

## Notice of Meeting:

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

**Date:** Wednesday 29 June 2022  
**Time:** 9.30am  
**Meeting Room:** Council Chamber and Audio Visual link  
**Venue:** Municipal Building, Garden Place, Hamilton

Lance Vervoort  
Chief Executive

---

## Council *Kaunihera* OPEN AGENDA

---

### 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
	Cr M Donovan	

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

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

---

Amy Viggers  
*Mana Whakahaere*  
Governance

**21 June 2022**

Telephone: 07 838 6727  
Amy.Viggers@hcc.govt.nz  
www.hamilton.govt.nz

## **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*

ITEM	TABLE OF CONTENTS	PAGE
1	Apologies – <i>Tono aroha</i>	5
2	Confirmation of Agenda – <i>Whakatau raarangi take</i>	5
3	Declarations of Interest – <i>Tauaakii whaipaanga</i>	5
4	Public Forum – <i>Aatea koorero</i>	5
5	Confirmation of the Council Open Minutes of 5 May 2022	6
6	Confirmation of the Council Open Minutes of 12 May 2022	10
7	Confirmation of the Council Open Minutes of 3 June 2022	43
8	Confirmation of the Council Open Minutes of 15 June 2022	52
9	Confirmation of the Elected Member Open Briefing Notes - 23 May 2022	55
10	Confirmation of the Elected Member Open Briefing Notes - 15 June 2022	57
11	Chair's Report	59
12	Magical Bridge Trust NZ Proposal	61
13	Community Based Committees Report	97
14	Reform Response Programme - Update	134
15	Plan Change 7 - Rotokauri North Private Plan Change - approval to make operative	230
16	Report from the Strategic Risk and Assurance Committee - Risk Management	234
17	Report from the Strategic Risk and Assurance Committee - Safety and Wellness	283
18	Peacocke Contract Updates	298
19	2022 LGNZ Remits for Consideration	320
20	Climate Change Policy	340
21	Recommendations from Open Committee Meetings	352
22	Resolution to Exclude the Public	354

**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:** 29 June 2022

**Author:** Carmen Fookes

**Authoriser:** Michelle Hawthorne

**Position:** Senior Governance Advisor

**Position:** Governance and Assurance Manager

**Report Name:** Confirmation of the Council Open Minutes of 5 May 2022

<b>Report Status</b>	<i>Open</i>
----------------------	-------------

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

That the Council confirm the Open Minutes of the Council Meeting held on 5 May 2022 as a true and correct record.

## Attachments - *Ngaa taapirihanga*

Attachment 1 - Council Unconfirmed Open Minutes - 5 May 2022

---

## 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 5 May 2022 at 1.02pm.

### PRESENT

**Chairperson** Mayor P Southgate

*Heamana*

**Deputy Chairperson** Deputy Mayor G Taylor

*Heamana Tuarua*

**Members**

Cr M Gallagher

Cr R Hamilton

Cr D Macpherson

Cr K Naidoo-Rauf

Cr M Donovan

Cr S Thomson

**In Attendance** Greg Carstens – Growth, Funding and Analytics Unit Manager  
Tiki Mossop - Programme Manager - Economics & Policy

**Governance Team** Amy Viggers – Governance Lead  
Tyler Gaukrodger – Governance Advisor  
Chantel Jansen - Governance Officer

---

**1. Apologies - *Tono aroha***

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

That the apologies for absence from Crs O'Leary, Wilson, van Oosten and Pascoe, and apologies for partial attendance from Cr Donovan were accepted.

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

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

That the agenda is confirmed.

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

No members of the Council declared a Conflict of Interest.

**4. Public Forum - *AAtea koorero***

Not applicable.

5. **Development Contributions Policy Review 2022/23 – Submissions Summary Report**

**Roger Stratford** (Individual)

Mr Stratford spoke to his submission, noting the differences in state integrated schools and public schools and his previous experiences. He responded to questions from Members concerning schools option to apply for Development Contribution remissions.

**Grant Stuart** (St Joseph's Catholic School)

Mr Stuart spoke to his submission, noting school funding, collaboration with St Joseph's Catholic School and local organisations, sharing state integrated school facilities and the community, and additional costs on projects caused by Development Contributions. He responded to questions from Members concerning submissions from the Catholic Diocese of Hamilton, school fees, and providing greenspace to the community.

**Ellie Wilkinson** (Hamilton Multicultural Services Trust)

Ms Wilkinson spoke to her submission, noting the potential positive impact of the proposed Development Contribution policy, the proposed development of an expanded and refurbished Hamilton Multicultural Services Trust site, and Development Contribution costs to the project. She responded to questions from Members concerning Development Contribution cost breakdown, ability to waive Development Contributions, community benefit of the project, the community centre travel plan, collaboration with Council staff, and Council community grants offsetting Development Contribution costs.

**Logan Rainey and Brian Squair** (Property Council New Zealand)

Mr Rainey and Mr Squair spoke to their submission, noting their desire to help Hamilton thrive, and potential exemption criteria for infrastructure and travel Development Contribution charges. They responded to questions from Members concerning partial exemptions.

*Cr Donovan joined the meeting (1.44pm) during the above submission.*

**Colin Jones** (Individual)

Mr Jones spoke to his submission, speaking in opposition of the proposed Development Contribution policy. He spoke to Council revenue shortfalls, his recommendation to create a new policy, depreciation, incorrect assumptions, the need for an independent audit, and recommended adopting the policy in place in Tauranga. He responded to questions from Members concerning the adoption of current Tauranga Development Contribution policy, previous court decisions, Council obligation to fund depreciation, and errors in Future Proof information.

**Graeme Roil, Alia Cederman and Kate Barry-Piceno** (Catholic Diocese of Hamilton)

Mr Roil, Ms Cederman and Ms Barry-Piceno spoke to their submission, noting previous legal changes made to state integrated schools, the desire for state integrated and public schools to be treated equal in the policy, and the advantages state integrated schools provide. They responded to questions from Members concerning state integrated school Development Contribution exemptions, improvements to the policy, and the potential to provide exemptions to community facilities.

The Growth, Funding and Analytics Unit Manager and Programme Manager Economics & Policy took the report as read. They responded to questions from Members concerning Development Contribution shortfalls, the inclusion of a list of full and partial remissions, community development remission considerations, current remissions in the policy, minor changes to the policy, current requirements within the District Plan, ensuring community access to facilities, possibility of accounting errors, and transport considerations.

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

That the Council:

- a) receives the report;
- b) notes that feedback will be considered during the deliberations on the Proposed Development Contributions Policy 2022/23 at the 3 June 2022 Council meeting; and
- c) notes that a Development Contribution Policy 2022/23 will be considered for adoption at the 30 June 2022 Council meeting, becoming operative on 1 July 2022.

*Cr Macpherson retired from the meeting (2.43pm) during the discussion of the above item. He was not present when the matter was voted on.*

**The meeting was declared closed at 3.06pm.**

# Council Report

## Item 6

**Committee:** Council

**Date:** 29 June 2022

**Author:** Amy Viggers

**Authoriser:** Michelle Hawthorne

**Position:** Governance

**Position:** Governance and Assurance  
Manager

**Report Name:** Confirmation of the Council Open Minutes of 12 May 2022

<b>Report Status</b>	<i>Open</i>
----------------------	-------------

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

That the Council confirm the Open Minutes of the Council Meeting held on 12 May 2022 as a true and correct record.

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

Attachment 1 - Council Unconfirmed Open Minutes of 12 May 2022

---

## 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 12 May 2022 at 9.30am.

### PRESENT

**Chairperson** Mayor P Southgate (Exclusively via Audio Visual Link)  
*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 M Donovan
- Cr A O'Leary
- Cr R Pascoe
- Cr S Thomson
- Cr M van Oosten
- Cr E Wilson

**In Attendance**

- Lance Vervoort – Chief Executive
- Sean Murray – General Manager Venues, Tourism and Major Events
- Helen Paki – General Manager Community
- Andrew Parsons – Executive Director Strategic Infrastructure
- Michelle Hawthorne – Governance & Assurance Manager
- Maria Barrie - Unit Director Parks and Recreation
- Luke Archbold – Parks Operational Planning and Capital Projects Manager
- Sandra Murray – Consultant
- Kelvin Powell – City Safe Unit Manager
- Igor Magud – Procurement Manager
- Dan Finn – People, Safety & Wellness Manager
- Nicolas Wells – Strategic Property Officer
- Anita Oliver – Facilities Manager
- Kelvin Powell - City Safe Unit Manager

**Governance Team**

- Amy Viggers – Governance Lead
- Carmen Fookes – Senior Governance Advisor
- Narelle Waite and Tyler Gaukrodger – Governance Advisor
- Chantel Jansen - Governance Officer

---

*Tame Pokaia opened the meeting with Karakia*

1. **Apologies - *Tono aroha***  
**Resolved:** (Mayor Southgate/Deputy Mayor Taylor)  
 That the apologies for partial attendance from Mayor Southgate and Cr Bunting and for lateness from Cr Pascoe are accepted.
2. **Confirmation of Agenda - *Whakatau raarangi take***  
**Resolved:** (Cr O'Leary/Cr Gallagher)  
 That the agenda is confirmed noting that:
  - a) the order of items will be flexible to accommodate availability; and
  - b) item 18 (Recommendations from Open Committee Meetings) will be taken after item 12 (Celebrating Age Centre - Options Report) to accommodate availability.

**Crs Bunting, Hamilton, and Donovan Dissenting.**

3. **Declarations of Interest - *Tauaakii whaipanga***  
 During the discussion of item 14 (Consideration of Support of Private Member's Bill: Sale and Supply of Alcohol (Harm Minimisation) Amendment Bill) Cr Wilson declared a perceived interest in relation to appointment to the District Licensing Committee. He did not take part in the discussion or vote on the matter.

4. **Public Forum - *AAtea koorero***

**MP Chlöe Swarbrick** spoke to item 14 (Consideration of Support of Private Member's Bill: Sale and Supply of Alcohol (Harm Minimisation) Amendment Bill) noting the Private Member's Bill, previous reviews undertaken on existing alcohol policy and outstanding recommendations from these reviews, restricting advertising and sponsorship of alcohol products, her interest in the Bill bypassing the ballot and being put onto Parliament's agenda this year.

**Richard Hoskins (Medical Officer of Health)** spoke to item 14 (Consideration of Support of Private Member's Bill: Sale and Supply of Alcohol (Harm Minimisation) Amendment Bill) noting his role as the Medical Officer of Health, the Private Member's Bill, his opposition to the appeal mechanism of the Local Alcohol Policy development process, community support for reform measures, alcohol advertising and sponsorship's connection to alcohol related harm, his interest in the Bill being put onto the Central Government agenda this year.

**Nicki Jackson (Alcohol Healthwatch)** spoke to item 14 (Consideration of Support of Private Member's Bill: Sale and Supply of Alcohol (Harm Minimisation) Amendment Bill) noting her support for the Private Member's Bill, other Councils who have indicated their support for the Bill, alcohol related harm in Hamilton City, the Local Alcohol Policy appeals provision, the risk factors affecting alcohol related harm, and Super Rugby alcohol marketing and merchandise.

**Jenny Magee (Age Concern)** spoke to item 12 (Celebrating Age Centre – Options Report) noting Age Concern's preference for the restoration of the Celebrating Age centre with a purpose built solution, the city's growing older population, she noted the vision and services provided by the Celebrating Age Centre, and the importance of the central city location, including the accessibility and significance of the site.

**Grant Taylor and Kevin MacDonald (Waikato Guild of Woodcraft)** spoke to item 12 (Celebrating Age Centre – Options Report) noting accessibility of the Founders and Norris Ward sites, and the option to include plans for a Arts and Culture Hub into the Celebrating Age Centre discussion.

**Margaret Evans** spoke to item 12 (Celebrating Age Centre – Options Report) noting timing to develop a purpose built Celebrating Age Centre, the need for more community centre facilities in Hamilton, a suggestion to develop a working group to discuss opportunities to combined working group include plans for a Arts and Culture Hub into the Celebrating Age Centre discussion.

**Miles Barker (Tai Chi Hamilton Central Group)** spoke to item 12 (Celebrating Age Centre – Options Report) noting the Tai Chi organisations use of the Celebrating Age Centre, the importance of the preference for Staff Recommendations Option 1 and 2.

**Judy Patterson (Waikaukau o Kirikiriroa: Swim in the City)** spoke to item 12 (Celebrating Age Centre – Options Report) noting the importance of swimming as an exercise for all ages,

**Mark De Lisle** spoke to item 18 (Recommendations from Open Committee Meetings) noting the professional estimate to repair the Founders Building, the proposal for an Arts Cultural and Wellbeing Hub at the Founders location, the environmental

**Harry Mowbray** spoke to item 18 (Recommendations from Open Committee Meetings) noting the history of the Founders Building, importance to the Hamilton landscape and the opportunities the building can provide for community use.

**Neil Curgenvin (Historic Places)** spoke to item 18 (Recommendations from Open Committee Meetings) noting environmental concerns when demolishing historical buildings, a lack of community spaces available to community groups.

**Christina Campbell** spoke to item 12 (Celebrating Age Centre – Options Report) noting the importance of supporting our elders in the community, the need to provide a community space in the central city, and the option to include an outdoor pool facility.

Written submissions from Nicki Jackson, Barry O'Donnell, Grant Taylor, Judi Patterson, Mark de Lisle, Gemma Reid, Miles Barker, and Duncan Smith were circulated to Elected Members prior to the meeting and attached to the minutes as **Appendix 1**.

**5. Confirmation of the Council Open Minutes of 17 March 2022**

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

That the Council confirm the Open Minutes of the Council Meeting held on 17 March 2022 as a true and correct record.

**6. Confirmation of the Council Open Minutes of 14 April 2022**

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

That the Council confirm the Open Minutes of the Extraordinary Council Meeting held on 14 March 2022 as a true and correct record.

**7. Confirmation of the Elected Member Open Briefing Notes - 9 March 2022**

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

That the Council confirm the Open Briefing Notes of the Elected Member Briefing held on 9 March 2022 as a true and correct record.

8. **Confirmation of the Elected Member Open Briefing Notes - 4 May 2022**

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

That the Council confirm the Open Briefing Notes of the Elected Member Briefing held on 4 May 2022 as a true and correct record.

9. **Chair's Report**

The Mayor took the report as read.

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

That the Council receives the report.

**The meeting was adjourned from 10.34am to 10.52am.**

Item 12 (Celebrating Age Centre - Options Report) was taken after the above adjournment to accommodate availability.

12. **Celebrating Age Centre – Options Report**

The General Manager Community, Unit Director Parks and Recreation, Parks Operational Planning and Capital Projects Manager and the Strategic Property Officer spoke to the report and the updated staff recommendation. Staff responded to questions from Elected Members concerning the ability for the proposed facility to answer community need, the alignment with this project and the Community Facilities work programme, Municipal Endowment Land requirements, timing and funding options to build a purpose built facility, budget for the Age Concern facility lease, alignment with the previous Ferrybank Precinct Plan, exploration of innovative partnership options within the business case development including gifting of airspace, Council's building maintenance strategies, maintenance undertaken on the roof, ability to develop on the site, and options and timeline to developing an aquatic facility in the central city.

**Staff Action:** *Staff undertook to provide to Members information concerning staff investigating additional community facilities in the central city.*

**Procedural Motion**

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

That the motion being discussed be deferred to the next meeting of the Council.

**Those for the Procedural Motion:** Councillors Gallagher, O'Leary  
Macpherson, and Wilson.

**Those against the Procedural Motion:** Mayor Southgate, Deputy Mayor Taylor,  
Councillors Bunting, Hamilton, Naidoo-  
Rauf, van Oosten, Thomson and Donovan

**The Procedural Motion was declared LOST.**

*Cr Pascoe joined the meeting (11.44am) during discussion of the above item. He was not present when the procedural motion was voted on.*

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

That the Council:

- a) receives the report;
- b) requests staff work with Age Concern, The Age Friendly City advisory group and other tenants, and users of the Celebrating Age Centre to ascertain the needs of Hamilton's aging citizens;

- c) notes that the Municipal Endowment Fund Working Party will complete an assessment of the site at 30 Victoria Street to inform decisions about any future use of the site, including commercial and community facilities;
- d) requests that staff work collaboratively with the existing leaseholder of Celebrating Age, and other stakeholders, including the users of Norris Ward facilities, to inform the best solution for a community facility(s) that meets the needs of a range of community users; and
- e) requests that staff report back to Community committee with a business case outlining options, costs, timeline and funding mechanisms in time for consideration of the 2023-24 Annual Plan.

Item 18 (Recommendations from Open Committee Meetings) was taken after Item 12 (Celebrating Age Centre - Options Report) to accommodate availability.

## 18. Recommendations from Open Committee Meetings

The General Manager Venues, Tourism and Major Events spoke to the recommendation from the Community Committee concerning TOTI Business Case Proposal Decision – Founders Theatre Site, in particular TOTI's request for an extension to improve their proposal. Staff responded to question from Elected Members concerning questions concerning any new confirmed funding opportunities for the TOTI proposal, accuracy of TOTIs provided financials for the buildings maintenance and repair, the demolition permit, demolition cost estimates, and the TOTI request for an extension and acceptable outcomes from this extension.

### TOTI Business Case Proposal Decision – Founders Theatre Site

#### **Procedural Motion:**

**Resolved:** (Cr Hamilton/Cr Bunting)  
That the Motion be put to the vote immediately.

<b>Those for the Procedural Motion:</b>	Mayor Southgate, Deputy Mayor Taylor, Councillors Hamilton, Naidoo-Rauf, Bunting, Donovan, and Pascoe.
<b>Those against the Procedural Motion:</b>	Councillors Wilson, Gallagher, Macpherson, van Oosten, O'leary and Thomson.

**The Procedural Motion was declared CARRIED.**

**The meeting was adjourned from 1.01pm to 1.30pm.**

The Procedural Motion was withdrawn from the meeting at the discretion of the Chair and agreement of the Mover and Seconder.

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

That the Council declines the TOTI proposal for Founders Theatre (Option A) and proceed with the 2021-31 Long-Term Plan funded activity for the West Town Belt Implementation - Founders Theatre Site upgrade project (\$4.008m in Year 2) as approved in May 2021, noting that staff begin work on presenting to the 2024 Long Term Plan costings and well-researched options for a purpose built community facility (or facilities) to meet the needs for community space in Hamilton.

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

That the Council:

- a) approves staff to include Founders as part of staff investigations into Community Facility provision;

- b) approves staff to share relevant information with TOTI to inform their business case in consultation with stakeholders and community as appropriate with a view to potentially entering into an agreement to establish a gift of the building effective 1 July 2023 to a new Trust subject to a range of conditions outlined in this report; and
- c) requests staff report back to the 14 June 2022 Community Committee on the current condition and costs to repair the two fountains located at Founders Theatre.

**The Amendment was put.**

<b>Those for the Amendment:</b>	Councillors Gallagher, O'Leary, Wilson and Macpherson
<b>Those against the Amendment:</b>	Mayor Southgate, Deputy Mayor Taylor, Councillors Pascoe, Bunting, Hamilton, Naidoo-Rauf, van Oosten, Thomson and Donovan

**The Amendment was declared LOST.  
The Motion was then put and declared CARRIED.**

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

That the Council declines the TOTI proposal for Founders Theatre (Option A) and proceed with the 2021-31 Long-Term Plan funded activity for the West Town Belt Implementation - Founders Theatre Site upgrade project (\$4.008m in Year 2) as approved in May 2021, noting that staff begin work on presenting to the 2024 Long Term Plan costings and well-researched options for a purpose built community facility (or facilities) to meet the needs for community space in Hamilton.

<b>Those for the Motion:</b>	Mayor Southgate, Deputy Mayor Taylor, Councillors Pascoe, Bunting, Hamilton, Naidoo-Rauf, van Oosten, Thomson and Donovan
<b>Those against the Motion:</b>	Councillors Gallagher, O'Leary, Wilson and Macpherson

**The meeting was adjourned from 2.26pm to 3.15pm during the discussion of the above item.**

*Mayor Southgate and Cr Gallagher left the meeting during the above adjournment. Deputy Mayor Taylor, as the Deputy Mayor, assumed the role of Chair.*

**Financial Performance & Strategy Report to 31 January 2022**

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

That the Council:

- a) approves the capital movement as identified in paragraph 32 of the 29 March 2022 Capital Portfolio Monitoring Report;
- b) approves the significant forecast adjustments as set out in paragraphs 55 to 56 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 58 to 60 of the staff report.

**10. Elected Members Code of Conduct – Review**

The Governance and Assurance Manager introduced the report, noting the emphasis on the complaints process including social media. She responded to questions from Members concerning adoption timing, the ability for a new Council to revise, specific aspects of the proposed draft Code

of Conduct including the complaint process, related costs, guidance of social media and ramification.

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

That the Council:

- a) receives the report; and
- b) (by a majority of not less than 75% of the members present) adopts the revised Code of Conduct (Attachment 1) with further amendments in accordance with clause 6, Schedule 7 of the Local Government Act 2002; and
- c) notes that the newly adopted Code of Conduct will replace the current Code of Conduct and take effect immediately.

**Crs Gallagher, Wilson, Macpherson Dissenting.**

*Cr Gallagher re-joined the meeting (3.13pm) during the discussion of the above item. He was present when the item was voted on.*

*Mayor Southgate re-joined the meeting (3.18pm) during the discussion of the above item. She was present when the item was voted on.*

#### **11. Reform Response Programme Update**

The Executive Director Strategic Infrastructure spoke to the report, noting that the report covered all three reform programmes and the update to the Three Waters Reform including cabinet decision on working group recommendations and timeline. He responded to questions from Members concerning Department of Internal Affairs' understanding of overheads and assets, refusal of assets, engagement considerations, legislation influence, funding including the better off funding package conditions and agreement, iwi support and engagement, refusal to engage, Communities for Local Democracy discussions, and the change to government priorities.

**Resolved:** (Cr Macpherson/Cr van Oosten)

That the Council:

- a) receives the report; and
- b) notes the following matters in relation to Three Waters Reform:
  - i. The Government, on 29 April 2022, confirmed it will proceed with reform based on the 4 Water Services Entities model;
  - ii. The Government, through the Department of Internal Affairs - National Transition Unit, is implementing the operational transition to the 4 Water Services Entity model;
  - iii. Staff will continue to participate in all matters of the Three Waters Reform to ensure that Council continues to be fully informed, and that staff can continue to influence outcomes for the transfer of assets, liabilities and staff while also ensuring that all obligations to deliver safe waters services to Hamiltonians continues;
  - iv. Staff will continue responding to National Transition Unit information requests, as resources allow, within the provisions of the Local Government Official Information and Meetings Act; and
- c) requests staff report back to the Council with options concerning strengthening political advocacy regarding the 3 Waters proposal, which may include the option of joining political advocacy groups.

**Deputy Mayor Taylor, Crs Wilson, Naidoo-Rauf and O'Leary Dissenting.**

The meeting was adjourned 4.58pm to 5.04pm during the discussion of the above item.

**13. Deliberations report on the review of the Naming of Roads, Open Spaces and Council Facilities Policy**

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

That the Council defers the report concerning the review of the Naming of Roads, Open Spaces and Council Facilities Policy to the 14 June Community Committee meeting with delegated authority to approve the final policy.

**14. Consideration of Support of Private Member's Bill: Sale and Supply of Alcohol (Harm Minimisation) Amendment Bill**

The City Safe Unit Manager took the report as read.

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

That the Council:

- a) receives the report;
- b) endorses the proposed Private Members Bill: Sale and Supply of Alcohol (Harm Minimisation) Amendment Bill, which aims to:
  - i. remove the special appeal process through Local Alcohol Policies.
  - ii. wind down alcohol advertising and sponsorship of sport.
- c) requests the proposed Private Members Bill: Sale and Supply of Alcohol (Harm Minimisation) Amendment Bill, be supported by the Government and/or non - Executive Members of Parliament;
- d) requests the New Zealand Government review the Sale and Supply of Alcohol Act 2012; and
- e) delegates Cr Thomson to advocate to central government and to the Non – Executive Members of Parliament in support of the proposed Bill.

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

That the Council:

- a) requests staff to undertake a literature search to determine existing local and national research relating to alcohol related harm and causal links, and determine any existing evidence gaps; and
- b) requests staff to report back to the Council with a plan, including timelines and potential costs for commissioning additional research that would be required (if any) to inform the development of a Local Alcohol Policy.

*During the above item, Cr Wilson declared a perceived conflict due to his involvement in the District Licencing Committee. He noted that he did not feel conflicted, however, he would not take part in the discussion or the vote.*

**15. Social Procurement Policy**

The Procurement Manager introduced the report, noting the championing of the topic by Cr van Oosten. He responded to questions from Members concerning reports to Council, risk, environmental and cost benefits, and the current works and process.

**Resolved:** (Cr van Oosten/Cr Wilson)

That the Council:

- a) approves the amended Procurement Policy (**Attachment 1** of the staff report) which includes a sixth Principle to address Social Procurement; and
- b) notes that there will annual updates to the Finance Committee.

*Cr Bunting retired from the meeting (5.59pm) during the above item. He was not present when the item was voted on.*

*Mayor Southgate retired from the meeting (6.01pm) at the conclusion of the above item. She was present when the item was voted on.*

#### 16. 2021 Wider Representation Review - Local Government Commission - Decision on Appeals

The Governance & Assurance Manager took the report as read. Staff responded to questions from Members regarding the communications strategy regarding the change to Single Transferal Vote (STV) and representation, delineation other elections and conflicting processes, and education provision.

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

That the Council receives the report.

#### 17. Report from the Strategic Risk and Assurance Committee - Safety and Wellness

The People, Safety & Wellness Manager introduced the report noting that the purpose of the report was to provide and highlight the update on the Safety and Wellness of the organisation to the Council.

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

That the Council receives the report.

#### 19. Resolution to Exclude the Public

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

##### 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 17 March 2022	) Good reason to withhold ) information exists under ) Section 7 Local Government	Section 48(1)(a)
C2. Confirmation of the Council Public Excluded Minutes of 14 April 2022	) Official Information and ) Meetings Act 1987 )	

- 
- C3. Confirmation of the Elected  
Member Closed Briefing Notes -  
9 March 2022
  - C4. Confirmation of the Elected  
Member Closed Briefing Notes -  
5 April 2022
  - C5. Confirmation of the Elected  
Member Closed Briefing Notes -  
6 April 2022
  - C6. Confirmation of the Elected  
Member Closed Briefing Notes -  
14 April 2022
  - C7. Confirmation of the Elected  
Member Closed Briefing Notes -  
27 April 2022
  - C8. Confirmation of the Elected  
Member Closed Briefing Notes -  
4 May 2022

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 prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)
Item C8.	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 6.12pm.**

**The meeting was declared Closed at 6.13pm.**

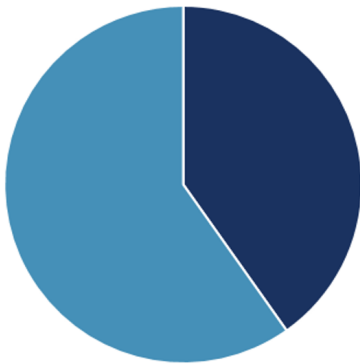
# Sale and Supply of Alcohol (Harm Minimisation) Amendment Bill



Dr Nicki Jackson  
Alcohol Healthwatch

Hamilton City Council meeting, 12 April 2022

## Alcohol use in Waikato DHB (2017-20)



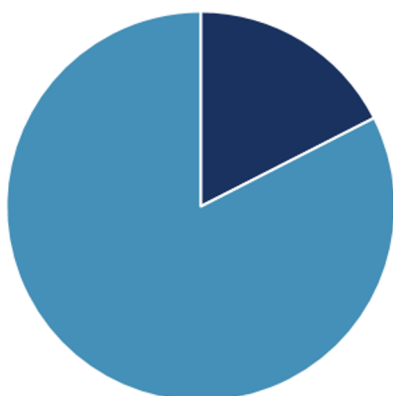
**40.2%** of male drinkers in the Waikato DHB region are hazardous drinkers (more than 1 in every 3 male drinkers, **sig higher than national average of 34.7%**)

- **53.3%** of Māori men drinkers
- **55.4%** of Pasifika men drinkers
- **24.8%** of Asian men drinkers
- **38.5%** of European / other men drinkers
- 51.1% among most deprived men vs 40.5% least deprived drinkers (significantly higher than national average among most deprived)

Hazardous drinking: an established pattern of drinking that carries a high risk of future damage to physical or mental health. Measured using the 10-question Alcohol Use Disorders Identification Test (AUDIT) developed by the World Health Organization.

Ministry of Health, 2021

## Alcohol use in Waikato DHB (2017-20)



17.5% of female drinkers in Waikato DHB are hazardous drinkers (1 in every 6 female drinkers)

- 31.7% of Māori women drinkers
- 24.6% of Pasifika women drinkers
- 16.7% of European / other women drinkers

*(no data on Asian women drinkers)*

1 2 3 4 5 6

Ministry of Health, 2021

## Alcohol harm in Hamilton

ED data from Waikato Hospital,  
31 Dec 2019 to 1 Jan 2022

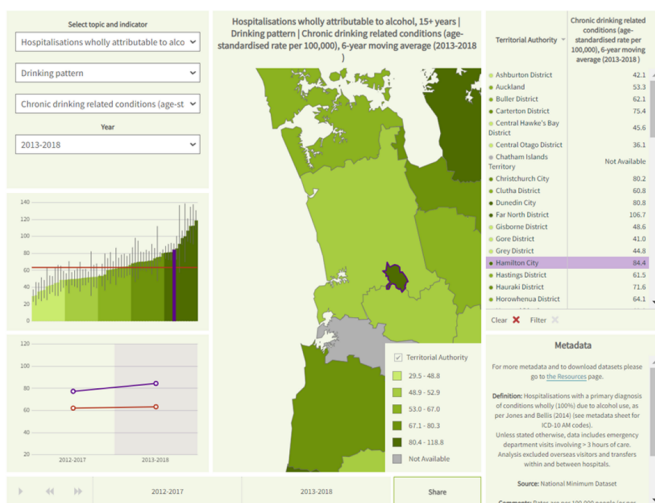
- 5,100 ED alcohol-related presentations
- 15,720 ED bed hours

### ■ Harms, to the drinker and others, include:

- Violence and crime
- Road deaths and other injuries
- Family harm and child maltreatment
- Alcohol abuse and dependence
- Poor mental health, suicide, dementia
- Cancer, heart disease, stroke
- Fetal Alcohol Spectrum Disorder

Hauraki District Council, 2022

## Alcohol harm in Hamilton City Council – hospitalisations



- Hamilton City Council has a **higher rate of hospitalisations due to alcohol** (compared to the national average), driven by a higher admission rate for **chronic drinking-related conditions**
- This will have a significant cost burden on the local hospital service.

<https://healthspace.ac.nz/health-topics/alcohol-related-harm/>

## Key drivers of alcohol use & harm

### PRICE

- More affordable than ever before

### ADVERTISING

- Ubiquitous & uniquely targeted

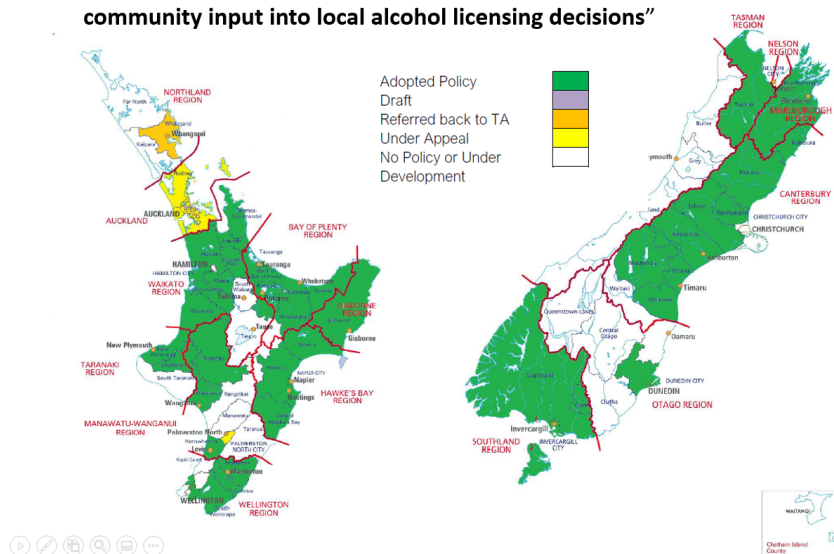
### AVAILABILITY

- Highly accessible, from the comfort of your couch

**These risks/drivers are disproportionately concentrated in NZ's most deprived communities**

## LAPs in Aotearoa New Zealand

Priority objective our 2012 liquor laws was to “**improve community input into local alcohol licensing decisions**”



No Local Alcohol Policies in:

- Auckland
- **Hamilton**
- Wellington
- Christchurch

86% of first LAPs appealed by supermarkets

72% of first LAPs appealed by bottle stores

Results in watered-down policies that are less effective in protecting communities from harm

Alcohol Regulatory and Licensing Authority, 2021; Alcohol Healthwatch (unpublished)

## Local Government NZ Remit 2018: 95% support

Local alcohol policies which reflect community preferences

- Proposed by Christchurch City Council and Napier City Council
- Asked that LGNZ seeks the Government's agreement to **amend the Sale and Supply of Alcohol Act 2012 so that Local Alcohol Policies can more accurately reflect local community views and preferences.**
- It also asks that councils be given more policy levers to reduce alcohol-related harm to complement Local Alcohol Policies (LAPs).
- There is strong community concern about the effects of the increasing number of alcohol sale outlets in many communities. While the ability to establish a local alcohol licensing framework has been devolved to councils, it has not been accompanied by the required authority and resources. As a result, the majority of LAPs so far developed have been appealed by alcohol industry groups and, in most cases, have resulted in adopted LAPs which closely align with national legislation. The lack of provisions within many of the adopted LAPs creates a significant burden on communities to be involved in individual licensing decisions; and the current ability for appellants to endlessly challenge a community's preferences regarding the sale of alcohol is untenable.
- **The remit was passed overwhelmingly with 95% of the sector in favour.**

LGNZ, 2018

## Alcohol sports sponsorship



## Alcohol sports sponsorship: NZ

See Alcohol Healthwatch, 2021

## Support Hamilton City Council

- By taking effective measures to reduce alcohol harm, you can make a huge difference to many lives (especially those disproportionately harmed), in this generation and the next
- Thank you for your leadership

## References

- Alcohol Healthwatch. (2021). Off-licence appeals to Local Alcohol Policies. Unpublished. Auckland, NZ: Author.
- Alcohol Healthwatch. Factsheet: Alcohol marketing. 2021. [https://www.ahw.org.nz/Portals/5/Resources/Fact%20Sheet/2021/Factsheet%20-%20Alcohol%20Marketing%20Feb%202021\\_1.pdf](https://www.ahw.org.nz/Portals/5/Resources/Fact%20Sheet/2021/Factsheet%20-%20Alcohol%20Marketing%20Feb%202021_1.pdf)
- Alcohol Healthwatch. UMR Public opinion poll: Auckland support for alcohol policies February 2022. [unpublished]. Auckland, New Zealand: Author, 2022.
- Alcohol Regulatory and Licensing Authority. Report of the Alcohol Regulatory and Licensing Authority for the 12 months ended 30 June 2021. Wellington, N.Z.: Ministry of Justice, 2021 [https://www.parliament.nz/resource/mi-NZ/PAP\\_118348/8fb06a4b1032cc0d1d6842a9d12250775f5d78d3](https://www.parliament.nz/resource/mi-NZ/PAP_118348/8fb06a4b1032cc0d1d6842a9d12250775f5d78d3) (accessed March 4, 2022).
- Hamilton City Council District Licensing Committee. Annual report 2018/19 to the Alcohol Regulatory and Licensing Authority. Auckland, N.Z.: Author, 2019 <https://www.hamilton.govt.nz/our-services/alcohol-licensing/Documents/Alcohol%20Licencing%20Annual%20Report%202018%20and%202019.pdf> (accessed May 6, 2022).
- Hamilton City Council District Licensing Committee. Annual report 2019/20 to the Alcohol Regulatory and Licensing Authority. Auckland, N.Z.: Author, 2020 <https://www.hamilton.govt.nz/our-services/alcohol-licensing/Documents/Alcohol%20Licencing%20Annual%20Report%202019%20and%202020.pdf> (accessed May 6, 2022).
- Hamilton City Council District Licensing Committee. Annual report 2020/21 to the Alcohol Regulatory and Licensing Authority. Auckland, N.Z.: Author, 2020 [https://www.hamilton.govt.nz/our-services/alcohol-licensing/Documents/ARLA\\_Annual\\_Returns\\_DLC\\_2020\\_2021.pdf](https://www.hamilton.govt.nz/our-services/alcohol-licensing/Documents/ARLA_Annual_Returns_DLC_2020_2021.pdf) (accessed May 6, 2022).
- Hauraki District Council. Draft Local Alcohol Policy report. <https://weneedtotalk.hauraki-dc.govt.nz/wp-content/uploads/2022/04/Draft-Local-Alcohol-Policy-report.pdf> (accessed May 6, 2022).
- Local Government New Zealand. 2018. Local government debates key issues at annual conference. <https://www.lgnz.co.nz/news-and-media/2018-media-releases/local-government-debates-key-issues-at-annual-conference/>
- Ministry of Health. New Zealand Health Survey 2017-2020: Regional data explorer. Wellington, New Zealand: Author, 2021. <https://www.health.govt.nz/publication/regional-results-2017-2020-new-zealand-health-survey> (accessed March 18, 2022).

### Grant Taylor Written Submission:

Waikato Guild of Woodworkers Inc.  
8 Storey Ave  
Te Rapa



HCC presentation 12<sup>th</sup> May 2022

Waikato Guild of Woodworkers, have been looking for several years for new premises that would allow our members to have a larger multi-purpose workshop as it long overdue and to cater for growth of the city.

- Our aim is to contribute to the Hamilton City with our creativity and member “Well Being” through creating and exhibiting skills of woodcraft.
- A larger diversified wood workshop and craft facility, will allow our club to create training for all ages, including school groups.
- A place to exhibit work as a national “Art of wood” exhibition <https://theartofwood-2021.naw.org.nz>. We envisage in the future creating a “Fine Art Wood Gallery.”
- Our club and members have contributed to Hamilton City already, examples being the carvings in the HCC foyer and at the Hamilton Gardens.
- Waikato Guild of Woodworkers uses only recycled and sustainable timber providing wood for our needs or the community.
- **Well Being** for our members is at the core of our club’s operation,

An example of a good workshop to cater for many mediums of woodcraft.



### Hamilton City would benefit from an Arts and Crafts HUB.

We have been looking for over 4 years for a potential building or location that might suit our woodcraft club needs.

- As we have looked, we have gradually realised that there is lack of facilities for a lot of crafts, and that all crafts would benefit from synergies as shown in the TV program “The Repair Shop” or the similar situation of benefits from the Innovation Park contributing to Hamilton.
- Gradually we have become aware of lack of potential sites that would fit in with the requirements for an Arts and Crafts HUB.

It must be close to the central bus station for people to use

It must have easy access for handicapped people

It must be easily accessible for buses bringing school groups

It must be easily accessible for the retired people who are either less mobile or use their cars

Become an integral part of the city life, within easy walking of the CBD and suitable for market days and exhibitions.

To our research that leaves only 2 possibilities, either Norris Ward which would be too small for a HUB of these crafts or Founders Building which has the space and location.

- Long term we see Founders Building being repurposed into an Art & Craft Hub that would contribute to Hamilton City
- Crafts and Arts becoming involved, like we see in the TV program **"The Repair Shop"** bringing a range of crafts together.
- We see Founders becoming a **HUB for practical creativity with other clubs**
- Similar to Innovation Park when it started, moving forward to become a very vibrant part of the city and helping future business, we see similar benefits for an Art and Craft HUB contributing to Hamilton.
- Over time we expect other crafts as mentioned in the TOTI presentation becoming involved and we would be delighted to collaborate with other arts groups and art collections, in regular displays, exhibitions and working groups involving the public.

There are numerous Arts and Crafts groups/ clubs and organisations that have their leases being terminated by HCC in 1 to 3 years. There are other groups that are paying commercial rents or hiring rooms and struggling to find a facility that will fit their needs.

The Founders Building can easily be repurposed to fulfil these needs.

This will help with the communities **"Well Being"** and help develop the cultural creativity at the heart of Hamilton.

Hamilton City has been constructive in recycling rubbish collection from the community.

Recycling the Founders to a new use is a good environmental project by repurposing the building.

This would not reduce any existing park area.

There are numerous buildings in Hamilton that have been successfully repurposed at less cost than building new.

Fonterra offices in London St.

Foodtown into WEL

Urban Homes building on the corner of London St

Hills

Angelsea Hospital

Laboratories

**Using the Founders Building will make it a lot quicker and at less capital cost than any other alternative.**

If the empty Founders building reuse is not approved, the cost to the city for the individual clubs, groups and the arts will be far greater in capital, with individual costs and operating separately. The people cost is in lost opportunities of synergy of the art/crafts groups, and we believe the city will lose an opportunity with its cultural integrity. Through Arts and Crafts of all types and ethnicities, our culture as a community will develop and thrive.

The core of the city should be for the people and their “Well Being”, a city that has art and crafts as an integral part of the city.

An Arts and Crafts Founders would be for the benefit of:

The **People** Well Being

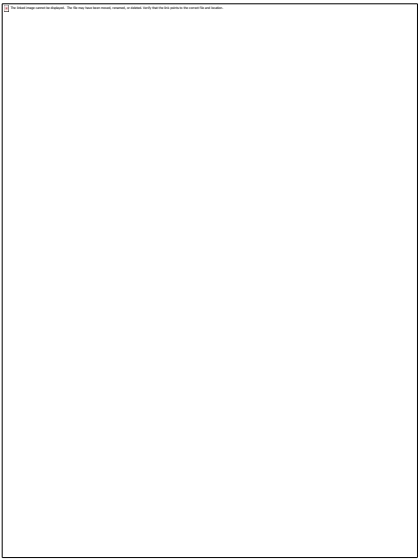
For the **People** of the City and the Creative Culture and Arts.

For retaining the Skills of the **People**.

We believe the best forward now is working group to find a solution to lack of facilities, by creating the HUB. This would involve HCC, members of the public and local professionals.

We want to make the reutilisation of the Founders Building a success.

The following are some examples of the work by our members.



Judy Patterson Presentation:



# HCC – Council Meeting

12 May 2022

## The Celebrating Age Centre and Swimming Pool sites

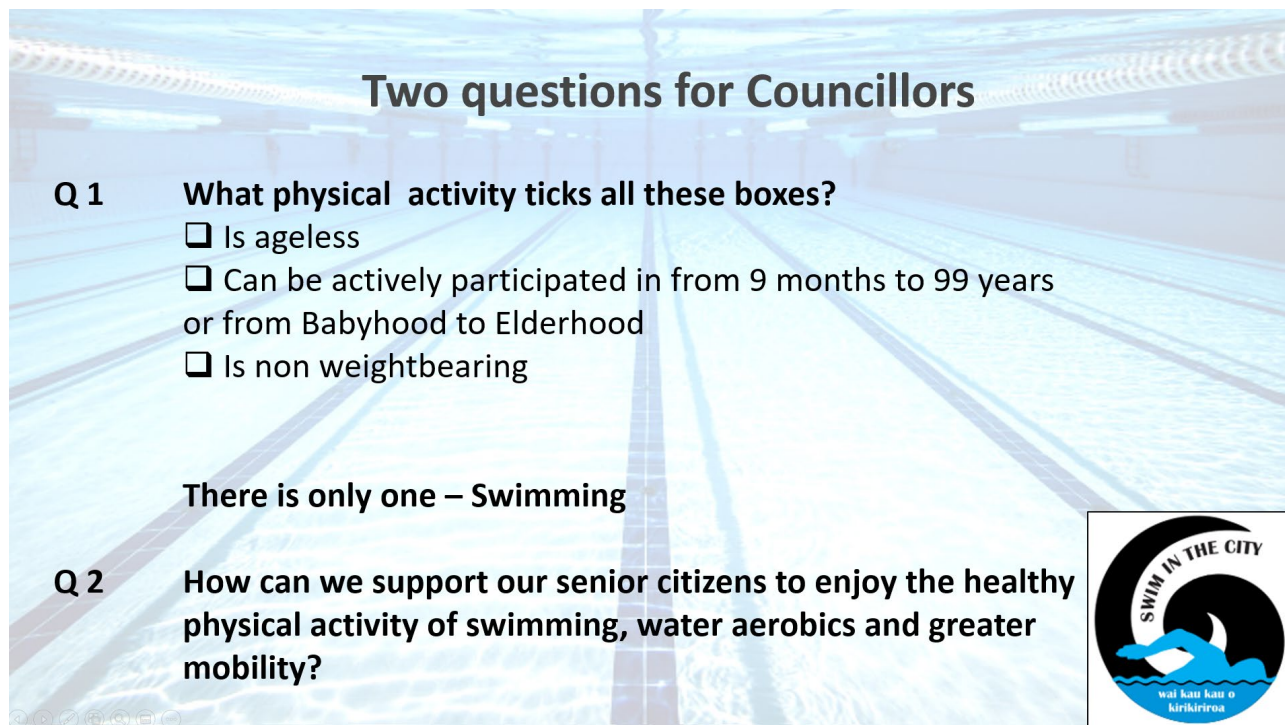
### Swim in the City

advocating for the future of swimming in the CBD  
in Hamilton's Water Quarter

Promoting outdoor swimming all year round for all the community in the heart of Kirikiriroa for generations to come

[@SwimInTheCityHamiltonNZ](#)  
[SwimInTheCityHamilton](#)  
[hamiltonswiminthecity@gmail.com](#)  
[+64 21 0437668](#)  
[www.neighbourly.co.nz/group/save-the-hamilton-municipal-pools-from-demolition](#)  
[www.tiki-tiki.com/timeline/entry/45609/Hamilton-Municipal-Pools](#)






## Two questions for Councillors

**Q 1 What physical activity ticks all these boxes?**

- ☐ Is ageless
- ☐ Can be actively participated in from 9 months to 99 years or from Babyhood to Elderhood
- ☐ Is non weightbearing

**There is only one – Swimming**

**Q 2 How can we support our senior citizens to enjoy the healthy physical activity of swimming, water aerobics and greater mobility?**



## A joint redevelopment of the Celebrating Age Centre and the Municipal Pool sites

Hamilton's Seniors need to have a public "home" right in the centre of our city to ensure their visibility as valued citizens of and contributors to our city

Seniors represent a large part of our voting public

A new public, outdoor, heated swimming pool complete with hydrotherapy pool right next door to a new Celebrating Age Complex would provide :

- swimming opportunities for Senior Citizens
- a vital public swimming facility for the burgeoning numbers of CBD apartment dwelling community and the new Peacocks subdivision residents
- public transport accessibility – bus stop outside the door
- a genuine step towards meeting the "20 minute city"
- a natural fit with the River Project and the fostering of water sports facilities in the Aranui Project
- Another chance to launch a world first "Water Quarter", a water sports hub, part of the River Project
- Another chance for Council to recognise the increased temperatures of climate change and provide a safe swimming facility for generations to come

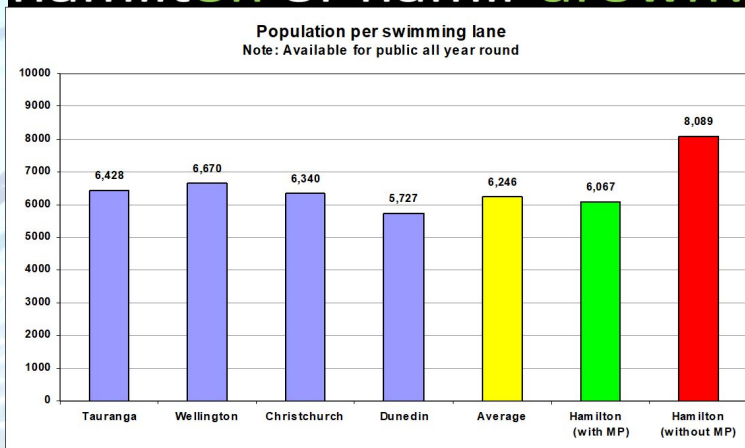


## Some of the Issues – existing and new

**Hamilton needs more lane space**

- *Current data says we are 24 lanes short of providing for the population*
- *In Hamilton there are nearly 2000 people more per lane than in a number of other centres*

### hamilton or hamil-drown?



# Future-proofing - A 20 minute city?

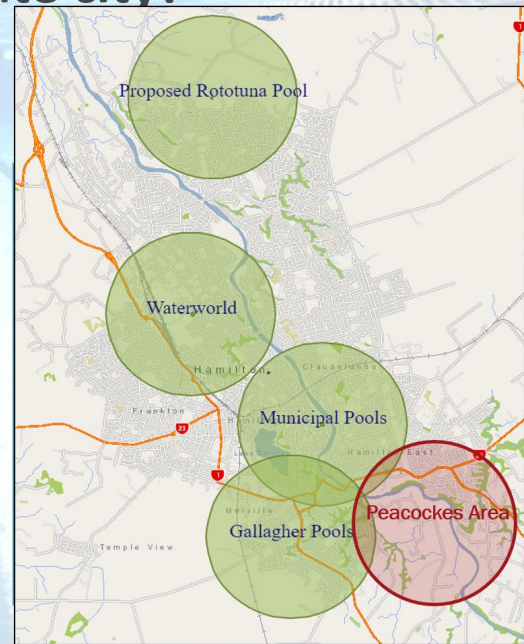
## The Municipal Pool site

- fills a very large gap in the city's population density
  - services the highest density of:  
schools residences workers
  - satisfies aim of Ministry for the Environment Emissions Reduction Plan (draft) to reduce transport emissions
- and**
- would service the developing Peacockes site of
- 9000 homes and over 20 000 dwellers**

## while the proposed Rototuna pool

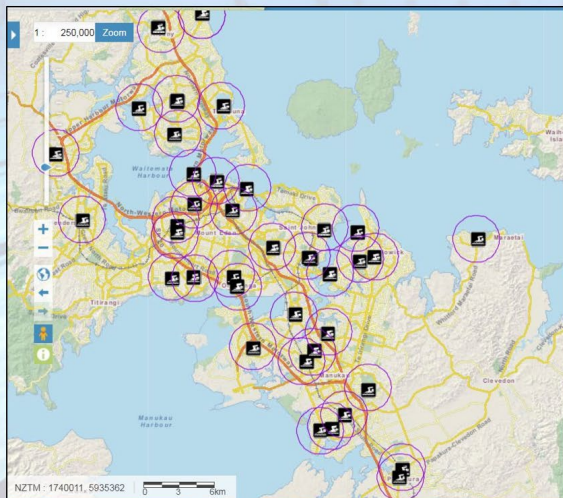
- Is in one of the least densely populated areas of the city
- has a high density of retirement villages
- leaves a large area of the city without 2 km (20 min walk) access to a public swimming facility
- Involves long commutes from Peacocke or the CBD

*Swimming outdoors has significant health benefits*



## Pool density comparisons

### Auckland



### Tauranga

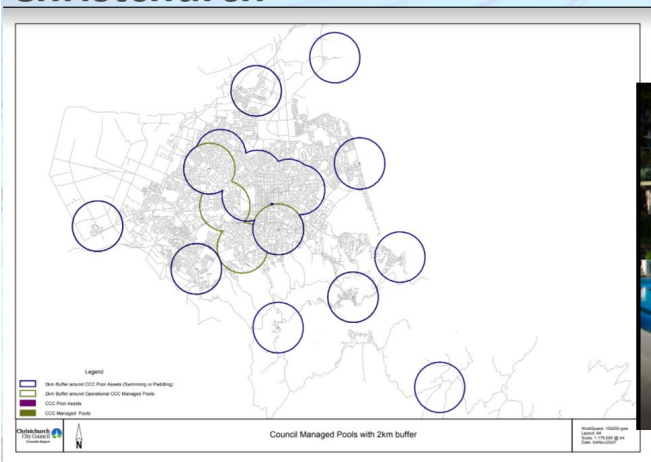


Hamilton desperately needs a new public outdoor heated swimming pool

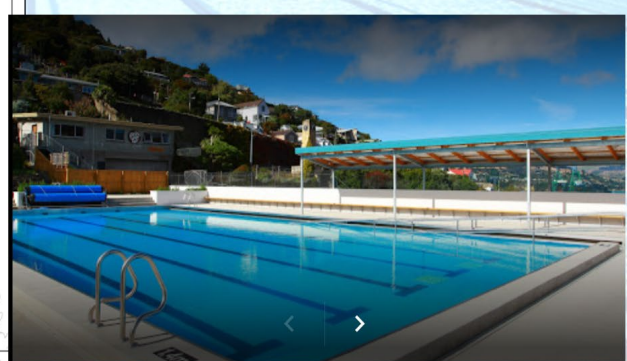
# Pool density comparisons



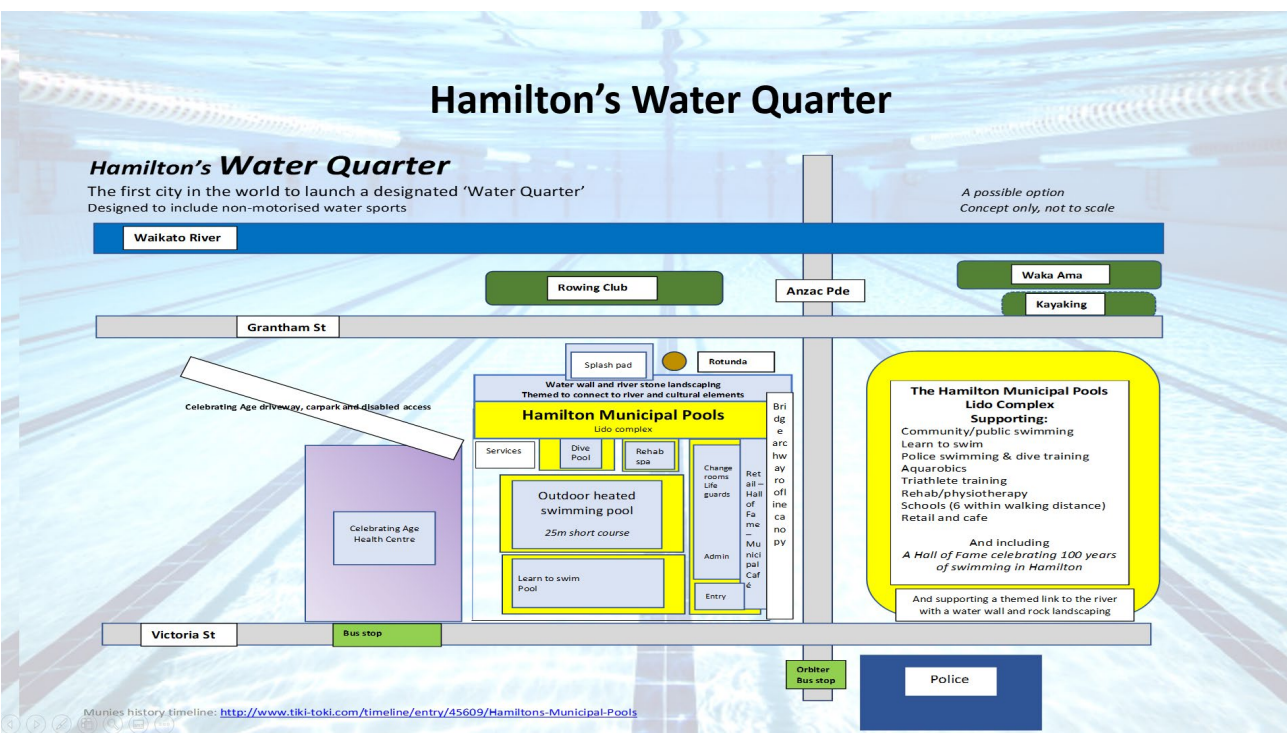
## Christchurch



## Norman Kirk Memorial Pool Lyttleton



Lyttleton population 3170



Leichardt Park Swimming Pool (Sydney)

***with the Victoria Bridge archway replicated and solar heating panels installed for summer heating***



## Summer and Winter options

Heat the swimming pool by:

- \* bio fuels or
- \* solar heating
- \* A New Zealand “first” – Splash pad and Ice rink combined



Tokoroa Pool  
Turangi Pool  
Hokitika Pool  
11 school pools

Using the heating and cooling transfer system of the Carnot Cycle

- \* Cooling the ice generates heat which heats the swimming pool in winter
- \* Year round swimming
- \* Business opportunity at the ice rink
- \* New sport – curling!
- \* Brings people to the centre of the city
- \* Net zero emissions



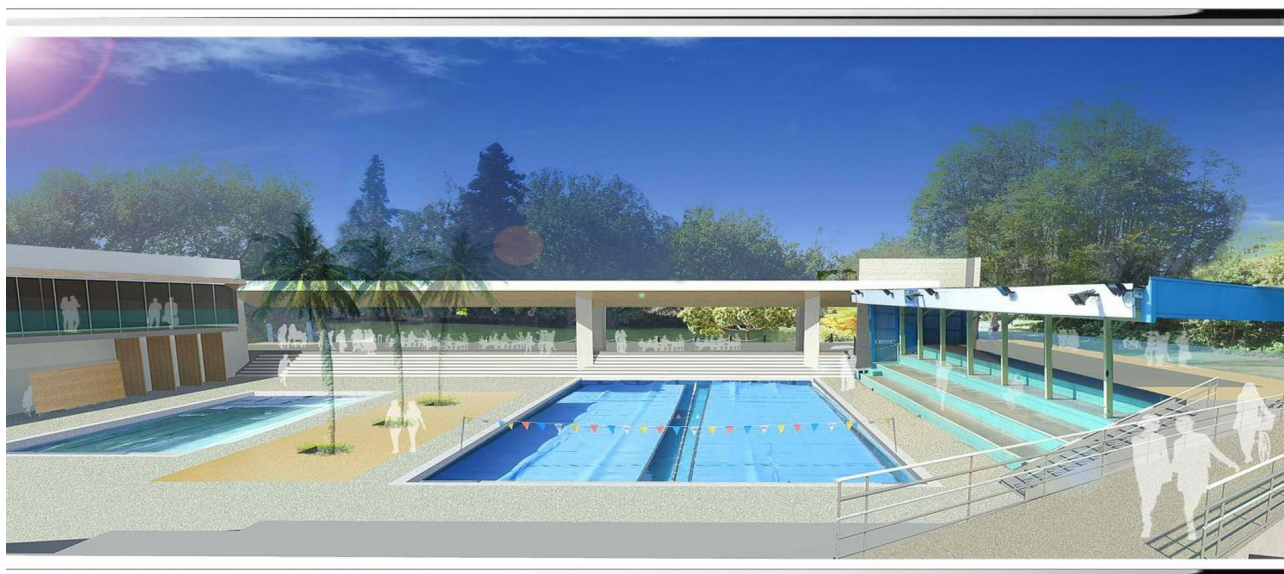
# Funding – Cambridge example



# Synergy with the Aranui Project - a “best fit”



EDWARDSWHITE ARCHITECTS



HAMILTON CITY POOLS - NEW RIVER PAVILION, CAFE & OFFICES  
 DESIGNED BY MARK WASSUNG - REGISTERED ARCHITECT - DESIGN ENGINE ARCHITECTS LTD  
 DESIGNED PRO BONO IN 2013



### Re-Purpose Founders building as an Arts, Culture and Well-being Facility

1. Councils Community Committee Mission Statement is:

"... Having great places for people to interact, **enjoy the arts and celebrate our cultures** driving the **liveability** of our city and the **wellbeing of Hamiltonians**".

2. Re-purposing the Founders building as a **HUB for visual arts and community well-being** fulfils Councils mission statement

3. The existing Founders building is **in good condition**.

4. With the proposed re-purposing and refurbishment it **can have a long vibrant future**.

5. Seismic strengthening of the building for re-purposed Arts, Culture and Well-being Hub is solvable

6. The **Quantity Surveyors estimate** for a Re-purposed Founders Arts, Culture & Well-being Hub concept is less than \$10,000,000.

It includes: Building refurbishment and alteration work

It includes: Building maintenance work (which has been deferred for 6 years)

It includes: A contingency of \$1,358,000 ..... (ie) an allowance for "unknowns"

It includes: An allowance for inflation of \$978,000

7. The existing Boyd and Hinemoa Park adjacent to Founders gets very little use

**An Arts, Cultural and Well-being Hub will attract a lot of the Hamilton community** and visitors to the Green Belt **every day** of the year.

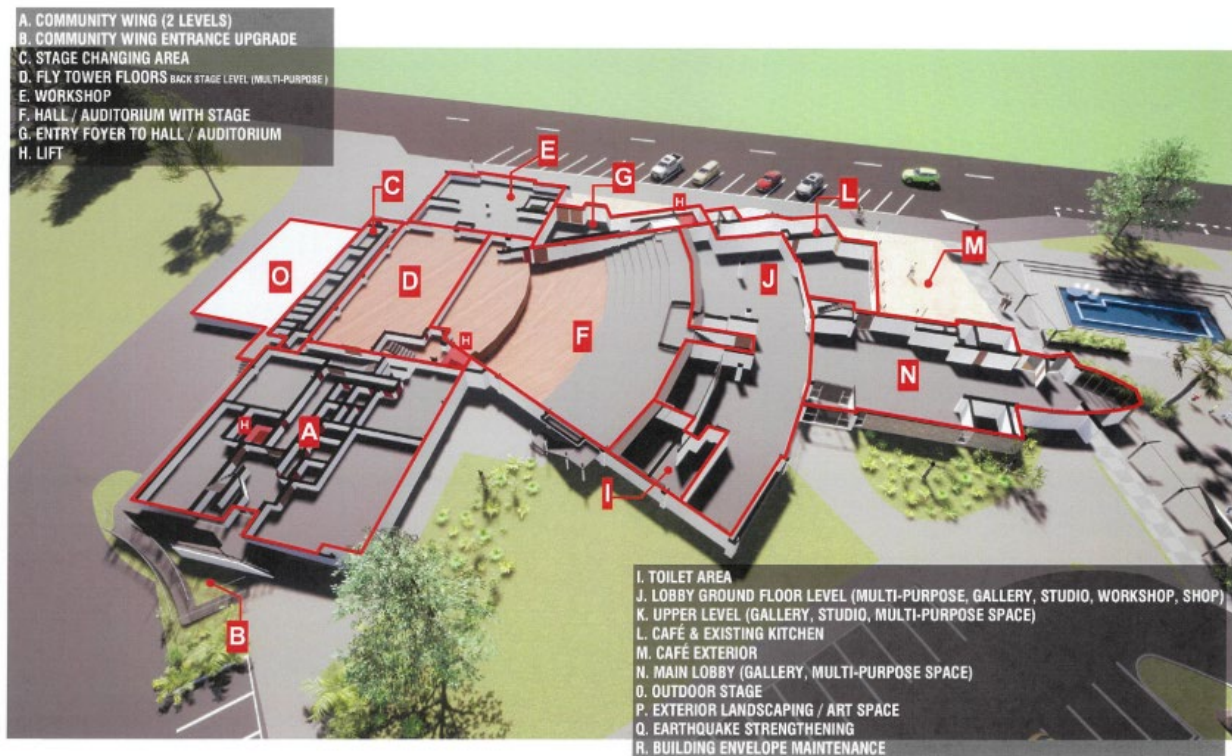
8. Council has **committed to a Climate Change Action Plan** and a **commitment to 11 Sustainability Principles and 7 Sustainability Themes**

Demolishing the Founders building **sends tons of waste material** full of embedded carbon as well as native heart timber **to landfill**.

**Demolishing Founders would show that Council does not have a commitment** to many of their Sustainability Principles and Themes

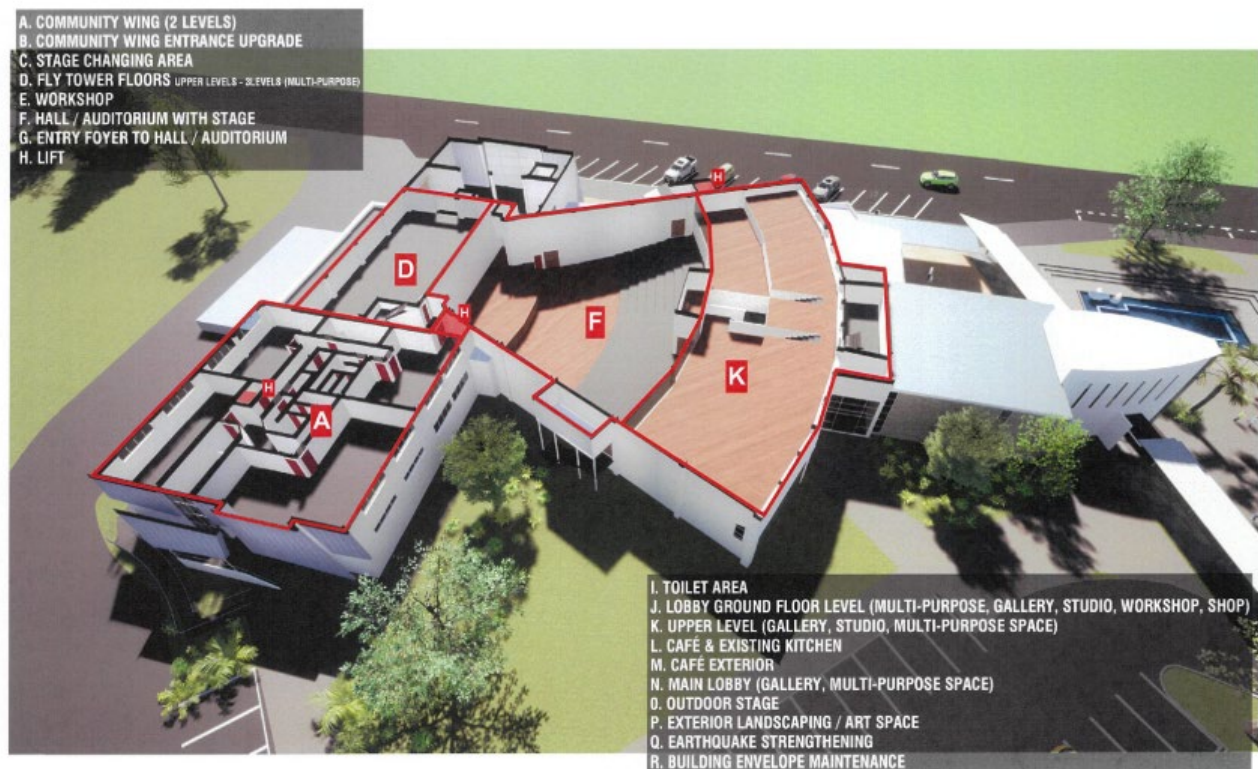
9. **Demolishing Founders would be a huge lost opportunity for our community**

Mark de Lisle; Architect



Project  
Community Town Hall  
Title  
Proposed Floor Plan (Ground Level)

25/03/2022 5:04 pm  
Revision  
4



Project  
Community Town Hall  
Title  
Proposed Floor Plan (Upper Level)

25/03/2022 5:04 pm  
Revision  
4

## Gemma Reid Written Submission:

I am an independent practicing artist living and working in Kirikiriroa/Hamilton. Although I have connections to art institutions and creative groups in Kirikiriroa, the wider Waikato area and nationally, I am here as an independent creative member of the community. I am a new arrival in Kirikiriroa having lived here for 3 years. Having had the opportunity to live abroad in areas of historical and cultural importance I recognise and appreciate the significant role architecture plays in towns or cities of any size. The diversity of architecture in any given area provides a backdrop to the rich creative atmosphere of a space. The importance of this environment has obviously been appreciated in Kirikiriroa with the introduction of mural art around the city. While I am not a fan of the particular period of architecture demonstrated in the Founders building, I can appreciate the historical significance of the design use of materials. Many people thought that the power station on the banks of the Thames should be pulled down as an eyesore and trying to repurpose this building was a waste of resources – the Tate Modern is now one of the most significant tourist attractions and art institutions not only in London but in the world. There are many examples, both nationally and internationally, of the successful repurposing of architectural spaces. It has been demonstrated in many situations, that those working in the creative industries are ideally suited to provide energy and initiative to projects that require a significant amount of problem solving and lateral thinking.

I have recently been made aware of Council plans to demolish the building and establish a park area. Although on the face of it this plan would appear to tick all the boxes for current environmental concerns, I am sceptical that, after taking into account the demolition, disposal of materials and landscaping of the area, the green credentials of this plan would be quite as clear cut. A fortnight ago myself and a group of 8 other artists organised an open studios art trail in the Gordonton area. We had an amazing response with people travelling from Rotorua, Pirongia, Auckland and the Coromandel to meet the artists and see the studio spaces. As lovely as I am sure the plans for the new park are, I can guarantee you that people will not be travelling from outside of central Hamilton to visit this new green space – why would they when we have a world class Botanical Gardens? A site which, itself, is constructed on reclaimed and repurposed land. An active arts centre would generate more interest in the central city area bringing much needed footfall to retail and hospitality businesses in the area. The development of this site as a centre for creativity and the implementation of a green space are not necessarily mutually exclusive. The grounds belonging to the site can be approached with this in mind.

Although it no longer serves as a theatre this building can continue to contribute in a major role to the cultural development in Kirikiriroa. The focus of this site as a community space creating a hub for the creative arts will sit neatly alongside the new theatre currently under construction.

In 1962 when Hamilton was a town of population 51,000 the architects - White, de Lisle and Jenkins, themselves testament to local creative leadership, had the foresight and conviction to anticipate the needs of a growing and culturally engaged town.

I speak today in the hope that the same foresight and conviction can be demonstrated in allowing this building to continue to serve an important role in the cultural enrichment of Kirikiriroa.

Submission to Hamilton City Council  
Re: The Development of the Founders Theatre Site

Gemma Reid  
Independent  
Practicing artist, Art tutor, Art mentor  
Affiliated to: Waikato Society of Arts, Wallace Gallery Morrinsville, New Zealand  
Printmakers Association

- Supporting the retention of the existing building on the current site.
- Historical significance of the architecture and cultural importance in the city.
- Diversity of architecture within a town or city creates the character of the urban space.
- The demolition of the building does not necessarily fulfil "green" and "environmental" pledges made by the Council.
- Environmental returns on a park area would be a long-term plan.
- Visitors would not travel into Kirikiriroa/Hamilton to visit the new park space and therefore local retail and hospitality providers would see little benefit
- Local people do not utilise the existing adjacent green areas so what evidence is there that a new park area would be patronised?
- Kirikiriroa/Hamilton already has the Botanical Gardens.
- Development of existing building and development of surrounding area (eg fountains) do not have to be mutually exclusive.

- The development of the site as a creative hub would reinvigorate this area of the city with regular classes, community engagement and open community space.
- Visitors from regions outside of Kirikiriroa/Hamilton would be encouraged to visit the new creative space with workshops and exhibitions available.
- Retail and hospitality providers would see increased footfall and support within the central city area.
- Development of the site with an emphasis on the provision of a centre of creativity for Kirikiriroa/Hamilton will augment the new theatre space currently under construction and continue the pathway for our city being recognised as actively supporting the arts as a whole within Aotearoa.
- This creativity pathway could lead to development of wider arts initiatives (eg festivals, arts programmes at local tertiary institutions) if artists and creatives nationally recognise that Hamilton Council takes its commitment to the support and development of the arts seriously.

"The Founders Theatre would be an important part of the Waikato's musical culture and its economic structure for over 50 years". Andrew Schmidt Iwi Waiata July 2017

Iti noa ana he pito mata

**Miles Barker Written Submission:**

**Submission:** Regarding Item 12, Celebrating Age Centre – Options Report

**Author:** Dr Miles A. Barker

**To:** Hamilton City Council Open Agenda

**Location:** Council Chamber, Hamilton City Council Building, Garden Place,  
Hamilton/Kirikiroa

**Date:** Thursday 12th May 2022

Kia ora tātou. To the Chair Mayor Southgate, Members of Council, and all those attending this public forum ...

I speak on behalf of the members (currently 43) of the Tai Chi Hamilton Central group, an organisation which has been meeting, typically mid-mornings, in the Celebrating Age Centre at least twice a week for the last thirteen years.

The Centre has always been - and now I choose my words deliberately and with civic pride - IDEAL FOR OUR PURPOSE. It is a quiet and serene, admirably sized, well ventilated space, with side rooms for teaching beginners. We have always had an excellent relationship with the on-site administrators. Security and all facilities are well catered for. As to the wider picture, the Centre's location in Victoria Street resonates with the life of our city's business community. The Centre's being on bus routes augments our city's environmental stance.

Since we last met at the Centre, on 19th August 2021, establishing the use of a suitable alternative venue has been fraught. True, Tai Chi is frequently performed in the open air, as in our sister cities Chengdu and Wuxi, and in February to April this year, Wellington Street park served us well, but every Tai Chi group in Kirikiriroa utilises a hall for most or all of the year. We have trawled possible inside venues (schools, community centres, etc) all over Hamilton. The best we have been able to find, the YWCA hall is, sadly, drafty, noisy and echoey. Attendance and impetus have diminished very significantly over this period.

As concerns the four Options presented to Council today, Options 3 and 4, visionary though they may be, fill us with dismay. Frankly, the longevity of many members of our group is unlikely to exceed the implementation time of these two Options. By contrast, the more modest Options, 1 or 2, hold out hope for us that Council may be attending to the social needs of its *present* older citizens. There is something hugely satisfying for all of us in citizen participation in a purpose-built social amenity that has been implemented with ngākau aroha and mana rangatira.

Kia ora rawa atu,



Miles A. Barker

## Duncan Smith Written Submission:

-----Original Message-----

**From:** [Duncan.Smith@rnz.co.nz](mailto:Duncan.Smith@rnz.co.nz)

**Sent:** Thursday, 12 May 2022 1:48:44 pm

**To:** [info@hcc.govt.nz](mailto:info@hcc.govt.nz)

**Subject:** Founders theatre

Kia ora Hamilton City Councillors

I am writing to urge the council to have the vision to see what a great city Hamilton can be and keep the Founders Theatre as a viable performance space.

As a child growing up in Hamilton in the 1960s and 70s I saw many wonderful shows in the Founders Theatre. Hamilton Operatic's large-scale productions were colourful and left vivid memories, there were other locally produced shows, touring theatre companies, and music events both local and international. The Hamilton Civic Choir staging the Messiah. I saw local bands like Blerta and Split Enz, there were international acts like the Peddlers and Oscar Peterson and many more.

These cultural events (mostly the theatre) inspired me to pursue a career as an actor. So, at 17 I left Hamilton and headed to Drama School in Wellington where I have since (mostly) resided, working in theatre, film, television and radio. In those days Hamilton felt to me (a gauche teen) and most of my peers to be a glorified cow town with a milk factory at one end and a freezing works at the other. We couldn't get out of the place fast enough. In the years since the city has been transformed – the drawcard gardens, the great university campus, the main street opening up to the river now rather than turning its back on the mighty Waikato. Hamilton has blossomed into a truly beautiful city with a great food and coffee scene and so many other riches for the community to enjoy.

I ask the council to open their eyes and see the potential for the cultural life of the city to thrive with a good sized venue for the performing arts (with all the attendant commercial benefits). If The Founders Theatre is demolished it will be years, possibly decades before it can be replaced. Performing arts productions need a venue, a space, a theatre. Hamilton can't afford to be without one. Don't let another generation see Hamilton as a cultural back water. Surely it's worth investing enough to make The Founders a viable performance space again. The community will thank you for it.

If the Council feels a strong compulsion to build a new theatre do it, but don't use it as an excuse to knock The Founders down, the Hamilton of the future will need more than one venue.

Have vision, be bold, not short sighted.

Duncan Smith

Emails sent by Radio New Zealand Limited (RNZ) or any related entity, including any attachments, may be confidential, protected by copyright and/or subject to privilege. If you receive an email from RNZ in error, please inform the sender immediately, delete it from your system and do not use, copy or disclose any of the information in that email for any purpose. Emails to/from RNZ may undergo email filtering and virus scanning, including by third party contractors. However, RNZ does not guarantee that any email or any attachment is secure, error-free or free of viruses or other unwanted or unexpected inclusions. The views expressed in any non-business email are not necessarily the views of RNZ. [www.rnz.co.nz](http://www.rnz.co.nz)

# Council Report

Item 7

**Committee:** Council

**Date:** 29 June 2022

**Author:** Tyler Gaukrodger

**Authoriser:** Michelle Hawthorne

**Position:** Governance Advisor

**Position:** Governance and Assurance  
Manager

**Report Name:** Confirmation of the Council Open Minutes of 3 June 2022

<b>Report Status</b>	<i>Open</i>
----------------------	-------------

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

That the Council confirm the Open Minutes of the Council Meeting held on 3 June 2022 as a true and correct record.

## Attachments - *Ngaa taapirihanga*

Attachment 1 - Council Unconfirmed Open Minutes - 3 June 2022

## 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 Friday 3 June 2022 at 9.34am.

### PRESENT

**Chairperson** Mayor P Southgate

*Heamana*

**Members**

Cr M Bunting  
Cr M Gallagher  
Cr R Hamilton  
Cr D Macpherson  
Cr K Naidoo-Rauf  
Cr M Donovan  
Cr A O'Leary  
Cr R Pascoe  
Cr S Thomson  
Cr M van Oosten  
Cr E Wilson

**In Attendance**

Lance Vervoort – Chief Executive  
Sean Murray – General Manager Venues, Tourism and Major Events  
Sean Hickey – General Manager Strategy and Communication  
David Bryant – General Manager People and Organisation Performance  
Eeva-Liisa Wright – General Manager Infrastructure Operations  
Chris Allen – General Manager Development  
Helen Paki – General Manager Community  
Blair Bowcott – General Manager Growth  
Murray Heke – General Manager Customer, Technology and Transformation  
Andrew Parsons - Executive Director Strategic Infrastructure  
Tracey Musty – Finance Director  
Greg Carstens – Growth, Funding and Analytics Unit Manager  
Tiki Mossop – Programme Manager, Economics and Policy  
Lachlan Muldowney – Barrister

**Governance Staff:**

Amy Viggers – Governance Lead  
Carmen Fortin – Senior Governance Advisor  
Tyler Gaukrodger – Governance Advisor  
Chantal Jansen – Governance Officer

1. **Apologies – Tono aroha**

**Resolved:** (Mayor Southgate/Cr O’Leary)

That the apologies for partial attendance from Cr Bunting and Cr Donovan are accepted.

**The meeting was adjourned 9.38am to 11.30am.**

*Crs Bunting and Naidoo-Rauf left the meeting during the above adjournment.*

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

**Resolved:** (Mayor Southgate/Cr van Oosten)

That the agenda is confirmed noting that standing order 22.2 – Time Limit on Speakers, with respect the debate times being reduced to 2 minutes for all items, with the exception of the last debate on item 7 (2022-23 Annual Plan Deliberations Report), which is to be 3 minutes.

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 Open Minutes of 25 May 2022**

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

That the Council confirm the Open Minutes of the Council Meeting held on 25 May 2022 as a true and correct record.

6. **Proposed Development Contributions Policy 2022/23 – Deliberations**

The Programme Manager, Economics and Policy introduced the report, noting the proposed additional change outlined in the staff recommendation concerning was a result of feedback received during consultation. Staff responded to questions from Members concerning reasoning for public access hours change, weeks of operation, discretion to establish terms in policy, and operational management agreement.

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

That the Council:

- a) receives the report;
- b) approves a change to clause 18.26 b), one of the qualifying criteria in the State Integrated Schools Remission in the Proposed Development Contributions Policy, (**Attachment 1** of the staff report), such that the number of hours per week the community facility is required to be made available to the public is reduced from 40 hours per week to 30 hours per week;
- c) notes that the change to the Proposed Development Contributions Policy referred to in b) above reflects submissions received during the public consultation undertaken between 22 March and 14 April 2022; and
- d) notes that a final Proposed Development Contributions Policy 2022/23 (as per **Attachment 1**, subject to any further changes) will be reported to the 30 June 2022 Council meeting seeking approval for adoption would become operative on 1 July 2022.

*Cr Naidoo-Rauf joined the meeting (11.36am) during the discussion of the above item. She was present when the item was voted on.*

7. **2022-23 Annual Plan Deliberations Report**

The General Manager Strategy and Communication and Finance Director took the report as read.

**Minutes Note:** For further information concerning content and discussion, please refer to the following recordings of the meeting: [www.youtube.com/user/HamiltonCityCouncil/videos?view](http://www.youtube.com/user/HamiltonCityCouncil/videos?view)

### **Annual Plan Proposals**

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

That the Council:

- a) receives the report;
- b) approves the inclusion in the 2022-23 Annual Plan budget of the following:

Annual Plan Proposals		Spend Type	Total \$000	2022-23 or ongoing
iii	Burial Lawn plaque area	Opex	+75	Ongoing
		Capex	+40	2022-23
iv	Strategic water line (Hamilton South)	Capex	+700	2022-23
		Capex	+1,030	2023-24
v	Pukete Reservoir Pump Station upgrade	Capex	+500	2022-23
		Capex	+970	2023-24
		Con Opex	+5	Ongoing
vi	Pukete Wastewater Treatment Plan power resilience	Capex	+4,300	2022-23
		Con Opex	+50	Ongoing
vii	Pukete Wastewater Treatment Plant business case	Opex	+100	2022-23
viii	Neighbourhood park acquisition for Peacocke Stage One	Capex	+625	2022-23
ix	Public excluded capital projects (acquisition of a Rotokauri community park, the realignment design for Onion Road, and Rototuna Pool)	Capex	+28,025	2022-23
xi	Comet & Meteor Passenger Transport Route Infrastructure*	Capex	+4,000	2023-24
		Con Opex	+200	2023-24
	*subject to obtaining a Waka Kotahi subsidy			ongoing

- c) approves changes to Year Two (2022-23) Annual Plan budget:

		<b>Spend Type</b>	<b>Total \$000</b>	<b>2022-23 or ongoing</b>
i	Beale Cottage Museum Pilot	Opex	+45	2022-23
		Operating	+1	2022-23
		Revenue		
ii	City Waters Sludge contract	Opex	+376	Ongoing
iii	Sub-regional 3 Waters Project	Opex	+750	2022-23
iv	Zoo/Waiwhakareke Natural Heritage Park Entry - correct consequential operating expenditure timing	Con Opex	+200	Ongoing
v	Electricity Costs – Whole of Council	Opex	+1,480	Ongoing
		Operating	+134	Ongoing
		Revenue		
vi	FMG Stadium Waikato	Opex	+130	Ongoing

	Maintenance Adjustment			
vii	Information Services – Security	Opex	+1,030	Ongoing
viii	Landfill Provision and Interest Adjustment	Opex	+241	Ongoing
ix	Insurance Premium Adjustment	Opex	-314	Ongoing
x	Remuneration Authority - Councillor Remuneration	Opex	+36	Ongoing
xi	Waka Kotahi National Land Transport Programme	Capex	-1,660	2022-23
		Capital	-2,770	2022-23
		Revenue		
xii	External Revenue Realignment – Community Capital revenue adjustment	Capital	-1,800	2022-23
		Revenue	+1,800	2023-24

**Cr Wilson Dissenting.**

*Cr Bunting joined the meeting (12.10pm) at the conclusion of the above item. He was not present when the matter was voted on.*

**Welcoming Plan**

**Resolved:** (Cr Naidoo-Rauf/Cr Macpherson)

That the Council approves the Welcoming Plan inclusion in the 2022-23 Annual Plan budget with an Operational Expenditure impact of \$75,000 (for 2022-23 and 2023-24 financial years).

**Crs Wilson and Pascoe Dissenting.**

**School travel planning pilot programme**

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

That the Council approves the School travel planning pilot programme proposal for inclusion in the 2022-23 Annual Plan budget, with an Operational Expenditure impact of \$70,000 (for 2022-23 and 2023-24 financial years).

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

That in response to Annual Plan public submissions, that an additional \$70k of operating expenditure be included in the 2022-23 Annual Plan and in 2023-2024 so that two 'school clusters' – one on the West and one on the East - can be developed for the School Travel Plan Pilot Programme as reported in the Additional Information, with an annual Operational Expenditure impact of \$140,000 (for 2022-23 and 2023-24 financial years).

**The Amendment was put.**

**Those for the Amendment:** Councillors Gallagher, Thomson, O'Leary, Macpherson, Hamilton and van Oosten.

**Those against the Amendment:** Mayor Southgate, Councillors Pascoe, Bunting, Naidoo-Rauf, Wilson and Donovan.

**The Amendment was declared EQUAL.**

**The Mayor used her casting vote as Chair and the amendment was declared CARRIED.**

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

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

That the Council approves, in response to Annual Plan public submissions, an additional \$70k of operating expenditure be included in the 2022-23 Annual Plan and in 2023-2024 so that two 'school clusters' – one on the West and one on the East - can be developed for the School Travel

Plan Pilot Programme as reported in the Additional Information, with an annual Operational Expenditure impact of \$140,000 (for 2022-23 and 2023-24 financial years).

**Mayor Southgate, Crs Pascoe, Wilson and Donovan Dissenting.**

**Bikes on Pipes**

**Resolved:** (Mayor Southgate/Cr O'Leary)

That the Council approves the Bikes on Pipes proposal for inclusion in the 2023-24 year budget, with an Capital Expenditure impact of \$7,426,000 and annual Operational Expenditure impact of \$35,000 (ongoing)

**Cr Pascoe Dissenting.**

**The meeting was adjourned from 1.13pm to 2.15pm.**

**Cycle Wands**

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

That the Council approves \$210k of low cost low risk walking and cycling funding for Cycle Wands – City Wide and \$150k from Additional Bike Infrastructure - City Wide (including 51% Waka Kotahi co-funding) capital expenditure be brought forward from 2023/24 to 2022/23 to address immediate safety concerns on the existing cycling network.

**Cycle facility improvements and upgrades**

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

That the Council allocates a further \$1million in 2022/23 towards minor cycle facility improvements and upgrades, subject to at least 51% Central Government subsidy being available, with a Capital Expenditure impact of \$490,000.

**Those for the Motion:**

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

**Those against the Motion:**

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

**Changes to the 2021-31 Long-Term Plan budget**

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

That the Council notes the following changes to the 2021-31 Long-Term Plan budget of:

		<b>Spend Type</b>	<b>Total \$000</b>	<b>Year</b>
<b>i</b>	Waka Kotahi National Land Transport Programme revenue adjustments	Capex	-22,034	2023-24
			-16,761	2024-25
			+5,500	2025-26
			+27,699	2026-27
		Capital Revenue	-15,258	2023-24
			-10,799	2024-25
			+3,295	2025-26
			+17,017	2026-27
<b>ii</b>	Peacocke Bridge Contract	Capex	+18,100	2023-24
		Capital	+9,230	2023-24
		Revenue		

**Underlying Assumptions - NIDEA high****Resolved:** (Mayor Southgate/Cr Wilson)

That the Council notes the changes to the underlying assumptions - inclusion of the NIDEA high demographic projections for the purposes of planning and development of the 2022-23 Annual Plan budget, have been incorporated into the Year Two (2022-23) budget adjustments.

**Underlying Assumptions - Inflation****Motion:** (Cr Wilson/Cr Donovan)

That the Council notes the changes to the underlying assumptions - the application of 6% inflation rate for operational expenditure (an increase of 3.1% on the 2021-31 Long-Term Plan assumption), and the application of 7% (an increase of 4% on the 2021-31 Long-Term Plan assumption) for capital projects assessed as having a cost escalation risk. The inflation rate applied to capital projects not assessed as having a cost escalation risk remains at 3%, as per the Long-Term Plan, have been incorporated into the Year Two (2022-23) budget adjustments.

**Amendment:** (Cr Thomson/Cr van Oosten)

That the Council notes the changes to the underlying assumptions - the application of 6% inflation rate for personnel only, an increase of 3.5% on the 2021-31 Long-Term Plan assumption operational expenditure and 5% for other operational expenditure (an increase of 2.1% on the 2021-31 Long-Term Plan assumption), and the application of 7% (an increase of 4% on the 2021-31 Long-Term Plan assumption) for capital projects assessed as having a cost escalation risk. The inflation rate applied to capital projects not assessed as having a cost escalation risk remains at 3%, as per the Long-Term Plan, have been incorporated into the Year Two (2022-23) budget adjustments.

**The Amendment was put.**

**Those for the Amendment:** Mayor Southgate, Councillors O'Leary, Macpherson, Bunting, van Oosten and Thomson

**Those against the Amendment:** Councillors Gallagher, Pascoe, Wilson, Hamilton, Naidoo-Rauf and Donovan

**The Amendment was declared EQUAL.**

**The Mayor used her casting vote and declared the amendment CARRIED.**

**Foreshadowed Amendment:** (Mayor Southgate/Cr Hamilton)

That the Council notes the changes to the underlying assumptions - the application of 5% inflation rate for operational expenditure (an increase of 2.1% on the 2021-31 Long-Term Plan assumption), and the application of 7% (an increase of 4% on the 2021-31 Long-Term Plan assumption) for capital projects assessed as having a cost escalation risk. The inflation rate applied to capital projects not assessed as having a cost escalation risk remains at 3%, as per the Long-Term Plan, have been incorporated into the Year Two (2022-23) budget adjustments.

**The Foreshadowed Amendment was put.**

**Those for the Foreshadowed Amendment :** Councillors Bunting, Hamilton and Naidoo-Rauf

**Those against the Foreshadowed Amendment:** Councillors Gallagher, Pascoe, O'Leary, Macpherson, Southgate, Wilson, van Oosten, Thomson and Donovan

**The Foreshadowed Amendment was declared LOST.**

**The Amendment as the substantive motion was put and Declared CARRIED.**

**Resolved:** (Cr Thomson/Cr van Oosten)

That the Council notes the changes to the underlying assumptions - the application of 6% inflation rate for personnel only, an increase of 3.5% on the 2021-31 Long-Term Plan assumption operational expenditure and 5% for other operational expenditure (an increase of 2.1% on the 2021-31 Long-Term Plan assumption), and the application of 7% (an increase of 4% on the 2021-31 Long-Term Plan assumption) for capital projects assessed as having a cost escalation risk. The inflation rate applied to capital projects not assessed as having a cost escalation risk remains at 3%, as per the Long-Term Plan, have been incorporated into the Year Two (2022-23) budget adjustments.

**Crs Wilson, Hamilton and Donovan Dissenting.**

**The meeting was adjourned during the above item 3.22pm to 3.40pm.**

#### **Capital Programme and Depreciation**

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

That the Council notes:

- i. the Capital Programme of \$325,534,710 for 2022-23
- ii. the depreciation expense has increased from \$79.9 million to \$86.5 million

**Cr Wilson Dissenting.**

#### **Rates**

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

That the Council notes the that the proposed average annual rates increase remains at 4.9% for 2022-23.

**Crs Wilson and Pascoe Dissenting.**

#### **Budget Changes**

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

That the Council notes that if the budget changes in resolved above are approved by the Council, the effect on the 2022-23 financial position is as follows:

- i. debt to revenue ratio of 221%.
- ii. net debt of \$825 million
- iii. balancing the books deficit of \$14 million
- iv. the books are balanced in 2026-27 (Year Six)

**Crs Wilson and Pascoe Dissenting.**

*Cr O'Leary retired from the meeting (5.04pm) during the discussion of the above item. She was not present when the item was voted on.*

### **8. Fees and Charges (including GST) Proposed for Year 2 (2022/23) of the 2021-31 10-Year Plan**

General Manager People and Organisational Performance took the report as read and responded to questions from Members regarding inflationary rates of fees and charges.

**Resolved:** (Cr Macpherson/Mayor Southgate)  
That the Council approves the proposed Fees and Charges for the second year of the 2021-31 10-Year Plan.

**9. Resolution to Exclude the Public**

**Resolved:** (Mayor Southgate/Cr Macpherson)  
**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. Public Excluded Fees and Charges (including GST) Proposed for Year 2 (2022/23) of the 2021-31 Long Term Plan	) Good reason to withhold ) information exists under ) Section 7 Local Government ) Official Information and ) Meetings Act 1987	Section 48(1)(a)

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 avoid the unreasonably, likely prejudice to the commercial position of a person who supplied or is the subject of the information to enable Council to carry out commercial activities without disadvantage	Section 7 (2) (b) (ii) Section 7 (2) (h)
----------	--	---

**The meeting moved into a Public Excluded session at 5.26pm.**

**The meeting was declared closed at 5.28pm.**

# Council Report

Item 8

**Committee:** Council

**Date:** 29 June 2022

**Author:** Tyler Gaukrodger

**Authoriser:** Michelle Hawthorne

**Position:** Governance Advisor

**Position:** Governance and Assurance  
Manager

**Report Name:** Confirmation of the Council Open Minutes of 15 June 2022

<b>Report Status</b>	<i>Open</i>
----------------------	-------------

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

That the Council confirm the Open Minutes of the Council Meeting held on 15 June 2022 as a true and correct record.

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

Attachment 1 - Council Unconfirmed Open Minutes - 15 June 2022

## Extraordinary Council *Kaunihera* OPEN MINUTES

Minutes of a meeting of the Extraordinary Council held in Council Chamber, Municipal Building, Garden Place, Hamilton and via Audio Visual link on Wednesday 15 June 2022 at 9.41am.

### PRESENT

<b>Chairperson</b> <i>Heamana</i>	Mayor P Southgate
<b>Deputy Chairperson</b> <i>Heamana Tuarua</i>	Deputy Mayor G Taylor (via audio visual link)
<b>Members</b>	Cr M Gallagher Cr R Hamilton (via audio visual link) Cr D Macpherson (via audio visual link) Cr M Donovan Cr A O'Leary (via audio visual link) Cr R Pascoe Cr S Thomson Cr M van Oosten Cr E Wilson

<b>In Attendance</b>	Lance Vervoort – Chief Executive Sean Murray – General Manager Venues, Tourism and Major Events Sean Hickey – General Manager Strategy and Communication Blair Bowcott – General Manager Growth Murray Heke – General Manager Customer, Technology and Transformation Andrew Parsons - Executive Director Strategic Infrastructure Nigel King – Community and Relationship Manager Muna Wharawhara – Amorangi Maaori Stephen Halliwell – Water Reform Financial Advisor
----------------------	---

<b>Governance Staff</b>	Amy Viggers – Governance Lead Carmen Fookes – Senior Governance Advisor Tyler Gaukrodger – Governance Advisor
-------------------------	---

*The Amorangi Maaori opened the meeting with a karakia.*

- 1. Apologies – Tono aroha**  
**Resolved:** (Mayor Southgate/Cr Gallagher)  
That the apologies for absence from Crs Bunting and Naidoo-Rauf were accepted.
- 2. Confirmation of Agenda – Whakatau raarangi take**  
**Resolved:** (Cr Wilson/Cr van Oosten)  
That the agenda is confirmed.

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

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

5. **Water Services Entities Bill - Consultation and Submission**

The Executive Director Strategic Infrastructure and the Community and Relationship Manager introduced the report and outlined the process and communications plan. Staff responded to questions from Members concerning the consultation document and process, analysis of the feedback from the consultation and the Water Services Entities Bill including financial impact of the proposed legislation.

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

That the Council:

- a) receives the report; and
- b) notes the Water Services Entities Bill legislative processes, including select committee process;
- c) confirms that Council will consult with its community to inform Council's submission to the Finance and Expenditure Select Committee;
- d) approves the indicative timetable for the Council's submission process as outlined in paragraph 8 of the staff report, noting changes to achieve the goals of the consultation and complete a submission by 22 July 2022 may be required; and
- e) approves the public consultation material subject to the inclusion of updates discussed with in the meeting, noting changes to achieve the goals of the consultation and complete a submission by 22 July 2022 may be required.

**The meeting was declared closed at 11.27am.**

# Council Report

Item 9

**Committee:** Council

**Date:** 29 June 2022

**Author:** Tyler Gaukrodger

**Authoriser:** Michelle Hawthorne

**Position:** Governance Advisor

**Position:** Governance and Assurance  
Manager

**Report Name:** Confirmation of the Elected Member Open Briefing Notes - 23 May 2022

<b>Report Status</b>	<i>Open</i>
----------------------	-------------

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

That the Council confirm the Open Briefing Notes of the Elected Member Briefing held on 23 May 2022 as a true and correct record.

## Attachments - *Ngaa taapirihanga*

Attachment 1 - Elected Member Open Briefing Notes - 23 May 2022

## Elected Member Briefing Notes – 23 May 2022 – OPEN

---

### Attachment 1

<b>Time and date:</b>	2.43pm, 23 May 2022
<b>Venue:</b>	Committee Room 1, Hamilton City Council and via Audio Visual link
<b>In Attendance:</b>	Mayor Southgate, Crs Pascoe, O’Leary, Macpherson, Wilson, Naidoo-Rauf, Thomson, Donovan, and Gallagher.
<b>Apology for Full Session:</b>	Deputy Mayor Taylor, Crs Bunting, Hamilton, van Oosten, Maangai Kana, Hill, Te Ua, Thompson-Evans and Whetu
<b>Apologies for lateness/early departure:</b>	Crs Naidoo-Rauf and Pascoe

### Discussion

The briefing session covered Community Based Committees in an open session.

### Item 9

#### 1. Community Based Committees

Brendan Stringer (consultant) explained that the purpose of the presentation was to discuss the Community Based Committees project which included targeted community consultation completed to date, hearing disengaged voices, structure, purpose, potential locations, Council’s role to support committees, membership makeup, collaboration with current community houses, Council management of committees, options for the trial, appointment of members, inaugural meetings, and socio-economic considerations.

Members asked questions in relation to the following:

- committee resourcing and funding;
- staff and Elected Member presence at committees;
- autonomy of purpose;
- engagement results;
- submissions to the Council for delegations and funding;
- examples of successful local boards;
- establishment options;
- appointments process;
- alternative committee options;
- ability to advocate for their community;
- terms of reference;
- prioritization of projects or renewals; and
- participatory budgeting.

# Council Report

Item 10

**Committee:** Council

**Date:** 29 June 2022

**Author:** Tyler Gaukrodger

**Authoriser:** Michelle Hawthorne

**Position:** Governance Advisor

**Position:** Governance and Assurance  
Manager

**Report Name:** Confirmation of the Elected Member Open Briefing Notes - 15 June 2022

<b>Report Status</b>	<i>Open</i>
----------------------	-------------

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

That the Council confirm the Open Briefing Notes of the Elected Member Briefing held on 15 June 2022 as a true and correct record.

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

Attachment 1 - Elected Member Open Briefing Notes - 15 June 2022

## Elected Member Briefing Notes – 15 June 2022 – OPEN

---

### Attachment 1

<b>Time and date:</b>	11.48am, 15 June 2022
<b>Venue:</b>	Committee Room 1, Hamilton City Council and via Audio Visual link
<b>In Attendance:</b>	Mayor Southgate, Deputy Mayor Taylor, Crs Pascoe, Hamilton (via Audio Visual link), Macpherson (via Audio Visual link), van Oosten, Thomson, Wilson, Donovan, and Gallagher
<b>Apology for Full Session:</b>	Crs Bunting, O'Leary, Naidoo-Rauf , Maangai Kana, Hill, Te Ua, Thompson-Evans and Whetu.
<b>Apologies for lateness/early departure:</b>	Deputy Mayor Taylor and Hamilton

### Discussion

The briefing session covered Reform Response Programme Update in an open session

#### Reform Response Programme Update

The Special Projects Manager and Unit Manager - Strategy and Planning explained that the purpose of the presentation was to provide an update on the reform workstreams that are taking place at Council. She spoke to reform timelines, legislation from Central Government, regional spatial strategies, infrastructure standards, and local government reform.

Members asked questions in relation to the following:

- regional spatial strategy funding;
- appetite for local authorities to collaborate on regional spatial strategies;
- infrastructure quality risks;
- quality urban outcome considerations;
- communication and submissions to Central Government;
- risks concerning lack of engagement with Central government; and
- consideration of local boundaries in local government reform.

### Item 10

# Council Report

**Committee:** Council

**Date:** 29 June 2022

**Author:** Tyler Gaukrodger

**Authoriser:** Amy Viggers

**Position:** Governance Advisor

**Position:** Governance

**Report Name:** Chair's Report

Item 11

<b>Report Status</b>	<i>Open</i>
----------------------	-------------

## Recommendation – *Tuutohu*

That the Council receives the report.

## Attachments - *Ngaa taapirihanga*

Attachment 1 - Chair's Report



## Chair's Report

At tomorrow's Council meeting (30 June) we will give final approval to the Annual Plan. I am grateful for the many hours of hard work from Elected Members and staff on this process over the last few months – and in particular to the Hamiltonians who provided feedback through the consultation. We all had to make compromises, and no one will be happy with everything in the Annual Plan – particularly with current global events making finances even tighter than they already were. But we can be proud of how we worked together to agree the best possible Annual Plan for our community in the current circumstances.

Meanwhile the planned consultation seeking views from Hamiltonians on the Government's three waters proposal is now open. I hope our community will take the time to read the information and submit their views. Nielsen, the social research agency, are also engaging with a representative sample of the public as requested. Council has been quite clear that the timeframe given to the submission period for this significant reform of the way we manage water resources is far too short. However, we are doing our best to give as many people as possible the chance to submit. This will allow us to relay to Government with confidence how Hamiltonians feel about their proposals at the Select Committee. We note that the public can make direct submissions to the Select Committee too, and we will encourage this.

Turning to this meeting, the agenda includes an item on the "better off funding package" aspect of the three waters reform, which will certainly require careful consideration and debate. I also note the agenda includes an item on the climate change policy. A further item on the wider climate change strategy will come to the next Council meeting, once it has been reviewed in detail by the Environment Committee. I set up the Environment Committee at the start of this triennium to ensure that issues affecting the natural environment and climate are given appropriate focus. They have made progress despite delays and I am keen to see the implementation plan underway.

We are approaching the end of this triennium but there is a lot of work remaining to do. Thank you to all Chairs, Deputies and staff for their hard work across the Committees. It continues to be a very busy time, so I'm grateful for everyone's contributions, and to those who are regularly attending workshops and briefings.

### Chair's Recommendation

That the Council receives the report;

Paula Southgate  
**Mayor Hamilton City**

# Council Report

Item 12

**Committee:** Council

**Date:** 29 June 2022

**Author:** Maria Barrie

**Authoriser:** Helen Paki

**Position:** Parks and Recreation Manager

**Position:** General Manager Community

**Report Name:** Magical Bridge Trust NZ Proposal

<b>Report Status</b>	<i>Open</i>
----------------------	-------------

## Purpose - *Take*

1. To inform the Council on progress with the Magical Bridge Trust NZ proposal to develop a fully inclusive playground at Claudelands Park.
2. To seek approval from the Council to work in partnership with Magical Bridge Trust NZ to develop a fully inclusive playground at Claudelands Park.

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

3. That the Council:
  - a) receives the report;
  - b) approves the development of a fully inclusive playground at Claudelands Park; and
  - c) notes that the project is to be delivered in stages as external funding is secured and
    - i. each stage will not proceed until full funding is secured
    - ii. there is no obligation for council to fund the development beyond the initial \$1.4m contribution; and
    - iii. progress reports will be provided to the Community Committee.

## Executive Summary - *Whakaraapopototanga matua*

4. Following the 2 March 2022 Community Committee, staff worked with the Magical Bridge Trust NZ (MBTNZ) alongside Councillors Bunting and O'Leary to develop a MOU which enabled MBTNZ to advance their proposal and funding plans to deliver a fully accessible playground at Claudelands Park.
5. Concept designs and precedent images have been developed that show the full proposal, staging and types of equipment that would likely be included in the development (appendix 1)
6. The full proposal includes three stages. If approved, Council will fund Stage 1 of the delivery plan using the \$1.4m currently tagged to renew the playground at Claudelands park. This in no way obligates council to complete the development should full funds not be raised.
7. Stage 1, if delivered alone, would deliver a fully functioning playground similar in size and scale to others in the city.

8. Stages 2 and 3 are reliant on MBTNZ securing external funding. MBTNZ have secured \$160,000 of grant funding and in-kind sponsorship to date and have submitted applications for a further \$1m in grant funding.
9. Staff recommend Option B – approve the development of a Magical Bridge Playground at Claudelands Park, as detailed in paragraph 40 below.
10. Staff consider the decision in this report have medium significance and that the recommendations comply with the Council's legal requirements.

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

11. A proposal to develop a fully accessible playground in Hamilton was presented to the Community Committee on 25 November 2021. The Committee supported the proposal and requested further information including a confirmed site, funding and engagement plans.
12. At the 2 March 2022 meeting, the Community Committee was provided an update that confirmed that Claudelands Park was the most appropriate location for a fully accessible playground development and sought approval to enter into an agreement with MBTNZ to enable plans to progress to concept stage. The committee resolved to:
  - a. *Receive the report;*
  - b. *requests staff report to the 30 June 2022 Council meeting with the concept design, detailed staging and funding plans for approval, noting that should the concepts and staging not deliver acceptable play offer within the 2022/23 financial year, staff will proceed with the planned renewal and work on an alternative site with MBTNZ; and*
  - c. *delegates a working group with Crs Bunting and O'Leary be formed in order to work with staff and Magical Bridge Trust NZ (MBTNZ) to develop and finalise the Memorandum of Understanding and;*
  - d. *Notes that:*
    - I. *Revised project phasing enables the approved renewals and new capital funding for the Claudelands Park playground will be used to part fund the delivery;*
    - II. *further engagement with Community, and stakeholders and Waikato Show Trust is to be carried out as the design is developed.*
    - III. *full delivery of the project requires external investment; and*
    - IV. *progress reports will be provided to the Community Committee*
    - V. *the Memorandum of Understanding does not commit Council to the development of a fully accessible playground should the Magical Bridge Trust NZ not fulfil their funding obligations.*
13. A MOU between the parties has been developed and was signed in early May. MBTNZ have since been working on concept designs, project staging, targeted engagement and funding plans in preparation for this report.

### **Discussion - *Matapaki***

14. In preparation to develop concept plans for the Claudelands Park site, Georgina Hailwood (MBTNZ board member and consultant tasked with developing design) visited a number of American Magical Bridge playgrounds to gather ideas and learnings to inform the concepts for the Claudelands Park site.
15. Precedent images showing the types of equipment likely to be included in the Hamilton Magical bridge playground site are provided within the Concept Plan document, which can be found *Appendix 1*.
16. An image pack which shows the types of equipment likely to be included in the Hamilton Magical bridge playground site can be found in appendix 1.

17. Key learnings from the American site visits and spending time with the team include:
- The sites are positioned as 'inclusive playgrounds' rather than accessible. Inclusive is more reflective of what MBTNZ is trying to achieve in that there will be something for everyone, irrespective of ability.
  - Magical Bridge sites don't look and feel too different to our current destination playground sites. The key points of difference in design are the use of zones, inclusion of fencing, ramp access rather than stairs, and supporting facilities.

### Concept Design

18. The concept design for the proposed MBTNZ playground at the Claudelands Park site (Appendix 1) shows how the development would be staged and provides a view of how the stages compare with the footprint of the existing playground.
19. The total project includes the delivery of changing places type toilet facilities, play zones and fencing to enable an excellent visitor experience.

### Phasing Plan

20. The project has been split into three delivery phases to enable surety of outcomes related to the funding secured prior to each stage.
21. It is desirable for Phase One and Two to be delivered together as this would be more efficient from a project delivery perspective. This would rely on funding being secured by December 2022.
22. Phase One has an estimated value of \$1.4m and if delivered alone would provide a fully functioning playground, similar to other destination playgrounds currently provided in the city. Although this phase would see an improved level of inclusivity, it would not be considered fully inclusive.
23. Phase Two has an estimated value of \$1.7m and would see the site footprint increase with the addition of many more inclusive items.
24. It would not be until the delivery of Phase Three, with an estimated value of \$1.9m, that the playground would be considered fully inclusive. The third and final stage would see sensory and exercise equipment installed, the entire site fenced, and the changing places toilets.
25. The project phasing has been designed so that the phases could be delivered separately, concurrently, or together as funding is secured. It is anticipated by MBTNZ that the completed fully inclusive playground will be delivered by the end of 2023.
26. The estimated delivery timeframe is as follows:

Phase one	Jul-Sep 2022	Oct-Dec 2022	Jan-Mar 2023	Apr-Jun 2023	Jul-Sep 2023	Oct-Dec 2023
Procurement						
Developed Design						
Construction						
<b>Phase Two</b>						
Procurement						
Developed Design						
Construction						

<b>Phase Three</b>						
Procurement TBC						
Developed Design						
Construction TBC						

### Funding Plan

27. MBTNZ has a high level of confidence that they will, at a minimum match the investment made by HCC prior to construction starting in January 2023. At the time of writing the trust had secured grant funding of 80,000 and in-kind sponsorship to the value of \$80,000
28. The Trust has had very positive conversations with many grant organisations and corporates that will be progressed once approval is given to proceed with Claudelands Park.
29. The updated funding plan is below:

<b>FUNDING SOURCE</b>	<b>ACHIEVED AMOUNT</b>
Hamilton City Council	\$1,400,000
Grants	\$85,000
In kind sponsorship	\$80,000
<b>Total Funding to June 2020</b>	<b>\$1,565,000</b>

<b>FUNDING SOURCE</b>	<b>Application Date</b>	<b>Target Amount</b>
Grants	Submitted	\$1,000,000
Grants	July to October 2022	\$2,300,000
Grants (Plus balance of anything not achieved in previous rounds)	November - Ongoing	\$50,000
Crowd funding	Ongoing 2022	\$100,000
School fundraising	Ongoing 2022	\$50,000
Corporate sponsorship	Ongoing 2022	\$450,000
<b>Funding Target</b>		<b>\$3,950,000</b>

30. Discussions with MBTNZ provides an overall high level of confidence that the funding needed to deliver Phases One & Two will be achieved to deliver phases concurrently. Further discussions will support how the remaining funding is raised to help inform the delivery of all phases concurrently.

### Engagement

31. To balance tight timeframes to develop concept plans and managing community expectations, targeted consultation will be held prior to the Council Meeting on 30 June. This will involve seeking feedback on concept designs from regular current users, members of the disability community and key stakeholders such as the Waikato Show Trust and The Settlement Centre. A verbal update will be provided at the 30 June meeting.
32. If the recommendation is not approved, staff will proceed with the planning and delivery of the Claudelands Park playground renewal and continue negotiations with MBTNZ to identify an alternative site in the city. This may result in some community dissatisfaction as the delivery of a fully inclusive playground in Hamilton will be delayed.
33. The recommendation aligns with outcomes in the Play Strategy, Disability Policy and Age Friendly plan.

## Options

34. Staff have assessed that there are two reasonable and viable options for the committee to consider. This assessment reflects the level of significance (outlined later in the report) The options are set out below.

### Option A – Do not proceed with Developing a Magical Bridge Playground at Claudelands Park

35. The Claudelands Park playground renewal project would be completed in the 2022/23 financial year by Hamilton City Council. This would include accessible elements and would deliver a like for like replacement of the existing playground.
36. HCC could either continue investigations with MBTNZ to explore an alternative site within the city, noting that all other sites identified to date mean compromises will need to be made or opt not to build a single site inclusive playground in the city.
37. In any case, HCC could continue to work with Magical Bridge Trust to explore how we continue to add accessible and inclusive elements as we complete playground renewals or develop new playgrounds in the city.
38. **Option A** is not the preferred option of MBTNZ and would likely result in dissatisfaction from a section of the community.

### Option B – Approve the development of a Magical Bridge Playground at Claudelands Park

39. MBTNZ and HCC deliver a fully accessible playground in partnership with MBTNZ responsible for design and engagement with HCC owning the completed asset.
40. Ongoing engagement with key stakeholders including the Waikato Show Trust would inform final design.
41. There is no obligation or expectation that Council will contribute funds for development beyond the initial \$1.4m.
42. The design and project phasing are such that the first phase can be delivered with the existing funding. The subsequent phases are reliant on external funds being raised prior to construction starting.
43. Staff recommend **option B** because it enables the delivery of a fully inclusive playground at Claudelands Park which was assessed as the most appropriate site within the city's current playground network.

## Financial Considerations - *Whaiwhakaaro Puutea*

44. The total costs to complete all phases is estimated at \$5m. Total project funding can be broadly broken down as follows:

ACTIVITY	ESTIMATED COST
Professional Fees	\$200,000
Play Equipment	\$1,521,000
Playground Safety Surfacing	\$715,000
Furniture and Shade	\$200,000
Construction, soft landscaping, and contingency	\$1,911,00
Toilets	\$400,000
<b>TOTAL</b>	<b>\$4,952,000</b>

45. If **Option B** is approved, \$1.4m for Phase one could be funded through the existing renewals and improvement funding which was allocated in the 2021-31 10-year plan for Claudelands Park and now sits in the 2022/23 financial year.
46. The balance of funds would be raised by MBTNZ with no obligation for council to contribute to capital costs beyond phase 1.

Type of Costs	2022/23 – Phase 1	2022/23 – Phase 2	2023/24 – Phase 3
<b>Capital Expenditure</b>	Forecast budget	Forecast budget	Forecast budget
HCC Contribution (Claudelands Park Playground renewal and Capital improvement)	\$1,400,000		
Community Investment (not captured as HCC revenue)	\$	\$1,700,000	\$1,900,000
<b>Total Capex</b>	<b>\$1,400,000</b>	<b>\$3,100,000</b>	<b>\$5,000,000</b>
<b>Operating Expenditure</b>			
Existing Claudelands Park Opex	\$20,000	\$20,000	\$20,000
Consequential Opex	\$		\$30,000
<b>Total Opex</b>	<b>\$</b>	<b>\$20,000</b>	<b>\$50,000</b>

47. Additional consequential opex of \$30,000 will be required to cover additional maintenance cost for the new inclusive playground design. This includes the cost of the changing places toilet and could be managed through the annual plan or 10-year plan process.
48. If **Option A** is approved, any contributions from council would have to be confirmed following site selection and could be managed through the next 10-year plan.

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

49. Staff confirm that the recommendation complies with the Council's legal and policy requirements.

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

50. 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').
51. 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.
52. The recommendations set out in this report are consistent with that purpose.

### Social

53. The recommendation will enable MBTNZ to realise their vision of a fully inclusive playground in Hamilton.
54. A fully inclusive playground in Hamilton will increase and enhance social connections with place and community. It will provide a free and safe space for all families meet and enjoy play.

55. The design process will provide opportunities to encourage individuals, families, whaanau, iwi, hapuu and communities to achieve their goals relating to a sense of belonging and social inclusion such as education, health, the strength of community networks, and connectedness.

### **Economic**

56. The project will positively contribute towards local identity and sustainable communities.

### **Environmental**

57. The proposal seeks to enhance environmental wellbeing by providing a space for all to use and participate. Use of appropriate vegetation that will enhance the biodiversity and environmental health can be incorporated into design.
58. The project team will seek to recycle and reuse as much equipment and or parts from the existing site as possible.

### **Cultural**

59. The proposal seeks to enhance opportunities and increase capacity for all including mana whenua to interpret and express their values and identities with the community. If approved, the proposal will seek early and meaningful engagement with Maaori to contribute to the decision-making process.
60. Through community led design, new playground developments offer local culture, history and identity of the local area.
61. Te Nga Whaa Whakatapu Ake were presented with the proposal and asked for their early views prior to Christmas. It is intended that further engagement with THaWK will be ongoing should the proposal be approved to enable cultural elements and narratives to be embedded in the design

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

62. There are risks that the external funding targets are not met, and the fully inclusive playground is either delayed or not fully delivered. Staging enables the project to be delivered in parts, ensuring that full funding is secured prior to works starting.
63. There are risks that funding for phase 3 may be targeted at the same funders in the same timeframes HCC would be applying to for to meet revenue targets for other HCC projects.
64. Further conversations will be necessary to ensure this is not the case and may result in phase 3 taking longer to complete.

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

#### **Significance**

65. 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**

66. Community views and preferences are somewhat known to the Council through targeted engagement.
67. Given the medium level of significance determined, the engagement level is medium. No engagement is required.

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

Attachment 1 - Magical Bridge Concept - Claudelands Park - with phasing - 13 June 2022



MAGICAL BRIDGE | CLAUDELANDS PLAYGROUND CONCEPT

# Enriching an Existing Community Play Space

# Contents

Introduction + location	03
Proposed concept	06
Swing + sway zone	08
Spin zone	11
Slide + climb zone	13
Tot zone	15
Balance + bounce zone	17
Sensory zone	19
Fitness zone	21
Amenities	23
Playground theme	25
Magical Bridge Playgrounds	26

SECTION ONE: INTRODUCTION

# Claudeland's park + surrounding area



CLAUDELANDS PLAYGROUND CONCEPT 003

## SECTION ONE: INTRODUCTION

# Location

The Magical Bridge Trust has commissioned Brodiehailwood to produce an Inclusive Playground Concept to transform the existing destination playground located at Claudelands Park.

Claudelands Park playground is due for renewal, has been proposed for the Magical Bridge concept due to its existing facilities including rest rooms, accessible car parks, picnic areas and shaded seating.

The community park is easily accessible by public transport, and is located within a diverse community - surrounded by young and elderly residents. The existing mounding in the park can be utilised for the proposed concept.

## LOCATION

The community park is located near the corner of Boundary Road and Heaphy Terrace. The car park entrance is off Heaphy Terrace. Pedestrians can enter from Heaphy Terrace Boundary Road or Brooklyn Road.

The park is bordered by Claudelands Event Centre and has walking access to Te Papanui / Jubilee Park.



SECTION ONE: INTRODUCTION

# Existing playground

KEY

- 1 Playground (Pink area 2800m2)
- 2 Picnic shelters
- 3 Flying Fox
- 4 Mounds
- 5 Toilets
- 6 Car Park
- 7 The Grandstand

The existing playground is well utilised, it has a number of unique features that other Destination playgrounds don't have, including natural grassy mounds, mature trees and a BBQ.

Magical Bridge will retain these key features of the playground.

Several amenities have been provided by the Fairfield Rotary Club. The Magical Bridge will retain these elements, working with the club to agree any changes in location of plaques, seats etc. The two shelters will remain in there current positions.



## SECTION TWO: CONCEPT

# Playground zones

We intentionally divide the playground into zones, because predictability matters.

Zones are easy to understand, regardless of one's experience, knowledge, language skills, or developmental levels. For visitors with autism and visual impairments, the predictability of a playground's layout is rarely considered, but critical in creating a safe and enjoyable experience.

The site is to be fully fenced, with wide open spaces for generous walkways. The playground will have plenty of shade, utilising the existing shade structures along with additional shade over or near to equipment.

Along with equipment, the following will be considered in the design:

- The use of specific colours for pathways and zones.
- Safety surfacing with be fully accessible rubber wet-pour or artificial turf.
- Signage for each zone



TOT ZONE

An area designed with little ones in mind.



SENSORY ZONE

Exploration, curiosity, problem solving and creativity.



FITNESS ZONE

Simple to use equipment.



SWING + SWAY ZONE

Swings to suit everyones needs.



SLIDE + CLIMB ZONE

With a variety of challenging



SPIN ZONE

Spinning items accessible for all.



BALANCE + BOUNCE ZONE

Trampolines with wheelchair accessibility.

NOTE: IMAGERY IS INDICATIVE, FOR CONCEPTUAL PURPOSES ONLY

CLAUDELANDS PLAYGROUND CONCEPT 006

SECTION TWO: CONCEPT

# Claudeland's playground concept

The playground features a boundary fence with two entrances, the main entrance point is located by the car park and a second entrance with a proposed path connecting to the surrounding park area.

The proposed concept retains the existing grass mound and Kahikatea trees.

KEY

- 1 SWING + SWAY
- 2 SLIDE + CLIMB
- 3 SPIN
- 4 BALANCE + BOUNCE
- 5 TOT
- 6 SENSORY
- 7 FITNESS
- 8 AMENITIES

NOTE: Not for construction. Final equipment layout to be confirmed on site with Landscape Designer.



NOTE: SURFACE COLOUR + EQUIPMENT TO BE FINALISED

CLAUDELANDS PLAYGROUND CONCEPT 007

SECTION TWO: CONCEPT

Proposed phasing plan

KEY

- 1

SWING + SWAY
- 2

SLIDE + CLIMB
- 3

SPIN
- 4

BALANCE + BOUNCE
- 5

TOT
- 6

SENSORY
- 7

FITNESS

Phase OnePhase TwoPhase ThreeExisting playground area

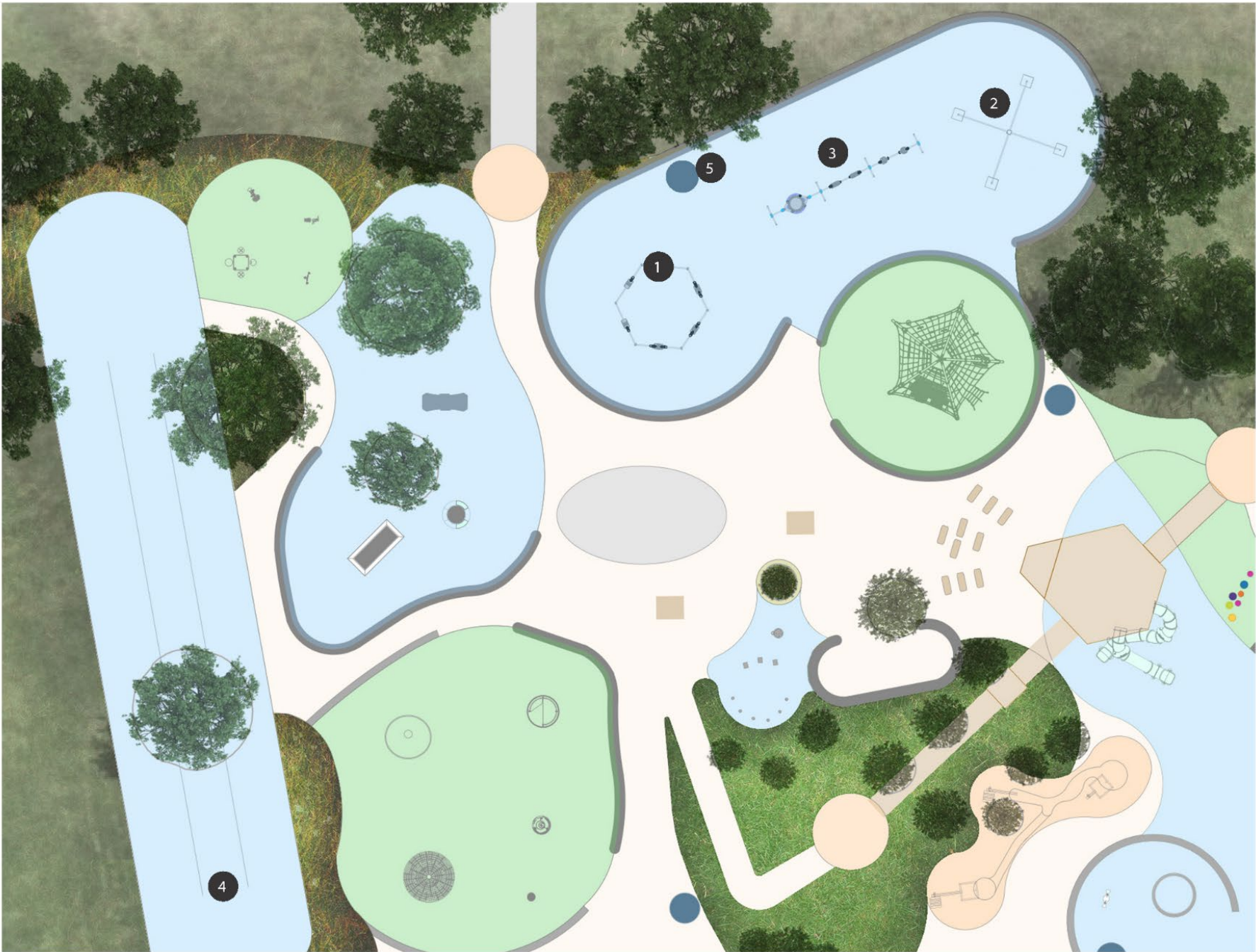
NOTE: SURFACE COLOUR + EQUIPMENT TO BE FINALISED

SECTION THREE: SWING + SWAY

# Swing + sway concept

Swinging stimulates children’s motor skills, such as balance and coordination. They train core muscles as well as leg and arm muscles when pulling and pushing the swing into motion.

- 1 HEXAGON SWING SET
- 2 EAGLES CLAW SWING
- 3 THREE BAY SWING SET
- 4 FLYING FOX
- 5 RETREAT HUT



NOTE: SURFACE COLOUR + EQUIPMENT TO BE FINALISED

CLAUDELANDS PLAYGROUND CONCEPT 009

SECTION THREE: SWING + SWAY

# Swing + sway equipment ideas



HEXAGON SWING SET



EAGLES CLAW SWING



THREE BAY SWING SET



FLYING FOX - TO FEATURE BUCKET SEAT

NOTE: IMAGERY IS INDICATIVE, FOR CONCEPTUAL PURPOSES ONLY

CLAUDELANDS PLAYGROUND CONCEPT 010

SECTION THREE: SWING + SWAY

# Swing + sway seat options

We will use a variety of swing and sway seat options to suit all needs and abilities.



DUO SWING SEAT



YOU & ME SWING SEAT



BUCKET SEAT FOR FLYING FOX



MOULDED BUCKET SEAT



FLAT STRAP SEAT



SHELL NEST



INFANT FULL BUCKET



INFANT HALF BUCKET



ROPE CHAIR



BASKET SWING

NOTE: IMAGERY IS INDICATIVE, FOR CONCEPTUAL PURPOSES ONLY

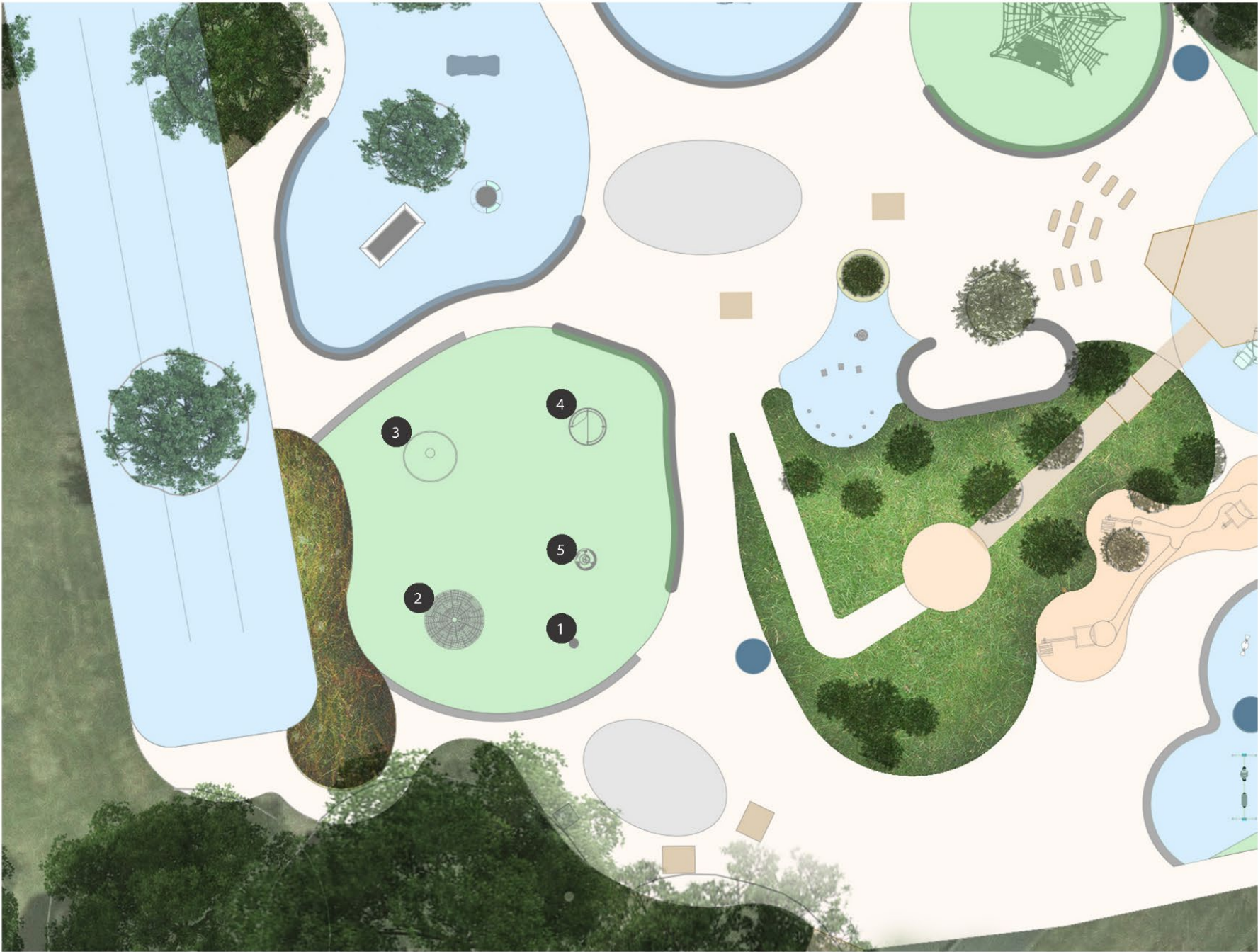
CLAUDELANDS PLAYGROUND CONCEPT 011

SECTION THREE: SPIN

# Spin concept

Spinners and carousels are the perfect vehicles for physical development. Through the simple action of just revolving, the sense of balance is enhanced, helps in building muscles and bone density.

- 1 SPINNER BOWL
- 2 DYNAMO SPINNER NET
- 3 THE WAY DISC
- 4 INCLUSIVE CAROUSEL
- 5 TIPI CAROUSEL OR SPINNING NEST



NOTE: SURFACE COLOUR + EQUIPMENT TO BE FINALISED

SECTION THREE: SPIN

Spin equipment ideas



TIPI CAROUSEL WITH TOP BRACE



SPINNER BOWL



DYNAMO SPINNER NET



THE WAY DISC



INCLUSIVE CAROUSEL



SPINNING NEST

NOTE: IMAGERY IS INDICATIVE, FOR CONCEPTUAL PURPOSES ONLY

CLAUDELANDS PLAYGROUND CONCEPT 013

## SECTION THREE: SLIDE + CLIMB

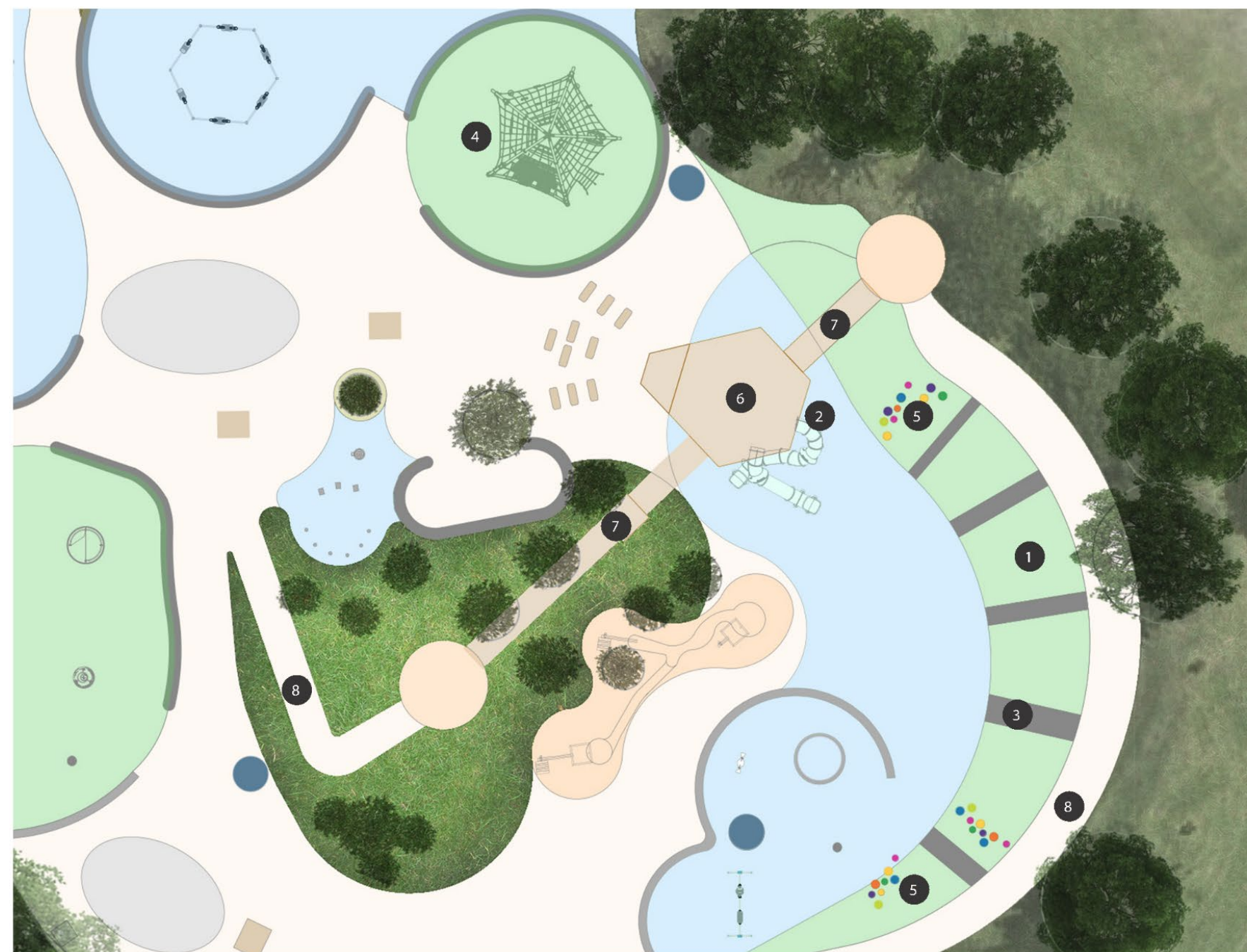
# Slides + climbing concept

Sliding helps young children develop confidence and courage. Furthermore, the core muscles are trained when sitting upright sliding down.

The embankment allows for a range of slides at varying heights. A ramp is provided to make access easy for all.

The proposed tower features a tube slide. Two accessible bridges connect the tower to the grass mound and slide mound, providing access to the upper level of the tower and views of the park and an elevated path among the Kahitatea trees.

- 1 EMBANKMENT SLIDES
- 2 TUBE SLIDE OFF TOWER
- 3 SENSORY ROLLER SLIDE
- 4 SENSORY DOME
- 5 CLIMBING SPHERES
- 6 TOWER/PLAYHOUSE
- 7 BRIDGE
- 8 ACCESS RAMP



NOTE: SURFACE COLOUR + EQUIPMENT TO BE FINALISED

CLAUDELANDS PLAYGROUND CONCEPT 014

SECTION THREE: SLIDE + CLIMB

Slide + climb equipment ideas



EMBANKMENT SLIDES



TUBE SLIDE OFF TOWER



SENSORY ROLLER SLIDE



CLIMBING SPHERES



SENSORY CLIMBING DOME  
Combines climbing with numerous  
sensory play explorations.

NOTE: IMAGERY IS INDICATIVE, FOR CONCEPTUAL PURPOSES ONLY

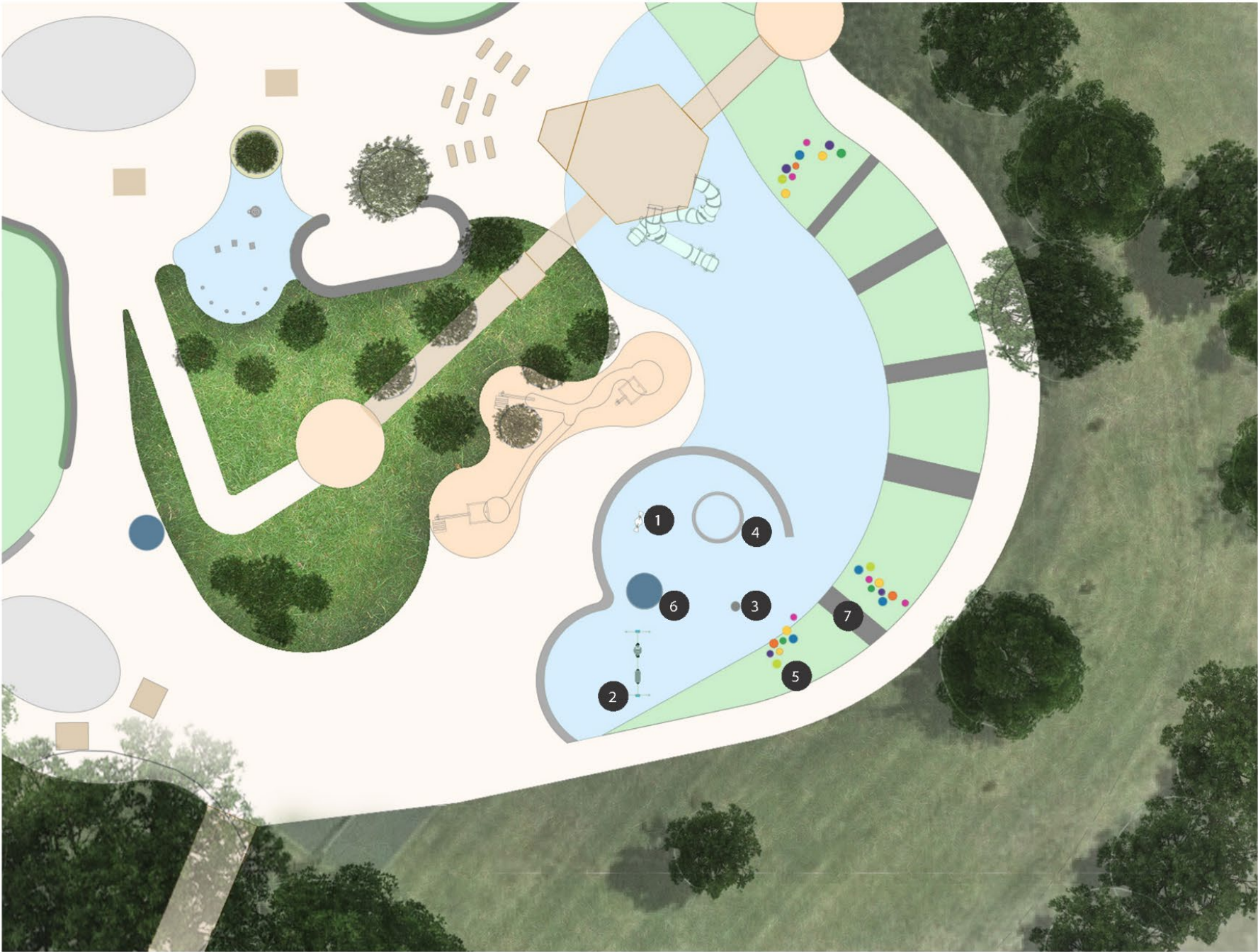
SECTION THREE: TOT

# Tot concept

The tot zone is designed for younger people in mind. Featuring a gentle mound with a slide and climbing spheres. A net tower, with thinner ropes and a smaller mesh to allow for smaller steps and the grip of little ones.

This zone allows for little ones to safely play in a space designed to suit them.

- 1 PONY SEESAW
- 2 SWINGS
- 3 SPINNER BOWL
- 4 CLIMBING STAR
- 5 CLIMBING SPHERES
- 6 RETREAT HUT
- 7 SMALLER SLIDE OFF EMBANKMENT



SECTION THREE: TOT

Tot equipment ideas



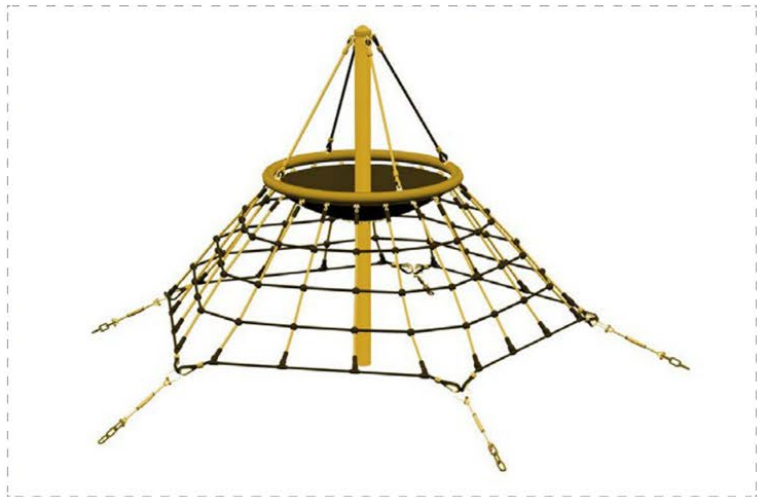
SLIDE OFF MOUND



SPINNER BOWL



SPHERES



CLIMBING STAR



PONY SEESAW



SWING - WITH BUCKET SEAT

NOTE: IMAGERY IS INDICATIVE, FOR CONCEPTUAL PURPOSES ONLY

CLAUDELANDS PLAYGROUND CONCEPT 017

## SECTION THREE: BALANCE + BOUNCE

# Balance + bounce concept

Timber play such as stepping stones and balancing logs creates for fun exploration, and helps develop skills such as balance and courage.

Trampolines are a great form of low impact exercise for both children and adults, the playground will use in ground trampolines and a wheelchair friendly option.

- 1 TIMBER PLAY
- 2 WHEELCHAIR TRAMPOLINE
- 3 TRAMPOLINE
- 4 WHEEL TRACK/SENSORY PATH
- 5 WHEELCHAIR SEESAW
- 6 SEESAW WITH BACK SUPPORT



NOTE: SURFACE COLOUR + EQUIPMENT TO BE FINALISED

CLAUDELANDS PLAYGROUND CONCEPT 018

SECTION THREE: BALANCE + BOUNCE

Balance + bounce equipment ideas



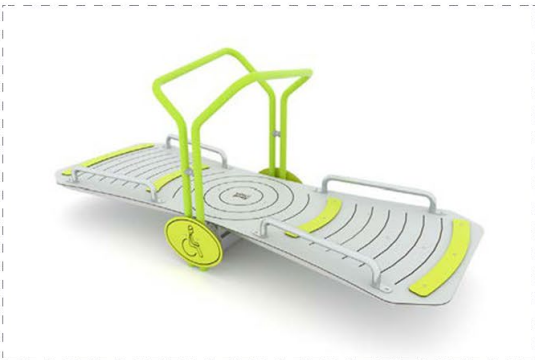
TRAMPOLINE



WHEELCHAIR TRAMPOLINE



TIMBER PLAY



WHEELCHAIR SEESAW



SEESAW WITH BACK SUPPORT



WHEEL TRACK/SENSORY PATH



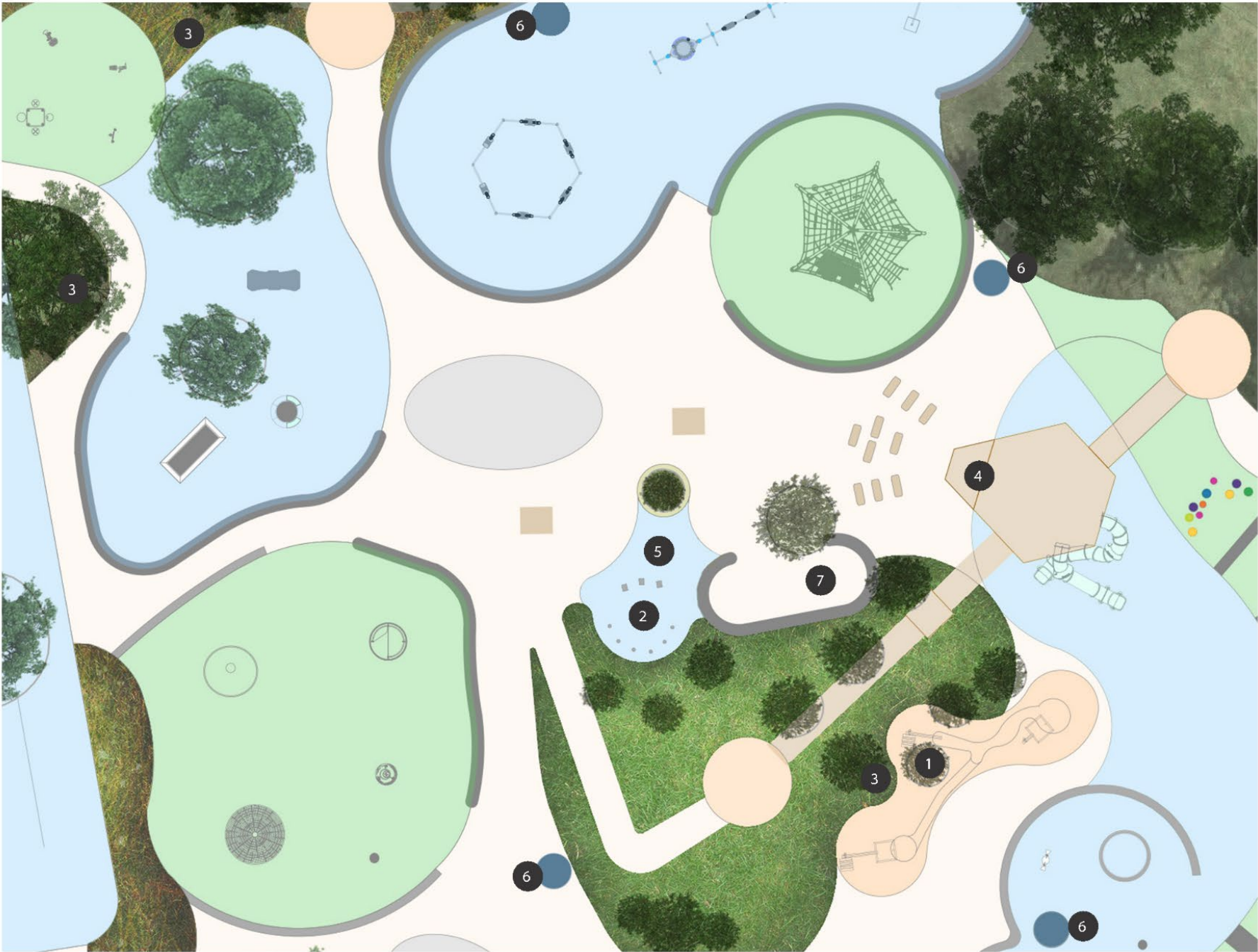
NOTE: IMAGERY IS INDICATIVE, FOR CONCEPTUAL PURPOSES ONLY

SECTION THREE: SENSORY

Sensory concept

Sensory play encourages learning through exploration, curiosity, problem solving and creativity. It is also a great way to engage those with developmental disabilities, and helps improve social skills such as communication and co-operation

- 1 WATER PLAY
- 2 MUSIC PLAY
- 3 SENSORY GARDEN
- 4 PLAYSTAGE
- 5 CRAZY MAZE
- 6 RETREAT HUTS
- 7 KINDNESS COVE



NOTE: SURFACE COLOUR + EQUIPMENT TO BE FINALISED

## SECTION THREE: SENSORY

# Sensory ideas

- Water play, at an accessible height for those in wheelchairs.
- Music play, the current vertical pipes and cajon drums will be re-used, with the addition equipment.
- Two-story tower with a playstage, to encourage imagination.
- Retreat huts, will feature throughout the playground. Creating a quite, safe and cozy space for those that need a break.
- The kindness cove, inspires conversations about acceptance, friendship and the importance of diversity.



RETREAT HUT



KINDNESS COVE



SENSORY GARDEN PLANTING



WATER PLAY



PLAYSTAGE



IMAGINATIVE PLAY



CAJON DRUMS



VERTICAL PIPES



HARMONY FLOWERS



CRAZY MAZE CHALLENGE

NOTE: IMAGERY IS INDICATIVE, FOR CONCEPTUAL PURPOSES ONLY

CLAUDELANDS PLAYGROUND CONCEPT 021

## SECTION THREE: FITNESS

# Fitness concept

The fitness zone features a range of simple to use equipment that requires little experience to use. The zone will be placed on the edge of the playground with a connecting path to the rest of the park, so the users can access it without needing to enter the playground.

The proposed second entrance allows for park users to access the fitness zone without needed to walk through the playground.

- 1 BALANCE STATION
- 2 CITY BIKE
- 3 ARM BIKE
- 4 FLEX WHEEL
- 5 SECOND PARK ENTRANCE



NOTE: SURFACE COLOUR + EQUIPMENT TO BE FINALISED

CLAUDELANDS PLAYGROUND CONCEPT 022

SECTION THREE: FITNESS

Fitness equipment ideas



**BALANCE STATION**  
The station trains ankle strength and stability, it is simple and easy to use. The station has four items at differing levels of difficulty, allowing for challenge progression.



**FLEX WHEEL**  
Simple to use and requires little experience. The turning movement has a mild resistance suitable for all users. The wheel trains shoulder and upper body mobility and can be used in multiple positions.



**CITY BIKE**  
The City Bike provides a cardio workout, with an upright frame, a low entry for easy access and an adjustable seat. The resistance adapts automatically depending on the pedaling speed or can be changed manually.



**ARM BIKE**  
The Arm bike can be used seated, standing and by a wheelchair user giving a great cardio workout for the upper body. When done from a standing position it is a full body workout, engaging all big muscle groups.

NOTE: IMAGERY IS INDICATIVE, FOR CONCEPTUAL PURPOSES ONLY

## SECTION THREE: AMENITIES

# Amenities concept

The playground will have plenty of shade, using shade sails and refurbishing the existing picnic shelters.

There will be a range of seating provided to accommodate different user needs.

Typical park amenities such as rubbish bins and signage will be provided.

The sponsor wall will be at the entrance, recognising sponsors and partners of the project.

The proposed Changing Places style toilet location is to be confirmed through developed design.

- 1 SHADE
- 2 SHELTERS
- 3 DRINKING FOUNTAIN
- 4 PROPOSED TOILETS
- 5 SEATING
- 6 SPONSOR WALL



NOTE: SURFACE COLOUR + EQUIPMENT TO BE FINALISED

CLAUDELANDS PLAYGROUND CONCEPT 024

SECTION THREE: AMENITIES

Amenities



EXISTING PICNIC SHELTERS



SHADE SAILS OVER PLAY AREAS



TOILETS



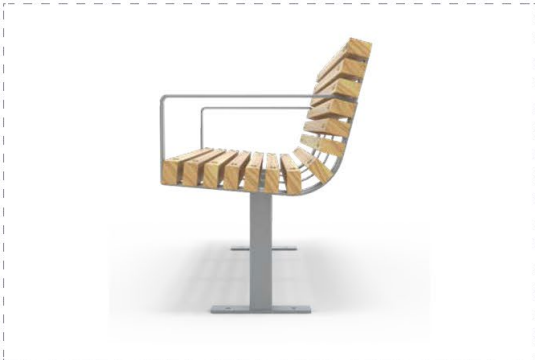
SPONSOR WALL



DRINKING FOUNTAIN



TIMBER PICNIC BENCH



TIMBER SEAT WITH ARMREST



TILT BIN

NOTE: IMAGERY IS INDICATIVE, FOR CONCEPTUAL PURPOSES ONLY

SECTION FOUR: THEME

Playground theme

Claudelands was once a large native forest, with Kahikatea trees the dominate canopy tree. The rust orange colours chosen for the shade sails and powder coating reflect the berries of the native Kahikatea tree that was once in abundance in the area, and are of historic significance to the site.

Blue is a key design element in the use of Magic Bridge Playgrounds, as it enhances creativity and stimulates a cool and relaxing environment.

Yellow provides a clear indication of pathways and edging for those who are visually impaired.

Smooth concrete pathways with a textural change of exposed aggregate edging helps signify the edge of the path and the change of zones throughout the playground, which is important for those who are visually impaired.

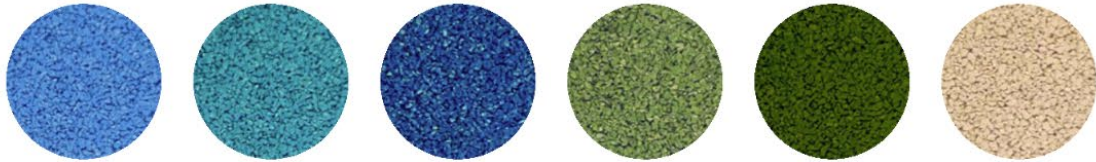
Historically Claudelands was a racecourse, show jumping and pony club events and major agricultural shows. We aim to link back to this through some playground elements and theming.



POWDER COAT COLOURS



SHADE SAILS



WETPOUR SURFACE COLOURS



ARTIFICIAL GRASS COLOURS



CONCRETE COLOURS



NOTE: SURFACE COLOUR + EQUIPMENT TO BE FINALISED

SECTION FOUR: EXAMPLES

# Magical Bridge Playgrounds

Precedent images of Magical Bridge Playgrounds in the United States.



EMBANKMENT SLIDES + SPIN ZONE



SPIN ZONE



SPIN ZONE



SENSORY SLIDE



PLAYGROUND OVERVIEW



YOU + ME SWINGS

SECTION FOUR: EXAMPLES

# Magical Bridge Playgrounds

Precedent images of Magical Bridge Playgrounds in the United States.



SWINGS



IMAGINATION PLAY



SPIN ZONE



SENSORY SLIDE



PLAYGROUND OVERVIEW



WATERPLAY

# Council Report

Item 13

**Committee:** Council

**Date:** 29 June 2022

**Author:** Amy Viggers

**Authoriser:** David Bryant

**Position:** Governance

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

**Report Name:** Community Based Committees Report

<b>Report Status</b>	Open
----------------------	------

## Purpose - *Take*

1. To seek Council's recommendation to the incoming Council (after the October 2022 local authority elections) to provide enhanced support to existing community-based organisations on a trial basis, for the purpose of developing more inclusive and collaborative engagement with Hamilton's communities.

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

2. That the Council:
  - a) receives the report;
  - b) recommends to the incoming Council after the October 2022 local authority elections that Council work with, and offer enhanced support to, existing community-based organisations to improve community engagement with, and advocacy and empowerment for, the diverse voices in the communities supported by those organisations (**Option 3** in the staff report); and
  - b) requests the Chief Executive present Council's recommendation to the incoming Council as part of its consideration of governance and delegation arrangements for the 2022-25 triennium, together with any additional information (including costs) required to support an informed decision on this matter.

## Executive Summary - *Whakaraapopototanga matua*

3. The report outlines the process and options for Council to decide on whether to recommend establishing and/or supporting community-based committees or organisations on a trial basis after the October 2022 local authority elections. Council requested this report on 11 November 2021, in response to some community groups advocating for community boards during Council's Representation Review.
4. Information on community-based committees, including draft options, was presented to elected members for feedback and discussion at a workshop (8 April 2022) and a briefing (23 May 2022). This included a summary on the targeted consultation undertaken during April and May 2022 (details for which are set out under [Engagement](#) and Attachment 2).
5. The purpose of community-based committees is to enable deeper engagement and advocacy at a grassroots level and to empower local communities to provide solutions for local issues. Their effectiveness and success depend on a number of factors, including:

- i. Having a clear purpose and role – what a community committee is to do, and its respective relationships with the community and Council, are clearly agreed and set out from the start. This is discussed further from paragraph 21.
  - ii. Representing and reflecting the diverse voices in the community, including through its membership.
  - iii. Having adequate resources to achieve their objectives – Council support for the establishment of new community-based committees, or enhancing the support provided to existing community-based organisations, is not budgeted in the Long Term Plan or 2022-23 Annual Plan. Additional funding would be required to provide effective support. This is detailed under Financial considerations.
- 6. Staff propose that Council recommends to the incoming Council (i.e. after the 8 October 2022 local authority elections) that it work with, and provide enhanced support to, interested community-based organisations (including Hamilton’s community houses) with which Council has an existing relationship (as detailed further in Option 3). This enhanced support would focus on:
  - i. strengthening engagement with diverse voices in the communities supported by those organisations, particularly the disengaged and under-represented.
  - ii. developing the advocacy role of the community-based organisations to improve community wellbeing.
  - iii. empowering communities to find local solutions to local issues.
- 7. Staff consider that this option provides an effective balance of the intended purpose of the trial, Council resources required to adequately support the trial and potential risks associated with establishing new community-based committees (as detailed under Options and Risks in this report).
- 8. Success criteria for any trial would need to be agreed upfront with the community-based committees or organisations that Council chooses to support. Staff propose that an independent review would be undertaken towards the end of the trial, and its findings reported to the Council for its consideration. If successful, Council could extend its support to other community-based committees or organisations, to help improve the wellbeing in, and engagement with, other communities.
- 9. It is proposed that a trial carried out for the duration of the 2022-25 triennium, should Council support one of the options to establish new community-based committees, or enhance the support to existing community-based organisations. A draft timeline for the options canvassed in this report is detailed in Attachment 3.
- 10. Staff consider the matters in this report have a low significance and that the options and recommendations comply with the Council’s legal requirements.

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

- 11. At its meeting [on 11 November 2021](#), Council requested staff report back to Council on a process to establish a trial for two community committees – one in the East Ward, and one in the West Ward. This resolution was in response to some community groups advocating for establishing community boards as part of Council’s Representation Review. The main themes from the community groups’ submissions were:
  - i. Improved engagement with local communities – a collaborative approach to engagement and decision-making.
  - ii. Advocacy and advisory – to hear from and represent diverse voices in the community, especially the disengaged and under-represented.
  - iii. Informed decision-making – to empower neighbourhoods to decide on solutions for neighbourhood issues.

- iv. Village democracy – to build and foster democracy at the community’s grassroots.
- 12. Council’s final proposal did not include community boards, which was confirmed in the [Local Government Commission’s determination of 8 April 2022](#). The LGC supported Council’s approach of considering alternative ways to address the issues raised by the community groups.
- 13. On 12 April 2022, staff presented initial research and potential models for community-based committees. This included benchmarking other councils that have a relationship with community-based committees. The purpose and roles, form and membership of community-based committees were discussed at the workshop, together with outlining the proposed targeted consultation.
- 14. Four online huis were held during April and May 2022 to gather views and feedback from community stakeholders on proposed community-based committees. This consultation is discussed further in the Engagement section of this report.
- 15. At the [Elected Member briefing on 23 May 2022](#), the key themes from the targeted consultation (refer to paragraph 80 in this report) and draft options for potential community-based committees were discussed. A detailed summary of the consultation is set out in Attachment 2.

## Discussion - *Matapaki*

- 16. Community-based committees have the potential to strengthen community connection and engagement at a grassroots level, and to hear from diverse voices in the community. This aligns with the ideas raised by community stakeholders who submitted in favour of Community Boards during Council’s representation review (see paragraph 10 above).
- 17. There is no set definition or ‘rule book’ of what community-based committees are, how they can be structured or what their purpose and roles can be. Key features of community-based committees that operate in New Zealand are:
  - i. They are usually not governed by legislation (as compared to Council’s committees and Community Boards), which enables a more informal and fluid approach to how they operate and evolve. Some exceptions to this are noted under Legal and policy considerations below.
  - ii. Community committees generally represent either a demographic section of the community (e.g. youth, ethnic/cultural, disabled) or a geographic community. Committees representing a geographic community do not require fixed boundaries (as compared to wards or community boards).
  - iii. Community committees are usually set up and/or managed by, and for, a specific community, independently from Council and other public authorities (the extent of their autonomy differs across community-based committees).

There are a number of community-based committees or organisations that Council already connect with and support, mainly through the Community Development team.

- 18. Supporting and working collaboratively with local communities through community-based committees or organisations aligns with Council’s strategic priorities:
  - i. A city that’s easy to live in – enable neighbourhoods to develop their own identity and increase the ability of a community to meet its own needs.
  - ii. A city where people thrive – empower and enable diverse communities to share their voice, and shape their community.
- 19. Effective community committees also reflect the principles of localism (i.e. giving citizens greater say in the decisions that affect their communities) as advocated by LGNZ and referenced by the Review into the Future for Local Government.

20. Community-based committees or organisations should not be seen as, or expected to be, the solution to address and fix the issues highlighted in this report. Such committees need to be considered together with other ways Council connects with Hamilton's communities, and provides opportunities for communities to connect with each other.
21. Council should take account of the significant package of reforms proposed for local government (including Three Waters, RMA and the Future of Local Government Review) when considering any trial for community-based committees. With this reform, there is a degree of uncertainty on the shape and function of councils going into the next triennium.

#### **Purpose and roles of community-based committees**

22. Each community-based committee should have a clear, documented purpose and terms of reference upfront to provide a focused operating framework. This aligns with research undertaken on community committees supported by other councils.
23. Through the online hui, community stakeholders considered that each community has its own needs and opportunities, and the priorities for a committee should be determined by the community.
24. At the 23 May 2022 Briefing, members in attendance suggested any community committee would need a structure to start from, including setting out the broad issues Council would want the committee to consider.
25. Based on feedback from both members and community stakeholders, the proposed main roles for community-based committees, if supported, would be:
  - i. collaborative engagement on issues affecting the community (both those raised by the community and topics referred to the committee by Council).
  - ii. connecting with the community:
    - A. hearing from and representing the diverse voices at a grassroots level. Community-based committees are well placed to use deliberative democracy tools to capture differing opinions at a local level; and
    - B. engaging with other community-based organisations and interest groups within the community.
  - iii. advocating for the interests of the community.
  - iv. empowering the community – local solutions to local issues. This could be through allocating funding to community-based committees or organisations, or delegating responsibilities, to deliver community-led initiatives.
  - v. giving effect to the principles of Te Tiriti o Waitangi – partnership, protection and protection of Maaori communities and culture.
26. **Attachment 4** provides a draft template terms of reference for a community-based committee. This draft template could be used by a community as part of establishing a new community-based committee (see **Options 1** and **2** below), should this be supported by Council.

#### **Options**

27. Staff have assessed that there are four reasonable and viable options for the Council to consider. This assessment reflects the level of significance, research undertaken on other councils, feedback from members (at the April workshop and May briefing), and community stakeholders (through the online hui).

28. **Options 1 to 3** contemplate a trial of either new community-based committees or enhancing Council's relationship with existing community organisations. Each of these options assume the following:
- i. The incoming Council approves additional funding required to support the community-based committees, including the recruitment of additional staff (see paragraph 59 below).
  - ii. Community-based committee or organisation meetings are held in a community venue, are led/managed by the relevant committee or organisation, and are open for the public to attend.
  - iii. Council appoints one or two Councillors as its liaison representatives for the community-based committees (Options 1 and 2) or existing community-based organisations (Option 3), who would attend their respective meetings. This was a strong preference from community stakeholders during the online hui.
  - iv. A staff liaison role is established, connecting the community-based committees (Options 1 and 2) or existing community-based organisations (Option 3) to Council's management and operations. This role would be undertaken via the Community Development team, and provide a single point of contact for Council operational issues, and help manage communications.
  - v. A reporting line is established between community-based committees (Options 1 and 2) or existing community-based organisations (Option 3) and the Council, or its relevant committee, as part of the incoming Council's governance structure.
    - i. There would be opportunities for regular periodic reporting to the relevant Council committee – biannually is recommended. This would enable the community-based committees or existing community-based organisations to update Council on their activities and achievements, supporting transparency to the wider Hamilton communities.
  - vi. Council would facilitate connections between community-based committees (Options 1 and 2) or existing community-based organisations (Option 3) and governmental and non-governmental organisations, as appropriate.
  - vii. An independent review of the trial would be undertaken in the last year of the trial period (recommended to be no earlier than two years from their commencement) and the findings reported back to Council.

**Option 1 – New community-based committees established (via election and appointment process)**

29. Getting started:

- i. Council selects the communities (to be represented by the committees) – whether geographic or profile based. This is discussed further from paragraph 44 below.
- ii. A hui is held with residents and stakeholders of selected communities to discuss how the community-based committee would work best for that community.
- iii. The new committees' membership is selected by appointment (from a local appointments panel) and a community-based election; the proportion for each to be considered at the earlier community hui to ensure the community's diverse voices are appropriately represented. Attachment 6 sets out a potential process for elections and appointments.
- iv. An MoU or charter is completed by each committee in partnership with the Council, which documents the purpose and terms of reference for the committee. Attachment 4 provides a draft template for discussion purposes.

30. Council's role:

- i. Support and facilitate the community-based election and appointment of committee members. Attachment 6 outlines a potential process for such elections or appointments.
- ii. Facilitate the first committee meeting (including appointment of chairperson, committee secretary etc).
- iii. Provide training to committee members on managing committee meetings (e.g. appointment of chairperson, agendas, minutes, meeting processes), decision-making (particularly if Council delegates responsibilities to the committees) and connecting with its community.
- iv. Council provide information and advice for the committee to have informed discussions with its community, within agreed parameters.
- v. Enable community-based committees to make recommendations to Council (or its relevant committees) on local community issues and opportunities. Any such recommendations would need to be considered in light of Council's other work programmes and priorities.
- vi. Provide a mechanism for the community-based committee minutes to be accessible to Council's elected and appointed members, and the wider public.
- vii. Potentially providing discretionary funding for community committees to allocate to placemaking or community-led improvement projects (as detailed further in paragraph 61 below). Additional delegations may also be considered by the incoming Council, though it is suggested this is considered in the second year of the trial.

31. Potential advantages and disadvantages

- i. The committees may strengthen engagement with, and advocacy for, the diverse voices in its community, particularly those who do not engage or feel represented by Council's current structures and processes.
- ii. Aligns with the preferred model of most of the community stakeholders through the online huis.
- iii. An open election process could provide a mandate to the community committee. However, a community-based election is unlikely to attract participation from sections of the community for whom the committees are intended to represent (e.g. youth) and also may not result in representation that reflects the diversity of the community.
- iv. The committees' success would depend significantly on its members and their ability to connect with and represent the community's grassroots. As with any committee, there is the potential for some individuals to dominate and prevent diverse voices being heard, which would adversely affect the community committee's purpose and success.
- v. There is a risk of new community-based committees duplicating the work done by existing community-based organisations within the selected communities, and potentially weakening the voice of those organisations through stretching community resources too thin.
- vi. New community-based committees would require significantly more Council resource and support than Options 3 and 4.

32. Potential growth after successful trial:

- i. It is expected Council would continue its support of the established community-based committees. This is likely to still be reviewed by each new council as part of its governance arrangements and Long Term Plan considerations.
- ii. The model could then be rolled out to other communities that shared similar characteristics as the communities supported by the existing committees (unless the Council at that time wished to focus on alternative criteria).

- iii. Potential of 4 to 6 community-based committees operating with Council's support in the 2025-28 triennium. These committees would require funding in addition to that estimated under Financial considerations below.

**Option 2 – New community-based committees established (via appointment and co-opting process, with an election to be potentially held at a later stage).**

- 33. This option was suggested at one of the community online huis.
- 34. Getting started: Same as Option 1, with the exception of determining the committees' membership. Half of the committee's membership is selected by an appointments panel; the intention being that experienced community stakeholders lead the establishment of each committee. The remaining committee members are co-opted by the initial committee to fill any 'gaps' in skills/experience and ensure the selected communities' diverse voices are represented.  
  
This option contemplates that an election for committee membership would be held should the trial be considered successful and Council's support continues into a new term.
- 35. Council's role: Same as Option 1, other than there being no requirement to support a community-based election upfront.
- 36. Potential advantages and disadvantages – substantially the same as Option 1, noting the following differences
  - i. Risk of less buy-in or a mandate from the community if members are only appointed or co-opted, and that the majority of committee members could be community stakeholders who already engage with Council. This could be mitigated to some extent by utilising a local appointments panel to complete the appointments process and vet proposed co-opted members.
  - ii. The new committee might require less resource and support upfront than Option 1 (depending on the experience and connections of appointed members), though it would still need more resource and support than Options 3 and 4.
- 37. Potential growth after successful trial: Same as Option 1.

**Option 3 – Building enhanced connection and support to existing community-based organisations**

- 38. Getting started:
  - i. This option intends to build on the relationship Council already has with existing community-based organisations (i.e. community houses and other key community groups), utilising their structures, know-how, and grassroots connections, to develop a more inclusive engagement approach with communities supported by those organisations.
  - ii. An MoU or service-level agreement would be completed with interested community houses/organisations, setting out how Council and the community organisation would work collaboratively together to achieve agreed community objectives and what additional support/resources Council would provide.
  - iii. While this option takes a wider approach than selecting and focussing on two specific communities (i.e. Options 1 and 2), the objectives (as detailed in paragraph 24) would substantially be the same – working with communities to strengthen community engagement, advocacy and empowerment.
- 39. Council's role: In addition to the roles assumed in paragraph 27 above, and those already provided by Council staff:
  - i. To work collaboratively with, and support, partner community-based organisations to help them achieve their objectives, where these align with Council's strategic priorities.

- ii. To promote, and encourage community residents and ratepayers to attend, community network and community house meetings, so more diverse voices attend and are heard.
- iii. To hold early engagement sessions with partner community-based organisations on significant Council strategies, plans and policies, where these would affect the respective communities. This could include deliberative democracy sessions with a random selection of community residents, where appropriate.
- iv. Provide training to committee-based organisations to help them support their objectives and engage with their communities.

40. Potential advantages and disadvantages

- i. Community-based organisations' interest in an enhanced support package from Council would first need to be assessed. If this option was supported, the Community Development team could complete this assessment for the report to the incoming Council within existing resources.
- ii. Less time and resource is required to support than Options 1 and 2, while working with organisations that already has grassroots connections.
- iii. This option aligns with the preferred model of a minority of the community stakeholders' through the online huis.
- iv. Communities in which the community-based organisations are located generally align with the characteristics community stakeholders considered should be the focus of any additional Council support (see paragraph 45 below)
- v. May encourage other community houses or organisations to develop in communities that currently do not have such support networks.
- vi. The partner community organisation's purpose and objectives may need to be amended if the proposed charter or agreement with Council contemplates a wider remit than currently undertaken. This will depend on the organisation's governing structure and documents.
- vii. Potential to (further) stretch community-based organisations and their leaders unless any additional objectives are sufficiently resourced and supported by Council, the exact scope of which would need to be discussed with the organisations.

41. Potential growth after successful trial: New community houses or community-based organisations may emerge, reflecting both the success of the trial and new growth areas becoming more established within Hamilton (e.g. Peacocks, Rotokauri, Ruakura). Council could offer the enhanced support model to these additional organisations.

**Option 4 – No community-based committees are established**

42. This reflects the status quo. Council may, instead, request that staff explore alternative mechanisms to achieve the outcomes sought by community stakeholders (see paragraph 10 above and Attachment 2), other than contemplated in Option 3.

43. There would be no additional role or responsibility for Council to undertake.

44. Potential advantages and disadvantages

- i. Provides an opportunity for the incoming Council to consider, within its new governance arrangements, alternative (and potentially more targeted) ways to improve community connection and collaborative engagement with disengaged and under-represented sections of Hamilton's communities.
- ii. No additional funding or resource (as identified under [Financial considerations](#)) would be required, at least initially.
- iii. Community stakeholders may be disappointed and feel that their concerns and ideas have not been satisfactorily addressed by Council in a timely manner.
- iv. Would require an additional project or work programme for staff to undertake that is currently not scheduled, if Council requested information on alternative options.

### Selecting communities for a trial

45. For Options 1 and 2 above (supporting a trial for new community-based committees), location is a key factor as each community will have different needs and opportunities to focus on, and the committee membership should reflect the diversity within that community.
46. Many of the community stakeholders in the online huis considered two community committees would not be enough and suggested it was difficult to prioritise specific communities for a trial. General factors to determine the best location for community-based committees were highlighted instead, the main ones being:
  - i. Vulnerable, low socio-economic/high social deprivation communities.
  - ii. Communities with a high proportion of youth and Maaori.
  - iii. Communities with less access to local Council amenities (parks, libraries, playgrounds etc).
  - iv. Different views were expressed on whether committees should be based in communities with existing community infrastructure (e.g. community houses).
47. Other stakeholder views on the possible location of community-based committees are canvassed in Attachment 2.
48. Elected Members at the May briefing generally supported a focus on vulnerable, lower socio-economic communities – one in the East Ward, one in the West Ward - in deciding the location of any proposed community-based committees. Another suggestion was to have one committee located in a high socio-economic area, and the other situated in a low socio-economic area, which was also suggested at one of the community stakeholder huis.
49. Alternatively, Council could consider supporting demographic or profile based community committees. These would be linked to specific demographic communities in Hamilton (instead of geographic communities), with a focus on those communities who are currently less likely to engage with Council and/or perceive that they are not represented by Council. Youth and Maaori are two communities referenced in the community stakeholder huis. This alternative proposal was discussed after the May Briefing. While there are substantial similarities in the set up and support of both profile and geographic community-based committees, there are some differences (e.g. meeting processes and location) that staff would address in the report to the incoming Council should Council support this type of community-based committee.
50. Attachment 5 provides demographic and other statistical information (including location of Council libraries and swimming pool facilities) to inform members' decision on the specific communities to be represented by community-based committees, should establishing such committees be supported.
51. In summary, for geographic-based community-based committees:

High proportion of youth (median age)	High proportion of Maaori (population %)	Social deprivation (decile 10)	Under-representation in Council engagements
Ruakura	Templeview	Crawshaw	Whitiora
Greensbro	Bader	Enderley	Claudlands
Crawshaw	Crawshaw	Nawton East	Enderley
Hillcrest	Enderley	Chartwell	Crawshaw

High proportion of youth (median age)	High proportion of Maaori (population %)	Social deprivation (decile 10)	Under-representation in Council engagements
Hamilton East Cook	Fairfield	Fairfield	Fitzroy
Bader	Nawton East	Porritt	Riverlea
Silverdale	Kahikatea	Bader	
Kahikatea	Swarbrick	Swarbrick	
Fairfield	Chartwell	Greensboro	

52. Given the focus of community-based committees and that funding to resource and support any proposed committees is not budgeted in the Long Term Plan or 2022-23 Annual Plan (see [Financial considerations](#) below), it is appropriate for Council to decide on the number and location or demographic profile of such committees for a trial (based on the information provided) should it wish to proceed with Options 1 or 2.

#### Reviewing whether the trial is a success

53. Under Options 1 to 3, criteria would need to be determined to be able to assess whether the trial proposed in each of these options was successful.
54. From Council's perspective, the success criteria would include:
- Whether the activities of the community-based committees or organisations improved the community's wellbeing and aligned with Council's strategic priorities.
  - Whether any funding provided by Council was allocated (by community-based committees) in accordance with the parameters agreed with Council.
  - Whether engagement by the community-based committees or organisations in the relevant community/ies captured more diverse voices on Council plans and policies.
55. Detailed criteria would be agreed with the community-based committees (Options 1 or 2) or community-based organisations (Option 3) as part of the MoU or agreement that documents the purpose and scope of the trial.

#### Recommended option

56. Staff recommend Option 3 (enhanced connection and support with existing community-based organisations) for the purpose of a trial during the 2022-25 triennium. Staff consider there is an opportunity to build on the positive, ongoing relationship Council has with a number of community-based organisations (including existing community houses), which would contribute to achieving the purpose of community-based committees outlined earlier in the report.
57. While additional funding would be required to implement this option effectively, the estimated costs would be considerably less than **Options 1 and 2**.
58. A successful trial under Option 3 could encourage other community-based organisations to start in other communities, looking to work with Council to improve the wellbeing in their respective communities.

59. A proposed timeline is in Attachment 3, should Council support the staff's preferred option (or Options 1 or 2). A staged process is recommended to provide the best opportunity for the committees' success and enable effective allocation of Council resources for the duration of a trial.

#### Financial Considerations - *Whaiwhakaaro Puutea*

60. The costs for supporting and resourcing any community-based committees as proposed in this report, including assisting with any setup of such committees, is not budgeted in the Long Term Plan or 2022-23 Annual Plan.
61. A draft budget of estimated principal costs for Options 1 to 3 for the 2022-25 triennium is set out in the table below. No additional funding would be required for **Option 4** for 2022-23.
62. Additional staff resource would be required to fulfil Council's support role under **Options 1, 2 or 3**. Key proposed staff appointments are set out in the table below.
63. Council should note that other staff resource across the organisation (i.e. in addition to proposed key appointments) would also be needed on a regular basis, and that staff time spent on community-based committees should not be underestimated (based on the experiences of other councils). For example, attending committee meetings for presentations/advice, collating and circulating information, facilitating connections to other agencies. The incoming Council would need to consider this as part of its wider governance arrangements (particularly for **Options 1 and 2**) and clearly outline the extent of any support it would provide to community-based committees or organisations, should this Council support one of these options.
64. The proposed funding allocation for **Options 1 and 2** would enable community-based committees to lead initiatives to address local needs and priorities, helping to create a sense of community pride and belonging. This funding would be in addition to that allocated via other mechanisms (e.g. Single-Year community grants). Staff suggest this funding is introduced in the second year of a trial, so that the new community committees have time to get established and connect with their respective communities, and for staff and the committee to discuss the priorities, process and parameters of any funding. If funding is approved, staff would oversee and advise on the allocation process and decisions. For Option 3, staff would continue to support the community-based organisations with their funding applications to Council's existing funds and grants.

Operational cost item	2022-23		2023-24 onwards	
	Options 1 & 2	Option 3	Options 1&2	Option 3
<b>Additional staff resource (including overheads):</b>			As per 2022-23 + any increases approved in the Annual Plan/Long Term Plan process	
○ 1 FTE - Community Development	\$81,307	\$81,307		
○ 1 FTE - Communications	\$103,712	Variable		
○ 0.5 FTE Governance	\$43,000	-		
<b>Additional funding to support establishment of committees (Options 1 and 2)</b>	\$23,000	-	-	-
<b>Member remuneration</b>	\$24,000	-	\$24,000 per	-

Operational cost item	2022-23		2023-24 onwards	
	Options 1 & 2	Option 3	Options 1&2	Option 3
			annum	
<b>Discretionary funding</b>	-	-	\$100,000 (\$50,000 per committee) per annum	-
<b>Training</b>	\$20,000	\$10,000	\$10,000 per annum	\$10,000 per annum
<b>Venue hire</b>	\$1,680	-	\$1,680	-
<b>Independent review on trial</b>	-	-	\$3,000 - \$7,000	\$3,000 - \$7,000
<b>Total (estimate)</b>	<b>\$296,699</b>	<b>\$91,307 (+ any comms costs)</b>	<b>\$376,699 – 380,699 (+ any increase to staff salaries)</b>	<b>\$94,307 – 98,307 (+ any increase to staff salaries and comms costs)</b>

## Notes:

- i. Additional staff resource identifies the main roles expected to support community-based committees, if established. As noted, other staff across the organisation would also be required to support the committees' activities on a regular basis. It is difficult to accurately estimate the costs for this additional support, though as noted, it should not be underestimated.
- ii. 2022-23 actual costs would be pro-rated for the balance of the financial year at the time approval for funding is sought, and would therefore be less than the annual amounts stated above.
- iii. Establishment costs are for non-staff resource include communications support, venue hire, catering, koha for appointment panel members.
- iv. Member remuneration is based on a maximum of 10 community members per committee, each member receiving \$200/meeting attended with meetings occurring on a monthly basis. Remuneration recognises the value of community members time and skills, while also potentially attracting a more diverse range of members.
- v. Options 1 and 2 - discretionary funding would be proposed to commence in the second year of the trial and considered as part of the 2023-24 Annual Plan (see paragraph 61).
- vi. Venue hire is based on using community house-type facilities for 2 hours/monthly meeting.
- vii. The independent review on any trial as proposed in this report would start in the 2024-25 financial year, the costs for which would need to be considered in the next LTP.

65. Should Council support Options 1, 2 or 3, a detailed budget requesting additional funds for the current financial year would be included in the staff report to the incoming Council that seeks approval to this Council's recommendation.

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

66. There are no legislative requirements to establish or operate a community-based committee (except if such committee is established as a Council committee under Schedule 7, Local Government Act 2002). However, should Council grant funding to a community-based committee to support its purpose, the committee would need to be an appropriately incorporated legal body to receive such funds (as is required for other community-based organisations).
67. Council could delegate certain responsibilities to any community-based committees under clause 32, Schedule 7 LGA 2002. This would best be considered by the incoming Council as part of its governance and delegations structure. Any delegated responsibilities would need to be exercised in accordance with relevant legislative requirements, including decision-making under the Local Government Act 2002. In practice, this would be satisfied through appropriate training to committee members, and staff advice provided as and when required.
68. If this report's recommendation is approved, staff would present a report to the incoming Council following October's elections with this Council's recommendation, and advising on how the community-based organisations would best connect (and report) into the new Council's formal governance arrangements.
69. Staff confirm that the report's recommendation complies with the Council's legal and policy requirements.

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

70. The subject matter of this report has been evaluated in terms of the 4 wellbeings as outlined below. The recommendations set out in this report are consistent with that purpose.

#### **Social**

71. The purpose of local government is "to enable democratic local decision-making and action by, and on behalf of, communities" (section 10, LGA 2002). The use of "by" is meant to signify the importance of providing mechanisms for citizens to directly take part in decision-making processes themselves (participatory democracy).
72. Research has shown that where people have a greater say about the policies and programmes that affect their lives, the more likely they are to participate in democratic processes (e.g. vote). If supported by Council, community-based committees or organisations could be an additional mechanism to deepen participation and engagement at a neighbourhood level; they would not be intended to replace other ways Council connects with, and supports, communities (i.e. either current or proposed).

#### **Economic and Environmental**

73. As noted, community-based committees and organisations have the potential to provide individuals and communities additional opportunities to participate in decision-making that may have an impact on a community's economic and/or environmental wellbeing.

#### **Cultural**

74. Community-based committees provide another way to honour the principles of Te Tiriti o Waitangi, supporting the capability and capacity of Maaori communities to include their unique heritage and culture in community decisions.

75. If **Options 1 or 2** are supported, it is recommended that both Mana Whenua and Maataawaka have an active role in the establishment and membership of community-based committees, including any appointments panel that is convened.
76. Community-based committees and organisations also provide a place and opportunity to recognise and celebrate diverse ethnic and cultural events at a local level, which in turn builds a stronger understanding and connection across communities.

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

77. Experience from other councils researched indicate that community-based committees are not always effective in enhancing community engagement, with some councils noting they had become an “added layer of bureaucracy” that did not improve community wellbeing in a meaningful way. Committee membership, council support/resourcing, non-alignment of community and Council expectations, and uncertainty on the purpose/role for the committee appear to be some contributing causes. The set-up stage for any community-based committee is therefore critical to its success, though there would still be some factors outside Council’s control.
78. Other potential risks in establishing community-based committees include:
- i. The committee is (or becomes) directed by individuals or stakeholders who already engage with Council processes on a regular basis. This could limit the committee’s potential and purpose, particularly if the community’s diverse voices are not adequately represented. The process to select members, and the committee’s terms of reference requiring the diverse views of the community to be captured and represented, could lessen, but not eliminate, this risk
  - ii. Additional staff resource required across the organisation to support the community-based committees (i.e. above the new positions to be recruited, as recommended under [Financial considerations](#)). This could stretch staff capacity to respond to committee requests, and deliver other Council priorities and work programmes. Agreeing clear expectations on staff resource upfront– both in terms of how, and the level of support, that would be available – would mitigate this to some extent.
  - iii. The committee or community-based organisation disengages with Council or feels ineffective because its proposals and/or recommendations to Council are not supported or has insufficient authority to lead community-led solutions, resulting in a negative perception in the community. Having clear expectations early and ensuring ongoing conversations on Council’s wider priorities is necessary – the appointed Councillors and staff liaison would be critical here.
  - iv. Communities that are not part of the trial may express dissatisfaction with Council funds being used for this purpose.
79. If Council decided to proceed with a trial as contemplated in Options 1 to 3 in this report, though chose not to support the continuation or expansion of Council’s support at the end of the trial, community stakeholders are likely to be disappointed and believe disengagement would become more entrenched. This would depend on a number of variables at the time, including the outcome of the proposed independent review of the trial and other Council mechanisms to strengthen engagement with the community (e.g. Voice of Hamilton Kirikiriroa).

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

80. 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

81. Four online hui were held with community stakeholders during April and May 2022. Representatives from the following community organisations attended:
- i. Community Waikato
  - ii. Western Community Centre
  - iii. K'aute Pasifika
  - iv. Te Whare o Te Ata
  - v. Te Rongopai Community Trust
  - vi. Hamilton Team Integrity
  - vii. Dinsdale Residents Group
  - viii. Waikato Tainui
  - ix. Ngaati Wairere
  - x. Te Haa o te whenua o Kirikiriroa (THaWK) and Ngaati Mahanga
  - xi. Citizens Advice Bureau
  - xii. Te Kohao Health
  - xiii. Community Patrols NZ
82. A full list of stakeholders invited to the online hui, together with a detailed summary of their feedback, is in Appendix 1 of the 23 May Briefing discussion document (Attachment 2).
83. A survey was also sent to Te Whare Kokonga, Glenview Community Centre and Te Papanui Community Enderley Trust, representatives of which were not able to attend the online hui. No responses were received from these stakeholders.
84. The key themes from the online hui were as follows:

Discussion topic	Key themes
<b>Purpose and roles</b>	<ul style="list-style-type: none"> <li>• The community should determine the purpose and priorities of its committee - each community has its own needs and opportunities.</li> <li>• Creating stronger connection of the community at the grassroots; to provide a voice for the disengaged and under-represented.</li> <li>• To focus on community-level issues and community wellbeing; using local knowledge to come up with local solutions.</li> </ul>
<b>Structure and form</b>	<ul style="list-style-type: none"> <li>• Most stakeholders preferred the model of establishing a new committee; using existing social and community infrastructure and know-how.</li> <li>• Some stakeholders preferred a model of current community groups/trusts being at the centre of a community-based committee.</li> <li>• Committee should be managed by the community, not Council.</li> </ul>
<b>Council's role</b>	<ul style="list-style-type: none"> <li>• A collaborative, 'partnership' approach between Council and the community-based committee.</li> <li>• Resource and funding to help the committee succeed.</li> <li>• Appointed councillors to attend committee meetings, together with a staff liaison.</li> <li>• Establish a 'reporting line' between the community-based committee and the relevant Council governance body.</li> </ul>

Discussion topic	Key themes
<b>Location</b>	<ul style="list-style-type: none"> <li>Two community-based committees were not enough; difficult to prioritise specific communities over others.</li> <li>Refer to paragraph(s) 44 to 50 that outline factors raised to help determine the best communities to focus on.</li> </ul>
<b>Membership</b>	<ul style="list-style-type: none"> <li>Most stakeholders preferred a mixed 'community election'/appointment model to determine committee membership.</li> <li>A community appointments panel could lead the appointment and vetting of candidates.</li> <li>Some considered elected membership provided a mandate to the committee; others believed some may not engage with elections (e.g. youth) and elections also may not provide representation for diverse voices.</li> <li>A strong youth and Maaori representation was required.</li> <li>Some stakeholders supported remuneration for members.</li> </ul>
<b>What success looks like</b>	<ul style="list-style-type: none"> <li>Communities to set own priorities for the committee to decide on how best to action/achieve these.</li> <li>Strengthening the connection and 'local pride' in a community.</li> <li>Positive impact on community wellbeing.</li> <li>Better understanding of what Council does and how it impacts everyone at a grassroots level.</li> </ul>

85. Waikato District Health Board representatives who oversee the DHB's community forum programme were also consulted. They highlighted the following learnings:
- The community should lead the agenda.
  - Meetings need to be accessible for all in the community (e.g. location, timing, how meetings run, inclusive).
  - Work with local leaders with mana in the community.

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

Attachment 1 - Benchmarking of other Councils and Community Committees

Attachment 2 - Summary of targeted consultation (Appendix 1 of the Discussion document for the 23 May 2022 Briefing to Elected Members)

Attachment 3 - Proposed timeline for establishing/supporting Community Based Committees

Attachment 4 - Draft template terms of reference for a Community Based Committee

Attachment 5 - Community Demographic and Statistical Information (Options 1 and 2)

Attachment 6 - Outline of proposed process for a community election or appointment of members to Community Based Committee (Options 1 and 2) .

Attachment 1 – Key findings of research on other councils’ community committees

	Tauranga City Council	Waikato District Council	Selwyn District Council	Taupo District Council	Rangitikei District Council	Manawatu District Council
Purpose and delegations	Engagement with communities (Non-financial) support specific community projects	Engagement with communities, stakeholders and special interest groups Advocacy of community issues; prepare submissions to Council Maintain overview of Council services Support local projects agreed with Council Discretionary funding for community projects/events or administration funding Recommendations to Council	Engagement with communities Maintain overview of Council services Funding for community projects/events (under review)	Engagement with communities, stakeholders and special interest groups Advocacy of community issues; prepare submissions to Council Maintain overview of Council services Limited delegations re roading, transportation, reserves <sup>1</sup> Consider appeals to Council’s Tree and Vegetation policy from community Recommendations to Council	Engagement with communities Advocacy of community issues Maintain overview of Council services Funding for community projects/events Recommendations to Council (specific external funding applications)	Engagement with communities Advocacy of community issues; prepare submissions to Council Funding for community projects/events Develop and oversee community plans Community hall management Recommendations to Council
Form	Independent/Community hub	Semi-autonomous	Council committee (proposed to be independent)	Council committee	Semi-autonomous	Semi-autonomous
Membership	Open to everyone – no election/appointment process	Community-based election – community representatives Council appoints local Councillor; Mayor as ex-officio member 3-12 members/committee (average 6-7)	Community-based election (under review) Membership varies – average 6-7 members. Councillor(s) attend, but not as members.	Appointment process: a. Mayor and Councillors appointed by Council b. Community representatives appointed via EOI/Council c. Marae appoints representative 7 members/committee	Community-based election – community representatives Council appoints 1-2 councillors. Mayor as ex-officio member 7-10 members/committee	Community-based election – community representatives Council appoints liaison councillor (non-member) 7-10 members/committee
Remuneration	Voluntary	Voluntary	Voluntary	\$200/meeting for community and marae representatives	Voluntary	Voluntary
Council support	Governance, Community Development and Communications	Governance (committees take own minutes), 1 x staff liaison, Communications; staff reports	Administrative only (including Council website).	Governance (attend meetings); 1 x Executive Leadership liaison; Staff reports	Admin support only (including Council website) Staff verbal reports	Community Development Staff reports
Meetings	No formal structure/process	Monthly or six-weekly	Monthly (in practice, less often)	Every 2 months (in practice, less often)	Every 2-3 months	Varies – monthly to every 3 months
Key learnings	Clarify roles and responsibilities upfront Avoid over-promising, under-delivering Community-led meetings	Staff and councillor liaison role is vital Empower committee to lead community discussions	Autonomy for committees	Provides useful contact point for elected members Open and transparent information sharing Staff presence at meetings well received	Clarity of purpose/terms of reference upfront Working collaboratively with community early Often requires more staff resource than Council’s standing committees	Empower community to make decisions for its own issues Community-led planning – Council support with goods/services (rather than labour) Support external funding applications Avoid imposing bureaucratic processes/formal structures

Item 13

Attachment 1

<sup>1</sup> For one representative group only  
Council Agenda 29 June 2022- OPEN

## Attachment 2 – Summary of targeted consultation (Appendix 1 from Briefing Discussion Document – 23 May 2022)

The following stakeholders were invited to online hui to discuss community-based committees; four hui were held in total\*. The stakeholders in blue attended one of the hui.

- Community Waikato – Holly Snape, Anne Douglas
- Western Community Centre - Neil Tolan
- K'aute Pasifika – Ofa Pouono
- Te Whare o Te Ata – Ofa Pouono, Simon Leadley, Anne Douglas
- Te Rongopai Community Trust – Susanne Rowse
- Hamilton Team Integrity - Raymond Mudford, Rudi Du Plooy
- Dinsdale Residents Group – Graeme Mead
- Waikato Tainui – Linda Te Aho, Maanaki Nepia
- Ngaati Wairere – Carolyn Hopa
- Te Haa o te whenua o Kirikiriroa (THaWK) and Ngaati Mahanga - Hone Thompson, Rawiri Bidois, Sonny Karena, Atuttaki and Rangiui Riki, Milton Ngaruhe, Sheryl Matenga, Sonny Matenga, Raiha Gray, Mape Matika
- Citizens Advice Bureau – Gail D'Aith, Liz Yorston
- Waikato DHB Community Forums - Greg Morton and Norma Taute
- Te Kohao Health – Mira Martin
- Community Patrols NZ – Gordon Walker
- Te Whare Kokonga
- Glenview Community Centre
- Te Papanui Community Enderley Trust
- Pukete Neighbourhood House
- Kirikiriroa Marae
- North East Community Hub
- TOTI Trust – Margaret Evans
- Te Runanga o Kirikiriroa
- Seed Waikato
- Settlement Centre Waikato

\* An online survey was also sent to Te Whare Kokonga, Glenview Community Centre and Te Papanui Community Enderley Trust, representatives of which were not able to attend the online hui; staff are awaiting responses at the date this document was completed.

The principal purpose of the hui was to listen to, and capture, the feedback and comments from stakeholders on various topics in relation to community-based committees without filtering or 'leading' the path of discussion. A comprehensive summary is detailed in this Appendix.

## ***What could the purpose and roles of a community committee be?***

### **Community focus**

- Need to first identify and then sit with the community to work out their needs and opportunities. Each community will be different; a blanket approach would not work.
- The focus should be on the relationship between the community and committee, not the committee and the Council. This is an essential part of the committee's mandate.
- To focus on, and advance, community-level issues and concerns.
- To hear from, and feedback to, the community in language they understand.
- Connecting the community at grassroots level – better communication and information sharing; embrace manaakitanga. Many communities lack trust in public authorities, making it difficult to engage with them.
- Safety in the community (e.g. ram raids, vandalism, graffiti).
- The impact of broader issues (e.g. climate change) and coming up with solutions at the neighbourhood level.
- To improve community wellbeing.

### **Community voice**

- To elevate diverse voices of the community; to provide a safe, welcoming space to be heard. Many people find addressing Council intimidating and difficult.
- To provide a voice for the disengaged and under-represented.
- Mana whenua to have an active voice at the committee table.

### **Community empowerment**

- To enable the committee to independently allocate resource to fix community issues.
- To use local knowledge in coming up with solutions to local issues so the committee has a real, positive influence on the neighbourhood.

### **Council and community relationship**

- To bring Council to the communities so there's a better understanding by the Council of community needs at a grassroots level. Stakeholders referred to a disconnect between Council and some communities; a collaborative/partnership approach was required.
- It is important for Councillors to attend meetings.
- To identify what Council does and how it impacts the community, why things are done the way they are etc in terms that the community can understand.
- Concern expressed of Council potentially overriding or ignoring decisions/recommendations from a community committee, and the adverse impact this would have on the committee's mandate with its community.
- To have discussions in more detail on Council priorities (especially on funding – e.g. LTP, AP).

### ***What type of committee would work best for the community?***

## **Attachment 2**

#### **General comments**

- Committees need to be appropriately resourced to succeed for their community, whatever the form or structure used. This can include in-kind resourcing.
- Needs to be informal and based in the community.
- Committee must be community-driven to get the community's 'buy in'. Embed mana motuhake, - independence and self-governance are key (e.g. committee sets its own agenda). There was little to no support for Council "control" or management of the community committees.
- There needs to be a direct link between the community committee and the Council, so the committee has credibility at the Council table and in its community.
- To agree, and set out, when (i.e. triggers) and how a committee would be disestablished.
- No support for a formal Council committee structure.

## **Item 13**

#### **New committee model**

- Most stakeholders preferred this model.
- Feed from established community groups and organisations, which already have a mandate in their community; leverage off what is already being done in the community. Representatives from existing community groups/organisations in the same area could be appointed as members to the new committee.
- New committee could have wider objectives than current community groups.
- Start with something fresh, but not at the expense of the support for community houses and centres that is already in place.
- Concern expressed on Council establishing similar forums in the past and then getting rid of them, which resulted in some losing faith in Council's intentions.

#### **Existing community organisation(s) model**

- Some stakeholders preferred this model.
- Opportunity to work with and strengthen current community groups; find out what work and support they need and where Council can enhance the mahi they do for their community.
- Reference made to North East Community Trust - its contribution to the Rototuna community village and inclusion of mana whenua in this korero.
- Some noted that current community groups or trusts may be restricted on what they can do by their own mandates.

***How do you see Council being involved for the community committee to be successful?***

**Item 13**

**Partnership and collaboration**

- Council must adopt a collaborative/partnership approach when working with the community committee. Concerns expressed by some stakeholders with Council's general engagement approach with the community, where they felt that a draft solution is presented for consultation rather than first working with the community on what the community see as their priorities and *if* a solution is required to an issue, what should it look like.
- Expectation of early engagement from the Council on issues that will impact the community.
- To listen to community's ideas and let the community lead solutions.
- To respect and embed the principles and obligations under Te Tiriti o Waitangi.
- Acting in good faith is fundamental between the Council and the community.
- Strong preference that Council does not control or 'set the agenda' for the community committee – a 'light touch' from Council.

**Resource and funding**

- Committees need to be funded and resourced to achieve success.
- Council needs to trust the community and give the committees 'teeth'.
- There needs to be a meaningful contribution from Council to meet community aspirations and expectations. Concern expressed that a lack of commitment from the Council would be counter-productive and risk the opportunity that community committees afford.
- In-kind support could include communications (with the community) and a staff champion/liaison role as a conduit with Council.

**Attachment 2**

**Connection**

- Essential for elected members to be seen and participate at the community committees, and to hear directly from the community. One suggestion was that part of each meeting is held without Council representatives being present to enable 'free and frank' community discussions.
- Elected members should not have voting rights on the committee, if they are appointed as a member.
- A direct link to Council or Council Committee is required so the community committee has dedicated time to be heard at Council table.
- Council to facilitate connections to other agencies, public authorities and government bodies, if required.

## ***What community/communities would be best served by a community committee?***

### **Attachment 2**

#### **General comments**

- Stakeholders generally felt that trialling two community committees would be insufficient, and it was difficult to identify two communities/community areas that should be prioritised over others.
- There needs to be a clear path on how committees will grow, and be supported, in other communities so this is not seen as a 'one-off trial'.
- Each community has different needs and opportunities and should not be grouped together for convenience. Dinsdale and Nawton were referenced as an example.
- There needs to be interest from the community to come together and work with Council to set-up and agree what the community committee will do.
- No support for a 'ward-wide' committee given different priorities, demographics and issues for each community.

### **Item 13**

#### **Factors to consider in identifying communities for a trial**

- Communities with high social deprivation or vulnerable communities. There was a general feeling these communities were disconnected and disengaged, including with Council.
- Communities where there is no community house or centre currently operating. The central city/Te Rapa area was referenced in light of growing emergency housing and vulnerable communities – their voice needed to be heard.
- Communities that were relatively disadvantaged in terms of access to community facilities and resources; greatest opportunity to improve the neighbourhood.
- Communities where no elected members lived.
- One suggestion of having a committee represent a high socio-economic community, and another represent a low socio-economic community; to highlight the differences for Council and the opportunities for the two communities to work together.
- Some community profile areas were noted:
  - East Area 3 – Queenwood, Chedworth, Miropiko, Chartwell
  - East Area 4 – Porritt, Fairfield, Enderley, Fairview Downs
  - West Area 6 - Bader, Deanwell, Fitzroy, Glenview, Melville, Resthill, Peacocke (different views were expressed on whether Peacocke should be grouped with Melville/Glenview).
- Other communities referenced were Ruakura, Flagstaff, Nawton, Dinsdale-Templeview.

## ***How should committee members be chosen to best represent the diverse voices of their community/communities?***

### **General comments**

- Need to identify the community/communities that will be part of the trial first to ensure that the membership reflects, and comes from, that community (e.g. local demographics).
- Remuneration for members supported by some stakeholders, to help get a broad range of voices on the committee, including those that are the hardest to reach.
- The best people are often very busy, so flexibility is required to attract them to the role.
- Use existing networks to identify and help bring diverse voices to the committee table.
- Committee could seek volunteers in the community to provide expertise on specific issues, to supplement members' local expertise.
- Community committees could provide an opportunity for developing future candidates at local or central government elections. Some noted caution of appointing members who came with this agenda though.
- Some stakeholders supported limiting the term of a member to enable different voices to be represented.
- There was support for having a strong Maaori and youth voice on the committee, to improve engagement and reflect the Treaty of Waitangi principles. Some advocated for Maaori to make up half of the members.
- Committee to appoint its own chair, who should be someone with mana in the community.

### **Method of selecting members**

- A mixed approach of appointment and a community election was the preferred approach by most stakeholders.
- Acknowledgment that an election provided a mandate from the community and an opportunity for anyone in the community to step forward.
- Concerns expressed that elections can be "messy", do not necessarily get the best people for the job or provide proportional representation for the diverse voices in a community, and that some sections of the community do not engage with elections (e.g. youth).
- An appointments panel comprising people of standing in the community (e.g. religious leaders, school principals, mana whenua, Mayor/Councillor) could be used to make initial appointments.
- The following was a suggested approach from one hui to ensure a successful set-up:
  - Appoint initial members who are keen, known advocates for the community and who have some experience in community-based organisations via an appointments panel. 8 initial appointments was suggested.
  - Enable this initial committee to co-opt others from the community to 'fill gaps' in terms of expertise and diversity, as required, through existing networks. The appointments panel could be used to ensure appropriate appointments are made.
  - Limit the initial term to two years to enable committee set-up and then hold a community election (under Council's direction).

***What does success look like for the community committee?***

- The community should set out its own priorities and how these can be actioned/achieved, which will frame how to measure success – this can't be dictated or set for the community. It was suggested that external facilitation of framing success for the community committee would be helpful.
- Sense of achievement, connection and 'local pride' in the community – creating a 'village' feeling, where the community feel they have been heard, and communities are empowered to come up with solutions for community issues.
- Positive impact on community wellbeing – health, safety, youth, access to parks and play areas.
- Narrative moves away from 'gaps', 'deficits' and 'disadvantaged' to 'successes', 'strengths' and 'opportunities'. Building community capacity and resilience.
- Strong connections between the community and relevant public/government authorities and departments, NGOs etc resulting in meaningful change in the community.
- Better understanding in the community on what Council does and how it impacts everyday life through having face-to-face korero in the community. Stakeholders believed this would help increase engagement and participation in democratic processes and decrease apathy (e.g. Council consultations, elections etc) in the future.
- Breaking down barriers between Council and the communities; increased visibility of elected members in the community.
- Planting the seed for more diverse representation in local/central government.
- Growth of more community committees based on the success of the committees trialled.

**Other comments:**


- One hui suggested that the community committees should be set up as soon as possible, before the October elections. There was concern that "bureaucracy" will drag out implementation and losing the opportunity to make positive inroads early.


### Attachment 3 – Proposed timeline for trial of community-based committees or supporting community-based organisations

The following is a draft timeline should Council recommend the establishment of community-based committees, or enhanced support of community based organisations, on a trial basis.

Date	Milestone
<b>30 June 2022</b>	Council decides whether to recommend a trial of community-based committees or enhanced support to existing community-based organisations to the incoming Council (i.e. following the October 2022 elections). <i>The following milestones only apply should Council recommend such a trial.</i>
<b>July-September 2022</b>	Staff include community-based committees or community-based organisations (as appropriate) as part of working options for governance and delegation arrangements for consideration by the incoming Council. <b>Staff assess community-based organisations' interest in an enhanced support package from Council.</b>
<b>8 October 2022</b>	Election day
<b>November -December 2022</b>	Report with Council's recommendation, and supporting information including addition funding required, presented to incoming Council for approval. <i>The following milestones only apply should the incoming Council approve a trial:</i> Councillors appointed as Council's liaison representatives to the respective community-based committees or community-based organisations (as appropriate). Recruitment for additional staff resource to support the trial, including a staff liaison. <b>Planning for facilitating set-up of the community-based committees.</b>
<b>January - February 2023</b>	Huis held with communities (or community-based organisations, for Option 3) selected for the trial: <ul style="list-style-type: none"> <li>• outline Council's decision to support community-based committees or organisations; and</li> <li>• <b>discuss how the community-based committee would work best for the community;</b> or</li> <li>• <b>discuss how Council and the community-based organisation would work collaboratively for defined community objectives and level of support to be provided by Council.</b></li> </ul>

Date	Milestone
March 2023	Community-based committees established via election and/or appointment process and first meeting held (Options 1 and 2 only). Training for committee members starts (subject to Council approval of funding); <b>OR</b> First meeting with selected community-based organisations (Option 3). Charter/MoU (including terms of reference for Options 1 and 2) agreed.
March-April 2023	Staff and community-based committees discuss community priorities and community funding allocation/parameters (subject to approval of funding in the 2023-24 Annual Plan).
June 2023	2023-24 Annual Plan approved, including any funding for community-based committees.
July-August 2023	First update report from community-based committees (or community-based organisations) to relevant Council Committee. Council considers whether to delegate any (additional) responsibilities to the community-based committees.
January-February 2024	Update report from community-based committees (or community-based organisations) to relevant Council Committee.
July-August 2024	Update report from community-based committees (or community-based organisations) to relevant Council Committee.
January-February 2025	Update report from community-based committees (or community-based organisations) to relevant Council Committee.
February-March 2025	Independent review of trial of community-based committees or community-based organisations starts.
July-August 2025	Independent review recommendations presented to Council for consideration and decision on whether to recommend to incoming Council (following October 2025 local authority elections) to continue with community-based committees.
September 2025	Trial of community-based committees ends.

 Options 1 or 2 only

 Option 3 only

### Terms of Reference

The terms of reference sets out the purpose, role and meeting processes for the *[insert name]* community-based committee (**the committee**). [The committee was established on a trial basis, with the trial period ending in September 2025].

The committee's members come from and remain connected to their community/ies. It is from this foundation that members:

- share their expertise and lived experience in their role as a committee member; and
- connect with their community/ies and other community and interest groups,

to contribute to, and improve the wellbeing of their community/ies.

### Purpose

The purpose of the committee is to:

- engage with the *[insert name]* community/ies of Hamilton Kirikiriroa to:
  - listen to and represent the diverse voices of this/these community/ies.
  - understand and advance the needs and opportunities of this/these community/ies.
  - advocate for the interests of this/these community/ies, reflecting its/their diversity, needs and opportunities.
- advise, and work collaboratively with, Council to continue to improve the wellbeing of the *[insert name]* community/ies.
- bring knowledge and extra insight to Council about how the different needs and opportunities of the *[insert name]* community/ies can be addressed in the context of Council's role and priorities.

### Roles and responsibilities

- To engage with the *[insert name]* community/ies, (including community organisations and interest groups in the community/ies) regularly on:
  - the interests, needs and opportunities of the community/ies.
  - Council projects, policies and plans referred to the committee for its input.
  - local events and activities that promote and celebrate the unique features and diverse voices of the *[insert name]* community/ies
- To develop an annual work programme to progress identified priorities and support projects for the *[insert name]* community/ies. To the extent that the work programme relates to Council's role and priorities, this will be worked on with the appointed liaison councillor(s), Council staff liaison and other relevant personnel.
- To provide local input and advice on Council's projects, policies and plans, based on the committee's engagement with the community/ies.
- To create opportunities for the diverse voices of the community/ies to be heard and reflected in the committee's relationship with Council and other agencies.

- To hear from government agencies, non-governmental organisations and other interested groups in the community on topics relevant to the *[insert name]* the committee's work programme.
- To prepare submissions to Council and other agencies on the *[insert name]* community/ies' priorities.
- To seek appropriate external funding to advance the committee's work programme.
- [To monitor, and work collaboratively with Council to improve, Council services and facilities for the *[insert name]* community/ies.]
- To present updates to Council every [6] months on the committee's work programme and activities.
- To incorporate and promote the principles of Te Tiriti o Waitangi in the committee's work programme, meetings and other activities.
- To make recommendations to Council (or the relevant Council committee) on issues or proposals which are relevant to the *[insert name]* community/ies, **and** are within scope of Council's role and priorities. This includes:
  - Low-cost low-risk transport improvements for the community/ies.
  - Neighbourhood improvement and renewal projects (e.g. playgrounds, reserves, accessibility to facilities).
  - Community safety.
  - Local solutions to broader issues (e.g. climate change)
- [To allocate funding granted by Council to community-led initiatives that improve the wellbeing and connectivity of the *[insert name]* community/ies, within the process and parameters agreed with Council].
- [To carry out the following functions or responsibilities delegated by Council:
  - *[list delegated responsibilities with any required parameters]*
- To help with any independent review of the committee during its trial period.

### Expectations of committee members

In carrying out the committee's roles and responsibilities, the committee members agree to the following principles:

- Collaboration and Partnership – to work collaboratively with the *[insert name]* community/ies, Council and other agencies; identifying solutions that take account of the diverse needs, issues and perspectives of the community/ies.
- Manaakitanga and Whanaungatanga – to welcome and support everyone from the *[insert name]* community/ies, and to build relationships based on respecting different views and celebrating shared experiences.
- Communication and Understanding – to enhance information and understanding between Council and the *[insert name]* community/ies, so that Council gains a better understanding of the perspectives and needs of the community/ies, and the community/ies build knowledge of, and increase participation in, Council processes and decision-making.

## Council's role

- Liaison councillor(s) – Council appoints [2] councillor[s] to the committee. The role of the liaison councillors are to:
  - provide connections between the committee and Council's governance bodies, elected and appointed members.
  - guide the committee's work programme to the extent this relates to Council's role and priorities.
  - attend and actively engage in committee meetings and events.
  - work and co-ordinate with the committee chair and staff liaison for committee meeting agendas.
- Staff liaison – Council management will appoint a staff liaison to the committee. The role of the staff liaison is to:
  - co-ordinates Council support for the committee's work programme, within agreed parameters.
  - acts as a conduit with relevant parts of Council's management and operations for the committee, including following up on actions.
  - works with, and supports, the liaison councillor(s) and committee chairperson.
  - advises the committee on Council processes and decision-making, including in relation to any grants or funding provided by Council to the committee.
  - works with committee members to identify priorities for the [insert name] community/ies.
- Facilitating connections to government and non-governmental organisations
- Reporting – supporting the committee with its recommendations and periodic reports to Council or Council committees.
- [Training – providing members with relevant training on:
  - local government, Council's role and strategic priorities.
  - governance and meeting process and protocols.
  - tools to effectively engage with the community.]

## Expectations of Council

The Council agrees to the following principles:

- Collaboration and Partnership – to engage with the committee as a partner in continuing to improve the wellbeing of [insert name] community/ies. This includes meeting with the committee in the earliest stages of developing projects, policies or plans that will directly affect the [insert name] community/ies.
- Open Communication – to maintain open and transparent communication, where reasonably possible, with committee members and the [insert name] community/ies in discussing community concerns or issues, and to listen to committee proposals and perspectives with an open mind.
- Whanaungatanga – to provide and support opportunities to strengthen ties between and within communities.

## Membership

The committee will have between six and ten members. The members should reflect the diversity of the [insert name] community/ies and representation of tikanga Maaori.

[All members must either live in, or have a direct, relevant and current connection with, the [insert name] community/ies. *Amend as appropriate for demographic/profile community-based committees*]

The term of membership is for the period of the community-based committee trial (i.e. until the local authority elections in 2025).

If the committee has less than six members, it may recommend an appointment of further members to the [insert name] appointments panel.

Hamilton City Council staff and elected or appointed members are not eligible to be committee members.

In the event that the committee continues after its initial term, no person can be a member for more than two consecutive terms.

[For clarity, Council's liaison councillor(s) and staff liaison are not members of the committee.]

## Meetings and workshops

- The committee will hold monthly meetings that are open to the [insert name] community/ies to attend.
- The committee will appoint a chairperson and secretary at its first meeting by majority vote.
- Meeting dates, times and venue will be published online and displayed in prominent community locations.
- The committee may amend the meeting schedule throughout the year as required, and clearly communicate any updates to the [insert name] community/ies.
- At least half of the members (or a majority of members, if the number of members is odd), not including any vacancies, must be present for a meeting to take place.
- The committee will hold community workshops to:
  - discuss community priorities and the committee's work programme (once finalised),
  - help inform Council of community perspectives.
  - facilitate discussions between diverse voices in the [insert name] community/ies .
- The committee will take reasonable efforts to make workshops and meetings accessible to anyone from the [insert name] community/ies wishing to attend and participate.

## Funding

- All Council funding must be used for its intended purpose and within the terms agreed with Council.
- The committee will maintain records of all expenditure of Council funds as Council may require.

## Communications and Media

The committee is a representative group for the [insert name] community/ies.

The committee and its members will not make any statement or communication that the committee is acting for, or on behalf of, Council on any matter, unless agreed in advance by Council.

## Appendix

[to be completed by the committee with support from Council's liaison councillor(s) and staff liaison]

Role of Chairperson:

Role of Committee Member:

Role of Committee Secretary:

**Item 13**

**Attachment 4**

## Attachment 5 – Community Demographic and Statistical Information

The following information is provided to assist Council select communities for the purpose of a trial of community-based committees under Options 1 or 2.

### Demographics and social indices

The following information is based on information from the 2018 Census and the New Zealand Index of Deprivation<sup>2</sup>

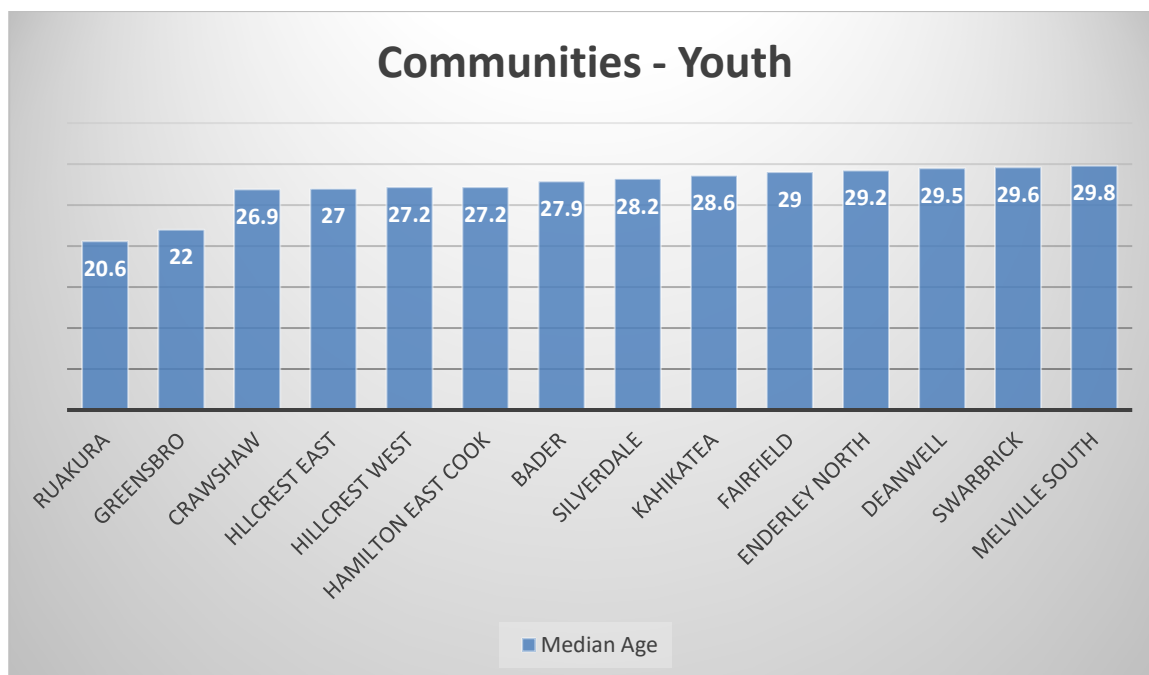


Fig 1. Communities with a median age under 30 (Hamilton's median age is 32.2)

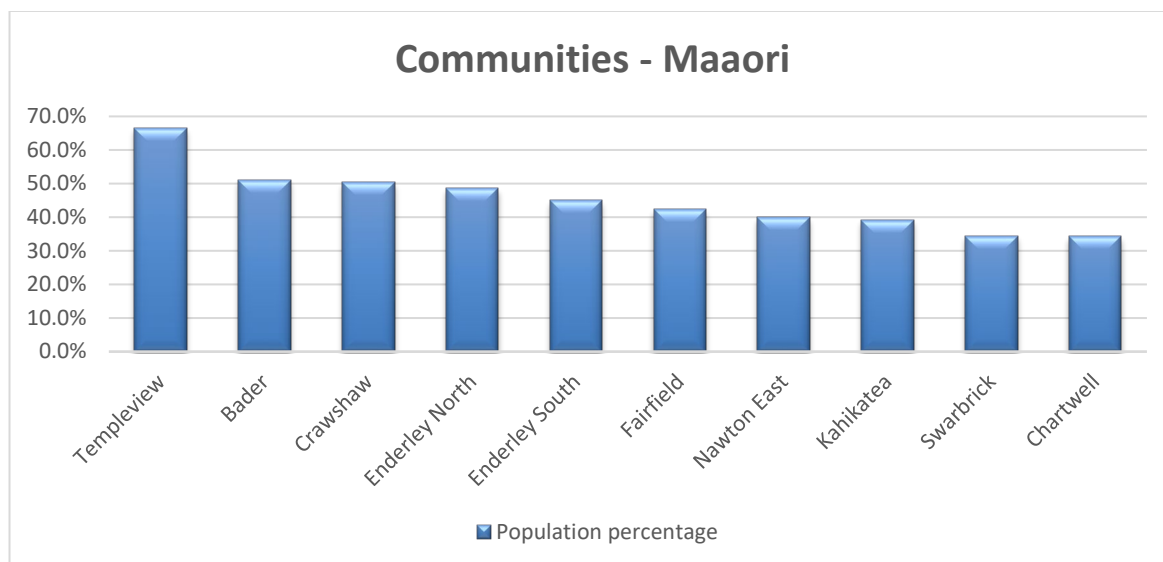


Fig 2. Communities with largest Maaori population as a percentage (23.7% of Hamilton's population identify as Maaori).

<sup>2</sup> <https://www.stats.govt.nz/tools/2018-census-place-summaries/hamilton-city>  
<https://www.ehinz.ac.nz/indicators/population-vulnerability/socioeconomic-deprivation-profile/#nzdep-for-2018-nzdep2018>

Communities – Social Deprivation	
Communities – decile 10	Communities – deciles 1 and 2
Crawshaw	Flagstaff (South and North) (1)
Enderley	Huntington (1)
Nawton East	Rototuna Central (2)
Chartwell	St James (2)
Fairfield	Rotokauri-Waiwhakareke (2)
Porritt	Western Heights (2)
Bader	

Fig 3. NZ Index of Social Deprivation (2018) – Decile 10 (most deprived) and Decile 1 (least deprived).

*Note: Transient and other vulnerable communities in Hamilton are unlikely to be accurately captured in the 2018 census statistics as a result of well-publicised deficiencies in the way the census was undertaken.*

## Engagement

Analysis considered the response rate to the following engagements in relation to proportion of Hamilton's population:

- Maaori wards and other means of achieving Maaori representation
- Hamilton City Library strategy - community survey
- Parks and open spaces survey 2022
- Naming of Roads Policy Review
- Wairere Drive Speed Limit Reduction 2021
- Central City Safety Perceptions 2021
- Art, Monuments and Memorials Policy

### Under-representation in Council engagements:

By community area	By age demographic	By ethnicity demographic
Whitiora	16-19 years	Filipino
Claudeland	20-24 years	Indian
Enderley		Chinese
Crawshaw		Tongan
Fitzroy		
Riverlea		

Fig 4. Based on information provided by respondents in Council engagements.

## Location of Council facilities – Libraries and swimming pools



Item 13

Attachment 5

## Attachment 6 – Proposed election and appointment process for community-based committee members

### Attachment 6

Based on research, community elections and appointments are the main ways by which individuals are selected to become community-based committee members. The following provides an outline for each process, which is relevant to Options 1 and 2 in the staff report.

### Community Elections

The purpose of a community-based election is to enable people living within the community to elect representatives to the committee. Proponents believe it establishes a mandate for the committee. Given their informal nature, they will not be as robust as local authority elections.

- Council to facilitate the election process for the first election.
- A date and community venue for the election is confirmed. This should take place outside of standard business hours as it requires in-person voting. While postal and/or online voting would improve the election's accessibility, the costs and resource required are prohibitive for a community-based election.
- The election is communicated via multiple channels, including local community networks. It is recommended this is not 'Council-branded' to avoid confusion with local authority elections and to promote community ownership of the committee.
- Option for nominations to be completed online or in-person at a known community venue (e.g. community house). Usually only requires a community resident to nominate any person who satisfies the requirements to be a committee member.
- Keep any requirements to be eligible to vote simple – e.g., proof that live or own a home in the relevant community/ies.
- At the election venue, nominated candidates are provided an opportunity to briefly introduce themselves to voters.
- Residents and ratepayers of the relevant community/ies present at the election venue able to cast one vote each.
- Independent appointed officer(s) count votes and announces results. Ties are decided by pulling name out of box.
- The first committee meeting takes place after newly-elected members have an opportunity for an informal meet and greet, together with appointed liaison councillor(s) and the staff liaison.

### Item 13

## Appointments

The purpose of appointments is to enable people with relevant knowledge, skills and expertise, or a diverse representation of the relevant community, to be selected as community representatives on the committee.

- Council helps facilitate convening an appointments panel and provide a 'role profile' of a community-based committee member. This should reflect both the skills and expertise required as a committee member, and the diversity of the relevant community/ies (including youth and Māori).
- The appointments panel to comprise between 3-6 members, who are known community leaders (e.g. school principals, religious leaders, community house representative). There should be at least one panel member representing mana whenua. It is recommended that a current or recently retired Councillor is also on the panel.
- Wide communication of an 'expression of interest' for community-based committee members, together with criteria for membership. An application period of at least three weeks is recommended.
- If required or appropriate, the appointments panel may create a 'short list' of candidates. Informal interviews of all short-listed candidates may take place to assist the panel with its deliberations.
- The appointments panel will select member appointments based on the criteria for membership. A panel member with a conflict of interest (e.g. family member, colleague) in relation to any candidate must not participate in the discussion or selection of that candidate.
- The appointments panel may create a reserve list during the selection process for the purpose of filling any vacancies during the term of the committee.
- The panel's chairperson contacts the successful appointed candidates.
- The first committee meeting take place after newly-appointed members have opportunity for an informal meet and greet, together with appointed liaison councillor(s) and the staff liaison.
- The appointments panel could also be used to review and 'approve' recommendations for co-opted members to a committee to fill a vacancy.

# Council Report

**Committee:** Council **Date:** 29 June 2022  
**Author:** Justine Kennedy **Authoriser:** Sean Hickey  
**Position:** Project Manager **Position:** General Manager Strategy and Communications

**Report Name:** Reform Response Programme - Update

<b>Report Status</b>	<i>Open</i>
----------------------	-------------

## Purpose - *Take*

1. To inform the Council on the status of central government reform and Hamilton City Council's Reform Response Programme.
2. To seek the Council's approval of the submission on the Future for Local Government Reform to the Future of Local Government Panel.
3. To seek the Council's approval on Three Waters matters:
  - i. Tranche 1 Better Off Funding Process Plan.
  - ii. Strengthening Political Advocacy Plan.

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

4. That the Council:
  - a) receives the report;
  - b) approves the draft submission on the Future for Local Government Reform to the Future of Local Government Panel;
  - c) notes the approved submission on the Future for Local Government Reform will be sent to the Future of Local Government Panel by the 30 June 2022;
  - d) approves the Tranche 1 Better Off Funding Process Plan, as described in **option 1** of the staff report; and
  - e) approves Council's approach to strengthening political advocacy on three waters reform, as described in **option 1** of the staff report.

## Executive Summary - *Whakaraapopototanga matua*

5. The Reform Response Programme encompasses the Three Waters Reform, Future for Local Government and Resource Management Reform projects.
6. The three reforms are working to different timeframes and are of varying complexity. To enable informed decision-making, staff decided to bring them together for reporting and engagement purposes under the Reform Response Programme umbrella.
7. Staff consider the decisions in this report have low significance and that the recommendations comply with the Council's legal requirements.

### Three Waters Reform

8. This report provides an update of new and emerging matters since the 12 May 2022, noting Council meet on 15 June 2022 to consider the Waters Services Entities Bill and its legislative process. This report:
  - i. Informs Council on the Waters Services Entities Bill and its legislative process.
  - ii. Seeks approval for the Tranche 1 Better Off Funding Process Plan process, which staff are recommending Council does not participate in but secures the funding for the 2024 long-term plan.
  - iii. Seeks approval on a strengthening political advocacy plan, in response to Council's resolution on 12 May 2022, for which staff are proposing a plan that seeks to maintain Council's independence too have its own views on what is best for Hamilton and seeks to align with other organisations on an issue-by-issue basis where there is synergy.

### Future for Local Government

9. The submission to the Future for Local Government Review panel has been prepared to specifically address the request from the Panel for the Council to provide feedback on the five key shifts they put to Council.
10. The content of the submission is based on the feedback received during the elected member workshop on the five key shifts and the subsequent key points that the elected members put forward during their interview with the Panel on the 21 March 2022.
11. The submission has to be submitted to the Panel by the 30 June 2022.

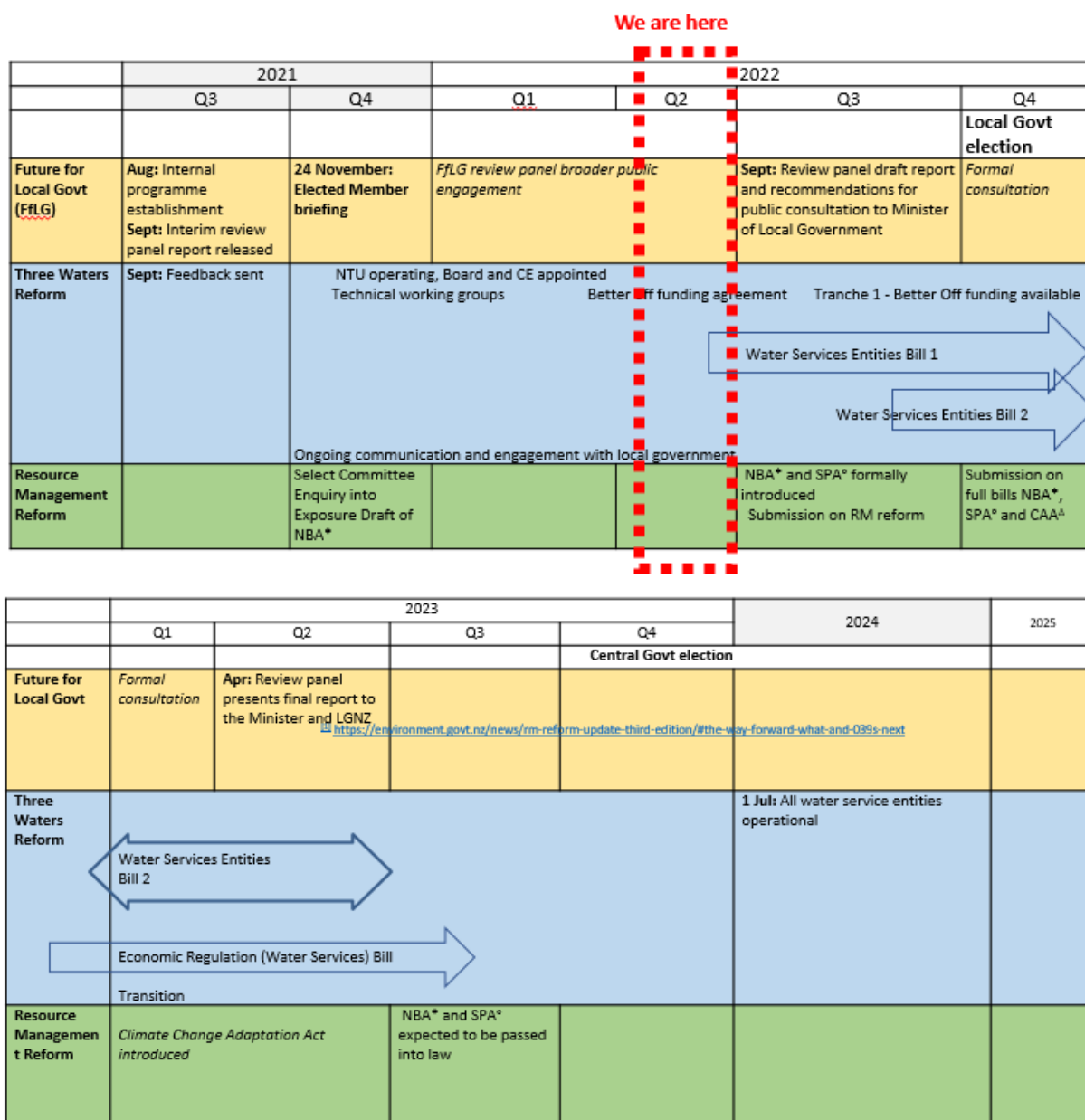
### Resource Management Reform

12. In February 2021, the Government announced it would repeal the RMA and enact new legislation based on the recommendations of the Resource Management Review Panel. The three proposed acts are:
  - i. Natural and Built Environments Act (NBA), as the main replacement for the RMA, to protect and restore the environment while better enabling development
  - ii. Spatial Planning Act (SPA), requiring the development of long-term regional spatial strategies to help coordinate and integrate decisions made under relevant legislation; and
  - iii. Climate Adaptation Act (CAA), to address complex issues associated with managed retreat.
13. Central Government has signalled that they are looking to identify regions/areas to participate in a model community project to develop the first plans under the new legislation.
14. There is benefit in Hamilton (and our Future Proof partners) participating in this project to elevate the work recently completed through Future Proof as the spatial plan for the sub-region.
15. Funding has been allocated through the budget to ensure that transition to the new RM system is adequately resourced.
16. Key staff from the Ministry for the Environment have agreed to attend a briefing with Elected Members on 10 August 2022 where further detail on the new system can be discussed.

### Background - *Koorero whaimaarama*

17. Central government is undertaking a number of significant reform programmes that will have varying degrees of impact on local government. These cover three waters, resource management, local government, housing, climate change, health, and education.

18. Hamilton City Council has established a Reform Response Programme to ensure we take a holistic view of central government reform and coordinate our response on those matters most impacting local government.
19. There are three key workstreams that make up the proposed Reform Response Programme: Three Waters Reform, Future for Local Government Review; and Resource Management Reform.
20. The Resource Management Reform and the Future for Local Government Reform are still in much earlier stages than Three Waters. Each of the three workstreams is of differing complexity and on a different timeline:



\* Natural and Built Environments Act

° Strategic Planning Act

Δ Climate Change Adaptation Act

Note:

The italicised text in the table indicates that these timeframes and next steps have been assumed; staff are waiting on clarity from central government.

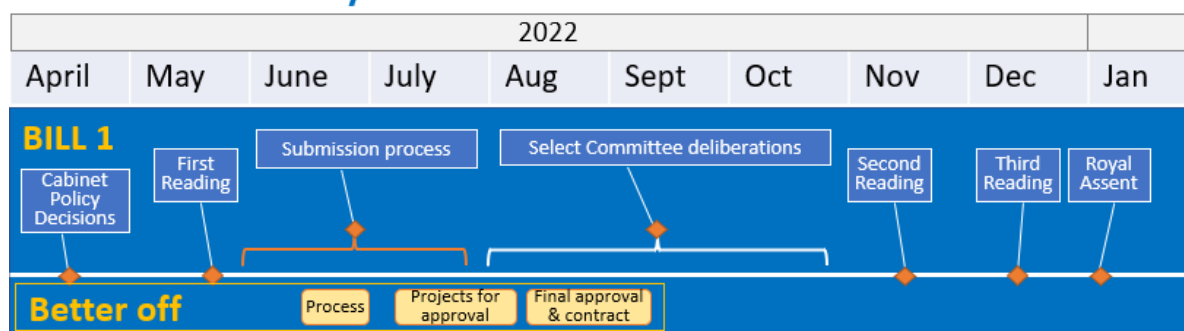
## Discussion - *Matapaki*

### Status Updates

#### Three Waters Reform

21. This report provides an update of new and emerging matters since the 12 May 2022 Council meeting, noting Council meet on 15 June 2022 to consider the Waters Services Entities Bill and its legislative process.
22. The Water Services Entities Bill has completed its first reading on 9 June 2022 and was referred to the Finance and Expenditure Select Committee. [Link to Bill](#)
23. On 24 May 2022, staff advised Council of the Government's Better Off Funding Tranche 1 proposal and that further information was being sought. This report presents options for Council's consideration on the process for council's involvement in this funding opportunity. Staff are recommending option 1, which proposes that Council does not participate in Tranche 1 but secures the funding for the 2024 long-term plan.
24. Council resolved on 12 May 2022, *"to request staff report back to the Council with options concerning strengthening political advocacy regarding the 3 Waters proposal, which may include the option of joining political advocacy groups."* This report recommends a process to action this resolution.
25. We have developed the following indicative timeline for the passage of the Water Services Entities Bill (Bill 1) and the Better Off Funding.

#### Water Services Entity Bill



#### Better Off Funding

26. Better off Funding was first announced by the Minister of Local Government at the 2021 Local Government New Zealand Conference. The Government describes the objectives and criteria of the Better of Funding package as laid out in the Funding Agreement are:

*"The Crown's objectives with the better off package are, acknowledging the Reform Objectives, to demonstrate central government confidence in the future for local government by providing the sector with additional funds to support local wellbeing outcomes in a way that aligns with the priorities of central and local government, including through meeting some or all of the following criteria:*

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

27. Council can receive it's \$58.61M allocation in two tranches:

- i. Tranche 1 is up to \$14.6M from 1 July 2022; and
- ii. Tranche 2 is the balance up to \$58.61 from 1 July 2024.

28. The DIA has released the following documents to on the Better Off Funding package. At the 12 May 2022 Council meeting, staff advised that more information was being sort by the sector. DIA have now released two FAQ documents (**Attachment 5**)

- i. Better Off Support Package Guidance (**here or Attachment 2**)
- ii. Better Off Funding Agreement (**here or Attachment 3**)
- iii. Pro Forma Better Off Funding Proposal (**here or Attachment 4**)
- iv. Better Off FAQs #1 and #2 (**Attachment 5**)

#### Tranche 1.

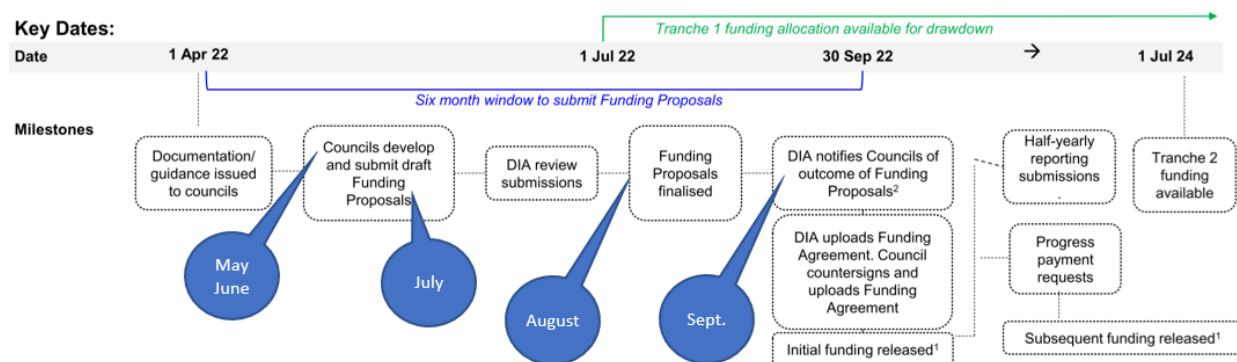
29. Summary of the key elements of Tranche 1 Better off Funding are:

- i. the projects to be funded, in whole or in part, must be in the Funding Proposal approved by the Department of Internal Affairs (DIA);
- ii. funding for projects must be spent by June 2027 (both tranches);
- iii. the funding can be spent on opex or capex that fit the criteria (see above);
- iv. projects could include projects already in the LTP 2021-31, which are beyond year three (1 July 2024) and that are accelerated – i.e. started earlier;
- v. council does not have to apply for the full or any Tranche 1 amount and funds not applied for will be made available in Tranche 2.
- vi. Tranche 2 will be subject to future guidance and application processes, however the same funding criteria and conditions are expected to apply.
- vii. funding will be released – 10% on approval of the Funding Proposal and monthly in arrears as approved by Crown Infrastructure Partners (CIP);

30. The Funding Agreement:

- a) is a formal contract between Council and DIA and CIP;
- b) is for Tranche 1 only;
- c) the contract comes with conditions, summarised as “The Recipient will work collaboratively with the New Zealand Government in connection with the Three Waters Reform Programme.” (from Funding Agreement) and expanded on in detail in Schedule 2 of the Funding Agreement;

31. Timetable\*



\*see better off support package guidance for full size graphic.

#### Tranche 1 Better Off Funding Process Plan (\$14.65M) Options

32. Staff have identified three options for the tranche 1 Better Off Funding Process Plan

- Option 1: Council signs but does not participate in Tranche 1 (**recommended**)
- Option 2: Council signs but has partial drawdown of Tranche 1
- Option 3: Council signs and has a full drawdown of Tranche 1

33. **Option 1: advantages and disadvantages (RECOMMENDED)**

Advantages of <b>not participating</b> in Tranche 1	Dis-advantages of <b>not participating</b> in Tranche 1
<ul style="list-style-type: none"> <li>i. Delaying until Tranche 2 allows for the funding to go through the LTP 2024-34 planning and decision-making process.</li> <li>ii. It doesn't add more projects to assess options and meet CIP processes during the local election pre-election phase.</li> <li>iii. It doesn't add to a full capital programme for 2022 to 2024.</li> <li>iv. The Funding Agreement is signed for delivery on 30 September, meaning the schedule commitments under the agreement would be binding for 3 to 4 months – an estimate of when the Water Services Entities Bill is assented.</li> </ul>	<ul style="list-style-type: none"> <li>i. Potential loss of buying value through inflation.</li> <li>ii. Risk of a future government not funding 2024 commitments.</li> <li>iii. Projects starting in June 2024 must be completed by June 2027.</li> </ul>

34. To address the risk of a future government not funding the tranche 1 funding in 2024 we have been advised that Council should sign the Funding Agreement, thereby putting in place a contract with the DIA.

35. This option is recommended because it will fit into existing processes for the 2024-34 LTP and projects can be assessed in the context of the full \$58.61M and each projects suitability against all options considered in the LTP process.

36. **Option 2: advantages and disadvantages**

Advantages of <b>partial participation</b> in Tranche 1	Dis-advantages of <b>partial participation</b> in Tranche 1
<ul style="list-style-type: none"> <li>i. It would allow a top-of-mind project to get underway.</li> <li>ii. The unused balance, delayed until Tranche 2 allows for the balance of funding to go through the LTP 2024-34 planning and decision-making process.</li> <li>iii. For that partial amount better buying power than if left until 2024.</li> </ul>	<ul style="list-style-type: none"> <li>i. A comprehensive process (see timetable above) would need to be implemented to identify projects, test against criteria, navigate CPI expectations, complete and have Council sign off on the projects and Funding Proposal.</li> <li>ii. It adds to a full capital / operational programme for 2022 to 2024.</li> <li>iii. Potential loss of buying value through inflation.</li> <li>iv. Risk of a future government not funding the balance in 2024.</li> <li>v. Projects starting in June 2024 will have to be completed by June 2027.</li> </ul>

37. **Option 2** is not recommended as project selection cannot take account and be assessed against other potential uses of the funding and there is potentially a lot of work to do to get CIP sign-off on a relatively small value project.
38. **Option 3: advantages and disadvantages**

Advantages of <b>full participation</b> in Tranche 1	Dis-advantages of <b>full participation</b> in Tranche 1
<ul style="list-style-type: none"> <li>i. Existing LTP projects beyond year 3 could be accelerated.</li> <li>ii. Less risk of losing funding to a future government change.</li> <li>iii. Less loss of buying value through inflation.</li> </ul>	<ul style="list-style-type: none"> <li>i. A comprehensive process (see timetable above) would need to be implemented to identify projects, test against criteria, navigate CPI expectations, complete and have Council sign off on the projects and Funding Proposal.</li> <li>ii. a comprehensive process to select the most appropriate projects It adds to a full capital programme for 2022 to 2024.</li> <li>iii. Risk of a future government not funding the balance in 2024.</li> <li>iv. Projects starting in June 2024 will have to be completed by June 2027.</li> </ul>

39. Option 3 is not recommended as project selection cannot take account and be assessed against other potential uses of the funding and there is a lot of work to do to get CIP sign off.

#### **Strengthening Political Advocacy**

40. At its meeting of 12 May 2022 Council requested ...”staff report back to the Council with options concerning strengthening political advocacy regarding the 3 Waters proposal, which may include the option of joining political advocacy groups”.
41. Hamilton City Council has made previous submissions to Government and its agencies on aspects of Government’s Three Waters Reform. Council’s submissions identified key factors which are important to Hamilton’s strategic and economic growth, environmental and cultural aspirations, and the wellbeing of its people.
42. Council is seeking to strengthen its advocacy on further submissions to Government.

#### **Considerations of advantages and disadvantages of different approaches.**

43. There are many sector organisations and advocacy groups which have a view on aspects of the reform programme. In some areas these views align with the view of Council, but no one organisation (other than Council) has its primary focus as the wellbeing of Hamiltonians.
44. Hamilton has unique factors which impact the city’s needs and aspirations including its reliance on the Waikato River as its sole raw water source, the importance of Te Ture Whaimana, economic and population growth which has exceeded national averages for decades, the diversity of its population, the constraints of strategic water availability for wet industry and its ratio of population to territorial area.
45. Identifying alignment on an issues basis, rather than committing Council to joining a specific lobby groups or political advocacy organisation, is recommended.

46. This approach would strengthen any future submission of Council, while preserving Council's independent voice.
47. This approach reduces the risk of Council being linked with other views of political advocacy groups (or their individual members) which may not be fully supported by Council.
48. Staff propose to write to selected sector organisations and advocacy groups to identify opportunities to mutually support submission points or jointly advocate to Government. Staff would provide Council's position on specific points of the reform and seek a view from the advocacy group on whether they endorse Council's position.
49. Potential joint advocates would be sought in relation to Hamilton's position on social, economic, cultural, and environmental aspects of the Government's reform.
50. Proposed sector or advocacy groups could include (but are not limited to) Metropolitan and high-growth councils, councils and other partners in the Hamilton to Auckland Corridor, Waikato Regional Council, Waikato-Tainui, Infrastructure New Zealand, Communities for Local Democracy, Property Council New Zealand, Tourism Waikato, Waikato Chamber of Commerce, NZ Council of Trade Unions, Federated Farmers and Dairy NZ.
51. Since the passing of the resolution the window of opportunity to work with partners has been reduced for the Water Services Entities Bill. Opportunity to work together with metro councils for example could be available to input into submissions on the Bill, but also, we have the opportunity to read completed submissions and seek alignment with groups for the verbal hearings of the Select Committee. Support and alignment for submissions on the remaining two bills would be unaffected by this select committee process.

### **Strengthening Political Advocacy – Options**

#### **Option 1: Strategic alignments (RECOMMENDED)**

52. Council's approach to strengthened political advocacy on Government's Three Waters Reform is:
  - i. to retain Hamilton's independent voice and its ability to freely address issues of relevance directly to Hamiltonians and
  - ii. to identify alignment on specific issues with other parties and agencies, rather than aligning wholly with those groups, and
  - iii. to seek joint or co-operative advocacy on an issues basis to Government to support Hamilton's goals

#### **Option 2: Choosing a partner**

53. Council's approach to strengthened political advocacy on Government's Three Waters Reform is:
  - a) to identify and join a 3 waters reform advocacy partner.

#### **Option 3: Stop seeking political advocacy partners**

54. Given the select committee timeline not allowing for the opportunity to fully investigate partners that Council's focuses on developing submissions to influence better outcomes for the community

### **Future for Local Government**

55. The submission to the Future for Local Government Review panel has been prepared to specifically address the request from the Panel for the Council to provide feedback on the five key shifts they put to Council.
56. The five key shifts identified by the Panel were:
  - i. Strengthen local democracy.

- ii. Stronger focus on wellbeing.
  - iii. Authentic Relationship with Hapū/Iwi/Māori.
  - iv. Genuine Partnership between Central Government and Local Government.
  - v. More Equitable Funding.
57. The content of the submission is based on the feedback received during the elected member workshop on the five key shifts and the subsequent key points that the elected members put forward during their interview with the Panel on the 21 March 2022.
58. The submission has to be submitted to the Panel by the 30 June 2022 – see **Attachment 1** to this report.

### Resource Management Reform

59. The reform of the Resource Management system is based on the findings of the comprehensive review which were released in 2020.
60. The review was carried out by the independent Resource Management Review Panel led by Hon Tony Randerson, QC. It is the most significant, broad-ranging, and inclusive review of the resource management system since the Resource Management Act 1991 (RMA) was enacted.
61. In February 2021, the Government announced it would repeal the RMA and enact new legislation based on the recommendations of the Resource Management Review Panel. The three proposed acts are:
- i. **Natural and Built Environments Act (NBA)**, as the main replacement for the RMA, to protect and restore the environment while better enabling development
  - ii. **Spatial Planning Act (SPA)**, requiring the development of long-term regional spatial strategies to help coordinate and integrate decisions made under relevant legislation; and
  - iii. **Climate Adaptation Act (CAA)**, to address complex issues associated with managed retreat.
62. The Spatial Planning Act was previously called the Strategic Planning Act but was recently renamed to better capture its function to identify areas of land suitable for development and infrastructure, and those which need to be protected. This is intended to give clearer investment signals to local government, central government (like transport), and the private sector.

### The National Planning Framework (NPF)

63. National direction is currently provided by a series of National Policy Statements, National Environmental Standards, National Planning Standards and regulations under section 360 of the Resource Management Act.
64. In recent years there has been additional direction developed on land supply, protection of elite soils, freshwater quality and biodiversity.
65. National direction currently in effect, and that being developed will be transitioned into the NPF with some minor changes to align it with the NBA and resolve conflicts between instruments. The future resource management system will transition current national direction into the National Planning Framework, providing direction for the development of Regional Spatial Strategies and Natural and Built Environments Act plans.
66. The Natural and Built Environments Act and the National Planning Framework will together provide for environmental outcomes, set environmental limits, provide guidance on resolving conflicts and provide strategic direction.
67. This set of regulations will also include mandatory environmental limits. These limits aim to protect ecological integrity and human health, and include limits relating to fresh water, coastal waters, estuaries, air, soil and biodiversity.

68. The Government has also decided to develop a new piece of national direction on infrastructure to be included in the first iteration of the National Planning Framework. The Infrastructure Commission – Te Waihangā – is working with the Ministry for the Environment on this chapter.

### **Infrastructure**

69. The inclusion of provisions to enable infrastructure in the National Planning Framework aim to accelerate its delivery by giving clear direction to councils, reducing the variation in rules across regions and providing more certainty to infrastructure providers.
70. A key part of the Infrastructure Chapter will enable technical standards for infrastructure. For example the chapter may list standards for erosion and sediment control. Councils will state which standards must be used.

### **Timing of Bills**

71. The Prime Minister's Statement earlier this year reiterated that completing the resource management reform is a priority for this Government, with the introduction of the Natural and Built Environments Bill and Spatial Planning Bill scheduled for the third quarter of 2022 and enactment this parliamentary term.

### **Budget Funding**

72. In the recent Budget, the Government announced significant funding to ensure an efficient transition to the future resource management system.
73. The Budget funding signals the shifting focus from development of legislation to implementation.
74. The recent Budget provided \$179 million over four years, in addition to the funding provided in last year's Budget, to ensure there are sufficient funds to develop the National Planning Framework, along with the first Regional Spatial Strategies and Natural and Built Environments Act plans.
75. It also provided funding for a new national Māori entity to enable greater participation by Māori in decision making at a national level, including helping develop the National Planning Framework.

### **Upcoming Engagement**

76. Staff have been in contact with the Ministry for the Environment (MfE) and have organised for key staff involved in the reform to attend a briefing with Elected Members on 10th August 2022.
77. This will be a workshop format where Elected Members will be able to ask questions and provide feedback to MfE on the details of the new legislation.
78. There is the option of extending an invite to our Future Proof partner councils to also attend this session, given the existing Future Proof Partnership and Metro-scale issues that the sub-region faces.

### **Model Community Project**

79. Central Government is looking to work with several councils across New Zealand to develop the first full Regional Spatial Strategies and Natural and Built Environments Act plans which will serve as a model for subsequent RSSs/plans.
80. Learnings from this process will then be applied to the wider roll out of the system. They will also provide practical templates to be used by other regions, to reduce variations between plans.

81. Staff suggest signalling Hamilton's interest in being involved in the model RSS development, noting that the recently updated Future Proof Strategy should form the basis of the spatial plan for the sub-region.
82. Staff have sought feedback from MfE on specifically how regions/areas will be identified for this project, and it has been signalled that this selection process is likely to occur over the next couple of months.

### **Workforce**

83. It has also been recognised that reform of this scale will have a big impact on those who work in resource management, both in terms of capacity and capability during the transition to the future system, and when the future system becomes business-as-usual.
84. A piece of work has been commissioned by central government to understand how the reforms will play out for the resource management workforce, both now and into the future.
85. This work, being conducted by New Zealand Institute of Economic Research, will lead to a programme to improve the capacity and capability in the future system.

### **Next Steps for Council**

#### **Three Waters Reform**

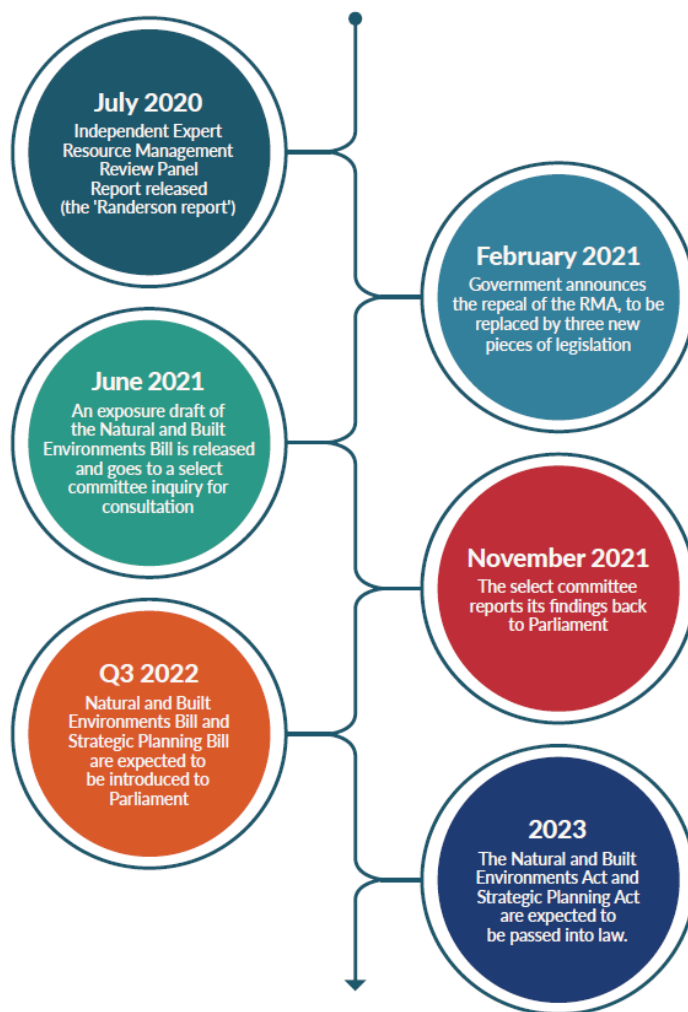
86. Staff are aware of matters that may progress between the drafting of this report and the next Council meeting. These are:
  - i. Water Services Entity Bill
  - ii. NTU transition information request

#### **Future for Local Government**

87. The Panel will provide their draft findings and recommendations to the Minister for Local Government in September 2022. The final stage of the review is the formal consultation where the Panel will undertake formal consultation on their draft report prior to providing the final report to the Minister for Local Government In April 2023.
88. Staff will review the Panel's draft report and prepare a response for Council to consider.

#### **Resource Management Reform**

89. The next steps in respect of Resource management Reform are:
  - i. Continue staff engagement with MfE on the development of the Strategic Planning Act, noting the upcoming briefing for Elected Members on 10<sup>th</sup> August 2022.
  - ii. Identify and confirm key HCC messaging on RM reform, building on our stated position in recent submissions.
  - iii. Work with our key partners for collaboration.
  - iv. Note that the Natural and Built Environments Act and the Strategic Planning Act will be formally introduced in the later half of 2022.
  - v. A standard legislative and select committee process will follow with the aim of the NBA being passed into law in this parliamentary term.
  - vi. The CAA will be progressed in this time too.



### Financial Considerations - *Whaiwhakaaro Puutea*

90. There are no financial implications in relation to the Reform Response Programme.

### Waters Reform

91. The cost of participation in the Government's Three Waters Reform to date has been funded from the Government waters stimulus fund. This is reported separately to the Infrastructure Operations Committee.
92. This reform now moves to the transition phase and more funding will be required for Council to continue to undertake transition activities. As discussed in the Feedback to Government these costs should be funded by the Government.
93. The Government released information on the Funding for Council's with the Ministers announcements on 29 April 2022. Staff note that the worse of funding remains at \$8M, leaving a significant shortfall for Council's stranded costs.

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

94. Staff confirm that staff recommendations comply with the Council's legal and policy requirements.

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

95. 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').
96. The subject matter of this report has been evaluated in terms of the 4 wellbeings during the process of developing this report.
97. The recommendations set out in this report are consistent with that purpose.

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

98. Risks relating to specific options in this report are outlined in the relevant sections of the report.

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

#### **Significance**

99. 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**

100. Given the low level of significance determined, the engagement level is low. No engagement is required.

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

Attachment 1 - Draft 1 Submission - The Future of Local Government Review

Attachment 2 - Better Off Support Package Guidance

Attachment 3 - Better Off Funding Agreement

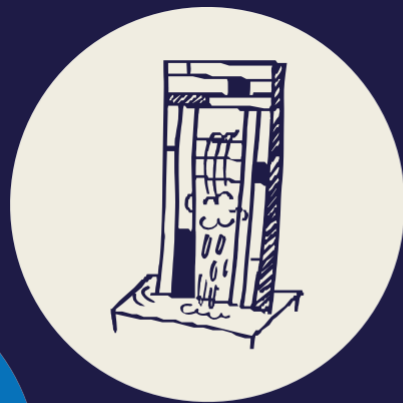
Attachment 4 - Pro Forma Better Off Funding Proposal

Attachment 5 - Better Off FAQs #1 and #2

# DRAFT 2 HAMILTON CITY COUNCIL SUBMISSION

## The Future of Local Government Review

Panel for the Future of Local Government Review



30 June 2022



**Hamilton  
City Council**  
Te kaunihera o Kirikiriroa

## Structure of this Submission

This submission focuses on addressing the five key shifts as outlined by the Panel for the Future of Local Government Review (the Panel) in their discussion document prepared for the conversation with Hamilton City Council on 21 March 2022.

To provide context, an introduction to Hamilton City prefaces this submission. For each key shift, the proposal stated by the Panel is disclosed and then Hamilton City Council's response to the Panel's proposal is outlined with key points that the Council would like the Panel to consider.

## Council Approval and Reference

This submission was approved by Hamilton City Council at its meeting held on 30 June 2022.  
Hamilton City Council Reference D-4191263 - Submission # 686.

## Table of Contents

Key Messages and Recommendations.....	3
Hamilton City .....	5
Key Shift: Strengthen Local Democracy .....	9
Key Shift: Stronger Focus on Wellbeing .....	11
Key Shift: Authentic Relationship with Hapū/Iwi/Māori .....	13
Key Shift: Genuine Partnership between Central Government and Local Government .....	14
Key Shift: More Equitable Funding .....	15
Alignment with Other Key Reforms.....	18
Further Information and Opportunity to Discuss Our Submission .....	21

## Key Messages and Recommendations

1. Introduction
2. We acknowledge and value the opportunity to be part of the Local Government Review process and appreciate that the Panel has adapted a process for conversations with the sector prior to the outcome of the review being published.
3. Local Government Review out of Sync/Order
4. The Local Government Review is out of sync/order with other key reforms currently underway i.e., given the complexity and extensive range of functions undertaken by local government, the Local Government Review should have taken place first and foremost before consideration of other key reforms such as the Resource Management Reform Review and the Three Waters Review.
5. Council has identified and expressed extensively its various concerns over both the Resource Management Reform Review and the Three Waters Review to central government through various key discussions/meetings as well as through numerous formal submission and subsequent hearing processes.
6. Metro Council View
7. Hamilton is a rapidly growing metro council (accounting for 35 percent of the region's total population of around 500,000) and had an economy worth \$12 billion in 2021 (generated by over 100,000 jobs), accounting for 41 percent of Waikato's \$29.5 billion GDP and providing 43 percent of the region's jobs.
8. Given this, our view will therefore be quite different from other councils in the Waikato Region.
9. Representation of the Community
10. We support the Panel's suggestion that representation systems should be enabled to complement community representatives (elected members) and include iwi/Māori and appointed experts. Hamilton City Council will be introducing a revised representation structure endorsed by the Local Government Commission in April 2022 that will ensure greater Māori representation for Hamilton.
11. Council also has a Maangi Māori model of representation at its committee level. In October 2018, Hamilton City Council approved five new Māori appointees to the committees of Council as an integral part of the Governance structure, marking the beginning of a new era for partnership-based decision-making for the city.
12. We recognise the existing legislative framework provides for other opportunities for including the community voice, community advocates and experts into the council decision-making at committee and working group level.
13. We promote that changes in practices are required to enable the community to provide their voice to the council in less formal and multi-dimensional ways, and these changes should be supported by an engagement 'toolbox' for the community and the removal of prescriptive consultation requirements in the Local Government Act.
14. A formal information campaign should be developed and run nationally by a sector body to educate people on what local government does and the role of elected members. This will assist in encouraging members of the community to stand for Council.
15. Improving the Wellbeing of the Community

16. We value our role as being close to the community and we understand and promote for our community needs to improve their wellbeing. Stronger recognition of this role in local governments legislative mandate is required.
17. We lobby for central government to support local government working in partnership with other agencies across service delivery boundaries to deliver services to the community in places that are accessible to them.
18. The Local Government Act needs to be updated to reflect the Panel's stated view of the role of local government i.e., Local voice, knowledge and leadership; connector and enabler of local decision-making; upholds values and protect rights; provides local services; partner of central government and iwi/Maaori; supports thriving people and communities.
19. We recommend the introduction of an agreed definition of 'wellbeing' to be used by all agencies.
20. Local authorities should be given the use of the Power of General Competence through the Local Government Act to provide each local authority the ability to choose the activities they undertake and how they will undertake them to fulfil their statutory duties.
21. Central government should acknowledge that local communities should have the option to determine what services they want delivered locally and how they want to access the services.
22. [Building Stronger Partnership with Central Government](#)
23. We call for changes to strengthen the recognition of place-based spatial structures by central government, particularly within our region where the partners are committed to working together through the Future Proof sub-regional partnership.
24. The representatives from central government/central government agencies who sit on place-based structures should have the authority to commit the agency they represent to funding decisions. As one of the Future Proof partners, we are working collaboratively on exploring ways in which new tools can be implemented to address funding constraints.
25. To support localism, the legislation needs to enable the creation of local community committees (as structures outside the local board structure), led by the community, to make plans and decisions for their community. Local government's role should be to empower these community committees.
26. We recommend the alignment of funding cycles of central government agencies with council Long Term Plan cycles to provide increased opportunities to deliver on the wellbeing outcomes sought for the community by both central and local government. Furthermore, action based on the recommendations of previous reviews (rather than another review being undertaken) to introduce innovative and flexible financing tools and to remove the reliance on property tax will allow local government to introduce more equitable funding.
27. We suggest a stronger focus on building the understanding of the work programmes of central and local government will enable improved outcomes and request that local government becomes a co-design partner in government policy, rather than being limited to providing feedback (primarily through the consultation/submission process) within a narrow time constraint.
28. Most central government draft policies/documents have taken a considerable time (often over a year) to develop and are quite long and complex/detailed documents - meaning the typical four-week (or sometimes less) consultation period is just not enough time to provide meaningful feedback.

29. Vertical alignment of timing of funding rounds between central government agencies and local government is required e.g., the alignment of the Waka Kotahi NZ Transport Agency National Land Transport Programme with the local government Long Term Plan cycle would ensure more certainty for the community as the approved Waka Kotahi NZT Transport Agency business could be incorporated into the first three years of each long-term plan cycle.
30. A longer-term commitment (e.g., 10 years) of central government to bulk funding programmes is needed and central government agencies should also be required to have long-term investment plans for spatial areas to meet ongoing challenges.
31. [Enabling Representation](#)
32. We call for greater education in the role of local government and recognition of local government as a partner to central government rather than a subservient structure and suggest that local government and central government election cycles are aligned and based on a four-year term. This would also allow centrally funded civic education programmes to encourage voting to have maximum impact.
33. Alongside this, improvements in the remuneration structure for elected members, the introduction of online voting and the lowering of the voting age (to 16 years) and the introduction of participatory budgeting would promote better representation of our community at the council table.

## Hamilton City

To provide context for the Panel, the following section outlines the unique features of our city.

### Our City

Hamilton is the thriving heart of the Waikato Region and an integral part of the golden triangle between Auckland and Tauranga. This larger metro area (metro spatial sub-region) is experiencing rapid population and development growth. The sub-region had a population of around 324,000 people at 2021, and may grow to a population of around 450,000 to 500,000 by 2051 – a possible increase of around 100,000 to 150,000 people in the 30-year period.

Hamilton City, with a population of almost 180,000, is New Zealand's fourth largest city and has a growth rate over the last three years higher than Auckland, Christchurch and Wellington. Hamilton's population increased by 20.5 percent between 2012 (148,100) and 2021 (178,500).

Hamilton has a relatively small land area of 11,093 hectares (compared to the likes of Auckland at 108,000 hectares and Christchurch at 143,000 hectares), yet it has to service a very large metro area i.e., the Hamilton, Waipā and Waikato sub-region. This is evidence that 46% of the vehicle kilometers travelled each day are people travelling into and out of Hamilton for work and education, creating challenges for the city's transport networks.

The city has also significantly intensified its housing over the past 10 years i.e., in 2012 the infill/greenfield percentage split was 67/33 - whereas in 2021 it was 48/52. A record 1,497 new homes were completed in 2021 - up 6 percent on 2020. However, home ownership rates have been declining in Hamilton, with 43 percent of people owning their own home in 2016, compared to 55 percent in 2001. Māori and Pacific peoples have lower household ownership relative to the general population. Hamilton is the third (after Auckland and Tauranga) least affordable housing market in New Zealand, with a median house price to median household income of 6.8 times.

Hamilton has a diverse economy, which helped it weather the COVID-19 pandemic better than New Zealand's other major cities. Highlights for Hamilton in 2021 (as outlined in the **2021 Hamilton Annual Economic Report** - May 2022 - refer [here](#)) include:

- Hamilton contributed 41 percent of the Waikato's \$30 billion Gross Domestic Product (GDP) and 43 percent of its jobs in 2021.
- Hamilton's GDP was \$12 billion in 2021, increasing by 4.3 percent since 2019 despite the pandemic, and for the first time supports over 100,000 jobs.
- The city's unemployment has declined to 4.8 percent since 2020.
- Hamilton ranked 1st in New Zealand and 21st in the world for its successful integration of digital technology, knowledge and assets to improve city services.

## Our Challenges

The city will need to respond and adapt to the climate change and transition to a low-carbon economy. As a metro city, the largest emissions are from transport (64% of the city's greenhouse gas emissions). Addressing this will be a priority in our climate change response. This will mean changing how people move around our city to get to work or school every day; and at a city scale, it will mean a transformation of our transport system. As a portion of these transport emissions are from others travelling to, from, and through our city, we will need to collaborate with our regional partners to reduce greenhouse gas emissions.

The awa (Waikato River) that flows through the heart of the city is a significant taonga. Through the Vision and Strategy for the Waikato River, the Waikato River Authority has identified key issues for the River, including its degradation, which has compromised iwi in their ability to exercise mana whakahaere or conduct their tikanga and kawa, the impact of human activities along the river and the alteration of natural processes over time (refer [waikatoriver.org.nz](http://waikatoriver.org.nz)). The city needs to provide for growth in a way that protects and enhances the valued water bodies and restores and enhances ecological assets.

The city, through integrated land use and infrastructure planning, must plan to grow in a way that supports liveable neighbourhoods and high-quality urban environments, whilst delivering on the required increased density. As a city we aspire to be 20-minute city of compact, connected, and healthy neighbourhoods. This means that people can "live locally" by meeting most of their daily needs by walking or cycling from their home in pleasant surroundings, with safe, easy access to public transport for the CBD and wider city. While this aligns with the idea of a low-emissions transport network, it is also about ensuring that our neighbourhoods have most things that residents need every day, such as local shops and businesses (e.g., small supermarket, butcher, grocer, bakery, café, shared workspaces), playgrounds, open green spaces, early childhood facilities, primary schools, and health services such as doctors, dentists, and chemists. Other parts of the city such as aquatic centres (e.g., Waterworld) and major shopping centres (e.g., The Base) will then also be easy to access from all neighbourhoods by bike, micro-mobility and public transport.

Like other growth cities, Hamilton City is facing increasing pressure to provide new and enhanced infrastructure and services within the existing constraints of the sustainability of government funding and people's ability to pay. As one of the Future Proof partners, we are working collaboratively on exploring ways in which new tools can be implemented to address funding constraints.

## Our Council

Hamilton City Council is focused in improving the wellbeing of Hamiltonians. To provide direction for this, **Our Vision for Hamilton Kirikiriroa** (October 2020) was created. The full Vision document can be accessed [here](#) and the introduction below sets the direction of the Vision document.

***Hamilton Kirikiriroa is a fantastic city, with the potential to be one of the very best places in the world to live in and to thrive in. We're already New Zealand's fourth largest city with 170,000 people calling Hamilton home. In the space of just three generations, our population has grown more than eight times over. And we're also incredibly diverse. The people of Hamilton represent more than 160 ethnic groups, making us rich in wonderful cultural opportunities.***

***Importantly, we're young. In Hamilton, our median age is just 32, making us the 'youngest' of all New***

*Zealand cities. Already, Hamilton has everything it needs to be one of the best places in New Zealand and the world to live, work and raise families. In our city, we now have a much stronger focus on environmental issues, inter-generational equity and housing affordability – things we know are important to people who live here.*

*And while your Council is very focused on looking after the city assets we already have, we want to prepare and plan well for those things which will further improve the wellbeing of Hamiltonians.*

*This booklet sets out five, long-term priorities for Hamilton over the next decade. These priorities reflect what you have said is important to you, your family and your neighbourhood. They also reflect the views of your Councillors, who have listened closely to what you have said and understand your aspirations for our city.*

*This is our city. It belongs to all of us and together all of us will determine its future. Ensuring our city develops to its full potential is something we can and should do, as a community. This is about shaping our city, together.*

Hamilton City Council is focused on improving the wellbeing of Hamiltonians through delivering to our five priorities of shaping:

- **A city that's easy to live in**
- **A city where our people thrive**
- **A central city where our people love to be**
- **A fun city with lots to do**
- **A green city**

As a city we'll work alongside our iwi partners and work closely with local agencies, government, and private partners to make sure our city and wider region thrive.

To deliver on this Vision, the Hamilton City Council 2021-2031 Long Term Plan provides for an operational spend of \$3.7 billion over the next 10 years to keep the city running and a \$3.2 billion capital programme over the next 10 years. The Council employs around 1,200 staff across 30 business units and 20 different sites.

## The Future of Local Government Review Background

34. In April 2021 the Minister of Local Government commissioned a review of local government with an overall purpose *"To consider how New Zealand's system of local democracy and governance will need to evolve over the next 30 years in order to improve the wellbeing of New Zealanders, and actively embody the Treaty partnership"*.
35. The independent Panel (the Panel for the Future of Local Government Review) was selected through the Cabinet appointment process to undertake the programme for the review through three stages:

### **Stage 1: Early Sounding (Complete)**

This first stage is completed and was an initial scoping and early engagement with local government and other organisations to identify key issues and lines of inquiry. The output of this stage is the Interim Report, **Ārewa ake te Kaupapa Raising the Platform**, which was released publicly on 8 October 2021 and can be found [here](#). This report sets out the broad direction and priority questions to be considered in the review in order to support engagement about the future of local governance and democracy.

### **Stage 2: Broader Engagement (2021-2022)**

This stage involves a broader public engagement about the future of local governance and democracy in New Zealand, alongside research and policy development. The Panel will report draft findings and recommendations to the Minister for Local Government in September 2022.

**Stage 3: Formal Consultation and Final Report (2022-2023)**

This stage will involve formal consultation and consideration of public submissions on the recommendations, with the delivery of the final report to the Minister for Local Government in April 2023.

36. In the Interim Report the Panel raised five priority questions:
- How can the system of governance be reshaped?
  - What is the function and roles of local government?
  - How to build partnerships that deliver to Te Tiriti O Waitangi?
  - How to reflect communities in local government?
  - What are ways to ensure funding for viable, sustainable, equity wellbeing?
37. The Interim Report also proposed a redesigned system of local governance with the following key features:
- It will be built on open and respectful relationships.
  - It will be aligned – the organisations involved in creating local wellbeing will have shared missions and will operate in an environment that supports collaboration.
  - It will be effective and sustainable – the organisations involved will have sufficient funding, capability, and support to carry out their missions.
  - Functions and roles will be allocated at the right scale, reflecting inherent strengths and capabilities, taking account of the subsidiarity principle, and acknowledging that ‘one size does not fit all’.
  - It will be flexible and agile, capable of scaling up or down and transferring functions as new challenges emerge.
  - It will build on Te Ao Māori and mātauranga Māori and embody genuine Treaty partnership based on shared wellbeing for future generations.
  - It will be inclusive – providing for diverse voices to be heard, and all with interests in local wellbeing to participate in decision-making.
  - It will be fair – taking account of all needs and interests, delivering benefits for whole communities, and protecting the interests of future generations.
  - It will be transparent and accountable – decision-makers will be answerable to their communities.
38. Post the release of the Interim Report, and following initial interviews with the sector, the Panel subsequently proposed in the information pack they provided for the discussion sessions with councils a new set of discussion points. These are described by the Panel as five key shifts that are required to address the priority questions raised in the Interim Report. The five key shifts are:
- Strengthen local democracy.
  - Stronger focus on wellbeing.
  - Authentic Relationship with Hapū/Iwi/Māori.
  - Genuine Partnership between Central Government and Local Government.
  - More Equitable Funding.

39. The Panel met with Hamilton City Council on 21 March 2022 between 2.00pm and 4.00pm. The Chairs of each committee of Council provided a briefing introduction and then Council addressed the five key shifts proposed by the Panel.
40. Hamilton City Council has also been working with the Zone 2 group of councils and have commissioned the following - Hamilton City Council/Zone 2:
- MDL - Peter McKinlay – Strengthening Communities – a report that highlights the opportunity for and the importance of councils acting to strengthen their communities and help them build their capacity and capability to work through what are their priorities and how they best met. (See Appendix A)
  - Co-Lab initiative (WLASS) - Shifting Landscapes - Community Needs analysis – a report containing evidenced-based qualitative data to inform council submissions to the Future for Local Government Review. (See Appendix B)

## Key Shift: Strengthen Local Democracy

41. The first key shift proposed by the Panel is the strengthening of local democracy from low public trust and participation in local government to the renewal of local democracy that builds a foundation for the future of a strengthened and inclusive local democracy.
42. To achieve this, the Panel is considering these changes:
- Offer a mix of participatory, deliberative and representative democratic tools, and support multi-generational representation.
  - Enable hybrid systems to complement elected members, including iwi/Māori and appointed experts.
  - Develop systems that support and sustain governance representatives. Enable representation from minority groups e.g., create and resource clear pathways, provide ongoing support programmes and mentor new leaders.
  - Explore electoral administrative systems, longer terms and voter eligibility criteria (e.g., younger voters).

## Hamilton City Council Requests that the Panel Considers the Following Points:

### 43. REPRESENTATION OF THE COMMUNITY

- The elected members of Hamilton City Council are the representation of the community established through representative election. Council supports this model for community representation.
- Council will be implementing Māori seats to provide representation of Māori. Council's proposed representation structure was endorsed by the Local Government Commission in April 2022. The Council table will be made up of twelve General Ward Councillors (six in the East Ward, and six in the West), two citywide Kirikiriroa Māori Ward Councillors, and the Mayor. Further information on this can be found [here](#).
- Council also has a Maangi Māori model of representation at its committee level. On 9 October 2018, Hamilton City Council approved five new Māori appointees to the committees of Council as an integral part of the Governance structure, marking the beginning of a new era for partnership-based decision-making for the city. The appointees represent iwi (Waikato-Tainui) and maataa waka (other Māori and Pacific people living in Hamilton).

- The new appointees have the title of **Maangai Maaori**, which means ‘The voice of Maaori’. They were chosen from over 40 applicants by a selection panel comprising representatives of Waikato-Tainui, Te Runanga o Kirikiriroa and Te Haa o te Whenua o Kirikiriroa.
- Hamilton City Council notes that within the existing framework there are opportunities to appoint advisors to committees. Council currently does this with the external experts appointed to the Strategic Risk and Assurance Committee - refer [here](#). The current approach can be used to appoint other experts or advocates of communities’ interests to committees and working groups.
- However, Council advocates for changes in practice and legislation to make it easier to create community committees or specific topic focused committee structures, and to encourage the community to participate in these, provide for options for payment for external parties on committees.

#### 44. **ENABLING REPRESENTATION**

- Council requests that a formal information campaign be developed and run nationally by a sector body to educate people on what local government does and the role of elected members. This will assist in encouraging members of the community to stand for Council.
- Council recommends that to assist with the attraction of candidates for local government elected member positions, elected members are paid a salary based on qualifications, skills and experience. Currently elected members are treated as contractors and the payment of a salary would also allow elected members to qualify for Kiwi Saver and other benefits that are available to Council staff. To support this the funding provided through the Remuneration Authority should be based on the cost (salary) of elected members rather than being an allocated pool that is split across elected members.

#### 45. **SIZE AND SHAPE OF THE CITY**

- Council recognises that the scope of this review does not include boundary changes but the conversation about improving local democracy is integral with the conversation of who the local government represents.
- Hamilton City is unique in that it is a hub city for a larger metro area with many of our communities of interest, spatial land use planning areas and infrastructure reaching beyond our city boundaries, requiring intricately and dynamically interconnected considerations with our partner local authorities.
- Council recommends that a further or correlating review into boundary considerations is vital to give effect to improving Local Democracy.

#### 46. **SPATIAL REPRESENTATION**

- Council recommends that place-based structures such as the Future Proof sub-regional partnership that cross boundaries be endorsed and recognised by central government agencies. Entities such as this should have the ability to be apply for and received funding from central government agencies for specific initiatives and programmes as outline in their strategic plan.
- To improve the connection between central government and local government, and strengthen the impact of place-based structures, the representatives from central government/central government agencies who sit on place-based structures should have the authority to commit the agency they represent to funding decisions.

- Council recommends that to support localism, the legislation needs to enable the creation of local community committees (as structures outside the local board structure), led by the community, to make plans and decisions for their community. Local government's role should be to empower

**A place-based community** is defined as a geographical area. The area is derived by the connection between the places and benefit the communities get from being aligned together. Place-based community structures can cross territorial boundaries. An example is **Future Proof** (refer [here](#)), which is providing planning and direction for the Hamilton-Waikato Metro-Spatial area.

**Localism** is defined as arrangements where citizens are involved in making decisions about their own areas and localities. It is about giving voice, choice and control to communities, enabling local solutions through partnership and collaboration around place, and providing the conditions for social action to thrive.

these community committees.

#### 47. COMMUNITY VOICE

- To allow local communities and local authorities to determine how they want to share their voice and engage, Council recommends removing all consultation constraints and requirements from the Local Government Act, such as the directive approaches for engagement such as the Special Consultative Process.
- Councils should be encouraged to adopt alternative ways for the elected members to hear the community's voice by discouraging the formal 'presentation' to council approach and encouraging the use of innovative ways such as video recordings, Zoom chat rooms and whiteboard/post-note sessions, and in-person sessions. Councils should also promote participatory democracy by encouraging community committees and networks to represent their community views and lead local community consultation/engagement processes (for example use the strong online forums of community Facebook pages etc.).
- To enable the community, a sector agency should be charged with creating a 'toolbox' for the community on how to engage with local government (and central government) alongside a national education programme to allow everyone to have the opportunity to share their voice to their representatives.
- Councils considers that local government (and central government agencies) should be required to adopt participatory budgeting to enable the community's preference for budget allocation be captured and to directly influence the local government (and central government agencies) budgets.

#### 48. ELECTION CYCLE AND STRUCTURE

- Council recommends the local government elections occur at the same time as the central government elections so that the community votes on all levels of government at the same time to give the same weight to all layers of government. This would allow centrally funded civic education programmes to encourage voting to have maximum impact.

- Council recommends the government cycle is moved to a four-year term. For local government this will create a cycle of the Year 1 November-June planning for the next four years outlined in an 8- or 12-year vision and 4-, 8- and 12-year plan cycle and budget, resulting in a one year for planning and three years for delivery to the vision, priorities and plans.
- Council recommends the online voting is introduced immediately to make it easier for people vote, especially those in the under 25 age groups.
- Council also suggests the consideration of lowering the voting age to 16, noting that 7.2 percent of Hamilton City's population is aged between 15-19 years – 2018 Census of Population and Dwellings. Council makes decisions for the future of the city and our community and think it is appropriate that those affected by these decisions into the future have the opportunity to participate in the decision-making process.

## Key Shift: Stronger Focus on Wellbeing

49. The second key shift proposed by the Panel is a move from the traditional focus on infrastructure service delivery to a focus on the complex wellbeing challenges of the 21st century, including economic and social equity and climate change action.
50. To achieve this, the Panel is considering these changes:
  - Local government is a broker, bridge builder, connector and supporter of ideas to support positive change in the community it serves, with a genuine focus on a coordinated approach to building social cohesion and wellbeing.
  - Increasing central and local government collaborative efforts to focus on wellbeing, including health, housing, education, community safety, and economic, social, cultural and environmental wellbeing.
  - Local government functions, roles and structures that reflect the appropriate level of subsidiarity and localism, while securing needed resources and economies of scale to ensure competent, sustainable and resilient entities/organisations.
  - Supporting residents to change from being mostly passive recipients of services to active citizens as innovators, participators, and partners in achieving community wellbeing outcomes.

## Hamilton City Council Requests that the Panel Considers the Following Points:

51. **WORKING TOGETHER TOWARDS WELLBEING**
  - In the information pack for the meeting with the Panel, the Panel outlines the important roles of local government as being:
    - Local voice, knowledge and leadership.
    - Connector and enabler of local decision-making.
    - Upholds values and protect rights.
    - Provides local services.
    - Partner of central government and iwi/Māori.
    - Supports thriving people and communities.
  - Council recommends that the Local Government Act be updated to reflect the above as the role of local government.

- Furthermore, as central government, central government agencies and local government are all working towards improving wellbeing, Council recommends the introduction of an agreed definition of 'wellbeing' to be used by all agencies.
- Council recommends each local government, central government agency and other organisations are required to define how their role and function delivers to improving wellbeing via the production of a vision and priority document (such as Hamilton City Council's Vision and Five Priorities) – refer [here](#).
- Council recommends that central government agencies that also focus on wellbeing, such as Ministry of Health, Ministry for the Environment, Kāinga Ora – Homes and Communities, Education New Zealand and others, direct their regional offices to interact with local government to work together to improve the provision of wellbeing services across communities.

## 52. DELIVERY OF WELLBEING SERVICES

- Council requests that local government's role be recognised as the 'gateway' for identifying, understanding and promoting the community needs that will improve their wellbeing. As local government is closest to the community, they should have a focus of being the connecting point/broker to support networks of community groups, partnerships arrangements and agencies in framing service delivery options and supporting those delivering the services to access funding. Local authorities should be given the use of the Power of General Competence through the Local Government Act to provide each local authority the ability to choose the activities they undertake and how they will undertake them to fulfil their statutory duties.

The 'gateway' role means local government "will be putting themselves forward as the primary authorities on the needs and preferences of their different and diverse communities across the full spectrum of matters capable of being addressed by public sector support or intervention". (Panel Future of Local Government).

- Council suggests that central government acknowledge that local communities should have the option to determine what services they want delivered locally and how they want to access the services. This would require a change in the approach of central government to recognise that wellbeing is intertwined and agencies that deliver across wellbeing (rather than separate agencies) will provide better outcomes, resulting in services being delivered by multi-service agencies based in communities and operating across boundaries.
- Council recommends that central government works with local government to provide access (and funding) for new, and re-purpose of existing spaces that follow a community hub type arrangement, providing safe places for the community to bring issues, ideas and solutions to. Examples would be to fund and expand use of community centres, and to use other spaces like schools after hours for facilities, spaces and provision of services (example of the Peak).

## Key Shift: Authentic Relationship with Hapū/Iwi/Māori

53. The third key shift proposed by the Panel is a change from relationships that are variable in understanding and commitment to an authentic relationship that enables self-determination, shared authority and prosperity.
54. To achieve this, the Panel is considering these changes:
- Local government has a role in helping the stories of the past to be told in order to move forward. Acknowledging the past is an important part of reconciliation, along with learning about the history of place.

- Championing, and investing in, Te Ao Māori and Tikanga in the way local government operates and what is valued.
- Acknowledging place and the opportunity for Hapū/iwi/Māori to be involved in decision-making, to be a decision-maker and deliverer of services and activities (exercising Tino Rangatiratanga).
- Additional capacity for iwi/Māori to participate in local governance.

### Hamilton City Council Requests that the Panel Considers the Following Points:

#### 55. RECOGNITION

- Council requires central government regard to and recognition of foundation documents and joint agreements such as Te Ture Whaimana o Te Awa o Waikato – Vision and Strategy for the Waikato River (refer [here](#)) - noting that Te Ture Whaimana o Te Awa o Waikato has now been included in **the Resource Management (Enabling Housing Supply and Other Matters) Amendment Act 2021**.

#### 56. PARTNERSHIPS

- Council and central government must recognise that iwi boundaries are not aligned to boundaries created by regional or local authorities. To empower hapū/iwi/Māori, acknowledgement of the challenge created when local authorities or central government agencies request hapū/iwi/Māori to work within and across their boundary areas. Partnerships need to be defined at the local level as each area has a different set of relationship and identities to work with.

#### 57. CAPACITY BUILDING

- Council requests support for hapuu and iwi to enable capacity building to facilitate engagement and participation in decision-making, particular where there are multiple organisations seeking feedback on a similar issue.
- Council recommends a national education standard for Te Ao Maaori and tikanga is developed and made available to local government, central government agencies and other organisations.

## Key Shift: Genuine Partnership between Central Government and Local Government

58. The fourth key shift proposed by the Panel is a move by both local and central government from low trust and confidence in each other to genuine partners able to deliver wellbeing outcomes locally.
59. To achieve this, the Panel is considering these changes:
- Long-term vision and outcomes for Aotearoa New Zealand enabling partnership between central and local government.
  - A governance model that operates as a strong strategic partner with central government.
  - Deliberate structure for partnerships between central and local government, iwi, business and communities.
  - Transparent funding and accountability for service delivery and local priorities.

### Hamilton City Council Requests that the Panel Considers the Following Points:

#### 60. RECOGNITION OF THE ROLE OF LOCAL GOVERNMENT IN DECISION-MAKING

- Council requests there are more formal processes for the communication from central government on its policy work programme to local government so local government can align and resource for response to initiatives/legislation.
- Council requests that central government provides opportunities for the co-design of policy alongside central government (rather than the current process of submission input), especially if local government is the agency required to deliver central policy to the local community. An example of the current flawed approach is the Local Alcohol Policy failure that has cost local authorities significant funds in developing policies and being challenged in the courts on these policies.
- Many councils take an active role in central government consultation/engagement opportunities, including through the likes of submissions to various government discussion papers and Government Bills. For example, Hamilton City Council has made 38 submissions to date in the 2021/22 financial year. However, while councils are appreciative of such opportunities, the number of Government discussion papers and Bills being consulted on is increasing significantly (particularly in the past year), making it extremely challenging (from a resource point of view - Elected Members and staff) to respond to and provide feedback on in a meaningful way. Council recommends that greater coordination between Government departments needs to occur to ensure councils can be meaningfully engaged to provide well thought through and constructive feedback.
- In addition, greater time needs to be given to councils to provide feedback. In most instances around four weeks seems to be the 'norm' to make a submission. Given that many of these papers have taken a considerable time (often over a year) to develop and are often quite long and complex/detailed documents, four weeks is just not enough time to provide meaningful feedback.

#### 61. **ENABLING SUPPORT**

- Council requests that formal interaction and feedback between central government elected representatives and local government elected representations are required. This could be achieved by local MPs presenting at Council meetings on the upcoming issues and work programmes of government, and local government formally giving feedback to MPs on the issues and work programmes of local government to take back to Cabinet.
- Council recommends the establishment of the formal recognition by central government of sector bodies advocacy and direction such as the LGNZ remit process, with formal reporting on the consideration/implementation of remits.
- Council recognises the benefit of closer liaison between central and local governments and would consider the establishment of a central government policy office for central government officials in Hamilton to allow direct access to central government agencies to lobby on Hamilton and Metro area issues. Council would also consider making greater use of sector agencies (e.g., LGNZ and Taituarā - Local Government Professionals Aotearoa) to proactively lobby central government on local area issues.

## Key Shift: More Equitable Funding

62. The fifth key shift proposed by the Panel is a sector move from beneficiary-based funding principles to a funding system that equitably supports communities to thrive.
63. To achieve this, the Panel is considering these changes:

- Central and local government agree a fair basis for funding community outcomes, taking account of a communities' ability to pay.
- Legislation and funding policies and practices support principles of equity/wellbeing.
- Making flexible general and special purpose financing tools available.

### Hamilton City Council Requests that the Panel Considers the Following Points:

#### 64. ALIGNMENT

- Council recommends there is vertical alignment of timing of funding rounds between central government agencies and local government. For example, the alignment of the Waka Kotahi NZ Transport Agency National Land Transport Programme with the local government Long Term Plan cycle would ensure more certainty for the community as the approved Waka Kotahi NZT Transport Agency business could be incorporated into the first three years of each long-term plan cycle.
- Council recommends a longer-term commitment (e.g., 10 years) of central government to bulk funding programmes and require central government agencies to have long-term investment plans for spatial areas to meet the challenges (e.g., a growth city increasing demand for new infrastructure to support growth; rural areas challenge of renewal of infrastructure with decreasing population).
- Council recommends central government should have the flexibility to align their funding with local areas spatial planning structures (e.g., funding for Future Proof) and enable long-term funding commitments through the use innovative funding arrangements such a 'city deal' type arrangement.

#### 65. FUNDING POOLS

- Council suggests the wellbeing funding pools are created by using a share of budget allocations from government agencies to support wellbeing outcomes instead of the funds being distributed across a range of different central government agencies, which then requires co-ordination across agencies to achieve the wellbeing outcomes. For example, delivery of a park next to a school with sports fields; accessible play spaces and cycleways is funded by a central fund rather than from the local community through rates; Waka Kotahi NZ Transport Agency funding for cycle paths, Ministry of Education funding for park land etc.

#### 66. REVENUE MECHANISMS

- Council needs Central Government to understand and address the issues with the of the existing funding tools available to local government:
  - **Over-reliance on property tax as main revenue stream.** Hamilton City Council's property rates are based on the capital value of property and are forecast to be \$240 million for 2022/23, providing 80 percent of the operating revenue.
  - **Model of funding that doesn't work for a city that is a hub of a region.** Hamilton City services a large area and population that reside outside the city boundaries. Recent vehicle trip data indicates 140,000 daily vehicle movements of vehicles entering and exiting Hamilton City's boundaries with these "visitors" predominantly working and seeking education within the city borders. Yet this group makes no financial contribution to the services, infrastructure (including roads) and facilities of the city. The cost of this is instead born by the property owners (ratepayers) of Hamilton City.

- **Taxation of a tax.** GST is currently charged on property rates and passed to the government as a GST revenue stream. This is inconsistent government policy as most other taxes are not subject to GST. In 2022/23, the forecast GST on rates is \$36 million, an increase in the rate cost to our ratepayers that should be removed or redistributed back to Council as a funding stream.
- Council recommends that legislation is enacted to enable mechanisms to fund infrastructure for future generations outside the local governments balance sheet/rates revenue. This would enable local government (and agencies) to source funding from the community without restrictions through:
  - Flexible rating tools.
  - Ability to raise levies or charges to property.
  - Ability to set fees and charges for services.
  - Ability to require a share of taxes raised from a community (GST) be provided back to local government for funding services and infrastructure for that community.
- Council notes that a lot of thought has gone into this area previously with the **New Zealand Productivity Commission's Local Government Funding and Financing Inquiry**. In July 2018, the Government commissioned the New Zealand Productivity Commission's **Inquiry into Local Government Funding and Financing**. Through the Terms of Reference for the Inquiry, the Commission was asked to examine the adequacy and efficiency of the existing local government funding and financing framework, with specific reference to:
  - Factors driving local authority costs.
  - The ability of current funding and financing models to deliver on community expectations and local authority obligations and options for new local authority funding and financing tools.
  - Whether changes are needed to the regulatory arrangements overseeing local authority funding and financing.
- The Productivity Commission subsequently released its 6 November 2018 Issues Paper on **Local Government Funding and Financing** for feedback. On 15 March 2019, Hamilton City Council made a comprehensive submission to the Commission's 6 November 2018 Issues Paper on **Local Government Funding and Financing** - refer [here](#)
- The eight themes outlined in Council's 15 March 2019 submission were:
  - Support Interest-Free Government Loan Arrangements for Core Infrastructure.
  - Supportive of New Off-Balance Sheet Financing Tools.
  - Efficiency Gains - Support Alignment of Local Government and Government Spending/Programmes.
  - Open-Minded on Aggregation for Delivery of 3 Waters and Other Core Services.
  - Development of National Guidelines that Support Implementation of a Community Facilities Funding Framework.
  - Support Standardisation and Increased Efficiencies of Systems in Local Government Facilities and Services.

- Supportive of Regional Fuel Tax; Variable Road Pricing/Tolling; Increase in the Funding Assistance Rate (FAR) for Public Transport; New Targeted Enhanced Funding Assistance Rate (TEFAR).
- Supportive of Economic Benefit Revenue Linked to Growth and Development in a Council's Administrative Area.
- Council's next submission was made on 13 September 2019 to the Productivity Commission's **Draft Report on Local Government Funding and Financing** (refer [here](#)), which reinforced and built on the eight key themes outlined in its 15 March 2019 submission. The 13 September 2019 submission also commented on and provided recommendations on: Rates affordability; the cost-benefit analysis of new Government policies and standards; Asset Management Plans; development contributions; climate change.
- **The main resultant findings of the Commission's Funding and Financing Inquiry, as outlined in its final November 2019 report, were:**
  - **Radical reform is not required.** The current rates-based system remains appropriate for New Zealand. International experience offers no clearly superior alternative.
  - **But there are areas of significant funding pressure.** These pressures are highly uneven across councils with small, rural councils serving low-income communities under particular pressure.
  - **Targeted solutions are needed to tackle these pressures.** Key recommendations include new tools to help councils fund and manage growth, and additional support from central government to help councils adapt to major pressures, such as climate change.
  - **Councils need to lift their performance to help manage funding pressures.** This includes making better use of all existing funding tools. Transparency is key, and a number of recommendations are aimed at improving the transparency of local government funding decisions and performance.
  - **A better relationship between central and local government is essential.** An agreed protocol would help end the practice of central government imposing responsibilities on local government, without appropriate funding. The Crown should also be paying for council services it receives on its properties and developments.
  - **Regional spatial planning will better prepare councils for the future.** It's a key tool for achieving more efficient use of resources, and better coordination between councils, and local and central government.
- Local Government New Zealand (LGNZ) released a working paper (refer [here](#)) on revenue options in 2015 prepared by a multi-sector working group. The report noted the difficulties created by the reliance on property taxes. The report also highlighted key four themes of local government:
  - An effective partnership is needed with central government so both spheres of government are aligned.
  - Local government regions are unique and across New Zealand there are diverse economic and demographic projections.
  - Local government needs to be prepared and have the capacity to take an innovative approach to service delivery.
  - Local governments are already making full use of their existing funding tools, but too heavily reliance on rates is creating affordability and intergenerational issues.

- Council notes that these recommendations have informed the other local government reforms currently underway, but the key challenge of providing ‘targeted solutions’ has not been addressed.
- Furthermore, in this review on the Future of Local Government, the Panel has noted a key shift required is ‘Making flexible general and special purpose financing tools available.’ This needs to be addressed to provide the tools for more equitable funding.

## Alignment with Other Key Reforms

### 67. RESOURCE MANAGEMENT REFORM REVIEW

68. Hamilton City Council takes a considerable interest in matters regarding Resource Management Reform and has made numerous submissions in this space in recent years - for example:
- Hamilton City Council’s 10 March 2022 submission to the working paper **Enabling Local Voice and Accountability in the Future Resource Management System: a Proposal for Consideration** - refer [here](#)
  - November 2021 discussion document **Transforming Aotearoa New Zealand’s Resource Management System - Our Future Resource Management System - Materials for Discussion** - refer [here](#)
  - Hamilton City Council’s 24 February 2022 submission to the November 2021 discussion document **Transforming Aotearoa New Zealand’s Resource Management System - Our Future Resource Management System - Materials for Discussion** - refer [here](#)
  - Hamilton City Council’s 16 November 2021 submission to **the Resource Management (Enabling Housing Supply and Other Matters) Amendment Bill** - refer [here](#)
  - Hamilton City Council’s 4 August 2021 submission to the **Inquiry on the Parliamentary Paper on the Exposure Draft - Natural and Built Environments Bill** - refer [here](#)
  - Hamilton City Council’s 3 August 2021 submission to the **Government Policy Statement on Housing and Urban Development (GPS-HUD)** - June 2021 Discussion Document - refer [here](#) and [here](#)
  - Hamilton City Council’s 2 July 2021 submission to the New Zealand Infrastructure Commission’s May 2021 Discussion Document **Infrastructure for a Better Future Aotearoa New Zealand Infrastructure Strategy** - refer [here](#)
  - Hamilton City Council 21 May 2021 staff feedback to the Ministry for the Environment’s **Early Engagement on Resource Management Reform - Opportunities to Improve System Efficiency** - refer [here](#)
  - Hamilton City Council’s 13 February 2020 submission to the **Urban Development Bill** - refer [here](#)
  - Hamilton City Council’s 13 September 2019 submission to the June 2021 Discussion Document **Proposed National Policy Statement for Urban Development (NPS-UD)** - refer [here](#)
69. All submissions made by Hamilton City Council can be accessed [here](#)
70. In February 2021, the Government announced it would repeal the Resource Management Act (RMA) and enact new legislation based on the recommendations of the Resource Management Review Panel.
71. The three proposed Acts are:
- **Natural and Built Environments Act (NBA)**, as the main replacement for the RMA, to protect and restore the environment while better enabling development.

- **Strategic Planning Act (SPA)**, requiring the development of long-term regional spatial strategies to help coordinate and integrate decisions made under relevant legislation; and
- **Climate Adaptation Act (CAA)**, to address complex issues associated with managed retreat.

72. The following key points (reproduced from the two most recent submissions on Resource management reform) outlines Hamilton City Council's overall position regarding Resource Management reform.
73. Key Points from Council's 10 March 2022 Submission to the Working Paper 'Enabling Local Voice and Accountability in the Future Resource Management System: A Proposal for Consideration'
- Hamilton City Council has previously identified significant concerns with elements of the current reform of the Resource Management system and has communicated these to central government through recent submissions on the exposure draft of the Natural and Built Environment Act, and the Ministry for the Environment Discussion Document on the Future of the Resource Management system.
  - Reform objectives for the future of the resource management system include improving system efficiency and effectiveness and reducing complexity, while also retaining local democratic input. Proposals setting out the shape of the reform have to date provided limited specificity on how local democratic input can be protected and retained through a region-wide approach to planning.
  - While Hamilton City Council agrees with the Resource Management Reform objectives, particularly those seeking to simplify and standardise processes, provide a more effective national direction, and reduce regulatory complexity, it has serious doubts that the proposed reforms will deliver on the intended objectives and questions whether wholesale change is the most effective way to achieve the objectives.
  - Notwithstanding this wholesale feedback provided to central government, Hamilton City Council recognises that a number of 'in principle' decisions have been made regarding the move to a regional approach to planning, and therefore supports the intent of LGNZ in identifying mechanisms that will ensure the preservation of local voice.
  - Hamilton City Council supports a range of avenues to enable local voice to be heard and for these voices to then be translated into higher order plans and strategies within the new Resource Management Reform structures. Statements of community outcomes are one tool to achieve this among many. Current structures enable a range of formal and informal tools and channels for this community voice to be heard, and the new Resource Management structures need to ensure these opportunities continue to be available.
  - Hamilton City Council supports National Spatial Strategies. We believe these offer a valuable tool to align central government agencies and funding priorities with regional and local level agendas and aspirations. Too often central government agency goals are divergent with one-another, arriving at a whole-of-government position on regional planning and investment would be beneficial. From a process point of view, these need to come ahead of lower-level plans and strategies.
  - Hamilton City Council believes the joint committee concept has a number of flaws. We believe the decision-making in this forum will be too far removed from local communities and will lack democratic accountability. We understand though that this part of the new Resource Management Reform design is already settled, in which case we ask that careful thought is given to avoid the inefficiencies and that these joint committees retain a high-level of local democratic decision-making.

- Effective implementation of these new Resource Management Reform structures requires a range of levers working together in an integrated fashion. These include funding and financing tools, political champions who are accountable and who will drive implementation, legislative linkages, and an engaged community which can see their aspirations reflected in the plans.

**74. Key Points from Council's 24 February 2022 Submission to the November 2021 Discussion Document 'Transforming Aotearoa New Zealand's Resource Management System - Our Future Resource Management System - Materials for Discussion'**

- While Hamilton City Council agrees with the Resource Management reform objectives, particularly those seeking to simplify and standardise processes, provide a more effective national direction, and reduce regulatory complexity, we have serious doubts that the proposed reforms will deliver on the objectives and questions whether wholesale change is the most effective way to achieve the objectives.
- For example, we are of the view that the recently enacted Resource Management (Enabling Housing Supply and other Matters) Amendment Act 2021 should be given time to bed in, before wholesale legislative reform is introduced.
- These 2021 amendments to the RMA are very substantial and require an immediate implementation response from local government. The sector should be given the opportunity to respond to the changes, and time should be spent reviewing and assessing the community response to the changes.
- As noted previously, the proposed Resource Management Reforms will introduce three new Acts, replacing one single Act. The efficiencies and reduced complexity are not immediately apparent. In fact, the layers of regulatory planning appear more complex than the current regime.
- Resource Management reform must be considered holistically. Specifically, by ensuring that organisational structures and entities, such as the joint committees envisaged under the reforms, enable planning in a democratically accountable manner. In particular, siloed entities where land use planning, infrastructure planning and delivery, and service provision are carried out separately, and spread across different spatial scales will lead to a lack of integration.
- The Proposed Resource Management Reforms do not integrate with the reforms which are currently before the local government sector. **Three Waters Reform, and any ongoing reorganisation of local government must be integrated with the Resource Management framework.**
- **The Proposed Resource Management reforms must be flexible and able to reflect the evolving local government environment.**
- Hamilton City Council opposes a 'one-size-fits-all' regional approach to urban planning in New Zealand. As a Tier 1 growth Council, Hamilton and its Future Proof partner councils face unique metrocentric growth-related challenges. Any reform to the spatial scales of planning and the institutional arrangements required for implementation must reflect this and align geographically to the issues being faced.
- Hamilton City Council and its Future Proof partners have a proven track record of effective growth and resource management under the existing legislative frameworks and organisational structures. We have not yet seen evidence that the new Resource Management Reform legislative architecture will provide any better outcomes for Hamiltonians.

- **Too often Hamilton City Council engages in consultation processes such as this with Central Government but fails to be properly heard.** This territorial authority represents the coalface of resource management practice in an urban growth context.
- There are many lessons to be learned from a close consideration of the Hamilton context and we have constantly encouraged Government (through submissions and other processes) to engage on that basis.

75. Hamilton's Mayor, Paula Southgate, has recently stated that *"Hamilton City Council, alongside its FutureProof partners Waipā and Waikato, have done a very good job in planning for the future. That work has already been recognised by government, so I'm disappointed not to see that reflected in the proposals to date"*.
76. We also note that the Review into the Future for Local Government's website states that *"Further, planned resource management and three water reforms, if implemented as signalled, will also call into question the broader functions and roles of local government and have implications for local governance and wellbeing"*.
77. **Hamilton City Council again reiterates its strong view that the Review into the Future for Local Government should clearly have been the first reform undertaken by Government.**

## Further Information and Opportunity to Discuss Our Submission

78. Should the Panel for the Future of Local Government Review require clarification of the submission from Hamilton City Council, or additional information, please contact **Julie Clausen** (Unit Manager Strategy and Corporate Planning) on 027 808 3882 or email [julie.clausen@hcc.govt.nz](mailto:julie.clausen@hcc.govt.nz) in the first instance.
79. **Hamilton City Council would welcome the opportunity to discuss the content of our submission in more detail with the Panel for the Future of Local Government Review.**
80. We look forward to providing further feedback to the Panel when it releases its 30 September 2022 draft report and recommendations.


Yours faithfully

**Paula Southgate**  
**MAYOR**

Hamilton City Council  
Garden Place, Private Bag 3010, Hamilton

 /HamiltonCityCouncil

 @hamiltoncitycouncil

 07 838 6699

**hamilton.govt.nz**

# Three Waters Better Off Support Package

---

Guide to the better off funding package for  
local authorities



Te Tari Taiwhenua  
Internal Affairs

## Table of Contents

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

## Headline Information



### Key Dates

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



### Applying for Funds

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



### Funding Release

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

## About the better off package

---

### The better off package is:

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

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



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



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



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

## About the application and funding process

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

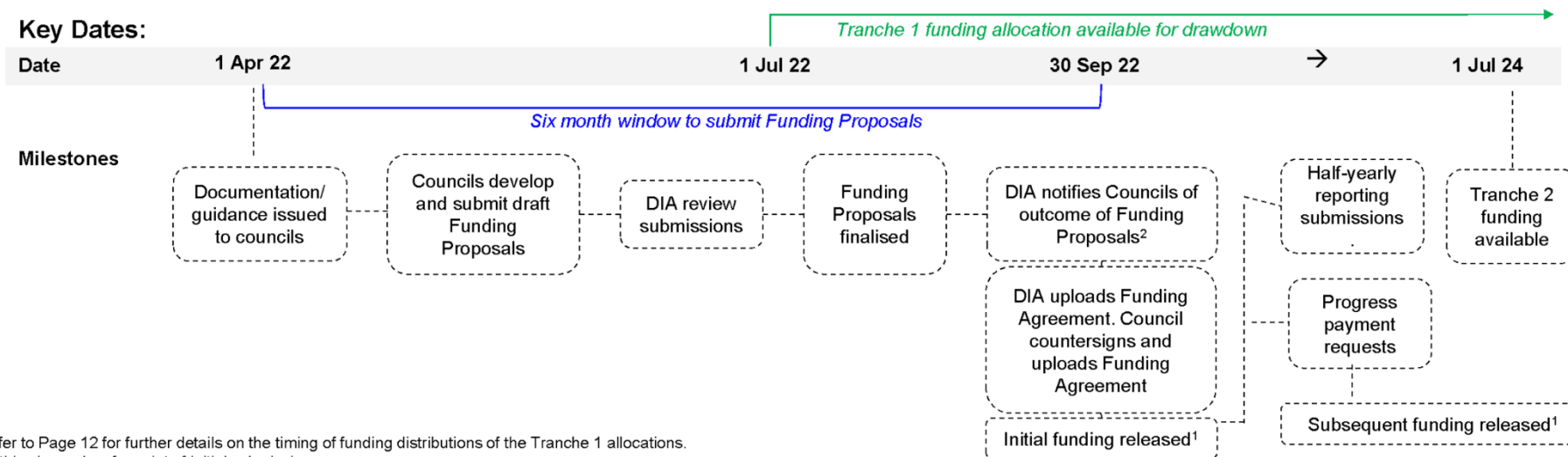
The \$2 billion package has been pre-allocated to councils based on a nationally consistent formula, and is available in two tranches. The first \$500 million of Crown Funding is available from 1 July 2022 and the remaining \$1.5 billion is available from 1 July 2024. This guide is specific to the first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

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

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

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

### Key Dates:



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

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

## Relationship managers

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

Crown Infrastructure Partners have been appointed to fill this role.



### The Relationship Manager's Role

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

#### Identify and Prioritise

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

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

#### Prepare

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

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

#### Submit

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

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

## Funding application documentation

### Funding Agreement

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

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

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

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

### Funding Proposal

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

#### Funding criteria

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

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

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

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



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

## How to Identify and Prioritise Initiatives

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

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

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

Initiative Examples		Initial Eligibility Check	
1	<b>Public Transport Improvement Programme*</b> <ul style="list-style-type: none"> <li>Replace bus fleet with electric buses</li> <li>Upgrade public transport hubs to make them more user-friendly and safe</li> <li>Increase frequency of services in busy times, and identify and provide public transport options to under-served areas</li> </ul>	Does the initiative meet the funding conditions listed on page 4?	
2	<b>Street Lighting Project</b> <ul style="list-style-type: none"> <li>Replace street lights with energy efficient bulbs</li> <li>Increase street lighting in underlit and unsafe areas</li> </ul>	<b>Prioritisation Factors</b>	
3	<b>Coastal Placemaking Initiative</b> <ul style="list-style-type: none"> <li>New coastal public space and open air water park</li> </ul>	<b>Value for Money</b>	Do the identified wellbeing outcomes justify the cost?
4	<b>Community Connectivity Initiative*</b> <ul style="list-style-type: none"> <li>Assist communities in need with affordable wifi connections and wifi-enabled devices</li> </ul>	<b>Strategic Plans</b>	Is there existing strategic planning documentation to support this initiative?
5	<b>Digital Automation Programme*</b> <ul style="list-style-type: none"> <li>Transform resource consent application system</li> </ul>	<b>Iwi/Māori Support</b>	Has the council engaged with iwi/Māori on the intended use of the funding?
6	<b>Supporting people living with disabilities to participate fully in society*</b> <ul style="list-style-type: none"> <li>Improve accessibility to community facilities including ramp access and handrails</li> <li>Installation of high specification bathrooms for people with complex disabilities</li> </ul>	<b>Risk Analysis</b>	Does your risk analysis show any undue concerns in completing the project - for example, are the resources required readily available?
		<b>Community Support</b>	Does the initiative have rate-payer and local community support?

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

## Funding Proposal – Key areas of consideration

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

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

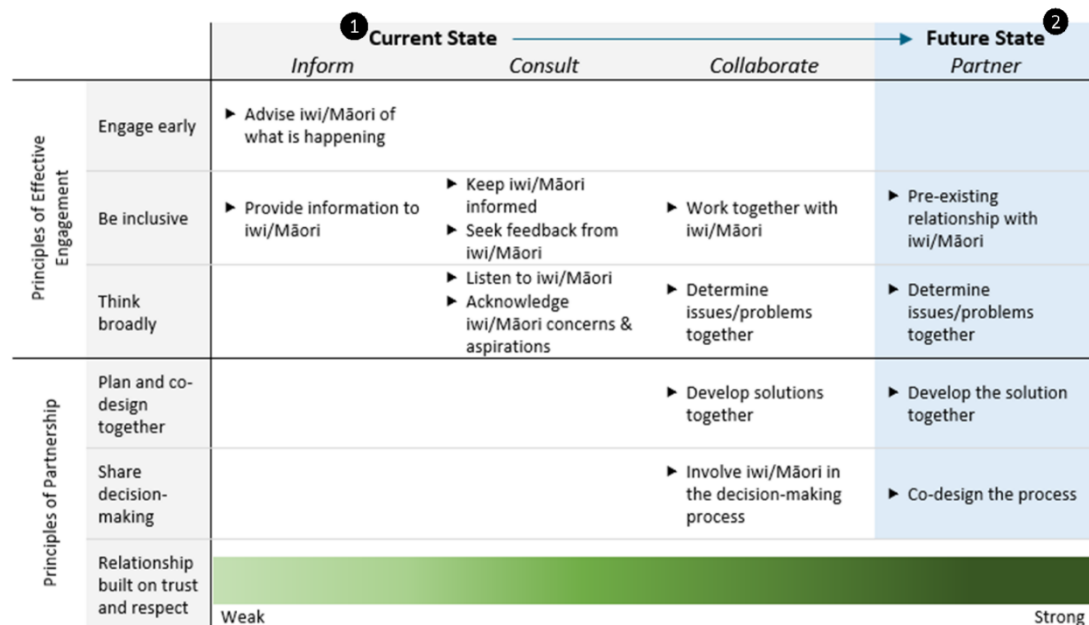


Relationship Managers will work with Local Authorities to finalise their Funding Proposals. They will be able to assist with specific questions around these considerations.

## Iwi/Māori engagement

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

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



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

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

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






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

## Wellbeing assessments

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

The assessment should outline how the programme will deliver on:

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

LGA areas of wellbeing	Considerations for completing the Wellbeing Assessment
 Social wellbeing	<ul style="list-style-type: none"> <li>• <b>Define</b> the expected wellbeing outcomes from the Programme.</li> <li>• <b>Describe</b> how the Programme outcomes will promote the better off package outcomes and wellbeing objectives for your community.</li> <li>• <b>Decide</b> how you will measure, monitor and report on your stated wellbeing outcomes, preferably using your existing processes. (e.g. indicators of change/key performance indicators)</li> </ul>
 Economic wellbeing	
 Environmental wellbeing	
 Cultural wellbeing	
	 See <b>Appendix B</b> for examples of Wellbeing Assessments based on the initiatives shown on page 8.

## Administration Process - Key areas of consideration

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

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

## Funding allocations - methodology

---

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

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

### General approach to determining notional funding allocations



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



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



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

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

# APPENDICES

## APPENDIX A: Notional funding allocations

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

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

## APPENDIX B: Wellbeing assessment examples

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

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

## APPENDIX B: Wellbeing assessment examples

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

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

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

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

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

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

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

### STEP 3: Submit the Funding Proposal

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

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

## Appendix D: Relationship manager details

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

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



Te Tari Taiwhenua  
Internal Affairs

Item 14

# **FUNDING AGREEMENT**

BETWEEN

**DEPARTMENT OF INTERNAL AFFAIRS**

AND

**[NAME OF RECIPIENT]**

AND

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

FOR

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

Attachment 3

## AGREEMENT

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

### PART 1: KEY DETAILS

- 1 **Parties**

The Sovereign in right of New Zealand, acting by and through the [Deputy Chief Executive] of the Department of Internal Affairs (**DIA**)

[NAME OF RECIPIENT] (**Recipient**)

Crown Infrastructure Partners Limited (**Monitor**)
- 2 **Background**

The New Zealand Government is undertaking a reform programme for “Three Waters” (drinking water, wastewater and stormwater) service delivery for communities (**Three Waters Reform Programme**).

The Crown entered into a Heads of Agreement with New Zealand Local Government Association Incorporated Te Kahui Kaunihera o Aotearoa (**LGNZ**) under which, amongst other things, the Crown proposed that a Three Waters Reform financial support package be provided to local authorities, comprising:

  1. a “no worse off” package which will seek to ensure that financially, no local authority is in a materially worse off position to provide services to its community directly because of the Three Waters Reform Programme and associated transfer of responsibility for the provision of water services (including the transfer of assets and liabilities) to the Water Services Entities; and
  2. a “better off” package of \$2 billion which supports the goals of the Three Waters Reform Programme by supporting local government to invest in the wellbeing of their communities in a manner that meets the priorities of both the central and local government, and is consistent with the agreed criteria for such investment set out in the Heads of Agreement,

to be given effect in agreements between each local authority and the Crown (through DIA).

The better off package will comprise:

  1. \$1 billion of Crown funding, \$500 million of which is intended to be provided to local authorities from 1 July 2022 to enable early investment (“**Tranche 1 Funding**”); and
  2. the remaining \$1 billion to be funded by the new Water Services Entities.

This Agreement relates to the provision of funding to the Recipient from the Tranche 1 Funding of \$500 million.

The Crown’s objectives with the better off package are, acknowledging the Reform Objectives, to demonstrate central government confidence in the future for local government by providing the sector with additional funds to support local wellbeing outcomes in a way that aligns with the priorities of central and local government, including through meeting some or all of the following criteria:

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

2. delivery of infrastructure and/or services that:

- a. enable housing development and growth, with a focus on brownfield and infill development opportunities where those are available;
- b. support local place-making and improvements in community well-being.

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

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

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

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

3 **Conditions Precedent**

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

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

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

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

4 **Permitted Funding Activities**

The Recipient may only use the Funding:

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

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

5 **Funding Proposal**

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

6 **End Date**

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

7 **Funding**

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

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

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

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

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

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

## 8 Reporting

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

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

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

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

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

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

costs, how the shortfall is to be funded);

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

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

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

**9 Special Terms**

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

**10 Representative**

DIA's Representative:

Name: Michael Lovett

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

Recipient's Representative:

Name: [name]

Email: [email]

Monitor's Representative:

Name: [name]

Email: [email]

**11 Address for Notices**

To DIA:

Three Waters Reform  
Level 7, 45 Pipitea Street  
Wellington 6011

Attention: Michael Lovett

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

To the Recipient:

[address]

Attention: [name]

Email: [email]

To the Monitor:

[address]

Attention: [name]

Email: [email]

#### SIGNATURES

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

---

Name: Michael Lovett

Position: Deputy Chief Executive, Local Government

Date:

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

---

Name:

Position:

Date:

---

Name:

Position:

Date:

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

\_\_\_\_\_  
Name:  
Position:  
Date:

\_\_\_\_\_  
Name:  
Position:  
Date:

END OF PART 1

## PART 2: GENERAL TERMS

---

### 1 FUNDING

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

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

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

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

## 2 RECIPIENT'S RESPONSIBILITIES

### **Standards and compliance with laws**

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

### **Permitted Funding Activities**

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

### **Information Undertakings**

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

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

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

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

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

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

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

#### **Monitoring**

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

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

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

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

### 3 INTELLECTUAL PROPERTY

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

4 **TERM AND TERMINATION**

4.1 This Agreement will be effective on and from the Commencement Date, which will be the latest to occur of:

- (a) the date this Agreement has been signed by all parties; and
- (b) the date on which DIA has provided written notice to the Recipient that the Conditions Precedent specified in the Key Details have either been satisfied (in the opinion of DIA) or waived by DIA (at its sole discretion).

4.2 This Agreement will remain in force until the End Date, unless terminated in accordance with this Agreement.

4.3 DIA can terminate this Agreement with immediate effect, by giving notice to the Recipient, at any time:

- (a) while DIA reasonably considers that the Recipient has become or is likely to become insolvent;
- (b) while the Recipient is subject to the appointment of a liquidator, receiver, manager or similar person in respect of any of its assets or a Crown Manager or Commission is appointed in respect of the Recipient under Part 10 of the Local Government Act 2002; or
- (c) subject to clause 4.4, while any one or more of the following events or circumstances remains unremedied:
  - (i) the Recipient is materially in breach of any obligation, or a condition or warranty, under this Agreement;
  - (ii) the Recipient has provided DIA with information in connection with or under this Agreement that (whether intentionally or not) is materially incorrect or misleading, and/or omits material information;
  - (iii) DIA reasonably considers that this Agreement or a Permitted Funding Activity has caused, or may cause, DIA and/or the New Zealand Government to breach any legal obligations (including its international trade obligations);
  - (iv) the Recipient abandons a Permitted Funding Activity without the prior written consent of DIA (or the Monitor);
  - (v) the Recipient is involved in any intentional or reckless conduct which, in the opinion of DIA, has damaged or could damage the reputation, good standing or goodwill of DIA or the New Zealand Government, or is involved in any material misrepresentation or any fraud;
  - (vi) the Recipient (or any of its personnel or contractors) is subject to a Conflict of Interest which cannot be managed to DIA's satisfaction; or
  - (vii) any change in law, regulations or other circumstances materially affects DIA's ability to perform its obligations under this Agreement.

- 4.4 However, where DIA considers that a Termination Event set out in clause 4.3(c) can be remedied, DIA must give notice to the Recipient requesting a remedy, and must not exercise its right of termination unless the relevant event remains unremedied for at least 14 days (or any longer period agreed with the Recipient) after that notice has been provided by DIA.
- 4.5 On expiry or termination of this Agreement, where the aggregate of (a) the total Funding paid under this Agreement and (b) any other money received or allocated by the Recipient, in each case to carry out a Permitted Funding Activity, exceeds the amount required to perform the Permitted Funding Activity, the Recipient must upon request refund to DIA the excess amount.
- 4.6 At any time DIA may recover the amount of any Funding that has been spent or used other than in accordance with this Agreement, or not applied to Eligible Costs by the End Date, together with interest on all such amounts calculated at 10% per annum from the date of the mispending to the date the money is repaid.
- 4.7 Clauses 1.2, 1.4, 1.5, 2.1, 2.7, 2.12, 2.13, 3, 4, 5, 6, 7, 8, 9, 10 and 11 survive expiry or termination of this Agreement, along with any other parts of this Agreement necessary to give effect to those provisions. Expiry or termination of this Agreement does not affect any accrued rights, including any rights in respect of a breach of this Agreement or Termination Event that occurred before expiry or termination.
- 5 WARRANTIES AND UNDERTAKINGS**
- 5.1 The Recipient warrants that, in the course of its activities in connection with the Permitted Funding Activities, it will not infringe any intellectual property or other rights of any contractor or any other third party.
- 5.2 The Recipient warrants that, as at the date of this Agreement:
- (a) It has full power and authority to enter into and perform its obligations under this Agreement which, when executed, will constitute binding obligations on it in accordance with this Agreement's terms, and it has complied with the Local Government Act 2002 in entering into this Agreement;
  - (b) the Recipient is solvent and is not subject to the appointment of a liquidator, receiver, manager or similar person in respect of any of its assets or to the appointment of a Crown Manager or Commission under Part 10 of the Local Government Act 2002;
  - (c) all information and representations disclosed or made to DIA by the Recipient in connection with this Agreement are true and correct, do not omit any material matter, and are not likely to mislead or deceive DIA as to any material matter;
  - (d) it has disclosed to DIA all matters known to the Recipient (relating to the Permitted Funding Activities, the Recipient or its personnel) that could reasonably be expected to have an adverse effect on the reputation, good standing or goodwill of DIA or the New Zealand Government; and
  - (e) it is not aware of any material information that has not been disclosed to DIA which may, if disclosed, materially adversely affect the decision of DIA whether to provide the Funding.
- 5.3 The Recipient warrants that the Funding has been or will be applied solely to Eligible Costs

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

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

## 6 LIABILITY

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

## 7 CONFIDENTIALITY

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

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

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

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

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

7.3 The Recipient acknowledges that:

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

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

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

## 8 MEDIA AND COMMUNICATIONS

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

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

9 **DISPUTES**

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

court (or other tribunal) of competent jurisdiction.

#### 10 REPRESENTATIVES

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

#### 11 GENERAL

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

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

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

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

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

*END OF PART 2*

### PART 3: DEFINITIONS AND CONSTRUCTION

#### Defined terms

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

*Authorisation* means:

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

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

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

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

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

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

- (a) was originally acquired by the Holder in connection with this Agreement through disclosures made by or at the request of the Owner; and/or
- (b) was originally acquired by the Holder in connection with this Agreement through any access to, or viewing, inspection or evaluation of, the premises, facilities, documents, systems or other assets owned or controlled by the Owner; and/or
- (c) is derived from information of a kind described in paragraph (a) or (b) above; but excludes any information which the Holder can show:
- (d) was lawfully acquired by the Holder, entirely independently of its activities in connection with this Agreement, and is free of any other obligation of confidence owed to the Owner; and/or
- (e) has been independently developed by the Holder without reference to the Owner's Confidential Information, and without breaching any other obligation of confidence owed to the Owner.

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

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

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

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

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

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

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

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

*Key Details* means Part 1 of this Agreement.

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

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

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

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

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

*Reform Objectives* means the following:

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

government sector and their communities must operate;

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

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

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

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

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

*Water Services Entity* means:

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

### **Construction**

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

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

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

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

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

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

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

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

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

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

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

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

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

---

END OF PART 3

**SCHEDULE 1: PERMITTED FUNDING ACTIVITIES**

---

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

**Item 14**

**Attachment 3**

## SCHEDULE 2: TRANSITION SUPPORT ARRANGEMENTS

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

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

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

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

The Recipient acknowledges that such decisions include a decision:

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



### THREE WATERS BETTER OFF GRANT FUNDING PROPOSAL: TRANCHE 1<sup>1</sup>

---

#### Instructions to complete the Funding Proposal:

- The Funding Proposal is to be submitted through the DIA online Grant Management System. **To apply you will need access to this system.** Guidelines on accessing this system are provided in Appendix C of the guidance document *“Guide to better off package funding for local authorities”* found here: <https://www.dia.govt.nz/three-waters-reform-programme-reform-support-package>
- One Funding Proposal per Local Authority can be submitted for the total Tranche 1 Programme of Expenditure.
- Local Authorities do not have to apply for the full Tranche 1 notional amount upfront, funds not applied for in Tranche 1 will be available in the Tranche 2 application round.
- A Programme may consist of more than one Project or Initiative, and Local Authorities may elect to provide appendices with further details and breakdowns if that would assist in the approval process.
- The Programme may relate to expenditure over a period of up to 5 years.
- All figures in this Funding Proposal should be GST exclusive.
- A relationship manager will be available to support councils and can provide advice if the Local Authority has additional questions.
- Refer to the document *“Guide to better off package funding for local authorities”* which sets out the information needed for Local Authorities to engage with the Funding Agreements and the Funding Proposal template below.

The draft Funding Proposal can be submitted by the Local Authority any time between 4 April 2022 and 30 September 2022. The Funding Proposal will be assessed by the Department of Internal Affairs, who may provide feedback and require further detail, additions or alterations. The Funding Proposal is to be finalised, and Councils notified of the outcome within six weeks of receipt of the draft submission.

Where the Department of Internal Affairs requires any additional assurance or conditions for a specific Funding Proposal, this will be included in Question 17 below following the Department of Internal Affairs review. Question 17 will form part of the Funding Proposal.

---

<sup>1</sup> The \$2 billion ‘better off’ package is available in two tranches. The first \$500 million is available from 1 July 2022 and the remaining \$1.5 billion is available after 1 July 2024.



### SECTION 1: General Information

1. Programme Title:	<input type="text"/>
2. Local Authority:	<input type="text"/>
3. Organisation Lead Contact:	
Name:	<input type="text"/>
Position:	<input type="text"/>
Email:	<input type="text"/>

### SECTION 2: Programme of Expenditure Overview

4. Provide a brief description of the Programme of expenditure the funding will be applied to. If the Programme comprises more than one Project, or Initiative that you will be reporting on separately, please list (add more rows if required):

[description of Programme]
List of Projects/Initiatives under this Programme
<input type="text"/>
<input type="text"/>
<input type="text"/>

5. Total Maximum Amount Payable as defined and stated in the Funding and Collaboration Agreement (NZD \$):

\$ <input type="text"/>
-------------------------

6. Total estimated cost of the Programme (NZD \$)?

\$ <input type="text"/>
-------------------------

7. Of the total estimated cost above, specify the amount (if any) that will be allocated to general management oversight and other administrative costs.

\$ <input type="text"/>
[description]

8. If the total estimated cost exceeds the Total Maximum Amount Payable, please specify the additional funding source(s) and amount(s):

Funding Source	Amount (NZ\$M)
<input type="text"/>	\$ <input type="text"/>
<input type="text"/>	\$ <input type="text"/>
<b>Total</b>	<b>\$ <input type="text"/></b>

9. Please indicate below the expenditure programme funding status:

	Yes/No	Amounts in NZD \$	Year
Included in LTP	Choose an item.	\$	
Included in the latest Annual Plan	Choose an item.	\$	
Not funded in any plan	Choose an item.	\$	
Was funded but COVID-19 deferred	Choose an item.	\$	
Local Authority co-funding being contributed	Choose an item.	\$	

10. Has the programme been submitted and reviewed through another contestable funding source?  
(such as the Infrastructure Acceleration Fund)

If Yes, please state the funding source and the stage of the funding process you reached below.

Funding Source	Stage Reached

11. Describe the risks you have identified in completing the programme on time and on budget (eg: availability of and access to specialist skills) and any steps/actions you have taken to mitigate these risks.

--

### SECTION 3: Programme of expenditure details

12. Please provide a high-level breakdown of the expenditure programme, including the programme commencement and completion dates, key delivery milestones, and for each milestone the planned completion date and estimated cost:<sup>2</sup>

*Milestones should reflect the progress of project delivery, and link to specific and measurable project outputs. Please refer to your relationship manager for guidance, and examples of output-based milestones.*

*If the funding package is to be used to fund multiple projects/initiatives, duplicate the table below for each project. The total of all projects must equal the Total Maximum Amount Payable per the Funding Agreement.*

	Expenditure Programme/Project Milestone (including a description of how the milestone is identified)	Estimated Completion Date	Estimated costs (NZD \$)
1.	Commencement Date per the Funding Agreement	dd-mmm-yy	Nil
3.	[milestone 1]	dd-mmm-yy	\$
4.	[milestone 2]	dd-mmm-yy	\$
5.	[milestone 3]	dd-mmm-yy	\$
6.	[milestone 4]	dd-mmm-yy	\$
7.	[Completion of expenditure programme/project]	dd-mmm-yy <i>To be no later than 30 June 2027</i>	\$
	<b>TOTAL</b>		\$

<sup>2</sup> All figures should be GST exclusive.



## CHECKS

Total maximum funding instalment amount per the Milestone Table(s) <sup>3</sup> is <b>less than or equal to</b> Total Maximum Amount Payable per question 6	Choose an item.
Total budgeted costs to complete the expenditure programme per the Milestone Table(s) <sup>4</sup> is <b>equal to</b> the total estimated cost of the expenditure programme per question 7	Choose an item.

---

<sup>3</sup> If the Milestone Table was duplicated to reflect multiple projects/initiatives, please add the total amounts across all tables when performing the checks above.

#### SECTION 4: Wellbeing Assessment

*For this section, please refer to the document "Guide to better off package funding for local authorities" for guidance on conducting the wellbeing assessment.*

13. Please set out how the expenditure programme promotes one (or more) of the key criteria of the better off package and the well-being of communities (social, economic, environmental, and/or cultural) in the table below. Add lines where necessary.

*If the funding package is to be used on multiple project/initiatives, duplicate the table below in order to identify the wellbeing outcomes for each project.*

<b>Programme Title</b>				
<b>Project/Initiative</b> (if applicable)				
<b>Better Off funding criteria</b> (select as many that apply)	Criteria 1: Supporting communities to transition to a sustainable and low-emissions economy.	Criteria 2: Delivery of infrastructure and/or services that enable housing development and growth.	Criteria 3: Delivery of infrastructure that support improvements in community well-being.	
<b>Wellbeing Area</b> (select as many that apply)	Social wellbeing	Economic wellbeing	Environmental wellbeing	Cultural wellbeing
<b>Wellbeing Outcomes</b>				
<b>Outcome</b>	<b>How Outcome will be Measured</b>		<b>How Outcome will be Monitored/Reported</b>	

COMMERCIAL IN-CONFIDENCE

Page 6 of 8

**SECTION 5: Iwi/Māori Engagement**

*For this section, please refer to the document "Guide to better off package funding for local authorities" for guidance on the Iwi/Māori engagement required to answer the following questions.*

14. Describe the process you used to identify relevant iwi/Māori parties in your region, and specify which Māori groups / entities / organisations (eg, iwi, hapū, post-settlement governance entities, etc) you engaged with.

--

15. Provide details of the engagement you undertook with iwi/Māori in determining the use of the funding allocation. Include details regarding the methods of engagement (e.g. hui, wānanga, consultation on material, subsequent feedback).

--

16. Provide details of the ideas, suggestions, issues or concerns raised by iwi/Māori during your engagement process, along with the steps taken to address these.

--

**SECTION 6: DIA USE ONLY**

17. Additional requirements in respect of the Funding Agreement (such as specific conditions):

--

# Three Waters Better Off Support Package

---

Guidance in Response to Council's  
Frequently Asked Questions - #2  
13 June 2022



Te Tari Taiwhenua  
Internal Affairs



Building Together *Hanga Ngātahi*

## Better Off Support Package: Frequently Asked Questions 13 June 2022 (1 of 3)

FAQ#	Question	Response
1	My understanding is that proposals cannot be included if they are already in the LTP unless it is for a portion (not all) to enhance or accelerate the delivery of that proposal.  Is 'in the LTP' defined as being a named project (and budget) in the initial 3 years of the 2021-24 LTP of which only 2022-23 and 2023-24 effectively remain. The LTP also provides indicative spend for the following years 4-10. I presume that a project that has been flagged for that period could be included in the Better Off proposal even though the actual period of construction might not be materially changed i.e. still sometime before June 2027.	All costs associated with planned projects beyond the first three years of the current LTP are eligible for Better Off funding in their entirety if they are accelerated. DIA's understanding is that such activities may not have been planned in detail and that funding for years 4 to 10 will be revisited in the 2024-34 LTP.  By contrast, if the activity being accelerated, enhanced or scaled up is provided for within the first three years of the LTP, then only the incremental cost would be eligible for funding.  Any cost inflation for a project within the first three years of the LTP would be eligible for Better Off funding for the cost inflation amount that is currently unfunded, if the project meets the Better Off funding criteria.
2	If an initiative is planned to continue to perpetuity and it can only be funded for 5 years, is the expectation that council fund beyond 5 years?	Yes, councils would have to fund ongoing costs beyond 30 June 2027.
3	The National Policy Statement for Freshwater Management places additional requirements such as monitoring and management. Would support to meeting these requirements be eligible for funding?	If this is a new requirement that is not currently funded – and contributes to wellbeing - then it would meet the Better Off funding criteria. Funding could only be applied to these costs up to 30 June 2027, with councils required to fund ongoing costs beyond then.  DIA recommends that the council works with their CIP Relationship Manager to determine whether there are specific, targeted initiatives that meet the Better Off funding criteria where this funding could be applied before submitting their proposal.
4	Would recruitment of additional staff to provide management of climate change initiatives in the district be eligible?	Yes, subject to these staff being recruited to work on specific initiatives that meet the Better Off funding criteria. Councils would have to fund ongoing costs beyond 30 June 2027.
5	Considering the intent of iwi/Māori engagement on page 10 of the guidance, at what point will iwi/Māori be involved as the co-designer of the criteria in order to give effect to mātauranga Māori?	Local authorities are expected to engage with iwi/Māori before submitting Tranche 1 proposals. DIA will review applications to understand the level of engagement currently undertaken by councils.  It is expected that for Tranche 2 applications (from 1 July 2024), that councils meet the Tranche 2 Minimum Expectations (Target State) as set out on page 10 of the guidance.
6	If a council was contributing to a group of projects which were subject to increased costs to complete (through inflation and/or scope creep), could the council reduce scope, or even pull projects out, to stay within their contribution or are they obliged to carry that risk and complete ?	An initiative must be fully funded based on robust cost estimates including provisions for contingency (from all funding sources i.e., Better Off plus other council funding sources) to be eligible for Better Off funding.  DIA acknowledges the uncertain cost and inflation environment facing councils over the coming years.  If, during the delivery phase, a funded initiative required rescoping or stopping, this would need to be evaluated on a case-by-case basis between the council, Crown Infrastructure Partners and DIA to ensure that Better Off funding is utilised in a way that maximises the wellbeings achieved by funded initiatives.

## Better Off Support Package: Frequently Asked Questions 13 June 2022 (2 of 3)

FAQ#	Question	Response
7	Are costs associated with compliance with Water Services Act eligible for funding?	<p>Unless this directly relates to a new project or initiative this will not meet the Better Off funding criteria.</p> <p>Councils would be better to use Better Off funding to fund projects that meet the Better Off Fund criteria - like enhancing a local park or community facility - and then use that funding freed up for Water Service Act compliance.</p> <p>Councils should work through issues like this with their appointed CIP Relationship Manager.</p>
8	Is the Better off funding to be treated as revenue towards Councils' debt to revenue ratios?	Better Off funding will be grant funding and should be accounted for in the same manner as other external grant funding received by councils; and in accordance with a council's revenue recognition accounting policy.
9	What is DIA's methodology for evaluating the proposal? Will this be qualitative vs quantitative, and how will "well-beings" be assessed?	<p>DIA will adopt a permissive qualitative approach to evaluating a proposed initiative's alignment with the funding criteria. Initiatives must however have a clear link to the criteria outlined on page 4 of the Better Off Funding Apr-22 guidance document.</p> <p>Councils should provide wellbeing assessments setting out the benefits and wellbeing outcomes for each initiative when submitting their proposal. DIA's preference is for wellbeing indicators to be specific and measurable.</p>
10	Can DIA provide further clarification on the 30 September 2022 deadline? The guidance notes include potentially conflicting statements.	<p>Applications will close on 30 September 2022; however applications can be lodged earlier than this. If a council finds itself in a situation where it is unlikely to meet the 30 September deadline it should engage with its Relationship Manager as soon as possible to discuss these circumstances and agree an appropriate alternative. Early submission will give councils the opportunity to amend or substitute their projects/proposals if a project is determined to not meet the Better Off funding criteria.</p> <p>For applications received by 31 August, DIA will endeavour to notify Councils of the outcome by 30 September. For applications lodged in September, DIA will apply best endeavours to convey a decision within 6 weeks of the application.</p> <p>DIA encourages councils to discuss potential projects / initiatives with their Relationship Managers to allow early guidance to be provided as to whether projects are likely to meet the Better Off funding criteria.</p>
11	The answer to question 2 in the 27 May 2022 FAQ response seems to infer that Tranche 2 funding can extend beyond 30 June 2027. Is that new info or a typo?	<p>The information included in the 27 May 2022 FAQ response was incorrect (and has been rectified on slide 6). Tranche 2 Better Off funding will have an end date of 30 June 2027.</p>
12	Would the payment of remuneration to Iwi groups or individuals be eligible? Would this be eligible if the remuneration is tied to specific initiatives or projects (with associated milestones or outcomes)?	Such payments which are related to specific initiatives or projects that meet the Better Off funding criteria would be eligible.

## Better Off Support Package: Frequently Asked Questions 13 June 2022 (3 of 3)

FAQ#	Question	Response
13	Would initiatives that have a direct benefit at an individual/household level be eligible for consideration? For example, our town has challenges with air quality every winter which has broader impact on community health and wellbeing. A lot of actions that would help improve our air quality are not affordable for all of our community, such as replacing wood burners or cleaning chimneys or offering grants to assist people to do this. Would initiatives along these lines that involve investment at the household level but also benefit the wider community be considered?	<p>The Better Off funding criteria is deliberately permissive to enable councils to invest in initiatives that best meet the needs of their communities, provided that the initiatives meet one of the identified Better Off funding criteria.</p> <p>The specific initiative in this example would be fundable provided the council demonstrates it meets the Better Off funding criteria.</p>
14	Would a grants type initiative to provide assistance to community led projects that address climate change or housing (for example) be eligible for consideration?	Yes, provided that this is a new or currently unfunded initiative that contributes to wellbeing.
15	Can Better Off funding be used to fund opex or capex shortfalls in 3 Waters funding?	<p>There is no specific exclusion to using Better Off funding for three waters related initiatives. These initiatives must:</p> <ul style="list-style-type: none"> <li>• Meet the Better Off funding criteria on page 4 of the Better Off Funding Apr-22 guidance document, and</li> <li>• Be new initiatives/projects; and/or an acceleration, scaling up and/or enhancing of the quality of planned investment.</li> </ul> <p>BAU Three Waters OpEx and CapEx (to the extent provided for in the first 3 years of the LTP) would not meet the Better Off funding criteria.</p>
16	Can councils use part of Tranche 1 funding to fund water related operational expenditure, to offset what will otherwise be an impact on water rates?	Funding BAU operational expenditure does not meet the Better Off funding criteria.
17	If a project relies on Funding from both Tranche 1 & 2 but is significantly (or wholly) completed prior to July 24 will the Tranche 2 funding be paid to Council as soon as it is available from July 24 to cover the shortfall expenditure paid out of councils funds (i.e. repay the costs the council has paid)?	<p>An initiative must be fully funded to complete, based on robust cost estimates (from all funding sources i.e., Better Off plus other council funding sources) to be eligible for Better Off funding. Better Off Tranche 2 funding will not be available until 1 July 2024, so the council would need to ensure it has alternative sources of funds to complete the project, until Tranche 2 funding is available.</p> <p>DIA encourages councils to take an integrated approach, looking at opportunities that could be funded across both tranches where that makes sense. In this instance DIA would need to evaluate the project details when assessing the application. DIA recommends the council engages with its CIP Relationship Manager to progress this discussion.</p>
18	Can Better Off funding be used to deliver new infrastructure that supports growth, including components relating to 3 Waters?	This would meet the Better Off funding criteria if the investment enables housing development and growth.

# Three Waters Better Off Support Package

---

Guidance in Response to Council's  
Frequently Asked Questions – #1  
27 May 2022



Te Tari Taiwhenua  
Internal Affairs



Building Together *Hanga Ngātahi*

## Better Off Support Package: Frequently Asked Questions 27 May 2022 (1 of 3)

FAQ#	Question	Response
1	Can DIA confirm that programmes / projects confirmed as part of Tranche 1 proposal can run through to 30 June 2027, and do not expire on 30 June 2024?	All funding must be used by 30 June 2027, which means projects must be completed before then as last cash out is before that date (ref "End Date" sect 6 of the Funding Agreement).
2	Can projects extend beyond 30 June 2027 providing specific provision is made in the Proposal for any unfinished portion to be funded by the council (similarly for Tranche 2 proposals)?	All Better Off funding from Tranche 1 must be expended by 30 Jun-27; a project could extend beyond 30 Jun-27 if supported by Council funding beyond that date. The intention is for Tranche 1 funding to be used by End Date but no restriction if ongoing investment beyond End Date funded by alternative sources (Funding Agreement Part 2 sects 2.4, 6.2). *
3	Confirm that tranche 1 proposals can be up to, but not exceeding, the amounts nominated by DIA (totalling \$500m) i.e. the proposal can be for a lesser amount.	The Better Off Funding Apr-22 guidance document (page 9 of 19) says: "Local authorities do not have to apply for the full Tranche 1 amount upfront, funds not applied for in Tranche 1 will be made available in Tranche 2. The second tranche will be subject to future guidance and application processes, however the same funding criteria and conditions are expected to apply."
4	Confirm that any eligible amount not included in an initial Tranche 1 proposal remains available for follow-up proposals.	Refer to #3 above
5	Confirm if there is a separate process for the follow-up proposal or this can only be included with the Tranche 2 proposal submission in 2024.	Refer to #3 above.  The Project Substitution process could be used to access funds up to the Tranche 1 maximum amount should the original Funding Proposal/Agreement be for less than the Tranche 1 maximum funding allowable.
6	The wording indicates that Tranche 1 proposals need to be either accepted, or a Waiver issued, by 30 September 2022. This presumably means that the proposal must be lodged prior to this to allow for assessment by DIA. Has this earlier date been defined?	If a proposal is received by 30 September but not approved within that timeframe, then DIA would consider issuing a Waiver, as no earlier date was specified in the guidance. Waivers are at the discretion of DIA and would need to be considered on a case-by-case basis. We encourage councils to engage early with CIP to get applications in well before 30 September to ensure a prompt response within the specified timelines.
7	There is mention of a 'Waiver' that can be requested where a council is not able, or willing, to submit a proposal by 30 September 2022. Can you define the criteria to be used, and the process for requesting a waiver? We are aware that a number of councils will need some time to assemble their proposals and the LG elections may also influence their processes.	Waivers are at the discretion of DIA and would need to be considered on a case-by-case basis. We encourage councils to engage early with CIP to allow agencies to identify and manage those councils wishing to seek a waiver.

\* The initial FAQ response document (27 May 2022) incorrectly stated that Tranche 2 funding could be applied to fund projects for expenditure beyond 30 June 2027.

## Better Off Support Package: Frequently Asked Questions 27 May 2022 (2 of 3)

FAQ#	Question	Response
8	If a Tranche 1 proposal has not been submitted by 30 September 2022, or a waiver issued, does the council lose its eligibility for the Tranche 1 funding? Does this impact on availability of the separately defined Tranche 2 funding?	<p>Refer to Funding Agreement ... "These conditions precedent must either be satisfied (in the opinion of DIA) or waived by DIA (at its sole discretion) by 30 September 2022. In the event that they are not satisfied or waived within that time, DIA may notify the Recipient that this Agreement has not come into effect and is null and void."</p> <p>If the conditions are not met by 30 Sep 22, then as above with unallocated Tranche 1 funding the LTA's tranche 1 funding would be added to their Tranche 2 funding and can be applied for in 2024.</p> <p>Councils do not lose their tranche 1 funding - but they would not be able to access these funds until tranche 2 is available (1 Jul 24) if they do not participate in tranche 1.</p>
9	We anticipate that some projects that could be considered may trigger the special consultation requirements of the LGA. If this becomes apparent and impacts on a council's ability to lodge a Proposal can an extension be granted in these circumstances?	If councils wish to consult, or if approval of a funding application is held up (e.g. as issues are worked through with mana whenua), then this could be grounds for a waiver. Waivers are at the discretion of DIA and would need to be considered on a case-by-case basis. We encourage councils to engage early with CIP and get applications in well before 30 September to ensure a prompt response within the specified timelines.
10	The Guide includes that the funding can be used to ' __ accelerate, scale-up and /or enhance __ 'an already planned investment. Can you confirm if the entire project is eligible for funding or only the additional cost associated with the enhancement?	<p>The Better Off Funding Apr-22 guidance document (page 7 of 19) says</p> <p>"Funding proposals must be for:</p> <ul style="list-style-type: none"> <li>• new initiatives/projects; and/or</li> <li>• to accelerate, scale up and/or enhance the quality of planned investment"</li> </ul> <p>Only the additional cost can receive Better Off funding unless a new (unfunded) initiative/project or exemption granted by DIA, however if funding is used to bring forward an entire project from years 4-10 of the LTP then the full amount is eligible.</p>
11	At this time of rapidly increasing infrastructure construction costs we expect that councils will identify projects where the LTP budget no longer aligns with the actual expected construction costs.  Could a council apply for these additional costs even if the scope of the project is relatively unchanged?	Yes, the cost increase can be applied for Better Off Funding provided the project meets the Better Off funding criteria
12	Can the 10% upfront payment be used to provide rolling programme liquidity and each monthly claim be for all actual invoices paid in the previous period?	Yes, provided that the 10% working capital is fully itemised and allocated to projects before at a future point.

## Better Off Support Package: Frequently Asked Questions 27 May 2022 (3 of 3)

FAQ#	Question	Response
13	If a Council participates, i.e. sign up and takes the money, will this still allow Council to be opposed to the Three waters reform?	DIA acknowledges the importance of councils independently expressing their views of the reform programme. The Funding Agreement for the better off package does not prevent or prohibit councils from doing this. For the avoidance of doubt, publicly criticising or expressing opinions on reform cannot reasonably be expected to have an adverse effect on the reputation, good standing or goodwill of the Department or the New Zealand Government, and would not represent a breach of the funding agreement.
14	Transition Support Arrangements: The agreement requires the recipient to provide the collaboration and co-operation requested. There is then reference to CCOs involved in the delivery of water services. Does the obligation apply to both the council and the CCO if there is a CCO involved?	Yes, this obligation applies to both councils and CCOs.
15	It is noted that the Council election is scheduled for a week after the 30 September deadline for Tranche 1. If a council believes its decision-making process is compromised by the impending election can an extension be granted?	Waivers are at the discretion of DIA and would need to be considered on a case-by-case basis. Councils should engage early if there is a risk to achieving the 30 September timeframe.
16	Can you confirm if it is intended that projects must be wholly contained within each of the 2 tranches or if overlaps are permitted? This more specifically relates to projects that are partially completed in Tranche 1 and depend on Tranche 2 funding to achieve completion.	This would be permissible. DIA encourages councils to take an integrated approach, looking at opportunities that could be funded across both tranches where that makes sense.
17	We understand that projects that have '... previously been submitted and reviewed through another contestable funding source ...' can be included in the proposal.  We presume this could include the expansion or enhancement of projects that have been approved by the source or re-submission of projects that have been declined, in whole or in part.	Yes, provided they meet Better Off funding criteria.
18	Could we use part (say 1/3) of the Tranche 1 funding to subsidise our road maintenance contract? We have received tenders that are significantly above budget, and we have no other "potential" funding source.	BAU road maintenance would not meet Better Off criteria. The LTA would be better to use Better Off funding to fund projects within their plan that do meet the Better Off Fund criteria - like enhancing a local park or community facility - and then use that funding freed up for the roading maintenance.  Councils should work through issues like this with their appointed CIP Relationship Manager.

# Council Report

**Committee:** Council **Date:** 29 June 2022  
**Author:** Mark Davey **Authoriser:** Blair Bowcott  
**Position:** City Planning Manager **Position:** General Manager Growth  
**Report Name:** Plan Change 7 - Rotokauri North Private Plan Change - approval to make operative

<b>Report Status</b>	<i>Open</i>
----------------------	-------------

## Purpose - *Take*

1. To seek the Council's approval to make Plan Change 7 – Rotokauri North Private Plan Change operative.

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

2. That the Council approves making Plan Change 7 – Rotokauri North Private Plan Change operative on 15 July 2022, in accordance with clause 20 of Schedule 1 of the Resource Management Act 1991 (RMA).

## Executive Summary - *Whakaraapopototanga matua*

3. Plan Change 7 – Rotokauri North Private Plan Change (PC7) was initiated by Green Seed Consultants Limited (the applicant) who requested the Private Plan Change in April 2019. Green Seed Consultants Limited is a company connected with Charles Ma and MADE Group Limited.
4. The Council resolved to accept the private plan change on [5 September 2019](#) and further resolved to appoint a hearing panel to hear, determine and make decisions on all submissions and matters relating to PC7 once notified.
5. PC7 has now been through the RMA Schedule 1 process, including being heard by independent commissioners in October 2021. The commissioners' decision to approve PC7 was notified in March 2022.
6. No appeals to the decision were received.
7. The final step in the plan change process is for the Council to make PC7 operative, which completes the statutory requirements of the RMA.
8. Only the Council can resolve to make a plan change operative, which is a decision that is administrative in nature.
9. With the Council's approval, PC7 will become operative on 15 July 2022.
10. This will provide certainty to the community about the planning framework for Rotokauri North.
11. Staff consider the decision in this report to have low significance and that the recommendations comply with the Council's legal requirements.

## Background - *Koorero whaimaarama*

12. Any person can request a private plan change to an operative district plan (clause 21, Schedule 1 of the RMA).
13. The purpose of PC7 was to rezone approximately 140ha of land in Rotokauri North from Future Urban to Medium Density Residential and Business 6 Zone (neighbourhood centre). The application also sought to retain the natural open zone over the significant natural area.
14. Green Seed Consultants Limited lodged a private plan change with the Council on 30 April 2019. The Council resolved to accept the private plan change on [5 September 2019](#).
15. The 140ha site subject to PC7 is more or less the same site that was the subject of an application to the Minister of Housing and Urban Development as a Special Housing Area, which the Minister granted in August 2019.
16. PC7 was limited notified, to those identified as directly affected by the proposal, on 21 February 2021.
17. Eighty submissions and eight further submissions were received on the proposed PC7. In response to submissions, the plan change applicant, Green Seed Consultants Limited / MADE Group, further revised their proposal, with supplementary information lodged with Council on 27 August 2021.
18. Independent hearing commissioners were appointed by Council at its meeting of 30 April 2020 to hear, determine and make decisions on all submissions and matters relating to the PC7, once notified. Their decisions on submissions and [decision](#) to approve PC7 were publicly notified on 11 March 2022.
19. No appeals to the decision were received.
20. PC7 has been subject to the statutory RMA process for plan changes.

## Discussion - *Matapaki*

21. To complete the plan change process, it must be made operative, which requires the Council's approval and affixing the Council Seal to the plan change.
22. Under clause 20(2) of Schedule 1 of the RMA, Council is required to publicly notify the date on which the plan change will become operative five working days before it is made operative.
23. Should the Council approve the staff recommendation in this report, the public notice will appear on 7 July 2022 and PC7 will become operative on 15 July 2022.
24. Following the Council resolution, the seal can be affixed to show PC7 is now operative. The seal can be fixed only with a resolution of the full Council.

## Financial Considerations - *Whaiwhakaaro Puutea*

25. The total cost to make PC7 operative is approximately \$2,500, which is funded through the 2022/23 Annual Plan as part of the regular operating activity for the ongoing maintenance of the District Plan.

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

26. Staff has taken legal advice on the recommended process for making PC7 operative. This is due to the complexities created by the Resource Management (Enabling Housing Supply and Other Matters) Amendment Act (the Amendment Act) and how it impacts the standard process under the RMA.

27. Under the Amendment Act, Council is required to publicly notify a plan change to implement the MDRS residential density standards by 20 August 2022. Hamilton City Council Plan Change 12 (PC12) is the plan change to give effect to the Amendment Act.
28. Under new clause 34 of Schedule 12 (transitional provisions) under the amendment Act, any plan change that is currently being processed must be held as a 'proposed plan' and, subject to a variation, incorporate the Medium Density Residential Standards (MDRS) as set out in the Amendment Act. The process for the variation set out under clause 16A of Schedule 1 to the RMA, states that variations can only proceed up to the time that the plan change is 'approved'.
29. Because the independent hearing panel took the step to 'approve' PC7 in their decision of 11<sup>th</sup> March 2022, and because that approval is not subject to any appeals, the variation under clause 16A cannot proceed. Legal advice indicates that this situation was not considered in the drafting of the Amendment Act and that this is a drafting omission in the legislation.
30. Given the conflicting intent of clauses 34 and 16A, a solution is required that gives effect to the intent of the legislation. The recommended solution is to make PC7 operative in the normal way. Rather than initiate a variation to PC7, incorporate the content of what would have been in the PC7 variation into PC12 – the IPI Plan Change, which is scheduled to be notified in August 2022. The applicant's legal counsel supports this approach.
31. This approach is efficient and does not affect any parties' rights to submit and participate in a hearing into what would have been the variation. Instead, they can participate in PC12 – the IPI Plan Change. To this end, the purpose of the Amendment Act is met.

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

32. 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').
33. The subject matter of this report has been evaluated in terms of the 4 wellbeings during the process of developing this report.
34. The RMA promotes the sustainable management of natural and physical resources on land, air and water. The RMA plan change process, which PC7 has been through, ensures that sustainability is adequately considered through evaluation of environmental, economic, social and cultural impacts.
35. The recommendations set out in this report are consistent with that purpose.

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

36. Due to the drafting omission identified above and associated process uncertainty, there is a requirement for Council to take an approach that it considers best meets the intent of the legislation. The recommended approach achieves this in a way that best minimises risk.

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

#### **Significance**

37. Given the statutory requirement to consult, staff have not considered the key considerations under the Significance and Engagement Policy to assess the significance of recommendation(s) in this report.

#### **Engagement**

38. Community views and preferences are already known to the Council through engagement undertaken in accordance with the RMA Schedule 1 process.

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

There are no attachments for this report.

# Council Report

**Committee:** Council **Date:** 29 June 2022

**Author:** Michelle Hawthorne **Authoriser:** David Bryant

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

**Report Name:** Report from the Strategic Risk and Assurance Committee - Risk Management

<b>Report Status</b>	<i>Open</i>
----------------------	-------------

## Purpose - *Take*

1. To inform the Council on the status of Hamilton City Council's nine strategic risks, three key organisational risks and any key emerging risks.
2. The Risk Management Report as presented to the Strategic Risk and Assurance Committee of 9 June 2022 is provided as **Attachment 1**.

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

3. That the Council receives the report.

## Attachments - *Ngaa taapirihanga*

Attachment 1 - Risk Management Report

## Council Report

**Committee:** Strategic Risk and Assurance Committee  
**Date:** 09 June 2022  
**Author:** Nicholas Whittaker  
**Authoriser:** David Bryant  
**Position:** Risk Advisor  
**Position:** General Manager People and Organisational Performance  
**Report Name:** Risk Management Report

<b>Report Status</b>	<i>Open</i>
----------------------	-------------

### Purpose - *Take*

1. To inform the Strategic Risk and Assurance Committee on the status of Hamilton City Council's nine strategic risks, three key organisational risks and any key emerging risks.

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

2. That the Strategic Risk and Assurance Committee:
  - a) receives the report; and
  - b) notes that that the Council will receive a copy of the Risk Management report of 9 June 2022.

### Executive Summary - *Whakaraapopototanga matua*

3. Hamilton City Council's top strategic and organisational risks have been reviewed over the last quarter and updated to reflect the changing risk environment.
4. Staff continue to provide a regular report on these matters at each meeting of the Strategic Risk and Assurance Committee. The focus areas for the Committee to note for enterprise risks are outlined in the following paragraphs:
  - i. Central Government's reform agenda continues to progress sporadically, with feedback having recently been provided through formal and informal processes in relation to the reviews. Staff have established a cross-council reform team to determine the potential impacts of the suite of reforms on Council's form and function and will communicate potential change to the wider organisation as information becomes available. Smaller teams have been established to focus on each of the individual reform work programmes; Three Waters, Resource Management, and the Future for Local Government
  - ii. Strategic Risk 7 (Significant Cost Escalation and/or Shortage of Key External Resources) is another escalating risk for Council. The impact of both global and national events is compounding existing supply chain and cost escalation risks
5. Staff consider the matters in this report have medium significance and that the recommendations comply with Council's legal requirements.

### Discussion - *Matapaki*

6. The Strategic Risk and Assurance Committee meeting of 16 May 2019 approved, for monitoring purposes, eight strategic risks and three key organisational risks (as set out below). At subsequent meetings, staff reported on the status of each risk and associated improvement plans. Further to this Climate Change was added as the ninth strategic risk.
7. The purpose of this report is to highlight significant activity over the last quarter for each risk. Where a risk has no significant update this quarter it has not been included in this report. The appended Risk Register sets out more detail on all of our strategic and organisational risks including treatment plans.
8. A review of Council's Strategic Risk Register with the Executive Leadership Team took place in May 2022. The outcome of this workshop will be brought to the Strategic Risk and Assurance Committee Workshop on 8 June 2022. Any changes to the current Risk Register will be reflected in September's report.

#### Strategic Risk 1 – A Disaster Event

9. Waikato CDEM Group is actively monitoring the ongoing volcanic situation on Mt Ruapehu. High levels of volcanic gas emissions and strong volcanic tremors continue at the mountain and the Crater Lake (Te Wai ā-moe) temperature has risen to 41°C. The volcano is still at a heightened level of unrest and the Volcanic Alert Level remains at Level 2 (Unrest – moderate to heightened volcanic unrest).
10. Volcanologists advise the most likely outcome of this unrest episode is minor disruptive activity confined to the lake basin but there remains a risk it may generate a lahar (a volcanic mudflow) in the Whangaehu River. Neither activity would present any risks to Hamilton.
11. In June, Waikato CDEM Group begin a series of risk assessment workshops as they commence scoping for the new Waikato CDEM Group Plan. The Group Plan is required by legislation and is renewed every five years. The Act requires Groups to identify, assess and manage hazards and risks, consult and communicate about risks and to identify and implement cost effective risk reductions. Hamilton will be represented at the workshops by a number of staff from across the organisation.
12. On 17 May, Council engaged in Exercise Tahi Waikato, our required Tier 2 (Regional) CDEM exercise for this financial year. The objective of Exercise Tahi Waikato, is to evaluate our Council's capability when faced with a potentially large-scale and time critical incident. It aims to assess our response capability, to test out remote working in a post COVID-19 era and to further inform our future training and exercise focus.

#### Strategic Risk 2 – Major Economic and Financial Shock

13. The budget for the Long-Term Plan (LTP) was developed as a Community Wellbeing Budget to give effect to the five priorities as agreed by Council. The budget provided for an increase in the Renewals and Compliance budget, as well as increased investment in renewing assets that would directly improve the amenity of the city. The unprecedented growth experienced by Hamilton and associated demand on existing infrastructure and services was forecasted to continue for the period of the LTP. Council also responded to the challenges driven by increasing policy and legislation requirements, specifically growth, water, wastewater and stormwater standards, transport, and climate change. Council's asset base continues to increase with investment in infrastructure assets being the key driver, resulting in increased costs to maintain these assets throughout the period of the Long-Term Plan. Council's Financial Strategy reflects those challenges.

14. The current financial year is still seeing a reduction in revenue for Visitor Destinations and Venues, Tourism and Major Events due to COVID-19 related issues. Council will also continue to monitor the work programmes it has committed to do in this financial year. Again, due to staff shortages, delays in supply chains etc. some of this work has not been able to be delivered.
15. In consideration of the impact of COVID-19 on material availability, supply logistics, COVID-19 related supply chain disruptions and resourcing, staff have identified projects that are unlikely to be delivered in the 2022-23 year. This has been discussed as part of the deliberations and drafting of the Annual Plan for 2023. Of particular note is that Council have increased the inflation assumption from what was previously used in the LTP for both operational expenditure and for specific capital projects.

#### **Strategic Risk 3 – Increasing Compliance Standards**

16. Significant reform continues to be promulgated by Government. Visibility of the reform programme is provided to Council through regular reports. Several specialist staff continue to participate in external work programmes and in an advisory capacity to central government to influence the direction of new legislation.
17. Staff will be available to discuss the risks associated with the legislation and potential impact on Council business.
18. An update on the larger pieces of reform is provided below.

#### **Resource Management**

19. On 20 December, the Resource Management (Enabling Housing Supply and Other Matters) Amendment Act 2021 was passed into law – with the intention of unlocking more housing in our growing cities.
20. This amendment to the RMA requires tier 1 councils in Auckland, and greater Hamilton, Tauranga, Wellington and Christchurch to change their planning rules so most of their residential areas are zoned for medium density housing. It also creates a new streamlined process so these councils can implement the National Policy Statement – Urban Development's (NPS-UD's) intensification policies faster.
21. As part of the District Plan change programme of work two plan changes (9 & 12) will be notified in July and August respectively. Plan Change 9 will identify and protect matters of historic heritage and natural environments across the city while Plan Change 12 will give effect to the NPS-UD and the more recent Amendment Act.
22. As part of the programme of work, two key reputational risks have been identified as follows:
  - i. The plan changes are challenged on the basis they don't comply with RMA and statutory requirements. Particularly with respect to the Amendment Act which is new and untested law. Mitigations include proactively seeking legal advice which is ongoing on a range of matters regarding the Act including; qualifying matters, specifically Te Ture Whaimana. Legal review is also carried on draft s32 reporting and plan provisions.
  - ii. There are numerous aspects of the plan changes that are likely to alter existing property rights. This will result in adverse reactions from some landowners. A comprehensive communication and engagement strategy is in place and education and information for potentially affected property owners will be provided at the earliest opportunity.

### Local Government Reform

23. On 23 April 2021 the Minister of Local Government established a Review into the Future for Local Government. The Review is to consider, report and make recommendations on this matter to the Minister. The Review is considering:
  - i. the functions, roles, and structures of local government;
  - ii. relationships between local government, central government, iwi, Māori, businesses, communities and other organisations;
  - iii. necessary changes for local government to most effectively reflect and respond to their communities;
  - iv. the embodiment of Te Tiriti o Waitangi; and
  - v. funding arrangements for local government.
24. The Panel undertaking the review has established the following timeline:
  - i. early soundings (Complete) - This first stage has involved initial scoping and early engagement with local government and other organisations to help the Panel take a future-focused look at the local governance system and identify key issues and lines of inquiry. This interim report reflects the results of that work and signals the broad lines of inquiry for the next stage;
  - ii. broader engagement 2021/22 - Stage 2 of the review will involve broader public engagement about the future of local governance and democracy in New Zealand, alongside research and policy development. After completing this work, the Panel will report to the Minister of Local Government with draft findings and recommendations. Under the terms of reference, that report is due late 2022; and
  - iii. formal consultation and final report 2022/23 - The third stage will involve formal consultation about the draft recommendations. The Panel will consider public submissions, before it delivers its final report in April 2023.

### Three Waters Reform

25. On 29 April 2022, the Ministers of Infrastructure and Local Government announced, following the cabinet consideration of the Representation, Governance and Accountability Workgroup, that the Government would progress the Three Waters Service Delivery reform. Legislation is expected in Parliament before the end of June 2022.
26. This announcement combined with significant transition work being undertaken by the Department of Internal Affairs – National Transition Unit is sufficient to move this from an emerging risk to an active risk status.
27. At the 12 May 2022 Council Meeting, Council recognised that while it advocates its opposition to the Government's 4 Entity Model, staff will continue to work with the Department of Internal Affairs (DIA) to influence better outcomes.

### Strategic Risk 4 – Cyber Attack

28. This risk continues to be managed "to ensure the organisation is secure from, or prepared for, credible cyber threats".
29. Staff are currently progressing through the implementation of the Security Operations Services defined in the request for quote (RFQ). This will expand Council's cyber security partnerships and introduce key cyber security capabilities. These capabilities will significantly improve Council's ability to identify, protect, detect and respond to cyber security threats.

30. Council continues to experience significant activity in cyber-attacks through sophisticated email phishing campaigns, these have the primary focus of compromising Council passwords and running malicious software on Council devices. The impact of compromised Council passwords is being mitigated by Multi-Factor Authentication and suspicious login alerts. Targeted end-user education is ongoing.
31. Ransomware attacks continue to grow in number. Palo Alto Networks recently released analysis of six New Zealand ransomware cases, which found ransomware payments by New Zealand organisations are at record highs. Of the cases studied, the average New Zealand ransomware demand in 2021 was NZ\$2.2million, and the average payment NZ\$541,000

#### **Strategic Risk 5 – Growth**

32. Strategic Risk 5 looks at significant changes in growth demand, and/or the consequences of growth not delivering positive outcomes for the community.
33. Demand in the residential sector continues to be high in Hamilton. In the 12 months to April 2022 the number of residential sub-division lots granted was 2,271, up 12% on the previous 12 months. Subdivision consents were 22% higher than the average for the last 5 years.
34. The proportion of infill consents increased from 51% in the year to April 2021 to 58% to April 2022. In the 12 months to April 2022 consents for 1,655 new dwellings were granted, up 15% on the prior 12 months and well above the 5-year average of 1,454 new dwellings. There were 1,419 Code Compliance Certificates (CCCs) issued in the 12 months to April 2022, down 7.2% on the 12 months prior. This is expected and in line with dwelling consents granted trends 12 to 18 months prior. It is also 11% higher than the average number of CCCs issued in the last 5 years.

#### **Strategic Risk 7 – Significant Cost Escalation and/or Shortage of Resources to Deliver Works Programmes**

35. This risk focuses on not being able to achieve our strategy and not deliver expected community wellbeing due to a shortage of resources including people both internally and externally as well as materials.
36. Since the last report to Committee the conflict in the Ukraine has not diminished adding to cost escalation and material supply chain issues. Omicron has had a significant impact on all organisations contributing to the delivery of our work programmes with most experiencing a high amount of unexpected absenteeism, skills shortage, material supply and cost issues.
37. The cumulative impact of the supply chain challenges, and COVID-19 are starting to emerge as real here and now issues rather than predictions with examples emerging of reduced competition in tenders, increased tender tension over risk allocation, utility authorities unable to commit to programmes etc.
38. Council budgeted in both the 2018-28 LTP and the current 2021-31 LTP to deliver an increasing capital works programme, substantially higher than in previous years. The 2018-28 LTP was prepared in a pre-COVID-19 environment and the 2021-31 LTP in an emerging COVID-19 - environment.
39. From a 2017/18 LTP budget of \$75m Council has progressively increased its spend to above \$250m in 2020/21 with the same forecast for the current 2021/22 year. The spend rate hasn't matched budget expectations resulting in increasing capital deferrals.
40. Deferrals have largely related to the timing of projects within the LTP periods rather than projects not being started or completed. The consequences of project deferrals in a high-cost escalation environment can be more significant than in a low-cost escalation environment and it is an increasingly important issue.

41. In anticipation of the continued difficult operating environment and together with the increasing capital deferral trend a comprehensive deliverability review of the draft 2022/23 Annual Plan has been undertaken. This review has required programme and project managers from across the organisation to be more realistic in what they expect to deliver over the next 1 to 2 years. This has resulted in the 2022/23 Annual Plan indicating a much-reduced budget from that indicated at the 17 March 2022 Council meeting to adopt a draft 2022/23 Annual Plan for consultation.
42. In undertaking this review a key aspect has been taking an approach to identify any barriers to delivery and to look to address these barriers first rather than accept a funding deferral. This will result in a number of improved initiatives for the following 12 to 24 months including:
  - i. improved governance structures to allow more efficient decision making across all of the different phases of a project;
  - ii. increased and improved reporting identifying delivery risks in advance of risks being realised; and
  - iii. improved matching of internal resources with appropriate outsourced resourcing to projects and delivery times.
43. The report to the last Committee meeting indicated that the deliverability risk in terms of both delays and escalating costs will be tangible on projects which are entering the construction procurement phase or programmed in 2022/23 or future years and that the following initiatives with our construction partners would be undertaken to encourage them to proactively invest in growing local delivery capacity and capability:
  - i. a Council-led construction industry briefing session following finalisation of the 2022/23 Annual Plan to present a comprehensive regional forward works pipeline to contractors and designers - including other key regional client organisations (other councils, Waka Kotahi NZTA and key developers);
  - ii. ensuring integration and alignment with the New Zealand Infrastructure Commission and their national infrastructure pipeline;
  - iii. a draft strategy/plan for delivery of the upcoming 2021-31 LTP programme including an emerging preferred option to implement long-term collaborative panel contracts for delivery of large components of the programme. Along with other benefits, this model would incentivise enhanced investment in delivery resources through longer term; and
  - iv. commitments, improved forward works certainty, early contractor involvement during design, opportunities to advance order items/materials and improved collaboration.
44. As part of developing the 2022/23 Annual Plan, an increased cost escalation of 7% (instead of the 3% previously assumed) has been applied on a risk-based approach to certain projects to better reflect price increases indicated by industry accepted indices. This approach hasn't taken account of the rapidly deteriorating situation since the Annual Plan was developed nor does an adjustment of budgets by a price index take into account the other supply and demand market forces being shaped by the current and difficult operating environment.
45. It is expected that even with some Annual Plan increases for cost escalation, there will be projects that have insufficient budgets to manage the difficult to predict market pressures, resulting in escalation for Council decision making. A key focus will be on taking a portfolio approach in the reporting to Council.

#### **Strategic Risk 9 - Climate Change**

46. The first draft of Climate Change Strategy was taken to a workshop with the Environment Committee in February 2022 for feedback and is planned to go to Council on the 30th of June.

47. Feedback on the draft strategy has been collected via six online workshops with key stakeholders including local organisations and businesses such as Go Eco, Wintec, Waikato DHB, and WEL Networks, as well as members of the public from the Voice of Hamilton Kirikiriroa panel. The draft document has also been reviewed with iwi partners (THaWK, Ngaati Wairere, Waikato Tainui and currently working with Te Ruunanga o Kirikiriroa) and partner councils (Waikato Regional Council and Waikato District Council). Key themes from the feedback include needing to make the strategy stronger, more direct and ambitious, ensuring that it leads to bold and urgent action, and increasing focus on restoration and support for biodiversity/nature as part of our climate response.
48. Staff are currently also developing the next Climate Change Action Plan which will sit underneath the strategy. This draft will be shared across the business throughout May 2022 to allow review and input by stakeholders across the organisation.
49. The third monitoring report of the (current) 2021/22 Climate Change Action Plan was presented to the Environment Committee in May 2022 and found that most items are on track, with six out of 45 actions requiring additional monitoring or have had timing adjustments as a result of COVID-19 restrictions or resourcing issues, and three actions completed. Staff will be preparing an end-of-year report for the next Environment Committee meeting (2 August 2022) which will outline what has been delivered over the 2021/22 financial year.
50. The Climate Change Policy was taken to a workshop with the Environment Committee in February/March 2022 for feedback and is planned to go to Council on the 30th of June. The Draft Policy outlines the approach for undertaking climate change impact statements for consideration in decision making and Council's intent to complete a risk assessment and an annual climate change disclosure report. The climate change impact statements will be used to assess all new projects as part of business cases, project planning and used in the development of the asset management plans. The process for assessing long term plan projects is also to be determined.
51. In September 2021, the Ministry for the Environment (MFE) released guidance for local government on completing a Climate Change Risk Assessment. MFE recommended this process can take up to 18 months to complete. Staff will be commencing this for Hamilton in 2022, post the adoption of the Climate Change Policy.
52. During the United Nations Framework Convention on Climate Change (COP26) in November 2021, the New Zealand Government increased the Paris Agreement pledge to cutting emissions by 41 per cent by 2030. Government modelling indicates that around two thirds of the target would be achieved through buying international carbon credits.
53. The Intergovernmental Panel on Climate Change (IPCC) have completed their 6th Climate Assessment, including the release of The Impacts Adaptation and Vulnerabilities Report - February 2022. This Report finds that human-induced climate change is causing dangerous and widespread disruption in nature and affecting the lives of billions of people around the world, despite efforts to reduce the risks. The Report warns that inaction will result in dire consequences for our wellbeing and a healthy planet, but there is still a brief window of time to avoid the very worst. The Report shows there are now unavoidable impacts for Australia providing a warning to New Zealand about where the local impacts of climate change could (are likely) to go.
54. The IPCC also released the Mitigation of Climate Change Report - March 2022. It states that all global modelled pathways that limit warming to 1.5°C involve rapid, deep and, in most cases, immediate Greenhouse Gases (GHG) emission reductions in all sectors. Emissions need to peak between 2020 and 2025 with rapid and deep reductions throughout 2030 and global net zero reached in the early 2050.

55. Staff are developing a Council submission in response to Central Government's National Adaptation Plan (released April 2022). A recommendation was made to the Environment Committee for the Chair and Deputy Chair to be given delegated authority to work with staff to develop and approve Council's submission, which is due on the 3rd of June.
56. At the start of May 2022, Government announced the first three emissions budgets which will set Aotearoa New Zealand on the course for achieving its climate targets. The first three budgets are as follows:
  - i. Emissions Budget 1 (2022–2025): 290 megatonnes of carbon dioxide equivalent greenhouse gasses (72.4 megatonnes per year)
  - ii. Emissions Budget 2 (2026–2030): 305 megatonnes (averages 61 megatonnes per year) [in principle]
  - iii. Emissions Budget 3 (2031–2035): 240 megatonnes (48 megatonnes per year) [in principle]
57. New Zealand's first Emissions Reduction Plan was released on 16 May 2022. The plan is currently being reviewed by staff to understand how it will influence our response to climate change.
58. The Minister of Finance has outlined the first investments from the Climate Emergency Response Fund which include an Electric Vehicle (EV) funding scheme, national kerbside food waste collection, a low emission car leasing scheme, national public transport ticketing and more.

#### **Organisational Risks**

##### **Organisational Risk 1 – H&S – Workers (incl. contracted workers & volunteer workers)**

59. COVID-19 continues to be present in our communities, although its impact on workers has diminished with infections peaking some months ago. As an employer we continue to reiterate important messages and monitor any changes relevant to the virus, including new information and guidance that becomes available. The Safety and Wellbeing team continue to focus their efforts on continuous improvement programmes and initiatives, which will be covered off in greater detail as part of the Health and Safety Report.

##### **Organisational Risk 2 – Safety and Wellbeing of the Community**

60. Business Continuity and Pandemic Response Plans continue to be refreshed as required and our teams have focussed on maintaining service and responding to the increased risks of Omicron. Staff are working on enhanced communications relating the mask mandate requirements, effective 31 May 2022, to ensure the community are well informed of the change.
61. Staff have recently submitted a funding application to the Tourism Infrastructure Fund for \$750k to enhance visitor safety infrastructure at the Hamilton Gardens. This funding would help deliver a number of the items identified in the Hamilton Gardens Security Risk Assessment, including enhanced CCTV and safer visitor flow within the arrival precinct. The outcome of this funding application will be known by end of June 2022.

#### **Emerging Risks**

62. There are no new emerging risks this quarter.

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

63. There are no financial implications in relation to receiving this report.

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

64. Staff confirm that this Risk Management Report complies with Council's legal and policy requirements.

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

65. 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').
66. 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.
67. The recommendations set out in this report are consistent with that purpose.

#### Social

68. The risks highlighted in this report have the capacity to affect social wellbeing should they materialise. Social wellbeing continues to be prioritised through Council's management of the risks and opportunities arising from the risks outlined in this report.

#### Economic

69. The risks highlighted in this report have the capacity to affect economic wellbeing should they materialise. Threats and opportunities relating to external material and human resources could impact on economic wellbeing locally, regionally, nationally and globally with the continued active resurgence of COVID-19. Council's management of the risks and opportunities in this report continues to reflect the impact on economic wellbeing.

#### Environmental

70. Council continues to manage its response to the impact on the environment by establishing services that are safe and sustainable and embedding climate change considerations into priority projects across Council. Finding opportunities such as this means that environmental wellbeing continues to be prioritised.

#### Cultural

71. Staff consider the matters set out in this report do not have a direct impact on cultural wellbeing.

### Risks - *Tuuraru*

72. The Risk Register (**Attachment 1**) identifies the risks discussed in this report.

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

#### Significance

73. Having considered the Significance and Engagement Policy, staff have assessed that the matters in this report have a medium level of significance.




#### Engagement

74. Community views and preferences are already known to Council. Given the medium level of significance determined, no engagement is required.

**Attachments - *Ngaa taapirihanga***

Attachment 1 - Strategic Risk and Assurance Committee - Strategic and Organisational Risk Register - June 2022

Risk Number	Strategic Risk Description	Risk Owner	Residual Risk Rating
1	<b>A Disaster Event</b> <i>A natural or human-induced disaster event (excluding act of terrorism)</i>	Helen Paki	Very High 
2	<b>Major Economic or Financial Shock</b> <i>An external financial event impacts Council's financial strategy, fiscal and monetary position.</i>	David Bryant	Medium 
3	<b>Increasing Compliance Standards due to Stakeholder Expectations</b> <i>The risk of central government and regional council increasing compliance standards or changes in community expectations.</i>	David Bryant	High 
4	<b>Cyber Attack</b> <i>Unauthorised access to Council's IT infrastructure results in loss of service continuity that may lead to safety risks to Hamiltonians and relatable consequences of reputational, legal, and financial losses.</i>	Murray Heke	High 
5	<b>Growth</b> <i>Significant change to/in growth demand and/or the consequences growth does not deliver positive outcomes for the community.</i>	Blair Bowcott	High 
6	<b>Political changes impact Council's strategic direction</b> <i>Political stakeholders make unpredictable decisions or take actions that significantly impact or contradict Council's strategic imperatives.</i>	Blair Bowcott	Very High 
7	<b>Significant Cost Escalation and/or Shortages of Resources to Deliver Works Programmes</b> <i>The market is unable to deliver necessary resources to achieve our strategy; including but not limited to people and material for projects</i>	Chris Allen	Very High 
8	<b>High-Level security threat or major emergency</b> <i>A safety, security or environmental attack materialises and impacts Council's strategic direction.</i>	David Bryant	High 
9	<b>Climate Change</b> <i>Failure to adapt to the changing environment as a result of climate change, including failure to mitigate the organisations contributions to greenhouse gas emissions</i>	Sean Hickey	Very High 

Risk Number	Organisational Risk Description	Risk Owner	Residual Risk Rating
1	<b>H&amp;S – Workers (incl. contracted workers &amp; volunteer workers)</b> <i>Failure to ensure the health and safety of council staff or workers whose activities are influenced or directed by council, while the workers are carrying out work.</i>	David Bryant	High  High
2	<b>Safety and Wellbeing of the Community</b> <i>Failure to create, provide and maintain a safe environment for the community leading to a serious injury incident or fatality.</i>	Helen Paki	High  Medium
3	<b>Failure of critical assets</b> <i>Incorrect investment (timing and/or amounts) results in the unexpected failure of critical assets (loss of levels of service).</i>	Eeva-Liisa Wright	High 

\* There is a very strong relationship between the likelihood and severity (consequence) of H&S incidents. The likelihood of minor injuries is much higher than an incident which could result in a death. (refer pp 20-25)





\*\* Council takes the safety of our people and the community seriously and are working hard to reduce the likelihood of a serious harm incident. Due to the focus and definition of this risk relating to death or a serious injury, the risk rating (and by extension the target risk rating) can never reduce below 'High' because we consider the consequence to be 'catastrophic'. (refer pp 20-25)

#### Emerging Risks – verbal discussion topics

Emerging risks are risks which may develop or which already exist and are difficult to quantify but may have a high consequence or high impact if they materialise. The following identified risks are not ranked but monitored informally across Council and reported when appropriate. Analysis and mitigation identification have been conducted as operational and business as usual applications.

- City Water Supply – quality and quantity of intake from the Waikato River.
- Three Waters Reform Programme – reforming the delivery of water services in New Zealand.

Risk Type	Definition
Strategic	The risk of an event or impact that is <b>external</b> to Council and could impact the organisation's strategies, including Council's Financial Strategy, Long Term Plan and 30 Year Infrastructure Strategy.
Organisational	The risk of an event or impact that is <b>internal</b> or <b>external</b> to Council and could impact the whole organisation.
Operational	The risk of an event or impact that is <b>internal</b> or <b>external</b> to Council and could impact one or more Operational activity.
Emerging	Emerging risks are risks which may develop or which already exist and are difficult to quantify but may have a high consequence, high impact if they materialise.

Indicator	Description	Indicator	Description
	No change – managed		Adverse change since previous
	New risk		Improved change since previous



Residual Likelihood	Possible	Residual Consequence Driver Strategic Safety & Wellbeing,	Major	Residual Risk Rating	Rating Very High
Action Owner			Risk Treatment		
Kelvin Powell			Mitigate		
Treatment Plan	Previous updates			Update – June 2022	
<ul style="list-style-type: none"> <li>Implementation of CDEM workplan deliverables ahead of next external Capability Assessment November 2021</li> </ul>	<ul style="list-style-type: none"> <li>(November 21) - Workplan continues but at reduced pace due to ongoing demand and impacts of COVID and support to Westport flooding.</li> <li>(March 22) - Workplan still continues at reduced pace due to ongoing demand and impacts of COVID. Regional exercise now deferred until March 2022. Capability assessment continues to be further deferred due to Covid implications. Support to Council responses to Cyclone Dovi high wind event</li> </ul>			<ul style="list-style-type: none"> <li>Required Tier 2 Exercise (Exercise Tahiti) held on 17 May 2022 based on a significant weather event and flooding in the city. CDEM training has recommenced</li> </ul>	
<ul style="list-style-type: none"> <li>Complete review of Covid-19 Post Action report to identify work programme and lessons learnt by March 2022</li> </ul>	<ul style="list-style-type: none"> <li>(November 21) Hub and spoke approach introduced in Covid responses in August and worked well with support from a small local Incident Control Point</li> <li>(March 22) - Focus is on provision of support to community agencies to impact on COVID vaccination and testing. Focus on maintaining sufficient staff to respond to an emergency in a time of high staff absences due to Covid</li> </ul>			<ul style="list-style-type: none"> <li>Learnings from Covid have been fully implemented and incorporated into the latest CDEM exercise (combination of remote and onsite attendance)</li> <li>Treatment now considered closed</li> </ul>	



Treatment Plan	Previous updates	Update – June 2022
<ul style="list-style-type: none"> <li>Staff are currently working with an independent party to help determine the consequences of supply issues and price escalation across the construction industry</li> </ul>	<ul style="list-style-type: none"> <li><b>(November 21)</b> - Staff are still reviewing the outcomes of the latest lockdown and are constantly revising contracts and monitoring projects and their budgets. The current risk at the moment is availability of material, cost escalation and time constraints. All of which can lead to the possibility of delayed projects and increased overall costs.</li> <li><b>(March 22)</b> - The draft budget for the draft Annual Plan was presented to Council on the 17<sup>th</sup> of March. The report took into consideration and is a response to the current pressures that HCC is facing with regards to Covid-19 and other world challenges. Staff continue to revise contracts and monitor their projects and budgets with a revised forecast position for Council presented at the March Finance Committee.</li> </ul>	<ul style="list-style-type: none"> <li>This treatment plan is now considered complete.</li> </ul>
<ul style="list-style-type: none"> <li>Annual Plan Approval by 30 June 2022</li> </ul>	<ul style="list-style-type: none"> <li><b>(March New IP)</b></li> </ul>	<ul style="list-style-type: none"> <li>Currently going through the approval process. Annual Plan is currently out for consultation (May 2022) with hearings and Council Reports upcoming.</li> </ul>

Strategic Risk 3					
Increasing Compliance Standards					
The risk of central government and regional council increasing compliance standards, or changes in community expectations resulting in increased compliance standards.					
Risk Owner – (GM Level)	David Bryant (GM – People and Organisational Performance)	Category	Compliance and Regulatory Environment Strategic		
Risk Triggers					
<ul style="list-style-type: none"><li>Central government changes the regulatory standards for compliance: including resource management, environmental (including climate change and pollutant management), corporate (including health and safety, human resources and financial), growth, consultation requirements, health and infrastructural (including traffic and transport) compliance. This might also include changes to the required frequency of Council actions (such as the 10 Year Plan). This also includes wide-ranging regulatory changes in response to an incident such as a pandemic or natural disaster</li><li>Continued or serious breaches leading to increased compliance requirements and regulation</li><li>Community service-level expectations in management of water quality, recycling, climate change and other services not being met</li><li>Failure to plan long term for consenting requirements (both as a regulator and a regulated entity)</li><li>Regional Council changes its policies to ensure legislative compliance (e.g. Healthy Rivers policy)</li><li>External audit identifying major non-compliance within HCC operations (e.g. by IANZ)</li><li>Legal challenge to HCC policy or practice resulting in findings of non-compliant practices</li><li>Change in stakeholder partner expectations for environmental performance</li><li>Changes to our own District Plan impacting other parts of the business (e.g. changes to resource consents affect consented Three Waters activities)</li></ul>					
Inherent Likelihood	Possible	Inherent Consequence Drivers Safety & Wellbeing, Financial, Service Delivery, Compliance	Major	Inherent Risk Rating	Rating Very High
Existing Controls					
<ul style="list-style-type: none"><li>Local and regional council relationships established</li><li>Internal resource allocated for specific compliance changes</li><li>Key stakeholders engaged for central government submissions</li><li>Bylaws and Policies overseen centrally in council</li><li>Competency assessments and training in place for staff – internally and externally</li><li>Notification protocols in place for unforeseen events</li><li>Council has established an Incident Management Team to respond to natural disasters or unforeseen events</li><li>Regular reporting, accreditation and auditing by independent providers</li><li>Internal programme for continuous improvement in place</li><li>Regular legal services advice and input from other specialist experts available by external providers</li><li>Internal legal advisor resource</li><li>External experts – for example advice on HR, taxation matters.</li></ul>					

<ul style="list-style-type: none"> <li>Advice available from trusted external legal service providers on an ad hoc basis, as well as regular quarterly updates and training.</li> <li>Council has access to Lexis Nexis database</li> </ul>					
<b>Residual Likelihood</b>	Possible	<b>Residual Consequence Drivers</b> Safety & Wellbeing, Financial, Service Delivery, Compliance	Serious	<b>Residual Risk Rating</b>	<b>Rating</b>  High
<b>Action Owner</b>			<b>Risk Treatment</b>		
Michelle Hawthorne			Mitigate		

Treatment Plan	Previous updates	Update – June 2022
<ul style="list-style-type: none"> <li>Council to consider WLASS Joint Procurement Project to invest in the compliance programme for effective reporting on legislative compliance.</li> </ul>	<ul style="list-style-type: none"> <li><b>(November 2021)</b> - Staff have made a decision as part of the implementation of SHIELD to use this platform for reporting legislative compliance, this was previously noted as part of the September update to the committee- adaptation of an existing platform.</li> <li><b>(March 22)</b> - Action now part of the SHIELD rollout. Further updates to be provided at the June Committee.</li> </ul>	<ul style="list-style-type: none"> <li>Action now part of the SHIELD rollout, delays due to priorities in recruiting and other areas mean this will likely get underway in the latter half of 2022</li> </ul>
<ul style="list-style-type: none"> <li>Identify and implement an online compliance education programme by June 2023</li> </ul>	<ul style="list-style-type: none"> <li><b>(March 22)</b> - Implementation of the Privacy module is complete. Staff will look to replicate the module with other organisation-wide compliance topics – e.g. LGOIMA, elections protocols for staff in 2022.</li> </ul>	<ul style="list-style-type: none"> <li>Staff have used the same model to update and implement an elections protocols module for staff, this has been implemented and is accessible to all staff and required for new starters up to completion of the elections. As noted, further modules and in person training on other compliance related topics.</li> </ul>

# Strategic Risk 4

## Cyber Attack

Unauthorised access to Council's IT infrastructure results in loss of service continuity that may lead to safety risks to Hamiltonians and relatable consequences of reputational, legal, and financial losses.

<b>Risk Owner</b> (GM Level)	Murray Heke (GM – Customer, Technology and Transformation)	<b>Category</b>	Disaster Recovery/ Business Continuity		
---------------------------------	---	-----------------	--	--	--

### Risk Triggers

- IT/OT technology advances – positive and negative
- Inadequate identification of IT security trends, themes, detection and responses
- Poor IT/OT Security awareness / culture / behaviours
- Poor IT/OT security operational practices
- Release and change management lacking a security focus – not “secure by design”
- Privacy Breach
- Outdated hardware and inadequate architecture
- Inadequate competency at organisational level
- Specific targeting and malicious exploitation of security vulnerabilities across Council IT asset infrastructure, or Operational Technology
- International trends and attacks not being considered in NZ
- Malicious activity targeting central and local government entities.
- Underinvestment in Information Services (infrastructure, technology, resource)
- Lack of maintenance in information technology
- Inadequate access control to key systems
- A supplier being breached

<b>Inherent Likelihood</b>	Possible	<b>Inherent Consequence Driver</b> Service Delivery	Catastrophic	<b>Inherent Risk Rating</b>	<b>Rating</b> Very High
----------------------------	----------	--	--------------	-----------------------------	----------------------------

### Existing Controls

#### Identify

- Risk based approach - Three lines of defence (management control, risk management, independent assurance)
- National Cyber Security Centre (NCSC) monitoring and trend analysis reporting of local and international IT security challenges – internal and external
- National and international cyber-attack trends are monitored and assessed by the CIO and CTO to guide system capability investments.
- Security Governance and Risk Management practices implemented
- Policies, Standards and Enablers are documented and communicated regularly
- Risk management frameworks, methods and tools are fit for purpose
- Ongoing Cyber awareness education for staff, contractors, customers and Elected Members

#### Protect

- Systems and information are secured by design
- Tools, systems and resources are now available to protect against, monitor and resolve potential malicious activity.
- Contractual service level agreements are monitored and maintained

<ul style="list-style-type: none"> <li>Access to Hamilton City Council services are managed effectively</li> <li>Information and assets have implemented processes and controls</li> </ul>					
<b>Detect</b>					
<ul style="list-style-type: none"> <li>Reviews on Council's IT technology environment are conducted to improve detection and response capabilities.</li> <li>External and internal security audit and reviews</li> <li>Networks, systems and operations security will be assured through vulnerability and anomaly detection tools</li> <li>Physical environments will have appropriate physical and technology safeguards</li> <li>Timely and accurate reporting</li> </ul>					
<b>Respond</b>					
<ul style="list-style-type: none"> <li>Response plans processes are in place and tested</li> <li>Council is supported by the NZ National Cyber Security Centre (NCSC) for response to attacks and receives quarterly trend updates for consideration.</li> <li>Technical support from key vendors - Microsoft and Fujitsu</li> </ul>					
<b>Recover</b>					
<ul style="list-style-type: none"> <li>Business continuity and disaster recovery (BCDR) processes in place and tested</li> <li>Cyber recovery planning processes known, understood, and practiced</li> <li>Ensuring data survivability, data will be backed up and available</li> </ul>					
<b>Residual Likelihood</b>	Unlikely	<b>Residual Consequence Driver</b> Service Delivery	Major	<b>Overall Residual Risk Rating</b>	<b>Rating</b>  High
<b>Action Owner</b>			<b>Risk Treatment</b>		
Quentin Speers, Karl Bout			Mitigate		

Improvement Plan	Previous Updates	Update – June 2022
<ul style="list-style-type: none"> <li>Implement vulnerability management tools, processes and resourcing by March 2022</li> </ul>	<ul style="list-style-type: none"> <li><b>(November 21)</b> - Implementation discovery phase underway</li> <li><b>(March 22)</b> - Vulnerability management toolset is live and being onboarded by our new sec ops vendor. The base capability is expected to be live by Q4 2021/2022.</li> </ul>	<ul style="list-style-type: none"> <li>Base capability now live. Scaling up to full organisational coverage is underway and expected to complete Q2 2022/2023</li> </ul>
<ul style="list-style-type: none"> <li>Re-architecture of current IT and OT network design by March 2022</li> </ul>	<ul style="list-style-type: none"> <li><b>(November 21)</b> - Cyber security architecture document is being drafted</li> <li><b>(March 22)</b> - Cyber security architecture document is expected to complete by Q4 2021/2022</li> </ul>	<ul style="list-style-type: none"> <li>Council is engaging vendors for the review of current network design, proposal and implementation of an upgrade network design that aligns with Council's cyber security architecture requirements. This is expected to complete by Q3 2022/23</li> </ul>
<ul style="list-style-type: none"> <li>Security Operations Centre development and turning</li> </ul>	<ul style="list-style-type: none"> <li><b>(March 22)</b> - A 12-month improvement plan is now underway to develop and tune this capability for the remainder of the HCC</li> </ul>	<ul style="list-style-type: none"> <li>No Update</li> </ul>

	environment. This is due to complete by Q4 2022/2023	
<ul style="list-style-type: none"> <li>Establish a cyber security incident handling and response capability by March 2022</li> </ul>	<ul style="list-style-type: none"> <li>(Nov 21) - Implementation discovery phase is underway</li> <li>(March 22) - Discovery report has been received and is now under review. The base capability is expected to be live by Q4 2021/2022.</li> </ul>	<ul style="list-style-type: none"> <li>No update</li> </ul>
<ul style="list-style-type: none"> <li>Development and testing of Disaster Recovery and Business Continuity Plans</li> </ul>	<ul style="list-style-type: none"> <li>(Nov 21) - Current DR and BC plans are being reviewed</li> <li>(March 22) - DR and BC plans have been reviewed. An RFP is now underway to develop and test new DR and BC plans. RFP is expected to complete Q2 2022/2023</li> </ul>	<ul style="list-style-type: none"> <li>No update</li> </ul>

Strategic Risk 5					
<b>Growth</b> <i>Significant change in growth demand, and/or the consequences of growth do not deliver positive outcomes for the community.</i>					
<b>Risk Owner</b> (GM Level)		Blair Bowcott (GM – Growth)	<b>Category</b>	Strategic, Service Delivery	
<b>Risk Triggers</b>					
<b>Understanding growth</b> <ul style="list-style-type: none"><li>• Wider economic downturn</li><li>• Population growth rates change (either natural change or through internal or international migration rates.</li><li>• Significant change in the market – either demand or supply side, due to e.g. construction cost inflation and restrictions on credit.</li><li>• Significant change in public perception of growth or growth outcomes</li><li>• Inadequate skills, data or modelling and scenario planning</li><li>• Changes in growth projections as a result of climate change impacts on population spread in New Zealand and overseas</li></ul>					
<b>Growth decisions</b> <ul style="list-style-type: none"><li>• Council’s decisions that impact desired growth outcomes e.g. growth opened on too many fronts, lack of funding for desired levels of outcome etc</li><li>• Inadequate provisions in of application of the District Plan to deliver positive outcomes for people / environment</li><li>• Neighbouring councils make growth decisions around Hamilton’s border that are not aligned with Hamilton’s desired growth strategy</li><li>• Changes in Government Policy or legislation impact on desired growth outcomes or our ability to effectively respond to growth</li><li>• Requests from developers for unplanned, out of boundary and/or out of sequence developments</li><li>• Central Government funding and financing initiatives such as Housing Infrastructure Fund, Infrastructure Funding (IFF) and Financing and the Infrastructure Acceleration Fund (IAF)</li></ul>					
<b>Growth consequences</b> <ul style="list-style-type: none"><li>• Groups within Council planning and budgeting for growth separately versus in a joined-up way</li></ul>					
<b>Inherent Likelihood</b>	Possible	<b>Inherent Consequence Driver</b> Service Delivery	Major	<b>Inherent Risk Rating</b>	<b>Rating</b> Very High
<b>Existing Controls</b>					

**Understanding growth**

- Growth Funding & Analytics Unit in place to function as Council's growth funding, growth projection and economics specialists
- HCC Growth and Development Contributions model provides data analysis, forecasting and scenario management. Inputs and modelling externally peer reviewed.
- Hamilton Housing Market & Economy Growth Indicator Report provides annual, regional analysis of growth, housing and market/economic drivers
- National Policy Statement Urban Development - a sub-regional review of land use, demand and supply completed in 2017 and finalised in early 2021.
- Analytics Strategy – adopted in 2019 to support evidence-based decision making and provide insights, principally about growth
- Monitoring the broader environment and how it could impact growth rates and including this in modelling, including monitoring migration forecasts

**Growth decisions**

- Scenario modelling report completed in September 2019 to illustrate modelled effects of higher or lower growth in Hamilton, and to articulate Council's decision-making levers and timelines if growth projections change markedly.
- Growth Funding Policy in place for out of sequence and unfunded developments.
- Engagement with neighbouring Councils on strategic growth planning (Metro Spatial Plan, FutureProof partnership, Growth discussions at CE and Governance level, Future Proof Priority Development Workstream, good officer level relationships).
- Engagement with Central Government to explore and implement new tools for funding and delivering growth related projects, for example IFF and IAF.
- Preparation of growth programme business cases to assist with investment decisions into growth cells. The business cases have a wellbeing lens (vs just economic) and include the full costs of the growth cell including community and network infrastructure, consequential operating expenditure, commercial considerations and how the programme will be delivered.
- Strategic and consequential infrastructure costs are considered and investigated as part of the zoning decisions process (high level business cases prepared as required).
- Management of Resource Consent applications on a consent-by-consent basis using existing District Plan Controls.
- Changes to District Plan (plan changes) where required to support better community wellbeing outcomes.
- Private Developer Agreements in place for provision of infrastructure.
- Submissions on any neighbouring councils plan changes.
- Draft out of Boundary Principles developed for unplanned, out-of-sequence and out-of-boundary development proposals.

**Growth consequences**

- Numerous strategies and plans in place to manage the outcomes of a growing city including Regional Policy Statement, Hamilton-Waikato Metro Spatial Plan, Hamilton Urban Growth Strategy, District Plan.
- Whole of Council Programme/spatial approach to planning for and delivering new growth areas.
- Growth Programmes team in place to weave people and projects together to deliver wellbeing outcomes for new and existing growth communities. Formal Programmes are in place for Peacocke, Northwest, Ruakura, Central City and Emerging Areas.

Residual Likelihood	Possible	Residual Consequence Driver Service Delivery	Serious	Overall Residual Risk Rating	Rating High
Action Owner			Risk Treatment		
Karen Saunders, Greg Carstens			Mitigate		
Improvement Plan	Previous updates			Update – June 2022	
<ul style="list-style-type: none"> <li>Deliver revised Hamilton Urban Growth Strategy, by early 2023</li> </ul>	<ul style="list-style-type: none"> <li>(Nov 21) Investigations have continued and staff are working to understand the impacts of the recent planning Medium Residential changes indicated by central govt. HUGS Reference Group on 5<sup>th</sup> November where staff sought direction from elected members for the strategy.</li> <li>(March 22) - Project timing extended to allow for alignment with other key growth projects including the District Plan Review, MSP Transport Programme Business Case and Future Proof Strategy. Technical analysis work has continued to understand priorities of growth areas. Awaiting infrastructure assessments and housing capacity assessments to further inform the strategy. Elected Members endorsed an approach for emerging areas at the 2 December 2021 Strategic Growth Committee. HUGS reference group 28 Feb to check in on direction and next steps.</li> </ul>			<ul style="list-style-type: none"> <li>HUGS is being drafted following completion of technical analysis, stakeholder engagement and alignment with other key growth projects and strategy reviews under way. The draft strategy will be presented to the Strategic Growth Committee on 26 July 2022 for approval to go out for consultation.</li> </ul>	
<ul style="list-style-type: none"> <li>Set up the Strategic Development Forum to improve and better understand developer needs for industrial and commercial developments, by December 2021</li> </ul>	<ul style="list-style-type: none"> <li>(Nov 21) Draft Terms of Reference presented to Strategic Growth Committee on 19 October 2021.</li> <li>(March 22) - First meeting occurred in December 2021. Staff and the developers reps are working on a 12 month programme of actions. Meetings booked in roughly every 6 weeks from April – September 2022</li> </ul>			<ul style="list-style-type: none"> <li>Second meeting was held in April. A 12 month programme has been agreed. At the next meeting in June developers will present their pipeline of significant projects to Elected Members. Staff are investigating key account manager resource and process to support major industrial/employment developments.</li> </ul>	

<ul style="list-style-type: none"> <li>Actively participate and contribute to the Future Proof Priority Development Areas workstream to identify and progress opportunities to enable development at pace and scale in these areas, by Dec 2022</li> </ul>	<ul style="list-style-type: none"> <li><b>(November 21)</b> - Growth Programmes Manager now chairing the Future Proof Priority Development Areas workstream., from Oct 2021. Trackers/reports for each of the areas are in development.</li> <li><b>(March 22)</b> - PDA Trackers have been drafted and presented to Future Proof SMSG and CEAG. Now working to make further improvements to the trackers including identifying shared issues, opportunities and actions before presenting to FPIC in April 2022.</li> </ul>	<ul style="list-style-type: none"> <li>This treatment plan is now considered closed</li> <li>PDA Trackers were presented to FPIC in April 2022 and received positive feedback. There was recognition and understanding of the major barriers and issues and actions required to resolve them. The team are meeting in person for the first time in over 12 months and a site visit was planned with major developers at Rotokauri in May 2022.</li> </ul>
<ul style="list-style-type: none"> <li>Progress and notify District Plan Change Programme in response to Government Direction from NPS-UD and RMA Bill, by August 2022.</li> </ul>	<ul style="list-style-type: none"> <li><b>(November 21)</b> - District Plan Committee meeting to discuss programme and approach on 4 November 2021.</li> <li><b>(March 22)</b> - Following the passing of the new Resource Management (Enabling Housing Supply and Other Matters) Amendment Bill in December the City Planning Unit has re-aligned their work programme to accommodate the requirements of this. District Plan Committee meeting to discuss programme and approach on 10<sup>th</sup> March and endorse Hamilton City Councils approach in light of the new Act. A workshop session will also be held on 7<sup>th</sup> March to brief Ems on upcoming district plan changes and their implications. The City Planning Unit are aiming to notify district plan changes in accordance with the legislation by 20<sup>th</sup> August 2022.</li> </ul>	<ul style="list-style-type: none"> <li>Further to the March 2022 update, Council staff are progressing with draft district plan change provisions to give effect to the new Act. Endorsement of the planning approach, in response to the Act, has been received from elected members through the District Plan Committee on the 10<sup>th</sup> March 2022 and the 3<sup>rd</sup> May 2022. The reports to this Committee on 10<sup>th</sup> March and associated resolutions were also supported by full Council on the 17<sup>th</sup> March 2022. Staff have held a number of briefing sessions with elected members since early March. Staff are on track to notify Plan Change 12 by the 20<sup>th</sup> August 2022 in accordance with the Act. Plan Change 9 is on track to be notified a month prior to this.</li> </ul>
<ul style="list-style-type: none"> <li>Clearly articulate the Growth Story and associated challenges to provide context to support decision making for growth, by June 2022</li> </ul>	<ul style="list-style-type: none"> <li><b>New IP</b></li> </ul>	<ul style="list-style-type: none"> <li>Growth Story was presented to Elected Members in a closed briefing on 4 May 2022.</li> </ul>

<ul style="list-style-type: none"><li>• Map out the process for bringing new growth areas into the city boundaries by July 2022</li></ul>	<ul style="list-style-type: none"><li>• <b>New IP</b></li></ul>	<ul style="list-style-type: none"><li>• Process workshops were held in May for staff from multiple different teams. The process will identify key decision points, risks, opportunities and high level timeframes and will help with resource planning. A draft is expected in late May, to be presented at the Strategic Growth Committee meeting on 26 July 2022.</li></ul>
<ul style="list-style-type: none"><li>• Growth modelling environment improvements, by June 2023</li></ul>	<ul style="list-style-type: none"><li>• <b>New IP</b></li></ul>	<ul style="list-style-type: none"><li>• Progressively updating and enhancements to growth modelling environment to service district plan evidence, infrastructure modelling and ultimately deliver the 2024 HBA.</li></ul>

Strategic Risk 6				
Political Changes or Decisions Impact Council’s Strategic Direction or Form and Function				
Political stakeholders make decisions or take actions that significantly impact or contradict Council’s strategic direction.				
Risk Owner (GM Level)	Blair Bowcott (GM – Growth)	Category	Political Service Delivery	
Risk Triggers				
<ul style="list-style-type: none"><li>Political changes including central government strategic direction and legislative changes creates risk or opportunities</li><li>Local political changes, including potential misunderstanding of Council’s intent</li><li>Political personalities, trust and relationships and change of key personnel – positive &amp; negative</li><li>Failure to manage stakeholder relationships, communication and engagement tactics, including due to a lack of resource or need to balance priorities</li><li>Short term focus overshadows long term cost benefit outcomes</li><li>Political sovereignty/patch protection, lack of alignment or willingness to compromise ie boundaryless approach vs localism</li><li>Financial strategy misaligned with wider context</li><li>International events, trends or decisions influence NZ</li><li>Major projects or initiatives for the benefit of Hamilton accelerating or slowing down</li><li>Relationships with neighbouring territorial authorities are ineffective or adversarial due to differences of opinion or priorities</li></ul>				
Note* Political risk is essentially the probability that a political action/decision will significantly affect Council’s strategic direction —whether positively or negatively.				
Inherent Likelihood	Possible	Inherent Consequence Driver Strategic Political Service Delivery	Major	Inherent Risk Rating
				Rating  Very High
Existing Controls				

<ul style="list-style-type: none"> <li>Regular engagement with stakeholders at political and executive level – shared responsibility to manage key relationships</li> <li>Regular meetings with Government Ministers and MPs (both government and opposition, Government</li> <li>Collaborative governance group meetings to progress alignment of strategic direction - Mayoral Forum, Future Proof, Waikato Plan, CEO Forum, Waikato Local Authority Shared Services (WLASS), Regional Transport Committee, neighbouring Councils and other strategic discussions externally</li> <li>Regular Council briefings for sharing of information and alignment of thinking</li> <li>Monthly SLT discussion to ensure awareness of strategic initiatives</li> <li>Culture, expectation and policies of HCC organisation regarding behaviours of political, executive and staff and Council Controlled Organisations.</li> <li>Participation in national and regional advisory groups on strategic topics</li> <li>Participation in formal processes to influence direction of government policy</li> <li>Establishment of a reform programme within council to be a central point of information and action for all legislative change processes.</li> <li>Proactive steps are taken at the start of each local government triennium to re-establish relationships with counterparts and stakeholders, so that we can develop a common understanding of strategic direction</li> </ul>					
Residual Likelihood	Possible	Residual Consequence Driver Strategic Political Service Delivery	Major	Overall Residual Risk Rating	Rating  Very High
Action Owner			Risk Treatment		
Senior Leadership Team			Mitigate		

Treatment Plan	Previous updates	Update – June 2022
<ul style="list-style-type: none"> <li>Key Stakeholder Engagement Plan in place by 30 June 2021.</li> </ul>	<ul style="list-style-type: none"> <li>(March 22) - Final Plan under development. Timeframes have been pushed out due to staffing capacity and changes to group and unit structure. Direction will be socialised with new CEO prior to plan being confirmed. ELT session scheduled for 11th April to discuss and agree updated plan aligned with new CE direction.</li> </ul>	<ul style="list-style-type: none"> <li>Focus and content of Plan has been amended following internal staff workshops with Communications Team and GM Strategy. Amended content based on the outcomes of these workshops is being developed and will be taken to SLT for input and approval prior to 30 June</li> </ul>
<ul style="list-style-type: none"> <li>Establish an internal programme to address all legislative change/reform that will affect local government – including 3 waters, RMA and Future for Local Government</li> </ul>	<ul style="list-style-type: none"> <li>(March 22) - Internal reform programme team established across council to investigate the impacts of the three large pieces of central government reform that will impact the form and function of local government. These include the 3 Waters reform, RMA reform and Future for Local Government Review.</li> </ul>	<ul style="list-style-type: none"> <li>Internal cross-council reform programme team continues to meet to investigate the impacts of the three large pieces of central government reform that will impact the form and function of local government. These include the 3 Waters reform, RMA reform and Future for Local Government</li> </ul>

	<p>Staff are participating in national, regional and sub-regional collaborative opportunities to influence the direction of reform programme. Cross-council team are working to determine potential impacts on HCC (and the local government sector as a whole). A number of groups are establishing similar work programmes – Waikato Plan, UNISA, LASS, Mayoral Forum and other councils – we are participating in these. Group actively making submissions and providing feedback on early policy direction.</p>	<p>Review. Staff are participating in national, regional and sub-regional collaborative opportunities to influence the direction of reform programme. Cross-council team are working to determine potential impacts on HCC (and the local government sector as a whole). A number of groups are establishing similar work programmes – Waikato Plan, UNISA, LASS, Mayoral Forum and other councils – we are participating in these. Group actively making submissions and providing feedback on early policy direction.</p>
--	---	---

Strategic Risk 7					
<b>Significant cost escalation and/or shortage of resources to deliver works programmes</b>					
<i>The market is unable to deliver necessary resources to achieve our strategy; including but not limited to people and material for projects.</i>					
<b>Risk Owner – (GM Level)</b>	Chris Allen (GM – Development)	<b>Category</b>	Service Delivery People Financial		
<b>Risk Triggers</b>					
<ul style="list-style-type: none"><li>• Major construction sector skills/labour shortage - capacity and capability</li><li>• Political changes in the labour market (e.g. immigration policy changes)</li><li>• Regional or national investment decisions leading to increased demand for construction resources and market congestion – i.e. significant increase in capital portfolios nationally</li><li>• Supply chain company failures</li><li>• Supply chain investment confidence - i.e. forward work confidence to invest in people, plant and technology</li><li>• Construction cost indices (cost fluctuations) exceeding LTP inflation assumptions</li><li>• Key construction material shortages or delays - particularly pipes, bitumen, oil, steel, aggregate and concrete</li><li>• COVID-19 Alert Levels</li><li>• International supply chain breakdown</li><li>• Accelerated works programmes as a result of accelerated growth or additional funding (ie/ central government investment) taking place at a faster rate, or in a different way, than forecast</li></ul>					
<b>Inherent Likelihood</b>	Almost Certain	<b>Inherent Consequence Driver</b> Economic and Social	Major	<b>Inherent Risk Rating</b>	<b>Rating</b>  Extreme
<b>Existing Controls and Mitigations</b>					
<ul style="list-style-type: none"><li>• Forward works pipeline visibility and supply chain engagement - communication of the HCC capital portfolio regionally via regular presentations/updates and nationally via contributing to the NZ Infrastructure Commission national pipeline.</li><li>• Working with other councils and NZTA to coordinate the workload to the market including active involvement in the Waikato LASS coordinated infrastructure initiative.</li><li>• Established procurement planning frameworks – including procurement policy and procedures in accordance with NZ Government procurement requirements and principles of the Construction Accord</li><li>• Procurement optimisation – including reviews undertaken to ensure contract conditions and commercial terms of our contracts are attractive to industry</li><li>• Utilising panel arrangement for procurement and engagement of professional services, ensuring greater speed in procuring key resources and increased forward workload confidence for suppliers.</li><li>• Adjustment of cost escalation provisions in the 2021/31 Long Term Plan</li></ul>					
<b>Residual Likelihood</b>	Likely	<b>Residual Consequence Driver</b> Economic and Social	Serious	<b>Overall Residual Risk Rating</b>	<b>Rating</b>  Very High

Action Owner	Mitigation
Sarah Seel, Lance Haycock	Mitigate

Improvement Plan	Previous Updates	Update – June 2022
<ul style="list-style-type: none"> <li>Optimise procurement processes and contracts to enable Hamilton City Council to be a construction industry client of choice by the end of 2021.</li> </ul>	<ul style="list-style-type: none"> <li><b>(November 2021)</b> - Further detailed procurement planning is progressing regarding upcoming procurement for works commencing from the 2022/23 FY</li> <li><b>(March 22)</b> - Following detailed investigation of opportunities regarding delivery of our programmes of transport improvement works and 3-waters reticulation activities, procurement plans have been finalised for construction with tenders going to market in March to secure new long-term contracts for works commencement in July 2022. Standard contract terms and conditions have been reviewed to ensure our contracts are attractive to suppliers.</li> </ul>	<ul style="list-style-type: none"> <li>The Delivery review is looking to match procurement models to programmes of work that pose delivery challenges examples being transport improvements and any additional funding likely to be received by government through the Infrastructure Acceleration Fund</li> </ul>
<ul style="list-style-type: none"> <li>Ensure internal resourcing is recruited and in place to effectively deliver planned controls and mitigations by June 2021</li> </ul>	<ul style="list-style-type: none"> <li><b>(November 2021)</b> - Following confirmation of the LTP additional capital delivery resourcing is being sourced to align with the programme requirements, with mixed success but some key roles successfully filled. Moving toward performance based collaborative contract models will require additional commercial management capability.</li> <li><b>(March 22)</b> - Internal resourcing for 2021/22 Financial Year largely in place with some vacancies still to be filled in a very tight and competitive labour market. Further review to be undertaken over the next 3 months to ensure capacity and capability are in place to deliver on the 2022/23 Annual Plan programme.</li> </ul>	<ul style="list-style-type: none"> <li>A delivery review of the 2022/23 Annual Plan is underway which will consider project deferrals from 2021/22 together with year 2 of the 2021-31 Long Term Plan and any other projects all to be approved on 2 June 2022 as part of the Annual Plan. This review will identify a deliverable programme matched to internal (and where appropriate outsourced) resourcing taking into account the existing operating environment. It continues to be a very tight and competitive labour market with a number of unfilled positions in the 2021/31 year.</li> </ul>

<ul style="list-style-type: none"> <li>Initiate and review construction industry survey feedback for supply chain insights by July 2021.</li> </ul>	<ul style="list-style-type: none"> <li><b>(September 21)</b> - Local construction industry briefing held in late June which was well attended and included a constructive session of comments and discussion on the 'state of the industry'. Results of the <a href="#">2021 CCNZ national construction industry annual survey</a> have indicated a big boost in civil construction business confidence.</li> <li><b>(March 22)</b> - Ongoing collaboration with CCNZ Waikato Branch</li> </ul>	<ul style="list-style-type: none"> <li>Staff continue to engage with the construction industry through CCNZ Waikato Branch on the pipeline of work opportunities and through this receive insights from the supply chain about cost pressures and contract risk allocation. Omicron has made it difficult to engage properly over the last 6 months and a renewed effort is required</li> </ul>
<ul style="list-style-type: none"> <li>Complete a quantitative assessment of industry cost escalations to further inform key portfolio cost risks by November 2021.</li> </ul>	<ul style="list-style-type: none"> <li><b>(November 2021)</b> - BERL are completing their report in November to inform Annual Plan deliberations regarding adequacy of the current budget allocations to deliver the escalated capital works programme.</li> <li><b>(March 22)</b> - Updated escalation assumptions are a key part of the 2022/23 Annual Plan process underway. BERL have presented to Council on their updated assumptions which as of 10 March 2022 revise the LTP capital escalation assumption from 3% to 7%. The still unfolding Omicron and Ukraine Conflict environment means that the situation is still volatile and dynamic and needs continual monitoring.</li> </ul>	<ul style="list-style-type: none"> <li>Updated escalation assumptions have been a key part of the 2022/23 Annual Plan process underway. Revise LTP capital escalation assumption from 3% to 7% for nominated projects that have a higher risk will be considered by Council on 3 June 2022. The cost escalation increases do not cover potential market related issues relating mainly to the ongoing Omicron and Ukraine Conflict that could also result in budgets for projects being inadequate. We are starting to signs of contractors unwilling to put in tenders for work because of market conditions which can result in higher costs related to supply/demand rather than cost escalation. This risk is best managed on a project by project basis</li> </ul>

Strategic Risk 8						
High-Level security threat or major emergency						
A safety, security or environmental attack materialises and impacts Council's strategic direction.						
Risk Owner (GM Level)		David Bryant (GM – People and Organisational Performance)		Category	Strategy Safety and Security	
Risk Triggers						
<ul style="list-style-type: none"><li>Large Scale Physical attack on people in public places</li><li>Physical attack on city critical infrastructure – e.g. Waste Water Treatment Plant, Water Treatment Plant, reservoirs designed to compromise integrity of service.</li><li>Civil unrest – redirection of resources to protect vulnerable people and assets</li><li>Chemical or biochemical attack</li></ul>						
Inherent Likelihood		Possible	Inherent Consequence Driver Social, Cultural and Environment	Catastrophic	Inherent Risk Rating	Rating Very High
Existing Controls						
<ul style="list-style-type: none"><li>Regional and National Emergency Service Relationship Management – made up of Elected Members and officials. Council has representatives on the Regional Joint Committee and the Waikato Coordinating Executive Group (CEG)</li><li>Security risk assessments have been completed for key identified HCC facilities, with mitigating recommendations for implementation.</li><li>Business continuity and Emergency Response plans have been completed for some business units.</li></ul>						
Residual Likelihood		Unlikely	Residual Consequence Driver Social, Cultural and Environment	Major	Overall Residual Risk Rating	Rating High
Action Owner				Risk Treatment		
Michelle Hawthorne, Julie Ambury				Mitigate		
Treatment Plan		Previous Updates			Update – June 2022	

<b>Physical Security</b> Adopt and Implement accepted recommendations for SRAs by December 2022.	<ul style="list-style-type: none"> <li>• <b>(November 21)</b> - Due to Covid-19 restrictions the robbery response and conflict resolution was deferred to first quarter 2022. Organisational improvements have been deferred due to resourcing and Covid-19 restrictions. A more detailed update will be provided in first quarter 2022.</li> <li>• <b>(March 22)</b> - Public security and safety considerations have been shared with contracted parties involved with Gardens infrastructure projects to capture safety in design opportunities. Robbery training has been undertaken by parts of the business including Animal Control and Customer Services</li> </ul>	<ul style="list-style-type: none"> <li>• Enterprise Risk Lead started in May. Will review SRA recommendations and status of organisational actions and provide an update in September.</li> </ul>
<b>Governance</b> Review of Organisational Security Risk Assessment (OSRA)	<ul style="list-style-type: none"> <li>• <b>(November 21)</b> - On hold until Senior Risk Advisor recruitment complete.</li> <li>• <b>(March 22)</b> - On hold until Enterprise Risk Lead recruitment complete</li> </ul>	<ul style="list-style-type: none"> <li>• Enterprise Risk Lead started in May. They will pick this up again and move it forward.</li> </ul>
Review the HCC Crisis Management Plan to extend an HCC-wide response approach to include crisis management capability by December 2021	<ul style="list-style-type: none"> <li>• <b>(November 21)</b> - On hold until Senior Risk Advisor recruitment complete.</li> <li>• <b>(March 22)</b> - On hold until Enterprise Risk Lead recruitment complete</li> </ul>	<ul style="list-style-type: none"> <li>• Enterprise Risk Lead started in May. They will pick this up again and move it forward.</li> </ul>



Residual Likelihood	Likely	Residual Consequence Driver Social, Cultural and Environment	Major	Overall Residual Risk Rating	Rating Very high
Action Owner			Risk Treatment		
Julie Clausen, Cathy Kopeke			Mitigate		

Treatment Plan	Previous Updates	Update – June 2022
<ul style="list-style-type: none"> <li>Develop a 3-year readiness action plan from the climate change readiness assessment for Hamilton City Council by 30 June 2021.</li> </ul>	<ul style="list-style-type: none"> <li><b>(Nov 21)</b> - Business Case, Project Plan and Council report templates to include sections on climate change.</li> <li><b>(March 22)</b> - Climate Change steering group and working groups established and feeding in the development of the Climate Change Strategy and Climate Change Policy. New climate change sections for inclusion in decision making documents of Business Case and Council report templates in development.</li> </ul>	<ul style="list-style-type: none"> <li>No update</li> </ul>
<ul style="list-style-type: none"> <li>Develop a draft climate change policy that sets out the appropriate climate change scenarios to use, governance for climate change, capability and capacity requirements by December 2021</li> </ul>	<ul style="list-style-type: none"> <li><b>(Nov 21)</b> - Draft Climate Change Policy underway. Workshop held with Climate Change Steering Group in October 2021. Further feedback being sought by internal stakeholders.</li> <li><b>(March 22)</b> - No update – further feedback being sought by internal stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>No update</li> </ul>
<ul style="list-style-type: none"> <li>Undertake a Risk assessment for Hamilton City Council including both the physical climate change and transition risks following the Ministry for the Environment Guidance by December 2021.</li> </ul>	<ul style="list-style-type: none"> <li><b>(Nov 21)</b> - The Ministry for the Environment released guidance on local government climate change risk assessments in September 2021, this will inform the first phase assessment as well as the full assessment in 2022.</li> <li><b>(March 22)</b> - The Ministry for the Environment released guidance on local government climate change risk assessments in September 2021, this will inform the first phase assessment as well as the full assessment in 2022 after the adoption of the Climate Change Policy.</li> </ul>	<ul style="list-style-type: none"> <li>No update</li> </ul>

<ul style="list-style-type: none"> <li>Development of a climate change strategy that outlines the Council's approach to mitigation and adaptation by June 2022.</li> </ul>	<ul style="list-style-type: none"> <li><b>(Nov 21)</b> - WSP have been commissioned to deliver supporting evidence for the strategy. And a workshop is scheduled for 29 November 2021 with Elected Members.</li> <li><b>(March 22)</b> - WSP have been commissioned to deliver supporting evidence for the strategy. Workshop with elected members have been held on 29 November 2021 and 22 February with Elected Members. Workshops are being scheduled with key partners including iwi and the University of Waikato.</li> </ul>	<ul style="list-style-type: none"> <li>Feedback on the draft strategy has been collected via six online workshops with key stakeholders. The feedback, calling for stronger, more urgent action is being integrated into the strategy.</li> </ul>
--	---	---

Organisational Risk			
<b>H&amp;S – Workers (incl. contracted workers &amp; volunteer workers)</b> <i>Failure to ensure the health and safety and wellbeing of council staff or workers whose activities are influenced or directed by council, while the workers are carrying out work.</i>			1
Risk Owner	David Bryant (GM – People and Organisational Performance)	Category	Health & Safety
<b>Risk Triggers</b> <ul style="list-style-type: none"> <li>Poor safety culture and/or behaviours across organisation</li> <li>Failure to understand duties and accountability relating to health and safety</li> <li>Critical health and safety risks not identified, assessed and mitigated adequately</li> <li>Safety Management System (SMS) ineffective or inefficient or implementation failures</li> <li>Inadequate contractor management frameworks, including procurement and assurance practices</li> <li>Not sharing or acting on information and lessons learnt – internal and external to Council</li> <li>Complacency leading to greater risks being taken</li> <li>Failure to properly engage with and listen to staff</li> <li>Staff under resourcing leading to identified risks not being mitigated appropriately</li> <li>Time pressures and or complacency leading to acceptance of high levels of risk</li> </ul>			

## Inherent Risk

		CONSEQUENCE				
		Minor	Moderate	Serious	Major	Catastrophic
LIKELIHOOD	Almost certain	H		VH		E
	Likely	M	H	VH	VH	
	Possible	L	M	H	VH	VH
	Unlikely	L	M	M	H	VH
	Rare	L	L	L	M	H

There is a very strong relationship between the likelihood and severity (consequence) of H&S incidents. The likelihood of minor injuries is much higher than an incident which could result in a death.

- (A) Risk of serious injury, illness or death
- (B) Risk of other significant incidents as defined in the Health and Safety at Work Act).

## Existing Controls

- Council undertakes an annual engagement survey that includes wellness and safety elements to help assess the level of organisational maturity and perception relating to the importance placed on health and safety.
- Our High Performance Way of Working provides a clear framework to support and establish accountabilities relating to health and safety, for example, Job Descriptions, Inductions, Game Plans and our Set, Enable and Expect principles.

- Council's critical safety risks are reviewed regularly. We have in place control management plans based on the hierarchy of control and the residual risk score following the implementation of these controls are accessed by their effectiveness to mitigate the risk. Critical risks are reported on regularly.
- Prequalification and Safety Standards for Contractors performing physical works on Council's behalf are assessed and maintained through our SLA with SHE Software and Solutions.
- Our Safety Management System (SMS) is being updated to better achieve our safety objectives consistently and systemically across the whole of Council. Having in place our SMS helps us meet our legislative obligations and facilitate organisational learning to help foster a positive safety culture, attuned to our high-performance way of working.
- Council has an effective safety governance structure to facilitate information flow, decision making and oversight to achieve a collective uplift in safety performance through improved worker engagement.
- Council has in place a safety software system that provides reporting capability, data and intelligence, meets compliance standards, enables good safety governance and due diligence.
- Assurance activities are carried out regularly and include both internal and external assessments to ensure good practice, compliance and continuous improvement. Council has commissioned a full Health and Safety reset, including: The State of Safety Review, High Level Critical Risk Learning Teams, Safety Events and Investigations and a Safe Plus External Review
- Appropriate resources are available to ensure that Council has the right capabilities and the right number of resources sufficiently needed to implement and maintain the SMS fundamentals, supported by external expertise as and when required

Residual Risk

		CONSEQUENCE				
		Minor	Moderate	Serious	Major	Catastrophic
LIKELIHOOD	Almost certain	H	H	VH	E	E
	Likely	M	H	VH	VH	E
	Possible	L	M	H	VH	VH
	Unlikely	L	M	M	H	VH
	Rare	L	L	L	M	H

There is a very strong relationship between the likelihood and severity (consequence) of H&S incidents. The likelihood of minor injuries is much higher than an incident which could result in a death.

(A) Risk of serious injury, illness or death

(B) Risk of other significant incidents (as defined in the Health and Safety at Work Act).

Action Owners	Risk Treatment
Dan Finn, Marie Snowball	Mitigate
A separate report is taken to the Strategic Risk and Assurance Committee which provides further details about the Organisation's Health and Safety strategic direction and improvement schedule. Note: there is no change to the residual risk rating for this quarter, and remains high due to the re-emergence of COVID-19 in the community and the change in the Governments strategy from elimination to containment.	

Organisational Risk			
<b>Safety and Wellbeing of the Community</b> <i>Failure to create, provide and maintain a safe environment for the community leading to a serious injury incident or fatality.</i>			2
<b>Risk Owner</b>	Helen Paki (GM Community)	<b>Category</b>	Community Safety and Wellbeing
<b>Risk Triggers</b>			
<ul style="list-style-type: none"> <li>Poor HCC understanding of the health and safety risks within the facilities and services provided and managed by Council</li> <li>Failures in safety-in-design planning for our amenities and services provided to the community</li> <li>Failures in asset maintenance</li> <li>Failure in due diligence on assets purchased for use by the community or staff</li> <li>Failure in due diligence on maintenance</li> <li>Human error / inappropriate behaviours / criminal behaviour or damage at Council assets</li> <li>Complacency leading to greater risks being taken by the community of public safety issues</li> <li>Failure to properly engage with and listen to the community</li> <li>Failure to act on staff and public information or lessons learned from near misses and incidents (including lessons from other industry experiences)</li> <li>BCP and Pandemic Plans are not adhered to</li> <li>Failure to consider climate change impacts on the community safety and wellbeing</li> </ul>			

Inherent Risk

		CONSEQUENCE				
		Minor	Moderate	Serious	Major	Catastrophic
LIKELIHOOD	Almost certain	H		VH		E
	Likely	M	H	H	VH	
	Possible	L	M	H	VH	VH
	Unlikely	L	M	M	H	VH
	Rare	L	L	L	M	H

There is a very strong relationship between the likelihood and severity (consequence) of H&S incidents. The likelihood of minor injuries is much higher than an incident which could result in a death.

- (A) Risk of serious injury or death
- (B) Risk of other serious harm incidents (as defined in the Health and Safety at Work Act).

**Existing Controls**

- Emergency response and Pandemic plans
- Emergency and safety response training drills
- Specific training programmes for staff within facilities and service management
- Subject matter expert support – internal and external
- Incorporated risk assessments and safety in design planning
- Traffic management plan adoption per requirements
- Maintenance and monitoring plans – buildings
- Operational asset maintenance (trees and operational infrastructure)

- Condition assessments for assets
- Communication plans for new projects around safety requirements
- Community education support for ongoing Community safety
- Management drop-ins and Unit Audits
- Vaccine Mandates and Covid-19 protocols for community facilities

Residual Risk (expected rating)

		CONSEQUENCE				
		Minor	Moderate	Serious	Major	Catastrophic
LIKELIHOOD	Almost certain	H	H	VH	E	E
	Likely	M	H	VH	VH	E
	Possible	L	M	H	VH	VH
	Unlikely	L	M	M	M	VH
	Rare	L	L	L	M	M

There is a very strong relationship between the likelihood and severity (consequence) of H&S incidents. The likelihood of minor injuries is much higher than an incident which could result in a death.

- (A) Risk of serious injury or death
- (B) Risk of other serious harm incidents (as defined in the Health and Safety at Work Act).

Action Owner		Risk Treatment	
3LT – (Rebecca Whitehead)		Mitigate	
Treatment Plan	Previous updates	Update- June 2022	
Design and implement an appropriate monitoring and reporting framework risks relevant to Organisational Risk 2	<ul style="list-style-type: none"> <li>• <b>(Nov 21)</b> - Security Risk Audit (SRA) dashboard has been completed. Process for updating the dashboard for reporting to Community Leadership Team (CLT) being presented for discussion at 3 November CLT meeting.</li> <li>• <b>(March 22)</b> - Progress on implementing SIP recommendations has been impacted by the changing requirements of Covid response systems and the need for staff to focus on addressing immediate security risks and issues. Despite this, notable steps are: <ul style="list-style-type: none"> <li>- Public security and safety considerations have been shared with contracted parties involved with Gardens infrastructure projects to capture safety in design opportunities</li> <li>- Robbery training (delayed due to last year's Covid restrictions) has been undertaken by most business units within Community Group</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• No update</li> </ul>	

	<ul style="list-style-type: none"> <li>- Currently exploring the use of SHIELD for monitoring Security Improvement Plans' recommendations.</li> </ul>	
Review Covid-19 Pandemic Response Plans by June 2022	<ul style="list-style-type: none"> <li>• <b>(March 22)</b> - Pandemic Plans for community facilities have been updated to identify responses to the traffic light system. Frequent reviews of Business Continuity and Pandemic Response Plans will continue to be a focus this quarter. Hamilton City Council also implemented vaccine mandates for community facilities to reduce risk to the community and staff.</li> </ul>	<ul style="list-style-type: none"> <li>• Pandemic Plans for community facilities have been updated to identify responses to the traffic light system and have been updated to reflect Council's decision to remove vaccine mandates from community facilities.</li> <li>• This treatment plan is now considered Complete.</li> </ul>

Organisational Risk			
<b>Failure of critical assets</b> <i>Incorrect investment (timing and/or amounts) results in the unexpected failure of critical assets (loss of levels of service).</i>			3
<b>Risk Owner</b>	Eeva-Liisa Wright (GM City Infrastructure Operations)	<b>Category</b>	Financial, Service Delivery

Risk Triggers	
<b>Asset Management</b> <ul style="list-style-type: none"> <li>Failure to identify all critical assets</li> <li>Failure to accurately forecast capacity limits or inaccurate demand forecasting on critical assets</li> <li>Failure to accurately forecast useful life on critical assets</li> <li>Failure to future proof asset to allow for pending changes in requirements</li> <li>Failure to procure/renew the asset with an appropriate replacement</li> <li>Failure to install asset correctly (including poor procurement processes to begin with)</li> <li>Assets being operated outside of design scope or change in demand or that the operation of the asset exceeds design assumptions.</li> <li>Failure to carry out and prioritise planned maintenance and renewal of critical asset</li> <li>Failure to deliver renewal of the asset within scheduled timeframe</li> </ul> <b>Planning</b> <ul style="list-style-type: none"> <li>Inadequate budget allocated for maintenance and renewal of critical assets</li> <li>Incorrect analysis in development of maintenance and renewal requirements</li> <li>Insufficient resources to deliver renewal of assets on time and within allocated budgets</li> <li>Failure to adequately consider climate change in critical asset investment</li> <li>Insufficient skilled, knowledgeable and experienced staff and low investment in the ongoing building of staff capability to ensure critical assets remain functional, resilient and levels of service remain.</li> <li>Misalignment in the timing of investment with the required levels of service or that key deliverable dates not identified appropriately</li> <li>Poor or incomplete asset data</li> <li>Stakeholder specifications and expectation of asset increase making the asset no-longer fit for purpose</li> </ul> <b>Procurement</b> <ul style="list-style-type: none"> <li>Critical manufacture service agents unavailable to resolve major failure of critical assets</li> <li>Critical resources unavailable due to supply chain shortages</li> </ul> <b>Operational</b> <ul style="list-style-type: none"> <li>Utility service and third-party critical impacts (stakeholder relationships)</li> <li>Limited anomaly detection capability and poor identification of vulnerabilities</li> <li>Failure to identify threat actors who wish to exploit technology vulnerabilities</li> </ul>	

Inherent Likelihood		Inherent Consequence Drivers		Inherent Risk Rating	Rating
	Possible	Safety & Wellbeing, Financial, Service Delivery, Compliance	Major		Very High
<b>Existing Controls</b>					
<b>Asset Management</b> <ul style="list-style-type: none"> <li>Regular monitoring and submission on industry change that impacts our activities</li> <li>Infrastructure Strategy is in place to identify significant infrastructure challenges over the next 30 years, and to identify the principal options for managing those challenges and the implications of those options</li> <li>Asset Management Plan policy in place to set standards for maturity</li> <li>Asset Strategy Team is in place to drive organisational consistency of asset management overseen by the GM Development</li> <li>Resourcing for Activity Management Plan (AMP) renewals, maintenance plans and operational strategies are funded in the 2021-31 10-Year Plan Budget and critical assets are given a higher priority for renewal</li> <li>Modelling and master planning of strategic assets and strategic plans for sites in place</li> <li>3 yearly independent asset management maturity assessments are undertaken</li> <li>3 yearly Activity Management Plans are internally and externally reviewed to ensure robust planning processes and systems</li> <li>Availability of technical expertise to manage, monitor, operate and maintain critical assets and identify situations when early intervention is required to maintain asset condition and level of service</li> </ul> <b>Planning</b> <ul style="list-style-type: none"> <li>Project planning processes in place to ensure that staff have appropriate project management skills and experience and there is external engagement of experienced project managers</li> <li>Robust project management and procurement processes are in place and followed</li> <li>Annual review of building and Facilities capital programme with Facilities Unit to ensure forward planning of projects</li> <li>Solutions for redundancy (physical and process) in place for critical assets</li> <li>Anomaly detection and vulnerability scanning capability</li> </ul> <b>Procurement</b> <ul style="list-style-type: none"> <li>HCC procurement processes are followed to correctly identify/scope and procure appropriate asset</li> <li>Maintenance and service agreements in place with the supplier, where appropriate</li> <li>Speciality contracts are in place to maintain the condition of critical assets and minimise the risk of failure occurring</li> <li>Stakeholder engagement prior to procurement/replacement of asset to ensure appropriate replacement</li> </ul> <b>Operational</b> <ul style="list-style-type: none"> <li>Business Continuity and Essential Maintenance Plans in place.</li> <li>Quarterly Threat and Risk assessments</li> <li>Training and development plans in place for staff to identify competency and skill requirements</li> <li>Processes in place for the supervision, design and testing during build or vesting of assets</li> </ul>					

Residual Likelihood	Unlikely	Residual Consequence Drivers Safety & Wellbeing, Financial, Service Delivery, Compliance Social and Cultural	Major	Residual Risk Rating	Rating  High
Action Owners					Risk Treatment
Paul Gower (Assets Strategy Manager), Emily Botje (City Waters Manager), Robyn Denton (Transportation Manager), Tania Hermann (Infrastructure Group Business Manager), Maria Barrie (Parks and Recreation Manager), Michelle Rivers (Cemeteries and Crematorium Manager), Anita Oliver (Facilities Manager), Ross Willets (Facilities Maintenance Team Leader), Baird Fleming (Zoo Director); Ben Slatter (H3 Group)					Mitigate
Treatment Plan	Previous updates			Update – June 2022	
<ul style="list-style-type: none"> <li>Complete an initial assessment of critical network infrastructure assets to determine gaps in Business Continuity or Essential Maintenance Plans by July 2022.</li> </ul>	<ul style="list-style-type: none"> <li><b>(Nov 21)</b> – The review and update of BCP's and Essential Maintenance plans will follow the Waters Criticality work outlined below.</li> <li><b>(March 22)</b> – Initial assessment and gap analysis completed December 2021 <a href="#">D-4053822</a></li> </ul>			<ul style="list-style-type: none"> <li>The criticality assessment was completed, implementation has begun. This will be an ongoing improvement process.</li> </ul>	
<ul style="list-style-type: none"> <li>Implement the Organisational Asset Management Improvement Plan</li> </ul>	<ul style="list-style-type: none"> <li><b>(Nov 21)</b> - SLT has approved the Plan. The plan contains 31 organisational improvements to be undertaken. It is based on feedback from Council's Auditor and an independent Asset Management Maturity Assessment from earlier in 2021. The improvements have been organised into 4 streams of work with one of the streams relating to Resilience and Criticality. This plan will improve Councils understanding, reporting and operational and risk management of its critical assets.</li> <li><b>(March 22)</b> - The Organisational Asset Management Improvement was adopted by ELT in October 2021 and contains 31 organisational improvements to be undertaken. Three actions are completed, 12 are in progress. The Plan has a horizon out to June 2024. The improvements have been organised into 4 streams of work with one of the streams relating to Resilience and Criticality. Of the 5 tasks</li> </ul>			<ul style="list-style-type: none"> <li>The Organisational Asset Management Improvement was adopted by ELT in October 2021 and contains 31 organisational improvements to be undertaken. Three actions are completed, 15 are in progress. The Plan has a horizon out to June 2024. The improvements have been organised into 4 streams of work with one of the streams relating to Resilience and Criticality. Of the 5 tasks relating to Resilience and Criticality, two are currently in progress.</li> </ul>	

	relating to Resilience and Criticality, two are currently in progress.	
--	--	--

## APPENDIX A – RISK RATING AND REPORTING

The following tables provide the limits within Hamilton City Council's overall risk threshold which the organisation is expected to operate within and expected responses for each level of risk.

		CONSEQUENCE				
		Minor	Moderate	Serious	Major	Catastrophic
LIKELIHOOD	Almost Certain	H	H	V	E	E
	Likely	M	H	V	V	E
	Possible	L	M	H	V	V
	Unlikely	L	M	M	H	V
	Rare	L	L	L	M	H

This matrix is used to map the likelihood and consequence levels of a risk and provide a pictorial representation of the relativity of that risk to other risks within an Activity Group or Project and can also be used for mapping key risks across Hamilton City Council.

### Action Required Table

The table details the required actions for each risk

ACTION REQUIRED FOR RISK	
<b>E</b>	<b>Extreme Risk</b> – Immediate action required: risk escalated as appropriate. Action Plans and management responsibility specified with scrutiny required. Only the Chief Executive and/or Council can accept this level of risk.
<b>VH</b>	<b>Very High Risk</b> – Senior Leadership Team attention advised. Action Plans and management responsibility specified with periodic scrutiny required. The relevant GM, Unit Manager and Risk Owner / Programme Manager can accept this level of risk.
<b>H</b>	<b>High Risk</b> – Senior Leadership Team attention advised. Action Plans and management responsibility specified with periodic scrutiny required. The relevant General Manager (GM), Risk Owner, Unit Manager or action owner can accept this level of risk.
<b>M</b>	<b>Medium Risk</b> – Management responsibility specified. Managed by specific monitoring and procedures. The relevant Risk Owner, Unit Manager or action owner can accept this level of risk.
<b>L</b>	<b>Low Risk</b> – Manage by routine procedures. Unlikely to require specific application of resources. The relevant activity manager can accept this level of risk.

## APPENDIX B – RISK REVIEW AND REPORTING TABLE

The following table details the required level to which the different risk levels must be reviewed and reported.

RISK LEVEL	STRATEGIC/ ORGANISATIONAL RISKS	REVIEW PERIOD (Minimum)	REPORTING PERIOD (Minimum)
Extreme	Council	Quarterly	Strategic Risk & Assurance Quarterly
	Senior Leadership		
	Team	Monthly	Monthly
Very High	Council	Quarterly	Strategic Risk & Assurance Quarterly
	Senior Leadership		
	Team	Monthly	Monthly
High	Senior Leadership		
	Team	Quarterly	Monthly
Medium	Wider Leadership Group*	Six-monthly	Bi-Monthly / as required
Low	Wider Leadership Group*	Six-monthly	Bi-Monthly / as required

*\*Wider Leadership Group is to be interpreted as any staff member with specific business responsibilities, including but not limited to, General Managers, Unit Managers, Team Leaders and Project Managers.*

By using this matrix, a decision can be made as to the level of escalation for management acceptance that is required and the frequencies with which accepted risks are to be reviewed and reported.

# Council Report

Item 17

**Committee:** Council

**Date:** 29 June 2022

**Author:** Dan Finn

**Authoriser:** David Bryant

**Position:** People, Safety & Wellness  
Manager

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

**Report Name:** Report from the Strategic Risk and Assurance Committee - Safety and  
Wellness

<b>Report Status</b>	<i>Open</i>
----------------------	-------------

## **Purpose - *Take***

1. To inform the Council on safety and wellness strategic progress, performance, and activities for the period covering 1 February 2022 to 30 April 2022.
2. The Safety and Wellness Report – 1 February 2022 to 30 April 2022 as presented to the Strategic Risk and Assurance Committee of 9 June 2022 is provided as **Attachment 1**.

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

3. That the Council receives the report.

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

Attachment 1 - Safety and Wellness Report - 1 February 2022 to April 2022

## Council Report

**Committee:** Strategic Risk and Assurance Committee  
**Date:** 09 June 2022  
**Author:** Dan Finn  
**Authoriser:** David Bryant  
**Position:** People, Safety & Wellness Manager  
**Position:** General Manager People and Organisational Performance  
**Report Name:** Safety and Wellness Report - 1 February 2022 to 30 April 2022

<b>Report Status</b>	<i>Open</i>
----------------------	-------------

### Purpose - *Take*

1. To inform the Strategic Risk and Assurance Committee on safety and wellness strategic progress, performance, and activities for the period covering 1 February to 30 April 2022.

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

2. That the Strategic Risk and Assurance Committee:
  - a) receives the report; and
  - b) notes that that the Council will receive a copy of the Safety and Wellness report of 9 June 2022.

### Executive Summary - *Whakaraapopototanga matua*

3. This report is intended to provide the Strategic Risk and Assurance Committee with visibility on progress of key strategic activities that are aligned to risks, relationships and resources. It is also intended to provide Elected Members with a progress update on wider activities, assurance, and successes.
4. The Safety Management System (SMS) has been endorsed by ELT and is currently with our Communications Team, finalising the design and branding requirements. Both teams will work closely together to introduce the framework across the organisation, which is planned in May/June 2022.
5. We continue to make good progress on Project Ora – our new safety software, with the development of the Event, Hazard and Sensitive Reporting and Inspection Checklist Modules. An organisational risk register has also been developed. User Acceptance Testing (UAT) is in its first phase, running from 16 of May 2022 to 10 June 2022, with employee representatives across Council. The intended 'Go Live' is on-track for the end of June 2022.
6. The Contractor Management workstream continues to progress, and a number of guides have been developed in collaboration with teams from both Procurement and Facilities. Council's Intranet – Velocity, is also being updated to improve access to this information, including training for those who work closely with our Contractors in this space. A Contractor Management Handbook outlining Council's health and safety requirements and expectations has also been finalised and will be issued to contractors at the outset of engagement.

7. Staff consider the matters in this report have low significance and that the recommendations comply with Council's legal requirements.

### Discussion - *Matapaki*

#### Strategic Progress - *Te ahunga whakamua rautaki*

8. The following workstreams outline Council's progress on our 'safety reset' activities previously communicated. They are designed to strengthen and support our wider safety and wellbeing strategy and will continue to formulate part of this report until full completion.

Workstream	Status	Next milestone	Comment
SafePlus review recommendations	60%	Consolidate actions & recommendations	Several recommendations will be completed via Ora/SMS streams
SMS development and implementation	100%	SMS has been endorsed by ELT and now with the Communication Team for design purposes	Next steps - communicate out across the business
Technology and communication (Ora)	90%	Event / Hazard & Sensitive Reporting and Inspection Checklists and Organisational Wide Risk Register have been completed in Phase 1 of the rebuild	This work is a key priority to give clear oversight of what events are occurring and to whom, with robust reporting for relevant key stakeholders. Good progress is being made
Critical risk management	40%	Organisational critical risks have been confirmed. Risk owners to be identified, along with Project Teams formed	Review previous bowties that have been completed. Coachio Group have been engaged to complete bowtie risk assessment training in August
Contractor management	85%	Finalisation of documentation and formulating process on Promapp. Investigating software to support contractor induction process	Relevant communication training across the business
Resourcing and structure review	100%	The Safety & Wellness Team have a full complement of people now on board.	Aligning with the Business Partnering Model meeting key stakeholders and building on a collaborative approach to support Council in health, safety & wellbeing

Table 1 Key workstreams

#### Risks and Incidents - *Ngaa Tuuraru me ngaa Paanga*

9. Incidents profiled for the quarter are summarised in below.
10. There was a total of 27 injuries this quarter, compared to 13 in the previous period. Of those injured, 1 resulted in lost time and 10 required medical treatment. Near hit reporting has slightly reduced from the previous period with 20 near hits recorded.



#### Council WorkSafe Notifiable Events

11. There were no notifiable events through to WorkSafe from Council during this period.

#### Contractor WorkSafe Notifiable Events

12. There were 4 events that were notified through to WorkSafe by various contractors. Of those notified, 3 were service strike events, where pipes were struck, and gas was released. The 1 remaining event was reported when a high voltage power cable was struck and damaged. Further details of these notifiable events can be found in **Attachment 1**.
13. The Development Unit will be available at the meeting to provide an update concerning the trends identified from the three Waipa Civil service strikes, as requested at the 30 March 2022 meeting of the Committee.

#### Relationships - *Whanaungatanga*

14. After much work to introduce Council's Covid-19 Staff Vaccination Policy, further risk assessments were carried out to better reflect the changing environment and the Omicron variant, which had superseded Delta. Based on a lower risk profile, Council withdrew its Policy that had previously mandated all employees to be fully vaccinated to safely carry out their duties at work. This decision was made in parallel with our Facilities and followed closely the decision by Council to withdraw vaccine passes after the Central Government had announced that these would be no longer needed in most settings.
15. Due to the ongoing impact of Covid-19, Council has a supply of Rapid Antigen Tests (RATs) to enable those who are classed as critical workers to test and return to work if they are isolating as a household contact (under the current Covid-19 Protection Framework at Orange). The RATs are also being used on Council critical operational sites as a surveillance monitoring tool.
16. The annual WorkWell Survey has been completed. The results are being reviewed by the Safety & Wellbeing Team to provide key insights, analysis and identify the main themes to support targeted actions. We had 370 staff members participate in the survey, which represents 30% approximately of our total workforce.
17. The Safety & Wellbeing Team continue providing ELT with a monthly report, designed to increase awareness around specific safety events and initiatives. It is also a tool that can be used to cascade within Groups and Business Units lead by GM's to inform and educate.

18. New Zealand has moved to the orange setting as part of the Covid-19 Protection Framework (Traffic Light System), which has enabled our workers to return to the office and get out and about around Council sites. As a Safety & Wellbeing Team it is important that our Business Partners re-establish site visits to build on relationships formed during remote working, which has largely dominated these last two years. Having a physical presence on sites and at our facilities is also proving greatly beneficial in understanding each of our businesses and the complexities inherent with our different operations.
19. The Safety Governance Committee (SGC) met on 11 April 2022, via audio-visual link. The next meeting is scheduled for 2 June 2022. An excerpt from the minutes is below, and the full minutes are provided as **Attachment 2**.

*'The SGC undertook a critical risk deep dive on Working at Heights, with representation and insights provided by the Community Group in relation to a general overview of how work is done in this area. An update was given by the Safety & Wellbeing Team on the pending WorkSafe review of regulations for plant, structures and working at heights and an update was given on the contractor management framework.'*

#### **Resources - Rauemi**

20. The Safety & Wellbeing Business Partner who had a serious non work injury in early November 2021 will be starting their return-to-work programme from 23<sup>rd</sup> May 2022. This is great news, as the team have worked hard to pick up additional responsibilities and cover important work during this extended absence.

#### **Assurance - Kii Taurangi**

21. The 'State of Safety' review was designed to measure the level of safety maturity across Council. An updated heatmap (**Attachment 3**) provides visibility on the progress of corrective actions assigned to each Business Unit.
22. The Safety & Wellbeing Business Partners continue to support and partner with Business Units to monitor and close out recommendations.
23. There are several recommendations that were identified through the SafePlus Audit which are being remedied through current projects that the Safety & Wellbeing Team are responsible for. These include finalising the SMS, strengthening performance reporting, worker participation, critical risk assessments, having a greater focus on wellbeing, shifting investigating to a learning event and contractor management.
24. The completion of these projects of work link directly into the assurance pillar of the SMS.

#### **Success and Recognition - Angituutanga me ngaa Mihi**

25. It's time to reflect and recognise the truly inspirational efforts made by the Incident Management Team (IMT), along with many Business Units in supporting our people and community during Covid-19. We have traversed alert levels and traffic light settings and have done our best as an employer to protect those most vulnerable, including our health system from not being overwhelmed. We would not have been so successful if it wasn't for the empathy, resilience, agility, and the dedication by so many towards our people's wellbeing.

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

26. This is a regular operating activity funded through the Long-Term Plan.

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

27. Staff confirm that any recommendations in this report comply with Council's legal and policy requirements.

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

28. 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 well-beings').
29. The subject matter of this report has been evaluated in terms of the 4 well-being's during the process of developing this report.
30. This report addresses matters of safety and wellbeing. There are no known social, economic, environmental, or cultural considerations associated with the matters in this report.

**Risks - *Tuuraru***

31. There are no risks associated with the recommendations in this report.

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

32. 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**

33. Given the low level of significance determined, the engagement level is low. No engagement is required.

**Attachments - *Ngaa taapirihanga***

Attachment 1 - Notifiable Events

Attachment 2 - Safety Governance Meeting Minutes

Attachment 3 - State of Safety Audit Heatmap

## Notifiable Events

During this reporting period (1 February 2022 to 30 April 2022) there were 4 notifiable events involving contractors. A brief summary is below:

Date	Incident summary	Status
14 February 2022	<b>WorkSafe Notifiable - Contractor</b> Waipa Civil Limited were excavating a trench to install a CLS water main. In the process a gas lateral pipe was struck by the excavator when carrying out the works and gas was released as a result.	<ol style="list-style-type: none"> <li>1. Waipa Civil contained the gas leak and crimped the small flex pipe straight away.</li> <li>2. First Gas arrived for the repair works.</li> <li>3. WorkSafe were notified.</li> </ol>
23 February 2022	<b>WorkSafe Notifiable - Contractor</b> During scarification (breaking up, loosening, or roughening up of the surface) by HEB Construction prior to placing and spreading topsoil a duct containing a 33kv power cable was struck and damaged. The cable itself was not damaged and no person was injured or plant damaged as a result. There was no uncontrolled release of energy. However, because of the very high voltage of the power cable there was the potential for serious harm and therefore notifiable.	<ol style="list-style-type: none"> <li>1. A WEL Network stand-over had been present the day before but had agreed with Council that there was no need to be there for the top soiling operation (both were unaware of the buried cable at that time), the primary focus had been on the HV overheads.</li> <li>2. WorkSafe were notified.</li> <li>3. An ICAM investigation was completed with 9 recommendations which consisted of permit issuing, cyclic refresher training, work with WEL to understand responsibilities, benchmark current workload practices, implement a system that provides precise location of works and hazards, clean up of induction and qualification register, subcontractor management with both systems and risk assessments activities and ongoing corrective actions will be managed in Vault by the Peacocke Project Team.</li> </ol>

25 February 2022	<p><b>WorkSafe Notifiable – Contractor</b>  Waipa Civil Limited while horizontal drilling grazed a 40mm gas main and gas was released.</p>	<ol style="list-style-type: none"> <li>1. The area was closed off to the public</li> <li>2. First Gas were called out and isolated the gas</li> <li>3. WorkSafe were notified.</li> <li>4. Corrective actions implemented: <ol style="list-style-type: none"> <li>(a) <b>Plant, Equipment and Substances:</b> The SE locator has been removed from the crew and swapped out with the Falcon F2 which can locate ahead of the sonde</li> <li>(b) <b>Procedures:</b> Drill sheet pre-check sheets to be utilised going forwards to ensure each process is followed on a step-by-step basis</li> <li>(c) <b>People:</b> Internal investigations have been carried out against the employee's contract</li> <li>(d) <b>Hazard Identification:</b> Toolbox to advise staff of importance of assessing the area appropriately for any hazards based on the plant being utilised</li> </ol> </li> </ol>
30 March 2022	<p><b>WorkSafe Notifiable - Contractor</b>  When Downer IA were digging out an existing road, the gas lateral was 450mm deep from the lip of the kerb and channel and a strike occurred and gas was released. This gas lateral was not shown in as a built plan of First Gas. There was a tracer wire running underneath the pipe unfortunately it was not picked up by GPR survey.</p>	<ol style="list-style-type: none"> <li>1. The site was made safe and closed out to the public.</li> <li>2. The school close by was notified.</li> <li>3. First Gas fixed the lateral issue and informed the Fire Brigade.</li> <li>4. There were no injuries.</li> <li>5. WorkSafe were notified.</li> </ol>

# Meeting Minutes

## Safety Governance Committee

Time and date:	1:30pm, Monday 11 April 2022
Venue:	Zoom
In Attendance:	Greg Dearsly (Independent Chair), Lance Vervoort (Chief Executive), Dan Finn (People, Safety & Wellness Manager), David Bryant (GM POP), Helen Paki (GM Community), Marie Snowball (Safety & Wellbeing Lead), Emily Botje (City Waters), Lee Farnhill (Parks Services Manager), Claire Toko (H3), Dion Liddel (AWUNZ), Tracey Wood (Communications), Ewan Wilson (Elected Member), Olly Te Ua (Māori Rep) Virginie Maene (Minutes), <b>Erin Roberts</b> (Capital Delivery) and Amanda Barlow (Safety & Wellbeing Business Partner)
Apologies:	Ewan Wilson, Keri Devine, Tracey Wood

### 1. Welcome

Meeting opened by the Chair to the first (hybrid) meeting of 2022 acknowledging Covid has taken a lot of everyone's attention and work.

David thanked Dan, Mish and Marie for the way they have been exemplary in supporting our staff.

Guests are Amanda Barlow from our H&S Team and Lee Farnhill who is the Parks Service Manager.

### 2. Confirmation of previous minutes and review of the Action Register

The minutes of the Safety Governance Committee Meeting held Monday 1 November 2021, have been confirmed.

Moved by: Lance

Seconded by: Olly

The previous meetings action register was reviewed and amended as follows.

Action	Assigned To	Due Date	Comments	Status
Find suggested actions from previous work done by staff on how we can control Critical Risks. Staff came up with ideas, we need to show that we are taking feedback onboard.	Dan/Marie	Next meeting		

Plant, Structures and Working at heights. New regulations are due to come out. Do a review of what the new regulations actually applies to, making sure you are following the process - hierarchy of controls.	Marie	Next meeting		
Ensure presentations and documents relating to the next meeting are sent out in ample time to read through and flag questions.	Marie/Dan	Next meeting		
Plant, Structures and Working at heights – New regulations	H&S Team	Next meeting	Amanda Barlow presented on this item during this meeting	Completed
Looking at make-up of committee.	Dan	Next meeting	Eeva-Liisa should be here from Infrastructure Operations. Their group has a lot of critical risks areas. Let's review annually, we might swap areas around, so all the exec team gets some exposure.	Completed

### 3. Safety Reset Programme – progress update

Dan presented the Safety Reset Programme and recapped why and the progress we have made since.

The following questions were asked by the Committee:

Q. Covid has been disruptive – teams have not been getting together as BAU, the implementation of some new initiatives has been hindered. Have you identified what is going to make the biggest difference? Have we moved the need around safety culture? Where are the teams at?

A. The whole ethos behind the structure of my team was to be collaborative, the Business Partners are getting out into the business, to understand the business and build the relationships. Unfortunately, we have been in an out of Covid lockdowns ever since which has been a struggle – despite that we can see the difference with the relationships that we have built.

Q. What is the plan for the team to get out and learn about the Critical Risks?

A. Our Business Partners work closely with the leadership teams and always communicate with the team first. We will start doing this now.

Q. Can we see more results and statistics at this level? e.g., notifiable events and near hits – good stats and trends. It's something that we need to keep looking at – comparing results as we go on and keep our eye on that.

A. Ora has that in mind, we will be able to see trends and be more proactive.

Some comments on the presentation are listed below:

- We need to ensure to show staff that we are taking their feedback onboard and we need to keep them engaged.
- The framework is comprehensive, noting the disruption that has been caused I am keen to hear from the staff on the ground to see how well it's working.
- Once BAU has returned we will get the results from Workwell.
- The H&S team has had a positive impact and the support has improved compared to the past. We can respond to issues more in line with the Government. There is new expertise we can now tap into – it's a resource we haven't had previously. All positive!
- Often Culture is the root cause of issues, we need to keep engaging with staff.
- Good update, the SafePlus audit is recommended every couple of years, definitely check up on recommendations, we should be improving not getting worse.
- What is the HCC Culture and how is safety applied to that? This should be one and the same thing. The Anglo-Saxon approach may not work for everyone e.g., Te Ao Māori. We need to focus on things that will make the biggest difference.

### 4. Safety Management System (SMS) Update

Marie Snowball presented the Safety Management System document (one pager)

The following questions were asked by the committee:

Q. Is this the finalised version?

A. Yes, the intent of the one-page document is for ease to take it to the business – it's also easy to put up on a screen in all areas and easy to understand how it fits into things. Communications will help with proper branding and communications plan.

Meeting Minutes

Page 3 of 5



Q. How do we get assurance that leaders are adopting it?

A. The assurance pillar will ensure that it is being adopted and that we are supporting people to be successful.

Q. In Infrastructure Operations we work in a hybrid model, how do we merge H&S Infrastructure Operations and this system into one?

A. The H&S team is here to support the organisation, we are aware of decentralised teams where things are done differently. We are trying to understand the business and how we can support it, also ensuring supporting the non-negotiables.

---

#### 5. Contractor Management Framework

Marie Snowball presented an overview of the Contractor Management Framework.

Some comments on the presentation are listed below:

- There is a range of pre-quals systems that has been assessed by Tautika which means the contractor has a choice. Tautika has been invited by construction industry, councils are signing up to the framework.
- The team has done a great job, it provides assurances, good progress been made.
- There are procurement boundaries, we need to ensure that we are clear on where procurement starts and stops. A workshop is taking place with procurement and facilities to work through this.

---

#### 6. Critical Risk Deep Dive – Working at heights

Lee Farnhill shared the Arborist unit's experiences of working at heights.

The following questions were asked by the Committee:

Q. What was the last big incident?

A. A handsaw fell out of a tree.

Q. Notifiable with the radiator – how did you respond to that? Experienced people are often at risk, become complacent or overconfident. How do you deal with making sure that people are keeping up to date with the processes?

A. We had a good chat with the person, he was more embarrassed than anything. He just wanted to finish his day – if he alerted us, it could have been prevented. We had everything in place, he was overdelivering on his targets and rushing – we did a reset with the team and went over maintenance. Message: let us know any issues and we will deal with the risks.

Some comments are listed below:

- I was lucky enough to go out with the arb team and I was really impressed with the team. The team has to be so cognisant of all the road users' safety and their own safety. Arborists are very passionate with regards to their machinery – there was a culture of how they can do things better all the time. E.g., when the electrical chainsaw falls out of the tree it will switch itself off – keeping themselves and everyone around them safe.

---

#### 7. Plant, Structures and Working at heights – New regulations and what it means for us

Amanda Barlow presented the new regulations to the Committee.

Meeting Minutes

Page 4 of 5



## 8. General discussion – around the table

- Would like to see in more detail how council is managing working at heights once new regulations are in place. I would like more assurance – follow up in 6 to 12 months.
- Really informative meeting, quality of the conversation has really shifted, sharing right info at right level now, grateful we are dedicating the time.
- Council is looking at implementing health insurance for all staff which will help with attraction/retention but also for looking after people after work.
- More staff will be coming back into the Muni building under the Orange traffic light setting; mental wellbeing has dipped a bit so we need to discuss flexible working – we need to look at the needs of the business and social interaction (to be discussed at the next meeting).
- Good meeting, great energy around Health and Safety across the organisation.
- With staff getting back into office, vaccination certificates are no longer required, we will end up with vaccinated and non-vaccinated people in the workforce, you may have vulnerable people or carers in the workspace.

## 9. Actions Register

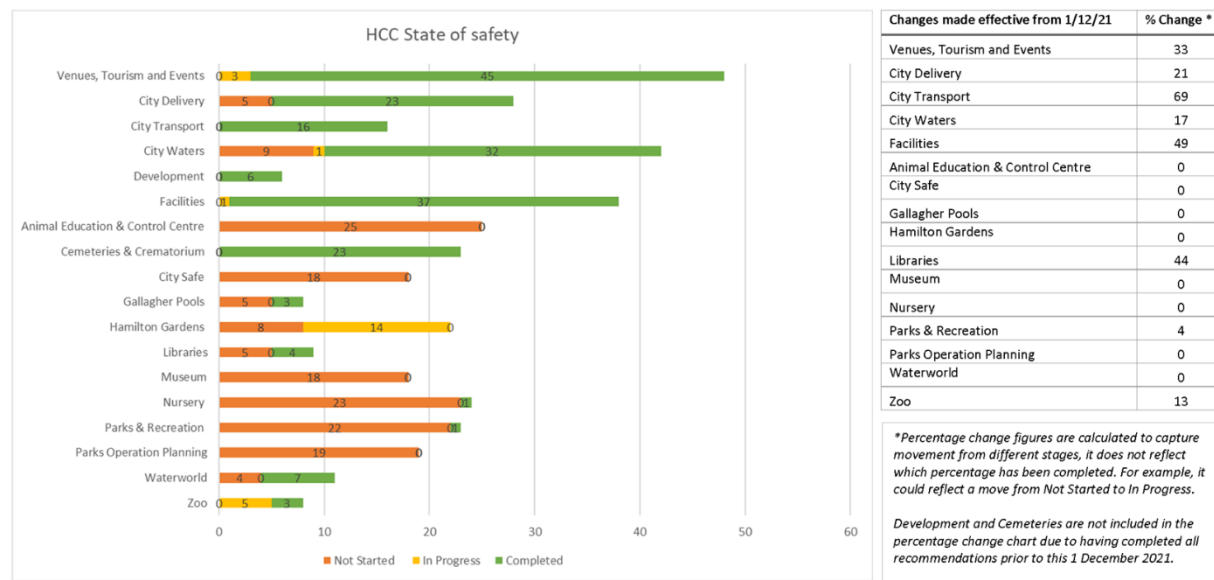
Action	Assigned To	Due Date	Comments	Status
Look at the make-up of the Committee, do we need to invite other people across tiers?		Next meeting	EL should be here from IO. Their group has a lot of critical risks areas. Let's review annually, we might swap areas around, so all the exec team gets some exposure.	Completed
Changes to the regulatory framework with a review of regulations for plant, structures and working at heights is to commence in early 2022. The implementation of new regulations will come into force by the end of 2022. This should be top of the list for 2022, do we know what we have and how compliant are we?	Marie Snowball	Next Meeting		Completed

It was agreed more time was required to digest the Monitoring What Matters survey results and discuss at next meeting.	Dan Finn	Next meeting		Completed
Further follow up from Governance to confirm Safety and Wellness updates to be included at full Council Meetings.	Dan Finn		Dan to discuss with Becca, more discussion on that.  Minutes and reports will go to full council and SRA - quarterly	Completed

**The meeting was declared closed at 3:55pm**

**Next meeting will be held on 2 June 2022.**

## State of Safety Review — Progress update May 2022



# Council Report

**Committee:** Council

**Date:** 29 June 2022

**Author:** Tahl Lawrence

**Authoriser:** Andrew Parsons

**Position:** Project Engineer

**Position:** Executive Director Strategic Infrastructure

**Report Name:** Peacocke Contract Updates

<b>Report Status</b>	<i>Open</i>
----------------------	-------------

## Purpose - *Take*

1. To seek approval from the Council to increase the Approved Contract Sum for Contract 142/2019 – Peacocke Waikato River Bridge and Strategic Services from \$140,000,000 to \$160,200,000 (excl GST), an increase of \$20,200,000 to allow for cost escalation as forecast in the 2022/23 Annual Plan and for the budgeted cost impacts of the August 2021 Covid-19 restrictions.
2. To seek approval from the Council for a variation to the Housing Infrastructure Facility (HIF) Agreement as set out in this report to restructure the repayment schedule.
3. To provide the Council with an update on Peacocke Network Infrastructure projects currently in the planning and procurement stage.

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

4. That the Council:
  - a) receives the report;
  - b) approves, subject to the approval of the relevant budget provision in the 2022/23 Annual Plan, an increase to the Approved Contract Sum for Contract 142/2019 – Peacocke Waikato River Bridge and Strategic Services from \$140,000,000 to \$160,200,000 (excl GST). This increase of \$20,200,000 is comprised of the \$18.1m budget estimate to respond to cost escalation in the draft 2022/23 Annual Plan and, for the \$2.11m cost impacts of the August 2021 Covid-19 restrictions previously approved by the Finance Committee;
  - c) approves, **Attachment 1** of the staff report, a timing variation for repayments under the Housing Infrastructure Facility Agreement and, requests the Chief Executive finalise and execute the variation;
  - d) delegates to the Chief Executive authority to administer the Peacocke Housing Infrastructure Facility Agreement; and
  - e) notes that staff are exploring innovative procurement via direct appointment for the Bikes on Pipes project.

## Executive Summary - *Whakaraapopototanga matua*

5. Council's Finance Committee approved \$2.11m of new budget on 14 December 2021 to cover the costs of the August 2021 Covid-19 lockdowns and, through the 2022/23 Annual Plan process, a further \$18.1m of new budget was included for approval at this Council meeting on 30 June 2022 to cover unexpected cost escalation. To administer this new budget an increase to the Approved Contract Sum for Contract 142/2019 to match the new available budget is being sought.
6. To help mitigate increased cost escalation within Peacocke projects, staff have negotiated a restructuring of the HIF Loan Facility Agreement, pushing some scheduled repayments to outside of the current 2021/31 Long Term Plan. This amendment to shift \$16.4m, if approved by Council, results in an interest savings of approx. \$3m, this benefit to be ringfenced within the Peacocke Network Infrastructure programme. Council approval of this amendment to the Peacocke Housing Infrastructure Facility Agreement is now being sought in this report.
7. The country remains in a period of very high economic uncertainty which continues to affect supply chains and labour markets, in New Zealand and abroad. This is resulting in cost escalations continuing to increase at above expected levels and, although no immediate change to cost escalation forecasts is suggested at this stage, close monitoring and exploration of methods to increase cost certainty is necessary.
8. Two remaining projects within the Peacocke Network Infrastructure programme, Peacockes Road Urban Upgrade, and Whatukooruru Drive (East-West Arterial Stage 2), are currently in the procurement stage and close on 30 June 2022. Award decisions, along with a comprehensive financial update, will be brought back to Council in the coming months, depending on tender evaluation progress.
9. Staff are exploring innovative delivery models to deliver the Bikes on Pipes project and propose working directly with suppliers who have recently delivered very successful outcomes for Council. Staff proposed to report back with procurement recommendations in the coming months.
10. Staff consider that the decisions in this report have low significance and that the recommendations comply with the Council's legal requirements.

## Background - *Koorero whaimaarama*

11. Council approved entering into the Housing Infrastructure Facility (HIF) Agreement at its 28 June 2018 meeting. The HIF is an interest-free loan facility to fund lead strategic infrastructure in Peacocke.
12. Part of the Agreement requires Council to repay a portions of the loan facility on fixed dates that were intended to represent the forecast cashflows received for development contributions that Council expected to receive as set out in its detailed business case.
13. Once funding was confirmed via the HIF, Council tendered contracts to design and deliver the Peacocke Network Infrastructure, a programme of strategic transport and waters infrastructure projects necessary to unlock residential development in Peacocke.
14. Subsequently Covid-19 and the significant associated global supply chain impacts have resulted in higher-than-anticipated inflation on contract works. Cost escalation clauses are an industry standard and best practice method to fairly apportion some cost risks on major projects and are included in Contract 142/2019.
15. At the 14 December 2021 Finance Committee, staff were asked to report back with a proposal on Covid-19 related costs for Contract 142/2019 in time for consideration as part of the 2022/23 Annual Plan development process. At the same meeting a new budget of \$2.11m was

approved specifically to cover direct costs on Contract 142/2019 as a result of the restrictions during late-2021.

16. The draft 2022/23 Annual Plan was considered by Council on 17 March 2022. The draft Annual Plan considered the contractual obligations in Contract 142/2019 relating to cost escalation and made a gross allowance of \$18.1m (\$8.869m net of Waka Kotahi subsidy) in the budget. Staff note that the allowance for \$18.1m was based on an estimate 3.4% inflation per quarter and the most recent data from Statistic NZ is 5.2% for the January to March 2022 quarter.
17. Council is contractually obligated to pay Covid-19 costs and the actual cost escalation calculated from the independent Statistics NZ escalation indices. Based on the current forecasts used to develop the 2022/23 Annual Plan budget an increase in the Approved Contract Sum for Contract 142/2019 is required.
18. Staff recommend that the increase in the approved contract sum be based on the \$18.1m estimate included in the Draft Annual Plan and the Finance Committee approved budget for the Covid-19 costs of \$2.11m. Staff will regularly update the Finance Committee as actual quarterly escalation costs indices become known.

### **Discussion - *Matapaki***

#### **Contract 142/2019 – Peacocke Waikato River Bridge and Strategic Services**

19. To allow for administration of the 2022/23 Annual Plan (subject to Council approval) cost escalation budget of \$18.1m and the Covid-19 cost allowance of \$2.11m, an increase in the Approved Contract is now required. The contract sum will be increased only by the amount of new budget once that has been approved. A schedule of all previous resolutions in relation to this contract is shown in **Attachment 4**.
20. The cost escalation figure of \$18.1m discussed is based on an estimate as at 17 March 2022 and the final costs are not known. The actual final cost escalation amount Council will pay is based on the cost escalation indices published quarterly by Statistics NZ and applied to Contract 142/2018 in accordance with the NZS3910 Conditions of Contract.
21. Contract 142/2019 continues to progress well overcoming various challenges to meet project expectations. While some delays resulting from Covid-19 restrictions and ongoing local and wider supply-chain challenges remain unquantified, the project is still currently expected to be substantially complete mid to late-2023.

#### **Annual Plan cost escalation allowance**

22. The draft 2022/23 Annual Plan was considered by Council at its 17 March 2022 meeting. The draft 2022/23 Annual Plan considered the contractual obligations in Contract 142/2019 relating to cost escalation and made a gross allowance of \$18.1m (\$8.869m net of Waka Kotahi subsidy) in the financial strategy. A formal subsidy request has been lodged with Waka Kotahi for their approval.
23. The allowance of \$18.1m represents an estimate as at 17 March 2022 of the potential cost escalation for Contract 142/2019 noting that actual inflation costs may differ due to external economic factors and actual contract cash flow.
24. In developing the proposal considered in the 2022/23 Annual Plan development process, a range of forecasted cost escalation scenarios were developed.
25. The cost escalation scenario proposed in the 2022/23 Annual Plan provides cost escalation allowance of 3.4% per quarter (13.6% per annum).
26. Subsequent to the adoption of the draft Annual Plan, the cost escalation indices for the January – March 2022 quarter were released on 19 May 2022 resulting in escalation at 5.2%,

representing a further substantial quarterly increase, 1.8% above the scenario presented in the 2022/23 Annual Plan proposal.

27. Staff do not recommend changing the cost escalation provision in the Annual Plan and recommend monitoring as new indices numbers are published quarterly. Staff will monitor and report on cost escalation through the Finance Committee as part of the overall capital programme reporting going forward.

#### **HIF Loan Facility Agreement.**

28. The HIF detailed business case was approved by Council on 28 June 2018 and the HIF Agreement subsequently entered into.
29. Part of the HIF Agreement requires that Council must make fixed repayments to the Crown on specified dates.
30. Staff have been working with Treasury and MinHuD officials to explore opportunities to help manage the financial implication of the additional cost escalation associated with the HIF funded programme of works on Council's financial strategy. The result of those discussions has been positive with Ministerial approval of a proposal to defer some of the early fixed HIF loan repayments to dates outside of the 2021-31 LTP period.
31. A copy of the proposed Agreement variation (signed by government) is provided in **Attachment 1**. The benefit to Hamilton City Council is the interest savings associated with deferring \$16.4m of fixed repayments and staff have compared the fixed value repayment obligations against the proposed variation (refer **Attachment 2**).
32. The basis of the Ministerial approval to restructure the repayment schedule is that the benefits are ringfenced to help deal with cost escalation impacts on the Peacocke Network Infrastructure programme.

#### **Whatukooruru Drive (East-West Arterial Stage 2) and Peacockes Road Urban Upgrade**

33. Procurement of this work (refer **Attachment 3** for general location) is nearing completion with tenders closing on 30 June 2022.
34. Tender evaluation will be undertaken during July and contract award decisions brought to Council in late-July or August 2022 to ensure physical works commences in October 2022 to make full use of the construction season.
35. The section shown in **Attachment 3** as Whatukooruru Drive Stage 2B is not currently within the scope of the current procurement. This is to provide further opportunity to integrate the adjacent property owners' requests while we seek a mutually acceptable outcome.
36. Staff will provide a full financial update of the Peacocke Network Infrastructure programme at the same time as contract award decisions are sought. This will provide a picture of the effects of cost escalation on new project works and an update on forecasts and HIF and LTP budgets.

#### **Bikes on Pipes**

37. "Bikes on pipes" is an innovative addition to an important wastewater network extension, the North-South Pipeline (the pipes bit) which is already an identified and approved part of the HIF and Peacocke Network Infrastructure programme (refer **Attachment 3** for general location).
38. Staff are exploring innovative procurement options to deliver Bikes on Pipes and the associated wastewater infrastructure to best manage cost escalation and a tight labour market. The procurement approach being explored is structured around a direct appointment procurement model that would give Council the flexibility to directly negotiate with suppliers for the project.

39. The potential benefits include price certainty, the ability to start earlier (specifically reducing long lead time risks) and it enables Council to bring the contractor into the design stage early to explore early value engineering opportunities and better risk apportionment up front.
40. The benefits would need to out-weigh potential downside risks, notably the absence of a competitive process that is used to gain price tension in the market. The project team, over the past 24 months, have competitively tendered numerous work packages for both physical works and professional services and, if this approach was taken, would consider competitively tested rates and other options to ensure a demonstration of cost-effectiveness.
41. Staff will report back with discussion and to seek endorsement of a procurement approach for the Bikes on Pipes package of works later in 2022.

### **Financial Considerations**

42. Council will consider the adoption of the 2022/23 Annual Plan at its 30 June 2022 meeting.
43. The financial implications of the increase in the approved contract sum sought in this report has been considered by Council (subject to the Annual Plan adoption decisions) and is provided for in the 2022/23 Annual Plan and financial strategy.
44. An update on overall Peacocke programme financials will be reported as part of the next Peacocke contract award decision at the September Strategic Growth Committee meeting or earlier, subject to tender evaluation being completed.
45. The financial update will include consideration of the HIF loan, programme forecasts, external funding and scope/contingency management options.
46. A financial review is being undertaken by an internal qualified financial auditor. The conclusions and actions (if any) will be approved by Council's Director of Finance and reported through to the Finance Committee.

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

47. Staff confirm that the staff recommendations comply with the Council's legal and policy requirements.

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

48. 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').
49. 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, with more detail and examples included in **Attachment 5**.
50. The recommendations set out in this report are consistent with that purpose.

### **Social**

51. While addressing one of New Zealand's key social issues – housing availability - the Peacocke programme is providing a framework to support the strength of community networks, safety, and connectedness – to the environment, the Waikato River and each other.
52. The HEB Waikato River Bridge Contract 142/2019 has been designed to leverage social benefits from the HIF and LTP investment. This includes accessible design, and facilities such as stepping-stone logs and balance beams to encourage play on the way, fruit trees as part of landscaping, and areas laid out to facilitate operation as community gardens, all supporting

inclusion and health. Stormwater treatment and detention areas are laid out to be multi-functional, being accessible and supporting biodiversity as well as their primary functions.

53. These investments complement social activities from other Peacocke projects, such as the northern transfer main, where the contractor, CB Civil built a playground for a local primary school, had all of their staff on a riverbank clean up day, and took part in a school STEM (Science, Technology, Engineering and Maths) event.
54. Future works including Whatukooruru Drive incorporate similar initiatives for skills development and landscaping.
55. Off the back of the Peacocke Network Infrastructure programme of works the Ministry of Education have already secured two new school sites and Council has also purchased land for a substantial new sports park facility that will supplement social sports in southern Hamilton.

### **Economic**

56. There have been 270,000 person hours worked on the HEB project since it started in 2019, equivalent to around 60 direct jobs/year. Previous analysis indicates around 2.5 induced jobs for each direct job, suggesting that employment associated with the HEB project is equivalent to over 200 jobs/year, with many in the Waikato.
57. One example of local economic benefit is PFS Engineering, an award-winning engineering company in Riverlea, opposite Peacocke, that is fabricating the walking/cycling bridge crossing the extension of Wairere Drive on the north bank of the river.
58. The delivery of the HEB Waikato River Bridge Contract 142/2019 includes a requirement for skills development. This has provided local employment and development opportunities for an engineering graduate and a technician to be part of this complex project.
59. The Peacocke programme continues to meet the HIF schedule commitments, despite disruption and challenges presented by the different phases of the pandemic. Analysis for the shovel-ready projects suggested \$2.50 - \$3.10 of economic activity for every \$1.00 spent on construction. The approximately \$155m spent directly on the Peacocke Network Infrastructure programme to date has wider economic benefits of almost \$0.5B.
60. The deferral of \$16.4m fixed payments extends the period of the HIF interest free loan facility, saving Council significant direct interest costs, estimated at over \$3m.

### **Environmental**

61. The Peacocke programme is Hamilton's biggest environmental investment. The network infrastructure programme is a significant part of Council's multi-million-dollar investment to protect and enhance our natural taonga, green spaces and biodiversity. For example, the HEB Waikato River Bridge Contract 142/2019 landscaping includes over 9000 trees, around 130,000 plants, and devices to protect and enhance stormwater quality. Council has developed and applied careful processes to avoid harming bats, and to collect and relocate copper skinks to dedicated habitat areas. There is also gully restoration and pest control as part of the Hamilton's Southern Links project.
62. The wastewater investment includes diverting wastewater from the existing western network that has current environmental risks of peak events leading to unplanned discharges. By diverting some of the existing demands into a new network with more capacity, the risk to the existing networks is reduced.

63. As well as the natural environment, the infrastructure investment provides for environmental wellbeing in other ways:
- i. The design philosophy supports the Access Hamilton mode shift targets of around 40% for non-car short trips, with consequential environmental gains because transport has such a significant impact on greenhouse gas emissions.
  - ii. The main contractors in the programme are certified to ISO 14001 which aims to reduce an organisation's waste, pollution and energy consumption. For the Peacocke northern transfer main project, the trench backfill was a combination of re-used material, to minimise transport demands, and quarry by-product, which provided better safety and reduced consumption of natural materials. The filter fabric around the trench was recycled plastic, diverting around half a million plastic bottles from landfill.
  - iii. The concrete in the bridge utilises flyash in the mixture, utilising this waste material and reducing the cement content, saving around 40% on embodied carbon compared to standard concrete.
  - iv. Contractors sustainable transport initiatives including carpooling opportunities and facilities to enabling cycling to work.

### Cultural

64. The Waikato River Bridge project implements He Pou Manawa Ora (specifically He Pou Manawa Koorero and He Pou Manawa Taiao), and builds on relationships developed over a decade, since the Southern Links investigation included tangata whenua as part of the project team, evolving into the Tangata Whenua Working Group. Tangata whenua representatives assist in Council's engagement with the wider community.
65. Council has embedded opportunities to support and reflect Te Ao Maaori, in our construction contracts through procurement, site inductions and management plans. This work includes tangata whenua representatives managing kaiaarahi and kaitiaki roles on site, including cultural inputs and education at toolbox meetings, ecological quality assurance and karakia.
66. Cultural recognition is also through our landscaping, urban design and wayfinding. Tangata whenua had key roles setting fundamental design requirements such as not having bridge piers in the Waikato River, and in the stunning sculptural features such as:
- i. The Waikato River Bridge lattice piers (reflecting raranga (weaving) for fish traps and food baskets).
  - ii. The pedestrian bridge's support columns reminiscent of ornamented taurapa (waka stern-piece) marking a gateway and respecting the role of the river as a transport corridor.
  - iii. The carvings in the approach embankment and pier base on the south bank, hand carved and moulded to be cast into concrete blocks. Chisel marks show in the final concrete, combining traditional and modern construction techniques, with the wall panel patterns telling a story relating to the whenua, the land, and the pier base the wai, the river.

### Risks - *Tuuraru*

67. There are no known risks associated with the decisions required for the variation to the fixed repayments for the HIF Loan Facility Agreement to defer repayments and the delegation of administration of that agreement to the Chief Executive.
68. There is a risk that current very high cost escalation continues due to uncertainty in supply chain and/or cost escalation effects from external factors remain. As far as practicable within

the Peacocke programme and contract frameworks, staff continue to manage risks such as Covid effects on staffing, materials pricing and availability, with steel and fuel being particularly sensitive.

69. In addition to the risk associated with the matters in this report, an update of all Peacocke programme risks will be provided as part of the planned report to the September Strategic Growth Committee.

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

#### **Significance**

70. 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**

71. Community views and preferences are already known to the Council through the 2018 LTP, 2021 LTP and 2022/23 Annual Plan consultation.

Given the medium level of significance determined, the engagement level is medium. No engagement is required.

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

Attachment 1 - Housing Infrastructure Fund HIF - Variation

Attachment 2 - Housing Infrastructure Fund HIF Agreement - variance comparison

Attachment 3 - HIF Peacocke Network Infrastructure Programme of Work

Attachment 4 - Decisions relating to Contract 142/2019 – Peacocke Waikato River Bridge

Attachment 5 - Peacocke Network Infrastructure Wellbeing

## Facility Details

Description	Term loan facility
Available to	The Borrower
Purpose	To reimburse Costs incurred by the Borrower or a CCO in respect of the Project (including by way of funding or on-lending by the Borrower to CCOs)
Facility Limit and repayments	\$180,300,000 as reduced by each reduction amount on the relevant Repayment Date below, and as reduced by the total of all other reductions, repayments and prepayments in accordance with this document.

No.	Repayment Date	Fixed reduction amount (\$)	Terminal Reduction Amount (\$)	Facility Limit (\$)
1	30 June 2027	\$4,100,000		
2	30 June 2028	\$3,300,000		
3	30 June 2029	\$3,300,000		
4	30 June 2030	\$3,300,000		
5	30 June 2031	\$3,300,000		
6	30 June 2032	\$4,800,000		
7	30 June 2033	\$4,800,000		
8	30 June 2034	\$4,800,000		
9	30 June 2035	\$4,800,000		
10	30 June 2036	\$4,800,000		
11	30 June 2037	\$4,800,000		
12	30 June 2038	\$4,700,000		
Nil				

Availability Period	The period from the date of this document to the earlier of: (a) 30 June 2030; and (b) the date on which the Facility Limit is cancelled in full or permanently reduced to zero in accordance with this document
Drawing restrictions	The principal amount of a Drawing must be a minimum of \$100,000 and an integral multiple of \$1,000 (or, if less, the Available Facility for this Facility)  The Borrower may not give more than one Drawdown Notice per Quarter under this Facility.
Prepayment restrictions	Unless the Financier otherwise agrees, a prepayment of only part of the Outstanding Amount for this Facility must be for a minimum of \$100,000 and an integral multiple of \$100,000.

PJM-348176-2264-304-V1:tw

Facility Agreement – Hamilton City Council  
MinterEllisonRuddWatts | Ref: BZT 301004577  
19666726 4

Page 1

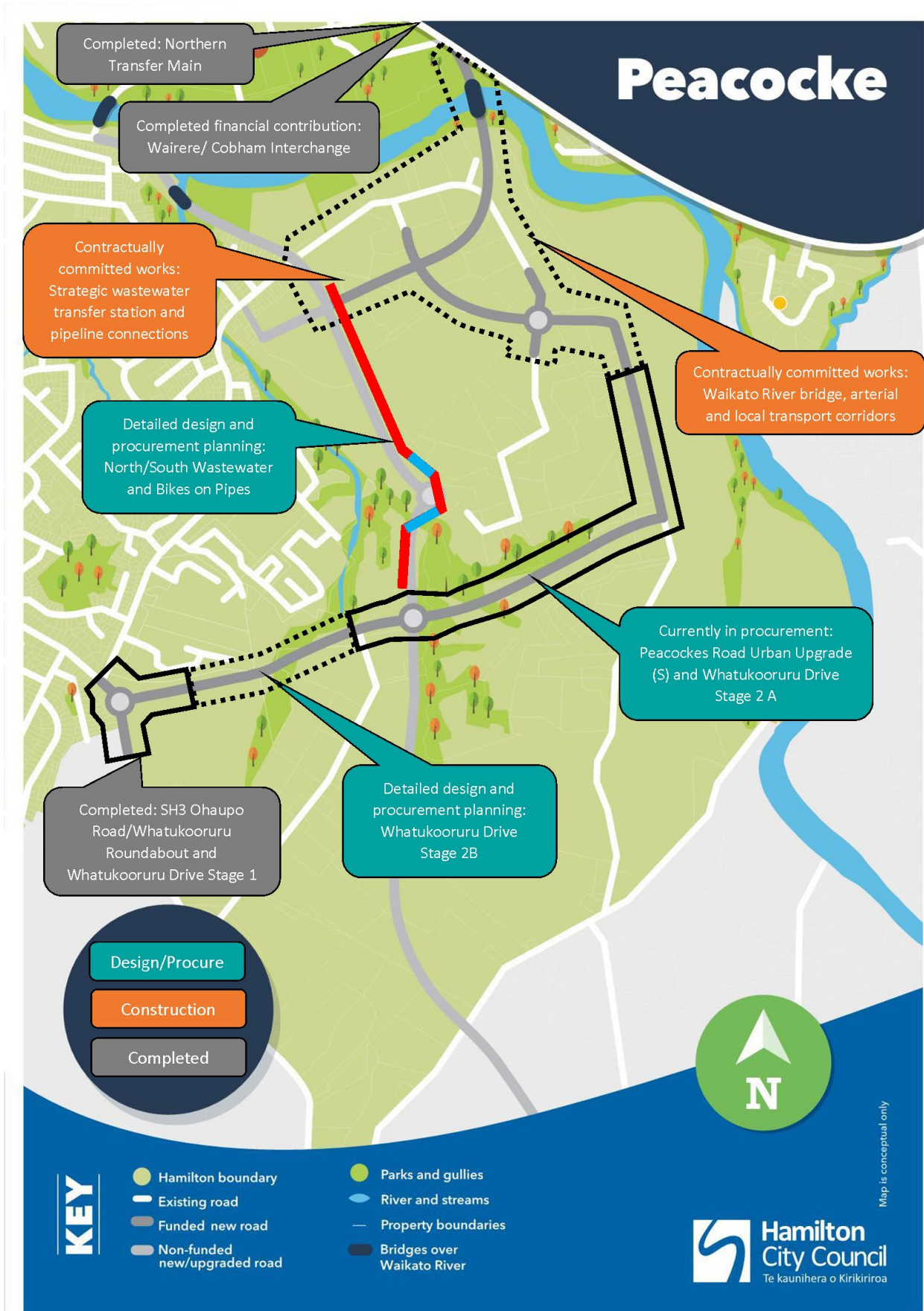
Project	<p>Strategic transport, wastewater and water infrastructure to provide access and servicing for residential development in Peacocke, Hamilton, as detailed in the Detailed Business Case and including:</p> <ul style="list-style-type: none"> <li>The extension of and the construction of Wairere Drive and the construction of the Hamilton Gardens bridge over the Waikato River. This bridge is designed and designated as part of the Southern Links Network, and is consistent with the Peacockes Structure Plan. This bridge will accommodate walking, cycling and passenger transport, and provide a corridor for utilities including the wastewater pressure main.</li> <li>The construction of a transfer pump station and pressure main to pump wastewater north from Peacocke to the Pukete treatment plant. This wastewater system should also allow for future connections to Cambridge;</li> <li>An intersection at SH3 and Ōhaupo Rd.</li> <li>Internal transport corridors consistent with the existing Structure Plan</li> <li>Internal wastewater, with detailed design dependent on the timing location and staging of the development.</li> <li>Internal potable water distribution networks in conjunction with the strategic infrastructure.</li> <li>All related roads, wastewater pump stations and pipe connections; potable water mains and supporting infrastructure.</li> </ul>		
Milestone Timeline	Material Component	Expected Commencement Date <sup>1</sup>	Expected Completion Date <sup>2</sup>
	SH3 Intersection, E-W Arterial Stage 1 and Water	December 2019	June 2021
	Wairere Drive Extension, Waikato River Bridge, Water, Wastewater	December 2020	June 2023
	North South Arterial Land (Subject to Public Works Act processes)	June 2018	June 2020 (acquisition)
	Main Transfer Pump Station, N-S Wastewater	December 2019	June 2024
	Peacocke Road urban upgrade	December 2022	June 2024
	East-West Arterial Road, Water and Wastewater Stage 2	December 2022	June 2025
	Strategic Wastewater Stage 2	December 2025	June 2027

<sup>1</sup> Expected commencement dates take December as nominal start of the stated year's construction season. All dates relate to construction milestones except for the North South Arterial land acquisition milestone.

<sup>2</sup> Expected completion dates take June as nominal start of the stated year's construction season. All dates relate to construction milestones except for the North South Arterial land acquisition milestone.

**HIF - Facility Agreement**  
**Fixed Repayments**

Date	Original Amount	Revised Amount	Movement
30 June 2023	4,100,000	0	-4,100,000
30 June 2024	4,100,000	0	-4,100,000
30 June 2025	4,100,000	0	-4,100,000
30 June 2026	4,100,000	0	-4,100,000
30 June 2027	4,100,000	4,100,000	0
30 June 2028	3,300,000	3,300,000	0
30 June 2029	3,300,000	3,300,000	0
30 June 2030	3,300,000	3,300,000	0
30 June 2031	3,300,000	3,300,000	0
30 June 2032	3,300,000	4,800,000	1,500,000
30 June 2033	3,300,000	4,800,000	1,500,000
30 June 2034	2,100,000	4,800,000	2,700,000
30 June 2035	2,100,000	4,800,000	2,700,000
30 June 2036	2,100,000	4,800,000	2,700,000
30 June 2037	2,100,000	4,800,000	2,700,000
30 June 2038	2,100,000	4,700,000	2,600,000
	<b>50,800,000</b>	<b>50,800,000</b>	<b>0</b>



## Decisions relating to Contract 142/2019 – Peacocke Waikato River Bridge and Strategic Services

The previous decisions relating to the Approved Contract Sum and budgets are discussed below.

1. Contract 142/2019 – Peacocke Waikato River Bridge and Strategic Services (Contract 142/2019 PWRB) was awarded to HEB Construction in Px by Strategic Growth Committee on 20 August 2020

*“approves the award of Contract 142/2019; Peacocke Waikato River Bridge to HEB Construction for the tender sum of \$115,890,861.72 and sets an Approved Contract Sum of \$135,000,000 which includes the tender sum plus a contingency of \$19,109,138.28, subject to pre-award matters being resolved to the satisfaction of the Strategic Development Manager “.*

2. Subsequently, on 7 September 2021, an increase in the contract sum for Contract 142/2019 PWRB was approved in Px by Strategic Growth Committee to accommodate extra works required by developers but within HCC contract work site (at the developers cost)

*“approves an increase of \$5,000,000 to the existing Approved Contract Sum for Contract 142/2019 Peacocke Waikato River Bridge, setting a new Approved Contract Sum of \$140,000,000 to allow for separately funded development collaboration works to be undertaken within this contract”.*

3. On the 14 December 2021 Finance Committee meeting it was approved to increase of the project budget of

*“Waikato River Bridge and Peacocke Strategic Transport project in the 2023/24 FY by \$2,110,000 in relation to additional contract and project costs as a result of COVID alert level changes only – noting this additional cost is anticipated to be co-funded by the other funding partners”*

The committee also noted:

*“COVID costs associated with Contract 142/2019 as a result of recent Alert Level Changes are currently forecast at a value of \$2,110,000. It is recommended that the project budget is increased by this value.*

*staff will report to the Council with a proposal concerning COVID related cost escalation impacts on the Waikato River Bridge and Peacocke Strategic Transport project in time for consideration as part of the 2022/23 Annual Plan development process”.*

4. On 17 March 2022 Council considered an assessment of potential cost escalations and included an allowance of \$18.1m (gross) in the draft 2022/23 Annual Plan.

## Examples of Delivering Wellbeings and Broader Outcomes

### SOCIAL WELLBEING

The Peacocks programme is an example of government and inter-agency collaboration to address the social issue of a housing shortage. Council has sought to leverage social and other broader outcomes benefits from the infrastructure investment.

#### Direct infrastructure contributions to wellbeing

A core part of the Peacocks infrastructure is in connections, including promoting safety and accessibility for active modes, and providing connections. As well as movement between activity centres and enabling active modes, the project provides new public access to the river (under the bridge) and to and across gullies with walking and cycling connections.

In addition, initially inspired by Council's play strategy, the infrastructure team sought to make the most of infrastructure space and investment by working out how to make them multi-functional. This includes improving access for play, cultural and environmental elements and outcomes.

Stormwater treatment devices are a great example of multi-functional space. As well as improving water quality, they provide passive recreational space for people, opportunities for habitat for biodiversity, play activities as part of landscaping, and potential for community gardens. In some circumstances there are opportunities for art and cultural symbolism.

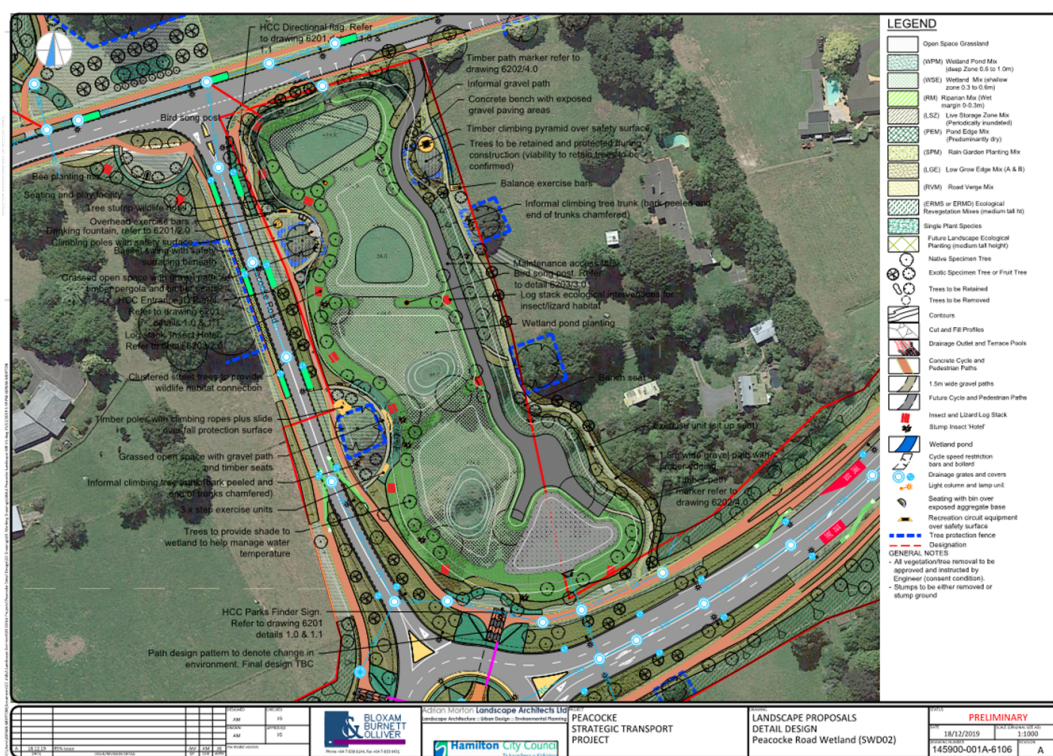


Figure 1: Stormwater treatment at Peacocks Road/Wairere Drive Extension

### Indirect infrastructure contributions to wellbeings - contractors

In addition to direct contributions, contractors can support social wellbeing in different ways; for their staff, the environment and local communities, including schools and sports clubs.

**Peacocke**  
What good looks like  
Northern Wastewater Project - KPI Update

**ACT WITH INTEGRITY**  
*Mahi pono. Mahi tika*

**WORK TOGETHER**  
*Mahi ngaatahi*

**THINK DIFFERENTLY**  
*Whakaaro kee atu*

**MAKE IT HAPPEN**  
*Mahia te mahi*

**Economic**

- KPI reached! +20 individuals and/or families relocated to Waikato.
- 24 staff have been relocated from Auckland and other locations in the South Island. Plus, 6 staff have relocated with their family.
- KPI reached! +75% local procurement target exceeded with current local spend tracking at 82%.

**Environmental**

- In July 2021, the entire crew stopped works for the afternoon and completed a rubbish clean-up at Hamilton Lake domain and a section of Waikato river.
- Carbon emissions reduced by using
  - approved bi-product 3/7 chip rather than GAP 40; and
  - bidim® Eco from Geofabrics - a 100% recycled material.
- Continued active waste and recycling on all work sites.

**All environmental KPI's reached!**

**Employment and training**

- 6 local staff including 2 full-time staff from Puatata employed.
- 25% of staff identify as Maaori or Pasifika. We're working with Puatata and Waikato-Tainui to increase the number of Maaori and Pasifika staff.
- 24% of staff are enrolled in higher-learning through Connexis, Southern Institute of Technology (SIT) or New Zealand Institute of Highway Technology (NZIHT)
- We're looking to fill 2 internship positions over Summer 2021/22 after successfully hosting 1 intern this year.

**Social**

- We are a proud sponsor of Marist Rugby Club (\$7000 value).
- In July, we completed a new playground at Knighton Normal School (\$25,000 value).
- This year we attended a STEM event at a local school, organised by Puatata. We hope to attend another event soon.

**DID YOU KNOW?** Puatata is a Hamilton-based business providing courses and training to upskill jobseekers and provide employment opportunities.

**CB Civil crew with their rubbish collection after clean-up along Waikato River**

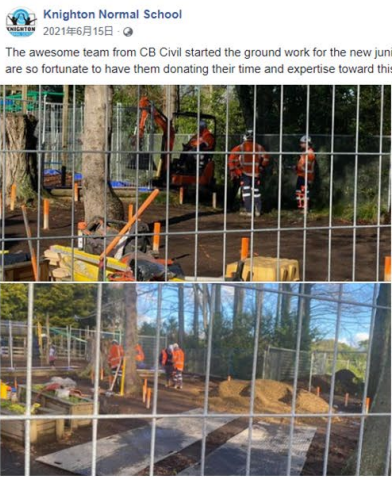
**Learning never stops! Hands-on experience and training during pipeline construction**

**Hamilton City Council**  
Te kaunihera o Kirikiriroa

**wsp** **CB CIVIL** August 2021

Figure 2: Example of project celebration of social key performance indicators – CB Civil Ltd

The Northern Transfer Main demonstrated how broader outcomes and social wellbeings can result from Council investment. CB Civil activities included street barbecues as a thank you for coping with disruption during construction, and building a playground for a local school.



**City project experts down tools to build Hamilton school a new playground**

Jo Lines-MacKenzie · 13:53, Jun 20 2021



Fielddays traffic in Hamilton allowed the team of CB Civil to stop their normal work to help build a playground for Knighton Normal School.

Figure 3: Recognition of CB Civil’s playground building for Knighton School.

### ECONOMIC WELLBEING

The interest free HIF Facility contributes to Hamilton and the sub-regions economic well-being directly with local direct and indirect expenditure.

An example of local benefits PFS Engineering, an award-winning engineering company in Riverlea, opposite Peacocke, is fabricating the walking/cycling bridge on the north bank.



Figure 4: PFS staff and some of Council's infrastructure team on the first section of the pedestrian/cyclist bridge in the PFS fabrication site.

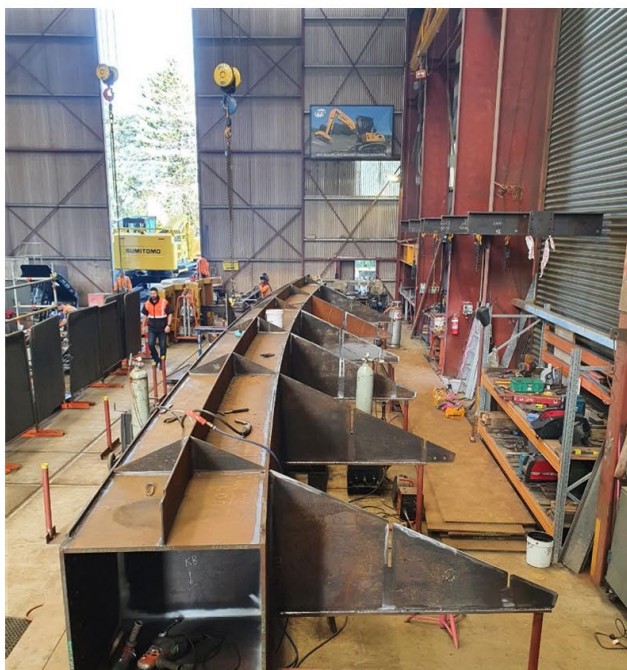


Figure 5: Next section of the pedestrian bridge in fabrication (upside down)

The concrete blocks and carving panels (also part of the cultural wellbeing narrative) are also local (Waipa) economic benefits. The specialist manufacturers (Stonestrong brand) are now receiving queries for the blocks for other projects.



Figure 6: “Carved” concrete blocks in casting yard in Te Awamutu

In addition to the direct benefits, there are indirect benefits. For example, the Northern Transfer Main contractor, CB Civil, relocated over 20 individuals or families from Auckland to Hamilton, and reported over 80% of their procurement being local (see Figure 2 above).

## CULTURAL WELLBEING

### Pedestrian/ Cycling Bridge Columns: “Taurapa” (Waka / Canoe stern posts)

The footbridge located on the northern side of the Waikato is recognised as a threshold crossing the river into the Peacocke area. The columns act as a “Waharoa” (Gateway) with designs reflecting the form of waka “Taurapa” (stern posts).

The faces of the columns orientate and reference significant sites in the whenua for Tainui, including

- Kawhia–Maketu Marae–Location of the buried Tainui ancestral Waka Tainui
- Taupiri Mountain–sacred (Tapu) burial ground for Waikato Tainui
- Te Puaha o Waikato (Port Waikato) – mouth of the Waikato.



Figure 7: Visualisation of pedestrian bridge from Wairere Drive

The two columns supporting the walking/cycling bridge incorporate cultural designs endorsed by the Southern Links Tangata Whenua Working Group (TWWG). They are being fabricated by local firm PFS Engineering.



Figure 8: Taurapa decorative panels (corten steel in local fabricator PFS Ltd.'s yard)

The designs are by an artist with connections to the local hapu. The symbol Takarangi is an intersecting spiral pattern used in carving. It uses spaces to separate solid spirals. For some, the open spiral represents the entry of light and knowledge into the world and depicts the linkage of man with wairua. For others, the spirals represent past knowledge and experience linking through

time and space with the present. On the prow of waka the spirals provide added stability and balance allowing wind and wave to pass through.

#### **Waikato River Bridge Central Pier Lattice– Raranga (weaving)**

Tangata whenua significantly influenced the main structural form, with no parts of the bridge allowed to be in the river, leading to large spans. The Y shaped central pier is formed as lattices, resulting in bold sculptural forms for those under the bridge and on the river. The lattices represent kete and weaving (raranga), that relates back to overarching idea of habitation, trade and travel and Peacocke's food-providing heritage



Figure 9: Central Y-shaped pier lattices

#### **Waikato River Bridge southern abutment and central pier base**

The project has worked with local artists and manufacturers in an innovative process, transforming hand carvings into concrete panels that retain the southern approach embankment, and face the base of the pier. Each of the carvings has meaning, including references to the river and taniwha, sacred sites, as well as Mangakootuktu.



Figure 10: Eugene and his chisels, and hand carved panel from which moulds are created

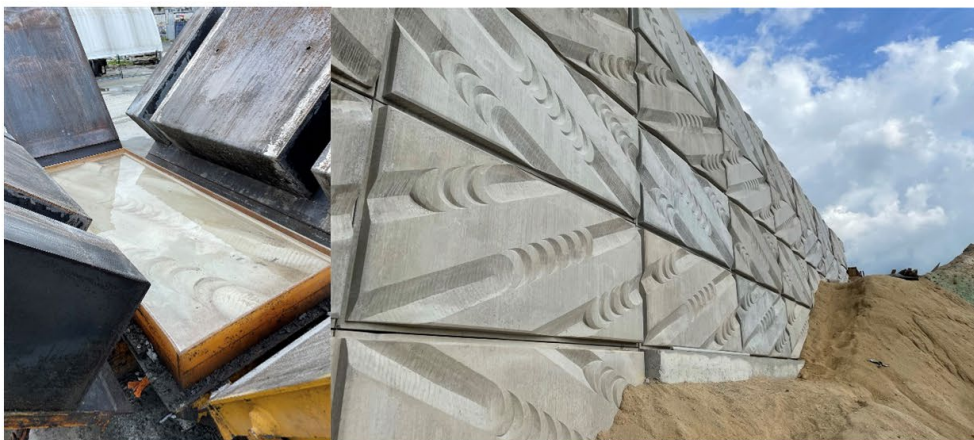


Figure 11: Final “carved” panels from moulds to installed in the southern embankment.

Cultural being is embedded in the project. Council has an outstanding and trusting partnership with the Southern Links Tangata Whenua Working Group, built over a decade of manaaki (shared commitment), pono and tika (integrity and mutual respect). HCC staff, designers, and contractors participate in cultural inductions and education, similar to safety inductions. These improve understanding of how Te Ao Maaori views complement western concerns about safety, wellbeing and the environment. The inductions have been so successful that contractors have asked for additional sessions to cover new teams. Karakia are carried out prior to breaking ground on sites and significant milestones, such as the first large bridge lift operation, and the first girder, and on completion. Kaitiaki work with the contractors to support the construction teams and assist in environmental management and discovery protocols.



Figure 12: Dawn karakia for lift of the first lattice section.

## ENVIRONMENTAL WELLBEING

As part of Southern Links, which the Peacocke roads form part of, Hamilton City Council is committed to provide 11.46 ha of enhanced habitat to offset vegetation loss through construction and development. In addition, the road corridor landscaping Investment is significant with around 20,000 trees and almost 190,000 plants in place or contractually committed to date.

Site	Trees	Plants	Total	Year
SH3 Ohaupo Road/Whatukooruru Drive Roundabout	2,652	12,127	14,779	2020
Ohaupo Road – East Wetland	644	25,247	25,891	2020
Riparian Margin Gully	5,231	5,531	10,762	2021
Lizard Habitat Stage 1A	292	11,235	11,527	2021
East-West Arterial	TBC			2022-25
Peacocke Strategic Transport	9015	129446	138,461	2023-23
104 Hall Road Gully	2,050	3,780	5,830	
Totals	19,884	187,366	207,250	2020-2025

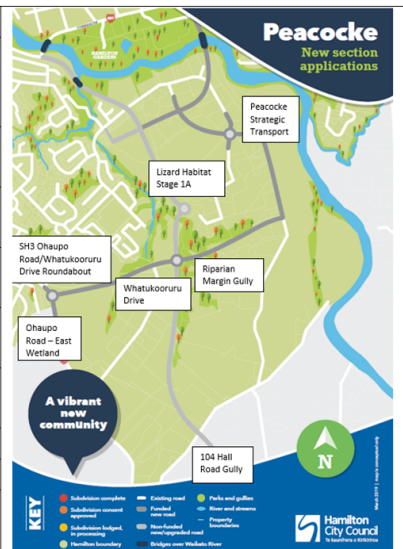


Table 1: Planting Summary

Stormwater treatment and enhancement is also a significant component of the project. The stormwater treatment areas are multi-functional, including features to encourage biodiversity. Treatment standards meet the demanding National Environmental Standard for Freshwater Quality, which has significantly changed the philosophy, and cost, of treatment.



Figure 13: Stormwater device

# Council Report

**Committee:** Council **Date:** 29 June 2022  
**Author:** Amy Viggers **Authoriser:** David Bryant  
**Position:** Governance **Position:** General Manager People and Organisational Performance  
**Report Name:** 2022 LGNZ Remits for Consideration

<b>Report Status</b>	<i>Open</i>
----------------------	-------------

## Purpose – *Take*

- To seek approval for those remits the Council wishes to support at the 2022 Local Government New Zealand (LGNZ) Annual General Meeting (AGM) to be held Thursday 28 July 2022 via audio visual link.

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

- That the Council:
  - receives the report; and
  - notes that the Council has indicated to **support/not support** the following remits, to be voted on by the presiding HCC Delegate at the 2022 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:
    - Central government funding for public transport;
    - Review of Government transport funding;
    - Illegal street racing;
    - Bylaw infringements; and
    - Density and proximity of vaping retailers.

## Executive Summary – *Whakaraapopototanga matu*

- Member authorities of LGNZ (member councils) have been asked to consider 7 remits submitted from zones, sector groups, or member authorities ahead of the 2022 LGNZ AGM.
- If supported at the AGM by the majority of member councils present, remits will be officially actioned by LGNZ.
- Representation at the AGM and the voting entitlement of each member council is determined by their LGNZ subscription levels. Hamilton City Council's appointed representatives at the AGM are determined by the Mayor.
- Mayor Southgate is the Council's presiding delegate and will vote on behalf of Hamilton City Council in accordance with the resolutions made by the Council at this meeting.

7. It is requested that the presiding delegate may have some flexibility to duly take into consideration additional information received on the day to inform the final vote on behalf of the Council.
8. The list of 2022 remits for consideration below were received by the Mayor on 17 June 2022 and are detailed in Attachment 1 of this report.
9. The LGNZ Remit Policy can be found [here](#).
10. In 2021 the Local Government New Zealand's (LGNZ) member councils passed seven remits. More information on the 2021 LGNZ remits can be found [here](#).
11. Staff consider the matters in this report to have a low level of significance and that the recommendations comply with the Council's legal requirements.

## **Discussion - *Matapaki***

### **Summary of 2022 Remits for Consideration:**

#### **Central government funding for public transport**

12. That LGNZ:
  - a) Calls on central government to fully and permanently fund free public transport for students, community service card holders, under 25s, and total mobility card holders and their support people.
  - b) Joins the Aotearoa Collective for Public Transport Equity (ACPTE) in support of the Free Fares campaign.

#### **Review of Government transport funding**

13. That LGNZ call for an independent review into the way in which government, through Waka Kotahi, fund transport investments in Aotearoa. This includes funding of new developments and maintenance programmes.

#### **Illegal street racing**

14. That Local Government New Zealand (LGNZ) implement a nation-wide working group of subject matter experts with the objective of formulating an action plan to effectively enforce the Land Transport Act 1998 and work with police to tackle illegal street racing and the antisocial behaviour associated with it.

#### **Bylaw infringements**

15. That LGNZ lobby Government to implement an infringement notice regime for general bylaws.

#### **Density and proximity of vaping retailers**

16. That LGNZ requests the Government to:
  - i. Restrict the sale of vaping products to R18 specialist vape stores.
  - ii. Develop proximity limits to prevent the clustering of vaping product retailers and protect young people.

#### **Financial Considerations – *Whaiwhakaaro Puutea***

17. There are no financial or budget impacts related to the decisions required in this report.

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

18. Staff confirm that the recommendations in this report comply with the Council's legal and policy requirements.

19. Staff confirm that the recommendations in this report comply with the LGNZ Remit Policy which can be found [here](#).

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

20. 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').
21. The subject matter of this report has been evaluated in terms of the 4 wellbeings during the process of developing this report.
22. The recommendations set out in this report are consistent with that purpose.

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

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

### **Significance**

24. 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**

25. Given the low level of significance determined, the engagement level is low. No engagement is required.

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

Attachment 1 - 2022 LGNZ remits

Who's  
putting local  
issues on  
the national  
agenda?

**We are.  
LGNZ.**  
Te Kāhui Kaunihera o Aotearoa.

# 2022 Annual General Meeting

## Remits

**Item 19**

**Attachment 1**

# 1

## Central government funding for public transport

<b>Remit:</b>	That LGNZ: <ul style="list-style-type: none"> <li>• Calls on central government to fully and permanently fund free public transport for students, community service card holders, under 25s, and total mobility card holders and their support people.</li> <li>• Joins the Aotearoa Collective for Public Transport Equity (ACPTE) in support of the Free Fares campaign.</li> </ul>
<b>Proposed by:</b>	Porirua City Council
<b>Supported by:</b>	Metro Sector

### Background information and research

#### 1. Nature of the issue

At present, an inequitable, car-dominated transport system constrains mobility and limits opportunity for thousands of people. Transport is the second-largest source (21%) of domestic carbon emissions in Aotearoa – and 70% of these emissions come from cars, SUVs, utes, vans and light trucks.

The Aotearoa Collective for Public Transport Equity (ACPTE) are a vast collection of community organisations from across Aotearoa, joining together to advocate for more equitable public transport. The ACPTE are now asking for councils across the country to join their Free Fares campaign.

ACPTE's Free Fares campaign is asking for central government to fund free fares for public transport users, starting with low income groups and under-25s. The ACPTE believes that these groups are the right place to start because they represent a large portion of public transport users who rely on the service the most but are least likely to be able to afford it.

#### 2. Background to its being raised

Transport is New Zealand's fastest growing source of greenhouse gas emissions, having doubled since 1990. Targeting transport is a key way to mitigate our fastest growing source of emissions. Porirua City Council's view is that we need to provide more sustainable transport options and enable people to transition from private vehicles to public transport.

The proposed remit suggests we can't meet our climate change targets without reducing how much we drive – not even by replacing petrol and diesel cars with EVs. Both in Aotearoa and overseas there are examples of free public transport incentivising mode shift away from private vehicle use. Free fares enable people to switch to public transport, which produces far less emissions per kilometre than private cars.

With housing costs and other expenses rising, many Community Service Card holders, tertiary students, under 25s and total mobility card holders find that a regular \$3 bus ticket is out of reach – and that's at the very time that we need to promote connection to combat loneliness and poor mental health. The high cost of public transport also leaves too many disconnected from family, friends and activities that bring us joy, leading to isolation and loneliness. The proposed remit suggests free fares would allow disadvantaged communities to better access services and seek education and employment.

To ensure transport equity, Porirua City Council suggests it is imperative we prioritise those who struggle the most to afford and access transport. All sectors of society are affected when the cost of fares prevent people from travelling. Businesses miss out on customers, community groups lose participants and volunteers, and tourist spots miss out on visitors. Free fares will allow more people to make these trips, connecting communities so we are all better off.

The ACPTE started in 2021 calling for free public transport for students and community card holders. A coalition of climate action groups, student organisations, churches, unions and political youth wings joined together in asking central government and the Greater Wellington Regional Council to fund a trial for free public transport for these two target groups in the Greater Wellington region.

After submitting to GWRC, the ACPTE decided that leading up to the Emissions Reduction Plan (ERP) consultation, the campaign should go national. Over the months leading up to the ERP consultation, the ACPTE connected with groups across Aotearoa to advocate for free fares. The campaign also shifted to include under 25s, with the aim of normalising public transport as the main form of transport for the next generation.

During this time, the ACPTE also reached out to councils inviting them to join in the advocacy effort, and several councils passed motions supporting free fares.

This campaign is specifically requesting that free fares are funded by central government. Signing onto this campaign would have no impact on councils' finances and would add no extra burden on rates.

**3. New or confirming existing policy**

This is new policy.

**4. How the issue relates to objectives in the current Work Programme**

This remit is broadly consistent with existing LGNZ work, particularly on climate change mitigation and the Future for Local Government Review, but has a more specific focus.

LGNZ is committed to working alongside central government and iwi to address social issues in our communities, including inequity between social groups.

**5. What work or action on the issue has been done on it, and the outcome**

The Government began a trial of half-price public transport fares from 1 April 2022. This three-month trial was extended by two months, and made permanent for community services cardholders, as part of the Government's Budget 2022 announcements. (Note that this decision is to provide half-price fares only to community service card holders, and not free fares which this remit and the ACPTE are advocating for).

While LGNZ has made statements in press releases about the Government's half-price public transport fares trial and its decisions around continuing this trial as part of Budget 2022 and ERP announcements, no formal work has been undertaken by LGNZ on this issue.

ACPTE has undertaken work on this issue, detailed in section 2 above. In addition to the work noted above, ACPTE has compiled research from within Aotearoa and abroad about the impact free fares could have for climate and equity and submitted their findings to the ERP consultation, and started a petition which received over 13,000 signatures and was handed to the Minister of Transport in March 2022.

**6. Any existing relevant legislation, policy or practice**

- Central government's public transport half-price fares trial extended for two months (total 5 months), and made permanent for community services cardholders, as part of Budget 2022 announcements
- NZ Transport Agency [Total Mobility scheme: policy guide for local authorities](#) 2017
- Ministry of Transport [SuperGold Card public transport funding](#)
- Aotearoa Collective for Public Transport Equity (ACPTE) [Free Fares NZ](#)
- [Government Policy Statement on Land Transport, 2021/22](#) – 30/31 including outcomes addressing "Inclusive Access" and "Resilience and security"
- [The Zero Carbon Act](#) 2019 and [Emissions budgets and the emissions reduction plan](#)

**7. Outcome of any prior discussion at a Zone or Sector meeting**

This proposed remit was endorsed by the Metro Sector at its meeting on 13 May 2022.

**8. Suggested course of action**

That LGNZ calls on central government to fully and permanently fund free public transport for students, community service card holders, under 25s, and total mobility card holders and their support people.

That LGNZ joins the Aotearoa Collective for Public Transport Equity (ACPTE) in support of the Free Fares campaign.

## 2

### Review of Government transport funding

**Remit:** That LGNZ call for an independent review into the way in which government, through Waka Kotahi, fund transport investments in Aotearoa. This includes funding of new developments and maintenance programmes.

**Proposed by:** New Plymouth District Council

**Supported by:** Rangitikei District Council, Hauraki District Council, South Taranaki District Council, Western Bay of Plenty District Council, Stratford District Council and Hamilton City Council

#### Background information and research

##### 1. Nature of the issue

A key part of the advocacy role of LGNZ includes being involved in discussions with central government on significant issues affecting local government. This is a critical role that is at the core of the work and purpose of LGNZ.

This remit asks that LGNZ work with government to ensure that an independent review into the funding model of Waka Kotahi is undertaken. The current funding model does not fully recognise the costs of maintenance of roads and related infrastructure and does not provide certainty to councils in setting their own budgets. This appears to be related to funding being heavily reliant on the annual budget of the government of the day and income that varies depending on many factors.

Such a review should consider how long-term projects such as roading should not be so reliant on annual fluctuations and more should be funded through long-term debt such as with local government major infrastructure.

##### 2. Background to its being raised

The Government Policy Statement on land transport (GPS) states that “transport investments have long lead times, high costs and leave long legacies. Therefore transport planning and investments need to be guided by a long-term strategic approach, with a clear understanding of the outcomes that government is seeking to achieve”.

Over \$4 billion of New Zealanders’ money is spent through the national land transport fund each year, which is supplemented by co-investment from local government and additional funding and financing.

The GPS recognises that as the largest co-funder of National Land Transport Programme (NLTP) projects, local government has an important role in building strong, evidence-based projects and programmes for investment. This shows the appropriateness of LGNZ requesting a review is undertaken.

The Ministry of Transport and Waka Kotahi already look to other financing tools for larger intergenerational projects over \$100 million. The review should consider if this goes far enough and options for fixing the massive hole in existing budgets – such as the \$400 million one recently highlighted in Auckland for road maintenance and public transport projects.

The review should also consider the consistency of government actions across various infrastructure. The Three Waters Reform programme creates new entities to gain “a greater ability to borrow to fund long-term infrastructure” and aims “to protect consumer interests and drive efficient investment and performance”. Government recognises that Three waters requires long-term investment, but this review is needed to consider that view in relation to transport infrastructure.

**3. New or confirming existing policy**

Transport is one of LGNZ’s five key policy priorities. However, LGNZ is not currently actively advocating for a review of transport funding. This is therefore a new policy issue.

**4. How the issue relates to objectives in the current Work Programme**

Transport is, and always has been, a very critical issue for local government. There is a heavy reliance on uncertain Waka Kotahi funding and the need to advocate for investment in our regions. One of the LGNZ priorities is “Ensuring local voice is heard on the important issues – three waters, resource management, housing, transport, climate change and the future for local government”.

This remit meets the existing aims of LGNZ to represent the national interest of councils in Aotearoa, to ‘decode policy’ and to “help local government run better through development, support and advocacy”. By working with government to ensure an independent review of transport funding is undertaken, LGNZ would help fulfil their Whakamana/Advocate role.

As transport is also one of LGNZ’s five key policy priorities, and the ongoing funding of the local roading network is an issue that has emerged in ongoing conversations with the sector and in Future for Local Government workshops, advocating for an independent review of the funding system may speed up the pace of any review.

**5. What work or action on the issue has been done on it, and the outcome**

The Ministry of Transport regularly reviews its Government Policy Statement on Transport (typically every three years). This however would not meet the intent of the remit that there be an independent review of the broader system of funding of transport investment.

Based on recent engagement with the Ministry of Transport, LGNZ is aware that the Ministry has begun scoping work on what the future funding tools and requirements of the transport system should be. As such, this remit may provide value in demonstrating to the Government

how important this issue is to local government, and it may also signal some of the issues that should be included in scope of that review (including the benefit of the review being independent). As noted above, the remit may need to be updated depending on whether a Ministry of Transport-led review into how the transport system is funded is announced prior to the AGM. We do not have any indication of when such a review will be announced (if indeed it does proceed).

**6. Any existing relevant legislation, policy or practice**

The Land Transport Management Act 2003, Government Policy Statement on land transport and the National Land Transport Programme outline Government's position.

**7. Outcome of any prior discussion at a Zone or Sector meeting**

The proposed remit is supported by Rangitikei District Council, Hauraki District Council, South Taranaki District Council, Western Bay of Plenty District Council, Stratford District Council and Hamilton City Council.

**8. Suggested course of action envisaged**

That LGNZ work with the Government to ensure a review of land transport funding in New Zealand is undertaken. This should include looking at the funding of new transport infrastructure and maintenance and how best to fund these in a realistic, efficient and equitable manner alongside local government.

An independent review may not be possible given decisions around this work programme for the Government may be made (and possibly announced) prior to the AGM in July – though we do not have any indication of when the Government will make announcements about a possible review, or if indeed it will do that. However, support for this remit would provide LGNZ with the ability to demonstrate the importance of such a review to local government, and influence the particular issues that local government thinks should be within the scope of any review – including funding of new developments and maintenance programmes.

# 3

## Illegal street racing

<b>Remit:</b>	That Local Government New Zealand (LGNZ) implement a nation-wide working group of subject matter experts with the objective of formulating an action plan to effectively enforce the Land Transport Act 1998 and work with police to tackle illegal street racing and the antisocial behaviour associated with it.
<b>Proposed by:</b>	Hutt City Council
<b>Supported by:</b>	Upper Hutt City Council, Masterton District Council, Carterton District Council, Tauranga City Council, Hamilton City Council and Porirua City Council

### Background information and research

#### 1. Nature of the issue

Excessive noise from vehicles and other intimidating behaviour (such as convoys blocking the road and vehicles driving at high speeds) has been a frequent complaint from residents towards their local councils. Various attempts to curb this behaviour have had some success, while some measures have simply moved the problematic behaviour to another geographical location.

Councils across the nation have implemented various measures to limit dangerous vehicle use, such as speed cushions, concrete speed bumps, and visual distractions. With the additional cost of maintenance and road signs, these can be a significant cost to councils with only a limited impact on the problem.

Due to the illegal street racers often being in a network, they can communicate to avoid detection by police and move across several councils' territories in one night. This can pose an issue if multiple councils do not have consistent bylaws in their respective areas.

#### 2. Background to its being raised

New Zealand laws deterring illegal street racing (occasionally referred to as 'boy racing') include the Land Transport Act (1998) and the Land Transport (Unauthorised Street & Drag Racing Amendment Act) (2003). Several other councils around New Zealand have chosen to include illegal street racing in their Public Places Bylaw, noting that intimidating behaviour or excessive noise from vehicles is prohibited. New Plymouth District Council and Waipā District Council both have proposed bylaws (not yet in force) specifically about illegal street racing. Christchurch City Council has a "Cruising and Prohibited Times on Roads Bylaw 2014" which is currently under

review. It is unclear how successful these bylaws have been, as there has been no evaluation material available to view.

Based on reports from other locations, the issue of vehicle noise, speed, intimidation, and damage is widespread across the country. Despite laws from central government and supplementary bylaws from local councils, the issue continues to persist. This does not support the argument that these laws have been effective.

Discussions with police and council officers have revealed the challenges of enforcing the law. Under-resourcing has not met the demand, as there are incidents were upwards of 100 illegal street racers converge in a single area with only one patrol car available.

Complaints about illegal street racers have been received by the Hutt City Council Deputy Mayor and council officers in the transport division. Noise is a prominent theme in these complaints when the illegal street racers are in close proximity to residences, along with tyre tread marks and oil on the road. Stolen road signs and other damage to property (both public and private) create further safety issues, along with alcohol use and some assaults to police officers or members of the public when attempting to communicate with the illegal street racers.

**3. New or confirming existing policy**

The issue is not currently covered by existing LGNZ policy.

**4. How the issue relates to objectives in the current Work Programme**

The issue aligns with LGNZ's Whakahono//Connect leadership pillar given the request from Hutt City Council to bring together the different actors involved with local government (including NZ Police, Waka Kotahi and the Ministry of Social Development) to address illegal street racing.

**5. What work or action on the issue has been done on it, and the outcome**

There does not appear to be any collective effort or plan underway to nationally address street racing. However, it does seem that there are a few localised plans, initiatives (including bylaws, speed cushions etc) or teams being stood up to address this issue (for example, in the Waikato, New Plymouth and Hutt City).

Hutt City Council's view is that these initiatives have had a limited impact on the problem, which is often moved elsewhere rather than stopping gatherings altogether.

**6. Any existing relevant legislation, policy or practice**

Land Transport Act (1998), and Land Transport (Unauthorised Street and Drag Racing) Amendment Act (2003).

**7. Outcome of any prior discussion at a Zone or Sector meeting**

The proposed remit is supported by Upper Hutt City Council, Masterton District Council, Carterton District Council, Tauranga City Council, Hamilton City Council and Porirua City Council.

**8. Suggested course of action envisaged**

The remit recommends LGNZ establishes a nation-wide working group of subject matter experts to develop a plan of action to address the issue and enforcement of the law. It suggests it will be useful to have input from police, community patrol officers, policy makers, and transport analysts in formulating the group.

# 4

## Bylaw infringements

---

<b>Remit:</b>	That LGNZ lobby Government to implement an infringement notice regime for general bylaws.
<b>Proposed by:</b>	Auckland Council
<b>Supported by:</b>	Auckland Zone

### Background information and research

#### 1. Nature of the issue

Section 259 of the Local Government Act 2002 (LGA) provides for the making of regulations and amongst other matters, prescribing breaches of bylaws that are infringement offences under the Act. The power has been seldom used to date.

Between working with and “educating” people and taking a prosecution, there are no enforcement options available making it extremely difficult to achieve compliance especially in an environment of increasing disrespect for authority and aggression.

Working with people or educating them can be time consuming but is effective especially where the breaches are unintentional. However, in relation to intentional breaches of bylaws, in the absence of an infringement regime, after working with and educating people the next step is prosecution. Prosecution is expensive and time consuming. Also, it is often out of proportion with the breach that has occurred. Even following a successful prosecution, the penalties available to courts are low and provide minimal deterrence.

The obstacle in passing regulations allowing for infringement fee regulations has been the need to tailor those regulations to each instance of an infringement offence bylaw by bylaw. Therefore, a two-step approach is required: firstly, amending the legislation to enable regulations to be made nationwide across different bylaw types and then relevant regulations being passed.

By developing a more comprehensive infringement regime, councils in New Zealand will be better able to take proportionate and timely steps to help ensure compliance with their bylaws. In doing this, confidence of communities in the work of local government will be enhanced.

## 2. Background to its being raised

Discussion around the need for an infringement regime for local government bylaws is not new.

Provision for the making of regulations was included in section 259 of the LGA. Part 9, Subpart 3 “Infringement Offences” of the LGA provides a mechanism for imposing and collecting infringement fees. Apart from regulations establishing infringement fees for some navigational bylaws, the provisions have not been used.

This issue was well-canvassed in the Productivity Commission’s 2013 Report, *“Towards better Local Government Regulation.”* The Productivity Commission’s report includes the following comment:

*Much of a local authority’s regulatory functions are authorised by its bylaws. The Act under which bylaws are made may authorise the local authority to enforce certain provisions in bylaws by the use of infringement offence notices. If not, bylaws must be enforced under the Summary Proceedings Act 1957...I submit that the enforcement of local authorities’ regulatory functions would be significantly more effective and efficient if the use of infringement offence provisions is more widely available than at present.”* (Richard Fisk, sub.19, p.1).

In the Auckland Region, the challenges in enforcing bylaws were brought into stark relief over summer 2021/2022 with an increased number of complaints about people camping on beaches and in reserves (not freedom camping) and an expectation from members of the public and elected members that steps would be taken to enforce the bylaws.

With the changing attitudes and behaviours of our communities arising in part through people’s experience of the Covid-19 response, Auckland Council’s position is that now is the right time to revisit the development of a more comprehensive infringement regime for local government.

## 3. New or confirming existing policy

This remit would confirm and enhance existing policy work that LGNZ has underway.

## 4. How the issue relates to objectives in the current Work Programme

This remit connects indirectly to LGNZ’s strategy and Work Programme to the extent that the lack of being able to enforce local bylaws frustrates local citizens and undermines public perceptions of local government’s effectiveness.

## 5. What work or action on the issue has been done on it, and the outcome

As noted above, the Productivity Commission considered bylaws and an infringement notice regime in its 2013 Report, *“Towards better Local Government Regulation.”* Findings and recommendations set out in that report have not been acted on to date, but remain relevant, specifically:

- F4.8 – There are indications of a low level of prioritisation of monitoring and enforcement resources based on risks. Constraints on the use of infringement notices – combined with the low level of fines where infringement notices can be used – can also inhibit councils’ capacity to encourage compliance with regulation.

- R10.3 – Agencies responsible for regulations that local government enforces should work with Local Government New Zealand to identify regulations that could usefully be supported by infringement notices and penalty levels that need to be increased.
- R10.4 – Section 259 of the Local Government 2002 – relating to the empowerment of infringement notices – should be amended to enable regulations to be made for infringement notices for similar kinds of bylaws across local authorities, rather than on a council-specific and bylaw-specific basis.

LGNZ has highlighted this issue in a number of briefing papers and advice to various ministers and central government officials since the early 2000s. Although the issue has been of concern to LGNZ and councils for nearly 20 years, it has never been the subject of an AGM remit.

Parliament's Regulations Review Committee wrote to LGNZ in late 2021 advising that it was considering a review of the bylaw provisions of the LGA. LGNZ was invited to provide advice on the effectiveness of local authority bylaws and the enforcement of them. LGNZ recently appeared before the Committee to speak to its submission.

We are still awaiting a decision from the Committee on whether or not it will undertake a review of the bylaw provisions of the LGA, and if so, what the scope of that review will be. Although the Committee did ask for specific advice on the infringement regime, it also sought advice on other matters including the use of model bylaws and the expansion of the model bylaws used in the Freedom Camping Act 2011.

**6. Any existing relevant legislation, policy or practice**

- Local Government Act 2002
- Productivity Commission's 2013 Report, *"Towards better Local Government Regulation."*

**7. Outcome of any prior discussion at a Zone or Sector meeting**

This proposed remit was supported by the Auckland Zone.

**8. Suggested course of action envisaged**

Auckland Council has not provided any detail as to how it suggests LGNZ progresses the proposed remit.

While the inquiry that the Regulations Review Committee has underway (and in which LGNZ has been engaged) is a significant step forward, there is no guarantee that the Committee will agree with LGNZ's submission, or, should the Committee agree, that work to review the bylaw provisions of the LGA would be supported by either this Government or a future one.

To gain traction, and to ensure that any review of the bylaw provisions addresses the issues that local government is most concerned with, this remit (along with the national publicity that tends to accompany successful remits) might be very helpful at this time.

# 5

## Density and proximity of vaping retailers

**Remit:** That LGNZ requests the Government to:

- Restrict the sale of vaping products to R18 specialist vape stores.
- Develop proximity limits to prevent the clustering of vaping product retailers and protect young people.

**Proposed by:** Kaipara District Council

**Supported by:** Zone 1

### Background information and research

#### 1. Nature of the issue

Vaping products are widely available from generic retailers (e.g., dairies, service stations) and specialist vape retailers. To date, New Zealand has 713 specialist vape stores; a British American vape brand is available from 2000 retail outlets throughout Aotearoa. Vaping products are also available via several online stores (both NZ-based and international).

Dargaville's main street, Victoria Street, has 13 vape retailers: ten General Vape Retailers and three Specialist Vape Retailers, all within a 1km length. The three licensed Specialist Vape Retailers are located within 150m of each other.

Youth vaping has risen sharply over recent years; among 14 to 15 year olds, daily vaping rose from 1.8% in 2018 to 9.6% in 2021; among 14-15 year old Rangatahi Māori, daily vaping rose from 5.9% in 2019 to 19.1% in 2021. Widespread product availability normalises vaping and makes experimentation easier.

Many towns and regions around New Zealand also need to address the proliferation of vaping outlets and rising vaping among Rangatahi.

#### 2. Background to its being raised

The widespread sale of vaping occurred in 2018, when the Ministry of Health lost a case taken against Philip Morris alleging their "HEETS" products breached the Smokefree Environments Act 1990. Until the Smokefree Environments and Regulated Products Amendment Act was passed in 2020, vaping products were largely unregulated and vaping manufacturers

advertised their brands using youth-oriented promotions. Even post-legislation, retailers with little or no knowledge of vaping remain able to sell vaping products.

Surveys of young people, such as the Youth19 survey and the Snapshot Year 10 survey conducted by ASH revealed many adolescents who had never smoked had begun vaping. A 2021 report into youth vaping found that 14.6% of those surveyed reported smoking one or more traditional cigarettes in the last 7 days and 26.6% reported that they had vaped (e-cigarettes) in the past 7 days. Almost all those (98%) who had smoked a traditional cigarette in the last week had also vaped in the last week. However, a significant portion (46.2%) of those who had vaped in the last week had not smoked a cigarette. These data provide important evidence that youth vaping is rising rapidly and reveal that many young people who vape have never smoked.

The Smokefree Environments and Regulated Products Amendment Act 2020 extended many of the existing restrictions governing smoked tobacco products to vaping products. This legislation allows any business to sell vaping products as long as they follow the regulations for General Vape Retailers or apply to become a Specialist Vape Retailers. However, the Vaping Regulatory Authority does not consider retailer density or proximity to facilities such as schools when assessing applications.

The Government's Smokefree 2025 Action Plan will introduce a provision requiring general retailers selling vaping products to advise the Director-General of Health that they are doing so. This provision aims to provide information on the number and type of retailers selling vaping products.

We recognise that people who smoke and who have not been able to quit using existing treatments will benefit if they make a complete transition to vaping products and stop smoking. However, survey data showing rising vaping prevalence among young people suggests existing policy does not provide an appropriate balance between the needs of people who smoke and the rights of young people who do not, and who deserve protection from products that are designed to target them.

Limiting the retail availability of vaping products to specialist stores will not prevent people who smoke from accessing these products and instead will increase the likelihood they receive smoking to vaping transition advice that improves the chances they will stop smoking. Furthermore, people who smoke will continue to be able to access vapes through stop smoking services.

Kaipara District Council elected members have been receiving questions and concerns from the local community about the density and proximity of vape retailers in Dargaville.

While we support the supply of vapes to people wanting to use these products to stop smoking, it is of the utmost importance that we also protect our community, particularly our Rangatahi and other whānau who would not usually vape, from using these addictive products.

**3. New or confirming existing policy**

This is a new policy.

**4. How the issue relates to objectives in the current Work Programme**

This remit aligns with LGNZ's pillar Whakauru // Include – to ensure that every New Zealander can participate, thrive and be represented by local government.

It could be argued that restricting the density and proximity of vaping retailers shows some alignment with enhancing community safety, public health and promoting social wellbeing. However, the remit does not show strong alignment with LGNZ's existing policy priorities or engagement in major ongoing local government reform programmes. Further discussion is needed to determine whether LGNZ's membership agree it is relevant to local government as a whole.

**5. What work or action on the issue has been done on it, and the outcome**

A petition was received by Kaipara District Council regarding the density and proximity of vape retailers. The petition was accepted and responded to. Given this issue sits outside Kaipara District Council's control and existing policy frameworks, a remit was recommended as the appropriate action to take. Councillor Karen Joyce-Paki is the sponsor of the remit and is working closely with Smokefree NZ, Cancer Society and local Māori Health Provider, Te Ha Oranga.

The Smokefree Coordinator for Northland, Bridgette Rowse, has been providing support and is working with the Far North District Council (FNDC) policy team to review the FNDC Smokefree Policy, which currently covers smokefree parks, playgrounds and sports grounds. She has also worked with Whāngarei District Council and Kaipara District Council to review and align our smokefree policies to create more smokefree outdoor public spaces as well as making all smokefree outdoor public spaces vape-free.

**6. Any existing relevant legislation, policy or practice**

The relevant legislation is the Smokefree Environments and Regulated Products (Vaping) Amendment Act 2020. The Act aims to balance between ensuring vaping products are available to smokers who want to switch to a less harmful alternative, while ensuring these products aren't marketed or sold to young people. New regulations are in the process of being implemented from November 2020 until January 2023. While these regulations cover factors such as how vape retailers can advertise, who they can sell their products to and where vaping is allowed, there are no regulations around proximity limits to prevent the clustering of vaping product retailers as the remit requests.

**7. Outcome of any prior discussion at a Zone or Sector meeting**

The remit was supported at the most recent Zone 1 meeting by all members present.

**8. Suggested course of action envisaged**

This remit suggests that LGNZ requests the Government to:

- Restrict the sale of vaping products to R18 specialist vape stores.
- Develop proximity limits to prevent the clustering of vaping product retailers and protect young people.

We understand that an Amendment Bill is expected to be introduced in 2022 (according to the Government's Smokefree Action Plan). Kaipara District Council has suggested that one way to progress this remit would be to advocate for the Amendment Bill provision which only allows authorised retailers to sell smoked tobacco products to be extended to restrict the number who can sell vape products.

Progressing this remit is likely to require LGNZ working with officials from the Ministry of Health to advocate for changes to regulations and the upcoming Amendment Bill.

# Council Report

**Committee:** Council  
**Author:** Cathy Kopeke  
**Position:** Sustainability and Climate Change Senior Advisor  
**Date:** 29 June 2022  
**Authoriser:** Sean Hickey  
**Position:** General Manager Strategy and Communications  
**Report Name:** Climate Change Policy

<b>Report Status</b>	<i>Open</i>
----------------------	-------------

## Purpose - *Take*

1. To seek the Council's approval of the Climate Change Policy.

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

2. That the Council
  - a) receives the report; and
  - b) approves the Climate Change Policy.

## Executive Summary - *Whakaraapopototanga matua*

3. The purpose of the Climate Change Policy is to clarify how climate change should be considered in decision making.
4. The Policy creates a new process for undertaking climate change impact assessments to enable consistent information on climate change is provided for decision making.
5. The Climate Change Policy can be found in **Attachment 1**.
6. Staff consider the matters in this report have low significance and that the recommendations comply with the Council's legal requirements.

## Background - *Koorero whaimaarama*

7. The Government has signalled that the transition to a low carbon future has started, and that policies, funding and legislation will all be aligned to delivering against the Governments climate change targets and adaptation priorities.
8. In 2020, Council commissioned KPMG to complete a climate change readiness assessment that reviewed how Council was managing climate change risk. One of the recommendations was for Council to develop and implement a Climate Change Policy.
9. Following the readiness assessment, Council approved climate change to be added to the Strategic Risk register. The implementation of the policy will be one of the mitigation measures for strategic risk 9 – climate change.

## Discussion – *Matapaki*

10. The Climate Change Policy was discussed at an Environment Committee workshop on 26 August 2021 and the draft was presented at the Environment Committee workshop on 22 February 2022. The Policy has been developed with input and feedback from the Climate Change Steering Group, Climate Change Working Group, and key staff from across Council.
11. The Climate Change Policy aligns with direction from Central Government including the recently published National Emissions Reduction Plan which clearly states that local government will need to ensure that their investments and spending align with national climate change objectives.
12. The Climate Change Policy supports Hamilton City Council's commitment to addressing climate change and focuses on embedding climate change consideration into Council decision making.
13. The purpose of the Climate Change Policy is to clarify how climate change should be considered in decision making. This includes outlining our responsibilities and providing guidance on what is required for our business cases, projects and council reports to enable effective and transparent decision making.
14. Climate change is currently being considered to a different extent across the Council. By implementing the Policy there will be greater consistency in the information provided for decision making.

### Considering climate change in decision-making

15. The Climate Change Policy outlines the requirement for including Climate Impact Statements in the process for making key decisions, for new business cases and new projects going forward from the implementation of the policy. It will not apply to projects that have already had business cases approved.
16. Climate Impact Statements will help inform key decisions by providing an assessment of climate adaptation risks and greenhouse gas emissions.
17. For projects that don't have a climate change associated risk or opportunity or generate emissions the statement will state that no climate change impact assessment is required.
18. The Climate Change Team will provide support, advice, tools and guidance for staff. Staff will be able to carry out a basic assessment using an online tool that is currently under development. For larger scale projects that may require more detailed information this will need to be included early in the scoping phase of business cases and projects.
19. Appendix A of the Climate Change Policy (**Attachment 1**) outlines the process to ascertain if a basic or detailed assessment is required.
20. The basic assessment for both emissions and adaptation are desktop exercises that will be able to be completed without sourcing additional information. The guidance will step staff through the process.
21. The detailed assessment for both emissions and adaptation will require more detail. The cost of the assessment is minimised by building in climate change considerations into the scope of the project from the start. The climate change team will provide support to the organisation on how to ask for the information through the business case and procurement processes.

### Climate Change Policy implementation

22. If approved, the policy will not be implemented immediately as the organisation requires time to build our organisational capacity to give effect to the policy. This will include:
  - i. new sections in council reports, business cases and project plans.

- ii. guidance for staff on how to embed a climate response in their strategic plans, business cases and projects.
  - iii. information on projected climate impacts data for Hamilton
  - iv. emissions calculator tool to assess the greenhouse gas impact of the project.
23. It is recommended that the effective date of the policy is 1 December 2022.
  24. The Climate Change Policy will be reviewed, at the request of the Council, in response to any relevant legislative developments, in response to changing sector knowledge, or every five years (whichever comes first).
  25. If the recommendation is not approved Council will not have a consistent approach to understand our climate impacts in key decisions or clarity around our climate related responsibilities. We will not be able to effectively manage a key strategic risk and potentially increase our risk of litigation for climate inaction.

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

26. The development of the policy, tools and guidance is a regular operating activity funded through the Long-Term Plan.
27. The development of the tools and guidance will be led by the climate change team and \$25,000 has been budgeted for consultant support in the operational budget. In addition, the Senior Advisor – climate change and sustainability will be available to support the business in completing the assessments.
28. The cost of completing the assessments will vary depending on the complexity of the project.
29. Basic assessments should be completed based on existing information and staff knowledge and should not require additional consultant budget.
30. Staff anticipate the cost of completing a detailed assessment will generally range from approximately \$10,000 to \$20,000. These detailed assessments will include more staff resourcing as they will require input from across the organisation. Staff estimate that between 10 and 20 detailed assessments will need to be completed annually.
31. Assuming an average of 15 detailed assessments per year at an average cost of \$15,000, the annual cost of completing assessments is estimated at \$225,000.
32. The scope of some projects that are budgeted for in the 2021/31 Long Term Plan that will be covered by the policy may not include funding to address climate change. Changes to funding of these projects will be considered as part of 2023/34 Annual Plan and 2024/34 Long Term Plan. Council may be required to make decisions on purchasing scope to manage emissions in the meantime.
33. Prior to the policy becoming effective (recommended to be 1 December 2022), staff will undertake further analysis to estimate the ongoing cost of completing assessments and include this in project budget considerations for the next Annual Plan and Long-Term Plan. We will also estimate costs for the remainder of the 2022/23 financial year and whether these can be absorbed within existing budgets. If they cannot, any additional project costs will be presented to the Finance Committee for consideration.

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

34. Staff confirm that the staff recommendation complies with the Council's legal and policy requirements.

## **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 recommendation supports the social wellbeing of our community by ensuring we are aware of climate related risks and our decisions are made with transparent consideration of climate risks and impacts.

### **Economic**

39. The recommendation supports the economic wellbeing of our community by establishing a process for which we can understand the climate impacts versus cost in Council decisions and enables council to mitigate climate impacts where possible and reduce the costs associated with future climate impacts.

### **Environmental**

40. The recommendation enables council to make transparent decisions relating to efficient and clean energy, alternative transport options, land use, water management and waste minimisation options with the aim of reducing negative impacts on the environment.

### **Cultural**

41. The recommendation supports the cultural wellbeing of our community. Any significant climate-related impacts on cultural value will be assessed through the detailed adaptation assessments.

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

42. This Policy responds to strategic risk 9 – Climate Change and is required as part of our climate change readiness response.
43. If the recommendation is not approved Council will not have a consistent approach to understand our climate impacts in key decisions or clarity around our climate related responsibilities. There is a potential for litigation for climate inaction.
44. The implementation of the policy may lead to further capital project deferrals as the organisation adjust to including climate change considerations.

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

### **Significance**

45. 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**

46. Given the low level of significance determined, the engagement level is low. No engagement is required.

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

Attachment 1 - Climate Change Policy

**Item 20**

## Policy – Climate Change Policy

### Te Puukate - Purpose

1. The Climate Change Policy outlines how Council will respond to climate change.
2. It sets the rules for when, and the extent to which, climate change will be considered in Council decision-making.

### Te Whanuitanga - Scope

3. This Policy applies to Hamilton City Council elected members, staff, and the organisations and people who are contracted to work for Council.

### Whakamaaramatanga - Definitions

Definition	Detail
<b>Adaptation</b>	Actions that can help people or natural systems adjust to the actual or expected impacts of climate change. Actions can be incremental and temporary in their effect or transformational by changing systems and their functions, depending on the scale and pace of change and what is at stake.
<b>Adaptation assessment</b>	An adaptation assessment includes a basic or detailed assessment of the physical risks of climate change and opportunities for adaptation.
<b>Circular economy</b>	A circular economy is a set of organising principles promoting economic activity that restores and regenerates natural systems. It's designed to replace our current 'take-make-dispose' system with a 'make-use-return' system.
<b>Climate change impact statement</b>	A statement outlining the climate change risk, emissions and opportunities of the key decision and if required it will include recommended option/decision based on the adaptation and/or emissions assessment.
<b>Climate resilience</b>	Climate resilience is the ability to anticipate, prepare for, and respond to the impacts of changing climate, including those that we know about and can anticipate and those that occur as extreme events. This includes planning now for more extreme events like flooding and for changes to precipitation and temperature that emerge over time like droughts.
<b>CO<sub>2</sub>e</b>	Carbon dioxide equivalent. The standard unit for measuring greenhouse gases.
<b>Direct emissions</b>	Direct greenhouse emissions refer to the impact of (a Council) project. For example, this includes the emissions embodied in the materials, and emitted from the building works of constructing a road.
<b>Embodied emissions</b>	The sum of greenhouse gas emissions involved in making a product and can include the manufacturing, transportation, installation, maintenance, and disposal of materials/products.
<b>Emissions assessment</b>	An emissions assessment includes a basic or detailed assessment of the operational and embodied emissions of a decision and opportunities to minimise emissions.

Definition	Detail
<b>Greenhouse gases</b>	Atmospheric gases that trap heat and contribute to climate change. The gases covered by the Climate Change Response Act 2002 are carbon dioxide (CO <sub>2</sub> ), methane (CH <sub>4</sub> ), nitrous oxide (N <sub>2</sub> O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and sulphur hexafluoride (SF <sub>6</sub> ).
<b>Indirect emissions</b>	Indirect greenhouse emissions refer to the continuing impact of the (Council) project. For example, the emissions emitted by the cars on a new road.
<b>Key Decisions</b>	Key decisions refer to the decisions covered in our business cases, project plans, procurement process and Council reports.
<b>Mitigation</b>	Mitigation is doing what we can to stop producing emissions and reduce the impacts of climate change.
<b>Operational emissions</b>	The sum of greenhouse gas emissions associated with the operations of a project, organisation or community.

### **Ngaa Tikanga Whakahaere - Principles**

4. Council is committed to responding to, and planning for climate change. To guide our decision making and actions, Council will use the following principles:
  - a. Holistic – We will take a holistic wellbeing approach to climate change, focusing on actions that have co-benefits and are equitable for our community.
  - b. Bold and informed – Our climate response will be bold and based on research and evidence.
  - c. Future-focused – We will ensure we develop a city that benefits our current community and generations to come.
  - d. Working together – Responding to climate change requires collective action, so we will collaborate with iwi, hapuu, community organisations, businesses, central and local governments, and other key partners to do this.
  - e. Valuing te ao Maaori - We will use te ao Maaori as a frame of reference, to ensure that our decisions acknowledge the interconnectedness and interrelationship of all living and non-living things.
  - f. Taking the right action - We will follow best practice in our climate response and be transparent and accountable for our actions. We will show leadership through action and prioritise avoiding new emissions and reducing unavoidable emissions.
5. In considering how to transition to a low carbon future Council will apply the following hierarchy in relation to greenhouse gas emissions:

- i. avoid new greenhouse gas emissions
- ii. reduce emissions, including improving energy efficiency
- iii. replace existing sources with lower emission options, including by investing in renewable energy
- iv. increase carbon sequestration
- v. offset emissions.

## Kaupapa Here - Policy

### Kawenga – Responsibilities

6. To act on the commitments in Hamilton City Council's Climate Change Strategy, Council will work together across all areas of business, with Iwi, the community and partners to collaborate, advocate for, foster, encourage and support sustainable outcomes for the climate and the environment.
7. Council is responsible for aligning with Central Government direction on emissions reduction and climate adaptation.
8. Council's climate responsibilities will be reflected in its strategies and plans, key planning decision documents, guidelines and key investment decisions.
9. Council will assess the options to respond to climate change adaptation and emissions reduction for all key decisions.
10. Council will consider climate change adaptation and emissions reduction when planning, designing and building Council infrastructure.
11. Council will not apply this policy in performing its regulatory functions where the assessment of climate impact is governed by existing statutory processes (eg in the assessment of resource consents)
12. Council's procurement process includes assessing how companies are responding to sustainable outcomes and emission reduction.

### Climate Change Impact Statements for Decision Making

13. To provide a consistent and transparent approach to climate change considerations, a climate change impact statement must be provided in relation to key decisions.
14. Key decisions are decisions covered in business cases, project plans, procurement processes and Council Reports.
15. There are two components of a climate change impact statement:
  - a. Adaptation – an assessment of the climate change risk of the key decision – that is how the key decision will be impacted by the need to adapt to climate risks or resilience opportunities.
  - b. Emissions – an assessment of the greenhouse gas emission impact of the key decision – that is how the key decision will impact the generation of greenhouse gas emissions.
16. The criteria for the climate change impact statement are outlined in Appendix A.
17. The climate change impact statement will either state that no Adaptation assessment or Emissions assessment is required or if an assessment is required it will include the following information:
  - a. A summary of the assessment option undertaken
  - b. Outline of the factors impacting the assessment
  - c. Recommendation on the key decision option.

18. Council will consider the climate change impact statement alongside financial, wellbeing and risk information in making decisions on options.

### Monitoring and Implementation

19. Implementation of this policy will be monitored by the General Manager responsible for climate change.
20. This policy will be reviewed, at the request of the Council, in response to any relevant legislative developments, in response to changing sector knowledge, or every five years (whichever comes first).
21. Council acknowledges that the science is continually evolving and empowers the General Manager responsible for climate change to ensure that the requirements for the climate change impact statements, and associated guidance, remains up to date and aligns with current best practice.

### Ngaa Hononga - Legislation and Council documents

22. Legislation and strategies that guide our responsibilities and decisions include:
- a. Hamilton City Council's Climate Change Strategy
  - b. Hamilton City Council's Climate Change Action Plan
  - c. Hamilton City Council's Wellbeing Pillars - [He Pou Manawa Ora](#)
  - d. Te Ture Whaimana o Te Awa o Waikato: [Vision and Strategy for the Waikato River](#)
  - e. [Tai Tumu, Tai Pari, Tai Ao](#): Waikato-Tainui Environmental Plan
  - f. Waikato Regional Council [Climate Action Roadmap](#)
  - g. [Waikato Wellbeing Project](#)
  - h. [Future Proof Strategy](#)
  - i. [Local Government Act 2002](#)
  - j. [Climate Change Response Act 2002](#)
  - k. [Climate Change Response \(Zero Carbon\) Amendment Act 2019](#)
  - l. [Emissions Reduction Plan 2022 – Te hau maahori ki anamata](#)
  - m. [National Adaptation Plan](#)
  - n. [National Climate Change Risk Assessment 2020](#)
  - o. [National Policy Statement on Urban Development 2020](#)
  - p. [Government Policy Statement on Housing and Urban Development 2021](#)

## Appendix A – Climate Change Impact Statement

### Adaptation Assessment:

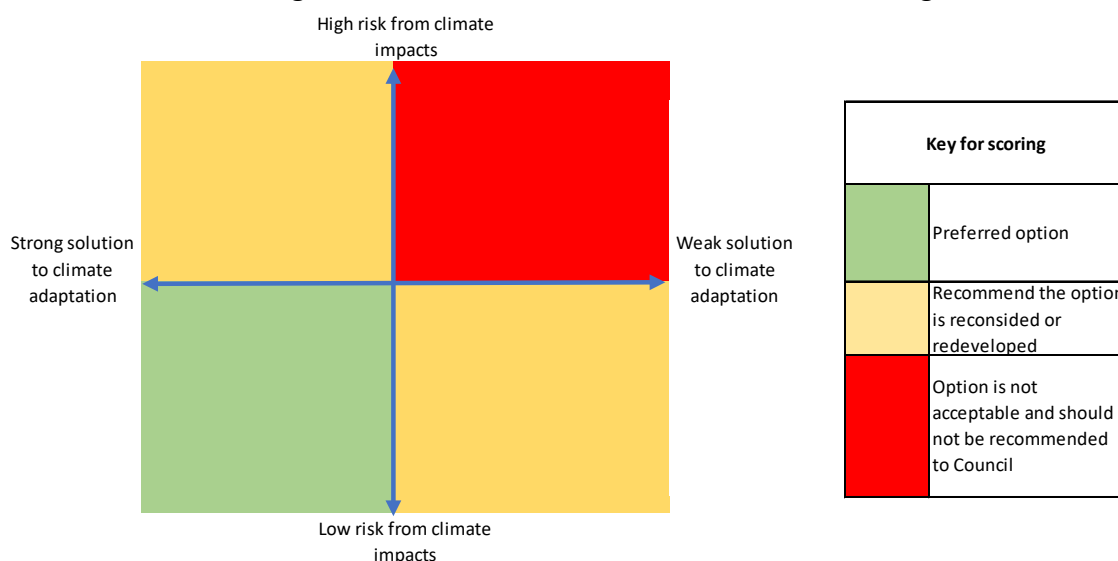
- There are three options for the Adaptation Assessment
  - No assessment required
  - Basic assessment required
  - Detailed assessment required
- The key considerations to determine the type of assessment option are:

Consideration		
Step One – is assessment required	No assessment	Assessment required
Could the project <sup>1</sup> be impacted by climate related hazards, such as floods, drought, extreme weather events or increased city temperatures?	No	Yes
Could the project potentially mitigate a current or future climate impact such as floods, drought extreme weather event or increased city temperatures?	No	Yes
If both questions in Step One are 'No', no assessment is required If either one or both questions in Step One are 'Yes', an assessment is required		
Step Two – type of assessment	Basic	Detailed
How significant <sup>2</sup> are the impacts of the project	Minor	Major
Can the impacts be mitigated <sup>3</sup> by other actions	Yes	No
If the impacts are minor and can be mitigated – a basic assessment is required If the impacts are major and/or cannot be mitigated – a detailed assessment is required		

Note 1 – where project is stated in Appendix A it includes strategies and plans.

Note 2, 3 – the guidance tool will assist in determining significance of impact and mitigation options

- Council may also decide, by way of Council or Committee resolution, an Adaptation assessment option other than that recommended by the process outlined above.
- The decision-making recommendation will be based on the following matrix:



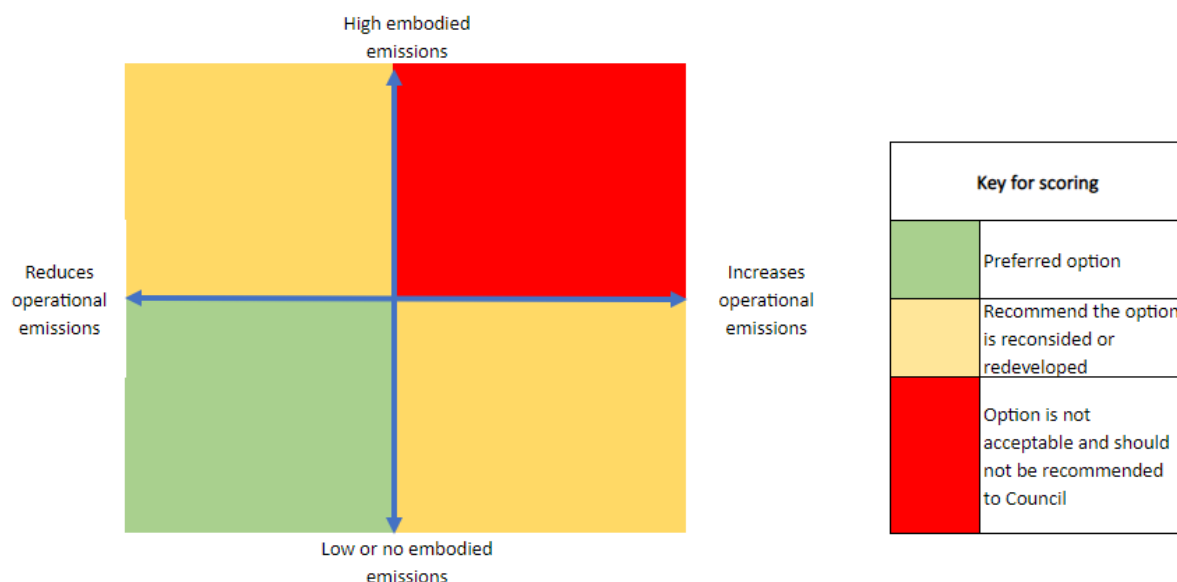
### Emission Assessment:

5. There are three options for the Emission Assessment
  - a. No assessment required
  - b. Basic assessment required
  - c. Detailed assessment required
6. The key considerations to determine the type of assessment option are:

Consideration		
Step One – is assessment required	No assessment	Assessment required
Does the project alter (increase or decrease) the amount of electricity, fuel (petrol or diesel), natural gas or refrigerant used by Council?	No	Yes
Does the project replace, remove or create infrastructure assets that have embodied emissions (eg concrete)?	No	Yes
Does the project replace, remove or create infrastructure assets that use sustainable energy (eg solar and wind power)?	No	Yes
Does the project replace, remove or create an asset that sequesters carbon (eg trees)?	No	Yes
Will the project influence people's transport choices?	No	Yes
If all questions in Step One are 'No', no assessment is required If one or more questions in Step One are 'Yes', an assessment is required		
Step Two – type of assessment	Basic	Detailed
Use the emissions calculator <sup>4</sup> tool to assess the greenhouse gas impact of the project		
Will the emissions impact increase or decrease the Council's greenhouse gas emissions by:	Less than 10 tonnes CO <sub>2</sub> e per year	More than 10 tonnes of CO <sub>2</sub> e per year
Are the embodied emissions of the project:	Less than 10 tonnes CO <sub>2</sub> e	More than 10 tonnes of CO <sub>2</sub> e
If the impacts are within the thresholds – a basic assessment is required If the impacts are beyond the thresholds – a detailed assessment is required		

Note 4 – the emission calculator will provide a calculation of the greenhouse gas impact

7. Council may also decide, by way of Council or Committee resolution, an Emissions assessment option other than that recommended by the process outlined above.
8. The decision-making recommendation will be based on the following matrix:



Item 20

### Climate Change Impact Statement - Guidance

9. Guidance on how to complete the basic and detailed assessments for adaptation and mitigation are in development to support the preparation of the climate change impact statement.
10. An emission calculator tool is in development to help staff assess the greenhouse gas impact of the project.

Attachment 1

# Council Report

**Committee:** Council **Date:** 29 June 2022  
**Author:** Carmen Fookes **Authoriser:** David Bryant  
**Position:** Senior Governance Advisor **Position:** General Manager People and Organisational Performance  
**Report Name:** Recommendations from Open Committee Meetings

<b>Report Status</b>	<i>Open</i>
----------------------	-------------

## Purpose – *Take*

To seek the Council's approval of the following recommendations from Committee Meetings:

- a) Finance Committee meeting of 17 May 2022 (Agenda [Here](#), Minutes [Here](#)), in respect of:
  - i. Financial Performance & Strategy Report to 31 March 2022
- b) Infrastructure Operations Committee meeting of 31 May 2022 (Agenda [Here](#), Minutes [Here](#)), in respect of:
  - i. Infrastructure Operation's General Managers Report
- c) District Plan Committee meeting of 16 June 2022 (Agenda [Here](#), Minutes [Here](#)), in respect of:
  - i. Plan Change 9: Historic Heritage & Natural Environments - approval to notify
- d) Hearings and Engagement Committee meeting of 21 June 2022 (Agenda [Here](#), Minutes [Here](#)), in respect of:
  - i. Traffic, Speed Limit and Road Closure Hearings Panel Terms of Reference Proposed Amendment

## Recommendations from the Finance Committee meeting of 17 May 2022 Financial Performance & Strategy Report to 31 March 2022

That the Council:

- a) approves the capital movement as identified in paragraph 32 of the 17 May 2022 Capital Portfolio Monitoring Report;
- b) approves the significant forecast adjustments as set out in paragraphs 54 to 55 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 58 to 60 of the staff report.

## **Recommendations from the Infrastructure Operations Committee meeting of 31 May 2022**

### **Infrastructure Operation's General Managers Report**

That the Council revokes the Hamilton City Speed Limits Bylaw 2018, effective 20 July 2022, as a result of the introduction of the Land Transport Rule: Setting of Speed Limits 2022.

## **Recommendations from the District Plan Committee meeting of 16 June 2022**

### **Plan Change 9: Historic Heritage & Natural Environments - approval to notify**

That the Council:

- a) approves public notification of Proposed Plan Change 9 – Historic Heritage & Natural Environments pursuant to clause 5 of Schedule 1 to the Resource Management Act 1991 ('RMA'), subject to the Plan Change 9 documentation being circulated alongside the recommendation to Council on 30 June 2022; and
- b) delegates its powers to hear, determine, and make decisions on all submissions and matters relating to Proposed Plan Change 9 – Historic Heritage and Natural Environment to a panel of five hearing commissioners.

## **Recommendations from the Hearings and Engagement Committee meeting of 21 June 2022**

### **Traffic, Speed Limit and Road Closure Hearings Panel Terms of Reference Proposed Amendment**

that the Council:

- a) approves the amendments to the Traffic, Speed Limit and Road Closure Panel Terms of Reference as outlined in Attachment 1 of the staff report; and
- b) notes that the amendments to the Terms of Reference do not change the powers of the Traffic, Speed Limit and Road Closure Panel but only reflect the recent change in process for setting Speed Limits.

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

Attachment 1 - Plan Change 9 documentation (*Under Separate Cover*)

## 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 Extraordinary Council (Recommendation from the CE Review Committee) Public Excluded Minutes - 25 May 2022	) Good reason to withhold ) information exists under ) Section 7 Local Government ) Official Information and ) Meetings Act 1987 )	Section 48(1)(a)
C2. Recommendations from Public Excluded CE Review Committee Meeting of 9 June 2022		
C3. Confirmation of the Council Public Excluded Minutes of 12 May 2022		
C4. Confirmation of the Council Public Excluded Minutes of 3 June 2022		
C5. Watermain Renewals Contract Award		
C6. Electricity Supply Contracts Award		
C7. 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:

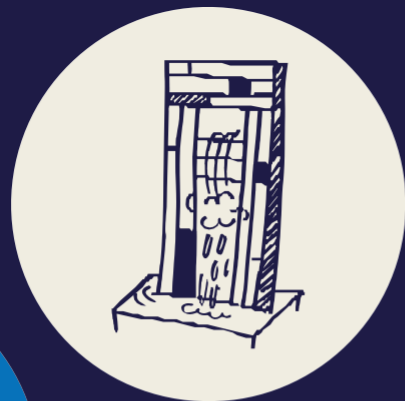
Item C1.	to protect the privacy of natural persons	Section 7 (2) (a)
Item C2.	to protect the privacy of natural persons	Section 7 (2) (a)
	to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)
Item C3.	to prevent the disclosure or use of official	Section 7 (2) (j)

	information for improper gain or improper advantage	
Item C4.	to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)
Item C5.	to enable Council to carry out negotiations	Section 7 (2) (i)
Item C6.	to enable Council to carry out commercial activities without disadvantage	Section 7 (2) (h)
	to enable Council to carry out negotiations	Section 7 (2) (i)
Item C7.	to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)

# DRAFT 2 HAMILTON CITY COUNCIL SUBMISSION

## The Future of Local Government Review

Panel for the Future of Local Government Review



30 June 2022



**Hamilton  
City Council**  
Te kaunihera o Kirikiriroa

## Structure of this Submission

This submission focuses on addressing the five key shifts as outlined by the Panel for the Future of Local Government Review (the Panel) in their discussion document prepared for the conversation with Hamilton City Council on 21 March 2022.

To provide context, an introduction to Hamilton City prefaces this submission. For each key shift, the proposal stated by the Panel is disclosed and then Hamilton City Council's response to the Panel's proposal is outlined with key points that the Council would like the Panel to consider.

## Council Approval and Reference

This submission was approved by Hamilton City Council at its meeting held on 30 June 2022.  
Hamilton City Council Reference D-4191263 - Submission # 686.

## Table of Contents

<b>Key Messages and Recommendations .....</b>	<b>3</b>
<b>Hamilton City.....</b>	<b>5</b>
<b>Key Shift: Strengthen Local Democracy .....</b>	<b>9</b>
<b>Key Shift: Stronger Focus on Wellbeing .....</b>	<b>12</b>
<b>Key Shift: Authentic Relationship with Hapū/Iwi/Māori.....</b>	<b>13</b>
<b>Key Shift: Genuine Partnership between Central Government and Local Government.....</b>	<b>14</b>
<b>Key Shift: More Equitable Funding .....</b>	<b>15</b>
<b>Alignment with Other Key Reforms .....</b>	<b>19</b>
<b>Further Information and Opportunity to Discuss Our Submission .....</b>	<b>22</b>

# Key Messages and Recommendations

## 1. Introduction

2. We acknowledge and value the opportunity to be part of the Local Government Review process and appreciate that the Panel has adapted a process for conversations with the sector prior to the outcome of the review being published.

## 3. Local Government Review out of Sync/Order

4. The Local Government Review is out of sync/order with other key reforms currently underway i.e., given the complexity and extensive range of functions undertaken by local government, the Local Government Review should have taken place first and foremost before consideration of other key reforms such as the Resource Management Reform Review and the Three Waters Review.
5. Council has identified and expressed extensively its various concerns over both the Resource Management Reform Review and the Three Waters Review to central government through various key discussions/meetings as well as through numerous formal submission and subsequent hearing processes.
6. Hamilton City is unique in that it is a hub city for a larger metro area with many of our communities of interest, spatial land use planning areas and infrastructure reaching beyond our city boundaries, requiring intricately and dynamically interconnected considerations with our partner local authorities. We recommend that a review of local government should also include boundary considerations to support local authorities in addressing the challenge of communities of interest that lie outside the defined local authority boundary lines.

## 7. Metro Council View

8. Hamilton is a rapidly growing metro council (accounting for 35 percent of the region's total population of around 500,000) and had an economy worth \$12 billion in 2021 (generated by over 100,000 jobs), accounting for 41 percent of Waikato's \$29.5 billion GDP and providing 43 percent of the region's jobs.
9. Given this, our view will therefore be quite different from other councils in the Waikato Region.

## 10. Representation of the Community

11. We support the Panel's suggestion that representation systems should be enabled to complement community representatives (elected members) and include iwi/Māori and appointed experts. Hamilton City Council will be introducing a revised representation structure endorsed by the Local Government Commission in April 2022 that will ensure greater Māori representation for Hamilton.
12. Council also has a Maangi Māori model of representation at its committee level. In October 2018, Hamilton City Council approved five new Māori appointees to the committees of Council as an integral part of the Governance structure, marking the beginning of a new era for partnership-based decision-making for the city.
13. We recognise the existing legislative framework provides for other opportunities for including the community voice, community advocates and experts into the council decision-making at committee and working group level.
14. We promote that changes in practices are required to enable the community to provide their voice to the council in less formal and multi-dimensional ways, and these changes should be supported by an engagement 'toolbox' for the community and the removal of prescriptive consultation requirements in the Local Government Act.

15. A formal information campaign should be developed and run nationally by a sector body to educate people on what local government does and the role of elected members. This will assist in encouraging members of the community to stand for Council.
16. [Improving the Wellbeing of the Community](#)
17. We value our role as being close to the community and we understand and promote for our community needs to improve their wellbeing. Stronger recognition of this role in local governments legislative mandate is required.
18. We lobby for central government to support local government working in partnership with other agencies across service delivery boundaries to deliver services to the community in places that are accessible to them.
19. The Local Government Act needs to be updated to reflect the Panel's stated view of the role of local government i.e., Local voice, knowledge and leadership; connector and enabler of local decision-making; upholds values and protect rights; provides local services; partner of central government and iwi/Maori; supports thriving people and communities.
20. We recommend the introduction of an agreed definition of 'wellbeing' to be used by all agencies.
21. Local authorities should be given the use of the Power of General Competence through the Local Government Act to provide each local authority the ability to choose the activities they undertake and how they will undertake them to fulfil their statutory duties.
22. Central government should acknowledge that local communities should have the option to determine what services they want delivered locally and how they want to access the services.
23. [Building Stronger Partnership with Central Government](#)
24. We call for changes to strengthen the recognition of place-based spatial structures by central government, particularly within our region where the partners are committed to working together through the Future Proof sub-regional partnership.
25. The representatives from central government/central government agencies who sit on place-based structures should have the authority to commit the agency they represent to funding decisions. As one of the Future Proof partners, we are working collaboratively on exploring ways in which new tools can be implemented to address funding constraints.
26. To support localism, the legislation needs to enable the creation of local community committees (as structures outside the local board structure), led by the community, to make plans and decisions for their community. Local government's role should be to empower these community committees.
27. We recommend the alignment of funding cycles of central government agencies with council Long Term Plan cycles to provide increased opportunities to deliver on the wellbeing outcomes sought for the community by both central and local government. Furthermore, action based on the recommendations of previous reviews (rather than another review being undertaken) to introduce innovative and flexible financing tools and to remove the reliance on property tax will allow local government to introduce more equitable funding.
28. We suggest a stronger focus on building the understanding of the work programmes of central and local government will enable improved outcomes and request that local government becomes a co-design partner in government policy, rather than being limited to providing feedback (primarily through the consultation/submission process) within a narrow time constraint.

29. Most central government draft policies/documents have taken a considerable time (often over a year) to develop and are quite long and complex/detailed documents - meaning the typical four-week (or sometimes less) consultation period is just not enough time to provide meaningful feedback.
30. [Expanded Funding Arrangements](#)
31. Vertical alignment of timing of funding rounds between central government agencies and local government is required e.g., the alignment of the Waka Kotahi NZ Transport Agency National Land Transport Programme with the local government Long Term Plan cycle would ensure more certainty for the community as the approved Waka Kotahi NZT Transport Agency business could be incorporated into the first three years of each long-term plan cycle.
32. A longer-term commitment (e.g., 10 years) of central government to bulk funding programmes is needed and central government agencies should also be required to have long-term investment plans for spatial areas to meet ongoing challenges.
33. Local government needs a broad range of funding tools that reduce the reliance on property tax and enables a wider area contribution approach to share the burden of the cost of services, infrastructure (including roads) and facilities to those who live outside the city but use the city as their place of work, education and play.
34. Consistency of the treatment of GST as a 'tax on a tax' is required to either remove the GST or redistributed the GST back to Council as a funding stream.
35. [Enabling Representation](#)
36. We call for greater education in the role of local government and recognition of local government as a partner to central government rather than a subservient structure and suggest that local government and central government election cycles are aligned and based on a four-year term. This would also allow centrally funded civic education programmes to encourage voting to have maximum impact.
37. Alongside this, improvements in the remuneration structure for elected members, the introduction of online voting and the lowering of the voting age (to 16 years) and the introduction of participatory budgeting would promote better representation of our community at the council table.

## Hamilton City

To provide context for the Panel, the following section outlines the unique features of our city.

### Our City

Hamilton is the thriving heart of the Waikato Region and an integral part of the golden triangle between Auckland and Tauranga. This larger metro area (metro spatial sub-region) is experiencing rapid population and development growth. The sub-region had a population of around 324,000 people at 2021, and may grow to a population of around 450,000 to 500,000 by 2051 – a possible increase of around 100,000 to 150,000 people in the 30-year period.

Hamilton City, with a population of almost 180,000, is New Zealand's fourth largest city and has a growth rate over the last three years higher than Auckland, Christchurch and Wellington. Hamilton's population increased by 20.5 percent between 2012 (148,100) and 2021 (178,500).

Hamilton has a relatively small land area of 11,093 hectares (compared to the likes of Auckland at 108,000 hectares and Christchurch at 143,000 hectares), yet it has to service a very large metro area i.e., the Hamilton, Waipā and Waikato sub-region. This is evidence that 46% of the vehicle kilometers travelled each day are people travelling into and out of Hamilton for work and education, creating challenges for the city's transport networks.

The city has also significantly intensified its housing over the past 10 years i.e., in 2012 the infill/greenfield percentage split was 67/33 - whereas in 2021 it was 48/52. A record 1,497 new homes were completed in 2021 - up 6 percent on 2020. However, home ownership rates have been declining in Hamilton, with 43 percent of people owning their own home in 2016, compared to 55 percent in 2001. Māori and Pacific peoples have lower household ownership relative to the general population. Hamilton is the third (after Auckland and Tauranga) least affordable housing market in New Zealand, with a median house price to median household income of 6.8 times.

Hamilton has a diverse economy, which helped it weather the COVID-19 pandemic better than New Zealand's other major cities. Highlights for Hamilton in 2021 (as outlined in the **2021 Hamilton Annual Economic Report** - May 2022 - refer [here](#)) include:

- Hamilton contributed 41 percent of the Waikato's \$30 billion Gross Domestic Product (GDP) and 43 percent of its jobs in 2021.
- Hamilton's GDP was \$12 billion in 2021, increasing by 4.3 percent since 2019 despite the pandemic, and for the first time supports over 100,000 jobs.
- The city's unemployment has declined to 4.8 percent since 2020.
- Hamilton ranked 1st in New Zealand and 21st in the world for its successful integration of digital technology, knowledge and assets to improve city services.

## Our Challenges

The city will need to respond and adapt to the climate change and transition to a low-carbon economy. As a metro city, the largest emissions are from transport (64% of the city's greenhouse gas emissions). Addressing this will be a priority in our climate change response. This will mean changing how people move around our city to get to work or school every day; and at a city scale, it will mean a transformation of our transport system. As a portion of these transport emissions are from others travelling to, from, and through our city, we will need to collaborate with our regional partners to reduce greenhouse gas emissions.

The awa (Waikato River) that flows through the heart of the city is a significant taonga. Through the Vision and Strategy for the Waikato River, the Waikato River Authority has identified key issues for the River, including its degradation, which has compromised iwi in their ability to exercise mana whakahaere or conduct their tikanga and kawa, the impact of human activities along the river and the alteration of natural processes over time (refer [waikatoriver.org.nz](http://waikatoriver.org.nz)). The city needs to provide for growth in a way that protects and enhances the valued water bodies and restores and enhances ecological assets.

The city, through integrated land use and infrastructure planning, must plan to grow in a way that supports liveable neighbourhoods and high-quality urban environments, whilst delivering on the required increased density. As a city we aspire to be 20-minute city of compact, connected, and healthy neighbourhoods. This means that people can "live locally" by meeting most of their daily needs by walking or cycling from their home in pleasant surroundings, with safe, easy access to public transport for the CBD and wider city. While this aligns with the idea of a low-emissions transport network, it is also about ensuring that our neighbourhoods have most things that residents need every day, such as local shops and businesses (e.g., small supermarket, butcher, grocer, bakery, café, shared workspaces), playgrounds, open green spaces, early childhood facilities, primary schools, and health services such as doctors, dentists, and chemists. Other parts of the city such as aquatic centres (e.g., Waterworld) and major shopping centres (e.g., The Base) will then also be easy to access from all neighbourhoods by bike, micro-mobility and public transport.

Like other growth cities, Hamilton City is facing increasing pressure to provide new and enhanced infrastructure and services within the existing constraints of the sustainability of government funding and people's ability to pay. As one of the Future Proof partners, we are working collaboratively on exploring ways in which new tools can be implemented to address funding constraints.

## Our Council

Hamilton City Council is focused in improving the wellbeing of Hamiltonians. To provide direction for this, **Our Vision for Hamilton Kirikiriroa** (October 2020) was created. The full Vision document can be accessed [here](#) and the introduction below sets the direction of the Vision document.

***Hamilton Kirikiriroa is a fantastic city, with the potential to be one of the very best places in the world to live in and to thrive in.** We're already New Zealand's fourth largest city with 170,000 people calling Hamilton home. In the space of just three generations, our population has grown more than eight times over. And we're also incredibly diverse. The people of Hamilton represent more than 160 ethnic groups, making us rich in wonderful cultural opportunities.*

*Importantly, we're young. In Hamilton, our median age is just 32, making us the 'youngest' of all New Zealand cities. Already, Hamilton has everything it needs to be one of the best places in New Zealand and the world to live, work and raise families. In our city, we now have a much stronger focus on environmental issues, inter-generational equity and housing affordability – things we know are important to people who live here.*

*And while your Council is very focused on looking after the city assets we already have, we want to prepare and plan well for those things which will further improve the wellbeing of Hamiltonians.*

*This booklet sets out five, long-term priorities for Hamilton over the next decade. These priorities reflect what you have said is important to you, your family and your neighbourhood. They also reflect the views of your Councillors, who have listened closely to what you have said and understand your aspirations for our city.*

*This is our city. It belongs to all of us and together all of us will determine its future. Ensuring our city develops to its full potential is something we can and should do, as a community. This is about shaping our city, together.*

Hamilton City Council is focused on improving the wellbeing of Hamiltonians through delivering to our five priorities of shaping:

- **A city that's easy to live in**
- **A city where our people thrive**
- **A central city where our people love to be**
- **A fun city with lots to do**
- **A green city**

As a city we'll work alongside our iwi partners and work closely with local agencies, government, and private partners to make sure our city and wider region thrive.

To deliver on this Vision, the Hamilton City Council 2021-2031 Long Term Plan provides for an operational spend of \$3.7 billion over the next 10 years to keep the city running and a \$3.2 billion capital programme over the next 10 years. The Council employs around 1,200 staff across 30 business units and 20 different sites.

## The Future of Local Government Review Background

38. In April 2021 the Minister of Local Government commissioned a review of local government with an overall purpose *"To consider how New Zealand's system of local democracy and governance will need to evolve over the next 30 years in order to improve the wellbeing of New Zealanders, and actively embody the Treaty partnership"*.
39. The independent Panel (the Panel for the Future of Local Government Review) was selected through the Cabinet appointment process to undertake the programme for the review through three stages:

### **Stage 1: Early Sounding (Complete)**

This first stage is completed and was an initial scoping and early engagement with local government and other organisations to identify key issues and lines of inquiry. The output of this stage is the Interim Report, **Ārewa ake te Kaupapa Raising the Platform**, which was released publicly on 8 October 2021 and can be found [here](#). This report sets out the broad direction and priority questions to be considered in the review in order to support engagement about the future of local governance and democracy.

### **Stage 2: Broader Engagement (2021-2022)**

This stage involves a broader public engagement about the future of local governance and democracy in New Zealand, alongside research and policy development. The Panel will report draft findings and recommendations to the Minister for Local Government in September 2022.

### **Stage 3: Formal Consultation and Final Report (2022-2023)**

This stage will involve formal consultation and consideration of public submissions on the recommendations, with the delivery of the final report to the Minister for Local Government in April 2023.

40. In the Interim Report the Panel raised five priority questions:
- How can the system of governance be reshaped?
  - What is the function and roles of local government?
  - How to build partnerships that deliver to Te Tiriti O Waitangi?
  - How to reflect communities in local government?
  - What are ways to ensure funding for viable, sustainable, equity wellbeing?
41. The Interim Report also proposed a redesigned system of local governance with the following key features:
- It will be built on open and respectful relationships.
  - It will be aligned – the organisations involved in creating local wellbeing will have shared missions and will operate in an environment that supports collaboration.
  - It will be effective and sustainable – the organisations involved will have sufficient funding, capability, and support to carry out their missions.
  - Functions and roles will be allocated at the right scale, reflecting inherent strengths and capabilities, taking account of the subsidiarity principle, and acknowledging that ‘one size does not fit all’.
  - It will be flexible and agile, capable of scaling up or down and transferring functions as new challenges emerge.
  - It will build on Te Ao Māori and mātauranga Māori and embody genuine Treaty partnership based on shared wellbeing for future generations.
  - It will be inclusive – providing for diverse voices to be heard, and all with interests in local wellbeing to participate in decision-making.
  - It will be fair – taking account of all needs and interests, delivering benefits for whole communities, and protecting the interests of future generations.
  - It will be transparent and accountable – decision-makers will be answerable to their communities.

42. Post the release of the Interim Report, and following initial interviews with the sector, the Panel subsequently proposed in the information pack they provided for the discussion sessions with councils a new set of discussion points. These are described by the Panel as five key shifts that are required to address the priority questions raised in the Interim Report. The five key shifts are:
- Strengthen local democracy.
  - Stronger focus on wellbeing.
  - Authentic Relationship with Hapū/Iwi/Māori.
  - Genuine Partnership between Central Government and Local Government.
  - More Equitable Funding.
43. The Panel met with Hamilton City Council on 21 March 2022 between 2.00pm and 4.00pm. The Chairs of each committee of Council provided a briefing introduction and then Council addressed the five key shifts proposed by the Panel.
44. Hamilton City Council has also been working with the Zone 2 group of councils and have commissioned the following - Hamilton City Council/Zone 2:
- MDL - Peter McKinlay – Strengthening Communities – a report that highlights the opportunity for and the importance of councils acting to strengthen their communities and help them build their capacity and capability to work through what are their priorities and how they best met. (See Appendix A)
  - Co-Lab initiative (WLASS) - Shifting Landscapes - Community Needs analysis – a report containing evidenced-based qualitative data to inform council submissions to the Future for Local Government Review. (See Appendix B)

## Key Shift: Strengthen Local Democracy

45. The first key shift proposed by the Panel is the strengthening of local democracy from low public trust and participation in local government to the renewal of local democracy that builds a foundation for the future of a strengthened and inclusive local democracy.
46. To achieve this, the Panel is considering these changes:
- Offer a mix of participatory, deliberative and representative democratic tools, and support multi-generational representation.
  - Enable hybrid systems to complement elected members, including iwi/Māori and appointed experts.
  - Develop systems that support and sustain governance representatives. Enable representation from minority groups e.g., create and resource clear pathways, provide ongoing support programmes and mentor new leaders.
  - Explore electoral administrative systems, longer terms and voter eligibility criteria (e.g., younger voters).

## Hamilton City Council Requests that the Panel Considers the Following Points:

### 47. REPRESENTATION OF THE COMMUNITY

- The elected members of Hamilton City Council are the representation of the community established through representative election. Council supports this model for community representation.

- Council will be implementing Maaori seats to provide representation of Maaori. Council's proposed representation structure was endorsed by the Local Government Commission in April 2022. The Council table will be made up of twelve General Ward Councillors (six in the East Ward, and six in the West), two citywide Kirikiriroa Maaori Ward Councillors, and the Mayor. Further information on this can be found [here](#).
- Council also has a Maangi Maaori model of representation at its committee level. On 9 October 2018, Hamilton City Council approved five new Maaori appointees to the committees of Council as an integral part of the Governance structure, marking the beginning of a new era for partnership-based decision-making for the city. The appointees represent iwi (Waikato-Tainui) and maataa waka (other Maaori and Pacific people living in Hamilton).
- The new appointees have the title of **Maangai Maaori**, which means 'The voice of Maaori'. They were chosen from over 40 applicants by a selection panel comprising representatives of Waikato-Tainui, Te Runanga o Kirikiriroa and Te Haa o te Whenua o Kirikiriroa.
- Hamilton City Council notes that within the existing framework there are opportunities to appoint advisors to committees. Council currently does this with the external experts appointed to the Strategic Risk and Assurance Committee - refer [here](#). The current approach can be used to appoint other experts or advocates of communities' interests to committees and working groups.
- However, Council advocates for changes in practice and legislation to make it easier to create community committees or specific topic focused committee structures, and to encourage the community to participate in these, provide for options for payment for external parties on committees.

#### 48. **ENABLING REPRESENTATION**

- Council requests that a formal information campaign be developed and run nationally by a sector body to educate people on what local government does and the role of elected members. This will assist in encouraging members of the community to stand for Council.
- Council recommends that to assist with the attraction of candidates for local government elected member positions, elected members are paid a salary based on qualifications, skills and experience. Currently elected members are treated as contractors and the payment of a salary would also allow elected members to qualify for Kiwi Saver and other benefits that are available to Council staff. To support this the funding provided through the Remuneration Authority should be based on the cost (salary) of elected members rather than being an allocated pool that is split across elected members.

#### 49. **SIZE AND SHAPE OF THE CITY**

- Council recognises that the scope of this review does not include boundary changes but the conversation about improving local democracy is integral with the conversation of who the local government represents.
- Hamilton City is unique in that it is a hub city for a larger metro area with many of our communities of interest, spatial land use planning areas and infrastructure reaching beyond our city boundaries, requiring intricately and dynamically interconnected considerations with our partner local authorities.
- Council recommends that a further or correlating review into boundary considerations is vital to give effect to improving Local Democracy.

#### 50. **SPATIAL REPRESENTATION**

- Council recommends that place-based structures such as the Future Proof sub-regional partnership that cross boundaries be endorsed and recognised by central government agencies. Entities such as this should have the ability to apply for and receive funding from central government agencies for specific initiatives and programmes as outlined in their strategic plan.
- To improve the connection between central government and local government, and strengthen the impact of place-based structures, the representatives from central government/central government agencies who sit on place-based structures should have the authority to commit the agency they represent to funding decisions.
- Council recommends that to support localism, the legislation needs to enable the creation of local community committees (as structures outside the local board structure), led by the community, to make plans and decisions for their community. Local government's role should be to empower these community committees.

**A place-based community** is defined as a geographical area. The area is derived by the connection between the places and the benefit the communities get from being aligned together. Place-based community structures can cross territorial boundaries. An example is **Future Proof** (refer [here](#)), which is providing planning and direction for the Hamilton-Waikato Metro-Spatial area.

**Localism** is defined as arrangements where citizens are involved in making decisions about their own areas and localities. It is about giving voice, choice and control to communities, enabling local solutions through partnership and collaboration around place, and providing the conditions for social action to thrive.

## 51. COMMUNITY VOICE

- To allow local communities and local authorities to determine how they want to share their voice and engage, Council recommends removing all consultation constraints and requirements from the Local Government Act, such as the directive approaches for engagement such as the Special Consultative Process.
- Councils should be encouraged to adopt alternative ways for the elected members to hear the community's voice by discouraging the formal 'presentation' to council approach and encouraging the use of innovative ways such as video recordings, Zoom chat rooms and whiteboard/post-note sessions, and in-person sessions. Councils should also promote participatory democracy by encouraging community committees and networks to represent their community views and lead local community consultation/engagement processes (for example use the strong online forums of community Facebook pages etc.).
- To enable the community, a sector agency should be charged with creating a 'toolbox' for the community on how to engage with local government (and central government) alongside a national education programme to allow everyone to have the opportunity to share their voice to their representatives.
- Councils consider that local government (and central government agencies) should be required to adopt participatory budgeting to enable the community's preference for budget allocation to be captured and to directly influence the local government (and central government agencies) budgets.

## 52. ELECTION CYCLE AND STRUCTURE

- Council recommends the local government elections occur at the same time as the central government elections so that the community votes on all levels of government at the same time to give the same weight to all layers of government. This would allow centrally funded civic education programmes to encourage voting to have maximum impact.
- Council recommends the government cycle is moved to a four-year term. For local government this will create a cycle of the Year 1 November-June planning for the next four years outlined in an 8- or 12-year vision and 4-, 8- and 12-year plan cycle and budget, resulting in a one year for planning and three years for delivery to the vision, priorities and plans.
- Council recommends the online voting is introduced immediately to make it easier for people vote, especially those in the under 25 age groups.
- Council also suggests the consideration of lowering the voting age to 16, noting that 7.2 percent of Hamilton City's population is aged between 15-19 years – 2018 Census of Population and Dwellings. Council makes decisions for the future of the city and our community and think it is appropriate that those affected by these decisions into the future have the opportunity to participate in the decision-making process.

## Key Shift: Stronger Focus on Wellbeing

53. The second key shift proposed by the Panel is a move from the traditional focus on infrastructure service delivery to a focus on the complex wellbeing challenges of the 21st century, including economic and social equity and climate change action.
54. To achieve this, the Panel is considering these changes:
  - Local government is a broker, bridge builder, connector and supporter of ideas to support positive change in the community it serves, with a genuine focus on a coordinated approach to building social cohesion and wellbeing.
  - Increasing central and local government collaborative efforts to focus on wellbeing, including health, housing, education, community safety, and economic, social, cultural and environmental wellbeing.
  - Local government functions, roles and structures that reflect the appropriate level of subsidiarity and localism, while securing needed resources and economies of scale to ensure competent, sustainable and resilient entities/organisations.
  - Supporting residents to change from being mostly passive recipients of services to active citizens as innovators, participators, and partners in achieving community wellbeing outcomes.

## Hamilton City Council Requests that the Panel Considers the Following Points:

### 55. WORKING TOGETHER TOWARDS WELLBEING

- In the information pack for the meeting with the Panel, the Panel outlines the important roles of local government as being:
  - Local voice, knowledge and leadership.
  - Connector and enabler of local decision-making.
  - Upholds values and protect rights.
  - Provides local services.
  - Partner of central government and iwi/Māori.

- Supports thriving people and communities.
- Council recommends that the Local Government Act be updated to reflect the above as the role of local government.
- Furthermore, as central government, central government agencies and local government are all working towards improving wellbeing, Council recommends the introduction of an agreed definition of 'wellbeing' to be used by all agencies.
- Council recommends each local government, central government agency and other organisations are required to define how their role and function delivers to improving wellbeing via the production of a vision and priority document (such as Hamilton City Council's Vision and Five Priorities) – refer [here](#).
- Council recommends that central government agencies that also focus on wellbeing, such as Ministry of Health, Ministry for the Environment, Kāinga Ora – Homes and Communities, Education New Zealand and others, direct their regional offices to interact with local government to work together to improve the provision of wellbeing services across communities.

## 56. DELIVERY OF WELLBEING SERVICES

- Council requests that local government's role be recognised as the 'gateway' for identifying, understanding and promoting the community needs that will improve their wellbeing. As local government is closest to the community, they should have a focus of being the connecting point/broker to support networks of community groups, partnerships arrangements and agencies in framing service delivery options and supporting those delivering the services to access funding. Local authorities should be given the use of the Power of General Competence through the Local Government Act to provide each local authority the ability to choose the activities they undertake and how they will undertake them to fulfil their statutory duties.

The 'gateway' role means local government "will be putting themselves forward as the primary authorities on the needs and preferences of their different and diverse communities across the full spectrum of matters capable of being addressed by public sector support or intervention". (Panel Future of Local Government).

- Council suggests that central government acknowledge that local communities should have the option to determine what services they want delivered locally and how they want to access the services. This would require a change in the approach of central government to recognise that wellbeing is intertwined and agencies that deliver across wellbeing (rather than separate agencies) will provide better outcomes, resulting in services being delivered by multi-service agencies based in communities and operating across boundaries.
- Council recommends that central government works with local government to provide access (and funding) for new, and re-purpose of existing spaces that follow a community hub type arrangement, providing safe places for the community to bring issues, ideas and solutions to. Examples would be to fund and expand use of community centres, and to use other spaces like schools after hours for facilities, spaces and provision of services (example of the Peak).

## Key Shift: Authentic Relationship with Hapū/Iwi/Māori

57. The third key shift proposed by the Panel is a change from relationships that are variable in understanding and commitment to an authentic relationship that enables self-determination, shared authority and prosperity.

58. To achieve this, the Panel is considering these changes:
- Local government has a role in helping the stories of the past to be told in order to move forward. Acknowledging the past is an important part of reconciliation, along with learning about the history of place.
  - Championing, and investing in, Te Ao Māori and Tikanga in the way local government operates and what is valued.
  - Acknowledging place and the opportunity for Hapū/iwi/Māori to be involved in decision-making, to be a decision-maker and deliverer of services and activities (exercising Tino Rangatiratanga).
  - Additional capacity for iwi/Māori to participate in local governance.

### Hamilton City Council Requests that the Panel Considers the Following Points:

59. **RECOGNITION**

- Council requires central government regard to and recognition of foundation documents and joint agreements such as Te Ture Whaimana o Te Awa o Waikato – Vision and Strategy for the Waikato River (refer [here](#)) - noting that Te Ture Whaimana o Te Awa o Waikato has now been included in **the Resource Management (Enabling Housing Supply and Other Matters) Amendment Act 2021**.

60. **PARTNERSHIPS**

- Council and central government must recognise that iwi boundaries are not aligned to boundaries created by regional or local authorities. To empower hapū/iwi/Māori, acknowledgement of the challenge created when local authorities or central government agencies request hapū/iwi/Māori to work within and across their boundary areas. Partnerships need to be defined at the local level as each area has a different set of relationship and identities to work with.

61. **CAPACITY BUILDING**

- Council requests support for hapuu and iwi to enable capacity building to facilitate engagement and participation in decision-making, particular where there are multiple organisations seeking feedback on a similar issue.
- Council recommends a national education standard for Te Ao Maaori and tikanga is developed and made available to local government, central government agencies and other organisations.

## Key Shift: Genuine Partnership between Central Government and Local Government

62. The fourth key shift proposed by the Panel is a move by both local and central government from low trust and confidence in each other to genuine partners able to deliver wellbeing outcomes locally.
63. To achieve this, the Panel is considering these changes:
- Long-term vision and outcomes for Aotearoa New Zealand enabling partnership between central and local government.
  - A governance model that operates as a strong strategic partner with central government.
  - Deliberate structure for partnerships between central and local government, iwi, business and communities.
  - Transparent funding and accountability for service delivery and local priorities.

## Hamilton City Council Requests that the Panel Considers the Following Points:

### 64. RECOGNITION OF THE ROLE OF LOCAL GOVERNMENT IN DECISION-MAKING

- Council requests there are more formal processes for the communication from central government on its policy work programme to local government so local government can align and resource for response to initiatives/legislation.
- Council requests that central government provides opportunities for the co-design of policy alongside central government (rather than the current process of submission input), especially if local government is the agency required to deliver central policy to the local community. An example of the current flawed approach is the Local Alcohol Policy failure that has cost local authorities significant funds in developing policies and being challenged in the courts on these policies.
- Many councils take an active role in central government consultation/engagement opportunities, including through the likes of submissions to various government discussion papers and Government Bills. For example, Hamilton City Council has made 38 submissions to date in the 2021/22 financial year. However, while councils are appreciative of such opportunities, the number of Government discussion papers and Bills being consulted on is increasing significantly (particularly in the past year), making it extremely challenging (from a resource point of view - Elected Members and staff) to respond to and provide feedback on in a meaningful way. Council recommends that greater coordination between Government departments needs to occur to ensure councils can be meaningfully engaged to provide well thought through and constructive feedback.
- In addition, greater time needs to be given to councils to provide feedback. In most instances around four weeks seems to be the 'norm' to make a submission. Given that many of these papers have taken a considerable time (often over a year) to develop and are often quite long and complex/detailed documents, four weeks is just not enough time to provide meaningful feedback.

### 65. ENABLING SUPPORT

- Council requests that formal interaction and feedback between central government elected representatives and local government elected representations are required. This could be achieved by local MPs presenting at Council meetings on the upcoming issues and work programmes of government, and local government formally giving feedback to MPs on the issues and work programmes of local government to take back to Cabinet.
- Council recommends the establishment of the formal recognition by central government of sector bodies advocacy and direction such as the LGNZ remit process, with formal reporting on the consideration/implementation of remits.
- Council recognises the benefit of closer liaison between central and local governments and would consider the establishment of a central government policy office for central government officials in Hamilton to allow direct access to central government agencies to lobby on Hamilton and Metro area issues. Council would also consider making greater use of sector agencies (e.g., LGNZ and Taituarā - Local Government Professionals Aotearoa) to proactively lobby central government on local area issues.

## Key Shift: More Equitable Funding

66. The fifth key shift proposed by the Panel is a sector move from beneficiary-based funding principles to a funding system that equitably supports communities to thrive.

67. To achieve this, the Panel is considering these changes:

- Central and local government agree a fair basis for funding community outcomes, taking account of a communities' ability to pay.
- Legislation and funding policies and practices support principles of equity/wellbeing.
- Making flexible general and special purpose financing tools available.

## Hamilton City Council Requests that the Panel Considers the Following Points:

### 68. ALIGNMENT

- Council recommends there is vertical alignment of timing of funding rounds between central government agencies and local government. For example, the alignment of the Waka Kotahi NZ Transport Agency National Land Transport Programme with the local government Long Term Plan cycle would ensure more certainty for the community as the approved Waka Kotahi NZT Transport Agency business could be incorporated into the first three years of each long-term plan cycle.
- Council recommends a longer-term commitment (e.g., 10 years) of central government to bulk funding programmes and require central government agencies to have long-term investment plans for spatial areas to meet the challenges (e.g., a growth city increasing demand for new infrastructure to support growth; rural areas challenge of renewal of infrastructure with decreasing population).
- Council recommends central government should have the flexibility to align their funding with local areas spatial planning structures (e.g., funding for Future Proof) and enable long-term funding commitments through the use innovative funding arrangements such as a 'city deal' type arrangement.

### 69. FUNDING POOLS

- Council suggests the wellbeing funding pools are created by using a share of budget allocations from government agencies to support wellbeing outcomes instead of the funds being distributed across a range of different central government agencies, which then requires co-ordination across agencies to achieve the wellbeing outcomes. For example, delivery of a park next to a school with sports fields; accessible play spaces and cycleways is funded by a central fund rather than from the local community through rates; Waka Kotahi NZ Transport Agency funding for cycle paths, Ministry of Education funding for park land etc.

### 70. REVENUE MECHANISMS

- Council needs Central Government to understand and address the issues with the of the existing funding tools available to local government:
  - **Over-reliance on property tax as main revenue stream.** Hamilton City Council's property rates are based on the capital value of property and are forecast to be \$240 million for 2022/23, providing 80 percent of the operating revenue.
  - **Model of funding that doesn't work for a city that is a hub of a region.** Hamilton City services a large area and population that reside outside the city boundaries. Recent vehicle trip data indicates 140,000 daily vehicle movements of vehicles entering and exiting Hamilton City's boundaries with these "visitors" predominantly working and seeking education within the city borders. Yet this group makes no financial contribution to the services, infrastructure (including roads) and facilities of the city. The cost of this is instead born by the property owners (ratepayers) of Hamilton City.

- **Taxation of a tax.** GST is currently charged on property rates and passed to the government as a GST revenue stream. This is inconsistent government policy as most other taxes are not subject to GST. In 2022/23, the forecast GST on rates is \$36 million, an increase in the rate cost to our ratepayers that should be removed or redistributed back to Council as a funding stream.
- Council recommends that legislation is enacted to enable mechanisms to fund infrastructure for future generations outside the local governments balance sheet/rates revenue. This would enable local government (and agencies) to source funding from the community without restrictions through:
  - Flexible rating tools.
  - Ability to raise levies or charges to property.
  - Ability to set fees and charges for services.
  - Ability to require a share of taxes raised from a community (GST) be provided back to local government for funding services and infrastructure for that community.
- Council notes that a lot of thought has gone into this area previously with the **New Zealand Productivity Commission's Local Government Funding and Financing Inquiry**. In July 2018, the Government commissioned the New Zealand Productivity Commission's **Inquiry into Local Government Funding and Financing**. Through the Terms of Reference for the Inquiry, the Commission was asked to examine the adequacy and efficiency of the existing local government funding and financing framework, with specific reference to:
  - Factors driving local authority costs.
  - The ability of current funding and financing models to deliver on community expectations and local authority obligations and options for new local authority funding and financing tools.
  - Whether changes are needed to the regulatory arrangements overseeing local authority funding and financing.
- The Productivity Commission subsequently released its 6 November 2018 Issues Paper on **Local Government Funding and Financing** for feedback. On 15 March 2019, Hamilton City Council made a comprehensive submission to the Commission's 6 November 2018 Issues Paper on **Local Government Funding and Financing** - refer [here](#)
- The eight themes outlined in Council's 15 March 2019 submission were:
  - Support Interest-Free Government Loan Arrangements for Core Infrastructure.
  - Supportive of New Off-Balance Sheet Financing Tools.
  - Efficiency Gains - Support Alignment of Local Government and Government Spending/Programmes.
  - Open-Minded on Aggregation for Delivery of 3 Waters and Other Core Services.
  - Development of National Guidelines that Support Implementation of a Community Facilities Funding Framework.
  - Support Standardisation and Increased Efficiencies of Systems in Local Government Facilities and Services.

- Supportive of Regional Fuel Tax; Variable Road Pricing/Tolling; Increase in the Funding Assistance Rate (FAR) for Public Transport; New Targeted Enhanced Funding Assistance Rate (TEFAR).
- Supportive of Economic Benefit Revenue Linked to Growth and Development in a Council's Administrative Area.
- Council's next submission was made on 13 September 2019 to the Productivity Commission's **Draft Report on Local Government Funding and Financing** (refer [here](#)), which reinforced and built on the eight key themes outlined in its 15 March 2019 submission. The 13 September 2019 submission also commented on and provided recommendations on: Rates affordability; the cost-benefit analysis of new Government policies and standards; Asset Management Plans; development contributions; climate change.
- **The main resultant findings of the Commission's Funding and Financing Inquiry, as outlined in its final November 2019 report, were:**
  - **Radical reform is not required.** The current rates-based system remains appropriate for New Zealand. International experience offers no clearly superior alternative.
  - **But there are areas of significant funding pressure.** These pressures are highly uneven across councils with small, rural councils serving low-income communities under particular pressure.
  - **Targeted solutions are needed to tackle these pressures.** Key recommendations include new tools to help councils fund and manage growth, and additional support from central government to help councils adapt to major pressures, such as climate change.
  - **Councils need to lift their performance to help manage funding pressures.** This includes making better use of all existing funding tools. Transparency is key, and a number of recommendations are aimed at improving the transparency of local government funding decisions and performance.
  - **A better relationship between central and local government is essential.** An agreed protocol would help end the practice of central government imposing responsibilities on local government, without appropriate funding. The Crown should also be paying for council services it receives on its properties and developments.
  - **Regional spatial planning will better prepare councils for the future.** It's a key tool for achieving more efficient use of resources, and better coordination between councils, and local and central government.
- Local Government New Zealand (LGNZ) released a working paper (refer [here](#)) on revenue options in 2015 prepared by a multi-sector working group. The report noted the difficulties created by the reliance on property taxes. The report also highlighted key four themes of local government:
  - An effective partnership is needed with central government so both spheres of government are aligned.
  - Local government regions are unique and across New Zealand there are diverse economic and demographic projections.
  - Local government needs to be prepared and have the capacity to take an innovative approach to service delivery.
  - Local governments are already making full use of their existing funding tools, but too heavily reliance on rates is creating affordability and intergenerational issues.

- Council notes that these recommendations have informed the other local government reforms currently underway, but the key challenge of providing ‘targeted solutions’ has not been addressed.
- Furthermore, in this review on the Future of Local Government, the Panel has noted a key shift required is ‘Making flexible general and special purpose financing tools available.’ This needs to be addressed to provide the tools for more equitable funding.

## Alignment with Other Key Reforms

### 71. RESOURCE MANAGEMENT REFORM REVIEW

72. Hamilton City Council takes a considerable interest in matters regarding Resource Management Reform and has made numerous submissions in this space in recent years - for example:

- Hamilton City Council’s 10 March 2022 submission to the working paper **Enabling Local Voice and Accountability in the Future Resource Management System: a Proposal for Consideration** - refer [here](#)
- November 2021 discussion document **Transforming Aotearoa New Zealand’s Resource Management System - Our Future Resource Management System - Materials for Discussion** - refer [here](#)
- Hamilton City Council’s 24 February 2022 submission to the November 2021 discussion document **Transforming Aotearoa New Zealand’s Resource Management System - Our Future Resource Management System - Materials for Discussion** - refer [here](#)
- Hamilton City Council’s 16 November 2021 submission to **the Resource Management (Enabling Housing Supply and Other Matters) Amendment Bill** - refer [here](#)
- Hamilton City Council’s 4 August 2021 submission to the **Inquiry on the Parliamentary Paper on the Exposure Draft - Natural and Built Environments Bill** - refer [here](#)
- Hamilton City Council’s 3 August 2021 submission to the **Government Policy Statement on Housing and Urban Development (GPS-HUD)** - June 2021 Discussion Document - refer [here](#) and [here](#)
- Hamilton City Council’s 2 July 2021 submission to the New Zealand Infrastructure Commission’s May 2021 Discussion Document **Infrastructure for a Better Future Aotearoa New Zealand Infrastructure Strategy** - refer [here](#)
- Hamilton City Council 21 May 2021 staff feedback to the Ministry for the Environment’s **Early Engagement on Resource Management Reform - Opportunities to Improve System Efficiency** - refer [here](#)
- Hamilton City Council’s 13 February 2020 submission to the **Urban Development Bill** - refer [here](#)
- Hamilton City Council’s 13 September 2019 submission to the June 2021 Discussion Document **Proposed National Policy Statement for Urban Development (NPS-UD)** - refer [here](#)

73. All submissions made by Hamilton City Council can be accessed [here](#)

74. In February 2021, the Government announced it would repeal the Resource Management Act (RMA) and enact new legislation based on the recommendations of the Resource Management Review Panel.

75. The three proposed Acts are:

- **Natural and Built Environments Act (NBA)**, as the main replacement for the RMA, to protect and restore the environment while better enabling development.

- **Strategic Planning Act (SPA)**, requiring the development of long-term regional spatial strategies to help coordinate and integrate decisions made under relevant legislation; and
  - **Climate Adaptation Act (CAA)**, to address complex issues associated with managed retreat.
76. The following key points (reproduced from the two most recent submissions on Resource management reform) outlines Hamilton City Council’s overall position regarding Resource Management reform.
77. Key Points from Council’s 10 March 2022 Submission to the Working Paper ‘Enabling Local Voice and Accountability in the Future Resource Management System: A Proposal for Consideration’
- Hamilton City Council has previously identified significant concerns with elements of the current reform of the Resource Management system and has communicated these to central government through recent submissions on the exposure draft of the Natural and Built Environment Act, and the Ministry for the Environment Discussion Document on the Future of the Resource Management system.
  - Reform objectives for the future of the resource management system include improving system efficiency and effectiveness and reducing complexity, while also retaining local democratic input. Proposals setting out the shape of the reform have to date provided limited specificity on how local democratic input can be protected and retained through a region-wide approach to planning.
  - While Hamilton City Council agrees with the Resource Management Reform objectives, particularly those seeking to simplify and standardise processes, provide a more effective national direction, and reduce regulatory complexity, it has serious doubts that the proposed reforms will deliver on the intended objectives and questions whether wholesale change is the most effective way to achieve the objectives.
  - Notwithstanding this wholesale feedback provided to central government, Hamilton City Council recognises that a number of ‘in principle’ decisions have been made regarding the move to a regional approach to planning, and therefore supports the intent of LGNZ in identifying mechanisms that will ensure the preservation of local voice.
  - Hamilton City Council supports a range of avenues to enable local voice to be heard and for these voices to then be translated into higher order plans and strategies within the new Resource Management Reform structures. Statements of community outcomes are one tool to achieve this among many. Current structures enable a range of formal and informal tools and channels for this community voice to be heard, and the new Resource Management structures need to ensure these opportunities continue to be available.
  - Hamilton City Council supports National Spatial Strategies. We believe these offer a valuable tool to align central government agencies and funding priorities with regional and local level agendas and aspirations. Too often central government agency goals are divergent with one-another, arriving at a whole-of-government position on regional planning and investment would be beneficial. From a process point of view, these need to come ahead of lower-level plans and strategies.
  - Hamilton City Council believes the joint committee concept has a number of flaws. We believe the decision-making in this forum will be too far removed from local communities and will lack democratic accountability. We understand though that this part of the new Resource Management Reform design is already settled, in which case we ask that careful thought is given to avoid the inefficiencies and that these joint committees retain a high-level of local democratic decision-making.

- Effective implementation of these new Resource Management Reform structures requires a range of levers working together in an integrated fashion. These include funding and financing tools, political champions who are accountable and who will drive implementation, legislative linkages, and an engaged community which can see their aspirations reflected in the plans.

**78. Key Points from Council's 24 February 2022 Submission to the November 2021 Discussion Document 'Transforming Aotearoa New Zealand's Resource Management System - Our Future Resource Management System - Materials for Discussion'**

- While Hamilton City Council agrees with the Resource Management reform objectives, particularly those seeking to simplify and standardise processes, provide a more effective national direction, and reduce regulatory complexity, we have serious doubts that the proposed reforms will deliver on the objectives and questions whether wholesale change is the most effective way to achieve the objectives.
- For example, we are of the view that the recently enacted Resource Management (Enabling Housing Supply and other Matters) Amendment Act 2021 should be given time to bed in, before wholesale legislative reform is introduced.
- These 2021 amendments to the RMA are very substantial and require an immediate implementation response from local government. The sector should be given the opportunity to respond to the changes, and time should be spent reviewing and assessing the community response to the changes.
- As noted previously, the proposed Resource Management Reforms will introduce three new Acts, replacing one single Act. The efficiencies and reduced complexity are not immediately apparent. In fact, the layers of regulatory planning appear more complex than the current regime.
- Resource Management reform must be considered holistically. Specifically, by ensuring that organisational structures and entities, such as the joint committees envisaged under the reforms, enable planning in a democratically accountable manner. In particular, siloed entities where land use planning, infrastructure planning and delivery, and service provision are carried out separately, and spread across different spatial scales will lead to a lack of integration.
- The Proposed Resource Management Reforms do not integrate with the reforms which are currently before the local government sector. **Three Waters Reform, and any ongoing reorganisation of local government must be integrated with the Resource Management framework.**
- **The Proposed Resource Management reforms must be flexible and able to reflect the evolving local government environment.**
- Hamilton City Council opposes a 'one-size-fits-all' regional approach to urban planning in New Zealand. As a Tier 1 growth Council, Hamilton and its Future Proof partner councils face unique metrocentric growth-related challenges. Any reform to the spatial scales of planning and the institutional arrangements required for implementation must reflect this and align geographically to the issues being faced.
- Hamilton City Council and its Future Proof partners have a proven track record of effective growth and resource management under the existing legislative frameworks and organisational structures. We have not yet seen evidence that the new Resource Management Reform legislative architecture will provide any better outcomes for Hamiltonians.

- **Too often Hamilton City Council engages in consultation processes such as this with Central Government but fails to be properly heard.** This territorial authority represents the coalface of resource management practice in an urban growth context.
- There are many lessons to be learned from a close consideration of the Hamilton context and we have constantly encouraged Government (through submissions and other processes) to engage on that basis.

- 79.** Hamilton's Mayor, Paula Southgate, has recently stated that *"Hamilton City Council, alongside its FutureProof partners Waipā and Waikato, have done a very good job in planning for the future. That work has already been recognised by government, so I'm disappointed not to see that reflected in the proposals to date"*.
- 80.** We also note that the Review into the Future for Local Government's website states that *"Further, planned resource management and three water reforms, if implemented as signalled, will also call into question the broader functions and roles of local government and have implications for local governance and wellbeing"*.
- 81.** **Hamilton City Council again reiterates its strong view that the Review into the Future for Local Government should clearly have been the first reform undertaken by Government.**

## Further Information and Opportunity to Discuss Our Submission

- 82.** Should the Panel for the Future of Local Government Review require clarification of the submission from Hamilton City Council, or additional information, please contact **Julie Clausen** (Unit Manager Strategy and Corporate Planning) on 027 808 3882 or email [julie.clausen@hcc.govt.nz](mailto:julie.clausen@hcc.govt.nz) in the first instance.
- 83.** **Hamilton City Council would welcome the opportunity to discuss the content of our submission in more detail with the Panel for the Future of Local Government Review.**
- 84.** We look forward to providing further feedback to the Panel when it releases its 30 September 2022 draft report and recommendations.


Yours faithfully

**Paula Southgate**  
**MAYOR**

Hamilton City Council  
Garden Place, Private Bag 3010, Hamilton

 /HamiltonCityCouncil

 @hamiltoncitycouncil

 07 838 6699

**hamilton.govt.nz**