Kaunihera | Council

Kaupapataka Wātea | Open Agenda

Notice is hereby given that an ordinary meeting of Matamata-Piako District Council will be held on:

Date: **Wednesday 8 July 2020**
Time: **9am**
Venue: **Te Aroha Council Chambers,**
35 Kenrick Street, Te Aroha

Membership

Mayor
Ash Tanner, JP (Chair)

Deputy Mayor
Neil Goodger

District Councillors
Donna Arnold
Caitlin Casey
Teena Cornes
Bruce Dewhurst
James Sainsbury
Russell Smith
Kevin Tappin
James Thomas
Sue Whiting
Adrienne Wilcock

Phone: 07-884-0060
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1 Whakatūwheratanga o te hui | Meeting Opening

2 Apologies/Leave of Absence

At the close of the agenda no apologies had been received.

3 Notification of Urgent/Additional Business

Section 46A(7) of the Local Government Official Information and Meetings Act 1987 (as amended) states:

"An item that is not on the agenda for a meeting may be dealt with at that meeting if-

(a) The local authority by resolution so decides; and

(b) The presiding member explains at the meeting, at a time when it is open to the public,-

  (i) The reason why the item is not on the agenda; and

  (ii) The reason why the discussion of the item cannot be delayed until a subsequent meeting."

Section 46A(7A) of the Local Government Official Information and Meetings Act 1987 (as amended) states:

"Where an item is not on the agenda for a meeting,-

(a) That item may be discussed at that meeting if-

  (i) That item is a minor matter relating to the general business of the local authority; and

  (ii) the presiding member explains at the beginning of the meeting, at a time when it is open to the public, that the item will be discussed at the meeting; but

  (iii) no resolution, decision or recommendation may be made in respect of that item except to refer that item to a subsequent meeting of the local authority for further discussion."

4 Whākī pānga | Declaration of Interest

Members are reminded of their obligation to declare any conflicts of interest they might have in respect of the items on this Agenda.

5 Whakaaetanga mēneti | Confirmation of Minutes

Minutes, as circulated, of the Ordinary Meeting of Matamata-Piako District Council, held on 24 June 2020

6 Public Forum

Covid Recovery Fund

RM No.: 2300829

Rāpopotonga Matua | Executive Summary

At the Council meeting 27 May Council made the following resolution;

> *Council approve the designation of up to $2M from reserve funds as COVID-19 Response Fund for use in one-off, fixed term investments which may include:*
> - *Expanding Council's capacity to complete capital projects such as project*
> - *managers and support;*
> - *Engaging fixed term staff to move forward on the Council's digital strategy;*
> - *Cultural and socio economic relief for our community as a result of the COVID-19 pandemic.*

One of the initiatives proposed to provide cultural and socio-economic relief for our community is a COVID Recovery Fund for Events and Community Groups.

The purpose of this report is to seek a Council decision on the criteria and delegations for the COVID recovery funding for these purposes.

The report also provides some options for how Council can support other community organisations and businesses affected by COVID.

Tūtohunga | Recommendation

That:

1. **The information is received.**

2. **All funding allocations resolved below are one off budgets for 2020/21 from the COVID Recovery Fund;**

3. **All funding allocations are be monitored and reported back to Council on a regular basis;**

4. **Council approves the attached policy, a one off allocation from the COVID Recovery Fund of an initial budget of $60,000 and delegates decisions to allocate funding to Councillors on the recovery working party; and**

5. **Council approves a one off allocation from the COVID Recovery Fund of an initial increase of $20,000 to the already established events grant policy budget; and**

6. **Council approves a one off allocation from the COVID Recovery Fund of $40,000 for a Community COVID Relief Grant and delegates decisions to allocate funding to Councillors on the recovery working party – provided that applicants meet the criteria in the Community Ward Grant Policy and can demonstrate material adverse impacts from the COVID pandemic;**

7. **Council approves a one off allocation from the COVID Recovery Fund of an additional $10,000 in the 2020/21 financial year to the Mayoral Fund budget, bringing the Mayoral fund to $20,000 for the 2020/21 Financial year;**

8. **Council seeks further information from Sport Waikato before a decision is made on further funding (if any) for sports groups;**

9. **Any applications for funding for events apply via the events funding framework and any other proposals that come forward are considered as part of the ward grants framework.**

10. **Business and Public Relations associations/chambers – each organisation is considered on a case by case basis, and staff given delegation to re-negotiate the service level agreement if required.**

11. **General Business support – Council seeks further information from Te Waka before a decision is made on further funding (if any) for business support.**

Horopaki | Background

New Zealand went into lockdown Level 4 on 27 March 2020, and remained closed for 5 weeks before gradually opening up the economy and community with Level 1 entered 8 June. During the lockdown and subsequent alert levels, restrictions on trading and gatherings have been in place. This has resulted in many organisations and businesses experiencing a financial downturn. While the Government has announced various support and economic stimulus packages, Council recognises its role to support its local community and at its meeting 27 May made the following resolution;

Council approve the designation of up to $2M from reserve funds as COVID-19 Response Fund for use in one-off, fixed term investments which may include:

- *Expanding Council's capacity to complete capital projects such as project*
- *managers and support;*
- *Engaging fixed term staff to move forward on the Council's digital strategy;*
- *Cultural and socio economic relief for our community as a result of the COVID-19 pandemic.*

How this $2m fund should be allocated in the 2020/21 financial year was topic of discussion at an initial workshop with Council 10 June. At that workshop Council indicated that it would like to allocate up to $500,000 towards community assistance funding.

There are several aspects to community assistance funding;

- Existing Events
- New Events
- Creative/arts Community
- Sports groups
- Community and Social groups
- Business Associations
- Individual businesses

This report provides some recommended eligibility criteria and process for Events, and provides some options for how Council may support other areas of the community.

Ngā Take | Issues / Kōrerorero | Discussion

Existing Events needing COVID related support

Due to the various levels of restrictions on gatherings during the lockdown and the different alert levels, and the uncertainty about when alert levels would be lifted, many community events have been cancelled or postponed due to the COVID pandemic. In addition, most community events also rely on funding sources that have either dried up or diminished as a result of the financial down turn (such as corporate sponsorship, funding from pub trusts or other charities trust). Community events support the community wellbeings of our district by bringing people together, fostering cultural/social cohesion and bringing people into town for much needed economic support for our local businesses and cafes. Council has indicated that it wishes to support community events to ensure they can be delivered this year.

A draft Policy and Application form is attached for existing event support for Council's consideration. Key questions for Council are

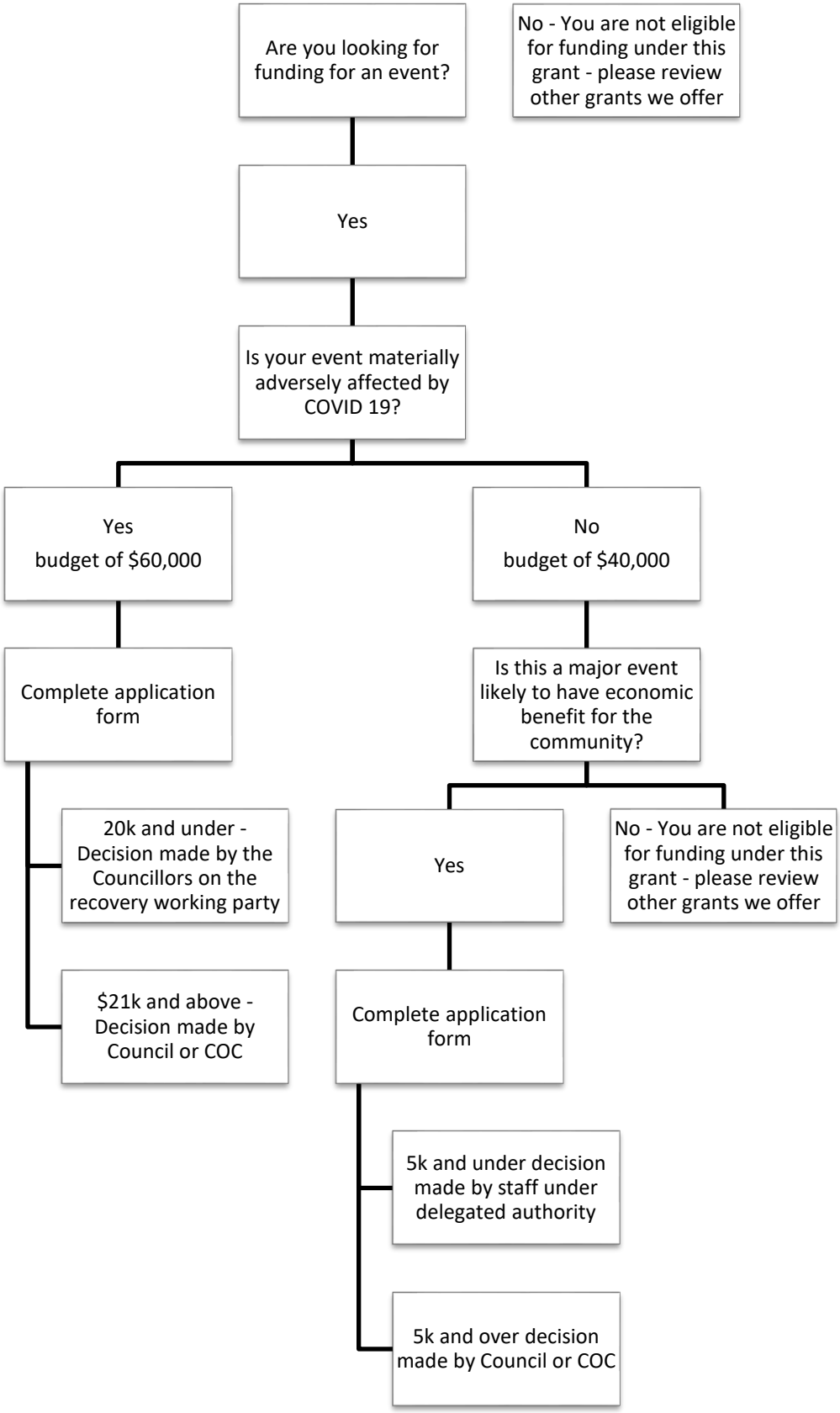
- Whether an initial budget of $60,000 is appropriate (this could be reviewed by Council should there be a high demand for funding)
- The maximum funding available (if any) per event?
- Delegated authority to make decisions on applications

Other Events

Council currently has an Events Funding Policy for events that will have a beneficial impact on our communities (attached). The annual budget for this fund is $20,000 for 2020/21 financial year. It is suggested that in response to COVID, Council considers increasing the budget for this fund to further encourage community events that bring social, cultural and economic benefits to our towns and people.

Key questions for Council are

- Whether an initial increase of $20,000 (additional funding to make the total budget $40,000) is appropriate
- Whether any additional considerations should be added to the policy
- Maximum funding available (if any) per event?
- Delegated authority to make decisions on applications



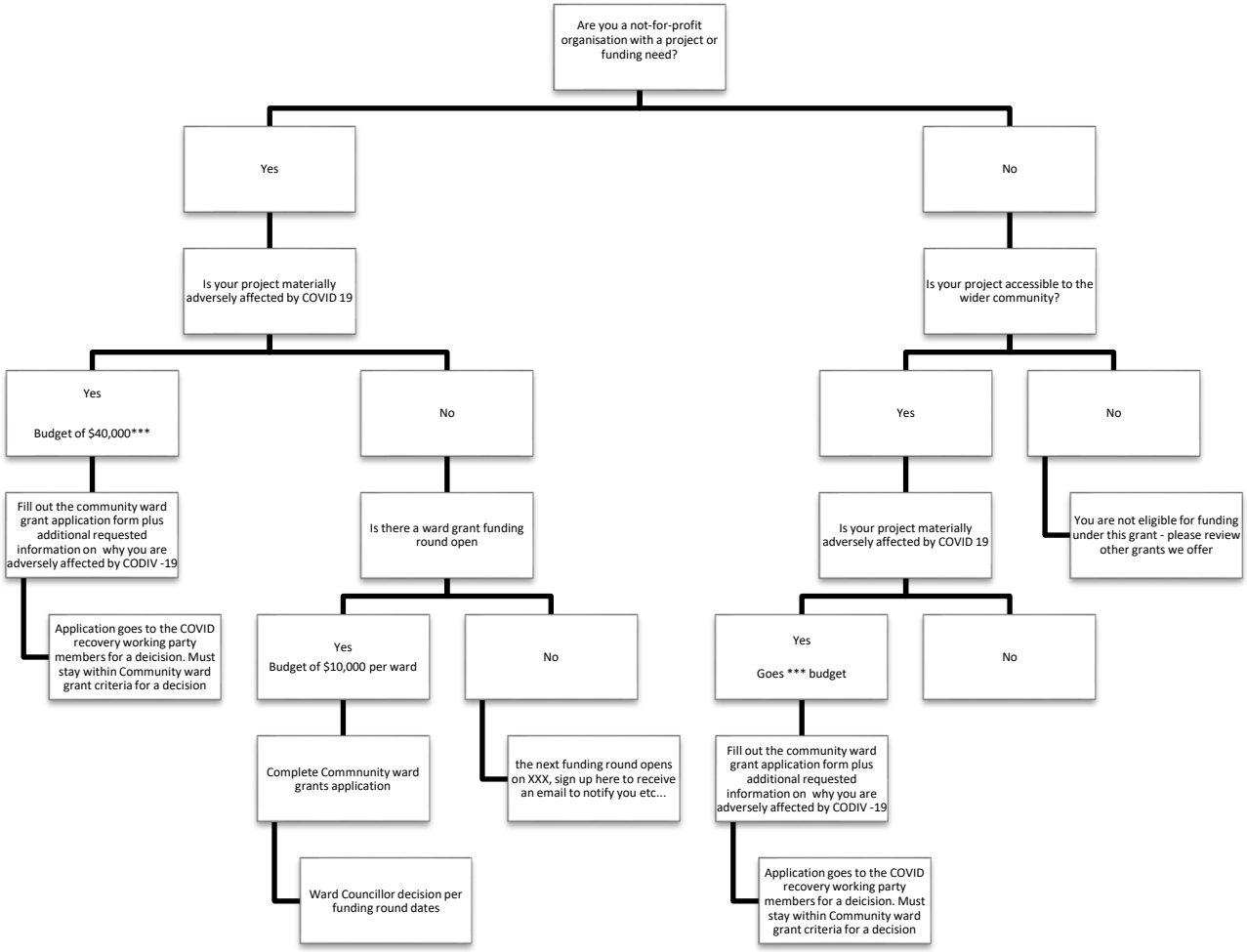
Community Groups

Matamata-Piako district has many community groups supporting our people's social and cultural wellbeing. Many of these groups will also experience financial hardship and struggle to access

their usual funding sources, and may also be experiencing increasing demand (food banks, budgeting services, social services). It is suggested that Council allocate a budget for the Community COVID Relief Grant for 2020/21 (as a one –off) to enable Council to better respond to the expected increase in demand if the group can demonstrate hardship as a result of COVID. This would be in addition to the community ward grants, which have two funding rounds per year.

Key questions for Council are

- Whether a budget of $40,000 is appropriate
- Whether any additional considerations should be added to the policy
- Maximum funding available (if any) per application
- Delegated authority to make decisions on applications



<u>Mayoral Fund</u>

The Mayoral Fund is a discretionary fund of $10,000 allocated to the Mayor to use in response to requests from the community, and other small costs associated with hosting people at informal meetings. Amounts given are usually relatively low.

Key questions for Council are:

- Whether a one off increase to this budget of an additional $10,000 should be made to allow the Mayor to respond to any increased community requests as a result of COVID.

Sporting groups

Many sporting groups may be adversely impacted by COVID and the subsequent lockdown and gathering restrictions. Sport NZ has been allocated additional funding towards supporting sporting groups. Sport Waikato is administering this fund on behalf of Sport NZ. Sport Waikato has also undertaken work to understand the needs of sport in our region.

The Sports Community Resilience Fund aims to deliver immediate funding to help regional and local organisations remain financially viable through the immediate period of disruption created by COVID. Clubs can apply for $1,000 in support. Regional Sports Organisations can apply for up to $40,000.

The fund is not intended for organisations that already receive investment directly from Sport NZ, but for the regional and local organisations that form their networks. This Fund is for organisations that are already materially negatively impacted by COVID restrictions and/or will be materially negatively impacted by COVID restrictions for the period April to June 2020. This means that:

- the organisation cannot pay bills for fixed administration costs (excluding wages) in the three months from 1 April to 30 June 2020
- even after accessing reserves and receiving other support from the national body, the Government and others as a result of lost income or income that is likely to be delayed by more than six months, because of impacts of COVID restrictions.

Sport Waikato is currently contracted through a Service level Agreement to deliver services to our community. Current funding in the Annual Plan for this is approximately $75,000. In initial discussions with Sport Waikato have indicated that as an organisation they are sustainable, and they are have been working on understanding the impact of COVID on the sporting community.

It is recommended that Council continues these discussions with Sport Waikato, and that staff report back to Council with further information on what financial assistance (if any) is needed from Council for sporting groups in our community.

Alternatively Council could

- allocate funding now for distribution in line with the Sport Fund criteria but to those community sports organisations that Sport Waikato advise would immediately benefit from top up funding; and/or
- support local community and sports groups through a discounted rate or waiver of the fees for their rent/hire of Council facilities for a certain period of time. To date Council has been approached by three organisations seeking rent relief. Further work is required to establish the total need and cost of this initiative.

Creative/arts sector

Creative New Zealand has implemented a number of measures to provide immediate relief to the arts and cultural sector, including a $29 million first phase Emergency Response Package; a national Thankful for Art campaign to increase New Zealanders' understanding of the value of the arts; and ongoing, regular contact with artists and arts organisations across Aotearoa to provide advice, guidance and support.

Council currently provides a grant to the Wallace Art Gallery, and administers Creative NZ funding grants on its behalf. At this stage there is no specific proposal to provide more funding to the creative/arts sector. It is proposed that any events apply via the proposed events funding and any other proposals that come forward are considered as part of the ward grants framework.

Business associations/organisations
There are three business associations/organisations within the District; Matamata PRA, Morrinsville Chamber of Commerce and Te Aroha Business Association. Matamata and Morrinsville are contracted by Council (through Service Level Agreements) to run the i-Sites in their town, and provide other services specific to their town. Due to the lack of visitors to towns, the all i-Sites have seen a significant drop in income. The needs of each business association will be unique, and it is recommended that Council considers each on a case by case basis, and give staff delegation to re-negotiate the service level agreement if required.

Individual businesses
With spending down in most sectors, many businesses are doing it hard at the moment. Te Waka is the regional economic development agency. They are partly funded by the councils in the region, and partly by central government to provide business support services. One option to provide support for businesses would be to have a conversation with Te Waka around whether they would have capacity to deliver additional services to our local businesses (this could include support for administering a business support grant on our behalf).

It is recommended that Council discuss any further support/needs with Te Waka, and that staff report back to Council with further information on what financial assistance (if any) is needed from Council for business recovery in our community.

General
It is acknowledged that some of the effects of COVID has yet to play out, with an increase to unemployment expected to continue to increase over coming months as the wage subsidy ends. It may be prudent to leave some of the funding available to respond to future needs not yet known.

Mōrearea | Risk

If Council does not adopt a set of eligibility criteria and policy for how to assess applications for this fund, there is a risk of perceived favouritism when decision are made on a case by case basis.

Ngā Whiringa | Options
Council is asked to consider the Draft Policy, and either adopt as presented or approve subject to changes.

Ngā taka ā-ture, ā-Kaupapahere hoki | Legal and policy considerations
This report seeks to adopt a new Policy.

Ngā Pāpāhonga me ngā Wātaka | Communications and timeframes
If the Policy is adopted at the time of the meeting, advertisement for the funding will be submitted to the Te Aroha News, Morrinsville News and the Scene for publication during the week of 13 July. Advertisement will also be put out on our social media channels, eNewsletters, and Antenno.

Ngā take ā-Ihinga | Consent issues

There are no consent issues.

Te Tākoha ki ngā Hua mō te Hapori me te here ki te whakakitenga o te Kaunihera | Contribution to Community Outcomes and consistency with Council Vision

Theme: Economic Opportunities
Community Outcome: We are a business friendly district.

Theme: Healthy Communities
Community Outcome: Our community is safe, healthy and connected.

Theme: Vibrant, Cultural Communities
Community Outcome: We promote and protect our arts, culture, historic, and natural resources.

Pānga ki te pūtea, me te puna pūtea | Financial Cost and Funding Source

The COVID Recovery Fund – Events would be funded from the $2 million COVID Response Fund established from Reserves by resolution of Council 27 May 2020.

Council is asked to set a budget for the COVID Recovery Fund – Events.

Ngā Tāpiritanga | Attachments

A⇩. FINAL District events funding policy - approved by Council, 9 May 2018

B⇩. Draft COVID Impacted Events Support Policy

Ngā waitohu | Signatories

Author(s)	Ann-Jorun Hunter **Policy Planner**	

Approved by	Michelle Staines-Hawthorne **Corporate Strategy Manager**	
	Don McLeod **Chief Executive Officer**	

Department	Communications
Policy Type	External
RM Reference	2091882
Resolution Date	9 May 2018
Review Frequency	Three years
Review Date	June 2020
Policy Supersedes	n/a

District Events Funding Policy

Background
Council provides funding to support event organisers to off-set costs associated with running major events. The budget for this fund is set each year through the Annual Plan / Long Term Plan process. This Policy sets out the Council's process for receiving and assessing applications for the District Events Fund.

Objectives
The objectives of this policy are to ensure the distribution of funding:

- occurs in a consistent, efficient, effective manner
- is transparent, fair and accountable
- is consistent with the purpose of Local Government - *to enable local decision-making and action by, and on behalf of, communities; and to meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses.*

Community Outcomes
Council's vision for the district is for Matamata-Piako to be 'The Place of Choice.' Council recognises the role of events in supporting this vision.

Matamata-Piako – The Place of Choice Lifestyle. Opportunities. Home.				
Enabling…				
Connected Infrastructure	**Economic Opportunities**	**Healthy Communities**	**Environmental Sustainability**	**Vibrant Cultural Values**
Infrastructure and services are fit for purpose and affordable, now and in the future.	We are a business friendly Council.	Our community is safe, healthy and connected.	We support environmentally friendly practices and technologies.	We promote and protect our arts, culture, historic, and natural resources.
Quality infrastructure is provided to support community wellbeing.	Our future planning enables sustainable growth in our district	We encourage the use and development of our facilities.	Development occurs in a sustainable and respectful manner considering kawa/protocol and tikanga/customs.	We value and encourage strong relationships with iwi and other cultures, recognising wahi tapu and taonga/significant and treasured sites and whakapapa/ ancestral heritage.
We have positive partnerships with external providers of infrastructure to our communities.	We provide leadership and advocacy to enable our communities to grow.	We encourage community engagement and provide sound and visionary decision making.	We engage with our regional and national partners to ensure positive environmental outcomes for our community.	Tangata Whenua with Manawhenua status (those with authority over the land under Maori lore) have meaningful involvement in decision making.

Policy

Who can apply?

- Community groups, non-profit organisations, business associations, Iwi/Maori organisations can apply.
- Individuals, commercial enterprises, and organisations supported by government agencies may be considered depending on the alignment of their project/organisation with the Policy.

What kinds of events are eligible for funding?

The event must:

- be held within Matamata-Piako District
- have the potential to attract a significant number of visitors
- have potential to become an iconic event
- have strong support from the community and business sector
- be supported by a business case
- contribute to Council's Vision and Community Outcomes
- enable and provide economic opportunities in the district
- encourage participation across diverse communities and provide opportunities for the wider community to increase social connection.

What can funds be used for?

New Events - Funding granted under this Policy can be used for the organisation and promotion of large-scale events that are likely to enable and provide for economic activities along with on-going community involvement in the Matamata-Piako District. Funding is allocated for effective promotion of these events, with preference given to those using Council facilities such as the Westpac Morrinsville Events Centre, Silver Fern Farms Events Centre in Te Aroha or Matamata-Piako Civic and Memorial Centre, in Matamata.

Existing Events - Existing events can apply for this grant in order to further the community benefit and participation generated by their activities.

Those seeking funding assistance for resource consents, should apply for the Resource Consent Grant if eligible.

The Events fund is not for the payment of wages or honorariums.

What are the assessment criteria?

Council will consider the following when assessing a proposal for a grant:

- the viability of the event as a whole and fundraising efforts already shown (e.g. Business Plan, marketing strategy)
- the viability and sustainability of the event
- the extent of the benefit to the community, including economic opportunities and benefits
- the event cost and scope
- previous assistance given by the Council or other agencies
- the contribution to the event being provided by the organisation itself
- the contribution of the event to Council's vision and outcomes.

Funding approved under this Policy may be for one-off events or regular events, and may be approved for one or more years.

Funding limits
The total amount available each financial year (i.e. from 1 July to 30 June) is determined through the Annual Plan/Long Term Plan process. The funds are allocated on a first come first served basis until the funding is used up. Unallocated funds from the annual budget each year will not be available for allocation in the following year. Funds must be uplifted within three months of the event being held.

The maximum funding available for any one application is $5,000. This can be increased by Council resolution if there are special circumstances.

Groups cannot apply for funding more than once per event under this policy. Your group may apply for other Council funds separate to this policy (e.g. Community Ward Grants, Resource Consent Grant).

The following criteria apply to uplifting funds:

- organisations must be able to account for the funds once granted
- funds that have not been uplifted within three months of the event being held will lapse
- funds will not be released until the organisation has supplied a valid invoice unless otherwise approved by the Council's Finance and Business Services Manager or other authorised staff member
- Funds are GST exclusive where an organisation is GST registered. If an organisation is not GST registered no GST will be included in the fund.

Applicants who don't have a current bank account must ask for an invoice by supplier to be issued to Council for payment.

How to apply
There are no funding round application dates. This means that applications can be made at any time during the year. An application form must be completed in full prior to the event date(s) and submitted to any Council Office or submitted online along with the required attachments. Incomplete or retrospective applications will not be considered for funding.

Application forms can found at www.mpdc.govt.nz.

How will I know if funding has been approved?
All complete applications will be assessed by Council staff. Applicants will be notified in writing once a decision on their application has been made.

The Council delegates to its Chief Executive Officer and in his/her absence the Communications Manager, or Events and Promotions Co-ordinator the responsibility for reviewing and deciding grant applications. If the name of the any of the above position titles change without substantial changes being made to the position holder's job description (in respect of the function to which this delegation relates), the current delegations in the name of the previous position title are and shall be effective for the position holder of the new position title.

The Mayor and Councillors will be informed of application approvals.

Accountability and Reporting

A report on the success of the event and evidence that the grant was spent appropriately to be provided to Council within three months of the event.

Relevant legislation
Local Government Act 2002

Audience
Council and the community

Measurement and review
The Policy will be reviewed three yearly to align with the Long Term Plan.

Get in touch
If you have any enquiries or require an application form please contact us.

Postal address:	PO Box 266 Te Aroha, 3342
Matamata Office:	Corner Tainui and Tui Streets
Morrinsville Office:	56-62 Canada Street
Te Aroha Office:	35 Kenrick Street
Phone:	07 884 0060
Email:	info@mpdc.govt.nz

Authorisation
Authorised by: Matamata-Piako District Council

Department	Communications
Policy Type	External
RM Reference	2091882
Resolution Date	9 May 2018
Review Frequency	Three years
Review Date	June 2020
Policy Supersedes	n/a

Covid Recovery Fund for District Events Funding Policy

Background
In response to the Covid-19 pandemic and subsequent lockdown restrictions and financial downturn, Council recognises its role to support its local community. Council has approved the designation of up to $2M from reserve funds as COVID-19 Response Fund for use in one-off, fixed term investments including funding for Events adversely affected by Covid.

Objectives
The objectives of this policy are to ensure the distribution of funding:

- occurs in a consistent, efficient, effective manner
- is transparent, fair and accountable
- is consistent with the purpose of Local Government
- meets our communities needs following the effects of Covid.

Policy
Who can apply?

- Community groups, non-profit organisations, business associations, Iwi/Maori organisations can apply.
- Individuals, commercial enterprises, and organisations supported by government agencies may be considered depending on the alignment of their project/organisation with the Policy.

What kinds of events are eligible for funding?
The event must:

- be held within Matamata-Piako District
- be an existing or planned (prior to Covid) event
- be held no later than 30 June 2021
- have been adversely affected by Covid
- support the cultural, social, economic and/or environmental wellbeing of our community.

Funding approved under this Policy must be uplifted within three months of the event being held, and no later than 30 June 2021.

Funding limits
The total amount available for this fund in 2020/21 (i.e. from 1 July to 30 June) is _____ The funds are allocated on a first come first served basis until the funding is used up. Unallocated funds from the annual budget will not be available for allocation in the following year.

The maximum funding available for any one application is _____ This can be increased by Council resolution if there are special circumstances.

Groups cannot apply for funding more than once per event under this policy. Your group may apply for other Council funds separate to this policy (e.g. Community Ward Grants, Resource Consent Grant).

The following criteria apply to uplifting funds:

- organisations must be able to account for the funds once granted
- funds will not be released until the organisation has supplied a valid invoice unless otherwise approved by the Council's Finance and Business Services Manager or other authorised staff member
- Funds are GST exclusive where an organisation is GST registered. If an organisation is not GST registered no GST will be included in the fund.

Applicants who don't have a current bank account must ask for an invoice by supplier to be issued to Council for payment.

How to apply
There are no funding round application dates. This means that applications can be made at any time during the year. An application form must be completed in full prior to the event date(s) and submitted to any Council Office or submitted online along with the required attachments. Incomplete or retrospective applications will not be considered for funding. Application forms can found at www.mpdc.govt.nz.

How will I know if funding has been approved?
All complete applications will be assessed by Council staff. Applicants will be notified in writing once a decision on their application has been made.

The Council delegates to _____responsibility for reviewing and deciding grant applications. If the name of the any of the above position titles change without substantial changes being made to the position holder's job description (in respect of the function to which this delegation relates), the current delegations in the name of the previous position title are and shall be effective for the position holder of the new position title.

Accountability and Reporting
A written report on the success of the event and evidence that the grant was spent appropriately to be provided to Council within three months of the event.

Relevant legislation
Local Government Act 2002

Audience
Council and the community

Measurement and review
The Policy is for a one-off budget of $_____ and will expire 30 June 2021.

Get in touch
If you have any enquiries or require an application form please contact us.
Phone: 07 884 0060 Email: info@mpdc.govt.nz

Authorisation

Authorised by: Matamata-Piako District Council

Item 7.2

Annual Customer Survey and Quarterly Performance Dashboards

RM No.: 2301109

Rāpopotonga Matua | Executive Summary

As a part of the Annual Report each year we undertake the Annual Customer Survey to gauge perception from the community on a number of our services, and relate those results back to the relevant performance measures.

This report highlights some of the results from the Annual Customer Survey 2019/20, along with a summary of results provided in Attachment A. The full report has been circulated separately.

Tūtohunga | Recommendation

That:

1. The report be received.

Horopaki | Background

The Annual Customer Survey (Survey) was undertaken by Versus Research (Versus). This survey asks how satisfied respondents are with a number of different services or facilities that Council provides. Respondents are asked to rate their satisfaction on a 6 point scale with 1 being very dissatisfied and 5 being very satisfied or a sixth option of don't know.

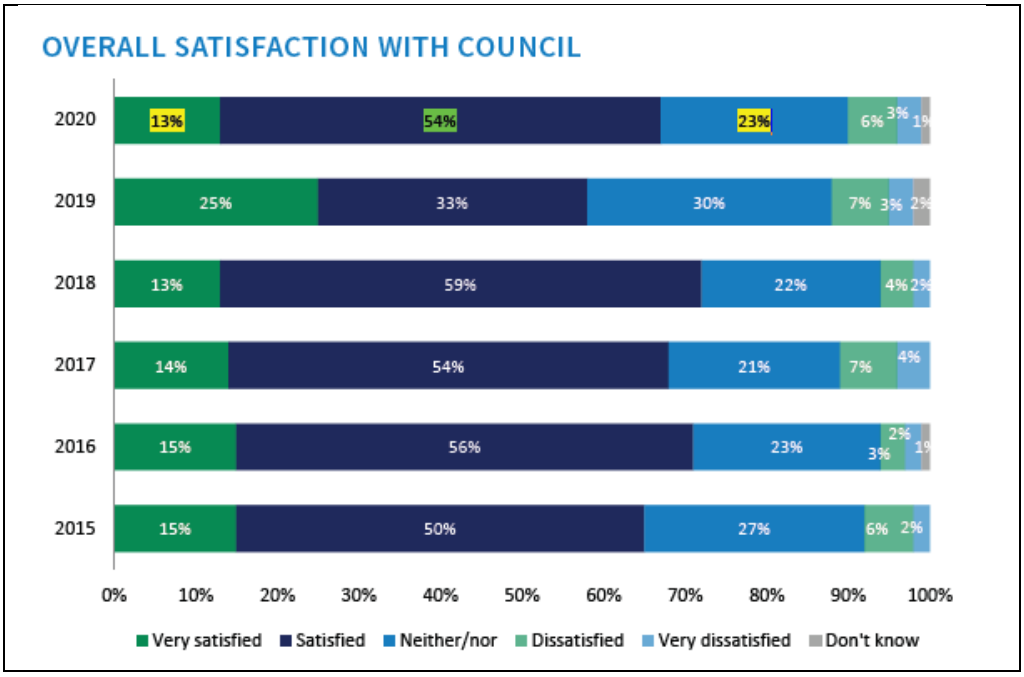
There were 400 randomly selected people surveyed. Versus ensure respondents are representative of the overall population of our district in regards to where they live, their sex, age, ethnicity and so forth. The margin of error in the survey was +/- 4.90% at the 95% confidence interval. In other words if this survey was to be repeated again with a different set of randomly selected respondents at a similar time there would be a very high probability that the results would be within 5% of the original results. For the 2018/19 year Versus changed their surveying methods from interviewing everyone within a 4 week timeline to conducting a mixed-method approach utilising Computer-Assisted Telephone Interviewing (CATI) and online interviewing at monthly intervals between 22nd July, 2019 and 30th April, 2020. This may help explain discretions between the 2019/20 and 2018/19 figures and others.

The full questionnaire is included on page 78 of the full report.

The results from the Survey are used to track our performance against our performance measure targets set in the LTP. Activity managers also use the results and verbatim comments to target efforts and resources, and to inform the prioritisation of work programmes.

Ngā Take | Issues / Kōrerorero | Discussion

Overall Satisfaction with Council



Overall satisfaction with Council has improved by 9% compared to last year (67% compared to 58% in 2019). Levels of dissatisfaction remain relatively stable with 9% of respondents dissatisfied compared to 10% in 2019.

The below table is a summary of all results. Please refer to the attached summary of results or the full report for further details.

	2017/18 results	2018/19 results	2019/20 results	Difference 2018/19 - 2019/20
Water supply services	75%	63%	73%	+10%
Roading network	63%	45%	54%	+9%
Council playgrounds	71%	64%	72%	+8%
Access to parking in shopping areas	50%	42%	50%	+8%
Kerbside refuse, recycling collection services and transfer stations	80%	65%	72%	+7%
Footpaths	58%	44%	48%	+4%
Wastewater network	90%	84%	87%	+3%
Aquatic facilities + public pool users	87%	72%	73%	+1%
Parks and Reserves users	84%	78%	78%	No change
Cemeteries visitors	89%	89%	87%	-2%
Sports fields users	79%	81%	78%	-3%
Ease of access to Council information	65%	62%	58%	-4%
Library services users	90%	85%	80%	-5%
Satisfaction with leadership* of councillors and the mayor	70%	55%	50%	-5%
Management of flooding in urban areas	45%	46%	38%	-8%
First point of contact with Council	91%	85%	73%	-12%
Public involvement in consultation process	56%	56%	40%	-16%
Online library services	80%	83%	63%	-20%

*Question was reworded for the 2018/19 Survey, so comparison with 2017/18 is indicative only.

Ngā take ā-ture, ā-Kaupapahere hoki | Legal and policy considerations

There is no requirement to undertake an Annual Customer Satisfaction Survey however there is a requirement under the Local Government Act 2002 to produce an Annual Report each year. Many of our performance measures are measured through the Annual Customer Satisfaction Survey.

Ngā Tāpiritanga | Attachments

A⇩. Annual Customer Survey Report - Analysis

Ngā waitohu | Signatories

Author(s)	Ellie Mackintosh **Graduate Policy Planner**	
	Sandra Harris **Senior Policy Planner**	

Approved by	Michelle Staines-Hawthorne **Corporate Strategy Manager**	
	Don McLeod **Chief Executive Officer**	

✓ Achieved performance measure
✗ Not achieved performance measure

Performance Measures that we report on in Annual Report

Overall Satisfaction with Leadership of Councillors and Mayor (target = 57%)

19/20 = 50%
18/19 = 55% wording changed to 'leadership'
17/18 = 70%
16/17 = 68%

Reasons for dissatisfaction:
4 comments made on lack of action
8 comments made related to lack of consultation in regards that Council do not listen to the public
6 comments other.

Analysis:
2019/20 had the largest number of people (17%) responding with "don't know" compared to 4% in 2018/19. 7% indicated dissatisfaction compared to 10% 2018/19.

✗

Ease of Access to Council Information (target = 64%)

19/20 = 58%
18/19 = 62%
17/18 = 65%
16/17 = 63%

Reasons for dissatisfaction:
5 comments made in regards to being generally unhappy with the systems
4 comments made related to lack of communication issues
5 comments made related to website issues
8 comments other.

Analysis:
9% percent of people 'didn't know' in 2019/20 compared to 5%, 6% and 6% in the preceding years. 2019/20 saw a reduction to 17% of people that where 'very satisfied' compared to 24% in 2018/19. People that reacted as 'neither', 'dissatisfied' and 'very dissatisfied' was the exactly the same in 2018/19 and was similar in 2017/18.

✗

Opportunity to be Involved in Consultation Process (target = 52%)

19/20 = 40%
18/19 = 56%
17/18 = 56%
16/17 = 49%

Reasons for dissatisfaction:
4 comments made related to not enough consultation with residents in general
5 comments related to people being generally unhappy
7 comments relating to not being involved/not interested
5 comments of not having heard about Council meetings or consultation.
5 comments other.

Analysis:
22% percent of people 'didn't know' in 2019/20 this was a big jump compared to 4%, 11% and 12% in the preceding years.
People that were 'dissatisfied' or 'very dissatisfied' remained the same as 2018/19. Drops were mainly evident in people who were 'satisfied' and 'very satisfied'.

✗

Library Services (target = 90%)

19/20 = 80%
18/19 = 85%
17/18 = 90%
16/17 = 85%

Reasons for dissatisfaction:
2 comments made related to dissatisfaction with check-out service
4 comments made in regard to lack of range
3 comments other.

Analysis:
23% in Matamata were neither satisfied nor dissatisfied. Te Aroha was the most satisfied with 87%.

Aquatic Facilities and Public Swimming Pools (target = 80%)

19/20	= 73%
18/19	= 72%
17/18	= 87%
16/17	= 70%

Reasons for dissatisfaction
6 comments made in regard to restricted times, access and season
4 comments made in regards to the cost
2 comments made in regard to issues with the temperature
5 comments other.

Analysis:
In 2017/18 users' satisfaction was above average at 87% compared to previous year's actual results. 2016/17– 70%, 2015/16- 74%, 2014/15- 75% and 73% in 2019/20.
Te Aroha users came back as the most satisfied with 92% and 0% were dissatisfied. Matamata were most dissatisfied with 13%.

Cemeteries (target = 80%)

19/20	= 87%
18/19	= 89%
17/18	= 89%
16/17	= 91%

Reasons for dissatisfaction
3 comments were made in regard to cemeteries being untidy/unkempt
2 comments other.

Analysis:
In terms of visitors, 87% are satisfied (42%) or very satisfied (45%) compared to 2018/19 of satisfied (31%) or very satisfied (58%) with cemeteries. This is on par with last year's result and exceeds the visitor satisfaction KPM target by 7%.

Parks and Reserves (target = 80%)

19/20	= 78%
18/19	= 78%
17/18	= 84%
16/17	= 83%

Reasons for dissatisfaction
5 comments were made in regards to lack of maintenance
5 comments other.

Analysis:
Users very satisfied decreased significantly to 28% from 2018/19 40%. However, users satisfied increased from 2018/19 38% to 50% this year. Te Aroha has the highest number of dissatisfied respondents with 12% compared to 5% in Matamata and 3% in Morrinsville. Te Aroha residents are generally more satisfied than the other two towns throughout the majority of this survey so this result stands out. Morrinsville has the highest satisfied with 85%.

Sports Fields (target = 80%)

19/20	= 78%
18/19	= 81%
17/18	= 79%
16/17	= 79%

Reasons for dissatisfaction
4 comments made were in regard to lack of maintenance
6 comments other.

Analysis:
There was a significant drop in people very satisfied, 24% compared to 37% in 2018/19. No respondents were very dissatisfied but there was an increase in respondents dissatisfied to 7% compared to 1% in 2018/19. No respondents in Te Aroha responded dissatisfied or very dissatisfied compared to 12% in Matamata and 7% in Morrinsville.

Kerbside Refuse, Recycling and Transfer Stations (target = 80%)

19/20	= 72%
18/19	= 65%
17/18	= 80%
16/17	= 85%

Reasons for dissatisfaction
6 comments made were in regards to being unhappy with transfer station
3 comments made were in regards to being unhappy with recycling pick up service
3 comments made were in regards to the kerbside collection not available
3 comments made were in regards to the cost of rubbish bags
3 comments other.

Analysis:
There was a significant decrease in users who are very satisfied (39% compared to 47% in 2018/19). In 2018/19 the rubbish service changed to user pay system and could have impacted resident's satisfaction with rubbish services. Te Aroha was most satisfied with 81% responding so and Matamata and Morrinsville both had 68% satisfaction from respondents. Morrinsville had a high percent of respondents say they 'don't know' (20%), significantly higher than Matamata at 8% and Te Aroha at 2%.

Performance measures not reported on in Annual Report

Wastewater Network

19/20	= 87%
18/19	= 84%
17/18	= 90%
16/17	= 92%

Reasons for dissatisfaction
1 comment made in regards to an individual getting bubbling in their sink when it rains.

Analysis:
Matamata and Te Aroha reported no dissatisfaction with the Wastewater network and Morrinsville only had 1% dissatisfied. 6% of Te Aroha "didn't know". There was a 2-4% increase in the percent of people that responded with "neither satisfied nor dissatisfied" from 2017/18 to 2018/19 and 2019/20.

Water Supply

19/20 = 73%
18/19 = 63%
17/18 = 75%
16/17 = 81%

Reasons for dissatisfaction
19 comments made were in regards to water restrictions.
4 comments made were in regards to poor tasting/smelling water.
4 comments made were in regards to low water pressure.
4 comments other.

Analysis:
There was a reduction of 7% in the number of people that were dissatisfied in the water supply network. Morrinsville were most likely to be dissatisfied with 20% of respondents, compared to 9% in Matamata and 1% in Te Aroha.

Roading Network

19/20 = 54%
18/19 = 45%
17/18 = 63%
16/17 = 59%

Reasons for dissatisfaction
13 comments made were in regards to poor quality repairs.
17 comments made were in regards to there being room for improvement/general maintenance.
28 comments made were in regards to potholes and uneven surfaces.
10 comments other.

Analysis:
There was only a 2% increase in the number of dissatisfied respondents between 2018/19 and 2019/20 and a 9% increase in number of satisfied respondents. 36% of Matamata were neither satisfied nor dissatisfied.

Footpaths

19/20 = 48%
18/19 = 44%
17/18 = 58%
16/17 = 51%

Reasons for dissatisfaction
22 comments made were in regards to footpaths being unsafe.
19 comments made were in regards to footpaths being uneven and having potholes.
11 comments made were in regards to there being room for improvement/general maintenance.
7 comments made were in regards to trees breaking through footpath.
4 comments other.

Analysis:
There was a significant increase in the number of "very satisfied" respondents of 11% in 2019/20 compared to 3% in 2018/19. A 3% increase in the number of dissatisfied respondents. 23% of Morrinsville respondents are dissatisfied with the footpaths compared to 16% in Matamata and 13% in Te Aroha.

Management of Flooding in Urban Areas

19/20 = 38%
18/19 = 46%
17/18 = 45%
16/17 = 41%

Reasons for dissatisfaction
15 comments made were in regards to flooding with heavy rain.
13 comments made were in regards to blocked drains.
11 comments made were in regards to leaves not cleared/ tree root damage.

5 comments made were in regards to blocked gutters.
12 comments other.

Analysis:
We saw an 8% decrease in satisfied respondents compared to 2018/19, this is due to a 3% increase in the number of respondents that "don't know" and a 5% increase in the number of dissatisfied respondents. Other than this is it similar to the 2018/19 year.

Council Playgrounds

19/20 = 72%
18/19 = 64%
17/18 = 71%
16/17 = 75%

Reasons for dissatisfaction
15 comments made were in regards to respondents requesting more facilities/equipment
7 comments made were in regards to lack of maintenance.
1 comment other.

Analysis:
The discrepancy between 2018/19 and 2019/20 is due to an upshot of 5% in the number of "very satisfied" and 3% in the number of "satisfied" respondents and a subsequent 8% decrease in the number of dissatisfied respondents. This is more in line with the years preceding 2018/19.

Access to Parking in the Shopping Areas (Users)

19/20 = 50%
18/19 = 42%
17/18 = 50%
16/17 = 53%

Reasons for dissatisfaction
56 comments made were in regards to lack of parking.
24 comments made were in regards to Shop owners/workers taking parks in town.
13 comments made were in regards to parking being dangerous or difficult.
6 comments other.

Analysis:
Dissatisfied respondents dropped by 5% from 2018/19, while there was a 5% increase in "very satisfied" respondents. The 2019/20 year is on track with what was seen in 2017/18.

Library Online Services

19/20 = 63%
18/19 = 83%
17/18 = 80%
16/17 = 90%

Reasons for dissatisfaction
2 comments made were in regards to issues with the check-out service.
4 comments made were in regards to lack of range of books.
3 comments other.

Analysis:
6% of the respondents were "very dissatisfied" in 2019/20, in the preceding 5 years only one year had respondents that were "very dissatisfied" of which there was 1%. Matamata has the least satisfied respondents with 69% compared to Morrinsville and Te Aroha which has 85% and 87% respectively, however Matamata also had a far greater number of people responding as "neither satisfied nor dissatisfied" 23% compared to 4% (Morrinsville) and 0% (Te Aroha).

First point of contact

19/20 = 73%
18/19 = 85%
17/18 = 91%
16/17 = 85%

Reasons for dissatisfaction
2 comments made were in regards to a lack of action/follow up.
3 comments made were in regards to respondents being unhappy with customer service.
2 comments made were in regards to a perceived lack of interest by Council Staff.
2 comments other.

Analysis:
There is a significant drop in number of "very satisfied" respondents by 9% and "satisfied" respondents by 3%, while there was a 10% uptake in the number of respondents stating they were "neither satisfied nor dissatisfied". There was also a 4% increase in the number of "very dissatisfied" respondents (from 1% in 2018/19 to 5% in 2019/20).

CCO Monitoring - Waikato Regional Airport Limited - Final Statement of Intent 2020/21

RM No.: 2306758

Rāpopotonga Matua | Executive Summary

Waikato Regional Airport Limited (WRAL) is a CCO owned by five Waikato councils, with Matamata-Piako's shareholding at 15.6%.

Council controlled organisations are required (subject to certain exemptions) by the Local Government Act 2002 to prepare and publish an annual statement of intent, and produce a half yearly report for shareholders on the entity's operations during the half year.

The WRAL Draft SOI was submitted and presented to Council 8 April 2020. Following feedback from its shareholders, the final Statement of Intent 2020/21 is attached to this report.

Tūtohunga | Recommendation

That:

1. Council receives the Waikato Regional Airport Limited Statement of Intent 2020/21.

Content

Horopaki | Background

The core purpose of WRAL is to enable air services to the region, operating a first class, safe and compliant regional airport, and strategic positioning of the business to enhance capital value.

The SOI has been revised since the draft document was provided to you back in February: Aviation and tourism have been amongst the hardest hit sectors of our economy due to COVID-19. Accordingly there has been revision of some of WRAL short term objectives and financial projections in this updated document, however our long term objectives and purpose remain unchanged.

Statement of Intent 2020/21

The SOI 2020/21 outlines the proposed work plan for 2020/21, the objectives of WRAL as outlined in the SOI are to:

Key Objectives of Waikato Regional Airport Limited

1. Operate an efficient, compliant, and resilient airport.
2. Enhance the traveller experience.
3. Maintain a viable aeronautical business.
4. Maximise revenue diversification through non-aeronautical business opportunities.

Key Objectives of the Group *(incorporating Titanium Park Limited, Hamilton & Waikato Tourism Limited and Waikato Regional Airport Hotel Limited.)*

5. Operate an efficient, compliant and resilient airport.
2. Enhance the traveller experience.
3. Maintain a viable aeronautical business.
4. Maximise revenue diversification through non-aeronautical business opportunities.

5. Develop and optimise the land holdings of the Group to generate a long-term property income from a diversified property portfolio.
6. Operate the airport hotel to recover from the effects of COVID-19 and achieve revised financial targets. Maintain pre-COVID customer satisfaction targets **(new objective)**
7. Marketing the Hamilton & Waikato region as a visitor destination to domestic visitors **(new objective)**.
8. Grow the visitor economy through tourism development and destination management **(new objective).**

Ngā Take | Issues
Council considered the draft SOI and resolved on 8 April 2020 that: *Council considers providing feedback on the Waikato Local Authority Shared Services Limited 2020/21 Statement of Intent, including whether there are any significant impacts on LASS due to the COVID-19 event.*

WRAL have revised their budgets in the Statement of Intent with some amendments from the draft.

Analysis

Options considered
There are no options considered, the SOI 2020/21 has been adopted by WRAL for the coming financial year.

Analysis of preferred option
There are no preferred options.

Legal and statutory requirements
The LGA 2002 requires a CCO to prepare and publish an annual statement of intent. The Statement of Intent must be agreed upon with the parent local authority. The local authority has two months from receiving the proposed SOI, and feedback was due back by 1 May 2020.

Consistency with the Long Term Plan / Annual Plan
Waikato Regional Airport Limited has performance measures outlined in the 2018-28 Long Term Plan. This report is consistent with the Long Term Plan.

Communication, consultation and decision making processes
A CCO is required to consult with its shareholders on its Draft Statement of Intent. Feedback was sought from Council, as one of the WRAL shareholders, on the WRAL Draft Statement of Intent.

Contribution to Community Outcomes
Growth and development
Council will provide essential infrastructure to meet the needs of our community now and in the future.

Financial Impact

ii. Funding Source

The current and proposed activities of WRAL are fully funded by the participating local authorities, within existing budgets.

Ngā Tāpiritanga | Attachments

A⇩. Final Statement of Intent WRAL 2020/21 - COVID-adjusted

Ngā waitohu | Signatories

Author(s)	Rebecca Shaw **Graduate Policy Planner**	

Approved by	Michelle Staines-Hawthorne **Corporate Strategy Manager**	
	Don McLeod **Chief Executive Officer**	

WAIKATO REGIONAL AIRPORT LIMITED
Hamilton Airport

GROUP STATEMENT OF INTENT 2020/2021

(June 2020)

INTRODUCTION

This statement is presented by the Directors in accordance with s.64 (1) of the Local Government Act 2002 and sets out the Board's intentions for the Company and Group for the year ending 30 June 2021 and succeeding two financial years.

COVID-19 and the WRAL Group

The COVID-19 pandemic resulted in world-wide crises: from health, to social and economic devastation. The impact on the WRAL Group was significant, as the business is primarily aviation and hospitality-focused with strong links to tourism and therefore projected revenues have dropped substantially. This has necessitated a conservative, yet cautiously optimistic outlook for recovery over the next three years for the Group.

Fortunately, the Group's 10-year strategy has a focus on non-aeronautical income diversification activities which will continue to be critical to our future. Our property initiatives served us well through the initial COVID-19 crisis period and the anticipated recovery through 2021. In the short to medium term, we expect property initiatives will continue to provide a level of support to the Group, minimising future economic volatility, whilst aviation, hospitality and tourism begin to recover to at least self-supporting levels.

STRATEGIC INTENT

The Group has identified its core purpose and key objectives that recognise the strategic intent of the business:

CORE PURPOSE

1) Enabler of air services to the region.
2) Operate a first class, safe and compliant airport.
3) Strategic positioning of the business to enhance capital value.

WRAL: KEY OBJECTIVES

1) Operate an efficient, compliant and resilient airport.
2) Enhance the traveller experience.
3) Maintain a viable aeronautical business.
4) Maximise revenue diversification through non-aeronautical business opportunities.

KEY OBJECTIVES OF THE GROUP:

The Group incorporates Titanium Park Limited, Hamilton & Waikato Tourism Limited and Waikato Regional Airport Hotel Limited.

1) Operate an efficient, compliant and resilient airport.
2) Enhance the traveller experience.
3) Maintain a viable aeronautical business.
4) Maximise revenue diversification through non-aeronautical business opportunities.
5) Develop and optimise the land holdings of the Group to generate a long-term property income from a diversified property portfolio.
6) Operate the airport hotel to recover from the effects of COVID-19 and achieve revised financial targets. Maintain pre-COVID customer satisfaction targets.
7) Marketing the Hamilton & Waikato region as a visitor destination to domestic visitors.
8) Grow the visitor economy through tourism development and destination management.

Nature and scope of activities to be undertaken:

1) Operate an efficient and compliant airport.
Operate a safe, secure and compliant airport by providing for essential projects, together with any compliance expenditure warranted.

2) Enhance the traveller experience.
Maximise traveller satisfaction and airport experience.

3) Maintain a viable aeronautical business.
The COVID-19 pandemic has painted a very different canvas for the aviation sector over the next few years. We will:

Assist Air NZ to identify opportunities to recover flight schedules and passenger numbers.

Promote the recovery of the general aviation sector.

Develop and implement a five year plan to give effect to, or seek renewal of the runway extension designation.

Position and protect the airport as an efficient, cost-effective international port of arrival for private, corporate and medical aircraft.

Investigate opportunities to open up Hamilton Airport again to international air services, however the emergence of COVID-19 may impact consultation and timing.

Remain collaboarative with local authorities and government agencies for joint infrastructure and transport initiatives.

4) Maximise revenue diversification through non-aeronautical business opportunities
Support the development of land within the bounds of a sound strategic approach to long-term planning for the airport precinct by its subsidiary Titanium Park Limited (TPL).

TPL will continue marketing for sale, development and optimised investment, all available surplus airport-owned land in a planned and co-ordinated approach.

Land sales and property development are always subject to volatility dependent on regional and national economic conditions. Therefore, as demonstrated by the COVID-19 pandemic, this presents a degree of risk for the Group that will be carefully managed through the staged precinct develoments of Titanium Park.

In conjunction with the hotel manager, maximise the recovery plan and earnings of the recently acquired and upgraded airport hotel business.

5) Ensure appropriate internal and external resource to enable a commercially driven and high performing organisation
Knowledgeable and capable, high performing and appropriately resourced management team to ensure sound reporting and accountability, and delivery of the strategic plan.

6) Key capital and investment projects and initiatives for the year ending 30 June 2021.

Having now finalised a masterplan for Titanium Park's proposed Northern Precinct development (current site of the WRAL farm), prepare a private plan change submission to Waipa District Council to future-proof development options.

In pursuing its goals, the group will:

- At all times behave in a professional and ethical manner in all its business dealings with its customers and stakeholders.
- Be an employer of choice.
- Ensure a safe and healthy workplace environment that complies with legislation.
- Identify and recognise Shareholders' expectations, within the bounds of corporate prudence.

PERFORMANCE TARGETS

The following annual performance targets are proposed for the Waikato Regional Airport Limited in relation to its core purpose and key objectives.

	Year ending 30 June		
Based on Company forecasts	**2021**	**2022**	**2023**
EBITDA excluding land sales	($0.5m)	$2.3m	$2.9m
EBITDA including land sales	$0.3m	$2.9m	$3.7m
Net profit before tax *no less than*	($3.7m)	($1.5m)	($1.0m)
Net operating cash flow (excl land sales)	($1.5m)	$1.5m	$2.6m
Total debt, excluding funding for design-build properties *not exceeding*	$30.0m	$30.0m	$30.0m
Percentage of non-landing charges revenue of at least	60%	60%	60%
Land sales	$4.0m	$2.0m	$3.0m
Interest cover *at least*	-4.0x	3.0x	3.0x

NON-FINANCIAL PERFORMANCE TARGETS

	Health, safety and well-being
	Facilitate Health & Safety meetings every two months with representatives from each entity in the Group
	Zero Work Safe notifiable accidents/injuries
	Independently review and audit the Health & Safety system each year
	Operational compliance
	To achieve the Airport Certification Standards as required by the Civil Aviation Authority and as evidenced by Civil Aviation Authc audit reports.
	Ensure airport is operationally available for all scheduled passenger services (except for uncontrollable events)
	Monitor aeronautical noise and facilitate noise management meetings every four months in accordance with the Noise Managem Plan.
	Property (Titanium Park Limited)
	Complete construction of the 4th Stage of Titanium Park's Central Precinct and 2nd Stage of Southern Precinct.
	Prepare a private plan change submission to Waipa District Council in relation to the future Northern Precinct Development.
	Complete construction of Titanium Park's first design-build property on Southern Precinct.
	Hotel operation
	Implement a recovery plan to enable a steady return to pre-COVID key metrics such as occupancy, room rates and customer satisfaction in line with the expectations underlying the achievement of a Qualmark 4 Star rating.

Statement of accounting policies
The accounting policies adopted by the Group for the year ending 30 June 2021 and suceeding two years are those as adopted in the 2019 Annual Report prepared under Tier 2 of the Public Benefit Entity Standards Reduced Disclosure Regime (PBE Standards RDR). The impact of accounting standards changes is not expected to have a material impact on the Group's financial statements or their comparability with previous results.

Dividend policy
The Directors propose that no dividend be paid during the three year period ending 30 June 2021 given the impact of the COVID-19 pandemic.

Information to be provided to Shareholders
The Annual Report of the Company and Group.

An interim Report circulated to Shareholders each half-year including a Chair's Report, Consolidated Income Statement, Consolidated Balance Sheet and progress against Financial Performance Targets.

Shareholder Briefings held at least twice annually.

Future investment proposals
If the Group wishes to subscribe for, purchase, or otherwise acquire shares in any other company or any other organisation, it can do so only after first obtaining approval from the majority of shareholders at either a General Meeting or at a Special Meeting convened for that purpose.

Commercial value of the Shareholders' investment
No valuation of shares has been completed.

The consolidated balance sheet of WRAL as at 30 June 2019 shows shareholder equity of $97m based on recent independent valuations of the Group's property, plant and equipment and investment properties.

Compensation from Local Authorities
There are no known activities of the Company or Group for which the Directors would seek compensation from any local authority.

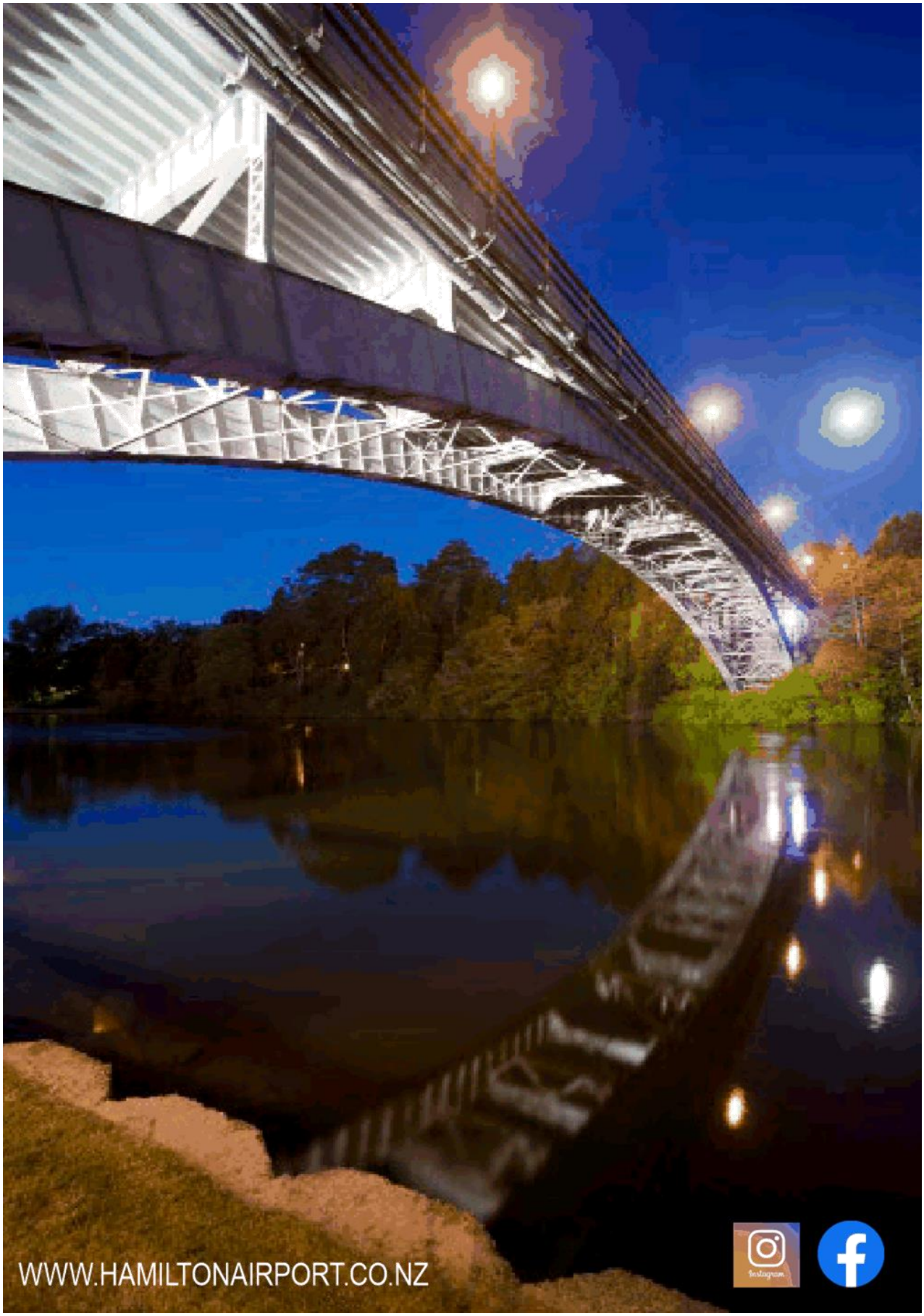
Major transactions
Shareholders approve major transactions via a special resolution. A major transaction for WRAL is defined as:

(a)
the acquisition of, or an agreement to acquire (whether contingent or not), assets the value of which is more than 10% of the value of the Company's assets before the acquisition; or

(b)
the disposal of, or an agreement to dispose of (whether contingent or not), assets the value of which is more than 10% of the value of the Company's assets before the acquisition; or

(c)
a transaction which has or is likely to have the effect of the Company acquiring rights or interests or incurring obligations or liabilities, the value of which is more than 10% of the value of the company's assets before the transaction;

Health & Safety and Wellbeing
The Board and Management will ensure that all requirements to the Health & Safety at Work Act 2015 are maintained. This will be achieved by the engagement of an independent consultant and audit processes to ensure the organisation and its subsidiary companies are maintaining compliant and best practice processes. At all times the Group will continue to monitor and review health and safety requirements via monthly reporting.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Morrinsville Tennis Club - grant extension request

RM No.: 2307713

Rāpopotonga Matua | Executive Summary

Ahead of the 2018-28 Long Term Plan the Morrinsville Tennis Club were granted up to a maximum of $30,000 on a dollar for dollar basis to repair their club house located at the Morrinsville Recreation Ground. This funding was due to be uplifted by 30 June 2020 however we have received a request from the Tennis Club for an extension of one year until 30 June 2021. The Tennis Club have been unable to raise as much funding as they had hoped for by this time and would like the opportunity to raise more funding over the next year.

Tūtohunga | Recommendation

That:

1. **Council grant the Morrinsville Tennis Club an extension until 30 June 2021.**

   OR

2. **Council do not grant the Morrinsville Tennis Club an extension.**

Horopaki | Background

Late 2017, ahead of the 2018-28 Long Term Plan Council called for applications for grants from the community. A large number of applications were received including an application from the Morrinsville Tennis Club for repairs to their building located at the Morrinsville Recreation Ground. The Morrinsville Tennis Club building is owned by the Tennis Club but is located on the Morrinsville Recreation Ground, the Tennis Club lease the land that the building is on from Council.

Attached to this report is the application for funding from 2/10/17 as well as the handout provided by the Tennis Club at the Council Hearing held on 18 October 2017, this details the request for funding. The original application was for $58,831 however the handout from the Hearing was requesting approximately $80,000. At the 2017 Hearing, Council decided to grant up to a maximum of $30,000 on a dollar for dollar basis to repair their club house located at the Morrinsville Recreation Ground. This means if the Tennis Club were able to raise $30,000 then Council would also contribute $30,000 to match, if the club were able to raise $10,000 then Council would contribute $10,000 to match.

This funding was due to be uplifted by 30 June 2020 however we have received a request from the Tennis Club for an extension of one year until 30 June 2021. The Tennis Club have been unable to raise as much funding as they had hoped for by this time and would like the opportunity to raise more funding over the next year.

Ngā Whiringa | Options

Council grant the Morrinsville Tennis Club an extension until 30 June 2021.

OR

Council do not grant the Morrinsville Tennis Club an extension.

Item 7.4

Te Tākoha ki ngā Hua mō te Hapori me te here ki te whakakitenga o te Kaunihera | Contribution to Community Outcomes and consistency with Council Vision

Theme: Healthy Communities
Community Outcome: Our community is safe, healthy and connected.

Pānga ki te pūtea, me te puna pūtea | Financial Cost and Funding Source

This grant funding was initially planned to be funded from reserves.

Ngā Tāpiritanga | Attachments

A⇩. MV Tennis Club 2017 Application and Handout

Ngā waitohu | Signatories

Author(s)	Sandra Harris **Senior Policy Planner**	

Approved by	Michelle Staines-Hawthorne **Corporate Strategy Manager**	
	Don McLeod **Chief Executive Officer**	

Morrinsville Tennis Club LTP Grant application received 2.10.17

1. Applicant details
Name of applicant/community group: Morrinsville Tennis Club
Name of contact person: Rachael Churton
Email: rchurton@xtra.co.nz
Postal address: C/- Rachael Churton 27 Riverview Road
Town: Morrinsville
Postcode: 3300
Phone: 07 889 6051

2. Hearing
Do they wish to present at the hearing on 18 Oct? Yes

3. Organisation details
Briefly describe your organisation, the community service that it provides and how it meets Council's policy criteria:
Morrinsville Tennis club providing tennis for adults and schoolchildren. Coaching. Coaching is provided as this strengthens peoples ability to participate Juniors is run two days a week. Senior tennis is run over two sessions, one evening and one morning. Family day is planned for a weekend session. We engage players from the wider Morrinsville area therefore encompassing community engagement involving many different lifestyles and abilities.

Number of paid employees: nil
Number of volunteers: 12
Primary funding source: subscriptions and grants to help with coaching
Incorporated society? Yes
If yes, incorporation number: 214089
Registered charity? No
If yes, charities registration number:

4. Project details
In which area/s will the project take place? Morrinsville
Describe the activities or project your organisation is requesting funding for and how it meets the policy eligibility criteria.
To repair buildings and make it safe for use by the tennis club and also for junior soccer which intends to share our club-rooms and use these for winter sport. Also a fitness group has indicated strong interest in using the building
This is a three stage project.
The first is the tennis courts and three of these will be resurfacing in October.
The second is bringing the building to a usable condition and this is what is being applied for.
The third is to replace lighting but this will not happen until stage 1 and 2 have been completed.
This project addresses the needs of the community to provide sporting facilities for residents and in particular school aged children
Describe how your organisation will contribute to your proposal for funding, either financially or through volunteer time or other.
The club has organised funding to repair the tennis courts and will be assisting the contractors with this. This includes water-blasting, scraping and painting the lamp and court posts and hosting and assisting the contractors
With the building repairs a club member who is a draughtsperson has drawn up plans for the repairs to be done. Club members will provide labour to assist the builders with the demolishing of the existing stairs and deck and will assist where possible. Club members will also assist with the painting of the building to keep costs down.

Describe how your activities or project contribute to one or more of Council's Outcomes for the Community (Refer to the Policy for a full list of outcomes).
An important issue is safety, healthy and connected in our community. At present the courts are dangerous when wet. Resurfacing was essential as the courts are extremely slippery when wet.
The deck and the stairs are unsafe and something has to be done to rectify this.
Tennis is a sport that promotes the well-being of our community by providing activities that encourage physical and social participation both for the older generation and families.
Describe how your project or organisation benefits the community.
The tennis club building in its present state looks neglected and derelict. Repairs to the building will fix this.
Repairs will make the building usable by other organisations also making the recreation grounds a more visited area thus reducing the risk of vandalism.
Amount requested: $58,831 GST inclusive

5. Supporting information
Have you previously been given assistance by Council or other agencies for this or a similar project? Yes
Details (if yes): Some forty years ago when the building was extended and the courts were resurfaced
Please attach a breakdown of your funding needs, including your budget and other sources of funding: https://www.mpdc.govt.nz/components/com_rsform/uploads/59d1afe2d544b-Breakdown of your funding needs 2 Nov 2017.docx
Please attach details about the proposed project/s, including timeframes:
https://www.mpdc.govt.nz/components/com_rsform/uploads/59d1afe2d5900-Quote_Cranfield.pdf
Please attach any quotes you have received relevant to this project:
https://www.mpdc.govt.nz/components/com_rsform/uploads/59d1afe2d5c81-Tennis Club Bank account number.pdf
Please attach any other supporting information you wish to include in your application:
https://www.mpdc.govt.nz/components/com_rsform/uploads/59d1afe2d608b-Quote Davenport Sept 2017.docx
Attach any additional documents or information:
https://www.mpdc.govt.nz/components/com_rsform/uploads/59d1afe2d6509-Tennis Accounts 2017.xls

6. Declaration
I declare that I have the authority to make an application on behalf of my organisation and that the information supplied here is correct. I understand and agree that contact details, rating and all other information included with this application will be presented to Council in a public meeting and will be accessible by the public.

Breakdown of your funding needs, including your budget and other sources of funding

Quotation from Warren Davenport to remove deck and repair stairs	13,800
Quotation from Brendan Cranfield to prepare and paint building	20,531
Estimate for scaffolding for painting	4,500
Estimate to replace deck with something to provide shelter	15,000
Repairs to toilets and showers and provide handrail in stairwell	5,000
Total estimated cost	$58,831

Details about the proposed project/s, including timeframes

The tennis court resurfacing is being done October

The building needs to be done as soon as possible but plans for the best solution for repairing the deck need to be finalised.

The building is usable by the tennis club as is.

We have had a small group look at what needs to be done with the building, and they have met with council. Their solution was to replace the external stairs, remove the deck and replace some cladding.

We have had a price of $13,800 to do this.

But the removal of the deck has been questioned. If removed something must take its place to provide shelter from rain and the sun. It has been suggested the existing deck can be repaired.

More thought is required on this.

We are asking council to include in their three year plan an allowance to assist with this. Clearly there will need to be fundraising and charitable and community organisations will need to be approached and the building team will need to address this.

Item 7.4

Attachment A

MORRINSVILLE TENNIS CLUB
YEAR ENDED 31ST MAY 2017

INCOME AND EXPENDITURE			MOVEMENT IN FINANCIAL POSITION		
2016	Income	2017	2016		2017
1475	Subscriptions:	1335	2,169	Balance at Beginning of Year	1,168
0	Donations and Grants	713	-1,001	Surplus/(Deficit) of Year	3
0	Interest	41	**$1,168**	Balance at End of Year	**$1,171**
27	Fundraising	259			
1,502		2,348		MADE UP OF:	
				ASSETS	
	Expenditure		1,168	Bank	32,394
0	Balls	311		Less:	
251	Advertising	64		Monies held for Court Resurfacing	30,950
546	Affiliation Fees	546			1,444
660	Power	666		LIABILITIES	
307	Rent	307	0	Accounts Payable	273
720	Coaching Expenses	420	**$1,168**		**$1,171**
19	Sundry	31			
2,503		2,345			
($1,001)	**Excess Receipts over Expenditure**	**$3**	**Statement of Material Information**		
			Morrinsville Tennis Club is an Incorporated Society		
			The club is not registered for GST		
			Assets including the tennis courts and tennis club buildings		
Accountants statement			have been expensed at the time of acquisition		
I have prepared the accounts from records presented to me by the club treasurer			The tennis courts and tennis club buildings whilst built by the		
These financial statements have not been audited due to the cost involved			club are on Matamata-Piako Council Land and are		
These statements reflect a true position of the transactions thriough the bank accour			effectively owned by the Council		
Reg Churton Retired Accountant					

Morrinsville Tennis Club – handout provided at Hearing 18.10.17

The tennis club buildings are in urgent need of repair and a blight on the whole recreation grounds

We are asking funding to bring the building to a usable and presentable condition.

Tennis Courts

Our priority has been the upgrade of the tennis courts which are unplayable and unsafe when damp.

We have gained funds to resurface three courts in Plexipave, an acrylic compound, at a cost of $36,500. This is being done at present and will be locked for tennis club use.

The three courts nearest the carpark we have spayed and water blasted to make them playable. At present we have theses open for public use.

The three other courts which the council was going to maintain and were for public use are unplayable because the asphalt surface has deteriorated and the tennis nets and outside netting have been vandalised.

With the work being done on the courts these will be fine for the next few years

Building

The building upstairs is unusable because the steps and outside decking is unsafe. If the steps and deck are repaired there are two other groups wishing to share our building.

Downstairs there are a few repairs needing to be done including the toilet and shower area and the front ranch-slider needs replacing.

We need the funding to do this work.

We have a quote to repair the stairs and remove the deck and this is $13,800. To replace the deck may cost $20,000. We also need to replace some windows with safety glass and replace the downstairs ranch slider and this has been estimated at $20,000. Also the building does need external painting and we have a quote of $20,500 plus $4,500 for scaffolding. So all up to bring the building up to scratch we are looking at around $80,000.

It would be good to be able to use the whole building and thus have the two other groups make use of it. Initially we may be able to replace the external stairs and leave the deck as is, with some minor work to make it safe for those standing under it, but make the deck inaccessible. If this is done some of the safety glass may not be required. We would guess an immediate cost of around $20,000 to do this.

We have our own members, including tradesmen, willing to assist with this and hopefully this will reduce the cost.

We ask that the council includes the building renovations in their three year plan.

Item 7.4

Attachment A

CONCLUSION

The Morrinsville Tennis Club wants to bring life back into an area that has strong bones but just needs attention!

Our goal is to bring back club competitions with Piako clubs. Tennis is a sport that promotes the well-being of our community by providing activities that encourage physical and social participation for all generations and families.

This is a four stage project:

Stage1: 3 Courts been resurfaced

Stage2: Removel of deck

Stage3: Lighting

Stage4: Painting

Repairing the club building and grounds to make it safe for the public. Which will also open up more use for the club with the junior soccer club, fitness group and any other interest.

Using the building with multiple clubs, will also cut down on vandalism.

PHOTOS

TENNIS CLUB

Social Club & Junior Tennis Coaching

We are a social tennis club with junior coached lessons in the heart of Morrinsville. We are set on the edge of beautiful Morrinsville Recreation Grounds with 6 Club Tennis courts and 3 Council owned public courts.

Photo Take November 2016

But as you can see our club is not beautiful, the up stair area has been boarded up because our deck is rotten, our steps are not fire safe and our handrails are illegal. Our courts are old and cracked, the moss and rotten leaf build up make the courts dangerous to play on.

BUT WE WANT TO CHANGE THIS!

OUR CLUB LONG TERM PLANS

Is to find the love that this town had for tenni - the reason piako tennis club picked morrinsville to be the heart of it all.

This building is used by the Tennis Club in Summer. 'Stronger You' is a boot camp running their training from schools and local halls around town. We have been approached by them to use the upstairs area as they are after somewhere permanent where they can still use the greater outdoors but have a backup when it's raining and equipment storage.

To keep the field usable for game days the Morrinsville junior soccer club are also looking at somewhere to practice on when the field is too wet. They like the idea of storage and building use at this end of the recreation grounds. Their long-term goal would be to set up a 1 to 5-year-old soccer fun day in Summer to encourage new members which would be great on a multi-use turf surface.

There is a lot of work to be done. In order for the upstairs to be rented, we need new courts, a new safe deck, outdoor fire safety stairs and safety glass in the upstairs ranch sliders. Then we can do the much-needed repairs on the building.

WHAT HAVE WE DONE/APPLIED FOR AND WHO HAS HELPED US

Facia and downpipes have been damaged by a falling tree branch on the side of the building fixed by council.

The power in the building had broken under the road, we were charged cost rates from McMillan Electrical and Directional Drilling for a new 3 phase power line to be put in. Paid for by council.

The club has removed all leaves from 6 courts and moss sprayed 3 courts.

All 6 court net poles have been ground back and repainted by Brendan Cranfield Decorators Ltd.

We have had a new logo and signs/posters designed by Nicole Davenport.

A new 2m by 1m "WHAT'S ON" whiteboard sign sponsored by Davenhomes (WD Davenport & Co Builders Ltd).

Brendan Cranfield has water blasted all six courts with a whirl away.

Dummy Security Cameras have been installed by McMillan Electrical.

This week Plexipave are grinding our courts and laying new court surface on our 3 courts in front of the building. This should be finished in two shades of green by the end of the week. Morrinsville Lions Club, NZCT, Ballance, PlaceMakers, Bowers Brothers, Anexa FVC, Greenlea are all sponsoring this.

We have applied to Transpower for new LED lights with non-breakable glass and new brackets for our 3 new courts. We will hear back from them in February.

The removal of the rotten deck and upgrade of stairs to fire code standard and new hand rails. Also needing plans and council consents. The building to be washed and painted.

Long Term Plan 2021-31 Pre-Consultation

RM No.: 2309376

Rāpopotonga Matua | Executive Summary

As part of the preparation of the Long Term Plan (LTP) council encourages early engagement with the community. There are no requirements under the Local Government Act 2002 for Council to undertake a pre-consultation. However, it is best practice to do so. The pre-consultation allows Council to gain feedback from the community on significant issues, contributing to the strategic direction of Council in the earlier planning stages of the LTP.

This report provides an outline of the proposed pre-consultation, and seeks Council's endorsement.

Tūtohunga | Recommendation

That:

1. **The information be received.**

2. **Council endorses the proposed pre-consultation for the Long Term Plan on the topics outlined in this report;**

   - **An campaign to encourage the community to identify what issues/projects it wishes to see happen for the district to grow**
   - **Financial Strategy – Rates and Debt topics**
   - **Solid Waste High level topics, with the Solid Waste Working Party to consider these further and approve the content for consultation.**
   - **Open Spaces Strategy – pre-consultation survey**

Horopaki | Background

As part of the preparation of the LTP council encourages early engagement with the community. There are no requirements under the Local Government Act 2002 for Council to undertake pre-consultation however it is best practice to do so. The pre-consultation allows Council to gain feedback from the community on significant issues, contributing to the strategic direction of Council in the earlier planning stages of the LTP.

Managing the pre-consultation involves an early identification of the issues that are likely to be most critical to the community and ensuring they become the focus of the remainder of the process. This requires Council to assess what the important issues are, what options are available and what the implications associated with these issues are.

In light of the ongoing COVID-19 pandemic and economic downturn, Council has identified that it needs to engage early with its communities around the appropriate direction for the Financial Strategy including annual rates increases and debt levels. It is also suggested that Council invites ideas from the wider community on how it can thrive in a post-COVID setting for the LTP.

Council is also in the process of reviewing its Waste Management and Minimisation Plan and the Solid Waste Activity in general. There have been significance changes to the global recycling market and environmental standards in recent years, and Council has identified a need to have a conversation with the wider community around how Council manages its waste and how the community can work together to further reduce waste going to landfill and impacts on the environment.

The fourth topic identified for pre-consultation is the Open Spaces Strategy. The current strategy was adopted in 2013, and is currently being reviewed. Community feedback is being sought on the general direction of the strategy.

Ngā Take | Issues / Kōrerorero | Discussion

The outline – and in some cases content are below – the topics are intended to be developed in to engaging web content and supported by a range of events, newspaper adverts, print and other communications.

1. Community ideas for growth

To understand how our communities want to see the district grow and develop, it is proposed to invite the community to submit ideas for consideration in the Long Term Plan (similar to the 'we the people' epetitions platform launched by the US Government under President Obama).

The platform would allow members of the community to submit an idea, and others to 'vote' for the ideas they would like Council to proceed with. The system would be designed to be easily shareable across social media to allow people to garner support for their proposals and encourage others to participate.

It is expected that this will generate new, unique ideas, as well as ideas that may already be under consideration for inclusion in the Long Term Plan.

Council will be provided all the ideas submitted for consideration, but will look to develop business cases for the top three ideas submitted (those that receive the most votes).

2. Solid Waste

Council has been working through a programme of activities for the solid waste activity. This includes:

- Section 17A Local Government Act service delivery review (completed and to be discussed at a later date)
- Waste assessment (delayed due to lockdown and now due in August/September)
- Waste Management and Minimisation Plan (WMMP) review (underway – to be consulted on alongside the LTP)
- Asset Management Plan review, budget preparation (underway)

The current kerbside collection contract ends in 2023. Council needs to identify in the LTP what its preferred option is for a new service and how this will be paid for. For example, if Council moves from refuse bags to wheeled bins will the cost of the kerbside service be shifted to fully rates funded rather than the current mix of user fees (paid through bag sales)? The LTP will need to specify what the funding arrangement is for solid waste over the 10 year period from 2021-31 and how this might change from 2023 onwards.

It is proposed to work with the working party to develop content and community engagement on some or all of the following topics:

- Kerbside service options (what this service should look like) - for example continuation of the status quo, wheeled bins, organic collections.

- Future of the Transfer stations – including potential closure of the Waihou Transfer station and creating a refuse recovery centre in Morrinsville and/or Matamata.
- Rural recycling – this could be via kerbside collection, or drop off points
- Collection services offered in our CBDs and on Private Roads.

It is proposed that that the Solid Waste working party would consider these topics further (not all of them may be suitable for pre-consultation at this stage) and sign off the final topics and content.

3. Open Spaces Strategy

In 2013 Council adopted an Open Spaces Strategy after consultation. The Strategy set a long-term vision for the provision, development and management of the Parks and Open Spaces network provided by Matamata-Piako District Council over a twenty year period.

Specifically, the Strategy:

- establishes a system of park management categories
- provides a framework for collating reserve management plans by parks category
- provides a framework for consistent service delivery for the different parks categories
- provides development guidelines to guide renewals and new capital projects
- analyses current and future demand for different types of parks
- provides guidelines for decision-making about land acquisition and disposal
- provides the context and framework for developer contributions
- informs Long Term Plan processes.

The Strategy recommended periodic reviews to keep it current and relevant. A review of the strategy was signalled in the 2018-48 Parks and Open Spaces AMP and confirmed at a Council Workshop on 11 March 2020. The strategy adopted in 2013 set a good foundation to build on. It is however necessary to re-assess some of the assumptions and underlying data that the strategy was based on. This includes current demographic projections, growth data, increased knowledge about subdivisions occurring in the district as well as trends in sports, recreation and tourism. A review also presents an opportunity to improve on some sections of the strategy document as a result of increased knowledge and experience gained in applying the strategy over the past few years.

The intention of the first survey is to understand how people use our parks and open spaces, and to hear their vision for open spaces

The second phase will be about reporting back on what people told us and seeking feedback on priorities for inclusion in the LTP

4. Financial Strategy and Rates/Debt

Debt topic content

Why have debt?

We collect rates to pay for a lot of the day to day things we do, but we also borrow money to pay for large projects that will provide services to the community over a long period of time (such as water and waste treatment plants).

Borrowing money and repaying it over time (rather than just increasing rates to cover the full cost of a project that year), means that those who benefit from the service in the future will also pay their share. It also means we can avoid very large spikes in rates in the years that we have large projects on the go.

If some debt is good, then why increase rates when times are tough?

In general we don't borrow money to pay for our day to day operating costs, because this would mean future ratepayers have to pay for services they didn't get any benefit from. It's also not a sustainable practise (kind of like borrowing money to buy your groceries – it's just not a good idea for the long term).

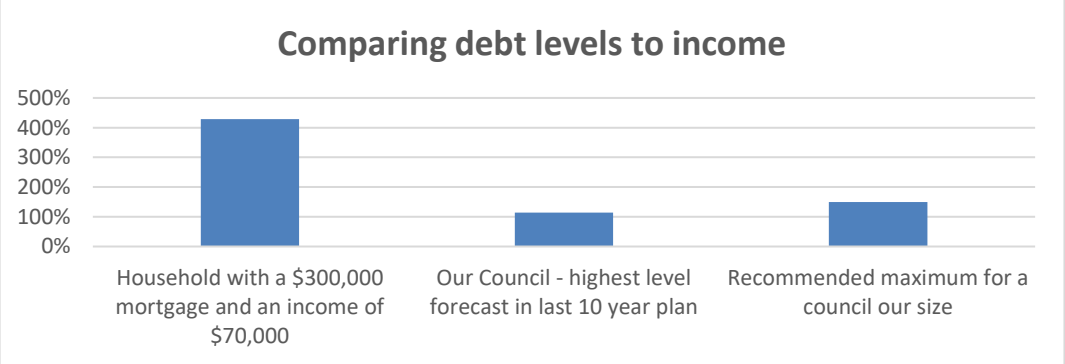
Councils are required by law to plan a 'balanced budget' (ensuring our income is the same or more than our expected operating costs). So rates increases will generally be to help cover increases in operating costs and interest on our debt.

In comparison, central government can borrow money to fund their operating costs, and will often do this during a recession to help stimulate the economy.

How much debt is ok?

How much debt is ok depends on how much money you have coming in to repay the debt. Similar to a household mortgage – generally the more you earn, the bigger the mortgage you can afford. Independent experts have recommended for a Council like ours, that net debt (that's debt minus any cash or investments) should not be any more than 150% of our revenue.

When we completed our last 10 year plan, we forecast that our external debt over the 10 years would increase to around $76 million. That sounds like a lot of debt, but at the same time Council's annual income was also forecast to be around $66 million. Our net debt was forecast to get as high as 114% of revenue compared to the limit of 150%. To put this in perspective, the graph below compares Council's forecast level of borrowing to a typical household with an income of $70,000 and a mortgage of $300,000.



This shows that while the amount Council is likely to borrow sounds high, our debt level is actually comparatively less than a typical household's mortgage in relation to their income.

How much debt do we have?

Currently we have $26.5m in external debt and $10m in cash/investments. Our net debt equates to about 32% of total revenue. Compared to our limit of 150%, we are in a very good position. In- fact, based on our current income, we could add an additional $51 million external debt before we would hit our 150% limit. The downside of increasing external debt is obviously that it requires increased income (often rates) to pay for the debt.

What is 'internal debt' and how does it work?

If you have cash available, it makes sense to use this first rather than borrowing money from the bank. 'Internal debt' is where part of Council borrows money from another part that has surplus cash in reserve, rather than borrowing the money from an external lender. Interest is still charged on the loan, but at a lower rate that what we'd pay at the bank, but slightly more than we could receive if we had invested the money. So it's a win-win situation that keeps Council's external debt down.

Currently we have around $38m in internal debt. That's cash that we've had available over the years that we've invested in assets rather than having to borrow externally.

Over the years the "surplus cash" has come from various sources, including sales of property, depreciation collected to replace assets in the future, and we also had a cash windfall. Back in 1998 when the Thames Valley Power Board wound up, our district received $24 million in dividends. Most of this fund was used to internally fund investments in our assets (particularly Community Facilities, Roading and Water). If not for that windfall, our external debt would be at least $18 million higher than it is today. The remaining $5.4 million of this fund is held in deposits, with the interest used to subsidise general rates. It also acts as a self-insurance policy, which could be accessed in an emergency situation, like in the event of a natural disaster.

<u>Should we change what we are doing? And what are the options?</u>

Should we keep our current approach for the foreseeable future?

Our reserves form part of our strong financial position. They've meant we have been able to borrow money internally to keep our external debt and interest costs low, and they also mean we have financial resources available to access in an emergency. The $2 million COVID-19 Response Fund we set up this year was able to be diverted from existing reserves – this meant that while we have gone with a zero increase to general rates for 2020/21, we're still able to progress projects and deliver some planned improvements. Our current approach is conservative and comfortable.

Should we look at doing something different with some of our reserves?

In the past we have worked hard to keep our external debt to a minimum, but is that necessarily the right approach going forward? The decisions in the past to use surplus cash to internally fund projects rather than borrowing externally have no doubt saved money, but has this also resulted in lost opportunities?

Should we reduce the amount held in reserves?

If the community chooses to, we could take a different approach. We could unlock some of those surplus funds (up to $20m) by borrowing externally instead. The cash would then be freed up to deliver other opportunities that could potentially provide significant economic, social, environmental or other benefits to the district.

Obviously, doing this would increase our external debt and interest costs – but interest costs are currently at an all-time low, and we have plenty of headroom to take on more debt.

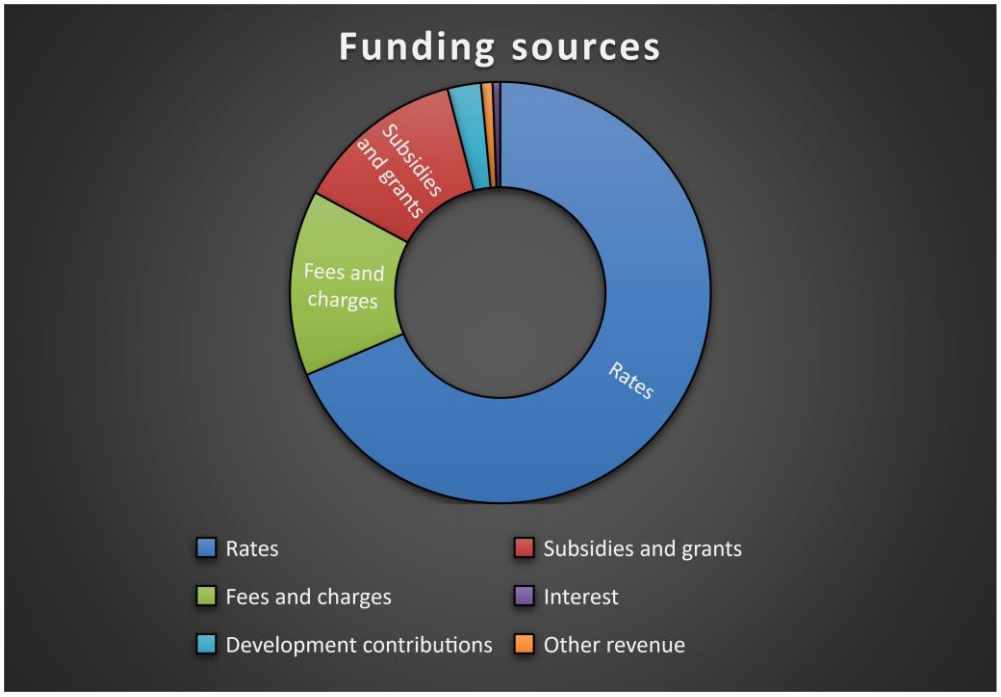
This option sounds attractive because it would mean we can progress some major projects that could stimulate our district's economy, which, depending on the project, could have only a small impact on future rates.

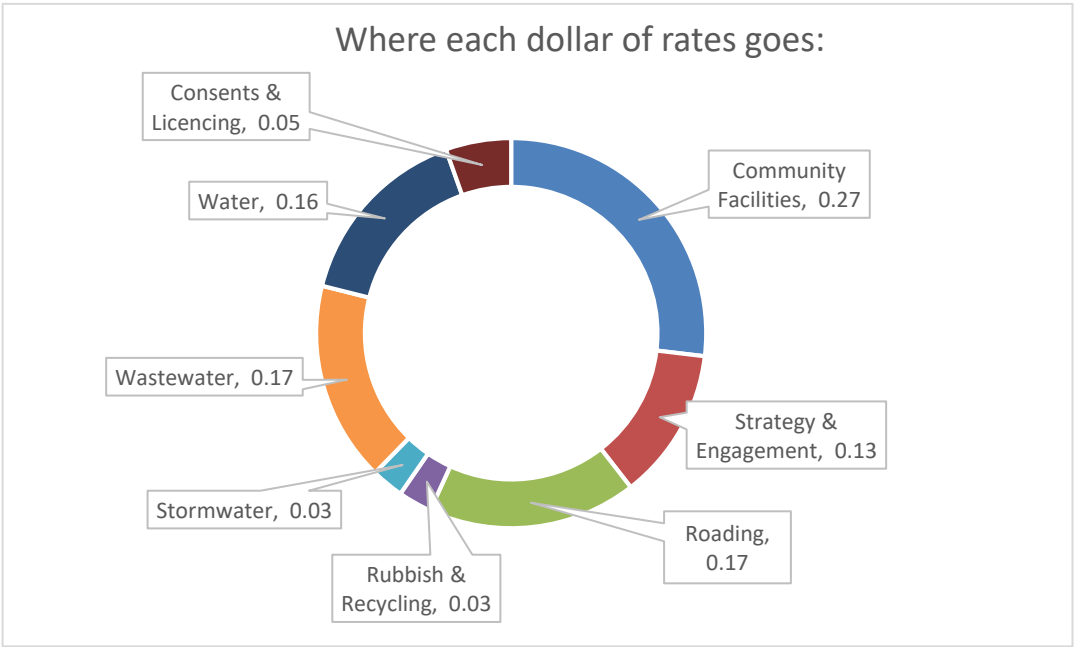
Rate increases - what should we do?

Why do we collect rates?

Council provides a lot of services in the community – like water, wastewater, stormwater, roading, animal control, health and alcohol licensing, parks, playgrounds, pools, rubbish and recycling, streetlights, libraries, events centres, and much more.

To deliver all these services costs about $38 million every year. About 70% of that comes from our main source of income – rates.

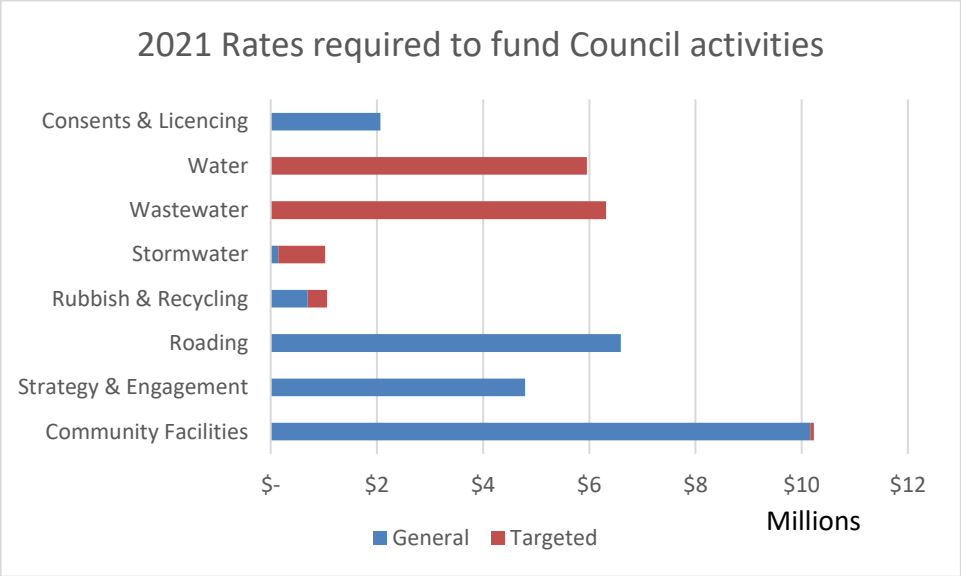


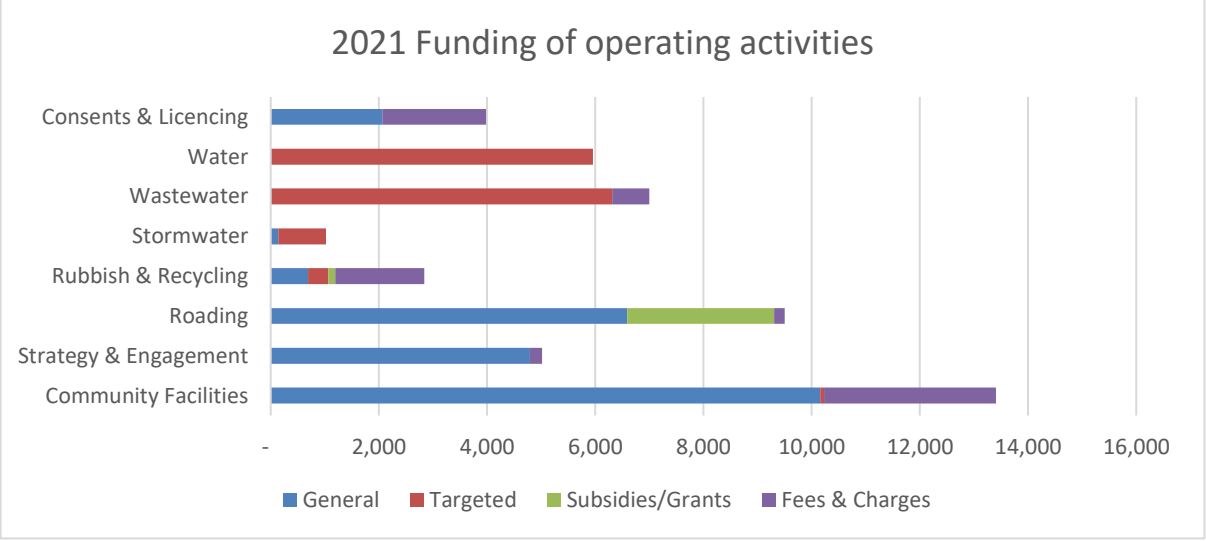


Types of rates

There are two different types of rates

- *General rates – which are for services that everyone generally benefits from (such as roads, libraries, parks and reserves and democracy). General rates are a tax based system, and we collect them in two ways*
    - *Capital Value of properties - the higher value your property is, the higher rates you pay, and*
    - *Uniform Annual General Charge (UAGC) - a set fee (currently $730.73) charged to all properties.*
- *Targeted rates – these are rates charged for specific services (such as rubbish collection, water and rural halls) to the people who receive those services. This is a mix of both user pays and tax based systems.*





Why do rates increase?

Inflation

Just like the costs to run your household increase over time, so do the costs to provide our services.

For example, minimum wage has increased from $6.12 in 1994, to $13.75 in 2013, to $18.90 in 2020. Staff costs account for around a third of our expenditure. Other big drivers of Council costs include oil prices and construction costs. These can fluctuate but have moved upward over time.

We are legally required to account for this inflation in our ten year budget forecasts.

Changes

Just like stuff happens at home (like the car breaking down, or needing a new oven), stuff happens that we can't plan for, which has on-going effects on our costs. Some recent examples include:

- *the 2016 water contamination event in Havelock North triggered tougher regulations for water, significantly increasing the costs to deliver this service*
- *the costs to dispose of rubbish have significantly increase over recent years, and we also now have on-going challenges with getting rid of recyclables, which continues to drive costs up*
- *the current global COVID-19 pandemic will undoubtedly lead to permanent changes in the way we do some things and possibly affect on-going costs.*

Valuations and depreciation – *We maintain over $630 million of assets including roads, bridges, water, wastewater and stormwater networks, and a number of community buildings and facilities. Over one third of the rates collected each year is to pay for the planned replacement of these assets as they age, and ideally before they start to require too much maintenance. We regularly review how much it would cost to replace these assets, and as these costs increase, we have to increase the rates collected to keep pace. If we didn't keep up, we wouldn't be able to afford to replace them when required.*

A good example of this is Headon Stadium – because we've collected money for this over the years, the new/refurbished stadium that will open this year, doesn't require a big rates increase.

Growth and demand - *As our district grows, and we do more (like build new event centres), or do things to a higher standard, it generally costs more. As new subdivisions are created, while we get more ratepayers, we also get more roading and utility assets to maintain and replace in the future. We get more reserves to mow, gardens, playgrounds, and trees to tend to. When we build new Events Centres, Cycle Trails, and river walks we have new maintenance and costs to operate these assets, and interest costs to fund their construction.*

What does that all mean?

Everyone understands that doing more, costs more. But all of these things mean it also costs more just to do what we already do now.

So just to provide the same services we do now, rates need to continue to increase.

What can we do to keep rate increases low?

We can't do anything to prevent the cost increases above, but there are some things we can do to help keep rates increases low.

Some things we already do are:

- *Good asset management – maintaining assets so they last and replacing them only when we need to.*
- *Look for efficiencies – we are constantly reviewing our services and processes for smarter, faster and more cost-effective ways to do things. For specific services, we are required to do this on a regular basis – this is called a Section 17a Review. But there are lots of other areas where we look to work with our neighbouring Councils to do this cheaper or better. We currently buy insurance with a group of Councils, which has reduced the cost.*

Other things we could do include:

- *Stop doing new things – when we do more, it costs more. And not just for the initial costs either - new events centres, cycle trails, and walkways also require ongoing maintenance and operating costs, and ongoing interest costs. So one way we could keep rates increases to a minimum is to stop doing new things like this. We don't think this is a good idea, because it means our community will fall behind others, and those new 'extras' are the types of things that will help achieve our vision to make Matamata-Piako the place of choice for lifestyle, opportunities and home.*

Don't build any more new assets other than what we need for growth – as our district grows we need new roads, footpaths, streetlights, more pipes, more parks etc. This would mean new projects – like the Silver Fern Farms Event Centre in Te Aroha, wouldn't happen.

- *Look for other income sources – rates are our main source of income, followed by fees and charges, and subsidies and grants (usually from central government). We could look for more external funding – such as asking the community to fundraise 100% of the cost for a new facility – and set up a trust to fund and operate them.*
- *Use our reserves to fund one off projects – link to the debt/reserves topic*

Why are you asking us about this?

Every three years we are required to develop and consult on a 10 year plan. We're currently working on our plan for 2021-2031.

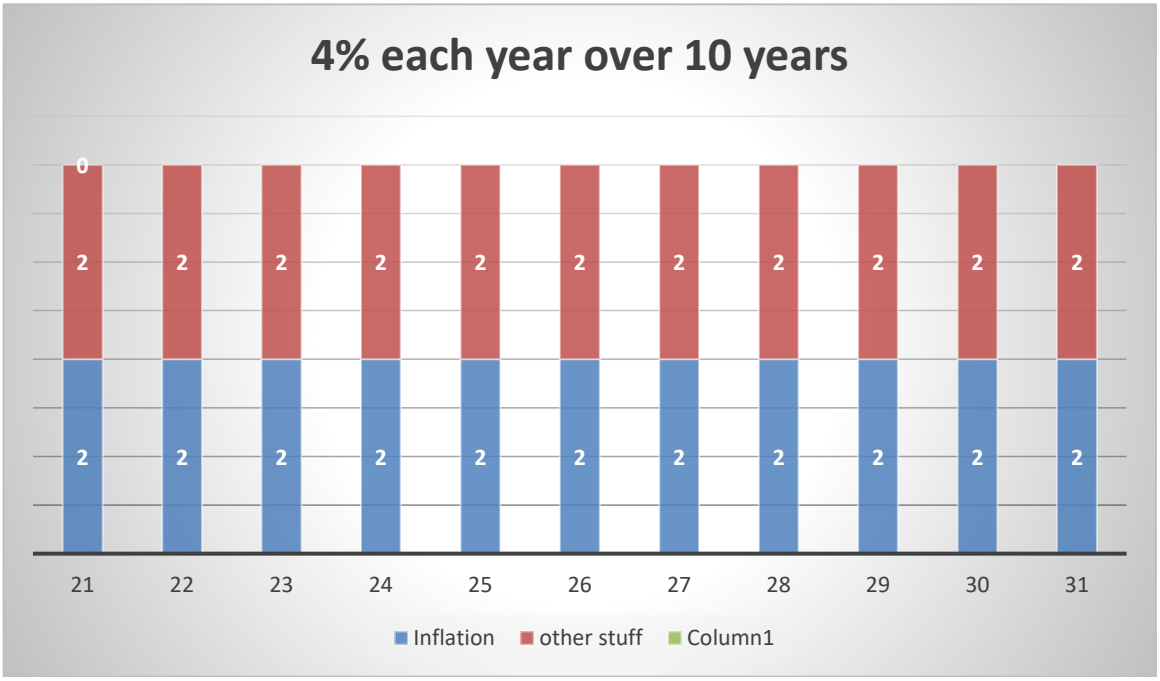
To help us create a plan that reflects the wants and needs of our community, we need to know how you think we should manage rates increases.

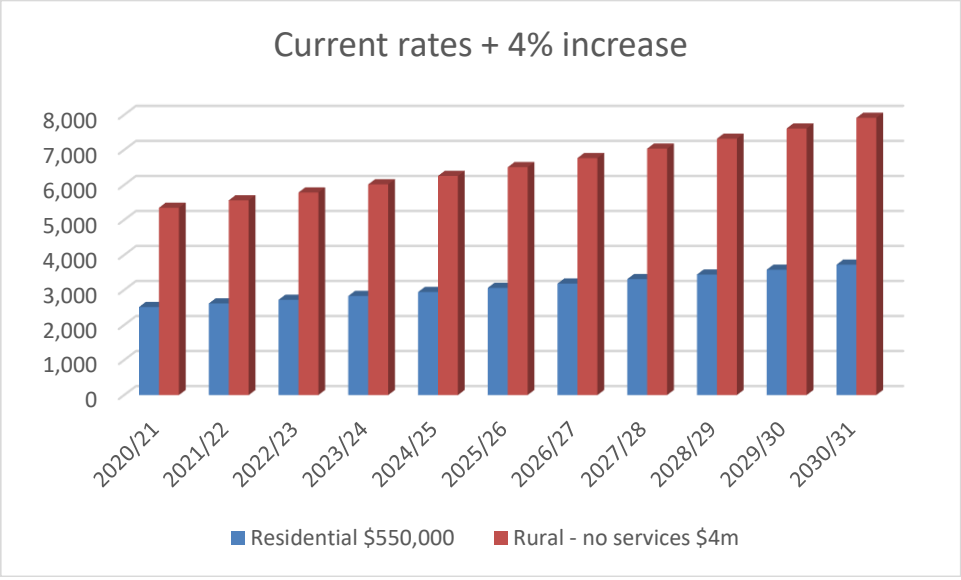
We know there is a lot of uncertainty at the moment and many people and businesses are struggling. We don't know exactly what the future holds but we still need to have a plan in place for the next 10 years – even if we have to tweak it as we go along.

What do we want to do?

Three years ago we set a vision to make Matamata-Piako the place of choice for lifestyle, opportunities and home. We have made steady progress towards that vision with great projects like the Te Aroha – Matamata Cycleway, partnering with government on the Wairere Falls Carpark, and making significant progress on extending the Morrinsville walkway, and significantly increasing the use of our new facilities. We want to continue delivering on that vision.

We're proposing to continue to deliver our current services, and continue to make steady improvements to deliver on our vision. We think this will require annual rates increases of around 4 [NB – inflation figures are for illustrative purposes only]





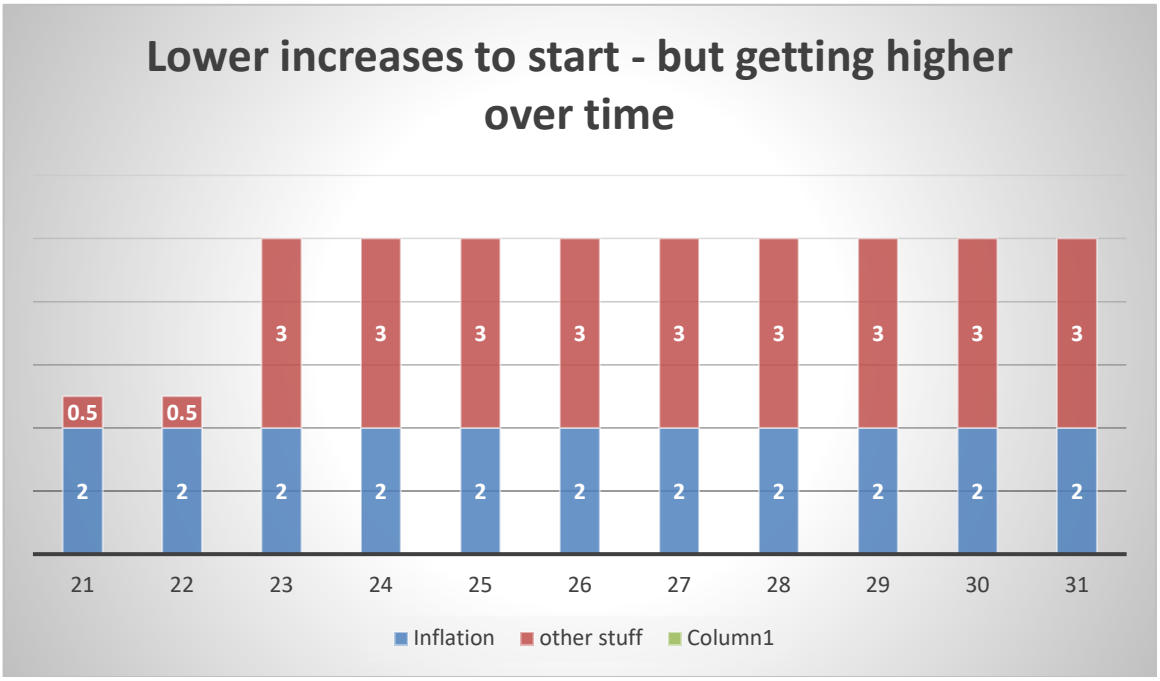
What are the other options?

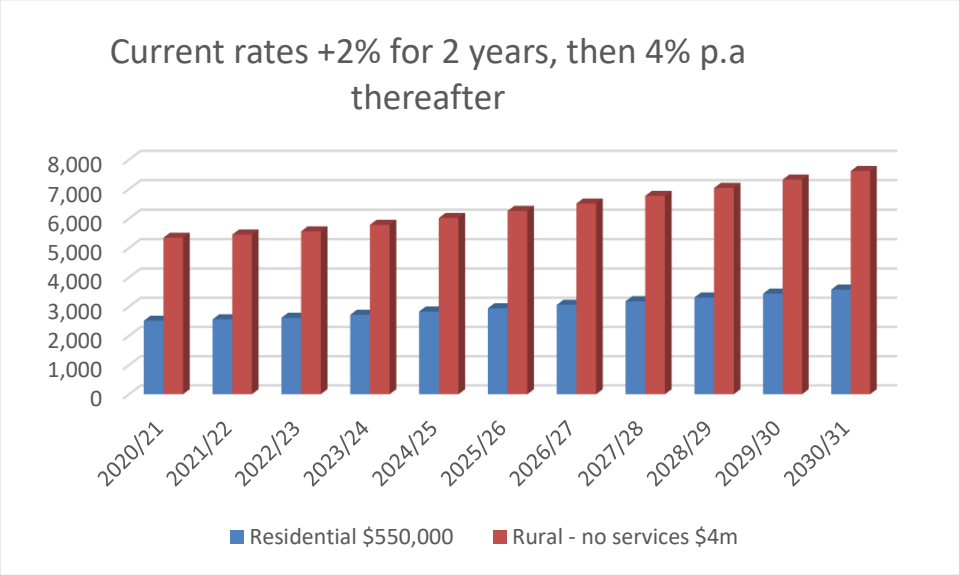
Lower rates now, bigger increases later

Given all the uncertainty at the moment, another option would be to keep rates increases to a minimum for the next couple of years, with larger increases later on to make up for this.

This would basically mean we continue to deliver our existing services, but don't have any budget for improvements (such as something we've got planned that would need to be deferred) or new projects (such as destination playgrounds or some other example). Depending on compliance and inflation costs, this could also mean having to make cuts to our exising services.

While the option of lower rates increases sounds appealing, it also effectively means 'kicking the can down the road'. If we defer maintenance or projects, the costs to deliver them later on will only increase. So a 2.5% rates increase now, could mean an 8% or 10% increase in a couple of years time.





Stick to inflation

We could keep rates low by only increasing them enough to cover inflation. This would mean we continue to deliver our existing services, but don't have any budget for improvements (such as something we've got planned that would need to be deferred) or new projects (such as destination playgrounds or some other example).

This would also mean that when unexpected events happen (such as the Havelock North water contimination event, or COVID-19), we have a limited ability to respond. We would likely need to reduce our services – such as mow parks less often, or reduce the number of gardens, or close some of our facilities, or stop collecting rubbish to ensure we could continue to provide essential services like water and roading.

Inflation + 4%

The more rates funding we collect, the more projects we are able to deliver. The 4% each year we're suggesting above allows us to deliver steady progress on planned projects. But if there are lots of things you would like to see happen in our community (like covering the Morrinsville pool, another indoor sports facility in Matamata, extending the cycleway to Piarere, a new spa complex in the Te Aroha Domain, or destination playgrounds), and you'd like to see them happen soon, this requires more funding.

Instead of keeping rates increases to 4% (including inflation), we could allow 4% for improvements on top of inflation (e.g. if inflation is 2%, the rates increase would be 6%). This would help to achieve our vision, and deliver higher quality services for the community, as well as new facilities/services.

Mōrearea | Risk

There is a risk of lack of engagement. This could be due to consultation fatigue or that the topics for consultation are not relevant to the community. A Communication and Engagement Plan has been developed to provide a multitude of ways to engage with Council, to encourage engagement from all sectors of the community.

If Council chooses not to undertake a pre-consultation, there is a risk that the Long Term Plan and associated documents does not match the community expectations and represent the community views.

Ngā Whiringa | Options

Council is asked to endorse the proposed pre-consultation for the Long Term Plan, and invited to provide feedback.

Ngā take ā-ture, ā-Kaupapahere hoki | Legal and policy considerations

There is no legal requirement to undertake a pre-consultation for the Long Term Plan. The results of the pre-consultation will help inform the development of the Long Term Plan, the Waste Management and Minimisation Plan and the Open Spaces Strategy.

Ngā Pāpāhonga me ngā Wātaka | Communications and timeframes

It is proposed that the four pre-consultations all take place during July/August, to provide information for the budgets to be brought back to Council in September 2020.

The suggested timeline is as follows:

- July 9 - Start open spaces - phase 1/survey
- July 13 – Start Community ideas
- July 20 – Start Solid Waste consultation
- July 24 - End open spaces - phase 1/survey
- July 27 – Start rates and debt consultations
- August 3 –Start open spaces phase 2
- August 7 – End Waste Min, End Community ideas
- August 19 – End rates, debt and open spaces consultations

A communications plan will be developed for each topic, incorporating a range of digital and print media. Where possible, targeted consultation will also take place (such as letters to relevant groups), and face to face meetings with stakeholder groups.

Ngā take ā-Ihinga | Consent issues

There are no consent issues.

Te Tākoha ki ngā Hua mō te Hapori me te here ki te whakakitenga o te Kaunihera | Contribution to Community Outcomes and consistency with Council Vision

Theme: Healthy Communities
Community Outcome: We encourage engagement and provide sound and visionary decision making.

Pānga ki te pūtea, me te puna pūtea | Financial Cost and Funding Source

The pre-consultation for the Long Term Plan is funded from the Strategy and Engagement Operational budget. The Consultation for the Open Spaces Strategy is funded from the Asset Management – Parks Operational budget.

Ngā Tāpiritanga | Attachments

There are no attachments for this report.

Ngā waitohu | Signatories

Author(s)	Ann-Jorun Hunter **Policy Planner**	
	Mark Naudé **Parks and Facilities Planner**	
	Niall Baker **Senior Policy Planner**	
	Jenni Cochrane **Communications Manager**	
	Larnia Rushbrooke **Deputy Finance Manager**	

Approved by	Michelle Staines-Hawthorne **Corporate Strategy Manager**	
	Don McLeod **Chief Executive Officer**	

Item 8.1

Mayoral Diary for June 2020

RM No.: 2309616

Rāpopotonga Matua | Executive Summary

The Mayoral Diary for the period ending June 2020 is attached to the agenda.

Tūtohunga | Recommendation

That:

1. The information be received.

Ngā Tāpiritanga | Attachments

A⇩. Mayoral Diary June 2020

Ngā waitohu | Signatories

Author(s)	Debbie Burge **Executive Assistant to the Mayor**	

Approved by	Don McLeod **Chief Executive Officer**	

Mayoral Diary
June 2020

Tuesday 2 June	**Meeting with Mayors Goudie and Adams** This meeting was to talk about aligning our three councils as an Eastern Waikato sub regional group. Together we can lobby parliament as one voice on shared issues. **Meeting with Morrinsville Chamber of Commerce** Topics discussed at this meeting included: 1. Stormwater 2. Street scape 3. Rates 4. I-site hours and funding We continue to see the benefit of meeting bi-monthly with this group to help understand the needs of the business community.
Wednesday 3 June	**Council workshop** Topics discussed at this workshop included: Financial Strategy, Property, Wastewater, Stormwater, Communication and Economic Development Activity Plan, and Ngarua Hall Demolition. **Interview with The Project** TV 3 show The Project were doing a piece on the announcement that Bunnings are set to close more stores, as Te Aroha lost our Bunnings store in December they wanted to talk to me about the effect it has on small towns.
Thursday 4 June	**Meeting with Tangata iwi** Following on from our Zoom meeting last month with representatives of Tangata marae, we met in person at the Silver Fern Farms Event Centre function rooms to continue the conversation. Tangata marae made a presentation to me regarding their view on some concerns they have with our District Plan and changes they would like to see considered. **Meeting with Councillors** As part of the annual CEO performance review, I met one on one with Councillors to talk about Don's performance over the last year. This is one part of the information considered at the formal review meeting later this month. Today I met with the Te Aroha ward councillors.
Friday 5 June	**Meeting with NZTA** I met with a NZTA representative and council employee Raymond Short to discuss speed changes within Te Aroha, specifically Manawaru. I met on site in the village and afterwards took the opportunity to say hi to some of the students of Manawaru School.

	  Meeting with Ezra Campbell Ezra is leading a community project in Matamata for a Covid 19 commemorative tree planting in Swap Park. She has secured funding from Te Uru Rakou and council have been providing technical support. Ezra gave me an update on where the project is at, with the view to an official unveiling of the finished product in July.
Monday 8 June	**Meeting with Councillors** This time, as part of the annual CEO performance review, I met one on one with Morrinsville Councillors to talk about Don's performance over the last year. **Te Aroha Business Association AGM** There was a good turn out to the Annual General Meeting, where Anna Blatter retired from her position and a new secretary was elected. This position is now being jointly shared by Evelyn Ryan and Liz Kalma.
Tuesday 9 June	**PGF announcement** Our neighbours up the road, Thames Coromandel District Council, have been successful recipients of almost $20 million from the Provincial Growth Fund. Hauraki District Mayor Toby Adams and I were at Thames in support of Mayor Goudie for the announcement from Deputy Prime Minister Winston Peters. This funding will be used to develop the Sugarloaf Wharf at Te Kouma. I am very pleased for TCDC in their application, and hope we can be as successful in our own application for the development in Te Aroha Domain.
Wednesday 10 June	**Council meeting** A very busy council agenda and workshop lay ahead of us at the start of the day. Items discussed included: Audit and Risk Report from Chair John Luxton, Demolition of Ngarua Hall, Civil Defence Emergency Management – Welfare Manager Update, Recovery Working Party, Hauraki Gulf Forum Meeting Report, Council Events, Community Grants, Voting Systems, Audit Plan the year ending 30 June 2020,

	Debenture Trust Deed – Letter of Engagement and the Mayoral Diary We then went into workshops in the afternoon. **Meeting with Tim Van der Molen** I met with Tim and we discussed the business bubble zones going into Morrinsville.
Thursday 11 June	**Meeting with Waikato Regional Council** Our CEO Don and I met with WRC CEO Vaughn Payne and Patrick Lynch from WRC Enforcement unit, to discuss how communication between our Councils can be improved. We are working on holding some joint workshops with staff from MPDC and our other Eastern Waikato neighbouring Councils with the view to have more clarity around Resource Consent expectations and have the opportunity to offer input on what challenges we see in delivering those. **Meeting with Councillors** The last of my one on one meetings, with Matamata Councillors, to talk about our CEO Don's performance over the last year.
Friday 12 June	**Meeting regarding District Plan** District Planner Ally van Kuijk and I met with some property owners from Matamata, and their lawyer, to talk about the District Plan and how it relates to their property.
Monday 15 June	**Meeting with CEO** Things are slowly getting back to 'normal' post Covid 19 lockdown, and Don and I are back to our regular weekly Monday morning meetings. **Bi-monthly meeting** This was our first post Covid lockdown meeting between the Mayors of Thames-Coromandel, Hauraki and Matamata-Piako Disricts, and our two Waikato Regional Councillors Stu Husband and Hugh Vercoe. We talked about what our councils had implemented during and post Covid 19. **Meeting with Te Aroha residents** I met with three representatives of Tui Pa marae to discuss what's going on around Te Aroha, and their views on our PGF application for Te Aroha Domain. **Meeting with Matamata resident** I met with Tony Harrison, who is one of the representatives of Ngāti Hinerangi on the Te Manawhenua forum. We talked about the cycle trail contact he is helping us with, and his role within Ngāti Hinerangi.
Tuesday 16 June	**Meeting with Te Aroha resident** I met with John Watson who is getting a community radio station up and running in Te Aroha.

	Ex-British entertainer Noel Edmonds who now lives in New Zealand has gifted 100 community radio stations to towns who are successful with their applications. Te Aroha has been successful with their application. The initiative (called Positivity New Zealand) was set up to help communities who have suffered the effects of the Covid-19 pandemic. The 100 stations will be able to be heard via internet-only and a downloadable app. See https://positivityнz.radio/aboutus/ for more information. While the station will be commercial and news free, this will provide a wonderful opportunity for Te Aroha to have its own community radio station that can provide a totally free platform for local community groups, charities, events, sports clubs, schools and Council notices etc. It will also promote local business via its own "buy local" campaign and promote the town as a great place to visit with content on all the history and amenities we have to offer. The station will be called "Positively Te Aroha" and while only internet-only, it will of course, have a worldwide audience. I fully support John with this project and are looking forward to hearing it over the radio waves soon!
Thursday 18 June	**Meeting with Te Aroha resident** There are a keen group of local residents who would like to recognise and thank all the emergency, first line and essential workers in Te Aroha who worked through lockdown. They are organising a day where these workers can be acknowledged, likely to be in July. **Meeting at Te Aroha Museum** I met with staff and volunteers at the museum and we talked about the proposed Domain development and where the museum might be able to access potential funding opportunities. **Mayors message videoing** This week's message was about the central government funding we have received to seal the trail trial section from Te Aroha to Matamata.
Monday 22 June	**Meeting with CEO** Weekly meeting with Don.
Tuesday 23, Wednesday 24 & Thursday 25 June	**Business Restart 2020** Over three night's council held business networking events in Morrinsville, Matamata and Te Aroha. Here attendees heard how council is responding to and broader recovery plans post Covid 19 lockdown. We had guest speaker Sian Leonard at each event. Sian talked about some of life's biggest challenges that she has tackled, lessons she has learnt along the way and to celebrate that it is possible to 'bounce back'.

	We were very pleased with the attendance at each event and hope there was something to take away from it for everyone. **CEO performance review committee meeting** The annual formal review was held with committee members and our external consultant. **Special council meeting** Prior to the Corporate and Operations meeting, a special council meeting was held to adopt the Annual Plan 2020/21 and Fees and Charges 2020/21, Setting of Rates 2020/21 and Adoption of Bylaws – Trade Waste and Introductory. **Corporate and Operations Committee** At the conclusion of the special council meeting, the COC meeting commenced and we covered off: Treasury Policies Review, Freshwater "Action for Healthy Waterways", Recovery Working Party – Minutes of Meeting, Long Term Plan 2021-31, Solid Waste Working Party – Minutes of Meeting, Power Co Easement – Hetana Street Reserve Matamata, CEO's Report, Health and Safety Report and Spotlight on Safety Award. We then went into workshops covering: Covid Response/Fund, Council Events, Free Lease Easement for the Morrinsville Walkway and Healthy Rivers – Plan Change 1. **Morrinsville River Walk meeting** I met on site with Morrinsville Councillors and the community group who have been co-ordinating the clean-up of the rec grounds and river area to talk about ongoing maintenance.
Monday 29 June	**Zone 2 meeting** This meeting was hosted by Waipa District Council, held at the Sir Don Rowlands Centre at Karapiro. After the welcome from our host Mayor Jim Mylchreest, we had a presentation from Waipa staff on Te Ara Wai Journeys – a free self-guided tour of culturally significant sites throughout the Waipa District. We then discussed upcoming remits for the LGNZ Annual General Meeting and were provided an update from President of LGNZ Dave Cull, and CEO Malcolm Alexander.

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Attachment A

	After lunch the Department of Internal Affairs gave us an update on their Work Programme which was followed by a presentation from Waipa's communication staff on their recent success at the Public Relations Institute NZ Awards. We wrapped up the meeting with general discussion from Mayors about Covid 19 recovery and an overview from each council on how they are tracking. It was good to be back in the room with other elected members from our region, and out from behind our zoom meeting screens!