

Elected Member Briefing (10-Year Plan) – 9 March 2018
Commencing at 9.30am in Committee Room One

Topic	HCC Contact / Presenter(s)	Open / Closed	Time Req'd (mins)
WEL Energy Trust: Draft 2018/19 Annual Plan	Mark Ingle: Chair of the WEL Energy Trust. Charlotte Isaac: Deputy Chair of the WEL Energy Trust.	Open	30
Engagement update	Julie Clausen	Open	30
MORNING TEA			
Rates calculations	Stephen Halliwell / Matthew Bell	Open	30
River Plan: Progress update	Natasha Ryan	Open	30
MEETING ENDS			

DRAFT ANNUAL PLAN 2018/19

This report presents an overview of the Trust's objectives, intentions and expected outcomes over the next 12 months within the framework of the 2017-21 Strategic Plan.

WEL Energy Trust



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Introduction

WEL Energy Trust wishes to present this **draft** Annual Plan for 2018/19. It sets out the Trust's direction for this, the second year within the 2017-2021 Strategic Plan, and provides an overview of the objectives, intentions and expected outcomes for key areas over the next 12 months.

Trustees see this coming year as an opportunity to build on the significant groundwork done in 2017/18 in executing the Trust's bold five-year Strategic Plan (page 19).

Our Mission: 'Working together, working smarter, to grow investment and to unlock the powerful possibilities of our Community, now and into the future.'

Our Mission forms the heart of the Trust's five-year Strategic Plan and is the driver of the objectives and intentions outlined in this **draft** Annual Plan. The Mission was adopted in 2017 after 18 months of engagement, listening and challenging ourselves regarding what role the Trust can and should play in our region's bright future. It refers to both the Trust's financial investments (including the Trust's core investment in WEL Networks Ltd), as well as investment in the community through grants.

Our Vision: 'A forward thinking, vibrant, connected Community.'

We aim to use knowledge, networks, funding, skills and leadership, working in partnership with others including Local and Central Government, businesses, For-Purpose organisations and other funders to achieve our Vision.

Based on our guiding documents, the Trust will continue to focus on the success of WEL Networks Ltd, as well as the need to balance both consumer and wider community benefit in our decision making.



The Waikato Story describes our Waikato as a place of powerful possibilities:

“We grow and celebrate world-changers, local innovators and inspiring champions... in a world hungry for new technology and pure produce we hold prime position.”

We have good reason to be proud of the Mighty Waikato.

The 2016 Vital Signs research listened to over 400 Waikato voices, and identified what we love most about our place:

TOP 10 THINGS WE LOVE ABOUT OUR PLACE



- 1 Our diversity
- 2 Our connectedness
- 3 Our community vibrancy
- 4 Our community safety
- 5 Our community spirit
- 6 Our Kiingitanga heritage
- 7 Our environment
- 8 Our community friendliness
- 9 Our location
- 10 Our volunteers

Our quality of life is good. Many of us are healthy, employed, and live in safe, comfortable homes. At the same time, some of us are living in very difficult circumstances and are struggling to meet our basic needs. **To deliver new solutions to old problems, things need to change.**

Where to from here?

One of the Trust’s core Values is **to embrace positive change and to seek constant improvement.**

We recognise that innovation and new thinking is required to deliver simple and practical solutions for our community's greatest challenges in future.

Building on the strategic work done in relation to the Trust’s financial investments last year, it is our intention to conduct a full review of the Trust’s Community Investment Strategy this year. We would welcome your thoughts and invite your submission on this draft Annual Plan, including the proposed review of the Community Investment Strategy (detailed on page 14) and our General Theory of Change (page 4).

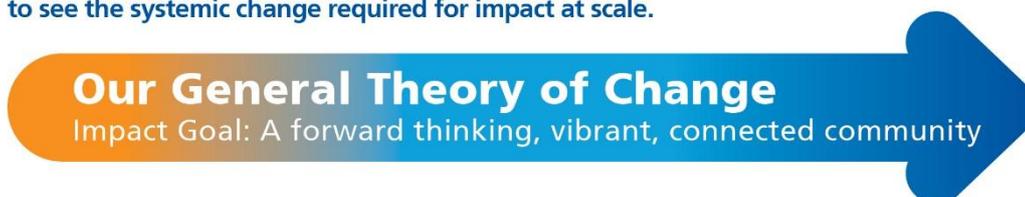
“To genuinely stretch ourselves to be transformative we will be brave, and we will continue to listen to the community voice as we act, in good faith, to make our Mission a reality. If you’re reading this, then you most likely have a role to play as we work together. Thanks, and please join us on our journey.” **Mark Ingle, WEL Energy Trust Chairman.**

We welcome thoughts on this draft Annual Plan from our stakeholders, and from mission-led businesses and organisations.

Our General Theory of Change



IF we make coordinated use of different forms of financial capital and non-financial resources to support innovation and the wider innovation ecosystem, **THEN** we will begin to see the systemic change required for impact at scale.



- *Our General Theory of Change recognises that change on a community level depends on systemic change and backing new and innovative ideas*
- *We aim to use knowledge, networks, funding, skills and leadership, working in partnership with others including government, businesses and for-purpose organisations and other funders to achieve our Vision*
- *The intention is to enable the coordinated use of different forms of capital (grants and investment funds) as well as non-financial resources to support enterprises, charities and Not for Profit organisations*

- that are working to solve complex social and environmental problems*
- *This will be done intentionally, within the bounds of the Trust Statement of Investment Policies and Objectives (SIPO), and with attention to appropriate due diligence in the measurement of both financial and non-financial risk and return*
- *We will develop specific Theories of Change around individual Trust priority areas to guide investment decisions*

Investments and Finance

Our Objectives

Core Infrastructure Holding (WEL Networks Ltd)

A major objective for 2017/18 was to define the expected outcomes, parameters and expectations for the Trust's investment portfolio, including the core infrastructure holding in WEL Networks Ltd.

Great progress has been made in consultation with the Company and our advisors, and it is our objective that we will finalise and implement:

- Long term capital growth expectations for the investment in WEL Networks Ltd
- A new distribution policy with WEL Networks Ltd which is based on an agreed dividend policy
- Capital structures that best fit the Trust's purpose and strategic intent, now and into the future

This will be done in consultation with our stakeholders and with reference to the Trust's governing documents (Trust Deed, SIPO, Long Term Plan), and with attention to our core purpose to ensure the success of WEL Networks Ltd and to balance benefit to the consumer and the wider community, now and into the future.

Portfolio Investments

Upon finalisation of the Trust SIPO in February 2017, the Trust moved funds that had formerly been held on term deposit to a 50:50 balanced portfolio of Global Bonds and Global Equities under management by Russell Investments. The quarterly report as at 31 December 2017 showed a 10.98% return since inception, outperforming the benchmark by 0.90%, and outperforming our internal goal (which was based on previous returns in the bank) by 7.33%.

The Trust's objective is to continue to monitor its portfolio investments against the market benchmark, and to ensure investments are appropriate considering the SIPO and the Trust's broader investment portfolio, which includes the core investment in WEL Networks Ltd and any Mission Related Investments.

Mission Related Investments

During 2017/18 the Trust made good progress in developing its understanding and strategic intent in relation to Mission Related and Impact Investment. Both staff and Trustees undertook significant professional development in this area and actioned an Impact Investment Strategy and action plan for the 2017/18 year. This had three focus areas:

1. To research, design and implement a social or blended capital investment project as per the 2017/18 budget
2. To develop a Community of Practice
3. To understand the wider social finance ecosystem in NZ and to identify areas where the Trust can add value

Our Objective this year is to identify investment opportunities where we can work with others to impact on regional priority areas, returning a balance of social and financial dividends to the Trust. This will involve continuing to build a community of practice around social and Impact Investment, and supporting the development of an effective Impact Investment ecosystem. We will also develop clear policy guidelines to inform our practice.

Our Intentions

Overall, the Trust will manage our investments to ensure:

- Growth, income and performance expectations are clear and are being met
- We have a sufficiently diverse investment portfolio that manages risk and income volatility
- We start to move towards a more mission-aligned investment portfolio, underpinned by clear policy guidelines

Core Infrastructure Holding (WEL Networks Ltd)

- Define a long-term capital growth return
- Keep the risk of a reduction in the value of the investment by more than 20% to a minimum (this level of risk is reviewed annually in concert with the Review of Investment in the Company)
- Agree and implement a new distribution policy with WEL Networks Ltd based on an agreed dividend policy
- Find a balance between commercial outcomes and the social and growth aspirations of the community – explore a multiple bottom line approach to measuring success including supporting initiatives such as OurPower to provide consumers with lower electricity costs
- Determine and implement targets and measures to ensure the Trust’s intentions to ensure lower prices to electricity customers are being delivered over time
- Determine capital structures that best fit the Trust’s purpose and strategic intent, now and into the future

Portfolio Investments

The investment objective of the Investment Portfolio with Russell Investments is to:

- Generate a pre-tax return of between 4.5%-5.5% including capital growth
- Carry out the above while keeping the risk of a reduction in the value of the investment by more than 20% to a minimum
- Investigate Responsible Investment options for the Trust’s portfolio

Mission Related Investments

- Within the requirements of the Trust SIPO, and with attention to appropriate due diligence in the measurement of both financial and non-financial risk and return, we intend to investigate opportunities to engage in Social and Impact Investment
- We will look to identify opportunities for the Trust to work with others and use its investments to impact on regional priority areas as identified through Council LTPs and Vital Signs
- We will continue to support the wider ecosystem for Impact Investment
- We will look to integrate Social and Impact Investment into our review of distributions strategy
- This will require the development of clear policy and processes for the management of the Trust's Mission Related Investments
- Attention will also be paid to sourcing and developing the appropriate skills and experience required by the Trust to support Mission Related Investment decisions

Expected Outcomes

- Achievement of the best fit-for-purpose business structure and expected returns to meet the Trust's long term strategic intent
- Sufficient income to meet our Trust Deed obligations and current strategic intentions
- A financially resilient organisation
- A more 'mission-aligned' portfolio of investment, including the establishment of targets and measures to ensure the Trust's intentions to ensure lower prices to electricity customers are being delivered over time
- The ability to make meaningful investments into the community through distributions and investments with a view to unlocking the 'powerful possibilities' of the region

The **draft** Budget for 2018/19 can be found on page 17.

Working with WEL Networks Ltd

Our Objectives

WEL Networks Ltd, like WEL Energy Trust, aims to support a connected and resilient community. We will continue to support WEL Networks Ltd in the diversification of its investments into areas that will enhance the region's economic and social growth, including WEL's investment in a world-class fibre network that reinforces its position as an innovative and future-focused investor in infrastructure.

The Ultra-Fast Fibre (UFF) network construction was completed in December 2016 and has now connected 46% of homes and businesses in the Waikato region, and is still growing at 2% per month. Further network expansion is also occurring including the installation of fibre in Ngaruawahia, Huntly and Raglan. The network is world class, affordable and provides speeds up to 1 Gigabyte. Empiric evidence shows Fibre-to-the-Home (FTTH) provides improvements in both economic and social conditions in the areas they serve. As this is the future, this network will be a strong earning asset for the community for many decades.

WEL Networks Ltd has developed in-house data analytics expertise to enable better customer services, as well as lower operational costs. This has enabled the development of a retail capability (OurPower) designed to deliver a low-cost energy solution into our region. WEL Networks Ltd has also developed a commercial opportunity to provide data analytic services to other lines companies.

The Trust's intention in working with WEL Networks Ltd is to balance commercial outcomes and growth with the social and cultural aspirations of the community. This involves taking a 'multiple bottom line' approach to investment, with consideration of both profit- and socially-oriented goals (five-year Strategic Plan, page 19).

Our Intentions

- Implement the Owners Expectation Manual (OEM) which was agreed with WEL Networks Ltd in September 2017 to ensure clarity of communications and understanding of governance roles and expectations
- Work with WEL Networks Ltd to implement the dividend policy agreed in the OEM at the end of March 2018
- Support the development of OurPower in any way that the Trust can add value, as we believe it will provide genuine consumer choice and lower prices
- Review the capital structure to ensure it is the best structure to meet the Trust's strategic intent, also considering the core purpose of the Trust to ensure WEL Networks Ltd is a successful company
- Provide a Letter of Expectations (LOE) by August 2018 to communicate Trust strategic priorities in relation to supporting the success of the Company and efficiency of the network, as well as considerations about consumer and community benefit, and performance measures around pricing as below
- Carefully consider any strategic issues raised by the Company, considering the LOE before the Company completes its Strategic Directions Document

Expected Outcomes

- An open, transparent and professional relationship with the Company
- WEL Networks Ltd is both operating as a successful company and delivering competitive returns to WEL Energy Trust, thereby adding value to consumers and the wider community

We foresee significant disruption in the power and communications sectors from new technologies, new business models, and Government regulation or intervention. We must be agile and ready to respond to trigger events.

Working with WEL Networks Ltd, we expect to deliver the following:

Successful Company/ Efficient Network	Electricity Consumer Benefit	Community Benefit
<ul style="list-style-type: none"> • Best in class in terms of efficiency, taking into account price, safety and network reliability. • Finding a balance between commercial outcomes and the social growth aspirations of the community - a multiple bottom line approach to measuring success (clear targets and measures for pricing over time). • Increased resilience - ability to diversify activities and invest in new technologies, and to re-invest in infrastructure. • Company in a position of strength, agile and able to respond to opportunities and threats. 	<ul style="list-style-type: none"> • Transparency in pricing, and lower prices. • Consumer Choice - Power to the people through OurPower and other initiatives. • Increased ability for consumers to control peak usage and reduce electricity costs. • Targeting benefit to those who are most in need. • Ability to share savings peer to peer. • Supporting business with flexible options and increased responsiveness - more customer focussed service. • Increasing access to new technologies and models to reduce pricing. 	<ul style="list-style-type: none"> • Kaitiakitanga - guardianship of both community assets and value for present and future generations. • Clarity about long term growth expectations for the value of Trust assets. • Finding new ways of investing in the Community, innovating and backing new ideas to find new solutions to old problems. • Increased investment in the Community enabled through dividends to the Trust.

Working with our Capital Beneficiaries

Our Objectives

The Trust acknowledges the relationship it has with its Capital Beneficiaries; Hamilton City Council (63%), Waikato District Council (35%) and Waipa District Council (2%) (as mandated by the Trust Deed). The Trust is committed to working with Capital Beneficiaries in developing those relationships.

Our Intentions

- To engage with Capital Beneficiaries around suitable priority projects for application to the Trust's Community Support grants rounds (March, June and September)
- To consult on the development of the Trust's draft Annual Plan and to take submissions on this, as well as the draft Annual Budget
- Trust management will maintain a working relationship with appropriate members of the Council management team
- We will work to ensure that the Trust understands community priorities (including through Capital Beneficiary Long Term Plans) to contribute effectively to the strategic direction, goals and aspirations of the community

Expected Outcomes

- WEL Energy Trust and our respective Capital Beneficiary Councils enjoy a culture of mutual trust, respect and understanding
- We will have established a shared understanding of the Capital Growth value expectations for the Group over time
- This includes working strategically together to create a forward thinking, vibrant and connected community

Communications and Relationships

Our Objectives

- The Trust aims to openly and fairly listen to and consider the opinions of each other, and our stakeholders in the community
- We aim to engage in clear, constructive communication where we create understanding through open and informative engagement, and to provide relevant information
- We will listen well, and develop a range of partnerships and collaborations with our stakeholders as appropriate – by working together more we believe we can have greater impact

Our Intentions

WEL Energy Trust will **provide information** in a number of ways:

1. We will keep the new website www.welenergytrust.co.nz up-to-date with relevant content and ensure the Trust Deed, Annual Report, Annual Plan and other pertinent information is kept publicly accessible.
2. The Annual Plan will be made available for public consultation no later than early March 2018.
3. All formal meetings of the Trustees are advertised in two local newspapers and are open for the public to attend. Trustees retain the right to discuss matters of a private or sensitive nature with the public excluded.
4. The Trust will hold an Annual General Meeting towards the end of July 2018 (within five months of the Trust's balance date of 31 March 2018). The AGM will disclose financials, Auditors' Report and a summary of activities.
5. The Trust will maintain a communications plan which will include distributing communications during the year through various media to keep the beneficiaries and the community informed.

Partnership and Collaboration will be encouraged in many ways:

1. Increasing use of 'round table' reporting for grantees in related areas.
2. Consultation with sector groups and regional research to inform granting decisions.
3. Active participation in the Community Funders Group (Chair, Deputy Chair and Trust Manager), Managers' groups and Community Funders' Forums.
4. Community engagement by staff and Trustees with community groups and support organisations.
5. Engagement with Capital Beneficiaries on their annual and long term strategic goals as appropriate, as well as the strategic intentions of the Trust.

6. Participation by staff and Trustees in relevant sector conferences and training, such as Electricity Trusts of New Zealand and Philanthropy New Zealand.
7. Participation on working or steering groups where we can add value, particularly with multi-year or 'partnership' organisations.
8. Financial and practical support of Vital Signs community collaborative research.
9. Looking for new ways to work with funders, Local Government, community groups and other stakeholders to make an impact in agreed regional priority areas.
10. Consultation as required by the Trust Deed for any proposed changes to the Trust Deed.
11. Work more closely with WEL Networks Ltd on areas where we can together enhance the connectedness and resilience of the community, and where outcomes affect the Group, such as the development of OurPower.

Expected Outcomes

It is expected that our community will:

- Be well informed and be kept abreast of WEL Energy Trust activities
- Understand how our activities relate to our purpose and how we add value to the community (this includes consideration of the Trust's requirements under the Trust Deed to ensure the success of the Company, and to have regard to both consumer and community benefit)
- Continue to have faith in the work we are doing in preserving capital and supporting a forward thinking, vibrant, connected community

It is expected the Trust will:

- Ensure robust relationships are in place with key funders and stakeholders
- Maintain active partnerships and be engaged strategically in regional matters where it can add value

Distributions

Our Objectives

The objective of our grants and investment in the community is to maximise long term impact by being strategic and transformative. The Trust does this in three ways:

- A. Grants (or distributions) including Community Support Grants (\$5,000 and above) and Quick Response Grants (up to \$5,000)
- B. Though a “toolbox” of other support, such as through the Convening and Organisational Development Fund
- C. Mission Related Investment – such as Community Loans

The details of our Community Investment Strategy can be found on the Trust Website.

Broadly speaking, there are four main strategic focus areas for the Trust for distributions in the current strategy, which have the following objectives:



The existing 2015-2019 Community Investment Strategy will be applied during 2018/19.

During 2018/19 the Trust will conduct a compressive review of the Distributions/Community Investment strategy based on our General Theory of Change (page 4). This will include clarifying our purpose, principles and process, and identifying priorities for the next three to five years.

Our Intentions

The 2015 to 2019 Community Investment Strategy is now embedded and is delivering an effective and sustainable investment model for our community. This model will be applied during 2018/19.

We recognise that innovation and new thinking is required to deliver simple and practical solutions for our community's greatest challenges in future. We also recognise that transition between old and new ways requires understanding, compassion and bravery.

It is our intention to build on the best practice in our current strategy and to conduct a full review of the Trust's Community Investment Strategy during 2018/19, based on our General Theory of Change (page 4).

The Trust will clarify the PURPOSE, PRINCIPLES, and PROCESS, and identify PRIORITIES for the next three to five years:

1. CLARIFY THE PURPOSE
 - WHERE are we now? WHERE are we going?
 - WHY do we do what we do? (Related to the Trust's Vision)
2. CLARIFY THE PRINCIPLES (AND PROCESS)
 - HOW do we do it? HOW do we behave? (Applying Trust Values)
 - WHAT role do we play in the community that others don't? (Objectives)
3. CLARIFY PRIORITIES
 - The Trust will establish the key priority areas for the next three to five years, with specific Theories of Change for each
 - Three to Five Year Goals and KPIs

As part of this comprehensive process the Trust will consider:

- Requirements of the Trust Deed and strategic intent of the Trust's five-year strategic plan (page 19)
- Stakeholders voice: Key considerations include Trustees' vision, current operations and depth of experience (we will consult with the community, Capital Beneficiaries, the Company and other stakeholders)
- Financial Assessment: Statement of Investment Policies and Objectives (SIPO)
- Existing and potential alliances, e.g., with WEL Networks Ltd, community organisations, umbrella groups, Local and Central Government, business, other funders, Capital Beneficiaries, educational institutions, etc
- Trust Deed: Changes required to enable purpose, principles and process
- Activities: Grantmaking (how grants are made)/investment management, etc;
- Governance: Structure/development needs
- Staffing: Structure/development needs

Expected Outcomes

- The distribution during 2018/19 of approximately \$2,530,000 to organisations and projects that meet Trust criteria and benefit the Community in the Trust Region
- The development of a new three to five-year Community Investment Strategy that reflects our General Theory of Change (page 4)
- The development of policies and processes for other options that are available to the Trust in respect of investment into the community, such as Social or Impact Investment, in addition to the existing Community Loan programme
- Contribution to greater cohesion and cooperation by working together more with other funders, umbrella groups and other stakeholders

Annual Distribution Plan 2018/19

Grants and Other Support

Distribution Area	Allocation
Quick Response Grants	\$400,000
Energy Efficiency and Healthier Homes	\$250,000
Flourishing Families/Liveability	\$1,000,000
Enhancing Image/Community Pride	\$500,000
Business/Economic Development	\$300,000
Convening and Organisational Development	\$80,000
Vital Impact Grants	TBC
Total Distributions	\$2,530,000

Investments

Community Loans Fund	
<i>Subject to the Trust's Community Loans Policy</i>	
Total available for Community Loans 2018/19	\$1,179,000

Social and Impact Investment	
<i>Subject to Trust approval and availability of funds \$377,000 budgeted from 2016/17 special dividend.</i>	
Total available for Social Investment Projects 2018/19	\$377,000*

* This amount will be used for Social and Impact Investment, either as an Impact Investment or a Vital Impact grant.

2018/19 Budget

Financial Performance

	<i>previous budget</i>	<i>actual/ projected</i>	<i>draft</i>
Details	2017/18	2017/18	2018/19
Income			
Interest Earned	\$2,504,407	\$2,499,594	\$2,495,394
Portfolio Return	\$443,475	\$1,250,000	\$663,950
Dividend Received	\$350,000	\$548,234	\$350,000
Other Income	\$0	\$13,841	\$0
Total income	\$3,297,882	\$4,311,669	\$3,509,344
Expenditure			
Staff Costs	\$283,986	\$284,991	\$350,100
Management & Administration	\$97,238	\$93,187	\$103,830
Governance / Representation	\$289,674	\$268,632	\$309,363
Election	\$181,500	\$176,232	\$0
Communications	\$25,000	\$23,718	\$32,200
WEL Networks Shareholding	\$121,500	\$90,089	\$101,750
Distribution related costs	\$20,300	\$18,944	\$14,300
Special Projects	\$0	\$0	\$15,000
Audit Fees	\$26,000	\$25,446	\$26,000
Depreciation	\$9,691	\$6,491	\$6,100
Loss/(Gain) on loan revaluation	-\$15,390	-\$20,890	-\$20,000
Total Expenditure	\$1,039,499	\$966,840	\$939,263
Net surplus / deficit	\$2,258,383	\$3,344,830	\$2,570,081
Distributions	\$2,900,000	\$2,977,872	\$2,530,000
Net surplus / deficit after distributions	-\$641,617	\$366,958	\$40,081
Tax Expense	-\$230,097	-\$183,945	-\$24,227
Total net surplus / deficit after tax	-\$411,520	\$550,903	\$64,308
Capital Expenditure	\$5,100	\$0	\$9,000

Financial Position

	<i>previous budget</i>	<i>actual/ projected</i>	<i>draft</i>
Details	2017/18	2017/18	2018/19
Income Fund			
Retained Earnings	\$86,335,015	\$87,657,407	\$87,721,716
Total Income Fund	\$86,335,015	\$87,657,407	\$87,721,716
Capital Fund			
Vested Capital	\$52,066,788	\$52,066,788	\$52,066,788
Total Capital Fund	\$52,066,788	\$52,066,788	\$52,066,788
Total Trust Funds	\$138,401,803	\$139,724,195	\$139,788,504
Represented by			
Current Assets	\$11,815,845	\$13,902,197	\$13,393,721
Fixed Assets & Intangibles	\$16,029	\$14,200	\$15,283
Community Loans	\$930,435	\$830,419	\$692,938
Social Impact Investment/Grants			
Contingency	\$377,000	\$0	\$377,000
WEL Networks Convertible Notes	\$39,000,000	\$39,000,000	\$39,000,000
Shares in WEL Networks	\$85,796,998	\$85,796,998	\$85,796,998
Long-Term Loan Momentum			
Foundation	\$235,399	\$235,399	\$251,865
Deferred Tax Asset	\$230,097	\$236,470	\$260,698
Accounts Payable & Accruals	\$0	-\$291,488	
Provisional Grants	\$0	\$0	
Total	\$138,401,803	\$139,724,195	\$139,788,504

Five-Year Strategic Plan 2017-21



'Working together, working smarter, to grow investment and to unlock the powerful possibilities of our Community, now and into the future.'

GOVERN THE TRUST EFFECTIVELY AND EFFICIENTLY AND BE RESPONSIVE TO OUR COMMUNITY

1.	We recognise the need to align our resources with our strategic intent, and to regularly monitor and review our investments and practices.
2.	The Trust believes that retaining a controlling interest in WEL Networks is beneficial in ensuring the Company retains a strong sense of social responsibility, and in growing investment for our community.
3.	We'll continue to review investments and business structures to ensure they are the best fit for purpose, including providing the level of liquidity the Trust requires to action its strategic intent.
4.	Through a clear Statement of Intent, we'll strive to balance commercial outcomes and growth with the social and cultural aspirations of the Community. This will involve taking a holistic or 'multiple bottom line' approach to investment, with consideration of both profit-related and socially oriented goals.

MAXIMISE LONG TERM IMPACT BY BEING STRATEGIC AND TRANSFORMATIVE

1.	We are a Community Trust with a regional focus and roles to play in terms of both regional leadership and the guardianship of community assets/value.
2.	The Trust wishes to understand the social and cultural aspirations of the Community, and to work collaboratively to make a transformational difference in identified regional priority areas, including economic development.
3.	The Trust focuses on making a long term sustainable difference by giving priority to initiatives and organisations that can demonstrate collaboration and that are impacting or enhancing: <ul style="list-style-type: none"> • Individuals' lives – providing high and/or broad impact • Organisations – capacity building and encouraging collaboration • The Community – preventing issues from occurring • People's views – delivering strong community pride
4.	We will take a balanced view of intergenerational benefit which relates to investment in the Community in the present, over the life of the Trust, as well as the capital value of the Trust's assets at the termination of the Trust.
5.	We aim to leverage grants through partnership and collaboration with community groups, other funders, business, and Local and Central Government to have a greater impact in the region.

EXPAND SUPPORT BEYOND GRANT MAKING

1.	To assist communities in developing their full potential, and to find answers to complex issues and encourage better ways for working together, the Trust will look for new ways to support the economic, social and physical wellbeing of the community.
2.	Our aspiration is to prevent problems from occurring in the first place, and to work together to back the people who are leading positive change, building on existing strengths to move the needle on identified regional priority areas.
3.	We'll ensure the Trust contributes to the dialogue, vision and leadership in the Community, particularly as it relates to the Trust's strategic vision and wider regional priorities.

2018-28 10-Year Plan Engagement Update

9 March 2018



Refresh:

Stages of engagement

- **Pre-formal consultation** – to raise awareness and encourage submissions.
- **Consultation** – formal consultation period seeking community views.
- **Post adoption** – informing the public of final decisions made.

Key dates to get to consultation

2018 timing	Progression point
February/March	Pre-formal engagement: meetings with organisations to encourage them to make submissions.
15 February	Elected member briefing on draft Consultation Document, performance measures, and rates rebates and remissions.
19 February – 16 March	Audit of Consultation Document and underlying supporting information for this and the draft 10-Year Plan.
16 March	AuditNZ give Consultation Document clearance to proceed.
27 March	Council asked to approve the final Consultation Document and supporting information, also Statements of Proposal for development contributions policy and rates policies.
29 March	Consultation Document released to the community and consultation period begins.



Pre-formal engagement

- Pre-formal engagement **seeks to encourage and support** the community to make informed submissions on the issues important to them.
- Pre-formal engagement **is underway**:
 - 5 group sessions completed.
 - 7-8 more are scheduled for March.
- Focuses on identifying the 4 key challenges and encouraging groups to **make submissions** once formal consultation starts.

March 2018

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1	2	3
4	5	6	7	8	9	10
*-New-date-2-be-arranged Waka-Ama-Clubs venue-tbc 12pm-2pm					Seed-Waikato Zeal 5.30-7.30pm	
11	12	13	14	15	16	17
			Sport-Waikato Sports-House Wintec-Rotokauri-Campus 5.30-7.30pm		Property-Council(Waikato) City-Co-op-function-room 10.30-11.30am <u>GoEco-Festival-12.30-2pm</u>	
18	19	20	21	22	23	24
		TBC-date/time YWCA YWCA-Hall	Pukete-Neighbourhood- House Te-Rapa-Sportsdrome 6.30-8.30pm	Kaute-Pasifika-Trust St-Johns-Methodist- Church-3.30-5.30pm		
25	26	27	28	29	30	31
				Friends-of-the-Museum 10am-11.30 Museum-Lecture-Theatre		

Pre-formal engagement

- Questions?
- Feedback?

Consultation

- Council asked to approve audited Consultation Document **27 March 2018**. **There is no lee-way to delay this if we are to consult on time.**
- The Consultation Document is available to the community **29 March 2018**:
 - The Consultation Document, submission form and all supporting information will be available online at www.hamilton.govt.nz/our-council/10-year-plan.
 - Hard copy Consultation Documents and submission forms will be available at the main Council reception and all libraries.
 - People can request a hard copy be mailed to them through our call centre.
- At the same time, ratepayers will be sent a letter showing the change the proposed draft 10-Year Plan budget makes to their rates.

Engagement activity in the consultation period

- During the consultation period staff will operate a **mobile 10-Year Plan information stand**.
- People will be able to **complete an electronic submission** at the stand on a tablet or take home a prompt card to guide them online.
- **Staff will be prepared to respond** to questions and be able to **connect people** with their elected members or technical staff to answer specific questions.
- Commonly asked **key questions and answers** from the information stands and emails will be published on the **Council's website**.

Mobile information stand: Schedule for April

- See attached.
- Any other venues to consider?

Engagement with Iwi

- Waikato Tainui
 - Will confirm how they wish to be engaged.
- Mana Whenua (hapu within Hamilton)
 - Through the normal monthly meeting in April. Date to be confirmed.
- Maataawaka (Runanga)
 - Through an open discussion meeting in April. Date to be confirmed.

Rates Calculations



 **Hamilton City Council**
Te kaunihera o Kirikiriroa

What rates get 9.5%?

	2018/19	2019/20	
UAGC	\$500	\$547.50	\$500.00
Gardens rate	\$11.50	\$12.60	OR \$11.50
General rate	9.5%	9.5%	12.3%

 **Hamilton City Council**
Te kaunihera o Kirikiriroa

Annual Increases

Increase the fixed charges from year 2 onwards?

	General rate, UAGC and Hamilton Gardens rate all increase by 9.5%	UAGC \$500 Hamilton Gardens \$11.50 General Rate increase 12.3%
 CV \$325,000	9.5%	9%
 CV \$405,000	9.5%	9.5%
 CV \$520,000	9.5%	10%

Remissions – core services

- Remissions to properties not able to provide either water, wastewater or refuse.
- Proposal
 - Introduce Remission Cap

Non-Rateable Property

- The Local Government Rating Act specifies categories of non-rateable land.
- Non-rateable properties can be charged for water, wastewater or rubbish collection should they receive these services.
- Council extends this rating treatment to not for profit community organisations who provide community benefits.



Change in calculation req'd?

- 455 properties

Hospital / University / Wintec / Schools / Churches / Community groups

Land value + fixed charge currently



Proposal

Land Value + Capital Value? 65% / 35%?

- 85 properties increase



Comparisons

Sewerage rates

Hospitals	2017/18 rates	
Waikato Hospital	647 beds	\$ 46,000
Rotorua Hospital	233 beds	\$ 80,000
Tauranga Hospital	360 beds	\$ 121,000
Wellington Hospital	484 beds	\$ 223,000
Christchurch Hospital	650+ beds	\$ 278,000
Burwood Hospital	230 beds	\$ 70,000

Tertiary	2017/18 rates
University of Waikato	\$ 77,000
Wintec (CBD)	\$ 32,000
Massey University	\$ 236,000
Canterbury University	\$ 504,000

Intermediate Schools	2017/18 rates
Fairfield Intermediate	\$ 4,495
Melville Intermediate	\$ 2,943
Peachgrove Intermediate	\$ 4,256
Mount Maunganui Intermediate School	\$ 8,757
Tauranga Brookfield Primary School	\$ 8,006

Often larger properties can be rated over a number of assessments. Information above is inclusive of main assessments and rounding applies.

High Schools	2017/18 rates
Hamilton Boys High School	\$ 11,992
Fraser High School	\$ 6,071
Hillcrest High School	\$ 8,351
Hamilton Girls High School	\$ 8,315
Tauranga Boys' College	\$ 19,015
Tauranga Girls' College	\$ 17,514
Christchurch Boys High	\$ 25,188
Christchurch Girls High	\$ 15,975

Primary Schools	2017/18 rates
Te Rapa Primary School	\$ 2,180
Endeavour School	\$ 4,018
Tauranga primary school	\$ 8,006
Mount Maunganui Primary School	\$ 6,755

Top 20 changes

Property Address	Land Value	Capital Value	Ratepayer / Property	2017/18 RATES	NEW RATES LV65%, CV 35%	CHANGE
183 Pembroke Street	11,500,000	523,700,000	Waikato District Health Board	27,893	212,253	184,360
Knighton Road	19,465,000	234,110,000	University of Waikato	46,911	117,854	70,944
Anglesea Street	11,988,000	91,860,000	Waikato Institute of Technology	29,059	53,220	24,162
Avalon Drive	4,350,000	58,350,000	Waikato Institute of Technology	10,822	28,570	17,748
660 River Road	4,950,000	43,750,000	Waikato Diocesan School For Girls	12,255	24,129	11,874
Hillcrest Road	8,780,000	50,690,000	University of Waikato	21,399	32,839	11,440
28 Kelvin Place	4,840,000	37,990,000	Hamilton Boys High School	11,992	21,821	9,829
77 Hukanui Road	7,880,000	42,170,000	St Pauls Collegiate	19,250	28,243	8,993
141 Masters Avenue	3,315,000	27,770,000	Hillcrest High School	8,351	15,593	7,242
72 Ellicott Road	2,360,000	25,560,000	Fraser High School	6,071	13,244	7,173
Ruakiwi Road	3,300,000	23,160,000	Hamilton Girls High School	8,315	13,863	5,548
200 Peachgrove Road	4,390,000	24,160,000	Southwell School	10,918	15,981	5,064
254 Ohaupo Road	4,280,000	22,800,000	Te Whananga O Aoteroa	10,655	15,301	4,646
20 Ohaupo Road	1,990,000	16,170,000	Melville High School	5,187	9,175	3,988
52 Clyde Street	1,520,000	12,280,000	Sacred Heart College	4,065	6,982	2,917
25 Bankwood Road	5,750,000	20,140,000	Fairfield College	14,165	16,674	2,510
261 Clarkin Road	1,700,000	11,500,000	Fairfield Intermediate School	4,495	6,982	2,487
Pembroke Street	2,635,000	13,015,000	Waikato District Health Board	6,727	9,042	2,315
32 Tainui Street	2,470,000	12,200,000	Cancer Society	6,333	8,476	2,143
134 Rotokauri Road	1,060,000	9,140,000	Nga Taiatea Wharekura	2,967	5,082	2,116

Community Key Projects

River Plan Update



River Plan Update: Agenda

- Wayfinding Strategy
- Vegetation Management Plan
- CBD Jetty Improvements
- Museum to Grantham Street Accessible Path
- Future Proofing Projects
- External River Plan Website

River Path Wayfinding Strategy

- End Goal
 - People explore the River Path with confidence
- Progress
 - Wayfinding Strategy
 - 7 Signs



New Sign at VOTR

New Sign below VOTR

Renew Sign at Ferrybank

New Sign Bottom of Stairs

New Sign (directional)

Renew Sign on lower level

Renew Sign on lower level

Vegetation Management Plan

- End Goal
 - People engage visually with the river
- Progress
 - Surveyed:
 - Swarbricks Landing to Cobham Drive (east bank)
 - St Andrews Golf Course to Cobham Drive (west bank)
 - Vegetation Clearance



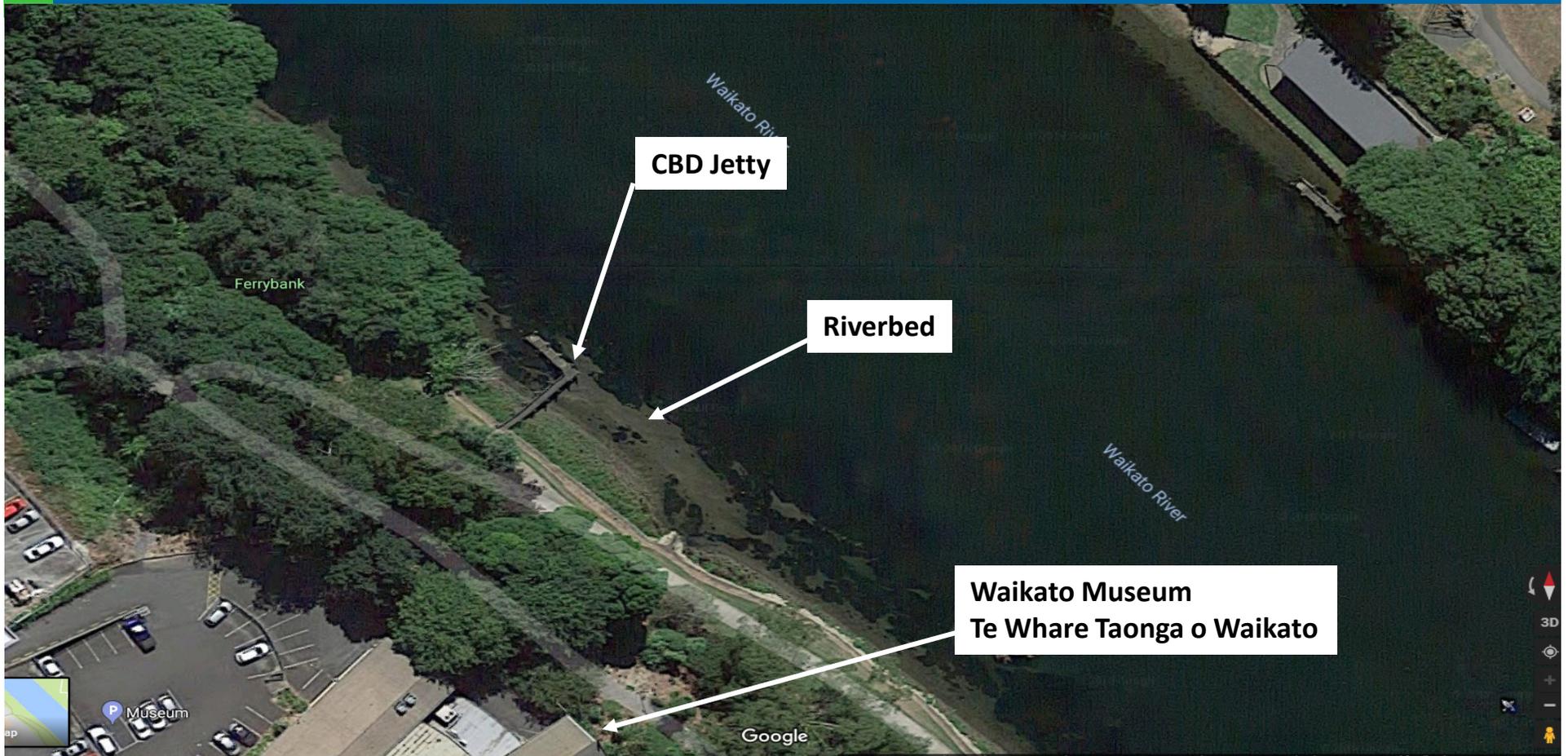
View Window at Novotel

View Window at Memorial

View Window at New Memorial

View Window at Seat

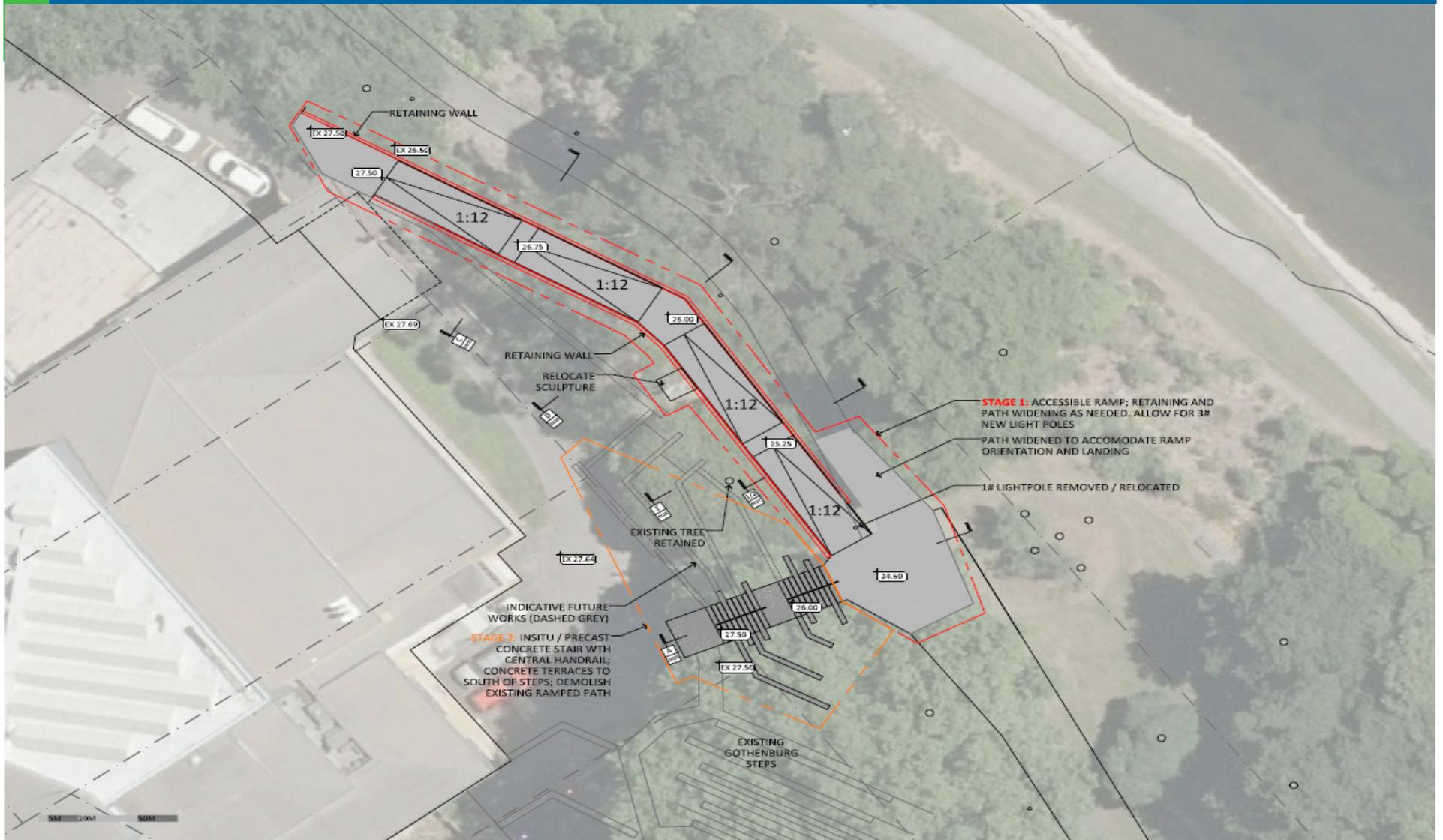
CBD Jetty Improvements



CBD Jetty Improvements

- End Goal
 - Vessels can safely dock at a jetty in the city centre
- Progress
 - Archaeological authority underway
 - Bathymetric survey
 - Currently in design
 - Contractor engagement

Museum to Grantham St Accessible Path



Museum to Grantham St Accessible Path

- End Goal
 - Council's cultural assets are connected by an accessible river path
- Progress
 - Archaeological Authority underway
 - Currently in design
 - Contractor engagement

Future Proofing Projects

- Master Plan
- Furniture and Materials Palette

External River Plan Website

www.hamiltoncityriverplan.co.nz/news



NEWS THE RIVER PLAN THEMES RIVER PLAN SITE DEVELOPMENT IMPLEMENTATION BACKGROUND FEEDBACK/CONSULTATION



LATEST NEWS

- ARTS POST AND MUSEUM
- BRAITHWAITE PARK/PUKETE PA
- CENTRAL CITY MAP
- CLAUDELANDS BRIDGE TO FAIRFIELD BRIDGE
- DAYS' PARK AND SWARBRICKS LANDING
- FERRYBANK
- HAMILTON EAST
- HAMILTON GARDENS/TE PARAPARA PA
- H/VES PADDOCK/WELLINGTON STREET BEACH
- MEMORIAL PARK AND PARANA PARK
- OPOIA AND JESMOND PARK
- ROOSE COMMERCE PARK
- ST ANDREWS GOLF COURSE
- VICTORIA BRIDGE TO CLAUDELANDS BRIDGE



26 August 2016

Ferrybank development is a step closer

A game changing initiative to develop a premier visitor destination alongside the Waikato River in central Hamilton is one step closer after the Council voted to adopt the Ferrybank Development Plan at the August council meeting.

[▶ Read more](#)

www.hamiltoncityriverplan.co.nz/news#