

**NGĀ
WHAKAWHANAUNGATANGA
MATUA**

KEY RELATIONSHIPS



COUNCIL CONTROLLED ORGANISATIONS

Council controlled organisations (CCOs) are described in the Local Government Act 2002 as any organisation in which one or more councils control 50% or more of the voting rights or appoint one or more of the directors. The Local Government Act 2002 requires us to include in the LTP information on certain council controlled organisations in which we are a shareholder.

This includes information on:

Our policies and objectives that relate to the ownership and control of the organisation.

The nature and scope of the activities to be provided by the council controlled organisation.

The key performance targets and other measures by which performance may be judged.

We do not have any significant policies or objectives about ownership and control of council controlled organisations. Appointment of a director to a council controlled organisation, who represents the Matamata-Piako District Council, aligns with our policy on appointment of directors.

Waikato Regional Airport Limited (WRAL)

Ownership

WRAL is jointly owned by five local authorities: Hamilton City, Waikato District, Waipa District, Otorohanga District and Matamata-Piako District Councils. Matamata-Piako's shareholding is 15.625%.

Why does it exist

Waikato Regional Airport Limited replaced the Airport Authority in 1989, which previously ran the airport. We consider that the airport is a significant infrastructural asset for the region and important for economic growth and development. The Local Government Act 2002 defines shareholding in an airport as a strategic asset.

What does it do?

The objective of the Waikato Regional Airport Limited is

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

Performance measure	Actual	Target
	2019/20	2020/21 - 2022/23
Facilitate Health & Safety meetings every two months with representatives from each company department.	Achieved	Facilitate Health & Safety meetings every two months with representatives from each company department.
Zero Work Safe notifiable accidents/injuries.	Achieved	Zero Work Safe notifiable accidents/injuries.
Independently review and audit the Health & Safety system each year.	Achieved	Independently review and audit the Health & Safety system each year.
To achieve the Airport Certification Standards as required by the Civil Aviation Authority and as evidenced by Civil Aviation Authority audit reports.	Achieved	To achieve the Airport Certification Standards as required by the Civil Aviation Authority and as evidenced by Civil Aviation Authority audit reports.
Ensure airport is operationally available for all scheduled passenger services (except for uncontrollable events).	Achieved	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 Management Plan.	Achieved	Monitor aeronautical noise and facilitate noise management meetings every four months in accordance with the Noise Management Plan.
Complete construction of the 4th Stage of Titanium Park's Central Precinct and 2nd Stage of Southern Precinct.	New measure	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	New measure	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.	New measure	Complete construction of Titanium Park's first design-build property on Southern Precinct.
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	New measure	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

Performance measure	Actual			Target	
	2018/19	2019/20	2020/21	2021/22	2022/23
Earnings before interest, taxation and depreciation (EBITDA) excluding land sales (\$000)	3,964	2,873	(500)	2,300	2,900
EBITDA including land sales (\$000)	n/a	5,140	300	2,900	3,700
Net profit before tax no less than (\$000)	n/a	n/a	(3,700)	(1,500)	(1,000)
Net operating cash flow (excluding land sales)	2,310	1,932	(1,500)	1,500	2,600
Total debt, excluding funding for design-build properties, not exceeding (\$000)	n/a	n/a	30,000	30,000	30,000
Percentage of non-landing charges revenue of at least	68%	73%	60%	60%	60%
Land sales (\$000)	n/a	5,875	4,000	2,000	3,000
Interest cover of at least <i>(The interest cover measures the number of times the net profit before interest, tax and depreciation (EBITDA) covers interest paid on debt)</i>	7.5	4.7	-4.0	3.0	3.0

Waikato Local Authority Shared Services Limited (WLASS)

Ownership

WLASS is a CCO solely owned by the 12 Waikato local authorities – Waikato Region, Hamilton City, Hauraki District, Matamata-Piako District, Otorohanga District, Rotorua District, South Waikato District, Taupo District, Thames-Coromandel District, Waikato District, Waipa District and Waitomo District.

The WLASS Board has 12 Directors; each Director being the Chief Executive, or nominee, of one of the local authorities representing the shareholding Councils. The Directors do not receive any fees or expenses for the work undertaken on behalf of WLASS.

Matamata-Piako's shareholding is 8.33%.

Why does it exist

The company was established in 2005 to promote shared services between local authorities across the Waikato region. By encouraging and enabling the councils to work together, WLASS helps councils to reduce costs, achieves effectiveness and efficiency gains, reduces duplication of effort, eliminates waste through repetition, promotes and contributes to the development of best practice, and helps to improve customers' experiences.

Council became a shareholder following public consultation during the 2005/06 Annual Plan.

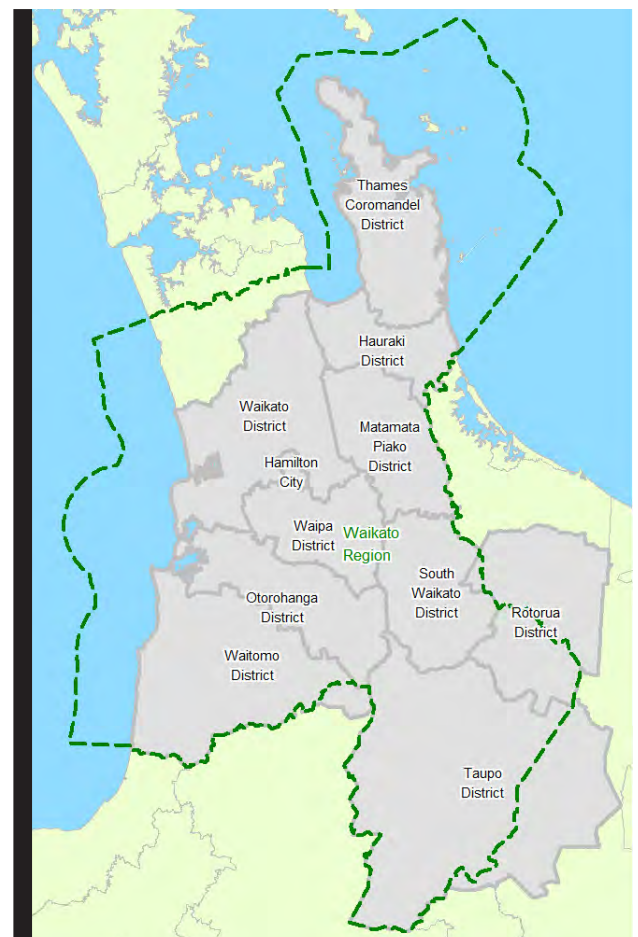
What does it do?

Much of the work of WLASS is undertaken by Working Parties or Advisory Groups made up of staff from the shareholding councils, with expertise and interest in particular services. WLASS provides a legal entity representing all of the shareholding councils, and can enter into contracts and agreements with external suppliers. The WLASS CEO facilitates and co-ordinates the various Working Parties.

Member councils pay a small annual levy, depending on their size, to run the WLASS. Services obtained by members are funded on a user pays basis, whereby each council pays for and receives the financial benefit of its share of any particular service. The decisions about potential projects or services are made by the Directors, who make up the WLASS Board.

More detailed information about WLASS can be found at waikatolass.co.nz.

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Performance measure	Actual		Target		
	2019/20	2019/20	2020/21	2018/19	2019/20
<ul style="list-style-type: none"> - Prioritise and develop opportunities that add value to councils by achieving one or more of our objectives - Business cases will include measurable benefits linked to one or more of the outcomes sought - Opportunity assessments are supported by councils (evidenced by Board minutes) 	New measure		Projected savings to councils of \$300,000		
<ul style="list-style-type: none"> - Opportunities / projects are developed / delivered within agreed timelines - Opportunities / projects are developed / delivered, within approved budget 	New measure		75% of councils		
<ul style="list-style-type: none"> - Measurable benefits are actively monitored and reported against - Audit & Risk Committee undertake an assessment of projects following implementation (which will include an assessment of whether projected benefits have been realised) 			80%		
<ul style="list-style-type: none"> - Opportunities / projects are developed / delivered, within approved budget 			90%		
<ul style="list-style-type: none"> - Measurable benefits are actively monitored and reported against - Audit & Risk Committee undertake an assessment of projects following implementation (which will include an assessment of whether projected benefits have been realised) 			Six-monthly		
<ul style="list-style-type: none"> - Audit & Risk Committee undertake an assessment of projects following implementation (which will include an assessment of whether projected benefits have been realised) 	New measure		\$200,000+ Projects		
<ul style="list-style-type: none"> - Audit & Risk Committee undertake an assessment of projects following implementation (which will include an assessment of whether projected benefits have been realised) 			Within 15 months		
<ul style="list-style-type: none"> - Audit & Risk Committee undertake an assessment of projects following implementation (which will include an assessment of whether projected benefits have been realised) 			90% of projected quantifiable benefits are realised		
<ul style="list-style-type: none"> - The services we provide (below) are considered by councils who use that service to meet or exceed their expectations (evidenced by an annual survey): <ul style="list-style-type: none"> · RATA – roading & waters · Waikato Building Cluster · Regional Infrastructure Technical Specifications · Energy & Carbon Management · Professional Services Panel · Health & Safety pre-qualification 	New measure		80% of councils		

Performance measure	Actual		Target	
	2019/20	2019/20	2020/21	2018/19 2019/20
<p>Foster and promote crosscouncil collaboration and networking to share ideas on improving efficiencies and best practice</p> <p>- Across these groups, ideas for future consideration and/or initiatives are identified each year</p>	New measure		Six per annum	

KEY PARTNERSHIPS

We are also involved in other key partnerships that do not come within the council controlled organisation reporting requirements under the Local Government Act 2002. Some of our key partnerships are listed below. They have developed in different forms and structures reflecting the need to develop partnerships that work together in the ways most appropriate to address their specific circumstances.

Hauraki Rail Trail Charitable Trust

What type of organisation is it?

The Hauraki Rail Trail Charitable Trust has been created by Hauraki, Thames-Coromandel and Matamata-Piako District Councils, who each can appoint three trustees. Iwi in the three Districts can also appoint three trustees to the Trust.

The Trust falls within the definition of a council controlled organisation, however on 8 November 2017 we exempted the Trust from council controlled organization reporting requirements under the Local Government Act 2002. The exemption must be reviewed every three years and was last reviewed on 28 October 2020.

Why does it exist?

The Trust's purpose is generally to operate and facilitate the use and enjoyment of the Hauraki Rail Trail. The defined purposes of the Trust include the specific objectives of expanding the Hauraki Rail Trail where possible and maintaining the Hauraki Rail Trail to appropriate standards.

What does it do?

The trust will oversee the operation and maintenance of the Hauraki Rail Trail by a commercial operator. It will also seek funding from charitable organisations (such as gambling trusts) to fund the extension of the Hauraki Rail Trail.

Civil Defence Emergency Management Group

What type of organisation is it?

Under the Civil Defence Emergency Management Act 2002 every regional and local council within that region must unite to establish a Civil Defence Emergency Management Group. The CDEM Group is a joint standing committee under clause 30(1)(b) of Schedule 7 of the Local Government Act 2002.

Why does it exist?

Civil Defence Emergency Management (CDEM) is the responsibility of regional, city and district councils throughout New Zealand. We work in partnership with emergency services and other organisations to provide local emergency management. Our Civil Defence role is more than just responding in an emergency – it also includes community, organisational and business readiness, including public education and awareness, training and exercises, and local response planning.

What does it do?

We are part of the Waikato CDEM Group (the Group), which includes the Waikato Regional Council and all ten district/city councils, as well as emergency services, welfare agencies and lifeline utility providers. The Group looks after a 24,000 square kilometre area and works closely with research institutions, utility operators and central government to reduce risks and improve community resilience.

The National Emergency Management Agency was established on 1 December 2019 replacing the Ministry of CCDEM and is charged with providing strong, national leadership of our emergency management system.

Fire and Emergency New Zealand Local Advisory Committee

What type of organisation is it?

Under the Fire and Emergency New Zealand Act 2017 Fire and Emergency New Zealand (FENZ) which is a Crown entity under the Crown Entities Act 2004, local advisory committees.

Why does it exist?

The main purpose of local advisory committees is to provide advice, from a local perspective, to FENZ. While Council may or may not have a direct representative on the local advisory committee for our areas, we will be engaged in providing feedback.

What does it do?

The functions of the local advisory committees are to:

- undertake efficient and effective local engagement for the board,
- to provide local advice to FENZ on the national strategy, local issues, and local planning,
- to consider and promote the interests of the local area's FENZ volunteers,
- to consider the interests of the industry brigades operating in the local area,
- to consider the provisions of any current operational service agreement and memorandum of understanding that FENZ has and that is relevant to a local area in relation to which the local advisory committee has responsibilities.

Hamilton and Waikato Tourism Limited

What type of organisation is it?

Hamilton and Waikato Tourism Limited is a company that is 100% owned by Waikato Regional Airport Limited, of which we are a shareholder.

Why does it exist?

Hamilton and Waikato Tourism Limited was formed to promote tourism in the Waikato region, through the development of a website and raising the profile of the region in the tourism industry.

What does it do?

Hamilton and Waikato Tourism Limited operates the website hamiltonwaikato.com, and works with tourist operators and the international tourism sector to promote and raise the profile of the Waikato region as a tourist destination.

Hauraki Gulf Forum

What type of organisation is it?

The Forum is a statutory body formed under the Hauraki Gulf Marine Park Act 2000.

It has representatives of the Ministers of Conservation, Fisheries, and Māori Affairs, six representatives of the tangata whenua of the Hauraki Gulf and its islands, seven representatives from Auckland Council and one representative each from Hauraki, Matamata-Piako, Thames-Coromandel, Waikato District and Waikato Regional Councils.

Why does it exist?

Broadly speaking, the purpose of the Hauraki Gulf Forum is to:

- integrate and promote the conservation and management of the resources of the Hauraki Gulf
- facilitate co-operation on matters relating to the statutory functions of the parties in relation to the Hauraki Gulf
- recognise the relationship of tangata whenua with the Hauraki Gulf.

What does it do?

The Forum's functions include:

- strategic planning,
- producing a state of the environment report every three years and an Annual Report each year,
- monitoring and sharing information on the state of resources,
- receiving reports and commissioning research on the Hauraki Gulf,
- education and promoting Hauraki Gulf matters.



Waikato Triennial Forum

What type of organisation is it?

Section 15 of the Local Government Act 2002 requires all councils within each region to enter into an agreement containing protocols for communication and co-ordination among them during the period until the next local government election. The Waikato Triennial Forum (Forum) includes the elected members from all Waikato councils.

Why does it exist?

The Forum exists to develop and implement the Waikato Triennial Agreement and to ensure collaboration at a regional level.

What does it do?

The Forum meets regularly to discuss and collaborate on regional issues.

Waikato Regional Council Committees

What type of organisation is it?

We have representatives that sit from time to time on committees that have been created by the Waikato Regional Council under the Local Government Act 2002.

Why does it exist?

Waikato Regional Council forms committees to ensure that it can work efficiently in its areas of responsibility. The inclusion of regional stakeholders in some committees ensures that these stakeholders have a voice in decisions that affect them.

What does it do?

The committees work on regional issues that affect the community, for example the regional transport committee looks at regional policy and issues regarding roading and transport.

Waikato Regional Council forms committees to ensure that it can work efficiently in its areas of responsibility. The inclusion of regional stakeholders in some committees ensures that these stakeholders have a voice in decisions that affect them.

