

Agenda for a meeting of the Strategy & Finance Committee to be held in the Council Chambers, District Office, 15 Galileo Street, Ngaruawahia on **WEDNESDAY 27 SEPTEMBER 2017** commencing at **9.00am**.

Information and recommendations are included in the reports to assist the committee in the decision making process and may not constitute Council's decision or policy until considered by the committee.

1. **APOLOGIES AND LEAVE OF ABSENCE**
2. **CONFIRMATION OF STATUS OF AGENDA**
3. **DISCLOSURES OF INTEREST**
4. **CONFIRMATION OF MINUTES**
 Meeting held on Wednesday 23 August 2017 2
5. **REPORTS**
 - 5.1 Financial Review of Key Projects 14
 - 5.2 Presentation of the Annual Report 2016/17 and Summary 19
Attachments to be circulated
 - 5.3 Financial performance summary for the period ending 31 August 2017 22
 - 5.4 Civic Financial Services Limited Half Yearly Accounts to 30 June 2017 24
 - 5.5 Library – Cost Incurring Reciprocal Agreements 29
 - 5.6 Tamahere Recreation Reserve Targeted Rate Consultation 38
6. **EXCLUSION OF THE PUBLIC** 50

GJ Ion
CHIEF EXECUTIVE
 Agenda2017\S&F\190927 S&F OP.dot

Open Meeting

To	Strategy & Finance Committee
From	Gavin Ion Chief Executive
Date	25 August 2017
Prepared by	Rose Gray Council Support Manager
Chief Executive Approved	Y
Reference #	GOV1301
Report Title	Confirmation of Minutes

1. EXECUTIVE SUMMARY

To confirm the minutes of the Strategy & Finance Committee meeting held on Wednesday 23 August 2017.

2. RECOMMENDATION

THAT the minutes of a meeting of the Strategy & Finance Committee held on Wednesday 23 August 2017 be confirmed.

3. ATTACHMENTS

Minutes

MINUTES for a meeting of the Strategy & Finance Committee of the Waikato District Council held in the Council Chambers, District Office, 15 Galileo Street, Ngaruawahia on **WEDNESDAY 23 AUGUST 2017** commencing at **9.04am**.

Present:

Cr JM Gibb (Chairperson)
His Worship the Mayor Mr AM Sanson [from 9.27am until 12.40pm]
Cr A Bech [until 12.40pm and from 12.44pm]
Cr JA Church
Cr DW Fulton
Cr S Henderson
Cr SD Lynch
Cr RC McGuire [until 12.31pm and from 12.40pm]
Cr FM Mclnally
Cr BL Main
Cr EM Patterson
Cr NMD Smith
Cr LR Thomson

Attending:

Mr GJ Ion (Chief Executive)
Mr T Whittaker (General Manager Strategy & Support)
Mr T Harty (General Manager Service Delivery)
Mrs S O’Gorman (General Manager Customer Support)
Mrs R Gray (Council Support Manager)
Mr K Stokes (Strategic Planner)
Mr C Morgan (Economic Development Manager)
Mrs J Vernon (Strategic Planning and Resource Management Team Leader)
Mrs D Dalbeth (Business Analyst)
Mr B MacLeod (Chair Raglan Community Board)
Mr J Dawson (Chief Executive Hamilton & Waikato Tourism)
Ms K Bredenbeck (General Manager Waikato Enterprise Agency)
Mr W Hawken (President Raglan Volunteer Coastguard)
Mr S Soanes (Raglan Volunteer Coastguard)
Mr C Dawson (Planning Project Manager Bloxham Burnett & Oliver)
Mr S Foster (Bloxham Burnett & Oliver)
Mr B Tidmarsh
Mr B Cameron
Mr S Jackson
17 staff members
2 members of the public

APOLOGIES AND LEAVE OF ABSENCE

Resolved: (Crs Church/Smith)

THAT an apology be received from Cr Sedgwick.

CARRIED on the voices

S&F1708/01

CONFIRMATION OF STATUS OF AGENDA ITEMS

Resolved: (Crs Lynch/Thomson)

THAT the agenda for a meeting of the Strategy & Finance Committee held on Wednesday 23 August 2017 be confirmed and all items therein be considered in open meeting with the exception of those items detailed at agenda item 7 which shall be considered with the public excluded;

AND THAT all reports be received;

AND FURTHER THAT in accordance with Standing Order 9.4 the order of business be changed with items being considered as appropriate during the course of the meeting;

AND FURTHER THAT the Chair of the Raglan Community Board be given speaking rights for the duration of the open section of this meeting.

CARRIED on the voices

S&F1708/02

DISCLOSURES OF INTEREST

There were no disclosures of interest.

CONFIRMATION OF MINUTES

Resolved: (Crs Main/Thomson)

THAT the minutes of a meeting of the Strategy & Finance Committee held on Wednesday 28 June 2017 be confirmed as a true and correct record of that meeting.

CARRIED on the voices

S&F1708/03

RECEIPT OF COMMITTEE MINUTES**Resolved: (Crs Main/Bech)****THAT the minutes of a meeting of the Audit & Risk Committee held on Wednesday 5 July 2017 be received.****CARRIED on the voices****S&F1708/04****REPORTS**Hamilton & Waikato Tourism – 2016-2017 Annual Report to Waikato District Council
Agenda Item 6.1

The report was received [S&F1708/02 refers].

The Chief Executive, Mr Dawson (Hamilton & Waikato Tourism), spoke to a powerpoint presentation and answered questions of the committee.

Waikato Enterprise Agency – Raglan and Huntly iSITE Operational Report for July to June 2017

Agenda Item 6.2

The report was received [S&F1708/02 refers.]

An updated attachment was circulated prior to the meeting for consideration. Ms Bredenbeck, General Manager Waikato Enterprise Agency, spoke to this document and answered questions of the committee.

His Worship the Mayor entered the meeting at 9.27am during discussion on the above item.

Raglan Volunteer Coastguard – Raglan Wharf Occupation
Agenda Item 6.3

The report was received [S&F1708/02 refers].

Mr Hawken and Mr Soanes presented. The Chief Executive provided an overview on the grants and funding of three services through the Regional Services Fund.

Resolved: (Crs Smith/Fulton)**THAT Council request His Worship the Mayor to discuss the issue with the Mayoral Forum and others as required, indicating his concern that the expected outcome has not been achieved and a report be provided to the September 2017 Strategy & Finance meeting.****CARRIED on the voices****S&F1708/05**

Proposed Withdrawal of the Notified Plan Change 16, (Stage 1 of the Tuakau Structure Plan)
Agenda Item 6.6

The report was received [S&F/708/02 refers].

The Strategic Planning and Resource Management Team Leader took the report as read and spoke of two issues:

- advised that if PC16 was to continue, a hearing would be held 6, 7, 8 November 2017 with an independent commissioner
- acknowledged an email from Mr Leigh Shaw, Planner, regarding an option to 'do nothing' with PC16, to 'leave it to lie on the table' and when the proposed District Plan is notified, the Plan Change would be superceded.

Mr Cameron, Mr Jackson and Mr Tidmarsh presented.

Motion: (Crs Smith/McGuire)

THAT it be recommended to Council that Plan Change 16 lie on the table and the intent of Plan Change 16 be included in the Proposed District Plan Review.

Amendment: (Crs Fulton/Bech)

THAT Plan Change 16 be withdrawn.

The amendment was PUT on a division:

Cr Bech - Favour
 Cr Church - Against
 Cr Fulton - Favour
 Cr Henderson - Against
 Cr Lynch - Against
 Cr McGuire - Against
 His Worship the Mayor Mr Sanson - Against
 Cr McNally - Against
 Cr Main - Against
 Cr Patterson - Against
 Cr Smith - Against
 Cr Thomson - Against
 Cr Gibb – Against

The amendment was PUT and LOST 11 voting Against and 2 voting in Favour.

The original motion was **PUT** on a division:

Cr Bech - Against
 Cr Church - Favour
 Cr Fulton - Against
 Cr Henderson - Favour
 Cr Lynch - Favour
 Cr McGuire - Favour
 His Worship the Mayor Mr Sanson - Favour
 Cr McNally - Favour
 Cr Main - Favour
 Cr Patterson - Favour
 Cr Smith - Favour
 Cr Thomson - Favour
 Cr Gibb – Favour

The original motion was PUT and CARRIED on a division 11 voting in Favour and 2 voting Against.

S&F1708/06

EXCLUSION OF THE PUBLIC

Agenda Item 7

The report was received [*S&F1708/02 refers*].

Resolved: (Crs Thomson/Lynch)

THAT the public be excluded from the meeting to enable the Strategy & Finance Committee to deliberate and make decisions on the following items of business:

Confirmation of Minutes dated Wednesday 28 June 2017

Receipt of Minutes:

Audit & Risk Committee dated Wednesday 5 July 2017

REPORTS

a. Economic Development Update

This resolution is made in reliance on section 48(1)(a) and 48(2)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by sections 6 or 7 of that Act which would be prejudiced by the holding of the whole or the relevant part(s) of the proceedings of the meeting in public are as follows:

Reason for passing this resolution to withhold exists under: **Ground(s) under section 48(1) for the passing of this resolution is:**

Section 7(2)(f)(i)(h)(i)(j)

Section 48(1)(3)(a)(d)

b. Request by Pokeno Village Holdings Ltd for a Private Plan Change for the Graham Block, Pokeno – Plan Change 21

This resolution is made in reliance on section 48(1)(a) and 48(2)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by sections 6 or 7 of that Act which would be prejudiced by the holding of the whole or the relevant part(s) of the proceedings of the meeting in public are as follows:

Reason for passing this resolution to withhold exists under: **Ground(s) under section 48(1) for the passing of this resolution is:**

Section 7(2)(b)(ii)

Section 48(1)(a)(3)(a)(i)(ii)

c. Request for a Private Plan Change 20 by Lakeside Development Limited

This resolution is made in reliance on section 48(1)(a) and 48(2)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by sections 6 or 7 of that Act which would be prejudiced by the holding of the whole or the relevant part(s) of the proceedings of the meeting in public are as follows:

Reason for passing this resolution to withhold exists under: **Ground(s) under section 48(1) for the passing of this resolution is:**

Section 7(2)(b)(ii)

Section 48(1)(a)(3)(a)(i)(ii)

d. Waikato Regional Airport Ltd (WRAL)

This resolution is made in reliance on section 48(1)(a) and 48(2)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by sections 6 or 7 of that Act which would be prejudiced by the holding of the whole or the relevant part(s) of the proceedings of the meeting in public are as follows:

Reason for passing this resolution to withhold exists under: **Ground(s) under section 48(1) for the passing of this resolution is:**

Section 7(2)(a)

Section 48(1)(a) (3)(a)(i)(ii)

CARRIED on the voices

S&F1708/07

EXCLUSION OF THE PUBLIC

Agenda Item 7

(Resolved: Crs Smith/Church)

THAT Mr Dawson and Mr Foster, Bloxham Burnett & Oliver, remain in the meeting to facilitate discussion on agenda item PEX 3.3 [Request for a Private Plan Change 20 by Lakeside Development Limited].

CARRIED on the voices

S&F1708/08

The meeting adjourned at 10.53am and resumed at 11.12am in the public excluded section of the meeting.

Resolutions S&F1708/09 – S&F1708/14 are contained in the public excluded section of these minutes.

Having concluded the public excluded section of the meeting, the following items were released into open meeting and consideration of reports continued.

REPORTS (CONTINUED)

Request by Pokeno Village Holdings Ltd for a Private Plan Change for the Graham Block, Pokeno – Plan Change 21

Agenda Item PEX 3.2

It was resolved [Resolution No. S&F1708/09] during the public excluded section of the meeting that the following resolution be released into open meeting but the report remain confidential and unavailable to the public:

'Resolved: (Crs Smith/His Worship the Mayor)

THAT the Strategy & Finance Committee support this report entitled "Request by Pokeno Village Holdings Ltd for a Private Plan Change for the Graham Block, Pokeno – Plan Change 21", dated 4 August 2017 being presented to Council at its meeting on 23 August 2017;

AND THAT the Strategy & Finance Committee recommends that Council accepts the request for Plan Change 21 – Graham Block in whole and proceed to notify the request, pursuant to clause 25(2)(b) of the First Schedule to the Resource Management Act 1991;

AND FURTHER THAT the recommendation be released into open meeting but the report remain confidential and unavailable to the public.

CARRIED on the voices

S&F1708/09'

Request for a Private Plan Change 20 by Lakeside Development Limited
Agenda Item PEX 3.3

It was resolved [Resolution No. S&F1708/10] during the public excluded section of the meeting that the following resolution be released into open meeting but the report remain confidential and unavailable to the public:

'Resolved: (Crs Lynch/McGuire)

THAT the Strategy & Finance Committee recommends that Council accepts the request for Private Plan Change 20 – Lakeside Development Limited in whole and proceed to notify the request, pursuant to clause 25(2)(b) of the First Schedule to the Resource Management Act 1991;

AND THAT the recommendation be released into open meeting but the report remain confidential and unavailable to the public.

CARRIED on the voices

S&F1708/10'

Economic Development Update
Agenda Item 6.16

The report was received [S&F1708/02 refers]. The Economic Development Manager spoke of key issues in the report.

Financial Review of Key Projects
Agenda Item 6.4

The report was received [S&F1708/02 refers] and discussion was held.

Resolved: (His Worship the Mayor/Cr Main)

THAT the following list of projects be approved as Key Projects for 2017/2018:

- **Ngaruawahia Council office upgrade construction (carry forward)**
- **Tamahere recreation reserve project**
- **Raglan stormwater reticulation extensions (carry forward)**
- **Ngaruawahia Kent Street / George Street stormwater network upgrades (carry forward)**

- **New reservoirs for Huntly, Central District and Hopuhopu and Pokeno reservoir sites (carry forward)**
- **Land purchases for Pokeno, Central District and Hopuhopu reservoir sites (carry forward)**
- **Tuakau water supply reticulation extensions**
- **Pokeno wastewater scheme construction - Stage 2 (carry forward)**
- **Huntly wastewater treatment plant upgrade (carry forward)**
- **Meremere wastewater treatment plant upgrade**
- **Raglan wastewater treatment plant upgrade**
- **Pokeno stormwater reticulation extensions**
- **SCADA improvements.**

CARRIED on the voices

S&F1708/15

New National Environmental Standard for Plantation Forestry
Agenda Item 6.5

The report was received [S&F1708/02 refers] and discussion was held.

Submission on Draft Future Proof Planning Growth - He Whakakaupapa Whanaketanga
Agenda Item 6.7

The report was received [S&F1708/02 refers].

The Strategic Planner provided a brief overview.

His Worship the Mayor and Cr Fulton declared a conflict of interest in this item and withdrew from the table.

Resolved: (Crs Church/Patterson)

THAT the Waikato District Council submission on the Draft Future Proof Strategy Planning for Growth – He Whakakaupapa Whanaketanga be recommended to Council for retrospective approval (it is noted that the submission has been sent to Council Submission Committee);

AND THAT the Strategy & Finance Committee nominate His Worship the Mayor, or alternate, to speak to the Waikato District Council submission when the hearing schedule is confirmed by Future Proof.

CARRIED on the voices

S&F1708/16

Community Engagement Update
Agenda Item 6.8

The report was received [S&F1708/02 refers] and discussion was held.

General Rate Position for the Year Ended 30 June 2017
Agenda Item 6.9

The report was received [S&F1708/02 refers].

The Finance Manager provided a brief overview.

Resolved: (Crs Church/Smith)

THAT the Strategy & Finance Committee recommends to Council that ten new budget items (totalling \$1,228,435) in 2017/18 be funded by the 2016/17 surplus of \$1,030,889 with the balance of \$197,546 to come from the general accounting reserve fund;

AND THAT a funding solution be found for a new recording system, approximately \$60,000, for the Council Chambers.

CARRIED on the voices

S&F1708/17

Cr McGuire withdrew from the meeting at 12.31pm during discussion on the above item and was not present when voting took place.

Summary of Movements in Discretionary Funds to 31 July 2017
Agenda Item 6.10

The report was received [S&F1708/02 refers] and discussion was held.

Youth Engagement Update – August 2017
Agenda Item 6.11

The report was received [S&F1708/02 refers].

The Planning & Strategy Manager provided a brief overview and will review the strategy with the community boards.

2016-2017 Non-Financial Performance Report
Agenda Item 6.12

The report was received [S&F1708/02 refers].

The Business Analyst provided a brief overview.

Proposed National Environmental Standard for the Outdoor Storage of Tyres
Agenda Item 6.13

The report was received [*S&F/1708/02 refers*].

The Senior Environmental Planner provided a brief overview.

Summary of Procurement Savings for the Financial Year 2016-2017
Agenda Item 6.14

The report was received [*S&F/1708/02 refers*] and discussion was held.

His Worship the Mayor and Cr Bech retired from the meeting at 12.40pm during discussion on the above item. Cr McGuire re-entered the meeting at 12.40pm during discussion on the above item.

Treasury Risk Management Policy – Compliance Report at 30 June 2017
Agenda Item 6.15

The report was received [*S&F/1708/02 refers*] and discussion was held.

Cr Bech re-entered the meeting at 12.44pm during discussion on the above item.

There being no further business the meeting was declared closed at 12.45pm.

Minutes approved and confirmed this day of 2017.

JM Gibb
CHAIRPERSON
Minutes2017/S&F/170822 S&F Minutes

Open Meeting

To	Strategy & Finance Committee
From	Gavin Ion Chief Executive
Date	18 September 2017
Chief Executive Approved	Y
Ref #	GOV1318
Report Title	Financial Review of Key Projects

1. EXECUTIVE SUMMARY

To update the Committee on the monitoring and process that has been undertaken during 2017/2018 to ensure that the financial implications of projects are known at an early stage.

2. RECOMMENDATION

THAT the report from the Chief Executive – *Financial Review of Key Projects* - be received.

3. BACKGROUND

The Chief Executive, on an annual basis, provides details on a range of projects to be monitored and reported to the Strategy & Finance Committee. The projects are selected based on value, level of risk and other factors. A series of projects were identified for particular scrutiny during 2017/2018. Regular reports are provided on progress.

4. DISCUSSION AND ANALYSIS OF OPTIONS

4.1 DISCUSSION

Council has been kept fully informed of the financial consequences of the key projects that were identified at the start of the financial year. This is an interim report for the 2017/2018 financial year and supplements monthly reports to the Infrastructure Committee on the detailed projects.

The table attached to this report gives an update on the specific projects that Council wished to be given special consideration. The list was based on the major non-roading projects which Council planned to undertake for 2017/2018, including carry forwards.

Council has chosen not to reduce the upfront risk. This could have been done by investing in advance design work or other scoping work in advance of setting budgets.

It should also be noted that the nature of a number of these projects is that problems are only uncovered when Council undertakes the project. Reticulation issues, for example, are hidden until the pipes are exposed. Topographical and geotechnical issues can also arise in relation to a number of projects.

Councillors should also note that the purpose of this report is to identify progress with key projects from a financial perspective. This simply means that issues are identified earlier so that Council can make decisions before committing Council funds. It does not give certainty around the tender process as this is driven often by market forces, not by the project itself.

4.2 OPTIONS

This report is largely for information only. It is to update Councillors on progress with the financial implications of the key projects identified for the 2017/2018 financial year.

The report contains the latest forecast cost and a comparison to the budget allocation.

Council may consider that other actions should be taken to control costs. The emphasis of the report and the requirement was to identify potential issues and to advise Council so that cost implication could be considered before work proceeds.

Any technical questions about the projects or infrastructure requirements should be addressed at the Infrastructure Committee meeting, not as part of this report.

The following is the list of agreed projects for 2017/2018:

- Ngaruawahia Council office upgrade construction (carry forward)
- Tamahere recreation reserve project
- Raglan stormwater reticulation extensions (carry forward)
- Ngaruawahia Kent Street / George Street stormwater network upgrades (carry forward)
- New reservoirs for Huntly, Central District and Hopuhopu and Pokeno reservoir sites (carry forward)
- Land purchases for Pokeno, Central District and Hopuhopu reservoir sites (carry forward)
- Tuakau water supply reticulation extensions
- Pokeno wastewater scheme construction - Stage 2 (carry forward)
- Huntly wastewater treatment plant upgrade (carry forward)
- Meremere wastewater treatment plant upgrade
- Raglan wastewater treatment plant upgrade
- Pokeno stormwater reticulation extensions
- SCADA improvements

5. CONSIDERATION

5.1 FINANCIAL

All of the projects included in the list form part of the Annual Plan for 2017/2018 or are carry forwards.

5.2 LEGAL

As part of undertaking the work, Council needs to ensure that the approach taken is consistent with the Purpose of Local Government.

Under this Act, good quality in relation to local infrastructure, local public services and performance of regulatory functions means infrastructure, services and performance that are efficient, effective and appropriate to present and anticipated future circumstances.

In other words, to meet the current and future needs of communities for good quality local infrastructure, local public services and performance of regulatory functions in a way that is most cost-effective for households and businesses.

5.3 STRATEGY, PLANS, POLICY AND PARTNERSHIP ALIGNMENT

The report is concerned with the community outcome of Thriving Waikato in relation to the economic importance of a number of the projects.

The report is also concerned with the economic wellbeing of residents in the district. If costs exceed budgets then alternative funding sources need to be found or elements of the project reviewed.

Projects such as water and wastewater schemes that impact on the Waikato River are of particular significance to Tangata Whenua. For example, discussions are ongoing with Iwi around wastewater and reservoir projects.

5.4 ASSESSMENT OF SIGNIFICANCE AND ENGAGEMENT POLICY AND OF EXTERNAL STAKEHOLDERS

Councillors will review the list of key projects and identify any change in significance, where appropriate.

Highest levels of engagement	Inform	Consult	Involve	Collaborate	Empower
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	This report is an update on progress. It is to inform.				

State below which external stakeholders have been or will be engaged with:

Planned	In Progress	Complete	
		✓	Internal
	✓		Community Boards/Community Committees

	✓		Waikato-Tainui/Local iwi
	✓		Households
	✓		Business
			Other Please Specify

6. CONCLUSION

Staff believe that appropriate systems are in place to identify the cost implications of the various key projects that Council wished to ensure were given additional monitoring during the year. Council has been kept informed of cost implications as they arise. This report provides an update on progress with the key projects for 2017/2018.

7. ATTACHMENTS

Financial Review of Key Projects

KEY PROJECTS

Team	Project Description	Project Owner	Full Year Budget	YTD Actual	Remaining Budget	Full Year Forecast	Expected Completion Date	Progress & Risk Comment
Programme Delivery	Ngaruawahia council office upgrade construction	Paul White	424,138	17,144	406,994	424,138	Feb-18	Currently working with the preferred contractor over offer clarifications. Once completed and accepted, can then complete recommendation to award contract for front of house works.
Programme Delivery	Tamahere Recreation Reserve Project	Jacki Remihana	2,411,937	4,954	2,406,983	2,414,977	Multi year project	Final levelling and seeding completed, working through the specifications with the contractor to ensure that the final outcome meets specifications. Minor flooding issues being remedied on the school boundary. Pond construction is complete but total works cannot be completed until the grass grows, planting is to be completed as weather allows. For the next phase, Council currently working through contract negotiations for select supplier with a report planned to go to Council in October to award. Aiming to have all open by end of March next year.
Programme Delivery	Raglan stormwater reticulation extensions	Surya Pandey	365,576	3,815	361,761	365,576	Jun-18	Council going ahead with daylighting with works expected to occur in 2017/18; a successful public discussion meeting was held in May with a follow up scheduled for August at the local marae. Beca's Raglan modelling revised report has just been finalised and will be reviewed with management in September.
Programme Delivery	Ngaruawahia, Kent St/George St Stormwater Network upgrades	Hamish Cairns	471,728	90	471,638	471,728	Nov-17	Works were expected to be carried out between March and June 2017, however due to cyclone events at the Contractor's sites prior to starting WDC works, their resources were utilised for emergent work in Auckland and as a result were unavailable to commence WDC work in 2016/17. Works commenced in September in order to avoid disruption during August festivities held to celebrate the Maori King at Turangawaewae Marae.
Programme Delivery	New Reservoirs for Huntly, Central District, Hopuhopu and Pokeno	Richard Clark	3,538,699	706,046	2,832,653	1,206,588	Nov-17	Pokeno - Reservoir tank walls under construction. Huntly - Reservoir to be filled for testing in September. Central District - Emptying of tank underway due to leakage discovered during testing, leakage to be resolved and refilled for retest. Hopuhopu - Reservoir finished filling for testing and check for leakage. All reservoirs are expected to be fully commissioned by the end of November.
Programme Delivery	Land Purchases for Pokeno, Central District and Hopuhopu Reservoir Sites	Elton Parata	204,905	783	204,122	90,526	Oct-17	All sites now secured and works underway. Hopuhopu long term agreement is with Waikato Tainui for consideration.
Waters	Tuakau water supply reticulation extensions	Surya Pandey	1,639,774	0	1,639,774	0	2018/19	To evaluate recent reports and finalise 3 Waters priorities for 2017/18.
Programme Delivery	Pokeno Wastewater scheme construction - Stage 2	Paul White	1,905,401	590,637	1,314,764	1,303,015	Nov-17	Separable portion B physical works have been completed, approval for variations approved works proceeding, mains are approximately 75% complete and private connections 65% complete. Reinstatement works have started.
Waters	Huntly wastewater treatment plant upgrade	Surya Pandey	1,628,112	0	1,628,112	0	TBA	This project will be considered in conjunction with the Housing Infrastructure Fund (HIF) detailed business case. There is a wider conversation with developers and WDC staff that any HIF funding could be bundled with the Te Kauwhata Lakeside Development plan change/development proposal (and WDC) and a state of the art treatment plant could be established in Huntly to accommodate both Te Kauwhata and Huntly current and future wastewater demand.
Waters	Meremere wastewater treatment plant upgrade	Surya Pandey	2,175,854	0	2,175,854	200,000	TBA	This project will be considered with the Huntly Wastewater treatment plant upgrade and the Te Kauwhata housing plan of how to best utilise the Housing Infrastructure Fund (HIF). In the interim, essential minor improvements will be made.
Waters	Raglan wastewater treatment plant upgrade	Mark Curtis	1,196,719	11,516	1,185,203	1,181,719	On Hold	Project is on hold to ensure any proposed solution is in keeping with changes that may occur as part of the upcoming resource consent renewal. The long term solution will be developed during the consent renewal phase. While the project is on hold, Council is currently at risk of further non compliance implications.
Waters	Pokeno stormwater reticulation extensions	Surya Pandey	1,102,912	0	1,102,912	0	Jun-18	Modelling and concept designs due to commence by Beca.
Waters	SCADA Improvements	Robert Ball	1,300,000	0	1,300,000	1,300,000	Jun-18	Scada/Telemetry upgrade plans have been finalised and are expected to commence within the next four weeks.

Open Meeting

To	Strategy & Finance Committee
From	Tony Whittaker General Manager Strategy & Support
Date	12 September 2017
Prepared by	Melissa Russo Corporate Planner
Chief Executive Approved	Y
Reference #	GOV1318 / 1806279
Report Title	Presentation of the Annual Report 2016/17 and Summary

I. EXECUTIVE SUMMARY

The Local Government Act 2002 requires Council to adopt its annual report and summary by 31 October each year. The Annual Report 2016/17 compares the actual activities and performance of Council against the intended activities and performance of the Council as specified in the Long Term Plan 2015-25.

Audit New Zealand is due to complete its final audit by 22 September 2017. We expect to receive an unmodified audit opinion and for Audit New Zealand to provide verbal clearance at the Audit & Risk Committee meeting on 22 September 2017.

Council is scheduled to adopt the Annual Report 2016/17 and Summary at its meeting on 09 October 2016.

2. RECOMMENDATION

THAT the report from the General Manager Strategy & Support be received;

AND THAT the final audited Annual Report 2016/17 and Summary be recommended to Council for adoption.

3. BACKGROUND

The Local Government Act 2002 requires Council to adopt its annual report and summary by 31 October each year. The audit process has proceeded as planned with no major issues to report. The final audit opinion will be incorporated into the final Annual Report 2015/16 and Summary documents following Council adoption.

4. DISCUSSION AND ANALYSIS OF OPTIONS

4.1 *Non-financial performance*

Council's projects, activities and associated budgets are divided into eight separate groups of activities:

- Governance
- Sustainable Communities: Customer and Partnership Focus, Economic Development, Emergency Management, Grants and Donations, and Parks and Facilities
- Sustainable Environment: Animal Control, Building Quality, Environmental Health, Strategic and District Planning, and Solid Waste
- Roading
- Stormwater
- Wastewater
- Water Supply
- Organisational Support

Council has 97 performance measure targets across all activities, which Council aim to meet each year. Some of these measures are based on residents' opinions or what Council is doing through the Resident Satisfaction Survey. Others are based on how well Council responds to customer requirements, which is measured by our service request system.

Council reports on progress every quarter against these measures. The Annual Report 2016/17 indicates mixed results across all activities. We have met and exceeded some targets (green), on track towards the target but haven't quite made it (within 5%) (amber) and some targets have not been met (red).

Out of the 97 measures 64 were achieved, 4 were on track and 29 were not achieved.

4.2 *Financial performance*

Council has had another excellent year of financial performance. The Council's budgeted income for this financial year was \$119.7 million, against which actual income earned was \$134.9 million, a positive variance of \$15.2 million. Vested assets, which are not a budgeted item, account for the majority of the variance, along with additional subsidies to support storm weather events and grants carried over from prior years.

The Council's operational expenditure budget was \$104.9 million of which actual operational expenditure was \$113.4 million. This includes asset write-offs of \$4.7 million which are not a budgeted item. Taking this into account the Council incurred \$3.8 million more than what was budgeted for 2016/17. This variance against budget relates mainly to wastewater reticulation maintenance works and emergency works associated with storm weather events.

Capital programmes were budgeted at \$48.1 million for 2016/17. In addition to this, budget for projects that had not been fully completed during 2015/16 totalled \$26.2 million

(including \$5.2 million of developer led projects). Therefore, although when compared to the Annual Plan budget the completed works sits at 100 per cent of budget (spend of \$48.2 million) the budget usage including progression of prior years' work was approximately 65 per cent. Variance in capital work programmes can arise for various reasons; savings in construction prices, progression and related timing of subdivision activity within the district, adverse weather resulting in delays, public consultation timeframes and negotiations over land purchase. This year \$26.4 million of capital works budget will be carried forward to the 2017/18 financial year. While this is slightly higher than the carry forward amount in the prior year, the majority of these projects are in progress but were not completed before the end of the financial year.

Debt at the end of June 2017 was \$80 million, marginally higher than the forecast of \$79.4 million.

In addition to specifying debt limits, the Council's financial strategy stipulated benchmarks for rates increases going forward. These measures are in place to ensure accountability to the public with respect to rates increases and management of debt. The Council were successful in achieving both the rates affordability and debt affordability measures set for 2016/17.

5. CONSIDERATIONS

5.1 Legal

The Annual Report 2016/17 and Summary is prepared in accordance with section 98 of the Local Government Act 2002, and must be adopted within four months of the end of the financial year. The report must be publicly available within one month of adoption.

5.2 Engagement

The Annual Report 2016/17 and Summary will be made available to the public on the Council website within a month of adoption. Printed copies will be available via Council offices and libraries. Delivery of the summary will be made via the Link distribution in October.

6. ATTACHMENTS

The following will be circulated separately to the report:

1. Draft Annual Report 2016/17
2. Draft Annual Report Summary 2016/17

Open Meeting

To	Strategy & Finance Committee
From	TG Whittaker General Manager Strategy & Support
Date	11 September 2017
Prepared by	Alison Diaz Finance Manager
Chief Executive Approved	Y
Reference #	CPM0803 / 1806012
Report Title	Financial performance summary for the period ending 31 August 2017

I. EXECUTIVE SUMMARY

This report presents year-to-date financial performance against the 2017/18 Annual Plan and those budgets carried forward from the 2016/17 financial year.

The report provides a summary of revenue and expenses, capital expenditure, and key reserve balances for the first two months of the year. Additional information on the 2017/18 rates strike and bill-pay services has been included in brief.

The rates chart depicts the variance between budget and actual rates strike. Any surplus general rate income, from new building or subdivision valuations finalised in June, is transferred to the General Accounting Reserve Fund to support any project variances that may arise during the year.

In 2016/17 payment options for customers were extended to include New Zealand Post Bill Pay. Charts showing transaction count and amounts paid are included for the period December 2016 through to August 2017. A breakdown of customer payment methods is also included for the month of August.

2. RECOMMENDATION

THAT the report from the General Manager Strategy & Support be received.

3. ATTACHMENTS

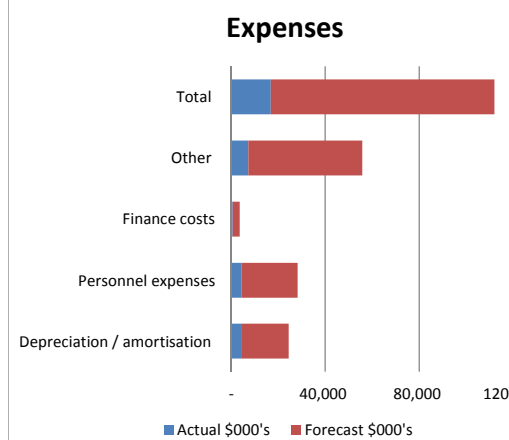
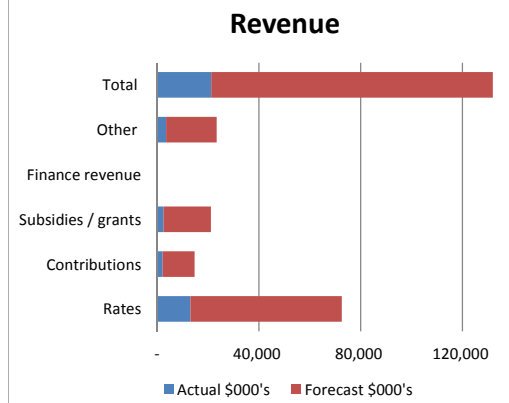
Financial Performance Summary

AT A GLANCE

Performance to date is as expected, with operating and capital expenditure relatively low awaiting the construction season. Income is tracking well against budget mainly due to more rates income than anticipated and the relative timing of dog registrations and licence renewals. Rating income is above forecasted levels by a total of \$784,000, with general rate and uniform annual general charges accounting for \$438,000 (56%). NZ Post Bill Pay statistics show that \$83,487 of customer payments were made at post shops in August. A total of \$449,000 has been received by customers using this service since December 2016.

	Aug-17	Open Bal
	\$000's	\$000's
Reserve Balances Summary		
Restricted reserves	182	182
Council reserves	24,553	25,748
Development contributions	(38,056)	(38,753)
Replacement funds	14,772	14,412
Targeted rate reserves	(5,800)	(5,465)
Total	(4,349)	(3,876)

	Aug-17	Open Bal
	\$000's	\$000's
Key reserves (included in balances above)		
Disaster recovery	398	392
Hamilton East Property proceeds	2308	2308
LTCCP Contribution reserve	2057	2057
Structure plan non-growth reserve	762	760
Northgate development area	(3,481)	(3,470)
Pokeno Structure plan	(10,314)	(10,534)
Tamahere Structure plan	(2,104)	(2,098)
DW water targeted rate	(3,943)	(3,795)
DW wastewater targeted rate	(5,191)	(4,888)

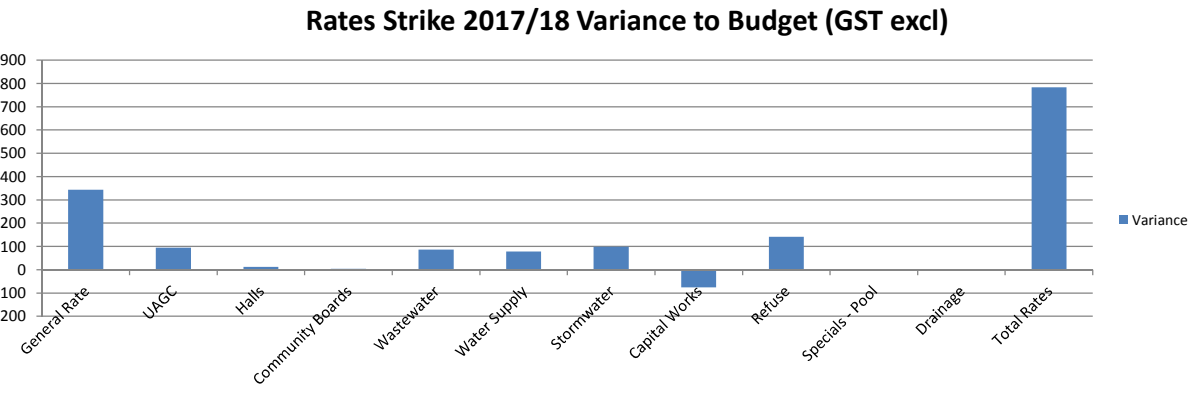


FINANCIAL PERFORMANCE SUMMARY

For the period ending 31 August 2017					
	Actual \$000's	FY Forecast \$000's	% usage	YTD Variance \$000's	Ref.
Revenue					
Rates	13,096	72,567	18%	(1,002)	1
Development and financial contributions	2,098	14,765	14%	363	
Subsidies and grants	2,503	21,089	12%	1,012	2
Finance revenue	100	100	100%	(83)	3
Other revenue	3,461	23,446	15%	447	
Total revenue	21,258	131,967	16%	737	
Expense					
Depreciation and amortisation expense	4,491	24,462	18%	(414)	
Personnel expenses	4,435	28,252	16%	274	
Finance costs	662	3,589	18%	(64)	
Other expenses	7,264	55,739	13%	2,026	4
Total operating expenses	16,852	112,042	15%	1,822	
Surplus (deficit) before tax	4,406	19,925	22%	(1,085)	

Year-to-date net operating surplus of \$4.4 million is approximately \$1 million ahead of year to date expectations. Items to note are as follows:

- Income**
- 1 Favourable - Rating income, including penalty income, is above annual plan budget expectations for the year.
- 2 Unfavourable - Subsidy is linked to physical work programmes, with the majority of spend to come during the upcoming construction season
- 3 Favourable - Council has put money on term deposit in order to repay LGFA funding in December. This has delivered a higher than anticipated level of interest income. As a net borrower the budget has only considered cashflow timing interest.
- Expense**
- 4 Favourable - This is a timing difference. Operational expenditure will increase during the coming months.

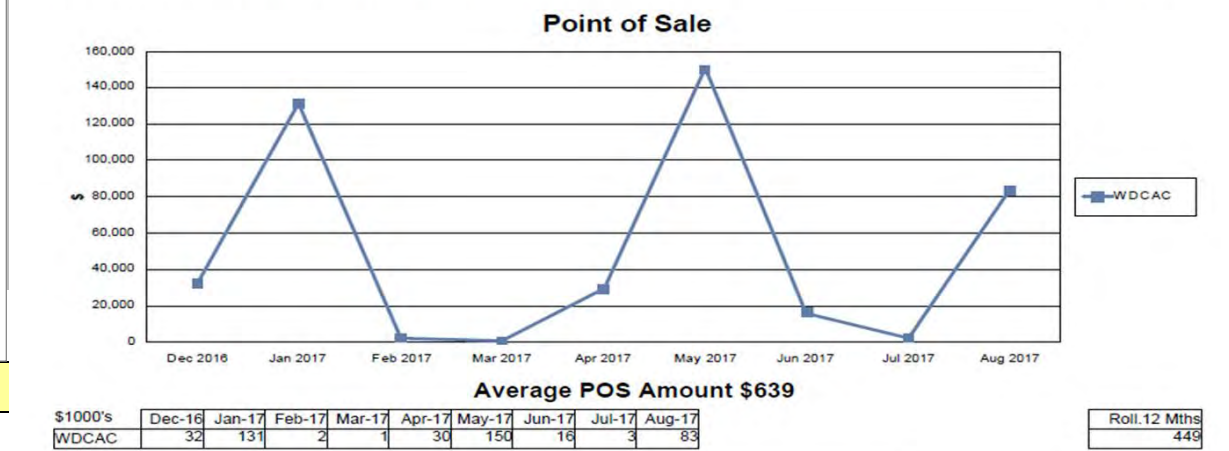
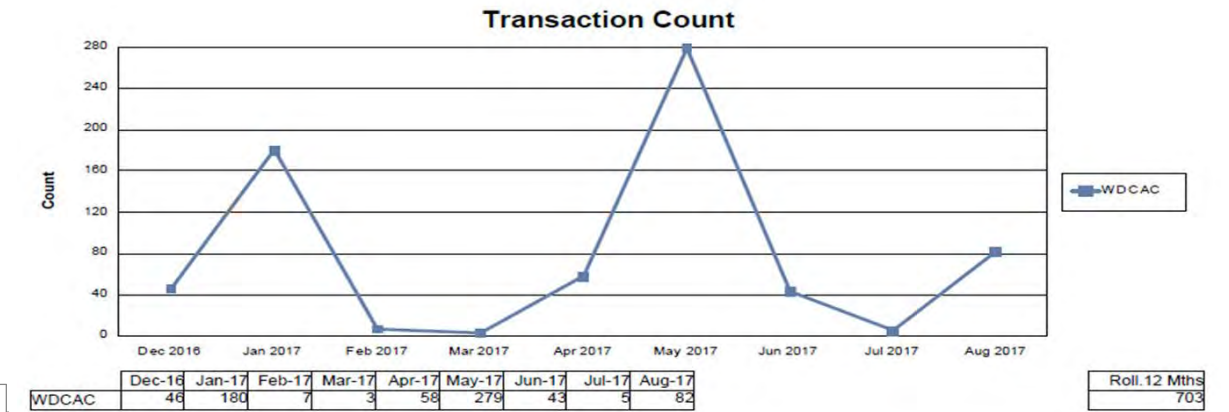


Net Operating Surplus (Deficit) Breakdown	Actual \$000's	FY Forecast \$000's	YTD Variance \$000's	Favourable / Unfavourable
Roading	555	13,012	1,614	U - Subsidy income timing
Water	627	4,080	53	U - Rating income difference
Wastewater	774	(1,848)	(1,082)	F - Low levels of activity expenditure
Stormwater	276	317	(223)	F - Activity expenditure low and development contribution income higher
Sustainable Communities	884	6,295	165	U - Timing of grants payments
Sustainable Environment	(14)	(749)	(111)	F - Additional rates income and timing of fees and charges income
Governance	92	149	(67)	F - Timing of expenditure
Organisational Support	(270)	(3,600)	(330)	F - Interest income higher than budgeted, timing of penalty income
Total Group of Activities	2,924	17,656	19	
General rate usage	1,483	1	(1,482)	F - The general rate income recognised currently exceeds the amount of general rate used. This number will adjust throughout the year relative to activity expenditure
Surplus (deficit)	4,407	17,657	(1,464)	

Capital expenditure	Actual \$000's	Budget \$000's	% usage
Roading	1,966	27,552	7%
Water	1,303	11,916	11%
Wastewater	1,031	13,592	8%
Stormwater	10	5,933	0%
Sustainable Communities (P&R, halls, pools, toilets, walkways)	643	15,388	4%
Sustainable Environment (landfills)	60	28	214%
Governance	-	-	-
Organisational Support (plant, offices/libraries & IM)	421	6,723	6%
Total Group of Activities	5,434	81,132	7%

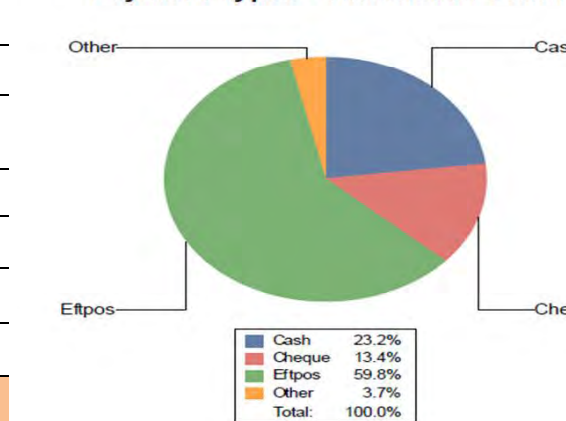
Capital expenditure is tracking below forecast mainly in relation to pro-longed wet weather. Full detail on progress of capital works is captured in the dashboard reporting contained in the Infrastructure committee monthly agendas.

BILL PAY SERVICE STATISTICS



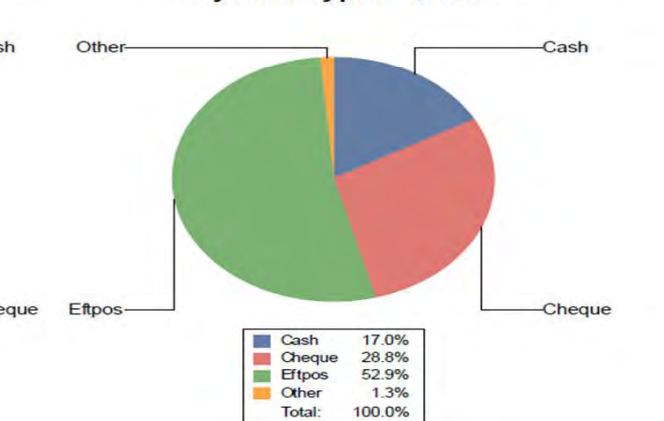
August 2017

Payment Types - Transaction Count



Payment Type	Total
Cash	19
Cheque	11
Eftpos	49
Other	3
Total	82

Payment Types - \$ POS



Payment Type	Total
Cash	\$14,166
Cheque	\$24,064
Eftpos	\$44,157
Other	\$1,100
Total	\$83,487

Open Meeting

To	Strategy & Finance Committee
From	Tony Whittaker General Manager Strategy & Support
Date	18 September 2017
Prepared by	Alison Diaz Finance Manager
Chief Executive Approved	Y
Reference/Doc Set #	CVN0201 / 1806010
Report Title	Civic Financial Services Limited Half Yearly Accounts to 30 June 2017

1. EXECUTIVE SUMMARY

NZ Local Government Insurance Corporation Limited (trading as Civic Assurance) is owned by Local Government and supplies a range of financial services. Council's investment in Civic Financial Services Limited is \$62,809 as at 30 June 2017.

Surplus after tax for the first six months of 2017 is \$148,000, which is above expected levels.

2. RECOMMENDATION

THAT the report from the General Manager Strategy & Support be received.

3. ATTACHMENTS

Civic Financial Services limited Half Yearly Accounts to 30 June 2017



Mr Gavin Ion
 Chief Executive
 Waikato District Council
 Private Bag 544
 NGARUAWAHIA 3742

RECEIVED
 14 AUG 2017
 Waikato District Council

11 August 2017

Dear Gavin

Civic Financial Services Half-Yearly Accounts – 30 June 2017

Please find enclosed your copy of the half-yearly accounts for Civic Financial Services Limited ("Civic") to 30 June 2017. You will be pleased to see that the company is tracking above budget and has returned an (unaudited) after tax profit of \$148,000 for the first half of 2017. This compares to an after tax profit of \$975,000 for the full year to 31 December 2016. Although revenue, expenses and net surplus are lower than last year the accounts reflect the strategic direction that your Board took at the end of 2016. Civic has maintained its strong financial position with equity of over \$17 million.

As communicated to you in the Statement of Intent in March this year, Civic has for the time being withdrawn from the insurance business and the focus in the immediate future is on providing administration services to the local government sector. The financial effect of this decision is that Civic's income is now derived from administration services and investment income, including rental income. In addition to administering Riskpool, Civic Liability Pool and the LAPP Fund, Civic administers the SuperEasy and SuperEasy KiwiSaver Superannuation Schemes which are offered to local government on an exclusive basis. These schemes provide superannuation services to 75 councils, have well over 10,000 members and funds under management of just under \$300,000,000.

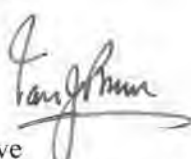
As outlined in the accounts, Civic has entered into an arm's length, secured loan facility agreement on commercial terms with Local Government Mutual Funds Trustee Limited to enable Riskpool to manage its cashflows. Riskpool will make a call, as per its trust deed, if required under the terms of the agreement in order to repay the amount owing under the facility.

Civic's Statement of Intent 2017 projects a total profit over the next three years, based on the sale of Civic Assurance House later in the year, of approximately \$1,000,000 with an equity base of approximately \$8,500,000.

Your Board looks forward to receiving the shareholders decision on the potential sale of the building at the Special General Meeting to be held on 5th October 2017.

Yours sincerely

Ian Brown
 Chief Executive
 Email: ian.brown@civicfs.co.nz



CIVIC FINANCIAL SERVICES LTD

STATEMENT OF COMPREHENSIVE INCOME (Unaudited)
FOR THE SIX MONTHS ENDED 30 JUNE 2017

	Note	Six Months				Full Year	
		2017 Group	2016 Group	2017 Parent	2016 Parent	2016 Group	2016 Parent
REVENUE							
Underwriting Surplus		-	1,774	-	1,774	1,998	1,998
Administration Fees		1,380	1,362	1,380	1,362	2,359	2,359
Income from Investments		79	201	79	201	284	284
Property Income		393	369	393	369	859	859
Other Income		-	-	51	-	1	1
		<u>1,852</u>	<u>3,706</u>	<u>1,903</u>	<u>3,706</u>	<u>5,501</u>	<u>5,501</u>
EXPENDITURE							
Property Operating Expenses		246	219	246	219	510	510
Depreciation & Amortisation		20	21	20	21	42	42
Employee Remuneration		514	884	514	884	1,622	1,622
Other Expenses		866	1,067	866	1,067	1,989	1,990
		<u>1,646</u>	<u>2,191</u>	<u>1,646</u>	<u>2,191</u>	<u>4,163</u>	<u>4,164</u>
Plus Share of Profit of Associate		-	6	-	6	(3)	-
Less Taxation Expense	6	58	426	58	426	360	360
NET SURPLUS AFTER TAXATION		<u>148</u>	<u>1,095</u>	<u>199</u>	<u>1,095</u>	<u>975</u>	<u>977</u>

STATEMENT OF MOVEMENTS IN EQUITY (Unaudited)
FOR THE SIX MONTHS ENDED 30 JUNE 2017

	Six Months				Full Year	
	2017 Group	2016 Group	2017 Parent	2016 Parent	2016 Group	2016 Parent
Equity as at 1 January	17,204	16,032	17,273	16,099	16,032	16,099
Net Surplus After Taxation	148	1,095	199	1,095	975	977
Ordinary Shares issued during the year	-	197	-	197	197	197
EQUITY AS AT 30 JUNE	<u>17,352</u>	<u>17,324</u>	<u>17,472</u>	<u>17,391</u>	<u>17,204</u>	<u>17,273</u>

STATEMENT OF FINANCIAL POSITION (Unaudited)
AS AT 30 JUNE 2017

	2017 Group	2016 Group	2017 Parent	2016 Parent	2016 Group	2016 Parent
EQUITY						
Capital	10,764	10,764	10,764	10,764	10,764	10,764
Retained Earnings	6,588	6,560	6,708	6,627	6,440	6,510
TOTAL EQUITY	<u>17,352</u>	<u>17,324</u>	<u>17,472</u>	<u>17,391</u>	<u>17,204</u>	<u>17,274</u>
Represented By:						
Current Assets						
Bank & Cash Equivalents	4,672	6,949	4,672	6,899	6,111	6,061
Receivables	458	313	458	313	558	558
Loans	7	1,502	-	-	-	-
TOTAL CURRENT ASSETS	<u>6,632</u>	<u>7,262</u>	<u>6,632</u>	<u>7,212</u>	<u>6,669</u>	<u>6,619</u>
Non-Current Assets						
Property, Plant & Equipment & Intangible Assets	261	285	261	285	279	279
Deferred Tax Asset	3,214	3,206	3,214	3,206	3,273	3,273
TOTAL NON CURRENT ASSETS	<u>3,475</u>	<u>3,491</u>	<u>3,475</u>	<u>3,491</u>	<u>3,552</u>	<u>3,552</u>
Investments						
Investment in Associate	-	3	-	-	-	-
Investment Property	7,938	7,587	7,938	7,587	7,925	7,925
TOTAL INVESTMENTS	<u>7,938</u>	<u>7,590</u>	<u>7,938</u>	<u>7,587</u>	<u>7,925</u>	<u>7,925</u>
TOTAL ASSETS	<u>18,045</u>	<u>18,343</u>	<u>18,045</u>	<u>18,290</u>	<u>18,146</u>	<u>18,096</u>
Current Liabilities						
Sundry Creditors & Accrued Charges	300	307	300	307	669	549
TOTAL CURRENT LIABILITIES	<u>300</u>	<u>307</u>	<u>300</u>	<u>307</u>	<u>669</u>	<u>549</u>
INSURANCE PROVISIONS	-	592	-	592	-	-
Non Current Liabilities						
CLP/ Riskpool Admin Fee Reserve	273	-	273	-	273	273
Subordinated Debt	120	120	-	-	-	-
TOTAL NON-CURRENT LIABILITIES	<u>393</u>	<u>120</u>	<u>273</u>	<u>-</u>	<u>273</u>	<u>273</u>
TOTAL LIABILITIES	<u>693</u>	<u>1,019</u>	<u>573</u>	<u>899</u>	<u>942</u>	<u>822</u>
EXCESS OF ASSETS OVER LIABILITIES	<u>17,352</u>	<u>17,324</u>	<u>17,472</u>	<u>17,391</u>	<u>17,204</u>	<u>17,274</u>

The notes to the accounts on page 3 form part of and are to be read in conjunction with these Statements.

CIVIC FINANCIAL SERVICES LTD

STATEMENT OF CASH FLOWS (Unaudited)
FOR THE SIX MONTHS ENDED 30 JUNE 2017

	Six Months				FULL YEAR		
	Notes	2017 Group	2016 Group	2017 Parent	2016 Parent	2016 Group	2016 Parent
Cash Flows from Operating Activities							
Cash from operating activities:		1,831	11,297	1,880	11,297	499,754	499,754
Cash applied to operating activities:		1,753	4,873	1,752	4,873	493,841	493,841
Net Cashflow from Operating Activities	5	78	6,424	128	6,424	5,913	5,913
Cash Flows from Investing Activities							
Cash provided from investing activities:		-	6	-	6	8	8
Cash applied to investing activities:		15	132	15	132	461	461
Net Cashflow from Investing Activities		(15)	(126)	(15)	(126)	(453)	(453)
Cash Flows from Financing Activities							
Cash was provided from financing activities:		-	197	-	197	197	197
Cash applied to financing activities:		1,502	-	1,502	-	-	-
Net Cashflow from Financing Activities		(1,502)	197	(1,502)	197	197	197
Net Decrease in Cash Held		(1,439)	6,495	(1,389)	6,495	5,657	5,657
Opening Cash Balance as at 1 January		6,111	454	6,061	404	454	404
Closing Cash Balance as at 30 June		<u>4,672</u>	<u>6,949</u>	<u>4,672</u>	<u>6,899</u>	<u>6,111</u>	<u>6,061</u>
Being:							
Bank & Cash Equivalents		<u>4,672</u>	<u>6,949</u>	<u>4,672</u>	<u>6,899</u>	<u>6,111</u>	<u>6,061</u>

The notes to the accounts on page 3 form part of and are to be read in conjunction with this statement.

CIVIC FINANCIAL SERVICES LTD
FOR THE SIX MONTHS ENDED 30 JUNE 2017

Notes to the Financial Statements

1 Statement of Compliance

The Group is a Tier 1 Public Sector Public Benefit Entity and the financial statements have been prepared in accordance with and comply with Tier 1 Public Sector Public Benefit Entity (PBE) Standards.

2 Accounting policies

The accounting policies applied in the preparation of the half year financial statements are consistent with those disclosed in the 2016 annual report except that the investment property has not been revalued.

3 Basis of Preparation

These interim financial statements have been prepared in accordance with PBE IAS 34 - Interim Financial Reporting, and should be read in conjunction with the Company's annual financial report for the year ended 31 December 2016. Disclosures in these interim financial statements are less extensive than those in the annual financial report.

4 Comparative figures.

The comparative figures are for the six months ended 30 June 2016 and the year ended 31 December 2016.

5 Reconciliation of net surplus after tax with cash flow from operating activity.

	Six Months				Full Year	
	2017 Group	2016 Group	2017 Parent	2016 Parent	2016 Group	2016 Parent
Reported Surplus After Taxation	148	1,095	199	1,095	975	977
Add/(less) non cash items						
Depreciation	21	21	21	21	42	42
Deferred Tax Liability	58	426	58	426	360	360
Movement in CLP/ Riskpool Admin Fee Reserve	-	-	-	-	386	386
Net change in fair value of property	-	-	-	-	(97)	(97)
Share of Profit of Associate	-	-	-	-	3	-
	<u>79</u>	<u>447</u>	<u>79</u>	<u>447</u>	<u>694</u>	<u>691</u>
Add/(less) movements in other working capital items						
Accounts Receivable	102	568,593	102	568,593	568,348	568,348
Accounts Payable	(248)	(553,621)	(249)	(553,621)	(553,491)	(553,491)
Insurance Provisions	-	(10,016)	-	(10,016)	(10,608)	(10,608)
Reinsurance Received in Advance	-	-	-	-	-	-
Tax Refund Due	(3)	2	(3)	2	2	2
	<u>(149)</u>	<u>4,958</u>	<u>(150)</u>	<u>4,958</u>	<u>4,250</u>	<u>4,250</u>
Less Items Classified as investing activity	<u>-</u>	<u>(76)</u>	<u>-</u>	<u>(76)</u>	<u>(6)</u>	<u>(6)</u>
Net Cash Outflow from Operating Activities	<u><u>78</u></u>	<u><u>6,424</u></u>	<u><u>128</u></u>	<u><u>6,424</u></u>	<u><u>5,913</u></u>	<u><u>5,913</u></u>

6 Income Tax

The income tax liability for June 2017 is nil as the Company has unused tax credits with which it will use to offset any income tax expense.

7 Significant Events

During the six months to 30 June 2017:

- a secured loan facility agreement between the Company and Local Government Mutual Funds Trustee Limited (LGMFT) was entered into whereby the Company loans LGMFT up to \$3,000,000 at commercial interest rates.
- the wholly owned subsidiary, Civic Assurance Limited, was voluntarily deregistered. The Company had 1,000 uncalled shares in the wholly owned subsidiary.

8 Contingent liabilities.

The contingent liabilities are:

- 100,000 uncalled shares in the wholly owned subsidiary, Local Government Superannuation Trustee Limited.
- 1,000 uncalled shares in the wholly owned subsidiary, Local Government Mutual Funds Trustee Limited.
- 100,000 uncalled shares in the wholly owned subsidiary, NZ Local Government Finance Corporation Limited.
- 100 uncalled shares in the wholly owned subsidiary, SuperEasy Limited.
- 100 uncalled shares in the wholly owned subsidiary, Local Government Finance Corporation Limited.

9 Events occurring after reporting date

There have been no significant events since the reporting date that affect the results disclosed in the half year financial statements.

Open Meeting

To	Strategy & Finance Committee
From	General Manager Customer Support Sue O’Gorman
Date	18 August 2017
Prepared by	Customer Delivery Team Leader Cory Cullen
Chief Executive Approved	Y
Reference #	GOV1318
Report Title	Library – Cost Incurring Reciprocal Agreements

I. EXECUTIVE SUMMARY

For over ten years Waikato District Council has paid for library services within the Waipa and Hamilton City boundaries. These agreements were negotiated to ensure all Waikato District residents could easily access a library service. This report seeks to give Council an understanding of these agreements and outlines some options. In addition, support to consult with our communities on these options is being sought.

2. RECOMMENDATION

THAT the report from the General Manager Customer Support be received;

AND THAT the Strategy & Finance Committee recommend to Council that the proposal be considered through public consultation.

3. BACKGROUND

Waikato District Council has agreements with Hamilton City Libraries and Waipa District Council whereby all residents and ratepayers of the Waikato District are able to access library services operated by Hamilton City Libraries and Waipa District Council. Residents and ratepayers of Hamilton City Libraries and Waipa District Council are able to use services offered at Waikato District Council operated libraries free of charge.

The cost to all Waikato District Council rate payers for having these services available is a combined cost totalling \$313,333.33. \$300,000.00 is paid to Hamilton City Libraries and \$13,333.33 is paid to Waipa District Libraries. These agreements have been in place for a number of years with significant savings being made through prudent negotiation with

Hamilton City in 2012. Understanding the needs and desires of our communities would be required to enter into any further negotiation or contract discussion.

As our district covers a wide geographic area, the locations of our libraries do not suit the needs of all of our customers. At inception of both agreements, the intent was to ensure as many of our residents and ratepayers (as possible) had the option to access library facilities and services. The intention of these agreements met the community requirements at the time, however we are not certain the same can be said today. Staff believe there is the potential to achieve a better level of service and deliver better value for money.

With the changing services that libraries are providing, the demand for electronic content is increasing. Currently our customers access this collection via the Hamilton City Libraries membership which staff negotiated access to two years ago. The cost of offering electronic content, which would meet our customers growing needs in this space, has reduced dramatically in recent years and is a relatively easy collection to establish. There is also the potential to offer a more flexible service to our library customers and make these services available to a greater number of communities by exploring a mobile offering. This aligns with our future vision for Waikato District Libraries providing flexible services to our customers.

It should be noted that the main Hamilton City Library is currently undergoing a safety assessment associated with earthquake-prone building regulations and has been operating from a temporary location (full services have not been available to our ratepayers for eight months). Options for the continuation of services are currently being reviewed by Hamilton City Council and the future for this library is unknown.

4. DISCUSSION AND ANALYSIS OF OPTIONS

4.1 DISCUSSION

A review of the service associated with the reciprocal agreement assessed data from both Hamilton City and Waipa District Councils. This assessment demonstrates that only 5302 Waikato District Council residents are using the Hamilton City Library and Waipa District Library services. This represents 7.62% of Waikato District population (69550). Of these 5302 users, 20.24% (1073) access electronic collections, indicating only 4229 library users are physically visiting a Hamilton City Library or Waipa District Library.

Please see attached user information supplied by both Hamilton City Libraries and Waipa District Libraries. This information has been received in good faith.

WDC ratepayers pay 2.36% (\$10.73) of there UAGC per rating unit per year towards the reciprocal agreement.

As a result of the review, staff recommends that Council undertake consultation with their communities to determine the most preferred option. The preferred option, as determined by our communities, would be included within the Long Term Plan to implement. The options to consult on are outlined below.

Option 4 does not limit the potential ideas proposed by our communities during the consultation, from being a preferred option.

Option 1 - Status quo

Under this option, residents and ratepayers from Waikato District will be able to use those services provided by Hamilton City and Waipa District Libraries. This will be at a cost of \$313,333.33.

Option 2 - Discontinuation of agreements

Under this option, Council can discontinue these agreements resulting in an operational saving of \$313,333.33.

With this option library users can pay an annual membership of \$80.00 to Hamilton City and/or \$66.50 to Waipa District libraries to access these library services.

Option 3 - Mobile library and e-book collection

Under this option, WDC would discontinue the reciprocal agreements and invest in the provision of mobile Library (incl minimal council services) and the establishment of an e-book collection. The mobile library would operate in pockets of our district that cannot easily access a Library/Council office; this would function on a roster basis that aligns with the community's needs.

The estimates for WDC to provide these services would be:

Initial (first year):

• Purchase price and fit-out:	\$120,000.00
• Running costs of van:	\$22,853.05
• Staff remuneration:	\$52,037.52
• E-collection establishment:	\$50,000.00
Total:	\$244,890.60

Yearly (thereafter):

• Running costs of van:	\$22,853.05
• Staff remuneration:	\$52,037.52
• E-collection (approx.):	\$20,000.00
Total:	\$94,890.57

An operational savings of approximately \$200,000.00 per annum after year one.

Option 4 – New ideas from our communities

Under this option, WDC would seek to gain an understanding of the public's desires around library services. Through a wide range of engagement activities within our communities, these ideas may or may not include all or part of option 3.

4.2 OPTIONS

1. Status Quo – continue with the current arrangements at a cost of \$313,333.33.
2. Discontinuation of Agreement – discontinue this option resulting in an operational saving of \$313,333.33

3. Mobile Library – establish a mobile library, first initial year: \$244,890.60, yearly thereafter: \$94,890.57
4. Publics Ideas – gain an understanding of publics desires regarding library services

5. CONSIDERATION

5.1 FINANCIAL

The reciprocal agreements cost Waikato District \$313,333.33.

5.2 LEGAL

Under section 17A of the Local Government Act 2002 Council is required to review its services with a view to achieve the most cost effective outcomes.

A section 17A review determines the cost-effectiveness of different funding, governance and service delivery arrangements in meeting the needs of our communities.

The legislation introduces an ongoing requirement for councils to consider how services are delivered. There are three statutory trigger points when a review must be undertaken:

- when considering significant changes to service levels;
- within two years of expiration of a contract or other binding agreement to deliver a service; and
- every six years

A section 17A review is triggered for our library services due to the upcoming renewal dates of the reciprocal agreements. This report therefore outlines the alternative options for delivering the library service across our District and recommends public consultation be undertaken to determine the needs of the community.

5.3 STRATEGY, PLANS, POLICY AND PARTNERSHIP ALIGNMENT

-

5.4 ASSESSMENT OF SIGNIFICANCE AND ENGAGEMENT POLICY AND OF EXTERNAL STAKEHOLDERS

Due to the expected level of interest in this agreement/service, staff expect that it will trigger the Significance and Engagement Policy and therefore under the policy, public consultation is required.

Highest levels of engagement	Inform	Consult	Involve	Collaborate	Empower
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Tick the appropriate box/boxes and specify what it involves by providing a brief explanation of the tools which will be</i>	Should Council resolve to undertake public consultation, a standard set up printed media ie. Consultation forms, posters could be used in complimenting electronic media through our website and Facebook page.				

<i>used to engage (refer to the project engagement plan if applicable).</i>	
---	--

State below which external stakeholders have been or will be engaged with:

Planned	In Progress	Complete	
Y			Internal
Y			Community Boards/Community Committees
			Waikato-Tainui/Local iwi (provide evidence / description of engagement and response)
Y			Households
			Business
			Other Please Specify

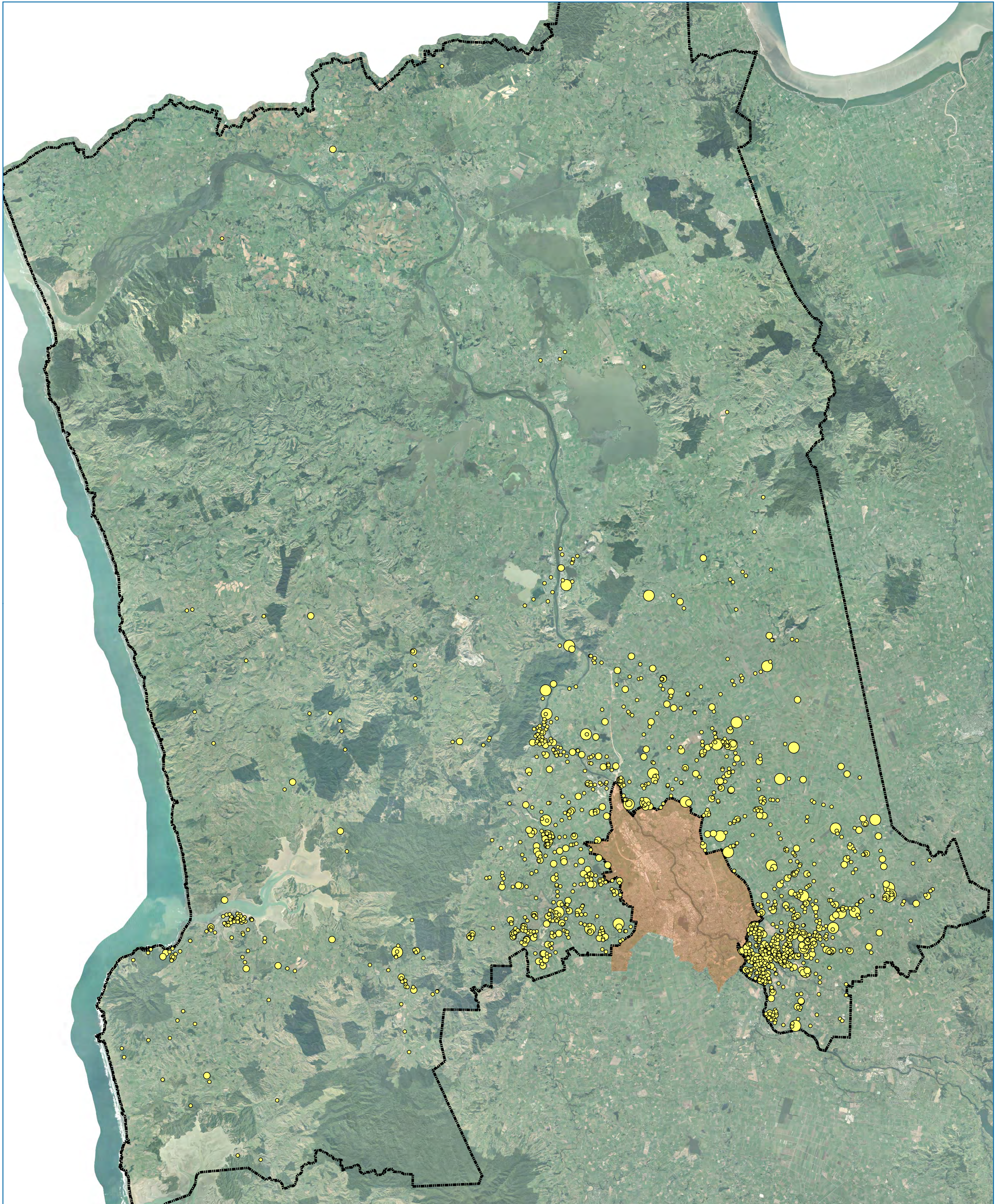
6. CONCLUSION

As a result of the review of the service (associated with the reciprocal agreement) and data assessed from both Hamilton City and Waipa District Councils; staff recommend that Council undertake consultation with their communities to determine the most preferred option for library access/services moving forward. This would take place before the 30th October 2017, with the outcome helping to inform the Long Term Plan.

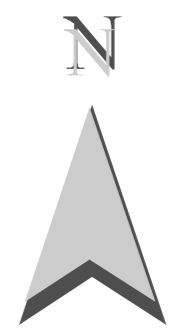
Also, due to Hamilton City Library currently undergoing a safety assessment associated with earthquake-prone building regulations and developing technology it is a good time to review our future options. Staff believe that there is the potential to achieve a better level of service and deliver better value for money for the Waikato District ratepayer.

7. ATTACHMENTS

- 1: Map indicating WDC resident use of Hamilton City Library services
- 2: Table indicating WDC resident use of Waipa District libraries
- 3: Table indicating WDC resident use of Hamilton City libraries



- KEY**
- Hamilton Library Users
 - 1 per household
 - 2-3 per household
 - 4+ per household
 - Waikato District Council Boundary
 - Hamilton City Council



Trim No.
D-2171933

version

1

Date: 30/06/16



Waikato District Council Hamilton Library Users

GIS & CAD Services

DISCLAIMER: While Hamilton City Council has exercised all reasonable skill and care in controlling the contents of this information, Hamilton City Council will not be liable for any costs, loss, injury, damage or expense whatsoever whether direct, indirect, special or consequential, suffered or incurred arising from the use of the digital data, whether arising in contract, negligence or otherwise.



To:
Denise Lamb
Waikato District Libraries

Waikato Statistics	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17
Waikato registered users (Families)	429	428	427	428	428	425	424	423	421	420	420	420	423
Waipa Registered users + family count (Includes all out of districts registrations)	32,513	32,669	32,742	32,854	33,052	33,273	33,399	33,641	33,814	34,009	34,210	34,332	34,382
Waikato monthly issue	864	811	712	721	753	556	794	808	667	575	690	564	580
Waikato YTD issue	9,041	811	1,523	2,244	2,997	3,553	4,347	5,155	5,822	6,397	7,087	7,651	8,231
Waipa monthly issue	35,806	37,509	36,902	40,797	34,620*	41,825	41,590	44,036	37,851	42,645	40,797	39,999	42,455
Waipa YTD issue	463,780	37,509	74,411	115,208	149,828	191,653	233,243	277,279	315,130	357,775	398,572	438,571	481,026

*Te Awamutu Library closed from 3 - 20 October. New library opened 21 October.

Compliments
Rachel Newnes/Sheree Gross
Waipa District Libraries

Council Report

To: Angela Parquist- Customer Delivery Manager

From: Rebecca Whitehead – Libraries Director

Subject: Waikato District Resident – Use of Hamilton City Libraries

Date: 8 August 2017 File Reference: 06-01-08-06 / D-2467060

1.0 Purpose of the Report

1.1.1 The purpose of this report is to provide Waikato District Council (WDC) with library membership and usage statistics of Waikato District residents and rate payers. This information is provided in fulfilment of clause 4.1(b) in the Agreement for Library Services 2015-2017 Hamilton City Council and Waikato District Council. This report relates to the 2016/17 financial year.

2.0 Background

2.1.1 WDC and HCC have a long standing agreement through which Waikato District residents and rate payers gain access to Hamilton City Libraries (HCL), their collections and services.

2.1.2 In 2016/2017 WDC paid \$300,000 for this access.

2.1.3 This sum was paid to HCC in monthly instalments of \$25,000.

3.0 Summary of usage

3.1 In the 2016/17 financial year WDC gained access to print collections totalling over 394,670 items, electronic collections of 42,506 items, 14 electronic databases and to approximately 1,300 events, programmes and classes. Notes: The large increase in electronic items is a reflection of HCL's rapidly-expanding digital collections. The decrease in the number of library events is due to the temporary closure of the Central Library in Garden Place.

3.2 During the year, 4879 WDC residents were actively using HCC library services in any given month. These users made up approximately 11.5% of the Libraries' active borrowers

3.3 The breakdown of these residents is as follows:
(Suburb is not always recorded for WDC customers; more often the RD number is used.)

Where we have a suburb recorded:

Cambridge	35
Gordonton	8
Huntly	61
Morrinsville	63
Ngaruawahia	203
Raglan	210

Taupiri	283
Te Kauwhata	7
Te Mata	8

By RD number:

RD 1	1001
RD 2	198
RD 3	842
RD 4	395
RD 5	162
RD 6	281
RD 7	240
RD 8	439
RD 9	361
RD 10	82

- 3.4 Over the course of the year, WDC borrowers borrowed 150,776 print items and placed 9,368 reservations (both physically and via the web). This was approximately 11.5% of HCL's print issues.
- 3.5 Just over half of the items issued were from the Junior (69,004) and Young Adult (6,384) collections, with the remainder made up of issues from the various adult collections.
- 3.6 Use of our electronic collections has been: 920 eGraphic Novels and eMagazines (RBDigital), 3939 eBooks and eAudio (BorrowBox and Wheelers). In total 1,073 WDC members are using ePlatforms.

Rebecca Whitehead
Director: Libraries

Open Meeting

To	Strategy & Finance Committee
From	Tim Harty General Manager Service Delivery
Date	18 September 2017
Prepared by	Donna Rawlings Projects Team Leader
Chief Executive Approved	Y
Reference #	S&F2017
Report Title	Tamahere Recreation Reserve Targeted Rate Consultation

I. EXECUTIVE SUMMARY

This report has been prepared to confirm the outcome of the Council workshop on the Tamahere Recreation Reserve targeted rate community consultation.

This report requires Council to formally resolve that the additional budget be made available for the project and the new targeted rate is included in the 2018-2028 Long Term Plan (LTP).

2. RECOMMENDATION

THAT the report from the General Manager Service Delivery be received;

AND THAT additional budget of up to \$500,000 be made available in the 2017/2018 year for the Tamahere Recreation Reserve development, to be funded via a community loan;

AND FURTHER THAT following the results of the community consultation, Council supports the inclusion of a new targeted rate in the 2018-2028 Long Term Plan to fund the additional budget and consequential operational expenditure;

AND FURTHER THAT the catchment that the new targeted rate applies to is the Tamahere Ward.

3. BACKGROUND

Council staff undertook community engagement alongside the Tamahere Community Committee (TCC) regarding the design and development of the Tamahere Recreation Reserve (the Reserve).

During the community engagement process the TCC indicated that the planned levels of service and available budgets did not meet community aspirations for the Reserve. A detailed design was costed based on the TCC's desired outcomes and the higher levels of service required additional capital funding of (approximately) \$500,000 (excl GST).

A report went to June Strategy & Finance meeting (public excluded) to brief Council on the TCC's proposed increased levels of service for the Reserve and a possible funding solution, being a new targeted rate for the associated community.

The June report required Council to consider the proposal and whether it supported the project going through to a community consultation process. Council endorsed the proposal and community consultation was undertaken around a new targeted rate to fund the increased levels of service.

Through discussions between Council staff, the Ward Councillor and the TCC the Tamahere Ward was agreed as the appropriate catchment for the proposed targeted rate and therefore fund the community consultation boundary.

The June report outlined that the targeted rate would be set based on the number of separately used or inhabited parts of the rating unit on a uniform basis. That is, per dwelling, in line with other Council community facility targeted rate charges. This was included in the consultation documentation.

4. DISCUSSION AND ANALYSIS OF OPTIONS

Contract negotiations are still taking place around the physical works for the Reserve. The final cost, and therefore the additional capital funding, will be determined once the pricing has been agreed and final negotiations are complete. Physical works are expected to begin in the 2017 construction season. The final contract will be structured to include a stepped development approach. This will include a provisional item to allow development to occur as funding becomes available, whether that funding be through the targeted rate, fundraising, or other means.

The proposed targeted rate amount consulted on was therefore an estimated amount giving Council flexibility to adjust the rate amount depending on outcomes from the negotiation process.

Feedback forms and a cover letter were sent to Tamahere Ward ratepayers requesting feedback (a copy of these documents is included at Appendix I). Feedback forms were also made available through the TCC and on Council's website, alongside further background information.

The feedback form provided ratepayers with two options. In short, to accept the increased levels of service and pay the proposed targeted rate or to reject the increased levels of service with no additional funding required. The options were as follows:

Option 1: A concept design has been developed alongside the Tamahere Community Committee to include more and higher specification facilities in the development of the Recreation Reserve and Piazza. This would include:

- More items of, and better specification, play equipment for the playground
- A fitness trail looping the reserve, this includes more extensive and better specification walkways
- A destination skatepark with more obstacles, typically including a bowl as well as half pipe and rail
- A basketball half court
- Staging and lighting in the Piazza area

This option is supported by the Tamahere Community Committee and will cost Tamahere Ward ratepayers an estimated \$38.00 per annum (per separate dwelling) in targeted rate until the additional capital loan funding has been repaid (over 15 years). A reduced targeted rate will continue after this date to cover ongoing operational funding for repair and maintenance.

Option 2: The standard of facilities in line with Council Strategy and Reserve Management Plan. This would include:

- A basic specification “neighbourhood playground” with four or five pieces of basic play equipment
- Connecting footpaths at a standard specification
- A basic skatepark typically including a half pipe and rail
- No basketball half court
- Reduced number of items of park furniture and standard level of planting

This option would be completed within available budget and require no further funding.

Note that the estimated \$38.00 targeted rate in Option 1 is the GST inclusive amount.

Results of Consultation

Consultation documents were sent out to 1,713 Tamahere residents, feedback forms were also made available on Council’s website and through the TCC.

Consultation was open for a month closing on 25 August 2017. There were 690 respondents with results as follows:

- 443 Option 1
- 244 Option 2
- Balance - no preferred option indicated

Of the 690 respondents 320 provided comments, with the common themes as follows:

- 153 “just get on with it” (thought it was worth doing right the first time, strong support of the idea)
- 38 supported with additional requests (for example, dog walk areas, tennis courts, toilets and support for more footpaths)
- 59 “basic will do” (the main concern coming across was the number of people that would actually use the facility)
- 46 objected to higher rates (a number were not aware of the initial engagement and concept design process around the type of facility, a number suggested sponsorship)
- 21 did not identify with Tamahere (identified with the Matangi area)
- 3 objected due to the cost of having more than 1 dwelling on their property

Of the 320 respondents that commented, 25 people objected to the idea of a skatepark worrying that it may attract undesirable behaviour (16 of these voted for Option 1).

Workshop Outcomes

A workshop was held on 11 September 2017 to present the consultation results to Councillors. On review of the results Councillors supported the inclusion of Option 1 into the 2018-2028 LTP.

This means additional budget will be made available to cover the (approximate) \$500,000 capital funding shortfall in the 2017/2018 year. A new targeted rate will be included in the 2018-2028 LTP to fund this additional capital funding and incremental operational costs (if these can be adequately measured).

This detail around funding of this additional budget and application of the targeted rate is outlined below in section 5.1 Financial Considerations.

5. ANALYSIS OF OPTIONS

5.1 OPTIONS

There are two options available to Council.

Option 1: As indicated at the workshop, Council resolves to make further budget available to be funded via a new targeted rate as per the outcome from community consultation in the 2018-2028 LTP.

The additional budget will allow the programme of works to follow the concept design as developed alongside the community. This is in line with the 64% majority of respondents through the consultation process.

Option 2: Council do not agree to make further budget available to be funded via a new targeted rate. The Tamahere Recreation Reserve project will continue with a much reduced scope to remain within existing budgets. This is in line with 35% of respondents through the consultation process.

The TCC may look to find outside funding solutions to achieve the desired outcomes though the increase in ongoing operational costs will also need to be considered.

6. CONSIDERATION

6.1 FINANCIAL

The consultation process has indicated that community supports Option 1 and is willing to pay for the increase in levels of service. This is to be actioned via a community loan with a targeted rate to cover loan repayments and incremental operational expenses, including depreciation.

Additional capital budget of up to \$500,000 (excl GST) will be made available in the 2017/2018 financial year to allow the works to be completed. As noted above, the final amount will be confirmed once contract negotiations are complete and the contract documentation is finalised.

Where physical works are completed in the 2017/2018 year a loan will be drawn as of 1 July 2018, being the first year of the 2018-2028 LTP. The loan will be a community loan with a term of 15 years and interest at Council's internal rate plus 1% (note that although this will be a community loan it will not be with a third party community group, instead, it will be like an internal Council loan though on the same terms as a community loan).

The new targeted rate will be utilised to fund the interest on the community loan and the depreciation on the additional capital budget. That is, the depreciation on the (approximate) \$500,000 capital funding shortfall. The principal will be funded via the Parks & Reserves Replacement Fund (8500) with the depreciation on the Tamahere Recreation Reserve facilities adding to this reserve.

For the purposes of calculating the estimated targeted rate amount depreciation was calculated assuming an additional \$500,000 budget and using an average useful life for Parks' assets of 29.21 years.

It is contemplated that the incremental operational costs may also be funded via this targeted rate. However, quantifying the amount to be directly attributed to the increased levels of service has proven challenging and will need to be confirmed before the final targeted rate amount is included in the 2018-2028 LTP.

Currently there are 1,994 dwellings in the Tamahere Ward catchment. With \$500,000 of additional capital budget, and an estimated \$20,000 of ongoing incremental operational costs (on top of depreciation), the new targeted rate may be made up as follows:

- \$14.48 (exclu. GST) interest repayments, being \$16.65 including GST
- \$8.58 (exclu. GST) depreciation, being \$9.87 including GST
- \$10.03 (exclu. GST) increased operating costs per annum, being \$11.53 including GST

It was indicated to ratepayers through the consultation process that the new targeted rate would be an estimated \$38.00. The amount (and make up) of targeted rate to be included on

the 2018-2028 LTP will be confirmed once contract negotiations are complete and the capital funding shortfall is confirmed.

Council’s internal interest rate is set in the LTP and reassessed each LTP round. Depreciation is also set based on revalued amounts and will therefore fluctuate each LTP round. The targeted rate will therefore be subject to incremental adjustments each LTP planning round. This may require consultation at each LTP planning round due to the changes resulting in material increases or decreases.

6.2 LEGAL

The targeted rate will be set based on the number of separately used or inhabited parts of the rating unit on a uniform basis within the Tamahere Ward. Council’s funding impact statement will need to refer to the Tamahere Recreation Reserve targeted rate.

6.3 STRATEGY, PLANS, POLICY AND PARTNERSHIP ALIGNMENT

The Tamahere Village Zone (including the commercial development, the Piazza and the Recreation Reserve) was created through a District Plan Change. The Tamahere Village Zone is included in Council’s Long Term Plan and the Tamahere structure plan.

The change in levels of service will detract from Council’s Playground Strategy and current LTP from a capital budget perspective. The new targeted rate will be included in the 2018-2028 LTP.

6.4 ASSESSMENT OF SIGNIFICANCE AND ENGAGEMENT POLICY AND OF EXTERNAL STAKEHOLDERS

Council’s Significance and Engagement Policy requires Council to consider the significance of the proposal and appropriate level of engagement. Factors to consider include the degree to which the issue will impact rating levels, community interest, relative increase in expenditure and proportion of people impacted.

The Significance and Engagement Policy was triggered as the proposal contemplated the introduction of a new targeted rate to fund an increase in levels of service and because there was high community interest. Targeted consultation was undertaken with ratepayers from the Tamahere Ward closing on 25 August 2017.

Highest levels of engagement	Inform <input type="checkbox"/>	Consult <input checked="" type="checkbox"/>	Involve <input type="checkbox"/>	Collaborate <input type="checkbox"/>	Empower <input type="checkbox"/>
<i>Tick the appropriate box/boxes and specify what it involves by providing a brief explanation of the tools which will be used to engage (refer to the project engagement plan if applicable).</i>	Undertake formal consultation using the online Consult tool and letters with feedback forms to all ratepayers in the identified catchment				

State below which external stakeholders have been or will be engaged with:

Planned	In Progress	Complete	
		x	Internal
		x	Community Boards/Community Committees
		x	Waikato-Tainui/Local iwi (provide evidence / description of engagement and response)
		x	Households
		x	Business
			Other Please Specify

7. CONCLUSION

Option I was supported by the majority of respondents (64%) through the consultation process. Council supports the inclusion of Option I in the 2018-2028 LTP.

8. ATTACHMENTS

1. Notification letter to key stakeholders
2. Feedback Form

26 July 2017

Dear Sir/Madam

TAMAHERE RECREATION RESERVE – PROPOSED TARGETED RATE

The purpose of this letter is to request your feedback on two different options regarding the standard of facilities proposed for the Tamahere Recreation Reserve and Piazza area.

The Tamahere Recreation Reserve and Piazza is bordered by Devine Road, Airport Road and Wiremu Tamihana Drive and is situated alongside the school and community hall. Initial development of the sports fields is almost complete with the main stormwater pond now complete and fenced. The Tamahere Community Committee has led the first stage of tree planting along the recreation reserve boundary. A draft overall concept plan is included at Appendix I to give you an idea of how the Reserve may look.

Community engagement undertaken during the design process indicated that the Tamahere community want more and better facilities incorporated into the development of the Recreation Reserve and Piazza than what Council would normally fund. As a result of this desire, the additional funding to achieve this level of facilities would need to be paid for through a targeted rate for ratepayers in the Tamahere Ward.

We would like to know whether or not you would be prepared to pay a new targeted rate of an estimated \$38.00 per annum (per separate dwelling) to fund a higher standard of facilities. If the community indicates it wishes to fund the higher standard of facilities Council will then work with the Tamahere Community Committee to establish a plan of what this would look like and what additional equipment will be included in the development.

Council therefore presents two options:

OPTION I

- A concept design has been developed alongside the Tamahere Community Committee to include more and higher specification facilities in the development of the Recreation Reserve and Piazza. This would include:
 - More items of, and better specification, play equipment for the playground
 - A fitness trail looping the reserve, this includes more extensive and better specification walkways
 - A destination skatepark with more obstacles, typically including a bowl as well as half pipe and rail
 - A basketball half court
 - Staging and lighting in the Piazza area

This option is supported by the Tamahere Community Committee and will cost Tamahere Ward ratepayers an estimated \$38.00 per annum (per separate dwelling) in targeted rate until the additional capital loan funding has been repaid (over 15 years). A reduced targeted rate will continue after this date to cover ongoing operational funding for repairs and maintenance associated with this higher level of specification.

Note that this proposed targeted rate will be in addition to any rates increases to be agreed through next year's Long Term Plan consultation process and would come in to effect on 1 July 2018.

OPTION 2

- The standard of facilities in line with Council strategy and Reserve Management Plan. This would include:
 - A basic specification “neighbourhood playground” with four or five pieces of basic play equipment
 - Connecting footpaths at a standard specification
 - A basic skatepark typically including a half pipe and rail
 - No basketball half court
 - Reduced number of items of park furniture and standard level of planting

This option would be completed within available budget and require no further funding.

Action required

Let us know your preferred option by filling in and returning the feedback form included with this letter or by any of the methods below.

Online: www.waikatodistrict.govt.nz/sayit (or view our Have Your Say page)

Email: consult@waidc.govt.nz

Post: Return the enclosed submission form to:
Waikato District Council
Attn: Corporate Planner
Private Bag 544

Feedback opens on **30 July 2017** and must be received by **5pm** on **25 August 2017**. We encourage you to tell us what you think and make a submission on the proposal.

Want to know more?

Further information, including examples of how the two options may look, can be found on Council’s website www.waikatodistrict.govt.nz/tamaherereserve.

If you would like any further information on the proposal please contact us on 0800 492 452 or email Donna.Rawlings@waidc.govt.nz

Yours sincerely



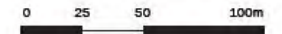
Donna Rawlings
Special Projects Advisor

Opus International Consultants | Tamahere Recreation Reserve



KEY

1. Carpark With Planted Swales
2. Reserve Stormwater Wet Pond
3. Stormwater Swales
4. Junior And Senior Play Space
5. Skate Park
6. 3 X 3 Basketball
7. Perimeter Fitness Trail
8. Fitness Trail Equipment
9. Passive Play Space
10. Spine Path
11. Axis Path
12. Avenue
13. Boardwalks
14. Common and Future Toilet Block
15. Welcome To Tamahere Sign
16. No. 1 Rugby Field (116 x 68m)
17. No. 2 Rugby Field (116 x 68m)
18. Cricket Oval
19. Multi-Purpose Artificial Turf
20. Soccer Field (100 x 64m)
21. Junior Sports Fields (each 60 x 40m)



Tamahere Recreation Reserve
Site Overview - General Arrangement Plan

DATE: Nov 2016 SCALE: 1:2000 (A3)





ECM Project #
ECM set #
Submission #
Customer #
Property #

Tamahere Recreation Reserve proposed targeted rate

Submission form

Please provide your feedback by 5pm on 25 August 2017

Name/organisation

Physical address

Postal address Postcode.....

Email Phone.....

Are you a Tamahere Ward ratepayer [] Yes [] No

Preferred method of contact (circle one) Email Post

Age (optional) [] 16-24 [] 25-35 [] 36-50 [] 51-65 [] 66+

Do you have children under the age of 16? [] Yes [] No

This information will be used for statistical purposes only, to help us understand who is engaging with council.

Please tick one of the boxes to indicate which option you would prefer:

- OPTION 1
More items of, and better specification, play equipment for the playground
A fitness trail looping the reserve, this includes more extensive and better specification walkways
A destination skatepark with more obstacles, typically including a bowl as well as half pipe and rail
A basketball half court
Staging and lighting in the Piazza area

This would cost Tamahere Ward ratepayers an estimated \$38 per year per dwelling

- OPTION 2
A basic specification "neighbourhood playground" with four or five pieces of basic play equipment
Connecting footpaths at a standard specification
A basic skatepark typically including a half pipe and rail
No basketball half court
Reduced park furniture and standard level of planting

This option would require no additional funding

Comments:
.....
.....

Written feedback

Postal Address
Waikato District Council, Private Bag 544,
Ngaruawahia 3742 • Telephone 0800 492 452

Online feedback

www.waikatodistrict.govt.nz/sayit
consult@waidc.govt.nz

Submissions are public information. Your feedback will be used for purposes such as reports to Councillors, which are made available to the public, media and on our website. If you would like your personal information concealed, please tell us in your submission.

Open Meeting

To	Strategy & Finance Committee
From	Gavin Ion Chief Executive
Date	18 September 2017
Prepared by	Lynette Wainwright Committee Secretary
Chief Executive Approved	Y
Reference	GOV1318
Report Title	Exclusion of the Public

I. EXECUTIVE SUMMARY

To exclude the public from the whole or part of the proceedings of the meeting to enable the Strategy & Finance Committee to deliberate and make decisions in private on public excluded items.

2. RECOMMENDATION

THAT the report of the Chief Executive be received;

AND THAT the public be excluded from the meeting to enable the Strategy & Finance Committee to deliberate and make decisions on the following items of business:

Confirmation of Minutes dated Wednesday 23 August 2017

REPORTS

a. Economic Development Verbal Update

This resolution is made in reliance on section 48(1)(a) and 48(2)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by sections 6 or 7 of that Act which would be prejudiced by the holding of the whole or the relevant part(s) of the proceedings of the meeting in public are as follows:

Reason for passing this resolution to withhold exists under: **Ground(s) under section 48(1) for the passing of this resolution is:**

Section 7(2)(f)(i)(h)(i)(j)

Section 48(1)(3)(a)(d)

b. Civic Financial Services Limited special meeting proxy

This resolution is made in reliance on section 48(1)(a) and 48(2)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by sections 6 or 7 of that Act which would be prejudiced by the holding of the whole or the relevant part(s) of the proceedings of the meeting in public are as follows:

Reason for passing this resolution to withhold exists under: **Ground(s) under section 48(1) for the passing of this resolution is:**

Section 7(2)(b)(i)

Section 48(1)(d)