions.

Anticipated project dates:	Estimated costs (including inflation):	Funding Source
2018 to 2021		Growth and LOS
2021 to 2028	\$1.5 million	
2028 to 2048	\$6.3 million	
	\$8.3 million	

<b>Project T123: A third bridge crossing the Waikato River</b>		<b>Area:</b> Cambridge
<p><b>Most likely scenario:</b> Council investigates timing and location options, secures land on either side of the Waikato River and constructs a third bridge.</p> <p>Population and traffic volume growth will result in increasing congestion on Cambridge's existing bridges. The timing of this project is contingent on actual traffic growth if we are unsuccessful in achieving a mode shift away from private cars..</p>		
<p><b>Alternative scenario:</b> Do nothing, but this will result in increased congestion in peak periods and vulnerability to major disruption should the historic Victoria Bridge need to be closed for repair.</p>		
<b>Anticipated project dates:</b>	<b>Estimated costs (including inflation):</b>	<b>Funding Source</b>
2018 to 2021	\$57.4 million	LOS
2021 to 2028		
2028 to 2048		

<b>Project T135: Extending road seals programme</b>		<b>Area:</b> District
<p><b>Most likely scenario:</b> Seal remaining unsealed rural roads.</p> <p>Council's adopted policy is to progress seal extensions.</p>		
<p><b>Alternative scenario 1:</b> Do less resulting in roads remaining unsealed for longer. LOS may not be met.</p>		
<p><b>Alternative scenario 2:</b> Seal highest priority roads and leave very low use roads until such time as use increases.</p>		
<b>Anticipated project dates:</b>	<b>Estimated costs (including inflation):</b>	<b>Funding Source</b>
2024 <sup>8</sup> to 2038	\$ 7.9 million (\$0.79m per year)	LOS

# COUNCIL REPORT



**To:** His Worship the Mayor and Councillors  
**From:** Manager Property Projects  
**Subject:** **EASEMENT TO PROTECT RELOCATED SEWER LINE**  
**Meeting Date:** 26 July 2022

## 1 PURPOSE - TAKE

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The purpose of this report is for Council to approve the registration of an easement over a property in Cambridge to protect a sewer line that has been relocated.

## 2 EXECUTIVE SUMMARY – WHAKARĀPOPOTOTANGA MATUA

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This report provides for an easement to be registered against the record of title for the property located at 69 Princes Street Cambridge due to the replacement of a Council Sewer main to the western boundary of the property, and provides ongoing protection of those works in perpetuity.

## 3 RECOMMENDATION – TŪTOHU Ā-KAIMAHI

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*That Council*

- a) *Receives the report of John Miles Manager Property Projects titled Easement to Protect Relocated Sewer Line (ECM Number 10853769);*
- b) *Approves the registration of an Easement in Gross over part of the land owned by Dion Francis Williams and Simone Margaret Williams being Part of Lot 1 on Deposited Plan South Auckland 264, and being the land marked 'A' on LT Plan 568132, and being part of the land contained in Record of Title SA4B/665, for a consideration of One Dollar (\$1).*
- c) *Subject to the various requirements set out in recommendation b), authority is delegated to the Group Manager Business Support to negotiate the final terms of the agreement for the easement in gross and to sign and apply the common seal (if required) to the agreement and/or any other documentation to effect the transactions provided for in recommendation b).*

## 4 BACKGROUND – KŌRERO WHAIMĀRAMA

The land at 69 Princes Street, Cambridge, was impacted by a Council sewer that traversed the property directly under the house on the site. There was no easement protecting the sewer apart from Council's statutory rights.

Following discussions with the landowner it was discovered that the sewer was not fit for purpose (there are odour issues), and it was decided to install a new sewer along the western boundary of the property and connecting into the existing sewer at the rear of the property.

The landowners have agreed to grant Council an Easement in Gross to protect the location of the new sewer and also part of the old sewer at the rear of the property, with Council meeting the administrative costs to register this easement over the relevant record of title.

## 5 SIGNIFICANCE & ENGAGEMENT

Staff have considered the key considerations under the Significance and Engagement Policy, in particular sections 7 and 8, and have assessed that the matter in this report has a low level of significance as it only affects one landowner

## 6 OPTIONS – NGĀ KŌWHIRINGA

Option	Advantages	Disadvantages
<b>Option 1:</b> Do nothing	<ul style="list-style-type: none"> <li>▪ None</li> </ul>	<ul style="list-style-type: none"> <li>▪ Council continue to receive complaints about odour</li> <li>▪ Council sewer pipe not fit for purpose</li> </ul>
<b>Option 2:</b> Install new sewer line and register easement to protect Council infrastructure	<ul style="list-style-type: none"> <li>▪ Resolves odour issues</li> <li>▪ Ensures Council infrastructure is fit for purpose</li> <li>▪ Council protects its works through the registration of an easement in gross in perpetuity</li> </ul>	<ul style="list-style-type: none"> <li>▪ Nil</li> </ul>

The recommended option is Option 2. The reason for this is that it resolves the issue and maintains councils infrastructure in a fit for purpose state.

## 7 OTHER CONSIDERATIONS – HEI WHAIWHAKAARO

### Council's Vision and Strategic Priorities

Ensuring Council's infrastructure is fit for purpose is essential for ensuring that we create and maintain liveable communities.

### Legal and Policy Considerations – Whaiwhakaaro ā-Ture

Staff confirm that the registration of an easement in gross complies with Council's legal and policy requirements to protect new works in private property.

### Financial Considerations – Whaiwhakaaro ā-Pūtea

- The total cost to complete this easement registration is negligible. The amount is budgeted for in the current year forecast when the costs will be incurred.

### Risks - Tūraru

There are no known significant risks associated with the decisions required for this matter.

## 8 NEXT ACTIONS

Action	Responsibility	By When
Documentation and Easement Registration	Manager Property Projects	August 2022

## 9 APPENDICES - ĀPITITANGA

No:	Appendix Title
1	69 Princes Street Cambridge Plan
2	Easement Plan



John Miles

**MANAGER PROPERTY PROJECTS**



Approved by Ken Morris

**DEPUTY CHIEF EXECUTIVE / GROUP MANAGER BUSINESS SUPPORT**

# APPENDIX 1

## 69 Princes Street, Cambridge

### Utilities

Print Date: 12/07/2022



Scale: 1:500  
Original Sheet Size A4

Projection: NZGD2000 / New Zealand Transverse Mercator 2000  
Bounds: 19533692.4558959, -4563411.71058285  
19533795.2131901, -4563282.57380655

### Services Plan

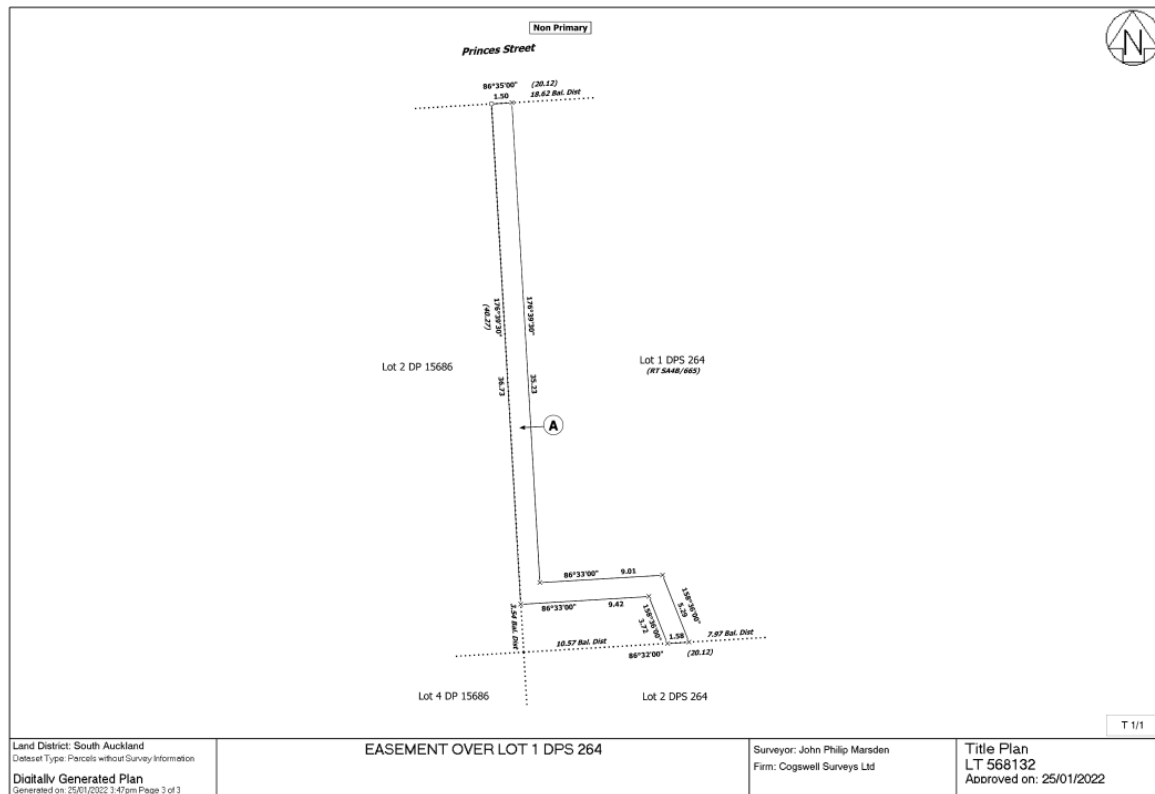
Asset Information, Service Delivery Support Team  
Private Bag 2402, Te Awamutu

Cadastral data sourced from Land Information New Zealand. CROWN COPYRIGHT RESERVED. Copyright © Waipā District Council.  
The exact location of unsurveyed features cannot be guaranteed. Every effort has been made to ensure their accuracy, but if there is any doubt, then further research and site investigation will always be warranted.  
Aerial Photography from: TerraStar, NZ Aerial Mapping, NZ Aerial Services, LandInfo Ltd and AAM NZ Ltd @ from 2002, 2006, 2007, 2008, 2010, 2012, 2013, 2014, 2017, 2018 and 2020.



# APPENDIX 2

## Easement Plan



# COUNCIL REPORT



**To:** His Worship the Mayor and Councillors  
**From:** Manager Property Projects  
**Subject:** **ROAD DEDICATION AND POTENTIAL DISPOSAL OF UNFORMED ROAD RUKUHIA**  
**Meeting Date:** 26 July 2022

## 1 PURPOSE - TAKE

---

The purpose of this report is to seek approval to take the necessary steps required to dedicate Ingram Road as legal road, and dispose of unformed road no longer required in Rukuhia.

## 2 EXECUTIVE SUMMARY – WHAKARĀPOPOTOTANGA MATUA

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Subdivision of land continues at Rukuhia and as part of that process there is a segregation strip that was registered along the boundary of Lot 6, that is no longer required and now needs to be dedicated as Road under section 111 of the Reserves Act 1977. Ingram Road can then also be declared as road under section 114 of the Public Works Act 1981.

In addition to the above, there is an unformed road to the north of the segregation strip between Ingram Road and State Highway 3. This unformed road is no longer required and can be disposed of in accordance with the provisions of the Local Government Act 1974.

## 3 RECOMMENDATION – TŪTOHU Ā-KAIMAHI

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*That Council*

- a) *Receives the report of John Miles Manager Property Projects titled Road Dedication and Potential Disposal of Unformed Road Rukuhia (ECM number 10853767);*
- b) *Resolves that pursuant to Section 111 of the Reserves Act 1977, the local purpose (road) reserve vested in Council and described as Lot 104, Deposited Plan 509354, being all the land contained in Record of Title 809664, be dedicated as road.*

- c) *Consents under section 114 of the Public Works Act 1981 to declare the balance of Ingram Road as Road.*
- d) *Approves that the unformed road located between Ingram Road and State Highway 3 be made available for disposal at a valuation to be determined by an independent registered valuation, and subject to all statutory processes required to dispose of the unformed road under the Local Government Act 1974 being followed.*
- e) *Subject to the various requirements set out in recommendations b), c) and d), authority is delegated to the Group Manager Business Support to negotiate the final terms of the agreements for the dedication as road reserve, and the disposal of the unformed road, and to sign and apply the common seal (if required) to the agreements and/or any other documentation to effect the transactions provided for in recommendations b), c) and d).*

## 4 BACKGROUND – KŌRERO WHAIMĀRAMA

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### Segregation Strip and Declaration of Ingram Road as Road

The segregation strip reserve across Ingram Road has been classified as a local purpose (road) reserve. The Gazette notice [2021-LN5354] has been registered against Record of Title 809664 — Lot 104, DP 509354.

Record of Title 809667 remains subject to easements to First Gas, Chorus and WEL Networks. These three easements also appear on Record of Title 776839 – Titanium Park Limited over Lot 102, DP 509354. A resource consent before Council lodged by BBO on behalf of Titanium Park includes consent for roadworks which would include discharging these three easements.

Other encumbrances on that title are being removed by Titanium Park.

In order to resolve some outstanding legalisation issues it is appropriate to now dedicate Lot 104 as road.

In addition to the above it is now appropriate to declare the balance of Ingram Road as Road in accordance with section 114 of the Public Works Act 1981.

### Unformed Road

The abovementioned segregation strip is to the south of an unformed road that is to the west of Ingram Road running west through to State Highway 3.

As part of the overall subdivision of this land Waka Kotahi have advised that they would not allow this road to be constructed off State Highway 3. The adjoining landowner to the north has contacted Council to determine if the land could be sold to them.

There is no requirement for this unformed road given the subdivisions that have taken place in this locality and as such it is suggested that Council go through a Local Government Act 2002 process to enable disposal of the road once all statutory processes are complied with.

Sale of the land will be to the adjoining owners at a value to be determined by an independent registered valuer.

## 5 SIGNIFICANCE & ENGAGEMENT

Staff have considered the key considerations under the Significance and Engagement Policy, in particular sections 7 and 8, and have assessed that the matter(s) in this report have a, low level of significance as they impact a small number of properties.

## 6 OPTIONS – NGĀ KŌWHIRINGA

Option	Advantages	Disadvantages
<b>Option 1:</b> Do nothing	<ul style="list-style-type: none"> <li>None</li> </ul>	<ul style="list-style-type: none"> <li>Roads are not dedicated</li> <li>Segregation Strip remains in place</li> <li>Land underutilised</li> <li>Land rationalisation / income opportunity lost to Council</li> </ul>
<b>Option 2:</b> Dedicate Ingram Road & disposal of unformed road in Rukuhia	<ul style="list-style-type: none"> <li>Allows Road to be dedicated</li> <li>Obtain revenue for the sale of a portion of unformed road that can never be built</li> </ul>	<ul style="list-style-type: none"> <li>None</li> </ul>

The recommended option is Option 2. The reason for this is that it follows the normal process to remove a segregation strip and dedicate road so the subdivision of the adjoining land can be achieved.

## 7 OTHER CONSIDERATIONS – HEI WHAIWHAKAARO

### Council's Vision and Strategic Priorities

This aligns with the strategic priorities of being economically progressive and providing relevant infrastructure and also enables the development of industrial land to enable business and employment opportunities to grow.

### Legal and Policy Considerations – Whaiwhakaaro ā-Ture

Staff confirm that option 2 complies with Council’s legal and policy requirements. Key legislative provisions are included in Appendix 3 of this report.

### Financial Considerations – Whaiwhakaaro ā-Pūtea

This amount is budgeted for in the current year forecast when the costs will be incurred.

### Risks - Tūraru

There are no known significant risks associated with the decisions required for this matter.

## 8 NEXT ACTIONS

Action	Responsibility	By When
Road Legalisation	Accredited Agent	August 2022
Sale of Unformed Road	Manager Property Projects	Dec 2022

## 9 APPENDICES - ĀPITITANGA

No:	Appendix Title
1	Segregation Strip Plan
2	Unformed Road to be disposed of
3	Key Legislative Provisions



John Miles

**MANAGER PROPERTY PROJECTS**

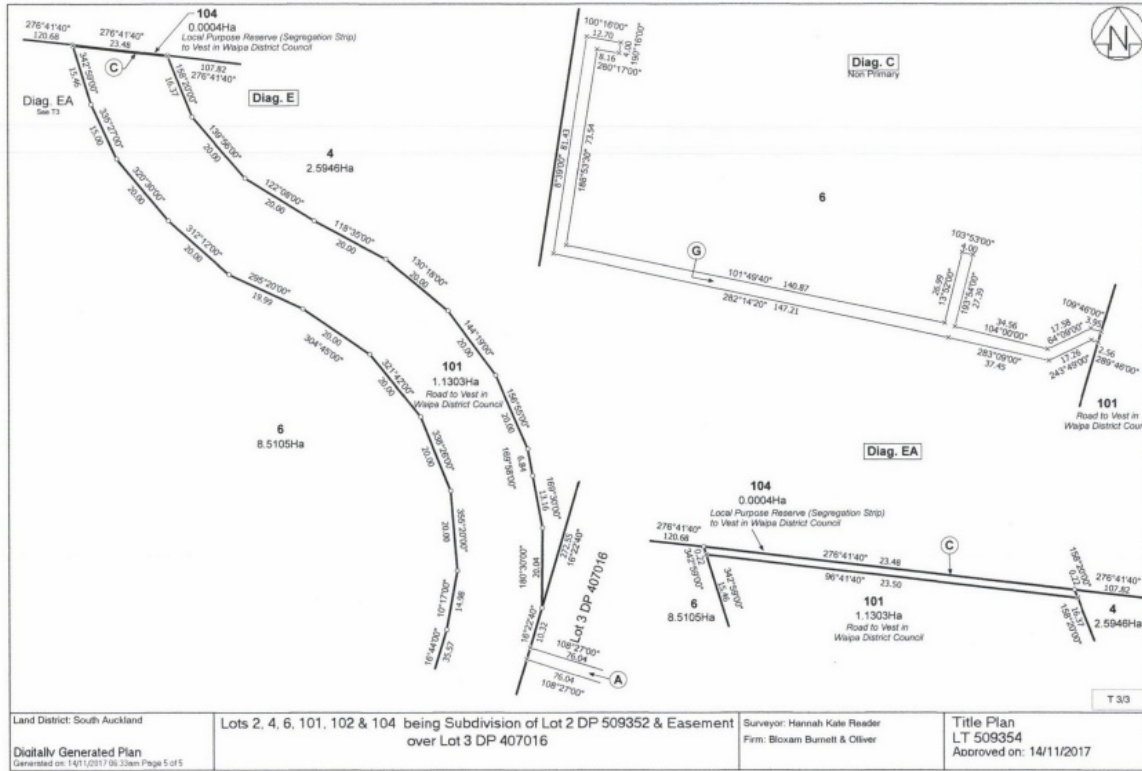


Approved by Ken Morris

**DEPUTY CHIEF EXECUTIVE / GROUP MANAGER BUSINESS SUPPORT**

# APPENDIX 1

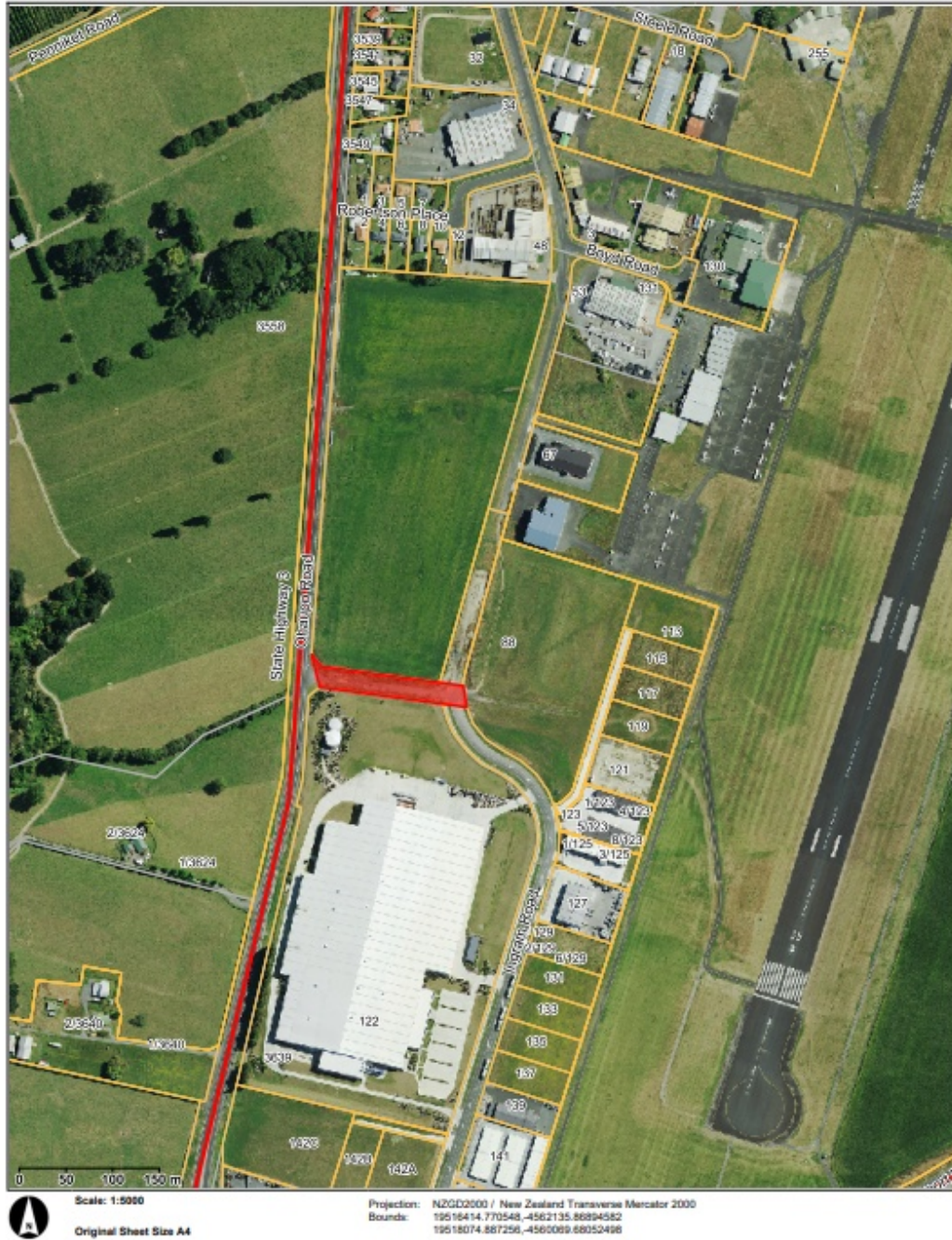
## Segregation Strip Plan – Lot 104 LT 509354



## APPENDIX 2

### Unformed Road to be Disposed of

Print Date: 15/07/2022



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## APPENDIX 3

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### Relevant Legislation

Section 111 of the Reserves Act 1977 Road Reserve may be Dedicated as Road.

- 1) Where any land is vested in the Crown or in a local authority for the purpose of a road reserve and the land is required for the purpose of a road, the land may be dedicated as a road by notice under the hand of the Minister, or as the case may be, by resolution of the local authority, and lodged with the Registrar General of Land
- 2) For the purpose of this section the term **road** includes any road, street, access way or service land, and the expression **road reserve** has a corresponding meaning.

Section 114 Public Works Act 1981 Declaring Land to be Road

- 1) Subject to subsection (2), the Minister may, by notice in the *Gazette*, declare any land, whether owned by the Crown or not, to be road.
- 2) Land shall not be declared to be road without the written consent of—
  - a) the lessee or licensee, if the land is owned by the Crown and held under lease or licence:
  - b) the body or persons in whom the land or its control is vested, and the lessee or licensee (if any), if the land is a reserve or an endowment or is held in trust. Notwithstanding anything to the contrary in any Act or rule of law, the body or persons in whom any land or its control is so vested shall have authority to give any consent that may be required for the purposes of this section:
  - c) the owner or Minister in charge of the department of State that administers the land, if the land is not of a class referred to in paragraph (a) or paragraph (b):
  - d) the Minister of Railways, if the land is held for a railway:
  - e) the Minister of Conservation if the land is a public reserve, part of a public reserve, a conservation area within the meaning of the Conservation Act 1987, or is managed by the Department of Conservation under section 61 or section 62 of that Act:
  - f) *[Repealed]*
  - g) the New Zealand Transport Agency, in the case of a State highway or proposed State highway:
  - h) the territorial authority in whose district the land is situated, in the case of a road or proposed road, as defined in section 315 of the Local Government Act 1974:
  - i) all other persons who have any registered interest in the land, or any other interest disclosed by a register under the Land Transfer Act 2017 or the Deeds Registration Act 1908.



- 3) On the date of the publication in the *Gazette* of a notice issued under subsection (1), or on such later date as may be specified in that notice as the date on which it shall take effect, all land to which the notice relates shall—
  - a) vest in the territorial authority named in that behalf in the notice; or
  - b) notwithstanding anything in section 316 of the Local Government Act 1974, vest in the Crown if no territorial authority is so named.

# COUNCIL AGENDA



**To:** His Worship the Mayor and Councillors  
**From:** Governance  
**Subject:** RESOLUTION TO EXCLUDE THE PUBLIC  
**Meeting Date:** 26 July 2022

## 1 EXECUTIVE SUMMARY – WHAKARĀPOPOTANGA MATUA

A local Authority may, by resolution, exclude the public from the whole or any part of the proceedings of any meeting under section 48(1) of the Local Government Official Information and Meetings Act 1987.

## 2 RECOMMENDATION – TŪTOHU Ā-KAIMAHI

***THAT the public be excluded from the following parts of the proceedings of this meeting.***

*The general subject of the matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:*

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
17. Public Excluded Minutes – 28 June 2022 18. Acquisition of Land C8 Growth Cell for Local Purpose Reserve – Recreation and Utility 19. Acquisition of Land in the C2 Growth Cell 20. Te Awamutu Residential Land Development Proposal 21. Potential Sale of Land Kihikihi	Good reason to withhold exists under section 7 Local Government Official Information and Meetings Act 1987	Section 48(1)(a)

<i>22. Potential Acquisition of Land Kihikihi</i>		
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*This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act, or Sections 6, 7 or 9 of the Official Information Act 1982, as the case may be, which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, are as follows:*

<b>Item No.</b>	<b>Section</b>	<b>Interest</b>
17,18,19,21,22	Section 7(2)(i)	<i>To enable the Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</i>
20	Section 7(2)(h)	<i>To enable the council to carry out, without prejudice or disadvantage, commercial activities.</i>
17	Section 7(2)(a)	<i>To protect the privacy of natural persons, including that of deceased natural persons.</i>