

SECTION 6: Supplementary material
| Ngā āpitihanga

Regional assumptions | Ngā taruna ā-rohe

Assumption	Risk	Level of uncertainty	Implications
Environmental pressures			
<p>Climate change</p> <p>Projected climatic changes present significant implications for the Waikato region’s environment, economy, and the safety of our communities. Over the next century, the Waikato region can expect:</p> <ul style="list-style-type: none"> • rising sea levels, • more extreme weather, • more droughts in the east, • more intense rainfall and increased wind in the west, • warmer, drier summers, milder winters and shifting seasons. <p>It is also expected that there will be increased risks to communities from natural hazards such as river and coastal flooding, coastal erosion and severe weather.</p> <p>It is assumed that council will continue to have greater involvement in climate adaptation responses, including:</p> <ul style="list-style-type: none"> • building resilience within communities and reducing vulnerability to climate influenced natural hazards; • understanding the impacts of increased rainfall intensity on our flood protection and drainage assets; • ensuring the climate influenced changes in the characteristics of natural resources are provided for when allocating natural resources; and • providing for the transition and translocation of indigenous biodiversity and the ecosystem services that the citizens and businesses of the region depend upon. <p>Additionally, council’s involvement in climate mitigation activities is assumed to increase, including ensuring residents are able to access no/low carbon sources of energy and reduce their demand for energy to improve social and economic wellbeing.</p>	<p>The impacts of climate change could be felt sooner or be greater than assumed.</p>	<p>Uncertainty level:</p> <p>Medium</p> <p>Sources of uncertainty:</p> <p>The council has commissioned studies to better understand how the impacts of climate change will affect the region. Further analysis is required to determine the implications of those impacts on communities, flora and fauna, infrastructure, and the regional economy and to identify appropriate adaptation responses.</p> <p>Long term projections of climate change impacts depend on future greenhouse gas emissions, which are uncertain. There are four main global emissions scenarios (from the IPCC), ranging from low to high greenhouse gas concentrations.</p> <p>The projected changes are calculated for 2031–2050 (referred to as 2040) and 2081–2100 (2090), and compared with the climate of 1986–2005 (1995). These show increasing effects in</p>	<p>The forecast work programmes include provision for the impacts of climate change. Internal policies require climate change impacts to be assessed and reported on for decision making purposes. The implications of climate change impacts occurring earlier or being greater than assumed would be insufficient resilience in Waikato landscapes and WRC’s assets, along with the financial impact of any necessary unbudgeted recovery work.</p>

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		<p>the latter half of the century. This means that in the 10-year time period of this LTP, it is understood that there will be slight differences between the global emissions scenarios, but that changes will occur from the delayed effects of carbon dioxide already emitted and locked into the global climate system. The council will incorporate updated projections as they are developed and confirmed by the IPCC during the lifetime of this long term plan.</p>	
<p>Natural hazards/disasters</p> <p>Our region is at risk of a range of natural hazards and disasters such as earthquakes, tsunamis, flooding, drought, land instability, severe storms, fire and volcanic activity.</p> <p>Based on projections and modelling, it is assumed that natural hazards and disasters will increase in both frequency and severity over time.</p> <p>The requirement in the Resource Management Act 1991 to manage risks from natural hazards as a matter of national importance was enacted following the 2011 Canterbury Earthquakes and has resulted in a greater focus on natural hazards risks during planning and consenting processes.</p>	<p>Natural hazards and disasters are felt with more severity and occur more frequently than predicted.</p>	<p>Uncertainty level:</p> <p>Medium</p> <p>Sources of uncertainty:</p> <p>While modelling and monitoring are carried out, it cannot be predicted exactly when or how severe an occurrence will be. When it comes to the climate change related hazards such as sea level increase and flooding, the main uncertainty is the time until infrastructure service level thresholds will be reached. By 2050, around 30cm of sea level rise is anticipated due to the carbon emissions already in the atmosphere. However, from 2050 to 2100, there is uncertainty regarding</p>	<p>There is a possibility that the region will have to cope with a severe adverse event in the LTP timeframe. The potential effect of a natural disaster on the council's financial position is dependent upon the scale, duration and location of the event.</p> <p>Business continuity planning is critical so that the council can continue to perform the functions needed when adverse effects happen.</p> <p>Building resilience into infrastructure may result in increased capital costs. Future events such as flooding, severe storms or earthquakes are likely to result in increased closures of transport networks in coastal, low-lying or slip-prone areas, with links to some communities disrupted. Natural disasters would likely increase</p>

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		<p>how much sea level rise will occur. This is because it is dependent on the rest of the planet decarbonising. The climate change induced signal on our weather is a consequence of energising (adding heat) to the atmosphere. It is additional to the historic seasonal and annual variations, and manifests through the increasing frequency and magnitude of extreme weather events.</p>	<p>insurance costs and have a major economic impact in the region.</p>
<p>Land use changes</p> <p>There are several development trends that are currently having or are predicted to have an impact on land use change in the region.</p> <ul style="list-style-type: none"> • Since the mid-1990s there has been a net reduction in exotic forestry in the region and net increase in high producing grassland. This trend (mainly conversions from forestry to dairy) has slowed in recent years. • The Government’s commitment to reduce net carbon emissions may result in a reversal of the above trend, i.e. increased afforestation. • Intensive farming is continuing to move onto less suitable land, especially for dairying and dairy support. • Diversification of rural land use (such as goat farming, poultry and Mānuka). • There has been an increase in cropland to support intensive farming, market gardening, and orchards. This is expected to continue. • The amount of high-quality rural land developed for residential and industrial growth and subdivided for lifestyle blocks continues to increase. • Increasing demand for housing and house prices in the Waikato region, driven by high Auckland prices and enhanced accessibility (Waikato to Auckland railway). 	<p>Growth pressures in the region accelerate more than anticipated.</p>	<p>Uncertainty level:</p> <p>Low</p> <p>Sources of uncertainty:</p> <p>Changes to national regulation will have an impact on land use in the region.</p> <p>International drivers and trends such as milk prices, migration and trade also contribute to the uncertainty of this assumption.</p> <p>Negative economic impacts post-COVID-19 pandemic may result in lower growth or different patterns of land use change than predicted.</p>	<p>If growth accelerates at a rate which puts increased pressure on the region, there is a risk that ad hoc development will occur without the appropriate strategic and planning rigour being applied.</p> <p>Conflicting demand on a finite resource such as land will have pricing implications, and growth pressure will increase in locations with strategic benefit.</p> <p>Land use change in response to increased regulation for water quality and quantity may negatively impact communities which have previously relied on dairy and other industries most affected by land use restrictions, affecting the community’s ability to service rates.</p> <p>Implementation of the National Environmental Standards for Freshwater and any other national regulation may require the</p>

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<p>Land use projections for the life of the LTP can be found in the table below*. The projections are based on actual 2013 data as a starting point. Projections of population and economic drivers for the Waikato region until 2061 are then considered. The projections assume some land use restrictions (for example, zoning to stop further intensification) as a result of Plan Change 1 for the Waikato and Waipā River catchments.</p> <table border="1"> <thead> <tr> <th rowspan="2">Land use</th> <th colspan="2">Projected hectares</th> </tr> <tr> <th>2021</th> <th>2031</th> </tr> </thead> <tbody> <tr> <td>Indigenous vegetation</td> <td>656,741</td> <td>656,290</td> </tr> <tr> <td>Forestry</td> <td>318,348</td> <td>318,287</td> </tr> <tr> <td>Dairy farming</td> <td>650,002</td> <td>648,041</td> </tr> <tr> <td>Sheep, beef or deer farming</td> <td>635,293</td> <td>632,339</td> </tr> <tr> <td>Other agriculture</td> <td>6,930</td> <td>6,580</td> </tr> <tr> <td>Horticulture</td> <td>2,431</td> <td>2,749</td> </tr> <tr> <td>Vegetable cropping</td> <td>6240</td> <td>6235</td> </tr> <tr> <td>Other cropping</td> <td>3495</td> <td>3499</td> </tr> <tr> <td>Manufacturing</td> <td>2906</td> <td>3265</td> </tr> <tr> <td>Commercial</td> <td>873</td> <td>984</td> </tr> <tr> <td>Residential - lifestyle blocks</td> <td>37005</td> <td>39721</td> </tr> <tr> <td>Residential - low density</td> <td>13738</td> <td>15710</td> </tr> <tr> <td>Residential - medium/high density</td> <td>363</td> <td>488</td> </tr> <tr> <td>Community services</td> <td>2067</td> <td>2320</td> </tr> </tbody> </table> <p>Regional and national regulations, such as the proposed National Environmental Standards for Freshwater, will further restrict land use activities which have a negative impact on the environment.</p>	Land use	Projected hectares		2021	2031	Indigenous vegetation	656,741	656,290	Forestry	318,348	318,287	Dairy farming	650,002	648,041	Sheep, beef or deer farming	635,293	632,339	Other agriculture	6,930	6,580	Horticulture	2,431	2,749	Vegetable cropping	6240	6235	Other cropping	3495	3499	Manufacturing	2906	3265	Commercial	873	984	Residential - lifestyle blocks	37005	39721	Residential - low density	13738	15710	Residential - medium/high density	363	488	Community services	2067	2320			council to incur additional costs in policy development, implementation, and regulation.
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<p>Declining natural capital</p> <p>We are increasingly moving towards limitations of how much we can manage use of our natural resources without also impacting the economy. In general, the public increasingly values a healthy environment and are becoming less accepting of environmental damage. This is reinforced by accessible data on social media and by a central government, with a renewed environmental focus.</p> <p>Intensified land use, urban growth, pollution, physical changes to our landscapes and coasts and introduced species will continue to result in declining natural capital and associated ecosystem services. It is assumed that this will increase pressure on the council to implement effective policy and undertake more rigorous policy effectiveness and state of the environment monitoring to demonstrate the dependency of the economy and people’s wellbeing on adequate and healthy natural resources (climate, water, soil, air, coast, biodiversity). This, in turn, requires landowners and developers to invest more in maintaining and, where necessary, restoring degraded natural capital in order to sustain economic profitability.</p>	<p>A greater level of service may be required, leading to increased funding requirements.</p>	<p>Uncertainty level:</p> <p>Low</p> <p>Sources of uncertainty:</p> <p>Changes in government may change the priority of addressing the decline of natural capital.</p> <p>Other external factors such as climate change may accelerate the decline of natural capital, for example damage to soils through erosion and biodiversity loss through ecosystem degradation.</p>	<p>There are financial implications for the council if a higher level of service is demanded to address declining natural capital.</p> <p>Increased tension between balancing the drive for economic development against environmental and landscape protection and enhancement.</p> <p>There is also reputational risk if the council is not seen to be doing enough to prevent environmental damage.</p>
<p>Economic and population changes</p>			
<p>Population growth and demographic changes</p> <p>Ageing will increasingly affect demand for services, including public transport and housing patterns. In the near future, we will have many more older people, with comparatively fewer younger and working-age people to support them.</p> <p>Rural depopulation means that many district populations are static or reducing. This will have implications for affordable levels of service, worsened by the post-COVID-19 pandemic recovery. Other parts of the region, around Hamilton and towards Auckland are growing quickly, which will increase servicing and infrastructure needs.</p> <p>Ethnic diversity is increasing in New Zealand. Within the next decade or so, the Asian population is expected to equal the Māori population in size. This trend is expected to continue, meaning the way we have traditionally consulted with our communities may need to change.</p>	<p>Growth and population demographic assumptions could be incorrect, which will affect the decisions made in reliance of these projections and may lead to increased funding requirements.</p>	<p>Uncertainty level:</p> <p>Medium</p> <p>Sources of uncertainty:</p> <p>Net migration may be lower or higher than expected. Economic impact of the COVID-19 pandemic may affect population distribution and may lead to a mismatch between the available skills and the employment opportunities available.</p>	<p>There may be demand for new services and infrastructure in areas of growth and maintaining services in areas of decline. The council may need to meet increased costs associated with increased public expectations.</p> <p>There is potential for the need for data sharing in novel ways so the public, particularly elderly and vulnerable communities, can make informed decisions.</p>

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<p>Population projections are shown in the table below and are based on the 2018 Census data. A medium rather than a high-growth scenario was used to reflect likely reduced international migration as a result of the COVID-19 pandemic.</p> <table border="1"> <thead> <tr> <th>Council</th> <th>2021</th> <th>2031</th> </tr> </thead> <tbody> <tr> <td>Thames-Coromandel</td> <td>31326</td> <td>31385</td> </tr> <tr> <td>Hauraki</td> <td>21178</td> <td>21618</td> </tr> <tr> <td>Waikato</td> <td>83384</td> <td>93272</td> </tr> <tr> <td>Matamata-Piako</td> <td>36391</td> <td>38062</td> </tr> <tr> <td>Hamilton City</td> <td>179456</td> <td>201855</td> </tr> <tr> <td>Waipā</td> <td>57676</td> <td>62559</td> </tr> <tr> <td>Ōtorohanga</td> <td>10841</td> <td>11386</td> </tr> <tr> <td>South Waikato</td> <td>25068</td> <td>24755</td> </tr> <tr> <td>Waitomo</td> <td>9592</td> <td>9341</td> </tr> <tr> <td>Taupō</td> <td>39513</td> <td>40661</td> </tr> <tr> <td>Rotorua (part)</td> <td>3911</td> <td>4039</td> </tr> <tr> <td>Waikato Region</td> <td>498,337</td> <td>538,934</td> </tr> </tbody> </table>	Council	2021	2031	Thames-Coromandel	31326	31385	Hauraki	21178	21618	Waikato	83384	93272	Matamata-Piako	36391	38062	Hamilton City	179456	201855	Waipā	57676	62559	Ōtorohanga	10841	11386	South Waikato	25068	24755	Waitomo	9592	9341	Taupō	39513	40661	Rotorua (part)	3911	4039	Waikato Region	498,337	538,934			
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<p>Regional growth</p> <p>The council has estimated that the change in the capital value of the region through new property development will be 1.5 per cent growth. This estimate is used to project likely revenue for those rates set on a per-property charge and in the calculation of rating impacts to existing ratepayers.</p> <p>However, it should be noted that this percentage is based on historical trends and we are in an exceptional point in history.</p>	<p>That growth will not be sustained at the level anticipated.</p>	<p>Uncertainty level: Medium</p> <p>Sources of uncertainty:</p> <p>A portion of regional growth is attributed to net migration. Net migration may be lower or higher than expected.</p> <p>A prolonged period of weak economic activity may result in deflationary pressure. However, lower interest rates, amongst other things, may also see inflation in some asset markets – particularly</p>	<p>If growth is significantly lower than expected, rates increases will be higher than anticipated. It will also impact activities such as infrastructure and spatial planning if the region does not follow projected growth.</p>																																							

Assumption	Risk	Level of uncertainty	Implications
		housing – creating the possibility of an asset price bubble.	
<p>Economic change</p> <p>It is assumed that there will be a significant economic downturn regionally, nationally and internationally due to the COVID-19 pandemic. Some key sectors that have already been affected, include:</p> <ul style="list-style-type: none"> • travel and tourism • forestry • hospitality • entertainment • and retail. <p>While there may be some initial bounce-back from recession, there is a risk of a protracted period of weak economic activity. There is expected to be a continued rise in unemployment, while labour shortages in some industries, especially those reliant on international seasonal workers may continue.</p> <p>In addition to the effects of the COVID-19 pandemic, it is projected that the following key longer term trends will cause economic change within the Waikato region over the life of the long term plan:</p> <ul style="list-style-type: none"> • uneven economic growth and slow productivity, • risk to people, property and infrastructure from climate change, • effects from Auckland as a fast-growing neighbour, including the effects on Waikato house prices, • differing challenges of population growth and decline in different areas of the Waikato, • growing economic influence of iwi, • ongoing biosecurity risk to primary industries, health and indigenous biodiversity. 	<p>That different levels of service are required to respond to disparate economic growth throughout the region and over time.</p>	<p>Uncertainty level:</p> <p>High</p> <p>Sources of uncertainty:</p> <p>It is currently unclear what the extent of the economic impact of COVID-19 will be, both domestically and overseas. It is uncertain when international travel recommence, which will have an impact on the tourism sector and jobs that are often filled by migrants.</p> <p>The impact of global political trends and upcoming national elections are also a source of uncertainty.</p> <p>Housing market conditions are creating increasing welfare issues; a significant correction in the housing market would create a different set of issues.</p>	<p>There may be a negative impact on council revenue through investment fund performance and pressure to relieve affordability issues for ratepayers. At the same time, there may be a higher level of service required from council in response to higher unemployment, a higher proportion of the community on fixed income, exacerbation of existing inequalities in our communities, changes in employment types and skill requirements.</p> <p>Current trends in house prices are likely to create ongoing hardship for many in the community. The effect of council’s rating on this issue will depend on the extent to which the cost of rates are passed through to renters, and whether there is a significant correction in property prices.</p>
Governance, partnering and engagement			
<p>Treaty of Waitangi settlements</p> <p>It is assumed that central government will require Waikato Regional Council to implement Treaty settlements over the life of this long term plan. This will come at an increasing and</p>	<p>That no financial recompense is made by central government.</p>	<p>Uncertainty level:</p> <p>Low</p>	<p>The council is taking a conservative approach to resourcing Treaty</p>

Assumption	Risk	Level of uncertainty	Implications
<p>significant cost to council, for which we will continue to seek recompense from central government.</p> <p>Post-Treaty settlement iwi are likely to want to increase their economic footprint through investment in primary production, housing, commercial development or other ventures. The scale of new ventures will vary but may generate proposals that seek changes to current district plan zoning of Treaty settlement land.</p>		<p>Sources of uncertainty:</p> <p>A change in government may change the priority and/or process of addressing Treaty settlements at a national level.</p>	<p>settlements as implications are unclear at this stage. No additional resources have been allocated given the uncertainty.</p> <p>If central government does not provide recompense for settlement implementation, this will mean an increased funding requirement which will have to be budgeted to fund the cost to implement Treaty settlement legislation.</p>
<p>Iwi expectations</p> <p>There is increasing influence of iwi in the region. Existing and nearly completed Treaty settlements are increasing the economic power of iwi and this will increase expectations of council, for example, over natural resource management.</p> <p>Iwi interest in council's activities will continue to increase, including demands from to participate as a partner in decision making.</p> <p>Council is assuming 20-30 partnership agreements as a result of Resource Legislation Amendment Act 2017 but is taking a conservative approach to resourcing as implications are still unclear.</p>	<p>That council cannot meet iwi expectations and an increased level of service is required.</p>	<p>Uncertainty level:</p> <p>Medium</p> <p>Sources of uncertainty:</p> <p>The expectations of iwi may change or be otherwise different to what the council has assumed it to be, requiring additional funding to respond to the change.</p>	<p>Evolution of the partnership approach and co-management will result in higher expectations from iwi partners, e.g. iwi based honorary enforcement officers, more training/mentoring of iwi staff. This may also require additional resources in the areas of:</p> <ul style="list-style-type: none"> • policy and strategy that seek to incorporate shared priorities; • relationship management - including an increase in the number and requirements of the JMAs and/or similar agreements/arrangements; • elevating the maturity of partnership responsibilities and responsiveness in areas such as the meaningful integration of mātauranga Māori.
<p>Community expectations</p> <p>Public interest in the council's activities is expected to continue to increase, including demands from communities to participate at all stages of local decision making processes in ways which suit their interests and needs, as well as increased access to information and decision making.</p> <p>The increasing availability of information creates a more informed public with higher expectations. However, this is accompanied by</p>	<p>That the council cannot meet community expectations and an increased level of service is required.</p>	<p>Uncertainty level:</p> <p>Low</p> <p>Sources of uncertainty:</p> <p>Uncertainty is linked to both potential population and demographic</p>	<p>Individuals who might otherwise have remained voiceless may connect more and voice their concerns through changes to engagement processes. This may lead to the need for the council to make unexpected changes to service delivery. With increased expectations for co-creation and citizen input in council business</p>

Assumption	Risk	Level of uncertainty	Implications
the polarising impacts of social media in civic engagement. Increasing public expectations of environmental quality also drive up treatment standards, and therefore the costs of meeting them.		changes and the unknown impact of disruptive technologies.	that was historically hands-off, increases in costs and longer timeframes may be required. Policies such as the Significance and Engagement Policy will need to be reviewed and updated as community expectations and preferences evolve.
Technology			
<p>Disruptive technology</p> <p>Technology is progressing faster, at a rate that is overwhelming society's ability to adapt. Whereas, in the past, technology replaced muscle, today technology is replacing cognition. This may affect how the workforce of the future is structured through a shift in the demand of skills. Adaption of new technology by the council and our communities will require support to remove barriers to desirable change.</p> <p>Use of new technology will be necessary to help provide communities with data, and a way to engage with council. Through technology, communities will be increasingly involved in the council's work in different ways and be empowered to take action.</p>	<p>Loss of opportunity and innovation from failure to adopt new technology.</p> <p>New technology is developed that fundamentally disrupts local government at a pace or scale that overwhelms the sector's ability to adapt.</p>	<p>Uncertainty level:</p> <p>Medium</p> <p>Sources of uncertainty:</p> <p>Disruption is, by definition, uncertain. The nature or timing of any disruption is unexpected and is outside the control of the council. However, the council can manage this uncertainty by fostering a working environment which allows for agility in decision making and change at both a governance and operational level.</p>	<p>There could be wide and varied impacts on the council and the Waikato regional community depending on the nature of the disruption.</p> <p>It is emerging that technology disruption will likely be a consequence of the recovery from the COVID-19 pandemic. An existing trend of transition to online work and dissolution of the traditional workplace could be accelerated, which will have impacts on many things including how commercial buildings are used, and how people travel throughout the region and internationally.</p>
Global pressure			
<p>Global crisis or pandemic</p> <p>It is assumed that the council will be able to maintain its level of service during a global crisis or pandemic with sufficient systems and procedures in place to ensure business continuity.</p> <p>It is also assumed that the council will be able to adequately resource and support any Civil Defence response in the event of a global crisis or pandemic.</p>	<p>The effect of a crisis or pandemic on the council will be greater than assumed and levels of service will be significantly affected.</p>	<p>Uncertainty level:</p> <p>Medium - High</p> <p>Sources of uncertainty:</p> <p>The full impact of the COVID-19 pandemic in New Zealand and specifically in the Waikato region is, as yet, unknown. Even if the pandemic does not end up having a significant impact on the council's</p>	<p>The council has systems and procedures in place for many staff to be able to work remotely if needed, however some of the council's activities simply cannot be performed remotely.</p> <p>The council may be required to drop many of its business-as-usual activities to focus resources on a major Civil Defence response around the region.</p>

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		activities and levels of service, it is unknown when another pandemic or other crisis might occur.	<p>Widespread self-isolation, quarantine or complete lockdown would have an impact on public transport requirements, as well as other customer-facing, direct contact activities.</p> <p>There would likely also be a significant impact on some ratepayers' ability to pay their rates, therefore affecting the council's income.</p> <p>The council's investment fund would be negatively affected by national and global economic downturn due to pandemic responses.</p>
Government review			
The council's existing role and functions will continue for the life of the plan, noting that any changes brought about by the government's <i>Future for Local Government</i> review may impact the 2024-2034 LTP.	That any changes brought about by the review will come into effect prior to the next LTP.	<p>Uncertainty level:</p> <p>Low</p> <p>Sources of uncertainty:</p> <p>Precise dates for the review process are unknown but, using the information we do know, it is unlikely any changes will come into force before 2025.</p>	Implementation of any changes would need to occur earlier than anticipated and the necessary council resource deployed to do so.

Council controlled organisations | Ngā hinonga kaunihera

Waikato Local Authority Shared Services

Waikato Local Authority Shared Services (WLASS) is a council controlled organisation (CCO) owned by the 12 Waikato local authorities – Waikato Regional, 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.

It was established in 2005 as a vehicle through which these councils could collaborate and identify opportunities for undertaking activity on a shared basis. More recently, shareholders embarked on a transformation of the company. The purpose of that transformation was to move the company to a true service delivery agent for, and strategic partner of, the councils. The structural changes of that transformation were completed in late 2019 and bedded in throughout 2020.

The outcomes the company is seeking are:

- Council costs are reduced / performance is improved, without increased cost;
- The experiences of councils' communities are improved;
- Central government investment into and engagement with the Waikato is increased.

The company fulfils the roles of:

- Ideas laboratory - taking ideas that have the potential to create value, from their genesis through to business case; and
- Service provider to councils.

Member councils currently pay an annual levy, depending on their size, to support the operating costs of WLASS. Services provided to councils are funded on a user pays basis.

The WLASS board has six directors – five council-representative directors (including one appointed by Waikato Regional Council) and an independent Chair.

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

Performance measures

Last year's Statement of Intent introduced a new suite of performance measures. We will continue to track how well we are delivering on our strategic priorities using these.

Priority	Performance measure	Target
Prioritise and develop business cases for opportunities that, if implemented, add value to councils by achieving one or more of our objectives	<ul style="list-style-type: none"> • Business cases will include measurable benefits linked to one or more of the outcomes sought • Businesses cases are supported by councils (evidenced by take up of the opportunity) 	<p>Projected savings/increased revenue to councils of at least \$300k</p> <p>75% of councils</p>
Develop opportunities and deliver projects within agreed budgets and timelines Budgets and timelines for opportunity development will be those established following discovery and/or opportunity assessment. A business case will refine these parameters with respect to project delivery	<ul style="list-style-type: none"> • Opportunities / projects are developed / delivered within agreed timelines • Opportunities / projects are developed / delivered, within approved budget • Overall, Company Management / Support functions will be undertaken within budget, unless additional expenditure has board pre-approval 	<ul style="list-style-type: none"> • 80% Time and cost targets for the development of opportunities and delivery of projects have been initially set based on what, in practical terms, are consider stretch goals, but achievable. However, we aspire to <i>always</i> better, or at least meet, timetables and budgets. • 90% Time and cost targets for the development of opportunities and delivery of projects have been initially set based on what, in practical terms, are consider stretch goals, but achievable. However, we

Priority	Performance measure	Target
		aspire to <i>always</i> better, or at least meet, timetables and budgets.
Ensure projects realise their expected benefits	<ul style="list-style-type: none"> Measurable benefits are actively monitored and reported against 	<ul style="list-style-type: none"> 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) 	<ul style="list-style-type: none"> For \$200k+ Projects (based on cost of opportunity development and ongoing investment) Within 15 months 90% of projected quantifiable
Ensure existing services are meeting the needs of councils	<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 	80% of councils
Foster and promote cross-council collaboration and networking to share ideas on improving efficiencies and best practice	<ul style="list-style-type: none"> Across these groups, ideas for future consideration and/or initiatives are identified each year 	Four per annum

Lake Taupō Protection Trust

The Lake Taupō Protection Trust (the Trust) CCO was settled on 9 February 2007.

Lake Taupō is recognised as a national icon. Its importance, not only as an attraction for locals and people living in the Waikato region but nationally and as an attraction for international tourists, has been recognised. Work undertaken by a number of organisations has shown that the quality of Lake Taupō has begun to degrade for a number of reasons. The Lake Taupō Protection Trust was established as a CCO to administer a public fund to protect Lake Taupō.

The purpose of the trust (as set out in the draft deed) is the maintenance of water quality in Lake Taupō through reducing nitrogen levels in the lake’s catchment. The trust is jointly administered by four organisations: Waikato Regional Council, Taupō District Council, Tūwharetoa Trust Board and the Crown.

Company objectives

The trust’s role is to protect Lake Taupō’s water quality by reducing manageable nitrogen leaching into the lake by 20 per cent or approximately 153,000kg. After a review of the project in 2011 and on consideration of the final figures on the total nitrogen obtained from the benchmarking exercise undertaken by Waikato Regional Council, the project's nitrogen reduction target was increased to 170,300kg.

The effect of this increase was that the remaining project funds were not able to achieve this new nitrogen reduction target. Additional Crown funding was received in April 2013 which enabled the two local authorities to subsequently release additional funds to enable the project to progress to the new nitrogen reduction target.

The term of the project agreement signed by the Crown, Waikato Regional Council and Taupō District Council establishing the Lake Taupō Protection Project was due to

come to an end on 30 June 2021. However, after joint 2021-2031 Long Term Plan consultation between Taupo District Council and Waikato Regional Council on the future of the project, both councils agreed that the trust would continue to oversee the nitrogen discharge agreements into the future. However, the settlors (Waikato Regional Council, Taupo District Council and the Crown) will undertake and complete a review of the arrangement within 24 months’ time to consider whether the new governance and management structures are the most efficient and cost-effective ways to manage the agreements.

Regional Software Holdings Limited (RSHL)

Regional Software Holdings Limited (RSHL) was formed in October 2012 by Northland, Taranaki, Horizons, West Coast and Waikato regional councils and Environment Southland. The six councils worked closely together over a number of years to develop and maintain a software application suite for use by the councils in the delivery of their activities. This application suite is called Integrated Regional Information Software (IRIS). In recent years, RSHL has extended its scope to provide a framework for collaboration and delivery of shared services across the regional council sector, supporting the procurement or development of shared solutions.

Company objectives

The objective of RSHL is to deliver shared solutions to the regional council sector along with collaborative outcomes through sector special interest groups to achieve:

- Consistent, good-practice regional council specific processes and functions
- Value through economies of scale
- Greater influence for the sector with central government through cohesion and collaboration
- Reduced risk through ensuring continuity of supply and control of the destiny of regional sector specific software.

Performance measures

Non-financial	Performance measure	2021/22	2022/23
	Undertake an annual survey of IRIS users and shareholder/customer Councils in relation to product performance, Datacom support and RSHL support.	Applies each year	
	Provide a summary of the survey results in the annual report, including performance against the baseline.		
	Survey results to be the same or better than the previous year.		
	Prepare and adopt the annual IRIS major enhancement roadmap by 30 June for delivery in the subsequent year.	Applies each year	

	Major Enhancement projects are completed within approved budget or (for items in progress) on track against their agreed timeline and budget at 30 June of each year.	Applies each year
	Budgets for support and minor enhancements are approved by the Board by 30 June each year and delivery within these budgets is effectively managed by the Advisory Group and the General Manager.	Applies each year
Financial	RSHL will operate within approved budget, with any material variations approved by the Board	Applies each year
	Annual charges for shareholders and customers to be at level approved by the Board and Shareholder Councils based upon the approved operating budget and budgets for major and minor enhancements.	Applies each year
Growth	Monitor the regional council sector market and explore/respond to opportunities to expand the customer and/or shareholder base of RSHL.	Applies each year
	Engage with councils in the sector to evaluate options for the eventual replacement of the current IRIS software package. The objective is to identify a solution that can be adopted by an increasing number of councils in the sector.	Applies each year
	Be a service delivery vehicle for wider regional council sector and related bodies information management projects (ReCoCo) and related shared services. Projects to be delivered on time and on budget as agreed in each of the Statements of Work between RSHL and the ReCoCo Advisory Group.	Applies each year

The targets noted above are for the three-year forecast period. They will form the baseline from which we will seek to continually improve.

Martha Trust

The Martha Trust (the Trust) was established in 2001 by a joint venture known as the Waihi Gold Company, setting the sum of \$10 to create the trust fund. The purpose of the trust is to take the title to land currently part of the Martha Mine operation following completion of mining and closure of the site and to monitor and maintain that land so it can be used for recreational purposes by the general public.

Although some supporting mechanisms of the Martha Trust exist, such as the trust structure and bond, the trust will not actually become an operative entity until such time as the closure and rehabilitation conditions are finalised in the future.

Exemption of Martha Trust as a CCO

The Local Government Act 2002 (LGA) section 7(3) provides for the exemption of a small organisation that is not a council controlled trading organisation from being a CCO and from

the accountability requirements of the LGA. The Martha Trust was exempted from being a CCO by resolution of the council in May 2007. It is not practical for accountability requirements and performance monitoring of the Martha Trust to take place until such a time as it becomes operative, therefore by granting an exemption the council has provided a dispensation from any form of accountability and monitoring processes. The trust was briefly active from February to June 2021 to revise its deed but is dormant once again. The exemption was reconfirmed at the June 2021 council meeting.

Trustees

Once the time comes for the Martha Trust to become operative, it is appropriate for trustees to be nominated. The trustees will include representatives nominated by Waikato Regional Council, Hauraki District Council and Ngāti Tamatera.

Significance and Engagement Policy | Te Kaupapahere Tāpuatanga me te Whakapānga

Introduction | Kupu whakatakahi

Waikato Regional Council’s Significance and Engagement Policy was adopted in 2014, then reviewed in 2017 and again in 2020 to meet our legislative requirements under the Local Government Act 2002 (the LGA). The policy:

- enables the council and our communities to understand the significance council places on certain issues, proposals, assets, decisions and activities
- identifies how and when communities can expect to be engaged or specifically consulted on these items.

The Significance and Engagement policy applies across our council. When assessing the degree of significance and deciding on appropriate engagement or consultation processes, the policy requires us to take into consideration other legislative requirements, as well as any other agreements that might already be in place. To ensure council engages as effectively as possible with the Waikato region’s diverse communities, we gather information on people’s views and preferences in a variety of ways. Sometimes that

might be via formal statutory consultation, or it might be via a more informal engagement process. Either way, the overall intent is to ensure that, wherever possible, anyone who wishes to contribute ideas or information to important council processes and decisions has the opportunity to do so.

Purpose and scope | Koronga me te aronga

1. To enable the council and its communities to identify the degree of significance attached to particular issues, proposals, assets, decisions and activities.
2. To provide clarity about how and when communities can expect to be engaged in decisions made by the council.
3. To inform the council from the beginning of a decision-making process about the extent, form and type of engagement required.
4. This policy does not apply to decision making under the Resource Management Act 1991 and or other legislation that includes a prescribed consultative/engagement process.

Definitions | Rārangi whakamārama

Asset class	Council operational assets and council infrastructure assets, as disclosed in the council’s Annual Report - Property, Plant and Equipment table.
Community	A group of people living in the same place or having a particular characteristic in common. Includes interested parties, affected people and key stakeholders.
Decisions	Refers to all the decisions made by or on behalf of the council including those made by officers under delegation. (Management decisions made by officers under delegation during the implementation of council decisions will not be deemed to be significant).
Engagement	Is a term used to describe the process of seeking information from the community to inform and assist decision making. There is a continuum of community involvement.
Significance	As defined in Section 5 of the LGA2002 “in relation to any issue, proposal, decision, or other matter that concerns or is before a local authority, means the degree of importance of the issue, proposal, decision, or matter, as assessed by the local authority, in terms of its likely impact on, and likely consequences for,— (a) the district or region: (b) any persons who are likely to be particularly affected by, or interested in, the issue, proposal, decision, or matter: (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.

Significant Activity	Is an activity the council deems to be significant as per section 5 of the Local Government Act 2002, defined above.
Strategic Asset	<p>As defined in Section 5 of the Local Government Act 2002 “in relation to the assets held by a local authority, means an asset or group of assets that the local authority needs to retain if the local authority is to maintain the local authority's capacity to achieve or promote any outcome that the local authority determines to be important to the current or future well-being of the community; and includes—</p> <p>(a) any asset or group of assets listed in accordance with section 76AA(3) by the local authority; and</p> <p>(b) any land or building owned by the local authority and required to maintain the local authority's capacity to provide affordable housing as part of its social policy; and</p> <p>(c) any equity securities held by the local authority in –</p> <p>i. a port company within the meaning of the Port Companies Act 1988:</p> <p>ii. an airport company within the meaning of the Airport Authorities Act 1996”.</p>

Policy | Kaupapahere

- Engaging with the community is needed to understand the views and preferences of people likely to be affected by or interested in a proposal or decision.
- An assessment of the degree of significance of proposals and decisions, and the appropriate level of engagement, will therefore be considered in the early stages of a proposal before decision making occurs and, if necessary, reconsidered as a proposal develops.

Assessment of significance | Whakataunga o te tāpuatanga

1. The council will take into account the following matters when assessing the degree of significance of proposals and decisions, and the appropriate level of engagement:

- There is a legal requirement to engage with the community
- The level of financial consequences of the proposal or decision
- Whether the proposal or decision will affect a large portion of the community
- The likely impact on present and future interests of the community
- The likely impact on Māori cultural values and their relationship to land and water (also refer section 9)
- Whether the proposal affects the level of service of a significant activity
- Whether community interest is high
- Whether the likely consequences are controversial and/or has a likely impact on the reputation of Council

- Whether community views are already known, including the community's preferences about the form of engagement
- The form of engagement used in the past for similar proposals and decisions.

2. The council will take into account the degree to which the issue has a financial impact on the council or the rating levels of its communities, using the following thresholds:

- The unbudgeted operating expenditure greater than 5 per cent of total operating expenditure in that year, excluding amortisation and depreciation.
- A funding decision involving expenditure exceeds 20 per cent of the total asset class value.

3. If a proposal or decision is affected by the above considerations, it is more likely to have a high degree of significance.

4. In general, the more significant an issue, the greater the need for community engagement.

Engagement and consultation | Te whakapānga me te akoakotanga

1. The council will apply a consistent and transparent approach to engagement.

2. The council is required to undertake a special consultative procedure as set out in Section 83 of the Local Government Act 2002, or to carry out consultation in accordance with or giving effect to Section 82 of the Local Government Act 2002 on certain matters (regardless of whether they are considered significant as part of this policy).

3. For all other issues requiring a decision, the council may determine the appropriate level of engagement (section 82 of the Local Government Act 2002) on a case by case basis.

4. The Community Engagement Guide (schedule two, attached) identifies the form of engagement the council will use to respond to some specific issues. It also provides examples of types of issues and how and when communities could expect to be engaged in the decision-making process.

5. Where Joint Management Agreements, Memorandum of Understanding or any other similar high-level agreements exist, these will be considered as a starting point when engaging with Māori.

6. For mana whenua groups without a formal agreement a separate engagement plan will be developed as appropriate.

7. When the council makes a decision that is significantly inconsistent with this policy, the steps identified in Section 80 of the Local Government Act 2002 will be undertaken.

Note: Council's Māori Engagement Framework provides council staff with guidance and introduces a set of tools that will assist them to determine when and how to successfully engage with iwi Māori. The framework can be accessed on our website.

Schedule 1 | Wāhanga 1

Strategic assets | Ngā rawa mauroa

Section 5 of the Local Government Act requires the following to be listed in this Policy:

- (a) any asset or group of assets listed in accordance with section 76AA(3) by the local authority; and
- (b) any land or building owned by the local authority and required to maintain the local authority's capacity to provide affordable housing as part of its social policy; and
- (c) any equity securities held by the local authority in –
 - (i) a port company within the meaning of the Port Companies Act 1988;
 - (ii) an airport company within the meaning of the Airport Authorities Act 1996.

The following is a list of assets or group of assets that the council needs to retain if it is to maintain its capacity to achieve or promote any outcome that it determines to be important to the current or future well-being of the community.

- infrastructural fixed assets owned or maintained by the Waikato Regional Council such as its river management, flood protection and drainage assets
- the council's investment fund
- data held in the council's geographic information system (GIS).
- the council's shareholding in CCOs and CCTOs

Schedule 2 | Wāhanga 2

Community engagement guide | Ngā tohutohu whakapānga hapori

Community engagement | Te whakapānga ki te hapori

- is a process
- involves all or some of the public
- is focussed on decision-making or problem-solving

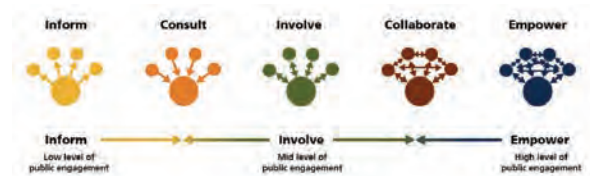
The International Association for Public Participation (IAP2) has developed a Public Participation Spectrum to demonstrate the possible types of engagement with the community. This model also shows the increasing level of public impact as you progress through the spectrum from left to right - 'inform' through to 'empower'. In simply 'informing' stakeholders there is no expectation of receiving feedback, and consequently there is a low level of public impact. At the other end of the spectrum, 'empowering' stakeholders to make decisions implies an increase in expectations and therefore an increased level of public impact. Differing levels of engagement may be required during the varying phases of decision-making on an issue, and for different stakeholders.

It will not always be appropriate or practicable to conduct processes at the 'collaborate' or 'empower' end of the spectrum. Many minor issues will not warrant such an involved approach. Time and money may also limit what is possible on some occasions.

In general, the more significant an issue, the greater the need for community engagement.

When engaging with the community, the council will:

- Seek out and encourage contributions from people who may be affected by or interested in a decision,
- Provide reasonable access to relevant, timely and balanced information so people can contribute in a meaningful way,
- Provide a variety of appropriate ways and opportunities for people to have their say and
- Tell the community what the council's decision is and the reasons for that decision
- Provide a clear record or description of the relevant decisions made by council and explanatory material relating to the decision.



Forms of engagement | Ngā tūmomo hanga o te whakapānga

The council will use the Special Consultative Procedure (as set out in section 83 of the LGA 2002) where required to do so by law, including the following issues requiring decisions:

- Adoption or amendment of the long term plan (sections 93(2) and 93A).
- Making, amending or revoking a bylaw that the council identifies using this policy as having significant interest to, or significant impact on, the public (section 156(1)(a))

The council will consult in accordance with, or using a process or a manner that gives effect to the requirements of, section 82 of the LGA 2002 where required to do so by law, including for the following specific issues requiring decisions:

- Adopting or amendment the annual plan if required under section 95 of the LGA 2002.
- Transferring responsibilities to another local authority under section 17 of the LGA 2002.
- Establishing or becoming a shareholder in a council-controlled organisation.
- Adopting or amending a revenue and financing policy, development contributions policy, financial contributions

policy, rates remission policy, rates postponement policy, or a policy on the remission or postponement of rate on Māori freehold land.

For such consultation, Council will develop information fulfilling the requirements of Section 82A of the LGA 2002.

For all other issues, the following table provides an example of the differing levels of engagement that might be considered appropriate, the types of tools associated with each level and the timing generally associated with these types of decisions/levels of engagement.

Engagement tools and techniques | Ngā utauta me ngā āhua ā-mahi o te whakapānga

Over the time of decision making, the council may use a variety of engagement techniques on any issue or proposal and the tools may be adapted based on a range of other factors, including history and public awareness of the issue, stakeholder involvement, and timing related to other events and budgets. The council will also take into consideration other engagements underway, and combined initiatives will be utilised where appropriate to maximise efficiencies and to alleviate ‘consultation/engagement fatigue’

Each situation will be assessed on a case-by-case basis.

Level	Inform	Consult	Involve	Collaborate	Empower
What the consultation involves	One-way communication providing balanced and objective information to assist understanding about something that is going to happen or has happened.	Two-way communications designed to obtain public feedback about ideas on rationale, alternatives and proposals to inform decision making.	Participatory process designed to help identify issues and views to ensure that concerns and aspirations are understood and considered prior to decision-making.	Working together to develop understanding of all issues and interests to work out alternatives and identify preferred solutions.	The final decision making is in the hands of the public, however, under the Local Government Act 2002, the Regional Council Chair and Councillors are elected to make decisions on behalf of their communities.
Types of issue that we might use for this	Flood warnings	Consultation document for the LTP	Regional Policy Statement Regional Plan	Healthy Rivers: Plan for Change/Wai Ora: He Rautaki Whakapaipai	Local body elections
Tools we might use	Websites Information in “Your Waikato” Public notices Subscribed email/text alerts.	Formal submissions and hearings Information in “Your Waikato” Websites	Workshops Focus groups Citizens Panel.	Collaborative stakeholder group Technical alliance.	Binding referendum Local body elections.

Level	Inform	Consult	Involve	Collaborate	Empower
		Public notices Focus groups, Surveys.			
When the community can expect to be involved	The council would generally advise the community once a decision is made.	The council would advise the community once a draft decision is made the council and would generally provide the community with up to 4 weeks to participate and respond.	The council would generally provide the community with a greater lead in time to allow them time to be involved in the process.	The council would generally involve the community throughout the process - at the start to scope the issue, throughout the information collection, and to consider options.	The council would generally provide the community with a greater lead in time to allow them time to be involved in the process. e.g. typically a month or more.