



Agenda Council Meeting

**Tuesday 26 April 2022
at 9.00am**

All attendees at this meeting are advised that the meeting will be electronically recorded (audio and video) for the purpose of webcasting to the Council 's website. Every care will be taken to maintain individuals' privacy; however, attendees are advised they may be recorded as part of the general meeting proceedings.



NOTICE OF MEETING

A MEETING OF THE WAITOMO DISTRICT COUNCIL IS TO BE HELD IN THE COUNCIL CHAMBERS, QUEEN STREET, TE KUITI ON TUESDAY 26 APRIL 2022 COMMENCING AT 9.00AM

COUNCIL MEMBERS

Mayor John Robertson
Cr Allan Goddard
Cr Sue Smith

Deputy Mayor Guy Whitaker
Cr Lisa Marshall

Cr Phil Brodie
Cr Janene New

MICHELLE HIGGIE

MANAGER – GOVERNANCE SUPPORT

ORDER PAPER

Items of Business	Page No.
1. Council Prayer	
<i>Almighty God we give thanks for the blessings which have been bestowed on Waitomo District. Laying aside all personal interests, we pray for guidance in our deliberations, that we may conduct the affairs of this Council with wisdom and humility, for the public welfare.</i>	
2. Declarations of Member Conflicts of Interest	3 – 8
3. Verbal Reports: Elected Member Roles and Responsibilities	
4. Confirmation of Minutes: 29 March 2022	9 – 21
5. Mayor's Report – April 2022	22
6. Triennial Elections 2022 – Voting Document Arrangements	23 – 25
7. Progress Report: King Country Indoor Sport and Recreation Centre	26 – 28
8. Verbal Progress Report: Cyclone Dovi – Infrastructure Damage	
9. 3 Waters Reform - 'Better-off' Funding and Resilience Planning	29 – 36

PLEASE NOTE

1. The business papers attached to this Order Paper set out recommendations and suggested resolutions only. Those recommendations and suggested resolutions **DO NOT** represent Council policy until such time as they might be adopted by Council resolution.
2. This Order Paper may be subject to amendment either by the addition or withdrawal of items contained therein.
3. This Meeting will be **webcast** in real time to the Waitomo District Council website and will also be available for viewing on demand as soon as reasonably practicable following the meeting.

Document No: A610233

Report To: Council



Meeting Date: 26 April 2022

Subject: Declaration of Members' Conflicts of Interest

Purpose of Report

- 1.1 The purpose of this business paper is for elected members to –
- 1 Declare interests that may be deemed a potential conflict with their role as an elected member relating to the business papers for this meeting, and
 - 2 Declare any interests in items in which they have a direct or indirect pecuniary interest as provided for in the Local Authorities (Members' Interests) Act 29168.

Commentary

2.1 **Conflicts of Interest**

2.2 Every elected member has a number of professional and personal links to their community. They may own a business or be a member on a board or organisation. They may have a pecuniary (financial) interest or a non-pecuniary (non-financial) interest. These interests are a part of living in the community which they need to make decisions about in their role with Council.

2.3 Elected members are governed by the Local Authorities (Members' Interests) Act 1968 and are guided by the Auditor-General in how this Act is administered. In relation to pecuniary interests, the two underlying purposes of the Act are to:

- Ensure members are not affected by personal motives when they participate in local authority matters; and
- In contracting situations, prevent members from using their position to obtain preferential treatment from the authority (the Council).

2.4 Non-pecuniary interests relate to whether an elected member could be in danger of having a real or perceived bias for an issue under consideration.

2.5 Elected members will also have interests that are considered no greater than the public at large. For example, most elected members will own a property and therefore be a ratepayer in the Waitomo District.

2.6 Conflicts of interest at times cannot be avoided, and can arise without anyone being at fault. They need not cause problems when they are promptly disclosed and well managed.

2.7 **Declarations of Interests and Conflicts**

2.8 At the beginning of each triennial council term, elected members are requested to disclose known interests on behalf of themselves (including spouses and partners). It is up to the elected member to judge whether they have any interests to declare. Some elected members may not have any, other elected members may have many.

2.9 As well as this, elected members may decide that they have an interest in a particular issue or item to be discussed at a meeting. There is a standing item on every meeting agenda for elected members to declare conflicts of interest.

- 2.10 These declarations should be clear as to whether there is just an “interest” with no pecuniary benefit and no greater benefit than to any member of the public, or they may be a Council appointed representative to an organization, or whether there is a “conflict of interest” in that there could potentially be a pecuniary or other direct benefit to the elected member.
- 2.11 Members who have declared a “conflict of interest” at the commencement of a meeting should make a further declaration when that item of business is considered and leave the meeting table (or the meeting room) and not take part in any discussion, debate or voting on the matter of conflict.
- 2.12 Attached to and forming part of this business paper is information to assist elected members in determining conflicts of interest.

Declarations

Mayor Robertson will invite elected members to give notice of any conflicts of interest relating to the business for this meeting.

In the event of a Declaration being made, the elected member must provide the following information relating to the Declaration:

Item(s) of Business on the Order Paper	Elected Member Name and Reason for Declaration	Type of Conflict Financial Non-Financial Conflict of Roles Pre-Determination
Item No –	•	•

MICHELLE HIGGIE
MANAGER – GOVERNANCE SUPPORT

Local Authority (Members' Interests) Act 1968
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- 3.1 The Local Authority (Members' Interests) Act 1968 helps to protect the integrity of local authority decision-making by ensuring that Councillors are not affected by personal motives when they participate in Council decision-making and cannot use their position to obtain preferential access to contracts. This Act deals with two forms of "interest":
1. Pecuniary
 2. Non-pecuniary
- 3.2 **Pecuniary Interest**
- 3.3 The **two** specific rules in the Act are that members cannot:
1. Enter into contracts with their local authority worth more than \$25,000 (including GST) in a financial year unless the Auditor-General approves the contracts (referred to as the contracting rule). Breach of this rule results in automatic disqualification from office; and
 2. Participate in matters before the Council in which they have a pecuniary interest, other than an interest in common with the public (referred to as the participation rule). Breach of this rule is a criminal offence and conviction results in automatic disqualification from office
- 3.4 A pecuniary interest is one that involves money. This could be direct or indirect. It is sometimes difficult to decide whether an interest in a particular matter is pecuniary or some other kind. It is always the responsibility of elected members to make this decision, to declare any interest when appropriate and to ensure that as an elected member you comply with the Act's requirements at all times. The Act generally provides that no person shall be capable of being a member of Council if that person is concerned or interested in any contracts with the Council where the total payments made by the Council in respect of such contracts exceeds \$25,000 in any one financial year.
- 3.5 The Act also provides that an "interest" exists where a member's spouse is involved and/or where a member or their spouse is a major shareholder or have control or management of a company which contracts with Council or where the company has a pecuniary interest in the decision. It may also apply where your family trust has a contract with the Council.
- 3.6 The Act does provide that on application to it the Office of the Auditor General may give specific approval to a member being concerned or interested in a particular contract, in which case the provisions of the Act will not disqualify the Councillor from remaining in office. The approval needs be gained before the contract concerned is entered into.
- 3.7 The Act also requires that a member shall not vote or take part in the discussion of any matter in which he/she has any pecuniary interest, other than an interest in common with the public. This interest is required to be declared by the member and is noted in the minutes.
- 3.8 The Office of the Auditor General is the agency, which oversees this legislation and it also has the responsibility and power to institute proceedings against any member. The Act does not define pecuniary interest, however the Office of the Auditor-General uses the following test: "Whether, if the matter were dealt with in a particular way, discussing or voting on that matter could reasonably give rise to an expectation of a gain or loss of money for the member concerned."
- 3.9 In deciding whether you have a pecuniary interest you should consider the following factors: What is the nature of the decision being made? Do I have a financial interest in that decision – do I have a reasonable expectation of gain or loss of money as a result of making that decision? Is my financial interest one that is in common with the public? Do any of the exceptions in the Act apply to me? Could I apply to the Auditor-General for approval to participate?
- 3.10 Further guidance is provided in the booklet "Guidance for members of local authorities about the Local Authorities (Members' Interests) Act 1968" which has been provided to 5 elected members. It is important that you pay particular attention to the contents of this booklet as this is one of the few areas of the Council's business where staff do not set out to provide

pro-active advice and members are personally liable for compliance with the provisions of this Act.

3.11 Non-Pecuniary Interest

3.12 Non-pecuniary interest is any interest the member may have in an issue that does not involve money. A common term for this is "bias" or pre-determination. Rules about bias operate not only to ensure that there is no actual bias, but also so there is no appearance or possibility of bias. The principle is that justice should not only be done, but it should be seen to be done. Bias may be exhibited where:-

- By their statements or conduct a member may indicate that they have predetermined the matter before hearing or considering all of the relevant information on it (including the Council's debate); or
- The member has a close relationship with an individual or organisation affected by the matter.

3.13 Non-pecuniary interest is a difficult issue as it often involves matters of perception and degree. The question you need to consider, drawn from case law, is: "Is there, to a reasonable, fair-minded and informed observer, a real indication of bias on the part of a member of the decision making body, in the sense that they might unfairly regard with favour (or disfavour) the case of a party to the issue under consideration?" If there is, the member should declare their interest and withdraw from the debate and take no further part in the discussion of this item. The law about bias does not put you at risk of personal liability. Instead, the validity of the Council's decision could be at risk. The need for public confidence in the decision-making process is paramount and perception can be an important factor. Again the booklet provided by Office of the Auditor General provides some excellent advice and information on this issue.

Waitomo District Council Procurement Policy 2018

4.1 The following are extracts from WDC's Procurement Policy:

WDC's procurement activities will be conducted in line with the core Procurement Principles and a decision framework that ensures:

- **Adherence** – all procurement is required and is undertaken in accordance with the Procurement Policy and all other associated WDC Policies and Strategies;
- **Openness** - all procurement is made in an open and transparent manner with full and fair opportunity for all eligible suppliers;
- **Fairness** - all procurement is carried out in a fair manner and decisions are made with impartiality and without bias;
- **Integrity** - all WDC employees and/or authorises third parties undertaking procurement do so ethically, equitably and with behavioural standards of the highest levels;
- **Value for Money** – all procurement considers the costs and benefits over the life of the goods, services and/or works, and in doing so takes into consideration local procurement;
- **Risk** – all procurement considers the risks (commercial and otherwise) and ensures these are managed appropriately;
- **Lawfulness** - all procurement is within the law and meets WDC's legal and organisational obligations;
- **Accountability** - employees and/or authorised third parties and suppliers are accountable for their performance; and
- **Sustainability** - all procurement is environmental and socially sustainable wherever possible, having regard to economic, environmental, and social impacts over their lifecycle.

Conflict of Interest and Declarations Policy 2018

WDC is required to identify, disclose, document and manage employees' conflicts of interest, and to ensure that decisions made on behalf of WDC and the community are fair and free of bias or perceived bias.

Note: the words "decision" and "decisions" should be taken to include recommendations and advice:

- (a) that might significantly influence decisions that will be made by other people; or
- (b) on development of strategies and policies that will guide future WDC decision making on service provision, purchasing, contracting or staff employment.

WDC recognises that the professional and personal interests of employees mean that conflicts of interest sometimes cannot be avoided, and can arise without necessarily establishing a fault. Conflict need not cause difficulties, and can be managed so that the best interests of WDC and its ratepayers, residents or customers are served.

DEFINITION OF CONFLICT OF INTEREST

A **conflict of interest** exists when an employee could be influenced or could be perceived as being influenced by a personal or private interest in **any transaction** while performing their WDC duties and/or responsibilities. A personal or private interest is an interest that may bring benefit to an employee as an individual, or to others associated with the employee i.e. spouse or family member, to whom the employee may later benefit.

A **transaction** includes, but is not limited to:

- (a) the exercise or performance of a function, duty, or power of WDC; or
- (b) an arrangement, agreement, or contract to which WDC is a party; or
- (c) a proposal that WDC enter into an arrangement, agreement, or contract; or
- (d) development of a strategy or policy that will guide future decision making on service provision, purchasing, contracting or staff employment; or
- (e) the consideration of or decision made by or at a meeting of Council or its committees and subcommittees.

A Conflict of Interest may exist where the employee:

- will or may derive a benefit from the transaction – a financial, professional or personal benefit;
- has a financial interest in another party to a transaction;
- is a director, shareholder, officer or trustee of another party to the transaction, or is a person who will or may derive a financial benefit from the transaction;
- has an interest in another party tendering for work which WDC is considering; or
- is the partner, parent, child, spouse, sibling, or close friend of another party to the transaction, or a person who will or may derive a benefit from the transaction; or
- is an affected member or interested party in a proposal considered by Council.

Managing conflicts of interest

A conflict of interest is a situation where the responsibilities you have in your work for a public organisation are affected by an interest or relationship you have in your private life.

Having a conflict of interest does not necessarily mean you have done anything wrong. It all depends on how you manage it.

You need to ask yourself not just whether the interest or relationship means you are biased, but also whether someone looking in from the outside could have reasonable grounds to think you might be.

The “rules” for managing conflicts of interest in the public sector are generally stricter than in the private sector. If you work for a public organisation, the public needs to have confidence that any decisions you make:

- are made impartially and for the right reasons; and
- are not influenced by personal interests or ulterior motives.

Any decisions about conflicts of interest should take into account the core public service values:

- integrity;
- impartiality
- trustworthiness;
- respect; and
- responsiveness.



Tips for managing conflicts

- Make sure you know what rules apply to you, whether in your employment contract, contract for services, terms of appointment, or any internal policies of the entity you work for.
 - Declare any interests you have that might pose a conflict. This shows you are being open. It will also help the entity you work for avoid putting you in a situation where a conflict might arise, or to manage a conflict if one arises.
 - Follow any rules or guidance provided by the entity you work for when deciding how to manage a conflict.
- As a minimum, declare any conflicts you have as soon as you become aware of them, preferably in writing.
 - Think about what else you might need to do to manage the conflict. Get advice if you need to. Talk to your manager, or if you are on a board, the chairperson.
 - You need to consider ethics as well as legal rules. Just because it's not unlawful to participate, that does not necessarily mean it would be appropriate to participate.

If in doubt, stay out.



When you have to make a decision, ask yourself:

FINANCIAL

- Do you stand to gain or lose financially from the decision?
- Does someone close to you – like an immediate family member – or a business you are involved with stand to gain or lose financially from the decision?

A situation does not need to involve cash changing hands to be considered a financial interest. A financial interest could, for example, relate to an effect on the value of property.

A financial interest might be direct or indirect. In situations that someone close to you or a business you are involved with has a financial interest, you might be considered to share their interest.

Financial interests are generally treated more strictly than other types of interest. If you have a financial conflict of interest, the law presumes you are biased. This is why you should automatically treat a financial conflict of interest seriously, even if it seems trivial to you.

For some entities in the public sector, there are specific statutory requirements that apply to managing the financial conflicts of interest, which you need to be aware of.

NON-FINANCIAL

- Is someone close to you or an organisation you are involved with likely to be affected by the decision you make?
- If so, is there a risk that you will be seen to be biased in your decision because of this relationship or association?

If you have a conflict of interest, but not one from which you stand to gain or lose financially, the law does not automatically assume you are biased.

This does not necessarily mean a non-financial conflict is less serious than a financial conflict – but there is generally more room for judgement about whether it is acceptable for you to participate.

Questions you need to think about include:

- How close is your relationship with this other person or organisation?
- Will they be directly affected by the decision?
- How seriously will they be affected?

CONFLICT OF ROLES

Will a second organisation you have a role in (entity B) be affected by the decision you are making for the public organisation you work for (entity A)?

If so:

- Is there a risk that you will be seen to be acting in the interests of entity B rather than entity A?
- If you participate in this decision, is there a risk that you might breach obligations you owe to either entity – for example, a duty of loyalty or confidentiality?

The issue with a conflict of roles is not so much whether you personally have a conflict, but whether the interests of the two organisations conflict.

If you have a conflict of roles, you will need to consider whether it is appropriate for you to participate in the decision-making process “on both sides of the table”. You will also need to think about whether you are going to be in a position to fulfil your obligations to both entities at the same time.



If there is a risk that there might be conflicts at some point during the decision-making process, you should discuss your situation with both entities. This gives each an opportunity to consider the risks from their perspective and decide whether they are comfortable with you participating on both sides.

PRE-DETERMINATION

Is there anything you have previously done or said that might make people think you are not going to listen fairly to all the relevant information before you make your decision?

It is accepted that people working for public entities will have their own views on many matters, and, in many cases, might already have views on what the “right answer” to an issue is.

You are not required to approach every decision as though you have given it no prior thought, or have no existing knowledge or opinion. However, you are required to keep an open mind, and you must be prepared to change or adjust your views if the evidence or arguments warrant it.

That means you need to take care that what you do or say does not make it look like you have already made your decision before you have considered all the relevant information and evidence.

Where to read more

FINANCIAL	NON-FINANCIAL	CONFLICT OF ROLES	PRE-DETERMINATION
Paragraphs 3.7-3.11	Paragraphs 3.12-3.24	Paragraphs 3.25-3.31	Paragraphs 3.32-3.40
Scenarios 3, 5	Scenarios 1, 2, 3, 9, 11	Scenarios 8, 10	Scenarios 4, 7
If you are an elected member of a local council, or a member of the governing body of any other entity to which the Local Authorities (Members' Interests) Act 1968 applies, please also read our Guide on that Act.			

WAITOMO DISTRICT COUNCIL

MINUTES OF A MEETING OF THE WAITOMO DISTRICT COUNCIL HELD VIA ZOOM ON TUESDAY 29 MARCH 2022 AT 9.00AM

- PRESENT:** Mayor John Robertson
Deputy Mayor Guy Whitaker
Councillor Phil Brodie
Councillor Allan Goddard
Councillor Sue Smith
- Via ZOOM:** Councillor New
Councillor Lisa Marshall
- IN ATTENDANCE:** Chief Executive, Ben Smit
Manager – Governance Support, Michelle Higgin
Leader – Communications and Engagement, Jenelle Burnell
- Via ZOOM:** General Manager – Community Services, Helen Beever
General Manager – Business Support, Alister Duncan
General Manager – Infrastructure Services, Shyamal Ram
General Manager – Strategy and Environment, Alex Bell (for part only)
Manager – Strategy and Policy, Charmaine Ellery (for part only)

1. Council Prayer

Bridget Mosley, Museum Director, Waitomo Caves Discovery Centre entered the meeting at 9.00am.

2. Presentation: Waitomo Caves Discovery Centre – Reporting against Multi-Year Community Partnership Grant Agreement

Dr Bridget Mosley, Museum Director, Waitomo Caves Discovery Centre attended the meeting via Zoom at 9.00am to present and speak to the Waitomo Caves Discovery Centre’s Multi-Year Community Partnership Grant Agreement.

Resolution

The Presentation from Waitomo Caves Discovery Centre – Reporting against Multi-Year Community Partnership Grant Agreement be received.

Robertson/Smith Carried

Nicole Greenwell, Interim General Manager of Hamilton & Waikato Tourism entered the meeting at 9.15am.

Bridget Mosley left the meeting at 9.17am.

3. Presentation: Hamilton & Waikato Tourism – Six Monthly Report

Nicola Greenwell, Development Manager and Interim General Manager of Hamilton & Waikato Tourism attended the meeting via Zoom at 9.15am to present and speak to the Hamilton & Waikato Tourism Six Monthly Report.

The General Manager – Strategy and Environment entered the meeting at 9.30am.

Resolution

The Presentation from Hamilton & Waikato Tourism – Six Monthly Report be received.

Smith/Brodie Carried

Nicole Greenwell left the meeting at 9.37am.

4. Declarations of Member Conflicts of Interest
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Members declared interests/conflicts of interest in respect to the Agenda as set out below:

Item(s) of Business on the Order Paper	Member and Reason for Declaration	Type of Conflict <i>Financial / Non-Financial / Conflict of Roles / Pre-Determination</i>
Item 17: Novation Crown Infrastructure Partners Grant – King Country Indoor Sport and Recreation Centre	<ul style="list-style-type: none"> Cr New (Trustee on Game On Charitable Trust) 	Non-Financial
Public Excluded Item 2: Lawrence Street, Te Kuiti	<ul style="list-style-type: none"> Cr Marshall (Family member owns property at Lawrence Street) 	Non-Financial

5. Verbal Reports: Elected Member Roles and Responsibilities

Elected members gave verbal reports on their individual portfolio roles and responsibilities as follows:

Council noted that due to the Covid restrictions in place, many scheduled meetings/events have been cancelled with some meetings being convened via Zoom.

Cr Brodie

1. Brook Park
2. Inframax Construction Ltd – Director Interviews
3. Waitomo Sister City
4. Joanna Wood (Ailsa Street Extension)

Cr Smith

1. Supporting Mayor with implementation of Mayoral Relief Fund

Cr Goddard

1. Civil Defence and Emergency Management Meeting
2. Inframax Construction Ltd – Director Interviews
3. Future of Local Government Meeting

Cr Brodie

1. Future of Local Government Meeting
2. Infometrics Webinars
3. LGNZ Rural and Provincial Sector Meeting
4. LGNZ Zone Two Meeting
5. Articles for Piopio Bird Talk and Tainui Trading Post

Cr New

1. Legendary Te Kuiti
2. Community Waikato Zoom Workshop
3. Waitomo Sister City

Cr Marshall

1. Nothing to report – family impacted by COVID-19

Mayor Robertson

1. North King Country Indoor Sport and Recreation Centre
2. Waikato Mayoral Forum
3. Hillview – Development and Fundraising
4. Mokau Famil Tour with Chief Executive
5. COIVD-19 Response Hub for Te Kuiti Weekly Meetings
6. Mayoral Relief Fund

Resolution

The verbal reports be received.

Robertson/Brodie Carried

6. Confirmation of Minutes – 22 February 2022
--

Resolution

The Minutes of the Waitomo District Council meeting of 22 February 2022, including the public excluded portion of the Minutes, be confirmed as a true and correct record.

Goddard/Robertson Carried

7. Receipt of Unconfirmed Audit, Risk and Finance Committee Minutes – 15 February 2022

Resolution

The Unconfirmed Minutes of the Waitomo District Council Audit, Risk and Finance Committee meeting of 15 February 2022 be received.

Robertson/Whitaker Carried

8. Mayor's Report – March 2022

Council considered the Mayor's Report for March 2022.

Resolution

The Mayor's Report – March 2022 be received.

Robertson/Goddard Carried

9. Inframax Construction Limited – Board Governance
--

Council considered a business paper informing of the resignation of current Inframax Construction Limited Chairperson, Mr Craig Rowlandson, effective 31 March 2022 and presenting the recommendations of the Investment Oversight Working Party on the appointment of new Directors and a Chairperson to the Inframax Construction Ltd Board of Directors.

Note: The Investment Oversight Working Party consists of Mayor Robertson, Deputy Mayor Whitaker, and Councillor Goddard.

The Mayor and Deputy Mayor, on behalf of the Working Party, expanded verbally on the business paper and answered Members' questions.

Resolution

- 1 The business paper on Inframax Construction Limited – Board Governance be received.
- 2 Three new appointments be made to the Inframax Construction Limited Board of Directors to bring the number of Directors to four (including the Chairperson) in line with the Inframax Construction Limited Constitution.
- 3 Council appoint Earl Rattray as Chairperson of the Inframax Construction Limited Board of Directors effective 1 April 2022.
- 4 Council appoint Janie Elrick to the Inframax Construction Limited Board of Directors effective 1 April 2022.
- 5 Council appoint Hugh Goddard to the Inframax Construction Limited Board of Directors effective 1 April 2022.
- 6 Council appoint Chris Ryan to the Inframax Construction Limited Board of Directors effective 1 April 2022.
- 7 Council accept the resignation of Craig Rowlandson as Director and Chairperson effective 31 March 2022 and record its appreciation to Craig for his governance contribution to Inframax Construction Limited, firstly as a Director for the period 3 May 2011 to 18 December 2014 and then as Chairperson for the period 19 December 2014 to 31 March 2022.

Robertson/Whitaker Carried

10. Inframax Construction Limited – Half Annual Report to 31 December 2021

Council considered a business paper presenting the Half Annual Report to 31 December 2021 for Inframax Construction Ltd.

The General Manager – Business Support expanded verbally on the business paper and answered Members' questions.

Resolution

- 1 The business paper on Inframax Construction Limited - Half Annual Report to the 31 December 2021 be received.
- 2 The Inframax Construction Limited – Half Annual Report to the 31 December 2021 be received.
- 3 The Inframax Construction Limited – Half Annual Report to the 31 December 2021 be published on Council's website.

Robertson/Goddard Carried

11. Inframax Construction Limited – Draft Statement of Intent for year ending 30 June 2023

Council considered a business paper presenting the draft Statement of Intent for Inframax Construction Ltd for the year ending 30 June 2023.

The General Manager – Business Support expanded verbally on the business paper and answered Members' questions.

The Mayor expanded on the business paper and suggested that Council accept the draft Statement of Intent as presented and not require high level financial statements as part of the Statement of Intent.

The Deputy Mayor recommended that there should be more emphasis on the payment of a dividend in the future and that the Statement of Intent should be amended to include provision for a dividend payable in the 2022/2023 financial year.

Resolution

- 1 The business paper on Inframax Construction Limited - Draft Statement of Intent for year ending 30 June 2023 be received.
 - 2 The Inframax Construction Limited - draft Statement of Intent for the year ending 30 June 2023 be received.
 - 3 Council delegate to the Mayor and Chief Executive –
 - (a) to recommend changes to the Board of Inframax Construction regarding the payment of a dividend in the 2022/2023 financial year.
 - (b) The writing of a Letter of Expectation.
- Goddard/Whitaker Carried

12. Co-Lab Half-Yearly Report to 31 December 2021

Council considered a business paper presenting the Co-Lab Half-Yearly Report to 31 December 2021.

The General Manager – Business Support expanded verbally on the business paper and answered Members' questions.

Resolution

- 1 The business paper on Co-Lab Half-Yearly Report to the 31 December 2021 be received.
 - 2 The Co-Lab Half-Yearly Report to the 31 December 2021 be received.
 - 3 The Co-Lab Half-Yearly Report to the 31 December 2021 be published to Council's website.
- Robertson/Brodie Carried

13. Co-Lab – Draft 2022 Statement of Intent for year ended 30 June 2023

Council considered a business paper presenting the Co-Lab Draft 2022 Statement of Intent for year ended 30 June 2023.

The General Manager – Business Support expanded verbally on the business paper and answered Members' questions.

Resolution

- 1 The business paper on Co-Lab – Draft 2022 Statement of Intent for year ended 30 June 2023 be received.
 - 2 The draft 2022 Statement of Intent for the year ending 30 June 2023, be received.
 - 3 No changes are suggested to the draft 2022 Statement of Intent for the year ending 30 June 2023 for Co-Lab.
- Robertson/Smith Carried

14. New Zealand Local Government Funding Agency: Half Year Report to 31 December 2021

Council considered a business paper presenting the New Zealand Local Government Funding Agency Half Year Report to 31 December 2021.

The General Manager – Business Support expanded verbally on the business paper and answered Members’ questions.

Council noted the error in the business paper in paragraph 3.10 that should read December 2021 not December 2018.

Resolution

The business paper on New Zealand Local Government Funding Agency: Half Year Report to 31 December 2021 be received.

Robertson/Whitaker Carried

15. New Zealand Local Government Funding Agency – Draft Statement of Intent for year ended 30 June 2023

Council considered a business paper presenting the New Zealand Local Government Funding Agency Draft Statement of Intent for year ended 30 June 2023.

The Chief Executive and General Manager – Business Support expanded verbally on the business paper and answered Members’ questions.

Resolution

- 1 The business paper on New Zealand Local Government Funding Agency - Draft Statement of Intent be received.
- 2 The Draft Statement of Intent for the year ending 30 June 2023 be received.

Robertson/Brodie Carried

The meeting adjourned for morning tea at 10.35am and reconvened at 10.45am.
The Manager – Strategy and Policy, Charmaine Ellery entered at 10.45am.

16. Novation Crown Infrastructure Partners Grant – King Country Indoor Sport and Recreation Centre

Council considered a business paper presenting for formal endorsement a Funding Agreement Variation between the Sovereign in Right of New Zealand acting by and through the Chief Executive of the Ministry of Business, Innovation and Employment and the Waitomo District Council relating to the King Country Indoor Sport and Recreation Centre.

This is a variation to the Infrastructure Reference Group Funding Agreement for Te Kuiti Sports Stadium dated 30 March 2021 between the Ministry of Business, Innovation and Employment and the Game on Charitable Trust as the then Recipient, and subsequently novated to Waitomo District Council, and reflects an increase in the amount of total funding available (originally \$500,000 and now \$775,431 plus GST, if any) and updates the project budget and construction deliverables across a renewed timeline.

The General Manager – Business Support expanded verbally on the business paper and answered Members’ questions.

Resolution

- 1 The business paper on Novation Crown Infrastructure Partners Grant - King Country Indoor Sport and Recreation Centre be received.
- 2 Council endorse the Funding Agreement Variation for the total grant of \$775,431 (plus GST, if any).
- 3 Council authorise the Chief Executive to sign the Funding Agreement Variation.

Robertson/Goddard Carried

17. Use of Waitomo District Council Community Facilities under the COVID-19 Protection Framework

Council considered a business paper recommending removal of the requirement for Vaccine Passes to enter Council owned and operated facilities in line with the Government announcement made on Wednesday 23 March 2022.

The General Manager – Business Support expanded verbally on the business paper and answered Members’ questions.

Council in considering this matter recognised the very high level (95%) of double vaccination in the Waitomo District.

Resolution

- 1 The business paper on Use of Waitomo District Council Community Facilities under the COVID-19 Protection Framework be received.
- 2 Council note the change to the Covid-19 Protection Framework.
- 3 Council approve the removal of the requirement for the public aged 12 years and 3 months and over to produce a valid Vaccine Pass to gain entry to the following Council facilities from 8.00 am on Monday 4 April 2022:
 - Te Kuiti Library
 - Waitomo District Council Admin Building and Council Chambers
 - Te Kuiti i-Site
 - Council Controlled Halls (and community managed Council halls where required in accordance with the CPF)
 - Waitomo District Aquatic Centre.
- 4 Council delegates authority to the Chief Executive, in consultation with the Mayor, to make further decisions on entry to any Council facility should this be considered necessary for the safety of staff and the community.

Marshall/New Carried

18. Cyclone Dovi – Infrastructure Damage

Council considered a business paper providing a briefing on the damage Cyclone Dovi caused to infrastructure across the District in February 2022 and outlining remedial works which have been undertaken to date and the steps forward.

The General Manager – Infrastructure Services expanded verbally on the business paper and answered Members’ questions.

Resolution

The business paper on Cyclone Dovi - Infrastructure Damage is received.

Robertson/Brodie Carried

19. Adoption of Statement of Proposal for Consultation of Rates Remission Policy

Council considered a business paper presenting the Statement of Proposal for consideration and adoption to enable public consultation on the proposed changes to the Rates Remission Policy.

The Manager – Strategy and Policy and General Manager – Business Support expanded verbally on the business paper and answered Members’ questions.

Resolution

- 1 The business paper on Adoption of Statement of Proposal for Consultation on Council’s Rates Remission Policy be received.
- 2 Council adopts the Statement of Proposal for the proposed amendments to the Rates Remission Policy for public consultation from 30 March 2022 to 3 May 2022.

Robertson/Goddard Carried

20. 2022/23 Draft Annual Plan - Significance of Variations

Council considered a business paper summarising the materiality and significance of variations included in the Draft Annual Plan for 2022/23, as workshopped by the Council to date and resulting in a 2.88% rate increase.

The General Manager – Business Support, Manager – Strategy and Policy and General Manager - Strategy and Environment expanded verbally on the business paper and answered Members’ questions.

Council noted that there is nothing proposed in the Draft Annual Plan 2022/23 which is classified as a significant variation to Year 2 of the 2021-2031 10 Year Plan and therefore there is no legal requirement for a special consultative procedure under section 83 of the Local Government Act, but Council will engage with the community on the Draft Annual Plan 2022/23 prior to adoption.

Resolution

- 1 The business paper on 2022/23 Draft Annual Plan – Significance of Variations be received.
- 2 Council not carry out a special consultative procedure under section 83 of the Local Government Act, but instead engage with the community on the content on the draft 2022/23 Draft Annual Plan prior to adoption.

Robertson/Whitaker Carried

21. Review of Local Easter Sunday Shop Trading Policy

Deputy Mayor Whitaker declared a potential conflict of interest in this item as a Retailer in Te Kuiti, noting that his interest is no greater or lesser than any other retailers within Te Kuiti, and refrained from participating in the consideration and voting on this item.

Council considered a business paper presenting the two submissions received from members of the public, and the updated Local Easter Sunday Shop Trading Policy for adoption.

The General Manager – Strategy and Environment expanded verbally on the business paper and answered Members’ questions.

Resolution

- 1 The business paper on Review of Local Easter Sunday Shop Trading Policy be received.
- 2 Council receive and acknowledge the two submissions from members of the public.
- 3 Council adopts the updated Local Easter Sunday Shop Trading Policy 2022.

Brodie/Goddard Carried

22. Communications Strategy Review 2022

Council considered a business paper presenting the Communications Strategy 2022, which has been updated and rewritten, taking a more streamlined approach and aligned to the new strategic direction set out in the 10 Year Plan 2021-31 for Council's consideration and adoption.

The Leader – Communications and Engagement and General Manager – Strategy and Environment expanded verbally on the business paper and answered Members' questions.

Resolution

- 1 The business paper on Adoption of the Communications Strategy be received.
- 2 The Waitomo District Council Communications Strategy 2022 be adopted.

Robertson/Smith Carried

23. Motion to Exclude the Public

Council considered a business paper pursuant to Section 48 of the Local Government Official Information and Meetings Act 1987 giving Council the right by resolution to exclude the public and/or staff from the whole or any part of a meeting on one or more of the grounds contained within that Section.

Council noted the Amended Order Paper and tabled items of business and agreed to re-order the public excluded business after moving the 2021 Resident Survey into the public part of this meeting.

Resolution

- 1 The public be excluded from the following part of the proceedings of this meeting.
- 2 The general subject of each matter to be considered while the public is excluded and the reason for passing this resolution in relation to each matter, as specified by Section 48(1) of the Local Government Official Information and Meetings Act 1987 are as follows:

General Subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Section 48(1) grounds for the passing of this resolution
1. Animal Control Services: Duke Street Dog Attack	Section 7(2)(a) To protect the privacy of natural persons, including that of deceased natural persons;	Section 48(1)(a)(1)
2. Lawrence Street, Te Kuiti	Section 7(2)(g) – To maintain legal professional privilege;	Section 48(1)(a)(1)

General Subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Section 48(1) grounds for the passing of this resolution
3. Raukawa Resource Consent Strategy - Co-design and Co-funding Proposal	Section 7(f) To maintain the effective conduct of public affairs through— the free and frank expression of opinions by or between or to members or officers or employees of any local authority, or any persons to whom section 2(5) applies, in the course of their duty.	Section 48(1)(a)(1)

- 3 Council agree the following staff, having relevant knowledge to assist in the consideration of the items of business to be public excluded, remain in attendance to assist the Committee with its decision making:

Staff Member	Reason for Remaining in Attendance
Chief Executive	Council CEO
Manager – Governance Support	Committee Secretary
General Manager – Strategy and Environment	Portfolio Holder

- 4 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 which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in the public.

Robertson/Brodie Carried

The Leader – Communications and Engagement, General Manager – Community Services, General Manager – Business Support, General Manager – Infrastructure Services, and Manager – Strategy and Policy left the meeting at 11.43am.

24. Consideration of Public Excluded Items to be made public following Council's decision taking

Resolution

Following Council's consideration and decision taking of the public excluded items of business, Council agreed:

1 Animal Control Services: Duke Street Dog Attack

The Resolution only be made public as follows:

Resolution

The business paper on Animal Control Services: Duke Street Dog Attack be received.

Robertson/Whitaker Carried

2 Lawrence Street, Te Kuiti

The Resolution only be made public as follows:

Resolution

The business paper on Lawrence Street, Te Kuiti be received.

Robertson/New Carried

3 Raukawa Resource Consent Strategy - Co-design and Co-funding Proposal

The Resolution only be made public as follows:

Resolution

- 1 *The business paper on the Raukawa Resource Consent Strategy – Co-Design and Co-Funding Proposal be lifted from the table for consideration.*
- 2 *The business paper on the Raukawa Resource Consent Strategy – Co-Design and Co-Funding Proposal be received.*
- 3 *Council delegate authority to the Chief Executive to make a final decision on funding of the Raukawa Resource Consent Strategy.*

Brodie/Goddard *Carried*

Robertson/Goddard Carried


There being no further business the meeting closed at 11.55am.

Dated this day of 2022

JOHN ROBERTSON
MAYOR

Confidential

Confidential

Document No: A610234	
Report To:	Council
	Meeting Date: 26 April 2022
	Subject: Mayor's Report

The Government has announced the application process for the \$2 billion that it is releasing as an incentive to encourage local government to embrace its water reform agenda. It is called the "Three Waters Better Off Support Package."

For our Council the first tranche is \$3.55 million, for which applications need to be applied for by 30 September. The second tranche for 2024 is \$10.64 million.

Eligible projects are grouped into three general areas. Housing, climate change and placemaking. My focus in this report is on the offer around housing.

Elected members all agree that we need to promote initiatives that assist population growth in our towns. Our retail sector benefits from more people shopping, our schools from more students, our sports clubs from more participation, our industry from more labour.

One such initiative that will assist to achieve population growth is the enabling of more housing.

Under the support package on offer, the criteria wording is "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."

Our Council is in an extremely good position to meet these criteria, by releasing land that the Council owns in residential areas.

On Friday this week, the government's housing agency Kainga Ora intends to make an announcement in Te Kuiti regarding its strategy for assisting social housing development in the district.

With the Better off Package now on offer, we have the opportunity to take another step on this journey. Council has land in Ward Street that we could make available. We also have freehold land in Brook Park on Eketone Street that could be released. There is other land lying vacant that we should explore releasing, like the section on the corner of William and Julian Streets.

This is all infill development. We should be able to secure funding from the better off package to cover the costs of survey and subdivision and of the cost of any underground infrastructure and networks needed to support development. Council could then sell the resulting sections and houses would be built.

We are advised that Te Kuiti has capacity within its drinking water and wastewater plants to provide for more housing. The land that I have highlighted above is spread throughout Te Kuiti. Thus, the underground piping should have capacity for the additional hook-ups. I acknowledge however the Chief Executive's concern that we don't really know. Perhaps the work needed to investigate the capacity and quality of our underground piping network in Te Kuiti could be funded by the package on offer.

Officers expect to come back to Council within the next two months with a paper on Council land that might be suitable for housing. Given the Government package on offer, this will be timely.



JOHN ROBERTSON, QSO
MAYOR

Document No: A609221**Report To:** Council**Meeting Date:** 26 April 2022**Subject:** **Triennial Election 2022 – Voting Document Arrangements****Type:** Decision Required

Purpose of Report

- 1.1 The purpose of this business paper is to provide information in relation to arrangements for the 2022 Triennial Elections, to be held on 8 October 2022, and for Council to make a decision on the order of the surnames of candidates in the voting documents for the 2022 Triennial Election and any subsequent by-elections.

Background

- 2.1 Elections for Mayor and Councillors in Waitomo District as well as elections for Waikato Regional Council (WRC) and Horizons Regional Council (HRC) are held every three years.
- 2.2 The election will be undertaken by WDC on behalf of WRC and HRC. Note only a very small part of our District falls within HRC boundaries. The Waikato District Health Board will not be included as a result of the Government health sector reforms, DHBs will be disestablished from 30 June 2022 and replaced by Health NZ from 1 July 2022.
- 2.3 The elections are being held by postal vote on 8 October 2022, and preparations are underway.
- 2.4 WDC has contracted Electionz.com as its provider for vote processing and electoral services. Warwick Lampp, from Electionz.com, is the Electoral Officer for Waitomo District Council and Sharon Schou, the Deputy Electoral Officer.
- 2.5 WDC will be utilising the Local Government New Zealand (LGNZ) and the Taituara (previously named SOLGM) nationwide campaign - "VOTE 2022". The campaign is designed to encourage candidates to stand in the local elections, and to encourage Kiwis to vote.
- 2.6 Key dates for the 2022 Triennial Election are:

Key Dates	
Friday 15 July 2022	Nominations open
Friday 12 August 2022	Nominations close at 12 noon. Electoral rolls close.
Friday 16 Sept – Wed 21 Sept 2022	Delivery of Voting Papers to electors by post.
Friday 16 Sept – Sat 8 October 2022	Voting Period
Saturday 8 October 2022	Election Day. Voting closes at 12 noon. Progress results will be available and the declaration of the final results will be made as soon as possible.

Commentary

3.1 **ORDER OF CANDIDATE NAMES**

3.2 Council has until 30 June 2022 to resolve the order in which candidates' surnames are listed on the voting paper. The options are:

- **Alphabetical** – candidates are listed alphabetically by surname.
- **Pseudo Random** – all voting documents have candidates in the same random order by surname, having been ordered by the drawing of lots.
- **Random** – every voting paper will have candidates ordered randomly by their surname.

3.3 If Council does not adopt one of the above options prior to 30 June 2022, then the default position will apply, which is that candidates are listed alphabetically by surname.

3.4 It is suggested that Council also determine the order in which candidates surnames are listed on voting papers for any subsequent by-elections that may occur, to reduce administration time and costs.

3.5 Considerations for the three options are as follows:

Options	Advantages	Disadvantages
Alphabetical	Less confusion as the names in the candidate profile booklet and voting papers are in the same order. Voters are easily able to find whom they wish to vote for. Council has, in the past, always listed candidate's names in alphabetical order of surnames.	Some argue that this approach favours those candidates with names in the first part of the alphabet.
Pseudo Random	The order of candidates is random and therefore less likely to favour candidates with names in the first part of the alphabet.	Candidates in the profile booklet are still listed alphabetically and this could cause some confusion. Voters may not as easily be able to find who they wish to vote for. The same random order is used for all voting papers and therefore, some may argue, the same advantage is given to those listed first, as with the alphabetical option.
Random	The order of candidates' names is different for each voting paper and therefore gives no potential for advantage to any candidate. This option used to be more expensive, but there is no longer any price differential.	Candidates in the profile booklet are still listed alphabetically and this could cause some confusion. Voters may not as easily be able to find who they wish to vote for.

3.6 HRC and WRC will also feature on Waitomo's voting papers. We have not yet been informed of the order of candidate surnames for HRC or WRC for the 2022 election, however, both used random in the 2019 election. It is not necessary for all local body's appearing on the same voting paper to use the same method of ordering candidate names.

3.7 A summary of the use of the three options by Councils, Regional Councils and DHB's during the 2016 and 2019 triennial elections are as follows:

Options	2016	2019
Random	47%	53%
Alpha	46%	40%
Pseudo-Random	8%	7%

Suggested Resolutions

- 1 The business paper on Triennial Elections 2022 be received.
- 2 Pursuant to Section 31 of the Local Electoral Regulations 2001, Council resolve that the names of the candidates on the voting document for the 2022 Waitomo District Council triennial elections and any subsequent by-election shall be in (**select one only**):
 - a. Alphabetical Order of Surname
OR
 - b. Pseudo-Random Order
OR
 - c. Fully Random Order



SHARON SCHOU
DEPUTY ELECTORAL OFFICER

8 April 2022

Document No: A610276

Report To: Council



Meeting Date: 26 April 2022

Subject: **Progress Report: King Country Indoor Sport and Recreation Centre**

Type: Information Only

Purpose of Report

- 1.1 The purpose of this business paper is to provide a progress report on the King Country Indoor Sport and Recreation Centre (KCISRC).

Background

- 2.1 The contract for the design and build of the KCISRC was awarded to Apollo Projects Limited on 14 October 2021 and commenced on 15 October 2021.
- 2.2 The overall contract implementation phase has a duration of approximately 14 months and a total cost of approximately \$8M. On top of that are additional fit-out costs, giving a total project cost of \$9.05M.
- 2.3 On completion, ownership of the new stadium will be shared between the Ministry of Education, Te Kuiti High School Board of Trustees, and Waitomo District Council in the ratios of 24.7%, 10.3%, and 65% respectively.

Commentary

- 3.1 **PROJECT BUILD**
- 3.2 The build phase is tracking to programme and budget.
- 3.3 Final design and issue of building consent was completed by the end of February 2022.
- 3.4 A resource consent for the project has been obtained.
- 3.5 Installation of power cabling and transformer to the Stadium site has been completed and livened.
- 3.6 Project fit-out items have been the subject of discussions with Te Kuiti High School and Game-On Charitable Trust representatives, assisted by Sport Waikato, to improve understanding of scope and budget provision. Items that overlap with the construction stage have been taken up with the Apollo design team to ensure appropriate integration is in place.
- 3.7 Frequency NZ has been appointed as the project manager and engineer to the contract due to MoE's requirement for impartiality around those key roles.
- 3.8 In parallel, and additional to the completion of the final design, is the MoE's staged design envelope approval process. A number of items have been identified for possible inclusion in the final design, mainly in respect of building water tightness. While still under discussion, inclusion of the value requirements has triggered relatively modest variations to the contract. The Development Agreement sets out the process for dealing with the funding of variations.

- 3.9 A “turning of the first sod” ceremony was held on 9 February 2022, following which site establishment and earthworks have commenced. The project has now moved from design to build, with heightened visibility.
- 3.10 Site works are well underway, with the construction zone ring-fenced, excavation of the main building pad well advanced and under slab drainage installed. Placing of concrete to foundation pads is progressing.
- 3.11 Delays have been experienced with the delivery of some structural materials but will not impact the critical path for completion.
- 3.12 A Kairuruki (Coordinator) has been appointed by a group of stakeholders led by Ngati Rora and including Mayor Robertson on behalf of WDC. The purpose of the role is to:
- Facilitate hui with mana whenua to appropriately name the stadium.
 - Provide opportunities to showcase our past and/or our future through localised artwork and design with a Māori narrative.
 - Provide opportunities to involve rangatahi in the project.
 - Engagement with artists.
 - Development and implementation of the plan and vision.
- 3.13 Once the plan has been prepared and costed there will be the need to source additional funding to implement the proposed cultural artwork including signage for naming of the building. The current budget of \$30,000 for cultural identity features will be used to fund the project coordination costs but will not be sufficient for the implementation phase. Discussions on possible opportunities for funding have been taken up with the Board of Trustees.
- 3.14 **RISK MANAGEMENT**
- 3.15 The project Risk Register has been formatted to align with the project delivery programme and reviewed on a routine basis through an internal Project Control Group chaired by General Manager – Community Services. Risk controls and treatments are updated as part of the review process. Current risk management measures have been met, as appropriate.
- 3.16 **FUNDING AND FINANCIAL MANAGEMENT**
- 3.17 All construction related funding has either been approved or novated to Council. Game on Charitable Trust has \$75,000 of the general fund raising to complete the funding for the fit out.
- 3.18 Council has received to date \$1,973,987 of the budgeted \$7,062,432 external funding. Further installments of funding are expected in the coming months.
- 3.19 Total capital expenditure of \$1,635,295 has been expended to date.
- 3.20 Contracts let are tabled below:

Contract	Original Value	Variations	Total
Apollo	7,905,921		
Less WW Pumping Station		87,205	
Plus, Adjustable junior backboard		5,563	7,824,279
Lines Company	87,748		87,748
Frequency NZ (Project management)	146,860		146,860
			8,058,887

3.21 **COMMUNICATIONS PLAN**

3.22 The Joint Communications Plan has been finalised and a dedicated WDC web page developed. The web page will be updated throughout the Stadium build phase, keeping the community informed of progress.

3.23 **PROJECT CONTROL GROUP (PCG)**

3.24 In accordance with the Development Agreement, a PCG is required to be formed comprising representatives of the Te Kuiti High School Principal (and logically a representative of the Board of Trustees), Ministry of Education, the Contractor, the Engineer (Frequency NZ) and WDC. Organising, reporting to, and chairing the PCG is the responsibility of the Engineer. The purpose of the PCG is to monitor progress against project timetable and budget and to address matters of mutual interest.

3.25 The PCG meets on a monthly basis, with the first meeting to be held early next month.

3.26 Council's representatives on the PCG are the Mayor, and the Client Representative.

Suggested Resolution

The business paper updating progress on the build phase of the King Country Indoor Sport and Recreation Centre be received.



HELEN BEEVER
GENERAL MANAGER – COMMUNITY SERVICES

20 April 2022

Document No: A610472

Report To: Council



Meeting Date: 26 April 2022

Subject: **3 Waters Reform - 'Better-off' Funding and Resilience Planning**

Type: Decision Required

Purpose of Report

- 1.1 The purpose of this business paper is to inform Council of opportunities and requirements of the 3 Waters Better-off funding and to outline, for approval, the approach to developing funding proposals.
- 1.2 It also provides an initial overview on a funding approach to make our communities 3 Waters systems more resilient before the 3 Waters reform is completed in 30 June 2024.

Background

- 2.1 The 3 Waters Reform (3WR) has been discussed many times so little background is required.
- 2.2 In 2020, a Stimulus Funding Package was made available under the 3 Waters reforms, with a focus on waters projects. WDC's share of that funding package was \$3.5M.
- 2.3 This year, a Better-off Support Package Funding round is being implemented.

3 Waters Stimulus Funding 2020

3.1 Resilience Projects

- 3.2 There are a few significant 3 Waters resilience risks that are apparent in our District. These projects are currently not in the Long Term Plan so it is highly unlikely that the new Water Entity will progress on these types of projects in the immediate future. The projects are:

(1) Te Kuiti Water Supply - to improve the security of supply for potable water by installing a dedicated watermain from the Te Kuiti Water Treatment Plant to our key reservoirs

Currently the four reservoirs in the Te Kuiti water scheme fill using the reticulated watermain i.e. the watermain from the Treatment Plant conveys water to the properties and any surplus water then tops up the reservoirs. In January after a major pipe burst, the reservoirs were almost drained empty. It took several days to fill the reservoir as the demand in summer was very high and sufficient water in the reticulation was not available to top up the reservoirs. The network is currently very stressed and water restrictions are implemented to minimise the demand.

In addition to the water main a dedicated watermain from the Water Treatment Plant to the reservoir would provide more security of supply by reducing the amount of time it takes to fill a few critical reservoirs. The water demand in summer is 4,200m³ while the storage in the reservoirs is approximately 3,000m³. To provide additional resilience and to increase the storage to 1-2 days of water demand, additional reservoirs should be constructed in addition to the dedicated new watermain.

(2) 3 Waters Stimulus funding – potential overspend

Waitomo District Council was allocated \$3.5M in the post-COVID 19 stimulus funding to complete several 3 Waters infrastructure projects.

\$2.2M out of the \$3.5M has been spent and the remaining projects will need to be completed by 30 June 2022 so the funding will not be lost. Factors such as supply chain constraints have delayed the progress of several projects. To ensure as much as possible of the \$3.5M gets spent, additional projects have been identified and forwarded for approval to Central Government. These projects include:

- additional watermain renewals in Mokau,
- a new watermain on Aria Road in Piopio,
- a new watermain crossing near Ahoroa Ford West after the existing pipeline was damaged during Cyclone Dovi,
- a new wastewater pipeline on View Terrace after the existing one was damaged during the landslide.

3.3 These projects could be delivered by local contractors who are currently completing similar projects in Mokau. A risk to the overcommitment would be that if all the existing planned projects get completed as well as the new ones applied for by 30 June 2022, an additional \$100,000 - \$400,000 will either need to be loan funded or paid using reserves. This is unlikely, but a risk that needs to be highlighted. These projects all mitigate areas of risk in the water supply and wastewater for our communities so are worth undertaking before 3 waters reforms are implemented.

3.4 The risk of not spending all the \$3.5M 3 Waters stimulus funding is that it will not be available to benefit our community in the future. The risk of overspending the \$3.5M fund is that Council would need to borrow funds externally which will be repaid on 30 June 2024 by Central Government. Staff believe the risk of losing this funding is much higher.

3.5 These projects are currently being worked up and not all of them are completely scoped.

3.6 The options to resolve the identified risk issues are detailed below:

3.7 Option One - Do nothing

This option proposed doing nothing and letting the new Water Entity undertake the work in the future. These projects are not included in the LTP and it may be challenging to have these projects seen as a priority for the new Water Entity trying to establish its organisation and deal with the vast issues in its high growth areas. There is a risk that this approach will result in an underspending on the 3 Waters stimulus funding which is a loss to our communities.

3.8 Option Two - Undertake work and fund new/additional projects not covered by the 3 Waters Stimulus fund by external loan or reserves.

This would ensure high priority projects for our District are undertaken. It must be remembered that any unspent reserve, as at 3- June 2024) will be transferred to the new Water Entity and any loans under the 3 Waters activity will be paid off by the Government so spending these funds has no effect on our community or Council's financial position post June 2024. Given that these projects will only be completing implementation not long before that date the rates impact from additional depreciation and interest is likely to be minor. Waitomo District Council currently has adequate funds in 3 Waters operational and capital reserves to cover this expenditure.

3.9 The 3 Waters resilience projects are just being worked up now so these will come to Council for detailed approval. This paper is designed to determine whether Council is comfortable with the approach taken by staff in relation to developing and implementing additional 3 Waters resilience projects to ensure the 3 Waters Stimulus funding is spent and also developing other 3 Waters resilience projects that would be funded completely from loan or reserve.

Better-Off Support Package Funding 2022
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4.1 The topic of the use of the 'Better-off' funding element needs further consideration and a decision by Council. A paper from the Department of Internal Affairs (DIA) on the Better-off funding guidance and application is attached for your information.

4.2 The key to the DIA document is how the funds can be used:

- 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.

4.3 There is clearly a focus on climate change and housing but the third bullet point really means that the money can be spent on any of the four well-beings which opens the door completely for different projects and different thinking.

4.4 It would not be sensible to spend this funding on 3 Waters infrastructure. The writer believes there are other ways of providing resilience for our community in this area without using the Better-off funding on 3 Waters. This were be explained in Section 3.

4.5 Waitomo District Council's share of the 2022 Better-off funding is:

Tranche 1 - \$3.55M

Applications to be submitted by 30 September 2022. The funding is available from 1 July 2022. The funding can used for up to five years.

Tranche 2 - \$10.64M

Funding available from 1 July 2024.

Total - \$14.18M

4.6 Council needs to decide on what process it will follow to develop projects for the 'Better-off' funding.

4.7 Three options have been considered:

4.8 Option One – Do nothing

Funding not applied for and the assumption that the Tranche 1 funding will be available to be spent in July 2024 with Tranche 2 funding.

- a. This approach delays when funding would be received. The Community would be disappointed that Council has not applied for this funding sooner.
- b. There is a risk that there is a change of political agenda and that, if the first round is not applied for, the funding may not be available in the future if there is a change in Government policy.
- c. There has been discussion from some councils that there is political risk in accepting this funding now in that it could be seen to be approving or 'buying into' the concept of 3 Waters reforms. The writer believes the risk of this could be easily mitigated by making it clear in the funding application what Council's position on 3 Waters reforms are and stating that it was important that the community is able to participate in the funding that has been offered.

4.9 Option Two – Select projects without further community or iwi engagement.

- a. Relying on the Long Term Plan (LTP) or the current Town Concept Plans (TCP) as a source of project options may provide a narrow view of the opportunities available. The LTP was developed with a concept of financial prudence and rates minimisation and therefore was not looked at from the preceptive of new funding opportunities for the community.
- b. Relying on the detail in the TCPs could also constrain thoughts. Much has happened over the last four years:
 - i. Covid impact of community health, well-being and resilience and on the economic climate.
 - ii. Significant change in the retail and visitation/tourism sectors. For example online retail boom, difficult in store retailing and very low tourism numbers.
 - iii. The contractor market to undertake projects has become extremely tight with low contractor and material availability and escalating cost inflation.
 - iv. Clarification around 3 Waters better-off and financial loan and reserve payments. Funding is now available for community well-being initiatives.
- c. On a positive note, this approach would be much easier than community engagement and would lessen the risk that Council does not have good project and procurement plans and good funding proposals available by 30 September.

4.10 Option Three - Refresh Town Concept Plans as a mechanism to select community projects for the first tranche of 3 Waters 'Better-off' funding round.

- a. The TCPs refresh would also inform the projects for the second round of 'Better-off' funding and be the basis of the 2024-2034 LTP pre-engagement with the community.
- b. The writer believes it is extremely important that the TCPs are the basis for the development of the LTP. The development of refreshed TCPs could be treated as Council's contract with the community for the development of new services and facilities for a particular town/space much in the same way the Reserve Management Plans should be. The TCPs need to denote who is responsible for doing the work and where the funding is coming from. Having projects in the TCPs which don't have a source of funding (recognizing that not all projects need to be Council funded) leads to these TCPs being wish-lists without commitment so the writer believes that the TCPs are signed-off just before the LTP goes into its final funding approval.
- c. Our teams, in conjunction with Councillors and the community, will come up with great ideas, but the writer has found that it can be difficult to put these concepts into tangible projects that can be costed and used in a funding application. External specialist help is needed to identify achievable projects, to look past the obvious, and be more creative and create workable projects.
- d. The likely problem area where this will be an issue will be – how do we turn vague concepts of town branding, vibrancy and placemaking into something that is tangible and relatable. Steve Bramley (SGL Funding) has the ability to do this and also has an extensive understanding of where funding can come from. He works with Glenn Brebner from Boon Architects in New Plymouth who has a great ability to turn concepts into workable spaces.
- e. The significant risk of this approach is that there is little time to do the TCP refresh, undertake the required planning and procurement so that there are robust costings for a funding proposal by 30 September. A refresh engagement process with the community is time consuming and resource hungry but is still believed the best approach. In very broad terms the process would be as follows:

Activity	Date
Generate community engagement document	Before 15 May
Engage community on concepts and projects in each of the towns using in-person workshop meetings in the towns and various other media. A communications plan will be developed.	15 May - 15 June
Analyze the feedback and then develop specific 'Better-off' funding projects using an external place-making consultant and architect to help. See 4.10 (c+d) above.	1 - 30 June
Engage with community on detail of projects developed	15 - 30 June
Finalise scope of selected projects ready for procurement	15 June - 15 July
Procurement process for and final costing of projects	15 July - 15 Sept
Complete funding applications	30 June - 30 Sept

- f. For clarity Council will be engaging with our community from the 15 May to the 30 June, with two different focuses. Firstly, to gather ideas around the concepts and then use this feedback to develop the final list of projects which will then be communicated again to the community.
- g. Councillors will get updates at each Council meeting and as each milestone comes up and will have the opportunity to be involved in the community engagement process.
- h. Staff are seeking guidance as to whether Councillors believe using the refresh of TCPs is a good mechanism to determining 3 Waters 'Better-off' funding.

Considerations

5.1 **RISK**

- 5.2 Risks for each of the options have been covered above. However there is a wider consideration if the 3 Waters reforms do not progress because of a Central Government political change.
- 5.3 It is believed that the projects in Section 4 above will not be affected because this funding has been promised. The issue might be with the Tranche 2 funding is two years' time.
- 5.4 The project in Section 3 above are more at risk. If Council commits funding to 3 Waters upgrade projects and then the loans raised to fund these projects are not repaid by Central Government because the 3 Waters Reforms are not implemented, then our Council (and community) will still have the debt. This is the worst case scenario but to balance this it is work that is needed to make our community's water services more resilient.

5.5 **CONSISTENCY WITH EXISTING PLANS AND POLICIES**

- 5.6 These are likely to be new projects not included in the current LTP. There are however likely to be projects taken from concepts included in the TCPs so these would not be new to our community. It is unlikely that these projects will trigger a LTP amendment, but this will be investigated further.

5.7 **SIGNIFICANCE AND COMMUNITY VIEWS**

- 5.8 The Significance and Engagement Policy is not triggered by this level of expenditure but it is hugely important that Council consult with the community on the refresh of the TCPs and the 'Better-off' projects being put forward.

Suggested Resolutions

- 1 The business paper on 3 Waters Reform - 'Better-off' Funding and Resilience Planning be received.
- 2 Council approve the process of engaging with the community and development of the 3 Waters Better-off funding projects as follows:

Activity	Date
Generate community engagement document	Before 15 May
Engage community on concepts and projects in each of the towns using in-person workshop meetings in the towns and various other media. A communications plan will be developed.	15 May - 15 June
Analyze the feedback and then develop specific 'Better-off' funding projects using an external place-making consultant and architect to help. See 4.10 (c+d) above.	1 - 30 June
Engage with community on detail of projects developed	15 - 30 June
Finalise scope of selected projects ready for procurement	15 June - 15 July
Procurement process for and final costing of projects	15 July - 15 Sept
Complete funding applications	30 June - 30 Sept

- 3 Council approves the development of the Te Kuiti Water Security of Supply Project scope, and approves 'in principle' the funding of this project from external loan or Waters reserve.
- 4 In the event the total cost on all 3 Waters Stimulus Funding Projects is overspent due to the additional Water and Wastewater projects presented to Central Government, Council agree that such over-expenditure be funded through additional loans or reserves.


 BEN SMIT
CHIEF EXECUTIVE

21 April 2022

Attachment: Department of Internal Affairs Better-off Funding Guidance and Application



4 April 2022

45 Pipitea Street
Wellington
Phone 0800 25 78 87
dia.govt.nz

Tēnā koutou i runga i ngā tini āhuatanga o te wā

The Minister of Local Government has announced that councils are now able to put forward proposals for the first \$500 million of Crown funding from the Three Waters reform better off support package. The funding is for local government to invest in local community wellbeing and may be applied to capital or operating initiatives. The remaining \$1.5 billion is available from 1 July 2024.

Funding allocation

The [Heads of Agreement](#) allocated the package with a 75% allocation based on population, a 20% allocation based on the deprivation index, and a 5% allocation based on land area and established some simple funding criteria:

- 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.**

Funding proposals

We heard that councils wanted a simple process for accessing the better off package. To access your council's share of the first \$500 million of the package your council will need to submit an online Funding Proposal by 30 September 2022.

The Funding Proposal will set out key information including proposed projects, milestones and expected completion date. It will also need to provide a wellbeing assessment and outline iwi/Māori engagement. The online form via [Community Matters online grants management system](#) is live from today. Councils can also view a pro-forma copy of the Funding Proposal on the Department's website: [here](#).

To streamline the funding application and approval process, your council will have access to a Relationship Manager if needed to support the development of your Funding Proposal. The relationship managers will be available to provide additional guidance on an as-required basis. CIP has been appointed to this fulfil this function and will be supported by the Department of Internal Affairs.

Guidance is available on the Department's website and includes detailed information on how you can contact your relationship manager: [Three waters reform programme reform support package - dia.govt.nz](#)

Supporting transition

As set out in the Heads of Agreement, councils receiving this package will help support the transition to the new entities by meeting any reasonable request for information and assistance.

Next steps

We encourage you to take a look at the [Funding Proposal guidance](#) and contact your relationship manager. From today you will be able to submit your Funding Proposal online. The Department will work with cross government (including local government) representatives to consider funding proposals. We will endeavour to approve proposals within six weeks.

Following approval of a Funding Proposal and an executed Funding Agreement, an initial disbursement of 10% of your requested amount will be released (no earlier than 1 July 2022). The remainder will be disbursed on receipt of a progress payment request which you may submit on a monthly basis online. You will also need to submit a progress report online every six months. We will provide pro-forma copies of the payment request and six-monthly progress report by 30 April 2022.

FAQs

When is our council's funding available?

- ▶ Funding Proposal submissions close **30 September 2022**
- ▶ Tranche 1 funding (\$500 million) is available for use from **1 July 2022**. The remaining \$1.5 billion of funding is available for use from 1 July 2024.

How does my council access the better off package?

- ▶ There are **two key documents** to apply for and access the funding:
 - The Funding Proposal
 - The Funding Agreement
- ▶ You may only submit **one** Funding Proposal to access your council's share of the first \$500 million of the Package, but it can cover more than one project or initiative.
- ▶ Funding may cover projects for a period 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 Funding Proposal

Nāku noa, nā



Hamiora Bowkett

Executive Director, Three Waters Reform Programme