

## Notice of Meeting:

I hereby give notice that an ordinary Meeting of the Council will be held on:

**Date:** Thursday 12 August 2021  
**Time:** 9.30am  
**Meeting Room:** Council Chamber and Audio Visual Link  
**Venue:** Municipal Building, Garden Place, Hamilton

Richard Briggs  
Chief Executive

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## Council *Kaunihera* OPEN AGENDA

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### Membership

**Chairperson** Mayor P Southgate  
*Heamana*

**Deputy Chairperson** Deputy Mayor G Taylor  
*Heamana Tuarua*

<b>Members</b>	Cr M Bunting	Cr A O’Leary
	Cr M Gallagher	Cr R Pascoe
	Cr R Hamilton	Cr S Thomson
	Cr D Macpherson	Cr M van Oosten
	Cr K Naidoo-Rauf	Cr E Wilson

**Quorum:** A majority of members (including vacancies)

**Meeting Frequency:** Monthly – or as required

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Becca Brooke  
Governance Manager  
*Menetia Mana Whakahaere*

**6 August 2021**

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## **Purpose**

The Council is responsible for:

1. Providing leadership to, and advocacy on behalf of, the people of Hamilton.
2. Ensuring that all functions and powers required of a local authority under legislation, and all decisions required by legislation to be made by local authority resolution, are carried out effectively and efficiently, either by the Council or through delegation.

## **Terms of Reference**

1. To exercise those powers and responsibilities which cannot legally be delegated by Council:
  - a) The power to make a rate.
  - b) The power to make a bylaw.
  - c) The power to borrow money, or purchase or dispose of assets, other than in accordance with the Long Term Plan.
  - d) The power to adopt a Long Term Plan or Annual Plan, or Annual Report.
  - e) The power to appoint a Chief Executive.
  - f) The power to adopt policies required to be adopted and consulted on under the Local Government Act 2002 in association with the Long Term Plan, or developed for the purpose of the Council's governance statement, including the 30-Year Infrastructure Strategy.
  - g) The power to adopt a remuneration and employment policy.
  - h) The power to approve or change the District Plan, or any part of that Plan, in accordance with the Resource Management Act 1991.
  - i) The power to approve or amend the Council's Standing Orders.
  - j) The power to approve or amend the Code of Conduct for Elected Members.
  - k) The power to appoint and discharge members of committees.
  - l) The power to establish a joint committee with another local authority or other public body.
  - m) The power to make the final decision on a recommendation from the Parliamentary Ombudsman, where it is proposed that Council not accept the recommendation.
  - n) The power to amend or replace the delegations in Council's *Delegations to Positions Policy*.
2. To exercise the following powers and responsibilities of Council, which the Council chooses to retain:
  - a) Resolutions required to be made by a local authority under the Local Electoral Act 2001, including the appointment of an electoral officer and reviewing representation arrangements.
  - b) Approval of any changes to Council's vision, and oversight of that vision by providing direction on strategic priorities and receiving regular reports on its overall achievement.
  - c) Approval of any changes to city boundaries under the Resource Management Act.
  - d) Adoption of governance level strategies plans and policies which advance Council's vision and strategic goals.



- e) Approval of the Triennial Agreement.
- f) Approval of the local governance statement required under the Local Government Act 2002.
- g) Approval of a proposal to the Remuneration Authority for the remuneration of Elected Members.
- h) Approval of any changes to the nature and delegations of the Committees.
- i) Approval of all Council and Committee Advisory Groups and their terms of reference.
- j) Appointments to, and removals from, CCO CCTO and CO boards;
- k) Approval of proposed major transactions or constitutional adjustments of CCOs, CCTOs and COs.
- l) Approval or otherwise of any proposal to establish, wind-up or dispose of any holding in, a CCO, CCTO or CO.
- m) Approval of city boundary changes, including in respect of Strategic Boundary Land Use Agreements.
- n) Approval Activity Management Plans.

**Oversight of Policies and Bylaws:**

- *Corporate Hospitality and Entertainment Policy*
- *Delegations to Positions Policy*
- *Elected Members Support Policy*
- *Significance and Engagement Policy*

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**1 Apologies – *Tono aroha***

**2 Confirmation of Agenda – *Whakatau raarangi take***

The Council to confirm the agenda.

**3 Declaration of Interest – *Tauaakii whaipanga***

Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as an elected representative and any private or other external interest they might have.

**4 Public Forum – *Aatea koorero***

As per Hamilton City Council's Standing Orders, a period of up to 30 minutes has been set aside for a public forum. Each speaker during the public forum section of this meeting may speak for five minutes or longer at the discretion of the Mayor.

Please note that the public forum is to be confined to those items falling within the terms of the reference of this meeting.

Speakers will be put on a Public Forum speaking list on a first come first served basis in the Council Chamber prior to the start of the Meeting. A member of the Governance Team will be available to co-ordinate this. As many speakers as possible will be heard within the allocated time.

If you have any questions regarding Public Forum please contact Governance by telephoning 07 838 6727.

# Council Report

Item 5

**Committee:** Council

**Date:** 12 August 2021

**Author:** Tyler Gaukrodger

**Authoriser:** Becca Brooke

**Position:** Governance Advisor

**Position:** Governance Manager

**Report Name:** Confirmation of the Council Open Minutes of 10 June 2021

<b>Report Status</b>	<i>Open</i>
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## Staff Recommendation - *Tuutohu-aa-kaimahi*

That the Council confirm the Open Minutes of the Council Meeting held on 10 June 2021 as a true and correct record.

## Attachments - *Ngaa taapirihanga*

Attachment 1 - Council Unconfirmed Open Minutes - 10 June 2021

## Council *Kaunihera* OPEN MINUTES

Minutes of a meeting of the Council held in Council Chamber, Municipal Building, Garden Place, Hamilton and via Audio Visual link on Thursday 10 June 2021 at 9.34am.

### PRESENT

<b>Chairperson</b>	Mayor P Southgate
<b><i>Heamana</i></b>	
<b>Deputy Chairperson</b>	Deputy Mayor G Taylor
<b><i>Heamana Tuarua</i></b>	
<b>Members</b>	Cr M Bunting Cr M Gallagher Cr R Hamilton Cr D Macpherson Cr K Naidoo-Rauf Cr R Pascoe Cr S Thomson Cr M van Oosten (audio visual link) Cr E Wilson

<b>In Attendance</b>	Richard Briggs – Chief Executive Lance Vervoort – General Manager Community David Bryant – General Manager People and Organisational Performance Blair Bowcott – General Manager Growth Sean Murray - General Manager Venues, Tourism and Major Events Andrew Parsons – Executive Director Strategic Infrastructure Tania Herman – Group Business Manager, Infrastructure Operations Luke O'Dwyer – City Planning Manager Michelle Hawthorne – Legal Services Manager Frances Cox-Wright – Policy and Bylaw Lead Stephen Halliwell – Water Reform Financial Advisor Grant Kettle - Planning Guidance Unit Manager Sandra Murray - Consultant
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<b>Governance Staff</b>	Becca Brooke – Governance Manager Amy Viggers – Governance Team Leader Tyler Gaukrodger – Governance Advisor
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*Tame Pokaia opened the meeting with karakia.*

### 1. **Apologies – Tono aroha**

**Resolved:** (Mayor Southgate/Deputy Mayor Taylor)

That the apologies for absence from Cr O'Leary, and for partial attendance from Crs Bunting and Naidoo-Rauf are accepted.

2. **Confirmation of Agenda – *Whakatau raarangi take***

**Resolved:** (Cr Wilson/Cr Thomson)

That the agenda is confirmed noting that:

- a) late item 15 (Submission to the Gambling Commission on the review of Charitable Trust License Conditions for Casinos) is accepted due to timing; and
- b) that the item C7 (Wairere Drive Speed Limit Reduction) Attachment 4 – WSP Intersection Investigation Report was updated after the agenda was circulated to update information that was omitted in error by staff, and that the item is to be taken at 2pm to accommodate guest speaker availability.

3. **Declarations of Interest – *Tauaakii whaipanga***

At the beginning of Item 12 (Chair's Report), Cr Wilson declared an conflict of interest in relation to the item and the recommendation concerning the change to the Elected Member Support Policy for work being undertaken by Elected Member Commissioners under the Resource Management Act. He did not take part in the discussion or vote on that portion of the matter.

During the discussion of Item C10 (Appointment to the Hamilton District Licensing Committee), Cr Wilson declared an conflict of interest. He did not take part in the discussion or vote on that portion of the item.

4. **Public Forum – *Aatea koorero***

No members of the public wished to speak.

5. **Confirmation of the Extraordinary Council Open Minutes of 23 April 2021**

**Resolved:** (Cr Hamilton/Cr Bunting)

That the Council confirm the Open Minutes of the Extraordinary Council Meeting held on 23 April 2021 as a true and correct record.

6. **Confirmation of the Council Open Minutes of 29 April 2021**

**Resolved:** (Cr Hamilton/Cr Bunting)

That the Council confirm the Open Minutes of the Council Meeting held on 29 April 2021 as a true and correct record.

7. **Confirmation of the Extraordinary Council Open Minutes of 30 April 2021**

**Resolved:** (Cr Hamilton/Cr Bunting)

That the Council confirm the Open Minutes of the Extraordinary Council Meeting held on 30 April 2021 as a true and correct record.

8. **Confirmation of the Extraordinary Council Open Minutes of 19 May 2021**

**Resolved:** (Cr Hamilton/Cr Bunting)

That the Council confirm the Open Minutes of the Extraordinary Council Meeting held on 19 May 2021 as a true and correct record.

9. **Confirmation of Elected Member Open Briefing Notes - 31 March 2021**

**Resolved:** (Cr Hamilton/Cr Bunting)

That the Council confirm the Open Briefing Notes of the Elected Member Briefing held on 31 March 2021 as a true and correct record.

**10. Confirmation of Elected Member Open Briefing Notes - 23 April 2021**

**Resolved:** (Cr Hamilton/Cr Bunting)

That the Council confirm the Open Briefing Notes of the Elected Member Briefing held on 23 April 2021 as a true and correct record.

**11. Confirmation of Elected Member Open Briefing Notes - 17 May 2021**

**Resolved:** (Cr Hamilton/Cr Bunting)

That the Council confirm the Open Briefing Notes of the Elected Member Briefing held on 17 May 2021 as a true and correct record.

At the beginning of Item 12 (Chair's Report), Cr Wilson declared an conflict of interest in relation to the item and the recommendation concerning the change to the Elected Member Support Policy for work being undertaken by Elected Member Commissioners under the Resource Management Act. He did not take part in the discussion or vote on that portion of the item.

**12. Chair's Report**

The Mayor outlined her proposed changes to the 2019-22 Governance Structure Terms of reference. Along with staff, she responded to questions from Elected Members concerning the appointment process and Elected Member Commissioners under the Resource Management Act.

**Staff Action:** *Staff undertook to inform Elected Members on the commissioner appointment process for RMA hearings.*

**Staff Action:** *Staff undertook to provide further information to Members regarding the Remuneration Authority guidance concerning hourly rates for qualified Elected Members who take on work as Commissioners under the Resource Management Act.*

**Resolved:** (Mayor Southgate/Deputy Mayor Taylor)

That the Council:

- a) receives the report;
- b) approves the following changes to the 2019-22 Governance Structure Terms of reference:
  - i. Cr Gallagher be appointed as Chair of the Environment Committee;
  - ii. Cr Wilson be appointed as Chair of the Hearings and Engagement Committee;
  - iii. Cr Gallagher be appointed as Deputy Chair of the Hearings and Engagement Committee;
  - iv. Cr Thomson be appointed as Deputy Chair of the Infrastructure Operations Committee on an interim basis;
  - v. Cr Naidoo-Rauf be appointed as a Hamilton City Council representative on the Hamilton City Council - Waikato Tainui Go-Governance Forum;
  - vi. Cr Wilson be appointed as the Hamilton City Council representative to the Te Huia Governance Forum; and
  - vii. Cr Naidoo-Rauf be appointed as the Council representative at the Welcoming Communities Programme community steering group; and

**Resolved:** (Mayor Southgate/Deputy Mayor Taylor)

That the Council approves the Elected Member Support Policy be updated to include reference that when qualified Elected Members take on work as Commissioners under the Resource Management Act at an hourly rate of \$80.00.

### 13. Delegations to Positions Policy update

The Policy and Bylaw Lead introduced the report and the proposed changes to the Delegations to Positions Policy.

**Resolved:** (Cr Bunting/Mayor Southgate)

That the Council:

- a) receives the report;
- b) notes that changes made to the *Delegations to Positions Policy* in April 2020 to enable an agile Covid-19 response require review by 30 June 2021, or they will automatically expire; and
- c) approves the proposed changes to the *Delegations to Positions Policy* (**Attachment 1** – clean copy; **Attachment 2** – tracked changes).

### 14. Three Waters Reform Update

The Executive Director Strategic Infrastructure outlined the staff report and introduced the Water Reform Financial Advisor. Staff responded to questions from Elected Members concerning the potential membership of a Waikato Bay of Plenty waters group, discussion that was undertaken with Central Governments, the timeline, potential future cost to Council, value of Council's water assets, Members opinion of a Governance Structure, cost to Council to participate in the reform and changes to the feedback to Local Government New Zealand on the Government's Three Waters Reform programme.

It was agreed that the below points be incorporated into the feedback to be sent to Local Government New Zealand on the Government's Three Waters Reform programme and that the feedback would be sent to other relevant organisation and members of Parliament.

- Asset value transfers and debt;
- including reference to regulatory regimes;
- Iwi and Te Mana o te Wai inclusion;
- reference to implications from other reform programmes; and
- additional Governance model certainty, which would need to include the voice of local Government.

**Resolved:** (Mayor Southgate/Cr Hamilton)

That the Council:

- a) receives the report;
- b) approves the appointment of Maangai Norm Hill to the Three Waters Reform Reference Group; and
- c) approves the feedback to Local Government New Zealand on the Government's Three Waters Reform programme (**attachment 5** of the staff report) subject to the incorporation of feedback received during the meeting.

**The meeting was adjourned 10.54am to 11.22am during the discussion of the above item.**

*Cr van Oosten retired from the meeting during the above adjournment.*

*Cr Naidoo-Rauf joined the meeting (11.25am) during the discussion of the above item. She was present when the matter was voted on.*



**15. Submission to the Gambling Commission on the review of Charitable Trust License Conditions for Casinos**

The Planning Guidance Unit Manager outlined the report, options available to the Council and the process that was followed by staff. Staff responded to questions from Elected Members concerning other Councils submissions, previous reviews undertaken on Casinos, use and definition of 'casino win', Council's sinking lid policy, the limitation to consult with partners due to the timeline. It was confirmed by staff that the submission would be circulated to relevant Members of Parliament as was standard practice.

**Resolved:** (Deputy Mayor Taylor/Cr Macpherson)

That the Council

- a) receives the report;
- b) approves **Draft 2** Hamilton City Council submission (**attachment 1** of the staff report) to the review of the charitable trust licence conditions attached to the venue licences for the Auckland, Hamilton, Christchurch, Dunedin, Queenstown and Wharf casinos be amended to include the below and to be sent to the Gambling Commission:
  - i. that the Council believes a review is timely, a nation-wide approach should be taken and that casinos should contribute a greater amount of their profit to the community;
  - ii. that Class 4 Gambling venues are required to return a minimum of 40% of net profits to the community as grants, but that HCC is not suggesting this specific % necessarily apply to Casinos; and
- c) notes that the approved submission will be uploaded to the Hamilton City Council website.

*Cr Bunting left the meeting (12.26pm) during the discussion of the above item. He was not present when the matter was voted on.*

**16. Recommendations from Open Committee Meetings**

**Financial Strategy Monitoring Report**

**Resolved:** (Cr Pascoe/Cr Mayor Southgate)

That the Council:

- a) approves the capital movement as identified in paragraph 22 of the 13 May 2021 Capital Portfolio Monitoring Report;
- b) approves the significant forecast adjustments as set out in paragraphs 19 and 20 of the staff report; and
- c) approves the revised Financial Strategy position for Debt to Revenue, Net Debt and Balancing the Books as set out in paragraphs 22 to 24 of the staff report.

**External Funding Applications Policy Review**

**Resolved:** (Cr Naidoo-Rauf/Mayor Southgate)

That the Council approves the revised External Funding Applications Policy.

**Te Waka Six-Monthly Update**

**Resolved:** (Cr Wilson/Cr Hamilton)

That the Council delegates the Chair of Economic Development Committee, Deputy Chair of Economic Development Committee, and the CE to work with staff to finalise and sign the 2021-2024 Partnership Agreement and 2021-2022 Service Level Agreement with Te Waka.

**New Licence - WEL Networks - Municipal Building****Resolved:** (Cr Wilson/Cr Hamilton)

That the Council approves a new licence for WEL Networks for a base radio station located on the roof of the Municipal Building, subject to the following terms and conditions:

- a) Term – 10 years, commencing 1 July 2021;
- b) Renewals – nil;
- c) Rental – Market, to be determined by a registered valuer; and
- d) Rent reviews – CPI annually, market review at 5 years.

**Policy Review - Appointment and Remuneration of Board Members of COs, CCOs and CCTOs****Resolved:** (Cr Wilson/Cr Hamilton)

That the Council approves the draft Appointment and Remuneration of Board Members of COs, CCOs and CCTOs Policy (**attachment 1** of the staff report).

**Hamilton Traffic Bylaw 2015 Review – Determination Report****Resolved:** (Cr Thomson/Cr Gallagher)

That the Council:

- a) approves Option 1 as outlined in the staff report, in that it determines that a Hamilton Traffic Bylaw is the most appropriate mechanism for addressing issues related to traffic management in Hamilton; and
- b) approves the review of the Hamilton Traffic Bylaw 2015, including the preparation of a Statement of Proposal and a revised draft Traffic Bylaw subject to a) above being approved by the Council.

**Trade Waste and Wastewater Bylaw 2016 Review – Determination Report****Resolved:** (Cr Thomson/Cr Gallagher)

That the Council:

- a) approves Option 1 as outlined in the staff report, in that it determines that a Hamilton Trade Waste and Wastewater Bylaw is the most appropriate mechanism for addressing issues relating to the management of trade waste and wastewater in Hamilton; and
- b) approves a review of the Hamilton Trade Waste and Wastewater Bylaw 2016, including the preparation of a Statement of Proposal and a revised draft Hamilton Trade Waste and Wastewater Bylaw subject to a) being approved by the Council.

**Trade Waste and Wastewater Bylaw 2016 Review – Determination Report****Resolved:** (Cr Thomson/Cr Gallagher)

That the Council:

- a) approves Option 1 as outlined in the staff report, in that it determines that a Hamilton Trade Waste and Wastewater Bylaw is the most appropriate mechanism for addressing issues relating to the management of trade waste and wastewater in Hamilton; and
- b) approves a review of the Hamilton Trade Waste and Wastewater Bylaw 2016, including the preparation of a Statement of Proposal and a revised draft Hamilton Trade Waste and Wastewater Bylaw subject to a) being approved by the Council.

**17. Resolution to Exclude the Public****Resolved:** (Cr Wilson/Mayor Southgate)**Section 48, Local Government Official Information and Meetings Act 1987**

The following motion is submitted for consideration:

That the public be excluded from the following parts of the proceedings of this meeting, namely consideration of the public excluded agenda.

The general subject of each 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 follows.

General subject of each matter to be considered	Reasons for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
C1. Confirmation of the Extraordinary Council Public Excluded Minutes of 23 April 2021	) Good reason to withhold information exists under Section 7 Local Government Official Information and Meetings Act 1987	Section 48(1)(a)
C2. Confirmation of the Council Public Excluded Minutes of 29 April 2021	)	
C3. Confirmation of the Extraordinary Council Public Excluded Minutes of 30 April 2021		
C4. Confirmation of Elected Member Public Excluded Briefing Notes - 23 April 2021		
C5. Confirmation of Elected Member Public Excluded Briefing Notes - 17 May 2021		
C6. Confirmation of Elected Member Public Excluded Briefing Notes - 26 May 2021		
C7. Wairere Drive Speed Limit Reduction		
C8. Rototuna Village Pool Agreements		
C9. Appointment of External Members to the Strategic Risk and Audit Committee		
C10. Appointment to the Hamilton District Licensing Committee		
C11. Hamilton Christian School Proposal		
C12. Peacocke Northern Sports Park		

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and Infrastructure Land  
Purchase

C13. Recommendations from Public  
Excluded Committee Meetings

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 public, as follows:

Item C1.	to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)
Item C2.	to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)
Item C3.	to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)
Item C4.	to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)
Item C5.	to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)
Item C6.	to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)
Item C7.	to maintain legal professional privilege	Section 7 (2) (g)
	to enable Council to carry out negotiations	Section 7 (2) (i)
Item C8.	to enable Council to carry out negotiations	Section 7 (2) (i)
Item C9.	to enable Council to carry out negotiations	Section 7 (2) (i)
Item C10.	to protect the privacy of natural persons	Section 7 (2) (a)
Item C11.	to enable Council to carry out negotiations	Section 7 (2) (i)
Item C12.	to enable Council to carry out negotiations	Section 7 (2) (i)
Item C13.	to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)

**The meeting moved into a public excluded session at 12.40pm**

**The meeting was declared closed at 5.18pm**

# Council Report

Item 6

**Committee:** Council  
**Author:** Tyler Gaukrodger  
**Position:** Governance Advisor  
**Report Name:** Confirmation of the Council (Long Term Plan 2021-31 Adoption) Open Minutes of 24 June 2021

**Date:** 12 August 2021  
**Authoriser:** Becca Brooke  
**Position:** Governance Manager

<b>Report Status</b>	<i>Open</i>
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## **Staff Recommendation - *Tuutohu-aa-kaimahi***

That the Council confirm the Open Minutes of the Council (Long Term Plan 2021-31 Adoption) Meeting held on 24 June 2021 as a true and correct record.

## **Attachments - *Ngaa taapirihanga***

Attachment 1 - Council (Long Term Plan 2021-31 Adoption) Unconfirmed Open Minutes - 24 June 2021

## Council *Kaunihera* OPEN MINUTES

Minutes of a meeting of the Council held in Council Chamber, Municipal Building, Garden Place, Hamilton and via Audio Visual link on Thursday 24 June 2021 at 9.33am.

### PRESENT

**Chairperson** Mayor P Southgate

*Heamana*

**Deputy Chairperson** Deputy Mayor G Taylor

*Heamana Tuarua*

### Members

Cr M Bunting

Cr M Gallagher

Cr R Hamilton

Cr D Macpherson

Cr K Naidoo-Rauf

Cr A O'Leary (exclusively via Audio Visual Link)

Cr R Pascoe

Cr S Thomson

Cr M van Oosten

Cr E Wilson

### In Attendance

Richard Briggs – Chief Executive

Sean Hickey – General Manager Strategy and Communication

David Bryant – General Manager People and Organisational Performance

Chris Allen - General Manager Development

Blair Bowcott – General Manager Growth

Eeva-Liisa Wright – General Manager Infrastructure Operations

Liz Tuck - Corporate Planning Manager

Tracey Musty - Financial Controller

Paul Gower - Programme Manager; Assets Strategy

Greg Carstens – Growth, Funding and Analytics Unit Manager

Tiki Mossop – Strategic Policy Analyst

Nathan Dalgety - Programme Manager; Analytics

Katy Nudd - Business Planning Analyst

Cerice DeLacy - Project and Performance Co-ordinator

Matthew Bell - Financial Support Services Manager

Andrew Judson - Rates Coordinator

Lachlan Muldowney - Hamilton City Council Lawyer

### Governance Staff

Becca Brooke – Governance Manager

Amy Viggers – Governance Team Leader

Tyler Gaukrodger – Governance Advisor

*The meeting was opened with a karakia from Cr Hamilton.*

1. **Apologies – *Tono aroha***  
There were no apologies.

2. **Confirmation of Agenda – *Whakatau raarangi take***  
**Resolved:** (Mayor Southgate/Cr Wilson)

That the agenda is confirmed noting that:

- a) late item 12 (2021 LGNZ Remits for Consideration) is accepted. This has been circulated as a late report due to staff receiving the remit information after the agenda was circulated; and
- b) that the following appendix items were circulated to Elected Members prior to the meeting and are available on the Hamilton City Council website as [supplementary material here](#):
  - i. **Appendix 1:** Amended 2021-31 Long Term Plan;
  - ii. **Appendix 2:** List of changes to the Long Term Plan Document post agenda release;
  - iii. **Appendix 3:** Amended 2021-22 Draft Development Contributions Policy;
  - iv. **Appendix 4:** Amended 2021-22 Draft Development Contribution Policy – Track Changes;
  - v. **Appendix 5:** Recommendation to Council from 22 June 2021 Community Committee Meeting

3. **Declarations of Interest – *Tauaakii whaipaaanga***  
No members of the Council declared a Conflict of Interest.

4. **Public Forum – *Aatea koorero***  
No members of the public wished to speak.

5. **Confirmation of the Council (Long Term Plan Deliberations) Open Minutes of 4-6 May 2021**

**Resolved:** (Cr Wilson/Cr Macpherson)

That the Council confirm the Open Minutes of the Council (Long Term Plan Deliberations) Meeting held on 4-6 May 2021 as a true and correct record.

6. **Chair's Report**

The Mayor took her report as read.

**Resolved:** (Cr Wilson/Cr Macpherson)

That the Council receives the report.

7. **Development Contributions Policy 2021/22**

The report was taken as read. Lachlan Muldowney Hamilton City Council Lawyer, provided a updated on the Development Contributions judicial review case.

**Resolved:** (Deputy Mayor Taylor/Cr Macpherson)

That the Council approves the draft Development Contributions Policy 2021/22 (appendix 3 of the minutes), to be operative from 1 July 2021.

8. **Growth Funding Policy 2021**

The report was taken as read.

**Resolved:** (Cr Bunting/Cr Macpherson)

That the Council approves the revised Growth Funding Policy 2021 (**Attachment 1** of the staff report), to be operative from 1 July 2021.

## 9. Adoption of the 2021-31 Long Term Plan 24 June 2021

The General Manager Strategy and Communication took the report as read and thanked Elected Members and staff for the work undertaken throughout the Long Term Plan process.

Clarence Susan, Audit New Zealand, responded to questions from Elected Members concerning the Audio opinion specifically the matters of emphasis.

**Resolved:** (Mayor Southgate/Deputy Mayor Taylor)

That the Council:

- a) receives the report;
- b) adopts the following policies:
  - (i) Revenue and financing policy (**attachment 3 of the staff report**);
  - (ii) Rating policy (**attachment 4 of the staff report**);
  - (iii) Remissions and postponements policy (**attachment 5 of the staff report**);
  - (iv) Funding needs analysis (**attachment 6 of the staff report**); and
- c) adopts the 2021-31 Long-Term Plan – volumes 1 and 2 (**appendix 1 of the minutes and attachment 2 of the staff report**).

## 10. Rates Resolution to Set and Assess Rates for 2021/22

The Financial Support Services Manager and Rates Coordinator took the report as read and responded to questions from Elected Members concerning the layout of the rates invoice.

**Resolved:** (Cr Wilson/Cr Macpherson)

That the Council:

- a) receives the report; and
- b) approves to set and assesses the rates for the 2021/22 financial year (1 July 2021 to 30 June 2022) in accordance with the **Rates Resolution for the 2021/22 Financial Year** (as required by the Local Government (Rating) Act 2002) as set out in paragraphs 7 – 61 below; and
- c) approves to state the due dates for payments and authorises penalties to be added to unpaid rates, as set out in paragraphs 57 – 61 below.

### General Rate

- 7. A general rate is set and assessed on the capital value of all rateable land in Hamilton.
- 8. General rates are set on a differential basis. The rating categories are defined in the Funding Impact Statement.
- 9. The differential bases are:
  - the use to which the land is put; and
  - the provision or availability to the land of a service provided; and
  - the activities that are permitted, controlled, or discretionary for the area in which the land is situated, and the rules to which the land is subject under the operative district plan; and
  - the location of the land
- 10. This rate covers all of the services of Council.



11. The total revenue sought through the general rate is \$204,952,463.
12. The general rate is set and assessed on a differential basis as follows:

SOURCE	DIFFERENTIAL CATEGORIES	DIFFERENTIAL FACTOR	PERCENTAGE OF TOTAL GENERAL RATES	RATE IN THE DOLLAR OF CAPITAL VALUE (GST INCL)	RATES REVENUE (GST INCL)
General Rate	Commercial	2.6473	34.03%	0.00947723	\$ 69,757,651
	BID Commercial	2.5149	7.07%	0.00900337	\$ 14,488,969
	Other	0.7400	1.40%	0.00264921	\$ 2,865,041
	Residential	1.0000	57.50%	0.00358001	\$ 117,840,802

13. Land described in Part 2 Schedule 1 of the Local Government (Rating) Act 2002 (broadly speaking, land owned or used by societies for arts or sports) will be assessed at 50% of the residential rate (General rate, UAGC and Government Compliance rate) that applies to the land. This general rate revenue is included within the Residential category shown in the table above and within the targeted rates revenue where applicable.

#### UNIFORM ANNUAL GENERAL CHARGE

14. A Uniform Annual General Charge (UAGC) of \$584 per Separately Used or Inhabited Part of a Rating Unit (SUIP) is set and assessed on all rateable land in Hamilton.
15. We have determined the level of UAGC in order to distribute the allocation of the general rate at an appropriate level among all ratepayers.
16. The total revenue sought from the UAGC is \$40,296,000.

#### TARGETED RATES

##### 17. Government Compliance Rate

18. This rate is set and assessed on the capital value of all rateable land in the city.
19. This rate is set on a differential basis on the categories of land identified below. The differential bases are the use to which the land is put, the provision or availability to the land of a service provided, the activities permitted, controlled, or discretionary for the area in which the land is situated and the rules to which the land is subject under the operative district plan, and in the case of the BID Commercial differential, the location of the land.
20. This rate provides funding to the Wastewater Treatment and Disposal, Wastewater Collection, Water Treatment and Storage, Water Distribution, Stormwater Network, and City Planning activities.
21. The total revenue sought is \$11,104,400.

22. This rate is set and assessed on a differential basis as follows:

SOURCE	DIFFERENTIAL CATEGORIES	DIFFERENTIAL FACTOR	PERCENTAGE OF TOTAL GOVERNMENT COMPLIANCE RATES	RATE IN THE DOLLAR OF CAPITAL VALUE (GST INCL)	RATES REVENUE (GST INCL)
Government compliance rate	Commercial	2.6473	34.03%	0.00051347	\$3,779,495
	BID Commercial	2.5149	7.07%	0.00048779	\$785,018
	Other	0.7400	1.40%	0.00014353	\$155,229
	Residential	1.0000	57.50%	0.00019396	\$6,384,658

23. Land described in Part 2 Schedule 1 of the Local Government (Rating) Act 2002 (broadly speaking, land owned or used by societies for arts or sports) will be assessed at 50% of the residential rate that applies to the land. This Government compliance rate revenue for these rating units is included within the Residential category shown in the table above.

24. Metered Water Rate

25. The rate is set and assessed for metered and restricted flow water supply on a differential basis to all metered rating units (as defined by Hamilton City Council's Water Supply Bylaw 2013).

26. The rate is:

- i. a fixed amount based on the nature of the connection as follows:
  - \$444.00 for all metered rating units (except those receiving a restricted flow supply);
  - \$360.00 for those rating units receiving a restricted flow supply.
- ii. a charge per unit of water consumed or supplied on every metered connection in accordance with the following scale:
  - All metered rating units (except those receiving a restricted supply) - \$1.85 per kilolitre of water supplied after the first 60 kilolitres of consumption or supply per quarter;
  - those rating units receiving a restricted flow supply - \$1.50 per kilolitre of water supplied after the first 60 kilolitres of consumption or supply per quarter.

27. The rates contribute to the funding of the Water Distribution and Water Treatment and Storage activities.

28. The total revenue sought is \$9,644,774.

29. Commercial and Other Category Non-Metered Water Rate

30. The rate is set and assessed on non-metered Commercial and Other category properties which are connected to the water network, but not provided with a metered connection. The rate is \$444.00 per rating unit.

31. The rates contribute to the funding of the Water Distribution and Water Treatment and Storage activities.

32. The total revenue sought is \$266,260.

### 33. Business Improvement District (BID) Rates

34. This rate is set and assessed on all rating units defined within the BID Commercial general rate category and comprises both a fixed amount per SUIP and a rate in the dollar based on the capital value.
35. The Business Improvement District (BID) and Central City rating areas map is shown in Schedule 1 of the Rating Policy. The components of this rate are:
  - i. BID fixed rate: a fixed amount of \$240 per SUIP of a commercial rating unit within the defined area; and
  - ii. BID capital value rate: a rate per dollar of capital value required to meet the total revenue, after allowing for the total revenue raised by the BID fixed rate. The rate is \$0.00002602 per dollar of capital value.
36. The rate provides funding to the City Planning activity.
37. The total revenue sought is \$356,528.

### 38. Central City Rate

39. The rate is set on all rating units defined within the BID Commercial general rate category and is set as a fixed amount per SUIP.
40. The Business Improvement District (BID) and Central City rating areas map is shown in Schedule 1 of the Rating Policy.
41. The rate is a fixed amount of \$127 per SUIP.
42. The rate provides funding to the Transportation Network activity.
43. The total revenue sought is \$166,750.

### 44. Service Use Water Rate

45. The rate is set and assessed on properties defined as Service Use Category (see Funding Impact Statement) and which are connected to our water network but are not provided with a metered connection.
46. The rate is a fixed amount of \$444.00 per SUIP.
47. The rate provides funding towards the Water Distribution and Water Treatment and Storage activities.
48. The total revenue sought is \$59,940.

### Service Use Refuse Rate

49. The rate is set and assessed on properties defined as Service Use Category (see Funding Impact Statement) and which are provided with refuse collection service.
50. The rate is a fixed amount of \$178 per SUIP.
51. The rate provides funding towards the Refuse Collection activity.
52. The total revenue sought is \$25,454.

### 53. Service Use Wastewater Rate

54. The rate is set and assessed on properties defined as Service Use Category (see Funding Impact Statement) and which are connected to the wastewater network. This rate comprises two components. These are:
  - i. a rate per dollar of land value set at \$0.00126242; and
  - ii. a rate per dollar of capital value set at \$0.00036402.

55. The rate provides funding towards the Wastewater Collection and Wastewater Treatment and Disposal activities.

56. The total revenue sought is \$1,546,198.

#### **DUE DATES FOR PAYMENT OF RATES**

57. Rates (other than for metered water) are payable in four equal instalments.

58. The due dates for rates for the period 1 July 2021 to 30 June 2022 are as follows:

Instalment 1	Instalment 2	Instalment 3	Instalment 4
<b>26 August 2021</b>	25 November 2021	24 February 2022	26 May 2022

#### **59. DUE DATES FOR PAYMENT OF METERED WATER RATES**

60. The due dates for metered water rates for the period 1 July 2021 to 30 June 2022 are as follows:

Month of Invoice	Invoice Due Date	Month of Invoice	Invoice Due Date
July 2021	20 August 2021	<b>January 2022</b>	20 February 2022
August 2021	20 September 2021	<b>February 2022</b>	20 March 2022
September 2021	20 October 2021	<b>March 2022</b>	20 April 2022
October 2021	20 November 2021	<b>April 2022</b>	20 May 2022
November 2021	20 December 2021	<b>May 2022</b>	20 June 2022
December 2021	20 January 2022	<b>June 2022</b>	20 July 2022

#### **PENALTIES**

61. Pursuant to Section 57 and 58 of the Local Government (Rating) Act 2002, the Council authorises the following penalties:

- a) A penalty of 10% of the amount due and unpaid on the due date to be added on the day after the due date.

The dates on which penalties will be added are 27 August 2021, 26 November 2021, 25 February 2022 and 27 May 2022.

- b) A penalty of 10% of the amount of any rates assessed in any previous year which remain unpaid on 1 July 2021 to be added on 2 July 2021.
- c) A penalty of 10% of the amount of any rates assessed in any previous year for which a penalty has been added under paragraph (b) and which remain unpaid on 1 January 2022 to be added on 2 January 2022.
- d) A penalty of 10% of the amount unpaid for water-by-meter rates charged to be added on the day after the due date.
- e) These dates are 21 August 2021, 21 September 2021, 21 October 2021, 21 November 2021, 21 December 2021, 21 January 2022, 21 February 2022, 21 March 2022, 21 April 2022, 21 May 2022 and 21 June 2022.

#### **END OF RATE RESOLUTION**

## 11. Recommendations from Open Committee Meetings

### Community Assistance Policy Allocation Process Review 2021

**Resolved:** (Cr Bunting/Cr Macpherson)

That the Council approves the revised Community Assistance Policy (**Appendix 5**), with an amendment to the policy that the allocation sub-committee comprises of 5 Community Committee Members including at least 1 Maangai Maaori, that make recommendations to the Community Committee for final decision on allocation of funds.

### General Managers Report

**Resolved:** (Cr Bunting/Cr Macpherson)

That the Council approves the draft Terms of Reference for the Community Grants Allocation Sub-Committee (**Appendix 5**) with 5 Community Committee Members including at least 1 Maangai Maaori making up the membership of the Sub-Committee, noting that the Chair and the Deputy Chair will be the 2 permanent Members.

## 12. 2021 LGNZ Remits for Consideration

The report was taken as read.

**Resolved:** (Cr Hamilton/Cr Macpherson)

That the Council notes that the Council has indicated to support the Tree Protection remit, to be voted on by the presiding HCC Delegate at the 2021 Local Government NZ AGM, and that the presiding delegate may duly take into consideration additional information received on the day to inform the final vote on behalf of the Council.

**Cr Pascoe Dissenting.**

**Resolved:** (Cr Hamilton/Cr Macpherson)

That the Council:

- a) receives the report; and
- b) notes that the Council has indicated to support the following remits, to be voted on by the presiding HCC Delegate at the 2021 Local Government NZ AGM, and that the presiding delegate may duly take into consideration additional information received on the day to inform the final vote on behalf of the Council:
  - i. Rating Value of Forestry Land;
  - ii. Funding of Civics Education;
  - iii. Election Participation;
  - iv. Carbon emission inventory standards and reduction targets;
  - v. WINZ Accommodation Supplement; and Liability – Building Consent Functions.

**The meeting was declared closed at 10.27am**

# Council Report

Item 7

**Committee:** Council

**Date:** 12 August 2021

**Author:** Tyler Gaukrodger

**Authoriser:** Becca Brooke

**Position:** Governance Advisor

**Position:** Governance Manager

**Report Name:** Confirmation of the Extraordinary Council Open Minutes of 12 July 2021

<b>Report Status</b>	<i>Open</i>
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## **Staff Recommendation - *Tuutohu-aa-kaimahi***

That the Council confirm the Open Minutes of the Extraordinary Council Meeting held on 12 July 2021 as a true and correct record.

## **Attachments - *Ngaa taapirihanga***

Attachment 1 - Extraordinary Council Unconfirmed Open Minutes - 12 July 2021

## Extraordinary Council

### *Kaunihera*

### OPEN MINUTES

Minutes of a meeting of the Council held in Council Chamber, Municipal Building, Garden Place, Hamilton and via Audio Visual link on Monday 12 July 2021 at 1.08pm.

#### PRESENT

**Chairperson** Mayor P Southgate

*Heamana*

**Deputy Chairperson** Deputy Mayor G Taylor

*Heamana Tuarua*

#### Members

Cr M Bunting

Cr M Gallagher (exclusively via Audio Visual Link)

Cr R Hamilton

Cr D Macpherson (exclusively via Audio Visual Link)

Cr K Naidoo-Rauf (exclusively via Audio Visual Link)

Cr A O'Leary

Cr R Pascoe

Cr S Thomson

Cr M van Oosten

Cr E Wilson

#### In Attendance

Richard Briggs – Chief Executive

Eeva-Liisa Wright – General Manager Infrastructure Operations

David Bryant – General Manager People and Organisational Performance

Rebecca Whitehead - Unit Director Business and Planning

Michelle Hawthorne - Legal Services Manager

James Clarke – Director of the Mayor's Office

Louise Lukin – Director of the Chief Executive's Office

Jason Harrison - Unit Manager, City Transportation

#### Governance Staff

Amy Viggers – Governance Team Leader

Tyler Gaukrodger – Governance Advisor

Mel Hill - Governance and Elected Member Support Coordinator

*The meeting was opened with Karakia by Tame Pokaia*

- 1. Apologies – Tono aroha**  
There were no apologies.

2. **Confirmation of Agenda – *Whakatau raarangi take***

**Resolved:** (Mayor Southgate/Deputy Mayor Taylor)

That the agenda is confirmed noting that late item 5 (Chair's Report) is accepted. This was circulated as a late item as soon as possible following the calling of this extraordinary Council meeting.

**Those for the Motion:**

Mayor Southgate, Deputy Mayor Taylor, Councillors Pascoe, Hamilton, Naidoo-Rauf and Wilson.

**Those against the Motion:**

Councillors Gallagher, O'Leary, Macpherson, Bunting, van Oosten and Thomson.

**The Motion was declared equal.**

**The Chair exercised her casting vote and the Motion was declared CARRIED.**

3. **Declarations of Interest – *Tauaakii whaipaaanga***

No members of the Council declared a Conflict of Interest.

4. **Public Forum – *Aatea korero***

**Vanessa Williams** and **Mike Neale** (HCBA) spoke to item 5 (Chair's Report) requesting that Ward street be returned to its original format due to concerns regarding health and safety, access, confusion, and impact on businesses.

**Phil Evans** spoke to item 5 (Chair's Report) in support of parking on one side of the road and bike pathways. He noted that safety for cyclists was a key consideration for his support.

**Maurice Flynn** spoke to item 5 (Chair's Report) noting the opportunities for the city, the collaborative approach and universal design. She noted the design is not perfect, but the process was inclusive of positive infrastructure going forward such as seating, wider footpaths, parallel parking, pedestrian crossing, bike lanes and colour for the purposes of the visually impaired.

**Judy McDonald** spoke to item 5 (Chair's Report) in support of option 4 and thanked staff and Councillors for the process followed, and noted the positive impact on Hamiltonians from such a change. She provided written material to Elected Members, which has been attached to these minutes as **appendix 1**.

**Jeremy Mayall** (Creative Waikato) spoke to item 5 (Chair's Report) in support of the activation events that occurred during the trial and use of public art on the streets and how it connects with the vision of Hamilton.

**Russelle Knaap** (Hamilton Residents and Ratepayers) spoke to item 5 (Chair's Report) and raised concerns regarding the process that was followed. She provided written material to Elected Members, which has been attached to these minutes as **appendix 1**.

**Shepherd Isaac** spoke to item 5 (Chair's Report) in support of the bike path along Ward street. He requested that the cycle lane remain available for users.

**Warwick Marshall** spoke to item 5 (Chair's Report) in support of the bike path along Ward street and expressed concerns that there was too much visual components that make it difficult for drivers to focus. He suggested the removal of the plants and some of the colours to decrease distraction for drivers and increase visibility.



**Kat Waswo** spoke to item 5 (Chair's Report) in support of the innovating street trial noting the positive impact on accessibility created by the trial, and the link of the trial to the outcomes of the Long Term Plan.

**Mark McCabe** spoke to item 5 (Chair's Report) in relation to the consultation and feedback process, the design impact on congestion, and health and safety risks. He suggested that the road be returned to its pre-trial design.

**Richard Porter** (Bike Waikato) spoke to item 5 (Chair's Report) noting that communication during the process is a key learning from the trial. He spoke to the co-design workshops process, new users in the area, feedback, next steps and vision zero.

**Sara Lemme** spoke to item 5 (Chair's Report) noting the future design of the street and the effect on businesses in the area. She spoke in support of the continuation of the bike lanes, street furniture, allowing for change, Declarations of interest and predetermination.

**Keith and Claudine Johnstone** (Kid Republic) spoke to item 5 (Chair's Report) and the effect that the trail has had on their business. They spoke to feedback that they had received concerning parking, visual, and congestions and their support of option A.

**Joe Hsueh** spoke to item 5 (Chair's Report) noting that the trail was a dramatic change to the area, as there had been no change in the last 14 years. He also noted the positive impact made to his business.

**Karlene Verryt and Lale (HGHS)** spoke to item 5 (Chair's Report), noting safety concerns for pedestrians in the area and the co-design workshops process.

**Kelli Pike (GoEco)** spoke to item 5 (Chair's Report) in support of modal shift to reduce the impact of climate change. She suggested an improved design for separate bike pathways, the reintroduction of some parking, and the requirement for compromise from all involved parties.

**Robin McIntyre** spoke to item 5 (Chair's Report) and noted her concerns that the success of the project was impacted by media attention prior to the beginning of the trial and opposition feedback.

**Sonya Ann Cameron** spoke to item 5 (Chair's Report) as a regular cyclist and noted the benefit of additional cycleways.

**Matthew Beveridge** spoke to item 5 (Chair's Report) and noted his concerns that a decision was being made prior to results of the trial data being collated by staff.

**Matt Stark** spoke to item 5 (Chair's Report) and noted his concerns regarding the location of the trail cycleways and the negative publicity of the trial disadvantaging future mode shift projects.

Rebekah Graham, Vanessa Nicholls, Kat Waswo, Lia Bell, Ivan Bell, Gerard Classens, Lloyd Morris, Peter H Bos, Tracey May, Hannah Palmer, Stuart Anderson, Nick Johnston and Kathryn King (Waka Kotahi) and provided written submissions to Item 5 (Chair's Report) that were circulated prior to the meeting and are attached to these minutes as **appendix 1**.

## 5. Chair's Report

The Mayor introduced her report and staff spoke to the information provided to Members to date. Along with staff, the Mayor responded to questions from Elected Members concerning the innovating streets decision making and consultation process, the original timeline, cost to return the footpath to its original format, forms of feedback received, types of traffic data to be received, stakeholders involved, the communication plan and learnings, options, and next steps.

**Motion:** (Deputy Mayor Taylor/Mayor Southgate)

That the Council:

- a) receives the report;
- b) approves Ward St be reverted to its pre-Innovating Streets trial layout, but a pedestrian crossing be kept on the street, at a yet to determined location; and
- c) notes that this decision does not rescind the previous decisions made in relation to the Hamilton Kirikiriroa Innovating Streets – Ward Street project.

**Amendment:** (Cr O'Leary/Cr Thomson)

That the Council:

- a) receives the report;
- b) approves the functional elements of the Hamilton Kirikiriroa Innovating Streets – Ward Street project trial remain in place under temporary traffic management;
- c) approves staff to undertake by 31 July 2021, in consultation with the relevant stakeholders, removal or adaption of the furniture, planters, colour, and asphalt artwork where suitable to achieve a tidier and more legible street appearance;
- d) requests staff present a report to the Infrastructure Operations Committee on 17 August 2021 with a full analysis of the data and feedback collected from the trial and concept options to consider for the interim treatment of Ward Street;
- e) confirms that subject to (b) and (c) above the Infrastructure Operations Committee continue with its decision making regarding Innovating Streets projects in accordance with their Terms of Reference; and
- f) notes that this decision does not rescind the previous decisions made in relation to the Hamilton Kirikiriroa Innovating Streets – Ward Street project.

**The Amendment was put.**

**Those for the Amendment:**

Councillors Gallagher, O'Leary,  
Macpherson, van Oosten and Thomson.

**Those against the Amendment:**

Mayor Southgate, Deputy Mayor Taylor  
Councillors Pascoe, Bunting, Hamilton,  
Naidoo-Rauf and Wilson.

**The Amendment was declared LOST.**

**Foreshadowed Amendment:** (Cr Wilson/Cr Gallagher)

That the Council:

- a) receives the report;
- b) approves Ward St be reverted to its pre-Innovating Streets trial layout, with the exception of the pedestrian crossing, the reduced speed limit (30km) and the cycleways; and
- c) notes that this decision does not rescind the previous decisions made in relation to the Hamilton Kirikiriroa Innovating Streets – Ward Street project.

**The Foreshadowed Amendment was then put.**

**Those for the Foreshadowed Amendment:**

Mayor Southgate, Councillors Gallagher, O'Leary, Macpherson, Bunting, , van Oosten, Thomson and Wilson.

**Those against the Foreshadowed Amendment:**

Deputy Mayor Taylor, Councillors Pascoe, Hamilton and Naidoo-Rauf.

**The Foreshadowed Amendment was declared CARRIED.**

**The Foreshadowed Amendment as the Substantive Motion was then put and declared CARRIED.**

**Resolved:** (Cr Wilson/Cr Gallagher)

That the Council:

- a) receives the report;
- b) approves Ward St be reverted to its pre-Innovating Streets trial layout, with the exception of a pedestrian crossing, the reduced speed limit (30km) and the cycleways; and
- c) notes that this decision does not rescind the previous decisions made in relation to the Hamilton Kirikiriroa Innovating Streets – Ward Street project.

**Deputy Mayor Taylor, Cr Pascoe and Cr Naidoo-Rauf Dissenting.**

**The meeting was adjourned 3.20pm to 3.42pm during the discussion of the above item.**

**The meeting was declared closed at 5.16pm**

Rebekah Graham Written Submission:

While initially the change was a little confusing and signage was limited/non-existent, in terms of use (Ward St), feedback from parents in our organisation was that the trial slowed down cars and drivers, provided additional safe crossing points, and that the reduction in numbers of cars and their speed made walking in the area more pleasant.

Our organisation would support an interim solution that kept the zebra crossing, that kept the cycle lanes, and had parking. There was a very strong appreciation for slower traffic where drivers were more aware of their surroundings and not simply "zooming through" Ward St.

One parent commented that they spent more time on Ward St and visited a business (the Korean restaurant/takeout) to purchase lunch, which they otherwise would not have done - this parent usually prefers to stop in their outlying suburb rather than walk through the traffic of town.

It is disappointing for parents that car drivers - who already have so much space in the city and who already have many many roads to drive on - have been so unkind about carving out a slower, more-pedestrian oriented space.

On a more personal note - this trial disrupted the status quo and I think that has been at the core of so much of the resistance to change. It's been a bit of a signal to drivers that their dominance of city spaces is being challenged - and they don't like it!

All the best to you and the other Councillors as you navigate these complexities on Monday. I know that car drivers are the loudest voice in the room, and that the Council has been working to ensure all groups have a say.

Thanks again,  
Rebekah Graham  
on behalf of Parents of Vision Impaired (NZ) Inc

Vanessa Nicholls Written Submission:

Hi

I work in a building on Ward Street so have been affected by the trial. Its made me want to avoid town / working in the office more than anything else.

If I had a say I would like to see Option 2, keep the zebra crossing as that is long overdue but put the street back to how it was.

The paint is looking dirty and unloved in just a few weeks.

Due to work I will not be able to attend. But that is the option I would prefer

Thanks

Vanessa Nicholls

Kat Waswo Written Submission:

**Kat Waswo**  
Candidate for Hamilton East By-Election  
84 Flynn Road, Hillcrest 3216

Thu 8 July 2021

Hamilton City Council  
260 Anglesea Street  
Council Building  
Hamilton 3240

**Re: Innovating Streets outcome for Ward Street - Extraordinary Council Meeting Mon 12 July 2021**

To the Mayor, Deputy Mayor and Councillors of Hamilton,

Upon hearing the news about this special council meeting, I would like to take the opportunity to submit my concerns regarding the outcome of the Innovating Streets trials in Hamilton (aka the Hamilton Kirikiriroa Innovating Streets project).

My main concern around the outcome for Ward Street is that the city's leaders seem to only be listening to a few voices of local business owners, and I would like to ask the council: Who are you representing? The voices of a few business owners, or the voices of the many citizens who use our central streets regularly?

According to the council's own estimation on the Innovating Streets webpage, 6000 people use Ward Street daily. Considering this street section is right next to Hamilton Girls High School, the Western Rail Trail cycle road, Wintec and the Waikato Regional Council (ie. two of Hamilton's biggest employers), a central shopping mall and central transport center, not to mention the nearby Hamilton City Council - I hope that the councillors are considering the thoughts and feedback from the people who use this area frequently. Surely the feedback from this area's most frequent users should take the highest precedence, rather than the negative opinions of a few business owners and car owners.

Being a private business owner is a calculated financial risk. It was the choice of these business owners to set-up-shop on a busy, central 'people' street - and the main part of business ownership is managing risk: being adaptable to change, and reappropriating their business model to fit these changes or to ensure a future-proofed business plan. These risk management considerations are standard business practice.

People who use the streets, people walking or people cycling should not be at risk. Prior to Innovating Streets, using Ward Street was a huge health and safety risk to the people using the street by foot, wheelchair, scooter or bike. The lack of safe road crossings, and the amount of busy driveways and carparks in this area created a hugely dangerous street environment. I

myself have experienced a few near-misses using Ward Street over the years, both in my car and on foot. If the option is chosen to remove the massively-used pedestrian crossing in the centre of Ward Street - the council is telling the disabled, the injured, the elderly, the parents of young children and the 1000's of students who cross this street every day, that their accessibility and safety needs are not worthwhile.

So I would like to ask the council - which risks are you willing to protect? The calculated financial risk of a few private business owners, or the risk of death or injury of the thousands of citizens and visitors who use Ward Street every day?

Secondly, I would like to ask the council - what will be happening with the monitoring data and feedback that was collected until Sunday 11 July? Considering there is 12 weeks of data to compile and analyse, the outcome of this trial has not been fairly considered or studied prior to this decision making process.

This project was 90% funded by Waka Kotahi, on the condition that the council would carefully consider the trial's feedback and monitoring data to influence their decision making on the permanent designs of the streets. The fact that Rostrevor Street was reopened immediately after the trial is a fine example of the council listening to the few. Traffic congestion and travel times were minimally increased ([according to HCC Innovating Streets newsletter on 18 May](#)), but drivers eventually adapted and for the first time Hamilton got to experience life with a 'central park' which connects the western neighbourhoods to the city.

I am concerned that some council members have interfered with the outcome of this trial. By publicly stating their concerns for business owners and car parking issues, they have swayed the public's opinion by misinterpreting the goals of this Waka Kotahi funded initiative. These street layouts went through a robust co-design process with key community stakeholders and was driven to meet the following outcomes:

1. Make a street environment safer and nicer for people - i.e. less car dominated than before
2. Use a new approach instead of councils' normal processes for changing streets

I am also concerned that HCC's ability to secure future funding opportunities from Waka Kotahi has potentially been hampered due to the unfair interference with this trial, and the mishandling of the trial's external communications and civic-leader-influenced narratives.

The lack of signage and communications around the sudden changes which have happened on both streets was a seriously dangerous move, with no traffic management signage to indicate changes to road layout or official Innovating Streets signage to communicate any changes. I have directly heard from a citizen who was nearly hit by a car on Monday 5 July as they were unaware of the changes to Rostrevor St. With a health condition which hampers his physical



abilities, and the addition of low visibility in the fog he was shocked to find out the road layout had changed whilst facing the danger of an oncoming vehicle.

This decision to reopen Rostrevor Street was based on the demands from the present - not the needs of our city's future. This decision was influenced by users of private transport - something that the entire Waka Kotahi Innovating Streets initiative is trying to move away from.

The purpose is to open up conversations and create new experiences around the current state of transport issues and to start thinking towards the future - a future that serves the many, not the few. A carbon neutral future. A future with accessible transportation options. A future that moves away from car domination and car parking convenience. A future that puts people first - not vehicles.

Lastly, I would like to ask the council: Will their decision on Ward Street reflect the outcomes of the Long Term Plan? Considering the biggest chunk of the LTP's financial pie is dedicated to future-proofing Hamilton's transport networks, and fulfilling the goals of the Biking and Micro-Mobility plan - then, why is the focus around Ward Street all about businesses and car parking?

Also considering the upcoming Tūāpapa Development (opposite WRC) over the coming years - the council has noted that they will be upgrading Ward Street's footpaths and cycle lanes to 'compliment' this development around 2022/2023. A development which will be holding MORE businesses and MORE residential dwellings.

Will there be off-street car parking available at this new building development? Or will more business owners and local car users be expecting the convenience of on-street car parks right outside?

The main focus of the Innovating Streets outcomes should stay on the safety and wellbeing of the people. The 6000 people who use this street every day. The thousands of citizens who live, work and study in our most central areas. These numbers are only going to grow. And quickly.

So for my final question, I would like to ask the council: If business owners and councillors can interfere with road safety layouts and public spaces, then what does that say about our local democracy? Do local businesses now own our streets and public spaces? Are councillors and internal council processes so easily swayed by business owners and building developers, that they're willing to endanger people's lives?

I sure hope the Mayor, Deputy Mayor and Councillors can answer these questions for me and for the people of Hamilton.

Personally, my kids and I have adored the Innovating Streets trial in Hamilton. Activating these spaces with colours, public events and people has been a huge highlight for us during these



colder months, and I feel deeply grateful that we have witnessed and experienced this small pocket of opportunity.

Te Ruru Light Festival on Rostrevor street was an amazing example of how Hamilton could grow our western green belt into a big-city 'central park'. The events on Ward Street have given me a sense of belonging as a creative person, having a comfortable space to linger and enjoy free cultural activities in the central spaces of our growing city has been a wonderful glimpse into the future of what Hamilton's public spaces could look - and feel - like, in the decades to come.

The future is not for cars. The future is for people. If we want more people using our city centre, then we need to listen to the people who frequent the city. We need to shift the focus onto the wellbeing of our citizens.

Thank you for considering my submission on Hamilton Kirikiriroa Innovating Streets - and I hope that the council carefully considers the data and feedback around the Waka Kotahi funded trial - especially from the voices of those who need these spaces the most. I look forward to experiencing more amazing initiatives like this for the future of Kirikiriroa.

Ngaa mihi nui,  
Kat Waswo  
Candidate for Hamilton East By-Election

Lia Bell Written Submission:

I am writing this as a senior citizen who has loved the innovative streets vision, making it safer for pedestrians like me with low vision.

We loved seeing Ward St being used for people, seeing teenagers, adults and senior citizens alike biking and walking. The street felt more alive, more inviting, but most of all safer. The area is starting to feel unique with its own distinct character with the artwork.

However I am incredibly disappointed and feel exhausted with the focus being solely on businesses alone. At this stage I feel the outcome is a fait accompli and will be returned to its original state, regardless of our input.

In short I have lost faith in the process, I have lost faith that a design means a design by representatives of the community, that the interest of businesses is more paramount than the safety of people like me. I have lost faith in the idea that public policy is shaped by the people, rather than influenced by a small few who yell loudly in the media.

Most of all I have lost faith that Council sees public spaces as public spaces and not a commodity that can be bartered with by businesses.

Never in my years have I seen a blatant disregard by some councillors for the outcome of a public trial and also resulting interference in the process itself. From my understanding Councillors are not allowed to make predetermination statements, prior to the outcome of decision making. This happened regularly in the media.

My overall thoughts on Ward St, is to retain the artwork, the cycle lanes, remove the car parks in the way of the cycle lanes to make it safer overall, keep the pedestrian crossing as it makes it safer for high schoolers, pedestrians and for people like me. I am a frequent bus user and often walk around this area from the depot.

It would be more prudent to have designated car park spaces in fringe areas which do not impinge on the CBD and future CBD design, utilising connective bus service. Our primary concern for car parking directly outside shops, should be on those who need it the most, the disabled community.

My hope for the outcome of this submission, is that Council will put the thoughts and needs of those most vulnerable, pedestrians, senior citizens, students, disabled, ahead of those with their own self interests.

Thank you for taking the time to read my submission.

I will not be able to give this in person on Monday, but hope it will be considered.

Yours sincerely  
Lia Bell

Ivan Bell Written Submission

To Council,

I am writing in support of Innovating Streets, Ward St. I am a senior citizen who actively walks, spends time in the CBD and an avid biker. This area on Ward St felt very neglected and dangerous for many years and it is fantastic to see the area feel vibrant.

Both my wife and I were originally from Brisbane, Australia. Early on they adopted a move towards pedestrianizing the city. This was over 30 odd years ago. It feels like Hamilton has only just begun adopting this concept now, but feels like it is attempting to hold onto a past no longer fit for an ever-growing city. We are a city at a crossroads between being an urban growing city, but one which can't seem to shake its small town thinking, expecting car parks to be available outside each shop we visit.

We should be looking to improve car congestion by minimising personal car use in the CBD, making it more easily accessible for delivery, trades, services and people who need car parks such as disability etc. We should be encouraging developers to provide parking facilities for all their tenants and staff, looking at safer access turn bays, rather than using options like on street parking.

Sadly, pressure from a few businesses has meant the future and vision for how Hamilton's Ward St could be, has been put in jeopardy. If some businesses are complaining regarding small trial disruption to the street's car parks now, then I can't see how they could justify the future permanent development plans for the area and the months of disruption this could cause.

I would love to see the artwork remain, the cycle lanes with safety improvements and the pedestrian crossing stay. I can't fathom why Council would even consider the removal of the latter two compromising pedestrian and cyclist safety.

I would have also liked to see a fairer response and outcome for this trial. I am frustrated that from day one of the trial more credence was given to complaints in the media and online, than allowing the public time to interact with the street.

I am concerned that the vision from urban planners with expertise in future city growth will be disregarded in regards to Ward St and Rostrevor St, leading to stagnation in our central city.

Thank you for considering my submission.  
I will not be available to speak in person.

Regards  
Mr Ivan Bell

Gerard

Hello to all Councillors

I live in the CBD of Hamilton. Both Ward street and Rostrevor street are close by. On a weekly basis we go to the shops and mall (Centre Place) in the CBD. Since the alteration of Ward street we have found that we prefer to use Ward street instead of Bryce street.

We have found Ward street to be a lot nicer. It is calmer and relaxed. We appreciated not having to compete or fight with other traffic when we are on our bicycles. It was especially appreciated not having to look out for someone opening a car door unexpectedly. Car door can cause you to crash into the door or swerve in front of a car. Both choices comes with injuries, some more severe. Having the peace of mind to not contemplate these decisions or choice is very relaxing.

Me and my partner am appealing to HCC to consider to keep the safe use of Ward street for cyclist. The cycle lanes is a very good idea. Also the reduced speed limit is a good idea. Reducing the speed difference between car and cyclist allows for time to avoid accidents. The reduced speed difference also reduce the severity off injuries.

Can the HCC please consider to keep the safe cycle lanes. It will improve the CBD for more users.

Regards

Gerard & Shelley Classens

Lloyd Morris Written Submission:

The climate crisis is real and far worse than even the pandemic. In this decade, we face global ecological and economic collapse. At that point, parking will be the least of our worries. Public disorder abroad soon will spill over, disrupting global trade, and our economy, far more profoundly than has the pandemic. And we can't stop it.

But, we can prepare for it. There are limits to what HCC can do but it has the power to increase Active Transport and to help kiwis to see why that national policy is so essential. And how it is actually good for business. Merchants may object, until they see sales go up where bikes are welcome. Then, as in cities around the world, they will scramble to be on board. And HCC should lead the way.

Active transport has other benefits for us all. When half of all short trips are by bike (or on foot), traffic congestion will go down, road maintenance cost will go down, car operating cost will go down and collisions will go down. Meanwhile, our health, happiness and overall well-being will go up!

And becoming less dependent on imported energy, we will be more resilient in the face of the coming global disruption. Merchants, city staff and councilors, and the citizens of our fair city, and of other cities that follow our lead, will see just how smart we are to embrace the national policy promoting Active Transport.

Make no mistake. The coming crisis is already hitting less favored nations. The World Bank has forecast 150 million people will die by 2050 from drought, famine, increased disease and war. One billion will die by 2100. And some serious scholars say that, by 2100, only one billion will still be alive. They may be hard to grasp but, even if these predictions are only half-true, they put parking problems in rather stark perspective. We must first confront the main threat to our survival - global disorder arising from a hostile climate.

The excellent HCC Innovating Streets pilot projects should be made permanent and be models for similar Active Transport projects to "Ungap The Map." A great next project would link the Western Rail Trail to Claudelands Bridge via Bryce Street, making good use of the new Ward St improvements.

Kind regards,  
Lloyd Morris

Peter H Bos Written Submission:

Peter H Bos - supports the Innovation streets project on Ward Street and closures Rostrevor St

**Note: 90% of crashes involving pedestrians occur** while pedestrians are **crossing roads** (p3-7 *NZTA Pedestrian Guide*). **‘Priority “T” and “X” junctions** by far have the **highest number of cyclist collisions’** (p19 *NZTA Bike Panel*).

Peter H Bos – does not support ‘Reinstate 2 lanes on the approaches to both intersections’. If this increases the risk of a car crashing into pedestrians or cyclists. Or make walking or biking feel less safe.

I will try to be at meeting, but do not need to speak

Regards

Peter H Bos

## Tracey May Written Submission:

File No: 41 03 02  
Document No: 21247768



Hamilton City Council  
260 Anglesea Street  
Council Building  
Hamilton 3240

Private Bag 3038  
Waikato Mail Centre  
Hamilton 3240, NZ

waikatoregion.govt.nz  
0800 800 401

Attention: amy.viggers@hcc.govt.nz

Dear Council

### Ward Street 'Innovating Streets' Trial

Thank you for the opportunity to provide the Waikato Regional Council's views on the future development of Ward Street.

Over the months of May and June our staff moved from our multiple Grey Street offices, in Hamilton East, to a single purpose built campus at the corner of Ward, Tristram, and Bryce Streets. Our Ward Street premises houses approximately 450 of our 600 staff. In making this move into the central business area we have taken the opportunity to do what we can to demonstrate leadership in climate emissions reduction, environmental performance and sustainable transport choices.

These initiatives have helped to reinforce Council's purpose and strategic direction, and have included the following:

- A high standard of energy and water efficiency
- Limiting on-site parking
- Incentivising bus and other modes of travel
- Providing high quality end-of-journey facilities for staff who choose to walk, run or cycle
- Electric vehicle charging facilities for our vehicle fleet
- Continuing to look at fleet and facilities management opportunities to improve efficiencies where possible.

We acknowledge that as new tenants in the central city we are still familiarising ourselves with the neighbourhood. We have, however, experienced some challenges with the current Ward Street 'Innovating Streets' trial. Many of these challenges involve the legibility of the street environment with the many elements impacting staff and pedestrian safety. Notwithstanding these challenges we do welcome initiatives that improve the safety of Ward Street and connect our new premises with high quality walking and cycling facilities.

We would welcome further engagement with your team and our Ward Street neighbours over the future development of a multi-modal Ward Street that would be safe and functional, and a street that would showcase modal shift within the central business area.

Thank you again for this opportunity.

Nga mihi nui

A handwritten signature in black ink, appearing to read 'Tracey May', with a small dot at the end.

Tracey May  
Acting Chief Executive



Hannah Palmer Written Submission:

I'd like to make a submission on the Ward street trial ahead of the public meeting today.

Unfortunately it will be very brief because to call a meeting at such short notice without giving submitters time to adequately prepare a response is incredibly undemocratic.

Furthermore to cut the trial short when the public have been promised a full trial is also undemocratic and leaves the council with poor data on which to base their decisions. The road space is public commons, and as such decisions should be made with the public in mind and not at the sway of a few people who have their own interests at heart.

I wholeheartedly support the trial and have greatly enjoyed the vibrancy it has brought to the area.

For me, this is a step in the right direction. There is an urgent need to shift transport modalities away from being car centric. It supports positive environmental and health outcomes.

I understand the fear of business owners losing parking and business, but I point you to overseas case studies which have time and again shown that when cars are removed from city centres business actually increases as people pass more shops on foot and their interest is peaked, making them stop and browse more shops rather than making direct single purpose trips in a car. "Happy City" a book by Charles Montgomery provides excellent case studies from around the world on transforming lives through urban design and is an incredibly important read for all those making decisions affecting our city. The book is backed by science and has been written for the lay-person. It can be accessed here <https://www.penguin.co.nz/books/happy-city-9780141047546>. Charles Montgomery was also a keynote speaker at a previous New Zealand Planning Institute conference and is highly regarded by urban planners.

I support any submission put forward by Bike Waikato. I have not had a chance to fully look into the options being put forward for decision today due to the short notice of this meeting.

Going forward I would like to see a Council Controlled Organization set up to oversee city revitalization and place making projects, similar to the model run by Auckland Council, and for trials to run their full course.

Many thanks for your consideration

Kind regards  
Hannah Palmer

## Stuart Anderson Written Submission:

Unfortunately the notice of meeting is just too short for many professionals like me and our team at Craigs. We have a staff of 34, growing to approx. 50 in the next year and have over a thousand client meetings in our office on an annual basis. We are extremely busy at the moment so regrettably none of us will be able to attend. However I do wish to make the following written submission:

### **Submission on Ward Street Trial:**

As a worker on Ward Street (I work for Craigs Investment Partners on Ward Street in the PWC Centre) I thought I'd let you know my initial thoughts on the changes. As it has been framed as a trial I've been happy to let it run its course before commenting. But the concerns we had from the get go are now very apparent.

There are two separate issues here really – one is aesthetics, one is functionality. Aesthetically I appreciate that people will have different views. However, it doesn't really seem in keeping with the commercial developments in the street does it. Victoria on the River in my view set the bar on a public space with a contemporary, high quality fit out, the right mix of street art, modern colours and décor and increasing the class of the city. This (Ward St) looks like it's the under 5's section of Rainbows End – yet you're having 3 massive commercial developments (WRC, Tuapapa and the PWC centre) which are more professional, more office worker environments – it just doesn't fit. It detracts from the beautiful new buildings going up in the area which are finally making Hamilton look like a 'grown up' city. If this is 'just during the trial' then how is that going to give you accurate information on how well the area will be used if the furniture in place isn't appealing to the eye? – I can guarantee you the only people using the bench seats will be the hoodlums hanging outside Burger King. I'm sure they appreciate being able to sit down from time to time and rest their weary legs after spending a busy evening intimidating other shoppers and pedestrians. The window next to me looks up the street and so far I've never seen anyone sitting on the bench seats. The signs, the paint, the cones, the judder bars – it is just a hot mess and is so visually unappealing it's ridiculous. Some streets will suit a fun, colourful plan but others suit a commercial feel – this is a commercial street with commercial tenants. That's the design that suits our street.

**But more importantly is functionality.** Our building car parks all leave from Nisbet onto Ward. We all turn left and head up to Tristram before mostly turning left to then head out of town. It used to take me 18 seconds to get from the car park to Tristram. Last Tuesday at 5:08 I pulled out of the building. I got to Tristram at 5:16. 8 minutes to drive 200m. Most evenings it takes me 5-10 minutes to get out of Ward Street heading left onto Tristram.

Heart attacks are caused by clogged arteries. Tristram and Anglesea are busy traffic streets and Ward is an important artery between them. It is now badly clogged. You are giving the CBD a heart attack! Whoever thought it was wise to have a pedestrian crossing right next to three major driveways (Kmart, PWC and Warehouse) and only 50m from a set of lights needs to reconsider their expertise in traffic management and street planning. The lights on Anglesea turn green to turn onto Ward, you get at least a dozen cars turning but are then constantly stopped by the crossing and the driveways. This stops them flowing up Ward and then only having the front car being able to move left onto Tristram means the cars (mostly wanting to turn left) are backed right down Ward. Every single night I've pulled out I've seen near misses as cars try to shoot out of one of these driveways only to find a car stopped at the crossing, or cars turning from Anglesea to then hit the brakes as the traffic is already back to the intersection. At bare minimum if you going to have a pedestrian crossing it should be at the mid-point of Ward Street (but I see this seems already locked and loaded regardless of the trial).

The judder bars – oh my god what overkill. Also – all of our cars are catching it as we leave the driveway onto Ward Street – I noticed one of the panels across the road at Kmart has also been knocked out – they are actually damaging our vehicles. The judder bars out of the driveways don't slow us down – we always drove slowly coming out of our driveway as we sensibly are aware of pedestrians and traffic in general. How many accidents have we had previously? – none.

The crossing and judder bars outside Warehouse, us and Kmart – I dread how bad it will be when we hit the xmas shopping season and Kmart/Warehouse are constantly full all day and all night – it will be complete gridlock and prang central. Encouraging pedestrians and cyclists shouldn't be done by punishing drivers. Don't forget – we are a city, not a town, we have a big population – that will always mean cars. I understand that we want to make meaningful changes to transport modes and show we take climate change seriously and I'm all for that and want to see the percentage of people biking and walking increase. But as the population grows so will the cars –

even if the number of cyclists and pedestrians increase as a percentage of forms of transport – the pie is getting bigger, so from a numerical point of view that will always mean more cars!. You can't make things better for cyclists and reduce car parks and make it harder for cars at the same time. But onto more unintended consequences – The traffic and parking situation is now so bad we're actively telling clients to not come into the branch for meetings where we can – instead we'll go out to them. We're now using our vehicles more than ever (so much for reducing traffic flows and emissions) but of more concern is that this means probably a dozen meetings each day being held away from the CBD. I would guess nearly 90% of our clients that would come in for a meeting would then stay in town and grab a coffee or lunch or do a spot of shopping. This is now no longer happening. That equates to 60 per week, 240 per month or 2880 annual visits potentially not happening, 2880 coffees and lunches not being bought and 2880 visits to shops not being made. How is this helping 'reinvigorate' our CBD?. The other unintended consequence is that cars are now driving so slow that the students at HGHS who cross over from 3pm are now all drifting across Ward Street at all points of the street, not just at the crossing – it's mayhem at 3pm trying to drive west on Ward Street at that time now. Go and look for yourselves.

It is ideology which is actually detrimental to our city.

If you want to experiment with a new type of street design to encourage public transport, and favour pedestrians and cyclists then utilise new areas of the city like Rototuna or Peacockes. Or if you want to do it in the CBD then look for laneways or buy chunks of land to allow complete redevelopment including how the buildings are accessed etc – don't thrust this onto an existing street with high amounts of commercial activity, shopping, existing driveways that aren't being changed to fit with what the trial wants – if you really wanted this for Ward Street then you needed to look at completely changing the access points for buildings like Kmart, Warehouse and us – you can't bus or bike in to buy a flat screen tv!

The bulk of the pedestrian traffic (and again – I'm bothered with the figures on pedestrian flow to justify this trial) is just the swathe of Girls High students heading into the bus depot or mall each afternoon – utilising the existing footbridge over Tristram to Wintec would be the better idea to promote their ability to safely get across Tristram. I don't recall the last time I ever saw any students hit or even nearly hit – they seem pretty good at obeying the traffic light laws!

Anyway – we're considering options on our tenancy on Ward Street – this certainly doesn't help us in wanting to stay CBD at all. This is surely a situation where common sense must prevail.

If you are to keep some aspects and change some aspects I would do as follows:

- Move the pedestrian crossing to the mid-point of the street (by Kid Republic) to remove congestion from the Anglesea lights and Kmart car park. Also more appropriate for HGHS students to cross at the midpoint.
- Work with HGHS to change how they send their students into town at the end of the day – utilise the footbridge and take them through Wintec – this is actually a great opportunity for Wintec to market themselves to senior HGHS students!. It would take all of that foot traffic off all roads until they got to the Anglesea Intersection lights – a thousand times safer.
- Get rid of the judder bars on the driveways – they don't slow anyone down and are just a nuisance.
- Remove the stick cones blocking the turn left onto Tristram as this is the main cause of congestion back along Ward Street – the pedestrian crossing is all that's needed to help improve the safety at that point.
- Reinstate the left turn lane heading north on Anglesea as well – it's just created havoc backing up to the existing zebra crossing and warehouse/kmart driveways.
- Get rid of the painting and ugly concrete planter boxes.

As for car parks – moot point on removing the ones here – it makes it harder for our clients but the parking is a bigger issue than half a dozen street parks, it was always a fluke if our clients got one of those anyway. What has changed is that our clients used to always park in Centerplace or downtown plaza – the car park below your chambers is now always full and once the Tuapapa development goes up the Wintec cars will keep it full throughout the day (the students are already liking the free one hour parking there to go to lectures). If you want people walking more you need a large end of journey car park right in the middle of town, which people can happily then walk to wherever they need to go – I'm talking big – much bigger than Knox Street. Have a central point where anyone coming into town parks and then you might see more meaningful changes making sense from a pedestrian point of view.

My main concern is that this just looks like a 'reaction' without a bigger plan. If you are serious about mode change then you can't just change existing streets that aren't fit for purpose. You need to think bigger and address all issues around parking in the CBD, traffic flows in the CBD, new

areas of development being built with modern transport requirements in place early. If you had a large scale destination car park in the CBD with a couple of main driving routes to access it and then free CBD busses regularly looping then you'd get a lot more traffic going to one central point and coming off all of the arterial roads. Then you'd be able to better plan new areas to be more pedestrian friendly.

When Tuapapa, ACC, Union Square all become full you are going to have hundreds if not thousands of more vehicle movements in the city. Are you planning ahead for this?. Stop tinkering with streets and come up with a full plan that address all of the issues.

Regards,  
Stuart Anderson

## Nick Johnston Written Submission:

Thank you Mayor Southgate and councillors for this opportunity to present a written statement on the topic of the Innovating Streets trial.

I commend the Council for the decision to conduct the trial designs for Ward Street and Rostrevor Street, and I have had the pleasure of participating in some of the events and activation initiatives in the spaces over the trial period. As a volunteer for some of the events my partner organised, I got to spend about 20-30 hours across each of the trial spaces, mainly on weekends.

I believe this is the right way for councils to test public spaces before significant investment in permanent design changes. The value is in the evidence and data that you can collect throughout the trial. Councils have not taken this approach often in the past. My observation from members of the public that I spoke to was that some people didn't like the look of the space rather than the functional design itself. This is somewhat inevitable - with any trial you will be using a lot of temporary features and these will not look as good as semi-permanent or permanent design features. Some others that I spoke to really liked the space and the safety that it provides for slowing down traffic (especially with the pedestrian crossing).

This anecdotal evidence may be different from what individual elected members have received. For me, this further reinforces the point that any decision-making should be made once the data is collected and properly analysed. I would be concerned about any Council decision-making before the data is ready to be reviewed at a governance level. To ignore the data is to ignore the purpose of why you would undertake a trial in the first place.

If there is information available soon that will allow the Council to make an informed decision, then any decisions should be delayed until this information is available.

I urge you to wait until the full data is available so you can make an informed decision and you can make a decision that also takes into consideration the views of the wider public, not just the business interests that it appears to have driven the need to have an extraordinary meeting. While this may cause a delay in decision-making, I'm sure the Council would be able to continue providing the dedicated reserved parking on Ward Street for these businesses that the Council has been doing throughout the trial.

That way, you can make a decision that is fully informed and it will mean you can properly assess the impact on that decision on other council strategies, such as the Council's current approach to supporting safer multi-modal transport options in our city.

Many thanks,

Nick Johnston

Kathryn King Written Submission:

I am writing in advance of your Extraordinary Council meeting today to decide the future of the Innovating Streets pilot. Having invested almost \$500,000 in the Ward Street pilot, we have a real interest in supporting it's success.

We strongly encourage the Council to retain the pilot for the intended duration, to ensure that all monitoring and evaluation is complete. We anticipated tweaking or adapting designs based on data and feedback, but the pilot would be retained for an appropriate length of time to evaluate properly. This was a key expectation of funding, and the core purpose of the Innovating Streets programme. From the many other pilots implemented across the country, it is clear that after an initial period of heavy feedback in which Councils need to be responsive to any critical issues, pilots must be given sufficient time to 'bed in' and allow communities to adapt to new layouts. It also allows sufficient evidence to be gathered to ensure informed decision-making about next steps. Of course our team is here to support you through this period.

Of the four design options being put forward, Waka Kotahi only considers Option D to be a safe system design and meet best practice design guidance for cycling networks. As co-funders, Waka Kotahi expects Councils to deliver transport infrastructure that complies with safe system principles, and best practice design guidance.

We look forward to hearing the outcome of your meeting this afternoon, and how it will support the transition to the desired permanent state.

Ngā mihi

Kathryn King

**COPY OF ANSWERS TO MY LGOIMA 21147**

What constitutes success or failure of these trials.( Street Closures in the CBD)

Response from Martin Parks

For the Hamilton Kirikiriroa Innovating Streets Ward Street project, the overall programme is not being measured against such a broad binary criteria of success or failure. The street environment is complex; the broad suite of trial changes means that and multiple metrics are being monitored and evaluated. The final evaluation for Ward Street will be tested against the following goals:

- Make more accessible to more people.
  - More attractive to more people and people stay longer on the street
  - Enhance community pride in the space
  - Street provides for play enhancement
  - Raise awareness of mana whenua narratives amongst the wider community
  - Enhance mana whenua connection to place
  - Provide opportunity for involvement in co-delivery
  - Demonstrate that removal of on-street parking has neutral or positive impact on customer numbers
  - Provide a safe place for people biking, scootering, walking, and skateboarding.
  - Provide a safe, convenient, and seamless cycling connection between the Western Rail trail and Ward Street
  - Reduction in heavy vehicle numbers
  - The community has a positive experience of tactical urbanism and an appetite for more.
  - Grow knowledge in tactical urbanism delivery
  - Provide opportunities for social procurement of co-delivery elements
  - Establish strong, best practice messaging for street redesign •
- Establish confidence in reprioritising road space in low volume and speed streets

## Judy McDonald Written submission:

### Public forum on Ward St cycle lanes, July 12, 2021

Speaker: Judy McDonald

Email: [judy.c.mcdonald@gmail.com](mailto:judy.c.mcdonald@gmail.com)

I'm not a cyclist. Like many Hamiltonians, I'm a pedestrian and a car driver. However, I'm here to support the most protective of the options for the recent modifications on Ward St. Please adopt option 4: Keep the trial layout with the cycle lanes and put all parking on the southern side of the street. Definitely do not put the cycle lane on the outside of the car parks as suggested in option 3.

Firstly, I would like to say thanks to the behind-the-scenes council staff who worked so hard on the Innovating Streets trials in both Ward and Rostrevor Sts, and councillors Sarah Thomson and Mark Bunting who were the public faces of council support and have, along with many other councillors, put a great deal of time and effort into trying to introduce change to Hamilton's transport systems.

The rest of my presentation is from a personal viewpoint, for which I make no apology. Personal though it is, it may reflect the reality of many Hamiltonians, who are likely to increase dramatically in numbers over the next decade or two: those who can't drive; those who can't afford to drive; and those who don't want to drive because they are aware of the state of our climate and environment.

As I said, I don't cycle. I'd like to, but I'm too afraid to. I know, as a car driver, that a second or two's inattention from me, in my tonne or two of metal, can have disastrous consequences for someone else: a pedestrian, a cyclist, or a wheelchair or mobility scooter user. I also know that as a human, I can make a mistake at any time, and I don't want someone else to pay for that. I want vulnerable road users to know that they can get where they need or want to go without fear and without unnecessary risk. That means we need infrastructure to protect them from other people's errors of judgement or inattention.

I have chosen not to cycle in our current city environment because, like many women my age, I have osteoporosis. I have no lasting impairment, yet, but I know from personal experience of 'minor' fractures that when (not if) someone opened their car door on me, as happens reliably to city cyclists, I would almost certainly break when I hit the ground, and I would face, at a minimum, three months of incapacitation and rehabilitation – during which, incidentally, I'd be unable to drive or cycle at all and would be a very vulnerable pedestrian. It shouldn't take a great deal of imagination to see how much even a minor injury will affect a victim, their livelihood and their family.

There are many cities all round the world that have seen the dangers faced by non-drivers and have acted accordingly, making them safer and pleasanter places to be for everyone (see the list on the other side of the page). It would be helpful if those who have been so vocal in their criticisms of attempts to make our city more cycling and walking friendly, and in some cases have whined since day one of the project about lack of parking for their business, could take on board the positive changes that have occurred in cities that have removed the focus on cars. Some balanced media reporting would also help. It's tempting to believe that the Waikato Times is conspiring with the roading lobby given the biased and negative accounts of the projects that are almost all that has been published. We need to stop being stuck in the last century and act for the future.



Most bike-friendly cities in the world:

<https://www.trafalgar.com/real-word/most-bike-friendly-cities-world/>

Examples:

**Barcelona:** The city has become a leader in urban cycling innovation and its bike-share program is one of the largest and most used in the world. They've also lowered inner-city speed limits to 30km/h, which has led to an increase in cyclists on the road.

**Copenhagen** is widely famed as one of the most bike-friendly cities in the world. The locals cycle around 1.44 million kilometres every day, with over half of the population riding their bike to work. With all those people whizzing around on bikes, the city has created a cycling oasis. There are 390 kilometres of designated bike lanes and hundreds of kilometres of regional cycle highways including a "Cycle Super Highway" connecting the city to the town of Albertslund.

**Amsterdam:** The Netherlands is serious about cycling, and the capital is one of the most bike-friendly cities in the world. There are almost 900,000 bicycles in Amsterdam and over 50% of all city journeys are made on a bike. With more than 400 kilometres of dedicated cycle paths, the city has created a cycling haven. There are low-speed cycle streets, extra wide bicycle paths, protected cycling spaces at intersections and even great bicycle parking.

**Montreal:** The city has invested in improving its bicycle infrastructure with 600 kilometres of bike paths.

**Strasbourg:** There are around 560 kilometres of designated cycling paths and over 360 streets with two-way lanes for bikes. Also Forêts Trail, an 85-kilometre path around Strasbourg.

**Antwerp:** There are dedicated bike lanes, bike parking, ride-share programs, and the city has committed to lowering speed limits to 30 km/h on 95% of all streets. They're also working on expanding their network of cycle highways.

**Tokyo:** one of the largest cities in the world and home to millions of cyclists who use their bike for everything from shopping trips to work and school commutes. Around 14% of all commuters in Tokyo ride bikes and there are plenty of bike paths, parking and bike-sharing programs.

**Malmö:** has long been recognised as one of the world's most bike-friendly cities, with over 500 protected bike paths (more than any other city in Sweden), and around 30% of all daily trips are made by bike. The city has run successful campaigns like "No Ridiculous Car Trips" which aimed to reduce the use of cars, and introduced new technology like intersections with sensors that alert drivers when cyclists are approaching.

# Council Report

**Committee:** Council **Date:** 12 August 2021  
**Author:** Tyler Gaukrodger **Authoriser:** Becca Brooke  
**Position:** Governance Advisor **Position:** Governance Manager  
**Report Name:** Confirmation of the Elected Member Open Briefing Notes - 16 June 2021

<b>Report Status</b>	<i>Open</i>
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## Staff Recommendation - *Tuutohu-aa-kaimahi*

That the Council confirm the Open Briefing Notes of the Elected Member Briefing held on 16 June 2021 as a true and correct record.

## Attachments - *Ngaa taapirihanga*

Attachment 1 - Elected Member Open Briefing Notes - 16 June 2021

## Elected Member Briefing Notes – 16 June 2021 – OPEN

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Item 8

Attachment 1

<b>Time and date:</b>	9.34am, 16 June 2021
<b>Venue:</b>	Committee Room 1, Hamilton City Council
<b>In Attendance:</b>	Mayor Southgate, Deputy Mayor Taylor, Crs Pascoe, O’Leary, Bunting, Hamilton, Macpherson, van Oosten, Thomson, Wilson, Gallagher Maangai Maaori Hill, Te Ua, Thompson-Evans and Whetu
<b>Apology for Full Session:</b>	Cr Naidoo-Rauf
<b>Apologies for lateness/early departure:</b>	Deputy Mayor Taylor, Crs O’Leary, Hamilton, Macpherson, Wilson, Maangai Hill, Te Ua, Thompson-Evans and Whetu

### Discussion

The briefing session covered in an open session.

- SH1 Cambridge to Hamilton Corridor Transport Needs
- Hamilton City Libraries Open Hours Change

There were a number of key points arising from the discussion:

#### 1. SH1 Cambridge to Hamilton Corridor Transport Needs

The General Manager Development introduced Francisca Simone and David Speirs (Waka Kotahi) and explained that the purpose of the presentation was to provide an update concerning progress on key projects in the SH1 Cambridge to Hamilton Corridor, including future plans.

Members asked questions in relation to the following:

- 1970s land purchase;
- lessons learnt from Te Rapa By-pass;
- planting/roading greenspace;
- project timings;
- Southern Interchange off-ramp design;
- residential development locations;
- bus priority measures; and
- usage figures and modelling.

#### 2. Hamilton City Libraries Open Hours Change

The Unit Director Community Services explained that the purpose of the presentation was to provide Members with an update on a proposed change to the library’s hours.

Members asked questions in relation to the following:

- current library hours;
- reason for the change;
- late night patronage;
- heritage enquiries;
- flexibility for alignment with special events;
- delegation for amendment to hours; and
- community engagement.

# Council Report

## Item 9

**Committee:** Council

**Date:** 12 August 2021

**Author:** Tyler Gaukrodger

**Authoriser:** Becca Brooke

**Position:** Governance Advisor

**Position:** Governance Manager

**Report Name:** Chair's Report

<b>Report Status</b>	<i>Open</i>
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### **Recommendation - *Tuutohu***

That the Council receives the report.

### **Attachments - *Ngaa taapirihanga***

Attachment 1 - Chair's Report



# Chair's Report

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Item 9

It has been a busy few weeks for local Government, with numerous events taking place over July, including our Annual Conference in Blenheim.

Most significantly, the Government has now announced further key details of its proposed Three Waters Reform programme. We now have an eight week period to work with other Councils across the proposed 'Entity B' region and consider our approach to the reform. Our position has always been clear: we recognise the case for change and support the proposals in principle. We have identified 11 key success areas in the proposed reform and provided feedback on those areas via LGNZ. The Government's water reform programme is the most significant local government decision of our time and I look forward to our Council continuing to influence the best outcomes for our community and the region.

Water will be a key theme of the meeting, with items also on both the 2021-22 Watercare temporary water assignment, and the Watercare water allocation Board of Inquiry process. Meanwhile following our historic decision to adopt Maori wards, we will discuss the wider representation review.

Finally, I want to encourage everyone in the East Ward to have their say by voting at the by-election. With 24 candidates on the ballot list there is no shortage of choice. We look forward to a new colleague joining us soon.

## **Chair's Recommendation**

That the Council receives the report.

Paula Southgate  
**Mayor Hamilton City**

Attachment 1

# Council Report

**Committee:** Council **Date:** 12 August 2021  
**Author:** Trevor Harris **Authoriser:** Blair Bowcott  
**Position:** Property Officer Acquisitions Disposal **Position:** General Manager Growth  
**Report Name:** Road Stopping - 28 Hammond Street

<b>Report Status</b>	<i>Open</i>
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## Purpose - *Take*

1. To seek the Council's approval to stop an area of unformed road in the Cobham Drive corridor and sell it to the owner of 28 Hammond Street.

## Staff Recommendation - *Tuutohu-aa-kaimahi*

2. That the Council:
  - a) receives the report;
  - b) approves the draft Agreement for Sale and Purchase of Stopped Road adjoining 28 Hammond Street, Hamilton (**Attachment 1** to this report);
  - c) notes that the road stopping process to be completed is for an area of 201m<sup>2</sup>, shown as Section 1 on draft survey plan SO 564413, in terms of the Public Works Act 1981 (as shown on **Attachment 4**); and
  - d) delegates authority to the Chief Executive to finalise the Agreement for Sale and Purchase of Stopped Road adjoining 28 Hammond Street and to sign all documentation relating to the sale of the land and road stopping.

## Executive Summary - *Whakaraapopototanga matua*

3. At its 8 June 2021 meeting, the Infrastructure Operations Committee (the Committee) considered a request to stop an area of unformed road land that is part of the Cobham Drive corridor and sell it to the owners of 28 Hammond Street, Ray and Wendy Pickett (the owners).
4. At that meeting, commencement of the road stopping process was approved, further information was requested, and staff were requested to consult with the Hamilton West School.
5. The additional information and outcome of the consultation with the Hamilton West School (the school) were to be reported back to the 12 August 2021 Council meeting, together with a draft Sale and Purchase Agreement for approval by Council.
6. Council staff have consulted with the school and have received feedback expressing concerns about on-street carparking and privacy for the users of the swimming pool, if the proposed road stopping and development were to proceed.
7. The area of road proposed to be stopped does not have Council infrastructure within it and is not required for reserve purposes.

8. The property is zoned as *Residential Intensification* in the Operative District Plan (ODP), which allows for a development to a maximum height of 12.50 metres.
9. The recommendation aligns with [Council's Housing Strategy](#). If Council does not sell the land, a multi-housing development is still enabled at this site; it would just be for fewer units.
10. A resource consent would be required for a development, regardless of whether the road stopping is approved or not.
11. Staff consider the matters in this report to have low significance and that the recommendations comply with the Council's legal requirements.

### Background - *Koorero whaimaarama*

12. A report was considered by the Infrastructure Operations Committee at its meeting of [8 June 2021](#) (see Item 8) for a road stopping request from the owners of 28 Hammond Street.
13. The minutes from the Committee meeting include the following on the report 'Road Stopping request from 28 Hammond Street':

***"Staff Action:*** *Staff undertook to provide a report to the August 12 2021 Council meeting of the recommended sale and purchase agreement that contains future designation as affordable housing, quality design element requirements and consultation with Hamilton West School."*

**Resolved:** (Cr Hamilton/Cr Wilson)

"That the infrastructure Operations Committee:

- a) receives the report;
- b) approves staff commence the road stopping process for approximately 177 m2 of road (*which is within the **option 1** area set out in the report*) under the Public Works Act 1981, subject to the proposed purchaser meeting all costs associated with the road stopping;
- c) notes that road stopping process is not concluded until such time as the sale and purchase agreement has been approved by the Council;
- d) requests the Chief Executive develop and negotiate a sale and purchase agreement for the stopped road to be reported to the Council meeting of 12 August 2021 for final approval noting that the agreement include that:
  - i. the proposed purchaser meets all costs associated with the sale and purchase agreement;
  - ii. notes this will not encroach on the gully system and any impact on the attached vegetation and adjoining gully will be more than offset but rather enhanced by the proposed development by a contribution to a council approved gully planting programme in the attached gully;
  - iii. two of the proposed nine units shall be sold on the open market, to first home buyers supported by a Community Housing Provider, at a price that is no more than 90% of the average Hamilton City residential house value; and
  - iv. the valuation to the added required land be proportioned based on the value 'of the whole revised property value' not as an isolated land purchase."
14. Since receiving the minutes, staff have commenced, but not completed, the road stopping process and have consulted with the school.
15. The land area requested is vested in Council as road, which does not initiate the Right of First Refusal process under the Waikato Rauputu Settlement Act 1995.

## Discussion - *Matapaki*

### Draft Agreement for Sale and Purchase of Stopped Road Adjoining 28 Hammond Street, Hamilton (draft Agreement)

16. Tompkins Wake has prepared a draft Agreement (refer **Attachment 1**) that relates to the sale of the stopped road area to the owners of 28 Hammond Street.
17. Clauses 3 and 8 of the draft Agreement relate to the conditions referred to in the Committee's minutes 8 June 2021 (Paragraph (d)).
18. The draft agreement provides Council with the ability to revalue the land if the road stopping is not completed within 6 months of the agreement being signed (Clause 2.4).
19. Paragraph 3.2 (b) of the draft Agreement refers a maximum of nine units being constructed and for two of those units being on the open market to first home buyers at no more than 90% of the average Hamilton City Council residential house value as at the date of sale.
20. It is proposed that the requirement for the two units to be sold at 90% of the Hamilton City Council house value is for the enduring life of the two units. This will be given effect to by registering an encumbrance on the appropriate titles.
21. The agreement requires the owners to obtain all necessary consents for the proposed development within 6 months of the agreement being signed and a timeline being provided showing construction of the development being completed within 3 years of obtaining the necessary consents.
22. The area proposed to be stopped road will not be transferred to the owners until the consents and timeline are received by Council.

### Consultation with Hamilton West School

23. Council staff emailed the school on 15 June 2021 requesting their views on the proposed road stopping and proposed development, after a meeting with the school was unable to be arranged prior to this date.
24. In response, a letter addressed to Mayor Paula Southgate was received by email on 2 July 2021 (refer **Attachment 2**). A summary of the concerns raised includes:
  - i. There has been significant correspondence on the matter of off-street parking that has impacted the ability of the school community to safely drop their children off to school and pick them up.
  - ii. They consider that the road stopping process is subject to a public notice process – by newspaper or website.
  - iii. "There are significant amenity issues (privacy at the forefront) that cannot be adequately addressed and Hamilton West will be opposing the development through submissions at the appropriate time."
25. The school later advised that it would be advising the school's community of the proposed road stopping and proposed development. This matter was included in the school's newsletter that was emailed on 7 July 2021.
26. Since the newsletter was published, Council staff have received correspondence from people expressing their concerns on the proposed road stopping and development (as summarized in **Attachment 3**).
27. Staff met with representatives of the school and the McKenzie Centre on 16 July 2021 on the school's premises, to discuss the road stopping process and the consenting process for a development.



28. Councillors O’Leary, Thomson, van Oosten and Gallagher subsequently held a constructive meeting with the Hamilton West School Board of Trustees on Thursday 5 August 2021. The Board provided Councillors with a document outlining their concerns. This has been circulated to all elected members. The school’s primary concerns are the traffic impacts of the development when compounded with other new infill development in the area, and the safety and privacy of children around the school swimming pool.
29. While the school is not opposed to the development, they are seeking time to engage with the developer to agree conditions that will mitigate their concerns. When the school Board met with the developer, they were shown concept plans that mitigated most of their concerns. However, they are seeking a formal agreement with the developer whereby some of those mitigations would become legally binding conditions in the Sale and Purchase Agreement between the Council and the developer. The school understands the development options available for land in the Residential Intensification zone, and what could be developed at 28 Hammond Street as of right. They also understand that the developer has no legislative obligation to consult with them.

#### **Operative District Plan (ODP)**

30. Upon an application being received for the proposed development, it would be considered in terms of Hamilton’s ODP, which enables Council to carry out its functions under the Resource Management Act 1991. This would include assessing the Council’s infrastructure and urban design requirements.
31. Staff have looked at the ODP for the type of development that can occur within the current property boundary, which has an area of 868sqm (shown in black outline on the aerial plan in **Attachment 5**) and is zoned Residential Intensification.
32. The ODP does not specifically determine the number of storeys for a development but does restrict it to a maximum height of 12.50m.
33. The preference for developments in a Residential Intensification Zone is for them to be multiple dwellings/duplexes/apartments, not a single-storey dwelling. Apartments/duplexes are termed a Restricted Discretionary Activity (RDA) while a single dwelling would be a Discretionary Activity (DA).
34. A RDA requires resource consent, which may be granted with or without conditions, or declined. Council will consider only “matters to which discretion is restricted”, which are included in the ODP.
35. A DA requires resource consent, which may be granted with or without conditions, or declined. An application for a DA is assessed on a range of matters.
36. An application for a development will be considered by Council’s Planning Guidance Unit in the normal process of assessing any development proposal, including if consultation is required under the ODP.

#### **General**

37. Under the Public Works Act 1981, consultation for the road stopping is required with the adjoining landowners only.
38. At the time of writing this report, Council has received an application for the road stopping but not for a development.
39. There is no Council infrastructure (e.g. water, stormwater, wastewater) located in the road area proposed to be stopped.

40. Council's Parks and Open Spaces staff have confirmed that the land is not required for reserve purposes. It does not offer any connection to another park and is an isolated piece of land with no real access.
41. Bloxam Burnett & Oliver (BBO) has prepared a draft survey plan (SO 564413), which shows the road land proposed to be stopped adjoining 28 Hammond Street only and having an area of 201m<sup>2</sup> (Refer **Attachment 4**).
42. An aerial map provided by BBO shows the top of the bank for the road land proposed to be stopped outlined in blue (refer **Attachment 5**).
43. If the recommendations are not approved, or the road stopping is not completed, the proposed development will not be able to proceed and may be modified for the current property area.
44. If the road stopping is completed and consent is granted for a proposed development, it would support Council's Housing Strategy.

### **Options**

45. No options are available for Council to consider; the road stopping, and the draft Agreement, is either declined or approved by Council.

### **Financial Considerations - *Whaiwhakaaro Puutea***

46. The owners are to meet all costs associated with the proposed road stopping (e.g. survey, valuation, legal) and proposed sale to them.
47. A valuation report for the total area of land was completed by SGHU Valuations in terms of the 8 June 2021 resolution. The valuation was based on a total land area of 1045sqm (ie the existing property area of 868sqm plus the road stopping area of 177sqm).
48. The SGHU report advises a valuation of \$1,500,000 (inclusive of GST, if any) for 1045sqm as at the date of inspection, 22 June 2021 (refer Attachment 6). This equates to \$1435m<sup>2</sup> (inclusive of GST, if any).
49. Since the valuation report, the BBO draft survey plan was received, which shows an area of 201sqm for the proposed road stopping land. This equates to a purchase price of \$288,435 for the road stopping land (inclusive of GST, if any).

### **Legal and Policy Considerations - *Whaiwhakaaro-aa-ture***

50. Staff confirm that the recommendations comply with the Council's legal and policy requirements, the Sale & Disposal of Council Land policy and Public Works Act 1981 being the relevant legal documents.

### **Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga***

51. The purpose of Local Government changed on the 14 May 2019 to include promotion of the social, economic, environmental and cultural wellbeing of communities in the present and for the future ('the 4 wellbeings').
52. The subject matter of this report has been evaluated in terms of the 4 wellbeings during the process of developing this report as outlined below.
53. The recommendations set out in this report are consistent with that purpose.

## Social

54. Additional residential properties would become available should the request for road stopping be successful and the proposed residential is completed. This would support [Council's Housing Strategy](#).

## Economic

55. Council will receive unbudgeted funds from sale of the proposed road stopping land.

## Environmental

56. There would be a reduction of open space available, which will be partially off-set with the offer of a financial contribution to a Council planting restoration programme, which is in the draft sale and purchase agreement.

## Cultural

57. There are no cultural considerations associated with this matter.

## Risks - *Tuuraru*

58. If the road stopping and sale does not proceed, the proposed housing development on 28 Hammond Street would be at a smaller scale, without the affordable housing that is a requirement of the sale of the land.

## Significance & Engagement Policy - *Kaupapa here whakahira/anganui*

### Significance

59. Staff have considered the key considerations under the Significance and Engagement Policy and have assessed that the recommendation(s) in this report has/have a low level of significance.

### Engagement

60. There is a statutory requirement to consult as per legislation outlined below.
61. If the staff recommendations are approved, consultation for the road stopping will be undertaken in terms of the Public Works Act 1981.

## Attachments - *Ngaa taapirihanga*

Attachment 1 - Draft Agreement for Sale and Purchase of Stopped Road adjoining 28 Hammond Street

Attachment 2 - Hamilton West School letter received by e-mail 2 July 2021

Attachment 3 - Summary of Comments of correspondence received

Attachment 4 - Draft Survey Plan SO 564413

Attachment 5 - Aerial map from BBO providing site layout

Attachment 6 - SGHU valuation report Executive Summary as at 22 June 2021

**AGREEMENT FOR SALE AND PURCHASE  
OF STOPPED ROAD ADJOINING 28  
HAMMOND STREET, HAMILTON**

between

**HAMILTON CITY COUNCIL**

and

**RAYMOND JOHN PICKETT and WENDY VALERIE PICKETT**

APD-348176-3255-24-V1:

AGREEMENT dated

2021

**PARTIES**

- (1) **HAMILTON CITY COUNCIL** ("Council")
- (2) **RAYMOND JOHN PICKETT and WENDY VALERIE PICKETT** ("Owners")

**BACKGROUND**

- A. The Owners are registered as owners of the land located at 28 Hammond Street, Hamilton described as Lot 1 Deposited Plan 521812 and being all of the land comprised in Record of title 826279 South Auckland Registry ("Owners' Land")
- B. The Owners' Land adjoins the existing dedicated road known as Cobham Drive, which Road is vested in the Council pursuant to the provisions of the Local Government Act 1974
- C. The Owners have requested that Council stop that part of Cobham Drive which has an area, subject to final survey approval, of approximately 201 m<sup>2</sup> and is shown as Section 1 on draft survey plan SO 564413 attached as Schedule 1, ("Stopped Road") pursuant to the provisions of the Public Works Act 1981; and to sell the Stopped Road to the Owners to facilitate the construction by the Owners of a residential development consisting of a maximum of nine units on the Owners' Land and the Stopped Road ("Development"), subject to all necessary consents first being obtained.
- D. Council is prepared to consider stopping the Stopped Road and to sell it to the Owners, but only upon and subject to the terms and conditions contained in this agreement.

**OPERATIVE PART:**

1. **Agreement for Sale and Purchase**
  - 1.1 Subject to the conditions contained in this agreement, Council will sell and the Owners will purchase the Stopped Road on the terms set out in this Agreement.
  - 1.2 The parties agree and acknowledge that the Stopped Road will be amalgamated with the Owners' Land.
2. **Purchase price**
  - 2.1 Council and the Owners agree that the purchase price for the Stopped Road shall be the sum of \$288,435 subject to adjustment in accordance with clause 2.3 following approval of the survey of the area of the Stopped Road ("Purchase Price").
  - 2.2 The Purchase Price shall be inclusive of GST (if any) and shall be paid by the Owners to Council in accordance with clause 6 below.

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- 2.3 The Purchase Price payable for the Stopped Road is calculated at a rate of \$1,435 per square metre (inclusive of GST if any) for an area of 201m<sup>2</sup> but is subject to pro rata variation following final approval of SO plan 564413.
- 2.4 In the event that the sale of the Stopped Road is not completed by the date which is six months after the date of this agreement, whether or not this agreement becomes otherwise unconditional within that time, Council may, at its entire discretion, require a revaluation of the Stopped Road as at that later date, and such valuation will determine the purchase price
3. **Owner obligations**
- 3.1 The Council is only willing to commence the procedure for the stopping of the Stopped Road on the basis that the Owners comply with the following requirements in all respects:
- (a) The owners agree that Council may register a or covenant in gross over the amalgamated title to both the Owners' Land and the Stopped Road which shall remain first registered charge over the record of title of the Owners' Land recording the requirements of this clause 3.1.
  - (b) The Development shall not encroach on the gully system which adjoins the Owners' Land.
  - (c) Any impact on the vegetation in the adjoining gully shall be enhanced by the proposed Development by way of a financial contribution being made by the Owners to a Council approved gully planting programme in the adjoining gully.
  - (d) Two units of the proposed Development, which is to consist of a maximum of nine units, shall be sold on the open market to first home buyers who are supported by a Community Housing Provider, at a price that is no more than 90% of the average Hamilton City Council residential house value as at the date of sale, as determined having regard to data provided to Council by the property data consultant retained by Council to manage and maintain its property data from time to time, currently being XXX Limited.
  - (e) Any person who purchases a unit that is subject to clause 3.1(d), or to this clause 3.1(e) must personally occupy the home for at least 12 months from the date of settlement of its purchase. When selling the unit, the maximum price that the vendor may receive for the unit will be a sum that is no more than 90% of the average Hamilton City Council residential house value as at the date of sale, as determined having regard to data provided to Council by the property data consultant retained by Council to manage and maintain its property data from time to time, currently being XXXX Limited, to the intent that such units will be available for sale at a reasonable price to first home buyers whenever they are sold.

4. **Conditions**

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- 4.1 This Agreement is conditional on the Owners obtaining all necessary consents for the proposed Development subject to the requirements of clause 3 of this agreement by the date which is 6 months from the date of this agreement. This condition is inserted for the benefit of both the owners and the Council.
- 4.2 Once all necessary consents are obtained, the Owners shall provide Council with a timeline for the commencement and completion of the Development, which timeline will show a completion date not later than three years after the date of issue of consents.
- 4.3 This agreement is further conditional upon the elected members of Council passing a resolution to stop the Stopped Road, pursuant to sections 116 and 117 of the Public Works Act 1981 ("PWA") and the Minister of Land Information declaring the Stopped Road to be stopped by notice in the New Zealand Gazette. This condition is inserted for the benefit of Council.
- 4.4 The parties acknowledge that Council will not consider the resolution contemplated by clause 4.3 until such time as the condition contained in clause 4.1 has been satisfied and the timeline referred to in clause 4.2 has been provided.
- 4.5 If the conditions are not satisfied by the date which is 6 months from the date of this agreement then either party may, by notice to the other, cancel this agreement and upon such cancellation, subject to the provisions of clause 8, neither party shall have any further right or claim against the other.
5. **Transfer and Amalgamation**
- 5.1 The Owners agree and consent, pursuant to section 116(2)(b)(ii) of the PWA, to the stopping of the Stopped Road.
- 5.2 The parties agree that pursuant to section 345(2) of the Local Government Act 1974, the Stopped Road, after completion of survey, will be transferred and amalgamated with that part of the Owners' Land that adjoins the Stopped Road in a single record of title by way of a transfer instrument under the Land Transfer Act 1952.
- 5.3 For the purposes of section 117(3)(b) of the PWA, Council hereby certifies that it considers it equitable to dispose of the Stopped Road to the Owners as the only owners of land adjoining the Stopped Road other than Council.
6. **Settlement and possession**
- 6.1 The settlement date shall be the date that is 10 working days after the date Council advises the Owners that a separate record of title has issued or is available to issue for the Stopped Road ("Settlement Date").
- 6.2 Council shall prepare a settlement statement and shall provide it to the Owners or the Owners' lawyer at a reasonable time prior to the Settlement Date.
- 6.3 The Owners' lawyer shall:

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- (a) within a reasonable time prior to the Settlement Date create a Landonline Workspace for the transaction, notify Council's lawyer of the dealing number allocated by LINZ and prepare in that workspace a transfer instrument for the Stopped Road; and
  - (b) prior to settlement certify and sign the transfer instrument.
- 6.4 The transfer instrument prepared by the Owners lawyer in accordance with clause 6.3(a) shall include a clause requiring amalgamation referred to in clause 5.2 above.
- 6.5 Council's lawyer shall within a reasonable time prior to the Settlement Date have the transfer instruments certified, signed and pre-validated.
- 6.6 On the Settlement Date:
  - (a) The Owners shall pay the Purchase Price, interest and other moneys (if any) to Council by way of cleared funds; and
  - (b) Council's lawyer shall immediately thereafter release or procure the release of the transfer instrument so that the Owners lawyer can then submit the transfer instruments as soon as possible for registration.
- 6.7 All obligations under clause 6.6 are interdependent.
- 6.8 Vacant possession of the Stopped Road will be given and taken on the Settlement Date.
- 7. **Goods and Services Tax**
- 7.1 For the purposes of this clause "GST" means Goods and Services Tax arising pursuant to the Goods and Services Tax Act 1985 and "GST Act" means Goods and Services Tax Act 1985.
- 7.2 Council warrants that it is registered for GST, and the owners acknowledge that GST is assessable on this transaction.
- 7.3 The parties each warrant that Schedule 2 attached to this agreement has been properly completed.
- 8. **Costs**
- 8.1 The Owners shall pay upon invoice all costs related to the actions required in this Agreement, including those incurred by Council which shall include, but is not limited to, the preparation and negotiation of this Agreement, all valuation costs, survey costs, LINZ costs, Council officer time and legal costs.
- 8.2 The Owners acknowledge that if this agreement is cancelled, all costs outlined at clause 8.1 shall remain payable by the Owners and may be recovered as a debt owing to the Council by the owners.
- 9. **Acknowledgement**

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- 9.1 Council acknowledges that once stopped, the Stopped Road shall no longer be required by Council for road.
- 9.2 The parties agree to work together in good faith to do all things reasonably necessary to give effect to this Agreement including promptly signing all documentation required to complete the stopping of the Stopped Road and the issue of a new record of title for the Stopped Road.
10. **General**
- 10.1 The Owners acknowledge that they have inspected the Stopped Road and do not rely on any representation which may have been made by Council or its agent, including as to:
- (a) The extent of the Stopped Road to be sold pursuant to this Agreement or the position of its boundaries;
  - (b) The uses to which the Stopped Road may be used pursuant to the Resource Management Act 1991; or
  - (c) The existence of or ability to connect any source of gas, electricity, telecommunications or to any outlet for stormwater or sewage.
- 10.2 The parties acknowledge that the plan referred to in this Agreement has not been approved as to survey.
- 10.3 Council provides no warranty or representation, expressed or implied, that it will be successful in completing the statutory processes under the PWA.
- 10.4 This Agreement will not be binding on Council until duly executed by Council.
11. **Dispute Resolution**
- 11.1 All differences and disputes between the parties concerning this Agreement shall be dealt with as follows:
- (a) The parties shall meet and discuss in good faith any dispute between them arising out of this Agreement.
  - (b) If the discussions referred to in the previous subclause fail to be resolved within 30 days of first being raised in writing, the issue shall be elevated to a meeting between the Chief Executive of Council and the Owners or their respective nominees to reach an agreed position.
  - (c) If the discussions referred to in the above two subclauses fail to resolve the relevant dispute within 45 days of first being raised in writing, either party may, by written notice to the other party, require that the dispute be submitted to mediation by a single mediator agreed between the parties.
  - (d) In the event of such submission to mediation:
    - (i) The mediator shall be deemed not to be acting as an expert or an arbitrator;

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- (ii) The mediator shall determine the procedure and timetable for the mediation;  
and
- (iii) The cost of mediation shall be shared equally between the parties.
- (e) Neither party may issue any legal proceedings (other than for urgent interlocutory relief) in respect of any such dispute unless that party has first taken all reasonable steps to comply with the above clauses.

Executed as an agreement

**SIGNED** for and on behalf of )  
**HAMILTON CITY COUNCIL** by its ) .....  
 Authorised Signatory: )

**SIGNED** by **RAYMOND JOHN PICKETT** ) .....  
 in the presence of: )

Witness signature .....

Witness name: .....

Occupation: .....

Address: .....

**SIGNED** by **WENDY VALERIE PICKETT** ) .....  
 in the presence of: )

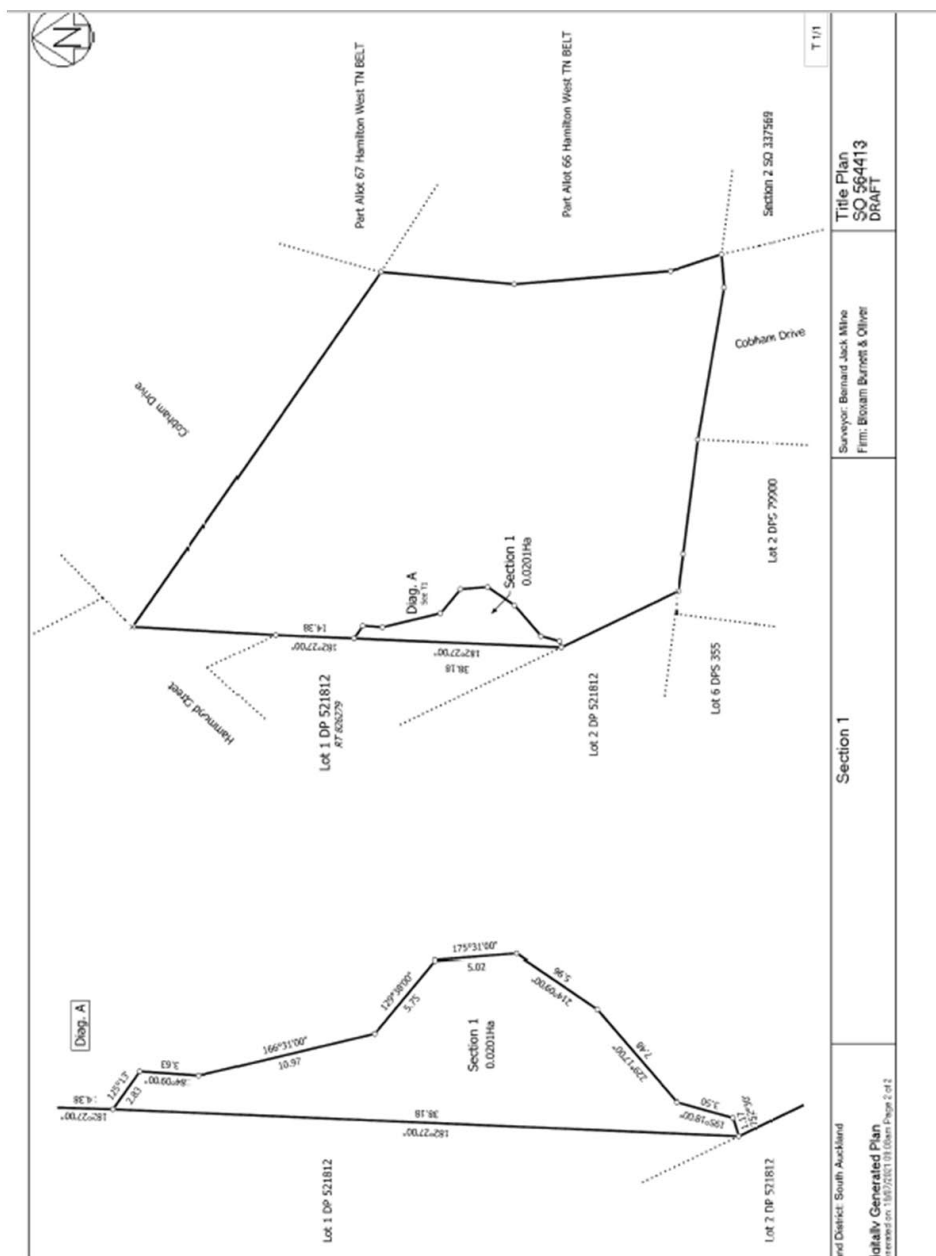
Witness signature .....

Witness name: .....

Occupation: .....

Address: .....

# Attachment 1



APD-348176-3255-24-V1:

## SECTION 1

If the answer to either or both of questions 3 and 4 is "No", go to question 7

APD-348176-3255-24-V1:

Received via  
Email 2/7/21

Paula Southgate: Mayor  
Hamilton City Council  
Private Bag 3010  
Hamilton 3240  
New Zealand



Item 10

Dear Paula

**Re: Proposed Road Stopping- 28 Hammond Street**

1. We refer to the email sent to Hamilton West School by Trevor Harris (Property Officer Acquisitions & Disposals) of 15 June 2021.
2. I (Mark Penman - Principal) raised your email to the Hamilton West School Board of Trustees (**Board**) on 30.06.2021. The Board reflected the same disappointment that I felt on reading the email.
3. Hamilton West School is an inner city school, with a full role, located in a high density growth zone.
4. The decision to change the resource consent process, including off street parking requirements in Hammond, Fow and surrounds has significantly impacted the ability of our school community to safely drop their children off to school and pick them up.
5. You may not be aware but there has been significant correspondence on this subject between me (Principal) and Cameron Ward of your organisation- seeking assistance from the Council to help manage this intense situation.
6. Having reviewed the unit title for the referred land parcel we understand that it is vested to Hamilton City Council and is identified as a road. We are familiar that the process required to separate the land parcel is a road stop, which will require the land parcel to be surveyed and separated off. This is subject to a public notice process- by newspaper or website. Please urgently advise whether this process has taken place and provide a copy of the same if it has. In the event that we are sitting outside of that period, we would be very disappointed not to have been formally notified of the intent (outside of your letter).
7. The Board is vehemently opposed to:
  - o the sale of indicated land parcel; and
  - o the proposed development.
8. As you can see on the boundary indicator photograph that was attached to Trevor's email, our recently refurbished school pool, where young children change and play, is adjacent to the pool property. There are significant amenity issues (privacy at the forefront) that cannot be adequately addressed and Hamilton West will be opposing the development through submissions at the appropriate time.
9. The Board would be willing to communicate their views in person or otherwise at the next Council meeting.

Attachment 2

10. The Board gives notice to their objection to the development with regard to the property at 28 Hammond Street and requests that all transactions with respect to the property are put on hold until there is a resolution of issues related to the development.
11. The Board requests disclosure of all costs that the Hamilton City Council have incurred and will incur as part of this development as a matter of public interest. The board also requests as a matter of public interest, the proposed sale value of the parcel of land the Hamilton City Council is selling to the developer.
12. Please be aware that members of the Board are willing to meet with the developer once the Hamilton City Council has provided the board with all relevant information in relation to the development. Note other interested parties such as the McKenzie Centre may wish to attend the meeting.
13. We look forward to receiving your invitation and email response to our questions raised.
14. This is not the final communication the Hamilton City Council will receive from the Board. The Board is currently waiting on a number of Councilors to respond to the boards requests for assistance over the proposed development. Also the Board's final response is reliant on receiving information from the Hamilton City Council as a result of this letter. Therefore, the ability of the Board may not be able to complete its response by the 20th July 2021.

Yours sincerely



Mark Penman/ Cameron Old  
Principal/ Chairman Hamilton West School

CM Ref: D-3815797

Name	Date Comments Received	Concern - On	Concern - Privacy	Other Concerns
		Yes / No	Yes / No	
Ruth Wackrow	7 July 2021	Yes	Yes	
Briar McMorran	7 July 2021	Yes	Not mentioned	
Sharmend and Babiti Kumar	7 July 2021	Yes	Not mentioned	
Mary Ballantyne	8 July 2021	Yes	Yes	
Kate Ballantyne	8 July 2021	Yes	Yes	
Keith O'Donnell	8 July 2021	Yes	Yes	
McKenzie Centre	8 July 2021	Not mentioned	Yes	
Richard & Mary Ballantyne	9 July 2021	Yes	Yes	
Graeme Blake	9 July 2021	Yes	Yes	Cost of heating pool due to proposed development shading it.
Wendy Delich	13 July 2021	Yes	Yes	
Graham Parker	15 July 2021	Yes	Yes	Not aligned with the spirit of section 4.2 of the Operative District Plan.

Item 10

Attachment 3





# Title Plan - SO 564413

Survey Number	SO 564413
Surveyor Reference	145980- Pickett Road Stopping
Surveyor	Bernard Jack Milne
Survey Firm	Bloxam Burnett & Olliver
Surveyor Declaration	

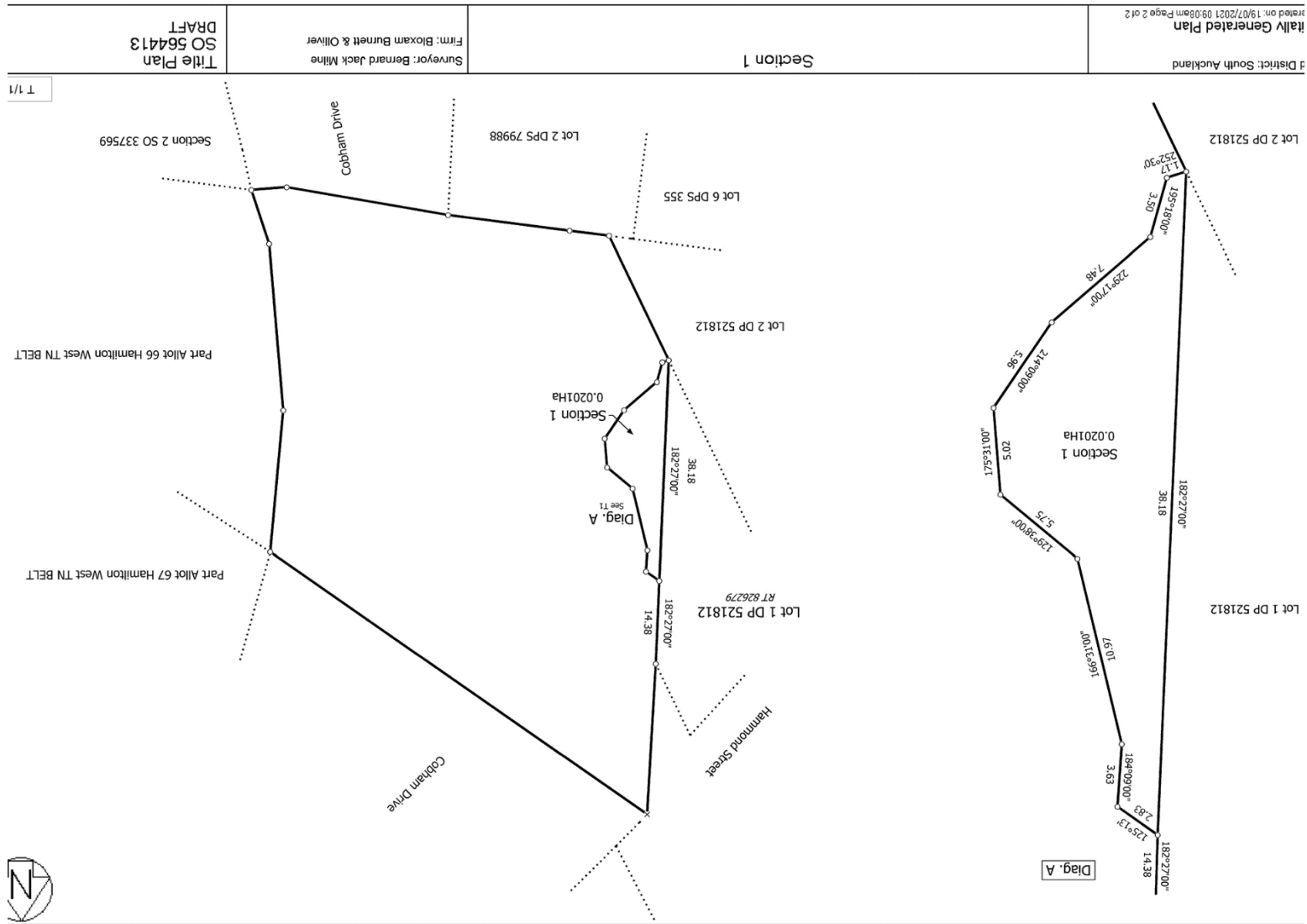
Survey Details			
Dataset Description	Section 1		
Status	Initiated		
Land District	South Auckland	Survey Class	Class A
Submitted Date		Survey Approval Date	
		Deposit Date	

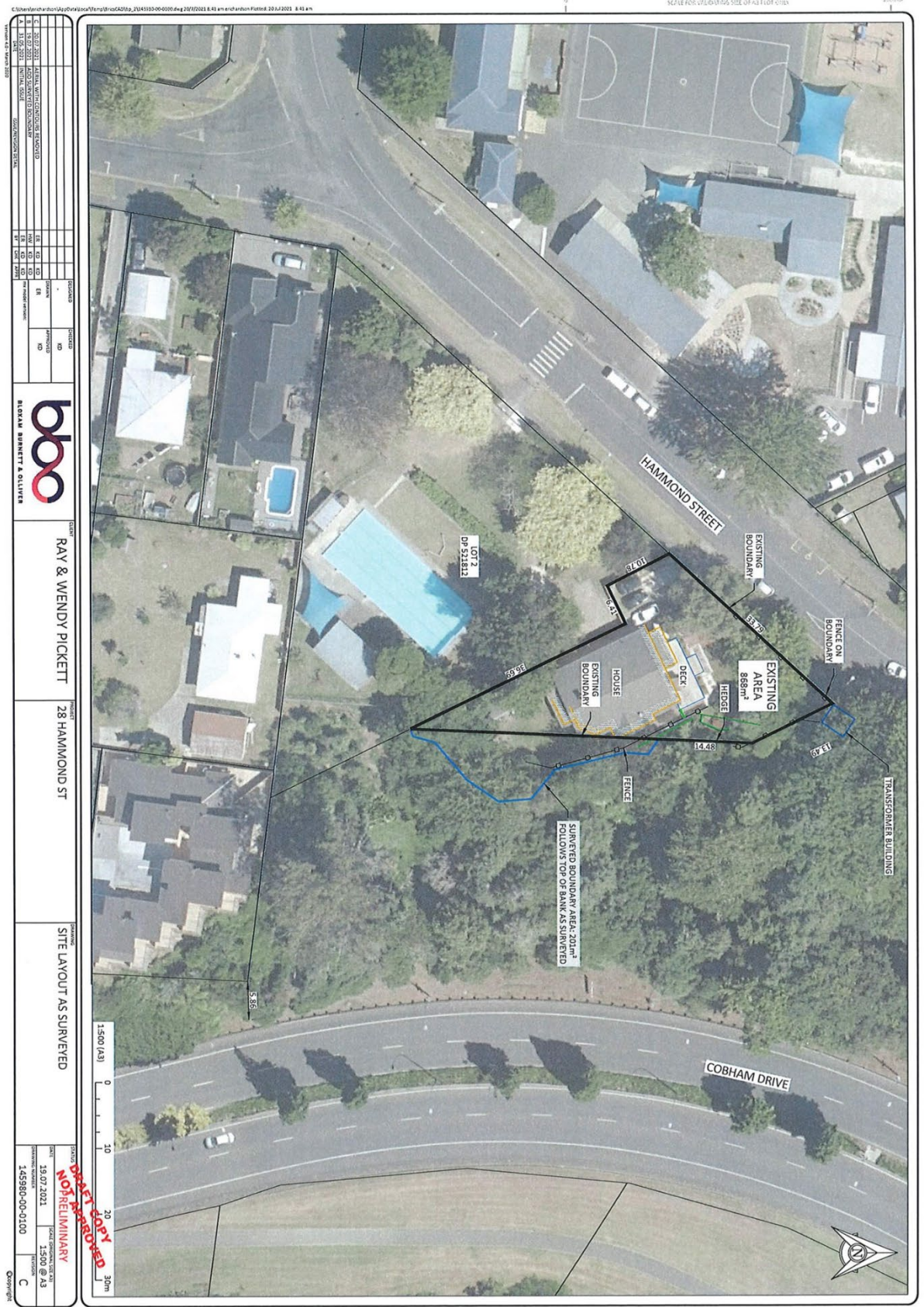
Territorial Authorities	
Hamilton City	

Comprised In	
RT 826279	
GN Gaz 2002, p 148	

Created Parcels			
Parcels	Parcel Intent	Area	RT Reference
Section 1 Survey Office Plan 564413	Legalisation	0.0201 Ha	
CSC Parcel Number: 3	Road		
Total Area		0.0201 Ha	







## 1. Valuation Summary

This valuation summary must be read in conjunction with the full report and the attached Residential Valuation Policy Statement.

<b><u>Property Address</u></b>	28 Hammond Street, Hamilton
<b><u>Inspection Date</u></b>	22 June 2021 (effective date of valuation)
<b><u>Instructing Party</u></b>	Trevor Harris, Property Officer Hamilton City Council
<b><u>Purpose of Valuation</u></b>	Valuation of Land for Disposal.  The purpose of the valuation is to establish the Market Value of the proposed 1045m2 lot. This is to be expressed in a \$/sqm basis.
<b><u>Type of Property</u></b>	The property comprises a central city site within the "Residential Intensification Zone" suitable for development.

<b>Value</b>	1045m2
Land Value	\$1,500,000
<b>ASSESSED MARKET VALUE</b>	<b>\$1,500,000</b>
	<b>\$1,435/m2</b>

**Significant Risks** n/a

**Special Assumptions** Valuation based upon Council Resolution – "the valuation to the added required land be proportioned based upon on the **value of the whole revised property** not as an isolated land purchase".

*On agreement of the land value then the area of land to be stopped and sold to Mr & Mrs Pickett will be apportioned at a sqm rate, after receipt of an approved survey plan that will confirm the area and a signed agreement.*



**Market Uncertainty****COVID-19**

The real estate market is being impacted by the uncertainty that the COVID-19 outbreak has caused. Market conditions are changing daily at present. As at the date of valuation we consider that there is a significant market uncertainty.

This valuation is current at the date of valuation only.

The value assessed herein may change significantly and unexpectedly over a relatively short period of time (including as a result of factors that the valuer could not reasonably have been aware of as at the date of valuation).

We do not accept responsibility or liability for any losses arising from such subsequent changes in value.

Given the valuation uncertainty noted, we recommend that the user(s) of this report review this valuation periodically.

**Prepared By****SGHU Valuations LP**

M J HAVILL  
Registered Valuer  
SPINZ, B. Com (VPM)

We confirm that the above registered valuer has internally and externally inspected the subject property.

# Council Report

Item 11

**Committee:** Council

**Date:** 12 August 2021

**Author:** Becca Brooke

**Authoriser:** David Bryant

**Position:** Governance Manager

**Position:** General Manager People and Organisational Performance

**Report Name:** 2021 Wider Representation Review - Initial Proposal

<b>Report Status</b>	Open
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## Purpose - *Take*

1. To seek approval from the Council on an initial proposal for its review of representation arrangements.

## Staff Recommendation - *Tuutohu-aa-kaimahi*

2. That the Council:
  - a) approves, in accordance with sections 19H and 19J and clauses 1 and 2 of Schedule 1A of the Local Electoral Act 2001, to adopt as its initial proposal for the review of representation arrangements for at least the 2022 triennial elections, one of the following options:
  - b) **OPTION 1** – Two general wards (East and West) and one city-wide Maaori ward, increase to 15 Elected Members (including the Mayor) and no community boards:
    - i. Hamilton City Council comprises 14 Councillors elected under the ward system, plus the Mayor elected ‘at large’;
    - ii. Hamilton City Council is divided into three wards, consisting of the following communities of interest:
      - **East General Ward** (represented by six Councillors), comprising the area to the east of the Waikato River as shown shaded blue in **Attachment 2** (i.e. the current East ward). Councillors in this ward are to be elected by electors registered on the general electoral roll within the East ward boundaries;
      - **West General Ward** (represented by six Councillors), comprising the area to the west of the Waikato River as shown shaded green in **Attachment 2** (i.e. the current West ward). Councillors in this ward are to be elected by electors registered on the general electoral roll within the West ward boundaries;
      - **Kirikiroa Maaori Ward** (represented by two Councillors), comprising the whole city area as shown in **Attachment 2**. Councillors in this ward are to be elected by electors registered on the Maaori electoral roll within the city area.

iii. No community boards are established as:

- I. Effective representation would not be enhanced by establishing community boards, having considered the identified communities of interest in terms of distinctiveness, representation, access and effective governance; and
- II. If wards are confirmed, ward Councillors are likely to provide sufficient representation of communities of interest and therefore ensure adequate representation and access between Elected Members and the population.

**OR**

c) **OPTION 2** – one city-wide general ward and one city-wide Maaori ward, increase to 15 Elected Members (including the Mayor) and no community boards:

- i. Hamilton City Council comprises 14 Councillors elected under the ward system, plus the Mayor elected 'at large';
- ii. Hamilton City Council is divided into two wards, consisting of the following communities of interest:
  - I. **Hamilton General Ward** (represented by 12 Councillors) comprising the whole city area as shown in **Attachment 2**. Councillors in this ward are to be elected by electors registered on the general electoral roll within the city area;
  - II. **Kirikiroa Maaori Ward** (represented by two Councillors), comprising the whole city area as shown in **Attachment 2**. Councillors in this ward are to be elected by electors registered on the Maaori electoral roll within the city area

iii. No community boards are established as:

- I. Effective representation would not be enhanced by establishing community boards, having considered the identified communities of interest in terms of distinctiveness, representation, access and effective governance; and
- II. If city-wide wards are confirmed, this recognises Hamilton city has a relatively compact geographic area and its communities of interest are not geographically distinct, but rather they are spread across the city and community boards or smaller wards are unlikely to add value.

**AND**

- d) approves the option chosen above as the initial proposal for the Wider Representation Review that will undergo formal public consultation, including inviting submissions for a period 25 August 2021 to 6 October 2021; and
- e) recommends that any arrangements confirmed as a result of this Wider Representation Review be reviewed in 2023/24 (for the 2025 triennial elections).

### **Executive Summary - *Whakaraapopototanga matua***

- 3. On 19 May 2021 Hamilton City Council resolved to establish one or more Maaori wards for the 2022 and 2025 triennial elections. That decision triggered the legal requirement to undertake a Wider Representation Review.
- 4. The purpose of a Wider Representation Review is to ensure Council's representation arrangements support fair and effective representation that meets the needs and expectations of the community.

5. The representation review process must be undertaken according to the Local Electoral Act 2001 (LEA) which requires each council in New Zealand to:
  - a) Identify the city's communities of interest and their geographical boundaries;
  - b) Ensure effective representation of these communities of interest by considering the following factors:
    - i. the number of wards (if any), and their boundaries and names;
    - ii. how Councillors are elected; i.e. from wards, 'at large' (across the whole of the city) or a mix of both;
    - iii. the number of Councillors;
    - iv. whether to establish community boards, and, if so, the arrangements for those boards.
  - c) Provide fair representation to electors, by ensuring that each Councillor represents about the same number of people. The LEA sets out a formula (known as the '+/- 10% rule') that applies to wards to achieve population equity. This principle does not apply if councillors are elected 'at large'.
6. Following consideration of the above factors, Council must develop an initial proposal for future representation arrangements. This is then presented to the community for formal feedback.
7. There is no legal requirement for public consultation prior to Council approving an initial proposal and the restricted timeframes impacting the current review process means there has not been the opportunity to undertake any pre-consultation with the wider community.
8. However, the pre-consultation undertaken with the community for the 2018 Wider Representation Review was extensive and recent enough that staff are confident the information gathered then is appropriate to inform this current review.
9. Council staff have undertaken consultation with Maaori partners on whether the two Maaori ward seats should be elected city wide or by two wards, what the name/s of wards should be and the boundaries (if any). Three meetings were held in June 2021 to support this consultation following which a joint letter of recommendation was supplied to Council outlining the collective preferences of Waikato Tainui and Maataawaka. These are that:
  - i. The number of Councillors constitutes 12 general and 2 Maaori Elected Members (12+2).
  - ii. Maaori Elected Members are elected via one city-wide ward.
  - iii. As many general seats be elected at large as possible without reducing Maaori ward seats (this recommendation favours a mixed system).
  - iv. Any decisions on representation arrangements be reviewed after the 2022 election.
10. Since the decision to establish Maaori wards, staff have been working to fully inform Elected Members about the Wider Representation Review process and seek guidance on initial options analysis and development. To this end, an Elected Member workshop was held on 28 May 2021 as well as a workshop on 25 June 2021. This report presents two options based on staff analysis and discussion and guidance from Elected Members during these sessions.
11. Elected Members are required to consider information gathered through pre-consultation, staff analysis and briefing material alongside practical and operational considerations for fair and effective representation for the city.

12. The Council is now required to decide on a single initial proposal at its meeting on 12 August 2021 that reflects its preferred representation arrangements for at least the 2022 local authority elections.
13. Public hearings of any submissions received will then be held on 13 and 14 October 2021 and a final proposal resolved at the Council meeting on 11 November 2021.
14. Staff consider the decision in this report has medium significance and that the recommendations comply with the Council's legal requirements.

### **Background - *Koorero whaimaarama***

15. All Councils are required by the LEA to review their representation arrangements at least every six years but may choose to do so every three years if they believe the community's representation needs have changed or Maaori wards/constituencies are to be established.
16. Earlier this year, changes to the LEA led many Councils to reconsider the establishment of Maaori wards as part of their representation arrangements. Hamilton City Council was one of many that decided to establish Maaori wards for the 2022 and 2025 triennial elections. That decision represents a significant change to Council's existing representation arrangements and as such, triggered the requirement to undertake a Wider Representation Review.
17. Part 1A of the LEA sets out the requirements for a representation review. There are three key factors for the Council to consider:
  - a) Identifying the city's communities of interest and define their geographical boundaries;
  - b) Ensuring effective representation of these communities of interest. This requires considering:
    - i. the number of wards (if any), and their boundaries and names;
    - ii. how councillors are elected; i.e. from wards, 'at large' (i.e. by the whole of the city) or a mix of both;
    - iii. the number of councillors;
    - iv. whether to establish community boards, and, if so, the arrangements for those boards.
  - c) Providing fair representation to electors, by ensuring that each councillor represents about the same number of people. The LEA sets out a formula (known as the '+/- 10% rule') that applies to wards to achieve population equity. This principle does not apply if councillors are elected 'at large'.
18. To support Council to consider the above, staff held two workshops for Elected Members. The workshop held on 28 May 2021 introduced the process, legislative and decision-making requirements of a Wider Representation Review along with an overview of likely initial options.
19. The workshop held on 25 June 2021 provided Elected Members with much more information in relation to communities of interest, the pre-consultation carried out in 2018 and the expressed preferences of key Maaori partners to help inform their thinking. More detailed options were also provided to Elected Members and guidance sought as to which to bring back for consideration as part of this report (**Attachment 1**).



## Informing the Wider Representation Review

20. There is no requirement under the LEA for public consultation prior to the Council approving its initial proposal ('pre-consultation'). The timeframes within which the current Wider Representation Review must be carried out have been affected by LEA legislation changes - meaning it has not been possible to do thorough pre-consultation with the community for this review.
21. Fortunately, the last Wider Representation Review undertaken in 2018 involved extensive pre-consultation, including a Community Profile survey, focus groups and a phone survey. A summary and the full results of these are included in Attachments 1, 2 and 3 of **Attachment 1**. Wherever possible the data within these documents has been updated to the most recent available and to reflect 2020 population estimates.
22. Taking into consideration how thoroughly and recently this research was carried out, staff are confident the results of the 2018 pre-consultation remain relevant and robust. It is appropriate to use this pre-consultation to inform the current Wider Representation Review to:
  - i. Identify the communities of interest;
  - ii. Understand public views on the representation system; and
  - iii. Calculate what constitutes fair and effective representation.
23. As per the guidelines set out by the Local Government Commission (LGC), councils are required to use population data from the last Census (2018) and the most recent population estimates from Statistics NZ (2020 in this instance). The following data sources have been used to inform population related calculations, our understanding of the communities of interest and their views on representation:
  - i. Census 2018.
  - ii. Statistics NZ 2020.
  - iii. Infometrics 2020.
  - iv. Electoral Commission statistics 2021.
  - v. Community Profile Survey 2018 (total of 1,665 responses).
  - vi. Focus groups (2) and telephone survey (500 responses).
24. Staff also worked with Council's key Maaori partners (including facilitating and attending three hui throughout June 2021) to ensure the process and decisions required as part of the review were understood - in particular in relation to Maaori wards. Iwi and Maataawaka were asked for guidance on how the Maaori wards should be arranged, boundaries and ward names if applicable. Their preferences were provided to staff in a letter on 18 June 2021 and these are expressed throughout this report.
25. A number of significant changes are already set to influence representation arrangements and electoral processes for Hamilton City. These may influence decision-making on an initial proposal for the Wider Representation Review:
  - i. Introduction of STV electoral system for the 2022 and 2025 triennial elections.
  - ii. Introduction of Maaori wards for the 2022 and 2025 triennial elections.
  - iii. Vastly reduced timeframes within which to carry out a full review of the Wider Representation Review (resulting from legislative changes to the LEA).
  - iv. Local Government Reform (unknown outcomes at this stage)

26. Once it has considered the above information and key decision-making components, Council must resolve an 'initial proposal' of the representation system that it determines will most fairly and effectively represent Hamiltonians. The public are then able to submit their thoughts on the proposal.

#### Process and consultation overview

27. The LEA prescribes the process and timeline for undertaking a Wider Representation Review. This is set out below.

Date	Milestone
12 August	Council meeting (resolve initial proposal to go to consultation)
25 August	Public notice of initial proposal
25 August – 6 October	Submission period
13/14 October	Hearings
20 October	Council briefing (confirm any changes to final proposal)
11 November	Council meeting (resolve final proposal)
17 November	Public notice of final proposal
17 November – 17 December	Appeal/objection period
By 14 January	Material to LGC (if required/an objection is lodged)
By 11 April	Determination by LGC (if required)

28. This process and the timelines within it as they relate to notifications of proposals, submissions and appeals/objections are set by legislation (as above) and must be met.
29. If there are no submissions received on the Council's initial proposal and that proposal complies with the LEA requirements for achieving fair representation then that proposal becomes the basis for election for the 2022 triennial elections (i.e. the representation arrangements that will apply for the 2022 election). A public notice is required to provide confirmation of this.
30. If any submissions are received, the Council will need to resolve a final proposal, following hearings, which will also require a public notice to be published.
31. If no appeals or objections are received on the Council's final proposal and that proposal complies with the LEA requirements for achieving fair representation, then that proposal becomes the basis for election for the 2022 triennial elections. A public notice is required to provide confirmation of this.
32. The Council's final representation arrangements will be determined by the Local Government Commission (LGC), if the Council's final proposal:
- is the subject of any appeal and/or objection; and/or
  - does not comply with the requirements for achieving fair representation (i.e. the +/- 10% rule in the LEA, noted in paragraph 5c).
33. The LGC has issued guidelines on undertaking a Wider Representation Review which the Council must take into consideration. They are available [here](#).

#### Out of scope

34. The choice of electoral system (i.e. Single Transferable Voting (STV)) as determined in the 2020 Electoral System Review is not part of the current representation review and will apply for at the 2022 and 2025 triennial elections.

35. The Council resolved to establish Maaori wards for at least the 2022 and 2025 triennial elections at its meeting on 19 May 2021 which means this matter is also not a consideration for the current review process.
36. Any submissions received on the decisions to establish Maaori wards or the STV voting system will not be considered as part of this review.

## Discussion - *Matapaki*

37. This section of the report covers the areas Council is required by the LEA to consider when conducting a Wider Representation Review. It summarises information presented at the Elected Member workshop on 25 June 2021 and key aspects of discussions that day that assisted with the development of the options presented within this report. Fuller detail on the areas covered below are in **Attachment 1**.

### Defining communities of interest

38. Council's decisions relating to proposed representation arrangements need to demonstrate that they reflect the perceptual and functional needs of identified communities of interest, where these are distinct from the community at large.
39. Characteristics of communities of interests' perceptual and functional aspects may be:
  - i. Distinctive physical and topographical features (e.g. Rivers).
  - ii. Similarities in economic or social activities carried out in the area.
  - iii. Similarities in the demographic characteristics of a community.
  - iv. Distinct local history of the area.
  - v. The rohe or takiwaa (area/region) of local iwi.
  - vi. Dependence on shared facilities and services in an area.
40. Any wards representing communities of interest should be easily identifiable and have regard to boundaries defined and used by other government and statutory bodies. In terms of their size, there also needs to be consideration of how responsive they are to local needs and Elected Members' ability to serve them.
41. Council should weigh these interests and needs against the practical, financial and operational considerations for the whole city.
42. Information pertaining to communities of interest is included in Attachments 1-3 within **Attachment 1**. This is provided to support Council to understand how communities of interest are defined in Hamilton and to determine the most appropriate representation arrangements as part of this Wider Representation Review.

### Effective representation

43. Once Council has a good understanding of Hamilton's identified communities of interest, it must then determine what representation arrangement will best serve these communities. In making decisions regarding these arrangements, Council needs to ensure the following principles (as specified in Section 4(1) of the LEA) have been recognised:
  - i. Fair and effective representation for individuals and communities.
  - ii. Reasonable and equal opportunities to:
    - a. vote; and
    - b. nominate, or be nominated as, candidates.
  - iii. Public confidence in, and public understanding of local electoral processes.

44. Council must consider (where practical) the following factors in determining effective representation for Hamilton City residents:
- i. Representation must be achieved within the statutory limits (between 5 and 29 members—excluding the mayor).
  - ii. Avoiding arrangements that may create barriers to participation.
  - iii. Not splitting recognised communities of interest between electoral subdivisions.
  - iv. Not grouping together two or more communities of interest that have few common interests.
  - v. Accessibility, size, and configuration of an area, including:
    - A. the population's reasonable access to its Elected Members and vice versa; and
    - B. the Elected Members' ability to:
      - effectively represent the views of their electoral area; and
      - attend public meetings throughout the area and provide reasonable opportunities for face-to-face meetings.
45. The following provides a brief overview of the components Elected Members need to determine the most effective future representation arrangements. These components inform the two options presented in this report for Council deliberation.

#### **Number of councillors**

46. As noted above there are statutory limitations and regulations as to the number of Councillors that may represent a councils' population (5-29 Elected Members).
47. When establishing Maaori wards the number of representatives for these is dictated by the Maaori Electoral Population (MEP) but also the overall number of Councillors as Maaori ward seats on Council must proportionally represent the MEP of Hamilton as a percentage of total population.
48. This requirement is dictated by a legislative formula under the LEA . The formula is based on the latest available MEP (26,640) and General Electoral Population (GEP (149,830)). The MEP as a percentage of the total population (15.1 per cent) is then applied to the total number of councillors to determine the number of Maaori and general councillors required to reflect this proportionally.
49. Regardless of whether Council resolves to have 12 or 14 Councillors, under the formula there would be two Maaori councillors and the balance general councillors. For example, two Maaori Councillors out of 12 represents 16.6% of all seats and is a close approximation to 15.1% - the MEP as a percentage of the total population in Hamilton. Should Council choose to have 14 Councillors the proportion of Maaori ward Councillors based on MEP remains two (another close approximation proportionally of the MEP with Maaori ward Councillors representing 14.3% of all Councillors).
50. At the 25 June 2021 Elected Member workshop, two options were discussed in relation to the number of Councillors:
- i. **Option 1:** Maintain current overall numbers of Elected Members at 13 - 10 general and two Maaori seats plus the Mayor (10+2+1).
  - ii. **Option 2:** Increase in overall number of Elected Members to 15 - 12 general and two Maaori seats plus the Mayor (12+2+1).

51. In discussing the appropriate number of Councillors required for effective representation, Elected Members are asked to consider:
  - i. Workload and their ability to carry out their duties effectively.
  - ii. Appropriate access and Elected Member availability to the community to support their needs.
  - iii. Potential minor adjustments being required to the chamber and technological support to accommodate any additional members.
  - iv. Increased resource may be required in terms of governance support for Elected Members.
52. Initial feedback from Elected Members at this workshop leaned toward increasing the overall number of Councillors to 14 (15 Elected Members in total including the Mayor). The preferences of Council's Iwi and Maataawaka partners support this decision.
53. Accordingly, the two options presented in this report suggest 12 general and two Maaori ward Councillors representing Hamiltonians alongside the Mayor for the 2022-25 triennium.

#### **How councillors are elected.**

54. The Mayor is always elected at large. Councillors may be elected either 'at large' or from wards, which may be city-wide or divided into smaller, multiple wards. A Council may also choose to have some Councillors elected 'at large' and some elected from wards – a mixed system.
55. An indication of what representation systems other Councils around New Zealand have in place is included in paragraphs 35-36 of **Attachment 1**. Many Councils also include community boards as part of their representation arrangements.
56. Five options were presented to Elected Members at the workshop on 25 June 2021 for discussion and guidance on preferred options for consideration in this report (further information and staff analysis of these options and key considerations is in **Attachment 1**):
  - i. **Option 1:** All Councillors elected by city-wide wards (one general city-wide ward and one Maaori city-wide ward).
  - ii. **Option 2:** Status quo plus Maaori ward (two general wards (East/West divide) and one Maaori city-wide ward).
  - iii. **Option 3:** Increase to three general wards (three general wards and one Maaori city-wide ward)
  - iv. **Option 4:** Increase to four general wards (four general wards and one Maaori city-wide ward).
  - v. **Option 5:** Mixed system (with some Councillors elected by general wards, some by one Maaori city-wide ward and the balance of Members elected at large).
57. All options included one Maaori city-wide ward as Iwi and Maataawaka had already stated this as their preference.
58. In discussing the above options, the following key considerations were weighed up:
  - i. Voter choice (impacted by ward boundaries/number of candidates to choose from).
  - ii. Degree of elector influence (proportion of full Council that electors will get to rank in order of preference under STV).
  - iii. Perception of a united Hamilton.

- iv. Perception of specific community needs and interests being served.
  - v. Perception of closer connection with local Councillors.
  - vi. Candidate campaign expenditure allowance (higher may be perceived as creating a greater barrier to some candidates' ability to stand and therefore equity of access to participation in the democratic process).
59. Any changes to ward boundaries may have greater or lesser impact in terms of meeting future representation needs as the city grows and faces other changes. Accordingly, when looking at how Councillors are elected, Council should also bear in mind the following:
- i. Major developments underway in the south and north of the city and the impact these may have on the future shape of the city.
  - ii. The possibility of future significant local government reforms currently being considered.
  - iii. That the key intent of wards is to represent communities of interest more effectively (in terms of giving voice to their specific needs and appropriate access to members). It is up to Council to determine whether the similarities of the communities, and the ability of Councillors to effectively represent their areas, warrant ward representation and to what degree.
60. Iwi partners also wished to express their views on the overall representation system electoral structure and indicated to staff a preference for a mixed model system for the purpose of increasing voter choice and influence for all electors regardless of which electoral roll they are registered on.
61. Following thorough discussion, Elected Members indicated a preference to consider the existing East/West wards and city-wide wards over other systems that would either increase the number of general wards or establish a mixed model system.
62. A key factor influencing this preference was the perceived potential for additional significant change to be overly complicated for electors also adjusting to a change to STV voting and the introduction of Maaori wards.
63. These conversations are reflected in the two options presented in this report as the most preferred options for the Council to consider at this time (refined versions of Options 1 and 2 above).

#### **Number of wards**

64. As part of determining how Councillors are elected, Council must decide on the appropriate number of wards (if any), their boundaries and names. To do this, it must consider the regulations set out by the LEA that guide fair and effective representation arrangements (as noted in paragraphs 44-45 above and 78-81 below).
65. The use of wards may be seen to indicate that there are particular communities of interest that would be best served by Elected Members focussing on representing the needs of those particular communities - as distinct from the needs of the city as a whole. Wards may also serve to increase the perception of closer personal connection and accessibility to Councillors for constituents.
66. Determining the number of wards requires considering Maaori wards and general wards alongside each other and may be seen as distinct and parallel decisions.
67. Staff have consulted with Council's Maaori partners at a number of hui throughout June 2021 to understand their preferences as to whether the two Maaori ward Councillors should be elected city wide or by two wards, what the name/s of wards should be and the boundaries (if any).

68. On 18 June 2021 Waikato Tainui forwarded a letter to Council with their recommendation (and that of Maataawaka) that the Maaori ward be city-wide. The letter did not make any suggestion of a name for the ward (seeing as it was city wide and therefore perhaps simply acknowledged as the Maaori ward) but offered to consider this further via subsequent discussions.
69. Previously, and as part of this Wider Representation Review, Council has considered dividing the city beyond the existing two general wards into three or four general wards to represent the distinct character of the communities within the city. Conversely, reducing the number of general wards to one city-wide ward has also been considered. Maps showing what these boundaries might look like are included in Attachment 6 of **Attachment 1**.
70. Staff were directed at the 25 June 2021 workshop to bring back city-wide wards (for both general and Maaori wards) and a three ward system (one city-wide Maaori ward and two general East/West wards) as the options to be considered in determining the initial proposal for representation arrangements. Overall, discussion during the workshop indicated Elected Members weren't in favour of further increasing the number of general wards at this time (again, taking into account other significant changes to the system)
71. Previous analysis of communities of interest indicates that there are not clearly defined communities of interest within Hamilton (which may be argued to support city-wide or at large elections). However, there is some evidence of similar demographic characteristics in different areas of the city that could support a multiple ward approach.
72. It is up to Council to weigh up the information provided (including that already presented in **Attachment 1** during the workshop) and to determine the relevance or otherwise of wards for the communities of Hamilton.
73. It is important that the evidence base as a whole, as well as its individual components, is considered carefully by Elected Members and weighted accordingly in the broader context. No individual component of information should be used as the sole justification for a particular representation option.

#### **Community boards**

74. As part of undertaking a Wider Representation Review, Council must decide whether or not to establish community boards. The LGC provides the following guidelines for consideration<sup>1</sup>:
  - i. Will the proposal promote the good local government of the parent district and the community area concerned?
  - ii. Will the district and the community have the resources necessary to enable them to carry out their respective responsibilities, duties and powers?
  - iii. Will the district and the community have areas that are appropriate for the efficient and effective performance of their role?
  - iv. Will the district and the community contain a sufficiently distinct community of interest or sufficiently distinct communities of interest?
75. The option here is for Council to establish community boards or choose not to.
76. Considering the spread and diversity of Hamilton's communities of interest, any establishment of community boards would need to be balanced with other features of the representation system (such as wards if retained) to ensure they serve to enhance the effectiveness of the system.
77. In the workshop sessions held with Elected Members they had the opportunity to consider whether the establishment of community boards would serve to enhance the effectiveness of representation for Hamilton City.

<sup>1</sup> <http://www.lgc.govt.nz/assets/Uploads/Representation-Review-Guidelines-2020-v2.pdf>

78. To date, discussions with Elected Members has suggested that community boards are unlikely to add further value to the representation system at this stage and that their introduction as part of this review would add a further layer of complexity for electors already dealing with a number of changes. Accordingly, the two options presented in this report maintain the status quo by not recommending the establishment of community boards.

#### **Fair representation**

79. Under the provisions set out in the LEA, when using a ward system, Council must determine that Councillors fairly represent their constituents by ensuring the average population of each ward ratio is no more than a +/-10% variance.
80. Maaori and general wards must be calculated separately as they represent different wards and electors registered on different electoral rolls.
81. This requirement is designed to ensure each councillor represents about the same number of people, within +/- 10%. This is referred to as the '+/-10%' rule. The requirements for this rule are as follows:

*Council must ensure that the population of each ward, divided by the number of Councillors to be elected by that ward, produces a figure no more than 10% greater or smaller than the population of the city divided by the total number of Elected Members.*

82. Below is an example of how this rule is applied using the estimated general electoral population and Maaori electoral population statistics (as at 30 June 2020) and based on 12 general and two Maaori Councillors. Current East/West ward divisions and city-wide wards are also shown below:

*General electoral population (149,830/12 Councillors) = 12,486 (+/- 10% range being 11,237-13,734)*

Ward	General Electoral Population	Number of Representatives	Average	+/-10% Fit
East	81,940	6	13,657	Yes
West	67,890	6	11,315	Yes
City-wide	149,830	12	12,486	N/A

*Maaori electoral population (26,640/2 Councillors) = 13,350 (+/- 10% range being 12,015-14,685)*

Maaori Ward	Maaori Electoral Population	Number of Representatives	Average	+/-10% Fit
East	11770	1	11,770	No
West	14870	1	14,870	No
City-wide	26640	2	13,350	N/A

83. During the 25 June 2021 workshop staff were asked what the number of Councillors would need to be to retain the current ratio of Councillors to electors in the future.
84. Based on 2020 electoral population estimates, to maintain the current average of approximately 12,500 electors (GEP) and 13,350 electors (MEP) per Councillor, a total of fourteen Councillors are required.



85. Statistics NZ electoral population estimates are not available beyond June 2020. However, using our NIDEA High population projections we have calculated some estimates. These show that the number of Councillors would need to increase to 16 (with potentially three of those being Maaori ward Councillors) over the next ten years to 2031 if the current ratios of electors (or a middle ground ratio of 13,000) per Councillor were to be retained. Note, it is difficult to predict the future MEP without access to how many Maaori are currently registered on the general electoral roll – therefore this figure is based on the total estimated Maaori population over 18 years in 2031.
86. It should be noted that there are no requirements or guidelines around what is considered an appropriate ratio of Councillors to electoral population for representation purposes and this varies greatly across different Councils. The number of Councillors (and therefore ratio to electors) is up to Council to determine and should be based on the points raised above.
87. Any projections and the ability to retain a set ratio of Councillors to electors are subject to unknown variables including:
- i. A major increase in registrations on the Maaori electoral roll or shift of electors from the general to Maaori electoral roll could significantly alter the ratios.
  - ii. A significant increase in electoral population overall (from migration) or shifts between the East and West ward electoral populations could also affect the ratio of electors to Councillors.

#### **Key considerations**

88. A number of significant changes are already set to influence representation arrangements and electoral processes for Hamilton City. These may influence the decision-making of Council in choosing an initial proposal for the Wider Representation Review. Key changes include:
- i. Introduction of STV electoral system for the 2022 and 2025 triennial elections.
  - ii. Introduction of Maaori wards for the 2022 and 2025 triennial elections.
  - iii. Vastly reduced timeframes within which to carry out a full review of the Wider Representation Review (resulting from legislative changes to the LEA).
  - iv. Local Government Reform (unknown outcomes at this stage).

#### **Future review of representation arrangements**

89. The Wider Representation Review that Council is currently undertaking has come about because of earlier changes to national legislation relating to Maaori wards and the decision of Hamilton City Council to establish these. This decision resulted in the review happening ahead of schedule (it was due to occur in 2024), within truncated timeframes and with a smaller scale of community engagement than would have been the case in a normal Wider Representation Review.
90. Despite the procedural limitations of this review, staff are confident that a good level of consultation and high community engagement on representation arrangements has been achieved to date. Engagement with Maaori partners has been thorough and aimed at supporting them to inform decisions relating to Maaori wards and the place of these within the wider representation system.
91. Both staff and Council's Maaori partners acknowledge that while the process has been good it would be prudent to recommend that representation arrangements agreed as part of this process be reviewed after the first triennium that they are in place (2022-25) especially considering the changes mentioned above. Council is asked to consider this recommendation as part of this report.

## Options

92. As noted, engagement with Maaori partners and discussion with Elected Members to date has narrowed down the options being presented in this report to two. Both options increase the total number of Elected Members to 15 (12 general and two Maaori Councillors plus the Mayor), establish one city-wide Maaori ward (with two Maaori Councillors) and recommend that no community boards be established.
93. Key reasons for the above components being included in both options are summarised below:
- a. **Number of Councillors:**
    - i. Increasing the number of Councillors would improve representation in terms of better access to Elected Members for the community and the ability of Elected Members to manage workloads and undertake duties as expected.
    - ii. Recognising that Hamilton is a high growth Council, increasing the number of Councillors future proofs the effectiveness of representation and accessibility of Councillors in the face of a growing population.
    - iii. It is expected that the workload of general ward Councillors will not decrease with the addition of Maaori ward Councillors but rather it is anticipated that participation of Maaori in local democracy will increase and that the new Maaori ward Councillors will absorb that increase rather than lightening the load of existing general ward Councillors.
    - iv. It should be noted that all Elected Members, once elected represent the whole of the city, regardless of which ward they were elected from.
    - v. Any additional expenditure in terms of accommodating the extra seats in the Chamber and governance support and services is unlikely to be significant.
  - b. **City-wide Maaori wards:**
    - i. City-wide Maaori wards are expected to provide more choice for electors registered on the Maaori electoral roll (they may vote for any candidate standing for a Maaori ward regardless of where they live in the city).
    - ii. Maaori partners have suggested a city-wide Maaori ward is more appropriate and likely to be perceived as a united approach to Maaori representation in that both Maaori ward Councillors would represent all Maaori electors across the city.
  - c. **Community boards:**
    - i. Community boards are not recommended as it is not considered that they would enhance representation for Hamiltonians and provides an unnecessary layer of complexity to an already significantly changing representation system.
    - ii. The pre-consultation survey taken in 2018 as part of community profiling showed 52% of respondents did not want to see community boards introduced (results included in Attachment 1) indicated. The most common reasons for respondents taking this position were that they would be an unnecessary cost and additional layer of bureaucracy.
94. The primary difference between the two options presented is whether to retain the existing two ward system for general wards or to move to a city-wide general ward. The options are:
- i. **OPTION 1:** Two general wards (East and West) and one city-wide Maaori ward, increase to 15 Elected Members and no community boards:
  - ii. **OPTION 2:** One city-wide general ward and one city-wide Maaori ward, increase to 15 Elected Members and no community boards:

95. The assessment of available options reflects the level of significance (see paragraph 141) and takes into account the broader context of this Wider Representation Review. Two options are set out in more detail in the following section.
96. In considering these options and how any changes to ward boundaries may or may not meet future need, Council may also wish to bear in mind the following:
- iv. Major developments underway in the south and north of the city and the impact these may have on the future shape of the city.
  - v. The possibility of future significant local government reforms currently being considered.
  - vi. That the key intent of wards is to represent communities of interest more effectively (in terms of giving voice to their specific needs and appropriate access to members). It is up to Council to determine whether the similarities of the communities, and the ability of Councillors to effectively represent their areas, warrant ward representation and to what degree.

### Discussion of Options

97. **Option 1**
98. Option 1 represents the closest option to status quo but includes the establishment of one or more Maaori wards as previously resolved by Council.
99. **OPTION 1** – Two general wards and one city-wide Maaori ward, increase to 15 Elected Members and no community boards:
- a) Hamilton City Council comprises 14 Councillors elected under the ward system, plus the Mayor elected ‘at large’.
  - b) Hamilton City Council is divided into three wards, consisting of the following communities of interest:
    - i. **East General Ward** (represented by six Councillors), comprising the area to the east of the Waikato River as shown shaded blue in Attachment 2 (i.e. the current East ward). Councillors in this ward are to be elected by electors registered on the general electoral roll residing within the ward boundaries.
    - ii. **West General Ward** (represented by six Councillors), comprising the area to the west of the Waikato River as shown shaded green in Attachment 2 (i.e. the current West ward). Councillors in this ward are to be elected by electors registered on the general electoral roll residing within the ward boundaries.
    - iii. **Kirikiri Maaori Ward** (represented by two councillors), comprising the whole city area as shown in Attachment 2. Councillors in this ward are to be elected by electors registered on the Maaori electoral roll within the city area.
  - c) no community boards are established as:
    - i. effective representation would not be enhanced by establishing community boards, having considered the identified communities of interest in terms of distinctiveness, representation, access and effective governance; and
    - ii. if multiple wards are confirmed, ward Councillors are likely to provide sufficient representation of communities of interest and ensure adequate access between Elected Members and the population.

100. This option represents the least change to the representation system. This may be considered an advantage as electors are already being asked to adjust to a different electoral system and the introduction of Maaori wards for the next election. Keeping changes to a minimum is likely to support better voter engagement and participation.
101. The existing East and West general wards have been in place since the 2010 triennial elections. Community profiling undertaken in 2018 suggests that for many Hamiltonians there does exist a sense of community identity on either side of the river. It may be argued Elected Members are able to build stronger connections with the communities that elected them from within these ward divisions.
102. Option 1 provides those enrolled on the general electoral roll with less choice in terms of candidate selection thus potentially less opportunity to influence the overall make up of Council by ranking just six candidates rather than 12.
103. The two general ward option may be said to have the effect of creating a sense of division within the city and less unity between Hamiltonians. The mis-perception that Elected Members only represent the interests of their ward area over those of other parts of the city is not uncommon and may be reinforced by a multiple ward system.
104. However, smaller wards can also serve an important purpose in making constituents feel more connected to their local Elected Members, that ward Councillors are seen being active in their community and understand the specific needs and concerns of the community and are well placed to represent them.
105. Smaller wards also have a lower limit set for campaign spending. This may be seen to support better access to participation (and therefore equity) in local government elections for a greater range of potential candidates. Essentially, if candidates are limited in what they can spend it reduces the scale at which they may compete financially with each other, levelling the field for those with less access to financial resources.
106. This dialogue led some Elected Members at the 25 June 2021 workshop to request information on the correlation between candidate expenditure and candidate election. To understand if there was any clear correlation, staff collected information on the 2019 local government election voting results and campaign expenditure disclosure forms for candidates across three City Councils - Hamilton, Christchurch, and Tauranga.
107. The results were very mixed, both between cities and within them. No clear correlation was found, suggesting a range of other factors beyond campaign spend are also at play in determining candidate success. A brief overview of findings and graphs showing candidate spend and votes received across the three cities for the 2019 local government elections is included in **Attachment 3**.
108. **Option 2**
109. Option 2 may be said to represent a further simplification of the representation system by reducing the existing two general wards to one city-wide general ward.

110. **OPTION 2** – One city-wide general ward and one city-wide Maaori ward, increase to 15 Elected Members and no community boards:
- i. Hamilton City Council comprises 14 Councillors, plus the Mayor elected 'at large';
  - ii. Hamilton City Council is divided into two wards, consisting of the following communities of interest:
    - I. **Hamilton General Ward** (represented by 12 councillors) comprising the whole city area and elected by electors registered on the general electoral roll within the city area;
    - II. **Kirikiroa Maaori ward** (represented by two councillors), comprising the whole city area and elected by electors registered on the Maaori electoral roll within the city area;
  - iii. no community boards are established as - having considered the identified communities of interest in terms of distinctiveness, representation, access and effective governance - effective representation is unlikely to be enhanced by establishing community boards; and
  - iv. the reason for the change to electing Councillors across one city-wide ward rather than through smaller wards reflects the city has a relatively compact geographic area and that Hamilton's communities of interest are not geographically distinct, rather they are spread across the city and that city-wide wards would provide more effective and appropriate representation.
111. This option provides electors with more choice in terms of candidate selection and, especially under an STV system, greater ability to influence the overall make up of Council (by having the opportunity to rank 12 candidates in order of preference rather than only the 6 standing in their ward).
112. City-wide wards may also be argued to create a stronger perception of a more united city where it is clear that all Elected Members represent all Hamiltonians regardless of where they reside.
113. However, removing the current multiple ward system may reduce the level of connection constituents feel to their representatives (in that they no longer have a 'local' candidate representing the area in which they live and its specific issues). It may also feel mis-aligned for those who do have a strong sense of identity with the East or West ward communities.
114. Despite potentially simplifying the wider representation system, this option still represents an additional significant change to the system alongside the other major changes occurring.
115. City-wide wards would be allocated a higher campaign spending allowance and, in this sense, may be seen to increase financial barriers for some candidates and reduce their ability to participate in Council democratic processes.

## Options Overview

116. The table below provides a comparison of the two options against key considerations (these considerations are explained more fully in the options analysis section of **Attachment 1**):

Key considerations	Option 1	Option 2
	Two general wards One city-wide Maaori ward No community boards.	One city-wide general ward One city-wide Maaori ward No community boards.
Voter choice (affected by ward boundaries/number of candidate choice).	Lower	Higher
Degree of elector influence (on full Council).	Lower	Higher
Perception of a united Hamilton.	Lower	Higher
Perception of specific community needs and interests served.	Higher	Lower
Perception of closer connection with local Councillors.	Higher	Lower
Candidate campaign expenditure allowance (Higher may be perceived as creating greater barriers to range of candidates able to stand).	Lower than city-wide for wards	Higher than wards

117. In terms of the key considerations, both options are fairly balanced in what may be seen as their advantages or disadvantages. It is up to Council to consider all the information provided to them as part of this review process and weigh up which considerations should have greater influence over their decision-making.

## Financial Considerations - *Whaiwhakaaro Puutea*

118. The last representation review process undertaken by Council cost \$150,000. However, it should be noted that extra work was done as part of the review to explore alternative Maaori representation arrangements which led to the development of the Maangai Maaori model.
119. The 2021-2031 Long Term Plan approved \$100,000, budgeted in the year 2023/24, to fund a Maaori representation/wider representation review. Part of this funding will be brought forward to cover expenses incurred as part of this Wider Representation Review process having to take place sooner than expected.
120. Should Council choose to increase the number of Elected Members beyond the current number of 13, some additional costs are likely to be associated with changes required to the Chamber or governance and information technology support services. It likely these costs would be relatively minor or incorporated in any future planned upgrades to the Chamber.

## **Legal and Policy Considerations - *Whaiwhakaaro-aa-ture***

121. There are a number of legal obligations relating to representation under the LGA and to carrying out a Wider Representation Review under the LEA. These are outlined throughout this report and include:
- i. Directing the areas that Council must consider in identifying communities of interest and ensuring fair and effective representation for these communities.
  - ii. Process to be followed and information that may be used to inform decision-making.
  - iii. Timelines for decision-making and submission/objection processes.
  - iv. Best practice guidelines are also provided by the LGC.
122. In addition, Council has statutory obligations to provide opportunities to Maaori to contribute to local government decision-making processes. This is embedded in key legislation such as the LGA and RMA and reflected in the principles of Te Tiriti o Waitangi. With the establishment of one or more Maaori wards and appropriate engagement with key Maaori partners on the arrangements for these, both options in this report meet these requirements.
123. Staff confirm that the options considered in this report comply with the Council's legal and policy requirements.

## **Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga***

124. The purpose of Local Government changed on the 14 May 2019 to include promotion of the social, economic, environmental and cultural wellbeing of communities in the present and for the future ('the 4 wellbeings').
125. The subject matter of this report has been evaluated in terms of the 4 wellbeings during the process of developing this report as outlined below.
126. The recommendations set out in this report are consistent with that purpose.

### **Social**

127. Hamilton City Council is obliged under section 18 of the LGA to provide fair and effective representation for the individuals and communities of Hamilton.
128. As part of undertaking a Wider Representation Review, Council assesses the communities of interest in Hamilton and how best to ensure they have appropriate access to Elected Members that are able to represent their needs appropriately.
129. This works to ensure that individuals and communities are included and able to participate in the decision-making processes of Council that affect their daily lives.

### **Economic**

130. The matters considered in this report have no significant direct impact on economic wellbeing.
131. However, effective representation does mean individuals and communities are able to better participate in Council processes and decision-making that may have an impact on economic wellbeing.

### **Environmental**

132. The matters considered in this report have no significant impact on environmental wellbeing.

133. However, effective representation does mean individuals and communities are able to better participate in Council processes and decision-making that may have an impact on environmental wellbeing.

#### **Cultural**

134. As with economic and environmental wellbeing, effective representation means individuals and communities are able to better participate in Council processes and decision-making that may have an impact on cultural wellbeing.
135. The inclusion of one or more Maaori wards as part of the Wider Representation Review has important implications for Maaori cultural wellbeing.
136. Under the Principles and Articles of the Treaty, the Crown has an obligation to act as a partner to tangata whenua; reflected in the requirement for each partner to “act with utmost good faith”.
137. The LGA imposes obligations on the Council to recognise and respect these Treaty obligations. In upholding these obligations, local government acknowledges the unique perspective of Maaori on decisions that relate to people, land, assets and resources.
138. Ensuring appropriate and effective representation of Maaori in Council supports the capability and capacity of Maaori communities to ensure their unique heritage and culture is expressed and reflected in Council decision-making.
139. Council’s key Maaori partners have been involved in the development of recommendations as they relate to Maaori wards. Their preferences regarding the arrangement of Maaori wards have been adopted in both options presented for consideration by Council.

#### **Risks - *Tuuraru***

140. There are no known significant risks associated with the decisions required for this matter.
141. Should Council receive an appeal or objection following resolution of the final proposal, it must refer its entire Wider Representation Review to the Local Government Commission for judicial review.
142. Staff are confident the review process has been robust, and all relevant steps have been taken at this stage to ensure every statutory requirement has been met.
143. Acknowledging the environment in which this Wider Representation Review has been carried out to date, staff recommend reviewing the final arrangements three years after initial implementation as part of the 2022-25 triennium to ensure they are robust and operating as anticipated.

### **Significance & Engagement Policy - *Kaupapa here whakahira/anganui***

#### **Significance**

144. Staff have considered the key considerations under the Significance and Engagement Policy and have assessed that the matter(s) in this report has/have a medium level of significance.

#### **Engagement**

145. There is a statutory requirement to consult as per legislation outlined below.
146. The LEA requires notification of the initial proposal along with providing the opportunity for the public to make submissions on that proposal. It does not require any consultation documentation or process other than this. However, it is considered good practice for full information to be provided and a formal campaign run to inform the public and provide an opportunity for the community to have their say.



147. The consultation will focus on the initial proposal (one option proposed by Council as legislatively required) and the submission process will take place over a period of one month as required by legislation. Staff will produce a consultation document which communicates the options Council considered, why Council chose the initial proposal and how to have your say.
148. Communication and engagement tactics will include but are not limited to, digital, radio and print advertising, displays at Council facilities, boosted and targeted social media (via Facebook, Instagram, LinkedIn and Neighbourly) Have Your Say online consultation, Your Neighbourhood event, direct mail to stakeholder groups inviting their participation, and media engagement.
149. We are working closely with our Community Development and Amorangi Maaori teams to engage all Hamiltonians.
150. The campaign will be called 'Your Council. Who speaks for you?' The look and feel will be the same as the recent successful 2019 election, 2021 By-Election and FPP vs STV campaigns.
151. The submissions received will be considered by the Council at a Hearings Meeting on 13 and 14 October 2021, before a final proposal is resolved by the Council on 11 November 2021. Submitters will be given the opportunity to speak to their submission at the Hearings.

### ***Attachments - Ngaa taapirihanga***

Attachment 1 - 2021 Wider Representation Review Workshop Material - 25 June 2021

Attachment 2 - Boundary Ward Maps

Attachment 3 - Candidate Expenditure vs Election Research

Attachment 1

# 2021 Wider Representation Review

Elected Member Workshop

25 June 2021

Item 11

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## Overview

### Overview

1. All Councils are required by the Local Electoral Act 2001 (LEA) to review their representation arrangements at least every six years. The purpose of such a review is to establish whether the current arrangements for fair and effective representation meet our communities' needs and expectations.
2. Earlier this year legislative changes led to many Councils reconsidering the establishment of Maaori wards as part of their representation arrangements. Hamilton City Council was one of many that decided to establish Maaori wards in time for the 2022-25 triennium. That decision represents a significant change to Council's existing representation arrangements and as such, triggers the legal requirement to undertake a Wider Representation Review of the overall system.
3. Part 1A of the LEA sets out the requirements for a representation review. There are three key factors for the Council to consider:
  - identifying the city's communities of interest and define their geographical boundaries;
  - ensuring effective representation of these communities of interest. This requires considering:
    - *the number of wards (if any), and their boundaries and names;*
    - *how councillors are elected; i.e. from wards, 'at large' (i.e. by the whole of the city) or a mix of both;*
    - *the number of councillors;*
    - *whether to establish community boards, and, if so, the arrangements for those boards.*
  - providing fair representation to electors, by ensuring that each councillor represents about the same number of people. The LEA sets out a formula (known as the '+/- 10% rule') that applies to wards to achieve population equity. This principle does not apply if councillors are elected 'at large'.
4. Once it has considered all the above, Council must present an 'initial proposal' of the representation system it has determined will most fairly and effectively represent its community. The public are then able to submit their thoughts on the proposal.
5. Following consideration of public submissions on the initial proposal, Council then presents a final proposal. The community then have an opportunity to object to certain aspects of the proposal if they wish, but **not** the core components of the structure such as the introduction of Maaori wards.
6. If the Council receives any appeal or objection, it must refer its entire Wider Representation Review to the Local Government Commission for judicial review. The Commission considers the original Council decisions in addition to the submissions, appeals and objections made. Therefore, during each stage of the Review process, Council needs to clearly demonstrate it has undertaken all relevant steps that all statutory requirements have been met.
7. This document sets out the necessary information for Council to consider in terms of undertaking a Wider Representation Review and developing an initial proposal. It covers the following:
  - An overview of the **communities of interest** in Hamilton – seeking to understand these from the perspective of both the general population and the Maaori community.
  - An explanation of the **different representation mechanisms** available to Council and how to determine fair and effective representation including consideration of community boards.
  - **Options** for the Council to consider in developing an initial proposal for the representation system to be in place for the 2022-25 triennium.
8. **The outcome sought** from this workshop is ensure the Council has all the information needed to assist with making an informed decision on this matter and to seek direction from Council on the preferred option (or options) to be further developed into an initial proposal for Council to consider at the 12 August 2021 Council Meeting.

## Overview

### Informing the Wider Representation Review – Legal requirements and information sources

9. There is no requirement under the LEA for public consultation prior to the Council approving its initial proposal ('pre-consultation'). The timeframes within which a Wider Representation Review must be carried this time have been effected by the Maaori ward legislation change meaning it has not been possible to carry out a thorough pre-consultation process with the community.
10. Fortunately, the last Wider Representation Review undertaken in 2018 involved extensive pre-consultation, including a Community Profile survey, facilitating focus groups and a phone survey. The full results of these are included in Attachments 2 and 3. A summary of the findings is in Attachment 1. Wherever possible the data within these documents has been updated to the most recent available and to reflect 2020 population estimates.
11. Taking into consideration how thoroughly and recently this research was carried out, staff are confident the results of the 2018 pre-consultation remain relevant and robust. It is considered appropriate to use this pre-consultation to inform the current Wider Representation Review in identifying the communities of interest, understanding public views on the representation system, and calculating what constitutes fair and effective representation.
12. As per the guidelines set out by the Local Government Commission (LGC), councils are required to use population data from the last Census (2018) and the most recent population estimates from Statistics NZ (2020 in this instance). The following data sources have been used to inform population related calculations, our understanding of the Communities of Interest and their views on representation:
  - **Census 2018**
    - demographic information (age, ethnicity, socio-economic characteristics)
    - commuting data—home to work
  - **Statistics NZ 2020**
    - population estimates
  - **Infometrics 2020**
  - **Electoral Commission statistics 2021**
  - **Community Profile Survey 2018 (total of 1665 responses)**
    - movement patterns (home to work, school, shopping)
    - sense of community and belonging
    - views on current representation arrangements
  - **Focus groups (2) and telephone survey (500 responses)**

## Communities of Interest

### Defining communities of interest

13. LGNZ suggests that there are three aspects that councils should consider that can help to define a community of interest. They are:
  - People's sense of belonging to a clearly defined area (perceptual aspect)
  - A council's ability to identify and meet a community's need for infrastructure and human services with 'reasonable economy' (functional aspect—and local activity patterns are a common measure for this aspect)
  - How a council can ensure that communities are effectively represented and the distribution and workload for councillors is equitable (political aspect).
14. Characteristics of communities of interests' perceptual and functional aspects can be reinforced by:
  - distinctive physical and topographical features (e.g. rivers)
  - similarities in economic or social activities carried out in the area
  - similarities in the demographic characteristics of a community
  - distinct local history of the area
  - the rohe or takiwa (area/region) of local iwi
  - dependence on shared facilities and services in an area.
15. Council's decisions relating to proposed representation arrangements need to demonstrate that they reflect the perceptual and functional needs of identified communities of interest. Council should weigh these interests and needs against the practical, financial and operational considerations for the whole city.
16. In addition, any wards representing communities of interest should be easily identifiable and have regard to boundaries defined and used by other government and statutory bodies. In terms of their size, there also needs to consideration for how responsive they are to local needs and the ability to service them.
17. In determining the most appropriate representation arrangements as part of this Wider Representation Review Council is required to consider the information pertaining to communities of interest included in Attachments 1-3. This also includes a summary of pre-consultation feedback on community preference for representation arrangements.

## Fair and Effective Representation

### Fair and effective Representation

18. Once Council has identified Hamilton's communities of interest, it must then determine how best to represent these communities. This involves determining the detailed arrangements for:
  - the number of councillors
  - how councillors are elected; from wards, 'at large' (i.e. by the whole city) or a mix of both
  - the number of wards (if any), and their boundaries and names
  - whether or not to establish community boards.
19. In making decisions regarding these arrangements, Council needs to ensure the following principles (as specified in Section 4(1) of the LEA) have been recognised:
  - fair and effective representation for individuals and communities
  - reasonable and equal opportunities to:
    - vote
    - nominate, or be nominated as, candidates
  - public confidence in, and public understanding of local electoral processes.

### Effective representation of electors

20. Council must consider (where practical) the following factors in determining effective representation for Hamilton City:
  - representation must be achieved within the statutory limits (between 5 and 29 members—excluding the mayor).
  - avoiding arrangements that may create barriers to participation;
  - not splitting recognised communities of interest between electoral subdivisions;
  - not grouping together two or more communities of interest that have few common interests; and
  - accessibility, size, and configuration of an area, including:
    - the population's reasonable access to its Elected Members and vice versa
    - the Elected Members' ability to:
      - effectively represent the views of their electoral area
      - attend public meetings throughout the area and provide reasonable opportunities for face-to-face meetings.

### Fair representation of electors

21. Under the provision set out in the LEA, when using a ward system, Council must determine that councillors fairly represent their constituents by ensuring the average population of each ward ratio is no more than a +/-10% variance.
22. Specifically, this ensures all votes received by candidates should therefore hold approximately equal value. This is referred to as the '+/-10%' rule. The requirements for this rule are as follows:

## Fair and Effective Representation

*Council must ensure that the population of each ward, divided by the number of Councillors to be elected by that ward, produces a figure no more than 10% greater or smaller than the population of the city divided by the total number of elected members.*

23. An example of how this rule is applied where there are two general wards (current east/west wards) using the general electoral population statistics as at 30 June 2020) and based on 12 general elected members:

General electoral population (149,800/12 councillors) = 12,483(+/- 10% range being 11,234 - 13,731)

Ward	General Electoral Population	Elected members	Average	+/-10% Fit
East	81,900	6	13,650	Yes
West	67,900	6	11,316	Yes
	149,800	12		



## Key Considerations

### Key Considerations

24. Elected members received a briefing on 28 May 2021 that covered the legislative and process requirements of a Wider Representation Review. The briefing sought initial indications of Elected Member preferences in terms of the following considerations:
  - The number of councillors.
  - How councillors are elected; from wards, 'at large' (i.e. By the whole city) or a mix of both.
  - The number of wards (if any).
  - Whether or not to establish community boards.
25. The options presented in this document are broader than those discussed at that briefing but narrower than might be the case if the normal timeframes for undertaking a wider representation review were available.
26. At that briefing it was acknowledged there are already substantial changes happening to the representation system. It noted a number of factors that could mean Council may choose not to investigate options or alterations to the system that would mean further substantial change. These factors included the:
  - Truncated timeframes within which to carry out a full review of the wider representation system.
  - Introduction of STV electoral system in the 2018 Electoral System Review.
  - Introduction of Maaori wards in 2022.
27. The following provides a brief overview of each of the considerations in front of Elected Members as part of this process and notes the preferences expressed at the 28 May briefing that are being included within the options.

#### Number of councillors

28. As noted in paragraphs 20-23 there are statutory limitations and regulations as to the number of Councillors that may represent a councils' population (5-29 Elected Members).
29. When establishing Maaori wards, the number of seats for these is dictated by the Maaori population level but also the overall number of Councillors as Maaori ward seats must represent the Maaori population on Council proportionally. For example, if the number of general Elected Members increases or decreases beyond a certain point the number of Maaori Elected Members must increase or decrease with it to maintain proportionality).
30. The current number of Councillors and population of Maaori in Hamilton mandates two Maaori ward seats. The number of Councillors elected by ward would have to drop below nine for the number of Maaori wards to drop to one.
31. An initial assumption of the options considered here is that the overall number of Councillors will not decrease below 12. Taking this into account, all discussion and options presented in this report assume two Maaori ward Elected Members going forward to the 2022-25 triennium.
32. There are some instances within the option of a mixed electoral system where the number of Councillors may have a significant effect on implementation of Maaori wards. This is explained more fully throughout this document and should be carefully considered when making a decision on the number of Councillors should Elected Members also wish to consider a mixed system model.

#### How councillors are elected.

33. The Mayor is always elected at large. Councillors may be elected either at large or from wards (geographically defined areas that represent distinct communities of interest of natural divisions within the city eg. In Hamilton

## Key Considerations

there are currently two wards East and West of the Waikato river). These wards may be city-wide or smaller, multiple wards.

34. A Council may also choose to have a proportion of Councillors elected at large and a portion elected from wards – a mixed system. When considering this option, it is very important to note the proportion of Maaori population represented by Maaori wards is from those Councillors elected by wards and excludes any elected at large. For example, if the total number of Elected Members elected by wards drops below ten, the number of Maaori ward seats drops to one.
35. Councils around New Zealand have different representation system arrangements. The four metro councils have the following systems:
  - Auckland Council (FPP): 13 wards and 21 local boards.
  - Wellington City Council (STV): 5 wards and 2 community boards.
  - Christchurch City Council (FPP): 16 wards and 7 community boards.
  - Dunedin City Council (STV): at large with 7 community boards.
36. Four councils are utilising a mixed representation system, these are:
  - Tauranga City Council: 3 wards electing 6 Councillors, 4 elected at large with no community boards.
  - Kapiti Coast District Council: 4 wards electing 5 Councillors, 5 elected at large with 4 community boards
  - Lower Hutt City Council: 6 wards electing 6 Councillors, 6 elected at large and 3 community boards.
  - Gore District Council: 4 wards electing 8 Councillors, 3 elected at large and 1 community board.
37. Many of these Councils are also in the process of undertaking a Wider Representation Review and reconsidering these arrangements. For some with at large systems, community boards may be seen to act in place of wards to represent Communities of Interest.

### Number of wards

38. As part of determining how Councillors are elected, Council must decide on the appropriate number of wards (if any), their boundaries and names. To do this, it must consider the regulations set out by the LEA that guide fair and effective representation arrangements.
39. Determining the number of wards requires considering Maaori wards and general wards alongside each other and may be seen as distinct and parallel decisions.
40. Council staff have consulted with its Maaori partners to advise whether the two Maaori ward seats should be elected city wide or by two wards, what the name/s of wards should be and the boundaries (if any).
41. Staff facilitated a session with Council's Maaori partners on 4 June 2021 to provide them with an overview of the process and to ascertain any preferences/views of the group as to the ward structure, numbers, geographical boundaries and names of wards. A similar presentation was held 16 June 2021 as part of the monthly Te Ngaawhaa Whakatupu Ake hui. A fact sheet was developed by staff to support these conversations, this is in Attachment 4.
42. A Maaori partner led waananga was also held on 17 June 2021 supported by staff and additional information requested at the initial 4 June 2021 meeting to further discuss the best arrangement for Maaori wards. Additional example illustrations of different types of electoral system arrangements were developed by staff to support this hui. These are in Attachment 5.

## Key Considerations

43. Following the waananga on 17 June 2021, Waikato Tainui forwarded a letter of recommendation to Council's Amorangi Maaori (Attachment 8). This letter indicated Iwi preferences as summarised below:
  - That the number of Councillors constitutes 12 general and 2 Maaori Elected Members (12+2).
  - That the Maaori Elected Members are elected via one city-wide ward.
  - That as many general seats be elected at large as possible without reducing Maaori ward seats.
  - That these representation arrangements be reviewed after the 2022 election.
44. The use of wards may be seen to indicate that there are particular communities of interest that would be best served by elected members focussing on representing the needs of those particular communities as distinct from the needs of the city as a whole. Wards may also serve to increase the perception of closer personal connection and accessibility to Councillors for constituents.
45. Previously, Council has considered dividing the city into three or four wards to better represent the distinct character of the communities within the city. Maps showing what these boundaries might look like are included in Attachment 6.
46. Previous analysis of communities of interest indicates that there are not clearly defined communities of interest within Hamilton (which may be argued to support city-wide or at large elections). However, there is evidence of similar demographic characteristics in different areas of the city that could support a multiple ward approach.
47. It is up to Council to weigh up the information provided and determine the relevance or otherwise of wards for the community of Hamilton. The evidence base as a whole, as well as its individual components, needs to be considered and weighted accordingly in this broader context. No individual component should be used as the sole justification for a particular representation option.
48. City-wide wards, the current status quo of two wards (plus Maaori wards) and the expansion of the ward system to include three or four wards, and a mixed system are all included as options in this paper.

### Community boards

49. Hamilton City Council does not currently have community boards, nor has it had any at any stage in the past.
50. Considering the spread and diversity of Hamilton's communities of interest, any establishment of community boards would need to be balanced with other features of the representation system (such as wards if retained) to ensure they serve to enhance the effectiveness of the system.

## Options Overview

### Options overview

51. This section looks at the options for two key areas that Council must decide on in order to develop an initial proposal for the Wider Representation Review:

- The number of Councillors.
- The arrangement of the electoral system – how Councillors are elected and the number of wards.
- Community boards.

### Options for the number of Councillors

52. The introduction of two new Maaori ward Elected Members means the Council may choose to add these Elected Members to the existing number of Councillors or to replace two existing general seats with the two new Maaori seats.

53. The options presented for this workshop are (other options to further increase or decrease the overall numbers may be investigated if Council wishes):

- **Option 1:** Increase in overall number of Elected Members to 15 (12+2+1)
  - 12 general and 2 Maaori seats plus the Mayor.
- **Option 2:** Maintain current overall numbers of Elected Members at 13 (10+2+1)
  - 10 general and 2 Maaori seats plus the Mayor.

54. In determining the number of Councillors, Elected Members should consider the workload involved with the current number - whether this is acceptable, they feel they are able to carry out their duties effectively and be appropriately available to the community to support their needs.

55. Increasing the overall number of Elected Members will also likely result in minor adjustments being required to the chamber and technology support to accommodate the additional members. Increased resource may be required in terms of governance support for Elected Members.

56. Again, Elected Members considering Option 2 for this decision need to be mindful of the potential impacts of this option for Maaori ward representation should a mixed system be resolved, depending on the arrangement of that system.

### Options for the structure of the electoral system

57. In considering the options below and future changes it may make to the wider representation system, Council may also wish to bear in mind the following:

- The major developments that are underway in the South and North of the city and the impact these may have on the future shape of the city and any changes to ward boundaries.
- The possibility of future significant local government reforms currently being considered.
- Any further ward division will require careful boundary alignment to ensure the ratio for fair and effective representation (as set out in the LEA guidelines) is met. For example, the geographical North West quarter of the city has a much smaller population than the other quarters.
- It should be noted that ward boundaries drawn up for the 2018 Wider Representation Review to consider 3 or 4 wards no longer meet the +/-10% rule for fair representation. Should Council wish to pursue either of

## Options Overview

these options these boundaries will require reanalysis and will be slightly different to those indicated previously.

- That the key intent of wards is to more effectively represent communities of interest (in terms of giving voice to their specific needs and appropriate access to members). It is up to Council to determine whether the similarities of the communities and the ability of councillors to effectively represent the area warrant ward representation and to what degree.
58. An initial version of the following options was presented to Elected Members at the 28 May 2021 workshop. The following options have been further developed and impacts identified. The options assume the preference of Iwi partners for one city-wide Maaori ward. Indications of the ward boundaries are included in Attachment 6:
- **Option 1:** All of Council general seats elected by city-wide ward (1 general city-wide ward and 1 Maaori city-wide ward).
    - No ward boundaries, anyone on the general electoral roll may vote for any candidate standing in a general seat and anyone on the Maaori roll may vote for anyone on standing for Maaori seats.
    - The lack of clearly defined and geographically distinct communities of interest in Hamilton may support the option of electing all members at large.
  - **Option 2:** Status quo plus Maaori ward (2 general wards and 1 Maaori city-wide ward).
    - Two general wards (East and West) alongside a Maaori ward.
    - The data gathered on communities of interest may support a two general ward system divided into East and West by the Waikato river on the basis that the majority of people in Hamilton send their children to school and work on the same side of the river as they live.
  - **Option 3:** Increased general wards (3 general wards and 1 Maaori city-wide ward)
    - Three general wards (North, South East and South West) alongside a Maaori ward.
    - The data gathered on communities of interest that supports a three general ward system divided into North, South East and South West is based on these areas sharing similar demographic and movement characteristics.
      - Those in the North tend to have less ethnic diversity with higher proportions of European, higher incomes, higher median age and shop at the Base or Chartwell.
      - The South East area has a younger population with greater ethnic diversity, lower incomes and shop in the CBD or at Chartwell.
      - The South West has an age profile similar to the Hamilton average, high ethnic diversity, medium income levels and shop in the CBD.
  - **Option 4:** Increased general wards (4 general wards and 1 Maaori city-wide ward).
    - Four general wards (North East, North West, South East and South West alongside a Maaori ward).
    - The data gathered on communities of interest that supports a four general ward system divided into North East, North West, South East and South West is based on these areas sharing some similar demographic and movement characteristics.
    - Those in the North East have higher proportions of European and Asian, higher incomes, low deprivation, higher median age and shop at the Base or Chartwell. 63% of those in this area live and school there.

## Options Overview

- The North West area have less ethnic diversity with higher proportions of European, higher incomes, higher median age, low to medium deprivation, shop at the Base and 57% of residents live and school in the area.
  - The South East area has a younger population, high ethnic diversity, lower incomes, high levels of deprivation and shop in the CBD or at Chartwell. 92% of residents live and school in the area.
  - The South West has an age profile similar to the Hamilton average, high ethnic diversity, medium income levels, medium to high levels of deprivation and shop in the CBD. 60% of residents live and school in the area.
- **Option 5:** Mixed system (some general wards, 1 Maaori city-wide ward and the balance of members elected at large).
    - Elected members may choose to combine the above options, creating a mix of ward and at large electoral seats. For example, if 12 general seats were available and the East/West ward system retained, 4 Councillors might be elected at large, with another 4 elected from each of the 2 wards.
    - There is any number of combinations that Council may choose in a mixed system to determine which proportion of Councillors are elected by ward or at large.
    - A mixed system gives electors two votes – one for their ward and one for candidates standing at large.
    - Should Council select an arrangement that brings the number of total Councillors elected by ward below ten, the number of Maaori representatives drops to 1 as Maaori ward seats must proportionally reflect the population of Maaori to general ward seats. This may be considered inequitable to the overall population of Maaori in Hamilton. Dropping down to 1 Maaori ward representative is not preferred by Maaori partners.
59. The table below is intended to illustrate a range of potential arrangements for wards and mixed system and how the number of Councillors. It is not intended to be exhaustive of all the options.

## Options Overview

**Table 1: Examples of a range of options for ward and mixed system for 12 or 14 total Councillors**

<b><u>12 Elected Members - Wards</u></b>	<b><u>14 Elected Members - Wards</u></b>	<b><u>12 Elected Members – Mixed</u></b>	<b><u>14 Elected Members – Mixed</u></b>
General West Ward - 5	General West Ward - 6	At Large – 2	At Large – 2
General East Ward - 5	General East Ward - 6	General West Ward – 4	General West Ward – 5
Maaori West Ward - 1	Maaori West Ward - 1	General East Ward – 4	General East Ward – 5
Maaori East Ward – 1	Maaori East Ward – 1	Maaori City Wide Ward– 2	Maaori City Wide Ward– 2
General West Ward – 5	General West Ward – 6	At Large – 3	At Large – 3
General East Ward – 5	General East Ward – 6	General West Ward – 4	General West Ward – 4
Maaori City Wide Ward – 2	Maaori City Wide Ward – 2	General East Ward – 4	General East Ward – 5
		Maaori City Wide Ward - 1	Maaori City Wide Ward – 2
General City-Wide Ward– 10	General City Wide Ward – 12	At Large – 4	At Large – 4
Maaori West Ward - 1	Maaori West Ward - 1	General West Ward – 3	General West Ward – 4
Maaori East Ward – 1	Maaori East Ward – 1	General East Ward – 4	General East Ward – 4
		Maaori City Wide Ward - 1	Maaori City Wide Ward – 2
General City-Wide Ward – 10	General City-Wide Ward – 12	At Large – 5	At Large – 5
Maaori City Wide Ward - 2	Maaori City Wide Ward - 2	General West Ward – 3	General West Ward – 4
		General East Ward – 3	General East Ward – 4
		Maaori City Wide Ward – 1	Maaori City Wide Ward– 1

## Options Analysis

### Options analysis

60. In considering the structure of the electoral system, different arrangements will have different impacts and perceived benefits and disadvantages. The following are the key considerations have been taken into account in summarising the potential impacts of the options presented in this report and the options summary table in paragraph 61.
- Voter choice (affected by ward boundaries/number of candidate choice) – This related to the number of candidates the elector can choose from, whether they are limited to those standing in their wards or may choose beyond that.
  - Degree of elector influence (on full Council) – The proportion of the make-up of Council the elector may influence. For example, in the current system, under STV an elector on the general roll in the West ward influences the make-up of 50% of Councillors. In a city-wide ward they would potentially influence 100%.
  - Perception of a united Hamilton – At large or city-wide elections create a greater perceived sense of city unity than dividing the city into wards.
  - Perception of specific community needs and interests served – Communities of Interest may perceive a multiple ward system to better serve their specific needs as they can see their area being represented as a distinct place.
  - Perception of closer connection with local Councillors – Multiple or smaller wards increase the perception of a personal connection with local Councillors and better access to Council in general through them.
  - Candidate campaign expenditure allowance – Candidates standing in city-wide or at large are able to spend approximately twice as much on campaigning as those campaigning in wards. This may have implications for the accessibility of campaigning for many individuals and discourage some candidates from standing. In a mixed system, equity between those standing in wards versus city-wide or at large may be considered a concern.
  - Number of votes per elector (excluding for the Mayor) – In every system arrangement, every elector has one vote (though they may list a number of preferences under STV). With the exception of a mixed system which allows all electors two votes – one for the ward they are enrolled on (Māori/General) and one for Councillors to be elected at large.
61. A summary table of the options and how they compare in relation to the above considerations follows:



## Options Analysis

Table 1: Electoral structure options:

	Option 1	Option 2	Option 3	Option 4	Option 5
	Both general and Maaori seats elected city wide	2 general wards and 1 Maaori city wide ward	3 general wards and 1 Maaori city wide ward	4 general wards and 1 Maaori city wide ward	Mixed system of wards and at large
<b>Voter choice (affected by ward boundaries/number of candidate choice)</b>	High	Medium	Low	Low	High
<b>Degree of elector influence (on full Council)</b>	High	Medium	Lower	Lower	High
<b>Perception of a united Hamilton</b>	High	Medium	Low	Low	Medium
<b>Perception of specific community needs and interests served</b>	Low	Medium	High	High	Medium-High
<b>Perception of closer connection with local Councillors</b>	Lower	Medium	High	High	Medium-High
<b>Candidate campaign expenditure allowance?</b> (Higher may discourage some candidates from standing or be perceived as creating more barriers)	Higher	Lower	Lower	Lower	Variable (Ward candidates are more limited than at large candidates – may be seen as inequitable)
<b>Number of votes per elector (excluding for the Mayor)</b>	1	1	1	1	2

### Community Boards

62. As part of undertaking a Wider Representation Review, Council must decide whether or not to establish community boards. The Local Government Commission provides the following guidelines for consideration<sup>1</sup>:

- Will the proposal promote the good local government of the parent district and the community area concerned?
- Will the district and the community have the resources necessary to enable them to carry out their respective responsibilities, duties and powers?
- Will the district and the community have areas that are appropriate for the efficient and effective performance of their role?
- Will the district and the community contain a sufficiently distinct community of interest or sufficiently distinct communities of interest?

63. As noted in paragraph 26, a number of other significant recent changes are influencing the wider representation system and further significant changes such as the establishment of community boards should be considered in context with these other key changes. The option here is for Council to establish community boards or not.

<sup>1</sup> <http://www.lgc.govt.nz/assets/Uploads/Representation-Review-Guidelines-2020-v2.pdf>

## Next Steps

### Next steps

64. The outcome sought from this workshop on 25 June 2021 is to ensure the Council has all the information needed to assist with making an informed decision on this matter and for Council to indicate to staff which option(s) are to be developed into an initial proposal for the Wider Representation Review and come back to Council for resolution on 12 August 2021. The report coming to Council in August will include an engagement plan for public consultation.
65. The consultation will focus on the initial proposal (one option proposed by Council as legislatively required) and will take place over a period of one month as required by legislation. It will inform the community about the Council's preferred option and allow a wide range of voices to be heard. Communication and engagement tactics will include but are not limited to, digital, radio and print advertising, displays at Council facilities, boosted and targeted social media via Facebook and Instagram, Have Your Say online consultation, direct mail to stakeholder groups inviting their participation, and media engagement.
66. The consultation look and feel will be the same as the recent successful FPP vs STV and 2019 elections campaigns.
67. The 2018 representation initial proposal consultation document is attached as an FYI in Attachment 7 .
68. Once an initial proposal has been resolved the following process will follow. This process and the timelines within it as they relate to notifications of proposals and submissions and appeals/objections process are set by legislation and must be met:

Date	Milestone
25 June	Council workshop (confirm initial proposal option).
<b>12 August</b>	<b>Council meeting (resolve initial proposal to go to consultation)</b>
25 August	Public notice of initial proposal
25 August – 6 October	Submission period
13/14 October	Hearings
20 October	Council briefing (confirm final proposal)
<b>11 November</b>	<b>Council meeting (resolve final proposal)</b>
17 November	Public notice of final proposal
17 November – 17 December	Appeal/objection period
By 14 January	Material to LGC (if required/an objection is lodged)
By 11 April	Determination by LGC (if required)

69. Should Council feel that they would like a further workshop or briefing on the Wider Representation Review in general or any aspects of it, this could be arranged for July but would need to be limited in nature to informing/clarifying Elected Members on current information available.

## ATTACHMENT 1: SUMMARY OF COMMUNITIES OF INTEREST AND PRE-CONSULTATION FEEDBACK

Given the reduced timeframe available to carry out the 2021 Wider Representation Review, information gathered as part of the comprehensive 2018 Wider Representation Review has been used to define the communities of interest in Hamilton. This information can be relied on as there has not been any significant changes in the make up of the Hamilton community in the last 3 years.

The summary results of the Community Profile Survey carried out for this purpose in 2018, along with an overview of responses as part of that survey, focus groups and a phone survey to community preferences for representation arrangements are outlined below.

### **Communities of Interest: All of Hamilton**

Key findings from the 2018 Community Profile Survey (1665 responses) that help us understand potential communities of interest:

- Hamiltonians' sense of belonging is limited but tends to be aligned to the suburb and side of the Waikato River on which they live.
- Hamiltonians traverse the whole city for different parts of their daily lives.
- The Waikato River does not primarily influence where people work or shop. However, people living on the west side of the river are more likely to also work on the west side of the river. It is worth noting here that currently the key employment hubs including The Base, the CBD, Frankton and Waikato Hospital are located on the west side of the river.
- The Waikato River does however significantly influence where families send their children to school, with most families opting to send their children to school on the same side of the river on which they live.
- Most Hamiltonians don't have a strong opinion about whether the current east/west wards provide effective representation for them. However, some feel that there are communities within Hamilton that are being underrepresented as there is so much diversity within each ward.
- The city has continued to experience significant growth since 2012 and this has changed the shape and diversity of the city.
- Demographic data highlights that there is significant diversity within each of our current two wards with respect to age, ethnicity and socio-economic status (see page 9).
- The areas of the city identified as having very distinct local histories are Hamilton East, Frankton and Hamilton West.
- Shopping patterns, as revealed through the Community Profile survey responses, show that people living in the northern part of Hamilton tend to shop at The Base and people living in the southern/central parts of Hamilton tend to shop in the CBD of Chartwell.

More detailed explanation of the information obtained through the 2018 Community Profile Survey, the phone survey and focus group results are in Attachment 1.

### **Communities of Interest: Maaori population**

Maaori living in Hamilton make up 24 percent of the total population of Hamilton with 42,510 Maaori calling Hamilton home in 2020. This also represents 5 per cent of the total Maaori population of New Zealand.

It is important that Council considers Maaori as a distinct community of interest in undertaking a Wider Representation Review, particularly in light of the introduction of Maaori wards in 2022.

A fuller picture of the Maaori community of Hamilton is provided in Attachment 2 and key findings from that are summarised below:

- Maaori have consistently had a stronger growth rate than the total population of Hamilton with population projections that Maaori will increase to around 30 per cent of the population of Hamilton by 2038.
- The Maaori population of Hamilton has a younger profile to that of Hamilton in general with over half of the 52.3 per cent aged under 25 years, compared to 37.7 per cent among total Hamilton population.
- Just over half of the estimated eligible population of Maaori in Hamilton are registered on the Maaori electoral roll (13,621).
- Younger Maaori (18-29) are more likely to register on the Maaori electoral roll than older Maaori (60+).
- Approximately 30 percent of Maaori living in Hamilton identify as of the Tainui Iwi, with around 70 percent identifying as Maataawaka (those of non-Tainui descent residing in Hamilton)<sup>1</sup>.
- The largest employers of Maaori in Hamilton are the health care and social assistance, construction and manufacturing industries.
- In 2020 there were 19,195 filled jobs within the Maaori workforce of Hamilton. Of these, the most numerous occupations are in professional, labouring and community and personal service roles. A greater percentage of the Maaori workforce in Hamilton are in professional occupations than the average for Maaori across New Zealand.
- While the Maaori workforce in Hamilton have less labourer jobs as a percentage of Maaori across the country in general, these jobs form a much larger part of the labourer workforce for Maaori than the total population of Hamilton.
- While employment growth for Maaori in Hamilton has remained slightly higher than both the growth rate for Maaori in New Zealand and Hamilton overall, the unemployment rate of Hamilton Maaori is just over 2 percent higher (at 10.3 per cent) than for Maaori in New Zealand and twice as high as that for Hamilton's total workforce.
- Average annual earnings for Maaori are almost \$2,000 less than the average for Maaori across New Zealand and almost \$10,000 less when compared to the average for Hamilton city.
- Of the 12 areas in Hamilton identified as having the highest socio-economic deprivation, half of them are also those with the highest proportion of Maaori.

<sup>1</sup> Statistics New Zealand 2013 – due to complications with the 2018 census data these are the latest figures available at the time of writing.

- Home ownership rates reflect this with only 19.5 per cent of Maaori owning their own homes in 2013 compared with 27.8 percent of Maaori home ownership across New Zealand and 40.5 per cent for Hamilton.
- A higher percentage of Maaori in Hamilton attain school leaver and higher education qualifications than Maaori elsewhere in New Zealand. However, this percentage is around 10 per cent lower for Maaori in Hamilton than for the total Hamilton population.

#### **Research: 2018 Wider Representation Review process and findings**

The work carried out for the 2018 Representation Review was very thorough and involved a number of stages:

- Research and benchmarking (including Community Profile survey initial survey on representation arrangements)
- Initial pre-consultation online survey on representation arrangements (420 respondents)
- Focus Groups (25 drawn from those who indicated interest as part of the community profile survey).
- Phone survey (500 respondents)

It should be noted that the focus groups and final phone survey was carried out after Elected Members had indicated their preferred options – so the responses from these sources only considered these narrower options (city-wide or existing 2 ward system and number of Councillors).

The findings from each of these sources in relation to respondent representation arrangement preferences are summarised below. Fuller information is included in Attachment 2.

**Stage one:** Research and benchmarking using a range of national databases and the Community Profile Survey (1,665 respondents):

- The Community Profile Survey also asked respondents about representation arrangements. Of the 1,626 people who responded to the 2018 Community Profile Survey question that asked respondents to share their views on whether the current east/west ward system provided them with fair and effective representation:
  - 585 or 36% thought the current arrangements provided adequate representation.
  - 276 or 17% did not agree that the current arrangements were adequate.
  - 764 or 47% did not know.
- Of those 1,665 people, 329 provided commentary on how the current representation arrangements represented them, with the main comments being:
  - Hamilton is diverse and with the current ward structure some areas are being under-represented (32 of 329 people)
  - The current Elected Members do not represent me well (23 of 329 people)
  - I would prefer to vote 'at large' (51 of 329 people)
  - I would support an increase in wards (41 of 329 people).

**Stage two:** Initial pre-consultation online survey (420 respondents asked about representation arrangements). Key findings from this stage included:

***Voting areas:***

- When asked how they wanted to vote for their councillors;
  - 38% wanted an 'at large' system
  - 21% wanted to keep the current system (east/west wards)
  - 20% wanted to increase the number of wards
  - 20% wanted a mixed system.
- Of the 38% who preferred an 'at large' system, 45% said that 'at large' would allow voters the chance to choose between all candidates. This would mean they could choose candidates who best represent them and not be restricted in this choice by where they live.
- Of the 21% who preferred the status quo, 38% said they thought the current ward system worked well.
- Of the 20% who preferred to increase the number of wards, three quarters thought the scale of diversity within the city was not adequately reflected by the current two wards.
- Of the 20% who preferred a mixed system, 32% thought that it would provide the best of both worlds, i.e. it would enable voters to vote for the best candidate (without having their choice limited by where they live), while also providing a spread of representation across the city.

***Number of councillors***

- When asked how many councillors Hamilton should have:
  - 50% wanted to keep the same number of councillors, i.e. 12 councillors
  - 30% wanted to decrease the number of councillors
  - 11% wanted to increase the number of councillors
  - 9% were undecided.

**Stage three- Further pre-consultation – focus groups and phone survey**

- Two focus groups were conducted with a subset of the respondents to the online survey. These sessions were designed to gauge the motivations behind people's preferences for the two options Elected Members had indicated they wished to further explore with the public - 'at large' and the status quo two ward system.
- In total 24 people attended the focus groups. With these numbers, and given participants self-nominated, this data set is not statistically significant, nor necessarily representative of the population. However, the groups provided an opportunity to hear the views participants held about status quo and 'at large' and the intentions behind these views.
- Participants also shared their reasoning for more, less or the same number of councillors.
- Several main themes were identified through the course of the focus groups as key motivations driving participants' preferences. The themes were a need for:
  - diversity on Council
  - better choice of councillors - (bigger/better pool of quality candidates)
  - better access to councillors.
- Other observations of note regarding people's motivations and preferences, included:

- arguments to support one representation model were often also used as arguments to support the alternative model;
- staff observed a degree of misunderstanding concerning local government representation arrangements and participants themselves acknowledged limitations in their general understanding of these arrangements.
- A clear majority of participants stated their preference for the same number of councillors, noting 12 “felt about right”.
- A phone survey was conducted by Versus Research with 500 Hamilton residents during July 2018.
- The questions in this survey asked people to identify what they viewed as their community, whether they preferred to choose their councillors from an ‘at large’ or status quo system (the two options Elected Members indicated they wished to further explore with the public at that time), and how many councillors they thought Hamilton should have. Key findings from phone survey include:

***Sense of belonging***

- a majority (54%) of residents felt their community was the area where they live;
- 40% stated they felt their community was the whole city.

***Voting areas***

- a majority (60%) preferred to choose their councillors using an ‘at large’ system;
- a third (33%) preferred the current system (east/west wards);
- the primary reason for choosing the ‘at large’ system was that Hamilton is one community and should be treated as one (21% of the 60%);
- the primary reason for choosing the current (east/west ward) system was that councillors would have a better understanding of their local community (34% of the 33%).

***Number of councillors***

- a majority (55%) of residents thought the number of councillors should remain the same (12 councillors); 30% thought it should be less and only 4% thought there should be more councillors;
- the primary reason for choosing to retain the current number of councillors was that they thought the current number was working fine, so there was no need for change;
- the primary reason for preferring less councillors was to minimise cost;
- the primary reason for preferring more councillors was to match Hamilton’s growth.

Attachment 1

Item 11

**ATTACHMENT 2:**  
**Communities of Interest - Hamilton City**  
**Total Population Profile**

**Elected Member Workshop**  
**25 June 2021**



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This document provides an overview of the information collected from the sources above to create an understanding of the profile of the community of Hamilton and the Communities of Interest that may exist across the city.

### Research Sources

As per the guidelines set out by the Local Government Commission (LGC), councils are required to use population data from the last Census (2018) and the most recent population estimates from Statistics NZ (2020 in this instance). For the purpose of the Wider Representation Review, project staff have also incorporated findings from the HCC Community Profile Survey. This provides an additional layer of information, with a strong evidence base that will further support councillors in their decision-making. Here is a summary of these data sources:

- **Census 2018:**
  - \* Demographic Information (Age, Ethnicity, Socio-Economic Characteristics).
  - \* Commuting data—home to work.
- **Statistics NZ 2020:**
  - \* Population estimates.
- **Community Profile Survey 2018 (total of 1,665 responses):**
  - \* Movement patterns (home to work, school, shopping).
  - \* Sense of community and belonging.
  - \* Views on current representation arrangements.

It should also be noted that Council must base all decisions relating to future representation arrangements on current population estimates (Statistics NZ 2020). The Wider Representation Review process does allow considerations for 'future growth' (as guided by LGC guidelines).

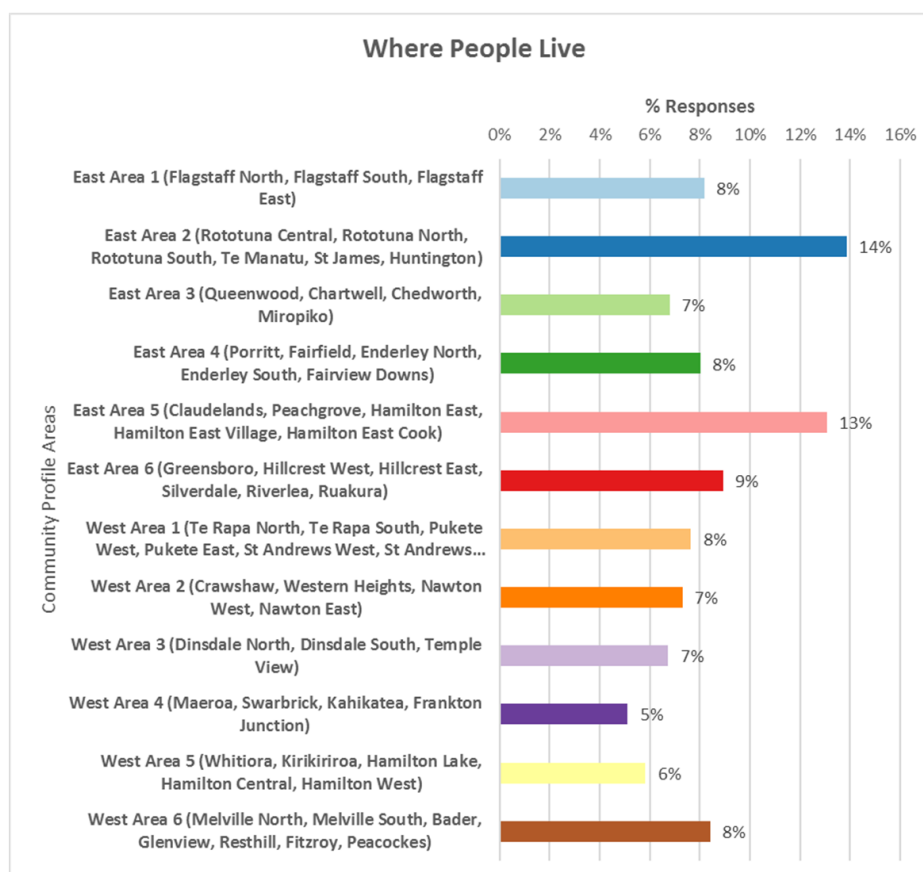
### Community Profile Survey 2018

The Community Profile Survey is undertaken every five years and has not been updated since the 2018 survey which was used for the 2017-19 Wider Representation Review.

Below is the summary of the responses received in 2018.

A total of 1,665 people responded to the survey (approximately 1% of the total Hamilton population). Here is a summary of what we know about the 1,665 people who completed the Survey:

- 68% Female, 31% Male
- 65% European, 12% Māori
- 59% live in the East ward, 41% live in the West ward
- 29% from the north-eastern quarter
- 30% from the south-eastern quarter
- 22% from the north-western quarter
- 19% from the south-western quarter

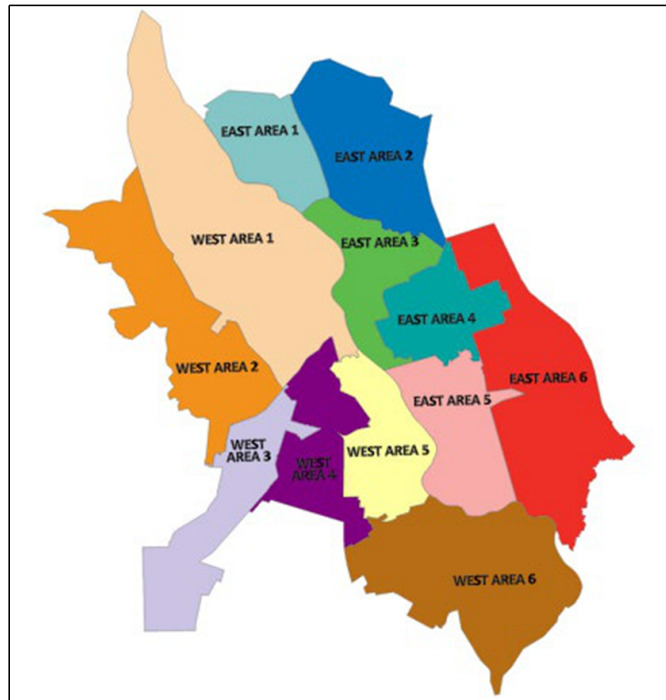


### Defining communities of interest

Research provided in this report refers to 12 Community Profile Areas within Hamilton. Community Profile Areas are identified by Hamilton City Council following each Census and form the basis for the Community Profiles.

Each Profile Area is made up of varying area units (suburbs) with similar demographic and socio-economic characteristics. These Profile Areas were tested with residents and are defined as areas that residents would commonly understand their suburbs and neighbouring suburbs to be. The 2018 Community Profile areas are:

Community Profile Areas 2018	Statistical Area 2 Units	Population (Census 2018)	Population estimates (Statistics NZ 2020)
East Area 1	Flagstaff North, Flagstaff South, and Flagstaff East	9831	11460
East Area 2	Rototuna North, Rototuna Central, Rototuna South, Te Manatu, St James, and Huntington	18303	20270
East Area 3	Queenwood, Chartwell, Chedworth, and Miropiko	9891	10460
East Area 4	Porritt, Fairfield, Enderley North, Enderley South, and Fairview Downs	15477	16940
East Area 5	Claudlands, Peachgrove, Hamilton East Village, Hamilton East Cook, and Hamilton East	15933	16940
East Area 6	Greensboro, Hillcrest West, Hillcrest East, Silverdale, Riverlea, and Ruakura	15576	17650
West Area 1	Te Rapa North, Te Rapa South, Pukete West, Pukete East, St Andrews West, St Andrews East, Beerescourt, and Forest Lake	14967	15860
West Area 2	Crawshaw, Western Heights, Nawton West and Nawton East, Rotokauri-Waiwhakareke	14583	15780
West Area 3	Dinsdale North, Dinsdale South, and Temple View	9534	10100
West Area 4	Maeroa, Swarbrick, Kahikatea, and Frankton Junction	10230	11480
West Area 5	Whitiora, Kirikiriroa, Hamilton Lake, Hamilton Central, and Hamilton West	8757	10060
West Area 6	Melville North, Melville South, Bader, Deanwell, Glenview, Resthill, Fitzroy, and Peacocks	17817	19550



### Demographic summary

Census data shows Hamilton is diverse. The following groupings can be made from the demographic data of Hamilton's 12 profile areas:

#### Age Structure

- North-eastern areas of the city; (East Areas 1, 2, and 3) have a higher median age, and a higher proportion of people aged 65+
- North-western areas of the city; (West Area 1) have a higher median age, and a higher proportion of people aged 65+
- South-eastern areas; (East Areas 4, 5, and 6) have a younger population overall, and a lower proportion of people aged 65+
- South-western areas; (West Areas 2, 3, 4, 5, and 6) have a similar median age to the Hamilton city.

#### Cultural Diversity

- Northern areas of the city; (East Areas 1, 2 and 3 and West Area 1) have a high proportion of people of European descent, and less overall ethnic diversity with pockets that have higher proportions of people who identify themselves as Asian
- Southern areas of the city; (East Areas 4, 5 and 6 and West Areas 2, 3, 4, 5 and 6) are characterised by having larger proportions of ethnic diversity than the northern areas. There are pockets with a high proportion of people who identify as Maaori and Asian.

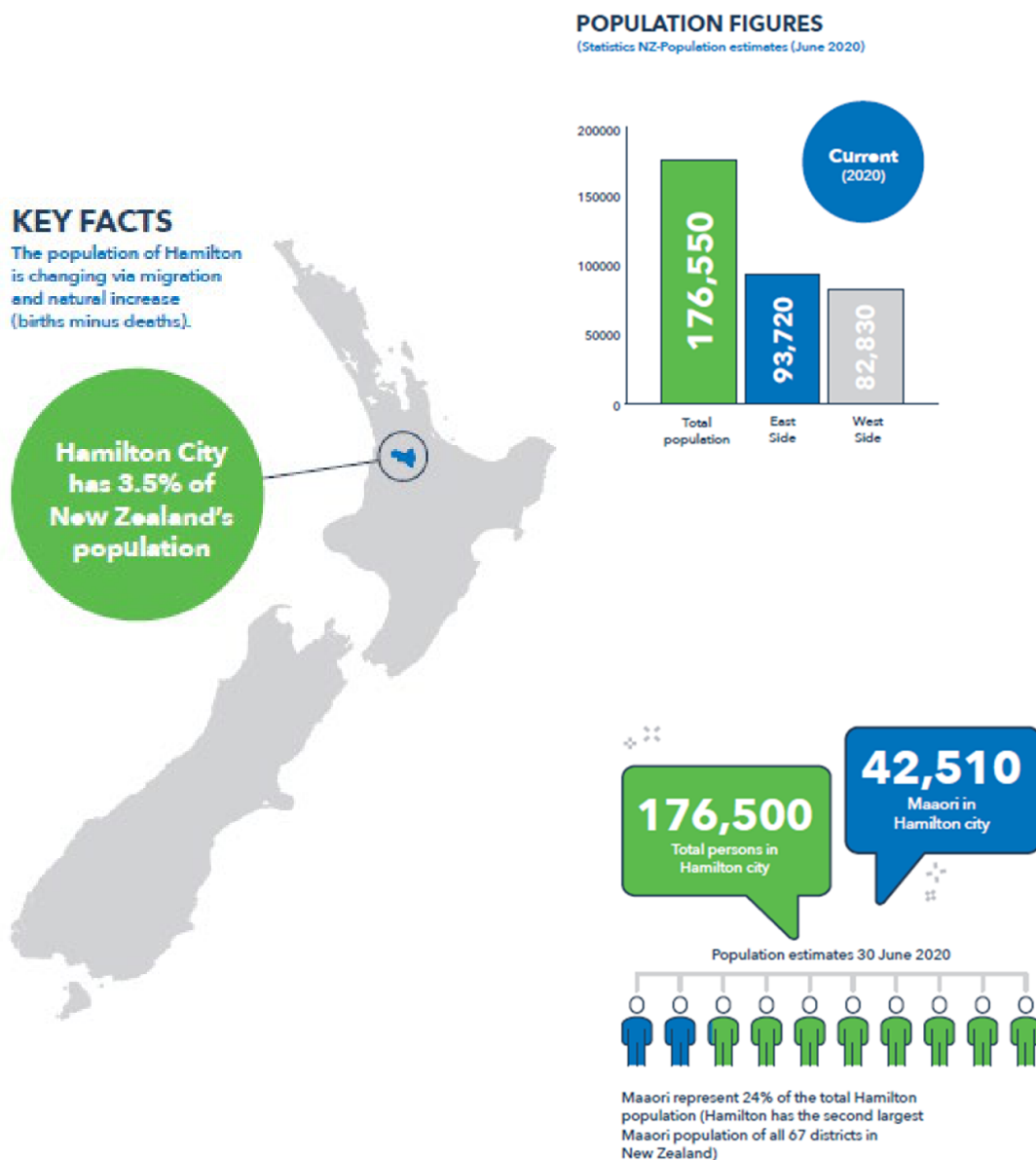
#### Income

- North-eastern areas; (East Areas 1, 2 and 3) have higher median incomes, and higher proportions of people on incomes over \$50,000
- North-western areas; (West Area 1) have higher median incomes, and higher proportions of people on incomes over \$50,000
- South-eastern areas; (East Area 4, 5 and 6) have the lowest median incomes with East Area 6 being the lowest possibly due to a high number of university students, and the highest proportion of people on incomes below \$20,000
- South-western areas; (West Areas 2, 3, 4, 5 and 6) have similar median incomes to the Hamilton average and higher proportions of low to middle income earners (\$20,000 - \$50,000)

Council Profile Areas	Deprivation index 2018 Range/Average	Median Incomes 2018	Ethnicity European 2018	Ethnicity Maori 2018	Ethnicity Asian 2018	Age 0-14 2020	Age 65+ 2020
East Area 1	Range: 1-3, avg. 1.7	\$42,167	68%	9%	27%	24%	14%
East Area 2	Range: 1-4, avg. 2.7	\$38,683	66%	11%	28%	23%	13%
East Area 3	Range: 3-10, avg. 5.5	\$34,175	74%	19%	12%	20%	16%
East Area 4	Range: 8-10, avg. 9.6	\$24,080	52%	40%	11%	24%	10%
East Area 5	Range: 7-9, avg. 8.0	\$26,620	64%	21%	19%	17%	11%
East Area 6	Range: 5-10, avg. 7.3	\$21,067	60%	17%	25%	15%	8%
West Area 1	Range: 4-9, avg. 6.5	\$30,200	76%	21%	11%	21%	15%
West Area 2	Range: 2-10, avg. 6.2	\$35,688	62%	33%	14%	24%	11%
West Area 3	Range: 6-7, avg. 6.7	\$32,400	71%	34%	9%	22%	13%
West Area 4	Range: 8-10, avg. 9.0	\$30,533	59%	33%	16%	22%	9%
West Area 5	Range: 7-9, avg. 8.0	\$29,250	58%	19%	27%	13%	12%
West Area 6	Range: 4-10, avg. 7.3	\$28,620	59%	29%	20%	22%	12%

## Population Characteristics of Hamilton City

When considering representation, it is important to understand our population and how it is changing.

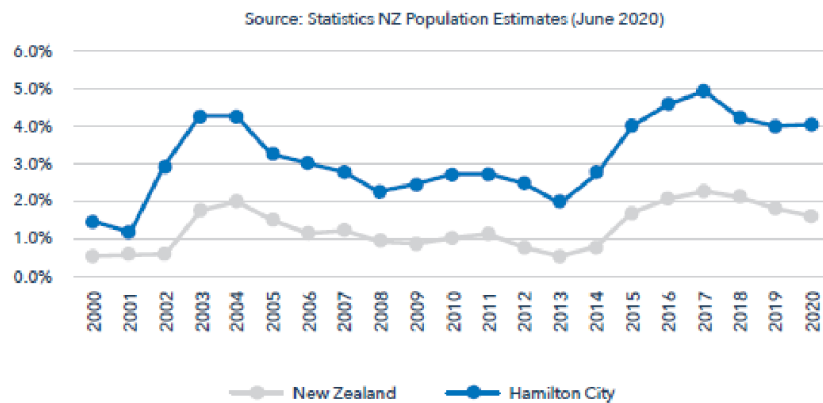


## POPULATION GROWTH

Hamilton City experienced significant growth between 2013 and 2020.

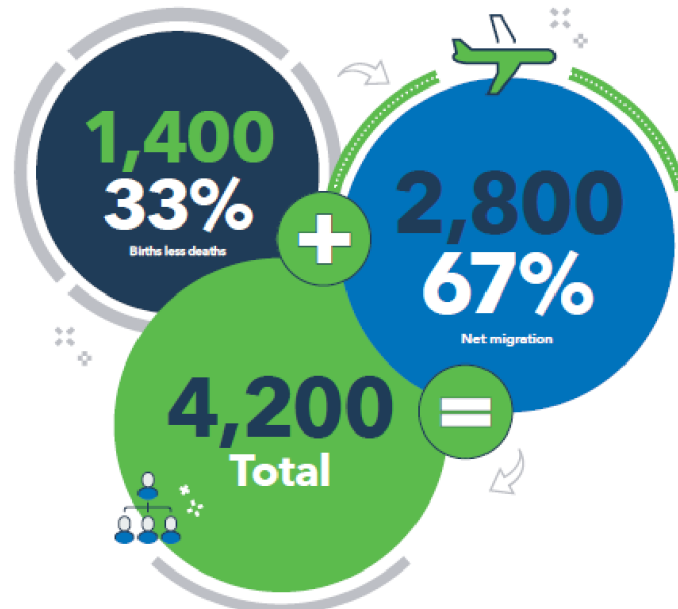
### POPULATION GROWTH

Hamilton experienced significant growth between 2013 and 2020



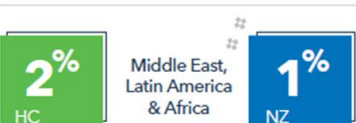
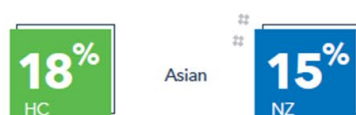
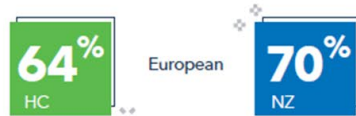
### GROWTH SOURCES FOR 2020 (Statistics NZ 2020)

The population of Hamilton is changing via migration and natural increase (births minus deaths).





## ETHNICITY



**Note:** Ethnic proportions do not add up to 100 percent because people can choose to associate or identify with multiple ethnicities. These ethnic proportions are not mutually exclusive

## TRANSIENCE

HC = Hamilton City Council Statistic  
NZ = New Zealand Statistic



A total of 55% of Hamilton's 2018 population lived in Hamilton in 2018



A total of 7% of Hamilton's 2018 population were born after 2013



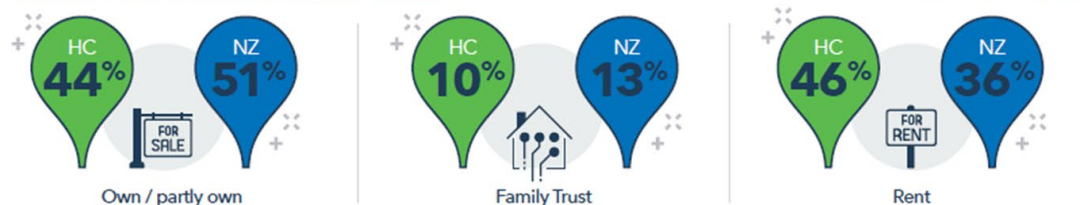
A total of 8% of Hamilton's 2018 population were overseas born in 2013

## AGE



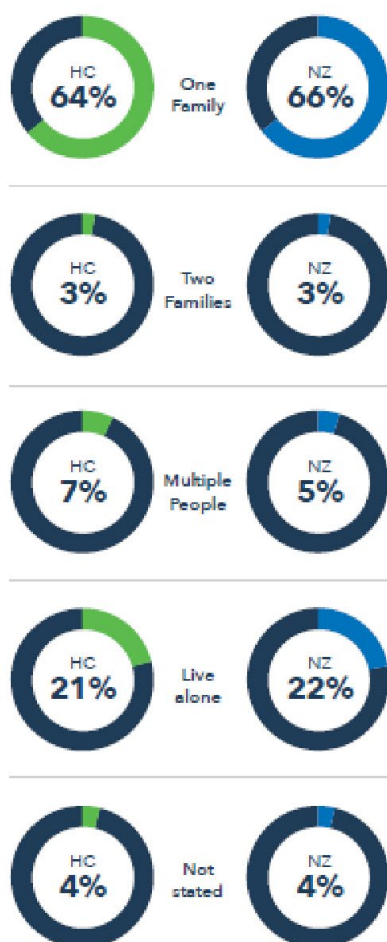
## HOME OWNERSHIP

Households in occupied private dwellings in Hamilton



## TYPE OF HOUSEHOLDS PEOPLE LIVE IN

Households in occupied private dwellings in Hamilton



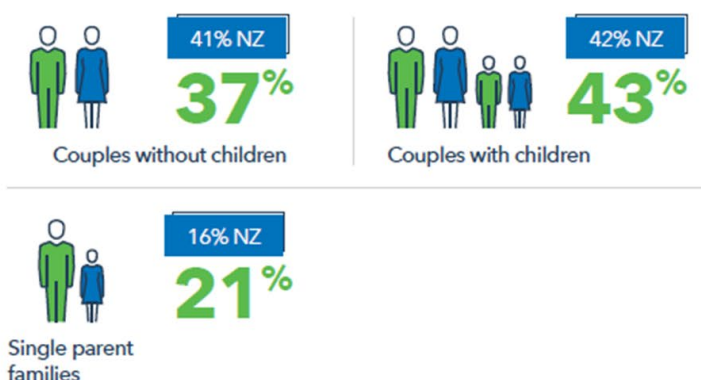
## HOME OWNERSHIP BY PROFILE AREA

New Zealand wide comparison (measured in %)

	Own/partly own	Family Trust	Rent
East area 1	61	22	17
East area 2	56	27	17
East area 3	50	34	16
East area 4	38	56	6
East area 5	33	59	8
East area 6	32	60	8
West area 1	52	36	12
West area 2	50	41	9
West area 3	55	37	8
West area 4	34	61	5
West area 5	23	68	9
West area 6	46	48	6

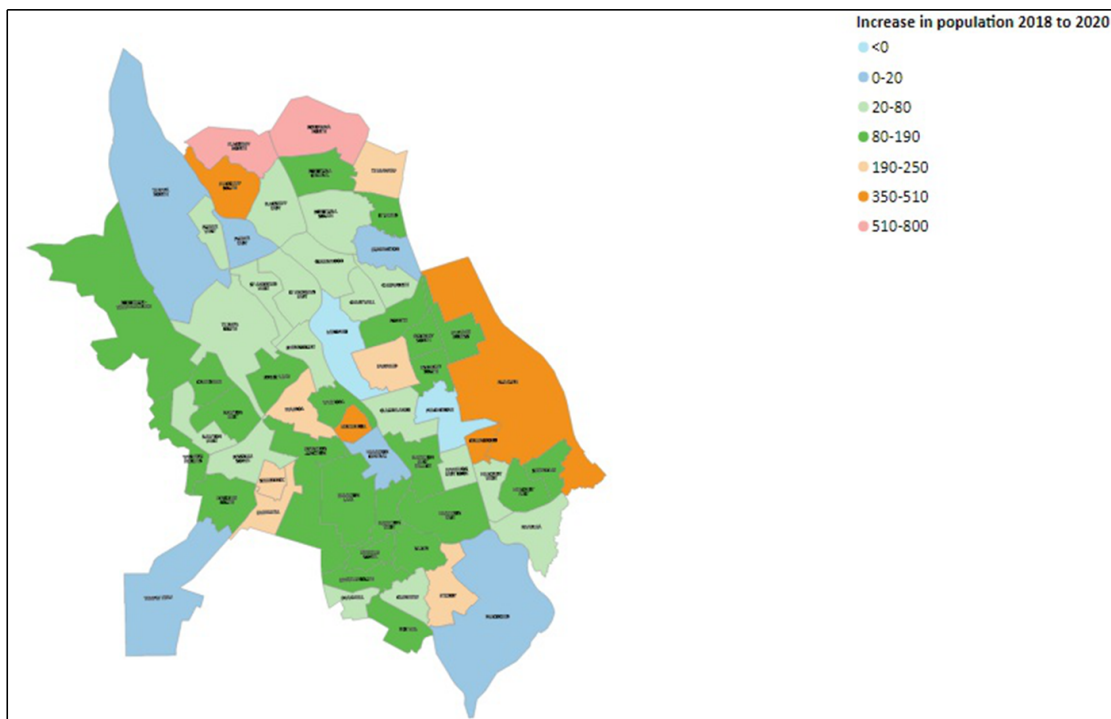
## FAMILY TYPE

Families in occupied private dwellings in Hamilton



### Population growth 2018 to 2020

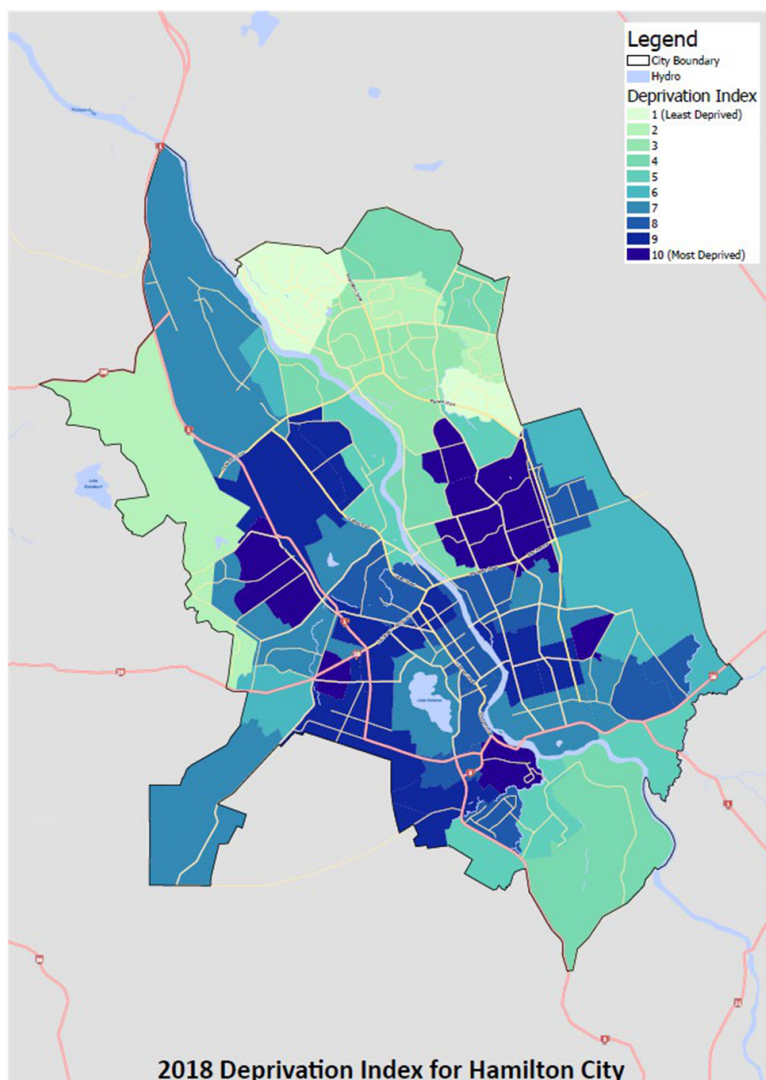
The North East corner has seen the highest growth. Rototuna North has the highest growth rate of this North East corner of 74% (around 700 residents). There have also been pockets of growth in the statistical area 2 unit Kirikiriroa (next to Hamilton Central) of a 131% potentially due to infill growth.



### New Zealand Deprivation Index

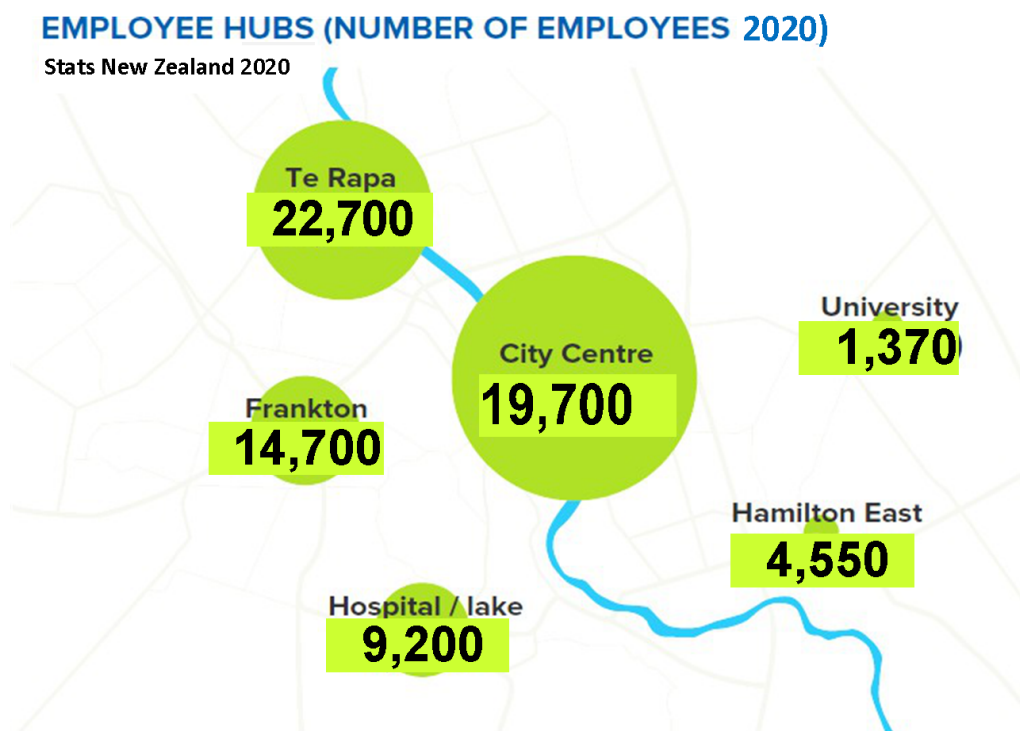
The New Zealand Deprivation Index is updated after each census and combines census data relating to income, home ownership, employment, qualifications, family structure, housing, access to transport and communications. The country is then profiled (from 1-10) based on deprivation scores, with 1 representing the areas with the least deprived scores, and 10 the areas with the most deprived scores (*this is the reverse of the school decile rating system*).

- Northern areas of Hamilton including East Areas 1, 2 and 3 and West Area 1 are characterised by having low to medium levels of deprivation.
- Southern areas of Hamilton including East Area 4, 5 and 6 and West Areas 2, 3, 4, 5 and 6 are characterised by having medium to high levels of deprivation.



### Movement Patterns - work

Hamilton has six main employee hubs, as measured by number of employees.



We have three sources of data that enable us to see where people come from within Hamilton to work in the main employee hubs:

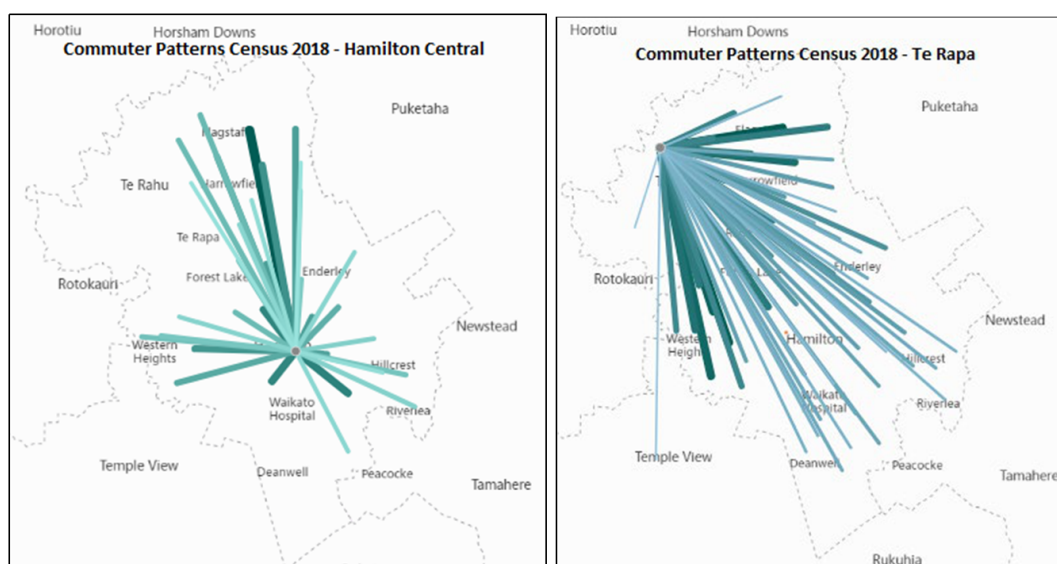
- Main employee hubs—Statistics New Zealand 2020
- Commuter patterns —home to work from Census 2018
- Movement patterns—home to work—2018 Community Survey

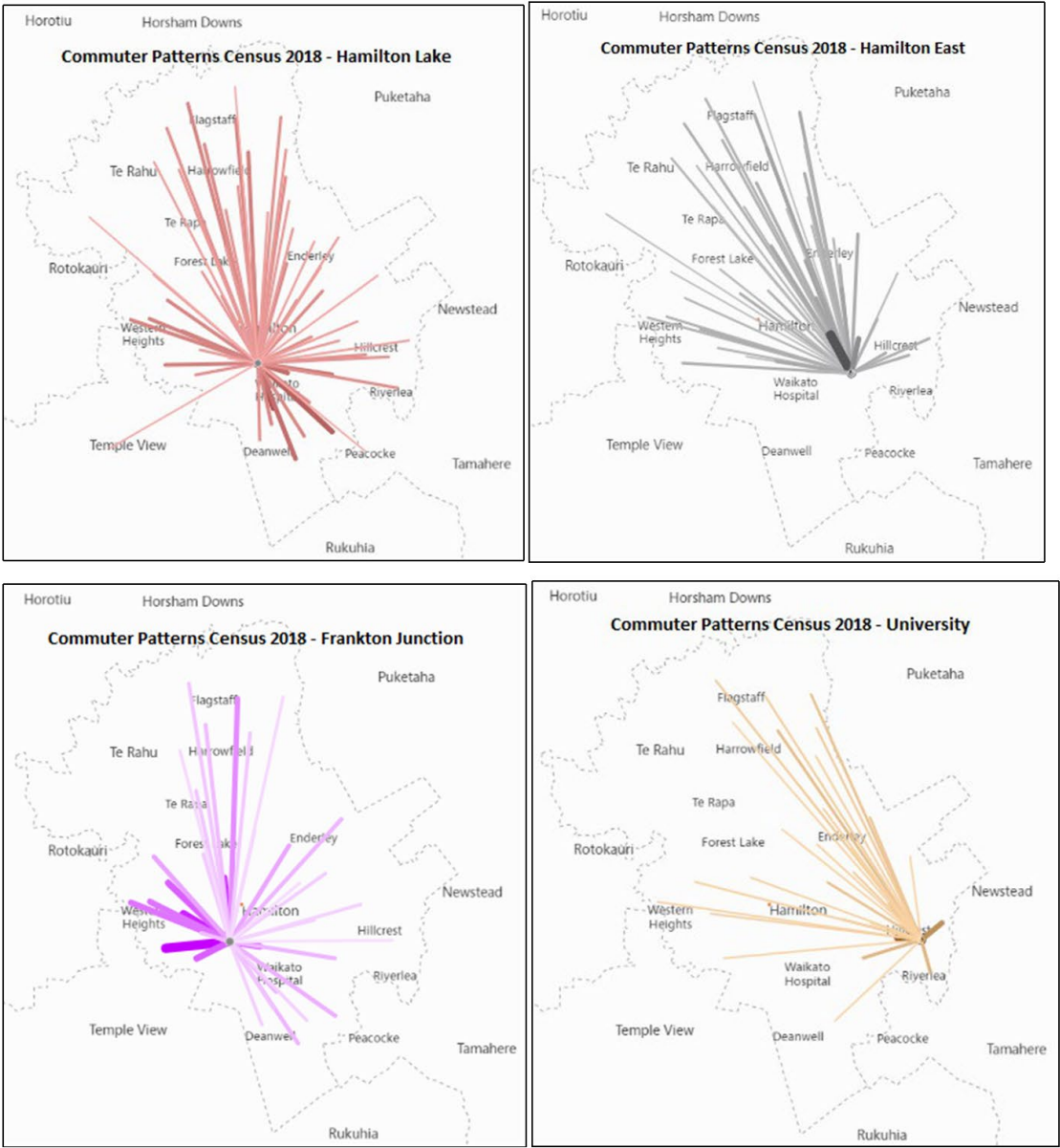
The following pages show where employees travel from to get to the six main working hubs.



This series of maps shows the area that people commute from to the six main working hubs in Hamilton based on the 2018 Census. The six working hubs have a different commuting profile depending on their location and business centre hierarchy (note the darker the colour the higher the number of users of this route):

- 13,194 people travel to **Hamilton Central** for work (98%), while 207 people (2%) also live in these 2 areas. People arrive from 124 different areas, the largest share being Rototuna Central (384 people -3% of arrivals). The most common way to arrive to for work is to drive a private car, truck, or van (72%).
- 14,313 people travel to **Te Rapa** (100%) while 63 people (0%) also live in these 2 areas. People arrive from 126 different areas, the largest share being Rototuna Central (399 people -3% of arrivals). The most common way to arrive to for work is to drive a private car, truck, or van (72%).
- 4,479 people travel to **Hamilton Lake** for work (90%), while 489 people (10%) also live in these 2 areas. People arrive from 106 different areas, the largest share being Melville North (219 people -4% of arrivals). The most common way to arrive to for work is to drive a private car, truck, or van (76%).
- 2,286 people travel to **Hamilton East** for work (77%), while 696 people (23%) also live in these 3 areas. People arrive from 89 different areas, the largest share being Claudelands (69 people -2% of arrivals). The most common way to arrive to for work is to drive a private car, truck, or van (70%).
- 8,898 people travel to **Frankton Junction** for work (99%), while 99 people (1%) also live in Frankton Junction. People arrive from 129 different areas, the largest share being Dinsdale South (312 people -3% of arrivals). The most common way to arrive to for work is to drive a private car, truck, or van (67%).
- 438 people travel to **University** for work (52%), while 402 people (48%) also live in these 3 areas. People arrive from 29 different areas, the largest share being Riverlea (42 people -5% of arrivals). The most common way to arrive to for work is to drive a private car, truck, or van (62%).



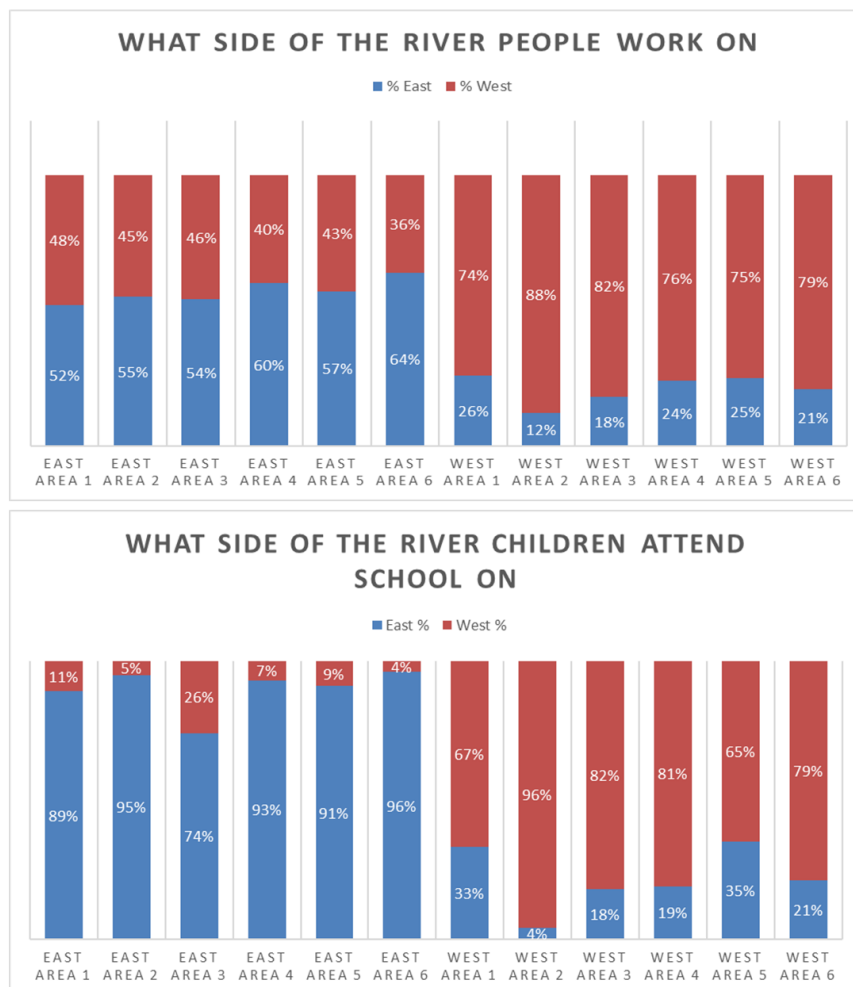


### Functional communities – use of facilities

Spatial patterns for the activities of Hamiltonians are a consideration for Council for effective representation.

An examination of movement patterns from Community Profile Survey responses (*supported by Census 2013 data*) show that Hamilton residents move around the whole of the city to access key every day services; however, the river is significant in terms of some activities.

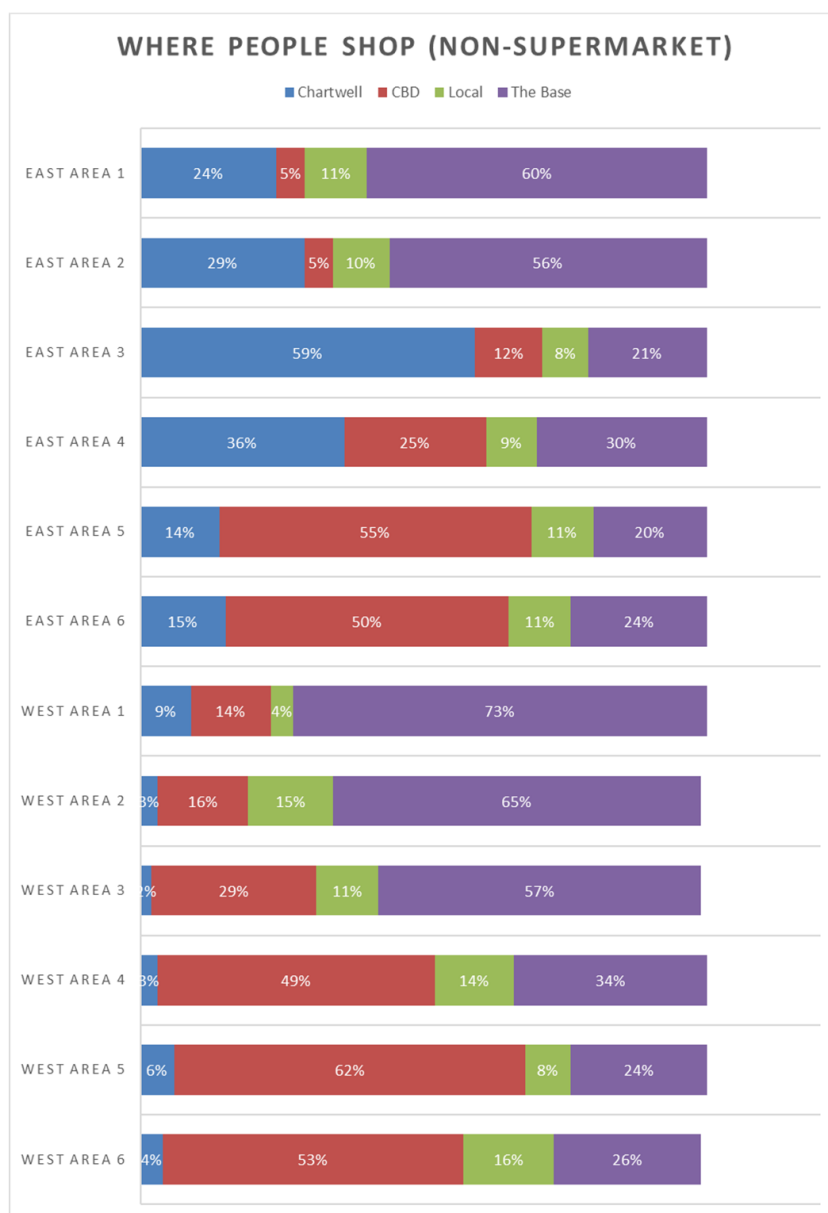
- People travel all over the city for work.
- East side residents commonly cross the Waikato River for work.
- West side residents work primarily on the west side of the river.
  - \* Noting, the 3 main employee hubs (City Centre, Te Rapa and Frankton), are all located on the west side of the river
- The majority of Hamiltonians school on the same side of the river as they live (*see second graph below*).





The Community Profile Survey suggests that people tend to shop closest to where they live and also that there is a clear north/south divide.

- people who live in the north (East Areas 1 and 2 and West Areas 1, 2 and 3) shop primarily at The Base
- people who live in the east (East Areas 3 and 4) shop primarily at Chartwell
- people who live in the south/central (East Areas 5 and 6 and West Areas 4, 5 and 6) shop primarily in the CBD



**Perceptual communities**

Community profile survey responses showed overall 53% of residents feel a sense of belonging to a particular area. Of this:

- 63% belong to the area they live
- 37% belong to an area different to where they live

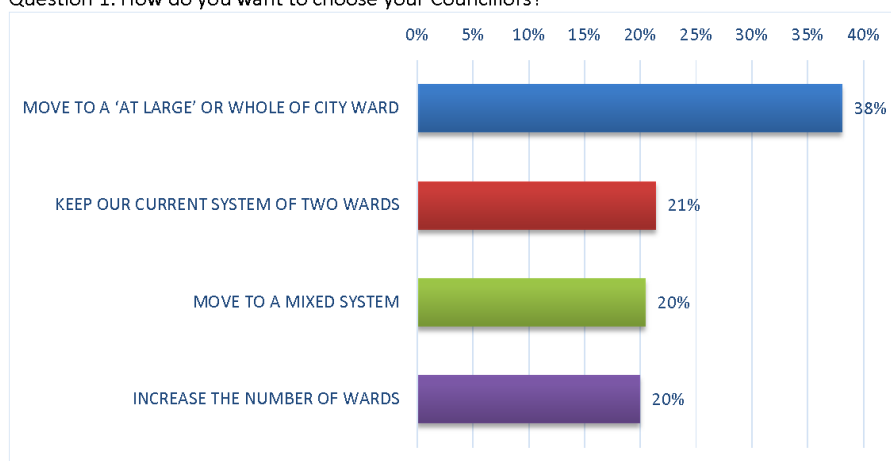
In some areas, residents had a higher degree of attachment to the area they live than others:

- High attachment: above 65% - East Areas 2, 5, and West Areas 3, and 5
- Low attachment: below 46% - East Area 4 and West Area 4

Community Profile Areas 2018	Sense of belonging to where they live	Sense of belonging to a different area
<b>East Area 1</b> —Flagstaff North, Flagstaff South, and Flagstaff East	62%	38%
<b>East Area 2</b> —Rototuna North, Rototuna Central, Rototuna South, Te Manatu, St James, and Huntington	72%	28%
<b>East Area 3</b> —Queenwood, Chartwell, Chedworth, and Miropiko	61%	39%
<b>East Area 4</b> —Porritt, Fairfield, Enderley North, Enderley South, and Fairview Downs	45%	55%
<b>East Area 5</b> —Claudelands, Peachgrove, Hamilton East Village, Hamilton East Cook, and Hamilton East	69%	31%
<b>East Area 6</b> —Greensboro, Hillcrest West, Hillcrest East, Silverdale, and Riverlea	64%	36%
<b>West Area 1</b> —Te Rapa North, Te Rapa South, Pukete West, Pukete East, St Andrews West, St Andrews East, Beerescourt, and Forest Lake	64%	36%
<b>West Area 2</b> —Crawshaw, Western Heights, Nawton West and Nawton East, Rotokauri-Waiwhakareke	58%	42%
<b>West Area 3</b> —Dinsdale North, Dinsdale South, and TempleView	66%	34%
<b>West Area 4</b> —Maeroa, Swarbrick, Kahikatea, and Frankton Junction	38%	62%
<b>West Area 5</b> —Whitiora, Kirikiriroa, Hamilton Lake, Hamilton Central, and Hamilton West	70%	30%
<b>West Area 6</b> —Melville North, Melville South, Bader, Deanwell, Glenview, Resthill, Fitzroy, and Peacocke	64%	36%

**2017/18 Wider Representation Review - Pre-consultation Survey Results.****Total respondents: 420**

Question 1: How do you want to choose your Councillors?

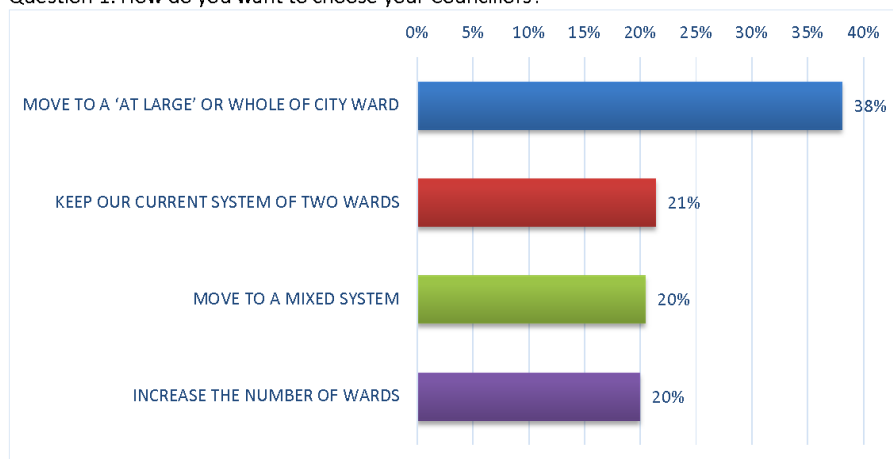


282 people provided comments about this question and the following themes have been identified:

<b>Q1: Themes in support of keeping the current system</b>		
<b>Theme</b>	<b>Responses</b>	<b>% Responses</b>
Current system is familiar	4	10%
I identify with the side of the river I live on	2	5%
Current ward system works well	16	38%
There is not a strong enough reason to change the current system	2	5%
Fair representation of the city's population distribution	5	12%
Councillors representing wards are (supposedly) more sensitive to the issues in their ward	7	17%
It is much better than 'at large' voting	1	2%
It is the cost-effective option	2	5%
Creates a good mix/spread of Councillors	3	
Total	42	

# Attachment 1

Question 1: How do you want to choose your Councillors?



282 people provided comments about this question and the following themes have been identified:

<b>Q1: Themes in support of keeping the current system</b>		
<b>Theme</b>	<b>Responses</b>	<b>% Responses</b>
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It is much better than 'at large' voting	1	2%
It is the cost-effective option	2	5%
Creates a good mix/spread of Councillors	3	
Total	42	

# Item 11

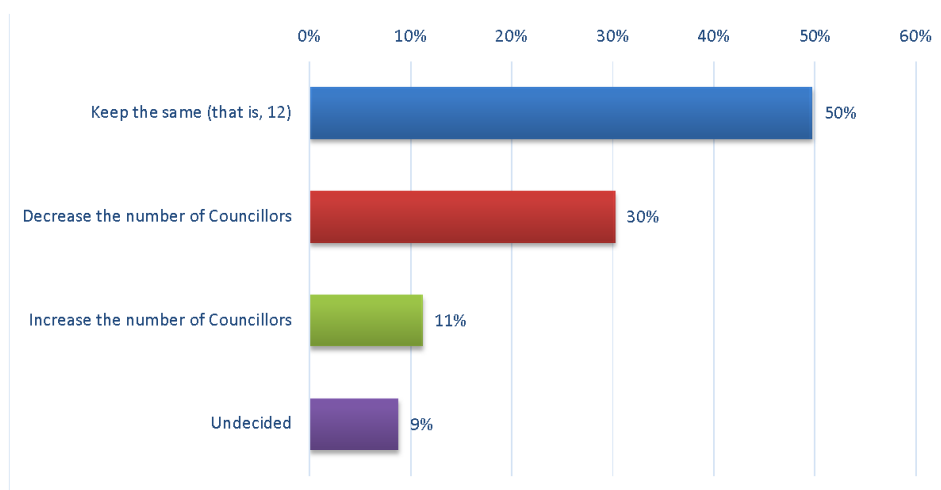
<b>Q1: Themes in support of an 'at large' system</b>		
<b>Theme</b>	<b>Responses</b>	<b>% Responses</b>
Decisions made by council are based on 'whole of city' thinking, 'at large' voting encourages this	43	30%
Would allow voters the chance to choose between all candidates, voting could be driven by who best represents you not by where you live	65	45%
Councillors do not have to live in the ward they stand to represent so we should not have to vote by ward	3	2%
Less wards could mean less Councillors	2	1%
People use and identify with the whole of Hamilton - there is no need for wards	7	5%
Hamilton is too small geographically to warrant wards	7	5%
It would stop Councillors strategically standing in the less competitive ward	2	1%
Councillors do not display ward ownership	5	3%
Representation is not the issue - it's the lack of training in accordance with the LGA	1	1%
Straightforward and unifying	3	2%
Could encourage better quality candidates	4	3%
Would encourage more diversity of representation	1	
Total	143	

<b>Q1: Themes in support of a mixed system</b>		
<b>Theme</b>	<b>Responses</b>	<b>% Responses</b>
Increasing the number of wards would ensure more targeted representation for diverse areas	8	12%
Councillors should have to live in the ward/area they stand for election in	3	4%
Current ward system works well	3	4%
Decisions made by council are based on 'whole of city' thinking, 'at large' voting encourages this	7	10%
The voting system needs to be changed	1	1%
This would help enable the best people to be elected	4	6%

## Attachment 1

Would provide an option to vote for the best candidate without being limited to where you live, while also having a spread of representation across the city	22	32%
Could provide an opportunity for a wider diversity of representation	5	7%
There is argument for wards, and 'at large', therefore a combination of the two could work well	15	22%
Total	68	

Question 2: How many Councillors do you think Hamilton should have?



280 people provided comments about this question and the following themes have been identified:

<b>Q2: Themes in support of keeping the same (that is, 12)</b>		
<b>Theme</b>	<b>Responses</b>	<b>% Responses</b>
It is a good number to cover the interests and size of the whole city	49	37%
Accounts well for the growth Hamilton is about to experience	2	1%
Is cost effective	18	13%
Ensures enough chance for varied representation without being unmanageable	40	30%
Provides a good balance for quorum and good discussion at meetings	9	7%
Less Councillors could result in a mediocre Council with less diversity	6	4%

## Item 11

It is less about the number, and more about what they are representing	6	4%
An even number is best to eliminate hung votes	1	1%
Less Councillors could result in a threatening concentration of power	3	2%
Total	134	

<b>Q2: Themes in support of increasing the number of Councillors</b>		
<b>Theme</b>	<b>Responses</b>	<b>% Responses</b>
More Councillors would result in a more diverse council with more spread around the city	14	24%
More Councillors are needed to account for population growth	14	24%
More Councillors would better support a mixed voting system	1	2%
More Councillors would mean more voices to be heard around the table	8	
Having more Councillors could mean some new faces get elected to Council	2	
13 Councillors	3	5%
14-15 Councillors	10	17%
16 Councillors	7	12%
Total	59	

<b>Q2: Themes in support of decreasing the number of Councillors</b>		
<b>Theme</b>	<b>Responses</b>	<b>% Responses</b>
Is cost effective	24	19%
An even number is best to eliminate hung votes	2	2%
Not all the Councillors appear active & engaged	10	8%
Less Councillors leads to better decision making and is more manageable	22	17%
You wouldn't need as many Councillors with an 'at large' system	3	2%
With less Councillors each person's voice can be better heard	8	6%
Easier for people to engage with a smaller number as they are more personal/know them better	5	4%
Less Councillors supported by community boards	2	2%

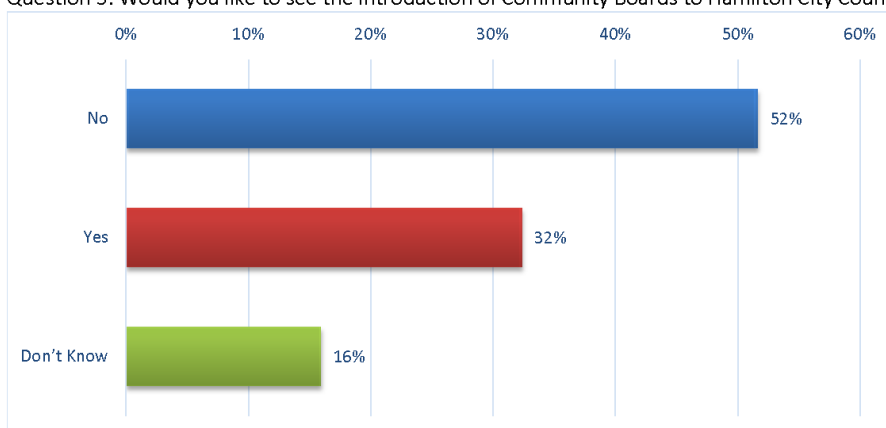
## Attachment 1

Less Councillors better models a company board situation	3	2%
Our population size does not necessitate 12 Councillors	4	3%
Less than 8 Councillors	5	4%
8 Councillors	20	16%
9 Councillors	1	1%
10 Councillors	18	14%
Total	127	

## Item 11

<b>Q2: Themes for being undecided</b>		
<b>Theme</b>	<b>Responses</b>	<b>% Responses</b>
Is cost effective	1	5%
It is less about the number, and more about what they are representing	5	23%
Less Councillors leads to better decision making and is more manageable	1	5%
With less Councillors each person's voice can be better heard	1	5%
I would support increasing the number of Councillors if there were more wards	1	5%
We need more diversity in our Council	4	18%
Should be based on population numbers	1	5%
I don't have enough understanding of the pros and cons of this	3	14%
Number of Councillors would depend on how Councillors are elected	5	23%
Total	22	

Question 3: Would you like to see the introduction of Community Boards to Hamilton City Council?





262 people provided comments about this question and the following themes have been identified:

<b>Q3: Themes in support of introducing community boards</b>		
<b>Theme</b>	<b>Responses</b>	<b>% Responses</b>
It would enable representation for areas that are currently overlooked	20	19%
Number of Councillors could be reduced	3	3%
Community Boards are better at engaging with communities	46	43%
Provides another avenue for local voices to be heard	32	30%
Community Boards are needed if we stick with the current ward structure	2	2%
Only if members were volunteers	1	1%
Only if they were given strong support from Council	1	1%
Would give people the opportunity to represent their community without having to be a Councillor	2	2%
Total	107	

<b>Q3: Themes that do not support introducing community boards</b>		
<b>Theme</b>	<b>Responses</b>	<b>% Responses</b>
Unnecessary cost	42	26%
Hamilton does not have distinct areas that would require separate representation	23	14%
Fighting amongst various community groups is something Council can do without	6	4%
Adds another layer of bureaucracy we can do without	54	34%
Ward Councillors should be adequately soliciting the views of their community	19	12%
Never had them so why start now	5	3%
Council doesn't listen to the community and they won't listen to a community board either	1	1%
Unnecessary for the size of our city	5	3%
Often attract low calibre candidates to stand	1	1%
Bring back advisory panels	3	2%

## Attachment 1

Total	159	
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<b>Q3: Themes for 'not knowing'</b>		
<b>Theme</b>	<b>Responses</b>	<b>% Responses</b>
I don't know enough about this subject	14	61%
Maaori representation on Council needs to be addressed	1	4%
Hamilton does not have distinct areas that would require separate representation	4	17%
Adds another layer of bureaucracy we can do without	1	4%
It would depend on the ward situation	3	13%
Total	23	

Question 4: Do you have any other comments or suggestions on how the Council represents you?

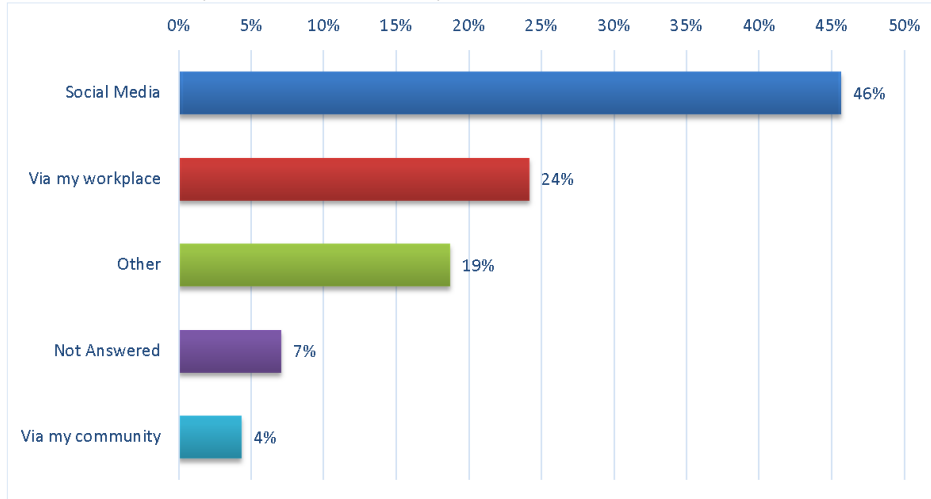
190 people provided comments about this question and the following themes have been identified:

<b>Q4: Main Themes</b>		
	<b>Responses</b>	<b>% Responses</b>
I would like to discuss changing the voting system	5	3%
Need to look at online voting	8	4%
It is important to look at how Maaori are being represented on Council	16	9%
Information to public needs to be better communicated by Council and elected members	11	6%
The Council does not appear to listen to its community	24	13%
There needs to be more diversity on the Council	17	9%
Councillors should have more training when they are first elected on the needs of Hamilton	2	1%
City Councillor should be a full-time role and Councillors should be held more accountable, e.g. minimum number of meetings/functions they must attend	6	3%
Thank you for the opportunity to express my views	1	1%
Anything this survey proposes should not come at any extra expensive to ratepayers	2	1%
Current elected members are not representing Hamilton residents well	16	9%
Number of Councillors per ward should reflect population size, rather than just an even split	1	1%

## Item 11

Would like to see elected members out in the community more	9	5%
Citizen Juries could be trialled as a forward thinking option	1	1%
Thank you and the Council staff for the good work you do	2	1%
Councillors should have to live in the ward/area they stand for election in	8	4%
CEO should be paid less	2	1%
Council needs to empower the community to have their voice heard in local democracy - possibly by community boards	3	2%
Council should be looking at ways to reduce rates	3	2%
Elected members should have more respect for each other	3	2%
Let the Council make decisions without always consulting the public	1	1%
There needs to be more/better communication around elections and who the candidates are	2	1%
Would like to see money going to operational costs, rather than pet projects	6	3%
The rates increases do not 'represent' the average Hamiltonian well	1	1%
More decisions should be based on staff advice and other business experts	1	1%
There should not be any private meetings between Councillors	2	1%
The Mayor should be voted in by the elected Councillors	2	1%
There should be less Council staff	1	1%
Bring back advisory groups/panels	1	1%
Elected members should be paid based on performance	1	1%
There should be more requirements to stand for Council, to get better quality candidates	1	1%
Other	25	14%
Total	184	

Question 5: How did you hear about this survey?



## 2018 Representation Review – Focus Group Findings

### Executive Summary

Two focus groups were conducted with members of the community to gauge people's motivations behind their preference of either an 'at large' versus status quo (the current two ward system).

Participants' preferences were also canvassed regarding the number of councillors they felt Hamilton should have.

Several main themes were identified during the groups as key considerations for participants preferences. These themes were:

1. Diversity
2. Pool and selection of candidates
3. Access to councillors
4. Quality of councillors

Other observations of note, which are significant in understanding people's motivations and preferences included:

- Arguments to support one representation model often were often also used as arguments to support the opposing model.
- There were knowledge gaps that became apparent through the course of participants articulating their arguments which potentially had significant bearing on the position they took.
- Focus group participants were arguably not a representative sample of the Hamilton population – a large number were known to Council, had high levels of civic awareness and had strong desires for change.

### Introduction

As part of the 2018 Representation Review, Hamilton City Council sought feedback from the public about their views on whether the current arrangements for fair and effective representation meet our communities' needs.

Pre-consultation via an online survey with the community indicated a leaning towards a preference for an at large system.

The aim of focus groups was to further explore people's motivations behind two options expressly preferred by Council ('at large' and status quo) and around the number of councillors. Community boards were not discussed.

Discussions during focus groups were centred largely around two key questions:

1. Would you prefer to vote for your councillors via an 'at large' system or via the status quo (east/west wards)?
2. How many councillors do you think Hamilton should have?

## Methodology and Participant Profile

### Focus Groups

Two focus groups were held on 25 and 26 July 2018. Each session lasted between 60-90 minutes and was led by an external facilitator and supported by 3 project team members (council staff)

### Participants

Focus groups comprised between 6-18 members of the community who opted to take part through the online representation review survey. The participants represented a relatively even spread of the different views expressed in the online survey, with a significant proportion favouring an 'at large' system.

It should be noted however, that supporters for the status quo were less inclined to volunteer and participate in focus groups, and as such, were underrepresented.

### Site Location

Focus groups were held at the Western Community Centre and Waimarie Hamilton East Community House.

### Facilitation

An external facilitator was used to run the focus groups, with the Governance Manager and two members of the project team also in attendance in supporting roles

## Results

### Item 1: How people want to elect their councillors

Themes identified by participants in support of choosing councillors from an 'at large' system:

Theme	Comments
Hamilton as a city is one community	<p>Hamilton is small enough for candidates and councillors to cover the whole area.</p> <p>The rates we pay are spent all over the city – therefore it is appropriate for all residents and ratepayers to have a say on all the councillors as they represent the whole city.</p> <p>People utilise the whole city in their day to day lives.</p> <p>One city, one community, one rating system, one electoral system.</p> <p>Hamilton is not two separate communities – we are one community.</p>
Encourages city-wide thinking	<p>'At large' encourages a city-wide approach to decision making.</p> <p>All councillors should have city-wide vision rather than being focused on ward priorities</p> <p>When lobbying for a particular area of the city, councillors have to win the support of all the councillors so the ward system is irrelevant</p> <p>All councillors should (and are legally required to) represent all ratepayers – which does not warrant a ward system.</p>

	<p>Once councillors are elected they stand for the whole of the city.</p> <p>Prevents the illusion that a councillor represents you as an individual in a particular ward when they are really there to represent the whole city.</p>
Better selection of candidates	<p>'At large' voting prevents candidates from choosing to stand in the less competitive ward (with less candidates standing).</p> <p>Often the most preferred candidates are standing in the other ward – an 'at large' system means voters can choose their most preferred councillors.</p> <p>I dislike the notion that a councillor represents me but I have no say on their selection</p> <p>An 'at large' system results in a better selection of candidates.</p> <p>Councillors need to be elected based on quality rather than by where people live.</p> <p>The ward system creates barriers for voters by only allowing people to choose from a select list of candidates who they may not feel represent them.</p>
Streamlines election campaigning	<p>Voters tend to only attend the candidate evenings for those standing on the side of the river where they live – this means most people miss out on learning more about what the half of the councillors represent.</p> <p>It is easier for the media to adequately cover campaigning with an 'at large' system. We do not have separate channels for communicating with people who live on each side of the river.</p> <p>Often a voter may see a candidate (through the media) who they feel would represent them well, only to find out come voting time that they are standing on the other side of the river</p>
Diversity	<p>'At large' system could result in a more diverse Council because unique candidates could draw support from both sides of the river.</p> <p>The current wards aren't small enough for effective local representation anyway so they have no real benefits.</p> <p>There is far too much diversity within each of the current wards therefore it is not relevant.</p>
Fair	<p>All votes for all councillors would hold equal value.</p>

	<p>It is more democratic for all voters to be able to vote for all the councillors</p> <p>Under a ward system, the results of the mayoral campaign often affect who gets elected as the 12<sup>th</sup> councillor. An 'at large' system would solve this issue.</p> <p>Current population split between the east and west ward is uneven – an 'at large' system would alleviate this issue, and the population of Hamilton isn't too large for this.</p> <p>No option is going to be perfect – but an at large system ensures all voters have a say in who represents them, and as a result the best people will be elected</p>
Access to councillors	<p>'Whole of city' representation encourages accessibility of councillors by the community because under the current system voters often feel like they can't/shouldn't approach councillors who do not represent their ward.</p> <p>'At large' would encourage interaction with councillors – currently, people often feel like they can only approach those councillors who represent the side of the river on which they live.</p>
Other	<p>Growth is moving north and south so an east/west divide no longer seems appropriate.</p>

Themes identified by participants in support of choosing councillors from the status quo (east/west wards)

Theme	Comments
Easier for voters	<p>Having less councillors to vote for (and less candidates to research) makes voting easier for people.</p> <p>It is often hard enough to find quality information to give a vote to 6 people, therefore having to select 12 people you know little about would be very difficult for many people.</p> <p>We don't want people voting on name recognition alone, and an 'at large' system could encourage this.</p>
Pool of candidates	<p>It is easier for a candidate to stand for election under a ward system due to the cost of campaigning and the size of the area.</p> <p>The higher campaign spends under an at large system could be problematic in terms of potentially reducing the quality of candidates, and the chances for diversity.</p> <p>Higher campaign spends of an at large system could discourage good people from standing.</p>



	Ward system is more likely to result in a spread of councillors from all areas of the city,
Diversity	A ward system is more likely to increase the chances of diversity among the elected Council.
Accessibility to councillors	A ward system increases accessibility to councillors, as often people feel more comfortable approaching a person that specifically represents their area.
More targeted representation	A ward system allows for representation to be targeted to the area councillors stand to represent.  Better representation by councillors at a suburb level.  Encourages councillors to be more connected to the issues in their ward.
Other	I would prefer to vote for someone who is associated with my neighbourhood and its needs/issues.

**Item 2: How many councillors people think Hamilton should have**

## Themes identified by participants in support of increasing the number of councillors

Theme	Comments
Diversity	Having more councillors could increase the chances of diversity.  Increases the likelihood of having someone in council that represents 'you'.
Population	The population has increased significantly yet the number of councillors has not increased to match this growth.
Access to councillors	More councillors would make it easier for people to access them.  More councillors would mean they could engage with the community more.
Quality of councillors	Having more councillors provides an opportunity to increase the likelihood on getting good quality candidates.
Other	Having more councillors would lower the vote threshold.

## Themes identified by participants in support of retaining the same number of councillors (12)

Theme	Comments
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Population	12 seems like a good number in terms of the ratio of the population each councillor would represent.
Accessibility to councillors	Any less would reduce the accessibility to councillors.  Currently access to councillors is very good.
Diversity	12 allows for robust debate with diverse opinions without being unmanageable.
Manageability	Any more than 12 councillors would be hard to manage  Having more than 12 councillors would slow down the decision-making process.
Quality of councillors	Having too many councillors increases the chance of getting too many of the wrong sort of people (status quo creates a buffer for this).

Themes identified by participants in support of reducing the number of councillors

Theme	Comments
More manageable	It is easier to resolve a debate with less voices around the table.  More manageable in terms of consensus building.  The larger the Council, the harder it is to get a good decision.
Quality of councillors	Having less councillors who get paid more could result in better quality representation.  We need a smaller, tighter Council and with less councillors - people may be more likely to vote for new people who would perform better.

### Discussion

There were several important issues identified throughout the sessions which are significant to understanding people's motivations and preferences. These included:

How people interpreted the benefits/advantages of each of the options overlapped across the different scenarios. For example, 'increasing diversity' was used as an argument both in support of an 'at large' system and the status quo. Participants thought an 'at large' system would promote diversity as unique candidates could draw support from both sides of the river. On the other hand, participants thought the status quo was better for encouraging diversity as the lower campaign spends associated with a smaller campaign area would encourage a more diverse mix of candidates to stand.

Discussions sometimes highlighted a limited understanding of information that was central to the arguments being put forward. On some occasions, the Governance Manager provided expert advice and clarification on topics such as:

- How councillors are remunerated.
- Campaign spending limits (with reference to ward size); and
- The scope/size of a councillor's role.

This additional knowledge did not always change participants' views, but many commented on its usefulness and thought the community could benefit from considering more fulsome information during the formal consultation stage.

These sessions enabled the project team to better gauge motivations behind peoples' preferences. It was mentioned repeatedly in both groups that every option up for discussion seemed to have both advantages and disadvantages, however certain factors were regarded as being central to the notion of an ideal model of representation. Those were:

- Proportional representation of political opinion in the city
- A Council that reflects the diversity of the population
- A Council that is easily accessible to Hamilton residents
- Greater voter turnout
- More diversity in those that vote

The majority of people who opted to take part in the focus groups were advocating for change, primarily to 'at large' or more wards. A very small proportion of the people who volunteered to take part preferred to keep the status quo.

Participants who originally wanted to increase the number of wards did not always support status quo over 'at large' when the options were narrowed.

Many of the participants were relatively politically minded and well known to Council, and as such, may not be particularly representative of the population of Hamilton as a whole.

Several arguments were applied as arguments for and against each representation model. These included:

- Diversity: Some participants supporting an 'at large' system though it would promote diversity by drawing support for particular candidates from both sides of the river. They also thought there was too much diversity within the current two wards to merit the advantages of a ward system. Alternatively, some participants argued a ward system would be more likely to increase diversity. Participants also mention diversity as a motivation for wanting either an increase or the same number (12) or councillors. They thought more seats at the table would increase the chances of diversity and noted any less than 12 councillors would be a barrier for guaranteeing a diverse Council.
- Improving the ability to select the best candidates from the candidate pool: Some participants argued an 'at large' model would give voters better ability to select quality candidates as they would have a larger list to choose from. Many thought it was more democratic for all voters to be able to vote for all

councillors. Some participants thought the ward system creates a barrier for participation by limiting who people can vote for, whereas others thought having a larger number of votes to give would be overwhelming for many voters and having a smaller list with a smaller number of votes to give would be easier. Some participants believed an 'at large' system would ensure better quality candidates, whereas others believed it would be harder for a candidate to stand 'at large' therefore could deter many people from choosing to stand.

- Accessibility to councillors: This was a frequently noted motivation for determining participants' preferences. Some participants thought an 'at large' model encourages more of an appetite for interaction with councillors as people would not feel like they can only approach councillors who represent their ward. Others believed a ward system would increase accessibility as people may feel more comfortable approaching a councillor that specifically represents their area. Accessibility to councillors was also a key motivation for preferring an increase or keeping the same number of councillors.
- Improving the quality of councillors: Some participants mentioned that the quality of councillors was a key motivation for their position on the number of councillors Hamilton should have. Those in support of increasing the number of councillors thought it would increase the likelihood of getting high quality members elected to Council. Those in support of retaining the same number of councillors (12) thought having too many seats on council could increase the chance of getting too many of the wrong sort of people. Lastly, participants who supported reducing the number of councillors argued having less councillors who got paid more could result in better quality representation.

### HCC 2017/18 Wider Representation Review - Phone survey

After Council had narrowed its preferred options to two, a further phone survey was commissioned to understand the perspective of the community on these.

500 Hamilton residents participated in the survey in July 2018. This sample size has a margin of error of +/- 4.38% at the 95% confidence interval. The following are the results reported to Council during that review.

## Reporting

- Results are shown at the total level and by Ward.
- Verbatim answers have been post-coded and coded responses are shown in charts.
- Not all percentages shown add up to 100%; this is due to rounding or where questions allow a multiple response.
- Relevant base sizes are shown below each chart or table.
- Statistically significant differences by Ward are indicated using colour shading:
  - : indicates the result is higher for that Ward.
  - : indicates the result is lower for that Ward.

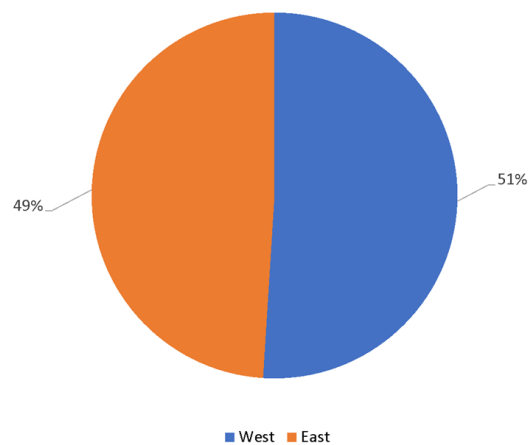


## Summary of Findings

- The majority (54%) of residents felt 'their community' was the area where they live, with a further 40% stating they felt it was the whole city. Six per cent felt it was neither of these. Respondents in the East Ward were more likely to state their community was the area they live (61%).
- The highest proportion (60%) prefer to choose their Councillors using the 'at large' system with a third (33%) preferring the current system. Seven per cent did not know (4%) or did not have an opinion (3%) on this.
- The primary reason for choosing the 'at large' system was that Hamilton is one community and should be treated as one (21%). The main reason for choosing the current (two Ward) system was that Councillors would have a better understanding of their local community (34%).
- Fifty five per cent of residents think that the number of Councillors for Hamilton should remain the same, while 30% felt it should be less. Only 4% felt that there should be more Councillors. Ten per cent were undecided (6%) or had no opinion (4%). The primary reason residents provided for keeping the number the same was that 12 works fine (36%) while 32% of those who chose less Councillors stated this was due to the cost implications and the desire to keep rates down.
- When asked, most (66%) residents felt they had a good (33%) or very good (33%) understanding of the content of the survey.

# Survey Results

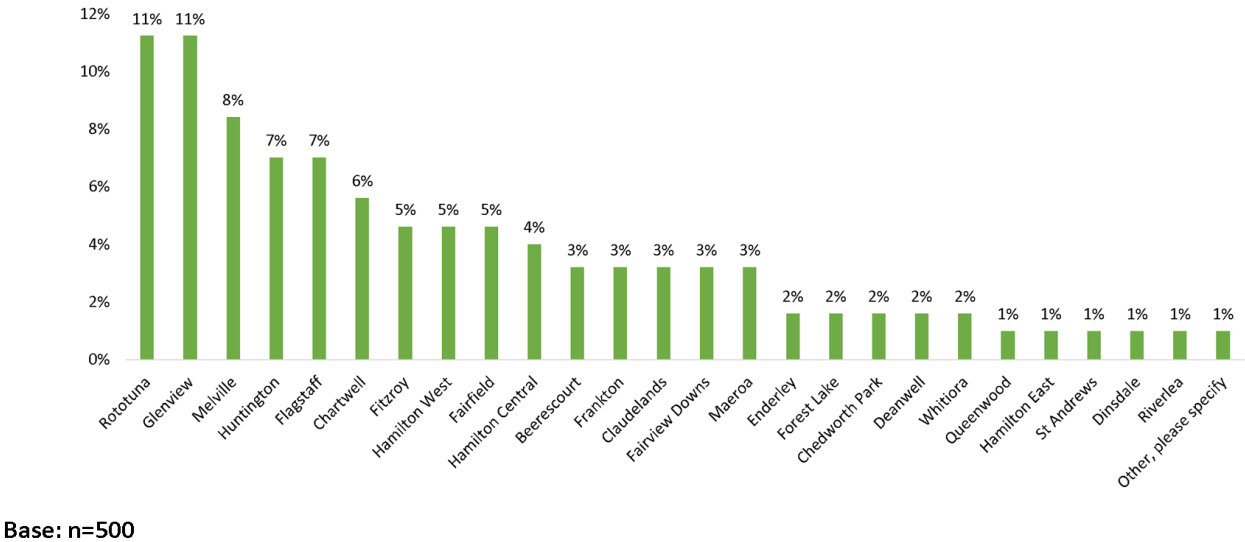
## Survey respondents by ward



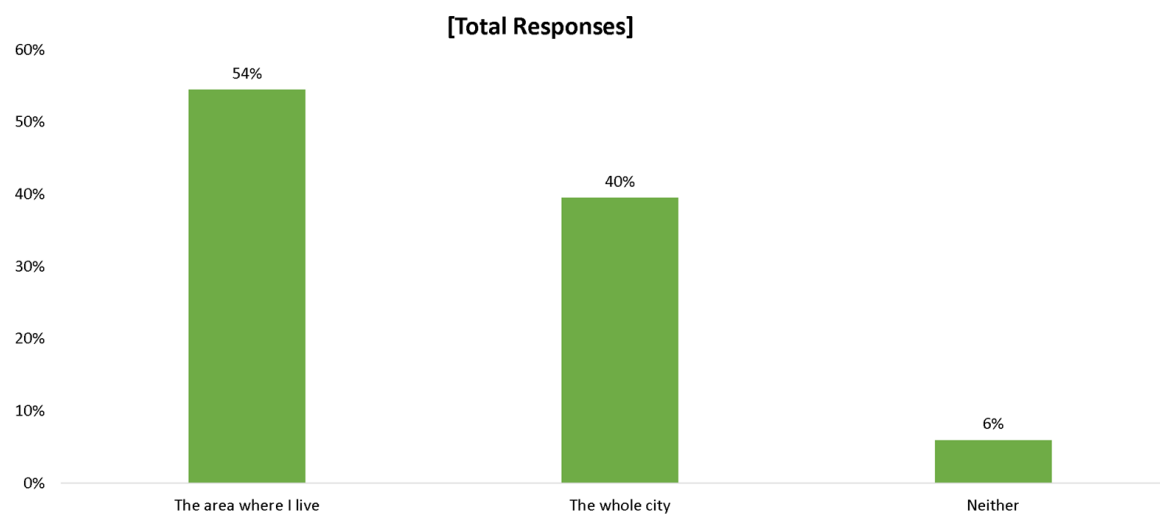
Base: n=500



Which suburb do you live in?

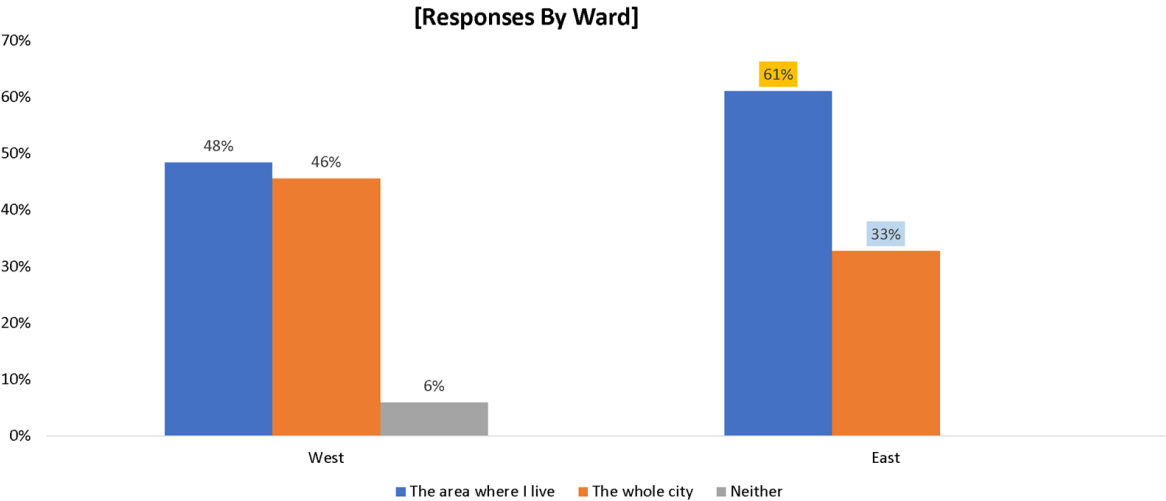


And, thinking about your community, do you think of 'your community' as the area where you live, the whole city, or neither of these?



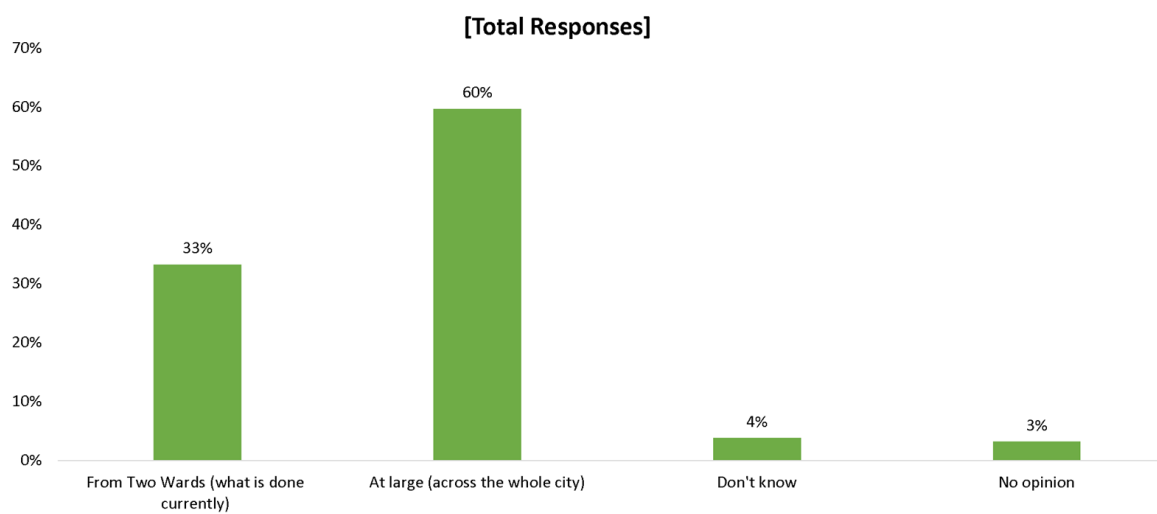
Base: n=500

And, thinking about your community, do you think of ' your community' as the area where you live, the whole city, or neither of these?



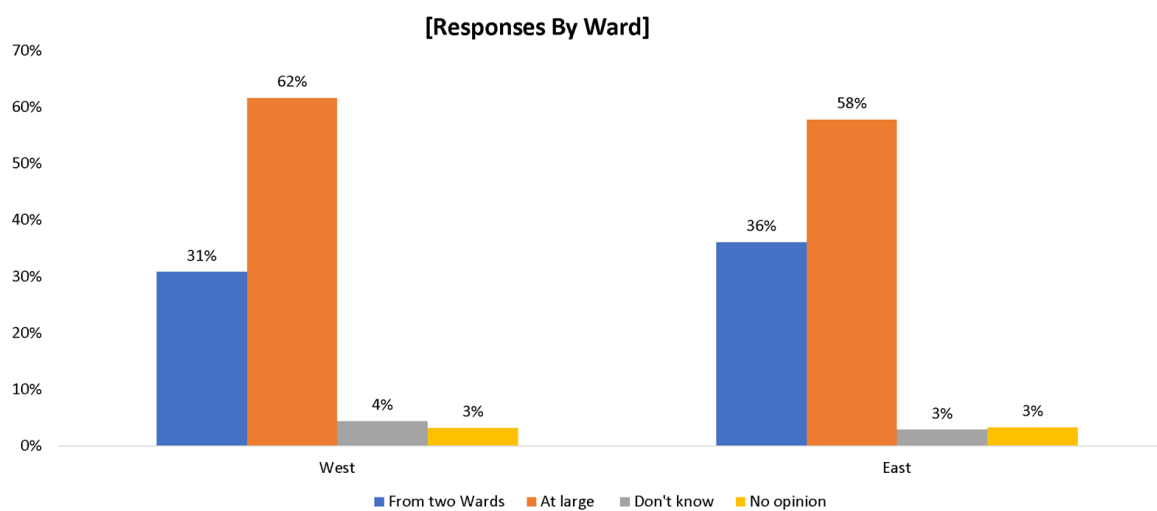
Base: n=500

How do you want to choose your Councillors? Is that:



Base: n=500

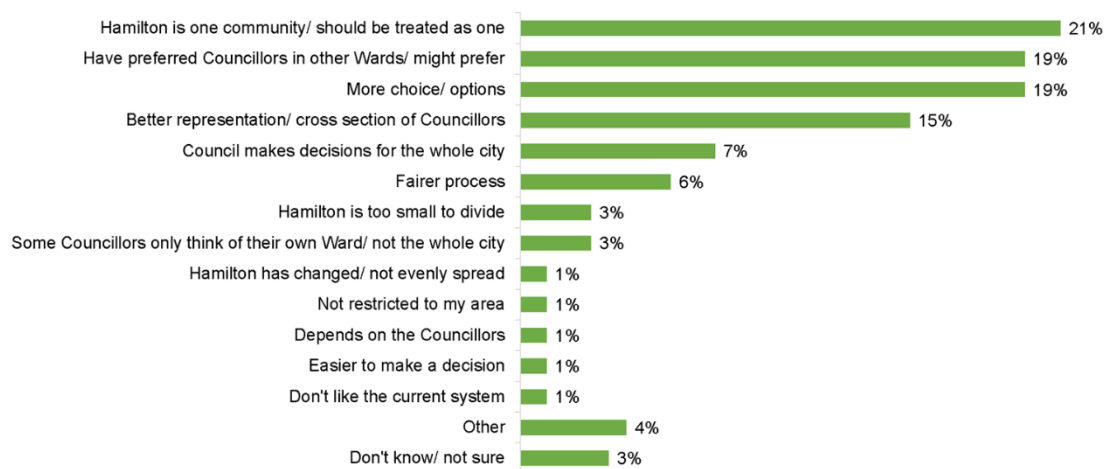
How do you want to choose your Councillors? Is that:



Base: West, n=255; East, n=245

## Why do you say that? - At large

[Total Responses]



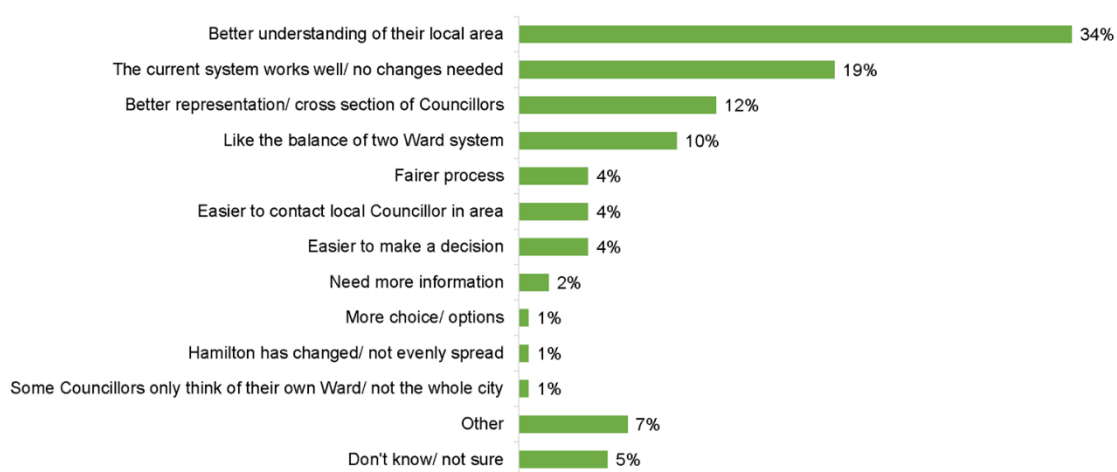
Base: n=293

## Why do you say that? - At large: [Responses By Ward]

Column %	West	East
Hamilton is one community/ should be treated as one	18%	23%
Have preferred Councillors in other Wards/ might prefer	19%	20%
More choice/ options	20%	18%
Better representation/ cross section of Councillors	15%	15%
Council makes decisions for the whole city	11%	4%
Fairer process	5%	6%
Hamilton is too small to divide	4%	3%
Some Councillors only think of their own Ward/ not the whole city	2%	4%
Hamilton has changed/ not evenly spread	1%	1%
Not restricted to my area	1%	1%
Depends on the Councillors	1%	1%
Easier to make a decision	1%	1%
Don't like the current system	1%	1%
Other	3%	5%
Don't know/ not sure	4%	2%

Base: West, n=152; East, n=141

## Why do you say that? - Two Wards [Total Responses]



Base: n=165

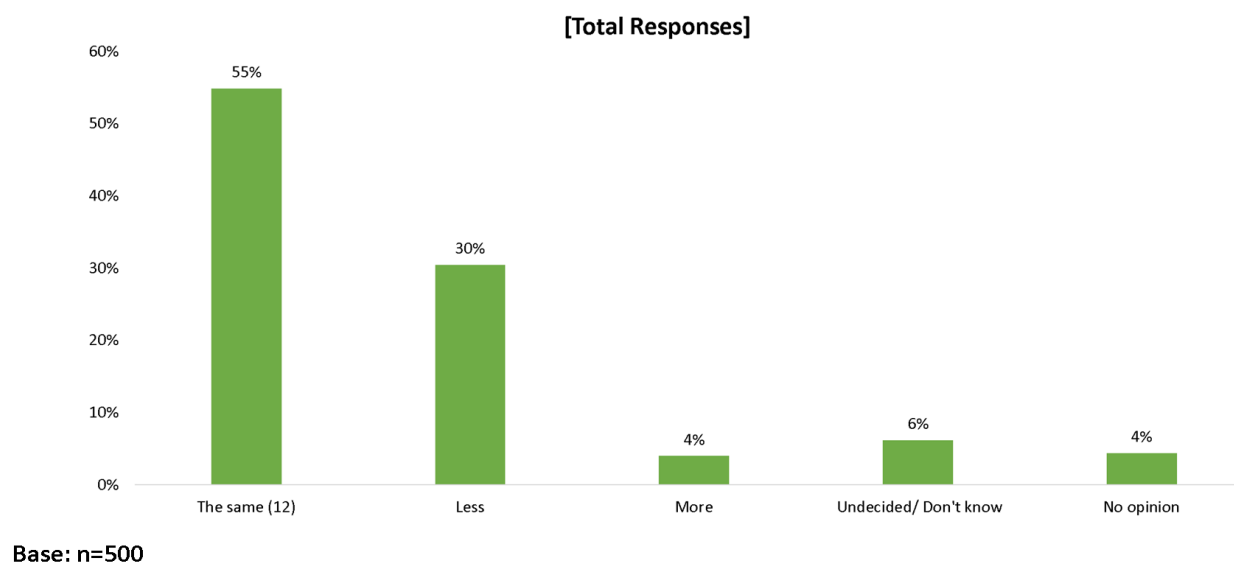


## Why do you say that? - 2 Wards: [Responses By Ward]

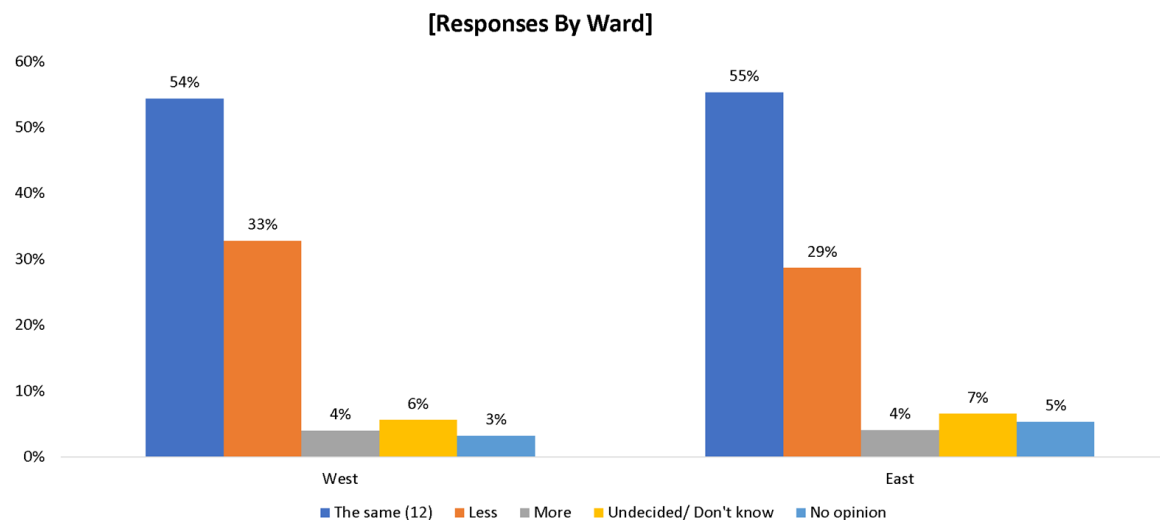
Column %	West	East
Better understanding of their local area	31%	36%
The current system works well/ no changes needed	22%	17%
Better representation/ cross section of Councillors	13%	11%
Like the balance of two Ward system	10%	9%
Fairer process	4%	5%
Easier to make a decision	4%	5%
Easier to contact local Councillor in area	3%	6%
Need more information	4%	0%
More choice/ options	1%	0%
Hamilton has changed/ not evenly spread	0%	1%
Some Councillors only think of their own Ward/ not the whole city	0%	1%
Other	8%	6%
Don't know/ not sure	3%	7%

Base: West, n=77; East n=88

How many Councillors do you think Hamilton should have? Do you think it should be:



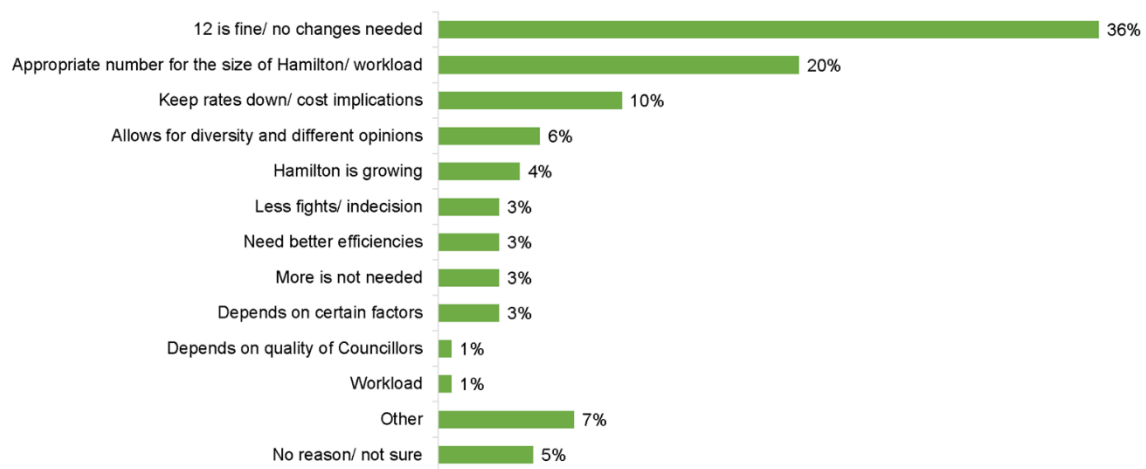
How many Councillors do you think Hamilton should have? Do you think it should be:



Base: West, n=255; East n=245

## Why do you say that? The same

[Total Responses]



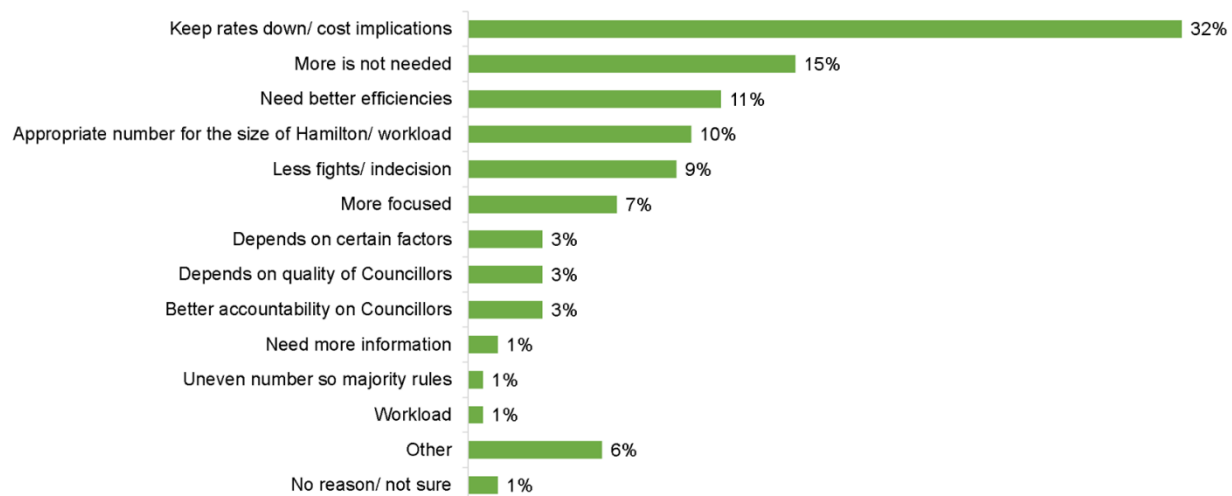
Base: n=274

## Why do you say that? The same: [Responses By Ward]

Column %	West	East
12 is fine/ no changes needed	38%	34%
Appropriate number for the size of Hamilton/ workload	17%	22%
Keep rates down/ cost implications	7%	13%
Allows for diversity and different opinions	7%	4%
Hamilton is growing	2%	7%
Less fights/ indecision	4%	3%
Need better efficiencies	4%	2%
More is not needed	2%	3%
Depends on certain factors	2%	3%
Depends on quality of Councillors	0%	2%
Workload	1%	1%
Other	9%	5%
No reason/ not sure	7%	4%

Base: West, n=138; East, n=136

## Why do you say that? Less [Total Responses]



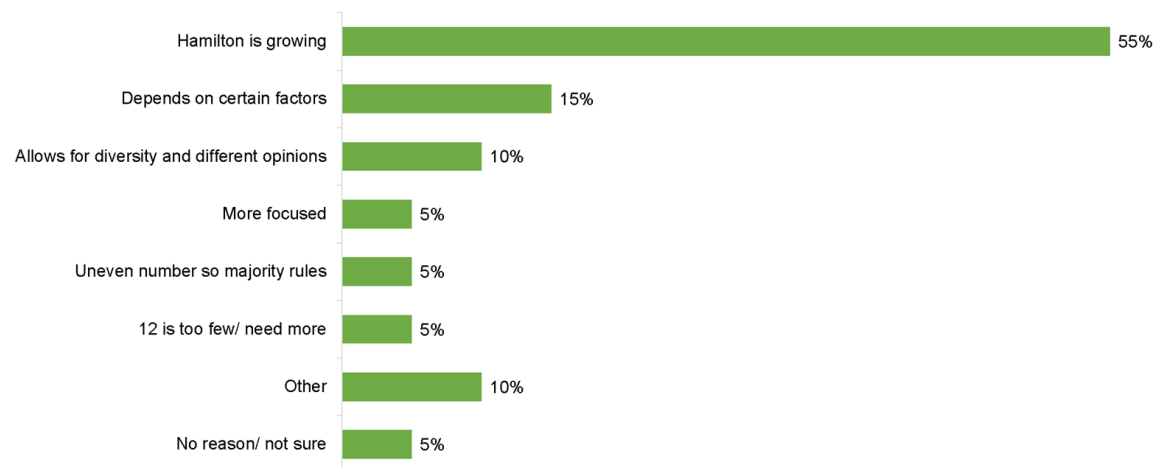
Base: n=152

## Why do you say that? Less: [Responses By Ward]

Column %	West	East
Keep rates down/ cost implications	37%	26%
More is not needed	16%	13%
Need better efficiencies	12%	10%
Appropriate number for the size of Hamilton/ workload	6%	14%
Less fights/ indecision	10%	9%
More focused	6%	7%
Depends on certain factors	2%	4%
Depends on quality of Councillors	4%	3%
Better accountability on Councillors	4%	3%
Need more information	1%	1%
Uneven number so majority rules	0%	1%
Workload	0%	1%
Other	5%	7%
No reason/ not sure	1%	1%

Base: West, n=81; East, n=71

## Why do you say that? More [Total Responses]



Base: n=20

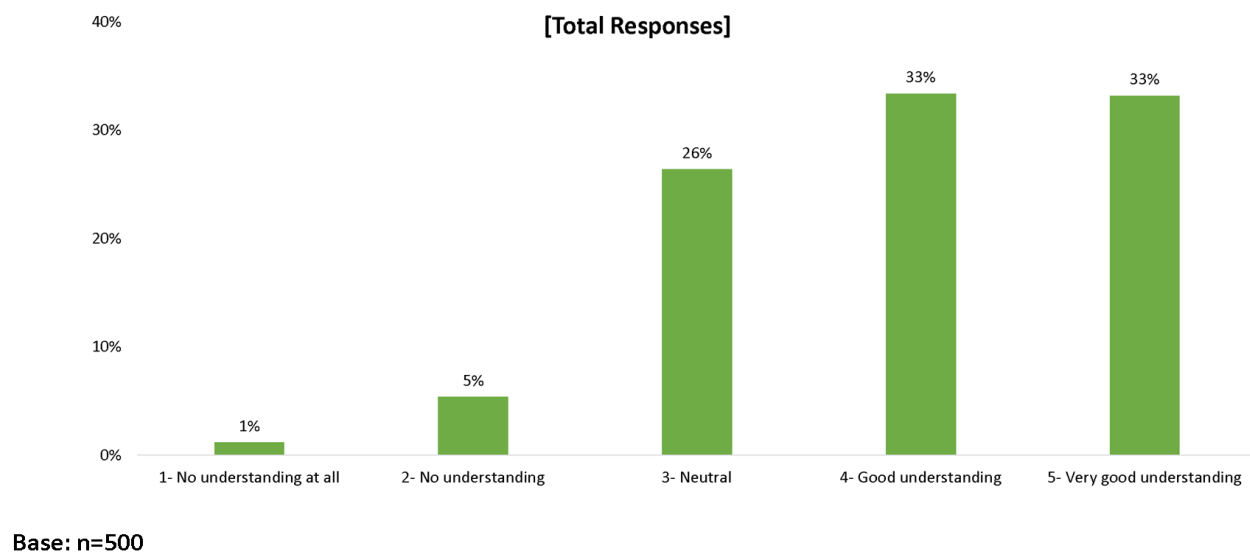


## Why do you say that? More: [Responses By Ward]

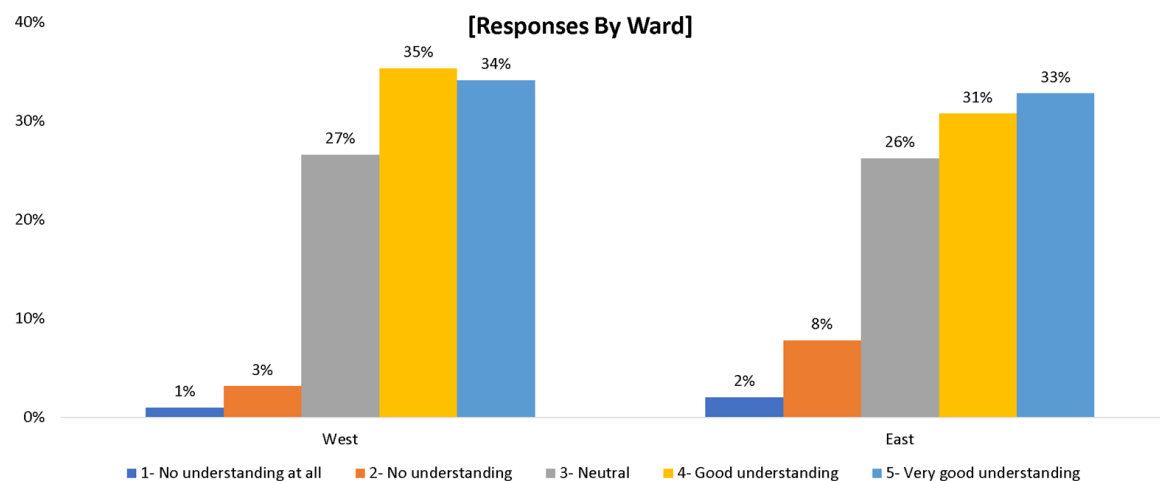
Column %	West	East
Hamilton is growing	60%	50%
Depends on certain factors	10%	20%
Allows for diversity and different opinions	10%	10%
More focused	0%	10%
Uneven number so majority rules	10%	0%
12 is too few/ need more	0%	10%
Other	10%	10%
No reason/ not sure	0%	10%

Base: West, n=10; East, n=10

Finally, using a scale of 1 to 5...how would you rate your understanding of matters we have talked to you about today...



Finally, using a scale of 1 to 5...how would you rate your understanding of matters we have talked to you about today...



Base: West, n=255; East, n=245

Attachment 1

Item 11

## ATTACHMENT 3:

### Communities of Interest - Hamilton City Maaori Population Profile

Elected Member Workshop  
25 June 2021

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## Purpose

This document presents demographic data on Maaori in Hamilton to help identify Maaori communities of interest and support decision-making as part of the Wider Representation Review and the establishment of Maaori wards.

Characteristics of Maaori communities of interest could include:

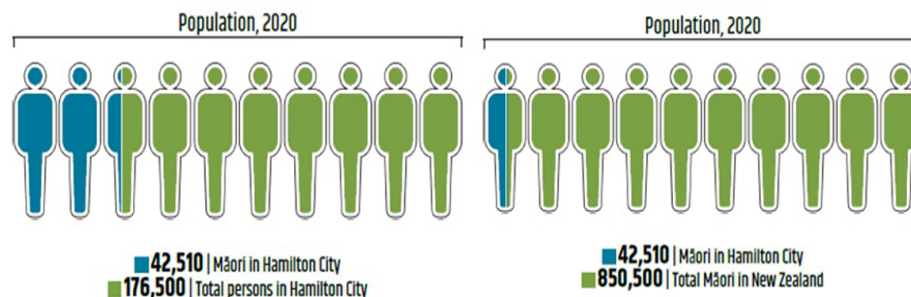
- **demographics** – total population, age structure, ethnicity
- tribal affiliations
- **socio-economic measures** – income, home ownership, employment status,
- **suburbs' characteristics** – population numbers and residing suburbs, ethnicity by residing suburb.

## Population overview

Hamilton City has 3.4 per cent of New Zealand's population, but 5 per cent of New Zealand's Maaori population<sup>1</sup>. The city's Maaori population ranks second in size out of New Zealand's 67 districts, with only Auckland having a larger population<sup>2</sup> in terms of the total number of Maaori.

The total population of Maaori in Hamilton has grown from 38,112 in 2018 to 42,510 in 2020. In 2020 Maaori made up 24% of the total Hamilton population.

**Figure 1: Maaori in Hamilton as a proportion of population in 2020<sup>3</sup>**



## Growth rates

The Maaori population in Hamilton continues to grow due to natural increase (births minus deaths) following the trend for Maaori in New Zealand generally but at a higher rate.

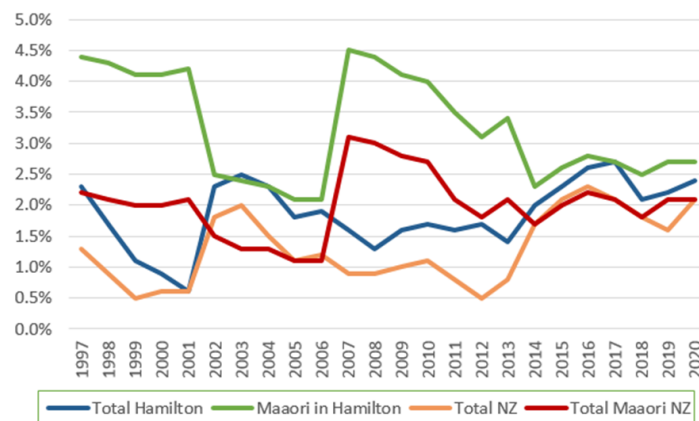
Figure 2 shows Maaori in Hamilton have had a stronger growth rate than total population growth in Hamilton for the last 23 years, except for 2003 and 2017 (Figure 2)<sup>4</sup>.

<sup>1</sup> Infometrics 2020.

<sup>2</sup> Note: Total population figures are for the Census 'usually resident' population count. The Maaori population is the Maaori ethnic group 'usually resident' population count. It includes those people who stated 'Maaori' as being either their only ethnic group or one of several ethnic groups they identify with.

<sup>3</sup> Infometrics 2020 graph (all directly sourced Infometric graphs in this report use non-Tainui spellings).

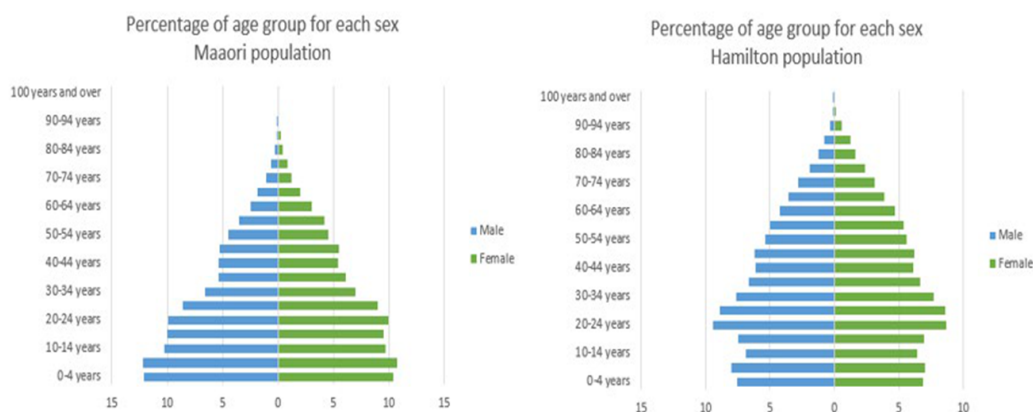
<sup>4</sup> Data sourced from Infometrics 2020.

**Figure 2: Growth rates**

The stronger Maaori growth rate has been driven by the youthful age structure of the Maaori population due to the high proportion of women of child-bearing age and high rates of Maaori birth in Hamilton. In comparison, much of the increase in total Hamilton population growth over recent years is driven by in-migration to Hamilton.

### Population Structure

The age profiles of Maaori in Hamilton are much younger than total Hamilton (Figure 4). Over half of the Maaori population (52.3 per cent) is aged under 25 years, compared to 37.7 per cent among total Hamilton population.<sup>5</sup>

**Figure 4: Population structure – Maaori and total Hamilton City<sup>6</sup>**

<sup>5</sup> Statistic NZ June 2021.

<sup>6</sup> Statistics New Zealand June 2021.

The above graphs shows the percentage of each age group out of the male population and then out of the female population for the Maaori population of Hamilton and total population of Hamilton (Note: the percentages are not out of the total maaori population they are out of each gender - of the Maaori male population 12.07 per cent are aged between 0-4 years).

Figure 5 shows the proportion of Hamilton's Maaori population in each age group compared with the total population of Hamilton and the proportion of Maaori in each age group at a national level<sup>7</sup>.

**Figure 5: Proportion of Maaori at each age group**

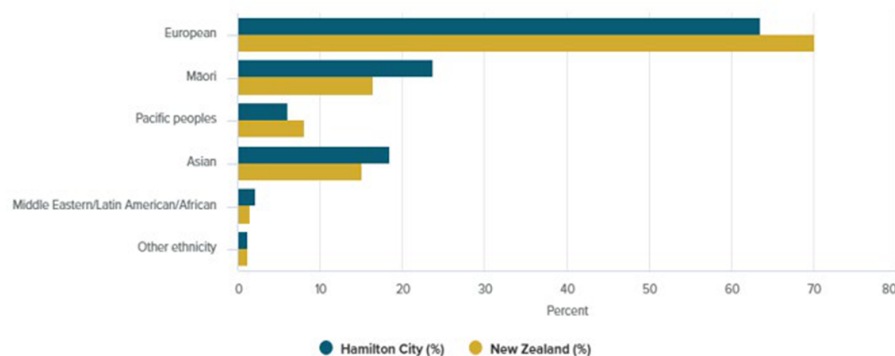


### Ethnic proportions of the population

The proportion of the population in Hamilton identifying as European has dropped from over 80 per cent in 1996 to less than 65 per cent in 2018 (Figure 6). Due to their high fertility rate and younger population structure, Maaori are increasing as a proportion of the population and are projected to be closer to 30 per cent of the population of Hamilton by 2038.

Asians are also increasing as a proportion of the population; however, this is primarily due to in-migration.

**Figure 6: Ethnic group proportions of Hamilton's population<sup>8</sup>**



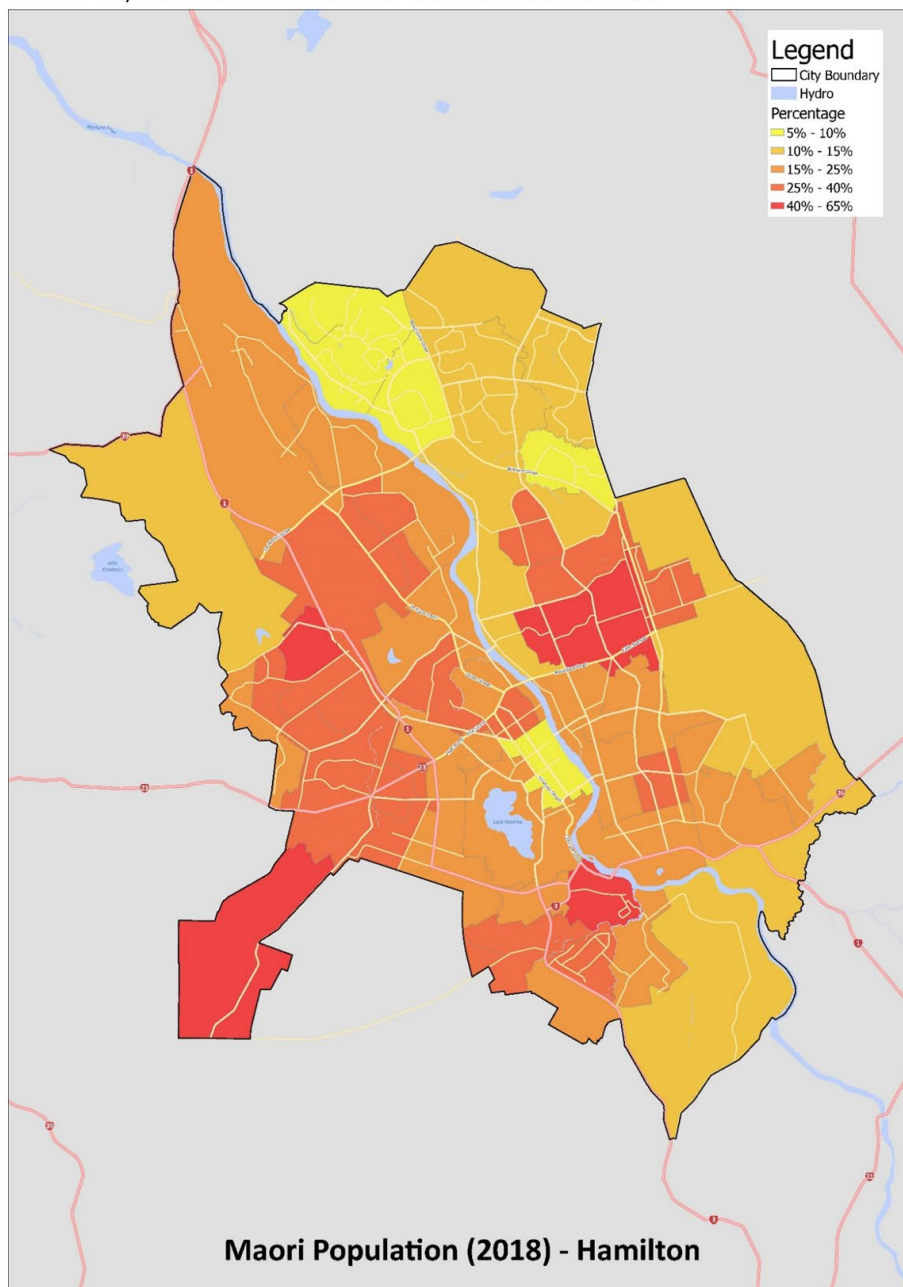
<sup>7</sup> Data sourced from Infographics 2020.

<sup>8</sup> Statistics New Zealand 2018 (graphs sourced directly from Statistics New Zealand use non-Tainui spellings).



### Distribution of Maaori across Hamilton City 2018

The following map shows the proportion of the resident population in each Census Area Unit in Hamilton City that identified themselves as Maaori at the 2018 Census.

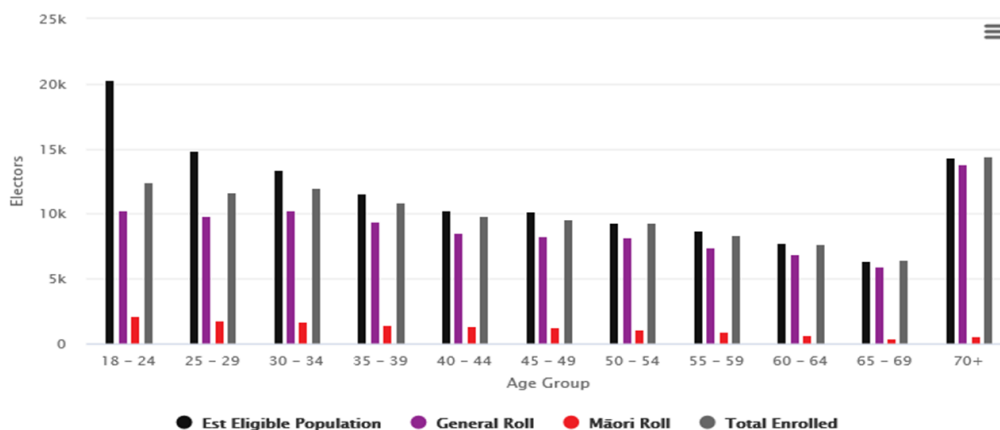


### Potential voting population

Figure 7 shows how many people in Hamilton are currently enrolled to vote and on which roll (General or Maaori) as at 31 May 2021.

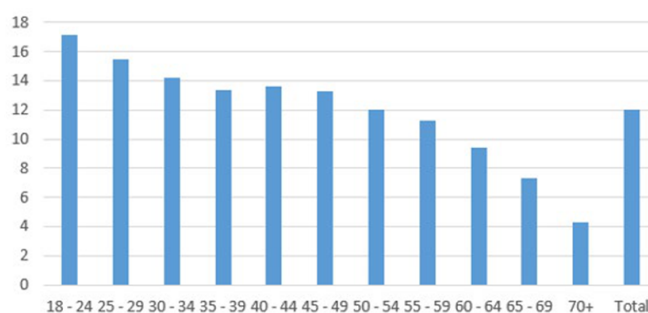
The percentage of the total estimated population eligible to vote in Hamilton registered on either the Maaori or General electoral roll was 88.6 per cent (112,828). The percentage of total estimated eligible Maaori population in Hamilton registered on the Maaori roll was 51 per cent (13,621).

**Figure 7: Number of electors in Hamilton by roll<sup>9</sup>**



Just over 12 per cent of all electors in Hamilton have chosen to be enrolled on the Maaori electoral roll. The following graph shows the percentage of total enrolments in Hamilton that are registered on the Maaori electoral roll for each age group. This suggests that younger Maaori are more likely to enroll on the Maaori electoral roll than older Maaori.

**Figure 8: Percentage of total electoral enrolments in Hamilton City registered on the Maaori electoral roll by age group.**



<sup>9</sup> Electoral Commission May 2021 (graphs sourced directly from Electoral Commission use non-Tainui spellings).

### Tribal affiliations

**Note:** The information in this section related to tribal affiliations is based on 2013 Statistics New Zealand data or 2016 Infometrics. Due to complications with the 2018 Census data in some areas we have been unable to update this information which will not be released until end June 2021. Please see here for more information: <https://www.stats.govt.nz/reports/2018-census-iwi-data-october-2020-update>.

Maaori in Hamilton fall into two main groups:

- those who are living within their own rohe (ancestral land area), i.e. they are of the Tainui iwi, who made up 29 per cent of Hamilton's Maaori population in 2016
- those who live in Hamilton, but their own rohe is elsewhere, who are referred to as 'Maataawaka' and are 71 per cent of Hamilton's Maaori population in 2016. Note that this does not necessarily mean that these Maaori were born outside of Hamilton, just that they identify with iwi from other rohe<sup>10</sup>.

### Proportion of total Tainui population living in Hamilton

The proportion of the total Tainui population that lived in the Waikato Region in 2016 was 30 per cent with the highest numbers in Waikato District (8%) and Hamilton City (10%). The rest live throughout the Waikato Region, with no more than two per cent in each local council area.

The other region where Tainui live in significant numbers is Auckland, where 27 per cent of the total Tainui population reside. At the local board level the highest proportions of Tainui are found in Manurewa (4%), Papakura (3%) and Franklin (3%).

Hamilton City is the city in which Tainui has the second most pre-dominant presence. Tainui have strong ties to both the land (rohe) and in strength of numbers living in Hamilton.

### Where are the rohe located for maataawaka Maaori who live in Hamilton?

Figure 8 shows the main iwi locations for maataawaka in Hamilton for the 12 named iwi in the Statistics New Zealand specifications. Of the Hamilton maataawaka that identified their iwi in the Census, those who identify with iwi from Hawke's Bay/Wairora/Wairapapa and Rotorua/Taupo are the largest in number<sup>11</sup>. Note that this does not mean that Maaori were necessarily born in those locations, just that they identify with those iwi.

In the following graph other iwi that are not specifically named are not included, and people who identify their ethnic group as Maaori but do not know their iwi are also not included.

<sup>10</sup> Infometrics 2016.

<sup>11</sup> Statistics New Zealand 2013 Census data.

### Employment in Hamilton

Figure 9 shows the number of Maaori employed in Hamilton by those industries which are the largest employers in New Zealand. The largest employers of Maaori in Hamilton are health care and social assistance, construction and manufacturing<sup>12</sup>.

**Figure 9: Employment – filled jobs**

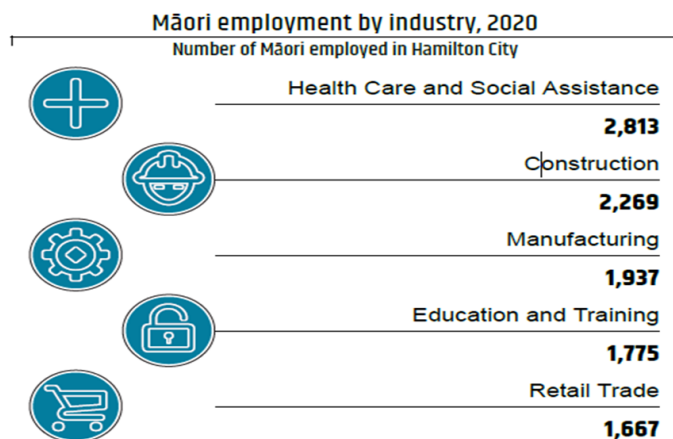
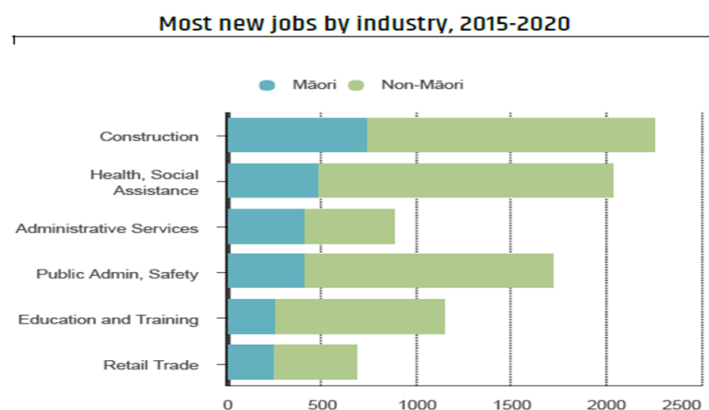


Figure 10 shows which industries have created the most new jobs in Hamilton from 2015-2020 and the proportion of these that are being filled by Maaori and non-Maaori. This shows that the industries where Maaori are employed in greater numbers are also those where there are more jobs being created in general in Hamilton.

Proportionally Maaori are being employed in similar ratios across most of the industries with the exception of administrative service roles in Hamilton where Maaori have been employed in close to half the roles.

<sup>12</sup> Infometrics 2020 (graphs sourced directly from Infometrics use non-Tainui spellings).

**Figure 10: New jobs filled by Māori as a proportion of total new jobs in Hamilton<sup>13</sup>.**

### Employment by skill level and occupation

Of the Māori employed in Hamilton, 30.8 per cent are in highly-skilled roles. This is slightly higher than the average for Māori across New Zealand in total (28.2 percent)<sup>14</sup>.

In 2020 there were 19,195 filled jobs within the Māori workforce of Hamilton. Figure 11 shows what percentage of these jobs relate to different occupations. This is compared to the percentage of those occupations that make up the total jobs filled in Hamilton and the Māori workforce across New Zealand.

**Figure 11: Māori employment by occupation**

Māori employment by occupation, 2020					Māori employment by occupation, 2020				
Number of Māori employed					Number of Māori employed				
Occupation	Māori in Hamilton City		Total Hamilton City		Occupation	Māori in Hamilton City		Māori in New Zealand	
	Jobs	% of total	Jobs	% of total		Jobs	% of total	Jobs	% of total
Professionals	4,299	22.4%	27,731	28.0%	Professionals	4,299	22.4%	62,069	17.9%
Labourers	2,715	14.1%	8,529	8.6%	Labourers	2,715	14.1%	60,699	17.5%
Community, personal service workers	2,621	13.7%	10,076	10.2%	Community, personal service workers	2,621	13.7%	41,219	11.9%
Technicians and trades workers	2,389	12.4%	12,702	12.8%	Technicians and trades workers	2,389	12.4%	42,245	12.2%
Managers	2,174	11.3%	15,619	15.8%	Managers	2,174	11.3%	46,805	13.5%
Clerical and administrative workers	2,116	11.0%	11,165	11.3%	Clerical and administrative workers	2,116	11.0%	34,906	10.1%

<sup>13</sup> Infometrics 2020 (graphs sourced directly from Infometrics use non-Tainui spellings).

<sup>14</sup> Infometrics 2020 (graphs sourced directly from Infometrics use non-Tainui spellings).

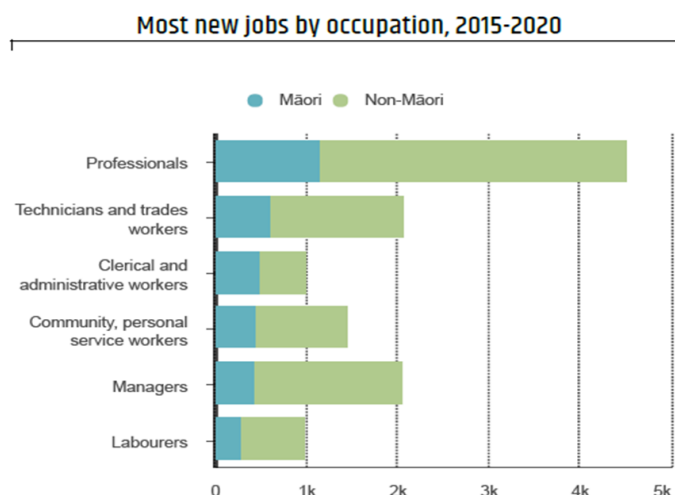
Professionals, labourers and community and personal service workers are the most common occupations for Maaori in Hamilton. Again, this reflects the key industries that are the largest employers of Maaori.

In comparison to Maaori in the rest of New Zealand, Maaori occupations in Hamilton represent a higher than average percentage of professionals and community and personal service workers but a lower percentage of managers and labourers.

However, in relation to Hamilton city, Maaori make up a greater percentage of labourers and a lower percentage of professionals and managers.

Figure 12 shows that the most new occupations created in Hamilton from 2015-2020 were professional roles and that Maaori are being employed in these closely proportional to their population.

**Figure 12: Maaori employees as a proportion of new jobs by occupation.**



### Employment Growth

Figure 13 shows employment growth for Maaori in Hamilton City compared to Maaori in New Zealand<sup>15</sup> follow a similar trend.

There has been higher employment growth for Maaori in Hamilton than Maaori in New Zealand over recent years. Employment growth for Maaori in Hamilton slowed somewhat in 2020, likely due to the general impacts of Covid-19. During this period, employment growth for Maaori has mostly been higher than that for Hamilton in general.

<sup>15</sup> Graphs from Infometrics 2020 (graphs sourced directly from Infometrics use non-Tainui spellings).

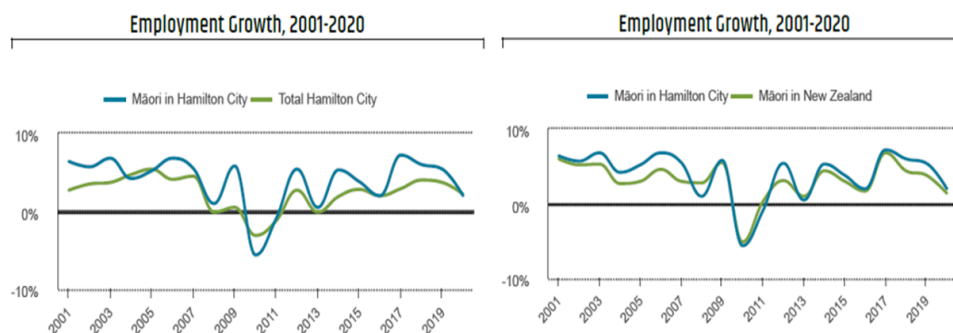
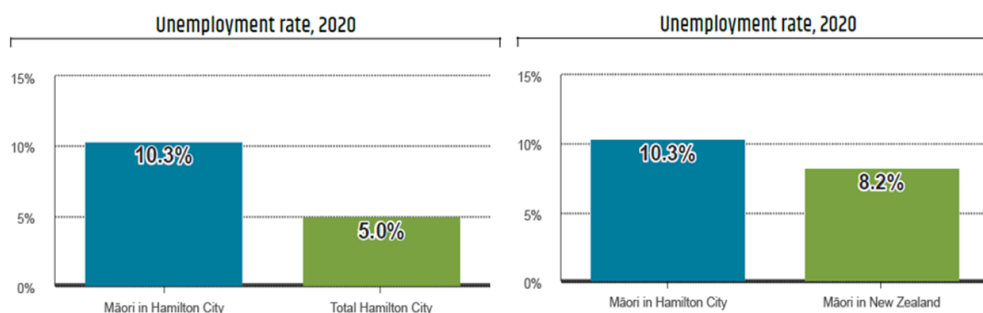
**Figure 13: Employment growth****Unemployment rate**

Figure 14 shows the unemployment rate (as a percentage of that population's total workforce) for Māori in Hamilton, compared to Māori in New Zealand and the total workforce in Hamilton<sup>16</sup>. This shows the unemployment rate in Hamilton is slightly higher for Māori in Hamilton than Māori in the rest of New Zealand but twice as high as the unemployment rate for Hamilton's total workforce.

**Figure 14: Unemployment****Average annual earnings**

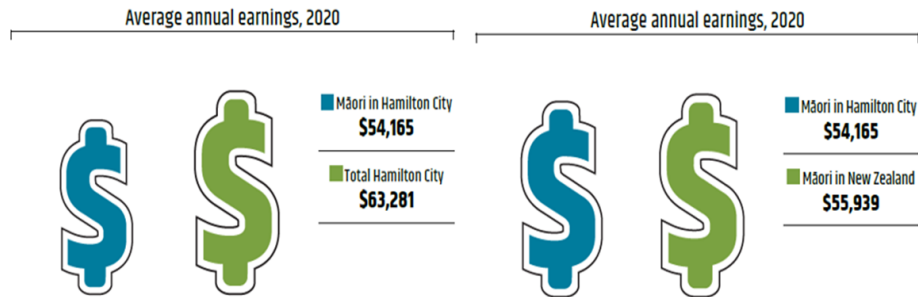
Employment is an important source of household income, wellbeing and choices available. Average earnings in an area are determined by a number of factors, including the industries in the area, the skills required in these industries and the ability of employers to find appropriately skilled labour.

Figure 16 shows that Māori in Hamilton earn almost \$2,000 less than Māori in New Zealand on average but almost \$10,000 less than the average for Hamilton<sup>17</sup>.

<sup>16</sup> Data from Infometrics 2020 (graphs sourced directly from Infometrics use non-Tainui spellings).

<sup>17</sup> Data sourced from Infometrics 2020 (graphs sourced directly from Infometrics use non-Tainui spellings).

**Figure 16: Average annual earnings for Maaori in Hamilton**

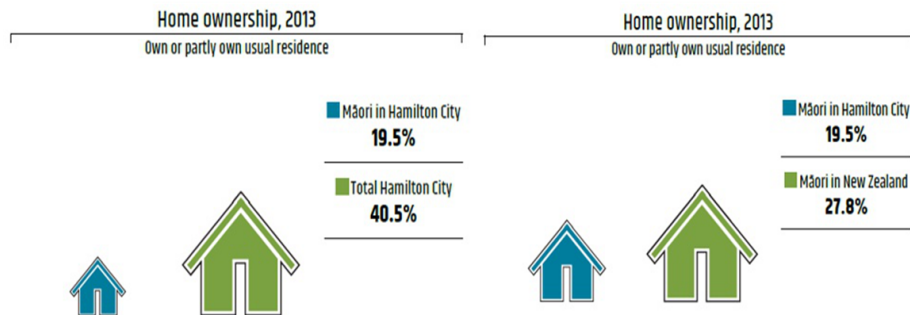


### Home ownership

In the current New Zealand market, home ownership provides greater stability of tenure, thus improving social cohesion and civic participation. Figure 15 shows the percentage of Maaori who own or partially own their own homes in 2013 and that Maaori in Hamilton have lower home ownership rates than Maaori in New Zealand<sup>18</sup>.

When compared to home ownership rates for Hamilton in general, Maaori are half as likely to own their own home than Hamiltonians in general.

**Figure 15: Home ownership rates**



### Qualifications

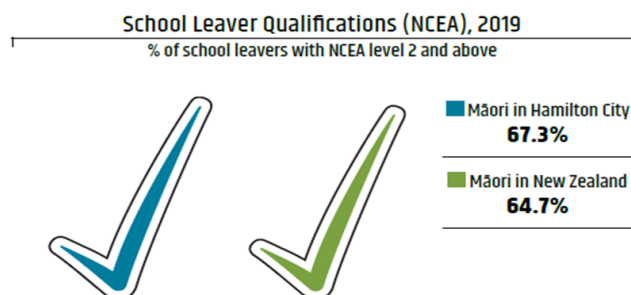
School leavers with higher qualifications gained at school are associated with having better opportunities in terms of further education and employment, contributing to better health outcomes and a better quality of life.

<sup>18</sup> Infometrics 2020 (graphs sourced directly from Infometrics use non-Tainui spellings).



Figure 17 shows that in 2019 slightly more Maaori in Hamilton achieved school leaver qualifications than the national average<sup>19</sup>. The percentage of school leaver qualification for the total Hamilton population is 79.5 per cent.

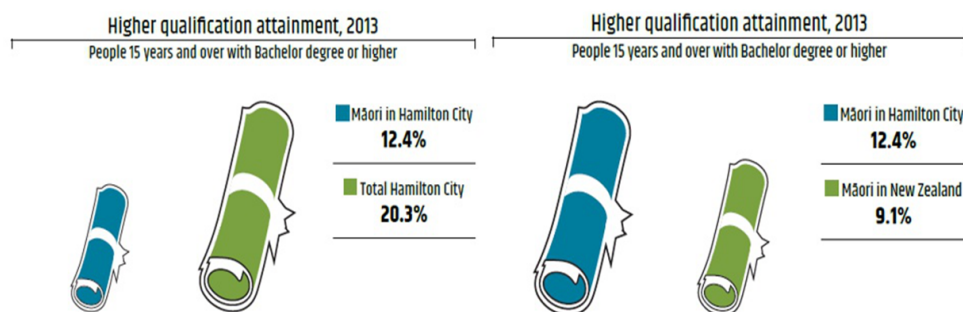
**Figure 17: School level qualifications**



Higher educational attainment, in terms of recognised qualifications, is associated with a range of positive outcomes, including better income and workplace productivity.

Figure 18 looks at the percentage of Maaori 15 years-and-over in Hamilton City who attained higher qualification and compares it with the highest qualification of all people 15-years-and-over for total Maaori in New Zealand<sup>20</sup>. While Maaori in Hamilton perform better than Maaori overall in this measure, the percentage is much lower for Maaori in Hamilton than for the overall population of the city.

**Figure 18: Higher qualification attainment**



<sup>19</sup> Infographics from Infometrics 2020 (graphs sourced directly from Infometrics use non-Tainui spellings).

<sup>20</sup> Infographics from Infometrics 2020 (graphs sourced directly from Infometrics use non-Tainui spellings).

Attachment 1

Item 11

# WIDER REPRESENTATION REVIEW:

## PRE-INFORMATION AND FACT SHEET FOR HUI ON MAAORI WARDS

Tui!

投票

Ka tui!

खड़ा

polata!

參選市議員

Pooti!

मतदान

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**Hamilton  
City Council**

Te kaunihera o Kirikiriroa

## Introduction

On 19 May 2021 Council resolved to establish Maaori wards in Kirikiriroa/Hamilton. This decision means Council needs to now refine some details for the Maaori wards and reconsider other representation arrangements that make up our governance system to respond to that change. This overall process is called the Wider Representation Review.

There are some aspects of the wider representation review arrangements that will be determined by Council and others where it is asking you to provide guidance. This will inform an initial proposal of the wider representation arrangements which will then go out for public consultation.

The first part of this document summarises what the Council will be deciding on, where it is looking for guidance on from its Maaori partners and gives a brief overview of the process from here. **The bold questions are those that Council is looking for Maaori partners to give direction on.**

The second part includes a fact sheet covering some general background information on the Maaori community in Hamilton, legal requirements and information on how specific aspects are calculated in determining the characteristics of wards and proportions of elected members.

Finally, a couple of maps on ward boundaries and the distribution of Maaori living in Hamilton are included as supporting information.



## Part 1: Decisions to be made as part of the Wider Representation Review

### What Council will be deciding as part of the Wider Representation Review.

There are three key aspects that Council will be looking at in considering its wider representation review. These are:

- **The total number of elected members (EMs)** required to effectively represent the city. The two most likely scenarios at this stage are either 12 (10 general ward EMs + 2 Maaori ward EMs) or 14 (12 general ward EMs + 2 Maaori ward EMs).
- **The arrangement of wards.** For example, the proportion of EMs elected 'at large'/in city-wide wards or by specific geographically defined wards (e.g. the existing West and East wards): do we have the right number of wards to reflect our communities of interest? Currently only the Mayor is elected at large and six EMs from each of the two wards.
- **Whether to introduce community boards** as part of the representation review.

### What Council asks for guidance from Maaori partners on regarding Maaori wards.

The number of Maaori EMs is dictated by population statistics and the overall number of EMs. More information on how this is done is provided in the Fact Sheet. We can reasonably assume there will be two Maaori EMs at this stage based on initial indications that Council does not wish to reduce the overall number of EMs.

Council is free to determine the specifics of how EMs are elected and believes that this is best determined by its key Maaori partners.

Assuming that there will be two Maaori EMs, Council seeks your input on the following:

- **How do we arrange the Maaori wards?**
  - A) Should the city be split into two Maaori wards based on geographical boundaries? This would mean voters may only vote for a candidate standing in the Maaori ward in which they live (such as the existing West/East general wards).
  - Or
  - B) Should the two Maaori EMs be elected 'at large' from one city-wide ward with electors able to vote for two candidates from anywhere in the city?
- **If two Maaori wards are preferred, what should be the boundaries? Do the existing West/East general ward boundaries work for the purposes of Maaori wards and if not, where should a line be drawn? The existing general ward boundaries are attached at the end of this document for reference.**
- **What should we call the new Maaori ward(s)?**

**Note:** Some Councils are making decisions with their Maaori partners on arrangements for Maaori wards with the understanding that these are intermediary arrangements and open for review after the first three-year term. Hamilton City Council is open to this approach should it be requested.

### Timing and process

Council is dedicated to ensuring Maaori partners are fully involved in this review and particularly on determining the final arrangements for the new Maaori ward(s).

Unfortunately, the timeframes and process that must be followed for this review are extremely tight and dictated by legislation. This means we are somewhat limited in the time we can allow for engagement and feedback opportunities throughout the review process and ask for your understanding and support to work within the timeframes outlined below.

Most important to note is that to inform the initial proposal on what representation arrangements should be we need any input before the 25 June 2021 Council briefing.

**Table 1: Key Milestones - Wider Representation Review 2021-2022.**

Date	Milestone
4 June	Maaori partner consultation (lwi partners)
16 June	Maaori partner consultation (TNWA)
17 June	Maaori partner led waananga
25 June	Council briefing (confirm initial proposal option).
12 August	Council meeting (resolve initial proposal to go to consultation)
25 August	Public notice of initial proposal
25 August-6 October	Submission period
13/14 October	Hearings
20 October	Council briefing (confirm final proposal)
11 November	Council meeting (resolve final proposal)
17 November	Public notice of final proposal
17 November-17 December	Appeal/objection period
By 14 January	Material to LGC (if required/an objection is lodged)
By 11 April	Determination by LGC (if required)

### Any questions/comments before Friday?

If you have any comments or questions please send these through to [Becca.Brooke@hcc.govt.nz](mailto:Becca.Brooke@hcc.govt.nz)



## Part 2: Fact Sheet: Maaori Wards

The following covers general information and the legal requirements of a representation review and aspects that dictate representation arrangements.

In this fact sheet the following terms are used:

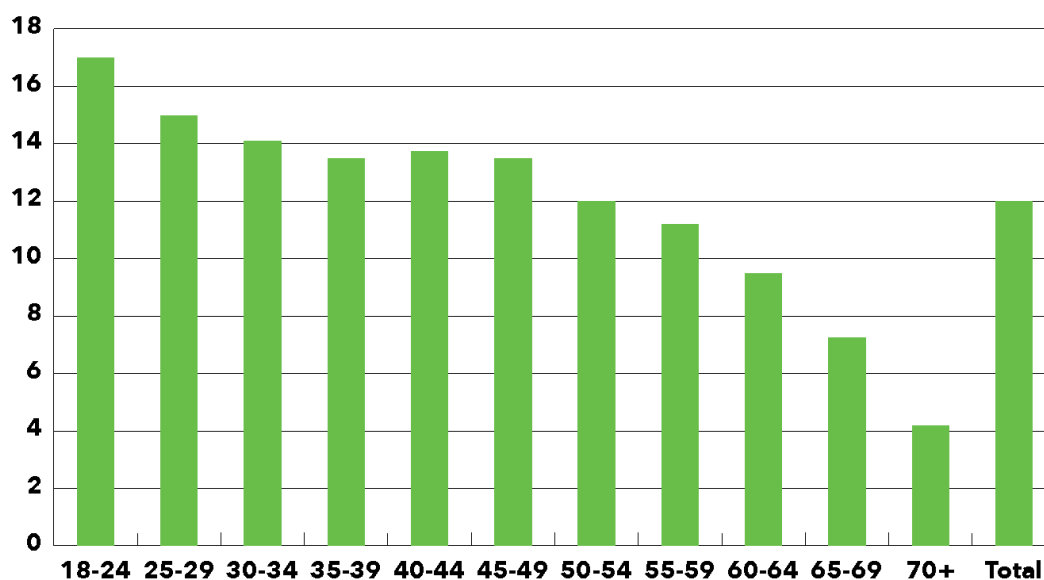
- **Elector** - a person who has a right to vote (e.g. is over 18 years) and is registered on an electoral roll.
- **Candidate** - a person who seeks election.
- **Triennial election** - an election that occurs every three years (the next one for Hamilton is 2022).
- **Ward** - a distinct geographical area whose electors elect a representative(s) to Council. Currently two wards are divided along the Waikato river into East and West wards.
- **City-wide/at large** - When there are no distinct wards ie. the entire city within its boundaries is one ward.

### Basic statistics on Maaori in Hamilton:

- Hamilton City has 3.4 per cent of New Zealand's population, but 5 per cent of New Zealand's Maaori population.
- The total population of Maaori in Hamilton has grown from 38,112 in 2018 to 42,510 in 2020.
- In 2018 Maaori made up 24 per cent of the total Hamilton population.
- In 2013, those identifying as Waikato Tainui Iwi, made up 29 per cent of Hamilton's Maaori population and those living in Hamilton identifying as Maataawaka were 79%.
- In the 2013 Census, the nine areas of Temple View, Crawshaw, Insoll, Swarbrick, Clarkin, Enderley, Grandview, Bader and Fairview Downs had the highest proportion of Maaori among their residents and collectively accounted for over one-third of the city's Maaori population.
- The distribution of where Maaori live in Hamilton (2018 data) is at the end of this document.
- In 2021, just over 12 per cent of all electors in Hamilton were enrolled on the Maaori electoral roll.
- Of the total estimated eligible Maaori electors in Hamilton (26,700), 51 per cent are actually enrolled on the Maaori electoral roll (13,621).
- The table below shows voter enrolment and turnout in the 2019 Hamilton City Council election:

Electoral Roll	Total enrolled (2019)	Total voted (2019)	Voted as a % (2019)
<b>Maaori Roll</b>	11,889	2,381	20%
<b>General Roll</b>	90,669	37,620	41%
<b>Combined Roll</b>	102,558	40,001	39%

- The graph below shows Hamiltonians enrolled on the Maaori roll in 2021 by age group as a percentage of total enrolments in Hamilton (Maaori and General electoral rolls combined):



#### Maaori wards around the country:

- For 2019 triennial elections, 3 local authorities had Maaori wards/constituencies.
- For 2022 triennial elections, 36 local authorities are to have Maaori wards/constituencies.

#### Establishing Maaori wards:

- Whether or not councils establish Maaori wards is optional.
- Councils have the opportunity to establish Maaori wards every new triennium (election cycle) but legally must make the decision by 23 November two years before the triennial election - exceptions have been made to this timeframe in 2021 to accommodate recent legislative changes.
- Provisions in the Local Electoral Act 2001 (LEA) allowing a public poll on any decision to establish Maaori wards was removed on 1 March 2021.
- If a Council decides to establish Maaori wards:
  - These must be in place for at least two triennial elections before any council may revisit the decision (*6 years*).
  - The council must undertake a wider representation review (the process we are in now).

### **How the number of Maaori wards is decided:**

- Council decides the total number of elected members it believes appropriate to represent the population of Hamilton. This is then divided up proportionally based on the general and Maaori electoral populations. For example, if Maaori are 20% of the electoral population, 20% of elected members will be elected from the Maaori wards (to the nearest rounding).
- Maaori Electoral Population (MEP) and General Electoral Population (GEP) are used to determine what the number of Maaori and general elected members will be.
- The higher the MEP, the higher the number of Maaori elected members there will be - this is regulated in a formula set out in Schedule 1, LEA.
- The MEP is defined in the Electoral Act 1993 as a calculation based on the number of electors on the Maaori electoral roll and proportions of those of Maaori decent not registered and those under 18 years.
- The GEP is defined in the Electoral Act 1993 as the total population ordinarily resident at the last census less the Maaori electoral population.
- For example, for Hamilton City Council:
  - MEP: 26,700
  - GEP: 149,800
  - If a total of 12 elected members is proposed by Council, then the formula provides for two Maaori and ten general elected members.
  - If nine or less elected members is proposed by Council, then the number of Maaori elected members will drop to one.

### **Deciding the structure of the Maaori wards:**

- If one Maaori elected member is to be elected, the election will be 'city-wide' ('at large') - every elector on the Maaori electoral roll will have the same candidate list to vote from.
- If more than one Maaori elected member is to be elected, elections can be either 'city-wide' or by individual wards (such as the current East and West wards).
- If by wards, each elector on the Maaori electoral roll may only vote for one preferred candidate standing in the ward in which the elector lives (under the existing ward system if a voter lives in Dinsdale they can only vote for candidates standing in the West ward).
- If two Maaori elected members are to be elected within one city-wide ward, each elector on the Maaori electoral roll may vote for two candidates from anywhere in the city.
- It should be noted that under the STV electoral system, each elector only has one vote, and then rank their preferred candidate(s) in order of preference.
- The decision on whether to have one city-wide ward or two wards will be determined by Council's Maaori partners together with the names of the wards and their appropriate boundaries (if required). These can be based on rohe noting that rohe boundaries can often overlap.



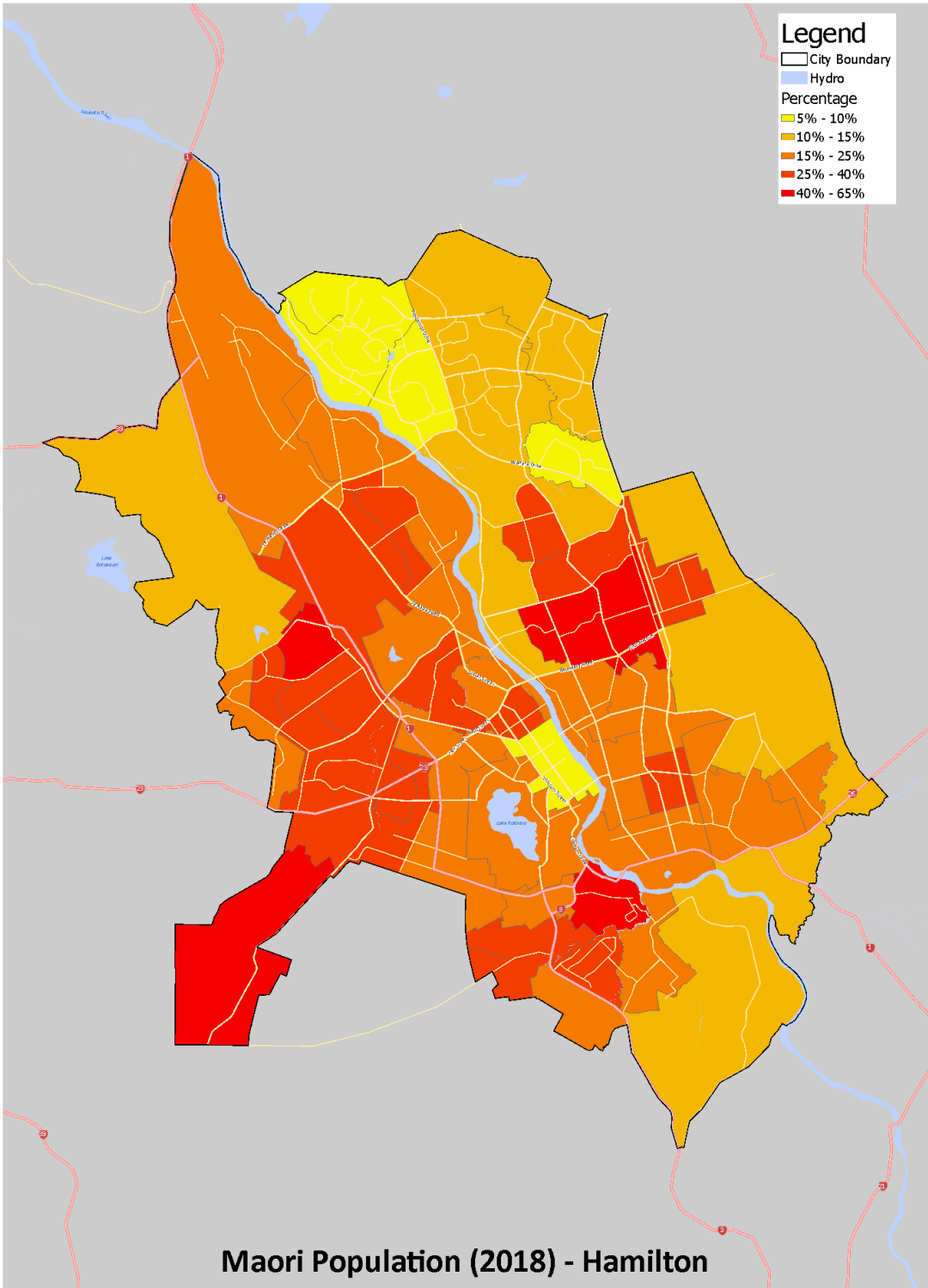
- In other councils establishing Maaori wards where there is more than one Maaori ward, some Maaori prefer to use a 'city/district-wide' approach for the initial 3-year period and then reassess after 3-years. If changes are to be made after the initial 3-year period, a representation review however would be required by the Council. This approach recognises that it can take more time to appropriately consider such things as boundaries than we currently have available under the legal timeframes to undertake the representation review.

#### Candidates and voters

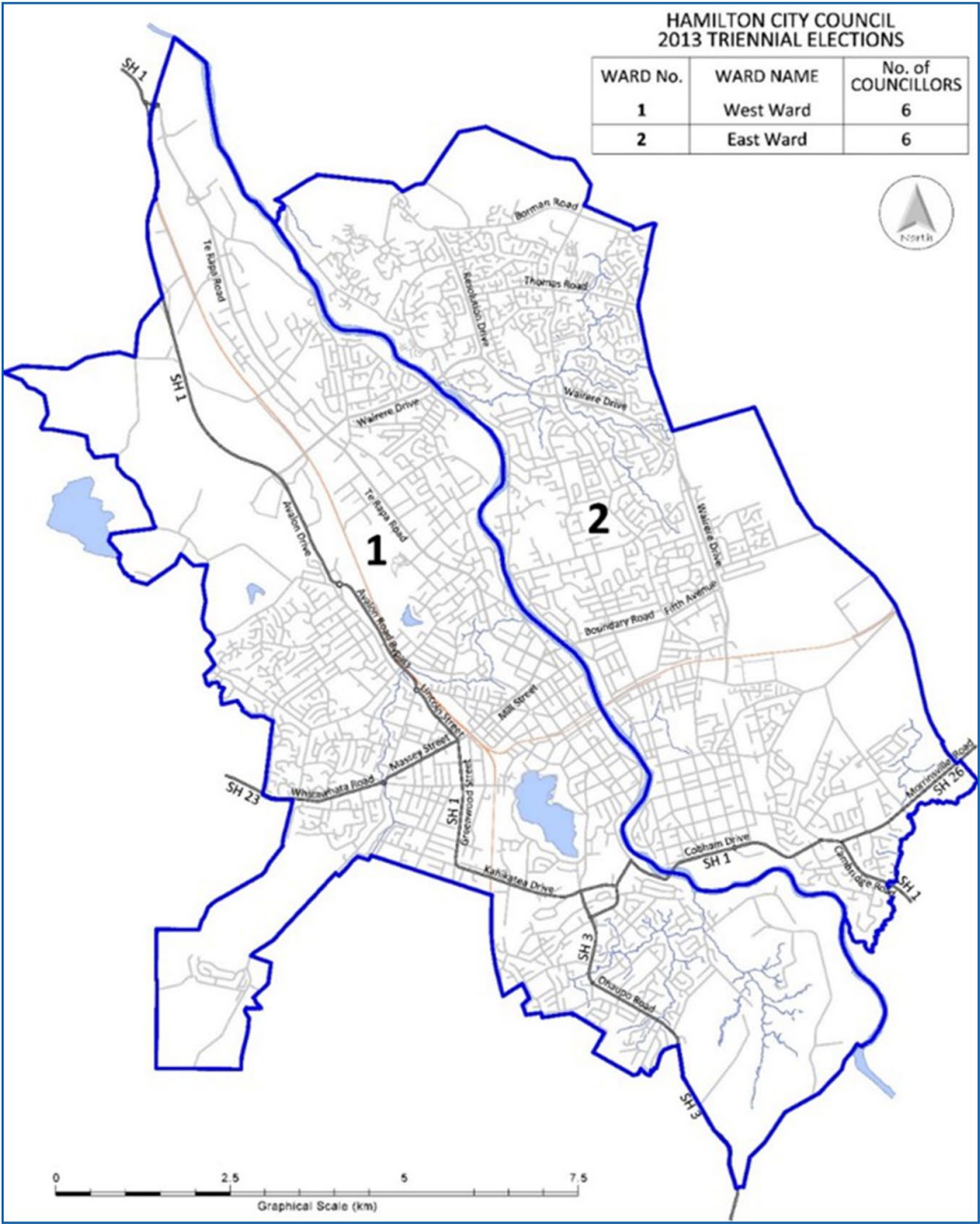
- Any parliamentary elector can stand for a Maaori elected member position and does not need to be on the Maaori electoral roll (or Maaori themselves), just as any parliamentary elector can stand for a general elected member position.
- A candidate does not have to reside in the area that they are standing in (someone who lives in Auckland could stand as a candidate in Hamilton but must be nominated as noted below).
- Any candidate for a Maaori ward must be nominated by two electors on the Maaori electoral roll for that ward.
- Only those on the Maaori electoral roll can vote for Maaori elected member candidates, just as only those on the general electoral roll can vote for general elected member candidates.
- Maaori electors currently enrolled on the general electoral roll can only change to the Maaori electoral roll when a Maaori Electoral Option is held <https://elections.nz/democracy-in-nz/what-is-an-electoral-roll/what-is-the-maori-electoral-option/>. The next opportunity to do this will be in 2024.



Additional information - Map 1: Distribution on Maaori living in Hamilton (2018 Census data)



**Additional Information - Map 2: Current West/East general ward boundaries**



## Attachment 1

## Item 11

Hamilton City Council  
Garden Place, Private Bag 3010, Hamilton

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 07 838 6699

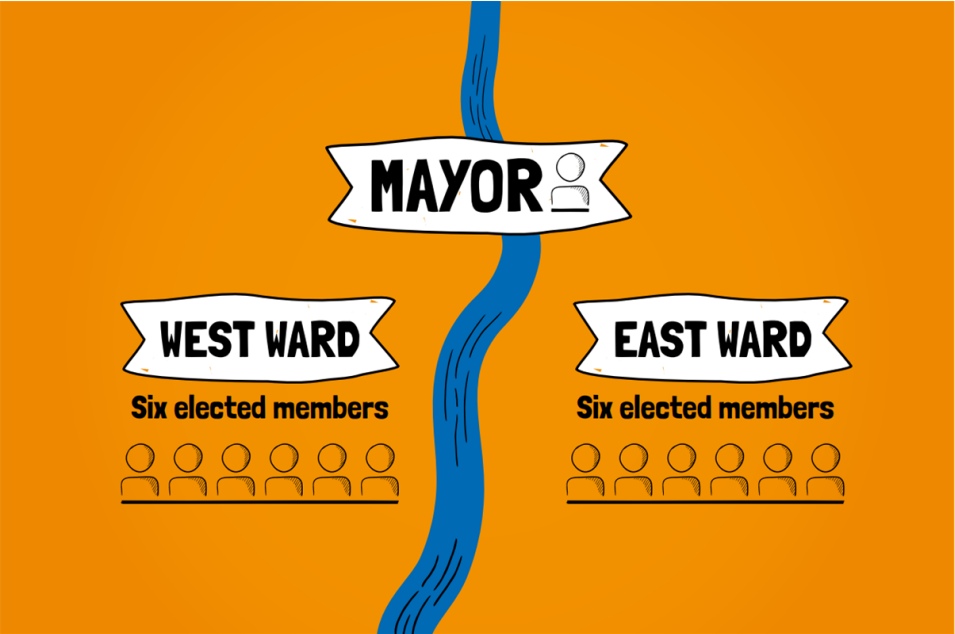
**hamilton.govt.nz**

#### ATTACHMENT 5: OPTIONS ILLUSTRATIONS TO SUPPORT MAAORI PARTNER HUI

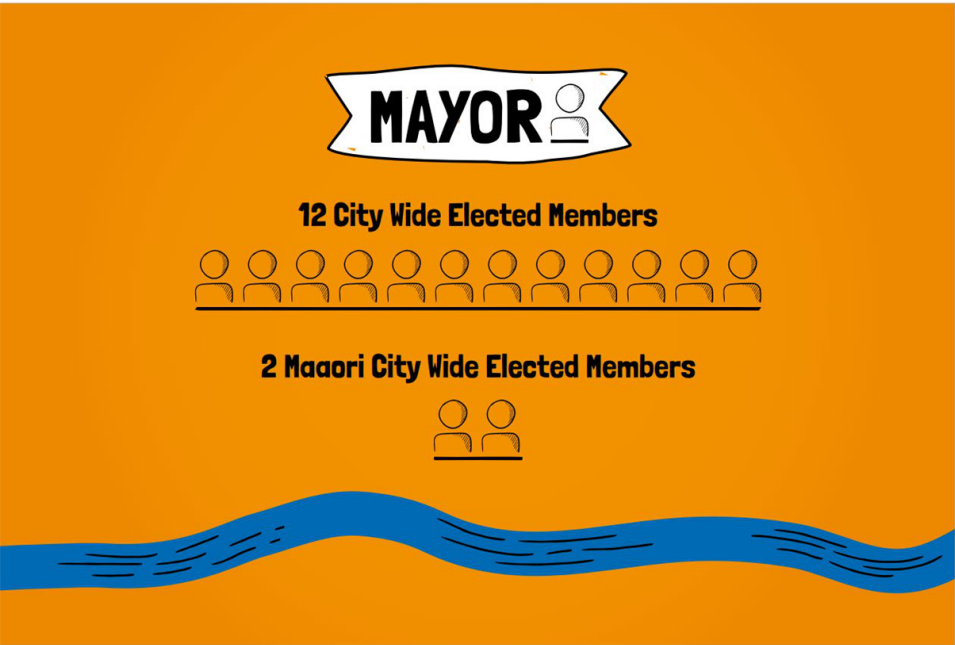
To support key Maaori partners to understand a range of potential electoral system options and some of the implications of the number of Councillors chosen as part of the Wider Representation Review, the following illustrations were created and used as examples to explain some of the various options as part of the Iwi partner hui on 17 June 2021.

The examples are limited and not intended to represent all possible arrangements or any preference - they are purely illustrative.

Example 1: Status quo – Mayor elected ‘at large’ and general seats divided into two wards.

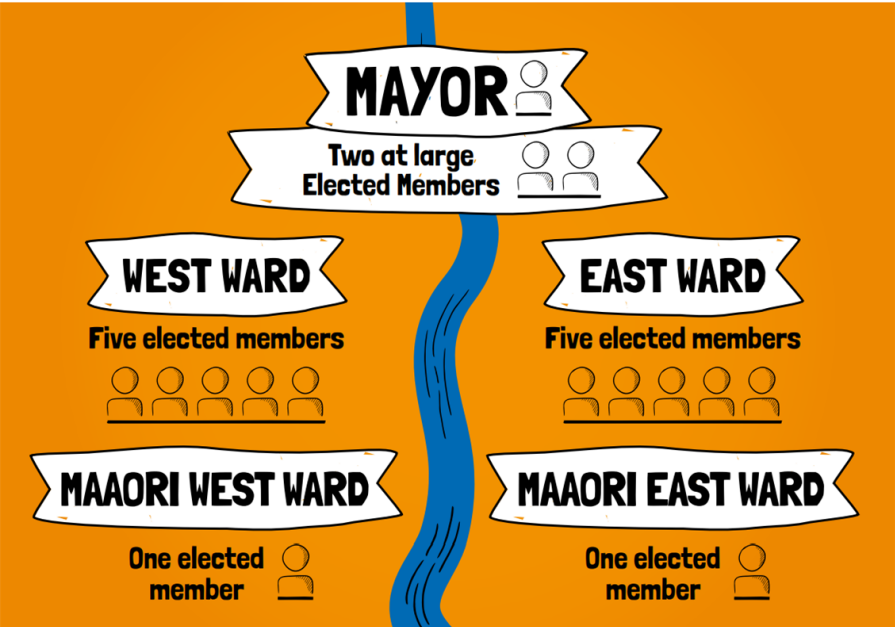


Example 2: Mayor elected ‘at large’ all Councillors elected by city-wide wards (2 wards, one general, one Maaori)

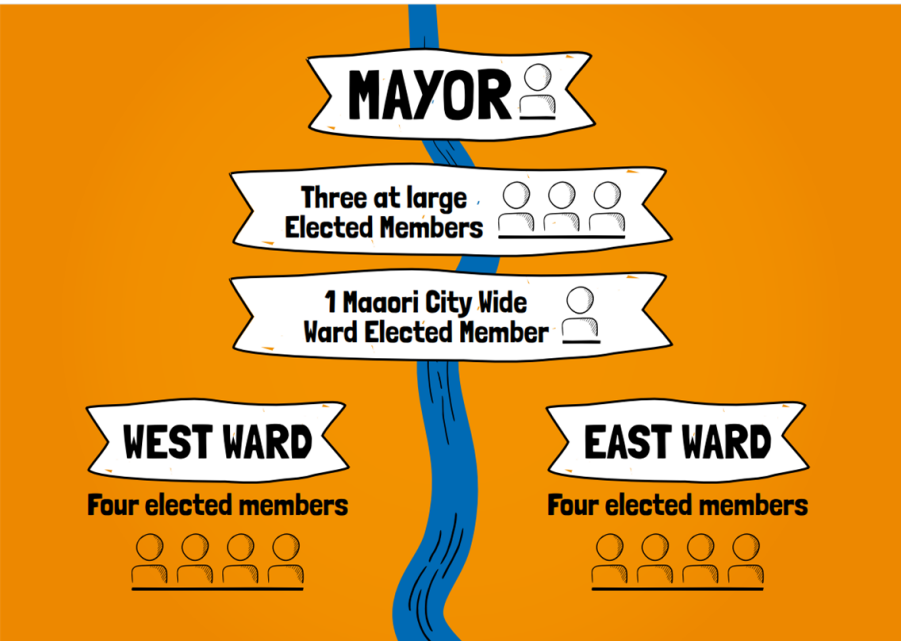




Example 3: Mayor and 2 Councillors elected ‘at large’ remainder of Councillors elected by wards (4 wards, two general, two Maaori)

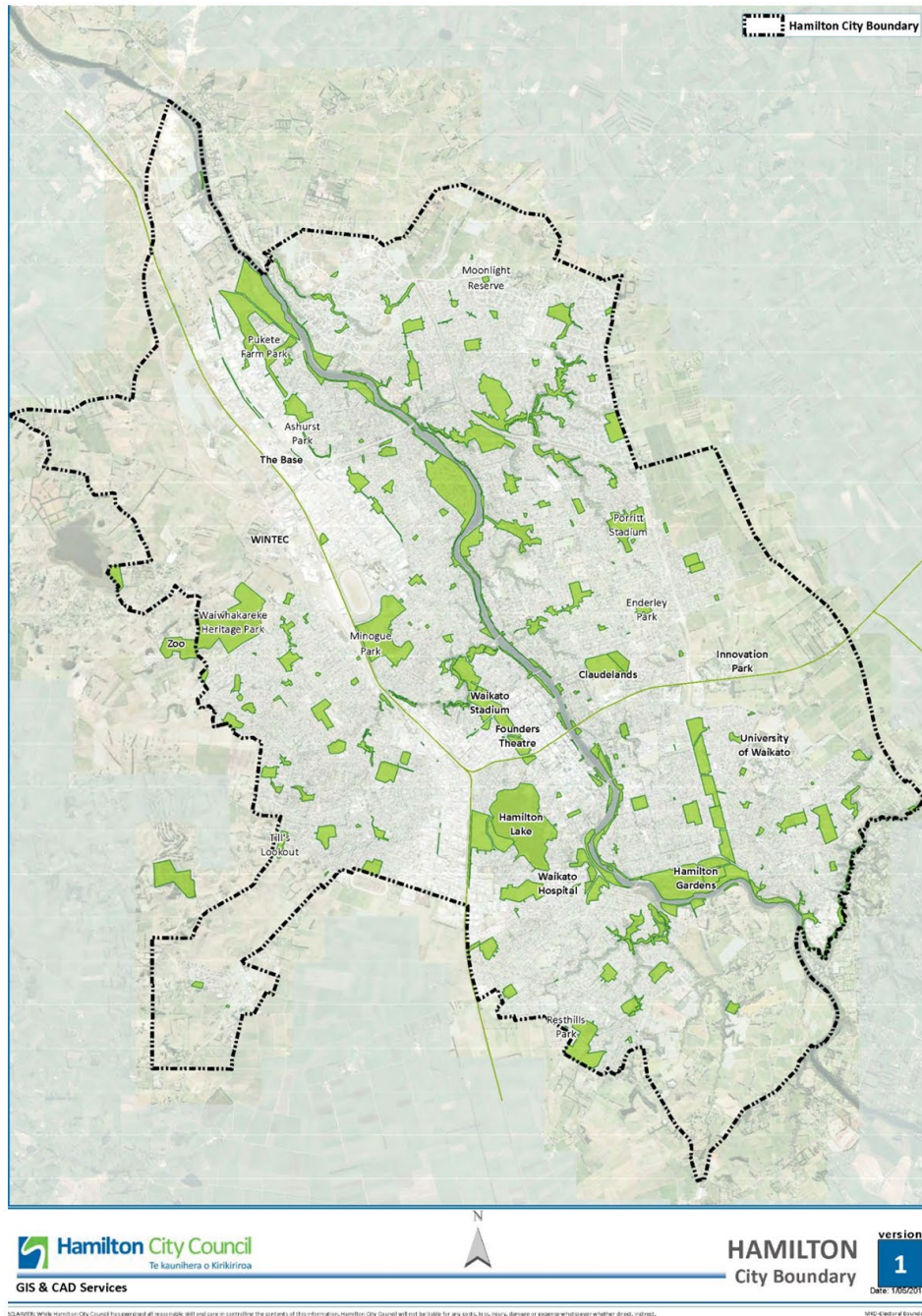


Example 4: Mayor and 3 Councillors elected ‘at large’ remainder of Councillors elected by wards (4 wards, two general, one city-wide Maaori). Note: if the number of Councillors elected by wards drops below 10 the number of Maaori Councillors drops to one.



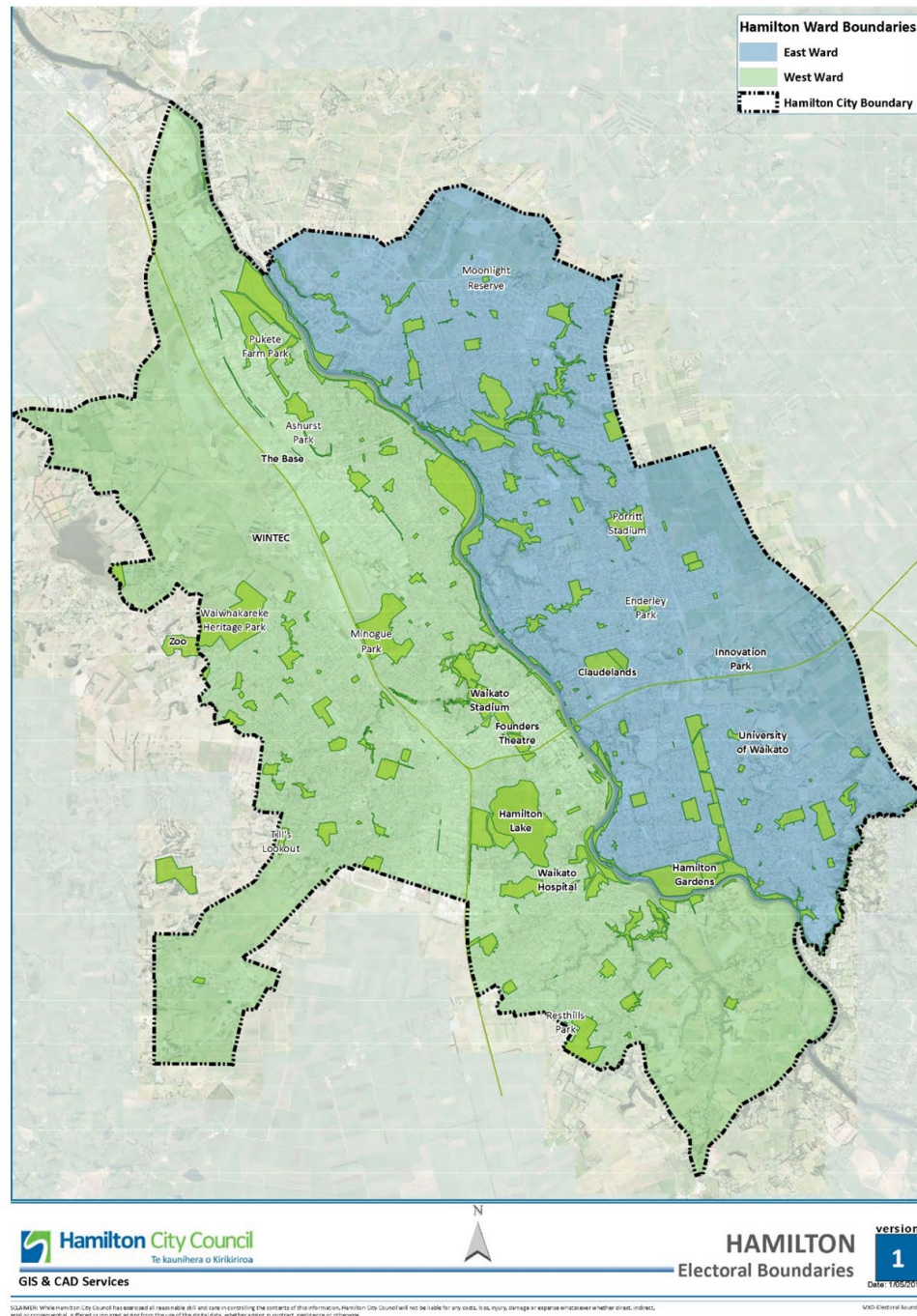
## ATTACHMENT 6: WARD BOUNDARY SCENARIO MAPS

Map 1: City-wide ward

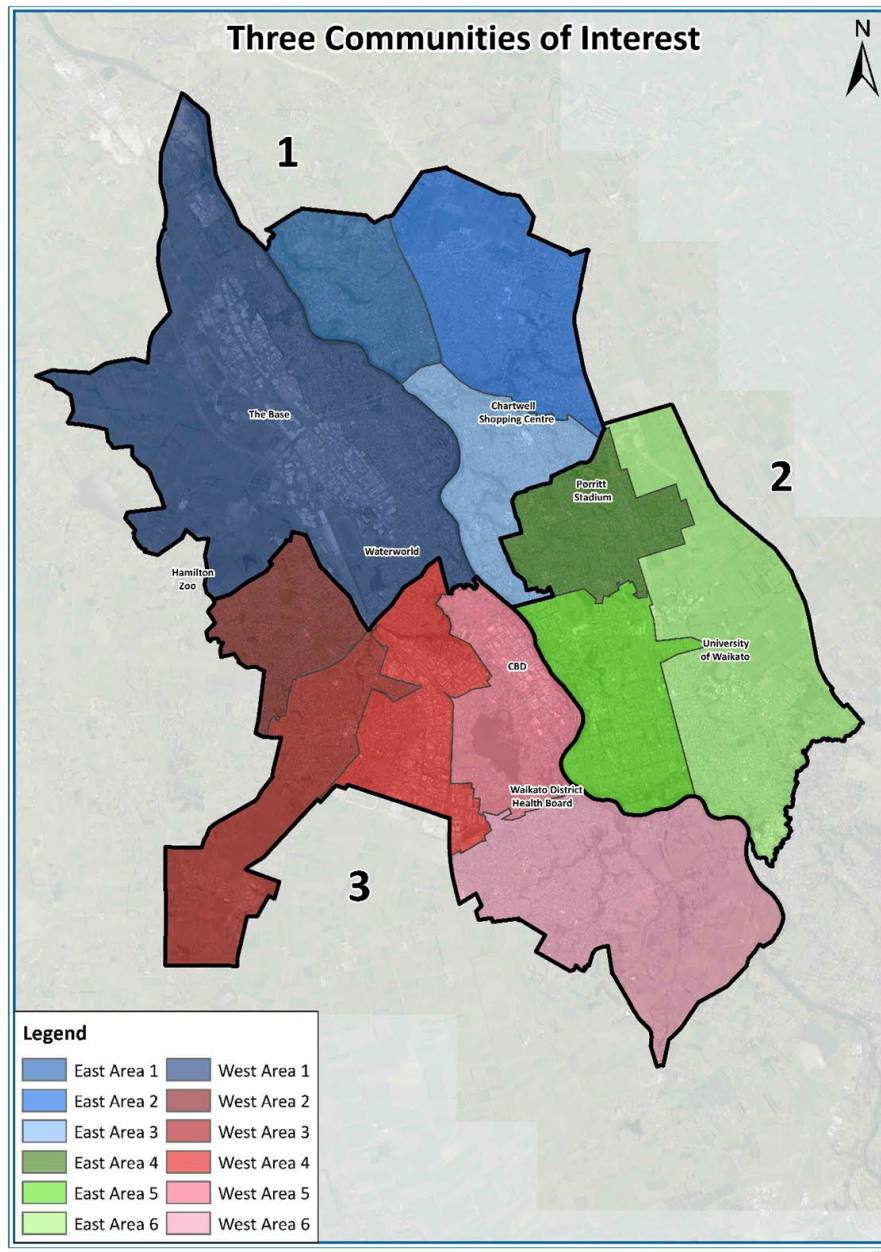




**Map 2: Two wards – Current boundaries for East and West wards**



**Map 3: Indicative boundaries for three and four wards** (blue combined = 3 wards, divided = 4)



# Who will speak for you?



We're reviewing our representation arrangements in time for the 2019 Council elections. We have an initial proposal and we'd like to hear your views.

This booklet explains the review process and the Council's initial proposal.

[hamilton.govt.nz/  
representationreview](http://hamilton.govt.nz/representationreview)





# What is a Representation Review?

The purpose of the Representation Review is to establish whether our current arrangements for fair and effective representation meet our communities' needs and expectations.

Under the Local Electoral Act ('Act'), all councils have to do this at least once every six years and the decisions we make in 2018 will apply for the 2019 election.

## THE REPRESENTATION REVIEW CONSIDERS:

- the number of voting areas (called 'wards'), if any, that is best for our city
- whether we want to elect all, or some, of our councillors across the whole city or from two or more wards
- how many councillors there should be
- how many councillors there should be in each ward
- whether we want to have community boards, and if so, how many members should they have, and which areas should they cover.

This review does not include the choice of electoral system. A public poll in 2013 determined that First Past the Post would apply for the 2016 and 2019 elections.

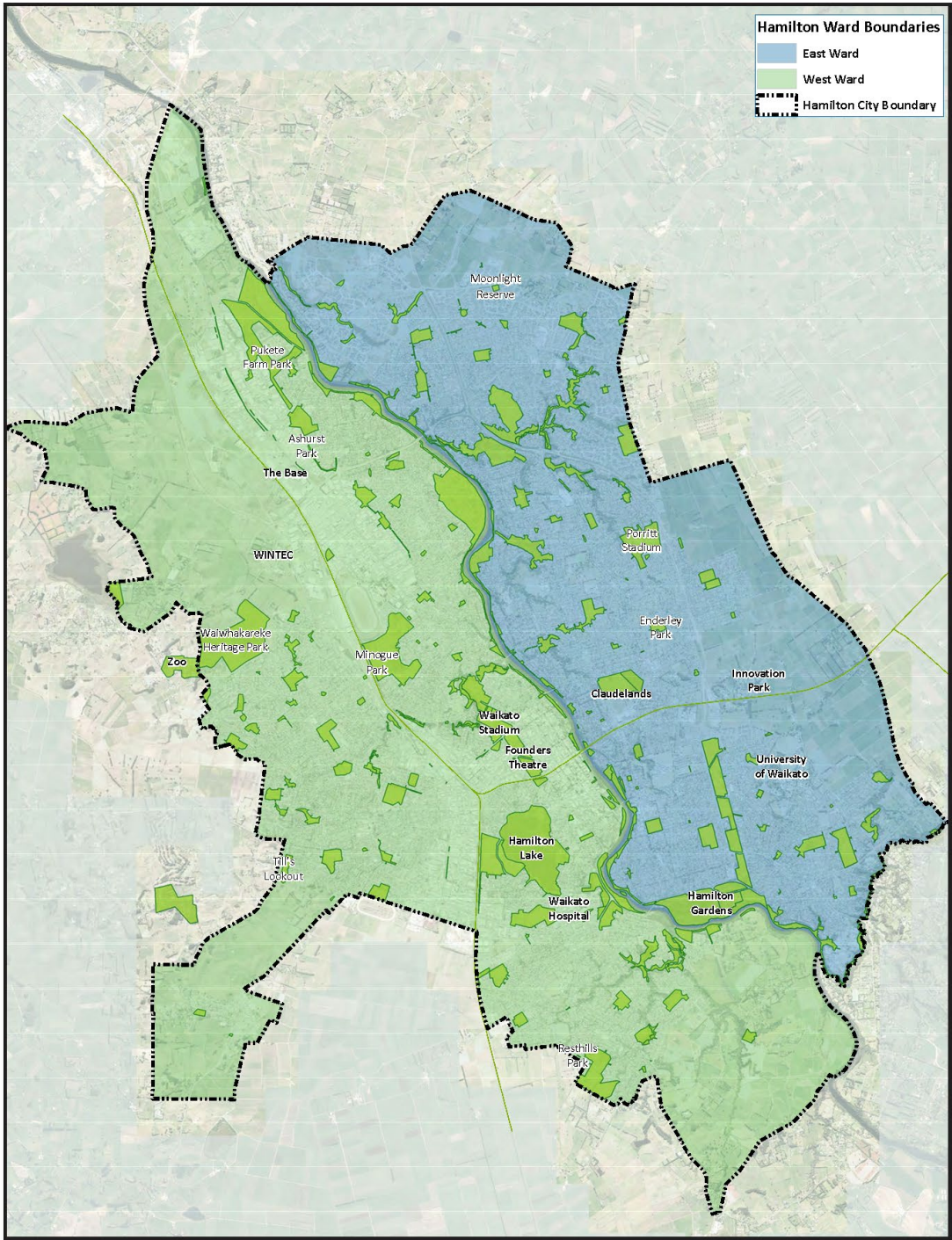
The Council decided in October 2017 not to establish Māori wards.

## OUR CURRENT ARRANGEMENTS

- Hamilton is currently divided by the Waikato River into two wards. The map below shows the boundaries of these wards.
- There are currently 12 councillors in total. Of these:
  - six are elected from the east side of the river (the East Ward)
  - six are elected from the west side of the river (the West Ward)
- Each voter votes for up six candidates standing for election in the voting area in which they are registered to vote.
- Each voter also chooses one candidate for mayor, who is elected across the whole of the city.
- Hamilton does not currently have community boards, nor has it at any stage in the past.



**HAMILTON CITY COUNCIL WARD MAP**



## WHAT WE'VE DONE

We've undertaken robust research over the past 15 months using data from Census 2013 and Statistics New Zealand as well as looking at the arrangements of councils across the country. We've also gathered feedback from the public through online surveys, focus groups and a phone survey.

On 12 June 2018, six representation options were presented to the Elected Members for their consideration. You can find out more about these initial options [here](#).<sup>1</sup>

## WHAT YOU'VE TOLD US

We've heard from approximately 2500 people throughout the review process so far. They told us they want a system that is fair, provides high quality candidates, gives people better choice at election time and allows better access to councillors. Some have told us they think an 'at large' system (no wards) would help deliver this, while others preferred a ward system. The Council has carefully considered this feedback along with other important data and factors, such as access to councillors and barriers to participation, and has decided that the current two-ward system is the best option for the city in 2019.

You can find the full report which contains all the findings presented to the Council on 16 August 2018 [here](#).<sup>2</sup>

## WHAT WE'RE PROPOSING

The Council believes the current two-ward system with 12 councillors (plus the mayor) and no community boards, continues to be the best fit for Hamilton in 2019.

### Why?

- the Waikato River remains a defining characteristic of the city and people's sense of belonging.
- provides the public with reasonable access to councillors.
- enables councillors to fairly represent their electoral areas and attend public meetings.
- provides reasonable opportunity for a diverse range of candidates to stand for election.

The Council can review its representation arrangements again in three years' time, which will coincide with a review of the electoral system.

1. Available at [hamilton.govt.nz/representationreview](http://hamilton.govt.nz/representationreview)  
2. Available at [hamilton.govt.nz/representationreview](http://hamilton.govt.nz/representationreview)

## NEXT STEPS

### 2018



\* You can appeal the final proposal (if you have previously lodged a submission) or object to the final proposal (if the initial proposal changes) until 5 December 2018.

If there is an appeal or objection, or the final proposal does not comply with the Act's requirements for fair representation, the proposal must be referred to the Local Government Commission. The Commission will then determine the representation arrangements for the 2019 Hamilton City Council elections. Its decision must be made by 10 April 2019.

## HAVE YOUR SAY

To have your say about the proposal you can:

- Complete a submission online [here](#).<sup>3</sup>
- Pick up a hardcopy submission form from the main reception area at Hamilton City Council in Garden Place or your local library.
- If you complete a hardcopy submission form, you can then:
  - Drop it in to us at Hamilton City Council in Garden Place, or your local library; or
  - Send it to:

### The Representation Review Team

Freepost 72189  
Governance Unit  
Hamilton City Council  
Private Bag 3010  
Hamilton 3240  
New Zealand

## DROP-IN SESSIONS

For more information come along to one of our drop-in sessions:

### MONDAY 27 AUGUST, 5:30 PM

Hamilton City Council (main reception area, entrance via Garden Place)

### THURSDAY 30 AUGUST, 12:00 PM

Waimarie Hamilton East Community Centre, 53 Wellington Street, Hamilton East

### TUESDAY 4 SEPTEMBER, 5:30 PM

Hamilton City Council (main reception area, entrance via Garden Place)

### WEDNESDAY 12 SEPTEMBER, 12:00 PM

St Andrews Library, Braid Road, St Andrews

You can also check out

[www.hamilton.govt.nz/representationreview](http://www.hamilton.govt.nz/representationreview)

You can also reach us at

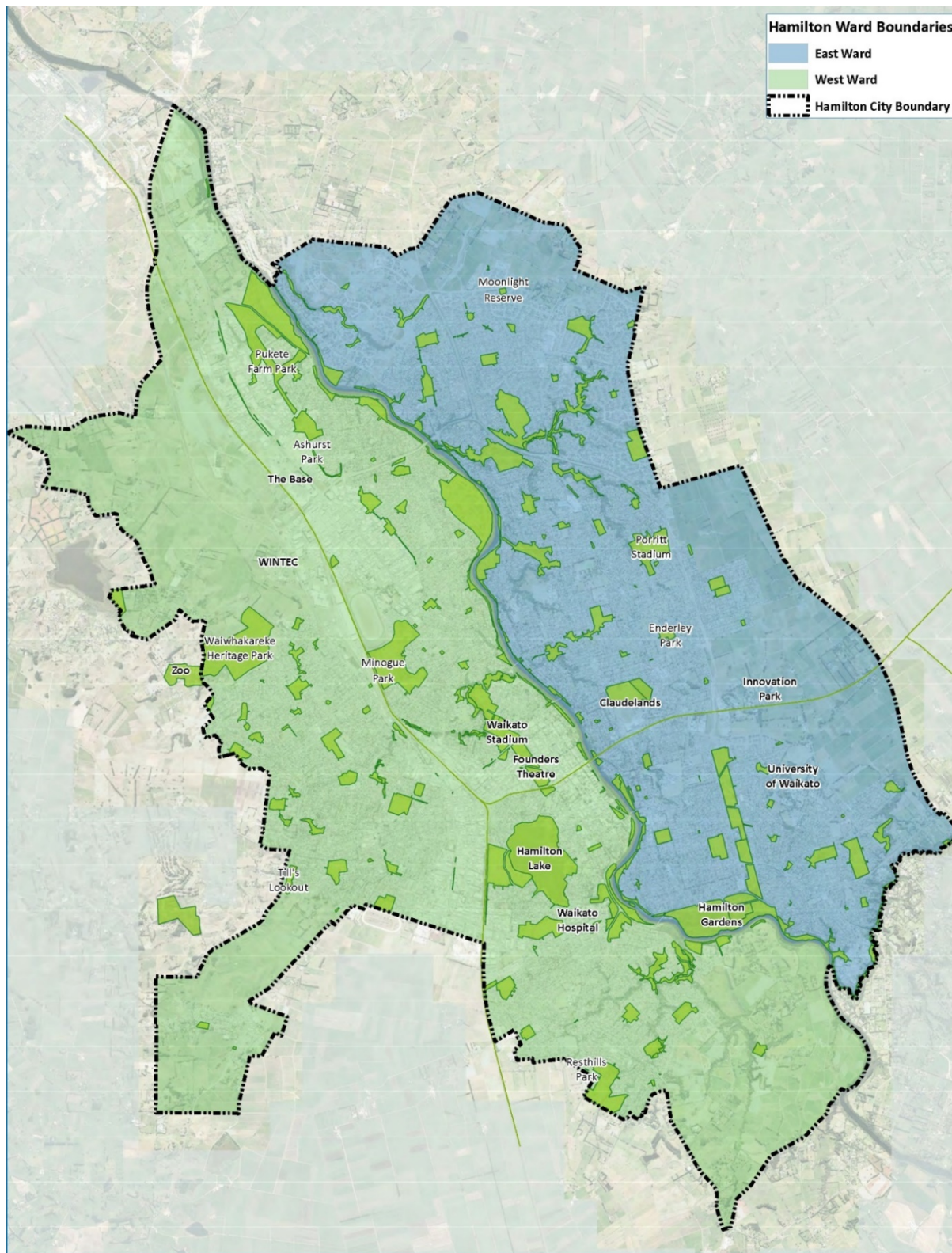
[hcc.governance@hcc.govt.nz](mailto:hcc.governance@hcc.govt.nz)

<sup>3</sup>. Available at [hamilton.govt.nz/representationreview](http://hamilton.govt.nz/representationreview)



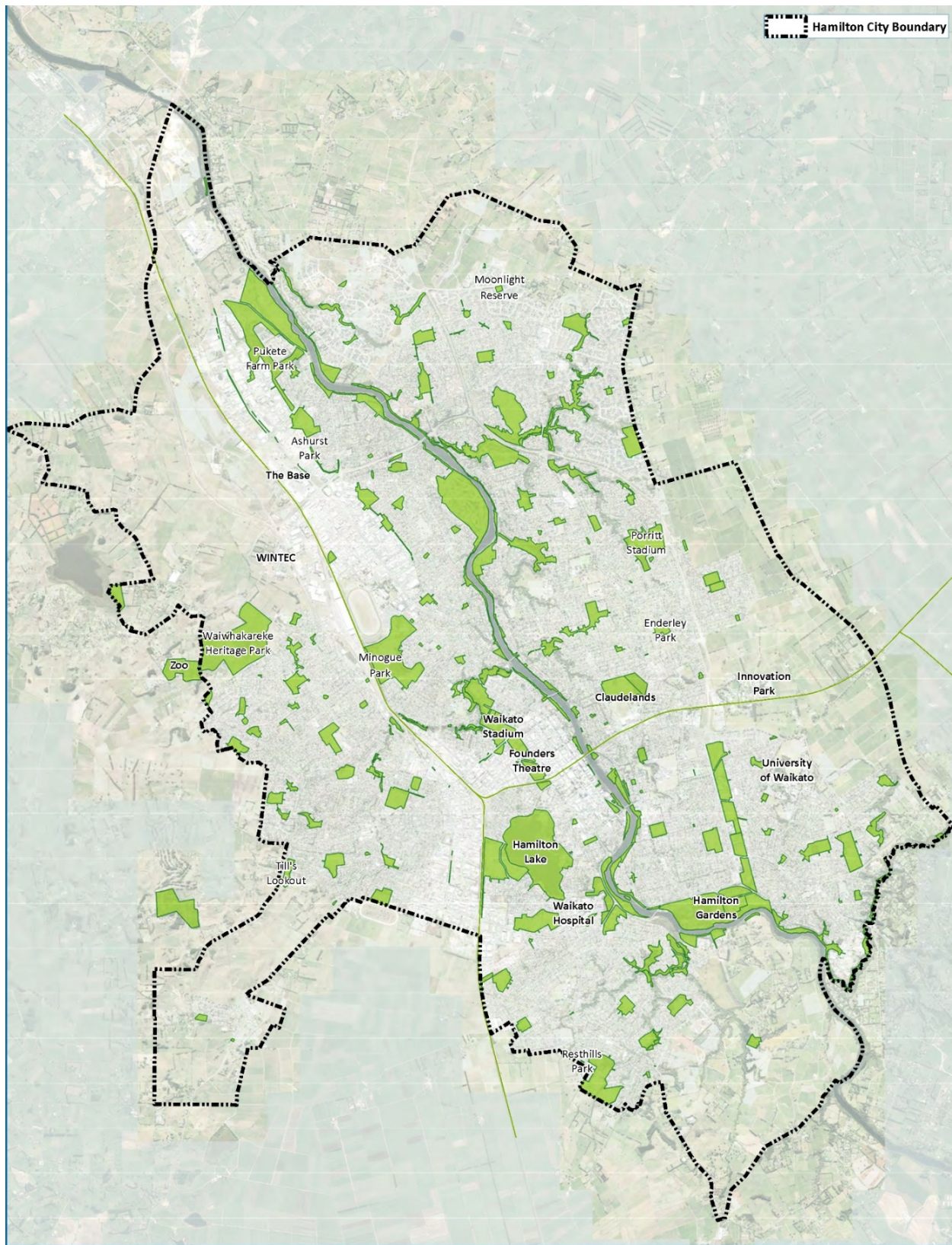
## ATTACHMENT 2: WARD BOUNDARY MAPS

Map 1: Boundaries for East and West General Wards





Map 2: City-wide ward (apply for general or Maaori city-wide wards)



### **Attachment 3: Summary comparison of candidate campaign expenditure to votes across selected City Councils (Hamilton, Christchurch and Tauranga)**

#### **Introduction**

As part of undertaking a Wider Representation Review, Council must consider the arrangement of wards including the number and size of these. One of the implications of ward size is the amount a candidate may spend on campaigning – the bigger the ward, the greater the campaign expenditure limit for candidates.

It has been suggested that elections run with larger areas, and therefore higher campaign spending limits, are less equitable. This dialogue asserts higher spending limits create barriers to candidates with less financial resources as they are less able to compete, and therefore potentially less diversity of successful candidates (with demographics who traditionally have less resources available to them such as women, younger people and ethnic minorities for example being excluded).

This led some Elected Members at the 25 June 2021 workshop to request information on the correlation between candidate expenditure and candidate success.

Three Councils have been looked at here – Hamilton, Christchurch and Tauranga City Councils. Data was collected from their websites on voting results and candidate expense disclosure forms. Only a small sample has been analysed as, due to the time consuming nature of collecting this data and limited ability to draw sound conclusions from the results, staff did not consider a broader sample warranted the cost of further staff time.

The following pages show the campaign spend and number of votes received for each candidate standing in local government elections for each city. Mayoral candidates are shown separately and compared across cities as the spend levels for these are generally much higher than Councillor candidates and skew the picture.

When interpreting the graphs, it should be noted that some candidates stood for both Council seats and community board seats or a mayoral seat. In these cases (and where candidates were unsuccessful in their mayoral bid) only votes for Council seats are counted here so the number of total votes compared to spend may be higher than shown.

#### **Summary**

There seems to be no clear correlation that can be drawn between candidate campaign spending and success in being elected. While a very small sample, this is generally supported by limited research on the matter.

In every city sampled here, there are numerous examples of candidates who spent very little on their campaigns but received much more votes than others who spent large sums. The opposite is also true. Below are some comments on what may be seen in the graphs:

Hamilton City Council: The correlation between higher campaign spend and more votes received appears to be somewhat valid for Hamilton city:

- The range of campaign expenditure for successful candidates was \$3281 - \$41,355.
- Of all successful candidates, only 2 spent under \$5,000.
- 7 candidates who spent over \$5,000 were unsuccessful.

Christchurch City Council: In Christchurch there is little to no correlation between campaign spend and votes received:

- The range of campaign expenditure for successful candidates was \$1791 - \$19,695.
- The top three candidates that received the most votes, spent (in some cases significantly) less than the next three most popular candidates.
- A lot of candidates with very high expenditure received very little votes.

Tauranga City Council: Shows mixed results:

- The range of campaign expenditure for successful candidates was \$652 - \$34,064.
- The second most popular candidate in terms of votes spent less than a third of that of the most popular and received only 300 less votes.
- The fourth most popular candidate spent 67% more than the most popular and received around 1,000 less votes.

Mayoral campaigns: The correlation between high spend and high votes was strong when comparing mayoral candidates.

- The range of campaign expenditure for successful candidates was \$54,245 - \$64,989.
- Every successful Mayor was also the candidate with the highest campaign spend.

#### **Points for consideration**

As noted earlier, the information looked at here does not show any clear correlation between candidate campaign spending and success in being elected – and little research based evidence can be found to suggest there is one for local government elections.

There are a number of factors that may influence the success of candidate campaigns:

- The importance of name recognition. Not only in encouraging voters to choose the candidate from a ballot list simply because it's one that they've seen or heard before, but also in that incumbents or those with existing name recognition in the community are also more likely to receive more donations or sponsorship for their campaigns – 'success attracts money, money attracts success'.
- Individuals who are very active and known widely in their local community (as community leaders or who may enjoy local celebrity status) are likely to have access to high name recognition without having to spend a lot on their campaigns.
- An individual's track record of performance in previous Council roles or other positions (especially any media attention on this) can affect their popularity regardless of spending levels. This may either positively or negatively affect their likelihood of success depending on the performance or coverage of it.
- It has been argued that money spent on traditional advertising during campaigning (such as billboards) is in reality not as effective as it used to be with the advent of social media and alternative ways of reaching potential voters – and therefore not as relevant to campaign success.
- Some research contends that well financed campaigns do not have the same impact for different candidates – that money spent on advertising has much greater 'bang for buck' in terms of voter attention for new/unknown candidates than for those who already have name recognition.

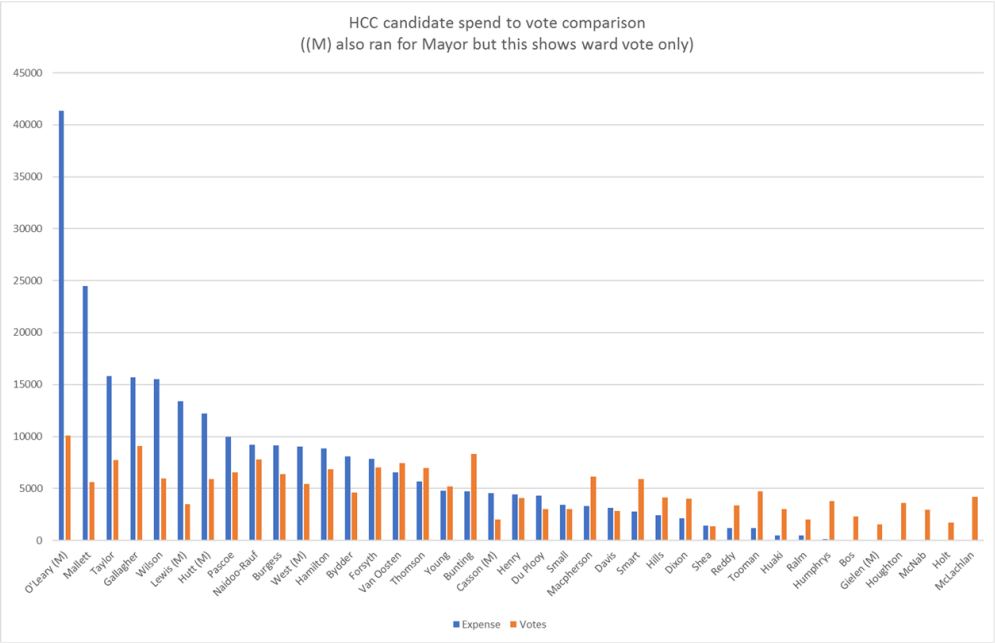
- Societal shifts can be greatly influential on the types of candidates who are successful regardless of spend. For example, more female candidates were successful in the 2019 local government elections than ever before (an increase from 20 to 30 per cent). If issues of diversity, youth, environmentalism etc are prominent in the community at election time this can influence the type of candidate voters may gravitate to.

What ultimately generates success for candidates may be one or a combination of many factors and is certainly not entirely the result of spending a large amount on campaigning.

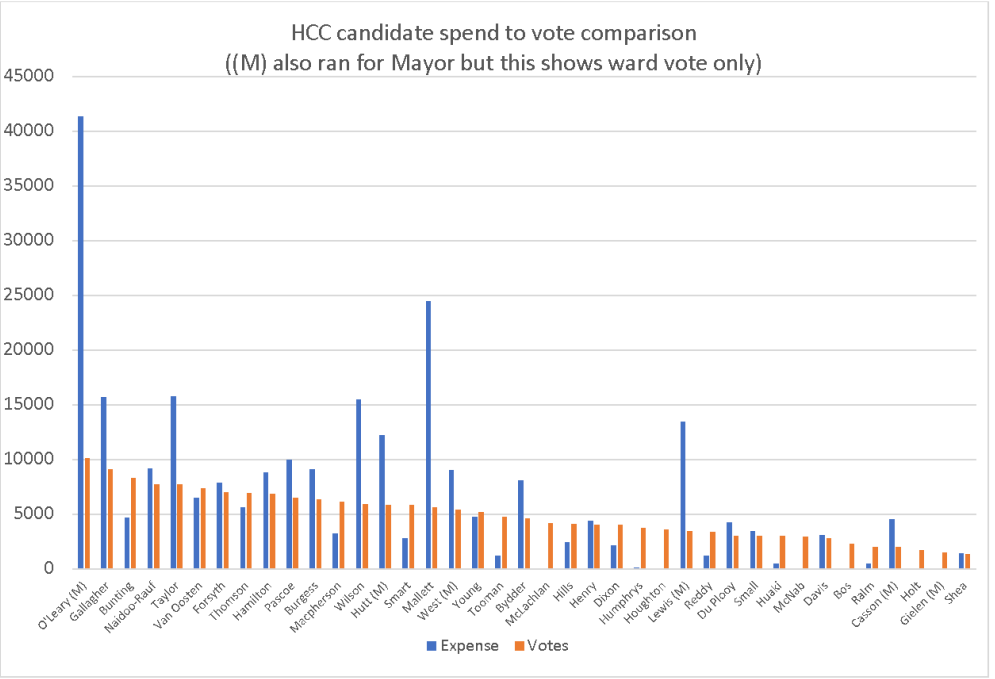
However, for those candidates without an existing profile in the community, high levels of advertising and activity are much more important for success than for those who already have high visibility in the community.

Hamilton City Council Elections 2019

Rated by candidate expenditure

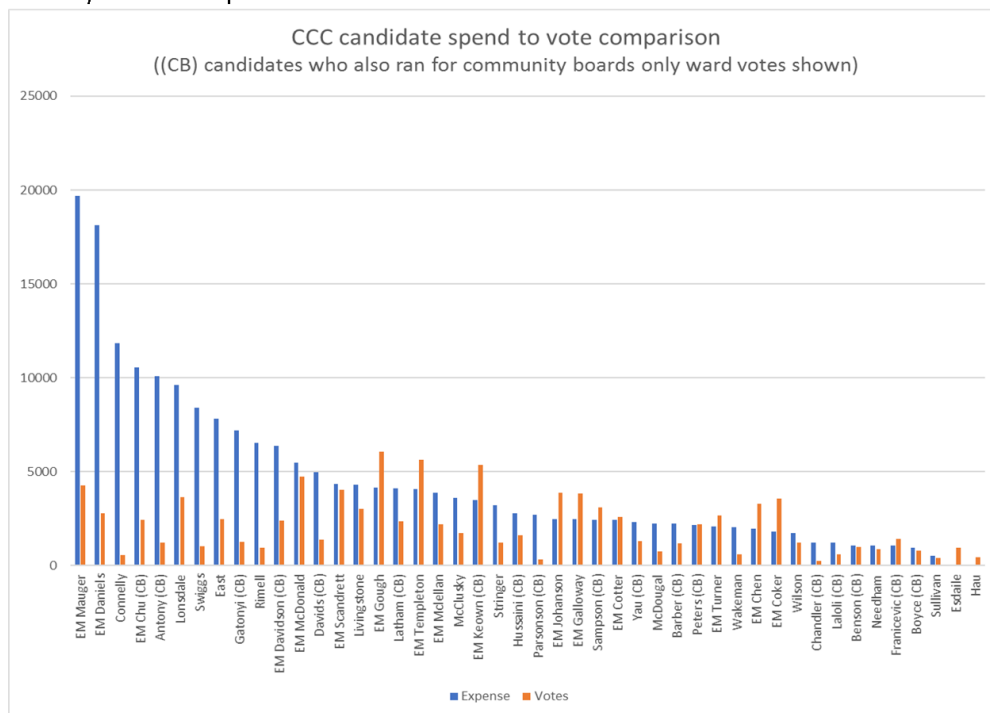


By votes

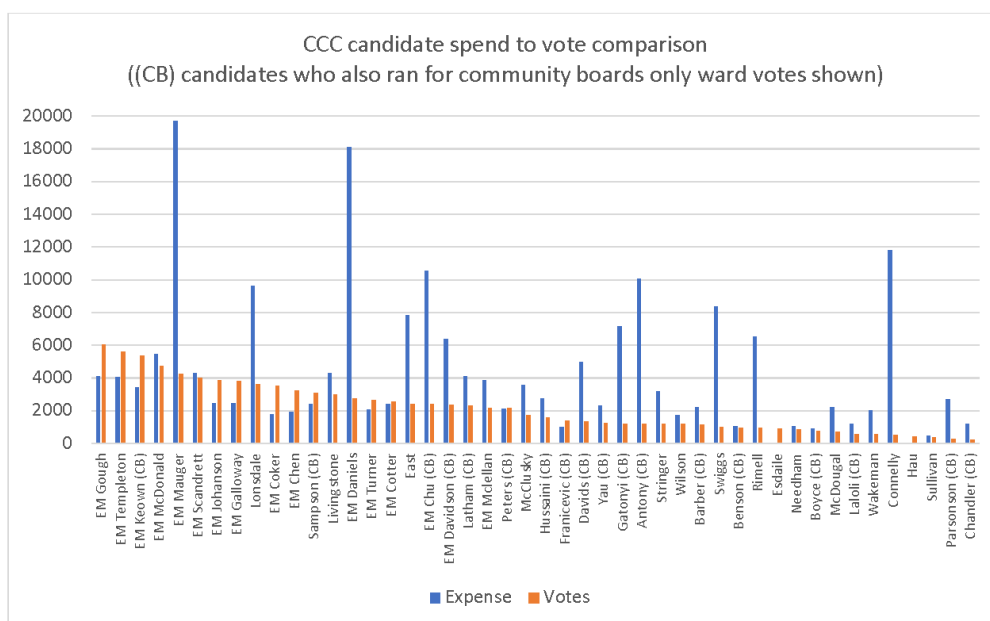


## Christchurch City Council Elections 2019

Rated by candidate expenditure



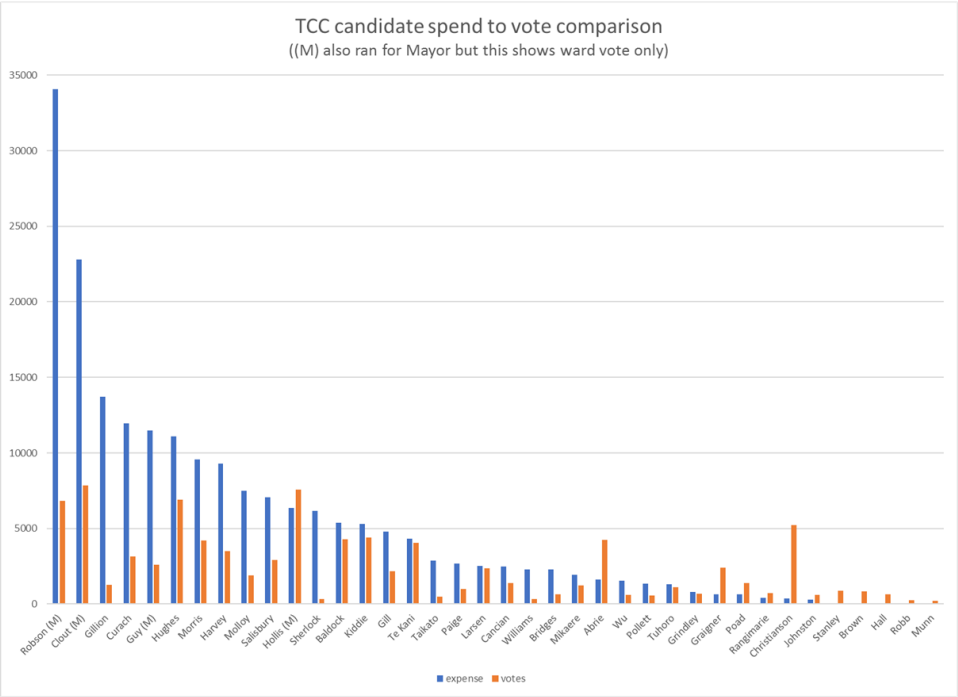
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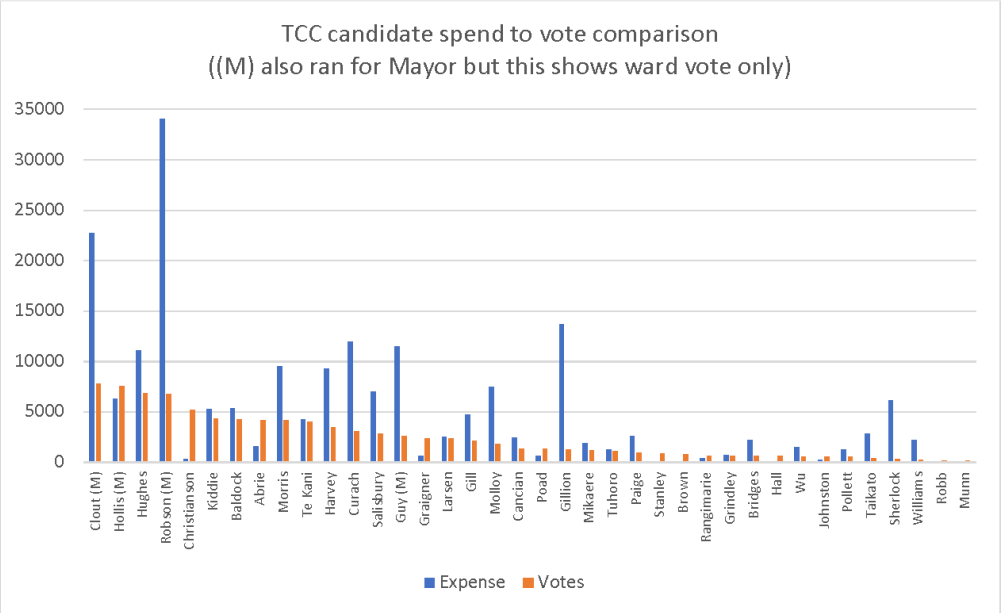


Tauranga City Council Elections 2019

Rated by candidate expenditure

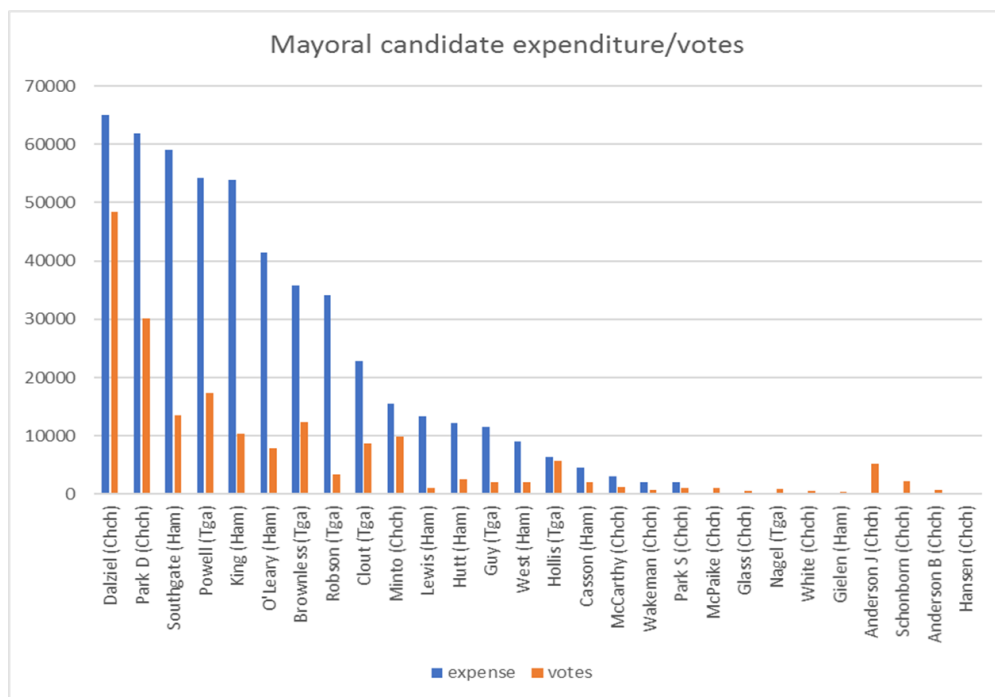


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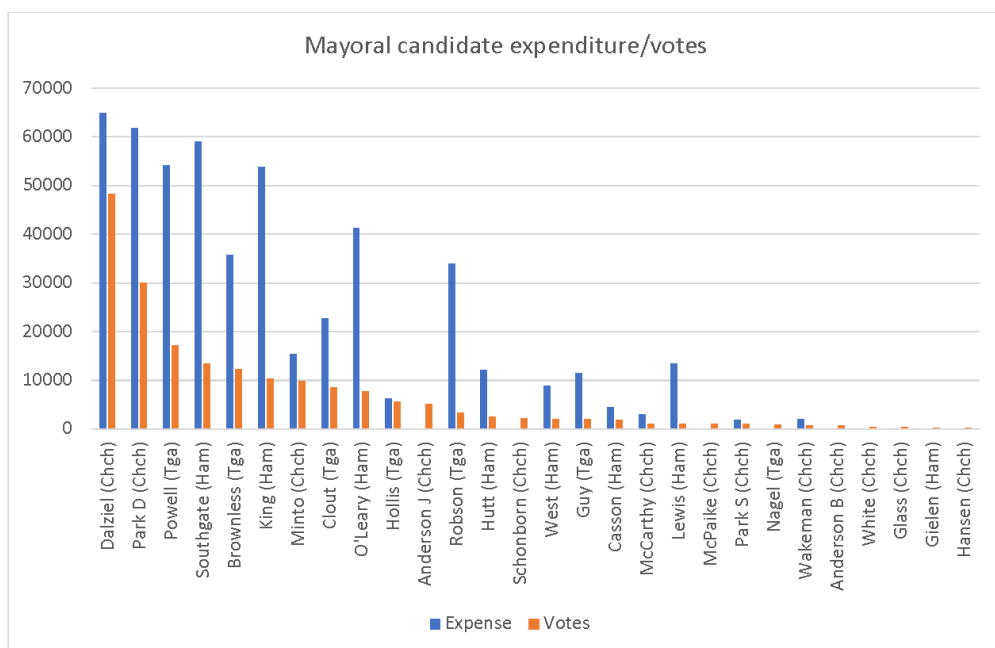


### Mayoral candidates from selected Councils

Rated by candidate expenditure



Rated by votes





# Council Report

Item 12

**Committee:** Council

**Date:** 12 August 2021

**Author:** Mark Roberts

**Authoriser:** Blair Bowcott

**Position:** Principal Planner

**Position:** General Manager Growth

**Report Name:** Plan Change 5 - Peacocke Structure Plan

<b>Report Status</b>	<i>Open</i>
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## Purpose - *Take*

1. To seek the Council's approval to:
  - i. publicly notify Proposed Plan Change 5 – Peacocke Structure Plan, in accordance with Schedule 1 of the Resource Management Act 1991 ('RMA'); and
  - ii. delegate authority to the Chief Executive to select two suitably qualified independent hearing commissioners from the Council's RMA Independent Hearing Commissioners Panel, to sit alongside Councillor Ewan Wilson on the Plan Change 5 Hearing Panel.

## Staff Recommendation - *Tuutohu-aa-kaimahi*

2. That the Council:
  - a) approves the public notification of Proposed Plan Change 5 – Peacocke Structure Plan (Attachments 1-27 to the staff report) pursuant to clause 5 of Schedule 1 to the Resource Management Act 1991 ('RMA');
  - b) delegates its powers to hear, determine, and make decisions on all submissions and matters relating to Proposed Plan Change 5 – Peacocke Structure Plan to a panel of three hearing commissioners ('the Plan Change 5 Hearing Panel');
  - c) appoints Councillor Ewan Wilson to the Plan Change 5 Hearing Panel; and
  - d) delegates authority to the Chief Executive to appoints two further independent commissioners to the Plan Change 5 Hearing Panel, one to act as chair and one with tikanga Maaori expertise, from Council's RMA Independent Hearing Commissioners Panel.

## Executive Summary - *Whakaraapopototanga matua*

### Project purpose

3. The purpose of Proposed Plan Change 5 – Peacocke Structure Plan (Plan Change 5) is to review the structure plan and the land use planning framework for the Peacocke growth cell to optimise the Housing Investment Fund (HIF) investment and give effect to the wider Peacocke Programme.
4. To enable Council to deliver on the Peacocke programme, the aim is to have Plan Change 5 operative prior to completing the necessary infrastructure to allow for housing development to start in Peacocke. It is anticipated that this infrastructure will be completed in 2024.

5. The outcome of Plan Change 5 will be a revised structure plan and District Plan provisions that will assist in creating an attractive and sustainable community in the Peacocke growth cell.
6. Staff are now seeking Council's approval to publicly notify Plan Change 5 – Peacocke Structure Plan.

#### **Previous resolutions, briefings and decisions**

7. Council resolved to prepare a Peacocke plan change on [11 October 2018](#) (Item 16).
8. Elected Member Briefings have been held during the development of the plan change to update on progress and provide the opportunity for feedback.
9. Staff reported on Plan Change 5 to the Strategic Growth Committee on 20 May 2021. At this meeting, the Committee approved the approach to the development of Plan Change 5 for pre-notification consultation.

#### **Process followed to prepare the plan change**

10. Plan Change 5 is subject to the provisions of the Resource Management Act 1991.
11. It has also been guided and informed by the Council's vision for Hamilton, and council strategies, in particular the Council's Nature in the City Strategy.
12. Extensive investigations have been undertaken to inform the development of Plan Change 5. Documents that form part of the notification package are attached under separate cover.

#### **Consultation undertaken**

13. Iwi partners have been engaged with through several hui and updates reports over the past 18 months, including a report being tabled with Te Ngaawhaa Whakatupu Ake on 28 July 2021.
14. Staff have undertaken extensive engagement during the development of the plan change with the wider community and key stakeholders.

#### **Summary of Plan Change 5**

##### ***Density and housing (see paragraphs 77-90 for relevant discussion)***

15. Medium density housing is enabled that delivers a range of typologies and densities.
16. Higher densities are enabled in locations that are within walkable distances from the local centre, identified public transport routes and community facilities.
17. Strong design controls are introduced, specifically over the development of higher density housing.

##### ***Business centres (see paragraphs 91-102 for relevant discussion)***

18. The local centre is situated on the eastern side of the minor arterial road to minimise severance.
19. Design of the local centre will require:
  - i. a pedestrian focus, allowing of ease of movement within the centre
  - ii. strong connection to the Waikato River
  - iii. pedestrian linkages between retail activities
  - iv. building frontage treatments to encourage pedestrian movement and create a human scale.
20. The impact of parking areas is limited by identifying key active frontages.
21. The local centre is the location for the primary public transport hub for Peacocke.

22. The centres are supported by high density residential development.
23. The neighbourhood centres provide for the day-to-day convenience needs of the surrounding residents and act as community hubs.
24. Neighbourhood centres are well designed, including requiring active frontages and passive surveillance of surrounding streets and public spaces.

***Transport network (see paragraphs 103-115 for relevant discussion)***

25. Mobility and accessibility are prioritised to places within Peacocke and to the rest of Hamilton, including employment areas.
26. Residents are provided with clear, safe and direct access to community facilities, commercial areas, places of recreation and other neighbourhoods.
27. People are provided with transport choices by promoting public transport (PT) and active modes, and may take priority over the level of service for private cars if necessary.
28. Network efficiency is maximised for PT, buses, High Occupancy Vehicles (HOV) and active modes through design.
29. Flexible design caters for evolution and changes in the transport system.

***Open space network and community facilities (see paragraphs 116-126 for relevant discussion)***

30. The open space network has multiple functions including for recreation and sport, ecological areas, stormwater management and amenity within the urban environment.
31. Neighbourhood parks are located within short walking distance from all homes.
32. Community facilities such as schools are supported by high frequency public transport services and are connected to the surrounding residential areas by the walking and cycling network.
33. The location of the sports parks and community park is consistent with the work being led by the Community Group of Council.
34. The development of future community facilities within Peacocke is enabled through planning provisions and zoning.

***Protection of significant ecological areas (see paragraphs 127-134 for relevant discussion)***

35. Significant ecological areas are identified as Significant Natural Areas (SNAs) and zoned natural open space.
36. An open space buffer adjoining SNAs to ensure that these areas are protected from development and continue to provide habitat for indigenous fauna including the NZ Long-tailed bat.
37. Existing ecological corridors are identified and protected through zoning to establish connections between the gully and the Waikato River, enabling fauna to move through Peacocke to utilise significant habitat.
38. Introducing lighting controls for residential dwellings/buildings, and roading and reserves will minimise the impact of future urban development on Long-tailed bat habitat.

***Sites of Significance to Maaori (see paragraphs 135-141 for relevant discussion)***

39. Plan Change 5 proposes to identify and protect sites of significant to Maaori through including these sites as archaeological sites in Appendix 8 of the Operative District Plan.

### Key areas of interest

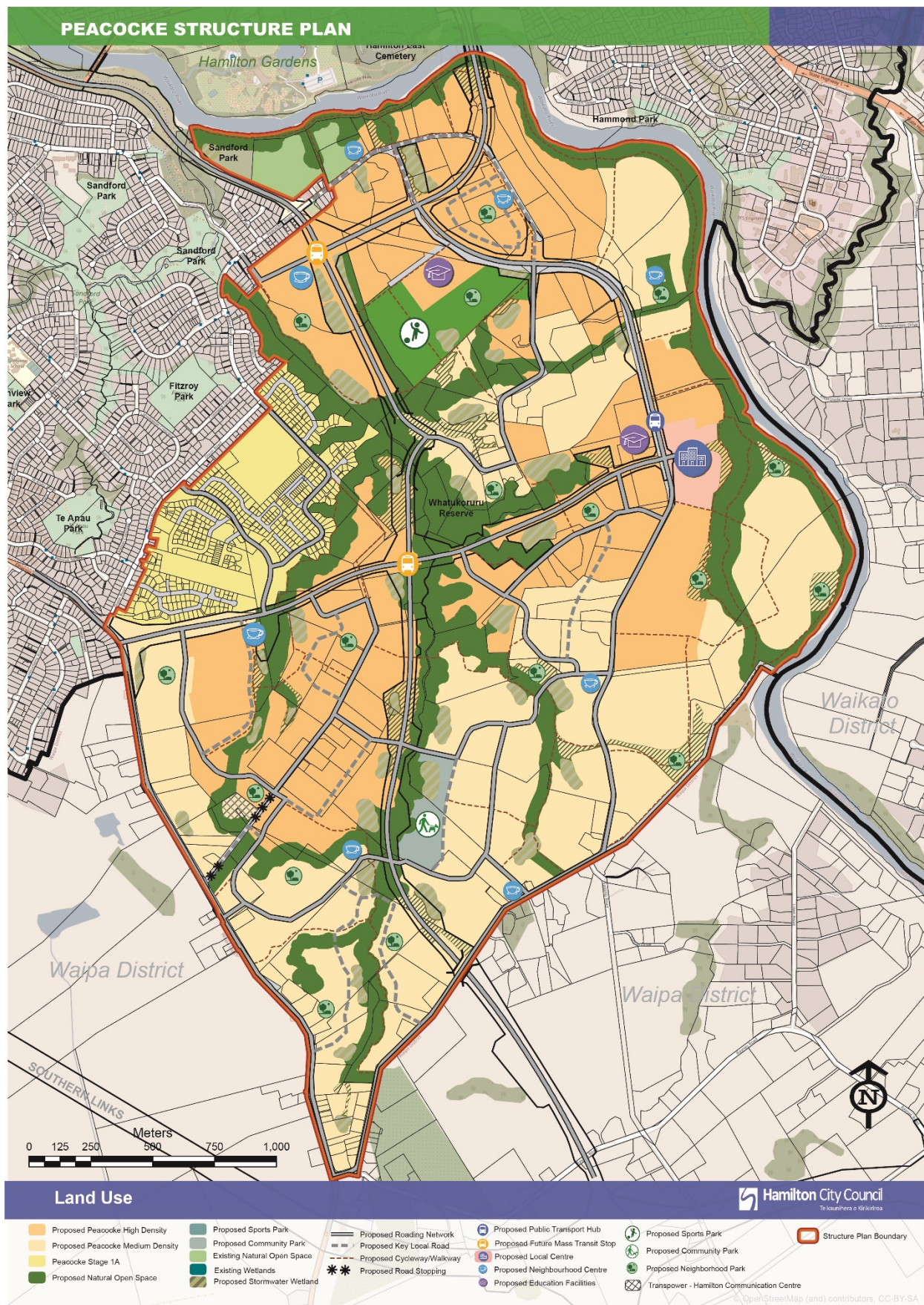
40. It is expected that landowners, the wider community, and interested parties such as environmental groups, Waikato Regional Council and the Department of Conservation will be interested in the protection of the natural environment, specifically the creation of bat corridors and the identification of new Significant Natural Areas and associated open space buffers.
41. The change in development densities will be of interest to landowners within Peacocke, developers and Kainga Ora.
42. The indicative location of stormwater devices identified in the Peacocke structure plan have been determined by the Mangakootukutuku Integrated Management Catchment Plan (ICMP). These stormwater devices are those new devices needed to manage stormwater for the various sub-catchments. Landowners who have a stormwater device shown on their property have been engaged with as part of the ICMP and plan change, but are likely to participate in the formal plan change process.

### Next steps

43. Staff recommend that Plan Change 5 be publicly notified. . Subject to the resolution of Council, the public notice will be published in the local press in late August/early September 2021.
44. All objectives and policies have legal effect upon notification. The rules that have immediate legal effect upon notification in accordance with s86B(3) of the RMA have been identified and are those rules that:
  - i. protect or relate to water, air, or soil (for soil conservation); or
  - ii. protect areas of significant indigenous vegetation; or
  - iii. protect areas of significant habitats of indigenous fauna; or
  - iv. protect historic heritage.
45. A hearing is anticipated to be held in first half of 2022.
46. Following a decision from the Plan Change 5 Hearings Panel, if submitters are still not satisfied with any aspect of the decision, they can appeal the decision to the Environment Court.



# 47. Proposed Peacocke Structure Plan – Land Use Plan



Item 12

## Background - *Koorero whaimaarama*

### Project purpose

48. The purpose of Plan Change 5 is to review the structure plan and the land use planning framework for the Peacocke growth cell to optimises the Housing Investment Fund (HIF) investment and give effect to the wider Peacocke Programme.
49. The review of the structure plan and associated planning provisions has identified the optimum location for active reserves, strategic 3 waters, walking/cycling network, ICMP provisions, local centres, community facilities, mixed-use development, and community nodes.
50. The review has removed the Peacocke Master Plan requirements, introduces a staging plan and transport connections, and promotes best practice in terms of urban development.
51. The objectives of Plan Change 5 are to:
- i. develop a revised structure plan and planning provisions that deliver on the relevant programme benefits;
  - ii. develop the project outcomes in partnership with internal and external stakeholders and key landowners;
  - iii. maximise opportunities to enhance the environment, specifically in relation to water quality and biodiversity outcomes;
  - iv. maximise opportunities to increase public transport, cycling and walking modal shifts;
  - v. maximise housing delivery and choice through increased densities and housing typologies, while creating accessible new community nodes;
  - vi. ensure landscape and urban design excellence.
52. To enable Council to deliver on the Peacocke programme, the aim is to have Plan Change 5 operative prior to completing the necessary infrastructure to allow for housing development to start in Peacocke. It is anticipated that this infrastructure will be completed in 2024.
53. The vision for the Peacocke programme, combined with the 2018 Council resolution to refresh the structure plan and associated planning provisions, provide a strong mandate for change.
54. The development of the structure plan is design led, while ensuring that any change in the land use framework aligns with and complements the HIF investment and other programme activities.
55. Several Iwi partner hui have been held over the last 18 months to update them on progress and provide the opportunity for feedback.
56. These hui identified that council's Iwi partners want to see the Nukuhau/Peacocke area being developed as a leading-edge suburb with a focus on ecological protection and ensuring that the following Mana Whenua aspirations are considered:
- i. Exercise of Kaitiakitanga over their traditional lands;
  - ii. Participation in the planning and implementation of the development of their traditional lands;
  - iii. Having the opportunity to once again live on their traditional lands;
  - iv. Recognition, commemoration and dissemination of the pre-European Maori history of their traditional lands;
  - v. Promoting the understanding of the significance of the Nukuhau area to Mana Whenua to the wider Hamilton community.
57. Several Elected Member Briefings were held over the last 12 months to update on progress and provide the opportunity for feedback:

- i. **27 May 2020** – explored how Members would like to see the Peacocke Structure Plan address several key issues
  - ii. **30 September 2020** – provided an update on the progress of the plan change and highlighted emerging issues
  - iii. **4 November 2020** – briefed Members on the wider transport system, public transport, density and the development of the integrated catchment management plan (ICMP)
  - iv. **17 March 2021** – provided an update on the context and proposed approach for managing and developing the north-south transport corridor and the development of the Peacocke Local Centre concept.
58. These briefings identified that the Elected Members want to develop the Peacocke area as a leading-edge suburb with a focus on accessibility and connectivity delivered through the transport network, housing choice, and green space and ecological protection.
59. Staff also reported to the Strategic Growth Committee on 20 May 2021, at which the Committee approved the approach to the development of Plan Change 5 – Peacocke Structure Plan for pre-notification consultation as outlined in this staff report, in relation to –
- i. density and housing;
  - ii. business centres;
  - iii. transport network;
  - iv. open space network and community facilities; and
  - v. protection of significant ecological areas.

#### **Obligations under the Resource Management Act**

60. Proposed Plan Change 5 is subject to the provisions of the Resource Management Act 1991. This includes Part 2, Sections 31, 32, 74, 75 and Part 1 of Schedule 1 which applies to preparation and change of plans by local authorities.
61. Part 2 of the RMA sets out the purpose, and additional principles, which are to be considered when applying the RMA. The preparation of Plan Change 5 was based on the purpose of the RMA, and the guiding principles (Sections 5 to 8).
62. Section 5 - Purpose in Part 2 of the RMA, identifies the purpose as being the sustainable management of natural and physical resources. This means managing the use of natural and physical resources in a way that enables people and communities to provide for their social, cultural and economic well-being while sustaining those resources for future generations, protecting the life-supporting capacity of ecosystems, and avoiding, remedying or mitigating adverse effects on the environment.
63. Plan Change 5 is considered to be consistent with this purpose, in particular it seeks to enable the wellbeing (social and economic) of the growing population of Hamilton City through the release (through rezoning) of land for housing. At the same time, the plan change seeks to address the following:
- i. It seeks to develop land resource in a manner that achieves, and does not undermine, its potential to accommodate its share of projected growth and in particular contributes to the anticipated population growth. Growth in this location manages pressure for growth in other less appropriate parts of the Hamilton City, thereby safeguarding the needs of future generations.
  - ii. It seeks to safeguard the life-supporting capacity of water through the use of water sensitive design options for stormwater management and the enhancement of the river and stream margins.

- iii. Adverse effects of urban activities on the environment will be avoided, remedied or mitigated through the management of urban development through a range of plan provisions
- 64. Section 6 - Matter of National Importance of Part 2 of the RMA, sets out a number of matters of national importance, specifically:
  - i. The preservation of the natural character of the coastal environment (including the coastal marine area), wetlands, and lakes and rivers and their margins, and the protection of them from inappropriate subdivision, use, and development:
  - ii. The protection of outstanding natural features and landscapes from inappropriate subdivision, use, and development:
  - iii. The protection of areas of significant indigenous vegetation and significant habitats of indigenous fauna:
  - iv. The maintenance and enhancement of public access to and along the coastal marine area, lakes, and rivers:
  - v. The relationship of Maori and their culture and traditions with their ancestral lands, water, sites, waahi tapu, and other taonga.
  - vi. The protection of historic heritage from inappropriate subdivision, use, and development.
  - vii. The protection of recognised customary activities.
  - viii. The management of significant risks from natural hazards.
- 65. Plan Change 5 recognises and acknowledges these matters through the following methods.
  - i. The Peacocke Structure Plan envisages the enhancement of the natural character of the Waikato River and Mangakootukutuku Gully and seeks to protect these from the effects of development via identification of buffer zones and the management of development effects on stormwater.
  - ii. The site contains existing areas identified by the District Plan as a SNA, Plan Change 5 proposes to include additional areas of SNA that have been identified as having high ecological significance.
  - iii. Public access to and along the river and streams will be enhanced via provision of walkways along the gully and Waikato River margins as outlined in the structure plan.
  - iv. The Archaeological Assessment (**Attachment 9**) identifies a number of archaeological sites these will be incorporated in the District Plan through the identification of these site on the District Planning Maps.
  - v. The relationship of Maaori with their waahi tapu (and any customary activities) has been recognised in the Cultural Values Assessment (**Attachment 7**).
  - vi. The risk from natural hazards has been addressed through the identification of bank stability setbacks along the Mangakootukutuku gully network and the Waikato River. These setbacks have been identified on the District Planning Maps.
- 66. Section 7 - Other Matters, identifies a number of "*other matters to be given particular regard to, which are:*"
  - a) *Kaitiakitanga;*
    - aa. *The ethic of stewardship;*
  - b) *The efficient use and development of natural and physical resources;*
  - c) *The efficiency of the end use of energy;*
  - d) *The maintenance and enhancement of amenity values;*



- e) *Intrinsic values of ecosystems;*
  - f) *Repealed*
  - g) *Maintenance and enhancement of the quality of the environment;*
  - h) *Any finite characteristics of natural and physical resources;*
  - i) *The protection of the habitat of trout and salmon;*
  - j) *The effects of climate change; and*
  - k) *The benefits to be derived from the use and development of renewable energy.”*
67. Plan Change 5 has taken into consideration the ‘other matters’, and in respect of the above, staff make the following comments:
- i. The proposal has acknowledged the kaitiakitanga role (which is also a form of stewardship) of the local Iwi and consultation has been undertaken with respect to Plan Change 5 and Peacocke Structure Plan. This has involved engagement with THaWK and Waikato-Tainui in relation to the proposed plan change (**Attachment 4**).
  - ii. The Plan Change 5 will enable an efficient use of natural and physical resources as it will utilise land already identified for urban development under the District Plan and enables a range of housing/lifestyle options and affordability to meet the shortfall in housing supply within Hamilton;
  - iii. While the land will no longer be retained for its rural amenity, the amenity values and quality of the area have been recognised and will be enhanced through the implementation of Peacocke Structure Plan and proposed provisions, in conjunction with the existing provisions of the District Plan. This includes taking into account the amenity benefits provided for future generations as per the direction of the NPS:UD; and
  - iv. Natural ecosystems can be enhanced via future development as envisaged by the increase in areas natural open space and riparian planting of the gully network (as envisaged in the ICMP).
  - v. The effects of climate change have been taken into account in the stormwater modelling, and this can be confirmed via future resource consents.
68. Section 8 – Treaty of Waitangi of part 2 of the RMA, requires all persons exercising functions and powers under the RMA to ‘take into account’ the Principles of the Treaty of Waitangi. Consultation and engagement is a key principle of the Treaty. Iwi have been engaged with throughout the process, and engagement is ongoing via regular meetings with the THAWK and Waikato-Tainui (**Attachment 7**).
69. Section 31 of the RMA requires council to establish objectives, policies and methods to manage the effects of development and protection of land, natural and physical resources of the district. This includes ensuring that there is sufficient capacity with respect to housing and business land to meet the expected demands of the district. Plan Change 5 has been prepared to manage the effects of land and the physical and natural resources of the Peacocke area and seeks to provide sufficient residential and business capacity to meet the expected demands of the district.
70. The Section 32 report has been prepared to fulfil the statutory requirements of section 32 of the Resource Management Act 1991 (RMA or the Act). It is a record of the processes and evaluation undertaken for the Proposed Peacocke Structure Plan - Plan Change to the Hamilton City Operative District Plan (ODP), in accordance with section 32 of the RMA.
71. A full analysis under s32 of the RMA is outlined in (**Attachment 2**).

72. In preparing Plan Change 5, Part 1 of Schedule 1, which applies to preparation and change of plans by local authorities, has been followed.
73. Public notification and the process required to be followed, as outlined in Schedule 1 of the RMA, provides the opportunity for landowners and the wider community to make a formal submission on Plan Change 5 in support, opposition or seeking changes.
74. This report seeks delegation from Council for an Independent Hearing Commissioners Panel to hear, determine and make decisions on all submissions that may seek changes to the notified plan change.
75. Following this, if submitters are still not satisfied with any aspect of decision of the Hearing Panel, they can appeal the decision to the Environment Court.

### **Discussion - *Matapaki***

76. This section outlines the key components included in the proposed Structure Plan, the proposed plan change response, and key considerations for each of the key components.

#### **Density and housing**

77. The HIF identifies Peacocke as accommodating approximately 8,400 new homes, 3,750 of these being provided in the first 10 years.
78. The key factors impacting Peacocke meeting this yield include:
  - i. increased land requirement for stormwater management
  - ii. increased land requirement for the protection of significant ecological areas
  - iii. land required for providing school and recreation facilities
  - iv. land requirements for supporting infrastructure and services (including roading, neighbourhood parks, and local centres).
79. Plan Change 5 will increase housing densities within the structure plan area to meet the requirements of the National Policy Statement on Urban Development (NPS-UD), support a frequent public transport service, support a "20 Minute City" philosophy, and help meet the investment objectives for the wider Peacocke Program.

#### **Proposed approach**

80. Housing densities have been enabled to provide a net density range of between 22 to 30 units per hectare across the entire Peacocke Structure Plan area and greater density of 35 - 50 units per hectare focused in identified areas to support public transport and community nodes.
81. To facilitate this increase in density, Plan Change 5 proposes to introduce a Medium Density Zone to the Peacocke area that will provide for a greater density than is currently established in the General Residential Zone. Medium density development provides several benefits, including a more efficient use of land and infrastructure, and the ability to foster walkable communities, which provide for access to services, jobs and daily needs within a walkable or cyclable catchment.
82. Plan Change 5 enables the medium density environment to deliver a range of typologies and densities through a strong objectives and policy framework. This approach will help to establish a mix of housing tenure and a diverse community.
83. The topography of the area will have an influence on the development of housing typologies and – as a result – density will vary across the structure plan area. The structure plan area will be subject to its own planning framework due to the different outcomes that are envisaged compared to Hamilton's other Medium Density Zone.

84. The policy direction for the structure plan area recognises the unique qualities of the area and the need to deliver a high amenity greenfield development that focuses on creating a walkable and cyclable environment.
85. The high density overlay area seeks to deliver on the objectives of the NPS-UD by locating high density development within walkable distances from the local centre, identified public transport routes and areas of amenity including the river and gully network, parks and community facilities. This overlay enables the delivery of higher density housing and – in combination with the objectives and policies of the plan – will create a walkable environment that provides ease of access to facilities, amenities and public transport.
86. The high density overlay is anticipated to have a mix of housing typologies including terraced houses and multi-storey apartment buildings. The ability for higher densities will also allow for more housing options, such as one- or two-person homes, smaller families and opportunities for retirees to downsize.
87. Due to the higher densities anticipated, more control over subdivision, layout and the built form is embedded in Plan Change 5. The purpose of this is to ensure a high-quality urban environment that will provide a pleasant place to live for the long term. It will also ensure that the area is developed in an integrated fashion, connecting neighbourhoods and ensuring the area is easy to walk and cycle through.
88. To ensure a pleasant living environment, it is important that higher density housing is well designed. This is because, when compared to lower density housing, there is less space to provide on-site amenity for individual properties and generally less flexibility to arrange smaller sites and streetscape amenity.
89. For this reason, development of multi-unit housing including duplexes, terraced housing, and apartments throughout the structure plan area will require resource consent, giving Council discretion over design.
90. Plan Change 5 seeks the following outcomes with regards to density and housing:
- i. *Medium density housing is enabled that delivers a range of typologies and densities.*
  - ii. *Higher densities are enabled in locations that are within walkable distances from the local centre, identified public transport routes and community facilities.*
  - iii. *Strong design controls are introduced, specifically over the development of higher density housing.*
  - iv. *Strong control are introduced to limit the impact development of housing will have on the natural environment.*

Proposed changes relating to residential development	
Proposed Changes and Additions	District Plan Chapter or Appendix
Introduction of new Peacocke Structure Plan section	Chapter 3A – Peacocke Structure Plan
	Appendix 2 – Peacocke Structure Plan maps
Remove existing special character provision relating to the Peacocke Character Zone and the introduction of new Peacocke Medium Density Zone provisions	Chapter 5 –Peacocke Character Zone
	Chapter 4A – Peacocke Medium Density Residential Zone
Rezoning of residential land within the Peacocke Precinct from Peacocke Special Character to Medium Density Residential (In National Planning Standards)	Chapter 17A – Peacocke Zoning and Features maps
Introduction of a High-Density Overlay within the Peacocke Precinct and associated planning provisions	Chapter 17A – Peacocke Zoning and Features maps

	Chapter 4A – Peacocke Medium Density Residential Zone
	Chapter 23A – Peacocke Subdivision
Remove current subdivision provisions relating to the Peacocke Character Zone and the introduction of new Peacocke subdivision provision.	Chapter 23 - Subdivision
	Chapter 23A – Peacocke Subdivision
Introduction of new definitions relating to housing typologies, public transport rare lanes, universal access and subdivision	Appendix 1 – 1.1 Definitions and Terms
Removal of the requirement for a master Plan for the Peacocke Special Character Zone and the introduction of new information requirements for development within Peacocke: <ul style="list-style-type: none"> <li>• Requirements for a concept plan for the Peacocke structure plan area</li> <li>• Landscaping concept plan</li> <li>• Ecological rehabilitation and management plan</li> <li>• Peacocke Local Centre master plan</li> <li>• Bat management plan</li> </ul>	Appendix 1 – 1.2 Information Requirements
Amendment to the Assessment criteria by: Removing assessment criteria relating to the Peacocke Special Character Zone, and Introduction new assessment criteria for the Peacocke Structure Plan	Appendix 1 – 1.3 Information Requirements
Introduction of controls with regards to earthworks and lighting within Peacocke	Chapter 25 - City Wide 25.2 Earthworks and Light and Glare

### Business Centres

91. The business centres in the Peacocke structure plan area are proposed to consist of a single local centre and seven neighbourhood centres that will provide the community and surrounding neighbourhoods access to their day-to-day needs and act as the social focal points for the community. These spaces are to be well designed and attractive places for people, easy to walk or cycle to, with engaging public spaces.

#### Local centre

92. The local centre is the main focal point for the Peacocke community, providing a range of convenience, retail, employment and service activities. The local centre is proposed to be approximately 4ha in size, will be zoned Business Zone 5 and be protected by a strong policy framework. It will be developed to become a high quality, attractive environment that incorporates quality urban design to establish an accessible, functional, safe and vibrant street-based local centre.
93. It is anticipated that this centre may include a supermarket (2800m<sup>2</sup> to 3800m<sup>2</sup>) and a range of other smaller street-based commercial activities that will provide for the needs and wellbeing of the wider Peacocke community. It is important that the centre is integrated into the surrounding neighbourhood to allow for easy access on foot and on bike, and is well serviced by public transport. Plan Change 5 will consider how sites, the supermarket in particular, will be designed, serviced and how developments manage parking.

94. Several workshops have been held with the two landowners who own the land where the local centre is proposed, to establish the location and size of the local centre. Plan Change 5 proposes to locate the centre on the eastern side of Peacocke Road with the supermarket integrated with the smaller street-based commercial activities.
95. The aim of this location is to reduce severance caused Peacocke Road, which will be upgraded to a minor arterial road, and ensure a concentrated local centre that has good connections between retail activities, is pedestrian focused as well as having a strong link to the Waikato River through the proposed cycling and pedestrian network.
96. Its location on the eastern side of Peacocke Road will mean the local centre is controlled by one landowner, which enables a comprehensive approach to the development of the centre.
97. The built environment should focus on the pedestrian and create active street frontages that are universally accessible. The development of the local centre will require pedestrian access to the Waikato River/open space network.
98. The approach of locating the local centre on the eastern side of Peacocke has been independently peer reviewed by an urban design consultant. The result of the review supports this approach.
99. Plan Change 5 seeks the following outcomes with regards to the local centre:
  - i. *Its location on the eastern side of the minor arterial road minimises severance and ensure strong pedestrian and cycling connections to the Waikato River.*
  - ii. *Pedestrian movement within the centre and strong connection to amenity and Waikato River are encouraged.*
  - iii. *Good connection and pedestrian linkages between retail activities allow the ability to share parking.*
  - iv. *Building frontage treatments encourage pedestrian movement and create a human scale.*
  - v. *Identifying key active frontages limits the impact of parking areas.*
  - vi. *Public space within the centre should reflect the history and cultural narratives of the Nukukau area.*
  - vii. *It should be the location for the primary public transport hub for Peacocke.*
  - viii. *It is supported by high density residential development.*

### **Neighbourhood centres**

100. The network of neighbourhood centres within Peacocke will provide for the day-to-day convenience needs of the surrounding residents and act as community hubs, encouraging daily interaction within the community. These are anticipated to be located close to neighbourhood parks, creating opportunities for recreation and community interaction.
101. Plan Change 5 proposes neighbourhood centres to be designed to establish a sense of place that has high amenity and a safe walkable environment. They will comprise several smaller retail spaces with an overall floor area of between approximately 300 – 800m<sup>2</sup> of Gross Floor Area (GFA). The neighbourhood centres will be required to provide high quality streetscape that engages with the street through active frontages, achieving passive surveillance of the street and public spaces.
102. Plan Change 5 seeks the following outcomes for the neighbourhood centres:
  - i. *They will provide for the day-to-day convenience needs of the surrounding residents and act as community hubs.*
  - ii. *They will require active frontages and passive surveillance of surrounding streets and public spaces.*

iii. *They will be supported by higher residential densities and public transport.*

Proposed changes relation to Business Centres	
Proposed Changes and Additions	District Plan Chapter or Appendix
Introduction of new local centre precinct concept and location of neighbourhood and local centres into the Peacocke Structure Plan	Chapter 3A – Peacocke Structure Plan
	Appendix 2 – Peacocke Structure Plan maps
Introduction of new Peacocke Neighbourhood Centre Zone provision in Chapter 6	Chapter 6A – Peacocke Neighbourhood Centre Zone
Introduction of new Peacocke Local Centre Zone provision in Chapter 6	Chapter 6B – Peacocke Neighbourhood Centre Zone
The zoning of land as neighbourhood centres within Peacocke Precinct	Chapter 17A – Peacocke Zoning and Features maps
The zoning of land as local centre within Peacocke Precinct	Chapter 17A – Peacocke Zoning and Features maps
Introduction of new design guidance for the development of the Peacocke Local Centre	Appendix 1 -1.4 Design Guides
Introduction of a new Peacocke subdivision provision neighbourhood and local centres	Chapter 23A – Peacocke Subdivision

### Transport network

103. The transport network will provide for all modes, with an emphasis on mode shift and creating an urban environment that is walkable and cyclable. This will provide the infrastructure to ensure that it is convenient and easy to walk to nodes of activities such as the local centre, neighbourhood centres, schools, community facilities and parks.
104. Staff are working closely with Waikato Regional Council to ensure a high-quality public transport service will be provided along key routes in the structure plan area, providing access to the employment, education and commercial areas within wider Hamilton. The road network will be supported by a walking and cycling network that provides for recreational users, making use of the substantial gully network and river edge.
105. The Southern Links designation runs through the structure plan area, providing access to the wider city and beyond to the State Highway Network. The alignment of the Southern Links Transport Network is not within the scope of Plan Change 5; this was confirmed through a separate designation process in 2016.
106. Southern Links provides a future opportunity to establish a mass transit route through Peacocke, joining the airport in the south with Peacocke and the central city in the north. The development of this opportunity will need to be confirmed through a future detailed business case, which is not part of the scope of Plan Change 5.
107. Southern Links also represents a severance challenge for the structure plan as it dissects the area. To ensure people can move safely and efficiently through the area, it is important that crossing locations are identified for pedestrians and cyclists through the structure plan.
108. A fundamental urban design principle is the ease of movement to ensure well-connected communities. It is essential that transportation routes are designed to give priority to walking and cycling and facilitate a seamless web of direct and efficient passenger transport routes that are integrated with surrounding land use and connect neighbourhoods within Peacocke with the local centre as well as the central city area and other key destinations in Hamilton.

109. The Peacocke Structure Plan area is intended to be an accessible, multi-modal, walkable residential community, based around public transport, local centres, neighbourhood centres, and community facilities. The area will offer its residents access to quality connected open space, local commercial centres and community and recreation facilities to meet their local service needs.
110. The shape of the transport network within Peacocke will have an influence in uptake in walking, cycling or public transport use, which affects the efficiency of the wider network. The goal in the planning of the Peacocke transport network is to create a network that makes walking, cycling and public transport the easiest and most appealing choices.
111. The local road network is anticipated to have low traffic volumes, as well as a slow speed environment. They are largely residential streets with occasional commercial uses. These streets will have design elements (trees, green infrastructure, parking, etc) on either side of the street to slow speeds and allow for a mix of traffic and cycling.
112. Local streets are some of the most important street types, as this is where people live and play. Walking and cycling should be prioritised as the fundamental units of movement within the local road network by designing low traffic streets. The needs of a wide variety of people throughout their lifetime should be considered during the design of these street (Universal Access provisions).
113. The collector network serves to connect local neighbourhoods together as well as linking neighbourhoods to the wider arterial roading network. Some flexibility is anticipated in the alignment of the collector streets network shown on the structure plan.
114. However, as the collector roads play a key role in providing for public transport services as well as being part of a wider walking and cycling network, the ability to provide a direct and efficient connection between nodes will be an important design element when considering the collector road alignment. Cycling and walking facilities within the collector corridor should be separated to ensure a safe and efficient pedestrian and cycling network that promotes active modes of transport.
115. Plan Change 5 seeks the following outcomes with regards to the Transport Network:
- i. *Mobility and accessibility are prioritised to places within Peacocke and to the rest of Hamilton, including employment areas.*
  - ii. *It provides clear, safe and direct access for residents to community facilities, commercial areas, places of recreation and other neighbourhoods.*
  - iii. *People are provided with transport choices by promoting public transport (PT) and active modes, and may take priority over the level of service for private cars if necessary.*
  - iv. *Network efficiency is maximised for public transport, High Occupancy Vehicles (HOV) and active modes through design.*
  - v. *Flexible design caters for evolution and changes in the transport system.*

Proposed changes relation to the transport network	
Proposed Changes and Additions	District Plan Chapter or Appendix
Introduction of indicate transport network into the Peacocke Structure Plan	Chapter 3A – Peacocke Structure Plan
	Appendix 2 – Peacocke Structure Plan maps
Remove the requirement for parking and requirements for accessible parking spaces within the Peacocke structure plan area	Appendix 15 - Transportation
Introduction of new Integrated Transport Assessment	

requirements within the Peacocke Structure Plan Area	
Introduction of new criteria for the form of transport corridors in the Peacocke Structure Plan area.	
Amendments to Figure 15-4e to include new transport corridor hierarchy within Peacocke	
Amendments to Figure 15-8 to amend the sensitive transport network within Peacocke	
Introduce controls over vehicle crossing onto transport network associates with specific housing typologies	Chapter 23A – Peacocke Subdivision
	Chapter 4A – Peacocke Medium density Residential Zone

### Open space network and community facilities

116. The open space network is a defining feature of the Peacocke Structure Plan. The Mangakootukutuku Gully and the Waikato River provide the backbone of the open space network and are important habitat for the Long-tailed bat and other indigenous fauna.
117. The open space network has multiple functions, including for recreation and sport, ecological areas, stormwater management and amenity within the urban environment.
118. The Sport park will provide for formal recreation and include playing fields and clubrooms. This site is in the north of the structure plan area and will have a catchment that extends beyond the structure plan. The Council's Community Group has lodged a Notice of Requirement as a Requiring Authority under the RMA for the northern sports park, which protects this land against further development that could compromise Council's ability to deliver a sports park in Peacocke.
119. A series of neighbourhood parks will be established throughout Peacocke in accordance with the Council's [Open Space Policy](#), which envisages all dwellings having access to a park within walking distance. Where suitable and able to meet the open space design specifications, these may be able to be integrated with the open space associated with the gully.
120. The gully network and river corridor will include walking and cycling facilities, providing green space throughout the structure plan. This will form part of a recreational walking and cycling network, supporting the on-road network.
121. Identifying and zoning those areas that have known ecological value and larger areas of open space, such as sports parks, provides certainty of outcome within the structure plan. This is an efficient and effective way to manage the location of areas of open space where clear outcomes are sought.
122. Where the specific location is less critical and certain at this point in the process, such as the location of neighbourhood parks, it is appropriate to identify the general location of these in the Structure Plan. The specifics of these, such as exact location, size and shape, can be managed through subdivision, following the principles embedded in the structure plan and subdivision provisions within the District Plan and the Council's Open Space Policy. This provides flexibility while using a policy framework to establish the requirements of open space.
123. Using both approaches provides certainty around key areas where clear outcomes have been identified, while providing a degree of flexibility within the development of the structure plan for areas of open space where their location is less critical.



124. The Ministry of Education has identified two locations for education facilities within Peacocke. Council staff are working closely with the Ministry to ensure these education facilities are integrated with the proposed land use and transport network within Peacocke. The aim is to ensure that these sites are supported by a high frequency public transport service and are connected to the surrounding residential areas by the walking and cycling network.
125. The Structure Plan has not identified the specific location for future community facilities as it is not known at this time what community facilities will be provided in Peacocke. The proposed provisions will enable the development of community facilities in appropriate zones, including the open space zone and centre zones (**Attachment 19**).
126. Plan Change 5 seeks the following outcomes regarding Open Space and Community Facilities:
- Provide and identify, either through zoning or an indicative location on the structure plan, an open space network that has multiple functions including for recreation and sport, ecological areas, stormwater management and amenity within Peacocke.*
  - Ensure community facilities such as schools and any future facility on a major sports park or in the local centre are supported by a high frequency public transport service and connected to the surrounding residential areas by the walking and cycling network.*

Proposed changes relation to Open space network and community facilities	
Proposed Changes and Additions	District Plan Chapter or Appendix
Introduction of the indicative location and size of the sports park and community park within the Peacocke Structure Plan	Chapter 3A – Peacocke Structure Plan
	Appendix 2 – Peacocke Structure Plan maps
The indicative location of the locations of neighbourhood parks within Peacocke as well as criteria for their development	Chapter 3A – Peacocke Structure Plan
	Appendix 2 – Peacocke Structure Plan map
Zone the proposed sports park	Appendix 17A – Peacocke Precinct Zoning Maps

### Protection of significant ecological areas

127. Peacocke environment has been extensively modified from its pre-European settlement state. In the past, the low terraces adjacent to the Waikato River, and river terrace and gully scarps were characterised by totara-matai-kowhai forest. Gully floors were likely dominated by kahikatea pukatea-swamp maire forest. Very little remnant or regenerating indigenous vegetation now exists and is primarily located as small, fragmented patches within the Waikato River corridor and Mangakootukutuku Gully.
128. In terms of native fauna, in addition to the presence of long-tailed bats, native bird species that have been detected in the area include the North Island kaakaa, pied shag, New Zealand dabchick, little black shag and black shag. A variety of lizards are likely to be present, as are invertebrates. Longfin eel, lamprey, inanga, giant kokupu, shortjaw kokupu, torrentfish and black mudfish have been recorded in the site.
129. An extensive network of approximately 128 hectares of significant natural area (SNA) has been identified on land adjoining the Waikato River and its tributaries within Peacocke to be protected through Plan Change 5. Currently six hectares of SNA is protected in the District Plan and this increase in SNA includes habitat for indigenous fauna. The SNA's will be protected through the objectives and policies in Chapter 20 of the Operative District Plan as well as being zoned natural open space which aims to support and enhance these environments. Additional plan provisions are proposed (e.g. lighting controls) to ensure impacts from development adjoining SNAs is managed appropriately.

130. Considerable thought has been given to how Plan Change 5 will protect and enhance the natural environment and extensive work has been carried out to understand the existing environment and the potential implications of urban development on the environment. Plan Change 5 also identifies a number of ecological corridors joining the Mangakootukutuku Gully to the Waikato River and areas outside of Peacocke. The aim of these corridors is to ensure that the long tail bat and other native fauna can move between these areas once Peacocke has been urbanised (**Attachment 2**)
131. Plan Change 5 is proposing to recognise and provide for the protection of significant habitat for the NZ Long-tailed bat, which is based on the ecological evidence prepared to support the plan change. It is intended that this will involve the protection of areas identified as significant habitat for the Long-tailed bat, with identified buffer areas to be protected, which also serve to connect the habitat of the Long-tailed bat and ensure the impacts of development are minimised. These buffer areas and corridors will provide habitat for taonga species to maintain a sustainable presence within Peacocke as the area is urbanised.
132. Identifying specific locations for ecological corridors and buffers is the most effective and efficient option as this provides certainty for developers and ensures that the land and existing vegetation is being protected from development.
133. Identifying and eventually establishing a connected ecological corridor network in the structure plan will provide environmental benefits; it will provide a network of undeveloped, restored corridors that enable fauna to move through the urban area with minimal interruption. This will have associated social and cultural benefits, providing a green network for informal recreation such as walking and cycling. It will also assist Hamilton in meeting its biodiversity enhancement requirements.
134. Plan Change 5 seeks the following outcomes regarding the protection of significant ecological areas:
- i. *Ensure the continued presence in the Peacocke area of indigenous fauna including the Long-tail bat.*
  - ii. *Significant ecological areas are identified and zoned as Significant Natural Areas (SNAs).*
  - iii. *An open space buffer adjoining SNAs to ensure that these areas are protected from development and continue to provide habitat for indigenous fauna including the NZ Long-tailed bat.*
  - iv. *Existing ecological corridors are identified and protected through zoning to establish connections between the gully and the Waikato River, enabling fauna to move through Peacocke to utilise significant habitat.*
  - v. *Introducing lighting controls for residential dwellings/buildings, and roading and reserves will minimise the impact of future urban development on Long-tailed bat habitat.*

Proposed changes relation to the protection of significant ecological areas	
Proposed Changes and Additions	District Plan Chapter or Appendix
The identification of additional Significant Natural Areas within Peacocke	Appendix 2 – Peacocke Structure Plan maps
	Chapter 17A – Peacocke Zoning and Features maps
	Appendix 9 - Natural Environment - Significant Natural Areas
Identification of Significant Bat Habitat Areas including bat corridors	Appendix 2 – Peacocke Structure Plan maps
	Chapter 17A – Peacocke Zoning and Features

	maps
Identification of an open space buffer on areas of SNA	Appendix 2 – Peacocke Structure Plan maps
	Chapter 17A – Peacocke Zoning and Features maps
Zoning of areas of SNA and its buffer and Significant Bat Habitat Areas as Natural Open Space	Chapter 17A – Peacocke Zoning and Features maps
Introduction of specific planning provision around lighting to mitigate potential impacts on Significant Bat Habitat Areas identified in Peacocke	Chapter 17A – Peacocke Zoning and Features maps
	Chapter 25 – City Wide, 25.6 Lighting and Glare

### Sites of significance to Maaori

135. Plan Change 5 through the archaeological assessment and the Cultural Values Assessment for the Peacocke/Nukukau area has identified a long history of occupation by various hapu prior to European settlement.
136. Paa sites are a major component of the archaeological landscape within the Peacocke/Nukukau area.
137. Surrounding the Peacocke Structure Plan area there are thirteen paa with three paa sites within the area of the structure plan or immediately outside the structure plan area
138. Borrow pits have been identified on various properties within the Peacocke/Nukukau area. Many of these borrow pits have since been modified or filled in during development of subdivisions and allotments. Identifying these sites will enable the management of future development in the Peacocke/Nukukau area so that these borrow pits, and the Taonga that are buried in them, are not destroyed if exposed during such works **(See attachment 9)**
139. Naming of reserves and roads is a further way that history of the area can be reflected and celebrated. More detailed investigation into the cultural heritage values of individual areas will be required prior to development occurring through the undertake of a Cultural Impact Assessment (CIA).
140. Through these measure the structure plan and subsequent urban development aims to integrate these sites into the urban area and enable them to emerge as important and prominent sites that add distinctive and diversity to the urban form and assist in continuing to tell the story of the hapu who occupied the Nukukau area in the past.
141. Plan Change 5 seeks the following outcomes regarding the protection of significant Maaori sites
  - i. *Sites of significance to Maaori are identified and included as archaeological sites within the district plan.*
  - ii. *Recognition of the history of Peacocke through design and naming conventions.*

Site Number (NZAA Number*)	Name
<b>GROUP 1 Archaeological Sites</b>	
<b>A30</b> (S14/47)	<u>Whatukoruru Paa</u>
<b>GROUP 2 Archaeological Sites</b>	
<b>A124</b> (S14/210)	Borrow Pits

Site Number (NZAA Number*)	Name
A126 S14/320	Borrow Pits
A127 S14/322	Borrow Pits
A128 S14/243	Borrow Pits
A129 S14/477	Borrow Pits
A130 S14/318	Borrow Pits
A131 S14/480	Borrow Pits
A132 S14/64	Borrow Pits
A133 S14/319	Borrow Pits
A134 S14/479	Borrow Pits
A135 S14/478	Borrow Pits
A136 S14/321	Borrow Pits
A137 S14/476	Borrow Pits
A138 S14/224	Borrow Pits
A139 S14/475	Borrow Pits
A140 S14/327	Borrow Pits
A141 S14/286	Borrow Pits

Proposed changes relation to sites of significance to Maaori	
Proposed Changes and Additions	District Plan Chapter or Appendix
Include additional sites of significance to Maaori	Appendix 8 Historic Heritage – Schedule B & C
	Chapter 17A – Peacocke Zoning and Features maps
	Appendix 2 – Peacocke Structure Plan maps

## Stormwater

142. The stormwater devices identified in the Peacocke structure plan have been determined by the Mangakootukutuku ICMP. These stormwater devices are those new devices proposed within the Hahawaru, Tiireke or Kairokiroki Sub-catchments. The identified stormwater devices manage effects including hydrological changes which can cause erosive flows and flooding, and changes to water quality which can degrade the ecological function of the Mangakootukutuku Gully network.
143. Effects or requirements specific to the Mangakootukutuku Catchment are documented in the Mangakootukutuku ICMP. The most important of these are:
- that there was no variation in the Mangakootukutuku Stream system ecological values sufficient to require different or lower treatment in different locations.
  - that the stormwater treatment train needs to provide retention to support baseflow in the stream.

- iii. that the stormwater treatment train needs to meet best practice, while also proposing other improvements, studies and offsets to improve long term water quality outcomes.
- 144. Design parameters that greenfields stormwater devices in Mangakootukutuku catchment are required to meet to manage effects are also set out in the Mangakootukutuku ICMP. Key design parameters for all greenfields sub-catchments are summarised below:
  - i. Water quality treatment;
  - ii. Support terrestrial ecological function where practicable through integration of stormwater devices with gully reserve, while preventing fish passage into devices;
  - iii. Provide opportunities for stormwater re-use in any locations where stormwater retention to ground is not required to sustain baseflow;
  - iv. Embed access and public amenity into stormwater device design where practicable; and
  - v. Meet relevant design standards.

### **Plan Change Notification**

- 145. Plan Change 5 is subject to the provisions of the Resource Management Act 1991. This includes Part 2, Sections 31, 32, 74, 75 and Part 1 of Schedule 1 which applies to preparation and change of plans by local authorities.
- 146. Under Clause 5 of Schedule 1 of the Resource Management Act (RMA), Council is required to either publicly notify the plan change or give limited notification of the proposed plan change, but only if it is able to identify all the persons directly affected by the proposed plan change.
- 147. Council is required, not earlier than 60 working days before public notification or later than 10 working days after public notification of the plan change, to either:
  - i. send a copy of the public notice, and such further information as council thinks fit relating to the proposed plan change, to every ratepayer for the area where that person, in the councils opinion, is likely to be directly affected by the proposed plan;
  - ii. or include the public notice, and such further information as the territorial authority thinks fit relating to the proposed plan, in any publication or circular which is issued or sent to all residential properties and Post Office box addresses located in the affected area, and shall send a copy of the public notice to any other person who, in the territorial authority's opinion, is directly affected by the plan.
- 148. In considering the above, staff recommend that Plan Change 5 be publicly notified and that a public notice be placed in the local press and a copy of this public notice along with sufficient information relating to the plan change to enable an informed decision on whether to submit on the plan change or not be sent to all landowners and occupiers in the Peacocke structure plan area. This information should also be sent to landowners and occupiers of properties in the surrounding urban including properties within both Waipa and Waikato Districts.
- 149. Public notification and the process required to be followed, as outlined in Schedule 1 of the RMA, provides the opportunity for landowners and the wider community to make a formal submission on Plan Change 5 in support, opposition or seeking changes.
- 150. The public notice shall include the following:
  - i. where Plan Change 5 may be inspected; and
  - ii. that any person may make a submission on Plan Change 5; and
  - iii. the process for public participation in the consideration of Plan Change 5; and
  - iv. the closing date for submissions; and
  - v. the address for service of the local authority.

151. The full set of Plan Change 5 documentation will also be made available on Council's website as well as being available in all of Hamilton's public libraries and at Hamilton Council's offices in Garden Place.
152. The Plan Change 5 documentation will also be sent to Council's Iwi partners and the following government departments, agencies and neighbouring territorial authorities:
  - i. Ministry for the Environment
  - ii. Ministry of Housing and Urban Development
  - iii. Ministry of Education
  - iv. Department of Conservation
  - v. Kiaanga Ora
  - vi. Heritage New Zealand Pouhere Taonga
  - vii. Waikato Regional Council
  - viii. Waipa District Council
  - ix. Waikato District Council
  - x. Transpower
  - xi. Wel Energy
  - xii. Hamilton Airport
153. If Council approves notification of Plan Change 5, it is anticipated that public notification will occur in late August/early September 20-21, and – as required by the RMA – the submission period will be open for a minimum of 20 working days from the date of notification.
154. It is recommended that staff convene a hearings panel to hear, determine and make decisions on all submissions and matters relating to Plan Change 5, once notified. The Plan Change 5 Hearings Panel will comprise Councillor Ewan Wilson alongside two independent commissioners. The hearing panel shall be accredited, and the independent commissioners hold qualifications and skills in the following:
  - i. Strategic land use planning,
  - ii. Urban design, and
  - iii. Tikanga Maaori.
155. One of the independent commissioners will be appointed as chairperson.

#### **Financial Considerations - *Whaiwhakaaro Puutea***

156. The total cost of Plan Change 5 is funded through the Long-Term Plan.

#### **Legal and Policy Considerations - *Whaiwhakaaro-aa-ture***

157. Staff confirm that the staff recommendation complies with the Council's legal and policy requirements.

#### **Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga***

158. The purpose of Local Government changed on 14 May 2019 to include promotion of the social, economic, environmental and cultural wellbeing of communities in the present and for the future ('the 4 wellbeings').
159. The subject matter of this report has been evaluated in terms of the City's 4 wellbeings as well as the Pillars of wellbeing set out in He Pou Manawa Ora during the process of developing this report as outlined below.
160. The recommendations set out in this report are consistent with these wellbeings.

## Social

161. The vision of the Peacocke programme is to enable the development of an attractive and sustainable community. This aligns closely with the definition of social wellbeing – the extent to which individuals feel a sense of belonging and social inclusion.
162. The proposed zoning and revised structure plan anticipate a local centre and several small neighbourhood centres. The purpose of these centres is to support the local needs of residents by providing commercial and day-to-day conveniences. Providing these facilities is considered to have positive effects for the new development area as well as for the communities living in Glenview, Bader and Fitzroy, which will be in close proximity to the new services.
163. The structure plan also identifies a large sports and recreational park, and a number of neighbourhood parks throughout the area. Public open space provides the opportunity for social interaction and fosters connected communities.

## Economic

164. The Peacocke Structure Plan provides the spatial allocation and direction for land use within the area. Certainty of location provides economic and social benefit, providing clear direction for those investing in the development of the area including developers, the Council and eventually residents.
165. Providing neighbourhood centres enables opportunities for employment throughout the structure plan area, typically in small-scale retail, food and beverage and community activities including healthcare and gymnasiums.
166. Creating high amenity neighbourhood centres will establish activity nodes that become focal points for the surrounding community. By establishing high amenity environments, they are more likely to be places of activity and attract residents to them. This will provide social benefits to the community and economic benefits to those operating within the neighbourhood centres

## Environmental

167. Plan Change 5 aims to protect and enhance significant natural areas and biodiversity values; create and protect ecological and open space corridors; and establish a network of open space. The intention is to protect natural open spaces and provide habitat for Long-tailed bats and other indigenous fauna by increasing the area identified as SNA in the Peacocke structure plan area.
168. Identifying and eventually establishing a connected ecological corridor network in the structure plan will provide environmental benefits as it will provide a network of restored corridors that enable indigenous fauna to move through the urban area with minimal interruption.

## Cultural

169. The Vision and Strategy for the Waikato River - Te Ture Whaimana o Te Awa o Waikato has informed the preparation of Plan Change 5 and the Peacocke Structure Plan, which will guide development of an area adjoining the Waikato River and tributaries within the Peacocke catchment.
170. Council staff have recognised and considered relevant sections of the Waikato-Tainui and Ngaati Hauaa Environmental Plans when developing the Peacocke Structure Plan (**Attachment 4**).

171. THaWK have also developed a Cultural Values Assessment (CVA) for Nukuhau Whenua (Peacocke area) which aims to establish a Maaori cultural framework for Council to apply when developing the Peacocke structure plan (**Attachment 7**). The framework seeks to:
- i. avoid, remedy or mitigate any adverse effects on their values and relationships with their ancestral landscape or other taonga;
  - ii. recognise and provide for those values and relationships;
  - iii. have regard to kaitiakitanga;
  - iv. take into account the principles of the Treaty of Waitangi; and
  - v. give effect to the Vision and Strategy for the Waikato River.

### **Risks - Tuuraru**

#### **Notification**

172. If Council does not resolve to approve the notification of Plan Change 5 there is a risk that the land use framework to support the development of Peacocke will not be in place when the strategic infrastructure that will open up Peacocke for development is competed. The risk is that this will result in urban outcomes that do not achieve the expectations of the community as well as Elected Members.

#### **Housing density and yield**

173. Although the proposed plan change approach is to enable medium- to high-density residential development, other factors including challenging topography, ecological protection, and the Hamilton housing market may impact whether the enabled density is delivered.
174. Through the Peacocke Programme, the delivery of housing within Peacocke will be monitored and will be reported back to Council.

#### **Protection of significant ecological areas**

175. The protection of significant Long-tailed bat habitat will have an impact on the overall developable land within Peacocke, which will ultimately result in a decrease in enabled housing yield.
176. Some stakeholders may seek a greater level of protection for Long-tailed bat and its habitat within the Peacocke Structure Plan area beyond that recommended by staff through Plan Change 5. However, such divergence in views will be the subject of submission and evidence during the plan change process. Such differences have been highlighted through the resource consent process for the proposed Amberfield development.
177. Staff anticipate there being two key risks relating to the extent of land set aside for protecting bat habitat:
- i. That the proposed provisions will be challenged by submitters, including situations where landowners consider the provisions render land will be incapable of reasonable use. Conversely, some submitters may seek more onerous (restrictive) provisions for development. This could result in a decrease or increase in the extent of habitat protection. If there were to be an increase this would involve further loss of developable land and housing yield; and
  - ii. The potential requirement on the Council to financially compensate landowners for land deemed incapable of reasonable use due to bat habitat protection, or where the RMA consenting process for individual developments is unable to require the vesting of land in Council, or establishment and restoration of habitat.



178. The purchase of the gully area in Peacocke is currently funded in the 2018-28 Long Term Plan, and 2021-31 Long Term Plan. If it is determined that Council will need to purchase additional land for buffer or corridor protection, then this can be considered through future Long-term Plans, or other appropriate mechanisms. Development contributions or a targeted rate are options that could be considered. Staff also suggest that ongoing conversations with the Department of Conservation and Waikato Regional Council should explore the funding responsibilities related to the protection, maintenance and management of habitat for indigenous fauna.
179. There is a probability that the matter of bat habitat protection will result in appeals to the Environment Court.
180. At this stage, any delay in the plan change programme presents a risk of misaligning with the timing of strategic infrastructure delivery enabled by the Housing Infrastructure Fund. The existing planning framework already enables urban development subject to strategic infrastructure provision; the risk is that development in the interim may not achieve the expectation of Council and community that Plan Change 5 will drive.

### **Significance & Engagement Policy - *Kaupapa here whakahira/anganui***

#### **Significance**

181. Staff have considered the key considerations under the Significance and Engagement Policy and have assessed that the recommendation(s) in this report has/have a medium level of significance.

#### **Engagement**

182. Community views and preferences are already known to the Council through early community and stakeholder engagement. As part of the Peacocke engagement strategy, there has been a focus on engaging with the existing communities in south-west Hamilton, as well as wider Hamilton, to make sure we bring the whole community on the journey with us.
183. Community engagement on the Peacocke structure plan took place from 11 November to 9 December 2020. The public was asked to give feedback on housing style and density, transport connections (including walking, cycling and public transport), community spaces, natural environment and culture (**Attachment 5**).
184. Staff have also undertaken extensive engagement with a number of key stakeholders including:
- i. Department of Conservation
  - ii. Mana Whenua
  - iii. Kaainga Ora
  - iv. Waka Kotahi NZTA
  - v. Ministry of Education
  - vi. Waikato Regional Council
  - vii. Key landowners and developers.
185. Several Elected Member Briefings were held over the last 12 months to update on progress and provide the opportunity for feedback (see paragraph 59).
186. Staff also reported to the Strategic Growth Committee on 20 May 2021, when the Committee approved the approach to the development of Plan Change 5 for pre-notification consultation.

**The next six months: May 2021 – October 2021**

187. The next six months will include:

- i. Following Council's approval to notify, the Plan Change 5 documentation will be publicly notified calling for submission. The submission period will be open for a minimum of 4 weeks.
- ii. Following the submission process, further submission will be sought either supporting or opposing the submission received in the first round. The further submission period will be open for a minimum of 10 working days.
- iii. It is anticipated that a hearing for Plan Change 5 will be held mid-2022 to consider the submissions and further submission.

188. There is a statutory requirement to consult as per legislation outlined below.

Under the Schedule 1 process of the Resource Management Act, Council is required to publicly notify any changes to their Operative District Plan.

**Attachments - *Ngaa taapirihanga***

Attachment 1 - Peacocke Structure Plan - Assessment of Environmental Effects (*Under Separate Cover*)

Attachment 2 - Plan Change 5 - Section 32 Assessment (*Under Separate Cover*)

Attachment 3 - Proposed Amendments to Operative District Plan Provisions (*Under Separate Cover*)

Attachment 4 - Assessment of Environmental Management Plans (*Under Separate Cover*)

Attachment 5 - Peacocke Plan Change Engagement (*Under Separate Cover*)

Attachment 6 - Peacocke Structure Plan Document (*Under Separate Cover*)

Attachment 7 - Peacocke-Nukuhau Cultural Values Assessment (*Under Separate Cover*)

Attachment 8 - Peacocke Structure Plan Urban Design Report (*Under Separate Cover*)

Attachment 9 - Peacocke Structure Plan Archaeology (*Under Separate Cover*)

Attachment 10 - Long-tail Bat Report (*Under Separate Cover*)

Attachment 11 - Peacocke Biodiversity Framework Report (*Under Separate Cover*)

Attachment 12 - Ecological Significance Assessment Report (*Under Separate Cover*)

Attachment 13 - Peacocke Structure Plan Retail Assessment (*Under Separate Cover*)

Attachment 14 - Greenfield Housing Policy Options Assessment for Hamilton - Dwelling Demand and Feasibility Assessment (*Under Separate Cover*)

Attachment 15 - Landscape Assessment - Peacocke Structure Plan Review (*Under Separate Cover*)

Attachment 16 - Peacocke Structure Plan - Integrated Traffic Assessment (ITA) (*Under Separate Cover*)

Attachment 17 - Peacocke Structure Plan - Lighting Memo (*Under Separate Cover*)

Attachment 18 - Peacocke Structure Plan Yield Assessment (*Under Separate Cover*)

Attachment 19 - Peacocke Community Infrastructure Memo (*Under Separate Cover*)

Attachment 20 - Inclusive access & mode shift Recommendations & Issued (*Under Separate Cover*)

Attachment 21 - South Hamilton and Peacocke Public Transport Review - working paper (*Under Separate Cover*)

Attachment 22 - Peacocke Transit Plan Report (*Under Separate Cover*)

Attachment 23 - Peacocke Structure Plan - Esplanade Report (*Under Separate Cover*)

Attachment 24 - Mangakootukutuku ICMP - Geotechnical and Hydrogeological Investigations - Stage 1 (*Under Separate Cover*)

Attachment 25 - Mangakootukutuku ICMP - Geotechnical and Hydrogeological Investigations - Stage 2 (*Under Separate Cover*)

Attachment 26 - Mangakootukutuku ICMP - Watercourse Assessment (*Under Separate Cover*)

Attachment 27 - Peacocke Plan Change - Proposed Plans and Maps (*Under Separate Cover*) .

# Council Report

**Committee:** Council **Date:** 12 August 2021

**Author:** Stephen Halliwell **Authoriser:** Andrew Parsons

**Position:** Water Reform Financial Advisor **Position:** Executive Director Strategic Infrastructure

**Report Name:** Three Water Reform Update

<b>Report Status</b>	<i>Open</i>
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## Purpose - *Take*

1. To inform the Council of direction, issues, opportunities, and matters relating to the Government's Three Waters Reform.

## Staff Recommendation - *Tuutohu-aa-kaimahi*

2. That the Council:
  - a) receives the report; and
  - b) approves the addendum to Council's Local Government New Zealand feedback on The Government's Three Waters Reform Programme (**Attachment 1**) as an initial response ahead of more substantive feedback due by 1 October 2021.

## Executive Summary - *Whakaraapopototanga matua*

3. This report is the fourth of a regular report to the Council on direction, issues, opportunities, and matters relating to the Government's Three Waters Reform.
4. The report will provide updates in relation to the following key areas:
  - i. National Three Waters Reform – Current Status
  - ii. Request for feedback to LGNZ by 1 October 2021
  - iii. Waikato/Bay of Plenty Three Waters Reform Consortium
  - iv. Entity B - Update
  - v. HCC Three Waters Reform – Political Reference Group
5. The report recommends that Council approves an addendum to the Local Government New Zealand feedback on The Government's Three Waters Reform Programme adopted by Council on 10 June 2021.
6. The purpose of this addendum is to provide updated feedback to LGNZ on the areas where Council considers sufficient information has been provided and where Council requires additional information. This is an initial response ahead of more substantive feedback due by 1 October 2021.

7. **Attachment 3** provides a list of useful weblinks for past reports and reform websites.
8. Having considered the Significance and Engagement Policy, staff have assessed that the matters in this report have low significance.

## Discussion - *Matapaki*

9. Since the last report to the Council, there have been updates in the following key areas:
  - i. National Three Waters Reform
  - ii. Waikato/Bay of Plenty Three Waters Reform Consortium
  - iii. HCC Three Waters Reform – Political Reference Group

### National Three Waters Reform - Current Status

10. The timeline for the National Three Waters Reform remains unchanged (see **Attachment 4**). The current phase of the timeline has slipped slightly but this is not expected to impact the overall programme.
11. Two significant events have occurred since the last Council meeting:
  - i. 30 June 2021; the announcement of four entities and their boundaries and the Government financial analysis for the case for change.
  - ii. 15 July 2021; the announcement of a “reform support package” for local government.
12. The Minister of Local Government (the Minister) has stated repeatedly “The data shows the case for change is compelling.”
13. Local Government New Zealand (LGNZ) have signed a Memorandum of Understanding (MOU) (**Attachment 5**) with the Government to partner and support the case of change.
14. At the LGNZ Conference (15 July 2021) LGNZ and the Government made a joint statement (full statement [here](#)) which included: “The economic model shows that significant benefits are available for all communities and will work best if all councils participate. Each council needs more time to interrogate its own position and understand the implications for their communities and operations. There remain critical issues to work through over the next two months.”
15. After this two-month period “the Government will take further decision on the next steps of the reform pathway”. This is assumed to be a position on opting in or out and any requirement for councils to formally consult with the community.
16. On 30 July 2021 the Three Waters Reform Reference Group met and agreed staff should recommend an addendum to Council’s previous feedback to LGNZ on the Government’s Three Waters Reform Programme. The purpose of the addendum is express our opinion on the status of our 11 key areas to support an effective transition.

### National Three Waters Reform – events and information since 1 June 2021

17. More than 1200 pages of information in 21 documents were in 2 releases made public in June. All are available [here](#) on the DIA website.

### 2 June 2021 Information releases

18. Major matters in the release:
  - i. Financial and economic analysis by WICS.
  - ii. Independent reviews by Farrierswier and Beca of WICS.
  - iii. Deloitte economic analysis.

19. Key messages from the release:

- i. Less entities, means greater financial efficiency.
- ii. Governance separation for councils increases significantly the entities' borrowing ability.
- iii. The required future asset investment is much higher than councils are budgeting.
- iv. Without the efficiencies identified through the reform, the cost to ratepayers would be higher.
- v. Farrierswier concluded: "In our opinion, the overall approach adopted by WICS to modelling the potential impact that amalgamation of water entities and associated reforms could have on projected expenditure, financing costs, revenue and prices of water service providers should give reasonable estimates in terms of direction and order of magnitude."
- vi. BECA concluded: "On balance, the predictions from WICS modelling may well underestimate the necessary investment costs and could give overly optimistic timeframes for implementation due to supply chain limitations in New Zealand, and the pressures of managing and delivering improvement and asset renewals backlogs simultaneously."
- vii. Deloitte reported a GDP gain of between 0.3 to 4.4% and up to 9,000 more Full Time Equivalent (FTE) roles in the water delivery workforce over 30 years.

20. What can we take from this data release for Council?

- i. These reports focus on the financial and economic case for change. The case for change is much more than financial as more latterly outlined in *Transforming the system for delivering three waters services - the case for change and summary of proposals - 30 June 2021*
- ii. The reports are based on assumptions which are rebuttable as discussed by Farrierswier and BECA. However, we know:
  - a) Watercare (NZ's biggest water services provider) is financially more efficient than other councils (the benefit of scale).
  - b) we are constrained by our balance sheet.
  - c) we are missing out on regional benefits (outlined in the 2016 Waters CCO mahi).
  - d) we expect to be challenged by the impacts of increasing compliance standards arising from the Waters Services Bill, impacts of RMA reform or the impact of a waters economic regulator.

**30 June 2021 Information releases**

21. Major matters in the release:

- i. Statement of areas for new entities. (see map **Attachment 7**)
- ii. Local Dashboards. Hamilton City Council's dashboard (see **Attachment 6**).
- iii. [Transforming the system for delivering three waters services - The case for change and summary of proposals](#). This is a good overview document.
- iv. [Regulatory Impact Analysis– Decision on the reform of three waters service delivery arrangements](#). About as detailed as it gets.

22. Key messages from the release:

- i. Hamilton City Council is part of Entity B (1 of 4 entities) consisting of 22 councils in the Waikato, Bay of Plenty, Taranaki and part of the Manawatu. (see **Attachment 7**)
- ii. The dashboard confirms Council's overall performance is assessed as 'exceeding expectations'.
- iii. The dashboard financial numbers are based on pre-10-year plan data, however this is not materially different from what was adopted by Council, in the context of this dashboard.

- iv. The dashboard shows Council's three waters activities, in isolation, have a debt to revenue ratio of 522%.
  - v. The government looked at three other reform models – sector-led, national three waters fund and regulatory reform only.
23. What can we take from this data release for Council?
- i. We need to build new relationships with councils we have not had a traditional relationship with.
  - ii. We can be proud of the work we have done to look after our community's waters needs.
  - iii. We are financially better off with the three waters activities transferring to Entity B. The Debt to Revenue (based on the same RFI numbers) for Council without its waters activity is indicatively 143% or debt capacity of \$243M. This calculation is the other side of the DIA calculation of waters debt to revenue in their dashboard (see **Attachment 6**). The calculation is based on 2021/22 balance sheet and assumes the removal of three waters debt and revenue).
  - iv. The government has done a comprehensive amount of work to establish the case for change.

**15 July 2021 Government announcements at LGNZ Conference and Information releases**

24. The Prime Minister opened the LGNZ conference announcing \$2.5B was being made available to financially support councils in the reform so that no council was worse off and all communities were better off.
25. Major matters in the release:
- i. \$2B of funding to invest in the future of local government and community well-being, while also meeting priorities for government investment (the "better off" component). Up to \$500M will be available nationally from 1 July 2022, with the balance available from 1 July 2024 (start of the next 10-Year Plan). Hamilton is allocated \$58,605,366.
  - ii. \$500M to ensure no local authority is financially worse off as a direct result of the reform (the "no worse off" component).
  - iii. Funding to meet stranded costs and address adverse impacts on financial sustainability will be met at the time of or shortly after transfer of assets, liabilities and revenue to the new water services entities.
  - iv. LGNZ and the Government have signed a MOU in which LGNZ commit to a partnership with the Government including supporting the case for change.
  - v. The Minister advised at the LGNZ conference that every council should confirm they are not worse off and that their community is better off over the coming eight weeks.
  - vi. DIA confirmed: *"The reform seeks to ensure no council is worse off and every community is better off. During the next 8 weeks, every council has time to test this and develop a clear understanding of their position."*
  - vii. DIA released a statement on three waters workforce transition stating: *"Any member of staff who works primarily on water will be guaranteed a role in the new water services entities that retains the key features of their current role, salary, location, leave and hours / days of work"*.

26. Key messages from the release:

- i. Hamilton City Council is financially better off under the Government proposal.
- ii. The LGNZ MOU (**Attachment 5**) and resulting partnership with the government addresses the following matters:

*The Crown and LGNZ each agree:*

*(a) to continue to carry out the discussions in relation to the Three Waters Reform Programme in good faith with a view to ensuring the reforms are achieved in a manner consistent with the shared objectives set out in clauses 2.4 to 2.6 above and Cabinet decisions in relation to the Three Waters Reform Programme;*

*(b) that local authorities will be provided a reasonable period (expected to be around 8 weeks and commencing immediately after the annual LGNZ 2021 conference) to consider the impact of the reforms (including the financial support package) on them and their communities and an opportunity to provide feedback;*

*(c) to discuss in good faith (including through the Joint Steering Committee) how the proposed model and design can best accommodate, in a manner consistent with the shared objectives, the following matters:*

*(i) how local authorities can continue to influence how the new water service delivery system as a result of Three Waters Reform will respond to issues of importance to their communities, and provide for localised solutions such as the aspiration for chlorine-free water;*

*(ii) ensuring appropriate integration between the needs, planning and priorities of local authorities (representing their local communities) and the planning and priorities of the Water Service Entities; and*

*(iii) how to strengthen the accountability of the WSEs to the communities that they serve, for example through a water ombudsman; and*

*(d) to use all reasonable endeavours (in the case of LGNZ consistent with the resourcing, funding and activities reflected in the funding agreements referred to in clause 6) to achieve support for the Three Waters Reform Programme from the local government sector, including (in the case of LGNZ) as contemplated in clauses 4.2 and 4.3 below.*

- iii. Waters staff have been provided job security with their transfer to the new entity.

27. What we can take from this for Council?

- i. We need to reassess our position as documented in the feedback to LGNZ.
- ii. There are some costs of the reform that may need to be funded from the “better off” funding.
- iii. The detail on access to the funding and the rules and restrictions on those funds is yet to come and could change our expectations on what the funds can be used for.



### Request for feedback to LGNZ by 1 October 2021

28. On Friday 30 July 2021, LGNZ provided information on the next steps for councils the during the 8-week period finishing 1 October 2021 (see **Attachment 2**). Key points are:
29. *From now till 1 October, councils should carry out analysis to understand the potential impact of reform:*
- Understand the key features of the proposed model and how it is intended to work.*
  - Apply the proposed model to your circumstances, both today and in the future.*
  - Consider the model holistically – in terms of service, finance and funding, economic development and growth, workforce, delivery and capability and social, cultural and environmental wellbeing.*
  - Chief executives should report the outcome of this analysis as advice to their councils for noting using the Taituarā pro forma report framework.*
30. *As part of the agreement between LGNZ and the Government, we are looking for feedback on and potential solutions to issues that councils have raised that aren't fully resolved*
- Ensuring all communities have both a voice in the system and influence over local decisions. At any time, ask LGNZ for help, including if you want to test whether your approach is focusing on the things that will create the most value for you from this stage of the process.*
  - Effective representation on the new water service entities' oversight boards so that there is strong strategic guidance from, and accountability to, the communities they serve, including iwi/mana whenua participation. This includes effective assurance that entities, which will remain in public ownership, cannot be privatised in future.*
  - Making sure councils' plans economic development and growth for growth, as reflected in spatial plans, district plans or LTPs, are appropriately integrated with water services planning.*
31. Council's Three Waters Reform Reference Group and staff will develop responses to the above for adoption by Council through the response period. To effectively meet the timeframes for response an extraordinary Council meeting may be required.

### Funding for Reform

32. There are four funds available to support the three waters reform. The funding structure is complex and further clarity on the use of the funds is needed.

Fund	Commentary
"Better Off" Fund \$2B	<p>Hamilton City Council can access \$58.6M</p> <p>A portion (maybe up to 25%) can be accessed from July 1, 2022. The Government have allocated \$500M nationally to this. This 25% will support "a." below.</p> <p>The majority of funding \$44M can be accessed from July 1, 2024 to support "b." below as part of the 2021-34 10 Year Plan</p> <p>\$1B of this fund is funded by the proposed waters entities.</p> <p>What we have been advised the fund can be used for needs greater clarity. The release states the fund can be used to:</p> <ol style="list-style-type: none"> <li>Support three waters service delivery reform objectives.</li> </ol>

	<p>b. Support other local wellbeing outcomes in a manner consistent with the priorities of central and local government.</p> <p>The criteria for b includes:</p> <ul style="list-style-type: none"> <li>i. Supporting communities to transition to a sustainable and low-emissions economy, including building resilience to climate change and natural hazards.</li> <li>ii. Enabling housing development and growth, with a focus on brown field and infill.</li> <li>iii. Supporting local placemaking and improvements in community well-being.</li> </ul>
“Worse Off” Fund \$500M	<p>\$250M for those councils with financial stability risks (Not Hamilton City Council)</p> <p>\$150M allocated per-capita (weighted to smaller councils) (excluding Auckland, Wellington and Christchurch) to meet the unavoidable costs of stranded overheads.</p> <p>\$50M allocated to Auckland, Wellington and Christchurch.</p> <p>\$50M for councils with materially-greater stranded costs.</p> <p>It appears the stranded costs will be funded by the waters services entities shortly after the transfer of assets, liabilities and revenue.</p>
Budget Announcement 2021/22 \$296M	<p>For the reasonable costs associated with the transfer of assets, liabilities and revenue.</p> <p>It appears ‘reasonable’ will be as determined by the DIA.</p>
Stimulus Funding 2020 \$761M	<p>\$17.46M total allocation to Hamilton City Council. A portion of this funding to three waters reform.</p>

#### Hamilton City Council’s feedback

33. On June 10, 2021 date Council identified 11 key areas necessary for the effective transition of waters to new entities and unanimously endorsed this position in its feedback to LGNZ.
34. The following table considers the status of each of these 11 key areas in the context of the announcements to date. This is a current status and as the reform evolves the status may change in either direction.
35. The addendum to *Council’s Local Government New Zealand feedback on The Government’s Three Waters Reform Programme* is derived from this analysis.

Key Area	Current Status
Geography: Any entity in our region should include the Waikato and Bay of Plenty regions in their entirety, even if the entity included Taranaki. ‘Our region’ includes Thames-Coromandel and Hauraki and ensures areas of common interest and lifestyle make a	<p><b>ON TRACK</b></p> <p>From the releases to date our expectations have been meet. Until this is confirmed in legislation it could change.</p>

cohesive whole.	
Community ownership: Three Waters assets must remain publicly-owned. We are heartened by Government commentary on its commitment to this matter and steps being taken to make it more difficult for any future government to consider privatisation.	<p><b>ON TRACK</b></p> <p>The Government has advised that the assets remain publicly owned. They will be on the balance sheet of the entity.</p> <p>Legislation will determine how public ownership is retained and the rights of ownership. This legislation is likely to advance in 2022.</p>
Iwi participation: HCC City Council has built enduring and mutually-supportive relationships with iwi/Maaori in our region. Any waters decision-making in our region must be directed by the vision and principles of Te Mana O Te Wai and give effect to Te Ture Whaimana/the Vision and Strategy for the Waikato River. Council acknowledges and supports the need for greater efforts in sustainability of healthy water and increased awareness of the precious and finite nature of this resource. We will be working with our iwi partners throughout the reform programme but need clear guidance from Government on what aspects of the reform are for Councils to respond to, and what aspects will be managed by central Government. Establishing mechanisms for iwi co-management of the resources is best framed consistently at a national level rather than entities attempting to create potentially disparate bespoke arrangements.	<p><b>ON GOING</b></p> <p>Little information has been received on the relationship between the government and Iwi/Maaori.</p> <p>Within the Entity B Region, Iwi/Maaori have arranged a waters hui as have Mayors and CEs. Council looks forward to the coming together of the Entity B governance parties.</p>
Opt-in/opt out model: We understand Government favours a model in which councils are deemed to be part of a new structure from the start, with the option to opt out. It is Council's view Government should remove the opt-out option and make participation mandatory. A fragmented approach to establishing regional entities would undermine the programme as a whole. The reform is about future community and environmental wellbeing and safety. If an opt-out option remains, Councils should only be permitted to do so if they demonstrate an ability to deliver a cost effective, safe, and sustainable service which achieves all stated outcomes of the reform programme.	<p><b>ON GOING</b></p> <p>Our stance remains the same. If, following the 8-week period of reflection the data shows aggregation delivers the anticipated benefits for communities, we encourage the government to facilitate a fully inclusive model. This is the only way to ensure all the reform benefits are delivered.</p>
Funding: There is a high cost to Council in the	<b>ON GOING</b>

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<p>reform process. Financial assistance will be critical to smoothing the transition and enabling future efficiencies. This funding assistance will be across three phases – participation in the leadup to transition, the transition itself, and reframing how the remaining Council organisation delivers for its communities post transition. Staff, equipment, software, and the resources required to maintain our business during transition will add significantly to Council expenditure in the next three years.</p>	<p>At a high level it appears that sufficient funding is now available to allow for Council to participate, transition and transform so that the government reform does not come from Council revenues.</p> <p>Ongoing work will be required to better understand the quantum available to Hamilton City Council and conditions to activate the funding to the satisfaction of the funder.</p> <p>We will require information necessary to clarify the terms and conditions of asset transfer, including a more transparent calculation of asset values from different-performing councils and how any transaction is treated from an accounting perspective.</p>
<p>Early transition: A long transition process will increase costs and create uncertainty. Incentives for early adopters of the transition process would allow development of transition plans even ahead of legislation for those entity areas willing and able to do the work. The early creation of a transition entity and transition Board would enable regional decision-making in the same way as the Auckland Transition Agency enabled the creation of what is now Auckland Council. Given the importance of a local voice in a large entity, Council supports a trial transition governance arrangement. This would enable testing of governance models and representation to identify and resolve any lack of adequate public accountability before full transition.</p>	<p><b>ON GOING</b></p> <p>DIA staff confirmed that early transition options may be available however it is unclear how the Entity B region might activate early transition.</p>
<p>Governance: Community input mechanisms in the strategic outcomes of the entities is crucial and any governance structure should be transparent as to how local democracy can have a voice in decision-making by any new entity.</p>	<p><b>MORE INFO REQUIRED</b></p> <p>We remain unclear on how local democracy has a voice in decision making for three waters. This voice is complicated with the RMA reforms and how the local voice on RMA and waters aligns. We acknowledge Government statements that the entities are owned by the participating councils.</p> <p>We require evidence that the community voice will not be lost in any transition, and an understanding of Hamilton's role in the new entity and through the transition period. We wish to be satisfied the community, through its elected Governance, can influence the transition entity to best provide local</p>

	<p>understanding to the change, and ensure local initiatives and planning are not impacted or lost.</p> <p>(Cabinet Minute on Governance Structures Attachment 8)</p>
<p>Staff welfare: Staff are our greatest asset and the transition places additional pressure on our waters specialists as well as on staff in the remaining Council activities. Councils will need clear direction from government and funding support for councils to transition and develop staff over the next three years.</p>	<p><b>ON TRACK</b></p> <p>DIA announced. <i>"Any member of staff who works primarily on water will be guaranteed a role in the new water services entities that retains the key features of their current role, salary, location, leave and hours / days of work".</i></p> <p>This statement provides the clear direction we are seeking.</p> <p>Employment relationships are personal and complex and implementation of the government's intent will be ongoing.</p>
<p>Community engagement and information: Our communities rely on councils as their key provider of three waters services and information. Clear and consistent government communication, aligned with councils, will be vital to the success of the reforms. A fractured or mis-aligned approach will create uncertainty and rumour, making informed discussion with our communities difficult.</p>	<p><b>MORE INFO REQUIRED</b></p> <p>There is insufficient information from Government on the non-financial benefits of the reform. Environmental and compliance enhancement is a key benefit but there needs to be more detail and evidence provided to our communities.</p> <p>More work is required for clear, consistent and aligned community engagement between Iwi, central and local government.</p> <p>A lack of centrally-led engagement material for communities, and a stop-start release of information is impacting our ability to consistently inform our communities on the benefits and progress of the reform programme.</p>
<p>Data-led decision-making is critical: Councils must have access to clear, timely and accurate data to be able to make informed decisions in the timeframes outlined by Government. One example is the methodology to calculate and transfer financial assets, debt and cash reserves in a way which is understandable and acceptable to Council and its communities. Council wishes to avoid a situation where anticipated Government timelines are impacted because a lack of data means Council is unable to make an informed decision.</p>	<p><b>ON TRACK</b></p> <p>A large amount of analysis has been undertaken and provided.</p>

<p>Enabling legislation and other reforms: The Three Waters Reform programme. Regulatory reform for water standards is essential and is happening but is only part of a widespread series of other reforms and inter-linked changes. These include local government act changes, RMA reform, NPS revisions, iwi co-governance arrangements and potential new funding arrangements. HCC seeks strong direction and ongoing impetus from Government to embed a cohesive, integrated approach to these changes.</p>	<p><b>ON GOING</b></p> <p>Draft legislation is not yet prepared. The changes proposed can not proceed without legislative change.</p> <p>Draft legislation is expected including:</p> <ul style="list-style-type: none"> <li>• Local Government (Three Waters Reform) Amendment Bill</li> <li>• Water Services Entity Bill</li> <li>• Water Economic Regulator Bill</li> </ul>
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### **Waikato/Bay of Plenty Three Waters Reform Consortium**

36. The Waikato/Bay of Plenty Consortium contract is near completion.
37. The establishment of Entity B and the DIA's approach to managing the government's reform requires the reconsideration of the approach for councils and possibly Iwi/Maaori partners working together for the next phase.

### **Entity B**

38. Initial informal zoom meetings have occurred introducing the Mayors and Chief Executives of Entity B. Note that Entity B does not align with existing structures such as Zone 2.
39. Mayors, Chief Executives and Three Waters Leads will meet in Taupo on 5 August to build relationship, consider how to work together effectively and to seek to understand an Entity B status on reform.
40. Working together will achieve better outcomes for our communities should the reform programme continue.

### **HCC Three Waters Reform – Political Reference Group**

41. The reference group have met three times since the last Council meeting considering both the 2 June 2021 data release, the 30 June 2021 release and this report in the context of the 15 July, 2021 release.

### **Waikato-Tainui**

42. Staff presented the Council Three Waters Reform reports to the Waikato-Tainui / Hamilton City Council Joint Management Committee. A copy of this report will be provided to the next Joint Management Committee.

### **Financial Considerations - *Whaiwhakaaro Puutea***

43. The implementation of the approved Three Water Stimulus funding (\$17.46m approved early November 2020) and associated detailed programme of works is being reported separately to the Infrastructure Operations Committee. This funding is available to 31 March 2022.
44. The Hamilton City Council estimated cost to prepare for and participate in the reform process forms part of the Stimulus Funding package. The total allocation for this work is \$760,000.
45. The government has announced a financial package (see above) to support the cost of participation, transition and transformation.

### **Legal and Policy Considerations - *Whaiwhakaaro-aa-ture***

46. Staff confirm that subject matter in this report is for information only and complies with Council's legal and policy requirements.

### **Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga***

47. The purpose of Local Government requires the promotion of the social, economic, environmental and cultural wellbeing of communities in the present and for the future ('the 4 well beings').
48. The subject matter of this report has been evaluated in terms of the 4 well beings during the process of developing this report.
49. The recommendations set out in this report are consistent with that purpose.

### **Cultural**

50. Early work on project risks has identified significant and complex matters could arise with the Government's Reform program. This could include but not be limited to the following matters:
- i. The importance of Te Mana o te Wai;
  - ii. the relationship Maaori have with the Crown;
  - iii. Council's relationship with local Iwi;
  - iv. Iwi's relationship across a wider Waikato / Bay of Plenty; and
  - v. The role Maaori may or may not have in the future governance of a three water's entity.
51. Due to the importance of Council's relationship with Maaori in this reform a Maangai Maaori representative has been included as a member of the Three Waters Reform Reference Group.
52. Council staff are engaging with Waikato-Tainui through the joint management committee (JMA). This meeting resulted in changes to the feedback to LGNZ to better represent our collective views.
53. An update report will be provided to the next JMA meeting.

### **Risks - *Tuuraru***

54. There are a range of risks associated with the Three Waters Reform programme, given the scale, complexity and criticality of the services involved, as well as the integration of Three Waters into council's business and delivery of its overall purpose and well beings.
55. A risk register has been presented to the Strategic Risk and Assurance Committee workshop.

### **Significance & Engagement Policy - *Kaupapa here whakahira/anganui***

#### **Significance**

56. Staff have considered the key considerations under the Significance and Engagement Policy and have assessed that the recommendations in this report have a low level of significance, at the present time in the process as no substantive decisions are required on waters reform.
57. As the reform programme progresses, the level of significance is expected to increase and further consideration of significance will need to be undertaken.

#### **Engagement**

58. The government is leading engagement with a public campaign on waters reform. At this stage Councils are seeking information to fully understand the reform implications on the council and the community.

59. There is no requirement for formal public consultation during this 8 week process.

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**Attachments - *Ngaa taapirihanga***

Attachment 1 - Addendum to Council's Local Government New Zealand Feedback on The Government's Three Waters Reform Programme

Attachment 2 - LGNZ DIA Three Waters Guidance for councils over the next eight weeks

Attachment 3 - Three Waters Reform - Useful weblinks

Attachment 4 - Three Waters Reform Timeline

Attachment 5 - Three Waters reform - LGNZ and Government MOU - Heads-of-agreement-partnering-commitment-to-support-three-waters-service-delivery-reform

Attachment 6 - Three Waters Reform - DIA WICS Dashboard 30 June 2021

Attachment 7 - Three Waters Reform - Entity B Overview

Attachment 8 - Three Waters Reform - Cabinet Minute - Governance Structures



## Addendum to Council's Local Government New Zealand Feedback on The Government's Three Waters Reform Programme

12 AUGUST 2021

Hamilton City Council is supportive of the intent and direction of the Government's Three Waters Reform. Council supports the programme's goals of ensuring safe, sustainable, and economically efficient delivery of three waters services but notes effective transition to any new structure must be in full and equitable partnership with local government.

On 10 June 2021 Council provided feedback to LGNZ on the three waters reform. In that feedback we identified 11 key areas that are critical to the reform's success.

On 15 July 2021 LGNZ and the Government signed a Memorandum of Understanding on the three waters reform. Council supports LGNZ in signing this and in the statements and commitments made in the MOU. We look forward to joining LGNZ in its partnership with the Government.

An outcome of the partnership is for local government to work with LGNZ to address any matters of concern. To assist this Council has considered the current status of our 11 key areas and consider we require further information on the following key items.

**Governance:** Our original statement: *Community input mechanisms in the strategic outcomes of the entities is crucial and any governance structure should be transparent as to how local democracy can have a voice in decision-making by any new entity.*

Council remains unclear on how local democracy has a voice in decision making for three waters.

The community, via its elected members, needs a clear role in the transition structure, and in the new entities, with the ability to reflect community aspirations and needs at a local level. Hamilton's role in the new entity is not defined and we are concerned that local and sub-regional initiatives and already-planned investment may be impacted or lost without effective local advocacy.

### **Community engagement:**

We remain concerned about the stop-start release of information. There has been a lack of engagement with the local government sector before the release of public information which has impacted not only the content of this information but the way in which it has been received by our communities. More centrally-developed collateral on the programme needs to be developed, in conjunction with local government, to ensure our communities receive consistent and easily-understood information on this critical reform.

### **Non-financial benefits**

The non-financial benefits of the reform will be greater for our communities in the long term than financial, but there is insufficient information in this area. We seek further evidence of the environmental, compliance, and social benefits of the reform programme.

### **Financial:**

The data released to date does not clearly articulate the asset transfer mechanisms at an accounting level. We believe further information needs to be provided to illustrate how proposed funding from Government recognises those councils which have invested well in three waters infrastructure and compliance.

Council's other key items have somewhat been addressed by the data releases and government announcements. We accept these in principle but acknowledge there is a lot of work and detail that will determine whether these matters remain at a lower level of concern for us.

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Council is clear that based on the information we have received that Council and the community should be better off with this reform. Council is also interested in the whole region being better off and that with regard to the whole region being better off the reform must be a mandatory/all in process. Significant benefits are lost should a patch work solution be accepted.

In response to your request of 30 July 2021, Council is now developing potential solutions for our key areas of concern for feedback to you before 1 October 2021.

We look forward to partnering in this reform.



## Three Waters Guidance for councils over the next eight weeks

Local Government New Zealand, Taituarā, and Te Tari Taiwhenua Internal Affairs

30 July 2021

Three Waters Guidance for councils over the next eight weeks

## Context

The Government has recently announced an integrated and extensive package of reform proposals together with a comprehensive financial support package. These announcements build on an intensive 12-month period of policy, commercial, legal and analytical work that has been progressed through a constructive partnership-based approach with the local government sector, under the oversight of a joint central-local government steering committee. Throughout this period the government has also undertaken multiple periods of engagement with local government and iwi/Māori.

The sector, through LGNZ's National Council, Taituarā and the Joint Steering Committee, have been working with the Government on their preferred model to ensure the Government's policy proposal worked within the broader local government "operating" system. We have shared the sector's concerns with DIA and challenged and tested policy as it's been developed. This has significantly influenced the shape of the reform. We are confident that there is a sufficient and evidence-based national case for change, including that the current approach to three waters service delivery is not capable of delivering the outcomes required in an affordable and sustainable way into the future.

### What's the Government's proposing?

The Government is proposing four new, large water service delivery entities. Their scale and balance sheet separation from councils means they will be able to borrow enough to fund the investment needed, a position that has been thoroughly tested with ratings agency Standard & Poors. The scale is also important to build and develop capability and capacity in the water services industry, as well as creating operating efficiencies and for effective quality and economic regulation. Without the new WSEs, councils will be directly responsible for all quality and economic regulatory obligations.

To support the sector through this massive change, LGNZ and the Crown (through DIA) jointly developed a [national-level package](#) to wrap around the reform proposals that addresses the sector's concerns and supports our communities now and into the future. The package is detailed in a [Heads of Agreement](#), signed in July, between LGNZ and the Government.

A summary of the proposed reform and support package can be found in [Appendix 1](#). [Appendix 2](#) provides an overview of the resources available to local authorities seeking further detail around the case for change and the decisions taken to date.

The Government and LGNZ have recommitted to working in partnership with the local government sector not just on these reforms, but on other challenges and opportunities. This is reflected in a [joint central/local government statement](#) released by the Government and LGNZ and underpinned by the Heads of Agreement.

Through the Heads of Agreement, the Government and LGNZ have agreed that local authorities will be provided a reasonable period from the end of the LGNZ conference through to 1 October to consider the impact of the reforms (including the financial support package) on them and their communities and an opportunity to provide feedback. The agreement and support package signal the Government's confidence in local government as a critical partner, both in this reform and in the future. We have heard strongly that Ministers want to work in partnership with our sector.

Three Waters Guidance for councils over the next eight weeks

They have committed to doing so and LGNZ has made the same commitments. That is how we can be most effective and influential going forward.

**No formal decisions are required between now and 1 October, but we are seeking feedback on the potential impacts of the proposed reform and how it could be improved.**

## The purpose of the next eight weeks

The purpose of this period is to provide time for all local authorities to:

- engage with and understand the large amount of information that has been released on the nature of the challenges facing the sector, the case for change, and the proposed package of reforms, including the recently announced support package;
- take advantage of the range of engagement opportunities to fully understand the proposal and how it affects your local authority and your community; and
- identify issues of local concern and provide feedback to LGNZ on what these are and suggestions for how the proposal could be strengthened.

You are not expected to make any formal decisions regarding the reform through this period. This is an opportunity for the sector to engage with – and provide feedback on – local impacts and possible variations to the proposed reform package outlined by the Government.

This engagement period does not trigger the need for formal consultation.

We would encourage local authorities to share your feedback with us as it arises over this period – that way we can share insights and ideas on common issues across the sector and help each other benefit from each other's work.

## Who's doing what over the next eight weeks

Over the next eight weeks:

- DIA and the Steering Group will continue to work on policy development so they can refine and enhance the model based on feedback from the sector.
- LGNZ and Taituarā will continue to support councils to understand their individual council data and the potential impacts the proposal will have on them and their communities.
- LGNZ will also facilitate workshops and council meetings to gather your feedback and provide clear guidance and ideas to DIA, the Steering Group and the Minister on the remaining unresolved areas of concern.
- The Steering Committee will maintain a role in informing ongoing policy issues, informing the implementation of the reform package, and providing oversight of and input into the transition processes.
- Councils can use this time to work through the proposal and information provided by DIA, including to test the 'no worse off'/'better off' proposition underpinning the financial support package.

Three Waters Guidance for councils over the next eight weeks

### Engagement with iwi/Māori

Over the next eight weeks, the Government will continue to lead engagement with iwi/Māori over the reform programme. You should be aware of this occurring but not let it stop you from maintaining your own constructive relationships. You should also be aware that as part of the [Heads of Agreement](#) and the funding allocation attached, it is proposed that to recognise the role that iwi/Māori will play in the new delivery system as partners, local authorities will be expected to engage with iwi/Māori in determining how it will use its funding allocation.

### What happens next - decision making and consultation

Following the engagement period, the Government will consider the feedback and suggestions provided by local authorities, in partnership with the joint steering committee. It will also consider the next steps, including the transition and implementation pathway, and revised timing for decision-making, which could accommodate the time required for any community or public consultation.

The Government will not be taking further decisions until after this engagement period.

### Engagement on boundaries

The Government is keen to engage with those most affected by boundary issues, with discussions already underway. This engagement will be ongoing and is not limited to the eight week period.

## What councils need to do over the next eight weeks

This is an opportunity for the sector to engage with the model and the proposal, at the national level and very specifically as it relates to your district/city. In this period Chief Executives should provide advice, for noting, to their council on the implications for the district/city. (Taituarā will develop a report format for chief executives to use). A decision on the advice, apart from noting, is not required, but the advice could form the basis of consultation with the community at a later date if required.

We would encourage councils to share your feedback with us as it arises over this period – that way we can share insights and ideas on common issues across the sector and help each other to benefit from each other's work.

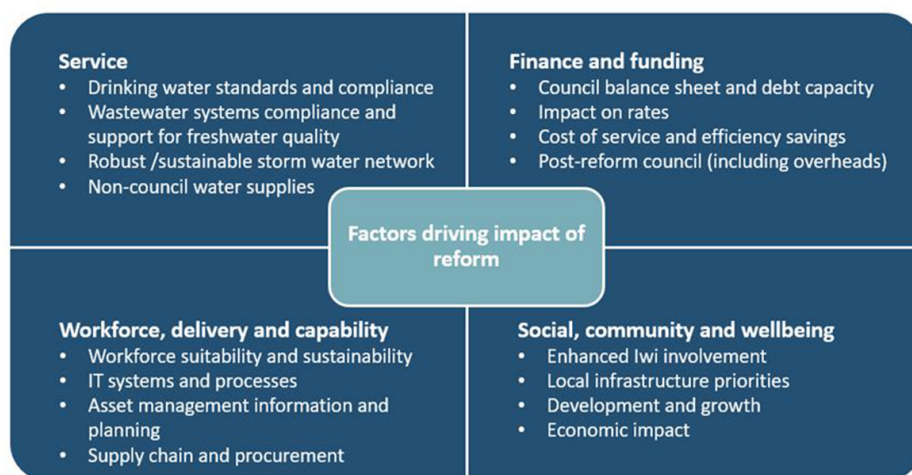
**Local authorities are encouraged to review and consider the reform package and its implications for the communities they serve.**

From now till 1 October, councils should carry out analysis to understand the potential impact of the reform by taking these steps:

1. Understand the key features of the proposed model and how it is intended to work (LGNZ will provide resources to help with this – see below).
2. Apply the proposed model to your circumstances (consider impacts on your community) for today and for the future (we would propose a 30 year horizon).

3. Consider the model holistically – in terms of service, finance and funding, workforce, delivery and capability and social, cultural, environmental and economic well-being. LGNZ can help with this analysis.
4. Using the Taituarā pro forma report framework, chief executives should report the outcome of this analysis as advice to their councils, for noting. The pro forma report will specify all the parameters to be covered. Please provide a copy of the advice to LGNZ.

Local authorities are encouraged to consider the impacts of the proposed reform holistically, in terms of service outcomes, economic development and growth, finance and funding, workforce capability and social, community and economic well-being. The diagram below provides a helpful framework for thinking through these impacts. LGNZ can help with this analysis.



Local authorities are also encouraged to provide feedback or participate in targeted workshops to develop solutions on outstanding issues identified by LGNZ and the Government.

As part of the agreement between LGNZ and the Government, we are also looking for feedback on and solution refinements for issues that councils have raised that aren't fully resolved and on which the Government has said there is room for flexibility to come up with solutions that meet local needs:

1. Ensuring all communities have both a voice in the system and influence over local decisions. This includes assurance that water service entities will understand and respond appropriately to communities' needs and wants, including responding to localised concerns.
2. Effective representation on the new water service entities' oversight boards so that there is strong strategic guidance from, and accountability to, the communities they serve, including iwi/manā whenua participation. This also covers effective assurance that entities, which will remain in public ownership, cannot be privatised in future.

3. Making sure councils' plans for growth, as reflected in spatial plans, district plans or LTPs, are appropriately integrated with water services planning. This includes that planning and delivery of water infrastructure investment is integrated with transport and other related infrastructure.

You can either provide potential solutions and refinement ideas in writing to us or participate in targeted workshops. If you would like to be part of a workshop, please email [feedback@lgnz.co.nz](mailto:feedback@lgnz.co.nz).



## Appendix 1: Summary of reform proposal and support package

### Government reform package

The Government has decided, based on the substantial work undertaken over the past year in partnership with the sector, to pursue an integrated and extensive package of reform to the current system for delivering three waters services and infrastructure. The package comprises the following core components:

- establish four statutory, publicly-owned water services entities to provide safe, reliable and efficient water services;
- enable the water services entities to own and operate three waters infrastructure on behalf of local authorities, including transferring ownership of three waters assets and access to cost-effective borrowing from capital markets to make the required investments;
- establish independent, competency-based boards to govern each water services entity;
- introduce mechanisms that protect and promote the rights and interests of iwi/Māori in the new three waters service delivery system;
- introduce a series of safeguards against future privatisation of the water services entities;
- set a clear national policy direction for the three waters sector, including expectations relating to the contribution by water services entities to any new spatial / resource management planning processes;
- establish an economic regulation regime, to ensure efficient service delivery and to drive the achievement of efficiency gains, and consumer protection mechanisms; and
- develop an industry transformation strategy to support and enable the wider three waters industry to gear up for the new water services delivery system.

### Financial support package

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. There are two broad components to this support package:

- \$2 billion of funding to invest in the future of local government and community well-being, 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).

Three Waters Guidance for councils over the next eight weeks

The better off component of the support package, which comprises \$1 billion Crown funding and \$1 billion from the new water services entities, is allocated to territorial authorities on the basis of a nationally consistent formula that takes into account population, relative deprivation and land area. This formula recognises 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 will be required to demonstrate that the use of this funding supports the three waters service delivery reform objectives and other local well-being outcomes and aligns with the priorities of central and local government, through meeting some or all of the following criteria:

- supporting communities to transition to a sustainable and low-emissions economy, including by building resilience to climate change and natural hazards; and
- 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; and
  - support local place-making and improvements in community well-being.

The no worse off component of the support package is intended to address the costs and financial impacts on territorial authorities directly as a result of the three waters reform programme and associated transfer of assets, liabilities and revenues to new water services entities. It includes an up to \$250 million allocation to support councils to meet unavoidable costs of stranded overheads, based on:

- \$150 million allocated to councils (excluding Auckland, Christchurch and councils involved in Wellington Water) based on a per capita rate that is adjusted recognising that smaller councils face disproportionately greater potential stranded costs than larger councils;
- Up to \$50 million allocated to the Auckland, Christchurch and Wellington Water councils excluded above based on a detailed assessment of two years of reasonable and unavoidable stranded costs directly resulting from the Water Transfer, as the nationally-consistent formula is likely to overstate the stranded costs for these councils due to their significantly greater scale and population. Stranded costs should be lower with respect to Watercare and Wellington Water as these Council Controlled Organisations have already undertaken a transfer of water services responsibilities, albeit to varying degrees; and
- Up to \$50 million able to be allocated to councils that have demonstrable, unavoidable and materially greater stranded costs than provided for by the per capita rate (the process for determining this will be developed by the Department of Internal Affairs working closely with Local Government New Zealand).

The remainder of the no worse off component will be used to address adverse impacts on the financial sustainability of territorial authorities. This will require a due diligence process that will need to be worked through in the coming months.

In addition to the support package, the Government expects to meet the reasonable costs associated with the transfer of assets, liabilities and revenue to new water services entities, including staff involvement in working with the establishment entities and transition unit, and

Three Waters Guidance for councils over the next eight weeks

provision for reasonable legal, accounting and audit costs. There is an allocation for these costs within the \$296 million tagged contingency announced as part of the 2021 Budget Package for transition and implementation activities. This allocation is additional to the \$2.5 billion support package.

The Department of Internal Affairs is continuing to work with Local Government New Zealand and Taituarā, including through the joint Steering Committee process, to develop the process for accessing the various components of the support package outlined above, including conditions that would be attached to any funding. More information and guidance will be made available in the coming months.

#### Better off funding allocation

Council	Allocation
Auckland	\$ 508,567,550
Ashburton	\$ 16,759,091
Buller	\$ 14,009,497
Carterton	\$ 6,797,415
Central Hawke's Bay	\$ 11,339,488
Central Otago	\$ 12,835,059
Chatham Islands	\$ 8,821,612
Christchurch	\$ 122,422,394
Clutha	\$ 13,091,148
Dunedin	\$ 46,171,585
Far North	\$ 35,175,304
Gisborne	\$ 28,829,538
Gore	\$ 9,153,141
Grey	\$ 11,939,228
Hamilton	\$ 58,605,366
Hastings	\$ 34,885,508
Hauraki	\$ 15,124,992
Horowhenua	\$ 19,945,132
Hurunui	\$ 10,682,254
Invercargill	\$ 23,112,322

Three Waters Guidance for councils over the next eight weeks

Kaikoura	\$ 6,210,668
Kaipara	\$ 16,141,395
Kapiti Coast	\$ 21,051,824
Kawerau	\$ 17,270,505
Lower Hutt	\$ 38,718,543
Mackenzie	\$ 6,195,404
Manawatu	\$ 15,054,610
Marlborough	\$ 23,038,482
Masterton	\$ 15,528,465
Matamata-Piako	\$ 17,271,819
Napier	\$ 25,823,785
Nelson	\$ 20,715,034
New Plymouth	\$ 31,586,541
Opotiki	\$ 18,715,493
Otorohanga	\$ 10,647,671
Palmerston North	\$ 32,630,589
Porirua	\$ 25,048,405
Queenstown Lakes	\$ 16,125,708
Rangitikei	\$ 13,317,834
Rotorua Lakes	\$ 32,193,519
Ruapehu	\$ 16,463,190
Selwyn	\$ 22,353,728
South Taranaki	\$ 18,196,605
South Waikato	\$ 18,564,602
South Wairarapa	\$ 7,501,228
Southland	\$ 19,212,526
Stratford	\$ 10,269,524
Tararua	\$ 15,185,454

Three Waters Guidance for councils over the next eight weeks

Tasman	\$ 22,542,967
Taupo	\$ 19,736,070
Tauranga	\$ 48,405,014
Thames-Coromandel	\$ 16,196,086
Timaru	\$ 19,899,379
Upper Hutt	\$ 18,054,621
Waikato	\$ 31,531,126
Waimakariri	\$ 22,178,799
Waimate	\$ 9,680,575
Waipa	\$ 20,975,278
Wairoa	\$ 18,624,910
Waitaki	\$ 14,837,062
Waitomo	\$ 14,181,798
Wellington	\$ 66,820,722
Western Bay of Plenty	\$ 21,377,135
Westland	\$ 11,150,183
Whakatane	\$ 22,657,555
Whanganui	\$ 23,921,616
Whangarei	\$ 37,928,327

Three Waters Guidance for councils over the next eight weeks

## Appendix 2: Three Waters Reform Programme key resources

The table below summarises the key resources that have been published in relation to the Government's recent announcements around the proposed three waters service delivery reform and financial support package.

Further information is available at the three waters reform programme webpage at:

<https://www.dia.govt.nz/Three-Waters-Reform-Programme>

Title	Description
<b>Cabinet papers and decisions</b>	
<a href="#">Cabinet paper one and minute – A new system for three waters service delivery</a>	Paper summarising the case for change and seeking Cabinet agreement to the overall reform package.
<a href="#">Cabinet paper two and minute – Designing the new three waters service delivery entities</a>	Paper seeking Cabinet agreement to the proposed structure of water services entities, associated oversight, governance and ownership arrangements and mechanisms that provide for communities and consumers to have a voice within the new structure.
<a href="#">Cabinet paper three and minute – Protecting and promoting iwi/Māori rights and interests</a>	Paper summarising iwi/Māori rights and interests in the three waters service delivery reforms, and seeking agreement to a number of specific mechanisms for protecting and promoting rights and interests in the new service delivery model.
<b>Summary of case for change and reform proposal</b>	
<a href="#">Transforming the system for delivering three waters services - the case for change and summary of proposals</a>	An overview of the case for change and the Government's proposed package of reform.
<a href="#">A3 Overview of the Three Waters Reform Programme</a>	A3 summarising the case for change, proposed new delivery system.
<a href="#">Financial support package information and FAQs</a>	Overview of the financial support package, allocations and responses to frequently asked questions.

Three Waters Guidance for councils over the next eight weeks

Title	Description
<b>Models, tools and dashboards</b>	
<a href="#">Local Dashboard</a>	Dashboard of the potential impacts on local authorities with and without reform.
<a href="#">Simplified financial models</a>	Simplified versions of the financial models the Water Industry Commission for Scotland used in its analysis of the potential economic benefits of three waters reform. These models demonstrate the approach taken to calculate average household costs for each council and amalgamated entity. There are also slide packs setting out sensitivity analysis for each council and amalgamated entity to test the sensitivity of the modelling to key assumptions, including assumptions around levels of efficiency and future investment need.
<a href="#">Water Service Entities overview</a>	A short overview of the estimated position of the Water Service Entities following reform.
<b>Evidence base</b>	
<a href="#">Regulatory Impact Assessment – Decision on the reform of three waters service delivery arrangements</a>	Regulatory Impact Assessment (RIA) developed by the Department of Internal Affairs to inform the decision on whether and how to improve the system for delivering three waters services. Developed in two parts: <ul style="list-style-type: none"> <li>• a strategic RIA assessing the rationale for reform; and</li> <li>• six detailed RIA chapters assessing each of the core design choices that make up the package of policy proposals.</li> </ul>
Industry Development Study and Economic Impact Assessment (Deloitte) <a href="#">Summary A3</a> <a href="#">Full report</a>	Analysis of the potential economic impact of the proposed reform package, and the opportunities and risks for industries affected by reform.

Three Waters Guidance for councils over the next eight weeks

Title	Description
<p>Economic analysis of water services aggregation (Water Industry Commission for Scotland):</p> <p><a href="#">Final report</a></p> <p><a href="#">Supporting material part 1 – required investment</a></p> <p><a href="#">Supporting material part 2 – scope for efficiency</a></p> <p><a href="#">Supporting material part 3 – costs and benefits of reform</a></p> <p><a href="#">Supporting material part 4 – modelling the effect of ranges for key parameters for Auckland Council</a></p> <p><a href="#">Supporting material part 5 – Council outcomes under amalgamation</a></p>	<p>Second phase of analysis that builds on earlier work by making use of more up-to-date information collected through the Request for Information process and by making allowance for population growth and council-reported rates of connection. The analysis is done in three parts:</p> <ul style="list-style-type: none"> <li>• Estimated investment requirement for New Zealand’s three waters infrastructure to meet quality standards;</li> <li>• Scope for efficiency gains from transformation of the three waters service delivery system, including those associated with scale; and</li> <li>• The potential economic (efficiency) impacts of various aggregation scenarios.</li> </ul>
<p><a href="#">Review of methodology and assumptions underpinning economic analysis of aggregation</a> (Farrierswier)</p>	<p>Farrierswier, a regulatory economics consultancy in Victoria, Australia with deep understanding of the water services industry, reviewed the methodology and underpinning assumptions applied by the Water Industry Commission for Scotland in its analysis of the potential benefits of reform and the extent to which this is reasonable to inform policy advice.</p>
<p><a href="#">Review of assumptions between Scotland and New Zealand Three Waters Systems</a> (Beca)</p>	<p>Beca reviewed the standards and practices in the United Kingdom three waters industry and the relevance to New Zealand given WICS has used United Kingdom data and benchmarks as part of its analysis.</p>



## Three Waters Reform Useful Weblinks

### Department of Internal Affairs

[Three Waters Reform - Home Page](#) DIA's home page to all information they have published on the Three Waters Reform, updated regularly.

The following key DIA links can be found on the above sight. These links take you directly to the PDF Document or weblink.

[June 2021 Heads of Agreement – Partnering Commitment.](#) MOU between the government and LGNZ

[June 2021 Three Waters Reform Programme overview.](#) PDF-A3. The programme summarised on two pages.

[June 2021 Waters Service Entities Overview.](#) PDF. Overview of the 4 waters entities, including a list of who is in each entity.

[June 2021 Local Dashboards](#) Weblink. A summary of each the WICs analysis of each Council

[June 2021 Deloitte Report Summary.](#) PDF Deloitte has undertaken a comprehensive study of the economic impacts of reform and the potential opportunities and challenges for affected industries.

[June 2021 BECA report.](#) PDF. Beca reviewed the standards and practices in the United Kingdom three waters industry and the relevance to New Zealand given WICS has used United Kingdom data and benchmarks as part of its analysis.

[June 2021 Farrierswier Report.](#) PDF Farrierswier reviewed the methodology and underpinning assumptions applied by WICS and the extent to which this is reasonable to inform policy advice.

[June 2021 WICS Final Report.](#) PDF. The WICS phase 2 report uses detailed and up-to-date information collected from councils to investigate the estimated potential investment requirements for New Zealand and the scope for efficiency gains from transformation of the three waters service delivery system.

[March 2021 Three Waters Steering Group FAQs.](#) PDF. Slide pack presented at the Rotorua Engagement session.

[March 2021 Joint Central Government Three Waters Steering Group Engagement.](#) PDF. Full Report providing context for the workshops, summarising the key themes of feedback received and pointing to next steps. A summary PowerPoint is linked to the 10 June 2021 Council Report.

[March 2021 Three Waters Steering Group FAQs.](#) Full Report providing context for the workshops, summarising the key themes of feedback received and pointing to next steps. A summary PowerPoint is linked to the 10 June 2021 Council Report.

[November 2020 Briefing to the Minister - Analysis of the Economic Impacts.](#) PDF. Summarising the results of the 'Stage one' report analysing the likely scale of investment required to meet drinking water quality and environmental standards, and the potential implications for household bills under various aggregation scenarios. This was prepared by the Water Industry Commission for Scotland.

[December 2020 Cabinet Paper and Minute – Progressing the Three Waters Service Delivery Reforms.](#) PDF. The Cabinet Paper and associated minute reconfirms Government's commitment to

progressing the reforms in this term of Government. The Cabinet paper also included a timeline for the Reform programme

## Attachment 3

### Taituarā

[HCC Dashboard](#). A dashboard for summarising Council's Three Waters position ahead of any reform programme.

### Hamilton City Council

[April 2021 Council Meeting](#). Agenda - PDF (Large file) Pages 146 to 371

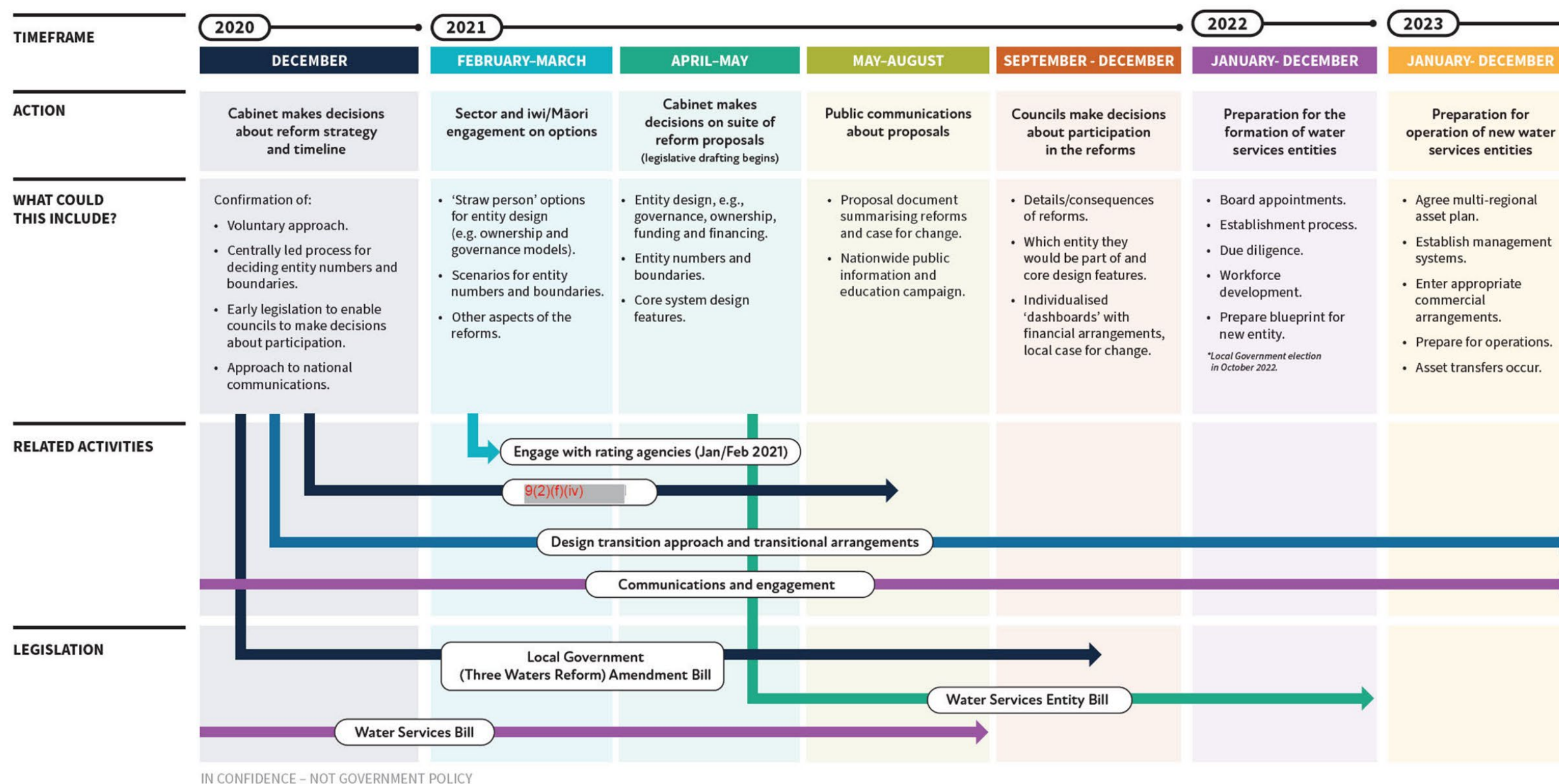
[June 2021 Council Meeting](#). Agenda - PDF (Large file) Pages 84 to 111

## Item 13





## Proposed reform strategy and timeline







Te Tari Taiwhenua  
Internal Affairs

Attachment 5

Item 13

# **HEADS OF AGREEMENT**

**BETWEEN**

**THE SOVEREIGN IN RIGHT OF NEW ZEALAND**

**AND**

**NEW ZEALAND LOCAL GOVERNMENT ASSOCIATION  
INCORPORATED TE KAHUI KAUNIHERA Ō  
AOTEAROA**

**FOR**

**PARTNERING COMMITMENT TO SUPPORT  
THREE WATERS SERVICE DELIVERY REFORM**

## Parties

Name The Sovereign in right of New Zealand  
Short name **Crown**

Name New Zealand Local Government Association Incorporated Te Kahui Kaunihera  
ō Aotearoa  
Short name **LGNZ**

## Background

- A The New Zealand Government (**Government**) is undertaking a programme to reform the delivery of three waters in New Zealand (**Three Waters Reform Programme**).
- B LGNZ is an incorporated society that represents the national interests of local government in New Zealand and leads best practice in the local government sector.
- C Since May 2020, the Crown and LGNZ have worked collaboratively to consider the interests of central and local government in relation to the Three Waters Reform Programme.
- D The Crown and LGNZ wish to continue their interests-based partnering relationship:
  - (i) to enable LGNZ's ongoing role in assisting with the interface between the Crown and the local government sector in connection with the Three Waters Reform Programme (including supporting the Three Waters Reform Programme objectives and supporting the sector through its implementation and transition); and
  - (ii) to strengthen the important relationship central government has with local government to continue to work together in relation to the Three Waters Reform Programme, acknowledging local government's critical role in placemaking and achieving positive wellbeing outcomes for communities and the shared objective of a thriving, resilient and sustainable local government system that is fit for purpose and has the flexibility and incentives to adapt to the future needs of local communities.
- E The Crown and LGNZ now wish to set out the agreed process for, and the terms of, the continuation of their interests-based partnering relationship.
- F The Crown (through the Department of Internal Affairs (**DIA**)) and LGNZ have previously entered into a non-disclosure agreement (**NDA**) under which DIA and LGNZ provided certain undertakings to each other in respect of confidentiality, conflict management and use of information (amongst other key terms), which continues to apply.



## Agreed Terms

### 1. Definitions

- 1.1 Defined terms and expressions used in this Heads of Agreement shall, unless inconsistent with the context, have the meaning set out in Schedule 1.

### 2. Mutual commitment to continuing the partnering approach for three waters reform

- 2.1 In May 2020, the Government (through DIA) and LGNZ committed to working together to explore options for national three waters services delivery reform in recognition of the significant challenges – presently but more so in the future – facing the delivery of water services and infrastructure and the communities that fund and rely on them.
- 2.2 The Crown and LGNZ each wish to continue:
- (a) an interests-based partnering relationship, including through the Joint Steering Committee, to support:
    - (i) the identification and resolution of matters of concern to the local government sector in a manner that is consistent with the shared objectives referred to in this Heads of Agreement; and
    - (ii) a smooth transition and successful implementation of the Three Waters Reform Programme, as further described in this Heads of Agreement; and
  - (b) to strengthen the important relationship central government has with local government to continue to work together in the Three Waters Reform Programme, acknowledging the critical role local authorities play in local long-term planning, local placemaking and achieving positive wellbeing outcomes for their communities and the shared objective of a thriving, resilient and sustainable local government system that is fit for purpose and has the flexibility and incentives to adapt to the future needs of local communities.
- 2.3 The Crown acknowledges that:
- (a) although LGNZ has a mandate to consider the national interests of local government in New Zealand, the mandate of individual local authorities (as set out in the Local Government Act 2002) relates to the interests of their own local community; and
  - (b) LGNZ's agreement to support and lead the sector in the manner described in this Heads of Agreement does not bind its members and individual local authorities may determine to adopt a position different to LGNZ's.
- 2.4 **Ensuring recognition of rights and interests of iwi/Māori in three waters service delivery**
- The Crown and LGNZ recognise Te Tiriti o Waitangi/Treaty of Waitangi and the protection and promotion of iwi/Māori rights and interests in the delivery of three waters services, including through existing Treaty settlement mechanisms. Water can be a taonga of particular significance and importance to Māori and both parties recognise the importance of working in partnership, and acting reasonably and in good faith with the Treaty partner throughout the reform process. Both parties recognise the reform is a significant opportunity to improve outcomes for Māori in the delivery of three water services.

## 2.5 Shared objectives for the Three Waters Reform Programme

The Crown and LGNZ each acknowledge shared objectives which underpin the Three Waters Reform Programme. The principal objectives (including as they have been refined over the engagement process to date) are:

- (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 and 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 continue delivering (in a sustainable manner) on its placemaking role and broader "wellbeing mandates" as set out in the Local Government Act 2002.

## 2.6 Other shared objectives for three waters reform and beyond

The Crown and LGNZ further acknowledge the following shared objectives of their interests-based partnering relationship in relation to the Three Waters Reform Programme:

- (a) supporting achievement of the shared three waters reform objectives described above;
- (b) ensuring that the Water Services Entities are set up for future success, including preserving their ability to borrow to accelerate investment and meet future investment demands;
- (c) maintaining good faith participation by central and local government in relation to other large reform programmes, including resource management reforms;
- (d) work in partnership to support the 'workforce transfer guidelines' so as to ensure that workers in local communities are treated fairly as part of the three waters reform process and with the least amount of disruption for staff and local authorities (including so that local

authorities can maintain their ongoing operations, including as they relate to three waters service delivery and investment for the duration of the transition period);

- (e) building on the success of the COVID-19 response and Joint Three Waters Steering Committee processes to demonstrate a new way of working that provides a platform for ongoing, constructive relationships between central and local government; and
- (f) supporting three waters service provision by the new Water Services Entities to be an enabler of a resilient, responsive and sustainable local government system, including as the roles and functions of local authorities may change and develop over time.

#### 2.7 **Acknowledgement**

The Crown and LGNZ each further acknowledge that the Three Waters Reform Programme is a tested and robust package of reforms that will:

- (a) affordably and sustainably address the water services delivery objectives over the next 30 years; and
- (b) require all-in participation of local authorities to do so.

#### 2.8 **Partnering principles – Three Waters Reform**

The Crown and LGNZ each wish to conduct their working relationship with the other party in relation to, and throughout the period of, the Three Waters Reform Programme in good faith and in accordance with the following objectives and principles:

- (a) *shared intention*: the shared intention of supporting the Three Waters Reform Programme, including ensuring a smooth transition and successful implementation of the Three Waters Reform Programme;
- (b) *mutual trust and respect*: build and foster working relationships and communication practices that are based on, and value, mutual respect and high trust, including so as to address any issues and concerns that might arise, early and constructively, to ensure that process expectations are clear and aligned and to act and respond in ways that reflect a fair assessment of the importance or materiality of the matters requiring an action or a response;
- (c) *constructive*: non-adversarial dealings between the parties, and constructive mutual steps to avoid differences and disputes and to identify solutions that advance the shared interests and objectives of both central and local government with respect to the communities they serve;
- (d) *open and fair*: open, prompt and fair notification and resolution of any differences or disputes which may arise and the identification of potential risks and/or issues (including potential causes of delay) that could adversely impact the timely completion of the activities within the timeframes specified in any agreed programme of activities; and
- (e) *no surprises*: adopt a 'no surprises' approach in respect of their respective communications to stakeholders and their public statements and to ensure they are consistent with the spirit and intent of this Heads of Agreement.

3. **Support Commitments**

3.1 The Crown and LGNZ each acknowledge that:

- (a) LGNZ will endorse and support such package and the need for all-in participation of local authorities to realise the full system benefits, to help build support for the reform across the sector, in the manner contemplated below; and
- (b) the key features of a Three Waters Reform financial support package are set out in clauses 5.1 to 5.3 below.

3.2 The Crown and LGNZ each agree:

- (a) to continue to carry out the discussions in relation to the Three Waters Reform Programme in good faith with a view to ensuring the reforms are achieved in a manner consistent with the shared objectives set out in clauses 2.4 to 2.6 above and Cabinet decisions in relation to the Three Waters Reform Programme;
- (b) that local authorities will be provided a reasonable period (expected to be around 8 weeks and commencing immediately after the annual LGNZ 2021 conference) to consider the impact of the reforms (including the financial support package) on them and their communities and an opportunity to provide feedback;
- (c) to discuss in good faith (including through the Joint Steering Committee) how the proposed model and design can best accommodate, in a manner consistent with the shared objectives, the following matters:
  - (i) how local authorities can continue to influence how the new water service delivery system as a result of Three Waters Reform will respond to issues of importance to their communities, and provide for localised solutions such as the aspiration for chlorine-free water;
  - (ii) ensuring appropriate integration between the needs, planning and priorities of local authorities (representing their local communities) and the planning and priorities of the Water Service Entities; and
  - (iii) how to strengthen the accountability of the WSEs to the communities that they serve, for example through a water ombudsman; and
- (d) to use all reasonable endeavours (in the case of LGNZ consistent with the resourcing, funding and activities reflected in the funding agreements referred to in clause 6) to achieve support for the Three Waters Reform Programme from the local government sector, including (in the case of LGNZ) as contemplated in clauses 4.2 and 4.3 below.

3.3 DIA and LGNZ have agreed a joint position statement (set out at Schedule 4 of this Heads of Agreement) with respect to the Three Waters Reform Programme. DIA and LGNZ will each ensure that statements made by them respectively in relation to the Three Waters Reform Programme, including statements or information made or provided to the local government sector in relation to the Three Waters Reform Programme (including through LGNZ) including at the annual LGNZ 2021 conference, shall be consistent with the joint position statement.

4. **LGNZ support of Three Waters Reform**

LGNZ considers:

- (a) the Three Waters Reform Programme is in the national interest of local government and the communities that it represents;

- (b) the partnering approach between the Crown (including DIA and Treasury) and LGNZ in relation to the Three Waters Reform Programme enhances and ensures a long-term commitment to partnership between central and local government in New Zealand; and
  - (c) the Three Waters Reform financial support package (as contemplated in this Heads of Agreement) is fair and reasonable at a national level.
- 4.2 Accordingly, LGNZ commits to supporting, endorsing and promoting the Three Waters Reform Programme.
- 4.3 LGNZ commits to:
  - (a) supporting the case for change by:
    - (i) publicly supporting the position that there is a sufficient and evidence-based national case for change, including that the current approach to three waters service delivery is not capable of delivering the outcomes required in an affordable and sustainable way into the future;
    - (ii) noting the analysis supporting the Crown's preferred approach to reform has been tested through the design process, and expressing the view that the proposed model design and approach to reform is sound, appropriate and beneficial when viewed as a whole at a national level; and
    - (iii) assisting LGNZ's members to understand the reform-related information being provided to them by or on behalf of the Crown, how the reform is intended to work and the impact it is likely to have on local authorities and the communities they serve, including throughout the transition period – and in respect of which the Crown (through DIA) commits to supporting LGNZ and the local government sector to actively engage in the transition process and to working through the remaining questions and further policy detail with LGNZ with a view to supporting a smooth transition to, and successful implementation of, the Three Waters Reform Programme;
  - (b) endorsing the Three Waters Reform financial support package announced by the Government (as contemplated in this Heads of Agreement);
  - (c) if, after the end of the period referred to in clause 3.2(b), the Government decides to adopt an "all in" legislated approach to the Three Waters Reform then LGNZ agrees that it will accept such a decision on the basis that:
    - (i) "all in" participation of local authorities is needed to realise the national interest benefits of the reform;
    - (ii) such acceptance does not imply that LGNZ supports such approach;
    - (iii) LGNZ will not actively oppose such approach; and
    - (iv) LGNZ may publicly express its disappointment that the Government has considered it necessary to adopt such approach.
  - (d) leading and supporting the local government sector through change arising from the Three Waters Reform Programme, in the interests of a constructive and orderly transition process.
- 4.4 The Crown (through DIA) and LGNZ will each use all reasonable endeavours to agree a timetable to support the reform (which is consistent with Cabinet decisions in relation to the Three Waters

Reform Programme) including the staged release of information and the process to develop individual local authority agreements.

**5. Financial support package to local authorities**

5.1 The Crown is proposing that a Three Waters Reform financial support package be provided to local authorities, comprising:

- (a) 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
- (b) 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 Schedule 3 of this Heads of Agreement,

and which will be given effect (including in relation to the process for the provision of funding by Water Services Entities) in agreements between each local authority and the Crown (through DIA). The key principles and process for development of such agreements will be a matter that is considered by the Joint Steering Committee.

5.2 LGNZ acknowledges that the quantum of the proposed Three Waters Reform financial support package set out in clause 5.1 is a fair and reasonable package and contribution to the local government sector having regard to the impacts of the Three Waters Reform Programme on the sector and to contribute to the future of local government in supporting the wellbeing of their communities.

5.3 The Crown and LGNZ have been discussing the proposed Three Waters Reform financial support package and record the agreed principles, as at the date of this Heads of Agreement:

- (a) in relation to the “no worse off” package, in Schedule 2 of this Heads of Agreement; and
- (b) in relation to the “better off” package, in Schedule 3 of this Heads of Agreement,

noting that in relation to those areas of the financial support package that remain to be finalised as contemplated in those schedules, the Crown intends to finalise the same with LGNZ consistent with the principles and partnering approach set out in this Heads of Agreement; and noting also that (as provided in the Public Finance Act 2010) no funding will be due or payable from the Crown until funding is appropriated.

5.4 For the avoidance of doubt, there are a range of other impacts for local authorities that may represent an adverse financial impact, which the support package contemplated in clauses 5.1 to 5.3 above does not take account of, and are intended to be addressed (through a process to be agreed between the Crown (through DIA) and LGNZ) by alternative mechanisms:

- (a) transaction costs associated with facilitating the transfer of assets, liabilities and revenue, including staff involvement in working with the establishment entities and transition unit, and legal, accounting and audit costs. There is an allocation within the \$296 million tagged contingency established as part of the 2021 Budget Package for the transition and implementation costs incurred by councils and DIA will work with LGNZ in developing the parameters of this funding pool, before it is agreed with Ministers and shared with the sector. The funding will look to ensure that councils are able to participate in the reform

programme without putting at risk council delivery of water services during the transition – noting that the funding pool will have a finite limit, needs to deliver the transition objectives, demonstrate value for money to Crown and meet the conditions around the tagged contingency; and

- (b) accumulated cash reserves that have been earmarked for future water infrastructure investment. Local authorities will be encouraged to use these reserves (subject to reserve conditions) prior to the “go live” date of 1 July 2024. It is intended that any material reserve balances remaining at that time will be transferred to new Water Services Entities with a commensurate commitment to invest those funds in the communities that paid for them, consistent with the conditions under which they were raised. Councils will be allowed to retain immaterial reserve balances upon transfer. The materiality threshold will be developed in discussion between DIA and LGNZ and agreed with Ministers before reflecting this in guidance for the sector; and
- (c) any payment to be made to a local authority by the relevant Water Services Entity associated with the transfer of water assets, debt and revenue - being the amount of water-related debt established through any applicable due diligence and/or audit when that Water Service Entity takes over the three waters-related infrastructure and service delivery responsibilities (including the transfer of water assets, debt and revenue) from the local authority to implement the Three Waters Reform Programme.

#### 6. **Crown support for LGNZ to lead and support the local government sector through change**

The Crown is proposing to provide ongoing support to LGNZ, by way of separate funding agreement(s) with LGNZ (and subject to the conditions set out in such agreement(s)):

- (a) in the short term (expected to be through to mid-September 2021) to enable LGNZ to build support within the local government sector for the Three Waters Reform Programme; and
- (b) subsequently through the transition and implementation phases of the Three Waters Reform Programme (expected to be approximately two and half years), to enable LGNZ (including LGNZ engaging Taituarā as appropriate) to support the Crown and the local government sector through the transition and implementation of the Three Waters Reform Programme.

#### 7. **Joint Steering Committee**

- 7.1 The Crown and LGNZ each acknowledge the benefit to both central and local government of the work carried out by the Joint Steering Committee, particularly in ensuring that the perspectives, interests and expertise of both central and local government, and of communities throughout New Zealand, have been accommodated in the development of the Three Waters Reform Programme to date.
- 7.2 The Crown and LGNZ each consider that there is considerable benefit in the Joint Steering Committee continuing to be convened to support the constructive partnering approach between central and local government, to continue to inform the detail that is yet to be developed as part of the Three Waters Reform Programme and to achieve the best outcomes for all New Zealanders through the Three Waters Reform Programme, including through transition and implementation.
- 7.3 The Crown and LGNZ each acknowledge that, in order to give effect to the Cabinet decisions in relation to the Three Waters Reform Programme in a manner that is consistent with the shared objectives set out in this Heads of Agreement, further policy detail remains to be worked through to ensure a smooth transition and successful implementation of the Three Waters Reform

Programme. The Crown (through DIA) and LGNZ agree to continue to work together, including through the Joint Steering Committee, with a view to agreeing an approach to such issues that reflect the priorities of both central and local government.

- 7.4 The Crown and LGNZ therefore agree that the Joint Steering Committee will continue to be convened (on terms to be agreed) to support the Three Waters Reform Programme including through transition and implementation.

**8. Future for Local Government review and other major reform initiatives**

The Crown acknowledges the opportunity to strengthen the important relationship central government has with local government through the Review. The Crown acknowledges, as set out in the terms of reference for the Review, local government's critical role in placemaking and achieving positive wellbeing outcomes for communities. The terms of reference also notes that:

- (a) the Review should be guided by the objectives of the Public Service Act 2020, in terms of building a unified, agile and collaborative public service, grounded in a commitment of service to the community;
- (b) the impact of reform programmes, including those related to the three waters sector and resource management system, are within the scope of the review;
- (c) consideration of the discharge of the functions of the Review should be characterised by a spirit of partnership including between the Review, local government, and iwi/Maori, while upholding the independence of the Review; and
- (d) the Review must identify options for a collaborative approach with the local government sector.

- 8.2 The Crown commits to working through its response to the Review in an open and transparent manner, consistent with the partnership principles set out in this Heads of Agreement including convening a joint steering committee comprising representatives of central and local government (or other appropriate mechanism) to consider issues arising with respect to the Review. This will include working closely on solutions to funding and financing challenges the sector may face, recognising the potential for reform to compromise the sustainability of some local authorities' current financial arrangements.

- 8.3 The Crown (through DIA) commits to working with other government agencies, and Ministers as appropriate, to seek to extend the partnership-based approach contemplated in this Heads of Agreement (including the partnering principles in clause 2.8) to other policy reforms that have the potential to significantly impact local government.

**9. General**

**9.1 Other roles and functions**

The involvement of the Crown (including DIA and Treasury) and LGNZ will not fetter or otherwise limit or compromise the Crown (including DIA and Treasury) or LGNZ respectively (or any other central or local government entity) in performing any regulatory role or function it may have (including as a territorial authority) including, for the avoidance of doubt, in the giving of free and frank policy advice including to Ministers, Cabinet or the Government.

**9.2 Communications protocols**

It is acknowledged that each of the Crown and LGNZ may at times have distinct obligations in terms of communications with respective stakeholders. However, as it works through the matters



contemplated by this Heads of Agreement, it is critical for the credibility and the integrity reflected in the partnership principles that the nature and manner of communications is agreed. A communications protocol will be agreed by DIA and LGNZ which will include how updates and messaging is provided to the local government sector and other stakeholders including the media. The communications protocol will reflect the partnership principles and principles of openness and transparency and confidentiality, and will address where there is a potential conflict in relation to the application of such principles.

Before making any media statements or press releases (including social media posts) or other public statement regarding this Heads of Agreement and/or the Crown's involvement (including through DIA and/or Treasury) with the Three Waters Reform Programme, LGNZ will consult with DIA.

**9.3 No authority**

LGNZ does not have the right to enter into any commitment, contract or agreement on behalf of the Crown or any associated body, or to make any public statement or comment on behalf of the Crown or the Government.

**9.4 LGNZ Acknowledgement of disclosure**

LGNZ acknowledges and agrees that nothing in this Heads of Agreement restricts the Crown's ability to:

- (a) discuss, and provide all information in respect of, any matters concerning LGNZ, this Heads of Agreement with any Minister of the Crown, any other government agency or any of their respective advisors, including for the avoidance of doubt for the purpose of giving free and frank advice;
- (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.

**9.5 Some Information subject to Official Information Act 1982**

LGNZ acknowledges that:

- (a) the contents of this Heads of Agreement; and
- (b) information provided to the Crown (including DIA and/or Treasury);

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 Heads of Agreement and such information may be released to the public unless there is good reason under the Official Information Act 1982 to withhold it.

## Signing

Executed as an agreement:

### SIGNATURES

**SIGNED** by the **SOVEREIGN IN RIGHT OF NEW ZEALAND** acting by and through Her Minister of Finance and Her Minister of Local Government:

**SIGNED** for and on behalf of **NEW ZEALAND LOCAL GOVERNMENT ASSOCIATION INCORPORATED TE KAHUI KAUNIHERA Ō AOTEAROA** by the persons named below, being a persons duly authorised to enter into obligations on behalf of LGNZ:

**Hon Grant Robertson, Minister of Finance**



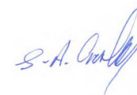
**Hon Nanaia Mahuta, Minister of Local Government**



Name: Stuart Crosby

Position: President, LGNZ National Council

Date: 13 July 2021



Name: Hamish McDouall

Position: Vice-President, LGNZ National Council

Date: 13 July 2021



## Schedule 1: Definitions and interpretation

### 1.1 Definitions:

Defined terms and expressions used in this Heads of Agreement shall, unless inconsistent with the context, have the meaning set out below:

**Cabinet** means the central decision making body of executive government in New Zealand

**Crown** means The Sovereign in right of New Zealand.

**Joint Steering Committee** means the Joint Steering Committee formed in May 2020 by, and comprising representatives from DIA, Treasury, LGNZ and Taituarā to work closely to support a programme of reform for the delivery of three waters.

**Review** means the Ministerial review into the Future for Local Government.

**Taituarā** means Local Government Professionals Aotearoa, the national organisation that supports and develops local government professionals in New Zealand (formerly known as the New Zealand Society of Local Government Managers).

**Three Waters** means drinking water, wastewater and stormwater.

**Water Services Entity** means the new water services entities to be established by legislation giving effect to the Three Waters Reform Programme.

### 1.2 Interpretation

In this Heads of Agreement:

- (a) headings are for convenience only and do not affect interpretation of this Heads of Agreement;
- (b) words importing:
  - (i) the singular include the plural and vice versa; and
  - (ii) any gender includes any other gender;
- (c) the term including means “including without limitation”;
- (d) the meaning of “or” will be that of the inclusive, being one, some or all of a number of possibilities.

## Schedule 2: “No worse off” package key principles

The Crown and LGNZ acknowledge and agree that the key principles of the “no worse off” package are:

- that the “no worse off” package will seek to ensure that financially, no local authority is worse off as a direct result of the Three Waters Reform and associated transfer of responsibility for the provision of water services (including the transfer of assets, revenues and effective transfer of liabilities) to Water Services Entities (“**Water Transfer**”);
- it is intended that the “no worse off” package will be funded by the relevant Water Services Entity. This approach recognises that the impacts being addressed by this aspect of the support package are closely linked to the Water Transfer. It is also acknowledged that the proposed support arrangements between the Crown and the Water Services Entities, such as a liquidity support, is expected to reduce the borrowing costs and thereby increase the borrowing capacity of the Water Services Entities, supporting funding through this mechanism;
- that the “no worse off” package will acknowledge the costs and financial impacts on local authorities directly as a result of the Three Waters Reform in relation to:
  - stranded costs, being organisational overheads previously allocated by the local authority to three waters services that are not able to be transferred or avoided in the short-term as part of the Three Waters Reform, and therefore remain with the local authority for a period and be required to be reallocated by the local authority to their remaining activities; and
  - financial sustainability support, for the (expected small number of) local authorities in respect of which the Water Transfer will adversely and directly affect their financial ability to sustainably perform their non-water related roles and functions at the existing level of performance (noting that for most councils the impact of such transfers is expected to have a positive effect on their borrowing capacity). It is intended that this will be addressed through a one-off payment.
- it is intended that the “no worse off” package will recognise the above costs and financial impacts through:
  - for stranded costs, up to \$250 million to be allocated to support councils to manage these costs. This represents a nationwide estimate of two years of unavoidable stranded costs for councils with two years considered to be a reasonable period for these costs to be managed. We are proposing a fixed amount as the actual stranded costs faced by any council is dependent on decisions made by the council and cannot be robustly and transparently assessed. The allocation will be spread based on:
    - \$150 million allocated to councils (excluding Auckland, Christchurch and councils involved in Wellington Water) based on a per capita rate that is adjusted recognising that smaller councils face disproportionately greater potential stranded costs than larger councils;<sup>1</sup>
    - Up to \$50 million allocated for the councils excluded above based on a detailed assessment of 2 years of reasonable and unavoidable stranded costs directly resulting from the Water Transfer; and

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<sup>1</sup> The adjustment is based on adjusting the proportional allocation implied by the squared inverse natural logarithm of population. This means smaller councils receive a greater proportional allocation than larger councils

- Up to \$50 million able to be allocated to councils that have demonstrable, unavoidable and materially greater stranded costs than provided for above (the process for determining this will be agreed and is subject to the agreement of LGNZ and the Crown (through DIA and Treasury));
  - for financial sustainability, the Crown (through DIA) will work with LGNZ and Taituarā to develop agreed principles for how the assessment of financial sustainability support (described above) will be undertaken, the methodology for quantifying this support requirement, and the process for undertaking the associated due diligence process with councils. The methodology will need to protect the interests of Water Services Entities to ensure only necessary payments are made (up to a maximum of \$250 million), that it does not create poor incentives and ensures a robust and equitable process for New Zealand. Priority will be given to undertaking due diligence with those local authorities that are more likely to suffer adverse borrowing impacts. We note that the due diligence process to confirm three waters debt and revenue for each council will be required to be transparent and robust to ensure equitable treatment of local authorities;
- that the payment of funds under the ‘no worse off’ package to a local authority will be made at the point of the Water Transfer. This is the point at which most of the financial impacts for councils will crystallise.
- that the payment of funds under the “no worse off” package to a local authority will be subject to appropriate conditions to satisfy accountability and other requirements of the Crown. These conditions will include a positive obligation on councils to manage the transfer and reorganisation in a way that minimises the ‘no worse off’ funding required. This would avoid councils seeking greater ‘no worse off’ funding than anticipated on the basis of avoidable costs, and therefore reduces incentives for behaviour that might drive up ‘no worse off’ costs.
- it is acknowledged that certain aspects of the “no worse off” package need to be enabled through legislation including the establishment of the Water Services Entities.

### Schedule 3: “Better off” package key principles

The Crown and LGNZ acknowledge and agree that the key principles of the “better off” package are:

- that the better off package is:
  - in recognition of the significance to the local government sector (and the communities they serve) of the transfer of responsibility for water service delivery; and
  - intended to demonstrate central government confidence in the future for local government by providing the sector additional funds to invest in local community wellbeing outcomes, in a way that aligns with the priorities of central government.
- that the better off package will comprise \$2 billion of investment, which will comprise:
  - \$1 billion of Crown funding, \$500 million of which (or such greater amount as may be agreed) is intended to be provided to local authorities from 1 July 2022 to enable early investment; and
  - the remaining \$1 billion to be funded by the new Water Services Entities.

It is intended that such funding (other than that portion of the Crown funding noted above to be provided to local authorities from 1 July 2022) will be provided from 1 July 2024.

- that the funding will be allocated using simple to understand factors for which there are available metrics applied in a way that 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. A combination of population, relative deprivation and land area are recognised as the most relevant measures to recognise those factors. The allocation framework will distribute funding on the basis of a 75% allocation based on population, a 20% allocation based on the deprivation index, and a 5% allocation based on land area.
- 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 of the following 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,
    - support local place-making and improvements in community well-being.
- to recognise the role that iwi/Māori will play in the new delivery system as partners, local authorities will be expected to engage with iwi/Māori in determining how it will use its funding allocation.
- to ensure value for money, appropriate contractual mechanisms, similar to those used for the initial water infrastructure investment stimulus package, will be implemented. The Crown (through DIA) will develop these in consultation with LGNZ and will likely include funding conditions, wellbeing assessments, delivery milestones, disbursement profiles, monitoring and reporting arrangements. These mechanisms will seek to make funding easily available while maintaining a reasonable level of accountability.

- that any funding conditions will acknowledge that long-term plans are subject to change over time.  
Conditions may include, but are not limited to:
  - o conditions relating to the planned investment in three waters infrastructure for the duration of the transition period, including commitments made through respective 2021-31 long-term plans;
  - o working in partnership with central government to transition to the new water services delivery system, including working collaboratively with the establishment entities for the new Water Services Entities to support the smooth transfer of assets, liabilities, information and staff to the new entities;
  - o assisting in the preparation of initial asset management plans to ensure continuity of investment, and to provide certainty for local authorities regarding what investment will be prioritised by the new Water Services Entities once they assume responsibility for water services delivery;
  - o provisions to address the consequences of local authorities being in material breach of the associated conditions; and
  - o it is acknowledged that certain aspects of the “better off” package need to be enabled through legislation including the establishment of the Water Services Entities.

#### Schedule 4: Joint Position Statement

##### CENTRAL-LOCAL GOVERNMENT JOINT POSITION STATEMENT ON THREE WATERS REFORM

###### Acknowledging the challenge

Central and local government believe that three waters services are fundamental to the health and wellbeing of our communities and environment; and to our local, regional and national economies. The way they are delivered across New Zealand cannot address the challenges our communities will face in the future.

Analysis produced over the past 12 months shows that all communities will need to invest significantly over the next 30 years to maintain, replace and upgrade ageing assets and to provide for growth. This is reflected by increasing investment in councils' new long-term plans.

Consistently enforced compliance standards, a backlog of infrastructure renewals and external pressures such as climate change, workforce shortages, and economic regulation will create unsustainable pressure on the current system.

###### Building a new partnership

Three waters reform has created an opportunity for central and local government to work together differently.

In May 2020, the Government and Local Government New Zealand agreed to set up a Joint Steering Committee to provide feedback on the reform of three waters services delivery. This group co-designed delivery of the initial stimulus investment in three waters infrastructure and services, supported the Request for Information (RFI) process and fed back into the Government's policy development. It has interrogated the analysis behind the case for change, facilitated robust conversations, and seen policy shift towards more practicable and enduring solutions.

This model responded to the local government sector's call for a closer working relationship with government, and to the Government's desire to deliver in partnership with the sector. It builds on work undertaken together in response to COVID-19 and has opened the door to a fundamental reset between our two tiers of government, so that change is undertaken together for the benefit of all our communities.

###### A proposal for change

The Government has proposed creating four new water service delivery entities. The scale of these entities means they'll be able to borrow to fund the significant investment needed to benefit all New Zealanders, from our smallest communities to our largest cities.

As part of this proposal, the Government and LGNZ have developed a package that recognises the importance of local place-making and the critical role that local government plays in that. This package:

- supports local government to invest in the wellbeing of their communities, so that all councils and their communities are better off;
- ensures no council will be financially worse off after reform; and
- makes clear that the Government will cover reasonable transition costs.

The economic model shows that significant benefits are available for all communities and will work best if all councils participate. Each council needs more time to interrogate its own position and understand the implications for their communities and operations. There remain critical issues to work through over the next two months.



These issues include ensuring all communities have both a voice in the system and influence over local decisions. Councils want to be sure the water entities understand and act on communities' needs and wants, including responding to localised concerns like a desire for chlorine-free water.

They want to ensure effective representation on the new water entities' governing boards so that there is strong accountability to the communities they serve. They want to be confident the water entities will respond to their plans for growth. And they want effective assurance that entities, which remain owned by the community, cannot be privatised in future.

We believe continuing the partnership between local and central government is the best way to resolve the remaining questions and policy detail to give these critical reforms the best chance of success. To that end we're recommitting to an agreed set of shared objectives:

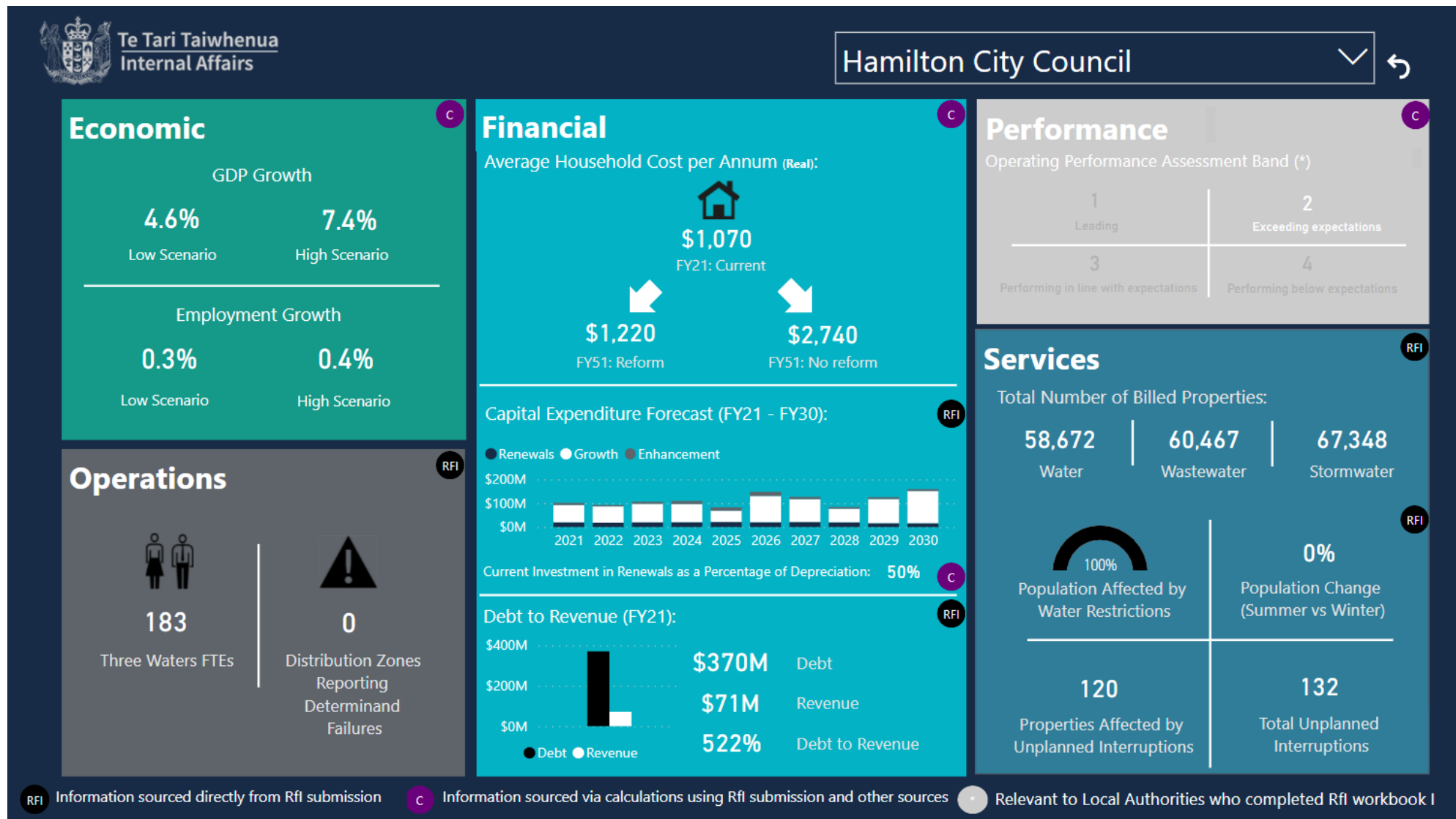
- significantly improving the safety and quality of drinking water services, and the environmental performance of drinking water, wastewater and stormwater systems
- ensuring robust safeguards against privatisation
- ensuring all New Zealanders have equitable access to affordable three waters services and that the water services entities will listen, and take account of, local community and consumer voices
- improving the coordination of resources, planning, and unlocking strategic opportunities
- ensuring the overall integration and coherence of the wider regulatory and institutional settings
- increasing the resilience of three waters service provision to climate change and natural hazards
- ensuring three waters service delivery has a more financially sustainable footing, and addressing the affordability and capability challenges faced by small suppliers and local authorities
- improving transparency about, and accountability for, the planning, delivery and costs of three waters services
- undertaking the reform in a manner that enables local government to continue delivering on its placemaking role and broader "wellbeing mandates".

#### Looking to the future

We are very aware that how we work together now sets the tone for other large-scale reform affecting the sector, especially the Future for Local Government review.

This review is a real opportunity for New Zealand to re-imagine the roles, responsibilities and resources of councils so that they can meet communities' expectations now and in the future. These expectations have evolved massively since the introduction of the current Local Government Act over 30 years ago. It's time for a genuine re-think about what's needed for local government to respond to communities' changing needs.

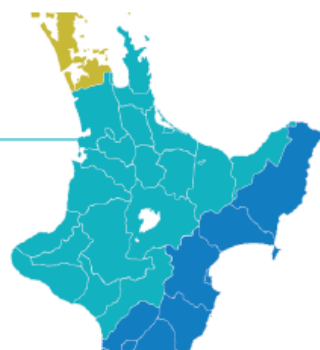
For this review to succeed, we need to be partners. Our three waters relationship has allowed robust, open discussions – and opened the door to a fundamental reset between our two tiers of government. Both central and local government are committed to a new way of working together, in tune with our diverse communities and our treaty partnership.



Live version: DIA Three Waters Report Website. [Local Dashboards 30 June 2021](#). [Dashboard key messages and FAQs](#)

## Entity B

### Entity B



Hamilton  
Hauraki  
Kawerau  
Matamata-Piako  
New Plymouth  
Opotiki  
Otorohanga  
Rangitikei

Rotorua Lakes  
Ruapehu  
South Taranaki  
South Waikato  
Stratford  
Taupo  
Tauranga  
Thames-Coromandel

Waikato  
Waipa  
Waitomo  
Western Bay of Plenty  
Whakatane  
Whanganui

### Entity B

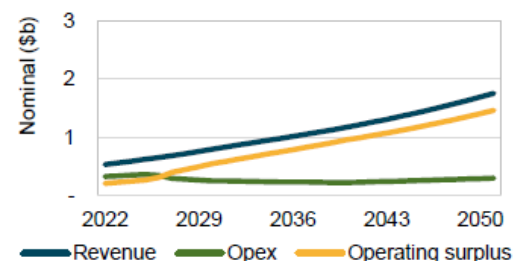
Connected population (2020) 0.8m

### Average household cost (2051, real)<sup>1</sup>

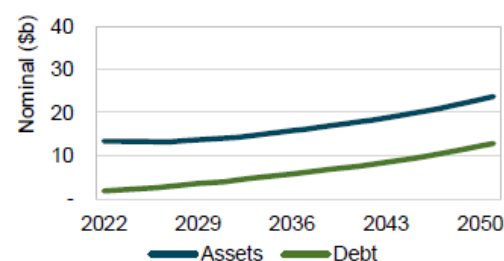
With reform \$1,220

Without reform \$4,300

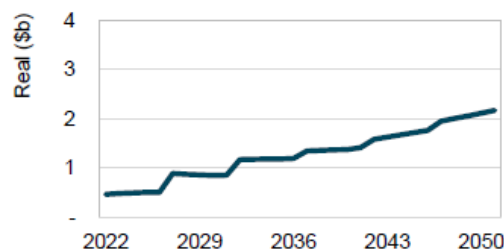
### Forecast operating performance



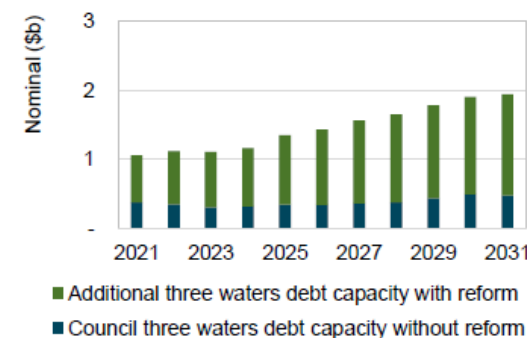
### Forecast financial position



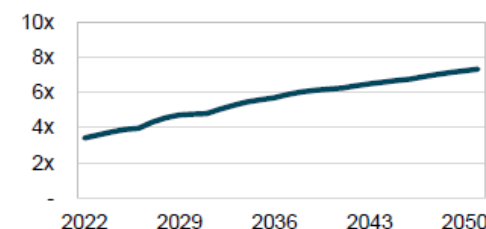
### Forecast capital expenditure (pre efficiencies)



### Estimated three waters debt capacity<sup>2</sup>



### Forecast debt to revenue<sup>3</sup>



<sup>1</sup> Forecast average household costs are based on analysis undertaken by WICS.

<sup>2</sup> Estimated three waters debt capacity is based on draft 2021-2031 LTP data. Council three waters debt capacity assumes a debt limit of 4x three waters revenue. Additional debt capacity assumes debt limit of 6x three waters revenue. We note that the conservative assumptions utilised means this may be understating the additional debt capacity for water investment following reform.

<sup>3</sup> Water entities are expected to have an issuer credit rating similar to that of councils. Further information is provided overleaf.

Disclaimer: The analysis presented is based on information provided by local authorities through the RfI and relevant Long Term Plan information. Calculations have been undertaken on a best endeavours basis. Forecasts over this length of time are inherently uncertain and reflect assumptions related to future investment, connection growth and charges to customers. Such forecasts will also be subject to a future economic regulatory regime. As such the information set out above is intended to be indicative only.

The parts of the minute with direct links to the role of local government are highlighted in Green for your information.

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## Cabinet

### Minute of Decision

*This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.*

#### Designing the New Water Service Delivery Entities: Paper Two

Portfolio                      Local Government

On 14 June 2021, Cabinet:

##### Context

- 1      **noted** that the paper under CAB-21-SUB-0227 is the second in a suite of papers seeking decisions to transform the three waters service delivery system, which is intended to be considered alongside two other papers:
  - 1.1      A New System for Three Waters Service Delivery (Paper 1); [CAB-21-SUB-0226];
  - 1.2      Protecting and Promoting Iwi/Māori Rights and Interests in the New Three Waters Service Delivery Model (Paper 3); [CAB-21-SUB-0228];
- 2      **noted** that the suite of papers referred to in paragraph 1 above follow on from initial decisions, made during 2020, to reform three waters service delivery arrangements to create large-scale water services entities, including agreement that these entities would:
  - 2.1      be publicly owned, with mechanisms to protect against privatisation;
  - 2.2      be statutory entities, designed and established by legislation; and
  - 2.3      have financial and operational autonomy and be able to borrow in their own right, independent of local government debt restrictions and the legislative decision-making framework Local Government Act 2002;

[DEV-20-MIN-0099]
- 3      **noted** that Paper 1 in this suite of papers seeks agreement to proceed with the reforms to the three waters system, including decisions relating to:
  - 3.1      the establishment of a new service delivery model, with four new water services entities to take over the three waters-related infrastructure and service delivery responsibilities from local authorities;
  - 3.2      the boundaries of the new statutory entities, and which local authority districts would constitute each entity;
  - 3.3      the entities' statutory purpose, objectives, operating principles, and general responsibilities;

# CABINET MINUTE ON THREE WATERS REFORM - GOVERNANCE STRUCTURES

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- 3.4 the stewardship arrangements for the new system, including through a Government Policy Statement to provide strategic direction to the water services entities;

## Proposed ownership, oversight and governance structure of the new water services entities

- 4 noted that given the public nature of the assets and service delivery needs, ownership of the water services entities has been framed in the context of collective local authority ownership, on behalf of communities;
- 5 agreed that the local authorities that constitute each water services entity (as described in Paper 1) would be the owners of the entity, and that this would be provided in legislation;
- 6 agreed that there is no financial recognition of ownership, and no shareholding is provided for;
- 7 noted that local authority ownership rights are instead provided for in the oversight and governance arrangements in paragraphs 11-31 below;
- 8 noted that having competent and strong governance of water services entities is critical to the success of the three waters service delivery reforms, and that governance mechanisms are to be included in legislation;
- 9 noted that the proposed oversight and governance mechanisms aim to strike a balance between providing the necessary independence for the water services entities to achieve the full benefits of reform, enabling communities and iwi/Māori to have an influence over service delivery in their area, and ensuring necessary accountability in the provision of essential public services;
- 10 agreed that the new water services entities will:
- 10.1 operate within a joint oversight framework involving representatives of local authorities and mana whenua from within the geographical area covered by the respective entities;
  - 10.2 each be governed by an independently appointed board;
  - 10.3 own assets;
  - 10.4 be prohibited from paying dividends, with flexibility to reinvest any surplus;

## Regional Representative Group

- 11 agreed that a Regional Representative Group be established for each water services entity, which would:
- 11.1 consist of no more than 12 members; and
  - 11.2 comprise equal numbers of representatives from the local authorities and mana whenua that constitute the geographical area covered by the entity;
- 12 agreed that, in relation to the local authority representatives of the Regional Representative Group:
- 12.1 those representatives will be collectively appointed by the elected members of the local authorities that constitute the water services entity; and



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- 12.2 representative members will need to be elected members, chief executives, or appropriately qualified senior managers of a local authority;
- 13 **agreed** that, in relation to the mana whenua representatives of the Regional Representative Group, those representatives will be collectively appointed by mana whenua in the geographical area covered by the entity;
- 14 **noted** that Paper 3 provides further information on the selection method for the mana whenua representatives of the Regional Representative Group;
- 15 **agreed** that where there are more local authorities that constitute a water services entity than can be accommodated on the membership of the Regional Representative Group, then members:
- 15.1 must comprise an appropriate distribution of metropolitan, provincial and rural local authorities; and
- 15.2 represent a geographic spread across the area covered by the entity;
- 16 **agreed** that the legislation will include provisions for:
- 16.1 the appointment process for Representatives and related requirements;
- 16.2 the Minister of Local Government to appoint a group to work with local authorities and mana whenua, as a 'back-stop', if needed to facilitate the appointments of Representatives;
- 16.3 the rotation of Representatives;
- 16.4 the length of term for each Regional Representative Group;
- 17 **agreed** that the functions and powers of each Regional Representative Group will include:
- 17.1 appointing, monitoring, and removing members of the Independent Selection Panel that will (in turn) appoint members to the board of the water services entity;
- 17.2 issuing a Statement of Strategic and Performance Expectations to the water services entity, and monitoring the entity against that Statement;
- 17.3 considering the findings of an annual review of board performance undertaken by the Independent Selection Panel;
- 17.4 conducting performance reviews of the Independent Selection Panel;
- 18 **agreed** that the Regional Representative Group for each water services entity will be required to consider the interests of the geographical area covered by that entity when exercising its functions and decision-making powers;
- 19 **agreed** that:
- 19.1 each member of the Regional Representative Group will, in most cases, have an equal share of voting rights for decisions made by that Group; and
- 19.2 decisions of the Regional Representative Group will require a super majority decision of 75 percent;

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- 20 **noted** that further policy work is required to determine whether there should be exceptions to the approach proposed in paragraphs 16 and 19 above, and any alternative arrangements that would apply (while meeting the requirements noted in paragraph 2 above), for example, it may be appropriate for a local authority that represents a large population base to have a larger proportion of the local authority voting rights than those identified in paragraph 19.1 above;
- 21 **authorised** the Minister of Local Government to approve further policy proposals in relation to paragraph 20 above, and the name of the Regional Representative Group, during the legislation drafting process;

## Board selection and appointment process

### Independent selection panel

- 22 **agreed** that the legislation will provide that an Independent Selection Panel must be established by the Regional Representative Group for each water services entity to deal with board appointment and monitoring processes, including:
- 22.1 assessing, evaluating and shortlisting board candidates;
  - 22.2 appointing members to the entity board;
  - 22.3 appointing the chair of the board;
  - 22.4 removing board members;
  - 22.5 undertaking an annual review of the board's performance;
- 23 **agreed** that the legislation will also include details relating to the appointment of the Independent Selection Panel, including the:
- 23.1 appointment process; and
  - 23.2 length of term;
- 24 **agreed** that the Independent Selection Panel relating to each water services entity will include no more than four members, including the chair;
- 25 **agreed** that the membership of the Independent Selection Panel for each entity will, collectively:
- 25.1 be highly respected in the field of governance;
  - 25.2 understand network infrastructure industries;
  - 25.3 be independent of the entity's Representatives;
  - 25.4 have knowledge and experience of the Treaty of Waitangi and te Ao Māori;
  - 25.5 be appropriately qualified to assess and select members of the water services entity board;

- 26 **agreed that:**
- 26.1 a Regional Representative Group may vote to remove a member from the Independent Selection Panel; and
  - 26.2 the threshold for that vote would be a super majority, of 75 percent or above;
- 27 **agreed that the functions of the Independent Selection Panel will include:**
- 27.1 undertaking an annual review of the water services entity board's performance for consideration by the Regional Representative Group;
  - 27.2 developing, for presentation to the Regional Representative Group, a charter for its operations and functions;
  - 27.3 developing, for presentation to the Regional Representative Group, a Board Appointment and Remuneration Policy, including:
    - 27.3.1 a skills matrix outlining the experience, qualifications and skills expected of members of the entity board; and
    - 27.3.2 a board remuneration framework;
- Water services entity board**
- 28 **agreed that the legislation will:**
- 28.1 require that a board be established for each water services entity;
  - 28.2 provide for the term of appointment of each board member, and any restrictions on reappointment;
  - 28.3 provide for the removal of board members;
  - 28.4 provide for reporting by the board to the Regional Representative Group in relation to the performance of the board and entity;
- 29 **agreed that the board of each water services entity:**
- 29.1 will have no more than 10 members; and
  - 29.2 the chair of the board will hold the casting vote;
- 30 **agreed that each water services entity board will be accountable for:**
- 30.1 the appointment and removal of the chief executive officer;
  - 30.2 preparing a Statement of Intent, which will serve as the primary accountability document for the board and be produced in response to the Regional Representative Group's Statement of Strategic and Performance Expectations and any Government Policy Statement issued;
  - 30.3 preparing an Asset Management Plan, which outlines the investment priorities for the entity and describes how the entity will operate, maintain and renew its existing assets and provide new assets over a 10-year period and is in accordance with the Statement of Intent;



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- 30.4 preparing a Funding and Pricing Plan, which describes how the entity intends to fund and finance its business activities (including the Asset Management Plan) over a 10-year period and is in accordance with the Statement of Intent;
- 30.5 preparing an annual report, which complies with generally accepted accounting practice, and is audited;
- 31 **noted** that the legislation will include further details about the documents referred to in paragraphs 30.2 to 30.5 above;

## Entity financing arrangements

- 32 **noted** that water services entities will need to have significant financial capability and capacity to independently obtain financing for operations;
- 33 **agreed** that water services entities be enabled to access a variety of source finance, including, but not limited to:
- 33.1 New Zealand domestic retail and wholesale capital markets;
- 33.2 New Zealand Local Government Funding Agency;
- 33.3 offshore capital markets;
- 34 **agreed** that the legislation will enable water services entities to provide security to financiers in respect of their borrowings, with appropriate obligations and accountabilities on the water services entities in respect of that security;
- 35 **agreed** that the legislation will enable water services entities to charge customers directly for water services, and that entities are responsible for the collection of payments for the services they provide with appropriate safeguards including with respect to Māori land;
- 36 **noted** that transitional arrangements may be required for a period, whereby local authorities act as collection agents under fixed-term service level agreements and that the Minister of Local Government will report back on these matters in the fourth in this suite of papers, in July 2021;

## Tax status of water services entities

- 37 **agreed** that the new water service entities be exempt from income tax, given the intent is that the entities will be providing a service that is for public benefit rather than commercial benefit;
- 38 **agreed** that charges for water services be subject to Goods and Services Tax at the standard rate of 15 percent;
- 39 **noted** that legislative changes will be required to give effect to paragraphs 37 and 38 above;
- 40 **authorised** the Minister of Revenue, in consultation with the Minister of Finance and the Minister of Local Government, to make decisions on detailed amendments to tax and local government legislation relating to paragraphs 37 and 38 above;

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## Additional measures to prevent privatisation and protect the public interest

### Prohibition on dividends

- 41 **noted** that, subject to agreement to paragraph 10.4 above, the water services entities:
- 41.1 would not be able to pay dividends; but
  - 41.2 would have the operational and financial flexibility to reinvest any surplus to ensure the efficient delivery of water services;
- 42 **noted** that a prohibition on dividends, combined with the monopolistic characteristics of the water services entities, further necessitates the introductions of an economic regulation regime to help ensure the entities have the appropriate incentives to operate efficiently;

### Restrictions on asset sales or transfers

- 43 **agreed** that water services entities need the flexibility to structure commercial arrangements in relation to their assets in a way that provides for efficient and effective operations;
- 44 **noted** that the benefits offered by this flexibility need to be balanced with appropriate protections against the sale or privatisation of assets and infrastructure that are held by the entities in order to provide essential water services to the public;
- 45 **agreed** that the legislation will include appropriate mechanisms to place restrictions on the sale and/or transfer of material, strategic three waters assets by the water services entities, similar to the protections that are currently provided for in the Local Government Act 2002;

### Protections against future privatisation

- 46 **noted** that there are a series of legislative provisions and safeguards against future privatisation, but that there may be proposals by future governments or private entities to privatise water service delivery and that it is desirable to provide democratic protections for such circumstances;
- 47 **noted** that a referendum would provide a strong protection against any future privatisation proposal, and that local authorities, as owners of the entities, have a strong interest in this matter, as do iwi/Māori, and the public affected by a proposal;
- 48 **noted** that a privatisation proposal would include, but not be limited to, any proposal that seeks to change the ownership model of a water services entity, or to divest or transfer a material part of the entity's assets or operations (or any action to a similar effect);
- 49 **agreed** that, in relation to a viable privatisation proposal, legislation will include provisions for:
- 49.1 the Regional Representative Group to vote in favour of the proposal, by super majority, before the entity can proceed to a referendum;
  - 49.2 if the requirement above is met, for the water services entity to arrange for a referendum to be conducted, covering eligible electors in the population served by the entity;
  - 49.3 in order for the proposal to be successful, 75 percent or more of the votes cast must be in favour of privatisation;

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- 50 **noted** that further policy work is required to develop the mechanisms to give effect to paragraph 49 above, in particular defining privatisation in a manner that ensures water services entities can retain the flexibility to structure commercial arrangements in relation to their assets in a way that provides for efficient and effective operations, and that other arrangements are not precluded unnecessarily;
- 51 **authorised** the Minister of Local Government to approve further policy proposals in relation to paragraph 49 above, during the legislation drafting process;

## Protecting the public interest in relation to the water services entities

- 52 **noted** that water services entities will exist to provide essential services to, and be owned on behalf of, communities, and the general public has a significant interest in the operations and performance of these entities;
- 53 **agreed** that water services entities, like Crown owned companies, should be subject to expectations and/or constraints in legislation relating to their purpose and performance as statutory entities, including regarding:
- 53.1 alignment of strategy and investment to an entity's core purpose;
  - 53.2 scope of operations, including constraints on the diversification into products, services, markets, and overseas jurisdictions not directly related to the core purpose of the entity;
  - 53.3 restrictions on the establishment of subsidiaries, mergers and acquisitions, and sale of assets; and
  - 53.4 other matters not yet foreseen but considered material to an entity's performance as a statutory entity operating in the public interest;
- 54 **noted** that in the event of a serious performance issue with a particular water services entity it may be appropriate for the Crown to intervene to ensure this issue is rectified;
- 55 **noted** that several Crown intervention frameworks exist that provide a useful precedent, including within the Crown Entities Act 2004, Infrastructure Funding and Financing Act 2020, and Local Government Act 2002;
- 56 **agreed** that the legislation will provide for a Crown intervention framework that would apply to the water services entities, as a last resort measure to protect the public interest and ensure the objectives of the three waters reform programme are not jeopardised;
- 57 **agreed** that this intervention framework will include a graduated, risk-based approach, which:
- 57.1 is modelled on precedents in other legislation, particularly the Infrastructure Funding and Financing Act; and
  - 57.2 recognises and aligns with other intervention and compliance mechanisms in the three waters service delivery system, such as the drinking water regulatory regime and proposed introduction of economic regulation;



### Crown support

- 58 **noted** that providing similar forms of Crown support to water service entities, as are currently available to local authorities (and thus water assets), will strengthen the credit profile of these entities;
- 59 **agreed** that the Civil Defence and Emergency Management Act 2002 arrangements will be extended to apply to water service entities, such that it continues to apply to three water assets once the assets are transferred to the water services entities from local authorities;
- 60 **agreed** that a Crown liquidity facility will be available to water services entities, which can be accessed if certain 'trigger events' occur, on similar terms to those available to the Local Government Funding Agency;

### Consumer and community engagement

- 61 **noted** that effective engagement, publishing and reporting requirements will provide an avenue for consumers and communities to give direct feedback to the water services entities, influence the establishment of key business documents, and increase transparency and accountability in decision making;
- 62 **agreed** that the water services entities will be required in legislation to undertake engagement with their consumers and communities on the:
- 62.1 prioritisation methodology that informs the asset management plan;
- 62.2 Asset Management Plan; and
- 62.3 Funding and Pricing Plan;
- 63 **agreed** that the water services entities will be required to:
- 63.1 make publicly available the documents referred to in paragraph 62, after they have been finalised;
- 63.2 report on how any consumer and community feedback was considered and incorporated into final decision making regarding these documents;
- 64 **noted** that to, assist with effective and meaningful consumer and community engagement, many overseas jurisdictions both utilise and recommend having a consumer forum;
- 65 **noted** that having a legislative requirement will ensure consistency between water services entities, and address concerns of consumer and community groups;
- 66 **agreed** that each water services entity will be required to establish a consumer forum, to assist with consumer and community engagement;

### Charging and pricing arrangements

- 67 **noted** that the entities must be transparent in both how they calculate and set prices, and that Paper 1 of this suite of papers includes a proposed operating principle to this effect;
- 68 **noted** that the Ministry of Business, Innovation and Employment will also be considering the process for setting pricing and transparency requirements, as part of their work to develop detailed proposals on the consumer protection mechanisms for the new three waters system;

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- 69 **noted** that the water services entities will need a variety of pricing and charging instruments to effectively and equitably charge customers, and further advice on this matter will be included in a further paper, anticipated for September 2021;

## Legislative implications

- 70 **agreed** that the above decisions be implemented through the Water Services Entities Bill, which has a category 4 priority on the 2021 Legislation programme (to be referred to select committee in 2021);
- 71 **invited** the Minister of Local Government to issue drafting instructions to the Parliamentary Counsel Office to give effect to the above decisions;
- 72 **authorised** the Minister of Local Government to approve minor policy and technical matters that may arise during the course of drafting, in alignment with the approach and reform proposals set out in this suite of papers;
- 73 **agreed** that technical experts can be consulted, if needed, during the drafting process;

## Communications

- 74 **noted** that the Minister of Local Government will work with the Prime Minister's office to finalise relevant communications.

Michael Webster  
Secretary of the Cabinet

Proactively released by the Minister of Local Government

Graphic of the Governance Structure prepared by DIA reflecting the decisions of the Cabinet Minute.

## 1. A CASE FOR CHANGE

This Government has ambitions to significantly improve the safety, quality, resilience, accessibility, and performance of three waters services, in a way that is efficient and affordable for New Zealanders. This is critical for:

- public health and wellbeing;
- environmental outcomes;
- economic growth and employment;
- housing and urban development;
- adapting to the impacts of climate change;
- mitigating the effects of natural hazards.

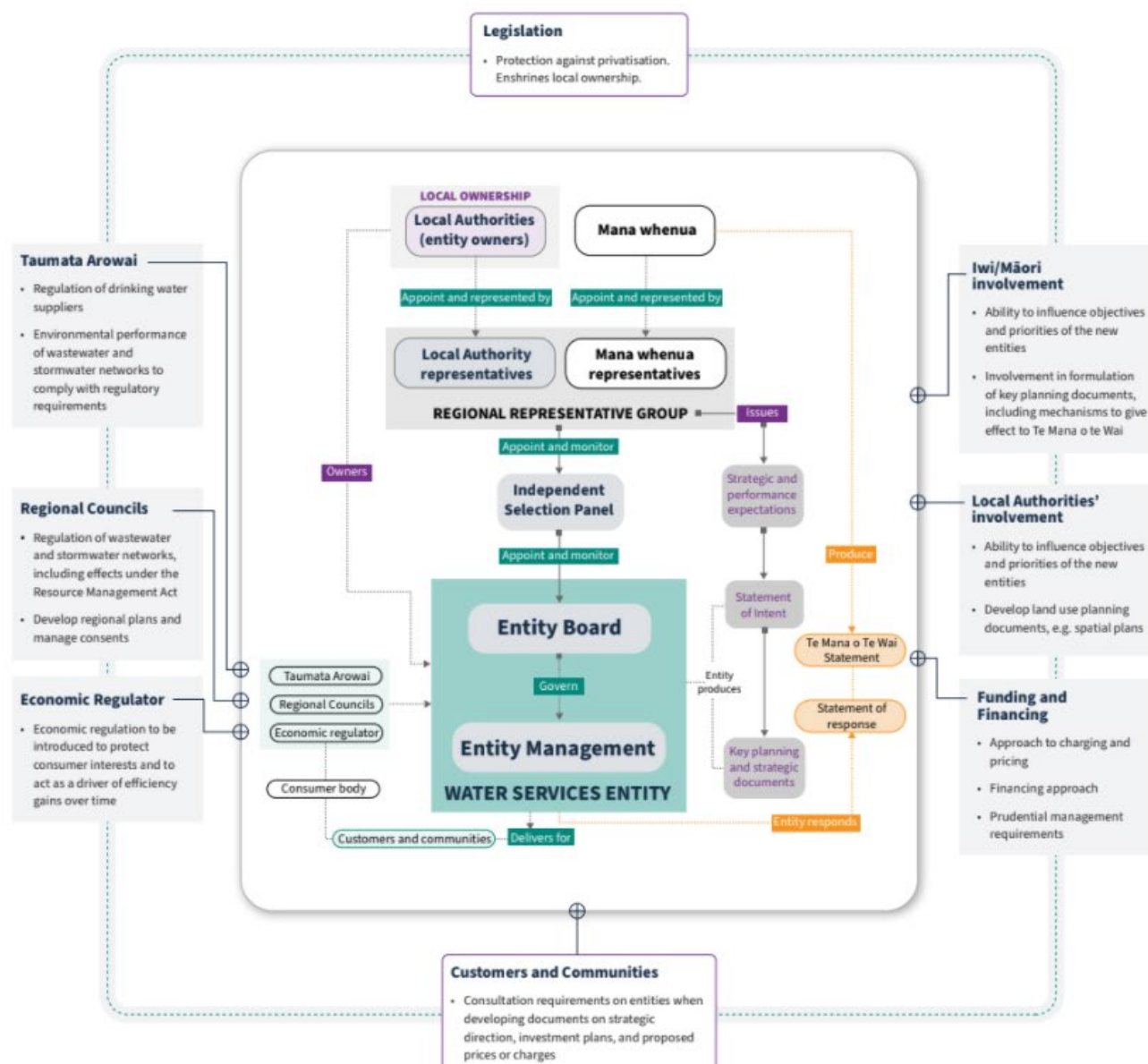
Government also wants to ensure it delivers on Treaty-related obligations, including by improving outcomes for iwi/Māori in relation to three waters service delivery.

Integral to this is effective infrastructure delivery, underpinned by an efficient, high-performing, financially-sustainable, and transparent three waters system.

## 2. KEY DESIGN FEATURES

- Maintaining local authority ownership of water services entities;
- Protecting against privatisation;
- Retaining influence of local authorities and mana whenua over strategic and performance expectations;
- Providing the necessary balance sheet separations from local authorities; and
- An integrated regulatory system.

## 3. A NEW WATER SERVICES SYSTEM



## 4. OBJECTIVES FOR THE CROWN/MĀORI RELATIONSHIP

Enabling greater strategic influence to exercise rangatiratanga over water services delivery.

- A** Integration of iwi/Māori rights and interests within a wider system.
- B** Reflection of a holistic te ao Māori perspective.
- C** Supporting clear account and ensure roles, responsibilities, and accountability for the relationship with the Treaty partner.
- D** Improving outcomes at a local level to enable a step change improvement in delivery of water services for iwi/Māori.

## 5. A PARTNERSHIP-BASED REFORM

Government will continue to work in partnership with iwi/Māori and local authorities.

A large scale communication effort is required to ensure local government support reform.

Further decisions are yet to be taken by Cabinet on the arrangement for transition to, and implementing, the new system.

# Council Report

**Committee:** Council

**Date:** 12 August 2021

**Author:** Maire Porter

**Authoriser:** Andrew Parsons

**Position:** City Waters Manager

**Position:** Executive Director Strategic Infrastructure

**Report Name:** Watercare Water Allocation Board of Inquiry

**Report Status**

*Open*

## **Purpose - *Take***

1. To update Council on its submission to the Board of Inquiry on the Watercare water allocation application from the Waikato River.

## **Staff Recommendation - *Tuutohu-aa-kaimahi***

That the Council receives the report.

## **Executive Summary - *Whakaraapopototanga matua***

2. Hamilton City Council (Council) has submitted to the Board of Inquiry (BOI) process for the Watercare Water Allocation application following the resolutions at the 18 March 2021 Council meeting.
3. The submission reflects a position of 'conditional opposition' through a high-level strategic approach and makes it clear that if the matters of concern to Hamilton City Council are satisfactorily addressed by Watercare, and/or the Board of Inquiry, then the opposition may be resolved, and the HCC position may move to neutrality, or possibly support.
4. The principal outcome sought is one where the immediate needs of Auckland are met, while preserving allocable flow for the medium to long-term to enable Council to meet its needs over this extended timeframe, all in a manner which ensures that the health and wellbeing of the river is restored and protected. It is not Council preference that the Watercare application be declined.
5. Hamilton City Council has also filed expert evidence to support its submission.
6. The main Board of Inquiry proceedings will commence on Tuesday 31 August 2021 in the Waikato Stadium. The hearing will be open to the public and expected to continue for about 2 weeks.
7. Staff consider the matters in this report have low significance and that the recommendations comply with Council's legal requirements.

## **Background - *Koorero whaimaarama***

8. This is the third report to the Council relating to the Board of Inquiry on the Watercare water allocation application from the Waikato River.

Item 14

9. At its 4 February 2021 meeting the Council considered participation in the government appointed Board of Inquiry which has been appointed to hear the Watercare water allocation application from the Waikato River.
10. The following was resolved at the 4 February 2021 Council meeting in the public excluded section, noting that the resolution was subsequently approved for public release by the Chief Executive:

*“That the Council:*

- a) approves Hamilton City Council’s participation on the Board of Inquiry appointed to hear the Watercare water allocation application from the Waikato River;*
- b) approves an initial position of opposition to the Watercare water allocation application;*
- c) requests the Chief Executive to prepare and lodge the necessary documentation to effect the above (a) and (b);*
- d) notes that the initial position of opposition may be reviewed as the Board of Inquiry process proceeds, alongside a collaborative approach with the applicant, Auckland Council and other submitters;*
- e) notes an initial unbudgeted cost estimate of \$200,000 this financial year to cover preparation and lodgement of the HCC submission, and to undertake any initial discussion/mediation;*
- f) notes that the decision and information in relation to this matter be released at the appropriate time, to be determined by the Chief Executive; and*
- g) that the proposed Hamilton City Council submission to the Board of Inquiry hearing on the water application be reported to Council for approval prior to lodgement.”*

11. [Council’s submission](#) was finalised following the 18 March 2021 Council meeting and reflects this position of ‘conditional opposition’ through a high-level strategic approach and makes it clear that if the matters of concern to Hamilton City Council are satisfactorily addressed by Watercare, and/or the Board of Inquiry, then the opposition may be resolved, and the Council position may move to neutrality, or possibly support.
12. The Hamilton City Council team is comprised of 5 experts in addition to the legal services of Lachlan Muldowney, supported by Shaye Thomas. The experts are:
 

**Andrew Parsons** – Overall strategic position

**Luke O’Dwyer** – Strategic planning and growth context

**Thomas Haarhoff** – Water demand management

**Dr Douglas Fairgray** – Economic effects analysis

**Ian Mayhew** – Statutory planning
13. Key documents can be found at the Environmental Protection Authority webpages should Elected Members want to review the detailed information.
  - The full suite of documents comprising the Watercare application can be found [here](#).
  - A copy of all submissions can be found [here](#).
  - A copy of all submitter evidence and Watercare’s rebuttal evidence can be found [here](#).
14. The Council also requested the Chief Executive to develop a water allocation application for Waikato Regional Council to meet the city’s expected long-term water demand beyond the term of the current consent expiring in 2044. The Board of Inquiry work has been prioritised ahead of a new water allocation application.



15. The preliminary work for the new water allocation application has commenced, and Hamilton City Council will be leveraging the expertise and knowledge developed in this BOI process to take the learnings from Watercare's application and apply them to the Hamilton context.

### Discussion - *Matapaki*

16. Since lodging Council's submission there have been two meetings with Watercare representatives. On each occasion Watercare has indicated that it does not support Council's suggested conditions which seek a duration of consent limited to 20 years, a requirement to report on the development of alternative water sources, and a 'sinking lid' on water allocated under the consent so that at the date of termination, the take is significantly reduced. Watercare appears committed to pursuing the allocation as originally sought.
17. The basis of the Hamilton City Council involvement and submission is an outcome which sees the immediate needs of Auckland met, while preserving allocable flow for the medium to long-term to enable Council to meet its needs over this extended timeframe, all in a manner which ensures that the health and wellbeing of the river is restored and protected. It is not Hamilton City Council preference that the Watercare application be declined.
18. The evidence of Andrew Parsons to the Board of Inquiry best summarises the overall Hamilton City Council position and intent. Key aspects of his evidence are repeated below:
- It is not HCC's preference that the Watercare application be declined. HCC recognises that Watercare has an immediate need for water in the short term, and that meeting this need is critically important in both a regional and national context. However, as explained above, HCC will need more water in the future to meet the growing demand in Hamilton and the MSP area, and this must be a consideration in the current context.*
  - Watercare's application indicates that Watercare only intends to use the additional take 'as necessary'. It further indicates that alternative water supplies will be brought on-line over time to meet projected demand in Auckland.*
  - Accordingly, HCC's position is that Watercare's reliance on the Waikato River should gradually be reduced, consistent with the assurances given in the application and in the evidence of Mr Bourne and Mr Fisher on behalf of Watercare. However, this is not sufficiently addressed in the consent conditions that have been proposed by Watercare.*
  - In light of the potential shortfall in water supply, granting long-term resource consents for water abstractions would lock in unsustainable water use. The large volume of water sought means that the full allocation may not be utilised for some time with the consequence that this water will not be available for allocation. With HCC's existing consent expiring in 2044, it makes sense to broadly align the expiry of the Watercare allocation with this timeframe so that the ongoing needs of the Auckland population and those living within the MSP area can be considered in an integrated manner.*
  - For these reasons, HCC seeks that Watercare's consent be limited to a duration of 20 years. It also seeks a requirement embedded in the consent that alternative sources for water supply will be explored and implemented by set deadlines. I am also aware that consent conditions can be formulated to gradually reduce the consent holders' reliance on the resource over time, effectively a 'sinking lid'. I support this approach as it creates a 'real world' accountability around Watercare's signalled intent to secure an alternative long-term water supply.*
  - Watercare recognises that securing an alternative water source is an inevitability. The relief sought by HCC simply means that Auckland's immediate water needs are met for the foreseeable 20 years while requiring Watercare to advance its alternate service/source scenario by approximately 10 years under HCC's recommended approach. The broad economic impact on the Waikato Region is mitigated and Watercare will face*

*the incremental financing cost of delivering its 30-year investment 10 years earlier than otherwise planned. This represents a balanced and sustainable mitigation of effects in the context of the likely cost of finance versus the cost to the Waikato Regional economy.*

- g) *HCC seeks an outcome which sees the immediate needs of Auckland met, while preserving allocable flow for the medium to long-term to enable HCC to meet its needs over this extended timeframe, all in a manner which ensures that the health and wellbeing of the river is restored and protected.*
- h) *HCC considers that, through the relief it seeks, these issues can be resolved in a way that serves the joint interests of Auckland, Hamilton, and Iwi.*

#### **Next Steps in the Board Of Inquiry process**

- 19. By the time of the 12 August 2021 Council meeting, two days of caucusing will have been completed by expert planners representing each of the submitters. Hamilton City is represented by Luke O'Dwyer and Ian Mayhew. A summary of the outcomes from the expert caucusing can be discussed in the Council meeting.
- 20. The main Board of Inquiry proceedings will commence on Tuesday 31 August 2021 in the Waikato Stadium. The hearing will be open to the public and expected to continue for 2 weeks.
- 21. At this point in time, Hamilton City Council representatives will likely present their submission and be available for cross examination from around Monday 6 August for about 1-2 days. A further update can be discussed in the Council meeting should the Board issue updated procedures.

#### **Hamilton City Water Allocation Application**

- 22. There are two key aspects in relation to the request to develop a water allocation application for Waikato Regional Council to meet Hamilton City's expected long-term water demand beyond the term of the current consent expiring in 2044.
- 23. Firstly, a significant reduction in water demand is required to ensure that Hamilton's water use remains within its consented limit by 2044.
- 24. The second point is that the regulator, when considering a new water allocation consent application, will consider whether sufficient and best practise water demand measures have been put in place.
- 25. Staff will report separately to discuss aspects of a future water allocation application following the Board of Inquiry process.

#### **Financial Considerations - *Whaiwhakaaro Puutea***

- 26. The initial estimate of costs advised to the Council to participate in the Board of Inquiry was \$500,000 over 2020/21 and 2021/22 financial years. This estimate can only be confirmed as the Board of Inquiry process proceeds.
- 27. The actual cost to 30 June 2021 to cover preparation and lodgement of the Hamilton City Council submission including evidence, and initial discussion/mediation was \$56,000. This cost was not part of the 2021/22 Annual Plan, this value was reflected in the financial strategy through the 2020/21 financial forecast.
- 28. For 2021/22 the total remaining costs are now estimated to be much less than originally estimated in paragraph 27. Once there is certainty with the final value this will be included within the 2021/22 Financial Forecast and reported through to the Finance Committee.

### **Legal and Policy Considerations - *Whaiwhakaaro-aa-ture***

29. Staff confirm that the staff recommendations comply with Council's legal and policy requirements.

### **Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga***

30. The purpose of Local Government changed on the 14 May 2019 to include promotion of the social, economic, environmental and cultural wellbeing of communities in the present and for the future ('the 4 wellbeings').
31. The subject matter of this report has been evaluated in terms of the 4 wellbeings during the process of developing this report as outlined below.

### **Risks - *Tuuraru***

32. Assuming all (or a reduction to 150MLD) of the Watercare 200MLD application is approved and the Waikato River becomes fully allocated:
- a) the principal risk to Hamilton City Council up to 2044 is the city's need for access to water over and above the city's current consented limits. This is particularly relevant for new wet industry or higher than expected growth. This risk is within Hamilton City Council control; and
  - b) beyond 2044 there is likely to be a risk to HCC's ability to re-consent its current water allocation (both volume of water and increased compliance obligations) and, any new or increased water allocation request would likely be extremely challenging to secure (if it can be secured at all) in the context of the Waikato River Vision and Strategy. This is particularly relevant for any new growth (i.e. all industry and all residential infill, intensification and greenfields) including water requirements for city expansion area and the Future Proof Metro Spatial Plan outcomes.

### **Significance & Engagement Policy - *Kaupapa here whakahira/anganui***

#### **Significance**

33. Staff have considered the key considerations under the Significance and Engagement Policy and have assessed that the matter(s) in this report has/have a low level of significance.

#### **Engagement**

Given the low level of significance determined, the engagement level is low. No engagement is required.

### **Attachments - *Ngaa taapirihanga***

There are no attachments for this report.

# Council Report

**Committee:** Council

**Date:** 12 August 2021

**Author:** Maire Porter

**Authoriser:** Andrew Parsons

**Position:** City Waters Manager

**Position:** Executive Director Strategic Infrastructure

**Report Name:** Watercare Temporary Water Assignment

**Report Status**

*Open*

## Purpose - *Take*

1. To seek approval of the request from Watercare to access unused water allocation from Hamilton City Councils water resource consent for the next summer period (1 October 2021 to 30 April 2022) as set out in the agreement between Watercare and Hamilton City Council.

## Staff Recommendation - *Tuutohu-aa-kaimahi*

2. That the Council:
  - a) receives the report;
  - b) approves the request from Watercare to access water for the next summer period (1 October 2021 to 30 April 2022) as provided for in the agreement between Watercare and Hamilton City Council (refer **Attachment 1**); and
  - c) requests the Chief Executive to formalise Hamilton City Council's agreement to a second period (1 October 2021 to 30 April 2022) under clause 2.1 (b) of the agreement.

## Executive Summary - *Whakaraapopototanga matua*

3. The Chief Executive of Watercare wrote to Hamilton City Council on 13 May 2020 to request access to water.
4. At its 26 May 2020 meeting, the Infrastructure Operations Committee considered the letter in the public excluded section of the meeting. At its 30 June 2020 meeting, the committee delegated the Chief Executive to approve and execute an agreement with Watercare on behalf of Hamilton City Council for the temporary assignment of water.
5. The first assignment period has been completed successfully with no risk to Hamilton City Council.
6. A second period of assignment for the period 1 October 2021 to 30 April 2022 has been requested by Watercare (refer **Attachment 1**).
7. Staff recommend approval of the request for the temporary assignment.
8. Staff consider the decision in this report has low significance and that the recommendations comply with Council's legal requirements.

Item 15

## Background - *Koorero whaimaarama*

9. A letter of request relating to water was received from the Chief Executive of Watercare dated 13 May 2020.
10. At its 26 May 2020 meeting, the Infrastructure Operations Committee considered the letter in the public excluded section of the meeting and made the following resolutions:
  - a) *receives the verbal report;*
  - b) *receives the letter from the Chief Executive of Watercare to the Chief Executive of Hamilton City Council dated 13 May 2020;*
  - c) *requests staff engage with Waikato Tainui, Watercare and Waikato Regional Council to explore how Hamilton City Council could assist Watercare to achieve the outcomes sought in the letter of 13 May 2020;*
  - d) *requests staff proceed on the basis that any arrangement with Watercare must create no risk for Hamilton City water users;*
  - e) *requests staff back to the Infrastructure Operations Committee with a recommended arrangement (if any) to a future meeting noting that entering into any arrangement will require a recommendation to the Council;*
  - f) *request staff to work with Waikato Tainui and refer the request to the Joint Management Committee; and*
  - g) *notes that the decision and information in relation to this matter be released at the appropriate time, to be determined by the Chief Executive.*
11. The Infrastructure Operations Committee considered the matter further at the 30 June 2020 meeting in the public excluded section of the meeting, and made the following resolutions:
  - a) *notes that a Strategic relationship Memorandum of Understanding between Hamilton and Auckland Councils is being developed which will be reported back to the Strategic Growth Committee for consideration;*
  - b) *notes that the resolutions of the committee dated 18 June 2018 relating to wet industry are to be reconsidered at the next committee meeting together with the draft policy on high water use;*
  - c) *approves the draft agreement in attachment 2 and delegates the Chief Executive to consider and approve any final changes following feedback from Waikato Tainui or Watercare provided the overall principles and intent regarding managing risk to HCC water users, and upholding Te Ture Whaimana O Te Awa set out in the current draft, is maintained;*
  - d) *delegates the Chief Executive to approve and execute the final agreement on behalf of Hamilton City Council;*
  - e) *notes that broad media statements in relation to the decision may be released following the meeting, at a time to be determined by the Mayor or Chief Executive*
  - f) *notes that the decision and information in relation to this matter be released at the appropriate time, to be determined by the Chief Executive.*
12. The final agreement resulting from resolutions 10 c) and 10 d) above is in **Attachment 1**.

13. The agreement established an initial 1-year period during which Watercare Services Limited were temporarily assigned up to 25 million litres per day (MLD) from the Hamilton City's consented water allocation (Resource Consent 113941 - Surface water take and use).
14. A further two 1-year assignments of up to 25 MLD from the Hamilton City's consented water allocation is also provided for in the agreement covering the periods 1 October 2021 – 30 April 2022 and, 1 October 2022 – 30 April 2023.
15. Under the agreement, to access the second year of temporary water assignment for the period 1 October 2021 to 30 April 2022, Watercare Services Limited must provide a written request to Council no later than 1 August 2021.
16. On 30 June 2021, Watercare formally requested the second year of temporary assignment from Hamilton City (**Attachment 2**) in accordance with the agreement.

## Discussion - *Matapaki*

### Watercare temporary Assignment Agreement

17. The agreement provides that Hamilton City Council (Council) may determine, at its sole discretion, and having regard to the performance of Watercare's obligations under section 2.4 (set out in **Attachment 3**), whether to agree to a request by Watercare for each of the two future water assignments.
18. Council has an obligation under the agreement to consider any temporary water assignment request for the second year and must advise Watercare Services Limited of its decision no later than 1 September 2021.
19. Staff have reviewed the status of the Watercare obligations (**Attachment 3**) and are satisfied with the Watercare response received 30 June 2021.
20. During the initial period between 1 October 2020 and 30 April 2021, Watercare Services Limited utilised a total volume of 2,677 MLD of water under Council's Resource Consent 113941 - Surface water take and use, at a daily average volume of 12.6 MLD.
21. There were no detrimental impacts or increased risk to Hamilton's water supply that occurred as a result of the temporary water assignment provided to Watercare Services limited during the period of 1 October 2020 to 30 April 2021.
22. Staff recommend approval of the Watercare Services Limited request because of the 'no risk' to Hamilton in entering in to the second water assignment period and, due to the strong desire to be aligned with the overall Council position taken in the Board of Inquiry process for the Watercare consent application to take Water from the Waikato River.

### Strategic relationship Memorandum of Understanding with Auckland Council

23. On 1 October 2020 the Strategic Growth Committee resolved to enter into a Strategic Relationship Memorandum of Understanding between Auckland Council and Hamilton City Council.
24. The basis of the Memorandum of Understanding was to discuss through a range of common interests as neighbouring metropolitan Councils, and to collaborate in significant matters including growth management, water, passenger rail and logistics.
25. These common interests were originally illustrated in Auckland Council's Council Controlled Organisation, Watercare, requesting assistance from Hamilton City Council in respect of issues concerning Auckland's water supply and storage deficit. The Councils and Watercare agreed to work together collaboratively to explore solutions. Auckland Council is also a member of Future Proof, with significant interests in the Hamilton to Auckland Corridor, particularly

growth in the Northern Waikato, the Passenger Rail service, Urban Growth Agenda matters and ports/freight and logistics.

26. Most recently, the following matters were discussed at the 6 July 2021 relationship meeting between Hamilton and Auckland councils:
  - Watercare Board of Inquiry (refer separate report to this Council meeting);
  - Watercare request for temporary water allocation assignment;
  - Three Waters Reform; and
  - non water matters (Ports and Te Huia rail service).
27. Staff note a separate follow-up meeting was agreed to for 3 August 2021 in relation to Te Huia. Cr Wilson will attend along with the other Passenger Rail Project Governance Working Group members.

### Options

28. Staff have assessed that there are two contractual options for the Council to consider. This assessment reflects the level of significance (see paragraph 51) and the provisions in the agreement with Watercare. The options are:
  - a. **approve the request** for the temporary assignment of up to 25 MLD from Hamilton City's water allocation consent for the period commencing 1 October 2021 and ending 30 April 2022. This is the staff recommendation; and
  - b. **decline the request** for the temporary assignment of up to 25 MLD from Hamilton City's water allocation consent for the period commencing 1 October 2021 and ending 30 April 2022.
29. Staff recommend **option (a)** because of the 'no risk' to Hamilton City in entering in to the second water assignment period and, due to the strong desire to be aligned with the overall Council position taken in the Board of Inquiry process for the Watercare consent application to take water from the Waikato River.

### Financial Considerations - *Whaiwhakaaro Puutea*

30. There are no material financial implications for Hamilton City Council associated with a temporary assignment of up to 25 MLD to Watercare Services Limited from 1 October 2021 to 30 April 2022.
31. Under the agreement Watercare Services Limited are required to meet any reasonable costs (staff time, contractor or consultant costs, legal cost, etc) incurred with the operation of the agreement and the reassignment of water.
32. In the initial year of temporary water assignment for the period 1 October 2021 to 30 April 2022, Watercare Services Limited were invoiced a total of \$3,710 to reimburse the cost of Hamilton City Council staff and contractor time associated with implementing the operational procedures under the agreement.

### Legal and Policy Considerations - *Whaiwhakaaro-aa-ture*

33. Staff confirm that the staff recommendations comply with Council's legal and policy requirements.
34. Lachlan Muldowney participated in the mid-2020 discussions with Watercare Services Limited and the drafting of the legal agreement (**attachment 1**) for the reassignment of water.

## Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga*

35. The purpose of Local Government changed on the 14 May 2019 to include promotion of the social, economic, environmental and cultural wellbeing of communities in the present and for the future ('the 4 wellbeings').
36. The subject matter of this report has been evaluated in terms of the 4 wellbeings during the process of developing this report as outlined below.
37. The recommendations set out in this report are consistent with that purpose.

### Social

38. The water reassignment agreement with Watercare Services Limited was developed on the basis that Hamilton City water users and the health and wellbeing of the Waikato River were protected.
39. Due to the provisions within the agreement, the staff recommendation to approve the Watercare Services Limited request to utilise the second water assignment period under the contract will not have any detrimental impacts on the Hamilton community.

### Economic

The approval of the second water assignment period supports the recovery of Auckland's depleted stored water resources resulting from the impacts of a one in 200-year drought and in doing so assists with avoiding potential economic impacts on Auckland and New Zealand as a whole.

41. Due to the provisions within the agreement, the staff recommendation to approve the Watercare Services Limited request to utilise the second water assignment period under the contract will not have any economic impacts on Hamilton.

### Environmental

42. The water reassignment agreement with Watercare Services Limited was developed on the basis that Hamilton City water users and the health and wellbeing of the Waikato River were protected.
43. As the agreement provides for Watercare Services Limited to utilise an unused portion of Hamilton's consent, there is no expected detrimental environmental impact as a result of the agreement.
44. Watercare Services Limited have indicated (refer **Attachment 3**) that they are actively working with Waikato Tainui and Te Taniwha o Waikato on initiatives that will progress restoration of the awa and support Te Ture Whaimana o Te Awa, as required by the agreement.

### Cultural

45. During the development of the principles and terms of the agreement, discussions with Waikato Tainui were undertaken and an informal Waikato Tainui Hamilton City Council Co-Governance meeting was held on 23 June 2020 to discuss the matter.
46. Waikato Tainui considered the principles of approach in relation to the agreement at a board meeting on 26 June 2020 and provided informal feedback that was included in the final agreement.
47. Staff will advise Waikato Tainui of the outcome of the decision being sought in this report.

### Risks - *Tuuraru*

48. There are no known risks to Hamilton City Council associated with the staff recommendations given:
  - a) the risk assignment provisions in the agreement with Watercare;



- b) Hamilton City secured the next stepped increase in its allocation consent to enable the assignment to Watercare; and
  - c) Hamilton City's contractual right to terminate the agreement if Hamilton's current and future water users are adversely affected by Watercare's use of the water.
- 49. Should Council not agree to the next summer period (1 October 2021 to 30 April 2022), there will likely be a relationship deterioration with Auckland Council, and also a general reaction that local government cannot work together.
- 50. Public misconceptions – at the time of the last water allocation Council addressed some misunderstandings from members of the public linking the allocation to Hamilton's water restrictions. The allocation has no impact on the amount of water the city is currently able to treat and distribute to residents. The allocation has no impact on Hamilton's water conservation measures, including any restrictions. Should the Council approve this allocation, Council's communications will again address these misconceptions.

### **Significance & Engagement Policy - *Kaupapa here whakahira/anganui***

#### **Significance**

- 51. Staff have considered the key considerations under the Significance and Engagement Policy and have assessed that the recommendation(s) in this report has/have a low level of significance.

#### **Engagement**

- 52. Given the low level of significance determined, the engagement level is low. No engagement is required.

### **Attachments - *Ngaa taapirihanga***

Attachment 1 - Watercare - water allocation request - Final Assignment Agreement

Attachment 2 - Watercare request for second period

Attachment 3 - Agreement reconciliation by Watercare

## AGREEMENT RELATING TO WATER USE

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**WATERCARE SERVICES LIMITED**

**HAMILTON CITY COUNCIL**



**Simpson Grierson**

Barristers & Solicitors  
Auckland, Wellington and Christchurch  
New Zealand  
[www.simpsongrierson.com](http://www.simpsongrierson.com)

AGREEMENT DATED

24 July

2020

## PARTIES

1. **WATERCARE SERVICES LIMITED**, a company incorporated in New Zealand (company number 519049) and a CCO wholly owned by Auckland Council (**Watercare**)
2. **HAMILTON CITY COUNCIL (HCC)**, a territorial authority under the Local Government Act 2002

## BACKGROUND

- A. Auckland is currently experiencing drought conditions which have severely depleted Watercare's stored water resources and Watercare has an urgent need for additional water resources.
- B. HCC holds a resource consent to take water from the Waikato River (AUTH 113941.01.03) (**HCC Consent**). The HCC Consent is 'stepped', and while the total overall maximum daily take is 146 MLD, the current maximum daily take volume is 116 MLD. The steps under the HCC Consent are as follows:

Time Period	Maximum Daily Take Volume (m <sup>3</sup> )	Maximum Take Rate (m <sup>3</sup> /s)
Date of commencement of this consent – 30 November 2014	105,000	2.06
1 December 2014 – 30 November 2020	116,315	2.29
1 December 2020 – 30 November 2026	125,315	2.47
1 December 2026 – 30 November 2030	133,315	2.63
1 December 2030 – 30 November 2038	140,315	2.76
1 December 2038 – expiry of consent	146,315	2.88

- C. Under the HCC Consent, HCC can increase the maximum daily take volume generally every 6 years. HCC is due to apply to the Waikato Regional Council (**WRC**), by 1 July 2020, for the next step up to a maximum daily take volume of approximately 125 MLD, for the 6 year period commencing on 1 December 2020.
- D. Currently HCC has a maximum daily treatment capacity at its water treatment facility of approximately 106 MLD, which limits daily abstraction to a maximum of 111 MLD. A facility upgrade is scheduled to be completed in 2023, which will take HCC's treatment capacity to 140 MLD.
- E. Watercare holds a resource consent to take water from the Waikato River (AUTH 960089), and wishes to increase the take from its existing intake structure in the river (**Intake Structure**) so as to mitigate impacts on its water supply system caused by drought. Under AUTH 960089 Watercare's maximum take from the river is limited to 150 MLD when the 7-day rolling average flow at Rangiriri is less than 328.3m<sup>3</sup>/s, but increases to 175 MLD when it is equal to or greater than this amount.
- F. On 18 June 2020 Watercare commenced taking additional water from its Intake Structure under the emergency powers in s330 of the Resource Management Act 1991 (**RMA**). Watercare intends to increase the volume of this take under s330 to



25 MLD by August 2020. Watercare intends to cease its take under s330 once it can secure an alternative source of up to 25 MLD under the terms of this agreement.

- G. Watercare seeks to utilize water allocated to HCC under the HCC Consent, but not required immediately by HCC, to alleviate pressure on its water supply system caused by the drought.
- H. HCC is willing to assist Watercare by immediately applying for its next step up to 125 MLD, and then allowing Watercare to use, on a temporary basis, the unused balance between HCC's actual daily water take and its new maximum daily take volume of 125 MLD, provided HCC water users and the health and wellbeing of the Waikato River are protected.
- I. Watercare accepts that this temporary assignment to it of up to 25 MLD must pose no risk to the supply of water to HCC residents and ratepayers, and that while HCC is assigning any part of its allocation to Watercare, Auckland's water use restrictions should be equal to or more stringent than those operating in Hamilton.
- J. HCC requires there to be no risk to its HCC Consent, and for Watercare to pay all costs incurred by HCC in relation to the matters set out in this agreement, including ongoing operational and monitoring costs.
- K. Both Watercare and HCC are committed to supporting Te Ture Whaimana o Te Awa (the Vision and Strategy for the Waikato River).
- L. The parties wish to enter into this agreement to record the terms on which the parties will co-operate, and Watercare may use the HCC Water.

#### THE PARTIES AGREE THAT:

##### 1. INTERPRETATION

##### 1.1 Definitions: In this agreement:

**Business Day** means any day excluding Saturdays, Sundays and statutory public holidays in Auckland or Hamilton and excluding any day in the period beginning on 25 December in any year and ending on 5 January in the following year;

**Daily Allocation Regime** has the meaning given to that term in clause 4.3(c);

**Government Agency** means any recognised government or any governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity whether at a national or local level.

**HCC Consent** means the resource consent to take water from the Waikato River (AUTH 113941.01.03) held by HCC;

**HCC Water** means water allocated to HCC under the HCC Consent (i.e. the maximum daily take volume approved by WRC), that is not required immediately by HCC;

**MLD** means megalitres of water per day;

**Operational Procedures** means the operational procedures that will govern Watercare's use of the HCC Water, as set out in clause 4;

**Short-term Consent** has the meaning given to that term in clause 2.4(a);

**Step Up** means the move from the current maximum daily take volume under the HCC Consent of 116 MLD to 125 MLD;

**Te Ture Whaimana o Te Awa** means the Vision and Strategy for the Waikato River set out in Schedule 2 of the Waikato-Tainui Raupatu Claims (Waikato River) Settlement Act 2010;

**Water Allocation Progress Report** has the meaning given to that term in clause 2.3(a); and

**WRC** means the Waikato Regional Council.

**1.2 Interpretation:** In this agreement, unless the context indicates otherwise:

- (a) clause and other headings are for ease of reference only and will not affect this agreement's interpretation;
- (b) references to any party include that party's successors and permitted assigns;
- (c) references to the singular include the plural and vice versa;
- (d) the term **includes** or **including** (or any similar expression) is deemed to be followed by the words **without limitation**;
- (e) references to any document are references to that document as modified, novated, supplemented, varied or replaced from time to time and in any form, whether on paper or in an electronic form; and
- (f) references to, or obligations in this agreement which require payment of money will be a reference to, or deemed to be an obligation requiring, payment of money in immediately available cleared funds free from any set-off or deduction.

**2. STEP UP AND USE**

**2.1 Step Up:** Subject to WRC approving the step up to 125 MLD under the HCC Consent (the **Step Up**) and establishment of the Operational Procedures, HCC will make available to Watercare up to 25 MLD of HCC Water:

- (a) **Initial Period:** for the period starting on the date the Short Term Consent commences, and ending on 30 April 2021; and
- (b) **Further Periods:** if agreed between HCC and Watercare, for the periods 1 October 2021 to 30 April 2022 and/or 1 October 2022 to 30 April 2023.

**2.2 Use of HCC Water:** Watercare agrees that:

- (a) The actual amount of HCC Water available to it under clause 2.1 on any given day will be determined by HCC at its sole discretion in accordance with the Operational Procedures; and
- (b) It will abstract no more HCC Water from the Waikato River than HCC has determined to be available in accordance with the Operational Procedures.

**2.3 HCC Obligations:** HCC agrees to:

- (a) **Water Allocation Progress Report:** To secure the Step Up, as soon as reasonably practicable after the date of this agreement and no later than 1 July 2020, lodge with WRC a Water Allocation Progress Report under condition 16 of HCC Consent that seeks to increase the maximum daily take volume under the HCC Consent from 116 MLD to 125 MLD, for the 6-year period commencing on 1 December 2020 or earlier if WRC agrees (the **Water Allocation Progress Report**);
- (b) **Best Endeavours:** use its best endeavours to secure WRC approval of the Water Allocation Progress Report and the step up;
- (c) **Assistance:** provide written support and all other reasonable assistance to Watercare in connection with its application to WRC for the Short-term Consent;
- (d) **Consult:** consult with, and if possible secure support from, Waikato-Tainui for the matters set out in this agreement;
- (e) **Operational Procedures:** in consultation with Watercare, develop and finalise the Operational Procedures;
- (f) **Daily Take Requirements:** determine, at its sole discretion, its daily water take requirements up to its treatment plant capacity limit, and advise Watercare of the daily balance allocation available for its use in accordance with the Operational Procedures; and
- (g) **Further Periods:** consider in good faith a request by Watercare under clause 3.1 relating to the period 1 October 2021 to 30 April 2022 and/or 1 October 2022 to 30 April 2023.

**2.4 Watercare Obligations:** Watercare agrees to:

- (a) **Short-term Consent:** apply to WRC (under Rule 3.3.4.21 of Waikato Regional Plan), for consent to take up to 25 MLD from the Waikato River, utilising the HCC Water available under the HCC Consent as determined under clause 2.2 (the **Short-term Consent**);
- (b) **Assistance:** if requested by HCC, assist HCC to prepare and lodge the Water Allocation Progress Report with WRC, and provide all necessary support to HCC in relation to the Water Allocation Progress Report including engagement with WRC as required;
- (c) **Consult:** consult with HCC on the draft Short-term Consent application, and assist HCC in its consultation with Waikato-Tainui, before lodging the Short-term Consent application;



- (d) **Risk:** assume all regulatory risk associated with compliance with the maximum daily allocation available to Watercare arising under the Daily Allocation Regime and will indemnify HCC against all costs and claims arising from any such regulatory breach;
- (e) **Water Demand Management Restrictions:** when using HCC water ensure any water use restrictions applicable to Watercare's metropolitan supply network in Auckland are equal to or more stringent than water use restrictions in Hamilton in force during either the Initial Period or the Further Periods referred to in clause 2.1 above;
- (f) Watercare will continue discussions with Waikato-Tainui and the Waikato River Authority about delivering projects, of a scale commensurate with the term of this agreement, that will support Te Ture Whaimana o Te Awa;
- (g) Watercare will continue discussions with Waikato-Tainui on how to reduce, over time, the percentage contribution of water taken from the Waikato River to Auckland's metropolitan water supply, relative to other water sources;
- (h) **Emergency take under RMA:** upon commencing abstraction under the terms of this agreement, cease taking water from the Waikato River under s330 of the RMA, and will not resume a take from the river under s330 during the Initial Period of Further Periods referred to in clause 2.1 if it is accessing HCC Water during those periods. ;
- (i) **HCC Costs:** meet all HCC's reasonable costs, including internal staff and external consultant costs and actual legal costs in connection with:
  - (i) the negotiation, preparation, and implementation of this agreement and the Operational Procedures; and
  - (ii) any additional monitoring required by WRC on account of Watercare utilizing all or part of the HCC Water.

2.5 Each party will co-operate with, and provide all reasonable assistance to, the other party to meet its obligations under this agreement.

### 3. FURTHER PERIODS

3.1 Watercare may:

- (a) No later than 1 August 2021, by written notice to HCC, request access to the HCC Water from 1 October 2021 to 30 April 2022; and
- (b) No later than 1 August 2022, by written notice to HCC, request access to the HCC Water from 1 October 2022 to 30 April 2023.

3.2 **Good Faith Discussion:** After HCC receives a request for access to the HCC Water under clause 3.1, the parties will discuss the request in good faith.

3.3 **HCC Sole Discretion:** HCC may determine, at its sole discretion and having regard to the performance of Watercare's obligations under clause 2.4, whether to agree to a request by Watercare under clause 3.1. HCC agrees to advise Watercare of its decision on such a request no later than:



- (a) 1 September 2021, for a request relating to the period 1 October 2021 to 30 April 2022; and
  - (b) 1 September 2022, for a request relating the period 1 October 2022 to 30 April 2023.
- 3.4 Notwithstanding clause 3.1, Watercare may at any time request access to HCC Water for the periods or any part of the periods specified in clause 3.1. HCC may determine, at its sole discretion, whether to accept such a request.
4. **OPERATIONAL PROCEDURES**
- 
- 4.1 **Operational Procedures:** After entering into this agreement, the parties will meet to discuss and agree the Operational Procedures that will apply to Watercare's use of the HCC Water made available to Watercare in accordance with clause 2.1.
- 4.2 The Operational Procedures will be agreed prior to abstraction of water under this agreement and shall be subject to a review within 12 weeks of commencement of abstraction or as reasonably required by either party, and shall be similarly reviewed during each of the Further Periods.
- 4.3 **Content:** The Operational Procedures will addresses, as a minimum:
- (a) **Peak Season:** a period of no more than 8 consecutive weeks, within either the Initial Period or the Further Periods referred to in clause 2.1 above, when the Daily Allocation Regime referred to in clause 4.2(c) will apply and potentially impact the available volume of water;
  - (b) **Shoulder Seasons:** the dates, within either the Initial Period or the Further Periods referred to in clause 2.1, when the Daily Allocation Regime will apply, but with the expectation that unless advised otherwise, Watercare may take a fixed volume of HCC Water;
  - (c) **Daily Allocation Regime:** an operational regime whereby HCC's daily water take volumes are prioritized as first taker on any given day, with Watercare taking the balance of HCC Water available (not more than 25 MLD);
  - (d) **Notice:** the process by which HCC, , advises Watercare of the balance of HCC Water available (up to 25 MLD);
  - (e) **Risk:** the process by which Watercare will assume the operational and regulatory risk of HCC exceeding the maximum daily take volume under the HCC Consent;
  - (f) **Water Demand Management Restrictions:** processes aimed at ensuring any water use restrictions applicable to Watercare's metropolitan supply network in Auckland are equal to or more stringent than water use restrictions in Hamilton in force during either the Initial Period or the Further Periods referred to in clause 2.1 above;
  - (g) **Communication:** communication and reporting processes including key operational and relationship contacts; and
  - (h) **Emergencies:** emergency and contingency processes.



## 5. TERM AND TERMINATION

**5.1 Term:** This agreement will take effect on the date of this agreement and will remain in effect until 30 June 2023, unless terminated earlier under this clause 5 or clause 9.

**5.2 HCC right to terminate:** Notwithstanding any provision in this agreement to the contrary, HCC has the right to terminate this agreement at any time and with immediate effect by written notice to Watercare if it considers;

- (a) That the interests of Hamilton's current or future water users are being, or may be, adversely affected by Watercare's use of HCC Water under this agreement; or
- (b) Auckland's water use is not being satisfactorily controlled in accordance with the requirements set out in clause 2.4(e) above.

HCC shall have no liability to Watercare arising as a result of such termination.

**5.3 Termination for Cause:** In addition to any other right of termination or remedy conferred on the parties under this agreement or by law, either party (**First Party**) may terminate this agreement at any time and with immediate effect by written notice to the other party (**Second Party**) if the Second Party:

- (a) **Material Breach capable of Remedy:** has committed a material breach of this agreement where that breach is reasonably capable of being remedied within 20 Business Days and where the Second Party has failed to comply with an earlier written notice given by the First Party:
  - (i) specifying that breach; and
  - (ii) requiring that the Second Party remedy that breach within the period specified in the earlier notice (which, in order for that notice to be effective, must be at least 10 Business Days after receipt of the earlier notice);
- (b) **Material Breach not capable of Remedy:** has committed a material breach of this agreement, where that breach is not reasonably capable of being remedied by the Second Party within 20 Business Days; and
- (c) **Insolvency:** has a receiver, administrator, statutory manager or liquidator appointed, or enters into a compromise or an assignment for the benefit of its creditors, or is otherwise unable to pay its debts as they fall due in the ordinary course of business.

**5.4 Expiry or Surrender of Short-term Consent:** This agreement will terminate automatically on the date the Short-term Consent expires, or the date any surrender of the Short-term consent by Watercare takes effect.

**5.5 Consequences of Expiry/Termination:** On the termination or expiry of this agreement for any reason:

- (a) **Without Prejudice:** the expiry or termination will be without prejudice to either party's rights and remedies in respect of any breach of this agreement by the other party, where the breach occurred before the expiry or termination of this agreement;

- (b) **Short-term Consent:** Watercare will (if it has not already done so – see clause 5.3 above) promptly surrender the Short-term Consent; and
- (c) **Survival:** the provisions of clauses 6, 7, 8, 11 and 12, together with those other provisions of this agreement which are intended to continue after expiry or termination, will remain in full force and effect.

## 6. NO SURPRISES

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- 6.1 Neither party shall speak for the other in respect of the matters referred to in this agreement without the consent of the other party.
- 6.2 The parties will first endeavour to agree on any public comment to be made by either party in respect of this agreement and failing agreement each will inform the other well before:
  - (a) Any public comment they intend to make in relation to this agreement, or the matters referred to in this agreement;
  - (b) Making this agreement available to a third party or the public.

## 7. CONFIDENTIALITY

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The parties accept that this agreement is subject to the provisions of the Local Government Official Information and Meetings Act 1987 and that there is no basis for either party to claim confidentiality.

## 8. DISPUTES

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- 8.1 **Dispute Notice:** A party may, at any time while there is a genuine dispute involving that party relating in any way to this agreement (**Dispute**), give written notice (**Dispute Notice**) to the other party involved in that Dispute specifying the subject matter of the Dispute and requiring that those parties meet within 10 Business Days after delivery of the Dispute Notice, to attempt to resolve the Dispute (**Dispute Resolution Meeting**).
- 8.2 **Failing resolution after meeting pursuant to a Dispute Notice** the parties' respective Chief Executives will meet in Hamilton to discuss and attempt to resolve the subject of the Dispute Notice. If the Watercare Chief Executive fails to attend a meeting within 14 days of request, HCC may terminate this agreement.
- 8.3 **Mediation:** If the parties to the Dispute fail to resolve the Dispute at the Dispute Resolution Meeting of Chief Executive meeting, or if a party to the Dispute fails or refuses to attend the Dispute Resolution Meeting within the 10 Business Day period referred to in clause 8.1, or at the time and venue agreed in writing between the parties, those parties will immediately be deemed to have submitted the Dispute to mediation by a single mediator agreed upon in writing by them or (if they are unable to agree on a mediator within five Business Days after the submission to mediation) nominated by the President for the time being of the New Zealand Law Society (**Mediation**). In the event of any submission to Mediation:

- (a) **Status:** the mediator will not be acting as an expert or as an arbitrator;
- (b) **Procedure:** the mediator will determine the procedure and timetable for the Mediation; and
- (c) **Costs:** the parties involved in the Dispute will share equally the cost of the Mediation.

**8.4 Legal Proceedings:** No party may issue any legal proceedings (other than for urgent interlocutory relief) relating to any Dispute, unless that party has first taken all reasonable steps to comply with clauses 8.1 to 8.3.

## 9. FORCE MAJEURE

**9.1 Force Majeure:** For the purposes of this clause 9, **Force Majeure** means any circumstance, occurrence (or combination of events or circumstances), beyond the reasonable control of a party, including, without limitation:

- (a) **War:** war, revolution, riot, act of terrorism, commandeering, nationalisation or requisition by or under the order of any Government Agency;
- (b) **Strike:** stoppage, material shortage or short term restriction of labour, including an industrial dispute, strike, ban, embargo and lockout (provided that any such unavailability of labour is not restricted to the party claiming Force Majeure);
- (c) **Act of Government:** act of any Government Agency, including a governmental restraint, order, embargo or declaration of regional or national state of emergency (or equivalent);
- (d) **Natural Disaster:** natural disaster including cyclone, tsunami, flood, drought, earthquake, volcanic eruption, fire, landslide or mudslide; or
- (e) **Disease:** disease, epidemic, pandemic or officially imposed quarantine, including COVID-19 (including any genetic evolutions or mutations of the virus) and its associated impact (including but not limited to restrictions imposed by or recommendations of any Government Agency).

**9.2 Effect of Force Majeure:** If, as a result of Force Majeure, a party becomes unable, wholly or in part, to perform any of its obligations (**Relevant Obligation**) under this agreement, the abstraction of water by Watercare under this agreement shall immediately be suspended until HCC approves of its recommencement under the terms of this agreement.

## 10. LIABILITY

Nothing expressed or implied in this agreement will confer any liability on either party (**First Party**) in respect of any:

**10.1 Indirect Loss:** indirect, consequential or special loss, damage, cost or expense suffered or incurred by the other party as a direct or indirect result of a breach by the First Party of any of its obligations under this agreement; or

- 10.2 Loss Caused by Other Party:** loss, damage, cost or expense suffered or incurred by the other party, to the extent to which this results from any act or omission by that other party.

## 11. NOTICES

- 11.1 Method of Delivery:** Any written notice required under this agreement and all other communications relating to the Operational Procedures and implementation of this agreement will be deemed validly given if:

- (a) delivered by hand to the intended recipient's address as set out below; or
- (b) sent by email to the intended recipient's email address as set out below and if the recipient acknowledges receipt (whether by way of an automated message or otherwise).

If to Watercare:	If to HCC:
Attention: Mark Bourne	Attention: Andrew Parsons or nominee
Address: Watercare Services Limited	Address: HCC
Email: Mark.Bourne@water.co.nz	Email: Andrew.Parsons@hcc.govt.nz

- 11.2 Time of Delivery:** Any notice transmitted by email or delivered after 5.00 pm on a Business Day, or at any time on a non Business Day, will be deemed received at 9.00 am on the next Business Day (being, in each case, the time of day at the intended place of receipt of that notice).
- 11.3 Other Modes of Service:** The provisions of this clause 11 are in addition to any other mode of service permitted by law.

## 12. GENERAL

- 12.1 Entire Agreement:** This agreement together with the Operational Procedures (when agreed) record the entire understanding and agreement of the parties relating to the matters dealt with in this agreement. This agreement supersedes all previous understandings or agreements (whether written, oral or both) between the parties relating to these matters.
- 12.2 Further Assurances:** Each party will do all things and execute all documents reasonably required to give effect to the provisions and intent of this agreement.
- 12.3 Counterparts:** This agreement may be signed in counterparts. All executed counterparts will together constitute one document. This agreement may be entered into on the basis of an exchange of PDF or other document reproduction format in which case each party will on demand deliver originals signed by it to the other party.
- 12.4 Amendment:** No amendment to this agreement will be effective unless recorded in writing and signed by each party.
- 12.5 Assignment:** Neither party will directly or indirectly assign, transfer or otherwise dispose of any of its rights or interests in, or any of its obligations or liabilities under,





or in connection with or arising out of this agreement, except with the prior written consent of the other party.

- 12.6 Governing Law:** This agreement is governed by the laws of New Zealand. The parties submit to the exclusive jurisdiction of the New Zealand courts in respect of all matters relating to this agreement.

#### EXECUTION

**SIGNED** on behalf of **WATERCARE SERVICES LIMITED** by:



Signature of authorised representative

*Ruveen P. Jaduram, Chief Executive*

Name of authorised representative

**SIGNED** on behalf of **HAMILTON CITY COUNCIL** by:



Signature of authorised representative

Richard Briggs, Chief Executive

Name of authorised representative

**Watercare Services Limited**

73 Remuera Road, Remuera,  
Auckland 1050, New Zealand

Private Bag 92521, Victoria Street West,  
Auckland 1142, New Zealand

Telephone +64 9 442 2222

[www.watercare.co.nz](http://www.watercare.co.nz)

30 June 2021

Mr Andrew Parsons - Nominated party under the agreement  
Strategic Development Manager  
Hamilton City Council  
Hamilton

Via email: [andrew.parsons@hcc.govt.nz](mailto:andrew.parsons@hcc.govt.nz)

Dear Andrew

**Agreement Relating to Water Use (Agreement)**

As you will be aware, our Agreement requires Watercare to request Hamilton City Council by 1 August 2021 should we wish to access water for the next summer period of 1 October 2021 to 30 April 2022.

Formal water use restrictions remain in place within the Auckland metropolitan water supply area. These restrictions do not allow sprinklers or irrigation systems to be used on residential properties and only allow the use hand-held hoses so long as they are fitted with trigger nozzles. Similarly, commercial water users can only use a hand-held hose fitted with a trigger nozzle unless the water use is for health, safety, emergency and biosecurity reasons. Irrigation of sports fields and other areas is only allowed if the irrigation system is fitted with soil moisture sensors or rain sensors.

The extensive education and awareness programme implemented in February 2020 continues with both domestic and commercial customers. This is now targeting indoor water use as we move into winter. We are also continuing with the advanced leak reduction programme which will see us survey 6000km of pipelines over the coming 12 months to identify leaks in advance of public reporting.

Our current metropolitan storage response forecast suggests that our most likely storage position on 1 November 2021 will be between 77% and 90% full. But this is dependent upon receiving the rainfall as forecast. The current seasonal weather forecasts from both MetService and NIWA continue to indicate near normal rainfall within our catchment areas over winter. However, as shown in the table below, actual rainfall compared to forecast over summer and autumn has been less than expected.


	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21
Forecast rain conditions - MetService (% of normal)	106%	136%	113%	121%	105%	114%	85%
<i>Actual</i>	<i>134%</i>	<i>26%</i>	<i>69%</i>	<i>67%</i>	<i>77%</i>	<i>108%</i>	<i>60%</i>

An updated storage response forecast will be prepared in July and take into account actual rainfall since the start of winter and the new seasonal weather forecasts available at that time.

As actual rainfall over recent months has been less than forecast, we consider it would be prudent to request Hamilton City Council to consider granting Watercare access water for the next summer period 1 October 2021 to 30 April 2022 in accordance with our Agreement.

To this end, please advise if any additional information is required to support this request. We note the Agreement provides for us to discuss this request and we are available at a time that suits.

Yours sincerely

A handwritten signature in blue ink, appearing to be 'Mark Bourne', written over a diagonal line.

Mark Bourne - Nominated party under the agreement  
Head of Servicing & Consents  
**Watercare Services Limited**

<b>2.4 Watercare Obligations:</b> Watercare agrees to:	<b>Status to 30 June 2021</b>
<b>(a) Short-term Consent:</b> apply to WRC (under Rule 3.3.4.21 of Waikato Regional Plan), for consent to take up to 25 MLD from the Waikato River, utilising the HCC Water available under the HCC Consent as determined under clause 2.2 (the <b>Short-term Consent</b> );	Short term consent applied for and subsequently granted by Waikato Regional Council. Consent reference AUTH142090.01.01 expires 1 May 2023.  No further action required.
<b>(b) Assistance:</b> if requested by HCC, assist HCC to prepare and lodge the Water Allocation Progress Report with WRC, and provide all necessary support to HCC in relation to the Water Allocation Progress Report including engagement with WRC as required;	No request to assist HCC was received.  No further action required.
<b>(c) Consult:</b> consult with HCC on the draft Short-term Consent application, and assist HCC in its consultation with Waikato-Tainui, before lodging the Short-term Consent application;	Draft conditions shared with HCC in July 2020. HCC feedback incorporated to proposed conditions and accepted by Watercare.  No further action required.
<b>(d) Risk:</b> assume all regulatory risk associated with compliance with the maximum daily allocation available to Watercare arising under the Daily Allocation Regime and will indemnify HCC against all costs and claims arising from any such regulatory breach;	Consent compliance is required against AUTH142090.01.01. Any non-compliance risk sits with Watercare.
<b>(e) Water Demand Management Restrictions:</b> when using HCC water ensure any water use restrictions applicable to Watercare's metropolitan supply network in Auckland are equal to or more stringent than water use restrictions in Hamilton in force during either the Initial Period or the Further Periods referred to in clause 2.1 above;	The water use restrictions in Auckland over the period when HCC water allocation was used were equal to or more stringent than water use restrictions in Hamilton.
<b>(f)</b> Watercare will continue discussions with Waikato-Tainui and the Waikato River Authority about delivering projects, of a scale commensurate with the term of this agreement, that will support Te Ture Whaimana o Te Awa;	In consultation with Waikato-Tainui and Te Taniwha o Waikato, Watercare has commenced a riparian weed removal and restoration project on the unnamed stream passing through the Watercare Waikato WTP site. This four-year project will cost \$230k. Further discussions continue with Waikato - Tainui and the Waikato River Authority in relation to wider programmes that will support Te Ture Whaimana o Te Awa. In particular Watercare has proposed to provide funds of



	\$2M annually as part of the Board of Inquiry consent application to promote the restoration and protection of the health and wellbeing of the Waikato River and tributaries.
(g) Watercare will continue discussions with Waikato-Tainui on how to reduce, over time, the percentage contribution of water taken from the Waikato River to Auckland's metropolitan water supply, relative to other water sources;	This obligation is recognised in a Kawenata signed by both Waikato-Tainui and Watercare. This obligation will continue over time.
(h) <b>Emergency take under RMA:</b> upon commencing abstraction under the terms of this agreement, cease taking water from the Waikato River under s330 of the RMA, and will not resume a take from the river under s330 during the Initial Period of Further Periods referred to in clause 2.1 if it is accessing HCC Water during those periods.;	The emergency take ceased prior to the grant of the Short-term Consent and has not resumed.  No further action required.
(i) <b>HCC Costs:</b> meet all HCC's reasonable costs, including internal staff and external consultant costs and actual legal costs in connection with: (i) the negotiation, preparation, and implementation of this agreement and the Operational Procedures; and (ii) any additional monitoring required by WRC on account of Watercare utilizing all or part of the HCC Water.	Watercare has met all HCC costs that have been claimed.

# Council Report

**Committee:** Council

**Date:** 12 August 2021

**Author:** Alice Morris

**Authoriser:** Blair Bowcott

**Position:** Principal Planner

**Position:** General Manager Growth

**Report Name:** 2021/22 Heritage Fund Allocation

**Report Status**

*Open*

## Purpose - *Take*

1. To inform the Council on the 2021/22 Heritage Fund Allocation round.
2. To seek the Council's approval of the allocation of the budgeted \$80,000 Heritage Fund.

## Staff Recommendation - *Tuutohu-aa-kaimahi*

3. That the Council:
  - a) receives the report; and
  - b) approves the allocation of the 2021/22 Heritage Fund as set out in **Attachment 2** of the staff report.

## Executive Summary - *Whakaraapopototanga matua*

4. The Heritage Fund was first established through the 2015-2025 10-Year Plan, for an annual amount of \$100,000.00. The Heritage Fund amount in the 2021-2031 Long Term Plan is now \$80,000.00 per annum to enable Council to enable the seismic strengthening of Beale Cottage, Hamilton's oldest known building.
5. Since 2016, the Heritage Fund has positively assisted with maintaining and retaining Hamilton's heritage scheduled items. The Council's financial assistance ensures scheduled items and sites continue to contribute to the quality of the environment and the foreseeable needs of the city's future generations. It also assists with the ongoing contribution of these sites to the vibrancy and growth of Hamilton.
6. Twelve applications have been received for the 2021/2022 round; eleven are deemed eligible to receive funding.
7. Staff assessments and comments from the Urban Design Panel are in **Attachment 1**.
8. Staff consider the decision in this report has low significance and that the recommendations comply with the Council's legal requirements.

## Background - *Koorero whaimaarama*

9. The Council's Heritage Fund aligns with actions set out in the 2016 Heritage Plan (presently being refreshed).

Item 16

10. To date, there have been five funding rounds since 2016, supporting 59 projects. These projects have included heritage conservation plans, building assessment reports, earthquake strengthening, restoration and repair, and maintenance that is not considered normal building maintenance.
11. Application for this funding round were call for between 1 May 2021 and 30 June 2021. Twelve applications were submitted via Smarty Grants; eleven have been deemed to meet the eligibility criteria set out in the Historic Heritage Fund Guideline.

### **Discussion - *Matapaki***

12. The eleven eligible heritage projects are for physical works (joinery repair, exterior painting and seismic strengthening) as well as for the preparation of technical reports to support future works.
13. Nine of the eleven applications have been supported through previous Heritage Fund rounds. The ongoing support of these buildings ensures the protection of these scheduled items, and enables the staging of larger, more costly works such as earthquake strengthening or the repair of bespoke features.
14. The provision of the Heritage Fund gives effect to one of the actions of the Heritage Fund and the implementation of the Historic Heritage Funding Guidelines (presently being refreshed). If the recommendations are not approved the available funds will not be utilised as anticipated in the 2021-2031 Long Term Plan.

### **Options**

15. No options are available for Council to consider. Not allocating the Fund would not give effect to the intent of the Heritage Fund as set out in the funding guidelines.

### **Financial Considerations - *Whaiwhakaaro Puutea***

16. This is a regular operating activity funded through the 2021-2031 Long Term Plan.

### **Legal and Policy Considerations - *Whaiwhakaaro-aa-ture***

17. Staff confirm that the allocation of the Heritage Fund as proposed complies with the Council's legal and policy requirements.
18. Under the Resource Management Act, historic heritage has value and needs to be safeguarded for future generations.

### **Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga***

19. The purpose of Local Government changed on the 14 May 2019 to include promotion of the social, economic, environmental and cultural wellbeing of communities in the present and for the future ('the 4 wellbeings').
20. The subject matter of this report has been evaluated in terms of the 4 wellbeings during the process of developing this report as outlined below.
21. The recommendations set out in this report are consistent with that purpose.

### **Social**

22. An appreciation of the past contributes to a sense of identity and belonging for residents and visitors to Hamilton.

23. Historic Heritage is a resource that contributes to an understanding and appreciation of the past that is derived from archaeological, architectural, cultural, historic, scientific and technological qualities.

#### **Economic**

24. The Heritage Fund positively assists with maintaining and retaining Hamilton's scheduled heritage items. It assists with the maintenance and repair of scheduled items to ensure those identified continue to be used and contribute to the quality of the city's environment.
25. Providing the Heritage Fund actively supports Sustainability Principle 3: Council anticipates and acts to prevent or mitigate environmental degradation where there are threats of serious or irreversible damage.

#### **Environmental**

26. The types of historic heritage being considered through this round are not defined as being of the natural environment. Nevertheless, retaining, repairing and continued use of these buildings does ensure waste minimisation.

#### **Cultural**

27. Supporting the owners of scheduled heritage items assists with retaining these items to ensure the city's communities can continue to engage with the tangible connections of Hamilton's past.
28. The decision to allocation funding has no impact on Maaori or their opportunities to contribute to the decision-making process for heritage protection in general. Note there is presently full engagement with Te Haa o Kirikiriroa on Plan Change 9 – Heritage.

#### **Risks - *Tuuraru***

29. The risk of not allocating funds will result in the Council not giving effect to the intent set through the Long-Term Plan and the Heritage Plan.

#### **Significance & Engagement Policy - *Kaupapa here whakahira/anganui***

##### **Significance**

30. Staff have considered the key considerations under the Significance and Engagement Policy and have assessed that the matter(s) in this report has/have a low level of significance.

##### **Engagement**

31. Given the low level of significance determined, the engagement level is low. No engagement is required.

#### **Attachments - *Ngaa taapirihanga***

Attachment 1 - Urban Design Panel Recommendations

Attachment 2 - Heritage Fund Allocations

HAMILTON CITY COUNCIL

**HERITAGE FUND ROUND  
2021/2022**

21 July 2021

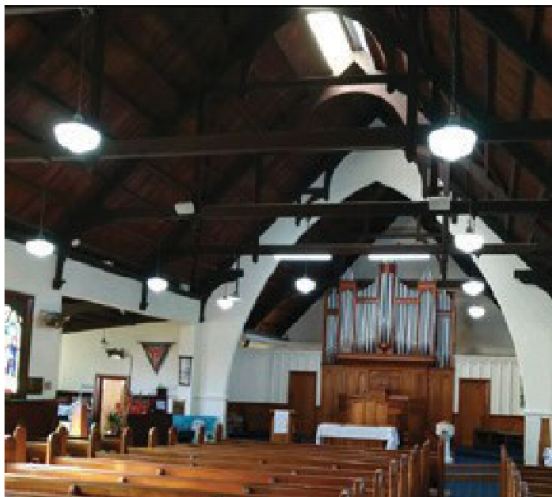
Hamilton City Council  
Urban Design Panel  
Assessment of applications

D-3832338

## Previous projects supported by the Hamilton City Council Heritage Fund



Laurensen Settlement House - 126 Forest Lake Road  
Repairs and painting of the exterior.



St Andrew's Church, at the corner of Te Aroha Street and River Road, seismic strengthening, essential maintenance and repair including electrical code of compliance.



House - 121 Grey Street - Repairs and Maintenance

## Introduction

The City Planning Unit's Heritage Team have undertaken a review of the applications made to the 2021 Heritage Fund for funding of works to scheduled heritage buildings and group I archaeological sites.

This report has been prepared as an aid to assist Council with making decisions on the allocation of heritage funds totaling \$80,000 for the 2021/22 financial year.

Site visits were made to all new applications for sites previously not supported by the heritage fund.

A description of the applications, as well as recommendations are detailed later in this report.

## Purpose of Fund

The Heritage Fund resulted from the actions set out in the Hamilton Heritage Plan.

The purpose of the fund is to encourage and assist owners with work required to maintain and enhance heritage buildings in the City.

The fund incentivises the protection, conservation, restoration and use of both built heritage and archaeological sites within Hamilton.

## Past Funding Rounds

The previous five Heritage Funding rounds have supported 59 projects, including the development of heritage conservation plans, building assessment reports, earthquake strengthening works, restoration and repair of joinery, repair to decorative plaster works, painting and borer treatment.

A number of the heritage buildings have been supported on an on-going basis to ensure that through a staged funding process the works to the buildings are completed.

### Summary of past Heritage Funding rounds:

Funding Round	2016/17	2017/18	2018/19	2019/20	2020/21
Number of applications	22	17	10	12	8
Number of applications supported	17	13	10	11	7
Total amount of funds requested	\$639 248.68	\$663 544.95	\$553 193.30	\$169 645.25	\$215 950.00
Total amount of funds allocated	\$100 000.00	\$100 000.00	\$100 000.00	\$100.000	\$100 000.00
Total amount of funds spent	\$ 88 432.50	\$ 96 375.00	\$ 83 300.00	\$75 000.00 <sup>1</sup>	\$100 000.00

Note<sup>1</sup> - Delays in expenditure relating from COVID-19, Council resolution May 2020

## Summary of Applications for the 2020/22 funding round.

No	Appl Ref No	Name	DP Ref No	Works	Requested Funding	Proposed Funding	Support
<b>Applications that meeting funding criteria</b>							
1	HF-02	Lake House	H21	Repair to weatherboard & exterior door	\$2 208.00	\$2 200.00	In Part
2	HF-03	St Andrew's Church	H31	Earthquake Strengthening	\$50 000.00	\$20 000.00	In Part
3	HF-04	House -Hamilton East	H117	Repair to external joinery	\$6 000.00	\$2 000.00	In Part
4	HF-06	Wesley Chambers	H37	Repairs and painting	\$30 000.00	\$17 000.00	In Part
5	HF-07	All Hallows Chapel	H64	Fire alarm	\$26 863.00	\$0.00	N
6	HF-08	Riverlea House	H30	Repairs and Maintenance	\$5 425.13	\$4 300.00	In Part
7	HF-09	Frankton Junction Supply Stores	H79	Repair and painting	\$47 694.83	\$5 000.00	In Part
8	HF-10	Waipahihi House	H49	Repairs and Maintenance	\$3 000.00	\$3 000.00	In Full
9	HF-11	House - Armagh St	H131	Repair and Maintenance	\$15 500.00	\$3 500.00	In Part
10	HF-12	Pascoes Building	H40	Replace window joinery	\$20 000.00	\$10 000.00	In Part
11	HF-13	St Peter Cathedral	H4	Earthquake Strengthening	\$40 000.00	\$13 000.00	In Part
<b>Total</b>					<b>\$246 690.96</b>	<b>\$80 000.00</b>	

<b>Applications that do not meeting funding criteria</b>							
12	HF-05	Hamilton Station	H59	Tertiary Institution	\$69 409.00	\$0.00	N





## Assessment Criteria

A full description of the assessment criteria is set out in the Heritage Fund Application Form. In summary the following factors are to be considered:

- Is the Building within Hamilton?
- Is the item listed in the District Plan?
- Is the item registered by the Heritage New Zealand?
- Ownership? Building owned by the Crown, state-enterprise, district health boards, tertiary institutions, and local and regional authorities are not eligible for funding.
- Is the building earthquake prone under the Building Act 2004? Earthquake prone building will be given priority.
- Type of works proposed? The following types of projects are eligible for funding:
  1. Essential repairs, emergency works, stabilisation or core structural works of the original heritage fabric
  2. Restoration projects
  3. Upgrades to code/regulation standards to enable contemporary use of heritage places, e.g. fire, earthquake, access provisions
  4. Specific “like for like” material replacement or maintenance projects that protect the integrity of heritage buildings
  5. Preparation of heritage conservation plans and/or maintenance plans.
- Does not detract from the heritage values of the item?
- Does the works contribute to the retention, preservation and the continued use or compatible reuse of the heritage building?
- Work is supported by a conservation/maintenance plan prepared by a heritage professional.
- Financial contribution to be made by the applicant

## Description and Assessment of Applications

Refer to the following pages for a brief description of each application along with an assessment and recommendation.



1

HF-02-2021/2022

**H21 Lake House - 102 Lake Crescent****History of Building**

Lake House was built in circa 1873 for James Williamson's Rukuhia Estate for his partner and manager Alfred Cox, on land surveyed in 1864. Lake House is situated on ground overlooking Lake Rotorua. The eastern shore of the lake formed part of Hamilton West's western boundary, with Lake House at that time, being in Waipa County. The Rukuhia Estate lay south of Lake House and to the west of Ohaupo Road; Williamson bought up to 15,000 acres [6070 hectares] directly from the government, but subsequently acquired a further 8,000 acres [3238 hectares] from sections allocated to the militia.

Described as a 'magnificent mansion' its architect, Vialou was Hamilton's first residential architect setting up business in Victoria Street in approximately June 1872. Built as a two-storey house, it had a total of eight main rooms with at least four bedrooms upstairs, and three rooms plus kitchen downstairs. There were wide arched hallways on each floor. On the ground floor a verandah extended along the eastern part of the front, which faced approximately north to Lake Rotorua, and along the east side.

Alfred Cox (1825 to 1911) was a prominent landowner in the South Canterbury and Waikato districts. He was elected to the House of Representatives in 1876 but retired because of ill health and deafness in 1878. Cox helped finance a flour mill on Ohaupo Road, not far from Lake House, in 1872. He and Williamson were influential in the development of the Main Trunk Railway Line, as they provided land through the Rukuhia swamp for this purpose in 1872.

**Purpose of Application**

Weatherboard repairs on the exterior of the house.

**Previous Funding Received:**

\$4 344.13

**Funding Amount Requested**

\$2 208.00

## Assessment Criteria

<b>District Plan Listing</b>	District Plan Ranking = A Date of Construction = 1873 Architect = Isaac R Vialou Registered HNZ = Category II (701)
<b>Ownership</b>	Private
<b>Is the building earthquake-prone?</b>	No
<b>Works Proposed</b>	Repairs to exterior weatherboard and exterior door to the laundry.
<b>Does the work detract from the heritage values of the item?</b>	No - proposed work supports the heritage fabric. Replaces old weatherboard.
<b>Does the work contribute to the retention, preservation and the continued use of the heritage building?</b>	Yes - the repairs will ensure the building has a long-term use and ensures the heritage values of the building are preserved.
<b>Is the work supported by a conservation/ maintenance plan</b>	No
<b>What funding is the applicant bringing to the project?</b>	None

### Urban Design Panel - Recommendation

To enable a detailed understanding of the works needed to ensure the heritage fabric of the building is protected a grant of **\$2,200.00** should be offered to support the preparation of a comprehensive Conditions Assessment Report for the building, with the following conditions:

- The report is prepared by a Heritage Architect.
- The report shall identify the existing condition of the fabric of the building, identify any works that need to be addressed and establish a program of works for the repair and maintenance of the building.
- A copy of the Conditions Assessment Report is to be submitted to Council.

Please note that having a Heritage Conditions Assessment Report will assist with the streamlining of any future heritage fund applications.



### History of Building

St Andrew's Church, at the corner of Te Aroha Street and River Road was built in 1913. Prior to the construction of this church, Presbyterians had worshipped at a small timber church built in 1867 in Grey Street on the site where St Mary's Catholic Cathedral now stands. Initially it was planned to rebuild on the Grey Street site, however parishioners voted overwhelmingly to buy a new site in Claudelands, close to a growing centre of population.

A section on the corner of Te Aroha Street and River Road was purchased for £1000. Architect Frederick Daniell was commissioned to design the new church. Daniell was closely involved with the Methodist Church and designed a number of churches including St James Methodist Church in Frankton built in 1913 as well as alterations to St Paul's Methodist Church in 1914. His design for the new St Andrew's Church was described as 'a splendid piece of ecclesiastic architecture'.

St Andrew's Church is significant for its architectural design in Gothic revival style, with a prominent square tower at its western end and a gabled roof over the nave and sacristy. The building features buttresses to the nave and at the corners of the tower. Segmental arched openings along the nave incorporate tripartite lead-light windows with trefoil heads. The building is described as having been constructed using ferro-concrete and is a comparatively early example of use of concrete construction in Hamilton. Other early concrete construction examples include FC Daniell's own house built in 1910. A rough cast plaster finish on the walls of the church contrasts with a smooth plaster finish on the buttresses, cappings and base. Screened vents at the top of the tower contribute further texture and detail.

### Purpose of Application

Earthquake strengthening

### Previous Funding Received:

\$30 000.00

### Funding Amount Requested

\$50 000.00

## Assessment Criteria

District Plan Listing	District Plan Ranking = A Date of Construction = 1913 Architect = Frederick Daniell Registered HNZ = No
Ownership	Private - Presbyterian Church
Is the building earthquake-prone?	Yes
Works Proposed	Stage 2 - Seismic strengthening up to a 67% NBS to enable the church to re-open.
Does the work detract from the heritage values of the item?	No - proposed work supports the ongoing protection of the building's heritage values.
Does the work contribute to the retention, preservation and the continued use of the heritage building?	Yes - Earthquake strengthening will protect the building during a natural disaster and will also ensure the building has the ability to retain its original use as a place of worship.
Is the work supported by a conservation/maintenance plan	Yes - Conservation Plan for the Church was prepared in 2018.
What funding is the applicant bringing to the project?	Yes - \$ 113 237.69

## Urban Design Panel - Recommendation

A grant of **\$20,000.00** should be offered for the undertaking Stage 2 of the seismic strengthening with the following conditions:

- Written confirmation, from a heritage architect is provided to Council prior to works commencing to clarify the extent and specificity of the works to be undertaken; whether internal fabric will be disturbed, mitigations and compliance with the 2018 Conservation Plan.
- That a photographic record of the works is prepared, and a copy provided to Council once the works are completed.



### History of Building

The house is an excellent example of an Arts and Crafts house with a prominent gabled roof, half timber framing in the gable, small paned casement windows, Classical detailing and bay windows.

The dwelling has concrete foundations, cavity-brick walls with a rough cast finish, and a Marseille tiled roof. The interior floors are wood with plastered ceilings. The building style is Arts and Crafts with typical rough cast exterior, tiled roof, arched openings, bay and multi-paned windows. There are some plastered decorative elements by the front door.

There are a number of very good Arts and Crafts style houses in Hamilton and this house contributes to the range of examples evident. The house forms part of a group of houses from a range of periods that collectively contribute to the distinctive character of Hamilton East, Hamilton's earliest suburb. The house provides evidence of the early 20th century residential development in Hamilton East in a range of styles, including timber cottages and villas as well as Arts and Crafts, English cottage Bungalow and Moderne style houses. Although often modest, the houses were designed with a sense of formality, evident in the symmetrical facades facing the street and treatment of the front yards. Verandahs and porches impart a sense of welcome and shelter, providing a transitional space between the public footpath and the privacy of the home.

### Purpose of Application

- Replacement of the property's external timber French doors and surrounding door frame.
- Repaint external timber windows.

### Previous Funding Received:

\$19 000.00

### Funding Amount Requested

\$6,000.00

## Assessment Criteria

District Plan Listing	District Plan Ranking = B Date of Construction = c1916 Builder = B. William Bourne Registered HNZ = No
Ownership	Private
Is the building earthquake-prone?	N/A
Works Proposed	Replacement of original external timber French doors and surrounding structure and the painting of exterior timber windows.
Does the work detract from the heritage values of the item?	Proposed works is to replace existing external doors with, to match the original windows will allow the heritage character and aesthetic may be maintained. Repainting the timber windows will assist in their longevity.
Does the work contribute to the retention, preservation and the continued use of the heritage building?	The replacement of the existing French doors will ensure the heritage values of the building are retained while still allowing for the ongoing residential use of the building.
Is the work supported by a conservation/ maintenance plan	No conservation plan has been prepared for the building.
What funding is the applicant bringing to the project?	\$640.00

### Urban Design Panel - Recommendation

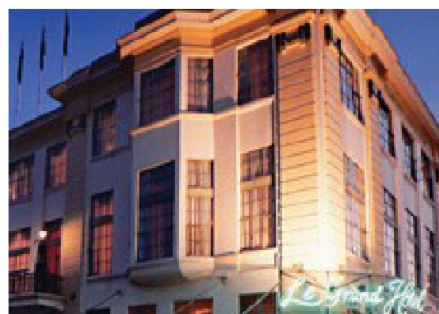
A grant of \$2 000.00 should be offered for the replacement of the French doors only. With the following conditions:

- The replacement French doors are in keeping with the original fenestration of the windows and are in keeping with the style of the dwelling.
- That written advice is obtained from a heritage architect regarding the appropriateness of the proposed door profiles for the French doors to ensure the replacement doors do not impact on the overall heritage values of the building.
- The written advice from the heritage architect is provided to Council prior to the removal of the existing doors.
- That a photographic record of the works is prepared, and a copy provided to Council.



4

HF-06-2021/2022

**H37 - Wesley Chambers - 237 Victoria Street****History of Building**

Constructed in 1924, Wesley Chambers is a substantial three-storey commercial building on a prominent corner of Victoria and Collingwood Streets. It is situated on part of Allotment 87, one of the original one-acre allotments surveyed in 1864 as grants to men of the Fourth Regiment of Waikato Militia. It was granted to Assistant-Surgeon William Rayner in 1867; he immediately donated the south-west half “for the use of the people called Methodists in the Australasian connexion” and the conveyance was formalised in April 1868.

The focus for Hamilton’s commercial development was planned to be Grantham St and the south end of Victoria St, but as the population and the need for more retail outlets and financial institutions grew, the one-acre residential allotments were subdivided and the town developed further and further north up Victoria St.

The church trustees invested in building wooden shops on the Victoria St end in 1880, the income from this assisting with the construction of a larger church built beside the first in 1882. The shops were known as the Cosey Corner. In 1904 the Trustees improved on their investment by commissioning Hamilton architect F. E. Smith to design a new block of brick shops. There were six shops, each with plate-glass windows facing Victoria St and were known as the Wesley Buildings. The shops were built in a boom time for Hamilton, namely the first decade of the 20th century. Several institutions and government departments had made Hamilton their headquarters or regional offices and by then the commercial precinct had spread even further north up Victoria St.

**Purpose of Application**

Painting of exterior of building

**Previous Funding Received:**

\$109 050.00

**Funding Amount Requested**

\$30 000.00

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## Assessment Criteria

District Plan Listing	District Plan Ranking =	A
	Date of Construction =	1909-1910, two additional floors Constructed in 1924
	Architect =	F.C. Daniell
	Registered HNZ =	Category II (5301)
Ownership	Private	
Is the building earthquake-prone?	No	
Works Proposed	Painting of the building exterior.	
Does the work detract from the heritage values of the item?	No - proposed work supports the heritage fabric. The painting is identified in the conservation plan and will ensure the ongoing weather tightness of the building.	
Does the work contribute to the retention, Preservation and the continued use of the heritage building?	Yes - the painting of the building will ensure the building has a long-term use and ensures the heritage values of the building are protected.	
Is the work supported by a conservation/maintenance plan	Yes - Proposed work is in line with the recommendations of the conservation plan prepared in 2017.	
What funding is the applicant bringing to the project?	\$41 300.00	

### Urban Design Panel - Recommendation

A grant of **\$17 000.00** should be offered. With the following conditions:

- That written advice is obtained from Heritage New Zealand Pouhere Taonga to confirm that the proposed colour scheme is suitable to be used; and a copy of Heritage New Zealand's advice is provided to Council prior to the painting works commencing.
- That prior to the painting works commencing, any repairs to the exterior facades as identified in the 2017 Conservation Plan are undertaken, and those works overseen by a suitably qualified heritage architect.

5

HF-07-2021/2022

H64 All Hallows Chapel - Southwell School - 200 Peachgrove Rd



### History of Building

Southwell School was founded in 1911 by Englishman Cecil Ernest Ferris. Originally located in Melville, the school was established on the current 13-hectare property in Claudelands in 1921.

An acre of land was set aside for the construction of the chapel. The church was protected legally, so no other secular buildings could occupy consecrated ground, because of the conditions major work cannot be undertaken without the approval of the Anglican Church.

In the third term of 1923 the Southwell boys were given the task of brick making. A joiner was asked to design an interlocking wooden frame that would take half a bag of cement and six cubic feet of sand and shingle that would give 36 bricks. All the components were mixed by hand and poured into greased moulds. All Hallows Chapel is significant for its associations with Headmasters, staff and pupils at Southwell School since 1923. It has a significant association with pupils who helped make the concrete bricks from which it was constructed.

The chapel is designed in Norman style and was originally a modest gabled rectangular building. The plain buttresses and arched openings faced in red brick evident in the original design have been continued in subsequent additions. The 1950s addition of the square tower with castellated top has strengthened the Norman character of the chapel and later additions including the apsidal sanctuary and arched openings to the porches at the eastern end have seen a continuation of this architectural character.

### Purpose of Application

- Upgrade of fire alarm system

### Previous Funding Received:

None

### Funding Amount Requested

\$26 863.00

## Assessment Criteria

<b>District Plan Listing</b>	District Plan Ranking = B Date of Construction = 1923 Architect = John Craster Blechynden, Registered HNZ = No
<b>Ownership</b>	Private
<b>Is the building earthquake-prone?</b>	Unknown
<b>Works Proposed</b>	Up-grade of fire alarm system
<b>Does the work detract from the heritage values of the item?</b>	No
<b>Does the work contribute to the retention, preservation and the continued use of the heritage building?</b>	Yes
<b>Is the work supported by a conservation/ maintenance plan</b>	No
<b>What funding is the applicant bringing to the project?</b>	None

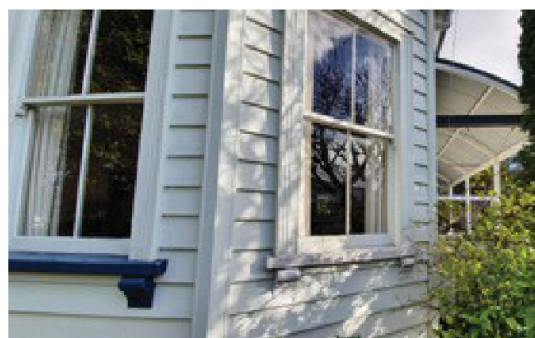
## Urban Design Panel - Recommendation

NO FUNDING is recommended to be offered.

While the upgrading of the fire alarm would reduce potential for total loss of heritage building by raising the alarm earlier it is not considered essential works that contribute to the retention and preservation of the heritage building.

6

HF-08-2021/2022

**H30 Riverlea House - 10 Silva Crescent, Hillcrest****History of Building**

Riverlea House is situated on land first surveyed in 1865 as Allotment 255 Parish of Kirikiriroa, bounded by the Waikato River on the west-southwest, Cambridge Rd on the east, the Allotment was 50 acres, surveyed as grants to militiamen of the Waikato Militia. The Allotment 255 was one of seven rural land parcels allocated to Captain James McPherson; he also received a one-acre town allotment in Hamilton East. McPherson had been a career soldier in the 70th Surrey Regiment and served in the Commissariat Transport Corps during the Waikato Wars. He received the commission of captain in the 3rd Regiment of Waikato Militia in July 1864 and was allocated his land in September 1866.

The style of the house is in the tradition of vernacular cottages and houses built in the mid to late 19th century. The house was originally two-storeyed and T-shaped in plan with gabled roof forms. The cross-gable roof form enabled the construction of larger houses using the short-span gable roof. The house was neatly detailed, with scalloped and pierced barge boards. Four brick chimneys with stepped cappings remain, now painted.

The house remains on its original site, however the extent of the setting surrounding the house has been progressively reduced as surrounding residential subdivision and development occurred in the 1960s and 1970s. The remaining front garden setting contributes to the significance of the house. The house is set back from the street edge with lawns, trees and shrubs, including a tall Washingtonian palm tree that may date from the 19th century development of the property. The bank at the street edge, stairs and path leading to the front door are likely to date from the time Silva Crescent was formed.

**Purpose of Application**

- Restoration and repair of the original window sash
- Replace exterior scribing from kitchen corner box and repairs to front bay window sill.
- The repainting and weather tightening of existing timber cladding.

**Previous Funding Received:**

\$4 964.71

**Funding Amount Requested**

\$5,425.13

## Assessment Criteria

<b>District Plan Listing</b>	District Plan Ranking = A Date of Construction = 1866 -1876 Architect = not Identified Registered HNZ = Category II (4195)
<b>Ownership</b>	Private
<b>Is the building earthquake-prone?</b>	No
<b>Works Proposed</b>	Restoration and repair of the original sash windows and framing in lounge bay window. Replace exterior scribing from kitchen corner box and repair front bay window sill. Repair exterior timber cladding.
<b>Does the work detract from the heritage values of the item?</b>	No - proposed work supports the heritage fabric.
<b>Does the work contribute to the retention, preservation and the continued use of the heritage building?</b>	Yes - the on-going maintenance of the building ensures the ability for the long- term use of the building and ensures the heritage values of the building are protected.
<b>Is the work supported by a conservation/ maintenance plan</b>	No
<b>What funding is the applicant bringing to the project?</b>	None

### Urban Design Panel - Recommendation

To enable a detailed understanding of the works needed to ensure the heritage fabric of the building is protected a grant of **\$4,300.00** should be offered to support the preparation of a comprehensive Heritage Conditions Assessment Report for the building, with the following conditions:

- The report is prepared by a Heritage Architect.
- The report shall identify the existing condition of the fabric of the building, identify any works that need to be addressed and establish a program of works for the repair and maintenance of the building.
- A copy of the Conditions Assessment Report is to be submitted to Council.

Please note that having a Heritage Conditions Assessment Report will assist with the streamlining of any future heritage fund applications.





### History of Building

The former Frankton Supply Stores is located on the corner of Commerce and High Streets, Frankton. The store complex consists of two adjacent buildings built in c.1910 and 1923. The site on which the buildings are located was part of 400 acres granted by the crown in 1866 to Major Jackson Keddle. Keddle was second in command of the Fourth Regiment and appointed paymaster to the Waikato forces. Keddle sold his grant to English settler Thomas Jolly, a farmer in the area on 29 February 1868.

The North Island Main Trunk line reached Frankton on the outskirts of Hamilton in December 1877. The Jolly family owned about 80 hectares where the town of Frankton is now located. Jolly gifted a tract of land to the New Zealand government for the railway line and for the construction of a railway station, then called the Hamilton Station, at Frankton which opened in 1877. The building is significant for its association with the Frankton Junction Wool, Grain, and Produce Supply Company Limited, importers of general goods, grain, seed, wool, skins and hides. After 1936 the Frankton Junction Supply Stores Ltd became the premises of the Farmers Trading Co Ltd.

The former Frankton Supply Stores is significant for its architectural design. The building was designed in Edwardian Classical or Italianate style, utilising classical composition, detailing and decorative elements. The upper level façade is divided into bays by Ionic pilasters. A smooth plastered finish to the pilasters, cornice, string course and parapets contrasts with a rough cast texture used on the walls. The building has a chamfered corner, addressing the intersection of Commerce and High Streets.

### Purpose of Application

- Facade repair and painting

### Previous Funding Received:

\$14 117.75

### Funding Amount Requested

\$47 694.83

## Assessment Criteria

<b>District Plan Listing</b>	District Plan Ranking = B Date of Construction = 1910 and 1923 Architect = not Identified Registered HNZ = No
<b>Ownership</b>	Private
<b>Is the building earthquake-prone?</b>	No
<b>Works Proposed</b>	Facade repair and painting.
<b>Does the work detract from the heritage values of the item?</b>	No - proposed work supports the heritage fabric.
<b>Does the work contribute to the retention, preservation and the continued use of the heritage building?</b>	Yes - the on-going maintenance of the building ensures the ability for the long-term use of the building and ensures the heritage values of the building are protected.
<b>Is the work supported by a conservation/ maintenance plan</b>	No
<b>What funding is the applicant bringing to the project?</b>	None

## Urban Design Panel - Recommendation

A grant of \$5,000.00 should be offered. With the following conditions:

- That written advice from a suitably qualified heritage architect is obtained prior to works commencing on how the repair works should be undertaken prior to the building being painted. A copy of the written advice is to be provided to Council before works commence.
- That written advice is obtained from Heritage New Zealand Pouhere Taonga to confirm that the proposed colour scheme is suitable to be used; and a copy of Heritage New Zealand's advice is provided to Council prior to the painting works commencing.
- The heritage fund is used to support works to the facade repair and painting of the scheduled heritage building only, not for works to the attached building along High Street.



8

HF-10-2021/2022

**H79 Waipahihi House - 129 Cambridge Road****History of Building**

The house is significant as an example of the work of architect Frederick Smith who designed a number of buildings in Hamilton in the early 20th century, many of which are scheduled historic places. He is known to have designed the Hamilton premises of A.M. Bisley, a 1904-5 single level building at the corner of Victoria and Collingwood Streets, later added to and known as Wesley Chambers (H37) and Jones shoe shop. He also designed the Tingey's building in Victoria Street, Wellington and the Dexter & Crozier premises in Albert Street Auckland. In 1911 a design he prepared for the new parliament buildings was published in the periodical Progress.

The house is of significance for its architectural style and design. Built in 1907, it is a substantial Edwardian villa designed in an Arts and Crafts style with Queen Anne influences. Edwardian domestic architectural styles in England influenced the design of housing in New Zealand.

The house remains on its original site however the original large allotment that the house was built on has been subsequently subdivided and development along Cambridge Road obscures views of the house. The garden around the house, including lawns and trees generally located around the perimeter, enhances the significance of the house. The small timber outbuilding to the east enhances understanding of the way the house originally functioned, with a separate outside laundry. Detailing such as the rough cast plastered chimney matches that of the house.

**Purpose of Application**

- Essential repairs - repair leaking spouting and repair water affected timber cladding

**Previous Funding Received:**

\$4 000.00

**Funding Amount Requested**

\$3 000.00

## Assessment Criteria

<b>District Plan Listing</b>	District Plan Ranking = B Date of Construction = 1910 and 1923 Architect = Frederick Smith Registered HNZ = No
<b>Ownership</b>	Private
<b>Is the building earthquake-prone?</b>	No
<b>Works Proposed</b>	Essential repairs - repair leaking spouting and repair water affected timber cladding.
<b>Does the work detract from the heritage values of the item?</b>	No - proposed work supports the heritage fabric.
<b>Does the work contribute to the retention, preservation and the continued use of the heritage building?</b>	Yes - the on-going maintenance of the building ensures the ability for the long-term use of the building and ensures the heritage values of the building are protected.
<b>Is the work supported by a conservation/ maintenance plan</b>	No - will be supervised by a heritage architect.
<b>What funding is the applicant bringing to the project?</b>	\$3 270.05

## Urban Design Panel - Recommendation

A grant of \$3,000.00 should be offered. With the following conditions:

- The replacement guttering profile is in keeping with the existing guttering profile of the dwelling.
- That written advice is obtained from a heritage architect regarding the appropriateness of the proposed works and replacement gutter profiles to ensure there is no impact on the overall heritage values of the building.
- This written advice is provided to Council prior to the removal and replacement of the guttering.
- That a photographic record of the works is prepared, and a copy provided to Council.

9

HF-11-2021/2022

**H131 House - 3 Armagh Street, Hamilton East****History of Building**

This house was one of three in Armagh Street developed by Callis and designed and built by Hanson Construction Company. The house next door at 5 Armagh Street was also built by Hanson Construction in Tudor style for George Callis. The architectural drawing for the house at 5 Armagh Street has been located and a design number at the top right corner suggests that the houses were based on standard designs that Hanson Construction offered.

Construction of the house at 3 Armagh Street in 1933 along with houses at 5 Armagh Street in 1934 and 9 Armagh Street in 1934 provides evidence of speculative residential development in Hamilton East in the early 1930s. The house is associated with patterns of residential subdivision and development in Hamilton in the 1930s when the population was steadily growing. The 1936 census showed a population of 16,000. By 1940 the population was estimated to be 18,000 in the borough with a further 3000 in the immediately surrounding areas. Construction of the nearby Fairfield Bridge commenced in 1934 and it opened in 1937 and was a catalyst for further development in Hamilton.

The house is a representative example of the Tudor revival style, which was popular between the wars and was based on English architectural models. It features decorative half-timber framing and moderately pitched gabled roofs of varied heights. The house is clad with weatherboards with plasterboard or a plastered finish to the gable ends with applied boards and a band with circular motifs. The windows incorporate leadlight sidelights and one has an arched top-light. The porch has an arched entry. While the design of this house is similar to the one adjacent at 5 Armagh Street, the decorative detail varies.

**Purpose of Application**

- Exterior repairs - replace rotting weatherboards
- Re-plastering of chimney
- Maintenance of windows and doors and repaint.

**Previous Funding Received:**

None

**Funding Amount Requested**

\$15 500.00

## Assessment Criteria

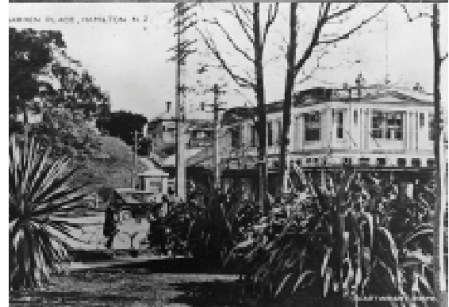
<b>District Plan Listing</b>	District Plan Ranking = B Date of Construction = 1933 Builders/Designers = Hanson Construction, Hamilton Registered HNZ = No
<b>Ownership</b>	Private
<b>Is the building earthquake-prone?</b>	No
<b>Works Proposed</b>	Essential repairs - replace weatherboards, re-plaster chimney and repairs to windows and doors
<b>Does the work detract from the heritage values of the item?</b>	No - proposed work supports the heritage fabric.
<b>Does the work contribute to the retention, preservation and the continued use of the heritage building?</b>	Yes - the on-going maintenance of the building ensures the ability for the long-term use of the building and ensures the heritage values of the building are protected.
<b>Is the work supported by a conservation/ maintenance plan</b>	No
<b>What funding is the applicant bringing to the project?</b>	\$10 000.00

## Urban Design Panel - Recommendation

To enable a detailed understanding of the works needed to ensure the heritage fabric of the building is protected and a full program of works, setting priorities can be set, a grant of **\$3,500.00** should be offered to support the preparation of a comprehensive Heritage Conditions Assessment Report for the building, with the following conditions:

- The report is prepared by a Heritage Architect.
- The report shall identify the existing condition of the fabric of the building, identify any works that need to be addressed and establish a program of works for the repair and maintenance of the building.
- A copy of the Conditions Assessment Report is to be submitted to Council.

Please note that having a Heritage Conditions Assessment Report will assist with the streamlining of any future heritage fund applications.



### History of Building

Frear's Building, also known as Pascoe's Buildings, was built in 1916 at the corner of Garden Place and Victoria Street, for Joseph Frear. It was designed by Wade & Wade Architects in Auckland and built by W E Hutcheson.

The building was one of the earliest substantial commercial buildings to be erected in central Hamilton. Signage on the building facades relates to Pascoes Jewelers who remained as tenants until at least the 1960s. The jewelry firm of James Pascoe eventually bought the building from the Frear family.

Many of Hamilton's early shops and businesses had been located in the Ferrybank area, but in the mid 1870s the main business zone was located at the southern end of Victoria Street. In the early twentieth century commercial development expanded further to the north, away from the ferry landing which had provided a vital transport link in earlier years and closer to the railway station which offered a more modern and efficient form of transport.

The Garden Place hill had gradually become a constraint within the commercial area, rather than a geographic feature on the edge of it. In 1906 Hamilton Borough Council proposed that the central part of the Garden Place frontage to Victoria Street should be leased for commercial building. Joseph Frear protested, concerned to maintain the value of his adjacent property as well as the open space in the centre of Hamilton. The proposal was rejected by ratepayers and Garden Place became a landscaped area containing lawns, trees and fountains.

Joseph Frear was a carpenter, entrepreneur and successful businessman who played an important role in Hamilton in the late 19th and early 20th centuries. He served on the Hamilton Borough Council and on committees of the Hamilton Chamber of Commerce and Hamilton West School.

### Purpose of Application

Replacement window joinery to match existing.

### Previous Funding Received:

\$ 50 000.00

### Funding Amount Requested

\$20 000.00



## Assessment Criteria

District Plan Listing	District Plan Ranking = A Date of Construction = 1916 Architect = Wade & Wade Architects Registered HNZ = Category II (5298)
Ownership	Private
Is the building earthquake-prone?	Yes
Works Proposed	Replacement of window joinery to match existing
Does the work detract from the heritage values of the item?	No - proposed work supports the heritage fabric.
Does the work contribute to the retention, preservation and the continued use of the heritage building?	Yes – on-going use and preservation of overall heritage value of the building.
Is the work supported by a conservation/ maintenance plan	No
What funding is the applicant bringing to the project?	The applicant is proposing to contribute \$40 000.00 towards the works.

## Urban Design Panel - Recommendation

A grant of \$10,000.00 should be offered. With the following conditions:

- The replacement window is in keeping with the original fenestration of the rests of the windows and are in keeping with the style of the building.
- That written advice is obtained from a heritage architect regarding the appropriateness of the proposed window profile to ensure the replacement window does not impact on the overall heritage values of the building.
- The written advice from the heritage architect and confirmation of obtaining the necessary resource consent is provided to Council prior to the removal of the window.
- That a photographic record of the works is prepared, and a copy provided to Council.



### History of Building

The Cathedral Church of St Peter was built as St Peter's Church in 1916 on the hill known as Pukerangiora in Hamilton West. The site was already associated with the Anglican Church, as the first services had been held there in a militia hut within the redoubt built by the Fourth Regiment of Waikato Militia in late 1864-65.

St Peter's Church was the fourth Anglican church to be built on Victoria St, the first two wooden churches being further to the north opposite the end of Marlborough Place. The first church burnt down in 1867 before completion, and the second, completed in 1871, was deconsecrated and sold to the Waikato Times in 1875. The third church (built 1876), also wooden, was built just south of the extant church hall (built 1893-4), close to the footpath and below the site of the current cathedral; it was named St Peter's St.

Peter's Cathedral has a direct association with several influential people within the Hamilton community and as a key place of worship for Anglican churchgoers. European settlers such as Thomas Jolly, William A. Graham and Alice Graham, Joseph Barugh and Philip Le Quesne were instrumental in religious and community activities for the earlier churches; later parishioners Annie McPherson and Sarah Frear for their bequests which enabled building additions, and Alexander Young, a councillor, mayor and later Member of Parliament who facilitated the land purchase. The trustees were always men of prominence in the town, men such as George Edgecumbe, Isaac Coates, Robert J. Gwynne, John Atkinson and Arthur Swarbrick lending their support to the church's development and thereby consolidating the church's place in the community.

### Purpose of Application

- Earthquake strengthening
- Engineering design and Resource consent application

### Previous Funding Received:

\$30 000.00

### Funding Amount Requested

\$40 000.00

## Assessment Criteria

<b>District Plan Listing</b>	District Plan Ranking = A Date of Construction = 1916, additions dedicated 1933 Architects = John W. Warren and John Blechynden, Registered HNZ = Category II, Register No. 4206
<b>Ownership</b>	Private
<b>Is the building earthquake-prone?</b>	Yes
<b>Works Proposed</b>	Earthquake Strengthening - Preparation of final reports: <ul style="list-style-type: none"> <li>• Strengthening options</li> <li>• web based funding platform</li> </ul>
<b>Does the work detract from the heritage values of the item?</b>	No - proposed work supports the heritage fabric.
<b>Does the work contribute to the retention, preservation and the continued use of the heritage building?</b>	Yes - the earthquake strengthening of the building ensures the ability for the long-term use of the building and ensures the heritage values of the building are protected.
<b>Is the work supported by a conservation/ maintenance plan</b>	No
<b>What funding is the applicant bringing to the project?</b>	\$155 000.00

## Urban Design Panel - Recommendation

To enable the continued support and enable the progression of this extensive earthquake strengthening project a grant of \$13,000.00 should be offered. With the following conditions:

- The fund money is not to be used for the preparation or administration of the web-based funding platform.
- That copies of the final reports are to be provided to Council.



## Attachment 2: 2021/22 Heritage Fund Allocations

Attachment 2

Item 16

Fund Ref #	Applicant	DP Heritage building #	Funding Sought
HF 02	J Shaskey	H21 - Lake House, 102 Lake Crescent	\$2,208.00
Proposed Works	Repair of weatherboards and exterior door to the laundry		
Recommendation			
Funding	\$2,200.00		
Reasons	<ul style="list-style-type: none"><li>• The recommended funding is a continuation of the support already provided through previous funding rounds.</li><li>• The preparation of a comprehensive Conditions Assessment Report for the building will provide a detailed understanding of the works needed to ensure the heritage fabric of the building is protected.</li><li>• Obtaining information and direction on what remedial works are required for the entire building will ensure the heritage fabric of the building is protected.</li><li>• Having the report will establish a longer-term programme of works for the repair and maintenance of the building; it will also assist with streamlining any future heritage fund applications.</li></ul>		
Conditions	<ol style="list-style-type: none"><li>1. That a comprehensive Conditions Assessment Report for the building is to be prepared by a heritage Architect.</li><li>2. This report shall identify the existing condition of the fabric of the building, identify any works that need to be addressed and establish a programme of works for the repair and maintenance for the building.</li><li>3. A copy of the Conditions Assessment Report is to be submitted to Council.</li></ol>		

Fund Ref #	Applicant	DP Heritage building #	Funding Sought
HF 03	St Andrew's Church Treasurer	H31 - St Andrew's Presbyterian Church, 2 Te Aroha Street	\$50,000.00
Proposed Works	Seismic strengthening works		
Recommendation			
Funding	\$20,000.00		
Reasons	<ul style="list-style-type: none"><li>The recommended funding is a continuation of the support already provided through previous funding rounds.</li></ul>		

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	<ul style="list-style-type: none"> <li>Earthquake strengthening will protect the building during a natural disaster and will also ensure the building has the ability to retain its original use as a place of worship.</li> <li>Seismic strengthening up to a 67% NBS to enable the church to re-open.</li> </ul>
Conditions	<ol style="list-style-type: none"> <li>Written confirmation, from a heritage architect is provided to Council prior to works commencing to clarify the extent and specificity of the works to be undertaken; whether internal fabric will be disturbed, mitigations and compliance with the 2018 Conservation Plan.</li> <li>That a photographic record of the works is prepared, and a copy provided to Council once the works are completed.</li> </ol>

*Fund Ref #	Applicant	DP Heritage building #	Funding Sought
HF 04	S Hastings	H117 - Didsbury House, 121 Grey Street	\$6,000.00
Proposed Works	Replacement of exterior doors and the repainting of 15 exterior windows		
Recommendation			
Funding	\$2,000.00		
Reasons	<ul style="list-style-type: none"><li>• The recommended funding is a continuation of the support already provided through previous funding rounds.</li><li>• Proposed works is to replace existing external doors, to match the original windows, will allow the heritage character and aesthetic may be maintained.</li></ul>		
Conditions	<ol style="list-style-type: none"><li>1. The funding is for the replacement of the French doors only.</li><li>2. That the replacement French doors are in keeping with the original fenestration of the windows and are in keeping with the style of the dwelling.</li><li>3. That written advice is obtained from a heritage architect regarding the appropriateness of the proposed door profiles for the French doors to ensure the replacement doors do not impact on the overall heritage values of the building.</li><li>4. The written advice from the heritage architect is provided to Council prior to the removal of the existing doors.</li><li>5. That a photographic record of the works is prepared, and a copy provided to Council.</li></ol>		

## Attachment 2

Fund Ref #	Applicant	DP Heritage building #	Funding Sought
HF 05	University of Waikato	H59 - The Station, 164 Hillcrest Road	\$69,409.00
Proposed Works	Re-roofing		
Recommendation			
Funding	\$0.00		
Reasons	The application was <b>Not Eligible</b> for consideration as set out in the Historic Heritage Fund Guidelines (Page 3): <i>WHO WILL NOT BE CONSIDERED FOR FUNDING?</i> <i>1. the Crown</i> <i>2. state owned enterprises</i> <i>3. district health boards</i> <i>4. tertiary education institutions, local and regional authorities</i>		
Conditions	N/A		

## Item 16

Fund Ref #	Applicant	DP Heritage building #	Funding Sought
HF 06	VR Hamilton Limited	H37 - Wesley Chambers, 237 Victoria Street	\$30,000.00
Proposed Works	Exterior painting of the building		
Recommendation			
Funding	\$17,000.00		
Reasons	<ul style="list-style-type: none"><li>• This is a key building in the central city area.</li><li>• The painting is identified in the conservation plan and will ensure the ongoing weather tightness of the building.</li><li>• The recommended funding is a continuation of the support already provided through previous funding rounds.</li></ul>		
Conditions	<ol style="list-style-type: none"><li>1. That written advice is obtained from Heritage New Zealand Pouhere Taonga to confirm that the proposed colour scheme is suitable to be used; and a copy of Heritage New Zealand's advice is provided to Council prior to the painting works commencing.</li><li>2. That prior to the painting works commencing, any repairs to the exterior facades as identified in the 2017 Conservation Plan are undertaken, and those works overseen by a suitably qualified heritage architect.</li></ol>		

Fund Ref #	Applicant	DP Heritage building #	Funding Sought
HF 07	Southwell School	H64 - Southwell Chapel, 200 Peachgrove Road	\$26,863.00
Proposed Works	Fitting fire alarm system		
Recommendation			
Funding	\$0.00		
Reasons	While the upgrading of the fire alarm would reduce potential for total loss of heritage building by raising the alarm earlier it is not considered essential works that contribute to the retention and preservation of the heritage building.		
Conditions	N/A		

Fund Ref #	Applicant	DP Heritage building #	Funding Sought
HF 08	H van der Zee	H30 - Riverlea House, 10 Silva Crescent	\$5,425.13
Proposed Works	Repair of timber joinery and weatherboards		
Recommendation			
Funding	\$4,300.00		
Reasons	<ul style="list-style-type: none"><li>• The recommended funding is a continuation of the support already provided through previous funding rounds.</li><li>• The preparation of a comprehensive Conditions Assessment Report for the building will provide a detailed understanding of the works needed to ensure the heritage fabric of the building is protected.</li><li>• Obtaining information and direction on what remedial works are required for the entire building will ensure the heritage fabric of the building is protected.</li><li>• Having the report will establish a longer-term programme of works for the repair and maintenance of the building; it will also assist with streamlining any future heritage fund applications.</li></ul>		
Conditions	<ol style="list-style-type: none"><li>1. That a comprehensive Heritage Conditions Assessment Report for the building is to be prepared by a heritage Architect.</li><li>2. This report shall identify the existing condition of the fabric of the building, identify any works that need to be addressed and establish a programme of works for the repair and maintenance for the building.</li><li>3. A copy of the Conditions Assessment Report is to be submitted to Council.</li></ol>		

## Attachment 2

Fund Ref #	Applicant	DP Heritage building #	Funding Sought
HF 09	Body Corporate 81026	H79 - Former Frankton Junction Supply Store, Commerce Street, Frankton	\$47,694.83
Proposed Works	Exterior repair and painting		
Recommendation			
Funding	\$5,000.00		
Reasons	<p>This is a key building in the Frankton area.</p> <ul style="list-style-type: none"><li>• The recommended funding is a continuation of the support already provided through previous funding rounds.</li><li>• The works will ensure the continued use of the building and protect both the historic fabric of the building and area of Frankton.</li><li>• Employing a qualified Heritage Architect ensures the proposed works do not negatively impact the heritage fabric and structural integrity of the building.</li></ul>		
Conditions	<ol style="list-style-type: none"><li>1. That written advice on how the repair works should be undertaken prior to the building being painted is obtained from a suitably qualified heritage architect prior to works commencing. A copy of the written advice is to be provided to Council before works commence.</li><li>2. That written advice is obtained from Heritage New Zealand Pouhere Taonga to confirm that the proposed colour scheme is suitable to be used; and a copy of Heritage New Zealand's advice is provided to Council prior to the painting works commencing.</li><li>3. The heritage fund is only to support works to the facade repair and painting of the scheduled heritage building only, not for works to the attached building along High Street.</li></ol>		

## Item 16

Fund Ref #	Applicant	DP Heritage building #	Funding Sought
HF 10	P Hart	H79 - Waipahihi House, 129 Cambridge Road	\$3,000.00
Proposed Works	Repair of guttering and replacement of water damaged timber		
Recommendation			
Funding	\$3,000.00		
Reasons	<ul style="list-style-type: none"><li>• The recommended funding is a continuation of the support already provided through previous funding rounds.</li><li>• The on-going maintenance of the building ensures the ability for the long-term use of the building and ensures the heritage values of the building are protected.</li></ul>		
Conditions	1. The replacement guttering profile is in keeping with the existing guttering profile of the dwelling.		

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	<ol style="list-style-type: none"> <li>2. That written advice is obtained from a heritage architect regarding the appropriateness of the proposed works and replacement gutter profiles to ensure there is no impact on the overall heritage values of the building.</li> <li>3. This written advice is provided to Council prior to the removal and replacement of the guttering.</li> <li>4. That a photographic record of the works is prepared, and a copy provided to Council.</li> </ol>
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Fund Ref #	Applicant	DP Heritage building #	Funding Sought
HF 11	C Reymer	H131 - 3 Armagh Street	\$15,500.00
Proposed Works	Repair of weatherboards, replastering the chimney and repainting		
Recommendation			
Funding	\$3,500.00		
Reasons	<ul style="list-style-type: none"><li>• A comprehensive Heritage Conditions Assessment Report for the building will provide a full program of works, set priorities.</li><li>• The Report will provide information and direction on what remedial works are required to be undertaken to ensure the heritage fabric of the building is protected.</li><li>• Having the report will establish a longer-term programme of works for the repair and maintenance of the building; it will also assist with streamlining any future heritage fund applications.</li></ul>		
Conditions	<ol style="list-style-type: none"><li>1. The Heritage Conditions Assessment Report is prepared by a Heritage Architect.</li><li>2. The report shall identify the existing condition of the heritage fabric of the building, identify any works that need to be addressed and establish a program of works for the repair and maintenance of the building.</li><li>3. A copy of the Heritage Conditions Assessment Report is to be submitted to Council.</li></ol>		

Fund Ref #	Applicant	DP Heritage building #	Funding Sought
HF 12	Maritime Partnership	H40 - Pascoes Building, 57 Victoria Street/2 Garden Place	\$20,000.00
Proposed Works	Replacement of exterior metal window frames		
Recommendation			
Funding	\$10,000.00		
Reasons	<ul style="list-style-type: none"><li>• This is a key building in the central city area.</li><li>• The proposed work supports the recognition of the heritage fabric and preservation of overall heritage value of the building.</li></ul>		

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	<ul style="list-style-type: none"> <li>The recommended funding is a continuation of the support already provided through previous funding rounds.</li> </ul>
Conditions	<ol style="list-style-type: none"> <li>The replacement window is in keeping with the original fenestration of the rests of the windows and are in keeping with the style of the building.</li> <li>That written advice is obtained from a heritage architect regarding the appropriateness of the proposed window profile to ensure the replacement window does not impact on the overall heritage values of the building.</li> <li>The written advice from the heritage architect and confirmation of obtaining the necessary resource consent is provided to Council prior to the removal of the window.</li> <li>That a photographic record of the works is prepared, and a copy provided to Council.</li> </ol>

Fund Ref #	Applicant	DP Heritage building #	Funding Sought
HF 13	Waikato Cathedral Church of St Peters	H4 - St Peter's Cathedral, 351 Victoria Street	\$40,000.00
Proposed Works	Earthquake strengthening investigations		
Recommendation			
Funding	\$13,000.00		
Reasons	<ul style="list-style-type: none"><li>• This is a key building in the central city area.</li><li>• To enable the progression of this extensive earthquake strengthening.</li><li>• The recommended funding is a continuation of the support already provided through previous funding rounds.</li></ul>		
Conditions	<ol style="list-style-type: none"><li>1. The fund money is not to be used for the preparation or administration of the web-based funding platform.</li><li>2. Those copies of the final reports are to be provided to Council.</li></ol>		

Overall Funding allocation breakdown for the financial year (2021/22)	
Annual Heritage Fund \$80,000.00	
Total cost of all works proposed in 2021/22	\$646,006.01
Total amount of funding being sought from the Heritage Fund	\$290,535.96*
	*Excludes the ineligible application (HF 05)
Total amount recommended to be allocated	\$80,000.00
Un-allocated funds	\$0.00

# Council Report

**Committee:** Council

**Date:** 12 August 2021

**Author:** Tatiyana Taunoa

**Authoriser:** David Bryant

**Position:** Official Information  
Administrator

**Position:** General Manager People and  
Organisational Performance

**Report Name:** Sale of Land to Wintec - Release of Public Excluded Minutes

**Report Status**

*Open*

## Purpose - *Take*

1. To inform the Council of Public Excluded ("PX") minutes that were released, regarding the sale of land to Wintec, in response to a Local Government Official Information and Meetings Act 1987 ("LGOIMA") request.

## Staff Recommendation - *Tuutohu-aa-kaimahi*

2. That the Council receives the report.

## Executive Summary - *Whakaraapopototanga matua*

3. On 20 April 2021 Council received a LGOIMA request seeking information relating to the sale of land on Ward Street to Wintec.
4. The request sought a range of information relating to the sale, including Council meeting minutes at which the proposed sale of the abovementioned block of land was discussed and any related subsequent Council meeting minutes.
5. Staff identified minutes from three meetings which were public excluded, to enable Council to carry out commercial activities without disadvantage.
6. As commercial activities (the sale of the land and settlement) were complete by the time the LGOIMA request was made, staff determined there was no reason to withhold the information.
7. The response was emailed to Stark Property and Wintec for comment before release.
8. The response was released to this requestor with the relevant minutes (Attachment 1), on 16 June 2021.

## Background - *Koorero whaimaarama*

9. On 31 March 2021, Hamilton City Council sold the following Municipal Endowment Fund ground leases to Wintec:
  - i. 145 to 155 Ward Street
  - ii. 179 Ward Street (corner of Tristram and Ward Street)
10. Wintec held ground leases on the land. The leases were for 21 years with rights to renew. Wintec had the rights to purchase the land from the lessor at any time during the lease term.



11. On 20 April 2021 Council received a LGOIMA request relating to the aforementioned block of land.
12. The request sought a range of information relating to the sale, including Council meeting minutes at which the proposed sale of the abovementioned block of land was discussed and any related subsequent Council meeting minutes.
13. Staff identified the following minutes which were publicly excluded to enable Council to carry out commercial activities without disadvantage.
  - i. Council – 4 February 2020
  - ii. Council – 17 September 2020
  - iii. Council – 28 November 2020
14. As commercial activities were complete by the time the LGOIMA request was made, there was no reason to withhold the information.
15. The full response was emailed to Stark Property and Wintec for comment before release, neither party objected to release of the information.
16. The response was released to this requestor with the relevant minutes (Attachment 1).
17. The response was also sent to Councillors.

### **Discussion - *Matapaki***

18. The PX Minutes have been released, therefore no discussion is required.

### **Options**

19. No options are available for Council to consider because these PX minutes have been released in response to the LGOIMA request under delegated authority.

### **Financial Considerations - *Whaiwhakaaro Puutea***

20. There are no financial implications to the recommended option, noting administrative time is incorporated as part of operational staff costs.

### **Legal and Policy Considerations - *Whaiwhakaaro-aa-ture***

21. Staff confirm that the recommendation complies with the Council's legal and policy requirements.

### **Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga***

22. The purpose of Local Government changed on the 14 May 2019 to include promotion of the social, economic, environmental and cultural wellbeing of communities in the present and for the future ('the 4 wellbeings').
23. The subject matter of this report has been evaluated in terms of the 4 wellbeings during the process of developing this report.
24. The recommendations set out in this report are consistent with that purpose.

### **Risks - *Tuuraru***

25. There are no known risks associated with the staff recommendation.

## **Significance & Engagement Policy - *Kaupapa here whakahira/anganui***

### **Significance**

26. Staff have considered the key considerations under the Significance and Engagement Policy and have assessed that the recommendation(s) in this report has/have a low level of significance.

### **Engagement**

27. Given the low level of significance determined, the engagement level is low. No engagement is required.

## **Attachments - *Ngaa taapirihanga***

Attachment 1 - LGOIMA 21135 - Ward St Public Excluded Minutes

**Item 17**

Council 17 SEPTEMBER 2020 - PUBLIC EXCLUDED

**C11. 145-179 Ward Street, Sale and Development - Proposed Covenant**

The Chief Executive took the report as read. He responded to questions from Elected Members concerning the sale contract, developers gaining unfair advantages, advantages provided by council, developer history, timeline for completion, covenant concessions, council input, resource consent delays and endowment funds.

Matt Stark (Stark Property) responded to questions from Elected Members concerning previous developments, potential barriers to development, integration models, timeline of development, development proposal changes and development design.

**Resolved:** (Cr Hamilton/Cr Pascoe)

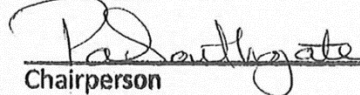
That the Council:

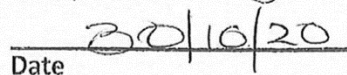
- a) receives the report; and
- b) authorises the Chief Executive to negotiate the terms of a land covenant in respect of all contractual arrangements for the land at 145-179 Ward Street to ensure that the Council maintains its current position as outline in paragraph 28 of this report and ensure that the developer and staff work together so that any revised concept supports and enables both the Innovating Streets programme and the longer term plans for Ward Street.

The meeting adjourned 3.58pm to 4.05pm during the discussion of the above item.

The meeting was declared closed at 4.44pm.

Confirmed:

  
Chairperson

  
Date



COUNCIL 17 SEPTEMBER 2020 -PUBLIC EXCLUDED

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**C3. Municipal Endowment Fund - Ward Street Sale and Development**

The City Planning Manager spoke to the report noting that the purpose of the report was to seek the Council's approval of the negotiated ratio. Staff responded to questions from Elected Member concerning the independent valuation process, the concept design of the development, the tender process, the process to sell Council owned land and the endowment fund policy.

**Staff Action:** *Staff undertook to organise a session with the developer, Matt Stark, to discuss the detailed design for the site. This session would include discussion of options for pedestrian safety, cycle ways, and how these would be incorporated in the final streetscape design/development.*

**Staff Action:** *Staff undertook to organise an Elected Member Briefing concerning the Urban design panel.*

**Resolved:** (Cr Wilson/Cr Hamilton)

That the Council:

- a) receives the independent valuation of the sites and notes the legally-binding requirements of the Agreement for Sale and Purchase between the Council and Wintec dated 6 September 2019;
- b) approves the negotiated ratio apportionment of 53.165% for the whole development site, which sets the sale value of the six Council-owned sites at 145, 147, 151, 155 and 179 Ward Street at \$2,372,489.00 plus GST to sell to Wintec in line with the process set out in the Agreement;
- c) approves the net proceeds of the sale for the six Council-owned sites at 145, 147, 151, 155 and 179 Ward Street are invested on term deposit, at the best available return to be determined by the CE, rather than used to repay debt;
- d) notes that the decision to invest the proceeds is a specific delegation of Council, made in accordance with section 2(d) and section 8 of the Investment and Liability Management Policy; and
- e) notes that the decision and information in relation to this matter will be released to the Public at the appropriate time to be determined by the General Manager City Growth.

**C3. Municipal Endowment Fund - Ward Street land, proposed Sale and Development**

The City Planning Manager spoke to the report noting that the sale price was not yet known and would be reported to the Council. Staff responded to questions from Elected Members concerning Strategic Plan for the development of Ward Street, the sale process due the land being a part of the Municipal Endowment Fund, and the valuation and negotiation process.

*Cr Bunting re-joined the meeting (3.15pm) during the discussion of the above item. He was present when the matter was voted on*

Item C3 (Municipal Endowment Fund - Ward Street land, proposed Sale and Development) was suspended to enable staff to clarify the sale process.

Attachment 1

following the above adjournment.

**C3. Municipal Endowment Fund - Ward Street land, proposed Sale and Development... Continued**

Staff responded to further questions from Elected Members concerning the tender criteria, opportunity to influence the final design of the development, and split of the sale proceeds. The Chief Executive then outline the negotiation and sale process.

**Action Staff:** Staff undertook to provide the full valuation of the property as a whole in the future report to the Council.

**Resolved:** (Cr Macpherson/Cr Wilson)

That the Council:

- a) approves the recommendation of the Tender Evaluation Panel to accept the tender received from Stark Property Ltd as the preferred development option for the land detailed in the Schedule;
- b) requests staff to negotiate the freeholding of the Council owned land to Wintec to facilitate the redevelopment of the sites described in the below schedule with the final negotiated price to be report back to the Council for approval;
- c) notes that this report and decision will be released to the public with the unsuccessful tenderers' details redacted, at the appropriate time to be determined by the Chief Executive;
- d) notes that the Ward Street corridor, between Tristram Street and Anglesea Street will be part of a cycle and pedestrian-friendly environment that continues eastwards from the Western Rail Trail, and that staff be requested to report back to the Infrastructure Committee on the design and implementation of this by the end of April 2020.



Item 17

COUNCIL	15/11/2018	6	Municipal Endowment Fund - Ward Street	To seek approval for the schedule to be offe in conjunction with ne
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**C6. Municipal Endowment Fund - Ward Street**

The report was taken as read. Staff responded to questions from Elected Members concerning the sale process and that the development's intended design would be evaluated by the Urban Design Panel.

**Staff Action:** Staff undertook to provide an update to Elected Members on the Municipal Endowment fund and the process to withdraw funds.

**Resolved:** (Cr O'Leary/Cr Southgate)

That the Council:

- a) approves the potential sale of the land as described in the schedule, subject to:
  - (i) Council's approval of the development proposal for the land;
  - (ii) the Urban Design Panel's input into the brief for the development of the site and evaluation of any proposal for the site;
  - (iii) Council's final approval of the terms of sale following a public open market process;
- b) notes that sale of the land is intended to facilitate development of Ward Street in conjunction with the Waikato Institute of Technology's adjoining land holdings;
- c) notes that the net sale proceeds will be credited to the Municipal Endowment Fund Reserve; and
- d) delegates the Chief Executive authority to give effect to this resolution.

# Council Report

**Committee:** Council

**Date:** 12 August 2021

**Author:** Blair Bowcott

**Authoriser:** Blair Bowcott

**Position:** General Manager Growth

**Position:** General Manager Growth

**Report Name:** District Plan Change Programme - Communications and Engagement

**Report Status**

*Open*

## Purpose - *Take*

1. To inform the Council of the communication and engagement strategy and the planned engagement activities for July-October 2021, for the District Plan Change Programme.

## Staff Recommendation - *Tuutohu-aa-kaimahi*

2. That the Council:
  - a) receives the report;
  - b) notes the communication and engagement strategy for the District Plan Change Programme; and
  - c) notes the planned engagement activities for the programme August-October 2021.

## Executive Summary

3. The National Policy Statement on Urban Development (NPS-UD) outlines clear obligations for Hamilton City Council to deliver an intensification plan change by September 2022.
4. On 8 December 2020, the Council approved the proposed approach, scope, and governance structures for making changes to the Hamilton City Operative District Plan (District Plan) that will give effect to the NPS-UD, by September 2022.
5. At the 8 December 2020 meeting, the Council also approved the formation of a District Plan Committee, and on 4 February 2021, the Council approved the terms of reference for that Committee.
6. The District Plan Committee has met in 2021 on 4 March, 28 April, 24 May, 23 June and 3 August, with further meetings scheduled for September, November and December.
7. At their 24 May 2021 meeting, the District Plan Committee approved the key messages and techniques for engaging the community that were outlined in the report.
8. The resolutions from the 24 May 2021 District Plan Committee meeting were approved by Council on 10 June 2021.
9. This report outlines the overarching communication and engagement strategy for the District Plan Change programme and outlines the planned engagement activities for August-October 2021, for the benefit of all Elected Members, particularly those who are not members of the District Plan Committee.

Item 18

10. Given the statutory requirement to consult, staff have not considered the key considerations under the Significance and Engagement Policy. Staff confirm that the recommendations comply with the Council's legal requirements.

### **Background - *Koorero whaimaarama***

4. On 8 December 2020, the Council approved the proposed approach, scope, and governance structures for making changes to the Hamilton City Operative District Plan (District Plan) for notification in September 2022.
5. On 4 February 2021, the Council approved the terms of reference for this Committee. These are:
- i. To provide and approve broad strategic direction to inform and guide the development of the District Plan amendments programme of work.
  - ii. To prepare and approve a draft set of District Plan amendments for the purpose of obtaining initial feedback and comment from the community, stakeholder and tangata whenua groups.
  - iii. To recommend any proposed District Plan amendments to the Council for adoption and release for formal notification.
  - iv. To provide regular updates to the Council on the progress of the District Plan amendments programme of work.
6. District Plan Committee meeting dates for 2021 are:
- i. 4 March
  - ii. 28 April
  - iii. 24 May
  - iv. 3 August
  - v. 21 September
  - vi. 4 November
  - vii. 15 December.
7. Notwithstanding the above, should the District Plan Committee request more meeting dates and times, staff will work with the Governance Unit to accommodate new or revised changes to the schedule.
8. Staff will be presenting analysis relating to potential changes in land use zoning that are sensitive and not final, nor are endorsed by Council. Premature release of such information is commercially sensitive and cannot be relied upon to make land purchase decisions.

### **Discussion**

#### **Overview Proposed engagement approach**

##### ***Background***

9. Any notification of amendments to the District Plan requires significant engagement and consultation prior to notification, as required under the Resource Management Act.
10. The Plan Change programme is underpinned by a comprehensive communication and engagement strategy that also includes a separate, but related tangata whenua engagement strategy.
11. As a growing city, we need to plan so Hamilton develops the way our community wants, as well as meeting the new requirements set by central government. Shaping a city and doing it



well can only be done together with people who live here and by working with groups that have a stake in our success.

12. The implementation of the NPS-UD presents an opportunity for us to redefine what Hamilton Kirikiriroa will look like in the future.
13. When we work in collaboration with our community, stakeholders, and partners, it is possible for us to generate better outcomes for Hamilton. Community engagement activity will be undertaken for each of the identified areas where urban intensification is anticipated. The purpose of this engagement will be to ask the community, 'what outcomes do you wish to see for your neighbourhood, because of these changes'?
14. We will use a Citizens Panel engagement technique to explore this question. Participants will be made up of representatives for each area that reflect a cross-section of the subject community (e.g. ethnicity, gender, age, and lifestyle), ensuring that a genuine mix of viewpoints are brought to the table.
15. The results of each Citizens Panel discussion will be shared with the wider community to provide feedback on what they think of the panel's suggestions.
16. The findings of this community engagement activity will then inform the project team in drafting the planning provisions for the District Plan.
17. The Strategy is underpinned by separate communication and engagement plans for the other programme workstreams including heritage and biodiversity. This work will be completed in collaboration with the community, relevant stakeholders and tangata whenua.

#### ***Engagement phases***

18. Engagement for the District Plan change is split into four phases:
  - i. Phase 1 – Introducing the District Plan change and initial feedback
  - ii. Phase 2 – Testing our thinking
  - iii. Phase 3 – Closing out non-statutory engagement
  - iv. Phase 4 – Statutory engagement.

#### ***Planned Engagement activities August-October***

19. We are now approaching a critical stage in the Plan Change programme where we need to announce the identified Area Plans associated with the NPS-UD work. After that announcement we will be getting into full swing in terms of engagement activities including the following:
  - i. Stakeholder workshops,
  - ii. Citizens Panels; and
  - iii. Koorero Tahi ki ngaa Mana Whenua.
20. All three engagement activities are contingent on the announcement of the Area Plans being made and prior to announcing Area Plan locations we will ensure full information is available via with a webpage, video and background document prepared.
21. Some high-level engagement activity is already occurring as a result of proactive activity from Council. Meetings have been requested by the Property Council, Transpower, Go-Eco and the Disabled Persons Assembly. Meetings with these groups have either taken place, or will do so in the coming weeks.
22. We presented a full overview of the Plan Change programme to Te Ngaawhaa Whakatupu Ake (TNWA) to receive initial feedback and direction for priorities and engagement, on 28 July. Direct discussions will then occur with Waikato-Tainui to fulfil settlement responsibilities.

23. Plan Change 9 – Heritage forms part of the Plan Change programme and whilst this Plan Change will inform the others, it is a standalone piece of work that Council must undertake regardless of the other Plan changes.
24. On-site assessments are under way relating to potential heritage buildings and notable trees. In all instances where either a potential heritage building or notable tree has been identified on private land, we are working directly with property owners through this process.

### **Financial Considerations - *Whaiwhakaaro Puutea***

25. The District Plan Change Programme is funded through the 2021-31 Long Term Plan.

### **Legal and Policy Considerations - *Whaiwhakaaro-aa-ture***

26. Staff confirm that the staff recommendations comply with the Council's legal and policy requirements.

### **Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga***

27. The purpose of Local Government changed on 14 May 2019 to include promotion of the social, economic, environmental and cultural wellbeing of communities in the present and for the future ('the 4 wellbeings').
28. The subject matter of this report has been evaluated in terms of the 4 wellbeings during the process of developing this report as outlined below.
29. The recommendations set out in this report are consistent with that purpose.

### **Social**

30. Social wellbeing is defined as the capacity of individuals, their families, whaanau, iwi, haapu and a range of communities to set goals and achieve them.
31. The proposed approach aligns with the recently adopted *Our vision for Hamilton Kirikiriroa*, which provides direction for shaping a city that's easy to live in, where people love to be, a central city where people love to be, and a fun city with lots to do.

### **Economic**

32. Economic wellbeing is defined as the capacity of the economy to generate employment and wealth necessary for present and future financial security.
33. The NPS-UD recognises the national significance of providing sufficient development capacity to meet the different needs of people and communities and adequate opportunities for land to be developed to meet community business and housing needs.
34. This includes ensuring that plans make room for growth both 'up' and 'out', and that rules are not unnecessarily constraining growth. The intensification directed by Central Government will have a direct impact on housing pressure in Hamilton.

### **Environmental**

35. Factors that make our cities more liveable (e.g. accessible public transport, great walking and cycling opportunities, ample green spaces and housing with access to services and amenities) can also help reduce our carbon footprint, increase resilience to the effects of climate change and protect ecosystems.
36. Elected Members recently agreed the vision to shape Hamilton as a green city.

## Cultural

37. The NPS-UD requires councils to plan well for growth and ensure a well-functioning urban environment for all people, communities and future generations. This includes ensuring urban development occurs in a way that takes into account the principles of the Treaty of Waitangi (te Tiriti o Waitangi) and issues of concern to hapū and iwi.

## Risks - *Tuuraru*

38. Risks are currently tracked at project and programme level. The programme utilises the councils risk management framework and a project risk and benefits advisor within the council's portfolio management office has recently been appointed and will be working with staff to review and further develop a framework for risks and benefits across the programme.

### **Key Programme risks**

39. Communication and engagement with the community and key stakeholders is a key risk for the programme. The District Plan Change programme has an overarching comms and engagement strategy and has employed an engagement specialist, who is working closely with the HCC communication team, for the duration of phase 1 of the programme. Staff will continue monitoring this as a risk, noting that our comms and engagement programme of work is due to kick off shortly.

## Significance & Engagement Policy - *Kaupapa here whakahira/anganui*

40. Given the statutory requirement to consult, staff have not considered the key considerations under the Significance and Engagement Policy to assess the significance of the matter(s) in this report.

## Attachments - *Ngaa taapirihanga*

There are no attachments for this report.

# Council Report

**Committee:** Council  
**Author:** Tyler Gaukrodger  
**Position:** Governance Advisor  
**Report Name:** Recommendations from Open Committee Meetings

**Date:** 12 August 2021  
**Authoriser:** Becca Brooke  
**Position:** Governance Manager

<b>Report Status</b>	<i>Open</i>
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## Purpose – Take

To seek the Council's approval of the following recommendations from Committee meetings:

- a) Finance Committee meeting of 15 June 2021 (Agenda [Here](#), Minutes [Here](#)), in respect of:
  - Financial Strategy Monitoring Report
- b) Strategic Risk and Assurance Committee meeting of 17 June 2021 (Agenda [Here](#), Minutes [Here](#)), in respect of:
  - Audit NZ 2020-21 Audit Plan and Proposed Fees
- c) Community Committee meeting of 22 June 2021 (Agenda [Here](#), Minutes [Here](#)), in respect of:
  - He Pou Manawa Ora – Pillars of Wellbeing Deliberations
- d) Economic Development meeting of 11 August 2021 (Agenda [Here](#)), in respect of:
  - Policy Review – Freeholding of Council Endowment Land Policy

### Recommendations from the Finance Committee meeting of 15 June 2021

#### Financial Strategy Monitoring Report

That the Council:

- a) approves the capital movement as identified in paragraph 21 of the 15 June 2021 Capital Portfolio Monitoring Report;
- b) approves the significant forecast adjustments as set out in paragraphs 19 and 20 of the staff report; and
- c) approves the revised Financial Strategy position for Debt to Revenue, Net Debt and Balancing the Books as set out in paragraphs 22 to 24 of the staff report report.

### Recommendations from the Strategic Risk and Assurance Committee meeting of 17 June 2021

#### Audit NZ 2020-21 Audit Plan and Proposed Fees

That the Council:

- a) approves the Proposed Audit NZ Engagement letter and Fee Proposal letter; and
- b) delegates authority to the Mayor to sign the Proposed Audit Fees letter on the Council's behalf.

Item 19

**Recommendations from the Community Committee meeting of 22 June 2021**  
**He Pou Manawa Ora**

That the Council adopts He Pou Manawa Ora – Pillars of Wellbeing Strategy.

**Recommendations from the Economic Development Committee meeting of 11 August 2021**  
*(to be circulated following the conclusion of the Economic Development Committee)*

**Attachments - *Ngaa taapirihanga***

There are no attachments for this report.

**Item 19**

## **Open Recommendations from the Economic Development Committee Meeting of 11 August 2021**

### **Policy Review - Freeholding of Council Endowment Land Policy**

That the Economic Development Committee recommends that the Council approves amendments to the Freeholding of Council Endowment Land Policy as detailed in **Attachment 1** of the staff report.

## Resolution to Exclude the Public

### Section 48, Local Government Official Information and Meetings Act 1987

The following motion is submitted for consideration:

That the public be excluded from the following parts of the proceedings of this meeting, namely consideration of the public excluded agenda.

The general subject of each 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 follows.

General subject of each matter to be considered	Reasons for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
C1. Confirmation of the Council Public Excluded Minutes of 10 June 2021	) Good reason to withhold ) information exists under ) Section 7 Local Government ) Official Information and ) Meetings Act 1987 )	Section 48(1)(a)
C2. Confirmation of the Elected Member Public Excluded Briefing Notes - 16 June 2021		
C3. Legal Claim - 355A Hukanui Rd, Hamilton		
C4. Recommendations from Public Excluded Committee Meetings		

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 public, as follows:

Item C1.	to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)
Item C2.	to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)
Item C3.	to protect the privacy of natural persons to maintain the effective conduct of public affairs through protecting persons from improper pressure or harassment to maintain legal professional privilege to enable Council to carry out negotiations to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (a) Section 7 (2) (f) (ii) Section 7 (2) (g) Section 7 (2) (i) Section 7 (2) (j)
Item C4.	to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)