

**Document No:** A614987

**Report To: Council**



**Meeting Date:** 31 May 2022

**Subject:** Declaration of Members' Conflicts of Interest

## Purpose of Report

- 1.1 The purpose of this business paper is for elected members to –
- 1 Declare interests that may be deemed a potential conflict with their role as an elected member relating to the business papers for this meeting, and
  - 2 Declare any interests in items in which they have a direct or indirect pecuniary interest as provided for in the Local Authorities (Members' Interests) Act 29168.

## Commentary

### 2.1 **Conflicts of Interest**

2.2 Every elected member has a number of professional and personal links to their community. They may own a business or be a member on a board or organisation. They may have a pecuniary (financial) interest or a non-pecuniary (non-financial) interest. These interests are a part of living in the community which they need to make decisions about in their role with Council.

2.3 Elected members are governed by the Local Authorities (Members' Interests) Act 1968 and are guided by the Auditor-General in how this Act is administered. In relation to pecuniary interests, the two underlying purposes of the Act are to:

- Ensure members are not affected by personal motives when they participate in local authority matters; and
- In contracting situations, prevent members from using their position to obtain preferential treatment from the authority (the Council).

2.4 Non-pecuniary interests relate to whether an elected member could be in danger of having a real or perceived bias for an issue under consideration.

2.5 Elected members will also have interests that are considered no greater than the public at large. For example, most elected members will own a property and therefore be a ratepayer in the Waitomo District.

2.6 Conflicts of interest at times cannot be avoided, and can arise without anyone being at fault. They need not cause problems when they are promptly disclosed and well managed.

### 2.7 **Declarations of Interests and Conflicts**

2.8 At the beginning of each triennial council term, elected members are requested to disclose known interests on behalf of themselves (including spouses and partners). It is up to the elected member to judge whether they have any interests to declare. Some elected members may not have any, other elected members may have many.

2.9 As well as this, elected members may decide that they have an interest in a particular issue or item to be discussed at a meeting. There is a standing item on every meeting agenda for elected members to declare conflicts of interest.

- 2.10 These declarations should be clear as to whether there is just an "interest" with no pecuniary benefit and no greater benefit than to any member of the public, or they may be a Council appointed representative to an organization, or whether there is a "conflict of interest" in that there could potentially be a pecuniary or other direct benefit to the elected member.
- 2.11 Members who have declared a "conflict of interest" at the commencement of a meeting should make a further declaration when that item of business is considered and leave the meeting table (or the meeting room) and not take part in any discussion, debate or voting on the matter of conflict.
- 2.12 Attached to and forming part of this business paper is information to assist elected members in determining conflicts of interest.

## Declarations

Mayor Robertson will invite elected members to give notice of any conflicts of interest relating to the business for this meeting.

In the event of a Declaration being made, the elected member must provide the following information relating to the Declaration:

<b>Item(s) of Business on the Order Paper</b>	<b>Elected Member Name and Reason for Declaration</b>	<b>Type of Conflict</b> Financial Non-Financial Conflict of Roles Pre-Determination
Item No -	•	•



MICHELLE HIGGIE  
**MANAGER – GOVERNANCE SUPPORT**

## Local Authority (Members' Interests) Act 1968

- 3.1 The Local Authority (Members' Interests) Act 1968 helps to protect the integrity of local authority decision-making by ensuring that Councillors are not affected by personal motives when they participate in Council decision-making and cannot use their position to obtain preferential access to contracts. This Act deals with two forms of "interest":
1. Pecuniary
  2. Non-pecuniary
- 3.2 **Pecuniary Interest**
- 3.3 The **two** specific rules in the Act are that members cannot:
1. Enter into contracts with their local authority worth more than \$25,000 (including GST) in a financial year unless the Auditor-General approves the contracts (referred to as the contracting rule). Breach of this rule results in automatic disqualification from office; and
  2. Participate in matters before the Council in which they have a pecuniary interest, other than an interest in common with the public (referred to as the participation rule). Breach of this rule is a criminal offence and conviction results in automatic disqualification from office
- 3.4 A pecuniary interest is one that involves money. This could be direct or indirect. It is sometimes difficult to decide whether an interest in a particular matter is pecuniary or some other kind. It is always the responsibility of elected members to make this decision, to declare any interest when appropriate and to ensure that as an elected member you comply with the Act's requirements at all times. The Act generally provides that no person shall be capable of being a member of Council if that person is concerned or interested in any contracts with the Council where the total payments made by the Council in respect of such contracts exceeds \$25,000 in any one financial year.
- 3.5 The Act also provides that an "interest" exists where a member's spouse is involved and/or where a member or their spouse is a major shareholder or have control or management of a company which contracts with Council or where the company has a pecuniary interest in the decision. It may also apply where your family trust has a contract with the Council.
- 3.6 The Act does provide that on application to it the Office of the Auditor General may give specific approval to a member being concerned or interested in a particular contract, in which case the provisions of the Act will not disqualify the Councillor from remaining in office. The approval needs be gained before the contract concerned is entered into.
- 3.7 The Act also requires that a member shall not vote or take part in the discussion of any matter in which he/she has any pecuniary interest, other than an interest in common with the public. This interest is required to be declared by the member and is noted in the minutes.
- 3.8 The Office of the Auditor General is the agency, which oversees this legislation and it also has the responsibility and power to institute proceedings against any member. The Act does not define pecuniary interest, however the Office of the Auditor-General uses the following test: "Whether, if the matter were dealt with in a particular way, discussing or voting on that matter could reasonably give rise to an expectation of a gain or loss of money for the member concerned."
- 3.9 In deciding whether you have a pecuniary interest you should consider the following factors: What is the nature of the decision being made? Do I have a financial interest in that decision – do I have a reasonable expectation of gain or loss of money as a result of making that decision? Is my financial interest one that is in common with the public? Do any of the exceptions in the Act apply to me? Could I apply to the Auditor-General for approval to participate?
- 3.10 Further guidance is provided in the booklet "Guidance for members of local authorities about the Local Authorities (Members' Interests) Act 1968" which has been provided to 5 elected members. It is important that you pay particular attention to the contents of this booklet as this is one of the few areas of the Council's business where staff do not set out to provide

pro-active advice and members are personally liable for compliance with the provisions of this Act.

### **3.11 Non-Pecuniary Interest**

3.12 Non-pecuniary interest is any interest the member may have in an issue that does not involve money. A common term for this is "bias" or pre-determination. Rules about bias operate not only to ensure that there is no actual bias, but also so there is no appearance or possibility of bias. The principle is that justice should not only be done, but it should be seen to be done. Bias may be exhibited where:-

- By their statements or conduct a member may indicate that they have predetermined the matter before hearing or considering all of the relevant information on it (including the Council's debate); or
- The member has a close relationship with an individual or organisation affected by the matter.

3.13 Non-pecuniary interest is a difficult issue as it often involves matters of perception and degree. The question you need to consider, drawn from case law, is: "Is there, to a reasonable, fair-minded and informed observer, a real indication of bias on the part of a member of the decision making body, in the sense that they might unfairly regard with favour (or disfavour) the case of a party to the issue under consideration?" If there is, the member should declare their interest and withdraw from the debate and take no further part in the discussion of this item. The law about bias does not put you at risk of personal liability. Instead, the validity of the Council's decision could be at risk. The need for public confidence in the decision-making process is paramount and perception can be an important factor. Again the booklet provided by Office of the Auditor General provides some excellent advice and information on this issue.

## Waitomo District Council Procurement Policy 2018

### 4.1 The following are extracts from WDC's Procurement Policy:

WDC's procurement activities will be conducted in line with the core Procurement Principles and a decision framework that ensures:

- **Adherence** – all procurement is required and is undertaken in accordance with the Procurement Policy and all other associated WDC Policies and Strategies;
- **Openness** - all procurement is made in an open and transparent manner with full and fair opportunity for all eligible suppliers;
- **Fairness** - all procurement is carried out in a fair manner and decisions are made with impartiality and without bias;
- **Integrity** - all WDC employees and/or authorises third parties undertaking procurement do so ethically, equitably and with behavioural standards of the highest levels;
- **Value for Money** – all procurement considers the costs and benefits over the life of the goods, services and/or works, and in doing so takes into consideration local procurement;
- **Risk** – all procurement considers the risks (commercial and otherwise) and ensures these are managed appropriately;
- **Lawfulness** - all procurement is within the law and meets WDC's legal and organisational obligations;
- **Accountability** - employees and/or authorised third parties and suppliers are accountable for their performance; and
- **Sustainability** - all procurement is environmental and socially sustainable wherever possible, having regard to economic, environmental, and social impacts over their lifecycle.

### **Conflict of Interest and Declarations Policy 2018**

WDC is required to identify, disclose, document and manage employees' conflicts of interest, and to ensure that decisions made on behalf of WDC and the community are fair and free of bias or perceived bias.

Note: the words "decision" and "decisions" should be taken to include recommendations and advice:

- (a) that might significantly influence decisions that will be made by other people; or
- (b) on development of strategies and policies that will guide future WDC decision making on service provision, purchasing, contracting or staff employment.

WDC recognises that the professional and personal interests of employees mean that conflicts of interest sometimes cannot be avoided, and can arise without necessarily establishing a fault. Conflict need not cause difficulties, and can be managed so that the best interests of WDC and its ratepayers, residents or customers are served.

### **DEFINITION OF CONFLICT OF INTEREST**

A **conflict of interest** exists when an employee could be influenced or could be perceived as being influenced by a personal or private interest in **any transaction** while performing their WDC duties and/or responsibilities. A personal or private interest is an interest that may bring benefit to an employee as an individual, or to others associated with the employee i.e. spouse or family member, to whom the employee may later benefit.

A **transaction** includes, but is not limited to:

- (a) the exercise or performance of a function, duty, or power of WDC; or
- (b) an arrangement, agreement, or contract to which WDC is a party; or
- (c) a proposal that WDC enter into an arrangement, agreement, or contract; or
- (d) development of a strategy or policy that will guide future decision making on service provision, purchasing, contracting or staff employment; or
- (e) the consideration of or decision made by or at a meeting of Council or its committees and subcommittees.

A Conflict of Interest may exist where the employee:

- will or may derive a benefit from the transaction – a financial, professional or personal benefit;
- has a financial interest in another party to a transaction;
- is a director, shareholder, officer or trustee of another party to the transaction, or is a person who will or may derive a financial benefit from the transaction;
- has an interest in another party tendering for work which WDC is considering; or
- is the partner, parent, child, spouse, sibling, or close friend of another party to the transaction, or a person who will or may derive a benefit from the transaction; or
- is an affected member or interested party in a proposal considered by Council.

# Managing conflicts of interest

A conflict of interest is a situation where the responsibilities you have in your work for a public organisation are affected by an interest or relationship you have in your private life.

Having a conflict of interest does not necessarily mean you have done anything wrong. It all depends on how you manage it.

You need to ask yourself not just whether the interest or relationship means you are biased, but also whether someone looking in from the outside could have reasonable grounds to think you might be.

The “rules” for managing conflicts of interest in the public sector are generally stricter than in the private sector. If you work for a public organisation, the public needs to have confidence that any decisions you make:

- are made impartially and for the right reasons; and
- are not influenced by personal interests or ulterior motives.

Any decisions about conflicts of interest should take into account the core public service values:

- integrity;
- impartiality
- trustworthiness;
- respect; and
- responsiveness.



## Tips for managing conflicts

- Make sure you know what rules apply to you, whether in your employment contract, contract for services, terms of appointment, or any internal policies of the entity you work for.
  - Declare any interests you have that might pose a conflict. This shows you are being open. It will also help the entity you work for avoid putting you in a situation where a conflict might arise, or to manage a conflict if one arises.
  - Follow any rules or guidance provided by the entity you work for when deciding how to manage a conflict.
- As a minimum, declare any conflicts you have as soon as you become aware of them, preferably in writing.
  - Think about what else you might need to do to manage the conflict. Get advice if you need to. Talk to your manager, or if you are on a board, the chairperson.
  - You need to consider ethics as well as legal rules. Just because it's not unlawful to participate, that does not necessarily mean it would be appropriate to participate.

**If in doubt, stay out.**



## When you have to make a decision, ask yourself:

### FINANCIAL

- Do you stand to gain or lose financially from the decision?
- Does someone close to you – like an immediate family member – or a business you are involved with stand to gain or lose financially from the decision?

A situation does not need to involve cash changing hands to be considered a financial interest. A financial interest could, for example, relate to an effect on the value of property.

A financial interest might be direct or indirect. In situations that someone close to you or a business you are involved with has a financial interest, you might be considered to share their interest.

Financial interests are generally treated more strictly than other types of interest. If you have a financial conflict of interest, the law presumes you are biased. This is why you should automatically treat a financial conflict of interest seriously, even if it seems trivial to you.

For some entities in the public sector, there are specific statutory requirements that apply to managing the financial conflicts of interest, which you need to be aware of.

### NON-FINANCIAL

- Is someone close to you or an organisation you are involved with likely to be affected by the decision you make?
- If so, is there a risk that you will be seen to be biased in your decision because of this relationship or association?

If you have a conflict of interest, but not one from which you stand to gain or lose financially, the law does not automatically assume you are biased.

This does not necessarily mean a non-financial conflict is less serious than a financial conflict – but there is generally more room for judgement about whether it is acceptable for you to participate.

Questions you need to think about include:

- How close is your relationship with this other person or organisation?
- Will they be directly affected by the decision?
- How seriously will they be affected?

### CONFLICT OF ROLES

Will a second organisation you have a role in (entity B) be affected by the decision you are making for the public organisation you work for (entity A)?

If so:

- Is there a risk that you will be seen to be acting in the interests of entity B rather than entity A?
- If you participate in this decision, is there a risk that you might breach obligations you owe to either entity – for example, a duty of loyalty or confidentiality?

The issue with a conflict of roles is not so much whether you personally have a conflict, but whether the interests of the two organisations conflict.

If you have a conflict of roles, you will need to consider whether it is appropriate for you to participate in the decision-making process “on both sides of the table”. You will also need to think about whether you are going to be in a position to fulfil your obligations to both entities at the same time.



If there is a risk that there might be conflicts at some point during the decision-making process, you should discuss your situation with both entities. This gives each an opportunity to consider the risks from their perspective and decide whether they are comfortable with you participating on both sides.

### PRE-DETERMINATION

Is there anything you have previously done or said that might make people think you are not going to listen fairly to all the relevant information before you make your decision?

It is accepted that people working for public entities will have their own views on many matters, and, in many cases, might already have views on what the “right answer” to an issue is.

You are not required to approach every decision as though you have given it no prior thought, or have no existing knowledge or opinion. However, you are required to keep an open mind, and you must be prepared to change or adjust your views if the evidence or arguments warrant it.

That means you need to take care that what you do or say does not make it look like you have already made your decision before you have considered all the relevant information and evidence.

## Where to read more

FINANCIAL	NON-FINANCIAL	CONFLICT OF ROLES	PRE-DETERMINATION
Paragraphs 3.7-3.11	Paragraphs 3.12-3.24	Paragraphs 3.25-3.31	Paragraphs 3.32-3.40
Scenarios 3, 5	Scenarios 1, 2, 3, 9, 11	Scenarios 8, 10	Scenarios 4, 7
If you are an elected member of a local council, or a member of the governing body of any other entity to which the Local Authorities (Members' Interests) Act 1968 applies, please also read our Guide on that Act.			

## WAITOMO DISTRICT COUNCIL

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### MINUTES OF A MEETING OF THE WAITOMO DISTRICT COUNCIL HELD IN THE WAITOMO DISTRICT COUNCIL CHAMBERS, QUEEN STREET, TE KUITI ON TUESDAY 26 APRIL 2022 AT 9.00AM

- PRESENT:** Mayor John Robertson  
Deputy Mayor Guy Whitaker  
Councillor Phil Brodie  
Councillor Allan Goddard  
Councillor Lisa Marshall  
Councillor Sue Smith
- Present via ZOOM:** Councillor Janene New
- IN ATTENDANCE:** Chief Executive, Ben Smit  
Manager – Governance Support, Michelle Higgie  
General Manager – Business Support, Alister Duncan
- In Attendance via ZOOM:** General Manager – Community Services, Helen Beever  
General Manager – Infrastructure Services, Shyamal Ram  
General Manager – Strategy and Environment, Alex Bell  
Special Projects Coordinator, Greg Boyle

#### 1. Council Prayer

#### 2. Declarations of Member Conflicts of Interest

Members declared interests/conflicts of interest in respect to the Agenda as set out below:

<b>Item(s) of Business on the Order Paper</b>	<b>Member and Reason for Declaration</b>	<b>Type of Conflict</b> <i>Financial / Non-Financial / Conflict of Roles / Pre-Determination</i>
Progress Report: King Country Indoor Sport and Recreation Centre	<ul style="list-style-type: none"><li>Cr New (Trustee on Game On Charitable Trust)</li></ul>	Non-Financial

#### 3. Verbal Reports: Elected Member Roles and Responsibilities

Elected members gave verbal reports on their individual portfolio roles and responsibilities as follows:

Council noted that due to the Covid restrictions in place, many scheduled meetings/events have been cancelled with some meetings being convened via Zoom.

Deputy Mayor Whitaker

1. Brook Park

Cr Smith

1. Waitomo Museum Annual General Meeting

## Cr Goddard

1. Benneydale Hall

## Cr New

1. Legendary Te Kuiti
2. Waitomo Sister City

## Cr Brodie

1. SH3 Working Group Zoom Meeting
2. Regional Connections Zoom Meeting
3. Piopio ANZAC Day Service

## Cr Marshall

1. Rahui Hui for Mokau Coastline at Te Kuiti Pa
2. Te Kuiti Pa ANZAC Day Dawn Service

## Mayor Robertson

1. North King Country Indoor Sport and Recreation Centre
2. COVID-19 Response Hub for Te Kuiti Weekly Meetings
3. Piopio College – Meeting with WDC and Sport Waikato
4. Te Kuiti Primary – Gateway Entrance Carving Ceremony
5. Inframax Construction Ltd – Breakfast (Introduction of new Chief Executive and Board Members)
6. Forestry Partners Meeting
7. Rahui Hui for Mokau Coastline at Piopio Marae
8. ANZAC Day Services – Te Kuiti Pa Dawn Service, Te Kuiti Civic Service and Piopio Community Service

## **Resolutions**

- 1 The verbal reports be received.
- 2 Council note its support of the use of the Waitomo District Council Logo on appropriate signage (to be approved by the General Manager – Strategy and Environment) in relation to the proposed Rahui on the Mokau Coastline.

Robertson/Brodie Carried

The General Manager – Business Support entered the meeting at 9.20am.

## **4. Confirmation of Minutes – 29 March 2022**

### **Resolution**

The Minutes of the Waitomo District Council meeting of 29 March 2022, including the public excluded portion of the Minutes, be confirmed as a true and correct record subject to correcting the Verbal Reports to read Deputy Mayor Whitaker as the first of the reports.

Whitaker/Brodie Carried

## **5. Mayor's Report – April 2022**

Council considered the Mayor's Report for April 2022.

### **Resolution**

The Mayor's Report – April 2022 be received.

Robertson/Goddard Carried

## **6. Triennial Elections 2022 – Voting Document Arrangements**

Council considered a business paper providing information in relation to arrangements for the 2022 Triennial Elections, to be held on 8 October 2022, and for Council to make a decision on the order of the surnames of candidates in the voting documents for the 2022 Triennial Election and any subsequent by-elections.

The Chief Executive expanded verbally on the business paper and answered Members' questions.

### **Resolution**

- 1 The business paper on Triennial Elections 2022 be received.
- 2 Pursuant to Section 31 of the Local Electoral Regulations 2001, Council resolve that the names of the candidates on the voting document for the 2022 Waitomo District Council triennial elections and any subsequent by-election shall be in Fully Random Order.

Smith/Marshall Carried

## **7. Progress Report: King Country Indoor Sport and Recreation Centre**

Council considered a business paper providing a progress report on the King Country Indoor Sport and Recreation Centre (KCISRC).

The General Manager – Community Services and Special Projects Coordinator expanded verbally on the business paper and answered Members' questions.

### **Resolution**

The business paper updating progress on the build phase of the King Country Indoor Sport and Recreation Centre be received.

Robertson/Goddard Carried

## **8. Verbal Progress Report: Cyclone Dovi – Infrastructure Damage**

Council received a verbal progress report from the General Manager – Infrastructure Services on reparation progress and budget estimates for the infrastructure damage incurred by Cyclone Dovi.

306 sites. Taken care of all remedial works, now in phase of doing repairs, for all remaining sites unresolved have classified in categories – Category A - 41 sites, Category B 11 sites, Category C 11 sites and Category D 5 sites.

Considerations being given to safety during winter specifically relating to water run-off. View Road, Piopio specifically – looking to cover site

Mayor – what we are hearing is not satisfactory to our community. How to counter issues is quite complex – there is concern that if some work is not done, even if only to protect against winter, if we lose that road there is no access out for 4-5 homes. We would like an update each month (or two months). Moriatsu Road is alternative route for trucks if slip in Awakino Gorge.

The General Manager – Infrastructure Services and Chief Executive expanded verbally on the business paper and answered Members' questions.

### **Resolution**

- 1 The Verbal Progress Report: Cyclone Dovi – Infrastructure Damage be received.
- 2 The Chief Executive be requested to provide monthly progress reports to Council on this matter.

- 3 Council encourage the Waka Kotahi to recognise the severity of some of the damage sites and the vulnerability of further damage as we move into winter.

Robertson/Smith      Carried

<b>9.      3 Waters Reform - 'Better-off' Funding and Resilience Planning</b>
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Council considered a business paper –

- (a) Informing of opportunities and requirements of the 3 Waters Better-off funding and to outline, for approval, the approach to developing funding proposals; and
- (b) Providing an initial overview on a funding approach to make our communities 3 Waters systems more resilient before the 3 Waters reform is completed in 30 June 2024.

**Resolution**

- 1 The business paper on 3 Waters Reform - 'Better-off' Funding and Resilience Planning be received.
- 2 Council note the proposed process for engaging with the community and development of the 3 Waters Better-off funding projects as follows:

Activity	Date
Generate community engagement document	Before 15 May
Engage community on concepts and projects in each of the towns using in-person workshop meetings in the towns and various other media. A communications plan will be developed.	15 May - 15 June
Analyze the feedback and then develop specific 'Better-off' funding projects using an external place-making consultant and architect to help. See 4.10 (c+d) above.	1 – 30 June
Engage with community on detail of projects developed	15 – 30 June
Finalise scope of selected projects ready for procurement	15 June – 15 July
Procurement process for and final costing of projects	15 July - 15 Sept
Complete funding applications	30 June – 30 Sept

- 3 Council approves the development of the Te Kuiti Water Security of Supply Project scope; and approves 'in principle' the funding of this project from external loan or Waters reserve subject to Council receiving independent engineering advice on the proposal.
- 4 In the event the total cost on all 3 Waters Stimulus Funding Projects is overspent due to the additional Water and Wastewater projects presented to Central Government, Council agree that such over-expenditure be funded through additional loans or reserves up to a maximum of \$250,000.00.

Robertson/Brodie      Carried

There being no further business the meeting closed at 10.30am

Dated this                      day of                                      2022

JOHN ROBERTSON  
**MAYOR**

## WAITOMO DISTRICT COUNCIL AUDIT, RISK AND FINANCE COMMITTEE

### MINUTES OF A MEETING OF THE WAITOMO DISTRICT COUNCIL AUDIT, RISK AND FINANCE COMMITTEE HELD IN THE COUNCIL CHAMBERS, QUEEN STREET, TE KUITI ON TUESDAY 17 MAY 2022 AT 9.00AM

- PRESENT:** Mayor John Robertson  
Deputy Mayor Guy Whitaker  
Councillor Phil Brodie  
Councillor Allan Goddard  
Councillor Lisa Marshall  
Councillor Janene New  
Councillor Sue Smith
- IN ATTENDANCE:** Chief Executive, Ben Smit  
Manager – Governance Support, Michelle Higgie  
General Manager – Business Support, Alister Duncan
- Via ZOOM:** General Manager – Community Services, Helen Beever  
General Manager – Infrastructure Services, Shyamal Ram  
General Manager – Strategy and Environment, Alex Bell  
Operations Manager, Emergency Management/Civil Defence, Dave Simes

Noting the apology from Independent Chairperson Bruce Robertson, Mayor John Robertson, as Deputy Chairperson, took the chair. The Committee noted feedback on the Agenda provided by Bruce Robertson which was tabled at the meeting.

#### 1. Apology

##### Resolution

The apology from Independent Chairperson Bruce Robertson be received and leave of absence granted.

Robertson/Whitaker Carried

#### 2. Declaration of Member Conflicts of Interest

Members declared interests/conflicts of interest in respect to the Agenda as set out below:

<b>Item(s) of Business on the Order Paper</b>	<b>Member and Reason for Declaration</b>	<b>Type of Conflict</b> <i>Financial / Non-Financial / Conflict of Roles / Pre-Determination</i>
Public Excluded Item 1: Accounting Treatment: King Country Indoor Sport and Recreation Centre	<ul style="list-style-type: none"><li>Cr New (Trustee on Game On Charitable Trust)</li></ul>	Non-Financial

### 3. Confirmation of Minutes – 15 February 2022

#### Resolution

The Minutes of the Waitomo District Council Audit, Risk and Finance Committee meeting of 15 February 2022, including the Public Excluded minutes, be confirmed as a true and correct record.

Robertson/Brodie Carried

### 4. Mastercard Expenditure Report (January – March 2022)

The Committee considered a business paper presenting for the Committee's information and consideration, details of expenditure incurred via Waitomo District Council issued Corporate Mastercard.

The Manager – Governance Support answered Members questions.

The Committee discussed the pros and cons of receiving reporting on Mastercard expenditure at this level and the general consensus was to retain the reporting for public transparency purposes.

#### Resolution

The Mastercard Expenditure Report for the period January to March 2022 be received.

Robertson/Goddard Carried

### 5. Cyber Security – Quarterly Status Report

The Committee considered a business paper providing an update on the Cyber Security Work Plan.

The General Manager – Business Support expanded verbally on the business paper and answered Members' questions.

#### Resolution

The business paper on Cyber Security – Quarterly Status Report be received.

Robertson/New Carried

### 6. Progress Report: Risk Management – Monitoring and Reporting

The Committee considered a business paper informing of progress in respect to the implementation of the Risk Management Framework.

The General Manager – Business Support expanded verbally on the business paper and answered Members' questions.

#### Resolution

The business paper on Progress Report: Risk Management – Monitoring and Reporting be received.

Robertson/Smith Carried

## **7. Insurance Update Report for the Insurance Year to 31 October 2022**

The Committee considered a business paper providing a brief on Council's 2021-22 insurance arrangements currently in place.

The General Manager – Business Support expanded verbally on the business paper and answered Members' questions.

The Committee recommended that some publicity be undertaken with community organisations who meet the criteria for purchasing insurance cover in line with Council's Policy.

### **Resolution**

The business paper on the Insurance Update Report for the Insurance Year to 31 October 2022 be received.

Goddard/Whitaker Carried

## **8. Progress Report: Procurement Summary Schedule (January to March 2022)**

The Committee considered a business paper presenting a a summary of the procurements made in the period January to March 2022 in accordance with Waitomo District Council's Procurement Policy.

The General Manager – Infrastructure Services and General Manager – Business Support expanded verbally on the business paper and answered Members' questions.

The Committee discussed the level of detail provided in this quarterly report and the consensus was to continue receiving this level of reporting.

### **Resolution**

The Progress Report: Procurement Summary Schedule (January to March 2022) be received.

Robertson/Marshall Carried

## **9. Waka Kotahi (NZ Transport Agency) Final Procedural Audit Report 2021**

The Committee considered a business paper informing of the final Waka Kotahi New Zealand Transport Agency Investment (Procedural) audit report for 2021.

The General Manager – Infrastructure Services expanded verbally on the business paper and answered Members' questions.

### **Resolution**

The business paper on the Waka Kotahi (NZ Transport Agency) Final Procedural Audit Report 2021 be received.

Robertson/Brodie Carried

## **10. Progress Report: WDC Resource Consents – Compliance Monitoring**

The Committee considered a business paper providing a brief on compliance reporting against Resource Consent conditions, due during the third quarter of 2021/22.

The General Manager – Infrastructure Services expanded verbally on the business paper and answered Members' questions.

The Committee commended WDC staff on the high level of compliance being achieved.

## **Resolution**

The Progress Report, WDC Resource Consents – Compliance Monitoring, be received.

Robertson/Whitaker                      Carried

## **11. Progress Report: Health and Safety**

The Committee considered a business paper providing a brief on Waitomo District Council's health and safety performance.

The General Manager – Community Services expanded verbally on the business paper and answered Members' questions.

## **Resolution**

The Progress Report: Health and Safety be received.

Robertson/Smith                      Carried

## **12. Financial and Performance Delivery Report - period ended 31 March 2022**

The Committee considered a business paper providing an overall progress report on Waitomo District Council's financial and non-financial activities for the period ending 31 March 2022.

The General Manager – Business Support, General Manager – Strategy and Environment and Chief Executive expanded verbally on the business paper and answered Members' questions.

## **Resolution**

The business paper on Quarterly Report for period ended 31 March 2022 be received.

Robertson/Marshall                      Carried

## **13. Motion to Exclude the Public**

The Committee considered a business paper pursuant to Section 48 of the Local Government Official Information and Meetings Act 1987 giving Council the right by resolution to exclude the public and/or staff from the whole or any part of a meeting on one or more of the grounds contained within that Section.

## **Resolution**

- 1            The public be excluded from the following part of the proceedings of this meeting.
- 2            The general subject of each matter to be considered while the public is excluded and the reason for passing this resolution in relation to each matter, as specified by Section 48(1) of the Local Government Official Information and Meetings Act 1987 are as follows:

General Subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
1. Accounting Treatment: King Country Indoor Sport and Recreation Centre	Section 7(2)(i) – To enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations);	Section 48(1)(d) – That the exclusion of the public from the whole or the relevant part of the proceedings of the meeting is necessary to enable the local authority to deliberate in private on its decision or recommendation in any proceedings to which this paragraph applies.

- 3 Council agree the following staff, having relevant knowledge to assist in the consideration of the items of business to be public excluded, remain in attendance to assist the Committee with its decision making:

Staff Member	Reason for Remaining in Attendance
Chief Executive	Council CEO
Manager – Governance Support	Committee Secretary
General Manager – Business Support	Portfolio Holder

- 4 This resolution is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in the public.

Robertson/Marshall Carried

The General Manager – Community Services, General Manager – Infrastructure Services, General Manager – Strategy and Environment and Operations Manager, Emergency Management/Civil Defence left the meeting at 10.40am

The meeting adjourned at 10.40am and reconvened at 10.58am.

**14. Consideration of Public Excluded Items for the purpose of making information Public following Council’s decision taking**

Following consideration and decision taking of items of business with the public excluded, the Committee agreed that the following information be made public:

**1 Accounting Treatment: King Country Indoor Sport and Recreation Centre**

The Resolutions be made public as follows:

**Resolution**

- 1 *The business paper on the Accounting Treatment - King Country Indoor Sport and Recreation Centre be received.*
- 2 *The PricewaterhouseCoopers Advice on the Accounting Treatment for King Country Indoor Sports Facility construction and operation be received.*

- 3     *The advice received from PricewaterhouseCoopers determining that the arrangement be accounted for as a Service Concession Arrangement: Operator under accounting standard PBE FRS 45 Service concession arrangements be noted.*

*New/Smith     Carried*

Robertson/Whitaker     Carried

There being no further business the meeting closed at 11.04am

Dated this     day of     2021.

JOHN ROBERTSON  
**DEPUTY CHAIRPERSON**

Confidential Confidential

Confidential Confidential

Confidential

<b>Document No:</b> A614823	
<b>Report To:</b>	<b>Council</b>
	<b>Meeting Date:</b> 31 May 2022
	<b>Subject:</b> <b>Mayor's Report</b>

The Government has delivered a budget that does little to counter the inflationary pressures facing the country.

Many in our community are already at their wits end trying to cope with increased food and energy costs. Therefore, it's important that we do all we can as a Council to contain rate increases over the next few years when inflation is likely to be above 5 percent annually.

Waitomo's average yearly growth in rates per capita in the eighteen-year period 2000 to 2018 was the highest of all Councils in NZ at just over 5 percent. Today Council will set rates for the fiscal year-ending 30 June 2023. If we set the rates at the levels put forward in our Council papers today, Waitomo's average yearly growth in rates for the three years to 30 June 2023 will be amongst the lowest in NZ at just under 1.3 percent.

While this is an admirable achievement, elected members will recall that a policy adjustment has assisted. Our Council had been over-rating for depreciation on our roads, a matter that we corrected in the Long Term Plan in 2021.

We have another one off opportunity to help mitigate rate increases and thus address household affordability issues in our communities. Councils have been offered a grant from Government. It is called the Three Waters "Better off Funding" package.

For Waitomo this package will total \$14.19 million. That is the equivalent of 70 percent of our total rates collection for one year. We are now frantically undertaking work to determine where this money can best be applied given the criteria specified by Government, toward place-making, carbon emission reduction and housing infrastructure.

Importantly, ten days ago Councils received advice from DIA that the money can be used "... to support projects already within council long term plans, so that they can be brought forward, scaled up and enhanced."

This is a helpful clarification. It suggests to me that officers should review our Long Term Plan 2021 – 2031 and bring back to Council detail of all projects that would be eligible for "Better off Funding" as a result of this advice.

I don't expect the amount to be significant, but given cost pressures from inflation on households, every dollar counts.



JOHN ROBERTSON, QSO  
**MAYOR**

**Document No:** A615063

**Report To: Council**



**Meeting Date:** 31 May 2022

**Subject:** **Inframax Construction Ltd - Dividend Write-Off and Internal Loan Balance**

**Type:** Decision Required

## Purpose of Report

- 1.1 The purpose of this business paper is –
- 1 To recommend that Council consider the writing off of a historical dividend contribution shortfall from Inframax Construction Ltd; and
  - 2 To provide details of the current loan balance relating to a loan raised for the purpose of injecting capital into Inframax Construction Ltd to improve the company's financial structure.

## Background

- 2.1 Attached as background information is an extract from Council's 2009-2019 Long Term Plan (refer section headed 'Late Breaking Issue') relating to Inframax Construction Ltd (ICL).

## Commentary

### 3.1 Historical Dividend Shortfall

- 3.2 Prior to the 2007/2008 Financial Year, Council's investment in ICL provided significant returns by way of yearly dividends paid to Council in the amount of \$1 Million annually. However, in the period following, the construction industry climate altered affecting the financial performance of ICL and resulting in no dividends being paid to Council. Unfortunately, Council had budgeted for payment of those dividends.
- 3.3 In approximately 2011, an internal loan was created to fund the ICL dividend contribution shortfalls. At that time the forecasted contribution was included in the rates calculation as an inflow.
- 3.4 The budgeted dividend value of \$2.485M has never been received. There is no compensating value in the ICL Balance Sheet, and there is no understanding from ICL that this amount will ever be paid.
- 3.5 At an Audit, Risk and Finance Committee workshop on 17 April 2022, the Committee was provided a summary of balances for Reserves and Loans as follows. The Inframax dividend contribution not received is part of the internal loans balance of \$58.084M:

	<b>30 June 2021</b>
	<b>\$000</b>
Internal Loans	58,084
<b>Less</b> Depreciation Reserves	12,460
<b>Less</b> Operational Reserves	9,850
<b>Less</b> External Loans	34,191
<b>Total Internal Loans</b> (in excess of funding)	<b>1,583</b>

3.6 As current internal loan balances (\$58,084,000) are in excess of Depreciation and Operational Reserves and External Loans (\$56,501,000), it is recommended that the amount of the internal loan relating to the historical ICL dividend shortfall is written off because it will not be repaid.

### **3.7 Loan Balance – Provision of Financial Support to Inframax Construction Ltd**

3.8 In developing the 2009-2019 Long Term Plan, Council took into consideration the high risk of receiving reduced dividends and budgeted accordingly. However very late in that Long Term Plan development process the ICL Board of Trustees advised Council that not only would it need to reinvest all profit back into the company rather than pay any dividend at all, an increase in paid up capital of between \$2 - \$3 Million was required.

3.9 The result of this was that Council raised a loan of \$2 Million which was paid to ICL for the purpose of strengthening its financial structure.

3.10 Because this funding required Council to borrow externally, there is an ongoing cost to Council in meeting the interest payments on this loan. These interest payments are funded from the General Rate .

## **Suggested Resolutions**

- 1 The business paper on Inframax Construction Ltd - Dividend Write-Off and Internal Loan Balance be received.
- 2 The internal loan of \$2.485M, raised to fund dividends not received from Inframax Construction Limited be written off.



BEN SMIT  
**CHIEF EXECUTIVE**

25 May 2022

Attachment: Extract from 2009-2019 Long Term Plan (Doc A615064)

## 1.7 Changes from the Draft 2009-19 LTP as a result of the Consultation Process and other information

### Public Consultation

Council's third Long Term Plan covering the period 2009 to 2019 was presented in draft form to the Community for consultation in May 2009. The consultation period ran from Friday, 1 May 2009 to Tuesday, 2 June 2009. Inputs from the community were sought during this time on the proposals made in the draft 2009-19 Long Term Plan (draft LTP).

During this period four Consultation Forums and two special issue briefings were held within the district as follows:

Date	Venue
11 May 2009	Piopio
13 May 2009	Mokau
14 May 2009	Te Kuiti
18 May 2009	Waitomo Village
19 May 2009	Te Tokanganui-a-Noho Marae
21 May 2009	Te Waitere

The Forums held at Piopio, Mokau, Te Kuiti and the Te Tokanganui-a-Noho Marae focused on the draft LTP while those held at Te Waitere and Waitomo Village were 'issue-specific' forums aimed at communicating specific proposals for those two communities in the context of the draft LTP.

Information outlining the key issues under consultation in the draft LTP was provided by way of a range of communication adverts published in the Waitomo News both before and during the consultation period to increase community awareness and encourage participation.

### Submissions

A total of 114 submissions were received for the draft LTP. Five of the submissions received had multiple signatories which if counted separately would amount to a total of 265 submissions. This is a huge increase when compared with the 29 submissions received for the 2006-16 LTP and 31 submissions received for the 2008-09 Exceptions Annual Plan. 27 submitters wished to be heard in support of their submission.

Submitters made a variety of comments and provided numerous inputs through their submissions. About 80% of the submitters responded to some or all of the six specific proposals mentioned in the "At a Glance" section of the draft LTP.

### 'Late Breaking Issue'

#### Background

Inframax Construction Limited (ICL) is a Council Controlled Organisation (CCO) wholly owned by Council. Although, it is wholly owned by Council, ICL is an independent legal entity with its own Board of Directors and management structure and bound by the legal obligations of the Companies Act. Part 5 and Schedule 8 of the Local Government Act 2002 provides for the method in which the two separate legal entities, Waitomo District Council (WDC) and ICL can identify and agree the proposed (forecast) activities and intentions of ICL as a Council Controlled Organisation (CCO). This method provides for the development of a Statement of Corporate Intent which is agreed to between the company and the shareholder. Council uses this tool available to it to establish and monitor the performance of its investment in ICL on behalf of the community. In the past, Council's investment in ICL has been beneficial with the investment returning yearly dividends to Council to the tune of \$1 million annually. But given the performance of the company over the last two financial years, Council decided to take a very conservative approach in its draft LTP and forecast a reduction in investment income. Given this reduction in forecast income, development of the draft LTP was an extremely challenging exercise. Council very carefully considered and navigated through the issue to minimize the impact on the residents and ratepayers of



## 1.7 Changes from the Draft 2009-19 LTP as a result of the Consultation Process and other information

the District. One of the most prominent short term measures proposed by Council was reduction in service levels for some activity areas. By and large the District community agreed with most of Council's proposals to reduce service levels which was indicated through the submissions on the draft LTP.

During the time that Council was consulting with the community on its draft LTP, further information was provided to Council (as 100% Shareholder in ICL) by the ICL Board of Directors that demonstrated that ICL was not going to meet the 2008/09 performance criteria established by the current Statement of Corporate Intent and that action was required to strengthen the Company's financial structure.

A range of options for the strengthening of ICL's Financial Structure were provided for Council's consideration as shareholder. In essence the message was that ICL required an increase in paid up capital of between \$2 - \$3 million and that in the medium term future profits were required to be reinvested in to the Company rather than be paid to the Shareholder as a return on investment (dividend).

### Implications for Waitomo District Council

Council, has very carefully considered its options in relation to its investment in ICL and has determined the most prudent line to take is to provide the required capital to strengthen the financial structure of ICL. This will have a positive bearing on the balance sheet of the company and will help Council safeguard the investment on behalf of the community. In reaching its decision, Council has evaluated ICL's revised strategic direction and planned actions in support of that direction and has a degree of comfort that the steps proposed by the Board of Directors are appropriate given the current and forecast economic climate. Council does acknowledge that there is some inherent risk in adopting the position that it has and intends to continue to manage for that risk.

### Implications for the Long Term Plan

At a high level the impact of this 'late breaking issue' on Council's draft LTP has been at three levels - increase in public debt forecasts, a reduction in the forecast Investment Income over the first 3 years of the LTP, and an impairment of the value of Council's Investment in ICL. In keeping with the Affordability Principle that Council adopted to guide the development of the 2009-19 LTP, Council has sought to minimise the impact of this further reduction in Investment Income on the community. It has done this by providing in this LTP -

- (i) further expenditure reductions in the medium term

- (ii) increases in revenue from other sources where possible, mainly fees and charges.

Further reduction in expenditure is a double edged sword for Council as it inherently results in a reduction in projects and work programmes that may hinder progress on enhancing the social and cultural well-being of the communities in the District. Council accepts it is a hard-lined approach but one that is unavoidable given the financial circumstances. Council has decided to stay the course with its strategy of focussing on essential services and especially those that if tampered with can have an impact on public health (E.g. Investment in water and wastewater). Secondly, increasing fees and charges will place additional burden on the users but has been considered equitable by Council under the circumstances and is in keeping with Council's Revenue and Financing Policy as it relates to the 'user-pays' principle. Despite the increases, fees are still within the range of those charged by other neighbouring authorities.

The only other option available to Council was to increase rates revenue in order to make up for this further reduction in Investment Income, but as stated before, affordability for the ratepayers has been the prime consideration in Council's decision and further increases in rate revenue are considered unsustainable at this point in time.

The main changes to the draft LTP as a result are:

- 1) An impairment of the value of Council's Investment in ICL of approximately \$10 million as at 30 June 2009, with the value of the investment increasing by a further \$2 Million in the 2009/10 Financial Year as a result of the planned for increase in paid up capital described above.
- 2) Additional Loan funding in Year 1 of the LTP of \$2 million to strengthen the financial structure of ICL.
- 3) Reduced forecast for Investment Income for the first three years of the LTP to reflect the need for ICL to invest future profits back in to the company in the medium term.
- 4) Reduction in direct expenditure for Community Services - this however, has not had impact on service levels agreed with the community in any material way. The reductions have been in small

## 1.7 Changes from the Draft 2009-19 LTP as a result of the Consultation Process and other information

ways to a range of different programmes and plans. It has been a case of 'many drops filling an ocean' and as such service levels have not been materially impacted.

- 5) Reduction in organisational capacity - Council has also responded by reducing organisational capacity where possible. Again, the impact of reduced organisational capacity can have adverse long term implications for the District in terms of delay in delivering its work programmes. In making this decision Council is conscious that there will be little room for 'new business' over and above the planned for work programme and as a result certain initiatives will be delayed in terms of implementation. A good example of this is the implementation of the Community Development Strategy adopted by Council during the current financial year.
- 6) Change in Council strategy around the utilisation of Investment Income - Council's proposed strategy in the draft LTP was to use part of the surplus investment income to offset rates and utilise the remaining to retire public debt. Given the further reduction in its forecast Investment Income and the need for Council to increase its own indebtedness to provide further capital to ICL it has been decided to plan on the basis that all future surplus Investment Income will be utilised to accelerate the retirement of public debt.

### Changes resulting from the Consultation Process

As a result of the feedback received from the community during the consultation process and from the submissions made, the following changes have been made to the draft LTP:

- 1) Funding for Sport Waikato will be restored to approximately 50% of that provided in the 2008/09 financial year. The draft LTP proposed no funding for Sport Waikato in year one of the LTP. Council, in response to Sport Waikato and other submitters will provide \$32,500 towards the provision of the Sport Waikato service for the 2009/10 financial year. Sport Waikato have stated in their submission that they will provide the remaining funding required for year one of the LTP. Historical funding levels are planned to resume from year two onwards.
- 2) Council has decided to provide \$5,000 funding for Waitomo Caves Discovery Centre for year one of the LTP. The draft LTP proposed no funding for the Waitomo Caves Discovery Centre other than that required for the provision of certain services such as the Public Toilets and Refuse Collection. Council decided in response to submissions that it would support the role of the Waitomo Discovery Centre in preserving community heritage via its museum function.
- 3) Change in some Key Performance Indicators for the Community Development activity to reflect the reduced capacity and likely deferred implementation of the Community Development Strategy.
- 4) Changes in the Rates Remission Policy to extend the policy to not for profit organizations involved in delivering emergency services.



**Document No: A614758**

## **Report To: Council Meeting**



**Meeting Date:** 31 May 2022

**Subject:** **Adoption of the Annual Plan – FY 2022-2023**

**Type:** Decision Required

### **Purpose of Report**

- 1.1 The purpose of this business paper is to:
  - a) Present a draft Annual Plan 2022-23 (dAP) for Council consideration and adoption as per Section 95 of the Local Government Act 2002; and
  - b) Set the rates for the 2022-23 financial year pursuant to Sections 23 and 24 of the Local Government (Rating) Act 2002 (LGRA 2002).

### **Executive Summary**

#### **2.1 DRAFT ANNUAL PLAN**

- 2.2 The Council has held four workshops pertaining to the development of the 2022/23 dAP.
- 2.3 In accordance with Council's direction by resolution, the attached dAP addresses the guiding principles that the 10YP (namely financially prudent, affordable and sustainable) is maintained, with the existing and agreed Levels of Service (LoS) maintained, as mandated by the District Community through the original 2021-2031 10YP consultation and engagement process.
- 2.4 At the first workshop on 30 November 2021, Council discussed strategic issues to be considered in the development of the dAP, including factors that could potentially have a material impact on the dAP.
- 2.5 The second workshop on 14 December 2021 Council looked deeper into one of the strategic issues, operation of the Te Kuiti Landfill. Council was also presented with the Preliminary District General Revaluation and to consider the impact this would have on the property rates by category.
- 2.6 The general revaluation of the Waitomo District was carried out in September 2021 with notices sent out to owners and ratepayers in February 2022. The resulting valuations saw an overall increase in Capital Value of 26.2%. The average increase for residential properties was 64%, lifestyle 47%, Pastoral and Dairy 15%, Industrial 42% and Commercial 15%.
- 2.7 At the third workshop Council were presented with the draft Financial Forecast (dFF). After consideration of the dFF at the and impacts of the district revaluation, Council provided direction on the reduction in the level of the UAGC to offset the unintended consequences of the district revaluation on residential and lifestyle properties and agreed in principle to the resetting of the UAGC for the 2022/23 year
- 2.8 Legal advice was obtained regarding the adjustment between General Rates and Uniform Annual General Charge (UAGC), it concluded that community consultation by way of a 'special consultative procedure' was not required, but consultation in a manner that gives effect to the requirements of section 82 of the LGA may be needed.
- 2.9 At the most recent workshop held on 10 March 2022 Council worked through the draft financial forecasts (dFF) for the 2022/23 AP and agreed that no further changes were required

except for those bought about by the Roothing network repairs as a result of the February 2022 severe weather event.

- 2.10 At the Council meeting on 29 March 2022, Council considered the updated dFF which included further information on the repair work to the Roothing network since the last AP workshop on the 10 March 2022.
- 2.11 The assumptions and associated budget forecasts confirm a required rate funding forecast of \$20.9 million, an increase of \$166,000 compared to the same year in the 10YP and an increase of \$586,000 more than current year.
- 2.12 The forecast for rates funding required represents an increase of 2.88% on the value of property rates set for the current rating year (AP 2022/23).
- 2.13 **COVID-19 PANDEMIC**
- 2.14 There continues to be an ongoing social and economic impact of the pandemic on the local community, Council has therefore carefully considered rates affordability during the preparation of this annual plan.
- 2.15 The effects of the pandemic continue to impact on the organisations' work programme, a number of projects have not progressed as planned. Unspent rates funding from previous years is forecast to be utilised to offset several delayed work programmes that are now expected to be completed in the 2022/23 year.

## **Background**

- 3.1 The Local Government Act 2002 (LGA) requires the development of an Annual Plan for each year in between the LTP review cycle of three years. The purpose of the Annual Plan as per section 95(5) of the LGA is to:
  - a) Contain the proposed annual budget and funding impact statement for the year to which the annual plan relates; and
  - b) Identify any variation from the financial statements and funding impact statement included in the Council's long term plan in respect of that year; and
  - c) Provide integrated decision making and co-ordination of the resources of Council; and
  - d) Contribute to the accountability of the Council to the community.
- 3.2 The Annual Plan is an 'Exceptions' based document that is required to focus on any variations from the forecast and plans identified for the corresponding year in the LTP.
- 3.3 Section 95(5)(b) of the LGA requires Council to identify any variations from Financial Statements and the Funding Impact Statement from a local authorities long term plan to the relevant annual plan year.
- 3.4 **Council Workshop – 30 November 2021**
- 3.5 In line with usual practice for development of a dAP, at its workshop on 30 November 2021, Council discussed strategic issues to be considered in the development of the dAP, including factors that could potentially have a material impact on the dAP development process, due to the timing of the District Revaluation the draft Financial Forecasts were not presented at this workshop.
- 3.6 The following issues were discussed and subsequent outcomes:
  - Three Waters Reform better off funding potential \$3.5M revenue from 1 July 2022. Due to the uncertainty around the funding timing and criteria this was not included in the draft Financial Forecast.
  - King Country Indoor Sports and Recreation Centre WDC entered a community partnership with 65% ownership and responsibility for the stadium construction. There was no variation to the \$1.5M contribution included in the 10YP only the re-sequencing

- Landfill Development increasing costs of ETS and Waste Levy – further workshop to review costs of continuing to operate the landfill or closure and transporting to Hampton Downs for example, see decision outcomes in point 3.12.
  - Waka Kotahi NZTA Funding -additional funding was announced by Waka Kotahi after the 10YP budget was completed this amounted to an extra \$3.2M to Years 2 and 3 of the 10YP. An increase in direct expenditure for Roads and Footpaths, and capital expenditure forecast is the additional renewals expenditure.
  - Forestry Harvesting – Expected revenue of approximately \$300,000. This was completed in the 2021/22 FY so no impact on the dAP.
  - Interest Rate Assumptions movement from 2.75%. Forecast interest costs have increased by \$143,000 compared to 10YP Y2 because of an increase in the interest rate assumption. The final interest rate assumption for the dFF assumes an interest rate of 3.71%.
  - Delivery of Capital Programme – impact of pandemic on delivery of projects and potential carryover to 2022/23.
- 3.7 The purpose of an Annual Plan (AP), which is exceptions focussed, is to allow, in a transparent way, for any variations between a LTP and dAP to be understood; with the 2022/23 dAP representing Year 2 of the 2021-2031 10YP.
- 3.8 Council accordingly discussed the financial strategy policy settings and priorities including the adopted LTP 2021-31 and the relevant legal requirements of the Local Government Act 2002 (LGA) in respect of the four well-beings, financial management, consultation requirements and material or significant amendments.
- 3.9 Consultation on any dAP is only required when any proposed variation is significant in nature, or material in effect, when matched against the corresponding year of the LTP. However, where a Draft AP contains a proposal to alter significantly any agreed or established Levels of Service (LoS) for a significant activity, or to commence or cease an activity, then the LGA 2002 requires an amendment to the LTP. Any proposed amendment of an adopted LTP automatically requires use of the Special Consultative Procedure.
- 3.10 Having considered all these matters, Council provided direction that the dAP should follow the standard development process (which includes all the usual considerations in respect of rates affordability and financial prudence within the statutory constraints of the Local Government Act 2002 Annual Plan process).
- 3.11 **Council Workshop – 14 December 2021**
- 3.12 Council considered a review of the Te Kuiti Landfill development plan conducted by WSP. Continuing to develop the landfill as committed to in the 10YP was considered the most viable and cost-effective outcome. Including gas collection as an exception in the AP would offset the increasing emission costs.
- 3.13 Council were presented with the Preliminary District General Revaluation and to consider the impact this would have on the property rates by category.
- 3.14 The impact of the revaluation unintentionally created a rates affordability issue for residential and some lifestyle properties. To address this, it was suggested that Council makes use of the discretion allowed for in the Revenue and Financing Policy in setting the UAGC to help smooth the effects of the revaluation by setting the UAGC at a reduced amount.
- 3.15 **Council Workshop – 17 February 2022**
- 3.16 Council were presented with the dFF. There are three key considerations to financial forecasts – expenditure and the shifts therein, projected income and forecast change and finally how the expenditure will be funded i.e. the mix of funding sources to be used (other revenue, subsidies, reserves, loans and rates).
- 3.17 After consideration of the dFF and impacts of the district revaluation, Council provided direction on the reduction in the level of the UAGC to offset the unintended consequences of

the district revaluation on residential and lifestyle properties and agreed in principle to the resetting of the UAGC for the 2022/23 year.

### **3.18 Council Workshop – 10 March 2022**

- 3.19 Council was presented with an updated dFF, the most notable change being applied to Roads and Footpaths with the severe weather event on 13-14 February causing significant damage to the districts road network.
- 3.20 The updated forecast included for \$1.275 million (subsidy at 95%) for emergency restatement renewals as a result of the storm event.
- 3.21 Direct expenditure increased by \$54K as a result of resequencing of the NLTP 21-24 subsequent to the storm event
- 3.22 In addition to the emergency works, the improvement and renewal portion of the NLTP 21-24 has been re-sequenced resulting in an additional \$449K capital expenditure being added to the Subsidised Roads capital expenditure program. This includes some capital projects forecast for current financial year which have now been re-sequenced to 22/23 year.
- 3.23 Changes within Water Supply included removing Te Kuiti alternative water source expenditure from 22/23 year and revised projection for current year. Increased non funding of depreciation for some new assets created from Three Waters Reform stimulus programme was also applied for rates affordability reasons.

### **3.24 Council Meeting – 29 March 2022**

- 3.25 At its meeting on 29 March 2022, Council considered the updated dFF which included further information on the repair work to the Roding network since the last AP workshop on the 10 March 2022. The initial cost of permanent reinstatement was forecasted at \$16.1 million with an estimated local share of \$1.4M. The reinstatement work is forecast to be completed over two years ending in June 2024.
- 3.26 Total Operating Expenditure of \$34.5 million was forecasted for the dAP, an increase of \$1.5 million compared to the forecast contained in the 10YP for 2022/23. Total Capital Expenditure of \$23.6 million was forecasted for 2022/23, an increase of \$13.6 million compared to the 10YP forecast for 2022/23.
- 3.27 Internal loan funding of \$4.5 million was forecasted for the dAP, an increase of \$1.6 million on the forecast in the 10YP. Forecasted reserve funding was \$1.5 million more than planned in the 10YP.
- 3.28 The forecasted Rates Revenue Requirement for the 2022/23 year was \$20.9 million, an increase of \$166,000 compared to the same year in the 10YP and an increase of \$586,000 more than current year. The forecasted increase in rates revenue requirement is 2.88% compared to the forecast of 2.06% in the 10YP.
- 3.29 The general revaluation of the Waitomo District was carried out in September 2021 with notices sent out to owners and ratepayers in February 2022. The resulting valuations saw an overall increase in Capital Value of 26.2%.
- 3.30 Council decided to make use of the discretion allowed for in the Revenue and Financing Policy when setting the UAGC for 2022/23. To help smooth the effects of the revaluation and aid in rates affordability, the UAGC is forecast to be set at the reduced amount of \$423, which is a reduction of \$305 from the current year rate of \$728.
- 3.31 Setting the UAGC at a lower rate will reduce some of the extreme increases and decreases caused by the revaluation, however there is still a wide range of movement for individual properties due to the new values.
- 3.32 The legal opinion on the proposed change to the UAGC is considered to be within the scope of the Revenue and Finance Policy (RFP) and does not require a review of the RFP.
- 3.33 Total public debt at 30 June 2023 of \$35 million is forecast which is significantly lower than the forecast contained in the 2021-2031 10YP for the same year (\$39.2 million).

- 3.34 Council created reserves are also expected to be higher than the 10YP forecast. The closing balance of reserves at 30 June 2023 is forecast at \$20.9 million compared to \$20.1 million in the 10YP for the same period.
- 3.35 The draft Financial Forecasts for the dAP 2022/23 were compared against the parameters in Council's Financial Strategy. All the financial reporting and prudence benchmarks have been met.
- 3.36 It was concluded that the draft financial forecasts show no material or significant variations in the proposals, costs, or funding in the dAP 2022/23 from those contained in the corresponding year of the 2021-2031 10YP, therefore no consultation with the community was required based on financial variations alone.
- 3.37 The variances to work-streams to be undertaken by the Council and the impact of those work-streams on costs and funding were not considered material or significant, from the forecasts contained in the 10YP for the corresponding year, and therefore did not trigger the requirement for consultation with the community.
- 3.38 No material variations were made to delay or proceed with any significant project or changes to service delivery aspects undertaken by Council. The variations of note were discussed during the February workshop and were not considered a significant or material change.
- 3.39 Legal advice was obtained regarding the adjustment between General Rates and Uniform Annual General Charge (UAGC), it concluded that community consultation by way of a 'special consultative procedure' was not required, but consultation in a manner that gives effect to the requirements of section 82 of the LGA may be needed.
- 3.40 Council considered overall that the final variations alongside the change in UAGC that together this is not a significant departure from the 10YP. Therefore, resolving that consultation with the community by way of Special Consultative Procedure was not required.

## Commentary

- 4.1 The Financial Forecast presented for Council's consideration has been modelled and prepared to ensure consistency with the direction adopted in Council's 2021-2031 10YP.
- 4.2 This is the same fiscally prudent approach Council has been rigorously applying to the development of APs for many years, with the consideration of rates affordability a fundamental standard component of this practice.
- 4.3 The exceptions and variations to expenditure proposed in the final AP are to address legally mandated/statutory requirements, or to implement decisions taken by Council previously. Other amendments have been proposed to address new issues that have arisen, or to respond to new costs of contract, historical trends, etc.
- 4.4 **NEW EXPENDITURE AND REVENUE**
- 4.5 The process for developing the budgets for the 2021-2031 10YP was robust, with forecast expenditure based on the best information available at that time. However, invariably as time progresses, certainty increases for reasons such as:
- Procurement/Contractual – project costs are best estimates made at the time, however, are not certain until procurement processes have been completed. The final cost of contract is also heavily influenced by market availability/demand at the time of procurement.
  - Further information on the expenditure required to deliver some activities becomes apparent in the ensuing years post initial development of the 10YP due to either expenditure trends that have developed, or the realisation of efficiency/effectiveness in processes.
  - Unforeseen events such as the severe weather event in February 2022.

4.6 The table below identifies the additional cost forecast for significant new projects, activities/costs and revenue as well as significant reductions in expenditure.

**Table 1**

NEW Expenditure and Revenue and Reductions	Variance to Y2 10YP 2022/23	Reason
<b>Operational Expenditure</b>		
Road maintenance forecasts have been revised to incorporate the expanded road program	\$346,000	The increased 3-year road programme for 2021-24 which was advised by Waka Kotahi NZTA in September 2021 (after the adoption of the 10YP).
The interest rate assumption has been updated to 3.71%, against a forecast assumption of 2.75% adopted in the 10YP. The revised interest rate assumption has been applied to a forecast opening debt at 1 July 2022 of \$32.5 million, less than the assumed opening debt position forecast in the 10YP of \$39.5 million	\$143,000	Interest costs forecasted to increase in response to increasing interest rates currently in the market.
<b>Revenue</b>		
Roads and Footpaths	\$8.218 million	To part fund the local share of the road repairs from the storm event in February 2022 and the forecast increase in the 3-year road programme.
Recreation and Property	\$3.6 million	Grant and contribution revenue is forecast to partly fund the construction of the King Country Indoor Sports and Recreation Centre
<b>Capital Expenditure</b>		
Road renewal and reinstatement of parts of the road network	\$7.576 million	Repair work to the road network impacted by the storm event in February 2022
Road renewal and reinstatement of parts of the road network	\$986,000	For increase in the 3-year road programme.
Construction of King Country Indoor Sports and Recreation Centre.	\$3.732 million	WDC's contribution remains at \$1.5 million with the remainder funded by grants and other contributions.
Installation of gas flaring equipment at the landfill	\$764,000	Will create significant savings under the Emissions Trading Scheme obligations;
The forecast expenditure for alternative water source for Te Kuiti has been removed	(\$518,000)	No suitable water source was found by exploratory drilling, project concluded.
Wastewater reticulation renewals and the installation of a pipe under the railway corridor at Carroll Street	\$120,000	Additional load expected from the new King Country Indoor Sports and Recreation Centre

**4.7 Summary – All of Council Cost of Service Statement**

4.8 The financial summary for carrying out the planned work streams and delivering on the LoS agreed in the 2021-2031 10YP are presented below in the All of Council Cost of Service Statement.

## 4.9 **Table 2**

All of Council Cost of Service Statement (\$000's)	10YP Yr1 21/22	10YP Yr2 22/23	AP 22/23	Var to Yr 2
Total Operating Income	15,382	14,585	26,388	11,803
Total Operating Expenditure	32,812	32,982	34,505	1,523
<b>Net Operating Cost/(Surplus)</b>	<b>17,430</b>	<b>18,397</b>	<b>8,117</b>	<b>10,280</b>
Total Capital Expenditure	10,350	9,984	23,614	13,630
<b>Total Net Expenditure</b>	<b>27,780</b>	<b>28,381</b>	<b>31,731</b>	<b>3,350</b>
<b>Funded by</b>				
Internal Loans Raised	2,835	2,869	4,521	1,652
Internal Loans Repaid	(2,931)	(3,224)	(3,098)	126
Reserve transfers and non-funding of depreciation	7,515	7,955	9,361	1,406
General Rates, UAGC and Service Charges	20,361	20,781	20,947	166
<b>Total Funding</b>	<b>27,780</b>	<b>28,381</b>	<b>31,731</b>	<b>3,350</b>

- 4.10 The All of Council Cost of Service Statement shows a forecast Net Operating Cost/(Surplus) of \$8.1 million, which is \$10.3 million less than the forecast contained in the 10YP.
- 4.11 Operating Income is forecast to significantly increase by \$11.8 million to \$26.4 million mainly due to subsidies and grants revenue which part funds capital expenditure.
- 4.12 Additional Waka Kotahi NZTA subsidy revenue is forecast for an expanded roads and footpaths maintenance and renewals program including road repairs following the ex-Cyclone Dovi storm event damage in February 2022.
- 4.13 Also included within revenue is the contributions and grants forecast to be received for the construction of the King Country Indoor Sports and Recreations Centre.
- 4.14 Operating expenditure is forecast to increase by \$1.5 million to \$34.5 million compared with year 2 of the 10YP, due to an increase in the maintenance program for Roads and Footpaths, and the resequencing of District Plan review.
- 4.15 A forecast increase in depreciation expense for buildings and water supply assets is also forecast as well as increased landfill operational costs including carbon credits costs, and the additional expenditure for maintaining and operating councils water scheme.
- 4.16 Interest costs are forecast to increase due to an increase in forecast interest rates. The AP 2022/23 is based on an interest rate assumption of 3.71% compared to 2.75% which was assumed for the same year in the 10YP.
- 4.17 Capital expenditure is forecast to be significantly higher at \$23.6 million which is a \$13.6 million increase compared with year 2 of the 10YP.
- 4.18 The most significant increase is for Roads and Footpaths where road renewals works, and permanent repairs to damage caused by ex-Cyclone Dovi are forecast. Construction expenditure for the King Country Indoor Sports and Recreations Centre is forecast as well as new expenditure for the installation of gas flaring equipment at the landfill. The cell development, lining and highwall stabilisation at the landfill has also been re-sequenced across the 2022/23 and 2023/24 years.
- 4.19 Rates requirement, excluding rates penalties, will increase by \$166,000 to \$20.9 million compared to year 2 of the 10YP, with most of the increase being attributed to increased operational costs in the Leadership, Solid Waste, Recreation and Property, and Water Supply Group of Activities.
- 4.20 Internal Loans forecast to be raised is \$4.5 million; \$1.6 million more than year 2 of the 10YP. The main increase is for an internal loan for Council's share of the construction costs

of the King Country Indoor Sports and Recreation Centre. The resequencing of the District Plan review means the internal loan budgeted in a previous year is now forecast for 2022/23. Additional loan funding is also forecast for the gas flaring equipment and re-sequenced cell development and highwall stabilisation.

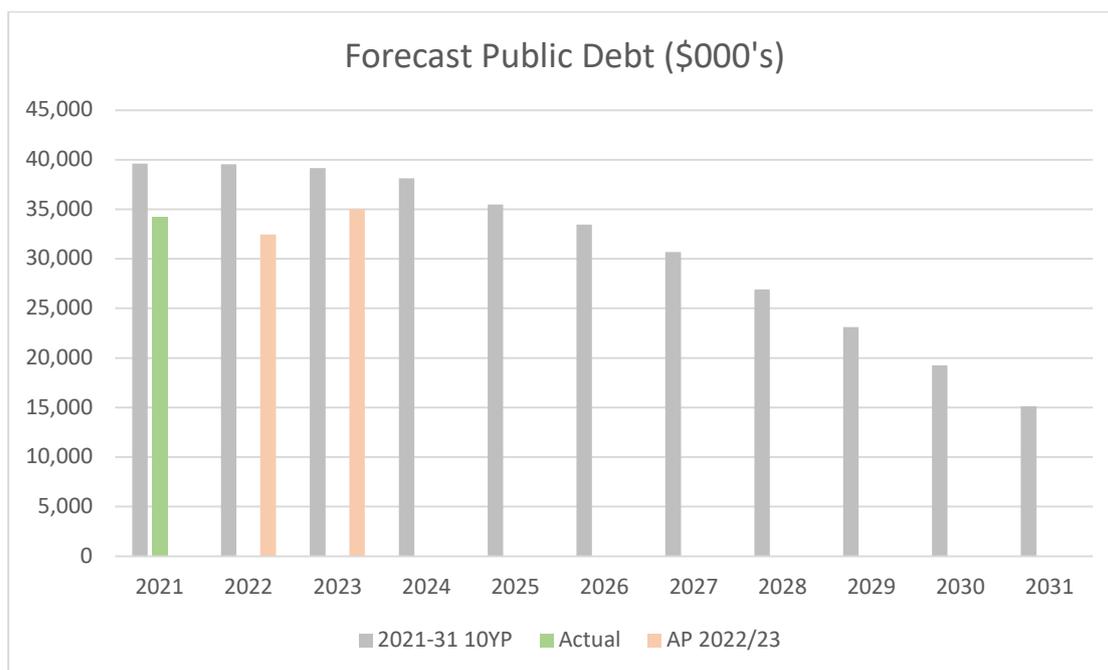
- 4.21 More reserve funding is forecast to fund operational expenditure than planned in the 10YP year 2. As some projects and operational spends were delayed in prior years due to the pandemic, the unspent rates funding is forecast to fund some expenditure in the 2022/23 year. Further to this, some additional reserve funding is also forecast for rates affordability reasons in Wastewater.
- 4.22 Additional reserve funding is also forecast to fund the local share of renewal expenditure for roads including the storm repairs required to the road network.
- 4.23 The significant variances to the forecast contained in the LTP for 2022/23 year are explained within the AP document (pages 12 – 31).
- 4.24 Statement of Funding Sources
- 4.25 Forecast Rates Revenue Requirement
- 4.26 The total forecast rates requirement in the 2022-23 AP is \$20.9 million, an overall average rates requirement increase of 2.88% over the current year and \$0.2 million more than the forecast contained in the 2021-31 LTP for the same year.
- 4.27 Table 3 shows the rate types that the \$20.9 million rates requirement is comprised of.
- 4.28 **Table 3**

Prospective Statement of Funding Sources (\$000's)	10YP Yr1 21/22	10YP Yr2 22/23	AP 22/23	Var to Yr 2
<b>Targeted Rates and Service Charges</b>				
Wastewater	2,176	2,200	1,982	(218)
Water Supply	1,761	1,864	1,992	128
Metered Water Supply Rates	950	983	977	(6)
Aquatic Centre	265	270	269	(1)
District Development Rate	296	301	308	7
Piopia Retirement Village Contribution	16	16	13	(3)
District Roading Rate	4,346	4,492	4,474	(18)
Solid Waste Rate	852	693	847	154
Solid Waste Collection	223	231	228	(3)
Stormwater	456	473	474	1
Marokopa Community Centre Rate	4	0	0	0
<b>Forecast Total Targeted Rates and Service Charges</b>	<b>11,345</b>	<b>11,523</b>	<b>11,564</b>	<b>41</b>
General Rates	5,537	5,679	7,348	1,669
UAGC	3,479	3,579	2,035	(1,544)
<b>Total General rate and UAGC</b>	<b>9,016</b>	<b>9,258</b>	<b>9,383</b>	<b>125</b>
<b>Forecast Total Rates Requirement</b>	<b>20,361</b>	<b>20,781</b>	<b>20,947</b>	<b>166</b>
Change in Rates Requirement	(111)	420	586	
<b>Percentage Change</b>	<b>-0.54%</b>	<b>2.06%</b>	<b>2.88%</b>	
<b>Other Revenue Sources</b>				
Subsidies and Grants	11,154	9,883	21,711	11,828
Interest Revenue	9	9	12	3
Rates Penalties Revenue	240	247	300	53
Fees and Charges	3,979	4,446	4,365	(81)
<b>Total Other Revenue</b>	<b>15,382</b>	<b>14,585</b>	<b>26,388</b>	<b>11,803</b>
<b>Other Funding Sources</b>				
Internal Loans Raised	2,835	2,869	4,521	1,652
<b>Total Funding Sources</b>	<b>38,578</b>	<b>38,235</b>	<b>51,856</b>	<b>13,621</b>

<b>Funding Applied to</b>				
Operating Expenditure	32,812	32,982	34,505	1,523
Capital Expenditure	10,350	9,984	23,614	13,630
Internal Loan Repayments	2,931	3,224	3,098	(126)
Reserve transfers and non-funding of depreciation	(7,515)	(7,955)	(9,361)	(1,406)
<b>Total Funding Applied</b>	<b>38,578</b>	<b>38,235</b>	<b>51,856</b>	<b>13,621</b>

4.29 Forecast Public Debt

4.30 Public Debt at the end of the 2022/23 year is forecast to be \$35.0 million. This is \$4.2 million less than the forecast of \$39.2 million contained in the 2021-31 10YP.



**Analysis of Options**

- 5.1 Council is required by the Local Government Act 2002 to adopt an Annual Plan prior to 1 July.
- 5.2 At its workshop on the 17 February 2022, Council formed an assessment that changes made to the forecast work program, debt levels and rates for the FY 2022/23 year were not significant or material compared to the forecasts contained in the corresponding year in the 10YP. For this reason, and as permitted by the LGA for efficiency and effectiveness reasons, Council considered that consultation on the 2022-23 EAP was not required.
- 5.3 Council at its meeting on 10 March 2022, agreed a proposed timetable, excluding consultation, with adoption of the 2022-23 AP scheduled for the Council meeting on 31 May 2022.
- 5.4 Council has the option of not adopting the AP and determining to make further changes to the final 2022-23 EAP. However, this would have the effect of delaying the start of 2022/23 work programs for no defined advantage and is therefore not the preferred option.

## Considerations

### **6.1 RISK**

6.2 There is a public perception risk in not consulting, in that the community may not agree with Council's assessment that the changes to the final 2022-23 AP are not material or significant. However, this risk is considered low.

6.3 The LGA specifically provides for councils not to undertake consultation where there are no significant or material changes to an adopted LTP. This was specifically introduced to the LGA to avoid unnecessary costs and to improve efficiency.

### **6.4 CONSISTENCY WITH EXISTING PLANS AND POLICIES**

6.5 The Financial Forecasts for the 2022-23 AP are consistent with the forecasts contained in the corresponding year of the 2021-31 10YP and the variations are not considered to be material.

6.6 There are no changes to the levels of service agreed with the community through the 2021-2031 10YP.

### **6.7 SIGNIFICANCE AND COMMUNITY VIEWS**

6.8 Section 78 of the LGA requires Council to, in the course of its decision making, give consideration to the views and preferences of persons likely to be affected by, or to have an interest in, the matter.

6.9 Community views on lower debt levels and rates increases are known to Council through the LTP and Annual Plan processes, the annual Residents Survey, and through recent commentary via social media, newspapers and direct discussions. In addition, the views of the community on Council's overall direction, work plans and projects have been well canvassed through the 2021-31 LTP process.

6.10 Having regard to the decision making provisions in the LGA, and the requirements of the LGA in terms of consultation on annual plans, a decision in accordance with the recommendations is not considered to have a high degree of significance in terms of the Act. A summary information document will be provided to the community prior to release of the AP.

6.11 Council's decision on the 2022-23 AP will be communicated with the community, and the 2022-23 AP will be available on Council's website. Printed copies will be available from late June 2022.

## Summary of Council Direction and Outcomes

7.1 Council undertook a robust process in developing the 2021-13 Ten Year Plan. The program of work in the final 2021-23 dAP and the Financial Forecasts therein are aligned with the forecasts contained in the 2021-2031 10YP for the corresponding year (although there are some timing changes).

7.2 It is recommended that Council now adopt its 2022-23 AP together with the required and supporting rates setting steps.

7.3 The setting and assessment of the rates for FY 2022/23 is provided for in this business paper and reflects the funding requirement of the 2022-23 dAP document as presented.

<b>Suggested Resolutions</b>
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- 1 The business paper on Adoption of Annual Plan 2022-23 be received.
- 2 Council adopt the Annual Plan 2022-23 document.
- 3 The Chief Executive be authorised to make any final editorial amendments to the Annual Plan 2022-23 document and any changes directed by the Council at this meeting.
- 4 Pursuant to Sections 23 and 24 of the Local Government (Rating) Act 2002, Council set the rates, charges, and instalment due dates for the 2022/23 financial year commencing 1 July 2022 and ending on 30 June 2023 as follows:

**1. GENERAL RATE**

A General Rate set under section 13 of the Local Government (Rating) Act 2002 (LGRA) made on every rating unit across the District, assessed as a rate per \$100 of capital value. The General Rate is not set differentially. The General Rate will contribute to the funding of:

- Leadership
- Other Land and Buildings
- District Libraries
- Aquatic Centre
- Les Munro Centre
- Aerodrome
- Public Facilities
- Parks and Reserves
- Community Halls
- Cemeteries
- Community Development
- Economic Development
- District Promotion
- Emergency Management
- Regulatory Services
- Waste Minimisation
- Resource Management

*Requirement in 2022/23 (incl. GST)*

General Rate	Rate per \$100 capital value	Total Revenue Requirement (\$000)
All rating units in the District	0.19504	8,450

**2. UNIFORM ANNUAL GENERAL CHARGE**

A Uniform Annual General Charge (UAGC) per separately used or inhabited part of a rating unit across the District, set under Section 15(1)(b) of the LGRA. The UAGC will contribute to the funding of:

- Leadership
- Parks and Reserves
- District Libraries
- Aquatic Centre
- Les Munro Centre
- Other Land and Buildings
- Public Facilities
- Community Halls
- Cemeteries
- Aerodrome
- Community Development
- Emergency Management
- Regulatory Services
- Resource Management
- Waste Minimisation

*Requirement in 2022/23 (incl. GST)*

<i>Uniform Annual General Charge</i>	<i>Charge per SUIP</i>	<i>Total Revenue Requirement (\$000)</i>
<i>All rating units in the district</i>	<i>\$423</i>	<i>2,341</i>

### Definition of SUIP

A separately used or occupied part of a rating unit includes any part of a rating unit that is used or occupied by any person, other than the ratepayer, having a right to use or inhabit that part by virtue of a tenancy, lease, licence, or other agreement, or any part or parts of a rating unit that are used or occupied by the ratepayer for more than one single use. This definition includes separately used parts, whether or not actually occupied at any particular time, which are provided by the owner for rental (or other form of occupation) on an occasional or long-term basis by someone other than the owner.

For the avoidance of doubt, a rating unit that has only one use (i.e. does not have separate parts or is vacant land) is treated as being one SUIP.

### 3. TARGETED RATES

Targeted Rates are set on categories of land defined by some factor, such as geographic location or provision of service. The titles of 'Targeted Rate' (TR) and 'Targeted Fixed Rate' (TFR) are used by this Council. Targeted Fixed Rates are based on a uniform amount set per separately used or inhabited part of a rating unit (SUIP) or set per rating unit. Targeted Rates are assessed based on capital value or water consumption.

#### Targeted Rates Differentiated on Location

Council will use location (Schedule 2(6) LGRA) to define the land liable for the Aquatic Centre TFR, Piopio Retirement Village Contribution TFR, Rural Stormwater TFR, and Te Kuiti Urban Stormwater TFR and targeted rate.

The following location definitions for the respective rating areas will apply:

Te Kuiti Urban Rating Area	<i>All rating units situated within the Te Kuiti Urban Rating Area (Refer to Revenue and Financing Policy for further details)</i>
Te Kuiti Urban and Periphery Rating Area	<i>All rating units situated within a 5km radius, all around, from the Information Centre (deemed to be the centre of town), in Te Kuiti. (Refer to Revenue and Financing Policy for further details)</i>
Rural Rating Area	<i>All rating units situated within the Rural Rating Area (Refer to Revenue and Financing Policy for further details)</i>
Piopio Township	<i>All rating units connected or with the ability to connect to the Piopio Wastewater System (Refer to Revenue and Financing Policy for further details)</i>
Piopio Wider Benefit Rating Area	<i>All rating units situated in the rural areas around Piopio Township (excluding Rating units/SUIPs connected or with the ability to connect to the Piopio Wastewater System) that are deemed to indirectly benefit from the Piopio Wastewater reticulation network. (Refer to Revenue and Financing Policy for further details)</i>

#### 3.1 Aquatic Centre TFR

An Aquatic Centre TFR set under section 16 of the Local Government (Rating) Act 2002 per separately used or inhabited part of a rating unit in the District, differentiated by rating areas, to part fund the Aquatic Centre Activity. The rating areas for the purpose of assessing the Aquatic Centre TFR will be the Te Kuiti Urban and Periphery Rating Area and Rating Units in the District not in the Te Kuiti Urban and Periphery Rating area.

*Requirement in 2022/23 (incl. GST)*

<b>Aquatic Centre (TFR)</b>	<b>Charge per SUIP</b>	<b>Total Revenue Requirement (\$000)</b>
<i>Te Kuiti Urban and Periphery Rating Area</i>	<b>\$105</b>	<b>247</b>
<i>Rating Units in the District not in the Te Kuiti Urban and Periphery Rating Area</i>	<b>\$19</b>	<b>62</b>

### 3.2 Piopio Retirement Village Contribution TFR

Council set a TFR under section 16 of the Local Government (Rating) Act 2002 per rating unit situated within the Piopio Township and the Piopio Wider Benefit Rating Area to fund the support of the continued delivery of elderly housing accommodation services provided by the Piopio Retirement Trust Board through the remission of service charges.

*Requirement in 2022/23 (incl. GST)*

<b>Piopio Retirement Village Contribution (TFR)</b>	<b>Charge per Rating Unit</b>	<b>Total Revenue Requirement (\$000)</b>
Piopio Wider Benefit Rating Area and Piopio Township	\$20	15

### 3.3 Rural Stormwater TFR

Council set a TFR under section 16 of the Local Government (Rating) Act 2002 per separately used or inhabited part of a rating unit in the Rural Rating Area of the District to fund the Rural Stormwater Activity.

*Requirement in 2022/23 (incl. GST)*

<b>Rural Stormwater (TFR)</b>	<b>Charge per SUIP</b>	<b>Total Revenue Requirement (\$000)</b>
Rural Rating Area	\$8	26

### 3.4 Te Kuiti Urban Stormwater TFR and Targeted Rate.

- (i) Council set a TFR under section 16 of the Local Government (Rating) Act 2002 per rating unit in the Te Kuiti Urban Rating Area to partly fund the Te Kuiti Urban Stormwater Activity.
- (ii) Council set a Targeted Rate under section 16 of the Local Government (Rating) Act 2002 to partly fund the Te Kuiti Urban Stormwater Activity, to be assessed as a rate per \$100 of Capital value on every rating unit in the Te Kuiti Urban Rating Area excluding those in respect of which there is a current resource consent to discharge stormwater into the Mangaokewa Stream, and so are not using any part of the urban reticulated stormwater or drainage network.

*Requirement in 2022/23 (incl. GST)*

<b>Te Kuiti Urban Stormwater (TFR)</b>	<b>Charge per rating unit</b>	<b>Total Revenue Requirement (\$000)</b>
Te Kuiti Urban Rating Area	\$173	310

<b>Te Kuiti Urban Stormwater Targeted Rate (TR)</b>	<b>Rate per \$100 Capital Value</b>	<b>Total Revenue Requirement (\$000)</b>
Te Kuiti Urban Rating Area (excluding rating units not using network)	0.02830	208

### 3.5 Water Rates

Council set a TFR under section 16 of the Local Government (Rating) Act 2002 for Water Supply differentiated on the basis of supply area. The TFR is set per separately used or inhabited part of a rating unit within Te Kuiti and Rural Communities (Piopio, Maniaiti / Benneydale and Mokau), with liability calculated based on whether the SUIP is connected, or merely serviceable (Serviceable means the rating unit is within 100m of water main and practicably serviceable in the opinion of Council).

*Requirement in 2022/23 (incl. GST)*

Water Supply (TFR)	Charge		Total Revenue Requirement (\$000)
	Per connected SUIP	Per serviceable SUIP	
Te Kuiti	\$719	\$360	1,485
Piopio	\$989	\$494	242
Maniaiti / Benneydale	\$989	\$494	118
Mokau	\$989	\$494	217

### 3.6 Extraordinary Water Supply Rate

Council set a TR under section 19 of the Local Government (Rating) Act 2002 per cubic metre of water consumed over and above an annual consumption of 292m<sup>3</sup> per SUIP, differentiated by supply area that has been fitted with a water meter and/or is defined as having an extraordinary supply (in accordance with Council's Water Services Bylaw). The rates are:

*Requirement in 2022/23 (incl. GST)*

Water Supply Rate (TR)	2022/23 Charge per cubic metre (including GST) above 292m <sup>3</sup>
Te Kuiti	\$3.05
Piopio	\$3.33
Maniaiti / Benneydale	\$3.67
Mokau	\$4.88
Total Revenue Requirement (\$000)	1,124

*Metered Water Supply Due Dates*

	Reading Period	Due Date
Te Kuiti Meat Companies	Monthly	15 <sup>th</sup> of the month following invoice
Te Kuiti, Piopio, Mokau and Maniaiti / Benneydale	Jul – Dec 2022 Jan – Jun 2023	15 <sup>th</sup> of the month following invoice

### 3.7 District Wide Benefit Rate for Water Supply

Council set a TFR under section 16 of the Local Government (Rating) Act 2002 on every rating unit within the District to part fund the water supply activities.

*Requirement in 2022/23 (incl. GST)*

District Wide Benefit Rate for Water Supply (TFR)	Charge per Rating Unit	Total Revenue Requirement (\$000)
All Rating Units in the District	\$50	229

### 3.8 Wastewater Rates

Council set a TFR under section 16 of the Local Government (Rating) Act 2002 to provide for the collection and disposal of sewage. The TFR is set per separately used or inhabited part of a rating unit within the District, with liability calculated based on whether the SUIP is connected to the wastewater network, or merely serviceable (Serviceable means the rating unit is within 30m of sewer reticulation and practicably serviceable in the opinion of Council).

*Requirement in 2022/23 (incl. GST)*

Wastewater (TFR)	Charge		Total Revenue Requirement (\$000)
	Per connected SUIP	Per serviceable SUIP	
Maniaiti / Benneydale	\$824	\$412	92
Te Waitere	\$824	\$412	14
Te Kuiti	\$824	\$412	1,394
Piopio	\$824	\$412	175

### 3.9 Wastewater rates for non-residential properties in Te Kuiti

For all non-residential properties in Te Kuiti, Council set a TFR under section 16 of the Local Government (Rating) Act 2002 per SUIP set on a differential basis based on the following Categories

- **Category 1** - All Businesses
- **Category 2** - Education & Community Childcare, Places of Worship, Marae, Clubs and Societies and Emergency Services. This category consists of organisations that are generally deemed 'not for profit'. For avoidance of doubt, Category 2 only covers properties with uses listed within this category and no others.
- **Category 3** - Government Department use, Rest Homes and Hospitals.

All non-residential SUIPs will be charged one base charge for up to four pans and per pan (Pan Charge) for every pan over and above this threshold on the following basis:

#### Base Charge:

*Requirement in 2022/23 (incl. GST)*

Non- Residential Targeted Rate (TFR)	Base Charge per SUIP (up to 4 pans)	Per serviceable SUIP	Total Revenue Requirement (\$000)
Category 1	\$412	\$412	84
Category 2	\$412	\$412	14
Category 3	\$824	\$412	7

#### Pan Charge:

*Requirement in 2022/23 (incl. GST)*

Non- Residential Targeted Rate (TFR)	Number of pans	Charge per pan (Pan Charge)	Total Revenue Requirement (\$000)
Category 1	5th pan and over	\$577	59
Category 2	5-10 Pans	\$247	2
	Over 10 Pans	\$165	20
Category 3	5th pan and over	\$577	26

### 3.10 Trade Waste Contribution TFR

Council set a Trade Waste Contribution TFR under section 16 of the Local Government (Rating) Act 2002 per rating unit in the District in recognition of the contribution made to the social and economic well-being of the District by the large industrial users of the Te Kuiti Wastewater Network.

*Requirement in 2022/23 (incl. GST)*

Trade Waste Contribution (TFR)	Charge Per rating unit	Total Revenue Requirement (\$000)
All Rating Units in the District	\$40	182

### 3.11 District Wide Benefit Rate for Wastewater

Council set a TFR under section 16 of the Local Government (Rating) Act 2002 on every rating unit within the District to part fund the wastewater activities.

*Requirement in 2022/23 (incl. GST)*

District Wide Benefit Rate for Wastewater (TFR)	Charge Per Rating Unit	Total Revenue Requirement (\$000)
All rating units in the District	\$46	210

### 3.12 District Rooding Rate

Council set a District Rooding targeted rate under section 16 of the Local Government (Rating) Act 2002 as a rate per \$100 of capital value on every rating unit across the District to part fund the Roads and Footpaths Activity.

*Requirement in 2022/23 (incl. GST)*

District Rooding Rate (TR)	Rate per \$100 Capital Value	Total Revenue Requirement (\$000)
All rating units in the District	0.11875	5,145

### 3.13 Solid Waste Collection Rate

Council set a TFR under section 16 of the Local Government (Rating) Act 2002 per separately used or inhabited part of a rating unit to which Council provides a kerbside collection and recycling service differentiated by service areas where Council operates kerbside collection and kerbside recycling services (Te Kuiti, Piopio, Mokau (including Awakino) communities and Waitomo Village and some surrounding parts).

*Requirement in 2022/23 (incl. GST)*

Solid Waste Collection (TFR)	Charge per SUIP	Total Revenue Requirement (\$000)
Te Kuiti	\$67	135
Waitomo	\$71	48
Piopio	\$148	34
Mokau	\$147	45

### 3.14 Solid Waste Rate

Council set a TFR under section 16 of the Local Government (Rating) Act 2002 per separately used or inhabited part of a rating unit District wide to part fund the Solid Waste activity.

*Requirement in 2022/23 (incl. GST)*

Solid Waste (TFR)	Charge per SUIP	Total Revenue Requirement (\$000)
All rating units in the District	\$177	975

### 3.15 District Development Rate

Council set a District Development Targeted Rate under section 16 of the Local Government (Rating) Act 2002 as a rate per \$100 of capital value differentiated between Commercial and Industrial Businesses, and Rural Businesses, to part fund Economic Development and District Promotion.

*Requirement in 2022/23 (incl. GST)*

District Development Rate (TR)	Rate per \$100 Capital Value	Total Revenue Requirement (\$000)
Commercial and Industrial Businesses	0.04204	177
Rural Businesses	0.00686	177

## 4 RATES PAYMENTS

Rates will be payable in four equal instalments with the due dates for payments being:

1st Instalment	31 August 2022 (Wednesday)
2nd Instalment	30 November 2022 (Wednesday)
3rd Instalment	28 February 2023 (Tuesday)
4th instalment	31 May 2023 (Wednesday)

*Note*

The due date for payment of each instalment is the last working day in each of the months specified above. Rates payments will be allocated to the oldest debt first.

## 5. RATES REMISSIONS AND POSTPONEMENTS

Council has developed a rates remissions policy as per LGA (section 102 (3)(a), 108 and 109) and LGRA (Section 85). Remission categories include Properties Used Jointly as a Single Unit, Community Organisations and Clubs and Societies, Organisations Providing Care for the Elderly, New Residential Subdivisions, Maori Freehold Land, Cases of Land Affected by Natural Calamity, New Businesses, Penalties, and Rates and/or penalties following a Rating Sale or Abandoned Land Sale. The estimated value of these remissions is \$268,000 for the 2022/23 year.

Under the Policy on Remission of Rates, Council will not offer any permanent postponements of rates.

## 6. PENALTIES

Pursuant to sections 57 and 58 of the Local Government (Rating) Act 2002, Council may apply penalties as follows:

- (a) A penalty charge of 10 percent (10%) on any part of an instalment that has been assessed for the financial year commencing 1 July 2022 and which remains unpaid after 5pm on the due date for payment of that instalment, to be added on the penalty dates below:

Instalment 1	5 September 2022
Instalment 2	5 December 2022
Instalment 3	3 March 2023
Instalment 4	5 June 2023

- (b) A further penalty charge of 10 percent (10%) on any part of any rates assessed before 1 July 2022 that remains unpaid on 1 July 2022, to be added on 7 July 2022.
- (c) No penalties will be charged where a ratepayer is paying rates by direct debit or where there is an approved payment arrangement in place.



ALEX BELL  
**GENERAL MANAGER – STRATEGY AND ENVIRONMENT**



ALISTER DUNCAN  
**GENERAL MANAGER – BUSINESS SUPPORT**

18 May 2022

Separate Enclosure - Annual Plan 2022-23 (A603171)

**Document No:** A614922

## **Report To: Council Meeting**



**Meeting Date:** 31 May 2022

**Subject:** **Adoption of Draft Updated Procurement Policy 2022**

**Type:** Decision Required

### **Purpose of Report**

- 1.1 The purpose of this business paper is to present the draft updated Procurement Policy for consideration and adoption.
- 1.2 Attached to and forming part of this business paper is a copy of the draft updated Procurement Policy.

### **Background**

- 2.1 In November 2018 and 2020, Council adopted an updated Procurement Policy (Policy), the purpose of which was to document a clear and robust policy position on the myriad of considerations and options that exist in and for procurement, and with the aim of providing a consistent unified approach to procurement across the Councils within the Waikato region and to align, where possible, with Government procurement practices.
- 2.2 The review of the Policy incorporated amendments in relation to the New Zealand Government Procurement Rules (previously New Zealand Government Rules of Sourcing), Covid-19 recovery, Three Waters Funding and the change in government delivery channels for partnership funding (3rd party funding).
- 2.3 Subsequently, an external review of the current Procurement Policy, by consultant Ian Potter, highlighted areas that could be further improved to assist WDC streamline its procurement practices, whilst maintaining a robust framework.

### **Commentary**

#### **3.1 Updates to the Procurement Policy**

- 3.2 The draft updated Policy is substantially the same, with the proposed amendments relating to the procurement thresholds and processes (note: some process information has been removed from the Policy, including flowcharts, checklists and step-by-step guidance).
- 3.3 The existing policy thresholds and procurement requirements are as follows:

Value	Requirement
Up to \$15,000	<ul style="list-style-type: none"> <li>1 quote</li> <li>Consider local procurement</li> <li>1 up approval</li> </ul>
Up to \$50,000 (*exception GM-IS capex \$100k)	<ul style="list-style-type: none"> <li>3 quotes</li> <li>Consider local procurement</li> <li>A General Manager approval, documented through agreed processes</li> </ul>
Up to \$150,000	<ul style="list-style-type: none"> <li>3 quotes</li> <li>Consider local procurement</li> <li>Business Paper to Tenders Subcommittee for approval</li> </ul>

Value	Requirement
Between \$150,000 to \$250,000	<ul style="list-style-type: none"> <li>• Procurement Plan</li> <li>• Closed Tender</li> <li>• Business Paper to Tenders Subcommittee for approval</li> </ul>
Over \$250,000	<ul style="list-style-type: none"> <li>• Procurement Plan</li> <li>• Open Tender</li> <li>• Business Paper to Tenders Subcommittee for approval</li> </ul>

3.4 The proposed amendments to the thresholds and procurement requirements, are as follows:

Threshold	Requirements / Process	Paperwork
\$1 - \$4,999	Direct purchase	Purchase is likely to be either via a P-Card, direct purchase and receipt or Purchase Order.
\$5,000 - \$49,999	1 Quote or more; or  Catalogue purchase (where price is documented and confirmed).	Written quote; Purchase Order or Contract
\$50,000 - \$199,999	2 quotes or more	Written quotes; Purchase Order or Contract
\$200,000 - \$499,999	Open Tender Process; or  3 Quotes	An approved Lite Procurement Plan If open tender: <ul style="list-style-type: none"> <li>• RFX documents</li> <li>• Tender responses</li> <li>• Evaluation report(s)</li> <li>• Contract</li> </ul> If Quotes requested: <ul style="list-style-type: none"> <li>• Written quotes;</li> </ul> Purchase Order or Contract
\$500,000 + Or high risk* any value	Open Tender Process;	An approved Full Procurement Plan If open tender: <ul style="list-style-type: none"> <li>• RFX documents</li> <li>• Tender responses</li> <li>• Evaluation report(s)</li> <li>• Contract</li> </ul>
NZTA/Waka Kotahi	Where any NZTA/Waka Kotahi funding is to be used in the procurement activity.	NZTA/Waka Kotahi approved documents to be used and follow the NZTA/Waka Kotahi process.
Emergencies	Immediate response required, preferable to use a preferred supplier where possible. Likely to be verbal offer and acceptance and the costs may not be confirmed until after the event is dealt with.	Retrospective PO or contract.

3.5 The review helped staff to work through streamlining our procurement and tendering procedures which will make us more efficient and quicker.

3.6 Local procurement will continue to be supported where possible. Processes are being put in place to allow this to occur in a more structured manner through preferred supplier panels.

3.7 The proposed amendments to the Procurement Policy will be effective from **1 June 2022**.

## Analysis of Options

- 4.1 The options available to Council include:
- 4.2 **Option 1:** Updating the Procurement Policy.
- 4.3 This is the preferred option which will enable Council to have a consistent Procurement Policy that aligns somewhat with government agencies, and other Councils within the Waikato region. The updated Policy ensures that Council continues to create well executed third party solutions that minimises risk and maximises value for all involved.
- 4.4 **Option 2:** Do Nothing.
- 4.5 This option is not recommended as Council would continue to operate with an outdated Policy, that is not as effective and efficient as it could be.

## Considerations

### 5.1 **RISK**

5.2 There is low risk involved in the adoption of the proposed recommendations, the same processes and requirements remain in place i.e. quote or tender processes, ensuring that Council obtains value for money, and WDC has a range of methods in place to ensure a high level of probity exists with all procurement activity including established procurement processes, approval standards and the additional approval requirement of its Tenders Subcommittee for higher value and high risk procurements.

### 5.3 **CONSISTENCY WITH EXISTING PLANS AND POLICIES**

5.4 The proposed recommendations are consistent with Council plans and policies.

### 5.5 **SIGNIFICANCE AND COMMUNITY VIEWS**

5.6 Under the Significance and Engagement Policy 2021 this matter is of low significance.

## Recommendation

6.1 It is recommended that the updated Procurement Policy 2022 be adopted.

## Suggested Resolutions

- 1 The business paper on the draft updated Procurement Policy 2022 be received.
- 2 The draft updated Procurement Policy 2022 be adopted as amended.



ALISTER DUNCAN  
**GENERAL MANAGER - BUSINESS SUPPORT**

Attachment: Draft Updated Procurement Policy 2022 (A613424)



**PROCUREMENT POLICY**

**2022**

## Contents

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Original Created and adopted:	April 2012	adopted April 2012
Review Dates:	November 2012	adopted February 2013
	October 2018	adopted 27 November 2018
	October 2020	Adopted 27 October 2020
	May 2022	Updated (approved value thresholds and requirements) - to be presented to Council for adoption on 31 May 2022
Review Due Date:	At least every 3 years	
Responsibility:	Business Support	
Policy Number:	A613424	

## **1.0 PURPOSE**

The purpose of this Policy is to ensure that Waitomo District Council (WDC) has clear guidance on how its procurement activity should be undertaken at all levels. It provides the "rules" within which WDC will operate. WDC's expectation is that anyone who is undertaking procurement activity on behalf of WDC will abide by the rules, and if they are unclear then guidance should be sought.

The Principles and Broader Outcomes will ensure that WDC upholds the integrity of its procurement and set a clear expectation of what is required when any person within WDC makes a financial commitment on behalf of WDC.

The Policy, Procurement Framework and any additional guidance documentation will assist to provide a consistent approach to all procurement within WDC. It is to support the end user to select the appropriate procurement process having regard to the level of spend, risk and the current environment and then to work through that process with confidence and consistency, regardless of whether the end user is a full-time procurement practitioner or not. In addition, this document sets out how to determine whether or not to utilise an All of Government, Regional or Syndicated contracts.

This document will make it clear for suppliers, WDC employees and authorised third parties on WDC's expectations when procuring third party goods, services and/or works. It ensures that spend is planned out and creates well executed third party solutions that minimise risk and maximise value for all involved.

## 2.0 PROCUREMENT OBJECTIVES, CORE PRINCIPLES AND BROADER OUTCOMES

1. The objective of the Policy is to provide a clear direction to anyone involved or engaged in relation to the performance of WDC procurement activities that ensures:
  - a. **Adherence** – all procurement is required and is undertaken in accordance with the Procurement Policy, the Procurement Framework and all other associated WDC Policies and Strategies;
  - b. **Openness** - all procurement is made in a transparent and approved manner with full and fair opportunity for all eligible suppliers;
  - c. **Fairness** - all procurement is carried out in a fair manner and decisions are made with impartiality and without bias;
  - d. **Integrity** - all WDC employees and / or third parties undertaking procurement do so ethically, equitably and with behavioural standards of the highest levels;
  - e. **Value for Money** – all procurement works towards minimising procurement costs, relation costs and whole of life costs of the goods, services and / or works to deliver best value for money;
  - f. **Risk** – all procurement considers the risks (commercial and otherwise) and ensures these are managed appropriately;
  - g. **Reputation** – no procurement undertaken has an adverse impact on the reputation of WDC;
  - h. **Lawfulness** - all procurement is within the law and meets WDC’s legal and organisational obligations;
  - i. **Accountability** - employees and / or third parties and Suppliers are accountable for their performance and delivery of their procurement activities; and
  - j. **Sustainability** - all procurement is environmental and socially sustainable wherever possible, having regard to economic, environmental, and social impacts over their lifecycle.
2. To achieve these objectives the following Procurement Principles should be applied:
  - a. Plan and manage for great results;
  - b. Be fair to all suppliers;
  - c. Get the right supplier;
  - d. Get the best deal for everyone; and
  - e. Play by the rules.
3. Broader Outcomes which are the secondary benefits that are generated from procurement activity must also be considered, these may include:
  - a. Increasing access for New Zealand businesses;
  - b. Increasing the size and skills of the construction sector;
  - c. Lifting health and safety and employment standards; and
  - d. Transitioning to a net zero emissions economy.

*A detailed breakdown of the Procurement Principles and Broader Outcomes is provided in Appendix 2.*

## 3.0 POLICY

### 1. Overview

This Procurement Policy is designed to provide all employees and authorised third parties with clarity and guidance over the purchase of goods, services and/or works required to support business delivery. This Policy is designed to ensure that WDC obtains best whole-of-life value for the goods, services and/or works that it purchases, and to maintain the highest ethical standards in dealing with, its suppliers. Value includes but is not limited to price, quality, sustainability and service.

### 2. Application

This Policy applies to all employees and authorised third parties committing expenditure on behalf of WDC on In Scope spend.

### 3. In Scope

This Policy applies to the commitment of all funds by employees or authorised third parties on behalf of WDC with the exception of property-related expenditure, emission trading scheme and statutory appointments.

Examples of expenditure to which this Policy applies include:

1. Operational Expenditure – Goods, Services and/or Works required to support the day-to-day running of WDC.
2. Material Outsourcing Arrangements – involves WDC entering into an agreement with another party (supplier) to perform, on a continuing basis, a business activity which currently is, or could be, undertaken by WDC itself.
3. Supplier Panels – where employees can purchase against pre-agreed rates and conditions of contract.
4. Consultancy Expenditure – involves the use of professional service providers to obtain advice and/or support relating to an area of specific expertise.
5. Project and Capital Expenditure – involves WDC entering into an agreement on a one-off basis with another party (supplier) to provide an agreed specific set of outcomes aligned to a project or capital outlay.
6. NZTA Subsidised Arrangements – provides NZTA subsidised services obtained through the NZTA procurement process (NB: as documented, the financial limits and procedures prescribed in the NZTA Procurement Manual will apply if NZTA standards are higher than those set by WDC).
7. Subject to 6 above, 3<sup>rd</sup> Party Funding Procurement – Goods, Services and/or Works required to achieve projects supported by 3<sup>rd</sup> party funding, where Council has agreed to participate.

### 4. Contract Hierarchy

Once the requirement to spend has been established, the first consideration should be whether or not there are All of Government (AOG) contracts, Regional or Syndicated contracts available for use.

If there are AOG, Regional or Syndicated contracts available, it is likely that the benefits from these will outweigh the potential local benefits due to the economies of scale “buying power” available.

A review of these options should be undertaken, and where the contract meets the requirements, it is advisable for WDC to sign up to these rather, than pursue a local procurement strategy, except in certain circumstances.

### 5. Spend Limits & Authorisations

Any employee wishing to make a purchase on behalf of WDC needs to be aware from whom within the organisation they must get approval, before making the commitment.

Appropriate authorisation must be obtained prior to ordering goods, services and/or works. The authorising signatory is certifying that they have reviewed the transaction

and all related documentation, and that it conforms to WDC policy and goals, as well as applicable laws.

An authorising signatory should not both initiate and approve the same transaction. In no circumstances will an authorising signatory approve payments of any kind to themselves.

Any employee purchasing on behalf of WDC must ensure that they follow the correct procurement process based on the spend level and risk threshold. In all cases, when determining the correct procurement process, the spend level to be considered is the aggregate (combined) spend over the life of the contract and relates to the total spend on a project.

For example:

1. for a maintenance agreement of \$50k per annum with a three-year term the total spend is \$150k, and the procurement process for spend of a level of \$150k should be applied;
2. the procurement planning for a project with multi-disciplines, such as refurbishment of a building, may require a builder - \$100k, electrical work - \$100k, HVAC work - \$75k and plumbing - \$50k: the procurement process for spend of a level of over \$150k should be applied for the aggregated spend, although it is accepted that as part of the procurement process WDC may decide to go out for individual tender processes for each of these services separately.

## 6. Preferred Suppliers

Wherever possible, employees should direct all goods, services and/or works purchases through these preferred supplier contracted arrangements. A list of all AOG, Regional, Syndicated and local preferred suppliers is available and should be reviewed before any commitment is made.

There may be occasions when employees will notice cheaper alternatives to these contracted arrangements. Employees should be aware that these contracts have been arranged with the overall benefit to WDC in mind. Overall quality, performance, and whole-of-life-cost have been considered when selecting the suppliers.

**Note:** Whether utilising preferred or non-preferred suppliers, the correct procurement process must be applied. As the contract and commercial negotiations have been completed in advance, the process for using preferred suppliers is far less time consuming. However, if there is a need to vary the existing terms or pricing (where there is an increase in cost) outside of the agreed contract, the supplier should then be treated as a non-preferred supplier and the non-preferred supplier process applied.

A supplier who has pre-qualified under WDC approved HSE system and/or process, is not automatically a preferred supplier. A preferred supplier will have also been through a commercial process and have a contract in place.

## 7. Procurement Processes

Where an employee or authorised third party is looking to make a purchase they need to follow the appropriate procurement process. The processes have been separated to take into consideration the potential costs and risks to WDC.

**Cost** – these are the total costs expected for the life of the contract and should include any contingencies or on-going costs. It is the aggregate of all the costs that should be used to determine the correct procurement process to follow.

**Risk** – these are the risks, their likelihood, the ability to mitigate the risks and the consequences to WDC should the risk occur. This should take into consideration all types of risk including, but not limited to, commercial, operational and reputational risk.

## 8. Value Thresholds and Requirements

The different levels and requirements that relate to the procurement process are

detailed in Appendix 1.

1. Where a contract is subject to a New Zealand Transport Authority (NZTA) subsidy, the relevant Land Transport Procurement Strategy, and the financial limits and procedures prescribed in the NZTA Procurement Manual will apply, if the standards are higher than those set by WDC.
2. Subject to clause 1, where Council agrees to participate in 3rd party funding arrangements, the financial limits, rules, requirements and procedures in this Policy apply, unless amended in accordance with a Council resolution (see the Procurement Framework).

**Note:** These are the minimum requirements pertaining to undertaking procurement activity for example, more suppliers than the minimum can participate. In addition, an alternative supplier selection method is the Invited RFx (closed tender) process which can be utilised, this will require Procurement Exemption approval.

## 9. Procurement Exemption

The process for the relevant level identified above should be followed fully. If deviation from the process is required, the reason for the deviation should comply with one or more of the following criteria:

1. **Monopoly or limited supplier situation:** Where there is a monopoly or very limited supplier situation and only one or two Suppliers capable of supplying the requirements (e.g. engaging an arrangement for the supply of electricity on a network where the network is owned by a single party); or
2. **Proprietary technology:** Where a Supplier is the sole Supplier and/or patent holder of a specific product that is required by WDC. WDC must be satisfied that the proprietary technology is the most appropriate for the needs of WDC; or
3. **High Risk Activities:** The risks of a competitive process outweigh the benefits of competition and would potentially create risk for WDC; or
4. **Unique business proposition:** Where a Supplier has a unique business proposition that can minimise risks or costs to WDC. This could include existing knowledge relevant to a project; or
5. **Existing contract:** If goods, services and/or works are in addition to, or necessary for the completion of, delivery of an existing contract, provided that the original contract was publicly advertised, and a change of Supplier cannot be made for economic, technical, legal or practical reasons.

The key requirement is the Procurement Exemption represents best value for WDC. Poor planning or organisation of procurement is not justification for deviation from the Policy. In all instances a procurement exemption must be signed off by the Chief Executive.

## 10. Emergency Procurement

Where a declared or undeclared response to an 'emergency', as defined in the Civil Defence and Emergency Management Act 2002 (CDEMA), occurs, this Procurement Policy does not apply to procurement of goods and/or services required for that emergency. Procurements required under this category will be pursuant to the CDEMA.

In any other crisis or emergency, it may be necessary to dispense with parts of the procurement process so that WDC can react quickly to unforeseen events. WDC will need to be flexible in how it procures goods and services that are required for its response.

Emergency procurement should be used only in genuinely unforeseen circumstances.

Poor planning or organisation of a procurement does not justify dispensing with parts of this Policy.

In the context of this Policy an emergency is defined as an event which results in:

1. Employees, public, supplier, property or equipment being placed in immediate

- risk;
2. Standards of health, welfare or safety having to be re-established without delay;
  3. The significant impairment of WDC's delivery if WDC failed to respond promptly;
  4. Critical health or environmental emergencies, such as a pandemic; or
  5. An unanticipated event that makes it impossible for an agency to perform a statutory or critical function.

Emergency procurement should be limited to what is required to cope with the emergency. Once the emergency event is stabilised a recovery plan may be established, and approved by Council, to authorise necessary procurement activity.

Emergency procurement must be authorised by employees with the appropriate financial delegation as soon as practicable following the purchase.

## **11. Roles and Responsibilities**

Employees and authorised third parties are responsible for ensuring the purchasing, tendering and contract process is carried out in line with the Procurement Policy (and any other Council policies and procedures), by those who have the authority to make procurement decisions and by those who have the delegated authority to approve them.

All Contracts and Purchase Orders are to be authorised by the appropriate delegated authority prior to the placing the order with the supplier and committing the funds.

Employees and/or authorised third parties are responsible for ensuring all contract information is uploaded on the WDC Electronic Document Management System, including all quotes or full RFX information. In addition, approval documentation is required to be held in the appropriate and required digital form, prior to authorising payment to the supplier.

## **12. Contract Management**

Whenever WDC awards a contract, a suitably skilled employee or authorised third party must be appointed to manage the contract. The person identified to manage the contract is responsible for ensuring that what has been agreed in the contract is delivered, on time, to the appropriate quality standards, and within the agreed price. It requires the employee to actively track and monitor delivery and costs, manage risks and manage the supplier relationship throughout the contract.

## **13. Corporate Purchasing Card Policy**

Where it is established that there is a regular requirement to purchase items for a cost centre to carry out their normal functions, WDC should consider arranging a preferred supplier contract. For more information regards eligibility, use, and reconciliation of expenditure please refer to the Credit Card Policy and Fuel Card Policy (or similar policy) and Procurement Card Guide.

## **14. Conflicts of Interest**

Conflicts of interest are circumstances where the exercise of an employee's duties or responsibilities to WDC with regards to their dealings with suppliers, could be, or might be perceived to be, influenced by some other interest that the employee may have. The other interest might exist because of:

- the employee's own financial affairs;
- a relationship or other role that the employee has (or has had); or
- something that the employee has said or done.

Employees and/or authorised third parties who believe they may have a potential conflict must disclose the potential conflict to the appropriate person(s) in a timely manner. For more information on identifying and managing conflicts of interest, employees should refer to WDC's Conflicts of Interest and Declarations Policy (or similar policy).

## 15. Confidentiality

WDC is committed to fair and ethical business practices that encourage competition and enhances our supplier relationships. A cornerstone of this Policy is maintaining the confidentiality of all supplier proposals, quotations, prices, contracts and other proprietary materials by all employees and authorised third parties. Confidential information is not to be disclosed in any way to other suppliers, outside organisations, or to any unauthorised persons, subject to the provisions of LGOIMA (Local Government Official Information and Meetings Act, 1987) and the Disclosure of Contract Award Details below.

Disclosure of confidential information is not only professionally unethical and damaging to WDC's negotiations with suppliers, it also exposes WDC to possible reputational risk or legal action.

### **Disclosure of Contract Award Details**

Subject to the WDC Procurement Policy and where appropriate, the NZTA Procurement Manual, any specific obligations pursuant to other 3<sup>rd</sup> party funding requirements or any other agreement, where a contract\* has been awarded to a supplier **and** the total value of the procurement is greater than \$200,000 + GST, the following details may be publicly released:

- a. The name and price of the successful supplier; and
- b. The range of scores (if a closed or open tender process is utilised to select a supplier **and** three or more conforming tenders were received); and
- c. the price range of quotes received (if the quote method is utilised to select a supplier); or
- d. the range of tender prices (if a closed or open tender process is utilised to select a supplier); and
- e. the number of quotes sought and received; or
- f. the number of conforming tenders received; and
- g. contract term.

If you have any questions about any request to provide information concerning contracts, pricing, supplier proposals or other internal information, please discuss with your Manager in the first instance.

\*This does not include contracts awarded pursuant to 3<sup>rd</sup> party funding arrangements or recovery plans following an emergency event.

## 16. Monitoring of compliance with this Policy

The prime responsibility for the on-going monitoring of compliance with this Policy rests with the General Manager – Business Support. When there is evidence of a breach of this Policy, WDC will investigate to determine the circumstances and extent of the breach.

## 17. Breaches of Policy

Any breaches of this Policy must be notified to the relevant WDC Manager and appropriate WDC personnel will manage the incident and take action (which may include escalation).

## 18. Related Policies

All related policies can be found in the Relevant Policies and Legislation Guide.

## 19. Further information

For further information please contact the Procurement Officer.

## 4.0 DEFINITIONS

Definition	Detail
<b>Approved Contract Sum</b>	is the sum total, exclusive of GST, of any individual agreement, purchase requisition, purchase order, disbursement, payment authorisation certificate, or payment made to a Supplier over the full term of the contract, including rights of renewal.
<b>Approved Supplier</b>	is a supplier set up and approved for use in WDC's financial system.
<b>Confidentiality Agreement</b>	is an Agreement between the parties and their employees to keep confidential all information pertaining to the Contract, except where required to divulge by law.
<b>Conflict of Interest</b>	where an employee or an elected member's duties or responsibilities to WDC could be affected, or perceived to be, by some other interest or duty that an employee or an elected member may have.
<b>Contingency</b>	is an amount allowed for in the Approved Contract Sum to take into account either foreseen but unquantifiable requirements or unforeseen circumstances. Sum of money to be spent only as a Variation or site instruction on approval by WDC.
<b>Contract</b>	as used in this Policy shall mean any and all contracts, agreements, memoranda of understanding (or agreement), letters of agreement, or any other document which purports to be binding upon WDC as generally defined in the Property Law Act 2007- Including any subsequent extensions, renewals, or modifications to a Contract.
<b>Delegated Authority</b>	The person with the authority to approve the total Contract commitment over its entire term. The entire term includes the initial term plus any renewal periods contemplated at the commencement of the contract. Delegated Authority is completed by signature or electronic signoff within WDC's finance systems. All non-electronic signatures must be accompanied by the printed name, position of the Delegated Authority as well as the date of signatory.
<b>Direct Appointment</b>	is a supplier selection method that involves the negotiation of a contract with a single Supplier.
<b>Invited RFX (or Closed Tender)</b>	Limited numbers of Tenderers' are invited to submit a tender without public advertisement of Contract. Selected Suppliers who satisfy the required criteria are invited to put forward a submission. It is recommended a minimum of three (3) Suppliers should be invited.
<b>LGOIMA</b>	The Local Government Official Information and Meetings Act, 1987 to which the WDC must adhere.
<b>NZTA</b>	New Zealand Transport Authority/Waka Kotahi
<b>P-Card / Procurement Card</b>	A Purchasing Card, for example a WDC credit card or fuel card used as required and in accordance with the appropriate Financial Delegation.
<b>Preferred Supplier</b>	are suppliers that have been put in place with a formal Contract for the supply of a category of goods, services or works for a period of time (i.e Supplier Panel Agreement). This is not a guarantee of work to the Supplier.
<b>Procurement Exemption</b>	is an exemption to the prescribed supplier selection method as determined by this Policy. The approved exemption authorises the continuation of a procurement activity outside of the Procurement Policy.
<b>Procurement Plan</b>	is the detailed plan outlining how the procurement activity will be carried out.
<b>Procurement Policy</b>	is the Policy which provides guidance on how WDC procurement activity is to be conducted.
<b>Purchase Order</b>	is a legal document for the purchase of goods, services or works issued from WDC following approval by the relevant Delegated Financial Authority. Terms and conditions are governed by WDC's Purchase Order terms and conditions.
<b>Public RFX (or Open Tender)</b>	is a publicly advertised RFX (Request for Quotation, Request for Expression of Interest, Request for Proposal or Request for Tender) that any party may respond to.
<b>RFX</b>	is a generic abbreviation that covers all 'Request for' "processes" (Request for Quotation, Request for Expression of Interest, Request for Proposal or Request for Tender). Specifies what WDC wishes to purchase, the terms and conditions plus instructions on how to bid and respond.
<b>Supplier</b>	is the person or organisation responsible for providing the supply of goods, services or works as required by WDC. Also known as vendor, contractor, consultant or service provider.
<b>Syndicated Procurement Contract</b>	Syndicated procurement is when a Government agency or local authority contracts with a Supplier on behalf of other entities. This can lead to economy of scale advantages for WDC.
<b>Variation</b>	are written changes to the scope, price or term of a Contract.

## Appendix 1 – Procurement Thresholds

THRESHOLD	PROCESS	PAPERWORK	GUIDANCE NOTES
\$1 - \$4,999	Purchase	Purchase is likely to be either via a P-Card, direct purchase and receipt or PO (mainly at supplier's request)	Minimal paperwork, may be a direct purchase or utilise a purchase order.
\$5,000 - \$49,999	1 Quote or more; or Catalogue purchase (where price is documented and confirmed).	Written quote; Purchase Order or Contract	<ul style="list-style-type: none"> <li>• 1 quote is the minimum, if more can be obtained and add value these should be sought.</li> <li>• Make sure quotes are in writing or you confirm in writing to the supplier to avoid future disputes.</li> <li>• Catalogue spend include retail establishments (e.g. Mitre store purchases which already have a RRP).</li> </ul>
\$50,000 - \$199,999	2 quotes or more	Written quotes; Purchase Order or Contract	<ul style="list-style-type: none"> <li>• 2 quotes are the minimum if more can be obtained and add value these should be sought.</li> <li>• Make sure quotes are in writing or you confirm in writing to the supplier to avoid future disputes.</li> </ul>
\$200,000 - \$499,999	Open Tender Process; or 3 Quotes	<p>- An approved Lite Procurement Plan</p> <p>- If open tender:</p> <ul style="list-style-type: none"> <li>• RFX documents</li> <li>• Tender responses</li> <li>• Evaluation report(s)</li> <li>• Contract</li> </ul> <p>If Quotes requested:</p> <ul style="list-style-type: none"> <li>• Written quotes;</li> <li>• Purchase Order or Contract</li> </ul>	<p>It is the responsibility of the procurer and the GM to determine the most appropriate process to be followed, it is expected that as the cost and complexity grows that a tender process will be more appropriate. This must be documented and approved within the Lite Procurement Plan.</p> <p>If an RFX process is to be used, ensure that the information provided is full and fair to all potential suppliers and that timelines are realistic and will provide the best response from the suppliers.</p> <p>If Quotes sought</p> <ul style="list-style-type: none"> <li>• 3 quotes are the minimum, if more can be obtained and add value these should be sought.</li> <li>• Make sure quotes are in writing or you confirm in writing to the supplier to avoid future disputes.</li> </ul>

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THRESHOLD	PROCESS	PAPERWORK	GUIDANCE NOTES
\$500,000 + Or <u>high risk*</u> any value	Open Tender Process;	An approved Full Procurement Plan If open tender: <ul style="list-style-type: none"> <li>• RFX documents</li> <li>• Tender responses</li> <li>• Evaluation report(s)</li> <li>• Contract</li> </ul>	An approved Full Procurement Plan is required, this will provide significantly more information and detail in line with the complexity and spend of the procurement activity.  An RFX process is to be used ensure that the information provided is full and fair to all potential suppliers and that timelines are realistic and will provide the best response from the suppliers.
NZTA/Waka Kotahi	Where any NZTA/Waka Kotahi funding is to be used in the procurement activity.	NZTA Approved Documents to be used and follow the NZTA process.	The NZTA process and documents should be used where NZTA are funding or part funding the project. In the event that the Waitomo District Council requirements are more robust these should be utilised to provide additional benefit.
Emergencies	Immediate response required, preferable to use a preferred supplier where possible. Likely to be verbal offer and acceptance and the costs may not be confirmed until after the event is dealt with.	Retrospective PO	Where a genuine emergency – this likely to have a potentially catastrophic impact financially, or on public, premises or reputation immediate action should be sought, it is likely that this will be a verbal acceptance in these situations. Where possible a preferred supplier should be utilised.  A retrospective PO should be placed with the supplier to formalise the emergency activities undertaken.

## Appendix 2 – Principles and Broader Outcomes

### PROCUREMENT PRINCIPLES

#### Plan and manage for great results

- Identify what you need, including what broader outcomes should be achieved, and then plan how to get it.
- Set up a team with the right mix of skills and experience.
- Involve suppliers early – let them know what you want and keep talking.
- Take the time to understand the market and your effect on it. Be open to new ideas and solutions.
- Choose the right process – proportional to the size, complexity and any risks involved.
- Encourage e-business (for example, tenders sent by email).

#### Be fair to all suppliers

- Create competition and encourage capable suppliers to respond.
- Treat all suppliers equally – we do not discriminate (this is part of our international obligations).
- Seek opportunities to involve New Zealand businesses, including Māori, Pasifika and regional businesses and social enterprises.
- Make it easy for all suppliers (small and large) to do business with government.
- Be open to subcontracting opportunities in big projects.
- Clearly explain how you will assess proposals – so suppliers know what to focus on.
- Talk to unsuccessful suppliers so they can learn and know how to improve next time.

#### Get the right supplier

- Be clear about what you need and fair in how you assess suppliers – do not string suppliers along.
- Choose the right supplier who can deliver what you need, at a fair price and on time.
- Choose suppliers that comply with the Government's Supplier Code of Conduct.
- Build demanding, but fair and productive, relationships with suppliers.
- Make it worthwhile for suppliers – encourage and reward them to deliver great results.
- Identify relevant risks and get the right person to manage them.

#### Get the best deal for everyone

- Get best public value – account for all costs and benefits over the lifetime of the goods or services.
- Make balanced decisions – consider the possible social, environmental, economic effects and cultural outcomes that should be achieved.
- Encourage and be receptive to new ideas and ways of doing things – don't be too prescriptive.
- Take calculated risks and reward new ideas.
- Have clear performance measures – monitor and manage to make sure you get great results.
- Work together with suppliers to make ongoing savings and improvements.
- It is more than just agreeing the deal – be accountable for the results.

#### Play by the rules

- Be accountable, transparent and reasonable.
- Make sure everyone involved in the process acts responsibly, lawfully and with integrity.
- Stay impartial – identify and manage conflicts of interest.
- Protect suppliers' commercially sensitive information and intellectual property.

### BROADER OUTCOMES

- Increasing access for New Zealand businesses - identify opportunities for New Zealand suppliers, including Māori, Pasifika, ICT and regional suppliers, to be involved.
- Increasing the size and skills of the construction sector – when your agency will be involved in significant construction works, think about how you can partner with suppliers and others to improve construction sector skills and training over the long term.
- Lifting health and safety and employment standards - identify contracts where vulnerable New Zealand workers may be involved in the supply chain, and develop a strategy to make sure that primary suppliers meet their health and safety obligations, and comply with employment standards. Agencies must do this for designated contracts, which for health and safety are forestry and construction, and for employment standards are cleaning, security and forestry.

But should also consider other areas where low-paid and vulnerable workers may be involved in your supply chain.

- Transitioning to a net zero emissions economy – consider the following elements:
  - Environmental impact – select those products and services that have a high impact on the environment over their life-cycle and address these first, for example fleet vehicles.
  - Check the market for environmentally-friendly alternatives – analyse the market to determine whether alternative options are available that produce lower emissions or less waste. Check for relevant environmental labels and certifications.
  - Whole-of-life cost – sustainable procurement can offer significant cost savings, for example through lower energy bills, and reduced spending on unnecessary goods and services. Where there are opportunities to make savings on strategic investments by using sustainable procurement practices, you should prioritise these.

**Document No:** A614976

**Report To:** Council



**Meeting Date:** 31 May 2022

**Subject:** Adoption of Statement of Proposal for Consultation on the Waitomo District Council Local Alcohol Policy Review

**Type:** Decision Required

## Purpose of Report

- 1.1 The purpose of this business paper is to present the Statement of Proposal to Council for consideration and adoption to enable public consultation on the proposed changes to the Waitomo District Council Local Alcohol Policy (the LAP).

## Background

- 2.1 Section 75 of the Sale and Supply of Alcohol Act 2012 (the Act) allows Council to adopt a policy relating to the sale, supply, or consumption of alcohol within its district (or to 2 or all of those matters).
- 2.2 Content of the Policy:
- a) It must be consistent with the Act and general law.
  - b) It cannot authorise anything forbidden by the relevant district plan; however it can be more restrictive.
  - c) It may include any or all the following matters relating to licensing (and no others):
    - 1. location of licensed premises by reference to broad areas.
    - 2. location of licensed premises by reference to proximity to premises of a particular kind or kinds.
    - 3. location of licensed premises by reference to proximity to facilities of a particular kind or kinds.
    - 4. whether further licences (or licences of a particular kind or kinds) should be issued for premises in the district concerned, or any stated part of the district.
    - 5. maximum trading hours.
    - 6. the issue of licences, or licences of a particular kind or kinds, subject to discretionary conditions.
    - 7. one-way door restrictions.
- Note – these restrictions do not apply to special licences.
- d) A local alcohol policy must not include policies on any matter not relating to licensing.
- 2.3 The Waitomo District Council Provisional Local Alcohol Policy (PLAP) was adopted by Council on 10 October 2013. The PLAP was based on a similar Policies used by Otorohanga District Council (ODC) and Waipa District Council (WaiDC).
- 2.4 The PLAP was subject to an appeals process which resulted in amendments to the Policy. The Alcohol Regulatory and Licensing Authority issued a final decision in December 2015. The appeals were resolved and the PLAP was presented to the House of Representatives in February 2016.

- 2.5 The LAP came into force in its entirety on 1 June 2016.
- 2.6 Section 97 of the Act states that the LAP must be reviewed every 6 years and can only be amended, replaced or revoked in accordance with the special consultative procedure under section 83 of Local Government Act 2002 (LGA). Therefore, Council is required to review the LAP this year (2022).

## Commentary

- 3.1 At the Council Workshop on 12 April 2022, elected members were presented with the track changed Draft Policy on Local Alcohol. A report from the Waikato District Health Board for the Waitomo District Alcohol related ED presentations was also included.
- 3.2 The report highlighted for Waitomo District residents the highest incidence of presentations are from Saturday night and the 18-24 age group is the most at risk. No suggested changes were made in relation to the report findings from the Medical Officer of Health.
- 3.3 No substantial amendments to the LAP have been proposed. However, the following minor edits have been proposed:
- Sections covering Introduction, Overview and Objective incorporated into a separate Introduction section and the Purpose and Scope section.
  - Transferred the policy into the new Council policy template.
  - Replaced the District map including more placenames.
- 3.2 Attached for Council's information is a copy of the draft Local Alcohol Policy (refer **Attachment 1**).
- 3.4 ODC and WaiDC are yet to begin their formal review of their Local Alcohol Policies. ODC has indicated that they have found their policy is operating effectively and have no evidence to indicate change is required. WaiDC will be reviewing their policy in the coming year and may propose some amendments.

## Analysis of Options

- 4.1 **OPTIONS**
- 4.2 The reasonably practicable options related to the adoption of the LAP are:
- Option 1: Adopt the Statement of Proposal for consultation (recommended).
- Option 2: Revoke the current LAP.
- 4.3 Option 1, if approved, would require Council to commence consultation for the LAP to be undertaken as outlined below.
- 4.4 Staff do not recommend Option 2 as the LAP would require using the special consultative procedure and there would be no local input into licensing of premises selling alcohol.

## Considerations

- 5.1 **RISK**
- 5.2 If the LAP is not reviewed this year, it would no longer meet the legislative requirements as specified in the Act.
- 5.3 **PUBLIC CONSULTATION**
- 5.4 The proposed changes to the LAP, can only be made after the public consultation using the special consultative procedure as provided for in section 83 of the LGA.
- 5.5 Section 83 of the LGA process will involve;
- The development and adoption of a statement of proposal for consultation
  - Consultation period of one month;

- An opportunity for people wishing to present their views to Council in person; and
- Council consideration of any submissions, and subsequent adoption of the policy.

5.6 The proposed timeframes for the consultation and adoption process are set out below.

<b>Timeframes for consultation</b>	
<b>Consultation Period</b>	3 June – 1 July 2022
<b>Council Meeting</b> Hearings and Deliberations	19 July 2022
<b>Public notification of Provisional LAP</b>	September 2022
<b>Appeals period (30 days)</b>	October 2022
<b>Council Meeting</b> Adopt the Final Policy	29 November 2022

5.7 The Statement of Proposal and Submission Form will be available on the WDC website, Waitomo District Council Library and Te Kuiti i-SITE. Public notice will also be given in the King Country News. Waitomo District Council Facebook page will also be used to notify the public regarding the consultation.

#### 5.8 **SIGNIFICANCE AND COMMUNITY VIEWS**

5.9 Adoption of option 1 will trigger Council's Significance and Engagement Policy. Community views are proposed to be sought on the LAP.

### **Recommendation**

6.1 Council adopts the Statement of Proposal for public consultation.

### **Suggested Resolutions**

- 1 The business paper on "Adoption of Statement of Proposal for Consultation on Council's Local Alcohol Policy" be received.
- 2 Council adopts the Statement of Proposal for the proposed amendments to the Local Alcohol Policy for public consultation from 3 June to 1 July 2022.



CHARMAINE ELLERY  
**MANAGER STRATEGY AND POLICY**



ALEX BELL  
**GENERAL MANAGER – STRATEGY AND ENVIRONMENT**

25 May 2022

Attachments:

- 1 Draft Local Alcohol Policy (A608729)
- 2 Statement of Proposal (A614923)

**DRAFT**

**Waitomo District Council**  
**Local Alcohol Policy**

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<b>First Adopted:</b>	10 October 2013 (provisional), 1 June 2016 (came into effect)
<b>Review History:</b>	2015, 2022
<b>Date of Next Review:</b>	2028
<b>Responsibility:</b>	GM Strategy and Environment
<b>Adopted by:</b>	Council 28 July 2015 (Amended)

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## INTRODUCTION | KUPU ARATAKI

### ~~(a) Background and Objectives of the Sale and Supply of Alcohol Act 2012~~

~~(i)~~ The Sale and Supply of Alcohol Act (the Act) was enacted by Parliament in December 2012. The Act allows for territorial authorities to have local alcohol policies however this not a requirement of the Act.

~~(ii)~~ The object of the Sale and Supply of Alcohol Act is that:

*'The sale, supply, and consumption of alcohol should be undertaken safely and responsibly; and the harm caused by the excessive or inappropriate consumption of alcohol should be minimised.'*

~~(iii)~~ This Local Alcohol Policy (LAP) has been developed pursuant to section 75 of the Sale and Supply of Alcohol Act 2012, which empowers territorial authorities to develop Local Alcohol Policies for their District.

~~(iv)~~ The Sale and Supply of Alcohol Act (the Act) outlines what content a territorial authority may include in their LAP.

- ~~a.~~ Section 77 of the Act outlines what policies may be included in a LAP. No other policies except those listed under that section can be included in a LAP.
- ~~b.~~ Section 78 of the Act lists the matters a local authority must have regard to when producing a draft policy.
- ~~c.~~ In addition a territorial authority must not produce a draft policy without having consulted the Police, licensing inspectors, and Medical Officers of Health.
- ~~d.~~ Section 93 of the Act allows a LAP to contain a policy more restrictive than the relevant district plan, but a LAP policy cannot authorise anything forbidden by the relevant district plan.

~~(v)(i)~~ This LAP is intended to set a clear framework which will be applied to all applications for on, off, club and special licences, temporary authorities and managers certificates within the Waitomo District.

~~(vi)(i)~~ The Waitomo District is that area illustrated in figure two.

### ~~(b)(a) Authority Statements and Case Law~~

~~(i)~~ The Waitomo District Licensing Committee shall give all due regard to any statement issued by the Alcohol Regulatory and Licensing Authority pursuant to section 176 of the Act when interpreting this policy and determining licence applications, and to any relevant decisions issued by the Authority.

## PURPOSE AND SCOPE | TE ARONGA ME TE KORAHĪ

### ~~1. 2.0 Objective of the Local Alcohol Policy~~ The purpose of this policy is to:

- ~~•~~ The objective of this policy is to balance the reasonable needs of the residents of Waitomo District regarding the sale, supply and consumption of alcohol.
- ~~•~~ , while addressing the statutory requirements of the Sale and Supply of Alcohol Act 2012,
- ~~•~~ including the object of the Act to minimise the harm caused by excessive or inappropriate consumption of alcohol.

2. This policy-LAP is intended to set a clear framework which will be applied to all applications for on, off, club and special licences, temporary authorities and managers certificates within the Waitomo District.
3. The Sale and Supply of Alcohol Act (the Act) outlines what content a territorial authority may include in their LAP.
  - a. Section 77 of the Act outlines what policies may be included in a LAP. No other policies except those listed under that section can be included in a LAP.
  - b. Section 78 of the Act lists the matters a local authority must have regard to when producing a draft policy.
  - c. In addition a territorial authority must not produce a draft policy without having consulted the Police, licensing inspectors, and Medical Officers of Health.
  - d. Section 93 of the Act allows a LAP to contain a policy more restrictive than the relevant district plan, but a LAP policy cannot authorise anything forbidden by the relevant district plan.
4. The policy applies to the Waitomo District is that area illustrated in figure two.
5. Authority Statements and Case Law

The Waitomo District is that area illustrated in figure two.

Authority Statements and Case Law

- (i) The Waitomo District Licensing Committee shall give all due regard to any statement issued by the Alcohol Regulatory and Licensing Authority pursuant to section 176 of the Act when interpreting this policy and determining licence applications, and to any relevant decisions issued by the Authority.

## DEFINITIONS | NGĀ WHAKAMĀRAMATANGA

<b>Authorised customer</b>	Shall have the same meaning as in section 60(3) of the Act
<b>Café</b>	Shall have the same meaning as "restaurant" in section 5 of the Act
<b>Club</b>	Shall have the same meaning as in section 21 of the Act.
<b>District Licensing Committee</b>	Means the Waitomo District Licensing Committee under section 186 of the Act
<b>Early childcare facility</b>	Includes any crèche, childcare centre, kindergarten, kohanga reo play centre or plunket rooms or any other place (excluding a school) where five or more children receive care or education Local Government Act 2002.
<b>Facility</b>	Includes a place of worship, school or early childcare facility

<b>Hotel</b>	Shall have the same meaning as in section 5 of the Act
<b>Large scale event</b>	Means an event to which section 143 of the Act applies.
<b>New Premises</b>	Applying to on-licence, off-licence and/or club-licence means any premises which has not been subject to a liquor licence of the same kind in the 12 months immediately prior to the application.
<b>Off-licence</b>	Shall have the same meaning as in section 17 of the Act
<b>One-way door restriction</b>	Shall have the same meaning as in section 5 of the Act
<b>On-licence</b>	Allows sale, supply and consumption of alcohol on premise as defined by section 14 of the Act.
<b>Outdoor dining area</b>	Means an area of a premises holding an on-licence or club licence that is outside of the building and includes any part of a public footpath, pavement or other public place.
<b>Place of worship</b>	Shall have the same meaning as in section 5 of the Act
<b>Prohibited persons</b>	Are persons to whom alcohol cannot be served including minors and intoxicated persons and in the case of clubs any person who is not an authorised customer
<b>Public park</b>	Means any park, reserve, playground, garden or similar public place maintained by the Local Authority for recreation purposes
<b>Restaurant</b>	Shall have the same meaning as in section 5 of the Act
<b>School</b>	Includes any primary, intermediate or secondary school and any kura kaupapa
<b>Special Licence</b>	Means the type of licence detailed in section 22 of the Act.
<b>Tavern</b>	Shall have the same meaning as in section 5 of the Act
<b>Temporary Authority</b>	Shall have the same meaning as in section 5 of the Act
<b>The Act</b>	Means the Sale and Supply of Alcohol Act 2012

## POLICY | KAUPAPA HERE

### 1. Specific Policies - On-Licences

#### (a) Introduction

(i) An on-licence premise is one where consumption of alcohol is authorised on the premises from which it is sold. Common examples include hotels, taverns and restaurants.

(ii) Section 14 of the Act states:

*“On any premises an on-licence (other than an on-licence endorsed under section 37 of the Act) is held for, the licensee—  
 (a) Can sell and supply alcohol for consumption there; and  
 Can let people consume alcohol”.*

(iii) Polices relating to on-licences also apply to:

- a. BYO restaurants (endorsed under section 37 of the Act)
- b. Caterers (endorsed under section 38 of the Act)

**(b) Location of premises holding on-licences by reference to broad areas**

(i) On-licences for new premises shall be limited to areas zoned Business under the Waitomo District Plan unless authorised by resource consent, and then subject to the following policies (c),(d),(e),(f),(g) and (h).

**(c) Location of premises holding on-licences by reference to proximity to premises of a particular kind or kinds**

(i) When considering a licence application for new premises the District Licensing Committee will have regard to the proximity of that proposed premise to other licensed premises where it considers this relevant.

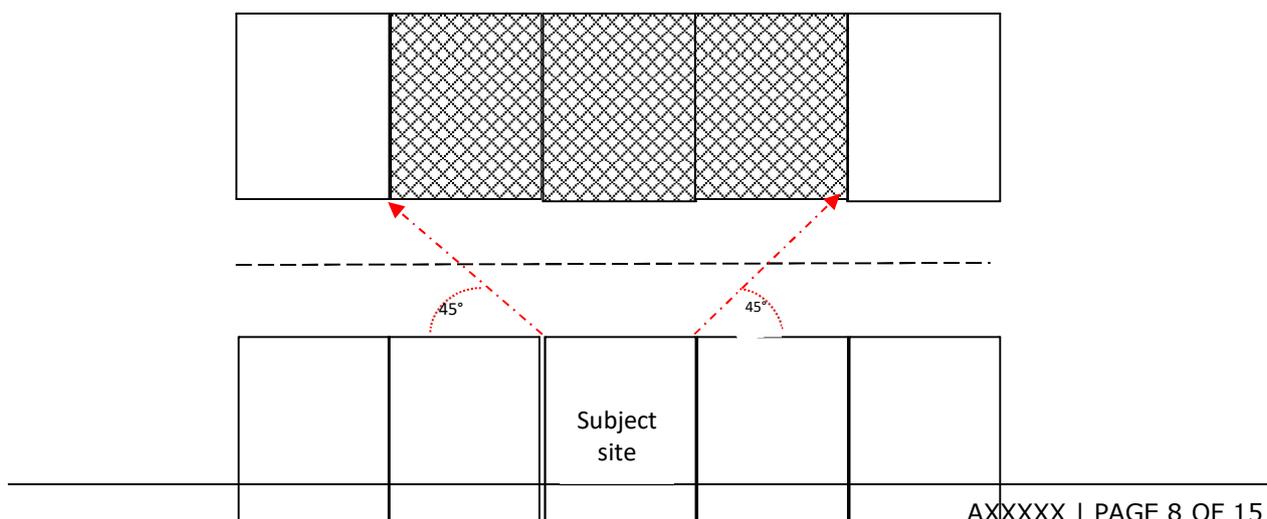
**(d) Location of premises holding on-licences by reference to proximity to facilities of a particular kind or kinds**

(i) In addition to (b) above, an on-licence will not be issued in respect of any new premises on any site where it directly borders any school, early childcare facility, or place of worship existing at the time the premises is established. “Directly borders” includes across any road from such facility, within a 45° arc as shown in figure one.

(ii) In cases where a resource consent has been issued to locate a premises in a non-commercial area as allowed in (b) above, the boundary of the site shall be a minimum of 40 metres from the boundary of any school, early childcare facility, or place of worship existing at the time the premises is established.

(iii) Renewal of a licence shall be unaffected should a school, early childcare facility, or place of worship later move to a site which borders an existing licensed premise.

**Figure One:**



## **(e) Further issuing of on-licences in the District**

- (i) This policy does not cap the number of on-licence premises or restrict the issue of new licences, provided the other policy criteria are met.

## **(f) Maximum trading hours for premises holding on-licences**

- (i) No on-licence shall be issued or renewed for any hotel or tavern premises with hours that exceed the following (subject to sections 46 and 47 of the Act):
  - a. Monday to Sunday 9:00am to 2:00am the following day.
  - b. In the case of hotels, alcohol may be sold or supplied at any time to any guest residing on the premises.
- (ii) Where a new hotel, tavern or other premises where the principal activity is the consumption of alcohol is proposed within 100 metres of any area zoned residential in the Waitomo District Plan, hours will not exceed the following:
  - a. Sunday to Thursday 9:00am to 10.30pm,
  - b. Friday and Saturday 9.00am to 12.00 midnight,
  - c. In the case of hotels, alcohol may be sold or supplied at anytime to any guest residing on the premises.
- (iii) No on-licence shall be issued or renewed in respect of any restaurant or café premises with hours that exceed the following (subject to sections 46 and 47 of the Act):
  - a. Monday to Sunday 9.00am to 12.00 midnight.
- (iv) Any outdoor dining area will not have hours that exceed 9.00am to 11.00pm. Outside of these hours the Public Places Liquor Control Bylaw restrictions shall apply to any premise within a liquor ban area.
- (v) Any function centre or other premises not defined above will be subject to hours at the District Licensing Committee discretion but shall not exceed:
  - a. Monday to Sunday 9:00am to 2:00am the following day.

## **(g) Discretionary conditions of on-licences**

- (i) In accordance with section 110(1) and 117 the District Licensing Committee may impose discretionary conditions (in addition to those required by section 110(2)). These may include conditions related to the following, or any other reasonable condition:
  - a. Prohibited persons
  - b. Management of premises
  - c. People or kinds of people to be served
  - d. Low and non-alcoholic beverages
  - e. Transport options
  - f. Exclusion of the public

## **(h) One-way door restrictions**

- (i) A one-way door restriction of one-hour prior to maximum closing time may be applied on Thursday, Friday and Saturday nights to any hotel or tavern premises with a midnight or later closing time.

- (ii) This condition may be applied to licences as they are issued or renewed.

## 2. Specific Policies - Off-Licence

### (a) Introduction

- (i) An off-licence premises is one where consumption of alcohol is authorised away from the premises on which it is sold. Common examples include supermarkets and bottle-stores.
- (ii) Section 17 of the Act states:

*"(1) On the premises an off-licence is held for, the licensee can sell alcohol for consumption somewhere else.*

*(2) While the premises an off-licence is held for are open for the sale of alcohol for consumption somewhere else, the licensee can also supply alcohol free, as a sample, for consumption on the premises."*

### (b) Location of premises holding off-licences by reference to broad areas

- (i) Off-licences for new premises (excluding remote sellers endorsed pursuant to section 40 of the Act) shall be limited to areas zoned Business under the Waitomo District Plan unless authorised by resource consent.

### (c) Location of premises holding off-licences by reference to proximity to premises of a particular kind or kinds

- (ii) When considering a licence application for a new premises, the District Licensing Committee will have regard to the proximity of that proposed premises to other off-licensed premises where it considers this relevant.
- (iii) Premises holding both an on-licence and off-licence shall ensure there is a separate point of sale and supply for the off licence if a totally separate area or premises is not practical.

### (d) Location of premises holding off-licences by reference to proximity to facilities of a particular kind or kinds

- (i) Within the Business zone, an off-licence will not be issued in respect of any premises not currently licensed where the site directly borders any school, early childcare facility or place of worship existing at the time the premises are established or when resource consent is applied for (whichever is earliest) unless it can be demonstrated to the reasonable satisfaction of the District Licensing Committee that the hours, alcohol related signage or operation of the premises as they relate to alcohol sales will not have a significant impact on those facilities. "Directly borders" includes across any road from such facility as shown in figure one.
- (ii) Provided the Applicant demonstrates how the outcomes listed in 4.0(g) will be achieved the following shall be considered to have no significant impact:
- The hours of an off-licence where there is no external display of alcohol advertising; and
  - The operation of an off-licence where the licensee implements an ID 25 policy.
- (iii) Renewal of a licence shall be unaffected simply on the grounds that:
- a. such a facility later moves to a site which borders an existing licensed premises; or
  - b. the facility already bordered the existing licensed premises.
- (iv) When forming an opinion on amenity and good order, in relation to a new off-licence premises being licensed for the first time, the District Licensing Committee shall have regard to the proximity to a public park or reserve particularly where that park or reserve

is within a liquor ban area prescribed by a bylaw and, if necessary, impose conditions set out in element 4.0(g).

## Advice Note:

For the purposes of 4.0(d)(i) "business zone" means business land zoned in the Waitomo District Plan (or subsequent District Plan) at the time of the relevant off-licence application is determined.

### **(e) Further issuing of off-licences in the District**

- (i) This policy does not cap the number of off-licence premises or restrict the issue of new licences, provided the other policy criteria are met.

### **(f) Maximum trading hours for premises holding off-licences**

- (i) No off-licence shall be issued or renewed with trading hours that exceed Monday to Sunday 7.00am to 10.00pm (subject to section 48).

### **(g) Discretionary conditions of off-licences**

- (i) In accordance with sections 116(1) and 117 the District Licensing Committee may impose discretionary conditions in relation to the following matters (in addition to those required by section 116(2)) or any other reasonable condition:

- a. Prohibited persons
- b. People or kinds of people to be served
- c. Kinds of alcohol to be sold
- d. Display of nationally consistent safe drinking messages and material
- e. Application of Crime Prevention Through Environmental Design (CPTED) principles to achieve the following outcomes:

#### Closed-circuit television (CCTV)

- CCTV being installed in suitable locations to monitor vulnerable areas (areas which are not easily or not continuously monitored by staff).
- Customers being made aware of the CCTV systems.

#### Lighting

- Internal lighting inside the premises to enable passive surveillance by staff and active surveillance by CCTV.
- Lighting to allow customers to be seen as they enter the premises.
- Lighting to allow staff to check identification.
- External areas such as car parks and loading bays being well lit, subject to the requirements of any resource consent or a district plan rule.

#### Internal Layout

- General points of sale to be positioned near the main entrance.

#### Staff

- Relevant staff understanding how to operate the CCTV system.
  - There being sufficient numbers of staff to ensure control of the premises during trading hours.
- f. At least 50% of any store front glazing shall be transparent, consistent with CPTED guidelines and no more than 30% of the external area of any side of the premises may contain alcohol related signage or advertising, excluding the company name.
  - g. External signage must comply with the signage requirements outlined in the Waitomo District Council District Plan.

### 3. Specific Policies – Club-Licence

#### (a) Introduction

(i) A club is a body corporate having as its object (or as one of its objects) participating in or promoting a sport or other recreational activity, otherwise than for gain; or is a body corporate whose object is not for gain; or holds permanent club charter.

(ii) Section 21 of the Act states:

“On the premises a club-licence is held for, the licensee can sell and supply alcohol to authorised customers (within the meaning of section 60(3)), for consumption there.”

“authorised customer, in relation to premises a club-licence is held for, means a person who—

- (a) is a member of the club concerned; or
- (b) is on the premises at the invitation of, and is accompanied by, a member of the club concerned; or
- (c) is an authorised visitor”

#### (b) Location of premises holding club-licences by reference to broad areas

(i) New licensed club premises should be in close proximity to the sports grounds or other facilities used by the club, if relevant.

#### (c) Location of premises holding club-licences by reference to proximity to premises of a particular kind or kinds

(i) When considering an application for a club licence for new premises, the District Licensing Committee will have regard to the proximity of the proposed new premises to any other licensed premises.

#### (d) Location of premises holding club-licences by reference to proximity to facilities of a particular kind or kinds

(i) When considering an application for a club licence for new premises, the District Licensing Committee will have regard to the proximity of the proposed new premises to any school, early childcare facility, place of worship or residential area.

#### (e) Further issuing of club-licences in the District

(i) This policy does not cap the number of club licence premises or restrict the issue of new licences, provided the other policy criteria are met.

#### (f) Maximum trading hours for premises holding club-licences

(i) The District Licensing Committee will have regard to the days and hours of operation and the type of activities undertaken by the club in setting club hours.

(ii) No club-licence shall be issued or renewed with hours that exceed the following:

- a. Monday to Sunday 9.00am to 1.00am the following day (Subject to section 46 of the Act)

## **(g) Discretionary conditions of club-licences**

- (i) In accordance with section 110(1) of the Act the District Licensing Committee may impose discretionary conditions regarding the following matters, in addition to those required by section 110(2):
  - a. Prohibited persons
  - b. Management of premises
  - c. People or kinds of people to be served
  - d. Low and none alcoholic beverages
  - e. Transport options
  - f. Exclusion of the public

## **(h) One-way door restrictions relating to club-licences**

- (i) The District Licensing Committee may impose a one-way door condition on any licence where it believes this is warranted. The one-way door restriction shall not apply any earlier than two hours before the normal closing time of the premises.
- (ii) This condition may be added to a licence at the time of issue or renewal.

3.1.

## **4. Specific Policies - Special Licences**

### **(a) Introduction**

- (i) Special licences allow the sale and consumption of alcohol at events or occasions on premises that are unlicensed, or premises that would be outside their normal licence conditions. They can permit on site or off site sales, and are in force for the date and time of the event only.
- (ii) "Event includes an occasion and a gathering, and any of a series of events".

### **(b) Maximum trading hours for premises holding special licences**

- (i) Special licences for premises that are not otherwise licensed will not be issued beyond 1.00am except in exceptional circumstances as determined by the District Licensing Committee.
- (ii) Where the applicant for a special licence already holds an on-licence, off-licence or club licence with the maximum hours permitted for that type of licence under this policy, a special licence with greater hours will only be issued in exceptional circumstances as determined by the District Licensing Committee.

### **(c) Discretionary conditions of special licences**

- (i) In accordance with sections 146 and 147(1) the District Licensing Committee may impose discretionary conditions regarding the following matters, in addition to those required by section 147(3):
  - a. Sale and supply to prohibited persons
  - b. People or kinds of people to be served
  - c. The kind or kinds of alcohol that may be sold or delivered
  - d. The provision of food for consumption on the premises

- e. The provision of low and non-alcoholic beverages
- f. The provision of information relating to transport options
- g. Exclusion of the public
- h. Restricting the types of containers used for sale or supply
- i. The filing of returns
- j. Conditions of a kind subject to which a licence may be issued under section 110 (on or club licence) or 116 (off licence)
- k. Any reasonable condition not inconsistent with the Act.

## **(d) One-way door restrictions**

- (i) The licensing committee may impose a one-way door condition on any licence where it believes this is warranted. The one-way door restriction shall not apply any earlier than two hours before the normal closing time of the premises, or in the case of a special licence no earlier than two hours prior to the conclusion of the event.

## **5. Temporary Authorities**

- 5.1. All temporary authority applications will be passed to the Police to give them an opportunity to inquire into the application.
- 5.2. Pursuant to section 136(4)(c) every temporary authority will be subject to a condition that no second or subsequent temporary authorities will be issued in respect of the same premises and licensee unless a full licence application has already been filed, or, in exceptional circumstances, with the prior approval of the Secretary of the Licensing Committee.

SCHEDULE 1 | MAP OF WAITOMO DISTRICT



# STATEMENT OF PROPOSAL

## Review of Local Alcohol Policy

### Waitomo District Council

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## PURPOSE

Waitomo District Council's (Council) vision is to be a vibrant District. Council policies support this vision and the community outcomes.

The purpose of the Local Alcohol Policy (LAP) is to:

- Balance the reasonable needs of the residents of Waitomo District regarding the sale, supply and consumption of alcohol.
- Address the statutory requirements of the Sale and Supply of Alcohol Act 2012.
- Minimise the harm caused by excessive or inappropriate consumption of alcohol.

## BACKGROUND

The LAP has been developed pursuant to section 75 of the Sale and Supply of Alcohol Act 2012 (the Act), which empowers territorial authorities to develop Local Alcohol Policies for their District. The Act outlines what content a territorial authority may include in their Local Alcohol Policy.

The policy is intended to set a clear framework which will be applied to all applications for on, off, club and special licences, temporary authorities, and managers certificates within the Waitomo District.

A Local Alcohol Policy must not include policies on any matter not relating to licensing

## REASON FOR PROPOSAL

The LAP first came into effect in June 2016 replacing the Provisional Local Alcohol Policy adopted in October 2013. Pursuant to section 97 of the Act, Council is required to review its current LAP every 6 years. Therefore, to retain the current LAP, Council is required to review it this year (2022).

Council has made some minor amendments to the LAP to streamline the overview and objective sections into an introductory section and adding a purpose and scope section to provide more clarity on what the policy covers.

Council want's your feedback on this policy.

### Key dates

WHEN	WHAT
03 June 2022	Submissions open
01 July 2022	Submissions close
19 July 2022	Hearings (should people wish to speak to their submissions)
19 July 2022	Deliberations – Council discusses feedback from the community and changes are agreed to if appropriate
September 2022	Public notification of provisional Local Alcohol Policy
October 2022	Appeals period (30 days)
November 2022	Adoption of Policy

**This Statement of Proposal has been prepared to fulfil the requirements of section 83 and 87 of the Local Government Act 2002 (LGA).**

## WHAT WE ARE PROPOSING

Council is committed to ensuring that the Waitomo District is a safe place to live, visit and work in. Council has reviewed its existing LAP as required under the Act and is seeking your views.

### **Summary of Key changes**

The LAP remains largely unchanged; however the following key changes have been made in order to provide more clarity and to make the policy more user friendly.

- An introduction to the policy has been created to explain the reason why Council is required to have the LAP.
- The purpose and scope of the LAP has been combined provide clarity on what Council wishes to achieve through the LAP.

**DRAFT**

**Waitomo District Council**  
**Local Alcohol Policy**

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<b>First Adopted:</b>	10 October 2013 (provisional), 1 June 2016 (came into effect)
<b>Review History:</b>	2015, 2022
<b>Date of Next Review:</b>	2028
<b>Responsibility:</b>	GM Strategy and Environment
<b>Adopted by:</b>	Council 28 July 2015 (Amended)

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## INTRODUCTION | KUPU ARATAKI

The Sale and Supply of Alcohol Act (the Act) was enacted by Parliament in December 2012. The Act allows for territorial authorities to have local alcohol policies however this not a requirement of the Act.

The object of the Sale and Supply of Alcohol Act is that:

*'The sale, supply, and consumption of alcohol should be undertaken safely and responsibly; and the harm caused by the excessive or inappropriate consumption of alcohol should be minimised.'*

This Local Alcohol Policy (LAP) has been developed pursuant to section 75 of the Sale and Supply of Alcohol Act 2012, which empowers territorial authorities to develop Local Alcohol Policies for their District.

## PURPOSE AND SCOPE | TE ARONGA ME TE KORAHĪ

1. The purpose of this policy is to:
  - Balance the reasonable needs of the residents of Waitomo District regarding the sale, supply and consumption of alcohol.
  - Address the statutory requirements of the Sale and Supply of Alcohol Act 2012.
  - Minimise the harm caused by excessive or inappropriate consumption of alcohol.
2. This policy is intended to set a clear framework which will be applied to all applications for on, off, club and special licences, temporary authorities and managers certificates within the Waitomo District.
3. The Sale and Supply of Alcohol Act (the Act) outlines what content a territorial authority may include in their LAP.
  - a. Section 77 of the Act outlines what policies may be included in a LAP. No other policies except those listed under that section can be included in a LAP.
  - b. Section 78 of the Act lists the matters a local authority must have regard to when producing a draft policy.
  - c. In addition a territorial authority must not produce a draft policy without having consulted the Police, licensing inspectors, and Medical Officers of Health.
  - d. Section 93 of the Act allows a LAP to contain a policy more restrictive than the relevant district plan, but a LAP policy cannot authorise anything forbidden by the relevant district plan.
4. The policy applies to the Waitomo District is that area illustrated in figure two.
5. Authority Statements and Case Law
  - (i) The Waitomo District Licensing Committee shall give all due regard to any statement issued by the Alcohol Regulatory and Licensing Authority pursuant to section 176 of the Act when interpreting this policy and determining licence applications, and to any relevant decisions issued by the Authority.

## DEFINITIONS | NGĀ WHAKAMĀRAMATANGA

<b>Authorised customer</b>	Shall have the same meaning as in section 60(3) of the Act
<b>Café</b>	Shall have the same meaning as “restaurant” in section 5 of the Act
<b>Club</b>	Shall have the same meaning as in section 21 of the Act.
<b>District Licensing Committee</b>	Means the Waitomo District Licensing Committee under section 186 of the Act
<b>Early childcare facility</b>	Includes any crèche, childcare centre, kindergarten, kohanga reo play centre or plunket rooms or any other place (excluding a school) where five or more children receive care or education Local Government Act 2002.
<b>Facility</b>	Includes a place of worship, school or early childcare facility
<b>Hotel</b>	Shall have the same meaning as in section 5 of the Act
<b>Large scale event</b>	Means an event to which section 143 of the Act applies.
<b>New Premises</b>	Applying to on-licence, off-licence and/or club-licence means any premises which has not been subject to a liquor licence of the same kind in the 12 months immediately prior to the application.
<b>Off-licence</b>	Shall have the same meaning as in section 17 of the Act
<b>One-way door restriction</b>	Shall have the same meaning as in section 5 of the Act
<b>On-licence</b>	Allows sale, supply and consumption of alcohol on premise as defined by section 14 of the Act.
<b>Outdoor dining area</b>	Means an area of a premises holding an on-licence or club licence that is outside of the building and includes any part of a public footpath, pavement or other public place.
<b>Place of worship</b>	Shall have the same meaning as in section 5 of the Act
<b>Prohibited persons</b>	Are persons to whom alcohol cannot be served including minors and intoxicated persons and in the case of clubs any person who is not an authorised customer
<b>Public park</b>	Means any park, reserve, playground, garden or similar public place maintained by the Local Authority for recreation purposes
<b>Restaurant</b>	Shall have the same meaning as in section 5 of the Act

<b>School</b>	Includes any primary, intermediate or secondary school and any kura kaupapa
<b>Special Licence</b>	Means the type of licence detailed in section 22 of the Act.
<b>Tavern</b>	Shall have the same meaning as in section 5 of the Act
<b>Temporary Authority</b>	Shall have the same meaning as in section 5 of the Act
<b>The Act</b>	Means the Sale and Supply of Alcohol Act 2012

## POLICY | KAUPAPA HERE

### 1. Specific Policies - On-Licences

#### (a) Introduction

(i) An on-licence premise is one where consumption of alcohol is authorised on the premises from which it is sold. Common examples include hotels, taverns and restaurants.

(ii) Section 14 of the Act states:

*“On any premises an on-licence (other than an on-licence endorsed under section 37 of the Act) is held for, the licensee—  
(a) Can sell and supply alcohol for consumption there; and  
Can let people consume alcohol”.*

(iii) Policies relating to on-licences also apply to:

- a. BYO restaurants (endorsed under section 37 of the Act)
- b. Caterers (endorsed under section 38 of the Act)

#### (b) Location of premises holding on-licences by reference to broad areas

(i) On-licences for new premises shall be limited to areas zoned Business under the Waitomo District Plan unless authorised by resource consent, and then subject to the following policies (c),(d),(e),(f),(g) and (h).

#### (c) Location of premises holding on-licences by reference to proximity to premises of a particular kind or kinds

(i) When considering a licence application for new premises the District Licensing Committee will have regard to the proximity of that proposed premise to other licensed premises where it considers this relevant.

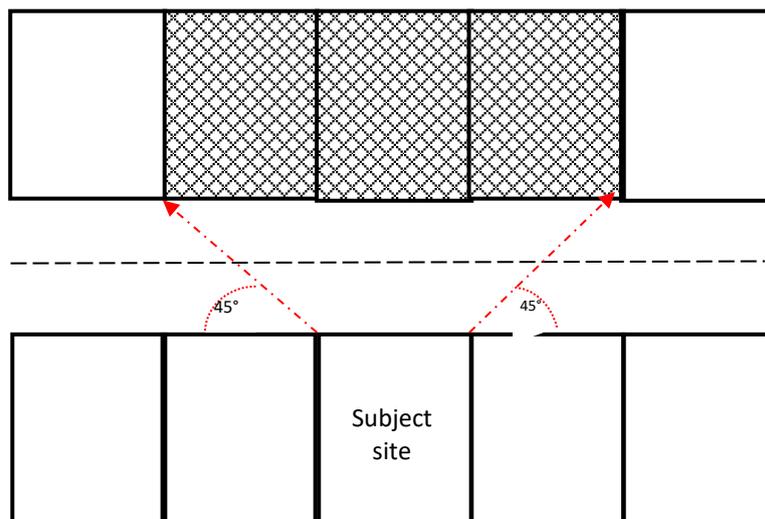
#### (d) Location of premises holding on-licences by reference to proximity to facilities of a particular kind or kinds

(i) In addition to (b) above, an on-licence will not be issued in respect of any new premises on any site where it directly borders any school, early childcare facility, or place of

worship existing at the time the premises is established. "Directly borders" includes across any road from such facility, within a 45° arc as shown in figure one.

- (ii) In cases where a resource consent has been issued to locate a premises in a non-commercial area as allowed in (b) above, the boundary of the site shall be a minimum of 40 metres from the boundary of any school, early childcare facility, or place of worship existing at the time the premises is established.
- (iii) Renewal of a licence shall be unaffected should a school, early childcare facility, or place of worship later move to a site which borders an existing licensed premise.

**Figure One:**



## **(e) Further issuing of on-licences in the District**

- (i) This policy does not cap the number of on-licence premises or restrict the issue of new licences, provided the other policy criteria are met.

## **(f) Maximum trading hours for premises holding on-licences**

- (i) No on-licence shall be issued or renewed for any hotel or tavern premises with hours that exceed the following (subject to sections 46 and 47 of the Act):
  - a. Monday to Sunday 9:00am to 2:00am the following day.
  - b. In the case of hotels, alcohol may be sold or supplied at any time to any guest residing on the premises.
- (ii) Where a new hotel, tavern or other premises where the principal activity is the consumption of alcohol is proposed within 100 metres of any area zoned residential in the Waitomo District Plan, hours will not exceed the following:
  - a. Sunday to Thursday 9:00am to 10.30pm,
  - b. Friday and Saturday 9.00am to 12.00 midnight,
  - c. In the case of hotels, alcohol may be sold or supplied at anytime to any guest residing on the premises.
- (iii) No on-licence shall be issued or renewed in respect of any restaurant or café premises with hours that exceed the following (subject to sections 46 and 47 of the Act):
  - a. Monday to Sunday 9.00am to 12.00 midnight.

- (iv) Any outdoor dining area will not have hours that exceed 9.00am to 11.00pm. Outside of these hours the Public Places Liquor Control Bylaw restrictions shall apply to any premise within a liquor ban area.
- (v) Any function centre or other premises not defined above will be subject to hours at the District Licensing Committee discretion but shall not exceed:
  - a. Monday to Sunday 9:00am to 2:00am the following day.

## **(g) Discretionary conditions of on-licences**

- (i) In accordance with section 110(1) and 117 the District Licensing Committee may impose discretionary conditions (in addition to those required by section 110(2)). These may include conditions related to the following, or any other reasonable condition:
  - a. Prohibited persons
  - b. Management of premises
  - c. People or kinds of people to be served
  - d. Low and non-alcoholic beverages
  - e. Transport options
  - f. Exclusion of the public

## **(h) One-way door restrictions**

- (i) A one-way door restriction of one-hour prior to maximum closing time may be applied on Thursday, Friday and Saturday nights to any hotel or tavern premises with a midnight or later closing time.
- (ii) This condition may be applied to licences as they are issued or renewed.

## **2. Specific Policies - Off-Licence**

### **(a) Introduction**

- (i) An off-licence premises is one where consumption of alcohol is authorised away from the premises on which it is sold. Common examples include supermarkets and bottle-stores.
- (ii) Section 17 of the Act states:

*"(1) On the premises an off-licence is held for, the licensee can sell alcohol for consumption somewhere else.*

*(2) While the premises an off-licence is held for are open for the sale of alcohol for consumption somewhere else, the licensee can also supply alcohol free, as a sample, for consumption on the premises."*

### **(b) Location of premises holding off-licences by reference to broad areas**

- (i) Off-licences for new premises (excluding remote sellers endorsed pursuant to section 40 of the Act) shall be limited to areas zoned Business under the Waitomo District Plan unless authorised by resource consent.

### **(c) Location of premises holding off-licences by reference to proximity to premises of a particular kind or kinds**

- (ii) When considering a licence application for a new premises, the District Licensing Committee will have regard to the proximity of that proposed premises to other off-licensed premises where it considers this relevant.

- (iii) Premises holding both an on-licence and off-licence shall ensure there is a separate point of sale and supply for the off licence if a totally separate area or premises is not practical.

## **(d) Location of premises holding off-licences by reference to proximity to facilities of a particular kind or kinds**

- (i) Within the Business zone, an off-licence will not be issued in respect of any premises not currently licensed where the site directly borders any school, early childcare facility or place of worship existing at the time the premises are established or when resource consent is applied for (whichever is earliest) unless it can be demonstrated to the reasonable satisfaction of the District Licensing Committee that the hours, alcohol related signage or operation of the premises as they relate to alcohol sales will not have a significant impact on those facilities. "Directly borders" includes across any road from such facility as shown in figure one.
- (ii) Provided the Applicant demonstrates how the outcomes listed in 4.0(g) will be achieved the following shall be considered to have no significant impact:
- The hours of an off-licence where there is no external display of alcohol advertising; and
  - The operation of an off-licence where the licensee implements an ID 25 policy.
- (iii) Renewal of a licence shall be unaffected simply on the grounds that:
- a. such a facility later moves to a site which borders an existing licensed premises;
  - or
  - b. the facility already bordered the existing licensed premises.
- (iv) When forming an opinion on amenity and good order, in relation to a new off-licence premises being licensed for the first time, the District Licensing Committee shall have regard to the proximity to a public park or reserve particularly where that park or reserve is within a liquor ban area prescribed by a bylaw and, if necessary, impose conditions set out in element 4.0(g).

### Advice Note:

For the purposes of 4.0(d)(i) "business zone" means business land zoned in the Waitomo District Plan (or subsequent District Plan) at the time of the relevant off-licence application is determined.

## **(e) Further issuing of off-licences in the District**

- (i) This policy does not cap the number of off-licence premises or restrict the issue of new licences, provided the other policy criteria are met.

## **(f) Maximum trading hours for premises holding off-licences**

- (i) No off-licence shall be issued or renewed with trading hours that exceed Monday to Sunday 7.00am to 10.00pm (subject to section 48).

## **(g) Discretionary conditions of off-licences**

- (i) In accordance with sections 116(1) and 117 the District Licensing Committee may impose discretionary conditions in relation to the following matters (in addition to those required by section 116(2)) or any other reasonable condition:
- a. Prohibited persons
  - b. People or kinds of people to be served
  - c. Kinds of alcohol to be sold
  - d. Display of nationally consistent safe drinking messages and material
  - e. Application of Crime Prevention Through Environmental Design (CPTED) principles to achieve the following outcomes:

## Closed-circuit television (CCTV)

- CCTV being installed in suitable locations to monitor vulnerable areas (areas which are not easily or not continuously monitored by staff).
- Customers being made aware of the CCTV systems.

## Lighting

- Internal lighting inside the premises to enable passive surveillance by staff and active surveillance by CCTV.
- Lighting to allow customers to be seen as they enter the premises.
- Lighting to allow staff to check identification.
- External areas such as car parks and loading bays being well lit, subject to the requirements of any resource consent or a district plan rule.

## Internal Layout

- General points of sale to be positioned near the main entrance.

## Staff

- Relevant staff understanding how to operate the CCTV system.
  - There being sufficient numbers of staff to ensure control of the premises during trading hours.
- f. At least 50% of any store front glazing shall be transparent, consistent with CPTED guidelines and no more than 30% of the external area of any side of the premises may contain alcohol related signage or advertising, excluding the company name.
- g. External signage must comply with the signage requirements outlined in the Waitomo District Council District Plan.

## 3. Specific Policies – Club-Licence

### (a) Introduction

- (i) A club is a body corporate having as its object (or as one of its objects) participating in or promoting a sport or other recreational activity, otherwise than for gain; or is a body corporate whose object is not for gain; or holds permanent club charter.

- (ii) Section 21 of the Act states:

“On the premises a club-licence is held for, the licensee can sell and supply alcohol to authorised customers (within the meaning of section 60(3)), for consumption there.”

“authorised customer, in relation to premises a club-licence is held for, means a person who—

- (a) is a member of the club concerned; or
- (b) is on the premises at the invitation of, and is accompanied by, a member of the club concerned; or
- (c) is an authorised visitor”

### (b) Location of premises holding club-licences by reference to broad areas

- (i) New licensed club premises should be in close proximity to the sports grounds or other facilities used by the club, if relevant.

## **(c) Location of premises holding club-licences by reference to proximity to premises of a particular kind or kinds**

- (i) When considering an application for a club licence for new premises, the District Licensing Committee will have regard to the proximity of the proposed new premises to any other licensed premises.

## **(d) Location of premises holding club-licences by reference to proximity to facilities of a particular kind or kinds**

- (i) When considering an application for a club licence for new premises, the District Licensing Committee will have regard to the proximity of the proposed new premises to any school, early childcare facility, place of worship or residential area.

## **(e) Further issuing of club-licences in the District**

- (i) This policy does not cap the number of club licence premises or restrict the issue of new licences, provided the other policy criteria are met.

## **(f) Maximum trading hours for premises holding club-licences**

- (i) The District Licensing Committee will have regard to the days and hours of operation and the type of activities undertaken by the club in setting club hours.
- (ii) No club-licence shall be issued or renewed with hours that exceed the following:
  - a. Monday to Sunday 9.00am to 1.00am the following day (Subject to section 46 of the Act)

## **(g) Discretionary conditions of club-licences**

- (i) In accordance with section 110(1) of the Act the District Licensing Committee may impose discretionary conditions regarding the following matters, in addition to those required by section 110(2):
  - a. Prohibited persons
  - b. Management of premises
  - c. People or kinds of people to be served
  - d. Low and none alcoholic beverages
  - e. Transport options
  - f. Exclusion of the public

## **(h) One-way door restrictions relating to club-licences**

- (i) The District Licensing Committee may impose a one-way door condition on any licence where it believes this is warranted. The one-way door restriction shall not apply any earlier than two hours before the normal closing time of the premises.
- (ii) This condition may be added to a licence at the time of issue or renewal.

3.1.

## **4. Specific Policies - Special Licences**

### **(a) Introduction**

- (i) Special licences allow the sale and consumption of alcohol at events or occasions on premises that are unlicensed, or premises that would be outside their normal licence conditions. They can permit on site or off site sales, and are in force for the date and time of the event only.
- (ii) "Event includes an occasion and a gathering, and any of a series of events".

## **(b) Maximum trading hours for premises holding special licences**

- (i) Special licences for premises that are not otherwise licensed will not be issued beyond 1.00am except in exceptional circumstances as determined by the District Licensing Committee.
- (ii) Where the applicant for a special licence already holds an on-licence, off-licence or club licence with the maximum hours permitted for that type of licence under this policy, a special licence with greater hours will only be issued in exceptional circumstances as determined by the District Licensing Committee.

## **(c) Discretionary conditions of special licences**

- (i) In accordance with sections 146 and 147(1) the District Licensing Committee may impose discretionary conditions regarding the following matters, in addition to those required by section 147(3):
  - a. Sale and supply to prohibited persons
  - b. People or kinds of people to be served
  - c. The kind or kinds of alcohol that may be sold or delivered
  - d. The provision of food for consumption on the premises
  - e. The provision of low and non-alcoholic beverages
  - f. The provision of information relating to transport options
  - g. Exclusion of the public
  - h. Restricting the types of containers used for sale or supply
  - i. The filing of returns
  - j. Conditions of a kind subject to which a licence may be issued under section 110 (on or club licence) or 116 (off licence)
  - k. Any reasonable condition not inconsistent with the Act.

## **(d) One-way door restrictions**

- (i) The licensing committee may impose a one-way door condition on any licence where it believes this is warranted. The one-way door restriction shall not apply any earlier than two hours before the normal closing time of the premises, or in the case of a special licence no earlier than two hours prior to the conclusion of the event.

## **5. Temporary Authorities**

- 5.1. All temporary authority applications will be passed to the Police to give them an opportunity to inquire into the application.
- 5.2. Pursuant to section 136(4)(c) every temporary authority will be subject to a condition that no second or subsequent temporary authorities will be issued in respect of the same premises and licensee unless a full licence application has already been filed, or, in exceptional circumstances, with the prior approval of the Secretary of the Licensing Committee.

SCHEDULE 1 | MAP OF WAITOMO DISTRICT





# Submission Form

## Draft Local Alcohol Policy 2022

Submissions close 5pm 1 July 2022

Sub No.

For office use only

You can share your views by:

- Completing this submission form and returning it to us by:
  - Visiting our office on Queen Street, Te Kuiti
  - emailing it to: [haveyoursay@waitomo.govt.nz](mailto:haveyoursay@waitomo.govt.nz) (scan and pdf or take a photo)
  - Posting to: FREEPOST 112498, Waitomo District Council, PO Box 404, Te Kuiti 3941
- Visiting our website: [waitomo.govt.nz/consultation](http://waitomo.govt.nz/consultation) and fill an online submission form

<b>Full Name:</b>	
<b>Organisation:</b> <i>(if responding on behalf of)</i>	
<b>Phone:</b> <i>(home/mobile)</i>	
<b>Address:</b>	
<b>Postcode:</b>	
<b>Email:</b>	

*The Local Government Act 2002 requires submissions to be made available to the public. Your name and/or organisation will be published with your submission and made available in a report to elected members and to the public. Other personal information supplied (such as address / email address) will be removed from the public copy.*

**I wish to speak to Council about my submission.**

*(Hearings are scheduled for 19 July 2022. We will contact you to arrange a time.)*

Yes  No

### YOUR FEEDBACK

Please give us your feedback on the Draft Local Alcohol Policy 2022

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**Document No:** A614868

**Report To:** Council



**Meeting Date:** 31 May 2022

**Subject:** Review of the Rates Remission Policy - Submissions

**Type:** Decision Required

## Purpose of Report

- 1.1 The purpose of this business paper is to present to Council the submissions received on the Rates Remission Policy review and provide analysis on these submissions.

## Background

- 2.1 The Local Government (Rating of Whenua Māori) Amendment Act 2021 (Amendment Act) received Royal Assent on 12 April 2021, which resulted in a number of changes to the Local Government Act 2002 (LGA) and Local Government (Rating) Act 2002 (LGRA).

- 2.2 The LGA was amended to include Section 102(3A) which prescribes that the Rates Remission Policy (RRP) must support the principles set out in the Preamble to Te Ture Whenua Māori Act 1993.

- 2.3 The Preamble to Te Ture Whenua Māori Act 1993 is as follows:

Nā te mea i roto i te Tiriti o Waitangi i motuhake ai te noho a te iwi me te Karauna: ā, nā te mea e tika ana kia whakaūtia anō te wairua o te wā i roto i te kōwhiri kia riro mai ai te mau tonu o te rangatiratanga e takoto nei i roto i te Tiriti o Waitangi: ā, nā te mea e tika ana kia mārama ko te whenua he taonga tuku iho e tino whakaaro nuitia ana e te iwi Māori, ā, nā tērā he whakahaere kia mau tonu taua whenua ki te iwi nōna, ki ō rātou whānau, hapū hoki, a, a ki te whakangungu i ngā wāhi tapu hei whakamāmā i te nohotanga, i te whakahaeretanga, i te whakamahitanga o taua whenua hei painga mō te hunga nōna, mō ō rātou whānau, hapū hoki: ā, nā te mea e tika ana kia tū tonu he Te Kooti, ā, kia whakatakototia he tikanga hei āwhina i te iwi Māori kia taea ai ēnei kaupapa te whakatinana.

Whereas the Treaty of Waitangi established the special relationship between the Māori people and the Crown: And whereas it is desirable that the spirit of the exchange of kōwhiri for the protection of rangatiratanga embodied in the Treaty of Waitangi be reaffirmed: And whereas it is desirable to recognise that land is a taonga tuku iho of special significance to Māori people and, for that reason, to promote the retention of that land in the hands of its owners, their whānau, and their hapu, and to protect wahi tapu: and to facilitate the occupation, development, and utilisation of that land for the benefit of its owners, their whānau, and their hapu: And whereas it is desirable to maintain a court and to establish mechanisms to assist the Māori people to achieve the implementation of these principles.

- 2.4 The key changes to the LGRA included the following:

- Prevents sale of Māori Land that was converted to General land under the Māori Affairs Amendment Act 1967.
- Separate rating areas may be established on Māori land on request to enable occupants of dwellings on the land to access the rates rebate scheme.
- Land subject to Nga Whenua Rahui Kawenata agreements is now non-rateable.
- Extension to rating units in common ownership – two or more blocks of Māori freehold land that are used jointly must now be rated as one rating unit.

- Local authorities must consider an application for rates remission on Māori land under development.
- Land that is used for the purposes of a Marae or used as an Urupa is non-rateable. (the 2 hectare limit has been removed).
- An unused rating unit of Māori Freehold Land is non-rateable.
- Provides that the Chief Executive must write off rates on land where the Chief Executive is of the opinion that they cannot reasonably be recovered. This can be initiated by the Chief Executive or by application from a ratepayer.

2.5 As the Amendment Act did not receive Royal Assent until late in the 10YP development, there was not sufficient time for Council's to consider the full impact of the new legislation on the RRP prior to the adoption in June 2021. The Amendment Act allowed for the review of the RRP to be completed on or before 1 July 2022, to ensure compliance with the new legislation.

## 2.6 **PROPOSED AMENDMENTS PRIOR TO PUBLIC CONSULTATION**

2.7 At a Council Workshop on 10 March 2022, elected members were presented with the tracked changed Draft Rates Remission Policy with the proposed amendments.

2.8 The following amendments had been made to the Policy presented at the workshop:

- Remove Māori Freehold Land – Occupied and Productive as Section 90A of the LGRA requires the Chief Executive to write off outstanding rates that cannot reasonably be recovered.
- Within the Maori Freehold Land – Economic Use and Development - Update the conditions and criteria and the extent of remissions sections to reflect the benefits and matters to be considered under Section 114A of the LGRA and provide Council with more flexibility when determining the proportion of rates to be remitted.
- Minor amendments to the narrative throughout the policy to reflect the Preamble.

2.9 At the meeting 29 March 2022, Council considered the Draft Policy and resolved as follows:

1. The business paper on "Adoption of Statement of Proposal for Consultation on Rates Remission Policy Review" be received.
2. Council adopts the Statement of Proposal for the proposed amendments to the Rates Remission Policy for public consultation from 30 March to 3 May 2022.

## **Commentary**

3.1 Attached for Council's information is a copy of the Draft Rates Remission Policy as consulted on. (**Attachment 2**)

## 3.2 **PUBLIC CONSULTATION**

3.3 The consultation period ran from 30 March 2022 to 3 May 2022. During this time the Waitomo District was at Orange setting under the COVID-19 protection framework.

3.4 Due to the COVID protection framework setting, the consultation was conducted electronically with a prominent link on the Waitomo District Council (WDC) website to a dedicated page. Posts were also made on WDC Facebook page promoting the opportunity for people to submit on the Policy.

3.5 A public notice advertised in the local paper on 31 March 2022, no groups were identified that required individual contact regarding the consultation period.

3.6 Three submissions have been received from members of the public, who wished to be heard at the Council Hearing.

3.7 **SUBMISSION #1 – Te Maramatanga Christine Toroa**

3.8 A submission was received from Te Maramatanga Christine Toroa (Attachment 1). The submitter does wish to speak to her submission.

3.9 Table 1 below outlines the points covered in the submission

**Table 1: Assessment of the Te Maramatanga Christine Toroa Submission**

	<b>Submission Point</b>	<b>Analysis</b>
1.	Rates on Māori Freehold land	<p>Māori freehold land is defined in the LGRA (Section 5) as land whose beneficial ownership has been determined by the Māori Land Court by freehold order. Māori Freehold Land is liable for rates in the same manner as if it were general land, subject to the provisions of Part 4 of the LGRA</p> <p>This policy provides two categories of remission:</p> <p>Category A: Māori Freehold Land – Unoccupied and Unproductive Land Blocks                      Category B: Māori Freehold Land – Economic Use and Development</p>
2.	Issue of Land locked blocks	As a result of the Rating of Whenua Maori Amendment Act 2021, the LGRA now provides that Maori Freehold Land that is unused is non rateable. Accordingly land locked blocks that are unable to be accessed or used (and are not used by the owners of neighbouring properties) will be non rateable.
3.	Public road encroaches land boundary	Individual property issues are not covered by RRP.
4.	Issue of multiple ownership	The LGRA does not prevent owners and tenants from contracting between themselves as to who actually pays the rates. However, the local authority is obligated to send the rates assessment and rates invoices to the person who is identified on the rating information database as the ratepayer. The final responsibility for ensuring that the rates are paid lies with the ratepayer and it is that person to whom local authorities have recourse in the event that the rates are not paid.

3.10 **SUBMISSION #2 – Wayne Jensen – Taumatotara A5 Residue Māori Land Trust**

3.11 A submission was received from Wayne Jensen (Attachment 1). The submitter does wish to speak to his submission.

3.12 Table 2 below outlines the points covered in the submission:

**Table 1: Assessment of Wayne Jensen Submission**

	<b>Submission Point</b>	<b>Analysis</b>
1.	Remove rates arrears and write-off rates arrears on all land (including general land) if council considers the rates, are un-collectable	This process is already provided for. Section 90A of the LGRA now prescribes that the Chief Executive of a local authority must write off outstanding rates that cannot be reasonably recovered.
2.	Remove rates arrears and write-off rates arrears on all Māori land where successors to interests in a block or blocks of land find themselves liable for rates debts of deceased owners	This process is already provided for. Section 90B of the LGRA prescribes that the Chief Executive may write off all or part of the outstanding rates that are payable by a person beneficially entitled to a deceased owner’s beneficial interest in the land and were payable at the death of the owner
3.	Remove rates arrears identified as a barrier to improve partnerships with community for social housing developments	RRP provides for rates remission for Economic Development which may include social housing developments. The RRP also provides that where an approved remission is in place, any arrears may be remitted if current and future rates are met over a period of 2 years. Further to this Section 90A of the LGRA may also be applicable where outstanding rates are not able to be reasonably recovered.
4.	Make unused Māori land non-rateable including Ngā Whenua Rāhui land	–As a result of the Rating of Whenua Maori Amendment Act 2021, an unused rating unit of Maori Freehold Land and land that is subject to a Nga Whenua Rahui Kawenata is now non-rateable.

	<b>Submission Point</b>	<b>Analysis</b>
5.	<p>Encourage and support Papakainga development on unused Maori lands including Ngā Whenua Rāhui land and which should not be rateable if they are serving to support functions of Kaitiakitanga and Rangatiratanga. Māori land subject to a Ngā Whenua Rāhui Kawenata should be non-rateable. Outstanding rates arrears on these types of land should be removed. Remove rates arrears identified as a barrier to development whereby recognition of conservation value exists of such land and support limited specially designed Housing developments serving to support functions of Kaitiakitanga and Rangatiratanga.</p>	<p>Land subject to Nga Whenua Rahui is non-rateable and Schedule 1AA, Part 1 (2) of the LGRA prescribes that a Local Authority must write off rates arrears in respect of Maori Freehold Land that is non-rateable where the land is subject to a Nga Whenua Rahui Kawenata or is an unused rating unit.</p> <p>The RRP provides for rates remission for development of Maori Freehold Land and provides for remission of arrears. The local authority may provide a remission where there is an intention to make economic use of the land if it is satisfied that the development is likely to have any or all of the following benefits:</p> <ul style="list-style-type: none"> <li>a) Benefits to the district by creating new employment opportunities;</li> <li>b) Benefits to the district by creating new homes;</li> <li>c) Benefits to the Council by increasing the Council's rating base in the long term;</li> <li>d) Benefits to the Māori of the district by providing support for Marae in the district; and</li> <li>e) Benefits to the owners by facilitating the occupation, development, and utilisation of the land.</li> </ul>
6.	<p>Provide a rates remission process for Māori land under development when supported by an Iwi Authority and provide all landowners a right to apply for a rates remission when partnering with Maori Trust land under development. Local Council should consider such applications on a case-by-case basis. To give better rates relief for land under development and especially to reduce rating barriers for housing developments.</p>	<p>RRP provides remission of rates for Maori Freehold Land under development. Where there is an intention to make economic use of the land, or a clear intent to progressively develop the economic use of the land over time, Council may enter into a remission of rates arrangement with the Trustees/Owner(s) or Occupier(s) where the Council is satisfied such an arrangement will encourage economic use through development over time. Each application is considered on a case-by-case basis and the extent of the remission will be implemented during the annual review and/or with negotiations with the landowner/s or trustees.</p>
7.	<p>Allow multiple Māori land blocks to be treated as one for rating purposes especially where multiple blocks of Māori land have come from the same parent block which should be treated as one for the purpose of calculating their rates liability, especially if they are used jointly as a single unit. This could be initiated on application of the entity or person using the land, and provided it meets the relevant criteria, the council could implement this relief. Reduce the number of uniform charges on multiple blocks used as one and reduce the overall rating liability for those blocks</p>	<p>---</p> <p>As a result of the Rating of Whenua Maori Amendment Act 2021, Section 20A of the LGRA now provides that two or more blocks of Maori Freehold Land (that derived from the same original block of Maori Freehold land) and that are used jointly must be rated as one rating unit. The RRP provides further relief where properties are used jointly as a single unit, which is useful in situations where the rating units do not originate from the same original block of Maori Freehold Land or where one rating unit is not Maori Freehold Land.</p>

	<b>Submission Point</b>	<b>Analysis</b>
8.	Give each home access to an income-based rates rebate scheme (should the eligibility criteria of such a scheme be met) to make it easier for individual homeowners to pay the rates for their homes, and local authorities to collect rates on homes especially on Māori land.	As a result of the Rating of Whenua Maori Amendment Act 2021, Section 98A provides that upon request local authorities must now establish separate rating areas on Maori Land to enable occupants of dwellings on the land to access the rates rebate scheme. The rates rebate scheme is currently provided via the Department of Internal Affairs. The rebate is based on income, annual rates, number of dependents and the applicant must be the legal ratepayer and living at the property at 1 July. The maximum rebate for the 2021/22 rating year is \$665.
9.	Enable multiple individual houses on Māori land to be rated as if they were one rating unit or ensure one house on every Maori land parcel can avoid being rated separately from the parent parcel which is paying rates already. Homeowners on Māori land should be able to choose to be rated individually to take into account lower income homeowners or home renters (on occasion), income checked for eligibility for rates rebates which could help simplify administration of rates including where there are multiple homes on a block of Māori land.	Upon request local authorities must now establish separate rating areas on Maori Freehold land to enable occupants to be rated individually. This also provides the occupant of each dwelling access to the rates rebate scheme.
10.	Provide protection to Māori land made general land by the Māori Affairs Amendment Act 1967 from being sold as “abandoned land” or through back rate accrual. Don’t sell or lease such land for unpaid rates arrears, provided the land is still in Māori ownership or has connection to original land owners through operating trust or similar instrument.	As a result of the Rating of Whenua Maori Amendment Act 2021, Section 67 of the LGRA (enforcement of judgment) has been altered. Where land is subject to the Maori Affairs Amendment Act 1967, the local authority may not apply to have the judgment enforced by sale or lease of the rating unit, which provides the protection to such land. The RRP also provides that land changed to general land as part of the Maori Affairs Amendment Act 1967 is considered to be Maori Freehold Land for the purposes of the RRP and owners of such land may apply for remission in situations where the land is unoccupied/unproductive or where owners wish to develop the land.
11.	Remove the arbitrary two-hectare limit on the non-rateability for Marae and urupā. Marae and urupā of any size should be non-rateable and should have equitable rates money treatment for all Marae and urupā	Key change in LGRA - Land that is used for the purposes of a Marae or used as an Urupa is non-rateable. (the 2 hectare limit has been removed).
12.	Council should extend non-rateability for marae to all kinds of land not just those on a Māori reservation.	Schedule 1 of the LGRA provides that any land used for the purposes of a Marae or Maori Freehold Land on which a meeting house is erected (excluding land used primarily for commercial or agricultural activity or as residential accommodation) is non-rateable. Prior to the Rating of Whenua Maori Amendment Act 2021, land was required to be less than 2 hectares, this limit has now been removed.

	<b>Submission Point</b>	<b>Analysis</b>
13.	<p>Clarify the obligations on trustees to declare income received from land to potentially increase ability to collect rates where income is derived from the land</p> <p>Clarifying that homes on Māori reservations are liable for rates unless where exemption conditions apply.</p> <p>Institute an income-based rate for lands under development or where considered to have conservation status. Where land is used for multiple purposes, any exemption should not include lands which are predominantly for housing, unless through specific agreement with or between recognised Authorities.</p>	<p>Section 93 of the LGRA provides that if trustees are liable to pay the rates on rateable Maori Freehold Land, the rates must be paid out of income derived from the land and received by the trustees for the beneficial owners of the land and further states that the trustees are liable for rates only to the extent of the money derived from the land and received by the trustees on behalf of the beneficial owner/s. As a result of the Rating of Whenua Maori Amendment Act 2021, a further clause was added to this section which provides that trustees seeking to rely on section 93 must, on request by a local authority, provide copies of any financial statements provided to the beneficial owners by the trustees.</p> <p>Maori Freehold land is liable for rates in the same manner as if it were general land, except where the LGRA otherwise provides. Schedule 1 of the LGRA provides that land set apart under section 338 of the Te Ture Whenua Maori Act 1993 (Maori Reservations for communal purposes) and used for a meeting place is non-rateable, but excludes any land used primarily for commercial or agricultural activity or as residential accommodation.</p> <p>The RRP provides remission for rates on Maori Freehold Land under development. Each application is considered on a case-by-case basis and the extent of the remission will be implemented during the annual review and/or with negotiations with the landowner/s or trustees, which will also take into consideration any income that may be received.</p>

3.13 **SUBMISSION #3 – Charles Taituha**

3.14 A submission was received from Charles Taituha (Attachment 1). The submitter does wish to speak to his submission.

3.15 Table 3 below outlines the points covered in the submission:

	<b>Submission Point</b>	<b>Analysis</b>
1.	In support of Ngā Whenua Rāhui whenua that is under a kawenata be considered non-rateable.	LGRA key change -Land subject to Nga Whenua Rahui Kawenata agreements is now non-rateable.
2.	The process around applying for this should be remission should be aligned with the kawenata tenure e.g., 25 year kawenata should be that the Māori land entity should only have to apply at the start of the kawenata and then at the renewal of that kawenata	As the LGRA now prescribes that land subject to a Nga Whenua Rahui Kawenata is non-rateable, this land will remain non-rateable until such time that the kawenata is no longer in place. There is no remission processed and no application from the owners is required. The owners need only provide Council documentation at the commencement of a new kawenata and each time the kawenata is renewed.
3.	Review of decisions (4.7.1) - I do not support that the council decision is final unless a robust & co-designed process is developed to make sure that all decisions are fully informed by expert practitioners or matauranga Māori support	Appeals relating to decisions taken on the eligibility of Māori freehold land for rates remissions will follow the process outlined at the start of the RRP - Delegation to Operate, Application Process and Review of Decisions.
4.	In support of a Māori freehold land register (4.4.1) with Cat A & Cat B but would not support this to be available to the general public.	<p>Council will maintain a register titled the Māori Freehold Land Rates Remission Register for the purpose of recording the rating units for which rates are remitted pursuant to this Policy. The Register will comprise of two category lists, these being:</p> <p>Category A: The 'Māori Freehold Land Unoccupied and Unproductive Remissions List'.</p> <p>Category B: The 'Māori Freehold Land Economic Use and Development Remissions List'.</p> <p>The Register is used to report a summary of remissions granted to Council and/or the Audit, Risk &amp; Finance Committee annually. The total annual rates charged on a property (which takes into account any remissions granted) is public information, (as is the owner's name and address unless they have requested that the owner's name and address be withheld) as per the LGRA.</p>
5.	Does not support the application process be only done at that specific time of year and it should be open at any time to apply.	Applicants are required to apply prior to the commencement of the rating year and no later than 30 April. This requirement is intended as an incentive to encourage early application from owners to aid in the administration of the application. It would be unlikely that an

## File 1 - Page 102

	<b>Submission Point</b>	<b>Analysis</b>
		application would be declined on this basis alone and is generally looked on favourably if all other aspects of the application are complete.
6.	Does not support that the council have the right to be repaid for any rates remissions if a land use change isn't notified unless there can be retrospective remissions applied to land blocks that haven't been operating but paying rates for a period of time.	It is the responsibility of the owner or person holding a long term interest in the property to notify Council of any change in circumstance in the interim period. The RRP currently requires any rates remissions be repaid where the owner/s fail to notify Council of a change in circumstances that impacts on the eligibility of the land for rates remission. The intention of this requirement is to help keep the Rating Information Database current and accurate. This ensures rating is correct and ensures equity and fairness to other ratepayers. There are other options available to deal with rates arrears, without having to provide a retrospective rates remission (for example the Section 90A write off, for situations where the arrears are not recoverable or if the land is unused Maori Freehold Land, Schedule 1 provides that this land is non-rateable).

## Analysis of Options

4.1 There are two options relating to the adoption of the RRP:

### **OPTION ONE:**

Council adopt the RRP (**Attachment 2**) as consulted on with the community with no further amendments.

### **OPTION TWO:**

Council consider the points made by the submitters and suggest possible amendments to the RRP.

## Considerations

### 5.1 **RISK**

5.2 Council needs to adopt the Rates Remission Policy by 1 July 2022, any amendments would need to be agreed to and line with the LGRA to be ready for adoption at the June Council meeting.

### 5.3 **CONSISTENCY WITH EXISTING PLANS AND POLICIES**

5.4 There are no inconsistencies with Council's plans and policies.

### 5.5 **SIGNIFICANCE AND COMMUNITY VIEWS**

5.6 Council has undertaken a special consultative process to obtain the community views. Although this was an online process due to Orange setting it was well promoted. There were three submissions made, however, it was not unexpected to have a low number of submissions for this policy review.

## Recommendation

6.1 It is recommended that Council receive the three submissions and ensure that the points raised are satisfactorily covered by the draft RRP as outlined in this paper. The draft RRP is attached to this business paper as Attachment 2.

## Suggested Resolutions

- 1 The business paper on the Review of the Rates Remission Policy - Submissions be received.
- 2 Council receive and acknowledge the verbal submissions from Te Maramatanga Christine Toroa, Wayne Jensen, Charles Taituha.



CHARMAINE ELLERY  
**MANAGER**  
**STRATEGY AND POLICY**



ALEX BELL  
**GENERAL MANAGER**  
**STRATEGY AND ENVIRONMENT**



ALISTER DUNCAN  
**GENERAL MANAGER**  
**BUSINESS SUPPORT**

Attachments:

- 1 Rates Remission Policy 2022 Review - Submissions
- 2 Draft Rates Remission Policy (Consultation Version) A606862



# Submission Form

Sub No.   
For office use only

## Draft Rates Remission Policy 2022

**Submissions close at 5.00pm in Tuesday 3 May 2022**

You can share your views by:

- Completing this Submission Form and returning it to us by:
  - Visiting our office on Queen Street, Te Kuiti
  - Emailing it to: [haveyoursay@waitomo.govt.nz](mailto:haveyoursay@waitomo.govt.nz) (scan and pdf or take a photo)
  - Posting to: FREEPOST 112498, Waitomo District Council, PO Box 404, Te Kuiti 3941
- Visiting our website: [waitomo.govt.nz/consultation](http://waitomo.govt.nz/consultation) and complete an online Submission Form

**Full Name:** Te Maramatanga Christine Toroa.

**Organisation:** (if responding on behalf of) —

**Phone:** (home/mobile) [REDACTED]

**Address:** [REDACTED]

**Postcode:** [REDACTED]

**Email:** [REDACTED]

The Local Government Act 2002 requires submissions to be made available to the public. Your name and/or organisation will be published with your submission and made available in a report to elected members and to the public. Other personal information supplied (such as address / email address) will be removed from the public copy.

**I wish to speak to Council about my submission.** Yes  No   
(Hearings are scheduled for 12 May 2022. We will contact you to arrange a time.)

### YOUR FEEDBACK

Please give us your feedback on the Draft Rates Remission Policy 2022

Rates on Maori Land Freehold Title

Land locked.

Public road encroaches on/over land boundary.

Multiple owners.

# Website Form

## Form Results

### Full Name

Wayne Jensen

### Organisation

Taumatotara A5 Residue Maori Land Trust

### Phone

[REDACTED]

### Address

[REDACTED]

### Postcode

[REDACTED]

### Email

[REDACTED]

### Submissions

I wish to speak to Council about my submission

Yes

### Your FEEDBACK

There are over 27 000 blocks of Māori land, comprising 1.4 million hectares or about 5% of the total land mass of New Zealand. Large tracts of Māori-owned land are under-performing for their owners, due to constraints stemming from legislation. Improving the performance and productivity of Māori land will provide hundreds of millions of dollars for the economic and cultural benefit of

owners, their whānau and hapū, whilst ensuring better guardianship of the land. Ensure that Mana, Kaitiakitanga and Tino Rangatiratanga over Maori lands is recognised and provided for in meaningful partnership. I believe Council should consider giving effect to the function of Kaitiakitanga and Tino Rangatiratanga and look towards PPP with the view to supplementing Rate take from income derived from such successful propositions. If the Councillor's read the Mana Whatu Ahuru Report from Te Rohe Potae Enquiry, they might get a sense of how much the region has been developed on the back of Maori through stratagem depositing Maori from their cultural economic base (Land). In the above respect the Crown has acknowledged its failure to actively protect Maori Treaty Rights with many examples provided. Much loss of Maori Land has occurred over time due to rates arrears or other scheme to transfer land from Maori control and title. Many owners of such lands were not notified directly of such situations as they arose.

1. Remove rates arrears and write-off rates arrears on all land (including general land) if council considers the rates, are uncollectable.
2. Remove rates arrears and write-off rates arrears on all Māori land where successors to interests in a block or blocks of land find themselves liable for rates debts of deceased owners.
3. Remove rates arrears identified as a barrier to improve partnerships with community for social housing developments
4. Make unused Māori land non-rateable including Ngā Whenua Rāhui land;
5. Encourage and support Papakainga development on unused Maori lands including Ngā Whenua Rāhui land and which should not be rateable if they are serving to support functions of Kaitiakitanga and Rangatiratanga. Māori land subject to a Ngā Whenua Rāhui Kawenata should be non-rateable. Outstanding rates arrears on these types of land should be removed. Remove rates arrears identified as a barrier to development whereby recognition of conservation value exists of such land and support limited specially designed Housing developments serving to support functions of Kaitiakitanga and Rangatiratanga.
6. Provide a rates remission

process for Māori land under development when supported by an Iwi Authority and provide all landowners a right to apply for a rates remission when partnering with Maori Trust land under development. Local Council should consider such applications on a case-by-case basis. To give better rates relief for land under development and especially to reduce rating barriers for housing developments.

7. Allow multiple Māori land blocks to be treated as one for rating purposes especially where multiple blocks of Māori land have come from the same parent block which should be treated as one for the purpose of calculating their rates liability, especially if they are used jointly as a single unit. This could be initiated on application of the entity or person using the land, and provided it meets the relevant criteria, the council could implement this relief. Reduce the number of uniform charges on multiple blocks used as one and reduce the overall rating liability for those blocks

8. Give each home access to an income based rates rebate scheme (should the eligibility criteria of such a scheme be met) to make it easier for individual homeowners to pay the rates for their homes, and local authorities to collect rates on homes especially on Māori land.

9. Enable multiple individual houses on Māori land to be rated as if they were one rating unit or ensure one house on every Maori land parcel can avoid being rated separately from the parent parcel which is paying rates already. Homeowners on Māori land should be able to choose to be rated individually to take into account lower income homeowners or home renters (on occasion), income checked for eligibility for rates rebates which could help simplify administration of rates including where there are multiple homes on a block of Māori land.

10. Provide protection to Māori land made general land by the Māori Affairs Amendment Act 1967 from being sold as “abandoned land” or through back rate accrual. Don’t sell or lease such land for unpaid rates arrears, provided the land is still in Māori ownership or has connection to original land owners through operating trust or similar instrument.

11. Remove the arbitrary two-hectare limit on the non-rateability for Marae and urupā. Marae and

urupā of any size should be non-rateable and should have equitable rates money treatment for all Marae and urupā 12. Council should extend non-rateability for marae to all kinds of land not just those on a Māori reservation. 13. Clarify the obligations on trustees to declare income received from land to potentially increase ability to collect rates where income is derived from the land clarifying that homes on Māori reservations are liable for rates unless where exemption conditions apply. Institute an income based rate for lands under development or where considered to have conservation status. Where land is used for multiple purposes, any exemption should not include lands which are predominantly for housing, unless through specific agreement with or between recognised Authorities.

**I am not a robot**

# Website Form

## Form Results

Full Name

Charles Taituha

Organisation

Phone

[REDACTED]

Address

[REDACTED]

Postcode

[REDACTED]

Email

[REDACTED]

Submissions

I wish to speak to Council about my submission

Yes

Your FEEDBACK

Ko Te Uira te maunga Ko Mangaokewa te awa Ko Rereahu  
Manaiapoto te iwi Ko Tainui te Waka Ko Charles Taituha tōku ingoa  
I am writing to submit comments/changes to the rates remissions  
policies of the Waitomo District Council specifically for aspects that  
effect Māori Freehold Land titles & their owners. Context There are  
677 Māori freehold land blocks (36998ha) within the WDC borough  
with 379 of those landblocks being ungoverned (7200ha) with all of  
those blocks being below 327ha in size. The remaining governed

blocks 29820ha are mostly made up of 16 Māori land entities comprising of 21200ha but out of those blocks less than 10 are operated directly by the trust so many are leased out to a 3rd Party. Review of Rates Remission Policy feedback I support the key changes with a further discussion & co-design with Māori freehold landowners about how the process around utilising these changes will be able to be enacted. I support Ngā Whenua Rāhui whenua that is under a kawenata be considered non-rateable. The process around applying for this should be remission should be aligned with the kawenata tenure eg, 25 year kawenata should be that the Māori land entity should only have to apply at the start of the kawenata and then at the renewal of that kawenata. Review of decisions (4.7.1) - I do not support that the council decision is final unless a robust & co-designed process is developed to make sure that all decisions are fully informed by expert practitioners or matauranga māori support. I support a Māori freehold land register (4.4.1) with Cat A & Cat B but would not support this to be available to the general public. I do not support the application process be only done at that specific time of year and it should be open at any time to apply. Finally I do not support that the council have the right to be repaid for any rates remissions if a land use change isn't notified unless there can be retrospective remissions applied to land blocks that haven't been operating but paying rates for a period of time.

Ngā Mihi

**I am not a robot**

**Final Draft**

**Waitomo District Council**

**Rates Remission Policy** (Including  
Remissions and Postponements of Rates on Māori  
Freehold Land)

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**2022**

First adopted	<b>24 June 2008</b>
Last Reviewed	<b>29 June 2021</b>
Review Date	<b>June 2024</b>
Associated documents	<b>N/A</b>
Responsibility	<b>GM Business Support</b>

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## INTRODUCTION | KUPU ARATAKI

In accordance with section 85 of the Local Government (Rating) Act 2002 (LGRA).

- i. A local authority may remit all or part of the rates on a rating unit (including penalties for unpaid rates) if –
  - a) The local authority has adopted a remissions policy under section 102 of the Local Government Act (LGA), and
  - b) The local authority is satisfied that the conditions and criteria in the policy are met.

The local authority must give notice to the ratepayer identifying the remitted rates.

Section 102 (3A) of the LGA prescribes that the Rates Remission Policy must support the principles set out in the Preamble to Te Ture Whenua Māori Act 1993. In preparing this policy Council has considered the Preamble, as well as the purpose and core principles of the Te Ture Whenua Māori Act 1993.

## PURPOSE AND SCOPE | TE ARONGA ME TE KORAHĪ

The purpose of the Rates Remission Policy (RRP) is to allow for rates remissions on eligible properties, including Māori freehold land.

The RRP provides for the remission of rates for the following remission categories:

- Remission of Rates for Properties used jointly as a single unit.
- Remissions for Community Organisations and Clubs and Societies.
- Remission for Organisations providing Care for the Elderly.
- Remission of Rates on Māori Freehold land.
- Remission of Penalties.
- Remission of Rates and/or penalties following a rating sale or an abandoned land sale.
- Remission of Rates for New Residential Subdivisions.
- Remission of Rates in Cases of Genuine Financial Hardship.
- Remission of Rates in Cases of Land Affected by Natural Calamity.
- Remission of Rates for New Businesses.

Land protected for conservation purposes is excluded from the Remission Policy as Council is of the view that the Local Government (Rating) Act 2002 provides adequately for this type of land.

Land that is subject to the following is considered to be non-rateable under Schedule 1 of the Local Government (Rating) Act 2002:

- Queen Elizabeth the Second (QEII) covenant.
- Nga Whenua Rahui Kawenata (from 1 July 2021).
- National Park under the National Parks Act 1980.
- Conservation area under the Conservation Act 1987.
- Reserve under the Reserves Act 1977.
- Wildlife management reserve, wildlife refuge, or wildlife sanctuary under the Wildlife Act 1953.

- Land owned by a society or association of persons that is used for conservation or preservation purposes, not used for private pecuniary profit and able to be accessed by the general public.

## DELEGATION TO OPERATE, APPLICATION PROCESS AND REVIEW OF DECISIONS

The Chief Executive is delegated the authority to apply the Rates Remission Policy. Access to the rate remission arrangements is by way of application to the Council by the owner or occupier of the rating unit(s) or by staff who may process applications on behalf of owners of unoccupied and unproductive Māori freehold land.

In the event that any applicant for remission of rates, seeks a review of any decision taken under delegation, the following process shall be followed:

- a) Any application for review shall be made in writing, on the prescribed form, outlining the reasons for seeking a review and including appropriate documentation in support.  
  
Note: Additional information may be requested to allow a better understanding of the merits and background of the application.
- b) The application will be investigated and the application together with a report and recommendation thereon will be submitted to a meeting of the Council for its consideration and decision.
- c) The decision of the Council will be final, and the applicant will be notified of the decision within 10 working days of the decision being made.
- d) A schedule of all remissions processed will be maintained and advised annually to the Audit Risk and Finance Committee.

## DEFINITIONS | NGĀ WHAKAMĀRAMATANGA

<b>Hapu</b>	Whanau groups descended from their own hereditary ancestor.
<b>Indigenous flora and fauna</b>	Plants and animals originating from New Zealand.
<b>Land used for farming purposes</b>	Land used for 'pasturage'; being, the business of feeding or grazing livestock.
<b>Māori customary land</b>	Land held under the customs and usages of the Māori people, the title to which has not been investigated by the Māori Land Court.
<b>Māori freehold land</b>	Māori freehold land is defined in Section 5 of the LGRA as land whose beneficial ownership has been determined by the Māori Land Court by freehold order. Māori freehold land is liable for rates in the same manner as if it were general land, subject to the provisions of Part 4 of the LGRA.
<b>Ratepayer</b>	Is the person or persons identified in our rating information database as the person liable for rates – generally that person is the owner of the rating unit.
<b>Remission</b>	Means the requirement to pay the rate for a particular financial year is forgiven in whole or in part in accordance with this policy.
<b>Tangata Whenua</b>	Māori people of a particular area or as a whole as the original inhabitants of New Zealand. Māori people of the land in their tribal area.
<b>Taonga tuku iho</b>	Legacy, treasure.

## Unoccupied or unproductive Land

Land will be defined as unoccupied or unproductive unless there is a person, whether with a beneficial interest in the land or not, who, alone or with others, carries out any of the following activities on the land:

- (a) Leases the land; and/or
- (b) Does **any** of the following things on the land, with the intention of making a profit or for any other benefit:
1. Resides on the land;
  2. De-pastures or maintains livestock on the land;
  3. Stores anything on the land;
  4. Beehives are located on the land; or
  5. Uses the land in any other way.

## Waahi tapu

Means land set apart under Section 338(1) (b) of the Te Ture Whenua Māori Act 1993 (a place of special significance according to tikanga Māori).

## Whanau

Extended family in which a person is born and socialised.

## POLICY | KAUPAPA HERE

Council may provide rates remission on eligible properties that meet the conditions and criteria specified under each remission category.

### REMISSION CATEGORIES

#### 1. Remission of Rates for Properties Used Jointly as a Single Unit

##### 1.1. Objectives

1.1.1 This remission category addresses land ownership and land use situations that fall outside the limitation defined by Section 20 of the LGRA.

1.1.2 Objectives of this policy are:

- a) To extend the definitions of ownership and contiguous land as contained in Section 20 (a) and (c) of the LGRA.
- b) To assist the use of rateable land as part of a farming operation where not all the rateable land is contiguous with land owned, or occupied under long term lease, by the same person or persons but is nevertheless used jointly as a single farming unit. The intention being to ensure that the use of such rateable land for farming purposes is not disadvantaged by the obligation to pay multiple UAGCs and other Targeted uniform annual charges – (i.e. all rates other than those charged on the basis of capital value).
- c) To assist ongoing rural economic development by removing a UAGC and Targeted uniform annual charge liability that might create a cost barrier to the efficient integration of non-contiguous land into one farming operation.
- d) To assist in the utilisation of unoccupied, undeveloped land in township areas to achieve:
  - i. Good land management,
  - ii. An improvement to visual amenity values,
  - iii. Better environmental outcomes through assisting in weed and pest management,
  - iv. Reduction of risk of fire hazard and to public health.

- 1.1.3 By enabling contiguous or non-contiguous vacant sections that are owned or occupied under long term lease by the same person or persons and used jointly as a single unit that might otherwise be unfairly disadvantaged by way of the obligation to pay multiple UAGCs and other Targeted uniform annual charges.

## **1.2. Conditions and criteria**

### **1.2.1. Rateable Land used for Farming Purposes**

Eligible farming properties are those where:

- a) The applicant is the owner or can demonstrate a long term interest in two or more separately rateable rural farm properties and that two or more of those properties are used for farming purposes; and
- b) The properties are used jointly as a single farm property for the purpose of carrying out a farming operation; and
- c) The property for which the remission is sought does not carry sufficient improvements to allow it to be operated as a separate farming unit; and
- d) The land for which the remission is sought is not occupied by a habitable dwelling.

### **1.2.2. Rateable land located within Waitomo District townships**

Eligible properties within townships are those where:

- a) The applicant is the owner or holds a written long term interest in two or more separately rateable properties that may or may not be contiguous; and
- b) The properties are used jointly as a single property; and
- c) The property for which the remission is sought does not carry improvements exceeding \$1,000 in value and is not occupied by a dwelling.
- d) The property for which the remission is sought must be maintained in good order and repair as ascertained by the Council.

Application for remission of rates on properties used jointly as a single unit must be made on a 3 yearly basis to ensure continued eligibility for remission. Applicants are required to apply prior to the commencement of the rating year and no later than 30 April. It is the responsibility of the owner or person holding a long term interest in the property to notify Council of any change in circumstance in the interim period.

### **1.2.3. Extent of remission**

For eligible properties that may be treated as a single rating unit by meeting the conditions and criteria in this category, Council may remit the UAGC(s) and other targeted uniform annual charges. For the avoidance of any doubt, the number of rates charged on the basis of SUIP will equal the number of SUIPs; and there will be one charge for each targeted fixed annual rate based on rating unit.

## **2. Remissions for Community Organisations and Clubs and Societies**

### **2.1. Objectives**

- 2.1.1 This remission category provides rates remission to eligible 'not for profit' community organisations and recreational clubs and societies in the Waitomo District that meet the conditions and criteria of this category.

## 2.1.2 Objectives of this policy are:

- a) To recognise the value of encouraging participation in active and passive recreation.
- b) To extend the arrangement provided for in the LGRA (for arts and heritage groups on Council land), to similar arts and heritage groups on private land.
- c) To recognise the value of community organisations in the District by providing rates remission including but not limited to those 'not for profit' organisations which exist primarily for the provision of emergency services, community halls, museums, art galleries, marae, churches and pre-schools.
- d) To support the development of arts and culture in the Waitomo District.
- e) To support the development of sport and physical recreation in the Waitomo District by providing rates remission for private clubs at the same level as those clubs located on and having long term tenure over Council owned land which is non-rateable under Schedule 1, Part 1 (4) of the LGRA.

## 2.2. Conditions and criteria

### 2.2.1 To be eligible for this remission the following criteria must be satisfied:

- a) The land must be used exclusively or principally for sporting, recreation, or community purposes,
- b) Organisations must be 'not for profit' and/or for charitable purposes.

2.2.2 Organisations who exist for private pecuniary profit or engage in recreational, sporting or community services as a secondary purpose are not eligible.

2.2.3 Council retains discretion as to whether to grant a remission in any particular case.

## 2.3. Extent of remissions

2.3.1 Eligible organisations will receive a rates remission of 100% of the assessed Rates INCLUDING service charges EXCEPT for a maximum of one Targeted Rate charge, set for each of water, sewerage and solid waste collection services.

2.3.2 For avoidance of doubt - any rating unit with sewerage pan charges over and above the sewerage base charge will receive 100% remission of the pan charges.

2.3.3 Any eligible rating unit that is within 30 metres of the sewerage network and/or 100 metres from the water network, but is not connected, will have the serviceability rate/s remitted.

2.3.4 Any organisation opting for a private solid waste collection arrangement will not pay the solid waste collection rate and would not receive a collection service.

## 2.4. Applications

2.4.1 Organisations that have not previously received a remission must complete an application form for rates remission. Applications must be received by Council by 30 April.

2.4.2 For organisations that have previously received rates remission, an application form needs to be completed by the organisation every 3 years to confirm that the land-use remains eligible for remissions for the subsequent 3 years. Applications must be received by Council by 30 April, prior to the commencement of the rating year.

2.4.3 A completed application MUST be received before a rates remission can be considered. It is the responsibility of the applicant to notify Council of any change in circumstance in the interim period between applications.

- 2.4.4 Organisations making application should include the following in support of their application:
- a) Statement of objectives
  - b) Full financial accounts
  - c) Information of activities and programmes
  - d) Details of membership
- 2.4.5 Organisations making application should ensure that the application provides sufficient information to demonstrate that:
- a) Their activities benefit or are available to the entire community
  - b) They are currently operative
  - c) They are 'not for profit' and/or for charitable purposes
  - d) The land for which they are seeking remission is exclusively or principally for sporting, recreation, or community purposes.

## **3. Remission for Organisations Providing Care for the Elderly**

### **3.1. Objectives**

- 3.1.1 This remission category provides remission for eligible community based organisations that provide care for the Elderly when they meet the specified conditions and criteria for this category.
- 3.1.2 Council wishes to support community-based organisations that provide much needed facilities and services for the Elderly within the Waitomo District. The intent is to recognise and assist those organisations that provide specialised care for the Elderly who, in the absence of such services, may need to relocate outside of the Waitomo District, away from family and friends.
- 3.1.3 Objectives of this policy are:
- a) To support those organisations that provide facilities and services that care for and enable the Elderly to reside in the Waitomo District.
  - b) To support Council's commitment for Waitomo to be a district which values its older people, promotes their meaningful contribution to the community, and facilitates a positive ageing experience for all.
  - c) To recognise the ageing population of New Zealand and this District, Council aims to facilitate and support the provision of a range of accessible, safe and affordable housing for the elderly.

### **3.2. Conditions and criteria**

- 3.2.1 This remission arrangement is available on application on a 3 yearly basis by qualifying organisations which:
- a) Are charitable organisation(s). Charitable organisations are organisations (incorporated or not) that carry out charitable activities or exist exclusively for charitable purposes. For an organisation's purposes to be charitable its activities or aims must be for public purposes - the benefit must be available to a large part of the community. In addition, it must not be carried on for the benefit or profit of any individual or group; and
  - b) Provide Rest Home level of care to the Elderly. Rest Home level of care is defined as the provision of 'everyday living assistance' to the Elderly who are fully

dependent on other people to assist them with everyday life (e.g. to cook, clean, shower, etc); and/or

- c) Provide Hospital Level Care for the Elderly. Hospital level care is defined as provision of palliative care type facilities, the ability to prescribe medicines as per national health standards and have the requisite number of trained nurses as per national and DHB health standards.

3.2.2 It is the responsibility of the Organisation to notify Council of any change in circumstance in the interim period between applications.

### **3.2.3 Extent of remission**

3.2.4 Organisations that demonstrate compliance with the criteria will receive a rates remission of 100% of assessed rates EXCLUDING service charges set for Water, Sewerage and Solid Waste Collection. Any organisation opting for a private Solid Waste Collection arrangement will not pay the Solid Waste Collection Rate and would not receive a Collection Service.

### **3.3. Piopio Retirement Trust Board**

- a) In recognition of the unique situation that exists with the Piopio Retirement Village and of the invaluable role it plays within the Piopio community, both now and for in the future, an annual rate remission is available as detailed below.
- b) A single pumped tank is located at the low point near the entrance to the Village, including connection to the main sewer.
- c) The Piopio Retirement Village will receive an annual rates remission of nine service charges for Sewerage and 50% of nine service charges for Solid Waste Collection, Solid Waste Management and Water.
- d) Every three years a declaration is required from the Piopio Retirement Village confirming that the status of the Trust has not changed. It is the responsibility of the Trust to advise Council of any change in circumstance in the interim period between declarations.
- e) Council retains the right to review and/or withdraw its support to the Piopio Retirement Village at any time should circumstances change.
- f) The annual remission for the Piopio Retirement Village will form part of Council's total annual rates remission budget and it will be separately funded by way of a Targeted Uniform Annual Charge (TUAC) levied on all rateable units situated within the Piopio Township and the Piopio Wider Benefit Rating Areas.

## **4. Remission of Rates on Māori Freehold Land**

### **4.1. Objectives**

- 4.1.1 This policy is prepared pursuant to Sections 102 and 108 of the LGA and Section 114 of the LGRA. In preparing this policy Council has considered the matters set out in Schedule 11 of the LGA as well as the Preamble, purpose and core principles of the Te Ture Whenua Māori Act 1993.
- 4.1.2 Māori freehold land is defined in the LGRA (Section 5) as land whose beneficial ownership has been determined by the Māori Land Court by freehold order. Māori Freehold Land is liable for rates in the same manner as if it were general land, subject to the provisions of Part 4 of the LGRA.
- 4.1.3 Other than Māori freehold land that may from time to time be exempted by an Order in Council (as provided for in Section 116 LGRA), this policy does not provide for permanent remission or postponement of rates on all other Māori freehold land recognising the potential for changes in circumstance and land use.

4.1.4 The objectives of this policy are to:

- a) Support the use of the land by the owners for traditional purposes
- b) Recognise and support the relationship of Māori and their culture and traditions with their ancestral land
- c) Avoid further alienation of Māori freehold land
- d) Support the owners to develop or convert unproductive and unoccupied land for economic use
- e) Ensure the fair and equitable collection of rates from all sectors of the community, recognising that certain Māori owned lands have particular conditions, features, ownership structures, or other circumstances that make it appropriate to provide relief from rates.

4.1.5 For the purposes of this policy, rates are deemed to include penalties.

## **4.2. Land changed under the Māori Affairs Amendment Act 1967**

4.2.1 The Māori Affairs Amendment Act 1967 introduced compulsory conversion of Māori freehold land with four or fewer owners into general land. There was strong opposition to this Act, which resulted in the legislation being repealed in 1974. Since that time many of the properties have remained general land on the title, however the substance of the land is Māori freehold land and in every practical sense the land changed under the repealed Act should be treated as such.

4.2.2 Accordingly, all land that was changed to general land as part of the Māori Affairs Amendment Act 1967 is considered to be Māori freehold land for the purposes of this remission policy and owners of such land may apply for all 3 categories of remission.

## **4.3. Remission categories**

4.3.1 This policy provides two categories of remission:

Category A: Māori Freehold Land – Unoccupied and Unproductive Land Blocks

Category B: Māori Freehold Land – Economic Use and Development

## **4.4. Māori freehold land register**

4.4.1 Council will maintain a register titled the Māori Freehold Land Rates Remission Register for the purpose of recording the rating units for which rates are remitted pursuant to this Policy. The Register will comprise of two category lists, these being:

Category A: The 'Māori Freehold Land Unoccupied and Unproductive Remissions List', used to achieve objectives detailed in schedule 1

Category B: The 'Māori Freehold Land Economic Use and Development Remissions List' used to achieve objectives detailed in schedule 2

## **4.5. Applications**

4.5.1 Applications for all categories must be made on the prescribed form and must be received by Council prior to the commencement of the rating year and no later than 30 April.

4.5.2 The application must be supported by sufficient supporting information to allow an informed decision to be made in respect of the application, including but not limited to the following:

- a) Evidence that the identified owner, agent of owner or occupier has full control over the property.

- b) A copy of any agreements or licenses to operate on the land.
- c) A description of the intended use of the land, and a statement as to how the objectives defined under this policy will be achieved by the granting of rates remission.
- d) Other documentation that Council may require to make a decision, such as historical, ancestral, cultural, archaeological, geographical or topographical information.

## 4.6. Duration

- 4.6.1 Remission applications approved under Category A (Māori Freehold Land Unoccupied and Unproductive Land Blocks) will receive remission for three years. A reapplication will be required triennially.
- 4.6.2 The duration of remission applications approved under Category B (Economic Use and Development) are detailed in Schedule 2 of this policy.
- 4.6.3 Where a remission of rates is made, the obligation is on the applicant to advise any change of use that might affect the eligibility of the land for any remission.
- 4.6.4 Council will monitor on an ongoing basis the use of any Māori freehold land receiving rate remission under this policy. If the status of the land changes, in that it no longer complies with the criteria, rates will be payable from the following rating year.

**Note** – Council will require that any rates remissions be repaid where the failure to notify Council of a change in circumstance impacts on the eligibility of the land for a rate remission.

## 4.7. Appeals

- 4.7.1 Appeals relating to decisions taken on the eligibility of Māori freehold land for rates remissions will follow the process outlined at the start of this Policy - Delegation to Operate, Application Process and Review of Decisions.

## 4.8. Payment arrangement

- 4.8.1 Where Māori Freehold land is not otherwise eligible for a remission under any section of this policy, Council may negotiate with the landowner to write off all arrears and penalties if current rates are met over a period of 2 years.

## 5. Remission of Penalties

### 5.1. Objectives

- 5.1.1 This remission category outlines the remission of penalties incurred by way of late or non-payment of rates, in accordance with Section 85 of the LGRA. Penalties are incurred for late or non-payment of rates in accordance with the amount set annually in Council's Funding Impact Statement.
- 5.1.2 The objective is to enable Council to act fairly and reasonably in its consideration of overdue rates in certain circumstances.

### 5.2. Conditions and criteria

- 5.2.1 Remissions for late or non-payment of rates will be considered on the following grounds:

Circumstance	Policy and Criteria	Delegation
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Circumstance	Policy and Criteria	Delegation										
Extenuating circumstances	Remission of a penalty incurred on an instalment will be considered in the following circumstances: <ul style="list-style-type: none"> <li>The ratepayer has a good payment history.</li> <li>Extenuating personal circumstances such as family illness, death or other tragedy.</li> <li>In circumstances considered just and equitable.</li> </ul>	Manager - Customer Services or General Manager – Community services										
Approved Payment Arrangement (Includes time to pay arrangements and lump sum arrangements)	Penalties will not be levied where an Approved Payment Arrangement of a minimum amount has been made based on the arrears total as follows: <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr style="background-color: #cccccc;"> <th style="text-align: left;">Arrears total</th> <th style="text-align: left;">Minimum amount</th> </tr> </thead> <tbody> <tr> <td>0 - \$5,000</td> <td>Payment Arrangement of 1.25 times the Annual Rates</td> </tr> <tr> <td>\$5,001 - \$10,000</td> <td>Payment Arrangement of 1.5 times the Annual Rates</td> </tr> <tr> <td>\$10,001 - \$20,000</td> <td>Payment Arrangement of 2 times the Annual Rates</td> </tr> <tr> <td>Over \$20,000</td> <td>A Lump Sum payment is required to bring the balance to less than \$20,000 and then a payment arrangement of 2 times the Annual Rates</td> </tr> </tbody> </table>	Arrears total	Minimum amount	0 - \$5,000	Payment Arrangement of 1.25 times the Annual Rates	\$5,001 - \$10,000	Payment Arrangement of 1.5 times the Annual Rates	\$10,001 - \$20,000	Payment Arrangement of 2 times the Annual Rates	Over \$20,000	A Lump Sum payment is required to bring the balance to less than \$20,000 and then a payment arrangement of 2 times the Annual Rates	Sub-Committee (CEO and General Manager -Business Support)
Arrears total	Minimum amount											
0 - \$5,000	Payment Arrangement of 1.25 times the Annual Rates											
\$5,001 - \$10,000	Payment Arrangement of 1.5 times the Annual Rates											
\$10,001 - \$20,000	Payment Arrangement of 2 times the Annual Rates											
Over \$20,000	A Lump Sum payment is required to bring the balance to less than \$20,000 and then a payment arrangement of 2 times the Annual Rates											
	Current and historic penalties will be remitted where all rates have been paid in full under an approved payment arrangement.  Council will consider remitting penalties that are already levied or yet to be incurred for remissions on a case by case basis.	Sub-Committee (CEO and General Manager - Business Support)										
Penalties associated with remissions	Penalties will not be levied where all or a portion of the rates assessed have been remitted under another part of the policy.	Sub-Committee (CEO and General Manager - Business Support)										

- 5.2.2 Penalties will only be remitted on written application of the ratepayer and provided that no previous penalties have been remitted within the past two rating years. In the case of penalties as a result of Council error, these are considered a correction rather than a remission and therefore fall outside of the remission policy.
- 5.2.3 To be eligible for these remissions, ratepayers must use direct debit payment, unless there are exceptional circumstances preventing this.
- 5.2.4 All penalties remitted shall be recorded in the Penalty Remission Register, where the amount remitted is over \$10 for any individual ratepayer.

## 6. Remission of Rates and/or Penalties Following a Rating Sale or Abandoned Land Sale

### 6.1. Objectives

- 6.1.1 This remission category provides for rates remission of rates arrears and penalties where a rating unit comes under new ownership as the consequence of either a rating sale or lease under sections 67 through to section 76 or sale of abandoned land as per sections 77 through to 83 of the LGRA.

- 6.1.2 The objective of this remission category is to allow for any remaining arrears or penalties following sale of abandoned land, or rating sale or lease, to be remitted so that the new owner begins with a nil balance.

## **6.2. Conditions and criteria**

- 6.2.1 Any debt outstanding on a rating unit after application of proceeds from a rating sale or lease may be remitted following application by Council Staff.
- 6.2.2 Any debt outstanding on a rating unit after application of proceeds from the sale of abandoned land may be remitted following application by Council Staff.
- 6.2.3 Where any rating unit meets the definition of abandoned land as prescribed in section 77(1) of the LGRA and that land is unable to be sold using the authority provided to Council in sections 77-83 of the LGRA, then all rates may be remitted on an annual basis by application of Council staff.

## **7. Remission of Rates for New Residential Subdivisions**

### **7.1. Objectives**

- 7.1.1 This remission category provides for remission of rates to assist the establishment of new residential subdivisions by providing temporary rates relief from UAGCs assessed against individual vacant lots prior to sale. This remission category provides for the remission of UAGCs for the first full year following subdivision for residential use of 3 vacant lots or more. In that situation multiple lots will be treated as one rating unit. Application of remissions for one full rating year following subdivision provides incentive to sell as intended, but recognises that a full year may be required to achieve the developer's aim.
- 7.1.2 Objectives of this policy are:
- a) To provide a one-off remission of rates assessed against land held in separate title and forming part of a new residential subdivision so as to limit the impact of multiple UAGCs in the first year.
  - b) To encourage development within Waitomo District by providing a one off remission to the subdivider or developer of any UAGC assessed against the newly created lot(s).

### **7.2. Conditions and criteria**

- 7.2.1 The remission will be available for land that:
- a) Has been subdivided into 3 or more vacant residential lots where the Titles have been issued; and
  - b) The unsold lots remain in the ownership of the original subdivider/developer and the land has yet to be sold on to subsequent purchasers.

### **7.3. Extent of Remission**

- 7.3.1 A remission will be made for 100% of the UAGC for each unsold vacant residential lot, except one.
- 7.3.2 The remission will only be made for the first full rating year following the creation of the new residential lots following subdivision.

## **8. Remission of Rates for Cases of Financial Hardship**

### **8.1. Objectives**

8.1.1 The objective of this policy is to provide relief for residential ratepayers and 'not for profit' community organisations experiencing extreme financial hardship.

### **8.2. Applications**

8.2.1 Where an application for rates relief due to financial hardship is received, Council may remit all or part of rates relating to a rating unit.

8.2.2 Applications on the grounds of financial hardship are considered only when exceptional financial circumstances exist. Approved remissions are therefore a result of an extraordinary situation and should be recognised as an exception from the ratepayer's legal obligation to pay rates.

8.2.3 An application for remission on the grounds of financial hardship can be lodged in any year that such hardship exists.

8.2.4 Council will consider, on a case by case basis, applications received that meet the criteria detailed in section 8.3 and 8.4 of this policy.

8.2.5 The Chief Executive is delegated authority to decline an application or remit rates, including arrears, of up to \$2,000 in any one case.

8.2.6 The Chief Executive will provide Council with a regular monitoring report on all applications received for a hardship rates remission, and the decisions made.

### **8.3. Residential rating units**

#### **8.3.1 Conditions and criteria**

Council will consider, on a case by case basis, applications received that meet the following criteria:

- a) Preference will be given to rating units used solely for residential purposes (as defined by Council) when consideration is made for rates remission in cases of financial hardship.
- b) A ratepayer making an application must be the registered owner and occupier.
- c) A ratepayer making an application must not own any other rating units or investment properties (whether in the district or in another district).
- d) The ratepayer must supply sufficient evidence, including financial statements, to satisfy the Council that extreme financial hardship exists.
- e) When considering an application, the ratepayer's personal circumstances will be relevant such as age, physical or mental ability, injury, illness and family circumstances.
- f) Before approving an application, Council must be satisfied that the ratepayer is unlikely to have sufficient funds left over, after making the payment of rates, for normal health care, proper provision for maintenance of his or her home and chattels at an adequate standard as well as making provision for normal day to day living expenses.
- g) The applicant must provide sufficient evidence on how they plan to meet their rating commitment going forward.

- h) It is expected that the ratepayer will pay a minimum of the value of the Uniform Annual General Charge per annum towards his/her rates account. However, each case will be considered on its merits.
- i) If the applicant is eligible for a Rates Rebate then such application must be made at the time of applying for rates relief due to financial hardship.

## **8.4. Not for profit community organisations**

### **8.4.1 Conditions and criteria**

Council will consider, on a case by case basis, applications received that meet the following criteria:

- a) The organisation must supply sufficient evidence, including financial statements, to satisfy the Council that extreme financial hardship exists.
- b) The organisation must provide sufficient evidence on how it plans to meet their rating commitment going forward.
- c) An application for remission on the grounds of financial hardship must be lodged annually. The remission is only available for a maximum of two years.
- d) Remission is not available for service charges relating to water, sewerage and solid waste collection.

## **9. Remission of Rates in Cases of Land Affected by Natural Calamity**

### **9.1. Objectives**

The objective of this policy is to assist ratepayers affected by events outside of their control which effects their ability to use any rating unit owned by them that is the consequence of a natural calamity.

### **9.2. Conditions and criteria**

- a) Rates remission is available for properties that have been detrimentally affected by erosion, subsidence, submersion, earthquake or other calamity are considered. Approved remissions are therefore a result of an extraordinary situation and should be recognised as an exception from the ratepayer's legal obligation to pay rates.
- b) Where an application for rates due to land effected by natural calamity is received Council may remit all or part of the rates relating to a rating unit.
- c) The rating unit is unusable or uninhabitable as a result of a natural calamity.
- d) First application must be made by the ratepayer within 3 months of the event. Any remissions granted will apply to the current rating year.
- e) For properties that are unusable or uninhabitable as a result of a calamity, and are able to be restored (but have not yet been restored), remission applications for future years are required annually by 30 April prior to the commencement of the rating year for which remission is sought.
- f) For properties that are unable to be used now or in the future, or where access has been prohibited by WDC, rates remission will be granted for 3 years or until the restriction imposed by WDC has been removed.
- g) All applications must be in writing and supported by documentary evidence as to the extent of the damage.

- h) The amount of the remission is at the discretion of the CEO and will be considered on a case by case basis.
- i) In the event of the rating unit being permanently eroded and where the rating unit now forms part of the coastal marine area, the Council may grant permanent remission of all rates and penalties charged in the financial year in which the event occurred and the years following the event.
- j) In the ratepayers absence, Council staff may apply remissions in their absence on a permanent basis.

## **10. Remission of Rates for New Businesses**

### **10.1. Objectives**

- 10.1.1 To promote employment and economic development within the District by assisting new businesses.

### **10.2. Conditions and criteria**

- a) Rates remission may be granted to a new business where that business supports community development and productivity and provides goods and services within the community.
- b) Remission of rates is available to commercial and/or industrial development that involves the construction, erection or alteration of any building or buildings, fixed plant and machinery, or other works intended to be used for industrial, commercial or administrative purposes.
- c) Residential developments will not qualify for remission.
- d) Remission of rates is available to new businesses or new development established within the past 12 months.
- e) Applications must be made in writing and supported by:
  - i. A description of the development
  - ii. A plan of the development (where possible)
  - iii. An estimate of costs
  - iv. An estimate of the likely number of jobs to be created
- f) In considering applications for the remission under this part of the policy the Council will have regard to the following:
  - i. The development is of importance for the future economic development of the District as demonstrated by the scale, type or nature of the development.
  - ii. The number of new employment opportunities the business/development will create. Generally, development would be expected to create a minimum of one new full time equivalent job.
  - iii. The amount of new capital investment the development/business will bring into the District.
  - iv. For avoidance of doubt a small new business with at least one employee would also be considered eligible.

- v. The business demonstrates a long-term commitment to remain and operate in the District. Property ownership or a long-term lease of the property may be accepted as proof of commitment.
  - vi. The development protects or retains cultural aspects of the district e.g. maintains and protects a heritage building. The development adds improved, new and/or visibly attractive infrastructure or buildings to the District where it would be commercially otherwise unviable to do so.
- g) All applications will be assessed on a case by case basis under the authority of the Chief Executive and are subject to a threshold remission of 50% of rates assessed for a maximum duration of one year. The remission excludes services charges for water, sewerage and solid waste collection services.

## SCHEDULE 1 | WAHANGA 1

### 1. Category A: Māori Freehold Land – Unoccupied and Unproductive Land Blocks

#### 1.1. Objectives

1.1.1. The remission of rates on Māori freehold land pursuant to Section 108 and Schedule 11, LGA 2002, and in recognition of the Preamble and objectives of the Te Ture Whenua Māori Act, recognises that:

- a) There are situations where there is no occupier or person gaining economic or financial benefit from the use of, or habitation on the land.
- b) Some freehold Māori land might be better set-apart from development because of its natural features, significant vegetation and/or habitat, and cultural significance.
- c) Physical access to some Māori freehold land is not available or is not practicable.
- d) Takes into account the presence of waahi tapu that may limit the use of the land for other purposes.
- e) A remission of rates should apply to portions of land not occupied, where part of a block of land is occupied.
- f) Assessing rates against certain Māori freehold land might limit or restrict the development of an economic use of the land.
- g) Council should support the use of the land by owners for traditional purposes and the relationship of Māori and their culture and traditions with their ancestral lands.
- h) Council and the community benefit through the efficient collection of rates that are properly payable and the removal of rating debt that is considered non-collectable.

#### 1.2. Conditions and criteria

In order for a property, or part of a property to qualify for a rates remission under this remission category, it must meet all of the required criteria and at least one of the optional criteria:

##### 1.2.1. Required Criteria

A property must be:

- a) Māori freehold land as defined in the LGRA or land changed to general land under the Māori Affairs Amendment Act 1967; and
- b) Unoccupied and unproductive as defined in the 'Definitions'.

##### 1.2.2. Optional Criteria

1.2.2.1. A property must be/have at least one of the following:

- a) The presence of waahi tapu that may affect the use of the land or other purposes;
- b) Better set aside and protected from use because of its special cultural significance and unique natural features;
- c) Better set aside and protected from use to protect the indigenous flora and fauna located on the land;
- d) A traditional and important food source for Tangata Whenua;

- e) A traditional and important source for cultural, medicinal, symbolic and spiritual needs of Tangata Whenua;
- f) Important tribal landmarks significant to Tangata Whenua;
- g) Important water catchment system to Tangata Whenua for sustaining physical and spiritual values;

#### 1.2.2.2. Accessibility issues due to:

- i. The property being landlocked;
- ii. Access is legally available by paper road or easement but the road does not exist;
- iii. A road ends or passes the property but a river, ravine, cliff or other impediment prevents practical access;
- iv. In a natural and undeveloped state, and will continue to remain in such state;
- v. Prevented from being productive or used due to the size, location, lack of fencing or some other feature.

### **1.3. Dwellings on Māori freehold land**

1.3.1. Where there is one or more dwelling/s on the land, Council may establish and identify separately used or inhabited parts of the rating unit. The separately used or inhabited portion of the rating unit will be defined based on the area occupied, and/or the area unproductive and unoccupied as identified by the owner/s and confirmed by Council.

1.3.2. Rates charged on the separately used or inhabited portion of the property will remain payable.

### **1.4. Beehives on Māori freehold land**

1.4.1. Where there are beehives located on the land for the purposes of harvesting honey, Council may establish and identify separately used or inhabited parts of the rating unit. The separately used or inhabited portion of the rating unit will be defined based on the area in use for the purposes of harvesting honey, and/or the area unproductive and unoccupied as identified by the owner/s and confirmed by Council.

1.4.2. Rates charged on the separately used or inhabited portion of the property will remain payable.

### **1.5. Extent of remissions**

1.5.1. Eligible Māori Freehold Land under Category A will receive 100% of all rates charged except targeted rates set for water supply, sewage disposal and solid waste collection services.

1.5.2. Where a separately used part of the property has been identified (as per section 1.3.1 and 1.3.2 above) the remission will relate to the unoccupied and unproductive portion of the property only. Council's Valuation Service Provider will assess the capital value of the unoccupied and unproductive portion and on this basis, a remission will be processed on all rates charged on the basis of capital value.

### **1.6. Applications on behalf of owners**

1.6.1. Council staff may process applications on behalf of owners of unoccupied and unproductive Māori Freehold Land that satisfies the criteria set out in section 1.2. where after due enquiry the owners of an unoccupied block cannot be found.

- 1.6.2. Decisions on these remissions are to be made directly by the Chief Executive on the recommendation of officers and may include rate remissions for 3 years on qualifying Māori freehold land for current year rates and rates arrears, including penalties.

## SCHEDULE 2 | WAHANGA 2

### 1. Category B: Māori Freehold Land – Economic Use and Development

#### 1.1. Objectives

- 1.1.1. The remission of rates on Māori freehold land pursuant to Section 108 and Schedule 11, LGA 2002, section 114A of the LGRA, and in recognition of the Preamble and the objectives of the Te Ture Whenua Māori Act 1993, recognises that assessing rates against certain Māori Freehold Land might limit or restrict the development of an economic use of the land.
- 1.1.2. The objective for remission under this category is to help facilitate the occupation, development and utilisation of otherwise unoccupied or unproductive Māori freehold land, for the benefits of its owners, their whanau and their hapu, through a progressive stepped application of a full liability for the payment of rates, over an agreed period.

#### 1.2. Conditions and criteria

- 1.2.1. Where there is an intention to make economic use of the land, or a clear intent to progressively develop the economic use of the land over time, Council may enter into a remission of rates arrangement with the Trustees/Owner(s) or Occupier(s) where the Council is satisfied such an arrangement will encourage economic use through development over time.
- 1.2.2. Council must be satisfied that the development is likely to have any or all of the following benefits:
  - a) Benefits to the district by creating new employment opportunities
  - b) Benefits to the district by creating new homes
  - c) Benefits to the Council by increasing the Council's rating base in the long term
  - d) Benefits to the Māori of the district by providing support for Marae in the district
  - e) Benefits to the owners by facilitating the occupation, development, and utilisation of the land.
- 1.2.3. In addition to the information required under section 4.5 of this policy, applicants must also provide:
  - a) A written plan setting out the planned economic use of the land or the planned economic development against a five year timeline prepared by a suitable person holding authority over the land and responsible for the planned use.
  - b) Any other documentation that the Council may require to make an assessment.

#### 1.3. Extent of remissions

- 1.3.1. At Council's discretion during the annual review and/or with negotiations with the land owner/s or trustees, a staged rates requirement will be implemented with the following being taken into account:
  - a) The expected duration of the development or any stage of the development; and
  - b) If the land is being developed for a commercial purpose, when the ratepayer or ratepayers are likely to generate income from the development; and
  - c) If the development involves the building of 1 or more dwellings, when the ratepayer or any other persons are likely to be able to reside in the dwellings.
- 1.3.2. Generally remissions will be applied according to the following schedule, however, each application will be considered on an individual basis:

Year 1	Not less than 20% payable for that year
Year 2	Not less than 40% payable for that year
Year 3	Not less than 60% payable for that year
Year 4	Not less than 80% payable for that year
Year 5	100% payable for that year.

1.3.3 No remission will be granted on Targeted Rates for water supply, sewage disposal, and solid waste collection services.

1.3.4 Where an approved remission under Category B is in place, any arrears may be remitted if current and future rates are met over a period of 2 years.

**Document No:** A614869

**Report To:** Council



**Meeting Date:** 31 May 2022

**Subject:** **Progress Report: King Country Indoor Sport and Recreation Centre**

**Type:** Information Only

## Purpose of Report

- 1.1 The purpose of this business paper is to provide a progress report on the King Country Indoor Sport and Recreation Centre (KCISRC) project.

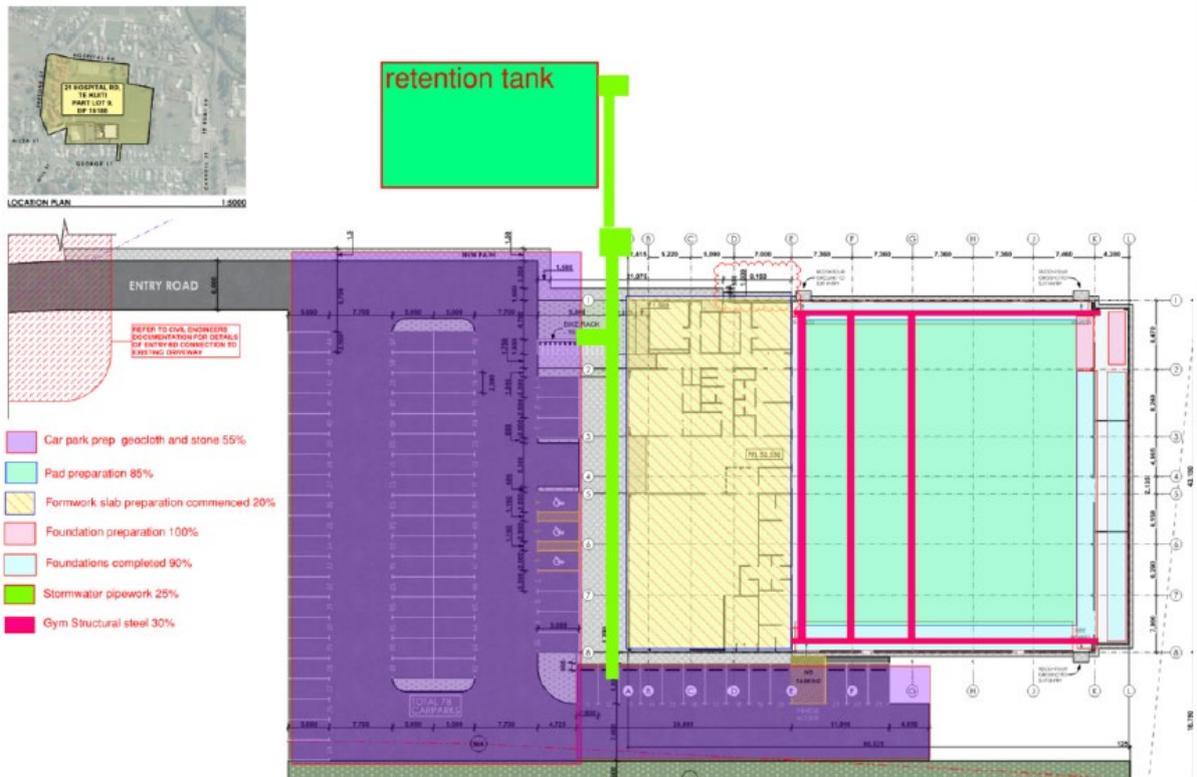
## Background

- 2.1 The contract for the design and build of the KCISRC was awarded to Apollo Projects Limited on 14 October 2021 and commenced on 15 October 2021.
- 2.2 The overall contract build phase has a duration of approximately 14 months with completion due by 19 December 2022.
- 2.3 The total cost of the design/build phase is approximately \$8M. On top of that are additional fit-out costs, giving a total project cost of \$9.05M.
- 2.4 On completion, ownership of the new stadium will be shared between the Ministry of Education, Te Kuiti High School Board of Trustees, and Waitomo District Council in the ratios of 24.7%, 10.3%, and 65% respectively.

## Commentary

- 3.1 **PROJECT BUILD**
- 3.2 Final design and issue of building consent was completed by the end of February 2022.
- 3.3 The resource consent for the project was obtained.
- 3.4 Frequency NZ was appointed as the project manager and engineer to the contract due to MoE's requirement for impartiality around these key contract roles.
- 3.5 Installation of power cabling and transformer to the Stadium site was completed and livened.
- 3.6 A "turning of the first sod" ceremony was held on 9 February 2022, following which site establishment and earthworks commenced. The project moved from design to build, with heightened visibility.
- 3.7 The build phase is tracking to programme apart from the supply date for some building materials. The current one week delay to the overall programme is not on the critical path and is expected to be made up with time savings on other construction items. Progress status as at 20 May 2022 is as illustrated below:

Progress map



3.8 The carpark sub-base construction is well advanced with placement and shaping of basecourse to finish levels underway. Installation of steel framing to the gymnasium area is well underway and formwork to perimeter of amenities area is progressing.



3.9 Additional to the final design for consenting purposes was MoE's staged design envelope approval process. A number of items were identified for possible inclusion in the final design, mainly in respect of building water tightness. Inclusion of the value-added requirements has triggered relatively modest variations to the contract.

- 3.10 Other variations pending relate to additional geotechnical requirements at a number of the building foundation pads. An independent assessment of the claim by a quantity surveyor is to be completed. The Development Agreement sets out the process for dealing with the funding of variations.
- 3.11 Project fit-out items have been the subject of discussions with Te Kuiti High School and Game-On Charitable Trust representatives, assisted by Sport Waikato, to improve understanding of scope and budget provision. Items that overlap with the construction stage have been taken up with the Apollo design team to ensure appropriate integration is in place.
- 3.12 A Kairuruki (Coordinator) has been appointed by a group of stakeholders led by Ngati Rora and including Mayor Robertson on behalf of WDC. The purpose of the role is to:
- Facilitate hui with mana whenua to appropriately name the stadium.
  - Provide opportunities to showcase our past and/or our future through localised artwork and design with a Māori narrative.
  - Provide opportunities to involve rangatahi in the project.
  - Engagement with artists.
  - Development and implementation of the plan and vision.
- 3.13 Once the plan has been prepared and costed there will be a need for additional funding to implement the proposed cultural artwork including signage for naming of the building. The current budget of \$30,000 for cultural identity features will be used to fund the project coordination costs but will not be sufficient for the implementation phase. Discussions on possible opportunities for funding have been taken up with the Board of Trustees.
- 3.14 **RISK MANAGEMENT**
- 3.15 The project Risk Register has been formatted to align with the project delivery programme and reviewed on a routine basis through an internal Project Control Group chaired by General Manager – Community Services. Risk controls and treatments are updated as part of the review process. Current risk management measures have been met, as appropriate.
- 3.16 **FUNDING AND FINANCIAL MANAGEMENT**
- 3.17 All construction related funding has either been approved or novated to Council. Game on Charitable Trust has \$75,000 of general fundraising to be raised. This will be put towards fit out costs.
- 3.18 Council has received to date \$1,973,987 of the budgeted \$7,062,432 external funding. The first installment of the Crown Infrastructure Partners funding of \$542,801 is now available and a claim is being prepared for lodgment. Installment two of \$1 million from Lotteries Major Projects is scheduled for payment in June.
- 3.19 Total capital expenditure of \$3,038,866 has been expended to date.
- 3.20 Contracts let are tabled below:

Contract	Original Value	Variations	Total
Apollo	7,905,921		<b>7,824,279</b>
Less WW Pumping Station		-87,205	
Plus, Adjustable junior backboard		5,563	
Lines Company	87,748		87,748
Frequency NZ (Project management)	146,860		146,860
<b>TOTAL</b>			<b>8,058,887</b>

3.21 **COMMUNICATIONS PLAN**

3.22 The Joint Communications Plan has been finalised and a dedicated WDC web page developed. The web page is being updated throughout the Stadium build phase, keeping the community informed of progress.

3.23 **PROJECT CONTROL GROUP (PCG)**

3.24 In accordance with the Development Agreement, a PCG is required to be formed comprising representatives of the Te Kuiti High School Principal (and logically a representative of the Board of Trustees), Ministry of Education, the Contractor, the Engineer (Frequency NZ) and WDC. Organising, reporting to, and chairing the PCG is the responsibility of the Engineer. The purpose of the PCG is to monitor progress against project timetable and budget and to address matters of mutual interest.

3.25 The PCG meets on a monthly basis, with Council's representatives on the PCG being the Mayor, and the Client Representative.

<b>Suggested Resolution</b>
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The business paper updating progress on the build phase of the King Country Indoor Sport and Recreation Centre be received.



HELEN BEEVER  
**GENERAL MANAGER – COMMUNITY SERVICES**

24 May 2022

**Document No:** A614292

**Report To:** Council



**Meeting Date:** 31 May 2022

**Subject:** Progress Report: Cyclone Dovi Road Reinstatement – May 2022

**Type:** Information Only

## Purpose of Report

- 1.1 The purpose of this business paper is to provide Council with update(s) on the progress of the Cyclone Dovi roading reinstatement works.

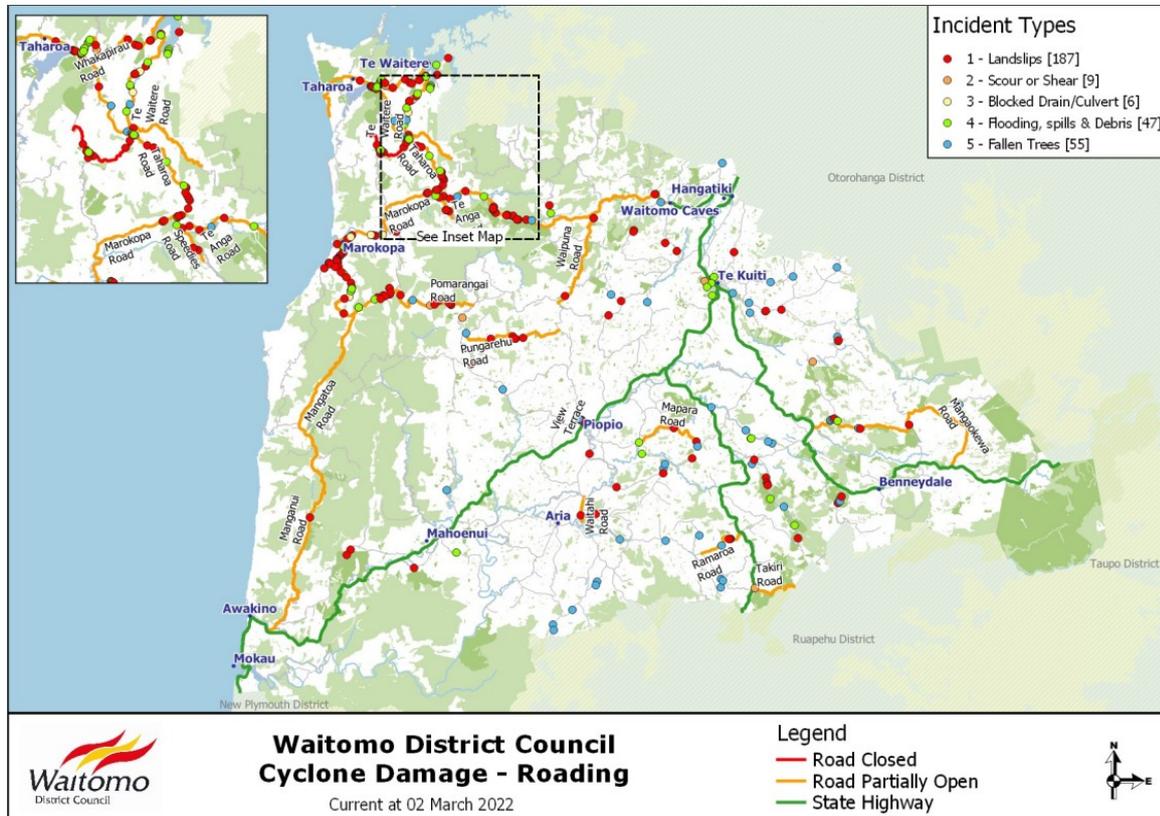
## Background

- 2.1 General information regarding the Cyclone and summary of the damage caused by the wind and rain events to Waitomo District Council's (WDC) infrastructure was presented in the 29 March 2022 Cyclone Dovi – Infrastructure Damage business paper (A606952).
- 2.2 This paper is focused on the roading network, specifically progress on reinstatement works.
- 2.3 As a result of the storm, the district road networks were impacted by significant flooding and slips (circa 300 individual sites) ranging from over and under slips, flooding, large trees down and debris.
- 2.4 The response to an event of this nature is generally completed in three primary phases:
  1. **Phase one "Incident Response"** consists of incident response and reconnecting communities that were impacted by the event. In addition, this includes clearing road and drainage assets, clearing of other slip material and debris. This phase was completed at the end of April and estimated to cost approximately \$500K.
  2. **Phase two "Identification, Investigation and minor works"** consists of making assessments based on site visits by contractors, professional engineers and council members to assess the impact and applying for funding through the respective channels, i.e. Waka Kotahi's emergency works. Geotechnical engineers make assessments on risk and propose solutions for the sites which pose a risk from a geological perspective. In addition to the longer-term structures and works, additional effort is required by maintenance contractors to reinstate the network to a safe and reliable condition.
  3. **Phase three "Design, Procure, Construct"** consists of designing, procuring, and building the hard structures (retaining walls etc.). This phase spans over a longer period and in the case of this event, up to 2 years and potentially longer. Detailed investigations will be carried out by geotechnical engineers and consist of boring, coring, Cone Penetration Testing (CPT) and other tests to ensure the physical structures are built to withstand another such event and the on-going loading from traffic. Based on initial estimates, it is expected this phase will cost in the order of \$10-15M.

**Commentary**

3.1 **SITE OVERVIEW**

3.2 A total of 304 sites were identified as having storm related damage. Of these, 244 sites were able to be fixed during the immediate reinstatement phase and did not require any additional work.



**Figure 1: Overview of sites**

3.3 Of the remaining 60 sites, the top 20 and subsequently top six sites were identified. These were prioritised based on the size, location, impact on the road and traffic.

3.4 All sites have been categorised into four categories:

- Category A – Basic, small scale, no/minimal testing, limited works
- Category B – Basic, small scale, routine geotechnical assessment likely required, most likely standard solution(s)
- Category C – Complex, medium-large scale, geotechnical assessment required, bespoke design required
- Category D – Complex, large-scale site with no clear solution. Requires assessment and optioneering. Possibility of no clear solution.

- 3.5 The top 20 sites, in order of priority are listed in Table 1. Sites ranked 7-20 are subject to change as more information is gathered.

Road	Fault	Start	Top 20 (1-20)
TAUMATATOTARA WEST RD	Slip - Underslip	4280	1
VIEW TCE	Slip - Underslip	20	2
MANGATOA RD	Slip - Underslip	3210	3
MANGATOA RD	Slip - Underslip	2460	4
MANGATOA RD	Slip - Underslip	2490	5
MANGATOA RD	Slip - Underslip	3030	6
KOPAKI RD	Slip - Underslip	6040	7
FULLERTON RD	Slip - Underslip	3150	8
TAHAROA RD	Slip - Underslip	6670	9
TAHAROA RD	Slip - Underslip	7120	10
OPASURE RD	Slip - Underslip	12930	11
TAUMATATOTARA WEST RD	Slip - Underslip	1400	12
MANGAOTAKI RD	Slip - Underslip	2538	13
TE ANGA RD	Slip - Underslip	23040	13
WHAKAPIRAU RD	Slip - Underslip	1620	14
VIEW TCE	Slip - Underslip	120	15
WAIMIHA RD	Slip - Underslip	1760	16
POMARANGAI RD	Slip - Underslip	17530	17
TAUMATATOTARA EAST RD	Slip - Underslip	450	18
MANGATOA RD	Slip - Underslip	2299	19
PUNGAREHU RD	Slip - Underslip	8650	20

**Table 1: Top 20 sites in order of priority**

- 3.6 Weekly monitoring of the top 20 sites have begun as we are expecting some of these sites will experience additional slippage due to the rainy season. Bunds have been formed at certain sites to divert water away from the slip face. Options to cover the slip face are being considered and have to be balanced with the risk of poly sheeting being blown away creating further hazards. Installing sheets on the face of unstable ground has been challenging.

### **3.7 PROGRESS – TOP SIX SITES**

- 3.8 Geotechnical testing for the top six sites has now been completed with the exception of Taumatotara West Road.
- 3.9 Taumatotara West Road has been deemed a critical risk to public safety and is closed. Measures are currently being pursued to fully block passage through the slip site. Geotechnical Investigations on Taumatotara West were due to commence on 23 May 2022 but will no longer take place as the site is deemed too high risk. Temporary access has been upgraded/constructed with the entrance to the access on Coutts Road.
- 3.10 The recent wet weather has slightly delayed some of the progress and the programme is currently being revised. Overall, construction at some of the top six sites is expected to commence in November 2022.



**Photo 1 - Taumatotara West Road underslip remobilised after recent rain**



**Photo 2 – Latest drone imagery of Taumatotara West slip (taken 19/05/22)**

- 3.11 Geotechnical design has started on Kopaki Road and View Terrace. Preliminary options are currently being assessed.
- 3.12 View Terrace has started receding and is continuing to slip and affect the road width. Preliminary measures will be put in place to mitigate the slip receding further. These measures include diverting stormwater using bunds.



**Photo 3 - View Terrace before rain and after**

**3.13 PROGRESS – OTHER SITES**

3.14 Some Category A sites have been assessed and are currently being scoped and priced. The number of sites and their categories are shown in Table 2 below.

Category	No of Sites
CAT_A	35
CAT_B	14
CAT_C	10
CAT_D	1
N/A	244

**Table 2: Number of sites and category allocation**

**3.15 FUNDING**

3.16 Waka Kotahi has approved the joint funding of \$703,000.00 for the initial response and clean up costs and have approved 'in principal' options reporting and investigation for the top 6 sites.

3.17 Finalised costs for the initial investigation and options reporting for the top six sites were presented to Waka Kotahi for approval. On 23 May 2022, Waka Kotahi approved \$322,000 for this stage.

3.18 Waka Kotahi fund 75% of all works associated with the storm event up to approximately \$1,100,000.00, at which point the funding limits change to cover 95% of the associated costs.

**Suggested Resolution**

The Progress Report - Cyclone Dovi Road Reinstatement is received.

SHYAMAL RAM  
**GENERAL MANAGER – INFRASTRUCTURE SERVICES**

23 May 2022

<b>Document No:</b> A615066	
<b>Report To:</b> Council	
	<b>Meeting Date:</b> 31 May 2022 <b>Subject:</b> <b>Motion to Exclude the Public for the Consideration of Council Business</b> <b>Type:</b> Decision Required

## Purpose

1.1 The purpose of this business paper is to enable Council to consider whether or not the public should be excluded from the consideration of Council business.

Note: It is Council's choice whether to consider any of the items listed below in the public or public excluded portion of the meeting.

## Commentary

2.1 Section 48 of the Local Government Official Information and Meetings Act 1987 gives the right, by resolution, to exclude the public from the whole or any part of the proceedings of any meeting, only on one or more of the grounds contained within that Section.

## Suggested Resolutions

- 1 The public be excluded from the following part of the proceedings of this meeting.
- 2 The general subject of each matter to be considered while the public is excluded and the reason for passing this resolution in relation to each matter, as specified by Section 48(1) of the Local Government Official Information and Meetings Act 1987 are as follows:

General Subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Section 48(1) grounds for the passing of this resolution
1. Annual Report and Summary Annual Report 2021/22 – Audit Engagement, Plan and Timeline	Section 7(2)(c)(i) – To enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	Section 48(1)(a)(1)
2. Taumatotara Wind Farm Limited (RM190041 and 200019) - Objection to Recovery of Costs for Resource Consent	Section 7(2)(g) – To maintain legal professional privilege;	Section 48(1)(a)(1)
3. Proposal to Dispose of Council Properties for Housing Development	Section 7(2)(c)(h) – To enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities;	Section 48(1)(a)(1)

General Subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Section 48(1) grounds for the passing of this resolution
4. Procurement of Contract 500/21/068- 3 Waters Reticulation Maintenance	Section 7(2)(c)(i) – To enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	Section 48(1)(a)(1)
5. Procurement of Contract 500/22/001 Waitomo District Landfill Operations	Section 7(2)(c)(i) – To enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	Section 48(1)(a)(1)
6. Proposed District Plan: Flood Hazard Management – Landowner Engagement	Section 7(2)(c)(i) – To enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	Section 48(1)(a)(1)

- 3 Council agree the following staff, having relevant knowledge to assist in the consideration of the items of business to be public excluded, remain in attendance to assist the Committee with its decision making:

Staff Member	Reason for Remaining in Attendance
Chief Executive	Council CEO
Manager – Governance Support	Committee Secretary
General Manager – Business Support	Portfolio Holder
General Manager – Strategy and Environment	Portfolio Holder
General Manager – Infrastructure Services	Portfolio Holder

- 4 This resolution is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in the public.



MICHELLE HIGGIE  
**MANAGER – GOVERNANCE SUPPORT**