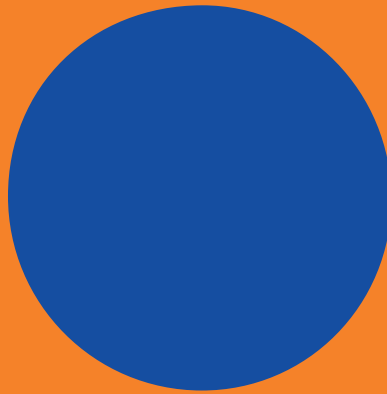


PRE-ELECTION REPORT



**VOTE
2022**
LOCAL ELECTIONS

Waikato

District Council
Te Kaunihera aa Takiwaa o Waikato

CONTENTS

PURPOSE OF THIS REPORT	3
MESSAGE FROM THE CHIEF EXECUTIVE	4
SNAPSHOT OF WAIKATO DISTRICT	5
OUR VISION	6
KEY CHALLENGES	7
– MANAGING GROWTH	8
– AFFORDABILITY	9
– IMPACTS OF COVID-19	10
LOCAL GOVERNMENT REFORMS	11
– THREE WATERS	12
– FUTURE FOR LOCAL GOVERNMENT	12
– RESOURCE MANAGEMENT REFORM	13
COUNCIL STRUCTURE	14
FORWARD FOCUS	16
– ROADING	17
– WATER SUPPLY	17
– WASTEWATER	18
– STORMWATER	19
– SUSTAINABLE ENVIRONMENT	19
– SUSTAINABLE COMMUNITIES	20/21
FINANCIALS	22
2022 ELECTIONS	29
– KEY DATES	31
– ENROLMENT CRITERIA	32
– STANDING	33
– VOTING	34

PURPOSE OF THIS REPORT

It provides an overview of the Waikato district and the challenges and opportunities we're facing. It also highlights our key projects planned for the next three years and provides an overview of our finances.

WHY WE PREPARE THIS REPORT

Whether you're planning to stand for Waikato District Council or wanting information to help you make an informed decision come voting day, then this report is for you. Local Government elections are important. Elected members represent our communities when it comes to decision making. A big job, we think. We need those who are wanting to represent their community to have a great understanding of it, the challenges we're facing, and what being in local government is all about.

In addition to this, we want voters to be able to make informed decisions. This report will give voters things to consider when making the important decision on who should represent them for the next three years.

The preparation of a pre-election report is a requirement of the Local Government Act 2002. It's prepared on behalf of the Chief Executive, with the purpose of promoting public discussion about the issues facing the Waikato District Council.

WANT MORE INFORMATION?

The information in this report is summarised from previous annual reports and the Long-Term Plan 2021-2031 (LTP 2021), except the estimated 2021/22 actual results. It does not substitute the full disclosures of these complete documents, which are available on our [website](#). Although the documents where the information is summarised from are audited, this report is not audited, nor is it required to be.

The 2019/20 and 2020/21 information is drawn directly from the annual reports for those years (also available on the Council's website).

The Annual Report 2021/22 is currently being prepared and an audited report is expected to be adopted on 26 September 2022, just prior to the October local body elections. With the benefit of extra time and the audit process, it is anticipated that some of the numbers contained in this report will change however this report has been prepared with the information available at the time of writing.



MESSAGE FROM THE CHIEF EXECUTIVE

The Waikato district continues to experience rapid growth and be a desirable place to live for many across New Zealand. This growth has brought with it numerous challenges that Waikato District Council continues to adapt to while being guided by our vision to create Liveable, Thriving and Connected Communities, keeping this aspiration at the forefront of all our planning and decision making.



OUR JOURNEY SINCE 2019

Over the last three years we have achieved a huge amount as a district and especially against the backdrop of a global pandemic. Just some of the many things we can be proud of delivering for our communities include our new Tuakau Library, the Te Awa cycleway, and Mangawara Bridge, resolve appeals in the Environment Court for the Ohinewai Sleepyhead Development, and supported the return of ancestral land back to tangata whenua in Whāingaroa which will be the home to a brand-new Papakāinga.

Over the same period, we completed a representation review, have undergone various consultations with the community covering a variety of policies, bylaws, and strategy reviews, launched our Long Term Plan, Waikato 2070, and the Pōkeno Public Realm Concept Plan.

In 2019, we began contracting out the management of our water services (stormwater, wastewater and drinking water) to Watercare, as our water delivery partner. This relationship is governed by the Waters Governance Board, who act as the kaitiaki (guardians) of the partnership.

From July 2022, Council has adopted an annual targeted rate to cover the services of a food waste collection in Raglan, which will bring huge environmental benefits by reducing the amount of food waste that ends up in landfill and aligns with our Climate Response and Resilience Policy.

LOOKING AHEAD

When a new Council is elected in October, the Mayor, Councillors and Community Board Members will be handed the responsibility of guiding the development of one of the fastest growing districts in the country. Since 2014, 12,000 people have moved to the Waikato district from other parts of the country.

It is a big responsibility for those considering standing for Waikato District Council to ensure that they read this report carefully, conduct their own research and make a genuine effort to understand the complexities of, and differences between, the separate roles within the Council structure. Ensure you have a clear position on key issues,

know what you stand for, and inform any views with facts. Your district, and those who vote for you, deserve nothing less.

The upcoming elections are bringing to us adjustments to the shape, scope and size of our wards and community boards including, the introduction of brand-new Māori wards to better represent the diversity of our community. It is also the first local election in a COVID-19 environment, and our long-serving Mayor, Allan Sanson leaves some big shoes to fill as he steps back from local politics. While there is going to be a fair bit of change around the Chambers in October, our job at Waikato District Council – to facilitate and support the creation of Liveable, Thriving and Connected Communities for the people in our district – will not change.

I urge you to remember that local elections provide you with the opportunity to have your say and help shape the future of the Waikato district. Whether you are considering standing for your local ward or community board or want to be best informed with your vote, everyone in the Waikato district has a part to play in the success of local democracy.

A handwritten signature in black ink, appearing to read 'G. J. Ion'. The signature is stylized and fluid.

Gavin Ion
Chief Executive.

SNAPSHOT OF WAIKATO DISTRICT*

WAIKATO IS HOME TO...

81,473
PEOPLE
(26.4% IDENTIFY AS MAAORI)

170
NEW NZ
CITIZENS IN 2020/21

15,344 DOGS

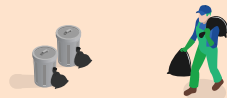


WE PROVIDE...

8,347,000

LITRES OF
DRINKING WATER A DAY

60 PUBLIC TOILETS
USED BY 4,000 PEOPLE EVERYDAY



56

PLAYGROUNDS AND NEIGHBOURHOOD RESERVES

DIVERSION OF 6,568 TONNES OF REFUSE FROM LANDFILL EACH YEAR

13 SKATEPARKS

3 SWIMMING POOLS



2 CAMPGROUNDS PAPA HUA AND HAKANOA

WAIKATO SPANS

OVER 450,000
HECTARES OF LAND



IN 2020/21 WE HAVE SUPPORTED...

155 COMMUNITY GROUPS



AND **161** DOGS WERE RE-HOMED

WE MAINTAIN...

1,860KMS
OF SEALED ROADS



599KMS
OF UNSEALED ROADS

255KMS
OF FOOTPATHS

113
PARKS AND RESERVES



38
COMMUNITY HALLS

WE OPERATE...



6 LIBRARIES THAT SERVICE 17,574 LIBRARY MEMBERS

25 WATER RESERVOIRS WITH A TOTAL CAPACITY OF 22,813m³



7 WATER TREATMENT PLANTS WITH A TOTAL CAPACITY OF 19,180m³ PER DAY AND 9 WASTEWATER TREATMENT PLANTS



2 ANIMAL SHELTERS



21
CEMETERIES

25 DOG EXERCISE AREAS

*Snapshot data as per the 2020/2021 Annual Report

OUR VISION: LIVEABLE, THRIVING AND CONNECTED COMMUNITIES

He noohanga aahuru, he iwi whai ora, he hapori tuuhono tahi

Waikato District Council consists of around 25 different businesses and covers everything from maintaining and upgrading the roading network, through to the management of water, wastewater, and stormwater, looking after parks and reserves, recreation facilities and libraries, halls and community centres. Council also oversees building and resource consents, district planning, noise and animal control and the inspection and licensing of premises. When disaster strikes, we also have a part to play in Civil Defence. We're funded by the rates our communities pay.

As an organisation our vision and community outcomes set the direction for everything we are looking to achieve. Our vision is that we work together as a district to build liveable, thriving and connected communities as our townships continue to grow.

Liveable communities are well-planned and people-centric, providing for a range of quality residential options, social infrastructure, walkways, and open spaces. They reflect what's important to people and support a shared sense of belonging both to the local community and the wider district.

Thriving communities participate in Council decision-making and community-led projects, provide input into the management of their local assets, and sustain the local business sector that provides local employment.

Connected communities have fit for-purpose infrastructure to create liveable, thriving communities. Connectivity through roads, cycleways, walkways, and digital capabilities that enable rapid information sharing, and engaging in activities together. By these means, people in connected communities access services and amenities that meet their social, health, education, and employment needs.

Together with Community Boards and Committees, we have developed the following community outcomes that guide our decision-making:

SUPPORTING OUR COMMUNITIES: KIA TAUTOKO KI A TĀTOI HĀPORI

We consider the wellbeing of all our people in all our planning and activities. We support and plan for the development of complete and connected communities.

BUILDING OUR ECONOMY: KA HĀNGA A TĀTOI ŌHANGA

We attract diverse enterprise/business; creating jobs and opportunities for our community. We continue to support our existing industry. We support others who leverage our location to ensure tourism brings benefits to a range of people in our communities.

SUSTAINING OUR ENVIRONMENT: KIA TOITŪ TO TĀTOU TAIAO


We are a community that believes in environmental sustainability; we pursue and promote related ideas and manage regulatory processes to safeguard and improve our district.

WORKING TOGETHER WITH YOU: KIA MAHI TAHI TĀTOU

Our communities work with us so we are collectively focused on the right things at the right time.

PROVIDING VALUE FOR MONEY: KA WHAI PAINGA MOT E PŪTEA

Residents and ratepayers get value for money because we find innovative ways to deliver strategic, timely and fit for purpose infrastructure and services at the most effective cost.



**THE WAIKATO
DISTRICT IS
EXPERIENCING
HIGH LEVELS OF
GROWTH.**

KEY

CHALLENGES

CHALLENGE 1: MANAGING GROWTH

The Waikato district is experiencing high levels of growth. Our population of 86,000 is expected to swell by more than 14,000 in the next decade and rise to between 128,500 and 149,500 by 2060.



We face challenges in balancing the level of new investment needed to meet this growth, while still maintaining the standards of the assets and services we currently provide. To meet these challenges, we have shaped our approach for managing infrastructure for the next 30 years by developing our Waikato District Blueprint and 'Waikato 2070' Growth and Economic Development Strategy in consultation with the community.

The Blueprint is a community planning document that sets out the priorities of our towns and rural communities. 'Waikato 2070' provides a plan for how, where and when growth should occur over the next 50 years.

Accordingly, our Long Term Plan capital programme is designed to support growth areas, deliver Blueprint projects and meet expected levels of service while maintaining affordability for our ratepayers.

We have also partnered up with neighbouring councils, central government and key stakeholders on a project called Future Proof. Future Proof is a growth strategy set up to consider how the subregion should develop into the future.

We work with these partners to consider the important issues that affect us now and over the next 30 years. This approach is needed to manage growth in a coordinated way.

We are a community that believes in environmental sustainability; we pursue and promote related ideas and manage regulatory processes to safeguard and improve our district.

QUESTIONS

- What's your vision for the Waikato district?
- What do you think are the biggest issues managing growth in our district?
- What do you consider to be the pitfalls of such rapid growth? How might these be addressed?

CHALLENGE 2: AFFORDABILITY

Against a backdrop of growing global economic uncertainty, affordability is one of the district's current significant challenges. Whilst we cover a geographical area that is comparable to that of the Auckland region, our population and therefore income from rates is far smaller.



Without the economies of scale to help us fund the services we deliver for our communities, including refuse and recycling, libraries, pools and playgrounds (to name a few), it is hard for us to meet the increasing needs and expectations of our communities within the realms of affordability.

In addition to this, Waikato district has some areas of high deprivation, making affordability an even greater challenge.

Part of Waikato District Council's strategy is to make the district an attractive place to do business. The district is open to new business, new investment and new cultures.

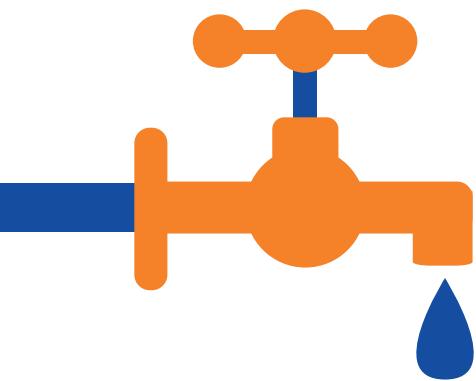
We provide free advice and support to those wanting to do business in the Waikato, helping to create new employment opportunities and bring money into the district.

QUESTIONS

- What are the most important things Council needs to focus on in the long term?
- Of the things that need funding, what are your highest, and lowest priorities?
- What do you consider to be the biggest issue facing our communities?

CHALLENGE 3: IMPACTS OF COVID-19

There has been a huge amount of fallout for organisations across the globe due to the pandemic, so of course the impacts that continue to be felt are not unique to us, but nonetheless must be acknowledged as a present and immediate future challenge alongside other developments outside of our control.



These include predictions of economic recession, geo-political forces, climate change adaptation and more localised change being led by central government such as the Future for Local Government, Resource Management Act and Three Waters reforms.

Fortunately, we were well placed to manage the disruptions of the pandemic with two major delivery partnerships in place, one for roading (Waikato District Alliance) and the other for wastewater, drinking water, and stormwater services (Watercare) and as a result have managed the current financial year well.

However, the continued issues around supply chain, contractor/sub-contractor availability and of course constantly increasing fuel and labour costs are beginning to have a significant impact on our ability to deliver within timeframes and budget. Factoring in the unpredictable and turbulent environment we are likely to continue to operate in, as well as changing legislative requirements, we need to find workable solutions to effectively deliver on community expectations without putting additional pressure on our ratepayers.

These unprecedented times continue to evolve and challenge us. As a Council we require innovative thinking and leadership to successfully navigate our way through whatever is thrown at us and to be able to effectively support our communities to grow and thrive through change.

QUESTIONS

- What's your view on climate change? How can we ensure the Waikato district is resilient to the effects of climate change?
- How does Council plan to represent the wider community, specifically minority groups or those who don't usually engage with Council?
- How do we advance Māori representation towards Te Tiriti o Waitangi principles or partnership, participation, and protection?



**CREATE
CONDITIONS
FOR COMMUNITIES
TO THRIVE.**

LOCAL GOVERNMENT REFORMS

THREE WATERS

In July 2020, the Government launched its Three Waters Reform Programme - a four-year programme which will eventually change the way these services are provided across the country.

The Government proposes via the water reform programme that local authorities will no longer be responsible for delivering wastewater, drinking water and stormwater services.

There would be an impact on finances relating to these services such as, but not limited to, operating revenues, direct costs of running the activities, and value of debt incurred to fund the activities. There would likely be second order impacts which Council would assess as part of the analysis of the proposal (once received).

Council secured \$11.3 million of the Government's post-COVID-19 stimulus funding package announced with its Three Waters Reform Programme in July 2020. This enabled us to accelerate \$3.4 million of wastewater network renewals and undertake an additional \$4.3 million wastewater pond de-sludging, among other initiatives for our wastewater, stormwater, and water supply services.

In 2019 we signed a contract with Watercare to deliver our drinking water, wastewater and stormwater services as well as operating and maintaining the assets, which we continue to own. This means, that if the Three Waters Reform is actioned as it is currently planned for, the transition for Waikato District Council is likely to be less significant than it may be for other councils because our water services are already operated by a water service entity. [Find out more here.](#)

FUTURE FOR LOCAL GOVERNMENT

The Government has begun a review of local government. They're calling it the Future for Local Government Reform. The aim of this reform is to 'create a new system of local governance and democracy that will effectively respond to a changing New Zealand and create conditions for communities to thrive.'

A draft report containing recommendations from the independent panel is due to be released October 2022. At this stage, it is uncertain as to what the reform will look like for councils across the country. Waikato District Council is nevertheless informing the reform process by having engagements and providing feedback to the independent panel. Formal consultation (including submissions) will take place either in late 2022 or early 2023 as the final report to the Minister is due in June 2023.

The reforms are being framed by the following key questions:

1. How should the system of local governance be reshaped so it can adapt to future challenges and enable communities to thrive?
2. What are the future functions, roles, and essential features of New Zealand's system of local government?
3. How might a system of local governance embody authentic partnership under Te Tiriti o Waitangi, creating conditions for shared prosperity and wellbeing?
4. What needs to change so local government and its leaders can best reflect and respond to the communities they serve?
5. What should change in local governance funding and financing to ensure viability and sustainability, fairness and equity, and maximum wellbeing?

The trend we are seeing is for a greater emphasis on the four wellbeings, partnerships and developing stronger relationships with local iwi and hapu. Waikato District Council is already taking steps in this direction, with two Joint Management Agreements. One with Waikato-Tainui and the other with Ngati Maniapoto.

The overarching framework of these Joint Management Agreements is the restoration and protection of the Waikato and Waipa rivers and their catchment for current and future generations. In addition to this, through the review of our representation arrangements, two Māori wards have been created with one seat in each ward. This will ensure that Māori are given a voice when it comes to making key decisions for our communities.

We also have several enduring partnerships at a sub-regional and regional level from which important lessons have been shared with the panel. Such partnerships include Future Proof, Waikato Plan, and Co-Lab (ex-Waikato Local Authority Shared Services).

Reforms regarding the way three waters (drinking water, wastewater and stormwater services) are managed is already being considered as part of Three Waters Reform. The Future for Local Government reform will also need to factor the delivery of such services as well as other infrastructure such as roading, transport and community facilities. The roading subsidy councils receive from Waka Kotahi to help maintain our roading assets has decreased, and the role of councils in setting speed limits has decreased.

RESOURCE MANAGEMENT REFORM

The government has begun reviewing the Resource Management Act 1991 (RMA). The basis for the review is that the RMA has not delivered on its desired environmental or development outcomes, nor have RMA decisions consistently given effect to the principles of Te Tiriti o Waitangi. The Government considers that current processes under the RMA take too long, cost too much and do not address the many new challenges facing our environment and communities.

The Government will repeal the RMA and replace it with three new acts during the parliamentary term. The three acts include:

- Natural and Built Environments Act (NBA) – covering land use (urban areas) and environmental regulation (transitioning to an outcomes-based approach from the current effects-based system)
- Strategic Planning Act (SPA) – to enable integration with other legislation relevant to development as well as requiring long-term regional spatial strategies to help coordinate and integrate decisions made under applicable legislation
- Climate Adaptation Act (CAA) to support New Zealand's response to climate change.

The acts will set out how the environment will be protected and enhanced in the future system, ensuring people and communities use the environment in a way that supports their well-being and that of future generations. This is to be achieved by:

- Promoting positive outcomes for both the natural and built environments.
- Ensuring that the use, development and protection of resources only occur within prescribed environmental limits.

The purpose of the NBA will include reference to the Te Oranga o te Taiao (Wellbeing of the Natural Built Environment). Decision-makers would be required 'to give effect to the principles of Te Tiriti', replacing the current RMA requirement to 'take into account those principles'.

Under the acts, the Government's proposed new National Planning Framework will provide a set of mandatory national policies and standards on specified aspects of the new system. These will include natural environmental limits, outcomes and targets.

The Strategic Planning Act provides a strategic and long-term approach to how we plan to use land and the coastal marine area.

Long-term regional spatial strategies (RSS) will be developed to identify areas that:

- Will be suitable for development.
- Need to be protected or improved.
- Will require new infrastructure and other social needs such as hospitals and schools.
- Are vulnerable to climate change effects and natural hazards such as earthquakes.

The regional strategies will enable more efficient land and development markets to improve housing supply, affordability and choice, and climate change mitigation and adaptation.

The entire Natural and Built Environments Bill will be introduced to the House in late 2022 alongside the Strategic (Spatial) Planning Bill. There will be a second opportunity for the public to provide feedback at that time. The Government will continue to engage with Treaty partners, local government and sector stakeholders while the reforms progress through the parliamentary process. The Climate Adaptation Bill will be released in 2023.

Waikato district is well placed for the Regional Spatial Strategies through its partnership in Future Proof. We are also at the decisions version of the Proposed District Plan which includes Coastal Hazard and other provisions to promote climate change adaptation, and we have a Climate Action Plan.

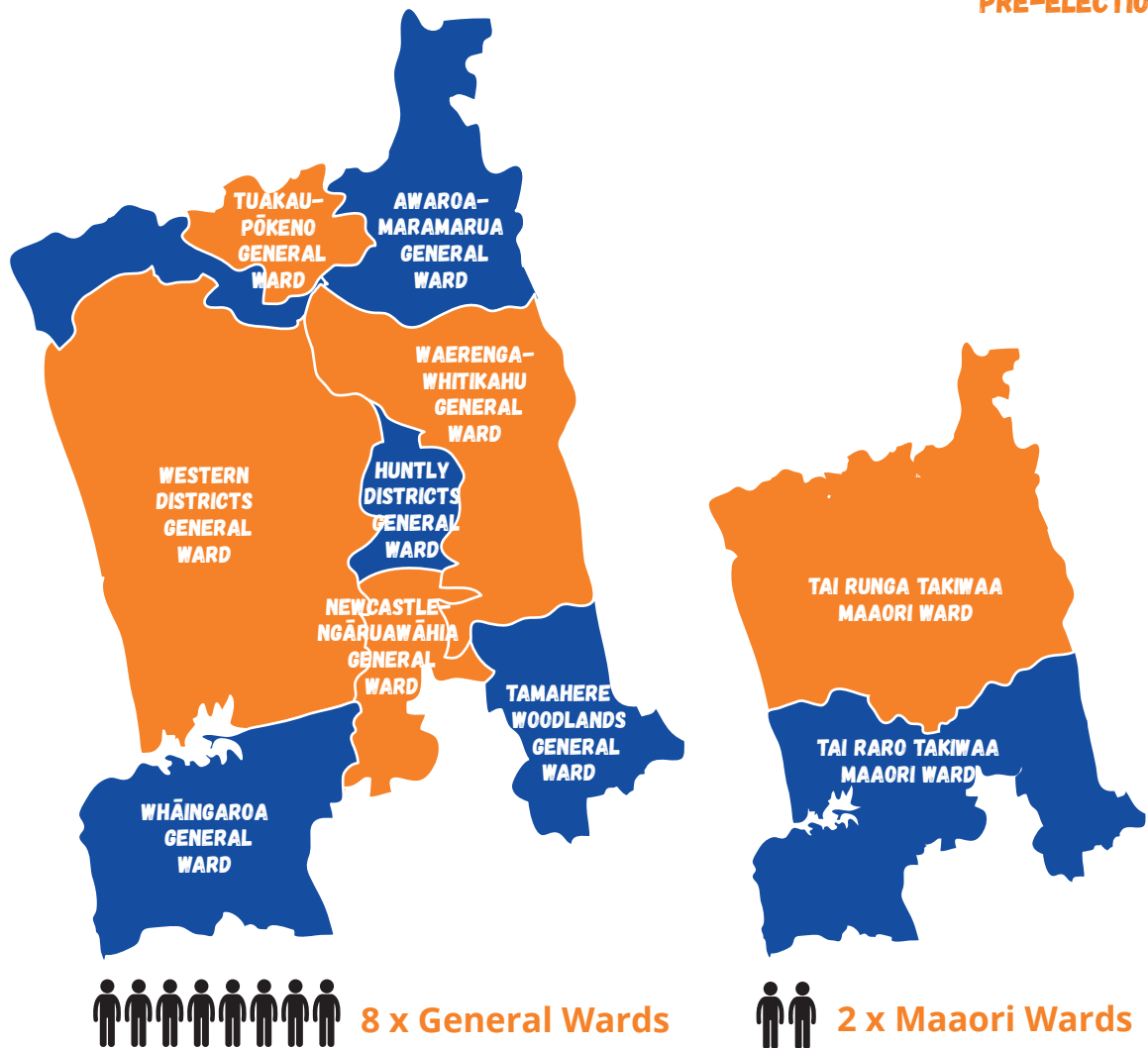
QUESTIONS

- How will Council ensure it's well prepared for government-led reforms?
- What's your stance on three waters reforms?
- What do you consider to be the downfalls of a growing district? How might these be addressed?
- How does council plan to feedback to the government on the reforms?



**10 WARDS
(8 GENERAL
WARDS AND
2 MAAORI
WARDS).**

**WARD
STRUCTURE:**



WARDS

The district is divided into 10 wards (8 general wards and 2 Maaori wards).

They are: Awaroa-Maramarua General, Huntly General, Newcastle-Ngaruawahia General, Tamahere-Woodlands General, Tuakau-Pokeno General, Waerenga-Whitikahu General, Western Districts General, Whaingaroa General, Tai Raro Takiwaa Maaori and Tai Runga Takiwaa Maaori.

COMMUNITY BOARDS

Six community boards, whose members are elected within the board areas, deal with local issues within their areas.

Community boards are established in Huntly, Ngaruawahia, Tuakau, Raglan, Rural and Port Waikato (north and south subdivisions) and Taupiri.

COMMUNITY COMMITTEES AND GROUPS

By advocating on behalf of their local communities, voluntary community committees and groups play an important role within community decision-making. Council works with them and the community boards so it can take into account local perspectives as part of its decision-making.

They include:

Aka Aka, Eureka, Glen Afton/Pukemiro, Gordonton, Horsham Downs, Matangi, Meremere, Newstead, North East Waikato (including Mangatawhiri, Mangatangi and Maramarua), Pokeno, Port Waikato, Pukekawa, Rangiriri, Tamahere, Te Kauwhata, Te Kowhai and Whatawhata.



**MAJOR
PROJECTS
PLANNED
FOR 2022 -
JUNE 2024**

**FORWARD
FOCUS
(2022/23
ONWARDS)**

ROADING



PŌKENO ROAD BRIDGE TO MUNRO ROAD

\$1.3 MILLION

In preliminary design phase.
To be constructed by June 2024.

GREAT SOUTH ROAD/ PŌKENO ROAD

\$2 MILLION

In preliminary design phase.
To be constructed by June 2024.

DISTRICT-WIDE NEW BRIDGES AND LARGE CULVERTS

\$3 MILLION

In preliminary design phase.
To be constructed by June 2024.

DISTRICT-WIDE WALKING AND CYCLING FACILITIES

\$2 MILLION

In preliminary design phase.
To be constructed by June 2024.

DISTRICT-WIDE ROAD SAFETY UPGRADES

\$4.6 MILLION

These projects have been phased to commence in years' 2 and 3 of the LTP. They will commence in the planned financial year.

WATER SUPPLY



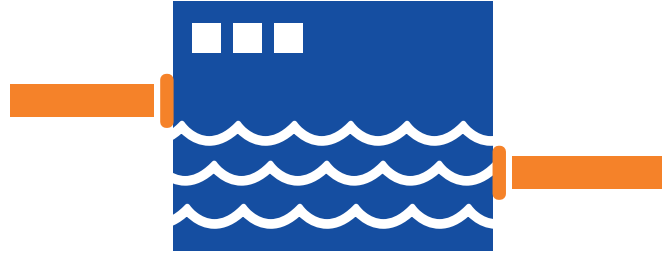
DISTRICT-WIDE WATER SUPPLY RESERVOIR RENEWALS AND RESERVOIR EXTENSIONS

Water Treatment Plants renewals is an ongoing programme to replace plant components. This is largely based on condition assessments but also is to enable reactive replacement of plant components due to failures. Reservoir extension are new reservoirs to meet storage requirements and growth within the water network.

DISTRICT-WIDE WATER SUPPLY RETICULATION RENEWALS – \$2.2 MILLION, RETICULATION EXTENSIONS – \$5.5 MILLION AND RETICULATION UPGRADES – \$4.5 MILLION

These projects relate to renewal of water network pipe (based on age, material, and pipe breakage history), upsizing and extensions of pipes driven by growth demands or current performance issues.

WASTEWATER



TE KAUWHATA WASTEWATER TREATMENT PLANT UPGRADE

\$21.8 MILLION

This project is required to meet compliance requirements and to allow for growth. It involves a significant plant upgrade and treatment changes to improve the discharge to the receiving environment which are likely to be different from the current lake discharge.

RAGLAN WASTEWATER TREATMENT PLANT UPGRADES

\$11.8 MILLION

This project is required to meet likely new discharge consent requirements for the Raglan wastewater treatment plant. It involves plant upgrades and changes to discharge which are likely to be different from the current marine discharge.

DISTRICT-WIDE WASTEWATER TREATMENT PLANT UPGRADES

\$3.2 MILLION

These projects relate to renewal of wastewater treatment plant component renewals (driven by condition surveys and reactive replacements), the upgrades allow for minor plant capacity improvements required to meet consent compliance.

DISTRICT-WIDE CONSENT REAPPLICATIONS

\$993,000

The Waikato district's wastewater treatment plant's discharge consent renewals involves stakeholder engagement and require studies and investigations as part of the process. This project enables the background tasks to be undertaken in preparation to lodge a consent renewal application.

DISTRICT-WIDE WASTEWATER PUMP STATION RENEWALS

\$21.2 MILLION

These projects include specific upgrades to pump stations and their associated rising mains to increase capacity to meet growth requirement or lack of existing pump station capacity. It also includes renewal pump station components as they reach the end of their service life.

STORMWATER



DISTRICT-WIDE STORMWATER UPGRADES

\$1.6 MILLION

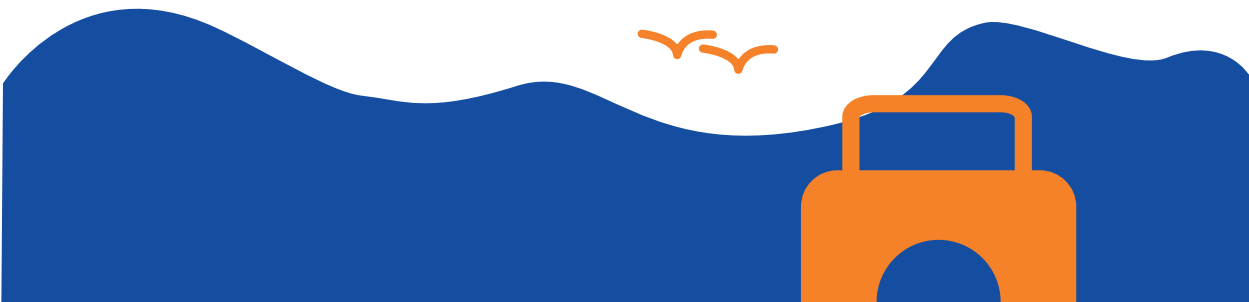
This project relates to stormwater upgrades throughout the district to improve water quality issues and discharges to the receiving environment.

DISTRICT-WIDE STORMWATER RETICULATION UPGRADES

\$2.6 MILLION

This project relates to stormwater network upgrades throughout the district to reduce the risk of flooding.

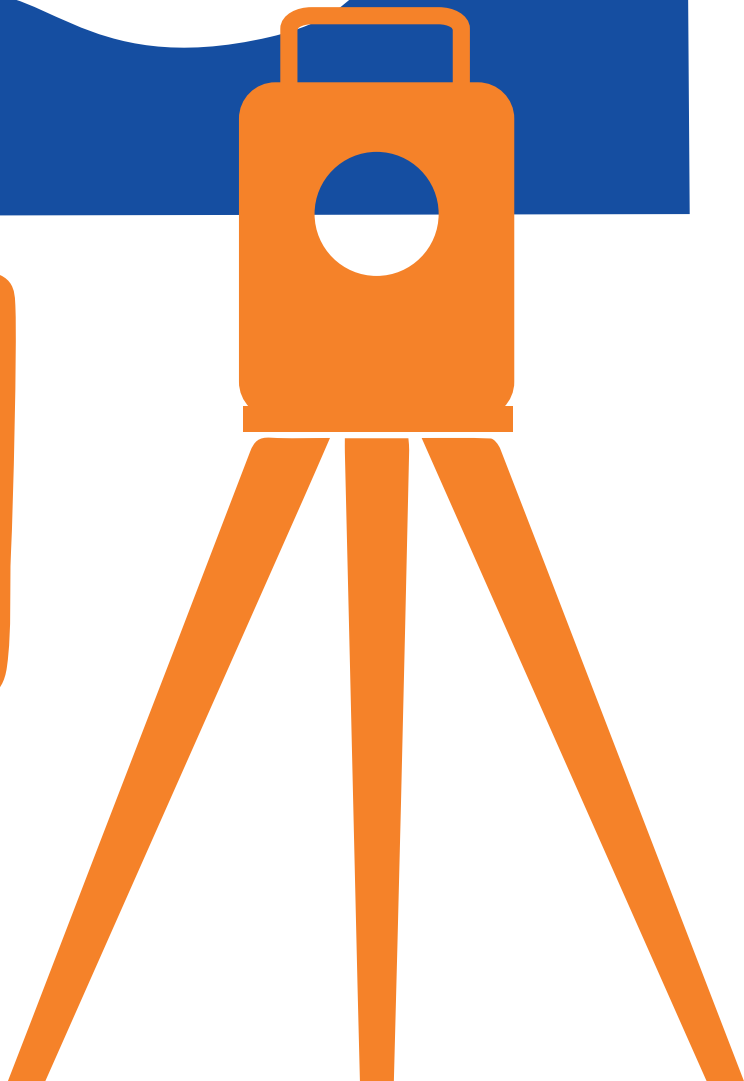
SUSTAINABLE ENVIRONMENT



NORTH WAIKATO RESOURCE RECOVERY CENTRE

\$2.5 MILLION

A geo-tech and topographical survey have been conducted. A preliminary planning report has been received from our consultants outlining resource consent and site infrastructure requirements.



SUSTAINABLE COMMUNITIES



TUAKAU PARKS

\$844,000

A large parcel of land was purchased in Northern Tuakau to provide recreation space for the residents in this part of our district. This budget is for the design and development of the park.

THE RAGLAN HALL

\$515,000

It has been identified that a number of our halls do not meet the New Building Standard and improvements are required to bring them up to standard. This budget is to undertake this work.

PŌKENO SPORTS GROUND

\$5 MILLION

Work is currently underway on earthworks and stream realignment at Munro Park in Pōkeno. This budget, over the next two years is to develop the park further with infrastructure to support recreation activities. It will include carparking, lighting and other items identified through the consultation and development of the park.

TE KOWHAI SPORTS GROUND

\$1.5 MILLION

Work is underway to purchase land in the Te Kowhai area to provide for sports parks in this area. This budget is to develop the land, once purchased.

WHATAWHATA COMMUNITY FACILITY

\$1.3 MILLION

Designed to be an inclusive, communal space where people can connect with neighbours and build strong relationships that enhance community resilience.

DISTRICT-WIDE CARPARK RENEWALS

\$2 MILLION

A number of car parks are to be improved to enable reserve users to enter the reserve safely. Upcoming locations include Matartai Bay (Port Waikato), Ngāurawāhia League Grounds, Onewhero Domain and Tumate Mahuta Reserve (Huntly).



WOODLANDS IMPROVEMENTS

\$780,750

Improvements to the Woodlands Estate Historic Reserve projects identified in the reserve management plan including carpark upgrade and the creation of a grand garden entrance.

THE POINT AND KIINGITANGA

\$416,400

The continuation of the Te Awa Cycleway along the Waikato River and continuing to connect to the Waipa esplanade. Park improvements will also include a connection from The Point to the town centre and additional projects identified in the Reserve Management Plan.

WI NEERA WALKWAY STRUCTURAL IMPROVEMENTS

\$750,000

Wi Neera walkway in Raglan is to receive structural and health and safety improvements.

HUNTLY AQUATIC CENTRE

\$395,000

Council is making the switch from gas to electricity to heat swimming pools at Huntly Aquatic Centre, reducing greenhouse gas emissions in the process.





**THE WAIKATO
DISTRICT HAS
BEEN GROWING
RAPIDLY!**

FINANCIAL STRATEGY

BALANCING AFFORDABILITY AND GROWTH

Council is achieving this by:

- Moving costs of services to those who use them.
- Maintaining existing assets.
- Modernising and improving infrastructure.
- Supporting growth.

Forecast growth will see a 21% increase in the number of homes (6,600) over the next 10 years. This is substantial and requires a significant investment in all Council activities to achieve our vision for liveable, thriving and connected communities.

Alongside this, maintaining existing services in an environment of increasing regulation and weather events is challenging.

Council has developed a financial strategy (as part of our 2021-31 Long Term Plan) which focuses on affordability for ratepayers and investment to allow for future population growth.

SUSTAINABLE GROWTH

The Waikato district has been growing rapidly, our proximity to Auckland and Hamilton making us an attractive proposition for both business and residential development. Growth will occur in the Waikato due to factors outside of our control.



How Council responds to growth drives whether that growth enhances Council's vision for liveable, thriving and connected communities.

Council's forecast growth over the next 10 years will mean 6,600 new homes for over 14,000 more people. Much of this growth will occur in towns (42:58 urban to rural population in 2021, rising to 45:55 by 2031). This requires significant planning, working with the community and other agencies. It will result in an investment in roads, water, wastewater, stormwater and community infrastructure often in advance of the people arriving. By providing this trunk infrastructure investment in advance of growth it will avoid adverse consequences to public health, safety and the environment.

Infrastructure required to support growth will initially be funded by borrowing, including the Housing Infrastructure Fund (\$38 million) and each project draw down will be interest free for 10 years. Where subsidies and external funds can be earned, this will reduce the initial debt. Development contributions will be paid when developments are completed, and this revenue will reduce debt. The remainder will be paid over 25 years by existing ratepayers and by new ratepayers as they arrive.

The capital investment in growth shows a large investment in trunk infrastructure in the first 4 years of the plan. With the trunk infrastructure in the right place, it will create sufficient capacity to support forecast growth in our main urban areas, which allows for local developer investment to continue in those later years.

The day-to-day costs resulting from population and land use changes will come to \$405 million over 10 years, which is around 21% of total operating costs.

MAINTAINING EXISTING ASSETS

Council looks after \$1.7 billion of assets, 86% of which are infrastructure assets. These assets have been the backbone of our community's services for decades. The quality of these services contributes a lot to whether a community is liveable and thriving.

Council invests a lot of resources in professional asset management practices to ensure they are well maintained to the end of their economic lives and are renewed at that moment when it is most cost effective to do so. Getting this right has a big influence on the affordability of services.

For roading there has been great efficiencies resulting from the Council's innovation of its Waikato District Alliance. With the waters activities Council partnered with Watercare Services and Waikato Tainui in October 2019 with the aim of delivering further efficiencies. However, the underlying condition of the assets no longer meet the rising standards for consent renewals on treatment facilities and significant investment is required over and above that previously planned.

Council is providing for a consistent investment between \$45 to \$59 million in each year of the Long Term Plan. This level of investment is more than annual depreciation, which reflects the scale of asset replacements budgeted in this 10-year period. At times, upgrades are also carried out earlier than planned for due to the need to support growth and changing consent conditions.

A significant element of Council's financial strategy is for infrastructure assets to maintain up-to-date asset valuations which recognise the current replacement cost of assets and then fund the consequential depreciation cost. This provides for an appropriate allocation of cost to those who benefit from the services the assets provide each year and overall is the most cost-effective approach to ensure current and future generations pay an affordable share of the asset renewal. For each asset type any funds are accounted for in asset replacement reserves.

Along with everyday maintenance this capital renewal budget will ensure that service levels today are continued to be enjoyed by communities.

BETTER SERVICES

Communities that are thriving have a high degree of liveability and have a good range of modern services. Communities often desire many improvements which need prioritising to balance affordability with service levels.

60% of the investment being on enhancing services such as roading and waters. Investing in better service levels on core infrastructure is essential to building modern communities. However communities need access to other services like playgrounds and libraries if people are to feel their community is liveable and thriving. Council must therefore balance investment choices between core infrastructure and community infrastructure and services that support social and wellbeing outcomes.

The regulatory environment is imposing more cost to protect people and the environment including healthy rivers, drinking water standards and consent conditions. Pending three waters reform work has meant that the standards associated with running water and wastewater services will inevitably increase. It is not yet clear what the reforms will mean for our communities but the type of treatment plants that need to be built to achieve regional consent conditions will cost more and are included in the plan.

MANAGING DEBT

The increased investment in the next three years in growth, renewals and service levels has the consequence of increasing debt (see Figure 4). Debt rises by \$165 million in the first five years reflecting the level of investment. From 2029 the level of new debt decreases and by 2030 debt repayments exceed new investment. Council will repay \$289 million of debt over 10 years.

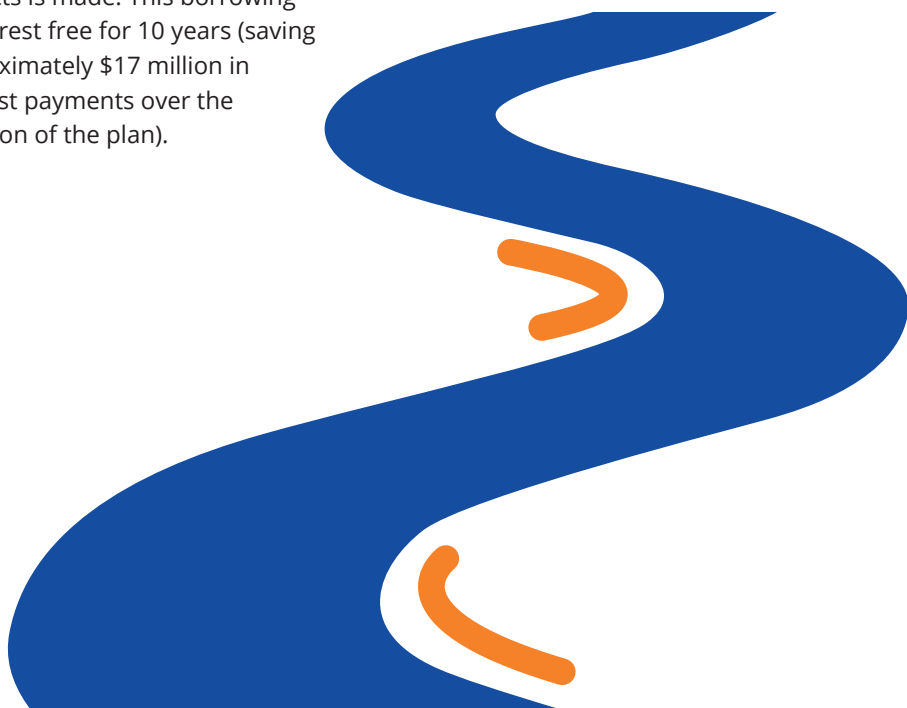
The Housing Infrastructure Fund (HIF) loan was approved in 2020 with borrowing to be drawn down over the first three years of this Plan as investment on HIF approved projects is made. This borrowing is interest free for 10 years (saving approximately \$17 million in interest payments over the duration of the plan).

Council has set its debt limit using a debt to revenue ratio. This is one of the main methods used by the Council's funders to determine the affordability of debt. People who have borrowed home mortgages will know how important income is to the banks decision to lend money.

Council's primary lender, the Local Government Funding Agency (LGFA), has determined that it will only lend to Council up to 175% of revenue.

Although the debt limit has been set equal to our borrowing capacity, Council has \$156 million of capacity it could spend before it would reach the 175% limit in 2022. Additionally, the Local Government Funding and Financing toolbox has been extended to include off-balance sheet options. There would still be the challenge of repayment so in the first instance Council has planned a programme that fits within LGFA limits.

Council's borrowing is secured by either a debenture trust deed or a floating charge over all Council rates levied under the Rating Act.



FUNDING PHILOSOPHIES

The detail of Council's funding philosophies is provided in the Revenue and Financing Policy. In summary the Council aims to ensure that:

- Operating costs are met by operating income (including rates, fees and charges and grants and subsidies). The only exception is depreciation expense for roading which is not fully charged to ratepayers due to the assumption that subsidies will still be available at the time of asset replacement.
- Growth related operating costs should be met by a growth in Council's income base. (This is not immediately achievable and there is a high likelihood of incurring operating costs before growth occurs. Council aims to minimise the effect of this.)
- Asset renewal costs are generally funded from capital replacement funds or new borrowing.
- All growth capital costs are met from development or financial contributions.

CARRY FORWARD OF CAPITAL WORKS BUDGET

Consent requirements, land purchase issues, availability of contractors, affordability and consultation processes all have an impact on Council's ability to progress capital works programmes. Those projects affected during the 2021/22 financial year are currently being reviewed to ensure budgets are retained to complete the work. Financial statements included in this report therefore do not include carry forward adjustments.

CHANGES TO CIRCUMSTANCES

The 2021/22, 2022/23, 2023/24 and 2024/25 information is drawn from the 2021 Long Term Plan (LTP) which was adopted by Council in June 2021. There have been some changes to circumstances since that time. The overall assessment is that the information is not significantly out-of-date, and the 2021/22 Annual Plan figures have also been provided for completeness.



FUNDING IMPACT STATEMENT

Waikato District Council, 2022 Local body elections

FUNDING IMPACT STATEMENT	2019/20 Actual NZ \$'000	2020/21 Actual NZ \$'000	2021/22 Draft NZ \$'000	2021/22 Annual Plan NZ \$'000	2021/22 LTP Budget NZ \$'000	2022/23 LTP Budget NZ \$'000	2023/24 LTP Budget NZ \$'000	2024/25 LTP Budget NZ \$'000
Sources of operating funding								
General rates, uniform annual general charges, rates penalties	63,683	67,594	69,888	67,330	73,494	76,857	80,283	83,847
Targeted rates	28,313	30,556	30,624	30,709	32,119	35,636	39,484	43,820
Subsidies and grants for operating purposes	9,928	12,804	12,446	8,355	17,236	10,120	10,406	10,659
Fees and charges	15,229	13,705	12,248	10,415	14,887	14,817	14,829	15,518
Interest and dividends from investments	164	59	- 0	130	50	50	82	83
Local authorities fuel tax, fines, infringement fees, and other receipts	9,365	9,266	9,926	7,885	10,432	10,413	10,577	10,980
TOTAL OPERATING FUNDING	126,682		135,132	124,824	148,218	147,893	155,661	164,907
Applications of operating funding								
Payments to staff and suppliers	100,409	102,752	101,104	92,818	118,516	118,295	119,742	121,355
Finance costs	4,505	4,706	4,260	5,497	4,506	5,463	7,064	8,468
Other operating funding applications	3,343	2,861	2,934	2,664	2,834	2,909	3,150	3,099
TOTAL APPLICATIONS OF OPERATING FUNDING	108,257	110,319	108,298	100,979	125,856	126,667	129,956	132,922
Surplus (deficit) of operating funding	18,425	23,665	26,834	23,845	22,362	21,226	25,705	31,985
Sources of capital funding								
Subsidies and grants for capital expenditure	11,646	15,402	13,622	13,315	15,875	17,650	20,938	20,419
Development and financial contributions	15,101	13,158	12,772	6,393	8,271	13,326	8,134	14,700
Increase (decrease) in debt	15,000	(15,000)	35,000	15,661	46,871	61,143	42,070	38,009
Gross proceeds from sale of assets	794	2,105	211	521	3,914	807	972	1,039
Lump sum contributions	- 0	- 0	- 0	- 0	- 0	- 0	- 0	- 0
Other dedicated capital funding	952	1,232	1,362	124	199	208	216	226
TOTAL SOURCES OF CAPITAL FUNDING	43,493	16,897	62,967	36,014	75,130	93,134	72,330	74,393
Applications of capital funding								
Capital expenditure								
- to meet additional demand	8,748	6,802	11,744	5,361	22,777	33,040	25,498	40,161
- to improve the level of service	14,117	19,516	16,052	14,607	32,912	34,882	23,524	20,665
- to replace existing assets	25,386	32,317	27,059	30,893	45,370	46,434	46,690	45,003
Increase (decrease) in reserves	(4,593)	(16,098)	3,068	(581)	(4,276)	(887)	1,590	(77)
Increase (decrease) of investments	18,260	(1,975)	31,878	9,579	709	891	733	626
TOTAL APPLICATIONS OF CAPITAL FUNDING	61,918	40,562	89,801	59,859	97,492	114,360	98,035	106,378
Surplus (deficit) of capital funding	(18,425)	(23,665)	(26,834)	(23,845)	(22,362)	(21,226)	(25,705)	(31,985)
Funding balance	-	-	-	-	-	-	-	-



SUMMARY STATEMENT OF FINANCIAL POSITION

Waikato District Council - 2022 Local body elections

	2019/20 Actual NZ \$'000	2020/21 Actual NZ \$'000	2021/22 Draft NZ \$'000	2021/22 Annual Plan NZ \$'000	2021/22 LTP Budget NZ \$'000	2022/23 LTP Budget NZ \$'000	2023/24 LTP Budget NZ \$'000	2024/25 LTP Budget NZ \$'000
Assets								
Financial assets	68,398	62,444	73,540	44,484	52,287	53,492	54,367	56,104
Other assets	1,744,336	1,841,288	1,891,905	2,066,814	1,997,612	2,146,303	2,262,941	2,390,034
TOTAL ASSETS	1,812,734	1,903,732	1,965,445	2,111,298	2,049,899	2,199,795	2,317,308	2,446,138
Liabilities								
Public debt	95,000	80,000	115,000	139,461	134,622	195,765	237,835	275,844
Other liabilities	53,893	51,114	53,685	39,380	61,363	62,544	61,099	62,289
TOTAL LIABILITIES	148,893	131,114	168,685	178,841	195,985	258,309	298,934	338,133
Net assets								
Net assets / equity	1,663,841	1,772,618	1,796,760	1,932,457	1,853,914	1,941,486	2,018,374	2,108,005
TOTAL NET ASSETS / EQUITY	1,663,841	1,772,618	1,796,760	1,932,457	1,853,914	1,941,486	2,018,374	2,108,005

STATEMENT OF COMPLIANCE WITH COUNCIL'S FINANCIAL STRATEGY

Rates affordability

Council as set a limit on total rates for each year of the 2021 LTP. Total rates will not exceed 0.7% of the total capital value of the District. The 2021 LTP also set a limit on average annual rate increases, to existing ratepayers, of 10% in the first year, reducing to eight percent from 2023

YEARS ENDING 30 JUNE:	2019/20 Actual	2020/21 Actual	2021/22 Draft
Limit on total rates income (\$'000)			
Limit	\$193,294	\$195,930	\$265,400
Actual/Planned	\$104,113	\$111,223	\$114,400
Limit on rates increases			
Limit	15%	15%	8%
Actual/Planned	9%	7%	8%
Limit on net debt (\$ million) *			
Limit	\$208.6	\$239.7	175%
Actual/Planned	\$139.0	\$159.8	105%

* For the 2021/22 year the reporting on this limit changed to percentage basis and is calculated as follows:
Net debt as a percentage of total revenue will not exceed 175%.

RETURNS ON INVESTMENT

Council has financial, property and equity investments which are managed in accordance with the Treasury Risk Management Policy.

YEARS ENDING 30 JUNE:	2019/20 Actual	2020/21 Actual	2021/22 Draft
Return on financial investments			
Limit	5.6%	5.6%	5.6%
Actual/Planned	7%	8.7%	8.7%
Return on property investments			
Limit	11%	11%	11%
Actual/Planned	8%	7.3%	7.3%
Return on equity investments			
Waikato Regional Airport Limited			
Limit	0%	0%	0%
Actual/Planned	0%	0%	0%
Waikato Local Authority Shared Services Limited			
Limit	0%	0%	0%
Actual/Planned	0%	0%	0%
Civic Financial Services Limited			
Limit	0%	0%	0%
Actual/Planned	0%	0%	0%
Waikato District Community Wellbeing Trust			
Limit	0%	0%	0%
Actual/Planned	0%	0%	0%





**MAKE A
DIFFERENCE
TAKE A STAND**

2022

ELECTIONS

STAND UP AND BE COUNTED

WHAT DOES AN ELECTED MEMBER DO?

Waikato District Council's governance arm is made up of 46 elected members, comprising of the mayor, 13 councillors and 32 community board members.

Candidates fill all these roles based on community votes, and all roles exist to serve the communities to which they have been elected. However, there are some distinct differences in the functions and responsibilities of each role.

WHAT DOES THE MAYOR DO?

The mayor is elected to lead the Waikato district for the three-year term ahead. As defined by the Local Government Act 2002, the role of a mayor as having to provide leadership to other elected members, be a leader in their community and perform civic duties. This includes leading the development of Waikato District Council's plans and strategic documents, such as the Annual Plan and Long-Term Plan.

Powers of the mayor include:

- The ability to appoint the deputy mayor
- The ability to establish the committees for the Council
- The ability to appoint a chairperson to each committee
- The ability to serve as a member of each council committee

WHAT DOES A COUNCILLOR DO?

Councillors are elected to represent their communities for a three-year term. While there is no specific job description, as such, for their role, they act as representatives and leaders for their communities. Their role involves high-level strategic thinking, including setting policies, making regulatory decisions, and reviewing council performance.

When councillors sit around the council table, their first responsibility is to the Waikato District as a whole not the individual ward they represent.

The 2022 triennial elections are the first time that Waikato district has had Māori wards, which were introduced following a representation review in 2021. This is a unique opportunity for the councillors elected to these wards to lead Waikato district into a representative and inclusive future.

WHAT DOES A COMMUNITY BOARD MEMBER DO?

Community board members are elected to look after local interests and be the link between the community and the Council. Community boards were established to enable communities to have a voice in decisions affecting them, and to ensure people have their say on local issues.

If you are considering standing for local body elections, but not quite sure you're ready to take the leap to commit to the role of councillor, then putting your name forward for your local community board is a great way to start.

For more information, please refer to the [Candidate Handbook](#).



KEY DATES

ACTION	DATE
Candidate nominations open	15 July 2022
Candidate nominations close	12 noon, 12 August 2022
Candidates announced	17 August 2022
Final electoral role certified by Electoral Officer	12 September 2022
Voting papers sent to enrolled voters	16-21 September 2022
Voting opens	16 September 2022
Voting closes	12 noon, 8 October 2022
Progress and preliminary results published	8 October 2022
Final results announced	8 October (evening) – 13 October 2022



ENROLMENT CRITERIA

If you're on the electoral roll, then you can vote in the upcoming local elections and your voting pack will arrive by post in September 2022.

You can enrol if you're 18 or older, a New Zealand citizen or permanent resident, and have lived in New Zealand for more than one year continuously at some time in your life.



STANDING

HOW TO BECOME A CANDIDATE

Nominations open on 15 July and all nomination forms need to be in before 12 noon, 12 August 2022.

What you need to do to complete your nomination

- You need to have two people to nominate you - they must be over 18 and enrolled to vote in the area you wish to be a candidate for.
- You need to pay a nomination deposit of \$200. This deposit applies to each election position you want to be a candidate for.
- We must receive your nomination by 12pm (noon) on Friday 12 August 2022.
- We can't make any extensions to this deadline.

HOW MANY POSITIONS YOU CAN BE ELECTED FOR

You can be a candidate for:

- mayor
- a general ward or Maaori ward councillor
- a community board member.

If you are elected to more than one position, you will take the highest ranked position.

If you stand as a councillor, you can't be a candidate for more than one ward.

You can be a candidate for more than one community board but you can only be elected to one. If you are a candidate for more than one community board, you will need to state which one is your priority if you get elected to more than one.

You can also be a candidate for a licensing trust, if you live in the licensing trust area. You can only be a candidate for one licensing trust.



VOTING

Local body elections are your chance to have your say on what's important to you, your whānau and your community.

The people elected get to make decisions about your daily life and the future of your town and community. They set rates, oversee town planning, and make decisions on rubbish collection, roads, parks and libraries.

If you are an enrolled voter in the Waikato district, you'll get a voting information pack in the mail from Friday 16 September 2022.

At this point in time, local government elections are conducted via postal vote only

You will have until 12 noon on Saturday 8 October 2022 to vote.

This election everyone gets to vote for a Mayor (elected at large), plus a Councillor(s) for the ward in which they are enrolled. If you are enrolled on the Māori roll, you will get to vote for a Councillor for one of two new Māori wards, and if you are enrolled on the general roll, you will get to vote for one or two Councillors depending on where you live for your general ward. If your address is located within a Community Board area, you will also get to vote for Community Board members.

Also included in your voting pack will be Waikato Regional Council elections. Your pack will no longer include District Health Board elections because the boards are being replaced.

If you live in a specific area of Te Kauhata you will also get to vote for your Licensing Trust.

Information about who is standing this election will be published online and included in your voting pack which are available on our [website](#).



**YOUR VOTE IS
YOUR VOICE!**



**PRE-ELECTION
REPORT**