

Mahere ā-Tau Annual Plan 2023/24



Mō tēnei mahere

About the plan

2022/23 Annual Plan

The annual plan is our statement about the work we plan to undertake in 2023/24 (from 1 July 2023 to 30 June 2024) and provides financial statements detailing how we will pay for it. It is a companion document to the *2021-2031 Long Term Plan* (LTP), which contains more information including details of our groups of activities, levels of service and policies, and should be read in conjunction with it.

The planning and reporting cycle

The annual plan is one of a suite of statutory documents required under the Local Government Act 2002 (LGA). The other documents which make up the planning and reporting cycle are the LTP and annual report. An LTP is a strategic planning document covering a 10-year period. An annual report is prepared at the end of each year and retrospectively describes the community outcomes that have been achieved.

An annual plan is adopted in years two and three of the LTP and sets out the budget and the sources of funding for the year ahead. It describes the activities a local authority will fund and provide to achieve desired community outcomes. These outcomes state what the council intends to achieve to maintain and improve the wellbeing of the region.

An LTP is reviewed and prepared every three years. The 2021-2031 LTP was adopted on 29 June 2021 and an Amendment to the 2021-2031 LTP was adopted on 20 June 2022. An LTP may be amended at any time, provided the full consultative process described in the LGA is followed.

Rārangi kaupapa

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SECTION 1

Whakaritea te wāhi

Setting the scene

Kōrero matua

Message from the chairperson and chief executive

We want to help make the Waikato be the best it can be – environmentally, socially and economically – for now and for generations to come. We know we can't do it on our own, and working together with iwi, residents and ratepayers, community groups, central and local government, the primary sector and businesses helps ensure we get it right.

This plan confirms the work we'll be doing this year to meet the needs of our communities. The current global economy continues to drive high inflation, and this remained at the forefront of councillors' minds in setting our annual budget. We are seeing significant impacts on both the cost of living and the cost of delivering essential services. Although recent data suggest changes to the rate of inflation are beginning to moderate, we expect significant cost pressures on our

council and communities to persist over the year ahead. These economic conditions are outside the control of local government, but impact everything from our borrowing and procurement to insurance premiums and labour market costs. Therefore, to minimise new expenditure, we have stuck closely to the programme agreed through our *2021-2031 Long Term Plan (LTP)*.

This plan reflects our strategic direction, which was updated in 2023 to weave wellbeing and climate change through the goals of our six strategic priorities. Our priorities are water, biodiversity and biosecurity, coastal and marine, transition to a low emissions economy, and sustainable development and infrastructure.



Cyclone Gabrielle and other severe weather events across New Zealand at the beginning of 2023 have really demonstrated the risks to lives and livelihoods posed by climate change. These events reinforced the importance of the flood protection and catchment restoration work we do to help mitigate and address the impacts of climate change.

We'll be releasing our third regional greenhouse gas inventory, which helps us to closely track emissions reductions, and complete a comprehensive climate risk assessment for the region. All this information helps us to make decisions about climate change adaptation and

mitigation; and reveals opportunities for minimising risk and transitioning to a climate-resilient and low emissions economy.

Part of this transition, as we already know, is improving our land transport options and increasing public transport services. Work will continue to identify strategic EV charging depot locations and install charging infrastructure, making it easier for people to make the switch. How we improve our investment in transport over time will be a main consideration of the regional land transport plan (RLTP) being developed this year.

With regards to flood protection, our sustainable infrastructure decision-making framework will help us make best practice decisions on investments as we start work on the 2024-2034 Long Term Plan this year. In the meantime, we're continuing to investigate how emerging technology, like airborne cameras for wetland mapping and laser image detection (LiDAR) for checking stopbank levels, could help us realise new efficiencies. We're also continuing work on multiple infrastructure projects, including stopbank and pump station upgrades, which were kickstarted in 2020 with funding contributions by the Government as part of a nationwide COVID-19 recovery programme.



The big picture of how our entire regional coastline is managed has been under review to ensure we're in step with current issues, community aspirations and legislative changes. A proposed *Waikato Regional Coastal Plan* is expected to be publicly notified for submissions in the

second half of 2023. This plan is being guided by stakeholders, including industry and coastal residents, and iwi.

Effective engagement with Māori is important for this council as we continue to work with our iwi partners to implement and honour Treaty settlements. For this reason, we're investing in our ability to incorporate te ao Māori into the work we do, which will enable us to make better decisions based on a deeper understanding of local tangata whenua knowledge and perspectives. All six of our co-management agreements with iwi partners are due for review, providing opportunities to strengthen the way we work together.

These are just some of the important initiatives and cost drivers we've taken into account in the approval of an annual budget of \$201.943 million for 2023/24. This represents an increase in total rates revenue from current ratepayers of 5.4 per cent. While the increase exceeds the 1.6 per cent forecast in the council's 2021-2031 LTP, it does sit below the current level of annual inflation which, at the time this budget was set, was above 30-year highs at 7.2 per cent.



Me pēwhea te pānui i tēnei mahere ā-tau

How to read this document

The 2023/24 Annual Plan updates year three of our 2021-2031 Long Term Plan. It focuses on the changes we're making while continuing the work we committed to as part of the LTP.

Our work in 2023/24 will continue to focus on achieving what we set out to do in the LTP around our three community outcomes: healthy environment, vibrant communities and strong economy.

The following financial summary reflects our budgeted cost of service and capital spending, rates and borrowing for 2023/24.

We strongly encourage you to read this plan in conjunction with the [2021-2031 LTP](#) and the [Amendment to the 2021-2031 LTP](#) to understand the full scope of the work Waikato Regional Council does for our region.



Ngā putanga ā-hapori

Community outcomes

During 2022/23, the council undertook a robust process to review and refresh its strategic direction to ensure we continue to focus on the areas that are most important to the Waikato region.

[Our Strategic Direction 2023-2025, Takatū Waikato | Making a Stand for the Waikato](#), sets out the vision, purpose and six strategic priorities that guide our work, as well as our goals for success.

A focus on wellbeing and how we respond to climate change is woven through all our priorities.

We track our progress against the community outcomes in our purpose – healthy environment, vibrant communities, strong economy. Progress against the community outcomes also reflects progress towards our six strategic priorities.

These outcomes have been aligned to the United Nations' Sustainable Development Goals (SDGs). Here in the Waikato, we became the first region in New Zealand to localise the SDGs through a community-led process to agree wellbeing targets that achieve relevant SDGs. Supporting indicators are currently in development. These outcomes and goals will help shape the *2024-2034 Long Term Plan*.

The graphic below illustrates how these all fit together, and the rest of this section sets out the work we have planned in 2023/24 to help achieve them.



He taiao mauriora

Healthy environment

He taiao mauriora Healthy environment



Ngā aronga nui Our strategic priorities



Leading on climate change

Our climate response is focused on minimising the risks to our region's environment, communities and economy. We also want to be ready to seize new opportunities as we transition to a climate-resilient economy.

We are currently reviewing our Climate Action Roadmap to incorporate legislative changes, integrate the council's new strategic direction and reflect the key considerations of the National Adaptation Plan and Emissions Reduction Plan. The findings from this review will help staff assess the implications of climate change in their work.

In 2023/24, we will also undertake our third regional greenhouse gas (GHG) inventory and complete our regional climate risk assessment.

Work will continue under an inter-council staff working group on regional policies and actions to help the transport sector move towards a low emissions economy and inform the regional land transport plan.

In 2022/23, we'll investigate how our existing infrastructure will support the ongoing transition to a zero-emission fleet.

We will also be stepping up our efforts to reduce our own corporate emissions, and those produced throughout our supply chain. Since we began measuring our yearly gross emissions in 2016/17, we have reduced them by 44 per cent. We are on track to meet our target of a 68 per cent reduction by 2030 compared to the 2016/17 base year.

Reducing waste

The waste we create and the way we dispose of it has huge environmental and social impacts. Most of the waste produced in the Waikato region ends up in landfill. Establishing partnerships to help reduce waste and redirect it away from landfill remains a key area of focus.

A number of new and ongoing waste reduction projects are planned in 2023/24. Through research and education initiatives, we will continue to work with territorial authorities and waste reduction and resource recovery specialists to apply the principles of a circular economy to areas like construction and the treatment of agricultural and organic waste.

We continue to support the Para Kore 'zero waste on marae' programme and are part of local government waste reduction groups at a national, regional and sub-regional level. We co-ordinate the Central North Island Waste Liaison Group of territorial authorities for information sharing and to provide a unified voice for local government on waste reduction and recovery issues.

Protecting our water, air and land

The Taupō and Te Kūiti airsheds have recently seen exceedances of the national environmental air quality standards, so we will be working with the district councils of those areas to encourage community education, which we know can be successful. Long term monitoring of the Tokoroa airshed, where air quality education campaigns (along with funding programmes for clean heat replacements) have been delivered for over 15 years, have seen improvements in air quality over that time.

Amendments to national environmental standards (NES) to improve air quality will likely come into effect by the end of 2023/24. The council will play a key role in implementing these regulations, alongside external agencies. This work includes the following.

- Gathering emission projections for airsheds identified as being unlikely to comply with the amended NES for air quality, to understand how to best meet the new standards. This study will inform airshed action plans that will give direction on future clean heat incentives, education, regulation and enforcement.
- Progressively increasing our PM2.5 monitoring capability to detect the fine particulate matter in smoke and other pollutants across our airsheds.

New legislation relating to resource management reform will come into effect in 2023/24. Alongside this will be the first draft of the National Planning Framework. We will make submissions during the consultation process and are currently working alongside the Ministry for the Environment, in conjunction with stakeholders, as we prepare to transition to the new requirements.

A number of changes to the *Waikato Regional Policy Statement* (WRPS) will be introduced as a result of various national policy statements. These include the following.

- Incorporating the requirements of the National Policy Statement on Urban Development (NPS-UD) and to reflect the updated Future Proof Strategy (a 30-year growth management and implementation plan for the Hamilton, Waipā and Waikato sub-regions). The NPS-UD requires councils to plan for growth and ensure well-functioning urban environments for all people, communities and future generations. The change was notified in October 2022 with hearings due in May 2023 and a decision to be made by council later in 2023/24.
- Giving effect to the National Policy Statement for Freshwater Management (NPS-FM) 2020 following our review of the Waikato Regional Plan. Throughout 2023, we will be engaging with tangata whenua, communities and stakeholders on the best solutions for managing fresh water and hope to notify our proposed revisions in late 2024.

We are hoping to seek resolution with appellants to *Proposed Waikato Regional Plan Change 1 (PC1)* before Environment Court hearings later in 2023. PC1, which seeks to reduce contaminants entering waterways in the Waikato and Waipā catchments, gives effect to the primary direction-setting document for the Waikato River, *Te Ture Whaimana o Te Awa o Waikato/Vision and Strategy for the Waikato and Waipa Rivers*, and some elements of the NPS-FM2020. Staff have worked through detailed appeal points with appellants to better understand the concerns raised.

While we await the final outcomes of PC1 appeals, staff are preparing for implementation of Farm Environment Plan (FEP) requirements that are contained in PC1, as well as preparing for the roll out of Fresh Water Farm Plans (FW-FP)

that will be required when new Government regulations come into force this year. As implementation of the farm planning aspects of PC1 and the FW-FP regulations will likely occur concurrently, we continue to seek “commonality” between the two instruments.

We are working with Waikato River Authority, NIWA and other partners to develop a suite of modelling tools to improve our understanding and management of the Waikato River catchment, including flow patterns, contaminant sources and tracking restoration outcomes.

The review of the *Waikato Regional Coastal Plan*, the rulebook for activities in the coastal marine area, is expected to be publicly notified for submissions in the second half of 2023. The review will ensure we are in step with current issues and community aspirations as well as legislative changes and national/regional policy direction. The updated plan is being guided by feedback from a range of stakeholders, including iwi, industry, coastal communities and other users.

We will be drafting our regional fish passage strategy for our flood protection infrastructure this year. This strategy is being informed by the research and projects of our Pathways to the Sea programme of works started in 2018, including the installation and monitoring of a Netherlands-designed enclosed Archimedes screw pump (the first of its kind in New Zealand) at Aka Aka, near Waiuku. Results from the monitoring programme showed a 100 per cent survival rate of all tuna/eels that passed through the pump. The strategy will outline how we will act on our research and provide for safe downstream fish passage when considering the renewal of our pump stations.

In 2023/24, we will continue to work with our project partners, iwi and communities to improve biodiversity and water quality. The council supports community environmental project groups through three funds managed under the Natural Heritage Partnership Programme, which provides funding to approximately 70 projects a year across the region. We also work with landowners to fence off and plant out riparian areas and retire steep hill country.

Using additional funding sourced through the *2021-2031 Long Term Plan*, we are investing heavily in biodiversity programmes, including:

- the delivery of a biodiversity inventory for the Waikato
- working towards a draft biodiversity accord with iwi and stakeholders
- increasing community and landowner-led land restoration efforts by providing more technical advice, coordination and operational support
- increasing financial support to community groups undertaking environmental initiatives
- developing our capability in marine biosecurity.

Implementation of resource consent requirements for Lake Waikare as part of flood scheme operations will continue, with a focus on reducing the sediment discharged from the

lake and into the Whangamarino Wetland. Following a consent review, concluded in 2018, there are additional requirements that include increased monitoring, reporting and technical assessment.

Exploring spatial technology

We are continuing to investigate the use of emerging spatial technology to see whether it can improve the way we do business. One way we'll be doing this is using an airborne camera system for wetland mapping and condition monitoring. We're also considering using airborne laser image detection (LiDAR) camera over stopbanks to determine crest levels – if this was to be successful, it would create efficiencies in the time it takes to capture such data as we currently make physical assessments. We have already developed and implemented a regional peat subsidence monitoring programme using LiDAR to measure changes in the surface elevation.

We are working to make LiDAR data of the Waikato region publicly accessible. These data allow property-scale mapping of important sites (including waterways, wetlands, vegetation, flood-prone areas, coastal hazards and steep slopes at risk of soil erosion), farms (for farm plans) and more. This project is being managed by CoLab (an organisation that exists to drive collaboration between councils), and the data will be made available on the Elevation Aotearoa website.

Education

We are continuing to engage with more schools in the Waikato to offer the Enviroschools programme. The programme is now reaching 48 per cent (151) of schools in the Waikato, and 50 early childhood centres.

There is a packed programme for 2023/24, as we work in partnership with a wide range of external stakeholders. We are supporting more schools in their sustainability journey by:

- embracing innovative programme strategies to reach a wider number of students, including hybrid (online and in-person) delivery to upskill teachers

- strengthening student leadership through events like our Climate Camp
- extending access via a Friends of Enviroschools initiative that delivers one-off environmental education projects that are available to all schools.

Our youth and secondary programme, Rangatahi Voices, are currently helping the council establish a contestable fund to support positive youth climate action. Rangatahi Voices is about giving young people the opportunity to get involved in influencing and being part of positive change in their communities and supporting work within the council. So far, we've had young people provide input into the Freshwater Policy review and youth leadership at our Climate Camp.

Work continues on our Advancing Mātauranga Māori programme to retain, revitalise and share the wisdom and tradition of tangata whenua. By delivering unique environmental learning with a strong Māori cultural lens, we aim to build the confidence, resilience and pride of our rangatahi.

As part of this, our Kura waiti ki kura waitā | River schools to moana schools programme will reach 108 rangatahi (young people) and 12 kaiako (teachers). The rangatahi will:

- experience a place-based learning programme on the awa (river) and roto (lake), learning alongside role models in an authentic cultural setting of kōrero tuku iho
- build knowledge of where, why and how they can protect, restore, revitalise and engage with our awa
- receive student booklets to reinforce the learning and contribute to their mātauranga and NCEA qualifications pathway
- advance through the learning programme over three years, after which time they will be guided towards work experience placements and internships within supporting organisations relating to the restoration and protection of the Waikato River and based on their interests.

Kura waiti ki kura waitā is implemented in partnership with Te Toki Voyaging Trust, and the programme is provided in te reo Māori.

He hāpori hihiri Vibrant communities

He hāpori hihiri Vibrant communities



Ngā aronga nui Our strategic priorities



Connecting our communities

Service enhancements to Te Huia rail service will continue to be made to meet additional demand, provide increased frequency and grow the offering to customers. Connectivity between Waikato and Auckland is crucial to the development of our region. It improves community access to essential services and transport for work and recreation, helping to improve quality of life. Te Huia celebrated two years of operation in April 2023. The service is now exceeding its 250 passengers per day target.

We will be looking at what the next steps are for our demand-responsive passenger transport services, Flex. Flex, which uses smaller buses to provide an on-demand, corner-to-corner rideshare service, was launched in 2021/22 and has created an excellent opportunity to learn about how new technology and new kinds of vehicles create new options to meet people's transport needs.



Planning for new public transport services in Hamilton continues at pace. This includes increasing the frequency of established services like the Comet and introducing a new, frequent Meteor service. Limited driver availability nationally has been impacting the expansion of these services, but this is expected to improve in 2023/24.

Across the region, new services for Te Kūiti and Matamata continue to expand the number of regional communities linked by public transport. Service enhancements for Waipā and Waikato will provide connectivity between towns and link into the Hamilton metropolitan area.

We will take over the funding of Total Mobility services, enabling a region-wide approach from 1 July 2023. *Total Mobility* is a nationwide scheme to give people with disabilities better mobility options. The change opens up the possibility of the service having full regional coverage to benefit disabled and elderly residents in our communities across the Waikato.

To help ensure our communities continue to have a safe, connected transport system, and make sure investment is focused where it's most needed, we'll be redeveloping the regional land transport plan (RLTP). The RLTP sets a 30-year vision and objectives for transport in our region and is reviewed every six years. This is a big deal – the 2021 RLTP proposed a combined local and central government investment of \$8 billion over 30 years. This RLTP, we can expect a strong focus on improving network resilience and reducing transport emissions.

Settlements and co-governance

We acknowledge that meaningful collaboration produces a broader range of benefits than are currently being achieved through Treaty settlement implementation and we will continue to work with our iwi partners to implement and honour Treaty settlements.

The council has a number of longstanding co-governance and co-management agreements with iwi regarding their participation in natural resource management decision making as a result of the Waikato and Waipā River Treaty settlements. The arrangements include agreements between iwi and the regional council on the way we will work together. All six agreements are due for review.

Te Kōpu ā Kānapanapa, a joint committee of Te Kotahitanga o Ngāti Tūwharetoa, Waikato Regional Council and Taupō District Council, recently adopted *Te Kaupapa Kaitiaki*, a strategy for the Taupō Catchment, following a public consultation process. This was a legislative requirement under the *Ngāti Tūwharetoa Claims Settlement Act 2018*. It is acknowledged that a key intention of the Act is to enhance Ngāti Tūwharetoa capability and capacity to achieve beneficial environmental and resource management outcomes for the Taupō catchment. To achieve this outcome, it is necessary to ensure that the kawa, tikanga, values and mātauranga of Ngāti Tūwharetoa are respected within the policies and plans that shape the decisions relating to the Taupō catchment.

Although a primary focus of *Te Kaupapa Kaitiaki* is environmental restoration, protection and enhancement of the catchment, its purpose is wide ranging and also includes the cultural and spiritual health and wellbeing of the catchment for the benefit of Ngāti Tūwharetoa and all people – including future generations.

The council will work with Te Kotahitanga o Ngāti Tūwharetoa and Taupō District Council to co-develop an implementation plan designed to give effect to the vision of *Te Kaupapa Kaitiaki*.

Ngāti Maniapoto recently received its comprehensive Treaty settlement, which includes the development of a new joint management agreement with Waikato Regional Council and other councils to recognise *Ngā Wai o Maniapoto Natural Resources Redress*.

Treaty settlement obligations often overlap with our other legislative requirements, and so it is important to acknowledge that Treaty settlement arrangements, where they exist, will assist the council to meet existing and new legislative obligations. Working together will also help us adapt to the raft of current and pending central government reform.



Planning for the future

Work will begin on our 2024-2034 Long Term Plan. Our LTP outlines what we're going to do and the money we're going to spend to do it over the next 10 years. It is informed by Takatū Waikato, our 2023-2025 strategic direction. This was developed in collaboration with councillors, iwi, stakeholders and staff and identifies priorities and goals to improve regional outcomes for our environment, communities and economy. Public consultation on our 2024-2034 LTP will take place in early 2024.

A decision on whether to proceed with the EcoRetrofit scheme will occur as part of the *2024-2034 Long Term Plan*. Through the 2021-2031 LTP, we agreed to borrow up to \$35 million over 10 years for the sustainable homes scheme to help ratepayers access funds for sustainable home improvements. Money borrowed would be repaid over 10 years through a voluntary targeted rate on the property with no impact on general rates. Implementation of EcoRetrofit was scheduled to start in 2022/23 but has been delayed to allow time for the local government sector to seek exemption from the *Credit Contracts and Consumer Finance Act 2003 (CCCFA)*. The council is working with others to ensure that compliance with the new requirements of the CCCFA can be achieved.

We're continuing to work with Hauraki District Council and other stakeholders on *Wharekawa Coast 2120*, a 100-year adaptation plan for communities along the west coast of the Firth of Thames. We're currently reviewing the project plan, which covers coastal, flood and catchment/river management activities and advice to various community groups operating in the area. We're also capturing mātauranga Māori to help inform adaptation options, refinement and selection.

During 2023/24, we will continue our work with the Upper North Island Strategic Alliance (UNISA) to discuss mutual areas of interest such as climate change, transport systems and networks, and joint data sets and information, to contribute to spatial planning.

Future Proof, a growth strategy and local/central government partnership specific to the Hamilton, Waipā, Waikato and Matamata Piako sub-regions, will continue its focus on creating a Future Development Strategy as required by the National Policy Statement for Urban Development. We will also be working together to implement the agreed long-term transport programme for the inner metropolitan area. Part of this will be developing the detailed plans to implement place-shaping initiatives such as rapid transit for buses on key routes over the next decade.

Wellbeing

We will be creating a data dashboard to track economic development through a set of indicators. The dashboard will consist of a number of interactive visuals under the following 10 themes:

- population (households and labour force)
- macroeconomic indicators
- business vibrancy
- sector performance
- workforce diversity
- income and support
- productivity
- resource use efficiency
- infrastructure
- Māori economy.

Up-to-date comparative socio-economic parameters will also be available to understand economic performance both within and between regions. This information will enable informed investment decisions to optimise both economic development and community wellbeing.

We are also supporting the online Waikato Wellbeing Knowledge Centre | Te Ara Poutama being developed by the Waikato Wellbeing Project, in association with a wide range of stakeholders. Te Ara Poutama will hold data and information, enable communication and knowledge sharing with other organisations and communities to empower them to make choices for the present and future wellbeing of the waters, land and people of our region. Our economic data dashboard will inform some of this work. The data in the knowledge centre will be measured and reflect successes, challenges and areas for improvement within our region. We'll also continue our other work with the Waikato Wellbeing Project, working with its ambitious wellbeing goals that sit alongside both the purpose of the Local Government Act and our priorities for the Waikato.

The new Waikato regional theatre in Hamilton is expected to be completed in early 2024, enhancing the cultural vibrancy of our region for the benefit and wellbeing of our communities. We contributed \$5 million towards the construction of the Waikato Regional Theatre as part of our LTP process.

Transforming our customer experience

We're starting a programme of work to improve all our touch points with customers. The programme seeks to ensure customers have easy access to our services and that we are able to consistently meet growing demand and expectations. The programme will be delivered in three tranches, starting in 2023/24. The first tranche includes a new phone system which will allow improved triaging and management of requests coming into the organisation from different channels.

He ōhanga pakari Strong economy

He ōhanga pakari Strong economy



Ngā aronga nui Our strategic priorities



Hanganga tauwhiro
Sustainable development and infrastructure



Whakaheke tukunga
Transition to a low emissions economy



Hononga hapori
Community connections

The current global financial climate is one of the most challenging we've faced for many years. The impacts of COVID-19 and the global responses to it, the war in Ukraine, and the increasing effects of resource management issues like climate change are driving economic forces beyond the control of local government. The rate of annual inflation, while appearing to moderate based on recent data, continues to drive significant cost pressures on our council and communities.

At the same time, the risks to livelihoods posed by weather extremes caused by our rapidly changing climate has never been greater and will only continue to increase for the foreseeable future. A big part of our remit and our responsibility as regional council is to protect our communities and our regional economy.

Infrastructure

We are working on an infrastructure decision making framework to help us make sound, long-term investments in critical flood protection and land drainage assets, with a strong focus on sustainability. The framework will now start to inform our 50-year infrastructure strategy, which will be reviewed as part of the 2024-2034 LTP.

Our flood protection schemes protect 3000 square kilometres of land, as well as critical services and infrastructure. Being able to use this land for agriculture and economic purposes boosts our regional economy by \$2.2 billion every year.

Moving towards a low carbon economy

The council will continue to align its farmer education and support services with those of industry bodies, He Waka Eke Noa and central government to help the primary sector adapt to a changing climate and reduce emissions. The Waikato is one of the most productive agricultural regions in New Zealand, with dairy and meat products making up nearly 60 per cent of the region's international exports. Most of the towns in the region are highly dependent on agriculture for their economic sustainability.

We will continue to release climate impact data and projections to help decision-makers act by undertaking our third regional greenhouse gas (GHG) inventory and completing our regional climate risk assessment.

We also plan to apply a climate change lens to our *Regional Economic Development Strategy* (formerly *Waikato Means Business*) and develop an implementation plan to put any agreed changes into action.

Investing in our region

We're in year three of our Shovel Ready programme of works that started after receiving Government funding for multiple infrastructure and environmental projects to help stimulate the economy and create jobs in response to COVID-19.

- Fish passage pumps: This year we will be upgrading the Churchill East pump station to include an enclosed Archimedes screw pumps to enable safer passage for native fish, particularly tuna (eels). The upgrade is the second pump station to have its pumps replaced with fish-friendly pumps. The pumps are critical to the ongoing flood protection of productive farmland, however the current infrastructure does not enable safe downstream passage of native fish.
- Firth of Thames foreshore east and west stopbanks: Physical works are underway with the upgrade including additional foundation width to support future increases in design height. Excavation of foreshore sediment traps, to provide earth for the upgrade, has been completed. The upgrade of these stopbanks, constructed in 1961, is critical for protecting the Hauraki Plains against flooding.
- Piako River mouth right bank asset rationalisation: We will continue with earthworks, construction of a new floodgate and the creation of a wading bird habitat. Final drainage works and the decommissioning of three ageing floodgates are part of the project.
- Replacement vessel: Construction of a replacement vessel for the Tamahere 94 barge, which was used as a work platform in the Waikato and Waipā rivers over the last 50

years, will be largely completed in 2023/24. The vessel will be a key asset for future maintenance to support the stability and capacity of the river channels, and to remove obstructions. The project also includes the upgrade of an existing mooring at Mercer and the development of a dry dock facility.

- Piako River green corridor: Ongoing fencing and planting will take place along the Piako River, foreshore drain and other sites to create a riparian corridor from the Kopuatai Wetland to the Firth of Thames.
- Upper Waiomou Stream restoration: We will do more important work with landowners to selectively remove poplars and willow trees, and plant riparian margins along the Tukutāpere, Rapurapu and Waiomou streams.
- Lake Kimihia restoration: We will build on our efforts with landowners and partners to restore the lake catchment. We will also be working with iwi on other cultural and ecological activities. Construction of a bund and weir to raise the lake level and prevent it from drying out in summer has been completed.
- Opuatia Wetland restoration: Ongoing weed management will take place in this ecologically important wetland. The key focus is on controlling yellow flag iris, willow, royal fern, honeysuckle and pampas.
- Karāpiro and Mangaonua catchments: Work with landowners will continue to mitigate erosion of steep hill country through retirement and planting, and with fencing and planting wetland and riparian areas. River erosion protection will include enhancing the instream environment through the installation of fish habitat structures. This project is scheduled to conclude in 2023.
- Clean Streams 2020: This project to plant out already retired areas from grazing ends in 2023/24. Altogether, about 333,000 mixed native plants have been planted on 88 hectares of land across 27 sites. The final tasks include hand releasing young plants from weeds and completing our monitoring of the success of the project.

- Ngā Wai o Waikato: This project to help landowners retire steep hill country and stream, lake and wetland margins in the lower Waikato catchments concludes in 2023. We will continue with planting retired sites continues in the 2023 planting season.

Keeping our region resilient

We've worked with other Civil Defence and Emergency Management (CDEM) group member councils to progress significant changes to the Civil Defence regulatory framework. This legislation is due to come into effect mid-2023.

The group will also be reviewing the current CDEM Group plan. However, development of the plan is dependent on when the emergency management legislation and the subsequent development of a National Emergency Management Plan are released.

Cyclone Gabrielle and extreme flooding responses

We will continue to assess the overall impacts of multiple extreme rainfall events, including Cyclone Gabrielle, which impacted the region from late December 2022 to early 2023. We are prioritising work to remediate damaged rivers and catchments and address coastal erosion and sedimentation issues, based on risk, impact to communities and the environment. Our flood protection infrastructure worked as they should to protect communities and productive farmland, and we even used the Criterion Bridge floodgates in Paeroa for the first time.

Our Maritime Safety team, who manage and maintain marine navigational aids, are working on building capacity and capability to respond to incidents like Cyclone Gabrielle in the future. During the cyclone, an unprecedented 48 aids were lost across the Coromandel Peninsula. These consisted mainly of buoys and beacons used to guide vessels.



Te Ture Whaimana o te Awa o Waikato

Vision and Strategy for the Waikato River

Treaty legislation requires us to give effect to *Te Ture Whaimana o te Awa o Waikato* (the *Vision and Strategy for the Waikato River*), the primary direction setting document for the Waikato River and activities within its catchment. *Te Ture Whaimana* was developed by the Guardians Establishment Committee, which was formed under the Waikato-Tainui and Crown Agreement in Principle and legislated in the *Waikato-Tainui Raupatu Claims (Waikato River) Settlement Act 2010*. The custodian of the *Te Ture Whaimana* is the Waikato River Authority, which also invests funds into environmental restoration initiatives. The board of the Waikato River Authority consists of a representative from each of the five river iwi authorities (Waikato-Tainui, Tūwharetoa, Te Arawa River Iwi, Raukawa and Maniapoto) and five Crown representatives.

The vision is for a healthy Waikato River which sustains abundant life and prosperous communities, which are in turn responsible for restoring and protecting it, and all it embraces, for generations to come.

There are 13 objectives in *Te Ture Whaimana*, and a number of them are related. Works we do often help to deliver on more than one objective. In 2023/24, we will support the restoration and protection of the health and wellbeing of the Waikato River in the following ways.

Relationships

This includes supporting the economic, social, cultural and spiritual relationships of river iwi and communities with the Waikato River.

The council will work with Waikato-Tainui and other river iwi authorities to co-develop a reporting framework designed to demonstrate how our mahi gives effect to *Te Ture Whaimana* in a way that provides a consolidated view and valuable insight to support decision making.

Strategy and policy development

We aim to protect the Waikato River from the adverse effects of activities on the water and land through our regulatory and statutory processes.

- We will continue work on our Freshwater Policy Review. This piece of work aims to stop further degradation of our fresh water and improve its quality and ecosystem health. Throughout 2023, we will be engaging with tangata whenua, the community and stakeholders on the best solutions to managing fresh water. We are seeking to publicly notify our proposals in late 2024.

- Our review of the Waikato Regional Coastal Plan will continue as we refine our approach to sustainably manage the coasts of the Waikato. The updated plan will be guided by feedback from a range of stakeholders, including iwi, industry, coastal residents and other users. It is expected the proposed plan will be publicly notified for submissions in the second half of 2023.
- There is continued work on Waikato Regional Plan Change 1, with appeals before the environment court and resolution actions expected throughout 2023/24. The proposed plan seeks to reduce the contaminants entering the Waikato and Waipā catchments to achieve Te Ture Whaimana.
- Te Ture Whaimana guides the way we administer resource consents, with applicants having to consider the potential effects of their consent application on the Waikato River and include information on how their activity will 'give back' to improve the quality of the river.
- Monitoring of consents and permitted activities, and investigation of alleged breaches of rules and regulations, remain a key part of our business as usual. We continue to hold people accountable for non-compliance activities that have an adverse effect on the environment, including the Waikato and Waipā rivers.

Ecological health

Protecting and enhancing significant sites, fisheries, flora and fauna. Our work for 2023/24 will include:

- continuing to upgrade pump stations to enable safer passage for native fish, particularly tuna (eels), and testing our new enclosed Archimedes screw pump
- working with landowners to undertake riparian fencing and planting, reduce streambank erosion, retire land for native revegetation, and introduce other measures to reduce sediment loss into lakes and wetlands
- retiring wetland, riparian margins and hill country, planting native trees, controlling pest plants and enhancing the instream environment with fish habitat structures
- continuing support for numerous iwi and community group restoration projects through co-funding and technical support.

Science

By better understanding the health of our rivers and waterways, we'll know what actions we need to take to make

improvements. Please see the preceding sections *Protecting our water, air and land* on pages 9 to 10 and *Exploring spatial technology* on page 11 for more information on our work in the science space.



Te whakaāheitia o Ngaī Māori

Facilitating Māori participation

This annual plan includes increased funding to support effective engagement with Māori to ensure the council is meeting its statutory responsibilities and strengthening its working relationships with iwi to build effective partnerships.

Having appropriate te ao Māori competency and capacity is an important matter for the council. Incorporating te ao Māori into the work we do strengthens our ability to work more meaningfully with Māori and enables us to make decisions informed by both traditional Western scientific information and local tangata whenua knowledge and perspectives.

We will continue to help foster Māori capacity by:

- continuing to provide support to Māori constituencies
- working with mātauranga Māori experts to incorporate aspects of this world view into our processes and practices
- implementing strategies, frameworks and education programmes designed to increase staff and councillor capability to effectively engage with Māori
- providing pre and post-Treaty-settlement advice to council and government agencies.

The Local Government Act 2002 requires local authorities to consider how they can foster the development of Māori capacity to contribute to their decision-making processes. The current raft of central government reforms highlights the progressive importance of ensuring we have the requisite skills, training and support to fulfil our obligations now and into the future. Tai-ranga-whenua, our kaupapa-Māori-focused team, contributes in a significant way to achieving this objective through the provision of advice, co-ordination, policy development and subject matter expertise, however, the whole organisation must take ownership for our Tiriti based partnerships to be successful.

In 2023/24, we will continue to grow capability and confidence across the organisation to effectively partner with iwi Māori. We will also work on strengthening relationships through initiatives designed to respond to the challenge of iwi Māori capacity. As iwi organisations are in various stages of Treaty settlement, some face significant capacity and resourcing constraints. This can restrict the quality and quantity of engagement, and place pressure on our ability to meet engagement and work programme commitments.



Kaupapa kore pūtea

Unfunded mandates

Amendments to central government policy and regulations provide stronger national direction, but they also come at a cost. Known as “unfunded mandates”, these cost drivers are out of our control. They come without any funding or with insufficient funding, with the costs of implementation being met by ratepayers.

This council generally supports the intent behind central government policy and regulations, and notes that it will be our communities – and the generations to come – who will ultimately benefit from this extra investment. But we would like to highlight the financial impact of new regulations and acknowledge the ratepayers who fund this work.

The draft report into the future for local government, *He mata whāriki, he matawhanui*, also addresses the issue of unfunded mandates, noting that successive funding reviews have highlighted the problems and preferred solutions, however few have been enacted. The review states that, in order to move from the currently constrained funding system, there needs to be a meaningful change in the way local and central government address issues of sustainable funding, and that also enables councils to establish new funding mechanisms. While rates are considered the best means of funding council activities, it is acknowledged that better support is needed from central government. We welcome this discussion and recommendations that may result from further work by the Future for Local Government Review Commission.

There are a number of areas where we are seeing additional cost and funding impacts.

- Treaty settlement implementation comes with one-off funding but ongoing funding is not provided to cover the costs of this work in perpetuity. We will continue to look to the Crown to fully fund Treaty of Waitangi settlements in perpetuity as an outcome of the local government review.
- Treaty settlement costs often overlap with our other legislative requirements, for example, those under the Resource Management Act. In these instances, it is difficult to quantify and precisely define what is a Treaty legislation obligation versus what is an existing legislated responsibility.
- We are continuing our commitment to respond to the National Policy Statement (NPS) on Freshwater Management, which will cost approximately \$1.227 million this year. The majority of this cost will be met by our ratepayers through the general rate they pay.
- The new National Policy Statement (NPS) on Urban Development, which came into effect in August 2020, has required the development of future development strategies in high-growth areas and changes to the Regional Policy Statement. This has a flow-on effect of necessitating updates to the Future Proof Strategy. Territorial authorities must also uphold the NPS in district plan review processes. This has led to our participation in an appeal to a local district plan rezoning.
- The Government has indicated that a major increase in public transport use in major urban areas will be important to achieve New Zealand's greenhouse gas emission reduction targets. Without additional investment, either directly or via the National Land Transport Fund, local government will find it difficult to lift public transport investment in services and infrastructure to the level required to achieve this, while meeting other priorities and maintaining rates at an affordable level.

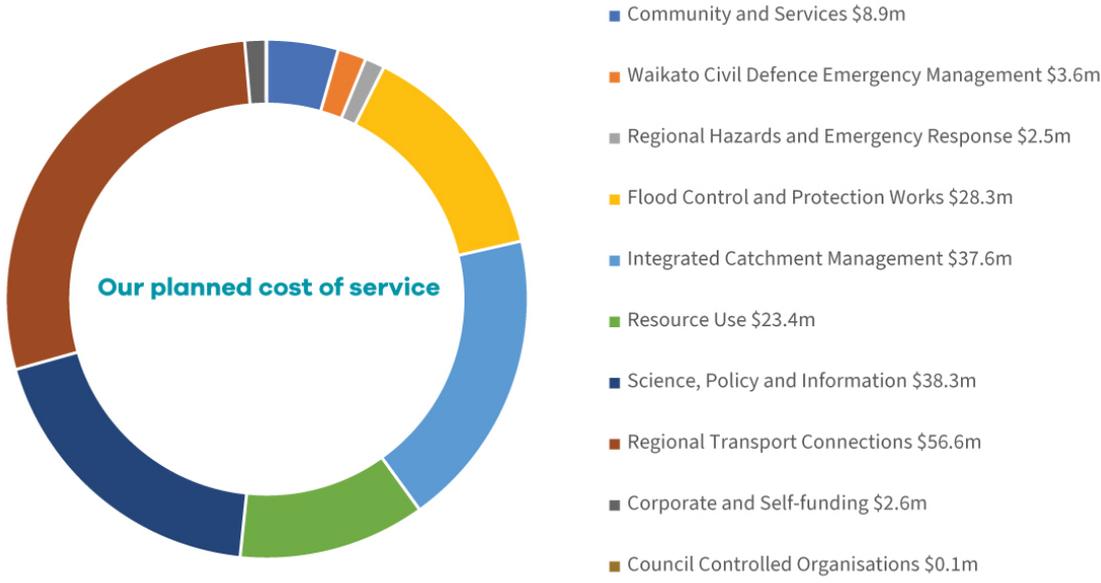
Ngā tīpako pūtea

Financial highlights 2023/24

Changes through our 2023/24 Annual Plan have resulted in a number of adjustments to our cost of service and capital expenditure in 2023/24 compared to what was originally set out in the year three budget in the 2021-2031 Long Term Plan.

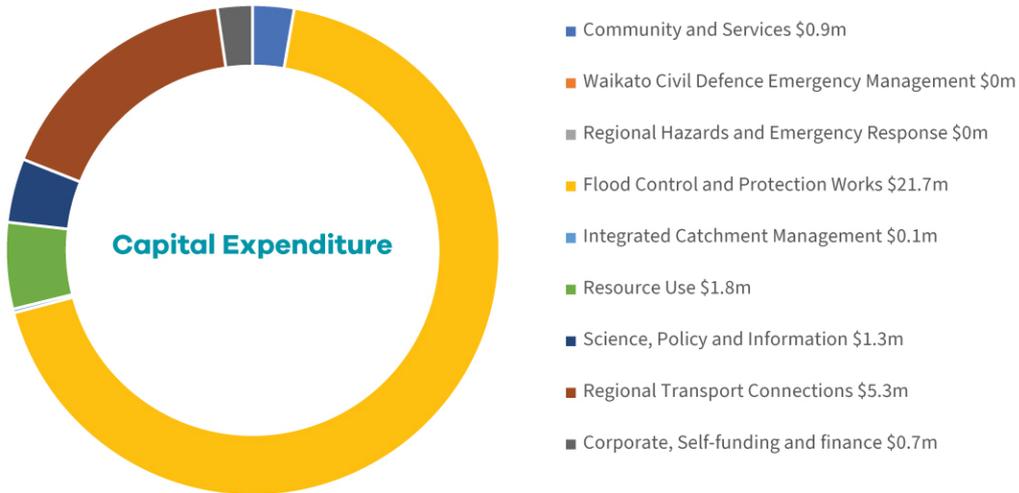
Cost of service

Our total cost of service budget for 2023/24 is now \$201.95 million, compared to \$188.52 million as proposed in year three of our amended LTP.



Capital expenditure

Our total capital expenditure budget for 2023/24 is \$31.82 million, compared to \$20.70 million as originally budgeted in year three of our 2021-2031 Long Term Plan.

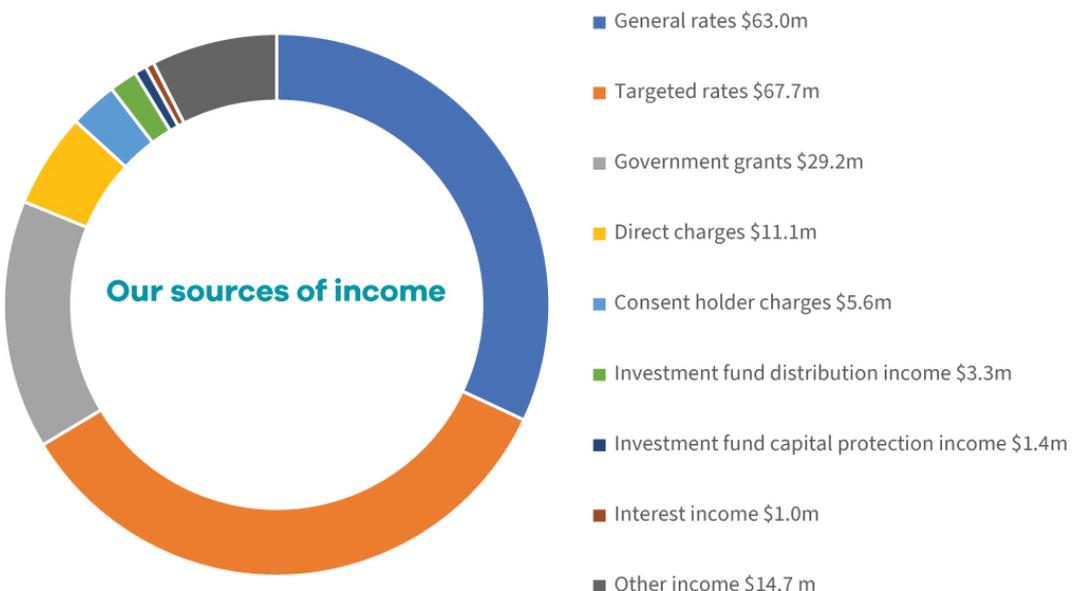


Funding our work

The money collected through your rates is expected to make up 64 per cent of the money that funds our cost of service in 2023/24.

This Annual Plan will see an average rate increase for the 2023/24 financial year of 5.4 per cent. While the increase exceeds the 1.6 per cent forecast in the council's 2021-2031 LTP, it does sit below the current level of annual inflation which, at the time this budget was set, was above 30-year highs at 7.2 per cent. There is an increase to uniform annual general rates of 1.6 per cent and an average increase in targeted rates of 9.2 per cent. The total rates you pay depends on the area where you live and the services you receive.

The graph below shows all of our sources of income for 2023/24.

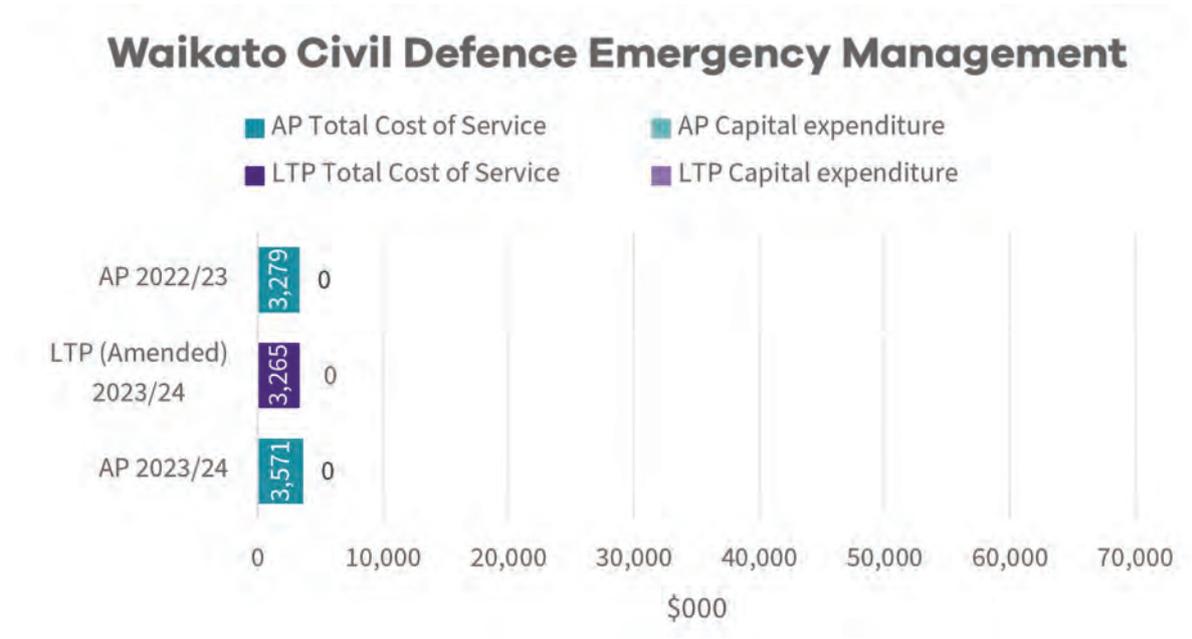
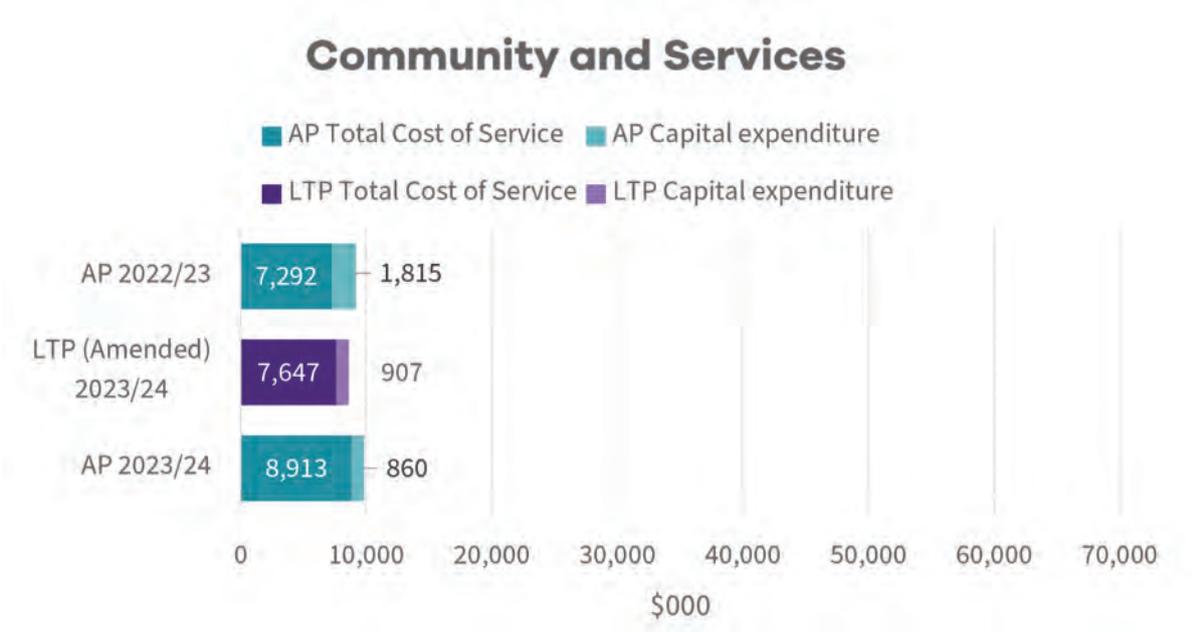


SECTION 2
Ko ngā mahi-ā-rōpū
Groups of activities

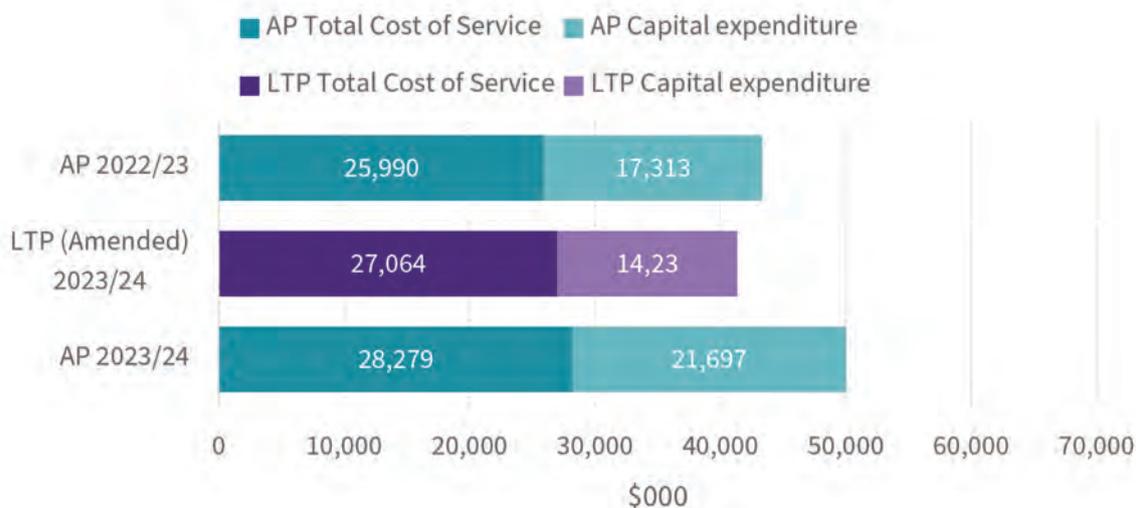
Ko ngā mahi-ā-rōpū

Groups of activities

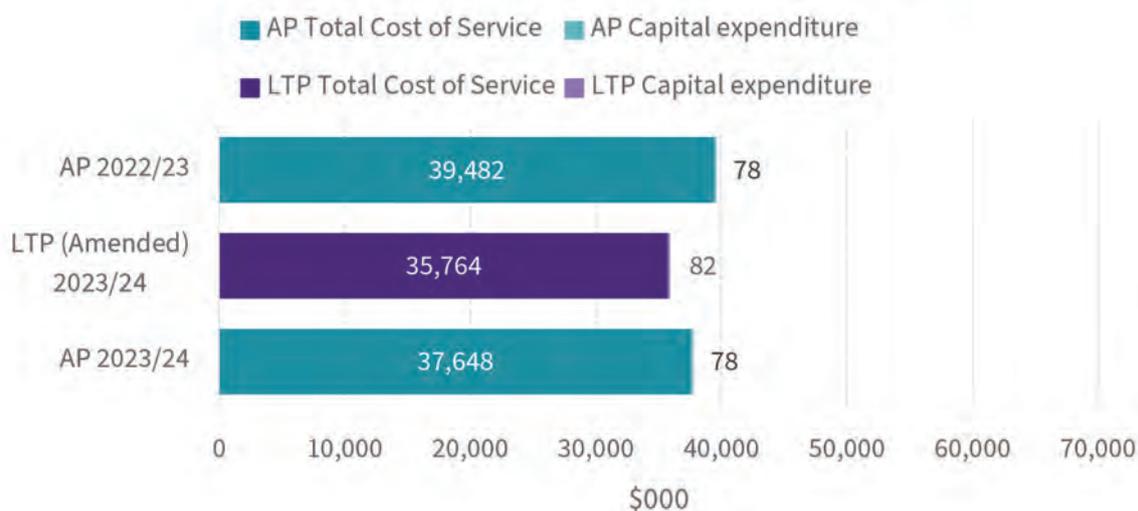
The following show our cost of services and capital expenditure for 2023/24 compared to our budget for 2022/23 and what was budgeted through year three of the 2021-2031 Long Term Plan.



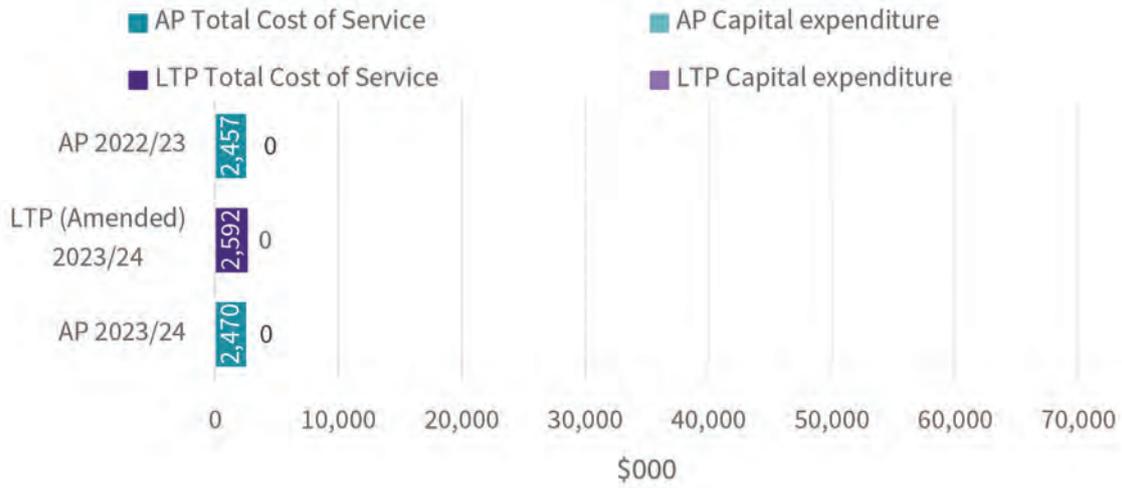
Flood Control and Protection Works



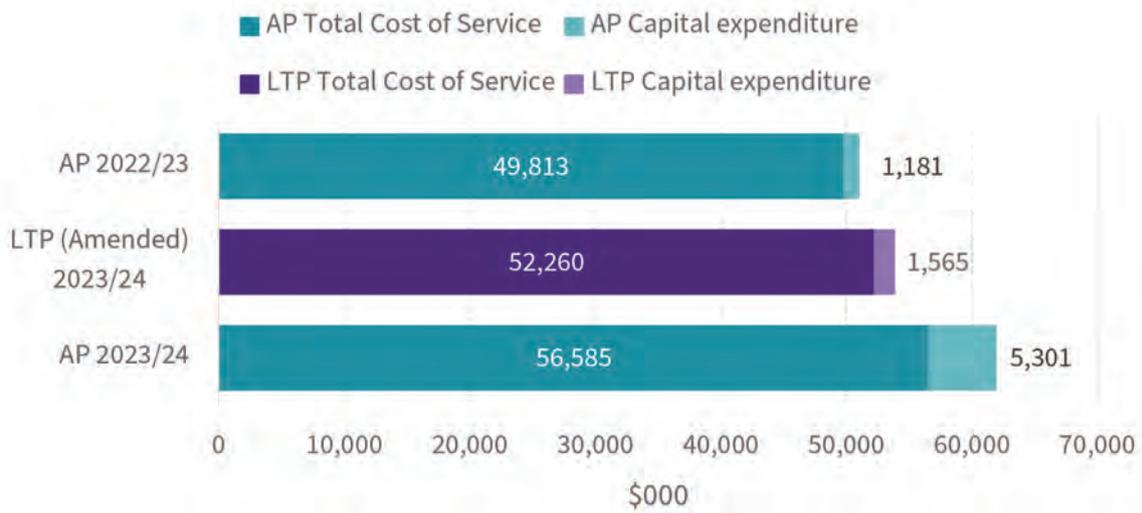
Integrated Catchment Management



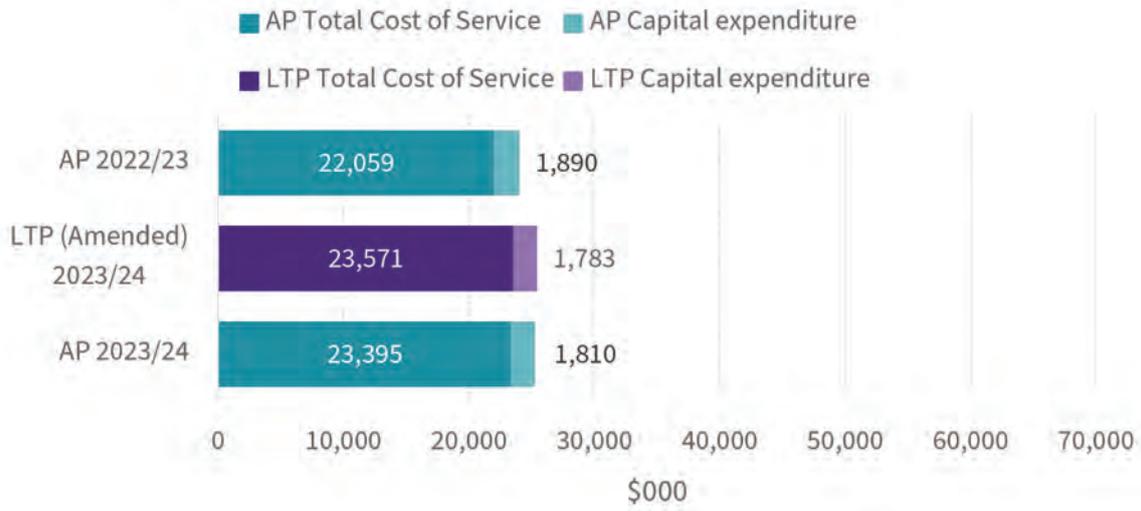
Regional Hazards and Emergency Response



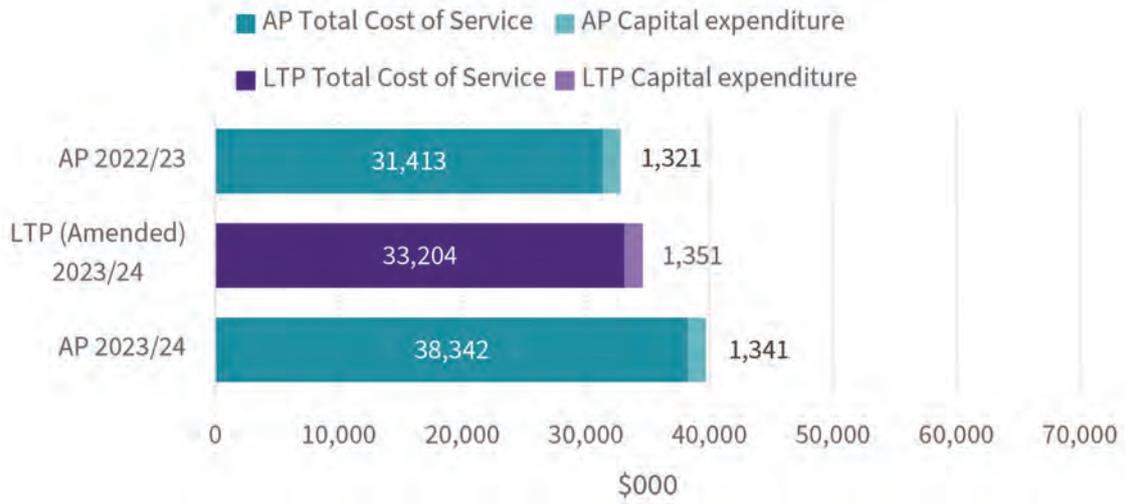
Regional Transport Connections



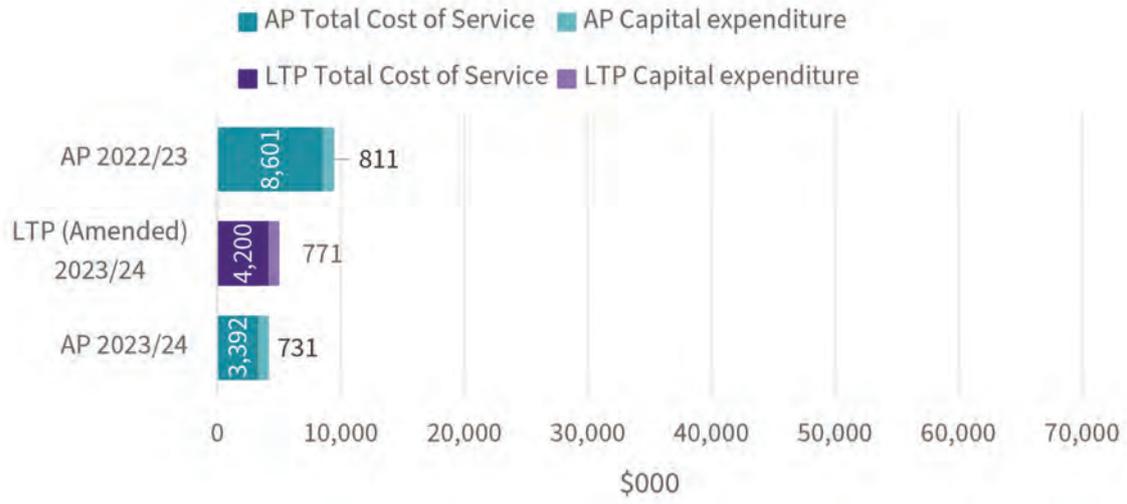
Resource Use



Science, Policy and Information



Corporate, Self Funding and Finance



SECTION 3
Pūtea
Finances

Ngā tauākī pūtea ki te pae

Prospective financial statements

The following pages present the financial projections of the council for 2023/24. In particular, the following information is presented.

- The sources of income and where it is planned to be spent.
- The effect of planned income and expenditure on the overall net worth of the council.
- What the council owes and owns.
- The forecast cash payments and receipts for each year.
- Additional supporting information.

The prospective statement of financial position is based on the estimated financial position at 1 July 2023. This position differs from the estimated financial position as at 30 June 2023 included in the 2021-2031 Long Term Plan (LTP) and results in the projected opening balances applied to the 2023/24 Annual Plan differing from those assumed in the LTP.

The prospective financial information presented is based upon best estimate assumptions. Whilst every care has been taken in preparing the prospective financial information, the actual results are likely to differ. These differences may be material.

The forecasts are based upon assumptions and information available to Waikato Regional Council as at May 2023. Actual financial results have been incorporated to the extent that they affect the opening forecast prospective position at 1 July 2023. Comparative information provided for 2022/23 is as presented in the annual plan. There is no intention to update the prospective financial information after the finalisation of this annual plan.

The forecast financial information from page 31 to page 121 has been prepared in accordance with the council's current accounting policies as specified on page 44. The forecast financial information presented in this plan has been prepared in compliance with *PBE FRS No 42: Prospective Financial Statements*.

Comparatives to the long term plan are based on the amended LTP adopted by the council in June 2021.

Prospective statement of comprehensive revenue and expense

| | 2022/23 Annual Plan | 2023/24 Annual Plan | 2023/24 LTP (Amended) |
|---|---------------------------|---------------------------|-----------------------------|
| | \$000 | \$000 | \$000 |
| General rates | 44,479 | 45,061 | 45,409 |
| Total UAGC rate revenue | 16,223 | 17,575 | 16,740 |
| Total all property rates | 60,702 | 62,636 | 62,149 |
| Targeted rates | | | |
| Civil defence | 2,517 | 2,555 | 2,492 |
| Regional services fund | 714 | 713 | 716 |
| Natural heritage | 1,065 | 1,088 | 1,112 |
| - Stock truck effluent | 82 | 89 | 89 |
| - Regional facilities | 340 | 372 | 341 |
| - Biosecurity | 10,672 | 11,339 | 10,676 |
| - Transport | 13,224 | 15,756 | 13,501 |
| - Asset management schemes | 30,896 | 34,233 | 32,756 |
| - Permitted activity monitoring | 1,585 | 1,574 | 1,584 |
| - Voluntary targeted rate - Sustainable Homes | - | - | 640 |
| Total targeted rate revenue | 61,095 | 67,719 | 63,907 |
| Total rate revenue | 121,797 | 130,355 | 126,056 |
| Rates penalty income | 950 | 1,000 | 1,002 |
| Rates remissions granted | (789) | (650) | (1,044) |
| Sustainable Homes Scheme loan repayments | - | - | (640) |
| Net rates revenue | 121,958 | 130,705 | 125,374 |
| Government grants | 31,469 | 29,242 | 25,031 |
| Direct charges | 10,193 | 11,087 | 10,183 |
| Consent holder charges | 5,187 | 5,570 | 6,360 |
| Investment fund distribution income | 3,200 | 3,265 | 3,265 |
| Investment fund capital protection income | 1,384 | 1,406 | 1,406 |
| Interest income | 450 | 1,011 | 514 |

| | 2022/23 Annual Plan \$000 | 2023/24 Annual Plan \$000 | 2023/24 LTP (Amended) \$000 |
|---|------------------------------------|------------------------------------|--------------------------------------|
| Other income | 14,311 | 13,920 | 13,424 |
| Royalties | 125 | 125 | 125 |
| Rental income | 637 | 637 | 637 |
| Other gains/(losses) | | | |
| Total revenue | 188,914 | 196,968 | 186,319 |
| Operating expenditure | 117,193 | 124,368 | 114,511 |
| Employee benefit expenses | 58,623 | 60,754 | 57,538 |
| Interest expense | 1,347 | 3,491 | 1,651 |
| Depreciation and amortisation | 12,434 | 13,330 | 14,821 |
| Total cost of service | 189,597 | 201,943 | 188,521 |
| Operating surplus/(deficit) before taxation | (683) | (4,975) | (2,202) |
| Share of associate surplus/(deficit) | - | - | - |
| Surplus/(deficit) before income tax | (683) | (4,975) | (2,202) |
| Income tax expense | - | - | - |
| Net surplus/(deficit) after taxation | (683) | (4,975) | (2,202) |
| Other comprehensive revenue and expenses | | | |
| Gain/(loss) on property, plant and equipment revaluations | 26,896 | - | - |
| Total other comprehensive revenue and expenses | 26,213 | (4,975) | (2,202) |
| Total comprehensive revenue and expenses | 26,213 | (4,975) | (2,202) |
| Transfer to / (from) reserves | 30,790 | (3,267) | (1,388) |
| Total comprehensive revenue and expenses after reserve transfers | (4,577) | (1,708) | (814) |

Summary cost of service statement

| | 2022/23 AP | 2023/24 AP | 2023/24 LTP (Amended) |
|---|----------------|----------------|--------------------------|
| | \$000 | \$000 | \$000 |
| Revenue | | | |
| Community and services | 7,208 | 7,736 | 7,610 |
| Waikato Civil Defence Emergency Management | 3,279 | 3,426 | 3,265 |
| Regional hazards and emergency response | 2,457 | 2,470 | 2,592 |
| Flood Control and Protection Works | 31,322 | 31,476 | 28,817 |
| Integrated Catchment Management | 38,331 | 36,691 | 35,594 |
| Resource use | 21,589 | 22,970 | 22,617 |
| Science, Policy and Information | 31,391 | 33,147 | 30,962 |
| Regional Transport Connections | 48,024 | 54,733 | 49,550 |
| Corporate and self funding | 5,086 | 4,211 | 5,092 |
| Council controlled organisations | 231 | 112 | 217 |
| Total revenue | 188,914 | 196,968 | 186,318 |
| Expenditure | | | |
| Community and services | 7,292 | 8,913 | 7,647 |
| Waikato Civil Defence Emergency Management | 3,279 | 3,571 | 3,265 |
| Regional hazards and emergency response | 2,457 | 2,470 | 2,592 |
| Flood Control and Protection Works | 25,990 | 28,279 | 27,064 |
| Integrated Catchment Management | 39,482 | 37,648 | 35,764 |
| Resource use | 22,059 | 23,395 | 23,571 |
| Science, Policy and Information | 31,413 | 38,342 | 33,204 |
| Regional Transport Connections | 49,813 | 56,585 | 52,260 |
| Corporate and self funding | 7,582 | 2,630 | 2,938 |
| Council controlled organisations | 231 | 112 | 217 |
| Total expenditure | 189,597 | 201,943 | 188,521 |
| Net surplus/(deficit) before reserve transfers | (683) | (4,975) | (2,203) |
| Transfer to / (from) reserves | 3,894 | (3,267) | (1,388) |

| | 2022/23 AP | 2023/24 AP | 2023/24 LTP (Amended) |
|-----------------------------------|------------|------------|--------------------------|
| | \$000 | \$000 | \$000 |
| Net operating surplus / (deficit) | (4,577) | (1,708) | (815) |
| Loan Drawdown/(Repayment) | 3,635 | 691 | (1,291) |
| | (942) | (1,017) | (2,106) |

Prospective statement of changes in net assets/equity

| | 2022/23 Annual Plan \$000 | 2023/24 Annual Plan \$000 | 2023/24 LTP (Amended) \$000 |
|---|---------------------------------|---------------------------------|--------------------------------------|
| Equity at 1 July | 659,477 | 1,330,853 | 689,601 |
| Total comprehensive income | 26,213 | (4,975) | (2,202) |
| Equity at 30 June | 685,690 | 1,325,879 | 687,399 |
| Components of equity | | | |
| Retained earnings at beginning of year | 219,436 | 221,434 | 224,260 |
| Net surplus / (deficit) for the year | (683) | (4,975) | (2,202) |
| Net transfer (to) / from reserves | 1,364 | 5,673 | 2,601 |
| Retained earnings at end of year | 220,117 | 222,132 | 224,659 |
| Council created reserves at beginning of year | 63,695 | 51,706 | 61,683 |
| Transfer to / (from) retained earnings | (1,364) | (5,673) | (2,601) |
| Council created reserves at end of year | 62,331 | 46,033 | 59,082 |
| Revaluation reserves at beginning of year | 376,346 | 1,057,713 | 403,658 |
| Net transfer to / (from) retained earnings | 26,896 | - | - |
| Revaluation reserves at end of year | 403,242 | 1,057,713 | 403,658 |
| Total equity at end of year | 685,690 | 1,325,879 | 687,399 |

Prospective statement of financial position

| | 2021/22 Annual Report | 2022/23 forecast balance sheet | 2022/23 Annual Plan | 2023/24 Annual Plan |
|----------------------------------|-----------------------------|---|---------------------------|---------------------------|
| | \$000 | \$000 | \$000 | \$000 |
| Current assets | | | | |
| Cash and cash equivalents | 2,834 | 5,490 | 5,188 | 5,362 |
| Trade and other receivables | 20,902 | 22,275 | 23,665 | 23,224 |
| Prepayments | 2,165 | 2,396 | 1,266 | 2,543 |
| Inventories | 1,421 | 1,421 | 619 | 1,421 |
| Work in progress | 934 | 934 | 1,267 | 1,442 |
| Other financial assets | 20,405 | 22,000 | 21,083 | 18,000 |
| Total current assets | 48,661 | 54,516 | 53,088 | 51,992 |
| Non-current assets | | | | |
| Financial assets | 100,441 | 101,343 | 105,098 | 102,273 |
| Other financial assets | 20 | 20 | 763 | 20 |
| Investments in CCOs | 1,648 | 972 | 2,198 | 972 |
| Biological assets | 177 | 177 | 755 | 177 |
| Intangible assets | 6,626 | 7,794 | 10,026 | 9,342 |
| Property, plant and equipment | 632,515 | 1,247,348 | 621,120 | 1,264,287 |
| Derivative Financial Instruments | 1,148 | 1,716 | - | 1,716 |
| Total non-current assets | 742,575 | 1,359,371 | 739,960 | 1,378,787 |
| Current liabilities | | | | |
| Trade and other payables | 27,264 | 30,179 | 29,820 | 32,026 |
| Employee benefit liabilities | 6,850 | 7,417 | 7,270 | 7,686 |
| Borrowing | 7,028 | 8,165 | 4,843 | 7,772 |
| Derivative Financial Instruments | 2 | 2 | - | 2 |
| Total current liabilities | 41,144 | 45,762 | 41,933 | 47,486 |
| Non-current liabilities | | | | |
| Employee benefit liabilities | 2,250 | 2,436 | 2,974 | 2,525 |
| Derivative Financial Instruments | - | - | 2,397 | - |

| | 2021/22 Annual Report | 2022/23 forecast balance sheet | 2022/23 Annual Plan | 2023/24 Annual Plan |
|--------------------------------------|-----------------------------|---|---------------------------|---------------------------|
| | \$000 | \$000 | \$000 | \$000 |
| Borrowing | 18,090 | 34,835 | 60,055 | 54,890 |
| Total non-current liabilities | 20,340 | 37,271 | 65,426 | 57,415 |
| Net assets | 729,752 | 1,330,853 | 685,689 | 1,325,878 |
| Equity | | | | |
| Accumulated funds | 220,754 | 221,434 | 220,116 | 222,132 |
| Other reserves | 508,998 | 1,109,419 | 465,573 | 1,103,746 |
| Total equity | 729,752 | 1,330,853 | 685,689 | 1,325,878 |

Prospective statement of cash flows

Notes to the prospective financial statements

Net surplus will be used as follows:

| | 2022/23 Annual Plan | 2023/24 Annual Plan | 2023/24 LTP (Amended) |
|--|------------------------|------------------------|--------------------------|
| | \$000 | \$000 | \$000 |
| Transfers to / (from) reserves | 2,510 | (4,673) | (2,794) |
| Investment fund preservation | 1,384 | 1,406 | 1,406 |
| Transfer to / (from) retained earnings | (4,577) | (1,708) | (814) |
| Net surplus / (deficit) | (684) | (4,975) | (2,202) |

Main components of capital expenditure

| | 2022/23 Annual Plan | 2023/24 Annual Plan | 2023/24 LTP (Amended) |
|----------------------------------|------------------------|------------------------|--------------------------|
| | \$000 | \$000 | \$000 |
| Land | - | - | - |
| Building development | 45 | 2,045 | 5 |
| Motor vehicles | 674 | 1,249 | 703 |
| Plant and equipment | 1,005 | 1,920 | 1,031 |
| Information services | 2,231 | 1,788 | 1,494 |
| Intangible assets | 3,161 | 3,143 | 3,253 |
| Furniture and fittings | 20 | 15 | 16 |
| Infrastructure | 17,273 | 21,657 | 14,193 |
| Total capital expenditure | 24,409 | 31,817 | 20,694 |

Depreciation and amortisation

| | 2022/23 Annual Plan | 2023/24 Annual Plan | 2023/24 LTP (Amended) |
|---|------------------------|------------------------|--------------------------|
| | \$000 | \$000 | \$000 |
| Community and services | 2 | 1 | 1 |
| Civil defence emergency management | 41 | 7 | 29 |
| Regional hazards and emergency response | - | - | - |
| Flood protection and control works | 6,935 | 7,551 | 7,826 |
| Integrated catchment management | 79 | - | 23 |

| | 2022/23 Annual Plan | 2023/24 Annual Plan | 2023/24 LTP (Amended) |
|--|------------------------|------------------------|--------------------------|
| | \$000 | \$000 | \$000 |
| Regional Transport Connections | 1,525 | 1,780 | 2,001 |
| Resource use | 116 | 255 | 879 |
| Science Policy & Information | 1,184 | 954 | 1,313 |
| Corporate and self funding | 2,551 | 2,782 | 2,748 |
| Council controlled organisations | - | - | - |
| Total depreciation and amortisation | 12,434 | 13,330 | 14,821 |

Other income

| | 2022/23 Annual Plan | 2023/24 Annual Plan | 2023/24 LTP (Amended) |
|----------------------------------|------------------------|------------------------|--------------------------|
| | \$000 | \$000 | \$000 |
| Contributions from other parties | 6,993 | 4,840 | 3,917 |
| Infringement fines | 441 | 441 | 441 |
| Public transport fare revenue | 6,876 | 8,639 | 9,065 |
| Total other income | 14,311 | 13,920 | 13,424 |

Revenue

| | 2022/23 Annual Plan | 2023/24 Annual Plan | 2023/24 LTP (Amended) |
|----------------------|------------------------|------------------------|--------------------------|
| | \$000 | \$000 | \$000 |
| Exchange revenue | 66,515 | 65,822 | 60,504 |
| Non-exchange revenue | 122,399 | 131,146 | 125,815 |
| Total revenue | 188,914 | 196,968 | 186,319 |

Reserves

The council maintains the following council-created reserves:

| Reserve name | Purpose | Activities |
|--------------------------------|--|---|
| General | To smooth the costs of the triennial elections over the three year term of the council. | Community and services (governance support) |
| Motor vehicle and plant | To recognise the difference between actual and budgeted expenditure. Reserve funds may be applied to the funding of vehicle and plant capital expenditure. | Corporate |

| Reserve name | Purpose | Activities |
|--|---|--|
| Operational fixed asset depreciation | To recognise the difference between budgeted and actual operational fixed asset depreciation. To ensure that depreciation funding is not applied to general council expenditure. | Corporate |
| Communications network | To recognise the difference between actual and budgeted expenditure. Reserve funds may be applied to the funding of communications network capital expenditure. | Corporate |
| Public transport | To recognise the difference between actual and budgeted passenger transport expenditure. This activity is funded by way of a targeted rate. The application of a reserve ensures that the targeted rate revenue is only applied for the purpose it was charged. The reserve balance will be held at a level that provides some mitigation against increasing costs for these services. | Public transport |
| Stock truck effluent | To allow the funding of this activity to be smoothed across financial years. | Community and services |
| Investment fund capital protection | To recognise the provision for the investment fund inflation-proofing. | Corporate (Treasury) |
| Investment fund equalisation | To provide a smoothing of the impact of variable investment fund returns over time. The investment equalisation reserve tracks the difference between the budgeted fund return and the actual fund return each year. | Corporate (Treasury) |
| Regional development fund | To recognise the provision for the Regional Development Fund and implementation of the Regional Development Fund Policy. Also to recognise that application of the fund will not occur in a uniform manner. | Science and strategy |
| Building Act contingency | A legal contingency fund in relation to council's responsibilities under the Building Act 2004. Waikato Regional Council acts as the consenting authority on behalf of a number of other local authorities. | Resource use |
| Integrated regional information system (IRIS) | To allow funding for the IRIS project to be smoothed over the development period. The reserve is expected to be fully expended once the project is completed. | Corporate (council controlled organisations) |
| Environmental initiatives | To recognise the difference between actual and budgeted expenditure in relation to the Environmental Initiatives Fund. Expenditure from the Environmental Initiatives Fund is dependent on applications received each financial year. The use of a reserve ensures that unspent funds can be accumulated across financial years. | Integrated catchment management |
| Natural heritage | To recognise the difference between actual and budgeted natural heritage expenditure. Applications to the natural heritage fund occur in an ad hoc manner. Maintenance of a reserve ensures that funds can be accumulated across financial years, and made available once suitable applications for funding are received. | Integrated catchment management |
| Biosecurity | To recognise the difference between actual and budgeted biosecurity expenditure. This activity is funded by way of a targeted rate. The application of a reserve ensures that the targeted rate revenue is only applied for the purpose it was charged. | Integrated catchment management |

| Reserve name | Purpose | Activities |
|--|---|---|
| Koi carp digester | To allow external funding to be applied to meet the depreciation expense related to this asset. | Integrated catchment management |
| Permitted activity monitoring | To recognise the difference between actual and budgeted permitted activity monitoring expenditure. This activity is funded by way of a targeted rate. The application of a reserve ensures that the targeted rate revenue is only applied for the purpose it was charged. | Resource use |
| Civil defence | To recognise the difference between actual and budgeted expenditure in relation to this activity. The activity is funded by way of a targeted rate. The application of a reserve ensures that the targeted rate revenue is only applied for the purpose it was charged. | Emergency management |
| Complaints and enforcement | To smooth the costs associated with large enforcement cases as these occur in an ad hoc manner | Resource use |
| Contaminated land investigation | To provide funding to respond to approved contaminated land investigations. | Science and Strategy |
| Hauraki Plan Change | Surplus funding held in reserve in relation to Hauraki Plan Change 2 | Science and Strategy |
| Regional disaster recovery | To provide funding to respond to natural disaster events, including the funding of insurance excesses. | Integrated catchment management Flood protection and control works |
| Zone disaster recovery | To provide funding to respond to natural disaster events of up to a 20 year return period. Events of this magnitude are not covered by insurance, meaning that council needs to make its own provisions to meet costs that may be incurred. | Integrated catchment management Flood protection and control works |
| Drainage | To recognise the difference between actual and budgeted expenditure in relation to council's land drainage functions. This activity is funded by way of a targeted rate. The application of a reserve ensures that the targeted rate revenue is only applied for the purpose it was charged. The reserve also recognises revenue generated to fund capital expenditure. | Flood protection and control works |
| Project Watershed | To recognise the difference between actual and budgeted expenditure in relation to this zone. This activity is funded by way of a targeted rate. The application of a reserve ensures that the targeted rate revenue is only applied for the purpose it was charged. The reserve also recognises revenue generated to fund capital expenditure. | Integrated catchment management Flood protection and control works |
| Coromandel | To recognise the difference between actual and budgeted expenditure in relation to this zone. This activity is funded by way of a targeted rate. The application of a reserve ensures that the targeted rate revenue is only applied for the purpose it was charged. The reserve also recognises revenue generated to fund capital expenditure. | Integrated catchment management Flood protection and control works |
| West Coast | To recognise the difference between actual and budgeted expenditure in relation to this zone. This activity is funded by way of a targeted rate. The application of a reserve ensures that the | Integrated catchment management |

| Reserve name | Purpose | Activities |
|----------------------------------|---|---|
| | targeted rate revenue is only applied for the purpose it was charged. The reserve also recognises revenue generated to fund capital expenditure. | Flood protection and control works |
| Waihou Valley scheme | To recognise the difference between actual and budgeted expenditure in relation to this zone. This activity is funded by way of a targeted rate. The application of a reserve ensures that the targeted rate revenue is only applied for the purpose it was charged. The reserve also recognises revenue generated to fund capital expenditure. | Integrated catchment management Flood protection and control works |
| Piako River scheme | To recognise the difference between actual and budgeted expenditure in relation to this zone. This activity is funded by way of a targeted rate. The application of a reserve ensures that the targeted rate revenue is only applied for the purpose it was charged. The reserve also recognises revenue generated to fund capital expenditure. | Integrated catchment management Flood protection and control works |
| Asset revaluation reserve | To recognise the change in asset values as a result of the revaluation process. | Corporate |
| Healthy Rivers | To recognise the difference between actual and budgeted expenditure in relation to the Healthy Rivers programme. | Resource Use |

The following reserve movements are projected for this annual plan.

| | Transfer to / (from) reserve | | | |
|--------------------------------------|------------------------------|--|-------------------------|---------------------------------|
| | 2023/24 Opening balance | Transfer to / (from) reserve Annual Plan | Closing reserve balance | Closing reserve balance per LTP |
| | \$000 | \$000 | \$000 | \$000 |
| General | (168) | 135 | (33) | 58 |
| Motor Vehicles & Plant | 815 | - | 815 | 419 |
| Operational Fixed Asset Depreciation | 347 | (300) | 47 | 47 |
| Communications network | 550 | - | 550 | 550 |
| Public Transport | 280 | (930) | (650) | 8,389 |
| Stock Truck Effluent | 488 | - | 488 | (273) |
| Investment Fund Capital Protection | 20,752 | 1,406 | 22,158 | 16,266 |
| Investment Fund Equalisation | (1,609) | (476) | (2,085) | 9,892 |
| Regional Development Fund | 7,725 | (4,544) | 3,181 | 2,336 |
| Building Act Contingency | 89 | - | 89 | 104 |
| IRIS | 301 | (48) | 253 | 153 |
| Environmental Initiatives | 38 | - | 38 | 27 |
| Natural Heritage | 140 | - | 140 | 784 |

| | Transfer to / (from) reserve | | | |
|----------------------------------|-------------------------------|---|-------------------------------|--|
| | 2023/24 Opening balance | Transfer to / (from) reserve Annual Plan | Closing reserve balance | Closing reserve balance per LTP |
| | \$000 | \$000 | \$000 | \$000 |
| Biosecurity | (23) | - | (23) | 1,575 |
| Koi Carp Digester | - | - | - | (5) |
| Permitted Activity Monitoring | 556 | (96) | 460 | 141 |
| Civil Defence | 151 | (145) | 6 | 286 |
| Complaints and enforcement | 72 | | 72 | 72 |
| Contaminated Land Reserve | 399 | - | 399 | 398 |
| Hauraki Plan Change | 93 | - | 93 | 93 |
| Regional Disaster Recovery | 4,702 | 263 | 4,965 | 5,058 |
| Zone Disaster Recovery | 3,647 | 203 | 3,850 | 3,750 |
| Drainage | (1,834) | (33) | (1,867) | (2,824) |
| Watershed | 9,121 | (272) | 8,849 | 9,690 |
| Coromandel | 3,937 | 100 | 4,037 | 4,090 |
| West Coast | 488 | 7 | 495 | 338 |
| Waihou Piako Scheme | (5,197) | 179 | (5,018) | 373 |
| Pathways to the Sea | 59 | (598) | (539) | - |
| Shovel Ready | 93 | | 93 | - |
| Derivative financial instruments | (129) | | (129) | (2,397) |
| Sustainable Homes | - | - | - | (632) |
| Resilient Development | 20 | | 20 | |
| Healthy Rivers | 990 | | 990 | |
| Prior Year Surplus | 4,815 | (522) | 4,293 | 319 |
| Asset Revaluation Reserve | 1,057,713 | - | 1,057,713 | 403,658 |
| Total | 1,109,419 | (5,671) | 1,103,748 | 462,732 |

Accounting policies

Reporting entity

Waikato Regional Council is a territorial local authority governed by the Local Government Act 2002, and is domiciled in New Zealand. The main purpose of these prospective financial statements is to provide users with information about core services that the council intends to provide ratepayers, the expected cost of those services and, as a consequence, how much Waikato Regional Council requires by way of rates to fund the intended levels of service. The prospective financial statements may not be suitable for any other purpose.

The primary objective of the Waikato Regional Council is to provide local infrastructure, local public services, and to perform regulatory functions for the community. The council does not operate to make a profit. Accordingly, Waikato Regional Council has designated itself a public benefit entity and applies International Public Sector Accounting Standards for Tier 1 organisations.

These prospective financial statements comply with PBE standards.

These prospective financial statements were authorised for issue by the council on 20 June 2023. In authorising these prospective financial statements for issue, the council acknowledges its responsibility for the prospective financial statements, including the appropriateness of the assumptions and all other required disclosures.

Statement of compliance and basis of measurement

The prospective financial statements of the Waikato Regional Council have been prepared in accordance with the requirements of the Local Government Act 2002, which includes the requirement to comply with New Zealand generally accepted accounting practice.

The prospective financial statements have been prepared on a historical cost basis, modified by the revaluation of land and buildings, certain infrastructural assets, investment property, biological assets and financial instruments (including derivative instruments). These are detailed in the specific policies below.

The accounting policies set out below have been applied consistently to all periods presented in these prospective financial statements.

The prospective financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000). The functional currency of the Waikato Regional Council is New Zealand dollars.

Significant accounting policies

Foreign currency transactions

The functional and presentation currency is New Zealand dollars. Foreign currency transactions (including those for which forward foreign exchange contracts are held) are

translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from settlement of such transactions are recognised in the surplus or deficit.

Property, plant and equipment

Property, plant and equipment consists of:

- operational assets – these include land, buildings, plant and equipment, and motor vehicles
- infrastructure assets – the flood protection and erosion control assets owned by the Waikato Regional Council.

Property, plant and equipment is shown at cost or valuation, less accumulated depreciation and impairment losses.

Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to the Waikato Regional Council and the cost of the item can be measured reliably.

In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

Work in progress is recognised at cost less impairment and is not depreciated.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposal are included in the surplus or deficit. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to retained earnings.

Subsequent costs

Costs incurred subsequent to initial recognition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to Waikato Regional Council and the cost of the item can be measured reliably.

The costs of day-to-day servicing of property, plant and equipment are recognised in the surplus or deficit as they are incurred.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment, other than land and drainage networks, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The useful lives and depreciation rates of the major classes of assets have been estimated as follows.

| Operational assets | Useful life (years) |
|------------------------|---------------------|
| Buildings | 25 - 75 |
| Motor vehicles | 7.5 |
| Computer equipment | 4 - 5 |
| Office furniture | 7.5 |
| Plant and equipment | 7.5 - 10 |
| Leasehold Improvements | 15 |

| Infrastructural assets | Useful life (years) |
|------------------------|---------------------|
| Bridges | 50-100 |
| Channels | 100 |
| Control gates | 50 |
| Culverts | 50- 80 |
| Debris traps | 100 |
| Detentions | 80 |
| Drop structures | 50-80 |
| Fencing | 30 |
| Floodgates | 20-80 |
| General structures | 20-80 |
| Plantings | Not depreciated |
| Pump stations | 20-80 |
| Retaining structures | 30-100 |
| River training works | 50-100 |
| Stopbanks | 20-100 |
| Weirs | 100 |

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at the end of each financial year.

Revaluation

Land and buildings and infrastructure assets are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value and at least every three years. All other asset classes are carried at depreciated historical cost.

The carrying values of revalued assets are assessed annually to ensure that they do not differ materially from the assets' fair values. If there is a material difference, then the off-cycle asset classes are revalued.

Revaluations of property, plant and equipment are accounted for on a class-of-asset basis.

The net revaluation results are credited or debited to other comprehensive income and are accumulated to an asset revaluation reserve in equity for that class of asset. Where this would result in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive income but is recognised in the surplus or deficit. Any subsequent increase in revaluation that reverses a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive income.

Intangible assets

Software acquisition and development

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs that are directly associated with the development of software for internal use by the Waikato Regional Council are recognised as an intangible asset. Direct costs include the software development employee costs and an appropriate portion of relevant overheads. Staff training costs are recognised in the surplus or deficit when incurred. Costs associated with maintaining computer software are recognised as an expense when they are incurred. Costs associated with development and maintenance of the council's website are recognised as an expense when incurred.

Where Software as a Service (SaaS) arrangements are service contracts providing us with the right to access the SaaS provider's application software over the contract period, costs incurred to configure or customise the software in a cloud computing arrangement, can be recognised as intangible assets only if the activities create an intangible asset that the entity controls and the intangible asset meets the recognition criteria. Some of these costs incurred are for the development of software code that enhances or modifies, or creates additional capability to, existing on-premises systems and meets the definition of and recognition criteria for an intangible asset. These costs are recognised as intangible software assets and amortised over the useful life of the software on a straightline basis. The useful lives are reviewed at least at the end

of each financial year, and any change accounted for prospectively as a change in accounting estimate. Costs that do not result in intangible assets are expensed as incurred, unless they are paid to the supplier(s) of the cloud-based software and/or to the supplier's agent, to significantly customise the cloud-based software for the

council, in which case, the costs paid upfront are recorded as a prepayment for services and amortised over the expected term of the cloud computing arrangement.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in the surplus or deficit.

The useful lives and associated amortisation rates of assets to be amortised have been estimated as follows.

| | | |
|-------------------|---------|-------------------------|
| Computer software | 4 years | (25 per cent per annum) |
|-------------------|---------|-------------------------|

Impairment of property, plant and equipment and intangibles

The carrying values of operational buildings, plant and equipment and infrastructural assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Intangible assets subsequently measured at cost that have an indefinite useful life, or are not yet available for use are not subject to amortisation and are tested annually for impairment.

Waikato Regional Council's assets do not generate direct cash inflows, and cannot be grouped into cash generating units. Thus council does not group its assets into cash generating units to assess impairment. The council instead annually tests for internal and external factors which may indicate that the carrying value of its assets exceeds depreciated replacement cost, which would indicate impairment has occurred.

If any such indication exists and where the carrying values are found to exceed the estimated recoverable amount, the assets are written down to their recoverable amount or depreciated replacement cost.

Impairment losses are recognised in the surplus or deficit in the write downs and disposals line item unless they offset a prior revaluation reserve for that asset.

Investment properties

Properties leased to third parties under operating leases are classified as investment property unless the property is held to meet service delivery objectives, rather than to earn rentals or for capital appreciation.

Investment property is measured initially at its cost, including transaction costs.

After initial recognition, all investment property is measured at fair value as determined annually by an independent valuer.

Gains or losses arising from a change in the fair value of investment property are recognised in the surplus or deficit.

Forestry

Standing forestry assets are independently revalued annually at fair value less estimated costs to sell for one growth cycle. Fair value is determined based on the present value of expected net cash flows discounted at a current market determined rate. This calculation is based on existing sustainable felling plans and assessments regarding growth, timber prices, felling costs, silviculture costs and takes into consideration environmental, operational and market restrictions.

Gains or losses arising on initial recognition of forestry assets at fair value less estimated costs to sell and from a change in fair value less estimated costs to sell are recognised in the surplus or deficit.

Forestry maintenance costs are recognised in the surplus or deficit when incurred.

Accounting for associates

The Waikato Regional Council accounts for an investment in an associate in the prospective financial statements using the equity method.

Inventories

Inventory held for distribution or consumption in the provision of services that are not supplied on a commercial basis is measured at cost (using the weighted average method), adjusted, when applicable, for any loss of service potential. Inventories acquired through non-exchange transactions are measured at fair value at the date of acquisition.

Inventory held for use on the production of goods and services on a commercial basis is valued at the lower of cost (using the weighted average method), and net realisable value. The cost of purchased inventory is determined using the first-in first-out method.

The amount of any write-down for the loss of service potential or from cost to net realisable value is recognised in the surplus or deficit in the period of the write-down.

Receivables

Receivables are initially measured at face value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand, deposits held on call and other short term highly liquid deposits with an original maturity of three months or less, and bank overdraft.

For the purposes of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

Provisions

The council recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation as a result of a past event, it is probable that an outflow of future economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense.

Employee entitlements

Short term employee entitlements

Employee benefits expected to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned to but not yet taken at balance date, and sick leave.

A liability for sick leave is recognised to the extent that compensated absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent it will be used by staff to cover those future absences.

A liability and an expense are recognised for bonuses where the council has a contractual obligation or where there is a past practice that has created a constructive obligation.

Long term employee entitlements

Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave and retirement gratuities, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and contractual entitlement information; and

- the present value of the estimated future cash flows.
- Expected future payments are discounted using forward discount rates derived from the yield curve of New Zealand government bonds. The discount rates used have maturities that match, as closely as possible, the estimated future cash outflows. The salary growth assumed for an employee is the salary inflation component plus the promotional salary scale for that employee's age.

Presentation of employee entitlements

Sick leave, annual leave, vested long service leave, and non-vested long service leave and retirement gratuities expected to be settled within 12 months of balance date are classified as a current liability. All other employee entitlements are classified as a non-current liability.

Payables

Short-term creditors and other payables are recorded at their face value. Creditors and other payables are non-interest bearing and are normally settled on 30-day terms, therefore the carrying value of trade and other payable approximates their fair value.

Leases

Finance leases

A finance lease is a lease that transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred.

At the commencement of the lease term, finance leases are recognised as assets and liabilities in the statement of financial position at the lower of the fair value of the leased item or the present value of the minimum lease payments.

The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability.

The amount recognised as an asset is depreciated over its useful life. If there is no certainty as to whether the council will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term. Lease incentives received are recognised in the surplus or deficit as a reduction of rental expense over the lease term.

Grant expenditure

Non-discretionary grants are those that are awarded if the grant application meets the specified criteria and are recognised as expenditure when an application that meets the specified criteria for the grant has been received.

Discretionary grants are those grants where the Waikato Regional Council has no obligation to award on receipt of the grant application and are recognised as expenditure when a successful applicant has been notified of the Waikato Regional Council's decision.

Income tax

Generally local authorities are exempt from income tax, except for any revenue derived from any Council Controlled Organisation or port activity as per the Income Tax Act 2007.

Income tax expense includes components relating to both current tax and deferred tax. Current tax is the amount of income tax payable based on the taxable surplus for the current year, plus any adjustments to income tax payable in respect of prior years. Current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted at balance date. Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the statement of financial position and the corresponding tax bases used in the computation of taxable profit.

Deferred tax is measured at the tax rates that are expected to apply when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at balance date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the council expects to recover or settle the carrying amount of its assets and liabilities.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable surpluses will be available against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset or liability in a transaction that is not a business combination, and at the time of the transaction, affects neither accounting profit nor taxable profit.

Current and deferred tax is recognised against the surplus or deficit for the period, except to the extent that it relates to a business combination, or to transactions recognised in other comprehensive revenue and expense or directly in equity.

Revenue

Revenue is measured at the fair value of consideration received or receivable.

Revenue may be derived from either exchange or non-exchange transactions.

Exchange transactions

Exchange transactions are transactions where the council receives assets or services, or has liabilities extinguished, and directly gives approximately equal value to another entity in exchange.

Non-exchange transactions

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, the council either receives value from or gives value to another entity without directly giving or receiving approximately equal value in exchange, or where the value given or received is not able to be accurately measured. An inflow of resources from a non-exchange transaction, whether this be an asset or revenue, is only recognised if a liability is not also recognised for that particular asset or revenue. A liability is only recognised to the extent that the present obligations have not been satisfied. A liability in respect of a transferred asset is recognised only when the transferred asset is subject to a condition, such as a condition for the asset to be consumed as specified and / or that future economic benefits or service potential must be returned to the owner. A liability will not be recognised in respect of a transferred asset subject to one or more restrictions.

Specific accounting policies for major categories of revenue are listed below.

Rates revenue

Rates are set annually by a resolution from the council and relate to a financial year. All ratepayers are invoiced within the financial year to which the rates have been set. Rates revenue is recognised when payable.

Rates arising from late payment penalties are recognised as revenue when rates become overdue.

Rate remissions are recognised as a reduction of rates revenue when the Council has received an application that satisfies its rates remission policy.

Government grants

Government grants are recognised as revenue upon entitlement, as conditions pertaining to the eligible expenditure have been fulfilled.

Fees and charges

Fees and charges are recognised as revenue when the obligation to pay arises or, in the case of annual charges, when invoiced. Expenditure is recognised when the service has been provided or the goods received.

Interest and dividends

Interest income is recognised using the effective interest method.

Dividends are recognised when the right to receive payment has been established.

Sales of goods

Revenue from the sale of goods is recognised when a product is sold to the customer.

Goods and services tax (GST)

All items in the financial statements are recognised net of the amount of GST except:

- where the GST incurred on a purchase of goods and services is not recoverable from the Inland Revenue Department, in which case the GST is recognised as part of the cost of acquisition of the assets or as part of the expense item as applicable; and
- receivables and payables (excluding accruals) are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the Inland Revenue Department are classified as operating cash flows.

Commitments and contingencies are disclosed exclusive of GST.

Equity

Equity is the community's interest in the council and is measured as the difference between total assets and total liabilities. Public equity is disaggregated and classed into a number of reserves to enable clearer identification of the specified uses of its accumulated surpluses.

The components of equity are:

- accumulated funds
- restricted reserves
- council created reserves
- asset revaluation reserves.

Reserves

Reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by the council. Restricted reserves are those reserves subject to specific conditions accepted as binding by the council and which may not be revised by the council without

reference to the courts or third party. Transfers from these reserves may be made only for certain specified purposes or when certain conditions are met.

Council created reserves are reserves established by council decision. The council may alter them without reference to any third party or the courts. Transfers to and from these reserves are at the discretion of the council.

Asset revaluation reserves represent unrealised gains on assets owned by Waikato Regional Council. The gains are held in the reserve until such time as the gain is realised and a transfer can be made to accumulated funds.

Cost allocation

Waikato Regional Council has derived the net cost of services for each significant activity of the council using the cost allocation system outlined below.

Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities using appropriate cost drivers such as actual usage, staff numbers and floor area. Indirect costs are those costs that cannot be identified in an economically feasible manner with a specific significant activity.

Other financial assets

The council classifies its financial assets into the following four categories:

- financial assets at fair value through the surplus or deficit
- held-to-maturity assets
- loans and receivables
- financial assets at fair value through comprehensive revenue and expense.

The classification depends on the purpose for which the investments are acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

Financial assets and liabilities are initially measured at fair value plus transaction costs unless they are carried at fair value through surplus or deficit, in which case the transaction costs are recognised in the surplus or deficit.

Purchases and sales of investments are recognised on trade-date, the date on which the council commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the council has transferred substantially all the risks and rewards of ownership.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. The quoted market price is the current bid price.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The council uses a variety of methods and makes

assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The four categories of financial assets are as follows.

Financial assets at fair value through surplus or deficit

This category has two sub-categories:

- financial assets held for trading
- those designated at fair value through surplus or deficit at inception.

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of short-term profit-taking. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the balance sheet date.

After initial recognition they are measured at their fair values. Gains or losses on re-measurement are recognised in the surplus or deficit.

Financial assets in this category include council funds under management. The underlying assets of the investment fund may be actively traded by the fund managers, and sold at any point in time to provide operating cash flow in line with council’s investment policy.

Loans and receivables

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance date, which are included in non-current assets. After initial recognition they are measured at amortised cost using the effective interest method, less impairment. Gains and losses when the asset is impaired or derecognised are recognised in the surplus or deficit.

Held to maturity investments

Held to maturity investments are assets with fixed or determinable payments and fixed maturities that the council has a positive intention and ability to hold to maturity. They are included in current assets, except for maturities greater than 12 months after balance date, which are included in non-current assets.

After initial recognition they are measured at amortised cost using the effective interest method, less impairment. Gains and losses when the asset is impaired or derecognised are recognised in the surplus or deficit.

Financial assets at fair value through other comprehensive revenue and expense

Financial assets at fair value through comprehensive revenue and expense are those that are designated as fair value through equity at initial recognition or are not classified in any of the other categories above. This category encompasses investments that the council intends to hold long term but which may be realised before maturity.

After initial recognition these investments are measured at their fair value, gains and losses are recognised directly in other comprehensive revenue and expense except for impairment losses, which are recognised in the surplus or deficit. On derecognition the cumulative gain or loss previously recognised in comprehensive revenue and expense is reclassified from equity to the surplus or deficit.

Impairment of financial assets

Financial assets are assessed for objective evidence of impairment at each balance date. Impairment losses are recognised in the surplus or deficit.

Loans and receivables, and held-to-maturity investments

Impairment is established when there is objective evidence that the council will not be able to collect amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy, receivership, or liquidation and default in payments are considered indicators that the asset is impaired. The amount of the impairment is the difference between the asset’s carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate. For debtors and other receivables, the carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the surplus or deficit. When the receivable is uncollectable, it is written off against the allowance account. Overdue receivables that have been renegotiated are reclassified as current (that is, not past due). Impairment in term deposits, local authority stock, government stock and community loans, and impairment losses are recognised directly against the instrument’s carrying amount.

Financial assets at fair value through other comprehensive revenue and expense

For equity investments, a significant or prolonged decline in the fair value of the investment below its cost is considered objective evidence of impairment.

For debt investments, significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, and default in payments are considered objective indicators that the asset is impaired.

If impairment evidence exists for investments at fair value through other comprehensive revenue and expense, the cumulative loss (measured as the difference between the acquisition cost and the current fair value, less and impairment loss on that financial asset previously recognised

in the surplus or deficit) recognised in other comprehensive revenue and expense is reclassified from equity to the surplus or deficit.

Equity instrument impairment losses recognised in the surplus or deficit are not reversed through the surplus or deficit.

If in a subsequent period the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised, the impairment loss is reversed in the surplus or deficit.

Financial instruments

Derivatives financial instruments

Derivative financial instruments are used to manage the exposure to foreign exchange and interest rate risks arising from the council's financing activities. In accordance with its treasury policy, the council does not hold or issue derivative financial instruments for trading purposes. The council has elected not to apply hedge accounting. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value at each balance date with the resulting gain or loss recognised in the surplus or deficit.

Borrowing

Borrowings are initially recognised at their fair value plus transaction costs. Interest due on the borrowings is subsequently accrued and added to the borrowings balance. Borrowings are classified as current liabilities unless the council has an unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date.

Prospective financial information

The financial information contained within this document is prospective financial information in terms of accounting standard PBE FRS42. The purpose for which it has been prepared is to enable ratepayers, residents and any other interested parties to obtain information about the expected future financial performance, position and cash flow of Waikato Regional Council.

In preparing these prospective financial statements the Waikato Regional Council has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Management has not exercised any critical judgements in applying Waikato Regional Council's accounting policies to the proposed budget.

Financial reporting and prudence regulations

Annual plan disclosure statement for year ending 30 June 2024

What is the purpose of this statement?

The purpose of this statement is to disclose the council's planned financial performance in relation to various benchmarks to enable the assessment of whether the council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.

The council is required to include this statement in its annual plan in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the **regulations**). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

| Benchmark | | Planned | Met |
|-------------------------------|--|---------|-----|
| Rates affordability benchmark | | | |
| • Income | Total rates revenue will comprise up to 75 per cent of the council's annual revenue requirements | 66.2% | Yes |
| • Increases | Increases in the annual rate revenue requirement will be limited to a 9 per cent increase in revenue from current ratepayers | 5.4% | Yes |
| Debt affordability benchmark | Net debt/total revenue is <100 per cent | 31.8% | Yes |
| | Net interest/total revenue is <10 per cent | 1.8% | Yes |
| | Net interest/annual rates revenue is <15 per cent | 2.7% | Yes |
| | Liquidity is >110 per cent | 138.2% | Yes |
| Balanced budget benchmark | 100% | 98% | Yes |
| Essential services benchmark | 100% | 290% | Yes |
| Debt servicing benchmark | 10% | 1.8% | Yes |

Notes

1 Rates affordability benchmark

(1) For this benchmark,—

(a) the council's planned rates income for the year is compared with a quantified limit on rates contained in the financial strategy included in the council's long term plan; and

(b) the council's planned rates increases for the year are compared with a quantified limit on rates increases for the year contained in the financial strategy included in the council's long-term plan.

(2) The council meets the rates affordability benchmark if—

(a) its planned rates income for the year equals or is less than each quantified limit on rates; and

(b) its planned rates increases for the year equal or are less than each quantified limit on rates increases.

2 Debt affordability benchmark

(1) For this benchmark, the council's planned borrowing is compared with quantified limits on borrowing contained in the financial strategy included in the council's long term plan.

(2) The council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing.

3 Balanced budget benchmark

(1) For this benchmark, the council's planned revenue (excluding development contributions, vested assets, financial contributions, gains on derivative financial instruments, and revaluations of property, plant, or equipment) is presented as a proportion of its planned operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment).

(2) The council meets the balanced budget benchmark if its revenue equals or is greater than its operating expenses.

4 Essential services benchmark

(1) For this benchmark, the council's planned capital expenditure on network services is presented as a proportion of expected depreciation on network services.

(2) The council meets the essential services benchmark if its planned capital expenditure on network services equals or is greater than expected depreciation on network services.

5 Debt servicing benchmark

(1) For this benchmark, the council's planned borrowing costs are presented as a proportion of planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment).

(2) Because Statistics New Zealand projects that the council's population will grow slower than the national population growth rate, it meets the debt servicing benchmark if its planned borrowing costs equal or are less than 10 per cent of its planned revenue.

Ngā tauākī pānga pūtea mā te kāhui mahi

Funding impact statements by group of activity

The following information is presented in compliance with the Local Government (Financial Reporting) and Prudence Regulations 2014. In accordance with the regulations this information is not prepared in compliance with generally accepted accounting principles and should not be relied

upon for any other purpose than compliance with the Local Government (Financial Reporting) and Prudence Regulations 2014. The key difference between these statements and the prospective financial statements is the exclusion of depreciation expense.

Waikato Regional Council: Funding Impact Statement for 2023/24 Annual Plan (Whole of Council)

| | 2022/23 Annual Plan (\$000) | 2023/24 Annual Plan (\$000) | 2023/24 LTP (Amended) (\$000) |
|--|--------------------------------------|--------------------------------------|--|
| Sources of operating funding | | | |
| General rates, uniform annual general charges, rates penalties | 61,652 | 63,636 | 63,151 |
| Targeted rates | 61,095 | 67,719 | 63,906 |
| Subsidies and grants for operating purposes | 26,211 | 26,837 | 23,816 |
| Fees and charges | 30,012 | 30,898 | 30,287 |
| Interest and dividends from investments | 5,034 | 5,682 | 4,971 |
| Local authorities fuel tax, fines, infringement fees, and other receipts | 441 | 441 | 655 |
| Total operating funding (A) | 184,445 | 195,213 | 186,788 |
| Applications of operating funding | | | |
| Payments to staff and suppliers | 176,604 | 185,773 | 173,094 |
| Finance costs | 1,347 | 3,491 | 1,651 |
| Other operating funding applications | - | - | 640 |
| Total applications of operating funding (B) | 177,951 | 189,263 | 175,385 |
| Surplus (deficit) of operating funding (A-B) | 6,494 | 5,951 | 11,404 |
| Sources of capital funding | | | |
| Subsidies and grants for capital expenditure | 5,258 | 2,405 | 1,215 |
| Development and financial contributions | - | - | - |
| Increase (decrease) in debt | 14,584 | 8,847 | 9,477 |
| Gross proceeds from sale of assets | - | - | - |

| | 2022/23 Annual Plan (\$000) | 2023/24 Annual Plan (\$000) | 2023/24 LTP (Amended) (\$000) |
|---|--------------------------------------|--------------------------------------|--|
| Lump sum contributions | - | - | - |
| Other dedicated capital funding | - | - | - |
| Total sources of capital funding (C) | 19,843 | 11,253 | 10,692 |
| Applications of capital funding | | | |
| Capital expenditure | | | |
| - to meet additional demand | - | - | - |
| - to improve the level of service | 5,346 | 6,925 | 3,207 |
| - to replace existing assets | 19,063 | 24,893 | 17,488 |
| Increase (decrease) in reserves | 1,929 | (14,613) | 1,401 |
| Increase (decrease) of investments | - | - | - |
| Total applications of capital funding (D) | 26,337 | 17,204 | 22,096 |
| Surplus (deficit) of capital funding (C-D) | (6,494) | (5,951) | (11,404) |
| Funding balance ((A-B)+(C-D)) | - | - | - |

Waikato Regional Council Funding Impact Statement for 2023/24 Annual Plan for Community and Services

| | 2022/23 Annual Plan (\$000) | 2023/24 Annual Plan (\$000) | 2023/24 LTP (Amended) (\$000) |
|--|--------------------------------------|--------------------------------------|--|
| Sources of operating funding | | | |
| General rates, uniform annual general charges, rates penalties | 6,155 | 6,651 | 6,339 |
| Targeted rates | 1,053 | 1,086 | 1,696 |
| Subsidies and grants for operating purposes | - | - | - |
| Fees and charges | - | - | - |
| Internal charges and overheads recovered | - | - | - |
| Local authorities fuel tax, fines, infringement fees, and other receipts | - | - | 214 |
| Total operating funding (A) | 7,208 | 7,736 | 8,250 |

| | | | |
|---|--------------|----------------|--------------|
| Applications of operating funding | | | |
| Payments to staff and suppliers | 5,075 | 6,378 | 5,205 |
| Finance costs | 111 | 219 | 261 |
| Internal charges and overheads applied | 2,107 | 2,316 | 2,179 |
| Other operating funding applications | - | - | 640 |
| Total applications of operating funding (B) | 7,292 | 8,913 | 8,287 |
| Surplus (deficit) of operating funding (A-B) | (84) | (1,177) | (37) |

| | | | |
|--|------------|--------------|--------------|
| Sources of capital funding | | | |
| Subsidies and grants for capital expenditure | - | - | - |
| Development and financial contributions | - | - | - |
| Increase (decrease) in debt | 815 | 1,102 | 3,025 |
| Gross proceeds from the sale of assets | - | - | - |
| Lump sum contributions | - | - | - |
| Other dedicated capital funding | - | - | - |
| Total sources of capital funding (C) | 815 | 1,102 | 3,025 |

| | | | |
|--|---|---|---|
| Applications of capital funding | | | |
| Capital expenditure | | | |
| - to meet additional demand | - | - | - |

| | 2022/23 Annual Plan (\$000) | 2023/24 Annual Plan (\$000) | 2023/24 LTP (Amended) (\$000) |
|---|--------------------------------------|--------------------------------------|--|
| - to improve the level of service | - | - | - |
| - to replace existing assets | - | - | - |
| Increase (decrease) in reserves | 731 | (75) | 2,988 |
| Increase (decrease) of investments | - | - | - |
| Total applications of capital funding (D) | 731 | (75) | 2,988 |
| Surplus (deficit) of capital funding (C-D) | 84 | 1,177 | 37 |
| Funding balance ((A-B)+(C-D)) | - | - | - |

Waikato Regional Council Funding Impact Statement for 2023/24 Annual Plan for Civil Defence Emergency Management

| | 2022/23 Annual Plan (\$000) | 2023/24 Annual Plan (\$000) | 2023/24 LTP (Amended) (\$000) |
|--|--------------------------------------|--------------------------------------|--|
| Sources of operating funding | | | |
| General rates, uniform annual general charges, rates penalties | - | - | - |
| Targeted rates | 2,517 | 2,555 | 2,492 |
| Subsidies and grants for operating purposes | - | - | - |
| Fees and charges | 762 | 871 | 773 |
| Internal charges and overheads recovered | - | - | - |
| Local authorities fuel tax, fines, infringement fees, and other receipts | - | - | - |
| Total operating funding (A) | 3,279 | 3,426 | 3,265 |
| Applications of operating funding | | | |
| Payments to staff and suppliers | 2,363 | 2,536 | 2,361 |
| Finance costs | - | - | - |
| Internal charges and overheads applied | 896 | 1,028 | 897 |
| Other operating funding applications | - | - | - |
| Total applications of operating funding (B) | 3,259 | 3,564 | 3,258 |
| Surplus (deficit) of operating funding (A-B) | 20 | (138) | 7 |
| Sources of capital funding | | | |
| Subsidies and grants for capital expenditure | - | - | - |
| Development and financial contributions | - | - | - |
| Increase (decrease) in debt | - | - | - |
| Gross proceeds from the sale of assets | - | - | - |
| Lump sum contributions | - | - | - |
| Other dedicated capital funding | - | - | - |
| Total sources of capital funding (C) | - | - | - |
| Applications of capital funding | | | |
| Capital expenditure | | | |
| - to meet additional demand | - | - | - |

| | 2022/23 Annual Plan (\$000) | 2023/24 Annual Plan (\$000) | 2023/24 LTP (Amended) (\$000) |
|---|--------------------------------------|--------------------------------------|--|
| - to improve the level of service | - | - | - |
| - to replace existing assets | - | - | - |
| Increase (decrease) in reserves | 20 | (138) | 7 |
| Increase (decrease) of investments | - | - | - |
| Total applications of capital funding (D) | 20 | (138) | 7 |
| Surplus (deficit) of capital funding (C-D) | (20) | 138 | (7) |
| Funding balance ((A-B)+(C-D)) | - | - | - |

Waikato Regional Council Funding Impact Statement for 2023/24 Annual Plan for Regional Hazards and Emergency Response

| | 2022/23 Annual Plan (\$000) | 2023/24 Annual Plan (\$000) | 2023/24 LTP (Amended) (\$000) |
|--|--------------------------------------|--------------------------------------|--|
| Sources of operating funding | | | |
| General rates, uniform annual general charges, rates penalties | 1,867 | 1,863 | 2,002 |
| Targeted rates | - | - | - |
| Subsidies and grants for operating purposes | - | - | - |
| Fees and charges | 589 | 608 | 590 |
| Internal charges and overheads recovered | - | - | - |
| Local authorities fuel tax, fines, infringement fees, and other receipts | - | - | - |
| Total operating funding (A) | 2,457 | 2,470 | 2,592 |
| Applications of operating funding | | | |
| Payments to staff and suppliers | 1,423 | 1,212 | 1,490 |
| Finance costs | - | - | - |
| Internal charges and overheads applied | 1,035 | 1,259 | 1,102 |
| Other operating funding applications | - | - | - |
| Total applications of operating funding (B) | 2,457 | 2,470 | 2,592 |
| Surplus (deficit) of operating funding (A-B) | - | - | - |
| Sources of capital funding | | | |
| Subsidies and grants for capital expenditure | - | - | - |
| Development and financial contributions | - | - | - |
| Increase (decrease) in debt | - | - | - |
| Gross proceeds from the sale of assets | - | - | - |
| Lump sum contributions | - | - | - |
| Other dedicated capital funding | - | - | - |
| Total sources of capital funding (C) | - | - | - |
| Applications of capital funding | | | |
| Capital expenditure | | | |
| - to meet additional demand | - | - | - |

| | 2022/23 Annual Plan (\$000) | 2023/24 Annual Plan (\$000) | 2023/24 LTP (Amended) (\$000) |
|---|--------------------------------------|--------------------------------------|--|
| - to improve the level of service | - | - | - |
| - to replace existing assets | - | - | - |
| Increase (decrease) in reserves | - | - | - |
| Increase (decrease) of investments | - | - | - |
| Total applications of capital funding (D) | - | - | - |
| Surplus (deficit) of capital funding (C-D) | - | - | - |
| Funding balance ((A-B)+(C-D)) | - | - | - |

Waikato Regional Council Funding Impact Statement for 2023/24 Annual Plan for Flood Protection and Control Works

| | 2022/23 Annual Plan (\$000) | 2023/24 Annual Plan (\$000) | 2023/24 LTP (Amended) (\$000) |
|--|--------------------------------------|--------------------------------------|--|
| Sources of operating funding | | | |
| General rates, uniform annual general charges, rates penalties | 3,229 | 3,650 | 3,326 |
| Targeted rates | 22,064 | 24,554 | 23,504 |
| Subsidies and grants for operating purposes | - | 0 | - |
| Fees and charges | 772 | 866 | 772 |
| Internal charges and overheads recovered | 4,854 | 5,279 | 4,970 |
| Local authorities fuel tax, fines, infringement fees, and other receipts | - | - | - |
| Total operating funding (A) | 30,919 | 34,349 | 32,572 |

| | | | |
|---|---------------|---------------|---------------|
| Applications of operating funding | | | |
| Payments to staff and suppliers | 12,974 | 13,403 | 12,924 |
| Finance costs | 548 | 1,134 | 821 |
| Internal charges and overheads applied | 10,401 | 11,540 | 10,538 |
| Other operating funding applications | - | - | - |
| Total applications of operating funding (B) | 23,923 | 26,077 | 24,283 |
| Surplus (deficit) of operating funding (A-B) | 6,996 | 8,272 | 8,289 |

| | | | |
|--|---------------|--------------|--------------|
| Sources of capital funding | | | |
| Subsidies and grants for capital expenditure | 5,258 | 2,405 | 1,215 |
| Development and financial contributions | - | - | - |
| Increase (decrease) in debt | 7,160 | 6,607 | 5,880 |
| Gross proceeds from the sale of assets | - | - | - |
| Lump sum contributions | - | - | - |
| Other dedicated capital funding | - | - | - |
| Total sources of capital funding (C) | 12,418 | 9,013 | 7,095 |

| | | | |
|--|---|---|---|
| Applications of capital funding | | | |
| Capital expenditure | | | |
| - to meet additional demand | - | - | - |

| | 2022/23 Annual Plan (\$000) | 2023/24 Annual Plan (\$000) | 2023/24 LTP (Amended) (\$000) |
|---|--------------------------------------|--------------------------------------|--|
| - to improve the level of service | 1,286 | 148 | 148 |
| - to replace existing assets | 16,027 | 21,549 | 14,087 |
| Increase (decrease) in reserves | 2,101 | (4,413) | 1,149 |
| Increase (decrease) of investments | - | - | - |
| Total applications of capital funding (D) | 19,414 | 17,284 | 15,384 |
| | | | |
| Surplus (deficit) of capital funding (C-D) | (6,996) | (8,272) | (8,289) |
| | | | |
| Funding balance ((A-B)+(C-D)) | - | - | - |

Waikato Regional Council Funding Impact Statement for 2023/24 Annual Plan for Integrated Catchment Management

| | 2022/23 Annual Plan (\$000) | 2023/24 Annual Plan (\$000) | 2023/24 LTP (Amended) (\$000) |
|--|--------------------------------------|--------------------------------------|--|
| Sources of operating funding | | | |
| General rates, uniform annual general charges, rates penalties | 10,423 | 11,101 | 11,557 |
| Targeted rates | 20,652 | 22,194 | 21,129 |
| Subsidies and grants for operating purposes | 2,983 | 1,413 | 1,352 |
| Fees and charges | 4,272 | 1,971 | 1,557 |
| Internal charges and overheads recovered | 1,937 | 2,039 | 2,185 |
| Local authorities fuel tax, fines, infringement fees, and other receipts | - | 11 | - |
| Total operating funding (A) | 40,267 | 38,730 | 37,780 |

| | | | |
|---|----------------|---------------|---------------|
| Applications of operating funding | | | |
| Payments to staff and suppliers | 30,403 | 27,175 | 26,712 |
| Finance costs | (35) | (91) | (34) |
| Internal charges and overheads applied | 11,036 | 12,603 | 11,249 |
| Other operating funding applications | - | - | - |
| Total applications of operating funding (B) | 41,404 | 39,687 | 37,927 |
| Surplus (deficit) of operating funding (A-B) | (1,137) | (957) | (147) |

| | | | |
|--|----------|----------|----------|
| Sources of capital funding | | | |
| Subsidies and grants for capital expenditure | - | - | - |
| Development and financial contributions | - | - | - |
| Increase (decrease) in debt | - | - | - |
| Gross proceeds from the sale of assets | - | - | - |
| Lump sum contributions | - | - | - |
| Other dedicated capital funding | - | - | - |
| Total sources of capital funding (C) | - | - | - |

| | | | |
|--|---|---|---|
| Applications of capital funding | | | |
| Capital expenditure | | | |
| - to meet additional demand | - | - | - |

| | 2022/23 Annual Plan (\$000) | 2023/24 Annual Plan (\$000) | 2023/24 LTP (Amended) (\$000) |
|---|--------------------------------------|--------------------------------------|--|
| - to improve the level of service | 78 | 78 | 82 |
| - to replace existing assets | - | - | - |
| Increase (decrease) in reserves | (1,215) | (1,035) | (229) |
| Increase (decrease) of investments | - | - | - |
| Total applications of capital funding (D) | (1,137) | (957) | (147) |
| | | | |
| Surplus (deficit) of capital funding (C-D) | 1,137 | 957 | 147 |
| | | | |
| Funding balance ((A-B)+(C-D)) | - | - | - |

Waikato Regional Council Funding Impact Statement for 2023/24 Annual Plan for Regional Transport Connections

| | 2022/23 Annual Plan (\$000) | 2023/24 Annual Plan (\$000) | 2023/24 LTP (Amended) (\$000) |
|--|--------------------------------------|--------------------------------------|--|
| Sources of operating funding | | | |
| General rates, uniform annual general charges, rates penalties | 1,876 | 2,093 | 1,976 |
| Targeted rates | 13,224 | 15,756 | 13,501 |
| Subsidies and grants for operating purposes | 23,228 | 25,424 | 22,463 |
| Fees and charges | 9,696 | 11,459 | 11,609 |
| Internal charges and overheads recovered | - | - | - |
| Local authorities fuel tax, fines, infringement fees, and other receipts | - | - | - |
| Total operating funding (A) | 48,024 | 54,732 | 49,549 |
| Applications of operating funding | | | |
| Payments to staff and suppliers | 45,213 | 51,033 | 46,923 |
| Finance costs | - | 4 | - |
| Internal charges and overheads applied | 3,075 | 3,768 | 3,335 |
| Other operating funding applications | - | - | - |
| Total applications of operating funding (B) | 48,288 | 54,805 | 50,258 |
| Surplus (deficit) of operating funding (A-B) | (264) | (73) | (709) |
| Sources of capital funding | | | |
| Subsidies and grants for capital expenditure | - | - | - |
| Development and financial contributions | - | - | - |
| Increase (decrease) in debt | - | (6) | - |
| Gross proceeds from the sale of assets | - | - | - |
| Lump sum contributions | - | - | - |
| Other dedicated capital funding | - | - | - |
| Total sources of capital funding (C) | - | (6) | - |
| Applications of capital funding | | | |
| Capital expenditure | | | |
| - to meet additional demand | - | - | - |

| | 2022/23 Annual Plan (\$000) | 2023/24 Annual Plan (\$000) | 2023/24 LTP (Amended) (\$000) |
|---|--------------------------------------|--------------------------------------|--|
| - to improve the level of service | 400 | 4,337 | 549 |
| - to replace existing assets | 781 | 963 | - |
| Increase (decrease) in reserves | (1,445) | (5,380) | (1,258) |
| Increase (decrease) of investments | - | - | - |
| Total applications of capital funding (D) | (264) | (79) | (709) |
| Surplus (deficit) of capital funding (C-D) | 264 | 73 | 709 |
| Funding balance ((A-B)+(C-D)) | - | - | - |

Waikato Regional Council Funding Impact Statement for 2023/24 Annual Plan for Resource Use

| | 2022/23 Annual Plan (\$000) | 2023/24 Annual Plan (\$000) | 2023/24 LTP (Amended) (\$000) |
|--|--------------------------------------|--------------------------------------|--|
| Sources of operating funding | | | |
| General rates, uniform annual general charges, rates penalties | 10,997 | 11,560 | 11,156 |
| Targeted rates | 1,585 | 1,574 | 1,584 |
| Subsidies and grants for operating purposes | - | - | - |
| Fees and charges | 8,565 | 9,394 | 9,436 |
| Internal charges and overheads recovered | - | - | - |
| Local authorities fuel tax, fines, infringement fees, and other receipts | 441 | 441 | 441 |
| Total operating funding (A) | 21,589 | 22,970 | 22,617 |

| | | | |
|---|---------------|---------------|---------------|
| Applications of operating funding | | | |
| Payments to staff and suppliers | 12,615 | 12,805 | 13,560 |
| Finance costs | 158 | 376 | 228 |
| Internal charges and overheads applied | 9,286 | 10,067 | 9,033 |
| Other operating funding applications | - | - | - |
| Total applications of operating funding (B) | 22,059 | 23,248 | 22,821 |
| Surplus (deficit) of operating funding (A-B) | (470) | (278) | (204) |

| | | | |
|--|--------------|--------------|--------------|
| Sources of capital funding | | | |
| Subsidies and grants for capital expenditure | - | - | - |
| Development and financial contributions | - | - | - |
| Increase (decrease) in debt | 2,211 | 1,845 | 1,835 |
| Gross proceeds from the sale of assets | - | - | - |
| Lump sum contributions | - | - | - |
| Other dedicated capital funding | - | - | - |
| Total sources of capital funding (C) | 2,211 | 1,845 | 1,835 |

| | | | |
|--|-------|-------|-------|
| Applications of capital funding | | | |
| Capital expenditure | | | |
| - to meet additional demand | - | - | - |
| - to improve the level of service | 1,750 | 1,550 | 1,635 |

| | 2022/23 Annual Plan (\$000) | 2023/24 Annual Plan (\$000) | 2023/24 LTP (Amended) (\$000) |
|---|--------------------------------------|--------------------------------------|--|
| - to replace existing assets | 140 | 260 | 148 |
| Increase (decrease) in reserves | (149) | (243) | (152) |
| Increase (decrease) of investments | - | - | - |
| Total applications of capital funding (D) | 1,741 | 1,567 | 1,631 |
| Surplus (deficit) of capital funding (C-D) | 470 | 278 | 204 |
| Funding balance ((A-B)+(C-D)) | - | - | - |

Waikato Regional Council Funding Impact Statement for 2023/24 Annual Plan for Science, Policy and Information

| | 2022/23 Annual Plan (\$000) | 2023/24 Annual Plan (\$000) | 2023/24 LTP (Amended) (\$000) |
|--|--------------------------------------|--------------------------------------|--|
| Sources of operating funding | | | |
| General rates, uniform annual general charges, rates penalties | 26,406 | 27,786 | 25,783 |
| Targeted rates | - | - | - |
| Subsidies and grants for operating purposes | - | - | - |
| Fees and charges | 4,235 | 4,610 | 4,430 |
| Internal charges and overheads recovered | 155 | 155 | 155 |
| Local authorities fuel tax, fines, infringement fees, and other receipts | 750 | 750 | 750 |
| Total operating funding (A) | 31,546 | 33,302 | 31,118 |
| Applications of operating funding | | | |
| Payments to staff and suppliers | 19,669 | 25,556 | 21,516 |
| Finance costs | 77 | 190 | 70 |
| Internal charges and overheads applied | 11,822 | 12,751 | 11,774 |
| Other operating funding applications | - | - | - |
| Total applications of operating funding (B) | 31,568 | 38,497 | 33,360 |
| Surplus (deficit) of operating funding (A-B) | (22) | (5,195) | (2,242) |
| Sources of capital funding | | | |
| Subsidies and grants for capital expenditure | - | - | - |
| Development and financial contributions | - | - | - |
| Increase (decrease) in debt | (319) | (280) | (326) |
| Gross proceeds from the sale of assets | - | - | - |
| Lump sum contributions | - | - | - |
| Other dedicated capital funding | - | - | - |
| Total sources of capital funding (C) | (319) | (280) | (326) |
| Applications of capital funding | | | |
| Capital expenditure | | | |
| - to meet additional demand | - | - | - |

| | 2022/23 Annual Plan (\$000) | 2023/24 Annual Plan (\$000) | 2023/24 LTP (Amended) (\$000) |
|---|--------------------------------------|--------------------------------------|--|
| - to improve the level of service | 771 | 771 | 750 |
| - to replace existing assets | 550 | 570 | 1,618 |
| Increase (decrease) in reserves | (1,662) | (6,816) | (4,936) |
| Increase (decrease) of investments | - | - | - |
| Total applications of capital funding (D) | (341) | (5,475) | (2,568) |
| Surplus (deficit) of capital funding (C-D) | 22 | 5,195 | 2,242 |
| Funding balance ((A-B)+(C-D)) | - | - | - |

Waikato Regional Council Funding Impact Statement for 2023/24 Annual Plan for Corporate & Management

| | 2022/23 Annual Plan (\$000) | 2023/24 Annual Plan (\$000) | 2023/24 LTP (Amended) (\$000) |
|--|--------------------------------------|--------------------------------------|--|
| Sources of operating funding | | | |
| General rates, uniform annual general charges, rates penalties | 701 | (1,068) | 1,013 |
| Targeted rates | - | - | - |
| Subsidies and grants for operating purposes | - | - | - |
| Fees and charges | 1,120 | 1,120 | 1,120 |
| Internal charges and overheads recovered | 43,852 | 49,335 | 44,236 |
| Local authorities fuel tax, fines, infringement fees, and other receipts | 4,284 | 4,921 | 4,221 |
| Total operating funding (A) | 49,957 | 54,308 | 50,590 |
| Applications of operating funding | | | |
| Payments to staff and suppliers | 47,705 | 46,551 | 43,302 |
| Finance costs | 489 | 1,659 | 306 |
| Internal charges and overheads applied | 306 | 601 | 541 |
| Other operating funding applications | - | - | - |
| Total applications of operating funding (B) | 48,499 | 48,811 | 44,148 |
| Surplus (deficit) of operating funding (A-B) | 1,458 | 5,498 | 6,442 |
| Sources of capital funding | | | |
| Subsidies and grants for capital expenditure | - | - | - |
| Development and financial contributions | - | - | - |
| Increase (decrease) in debt | 4,716 | (421) | (938) |
| Gross proceeds from the sale of assets | - | - | - |
| Lump sum contributions | - | - | - |
| Other dedicated capital funding | - | - | - |
| Total sources of capital funding (C) | 4,716 | (421) | (938) |
| Applications of capital funding | | | |
| Capital expenditure | | | |
| - to meet additional demand | - | - | - |

| | 2022/23 Annual Plan (\$000) | 2023/24 Annual Plan (\$000) | 2023/24 LTP (Amended) (\$000) |
|---|--------------------------------------|--------------------------------------|--|
| - to improve the level of service | 1,061 | 41 | 43 |
| - to replace existing assets | 1,565 | 1,550 | 1,635 |
| Increase (decrease) in reserves | 3,548 | 3,486 | 3,826 |
| Increase (decrease) of investments | - | - | - |
| Total applications of capital funding (D) | 6,174 | 5,077 | 5,504 |
| Surplus (deficit) of capital funding (C-D) | (1,458) | (5,498) | (6,442) |
| Funding balance ((A-B)+(C-D)) | - | - | - |

Te tauākī pānga pūtea ā-tau

Annual funding impact statement for 2023/24

Funding mechanisms

Waikato Regional Council proposes to use the following funding mechanisms:

- General rate
- Uniform annual general charge
- Targeted rates
- Fees and charges
- Investment revenue
- Financial contributions
- Grants and contributions

- Rentals and royalties
- Borrowing
- Reserves funds
- Proceeds from asset sales.

Details of these mechanisms can be found in the Revenue and Financing Policy (July 2016), available on our website, www.waikatoregion.govt.nz.

Funding mix

The funding mix resulting from the council's Revenue and Financing Policy is as follows:

| Revenue | 2023/24 % | 2022/23 % |
|------------------------|------------|------------|
| General rate | 23 | 24 |
| UAGC | 9 | 9 |
| Targeted rates | 34 | 32 |
| Government grants | 15 | 17 |
| Direct charges | 6 | 5 |
| Consent holder charges | 3 | 3 |
| Interest income | 1 | 0 |
| Investment income | 2 | 2 |
| Rental income | 0 | 0 |
| Other income | 7 | 8 |
| Total Revenue | 100 | 100 |

The funding mix by activity is detailed in the Revenue and Financing Policy.

The forecast of revenue for the period of the 2023/24 Annual Plan is as follows.

| | 2022/23 Annual Plan \$000 | 2023/24 Annual Plan \$000 | 2023/24 LTP (Amended) \$000 | 2024/25 LTP (Amended) \$000 | 2025/26 LTP (Amended) \$000 | 2026/27 LTP (Amended) \$000 | 2027/28 LTP (Amended) \$000 | 2028/29 LTP (Amended) \$000 | 2029/30 LTP (Amended) \$000 | 2030/31 LTP (Amended) \$000 |
|---|---------------------------------|---------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| General rate | 44,479 | 45,061 | 45,409 | 47,415 | 47,201 | 47,269 | 47,597 | 48,305 | 49,385 | 50,304 |
| UAGC | 16,223 | 17,575 | 16,740 | 17,590 | 18,100 | 18,489 | 18,817 | 19,205 | 19,614 | 19,951 |
| Targeted rates | 61,095 | 67,719 | 63,907 | 66,454 | 71,031 | 72,413 | 75,627 | 78,309 | 80,352 | 82,434 |
| | 121,797 | 130,355 | 126,056 | 131,459 | 136,332 | 138,171 | 142,041 | 145,819 | 149,351 | 152,689 |
| Government grants | 31,469 | 29,242 | 25,031 | 25,922 | 25,564 | 26,131 | 26,701 | 27,041 | 27,629 | 28,205 |
| Direct charges | 10,193 | 11,087 | 10,183 | 10,577 | 10,883 | 11,078 | 11,285 | 11,352 | 11,551 | 11,758 |
| Consent holder charges | 5,187 | 5,570 | 6,360 | 6,138 | 6,002 | 5,917 | 6,283 | 5,945 | 6,053 | 6,131 |
| Investment fund distribution income | 3,200 | 3,265 | 3,265 | 3,202 | 3,266 | 3,331 | 3,325 | 3,391 | 3,459 | 3,507 |
| Investment fund capital protection income | 1,384 | 1,406 | 1,406 | 1,428 | 1,451 | 1,474 | 1,498 | 1,522 | 1,546 | 1,571 |
| Interest income | 450 | 1,011 | 514 | 721 | 1,028 | 1,435 | 1,885 | 2,161 | 2,209 | 2,210 |
| Other income | 14,472 | 14,270 | 12,742 | 12,436 | 10,396 | 9,233 | 7,846 | 6,854 | 6,431 | 6,091 |
| Royalties | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 |
| Rental income | 637 | 637 | 637 | 637 | 637 | 637 | 637 | 637 | 637 | 637 |

| | 2022/23 Annual Plan \$000 | 2023/24 Annual Plan \$000 | 2023/24 LTP (Amended) \$000 | 2024/25 LTP (Amended) \$000 | 2025/26 LTP (Amended) \$000 | 2026/27 LTP (Amended) \$000 | 2027/28 LTP (Amended) \$000 | 2028/29 LTP (Amended) \$000 | 2029/30 LTP (Amended) \$000 | 2030/31 LTP (Amended) \$000 |
|----------------------|---------------------------------|---------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Other gains/(losses) | - | - | - | - | - | - | - | - | - | - |
| Total other Income | 67,117 | 66,613 | 60,263 | 61,186 | 59,352 | 59,361 | 59,585 | 59,028 | 59,640 | 60,235 |
| Total Revenue | 188,914 | 196,968 | 186,319 | 192,645 | 195,684 | 197,532 | 201,626 | 204,847 | 208,991 | 212,924 |

The projected number of rating units within the region at 30 June 2023 is 216,564

The projected total capital value of all rating units within the region at 30 June 2023 is \$241.928 billion.

The projected total land value of all rating units within the region at 30 June 2023 is \$143.009 billion.

All rate figures in this policy are GST inclusive unless otherwise stated.

General rate

What it funds

The general rate is used to fund part or all of the activities that are of 'public benefit', where no other direct source of revenue is identified to cover the cost of the activities. The general rate and investment income provide the funding for general revenue.

The general rate amounts to 23 per cent of the council's total revenue for the year. For this year, the amount of general rate revenue required is \$51,820,000 (GST Inclusive) compared with \$51,151,000 (GST Inclusive) in 2022/23.

The general rate revenue (GST Inclusive) will be used to fund the following activities.

| Activity | \$000 (GST inclusive) |
|--|-----------------------|
| Community and services | - |
| Waikato civil defence emergency management group | - |
| Regional hazards and emergency response | (0) |
| Flood control and protection works | 4,198 |
| Integrated catchment management | 10,234 |
| Regional Transport Connections | 1,427 |
| Resource use | 10,093 |
| Science, Policy and Information | 29,030 |
| Corporate | (3,162) |
| Total | 51,820 |

How it is applied

The general rate is set on a capital value basis. It is set on a differential basis using projected values and the location of the land within the Waikato region in accordance with section 131 of the Local Government (Rating) Act 2002. A process to consider projected values is undertaken on an annual basis to take account of the different revaluation cycles of the territorial authorities in the region.

The rate in the dollar per dollar of capital value of a rating unit is determined by dividing the general rate revenue requirement, by the capital value of all rateable properties in the Waikato region, taking account of the differential. The capital value of the region used for the 2023/24 year is \$241.928 billion.

The 2023/24 rate

| Area of benefit (GST inclusive) | Percentage of region | Rate \$1 per \$1 CV (GST inclusive) | \$(000) GST inclusive |
|---------------------------------|----------------------|-------------------------------------|-----------------------|
| Hamilton City | 24.60% | 0.00018512 | 12,778 |
| Matamata-Piako | 7.90% | 0.00021077 | 4,091 |
| Ōtorohanga | 2.39% | 0.00018970 | 1,238 |
| Rotorua | 1.07% | 0.00023268 | 554 |
| South Waikato | 3.46% | 0.00020950 | 1,792 |

| Area of benefit (GST inclusive) | Percentage of region | Rate \$1 per \$1 CV (GST inclusive) | \$(000) GST inclusive |
|---------------------------------|----------------------|-------------------------------------|-----------------------|
| Taupō | 10.60% | 0.00018863 | 5,489 |
| Thames-Coromandel | 13.92% | 0.00028586 | 7,208 |
| Waikato | 17.75% | 0.00025107 | 9,191 |
| Waipā | 12.73% | 0.00018998 | 6,592 |
| Waitomo | 1.67% | 0.00019808 | 865 |
| Hauraki | 3.91% | 0.00020754 | 2,025 |
| Total | 100% | | 51,820 |

Uniform annual general charge (UAGC)

What it funds

The UAGC is used to fund portions of activities that have been identified through the Revenue and Financing Policy as meeting one of the following criteria:

- The expenditure is a “public good” to which every ratepayer has equal access.
- The expenditure is related to “people” rather than property.
- The expenditure does not directly change the condition of economic value of a property or resource.

For this year, the amount of UAGC revenue required is \$20,211,000 (GST Inclusive). This amounts to 9 per cent of the council’s total revenue for the year, and 13 per cent of total rates revenue.

The UAGC will be used to fund the following activities:

| Activity | \$000 (GST inclusive) |
|---|-----------------------|
| Governance | 4,393 |
| Planning, reporting and funding | 1,393 |
| Iwi Maori Partnerships | 1,863 |
| Urban and Rural Transport delivery | 212 |
| Transport Policy and Planning | 768 |
| Waikato Regional Council emergency response | 1,053 |
| Resilient development | 1,089 |
| Environmental monitoring | 1,094 |
| Regional consents processing | 867 |
| Biodiversity | 2,533 |
| Maritime services | 2,333 |
| Social and economic information | 1,281 |
| Strategic and spatial planning | 548 |
| Corporate | 784 |

| Activity | \$000 (GST inclusive) |
|--------------|-----------------------|
| TOTAL | 20,211 |

How it is applied

The UAGC is set on every rating unit in the Waikato region. The estimated number of rating units is 216,564

The 2023/24 rate

The rate is \$93.35 per rating unit (GST inclusive). This is an increase of \$5.33 from 2022/23.

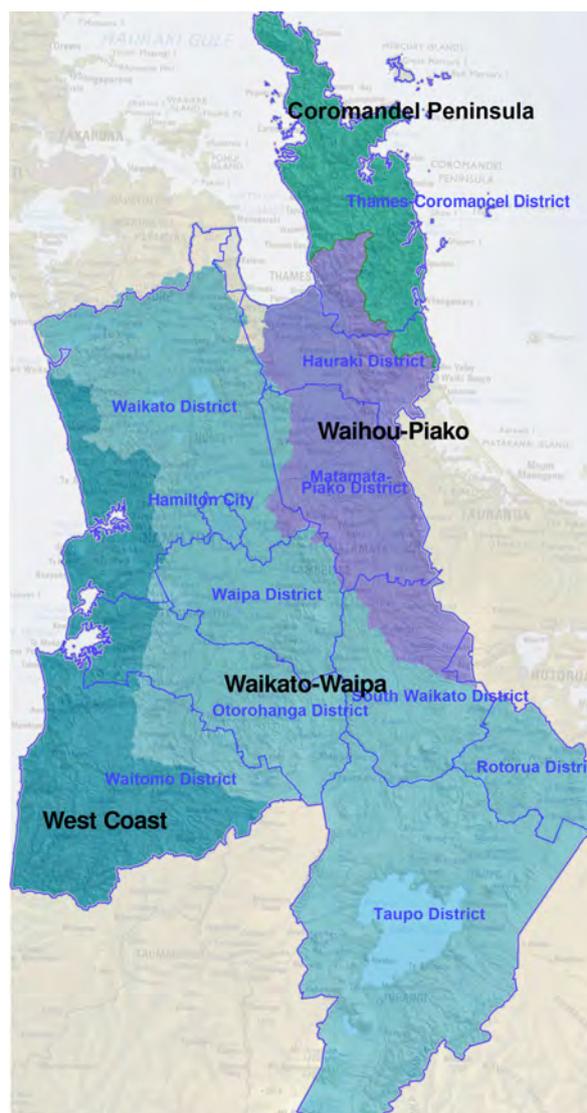
Targeted rates

The following map illustrates the areas over which the council's targeted catchment rates are assessed.

The council proposes to set and assess the following targeted rates.

Waihou-Piako schemes

The Waihou Valley Scheme and Piako River Scheme are two major historic schemes that provide a range of flood protection, river management, land drainage and soil conservation services that cover most of the Waihou-Piako Zone. The objectives for each scheme are set out in the relevant zone management plans.



What it funds

| Waihou Valley Scheme | Projected expenditure (\$000) (GST inclusive) | Targeted rate revenue (\$000) (GST Inclusive) |
|----------------------|---|---|
| Flood protection | 6,424 | 5,059 |
| River management | 1,863 | 1,585 |
| Catchment new works | 1,020 | 355 |

| Waihou Valley Scheme | Projected expenditure (\$000) (GST inclusive) | Targeted rate revenue (\$000) (GST Inclusive) |
|-----------------------------------|--|---|
| Catchment maintenance | 402 | 342 |
| Catchment oversight | 1,028 | 873 |
| Information and advice | 286 | 243 |
| Total Waihou Valley Scheme | 11,024 | 8,456 |

| Piako River Scheme | Projected expenditure (\$000) (GST inclusive) | Targeted rate revenue (\$000) (GST Inclusive) |
|---------------------------------|--|---|
| Flood protection | 7,644 | 5,111 |
| River management | 608 | 516 |
| Catchment new works | 1,248 | 332 |
| Catchment maintenance | - | - |
| Catchment oversight | 895 | 761 |
| Information and advice | 261 | 222 |
| Total Piako River Scheme | 10,656 | 6,943 |

How it is applied

This rate is assessed on a benefit/contributor classification basis, using a combination of capital value, land value, land area and direct benefit:

- a targeted differential catchment rate, on a capital value basis
- a targeted differential urban direct benefit rate, on a capital value basis
- relief from the land value portion of the catchment rate for land that is in indigenous vegetation or exotic forests, is more than 10 hectares in area and has stock excluded
- a rural direct benefit rate which is made on a benefit classification basis using equalised land value in the Waihou Valley Scheme and on a benefit classification basis using land area in the Piako River Scheme.

Local protection – Piako River Scheme maintenance

Piako River Scheme: Total targeted rate revenue per layer:

| Layer | Targeted rate revenue (\$000) (GST Inclusive) |
|------------------------------------|---|
| Tidal flooding | 1,180 |
| River flooding | 923 |
| Drainage | 2,568 |
| Residential, industrial/commercial | 465 |
| Total | 5,136 |

The 2023/24 rate

The following tables show the \$ per hectare and \$1 per \$1 capital value rates for the Piako River Scheme.

Piako classifications

| Area of benefit (GST inclusive) | Factor used | TF1 | TF2 | TF3 | TF4 |
|---------------------------------|----------------|---------|---------|---------|--------|
| Tidal flooding | \$ per hectare | 94.1860 | 70.6395 | 47.0930 | 4.7093 |

| Area of benefit (GST inclusive) | Factor used | RF1 | RF2 | RF3 | RF4 | RFPZ1 | RFPZ2 | RFPZ3 |
|---------------------------------|----------------|---------|---------|---------|--------|---------|---------|--------|
| River flooding | \$ per hectare | 66.1220 | 33.0610 | 24.7957 | 8.2652 | 26.4488 | 13.2244 | 3.3061 |

| Area of benefit (GST inclusive) | Factor used | D1 | D2 | D3 | D4 | D5 | D6 | D7 | D8 | D9 |
|---------------------------------|----------------|---------|---------|---------|---------|---------|---------|---------|--------|--------|
| Drainage | \$ per hectare | 72.8604 | 58.2883 | 43.7162 | 36.4302 | 34.0015 | 31.5728 | 19.4294 | 7.2860 | 2.4287 |

| Area of benefit (GST inclusive) | Factor used | RIC1 | RIC2 |
|------------------------------------|---------------------------|------------|------------|
| Residential, industrial/commercial | \$1 per \$1 Capital value | 0.00089112 | 0.00044556 |

Local protection – Waihou Valley Scheme maintenance

| Layer | Targeted rate revenue (\$000) (GST Inclusive) |
|--------------|---|
| Rural | 4,990 |
| Urban | 1,269 |
| Total | 6,259 |

The 2023/24 rate

The following table shows the rate in the \$1 per \$1 land value and capital value for the Waihou Valley Scheme.

Waihou classifications

| Layer | Targeted rate revenue (\$000) (GST Inclusive) |
|-----------|---|
| Catchment | 3,481 |

The 2023/24 rate

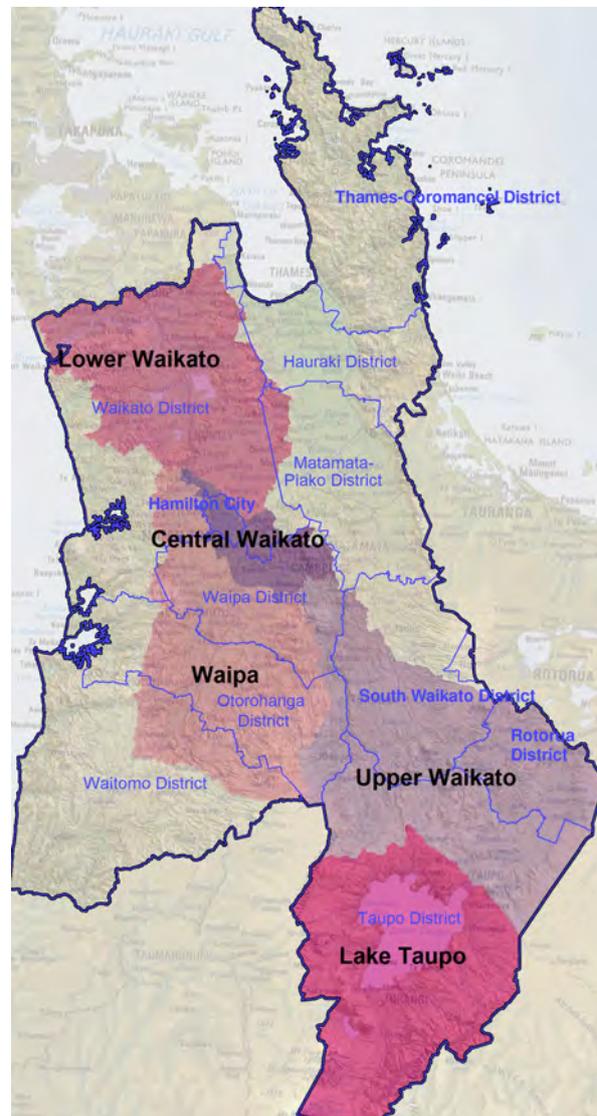
The following rate is applied to all rating units within the Waihou and Piako zones.

| Area of benefit (GST inclusive) | Factor used | WPC1 | WPC2 | WPC3 |
|---------------------------------|---------------------------|------------|------------|------------|
| Catchment | \$1 per \$1 Capital value | 0.00020861 | 0.00012517 | 0.00008345 |

Waikato-Waipā (Watershed)

The Watershed scheme provides flood protection, river management, land drainage and soil conservation to the Waikato/Waipā river catchment. The catchment includes the Waikato and Waipā rivers and the areas of land that drain into them.

Details of the scheme can be obtained from the funding document.⁽²⁾ The scheme was adopted under special order on 27 June 2002, under part V of the Rating Powers Act 1988, and subsequent special order on 29 November 2002, for the hydro contributor and the Tauranga-Taupō river management and flood protection layer, the Tongariro River management and flood protection layer, the Whangamaire pump area, the Uapoto drainage subdivision and the Kawa drainage area.



2 Waikato River Catchment Services, "Project Watershed". Level of Service and Funding Policy, June 2002. Docs # 752002.

What it funds

The funding provides for the following projected expenditure for 2023/24

| Zone | Projected expenditure (\$000) (GST inclusive) | Targeted rate revenue (\$000) (GST Inclusive) |
|---------------------------------|--|---|
| Lake Taupō management zone | 1,064 | 722 |
| Upper Waikato management zone | 1,311 | 762 |
| Central Waikato management zone | 2,103 | 1,536 |
| Waipā management zone | 5,412 | 3,183 |
| Lower Waikato management zone | 15,496 | 10,848 |
| TOTAL | 25,386 | 17,052 |

The targeted rate requirement is \$17,052,000 (GST Inclusive), a decrease of \$1,767,000 on the amount required in the 2022/23 year. The targeted rate includes funding of operating expenses, depreciation, interest expense, provision for debt repayment.

How it is applied

This rate is assessed on a benefit/contributor classification basis, using a combination of capital value, land value, land area and direct benefit.

The scheme consists of several differentials that are applied to the rating unit.

Greater Waikato catchment differential

This is based on the capital value of all rating units within the catchment boundary. The rate is set on a differential basis, according to the location of the land. This differential aims to smooth the impact of the timing of general property revaluations undertaken by district councils.

Contributor differential

This is based on land value of all rating units within the catchment boundary except for those identified in the differential classification as being hydro properties.

Contributor differential – hydro

This is based on capital value of all rating units identified as being hydro classification within the catchment boundary.

Beneficiary differential – hydro

This is based on capital value of all rating units identified as being hydro classification within the catchment boundary.

Management zone differential

This is based on the capital value of all rating units within the management zone boundaries. The different management zones are Lake Taupō, Upper Waikato, Middle Waikato, Waipā and Lower Waikato.

River control and flood protection direct benefit differential

This is based on a differential basis of capital value, land area, or per rating unit for each differential classification. The land within the scheme is assigned to the appropriate classification, which corresponds to a level of benefit the land receives from the scheme. The details of the classifications can be found in the funding document.

How it is applied

| Differential | Targeted rate revenue (\$000) (GST Inclusive) |
|--|---|
| Greater Waikato catchment differential | 4,044 |
| Contributor differential urban | 2,257 |
| Contributor differential rural | 999 |
| Contributor differential - hydro | 759 |
| Management zone differential | - |
| - Lower Waikato | 2,880 |
| - Central Waikato | 827 |
| - Upper Waikato | 388 |
| - Waipā | 1,117 |
| - Lake Taupō | 290 |
| - River control and flood protection benefit | 3,491 |
| - Total | 17,052 |

The 2023/24 rate

Greater Waikato catchment differential

| Zone | Factor used | Rate in the \$1 per \$1 of value (GST inclusive) |
|--|---------------|---|
| Greater Waikato catchment differential | | |
| - Hamilton city | capital value | 0.00001768 |
| - Waipā district | capital value | 0.00002169 |
| - Waikato district | capital value | 0.00002958 |
| - Ōtorohanga district | capital value | 0.00003138 |
| - Hauraki district | capital value | 0.00003457 |
| - Matamata-Piako district | capital value | 0.00003516 |
| - South Waikato district | capital value | 0.00002861 |
| - Waitomo district | capital value | 0.00003270 |
| - Taupō district | capital value | 0.00002375 |
| - Rotorua district | capital value | 0.00005353 |
| Contributor differential urban | land value | 0.00003206 |
| Contributor differential rural | land value | 0.00003206 |
| Contributor differential - hydro | capital value | 0.00061623 |

| Lake Taupō management zone differential | Factor used | Rate in the \$1 per \$1 of value (GST inclusive) |
|---|---------------|--|
| - Taupō district | capital value | 0.00001277 |

| Upper Waikato management zone differential | Factor used | Rate in the \$1 per \$1 of value (GST inclusive) |
|--|---------------|--|
| - Ōtorohanga district | capital value | 0.00002860 |
| - South Waikato district | capital value | 0.00002153 |
| - Taupō district | capital value | 0.00001798 |
| - Rotorua district | capital value | 0.00004038 |
| - Waipā district | capital value | 0.00003269 |
| - Matamata-Piako district | capital value | 0.00000572 |

| Central Waikato management zone differential | Factor used | Rate in the \$1 per \$1 of value (GST inclusive) |
|--|---------------|--|
| - Hamilton city | capital value | 0.00000870 |
| - Waipā district | capital value | 0.00000813 |
| - Waikato district | capital value | 0.00001219 |

| Lower Waikato management zone differential | Factor used | Rate in the \$1 per \$1 of value (GST inclusive) |
|--|---------------|--|
| - Waikato district | capital value | 0.00014382 |
| - Matamata-Piako district | capital value | 0.00016210 |
| - Hauraki district | capital value | 0.00012309 |
| - Hamilton city | capital value | 0.00001945 |

| Waipā management zone differential | Factor used | Rate in the \$1 per \$1 of value (GST inclusive) |
|------------------------------------|---------------|--|
| - Waipā district | capital value | 0.00004277 |
| - Waikato district | capital value | 0.00004827 |
| - Ōtorohanga district | capital value | 0.00005115 |
| - Waitomo district | capital value | 0.00005401 |
| - Hamilton city | capital value | 0.00000558 |

River control and flood protection benefit differential

The following tables show the rate for each of the direct benefit classifications.

Lower Waikato direct benefit rates

Rated at \$ per hectare

Main channel works

| Area of benefit (GST inclusive) | 1 | 2 | 3 | 4 | 5 | 6 | 6A |
|---------------------------------|---------|--------|--------|--------|--------|--------|--------|
| Waikato | 12.0715 | 8.4500 | 7.2429 | 6.0357 | 4.8286 | 3.6214 | - |
| Mangawara | 4.2544 | 3.4036 | 2.9781 | 1.7018 | 1.0636 | 0.6382 | 0.4254 |

Main channel works continued

| Area of benefit (GST inclusive) | 7 | 8 | 9A | 9B | 9C |
|---------------------------------|--------|--------|--------|--------|--------|
| Waikato | 3.0179 | 2.4143 | 1.8107 | 1.2071 | 0.6036 |
| Mangawara | 0.2127 | - | - | - | - |

Community works

| Area of benefit (GST inclusive) | 1 | 2 | 3 | 4 | 5 | 6 | 6A | 7 | 8 |
|---------------------------------|---------|---------|---------|---------|---------|---------|--------|---------|--------|
| Waikato | 42.2739 | 33.8191 | 29.5917 | 25.3643 | 21.1369 | 16.9096 | - | 14.7959 | 4.2274 |
| Mangawara | 13.5349 | 10.8279 | 9.4744 | 5.4139 | 3.3837 | 2.0302 | 1.3535 | 0.6767 | - |

Local protection works

Franklin district

| Area of benefit (GST inclusive) | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
|---------------------------------|----------|----------|----------|----------|----------|----------|---|---|
| Motukaraka | - | 143.9086 | 136.3345 | - | - | - | - | - |
| Bell Road | - | - | - | - | 182.4679 | - | - | - |
| Tickles | - | - | - | - | - | - | - | - |
| Waller | - | - | - | 677.0454 | - | - | - | - |
| Orton | - | - | - | 312.7172 | 257.5318 | 202.3464 | - | - |
| Parish Polder | - | - | - | 408.1457 | - | - | - | - |
| Whangamarie | 120.5750 | 72.3450 | 48.2300 | 18.0863 | - | - | - | - |
| Te Kohanga | 216.8662 | - | - | 184.3362 | - | - | - | - |
| Tuakau | - | - | - | 196.3806 | - | - | - | - |

| Area of benefit (GST inclusive) | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
|---------------------------------|---|---|----------|----------|---|---|---------|---------|
| Onewhero West | - | - | - | 247.1356 | - | - | - | - |
| Mangatawhiri | | | | | | | | |
| - Comp 1 | - | - | - | 61.6624 | - | - | 32.6448 | 29.0176 |
| - Comp 2 | - | - | 196.8930 | 185.9545 | - | - | - | - |
| - Comp 3 | - | - | - | 131.6374 | - | - | - | - |
| - Comp 4 | - | - | 198.1964 | - | - | - | - | - |
| - Comp 5 | - | - | - | 391.7156 | - | - | - | - |

Waikato district

| Area of benefit (GST inclusive) | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
|---------------------------------|----------|----------|----------|------------|----------|---------|---------|---------|
| Waahi | - | - | - | - | - | - | - | - |
| Meremere west | - | - | - | 293.5540 | - | - | - | - |
| Meremere | - | - | - | - | 194.6751 | - | - | - |
| Waikare | 80.7992 | - | 72.7193 | 68.6793 | - | - | 36.3596 | 32.3197 |
| Huntly west | 81.2910 | - | - | - | - | - | 36.5810 | 32.5164 |
| Kimihia | 155.2860 | - | 139.7574 | 131.9931 | - | - | - | 62.1144 |
| Deroles | - | - | - | - | 208.9072 | - | - | - |
| Vrsalijkos | - | 362.5386 | - | - | - | - | - | - |
| Churchill | - | - | 144.1841 | - | - | - | - | - |
| Ruawaro | - | - | - | 360.5610 | - | - | - | - |
| Swan | - | 75.8469 | - | - | - | 43.9114 | 35.9275 | - |
| Island Block | - | - | 418.4362 | - | - | - | - | - |
| Orchard Road | - | - | - | 1,517.7057 | - | - | - | - |
| Locke | - | - | 246.5422 | - | - | - | - | - |

Waikato district continued

| Area of benefit (GST inclusive) | 9 | 10 | 11 | 12 |
|---------------------------------|---|---------|---------|---------|
| Waahi | - | 43.2286 | - | 17.2915 |
| Meremere west | - | - | - | - |
| Meremere | - | - | - | - |
| Waikare | - | - | 16.1598 | - |

| Area of benefit (GST inclusive) | 9 | 10 | 11 | 12 |
|---------------------------------|----------|----|----|---------|
| Huntly west | - | - | - | 8.1291 |
| Kimihia | - | - | - | - |
| Deroles | - | - | - | - |
| Vrsalijkos | - | - | - | - |
| Churchill | - | - | - | - |
| Ruawaro | 127.2568 | - | - | 42.4189 |
| Swan | - | - | - | - |
| Island Block | 139.4787 | - | - | - |
| Orchard Road | - | - | - | - |
| Locke | - | - | - | - |

| Area of benefit (GST inclusive) | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|---------------------------------|---------|---------|----------|---|---|---|---|---|---|
| Aka Aka (LPSECB) | 6.0000 | - | - | - | - | - | - | - | - |
| Aka Aka (LPG) | 15.2826 | - | - | - | - | - | - | - | - |
| Aka Aka (LPPG) | 50.9422 | - | - | - | - | - | - | - | - |
| Aka Aka (LPP) | 66.2248 | 63.6777 | 127.3554 | - | - | - | - | - | - |

| Area of benefit (GST inclusive) | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|---------------------------------|---------|---------|---------|---------|---------|--------|---------|----------|---|
| Mercer west | | | | | | | | | |
| - Southern | - | - | - | - | - | - | 49.8294 | - | - |
| - Morrisons | - | - | - | - | - | - | - | 105.2023 | - |
| Mangawara | 61.5588 | 49.2470 | 43.0911 | 24.6235 | 15.3897 | 9.2338 | 3.0779 | - | - |
| Mangawara A | - | - | - | - | - | 6.1559 | - | - | - |

Waikato zone - fixed direct benefit rate

| Area of benefit (GST inclusive) | Factor used | Rate (\$) GST inclusive |
|---------------------------------|---------------------------------|-------------------------|
| Huntly | per rating unit (GST inclusive) | \$ 67.94 |

Waipā zone - direct benefit rate

Rated at \$ per hectare

| Area of benefit (GST inclusive) | 1 | 2 |
|---------------------------------|---------|--------|
| Kawa | 11.4103 | 5.7051 |

Waipā zone - fixed direct benefit rate

| Area of benefit (GST inclusive) | Factor used | Rate (\$) GST inclusive |
|---------------------------------|---------------------------------|-------------------------|
| Ōtorohanga | per rating unit (GST inclusive) | \$ 37.47 |

Local protection works - capital

Lower Waikato zone

Rated at \$ per hectare

| Area of benefit (GST inclusive) | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|---------------------------------|---|----------|---|---|---|---|---|---------|---|
| Deroles capital | - | - | - | - | - | - | - | - | - |
| Mercer west - Morrisons capital | - | - | - | - | - | - | - | 40.3983 | - |
| Jefferis capital | - | 253.3795 | - | - | - | - | - | - | - |

Taupō zone - direct benefit rates

Rated at \$1 per \$1 of capital value

| Area of benefit (GST inclusive) | 1 | 2 | 3 | 3A | 4 |
|---------------------------------|------------|------------|------------|------------|------------|
| Tongariro | 0.00030845 | 0.00018507 | 0.00012338 | | 0.00010796 |
| Tauranga/Taupō | 0.00040327 | 0.00032261 | 0.00014114 | | 0.00011291 |
| Tauranga/Taupō A | | | | 0.00010082 | |

Rated at \$1 per \$1 of capital value

| Area of benefit (GST inclusive) | 5 | 6 | 7 |
|---------------------------------|------------|------------|------------|
| Tongariro | 0.00006169 | 0.00003084 | 0.00001542 |
| Tauranga/Taupō | 0.00004033 | - | - |
| Tauranga/Taupō A | | | |

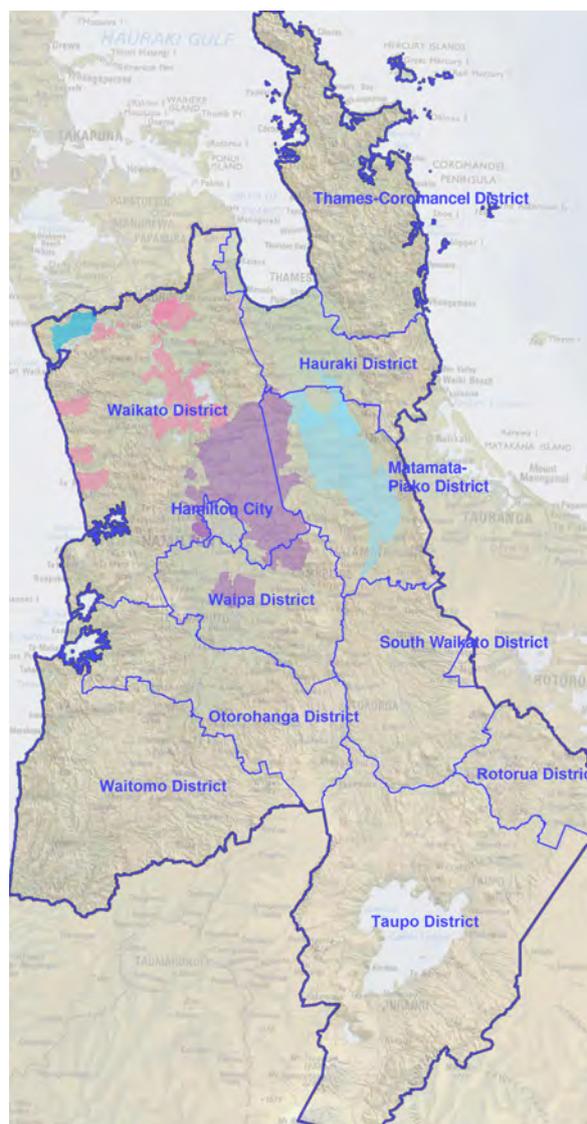
Drainage rates

The drainage rates for Thames Valley, Waikato north, Waikato south, Franklin and Waikato district areas provide land drainage in these areas. Details of the areas covered can be obtained from the funding documents.⁽³⁾ These schemes were implemented under the Land Drainage Act 1908, and more recently the Rating Powers Act 1988.

This rate is assessed on a benefit classification basis, using land area.

What it funds

The revenue requirement for each area is based on expenditure as shown below.



| Expenditure | (\$000) (GST inclusive) |
|--------------------------------------|-------------------------|
| Thames Valley drainage maintenance | 726 |
| Waikato Central drainage maintenance | 1,510 |

³ Thames Valley: Tahuna Subdivision Drainage District, Classification Report. Elstow Subdivision Drainage District, Classification Report. Waihou Subdivision, Classification Report. Whakahoro Drainage District, Classification Report. Tatanui Subdivision, Classification Report. Waiheke Subdivision and Manawaru Extension, Classification Report, 1986 and 1987. Manawaru Subdivision, Classification. Hungahunga Special Order
 Waikato North: Te Rapa Drainage, Classification Report. Fencourt and Eureka, Funding Policy. Komakorau Subdivision, Classification Report.
 Waikato South: Hautapu Drainage District, Special Order. Ōhaupo-Ngaroto, Classification Report.
 Franklin District: Franklin district drainage areas Funding Policy. Doc # 1620129
 Waikato District: Waikato district drainage areas Funding Policy. Doc # 1922441

| Expenditure | (\$000) (GST inclusive) |
|---------------------------------------|----------------------------|
| Franklin Waikato drainage maintenance | 769 |
| Aka Aka / Otaua drainage maintenance | 366 |
| Total expenditure | 3,372 |

How it is applied

These rates are assessed on a benefit classification basis, using land area. The land within the scheme is given a classification, which corresponds to a level of benefit the land receives from the scheme. Details of the classifications can be found in the funding document.

Rate revenue per subdivision

| Thames Valley | (\$000) (GST inclusive) |
|-----------------|----------------------------|
| Hungahunga | 33 |
| Manawaru | 49 |
| Waiheka | 84 |
| Tatuanui | 78 |
| Whakahoro | 102 |
| Waitoa | 99 |
| Waihou | 28 |
| Elstow | 87 |
| Tahuna | 51 |
| Ahikope pumping | 17 |
| Tahuna pumping | 50 |
| Rowes East | 8 |
| Bancroft | 5 |
| Matamata Urban | 34 |
| Total | 726 |

| Waikato Central | (\$000) (GST inclusive) |
|-----------------|----------------------------|
| Rotomanuka | 42 |
| Hautapu | 87 |
| Fencourt | 95 |
| Ōhaupō-Ngāroto | 28 |

| Waikato Central | (\$000) (GST inclusive) |
|------------------------|----------------------------|
| Freshfield maintenance | 84 |
| Freshfield pumping | 68 |
| Komokorau 1 | 188 |
| Komokorau 2 | 2 |
| North Mangawara | 35 |
| South Mangawara | 59 |
| Tauhei | 92 |
| Tenfoot | 71 |
| Uapoto | 33 |
| Ngāruawahiā | 103 |
| Rotokauri | 61 |
| Ohote Basin | 18 |
| Mangaonua | 85 |
| Waitakaruru | 172 |
| Manor Park | 33 |
| Greenhill | 11 |
| Hopuhopu | 17 |
| Kirikiroa | 12 |
| Koromatua | 6 |
| Matangi | 64 |
| Ngāruawahiā North | 8 |
| Pukeroro | 12 |
| Puketaha | 8 |
| Te Kōwhai | 13 |
| Total | 1510 |

| Franklin Waikato | (\$000) (GST inclusive) |
|------------------|----------------------------|
| Waller Commins | 0 |
| Motukaraka | 148 |
| Bell Road | 15 |
| Tuakau Swamp | 17 |

| Franklin Waikato | (\$000) (GST inclusive) |
|----------------------------|----------------------------|
| Mangatawhiri compartment 1 | 7 |
| Mangatawhiri compartment 2 | 24 |
| Mangatawhiri compartment 3 | 15 |
| Mangatawhiri compartment 4 | 53 |
| Mangatawhiri compartment 5 | 2 |
| Orton | 11 |
| Morrison's Swamp | 3 |
| Te Kohanga | 18 |
| Kaawa | 37 |
| Onepoto | 16 |
| Onewhero Downstream | 0 |
| Okowhau | 18 |
| Huntly West | 20 |
| Hills | 6 |
| Horohoro | 56 |
| Austins | 13 |
| Blairs | 7 |
| Guests | 13 |
| Ruawaro Furniss | 5 |
| Ruawaro Central | 1 |
| Ruawaro North | 11 |
| Kimihia pumped | 2 |
| Kimihia | 7 |
| Ohinewai | 0 |
| Rangiriri | 16 |
| Island Block | 12 |
| Orchard Road | 7 |
| Swan Road | 39 |
| Vrsalijkos Road | 4 |
| Churchill East | 43 |
| Meremere East | 26 |
| Mangati | 3 |

| Franklin Waikato | (\$000) (GST inclusive) |
|-------------------|----------------------------|
| Mangawara | 9 |
| Pukekapia 1 | 8 |
| Pukekapia 2 | 9 |
| Ruawaro East | 2 |
| Ruawaro West | 6 |
| Waikare Frost | 13 |
| Waikare Ohinewai | 5 |
| Waikare Nikau | 4 |
| Waikare Rangiriri | 5 |
| Waikare West | 25 |
| Waikorea | 7 |
| Total | 769 |

| Aka Aka | (\$000) (GST inclusive) |
|---------|----------------------------|
| Aka Aka | 366 |

The 2023/24 rate

Thames Valley drainage area

\$ per hectare

| Area of benefit (GST inclusive) | Urban | A | B | C | D | E | F |
|------------------------------------|----------|----------|---------|---------|---------|--------|--------|
| Hungahunga | 82.5975 | 8.2598 | 6.6078 | 4.1299 | 2.0649 | 1.2390 | 0.4130 |
| Manawaru | 118.1192 | 11.8119 | 9.4495 | 5.9060 | 2.9530 | 1.7718 | 0.5906 |
| Waihekeau | 187.0323 | 18.7032 | 14.9626 | 9.3516 | 4.6758 | 2.8055 | 0.9352 |
| Tatuanui | - | 270.7449 | 21.6596 | 13.5372 | 6.7686 | 4.0612 | 1.3537 |
| Whakahoro | - | 28.7371 | 22.9896 | 14.3685 | 7.1843 | 4.3106 | 1.4369 |
| Waitoa | 285.9903 | 28.5990 | 22.8792 | 14.2995 | 7.1498 | 4.2899 | 1.4300 |
| Waihou | - | 16.7104 | 13.3683 | 8.3552 | 4.1776 | 2.5066 | 0.8355 |
| Elstow | 238.3086 | 23.8309 | 19.0647 | 11.9154 | 5.9577 | - | 1.1915 |
| Tahuna | - | 21.3820 | 17.1056 | 10.6910 | 5.3455 | 3.2073 | 1.0691 |
| Ahikope pumping | - | 28.0366 | 22.4293 | 14.0183 | 7.0092 | 4.2055 | 1.4018 |
| Tahuna pumping | - | 40.6168 | 32.4935 | 20.3084 | 10.1542 | 6.0925 | 2.0308 |

| Area of benefit (GST inclusive) | Urban | A | B | C | D | E | F |
|---------------------------------|-------|----------|----------|---------|---------|---------|--------|
| Rowes East | - | 110.2800 | 88.2240 | 55.1400 | 27.5700 | 16.5420 | 5.5140 |
| Bancroft | - | 10.0327 | 8.0262 | 5.0164 | 2.5082 | 1.5049 | 0.5016 |
| Matamata Urban | - | 181.2136 | 144.9709 | 90.6068 | 45.3034 | 27.1820 | 9.0607 |

Waikato Central drainage area

\$ per hectare

| Area of benefit (GST inclusive) | Urban | A | B | C | D | E | F |
|---------------------------------|------------|----------|----------|----------|---------|----------|--------|
| Rotomanuka | - | 21.8222 | 9.2048 | 1.1991 | - | - | - |
| Hautapu | 265.9834 | 26.5983 | 18.6188 | 13.2992 | 6.6496 | 3.9898 | 1.3299 |
| Fencourt | 572.1308 | 57.2131 | 40.0492 | 28.6065 | 11.4426 | 8.5820 | 2.8607 |
| Ōhaupō-Ngāroto | - | 22.2517 | 15.5762 | 11.1259 | 5.5629 | 4.4503 | 1.1126 |
| Freshfield maintenance | 309.5073 | 30.9507 | 23.2130 | 15.4754 | 7.7377 | 4.6426 | 1.5475 |
| Freshfield pumping | - | 379.8234 | 284.8675 | 189.9117 | 94.9558 | 56.9735 | - |
| Komokorau 1 | - | 28.5884 | 20.0119 | 14.2942 | 8.5765 | 4.2883 | 1.4294 |
| Komokorau 2 | - | - | - | 54.1026 | 27.0513 | - | 2.7051 |
| North Mangawara | 344.6687 | 34.4669 | 24.1268 | 17.2334 | 6.8934 | 5.1700 | 2.0680 |
| South Mangawara | 289.5500 | 28.9550 | 20.2685 | 14.4775 | 5.7910 | 4.3433 | 1.7373 |
| Tauhei | 219.1883 | 21.9188 | 15.3432 | 10.9594 | 4.3838 | 3.2878 | 1.3151 |
| Tenfoot | 313.6937 | 31.3694 | 21.9586 | 15.6847 | 6.2739 | 4.7054 | 1.8822 |
| Uapoto | 310.3730 | 31.0373 | 21.7261 | 15.5187 | 6.2075 | 4.6556 | 1.8622 |
| Ngāruawahiā | 995.2538 | 99.5254 | 79.6203 | 49.7627 | 24.8813 | 14.9288 | 4.9763 |
| Rotokauri | 695.4928 | 69.5493 | 55.6394 | 34.7746 | 17.3873 | 10.4324 | - |
| Ohote Basin | 137.2776 | 34.3194 | 22.3076 | 20.5916 | - | 8.5798 | 5.1479 |
| Mangaonua | 466.6979 | 46.6698 | 32.6689 | 23.3349 | 9.3340 | 7.0005 | - |
| Waitakaruru | 482.6263 | 48.2626 | 33.7838 | 24.1313 | 9.6525 | 7.2394 | 2.4131 |
| Manor Park | 4,019.7812 | 803.9562 | - | - | - | 401.9781 | - |
| Greenhill | - | 130.5151 | 117.4636 | 82.2245 | - | - | - |
| Hopuhopu | - | 80.7917 | 53.3225 | 26.9036 | 8.8871 | - | - |
| Kirikiroa | - | - | - | 52.1702 | 26.0851 | - | 5.2170 |
| Koromatua | - | 51.6717 | 34.4392 | 8.5930 | - | - | - |
| Matangi | - | 32.8725 | - | - | - | - | - |

| Area of benefit (GST inclusive) | Urban | A | B | C | D | E | F |
|---------------------------------|----------|----------|----------|---------|---------|---------|--------|
| Ngāruawahia North | - | 260.3929 | - | - | - | - | - |
| Pukeroro | - | 98.9304 | 65.8876 | 49.4652 | - | - | - |
| Puketaha | 485.4635 | 48.5464 | 33.9824 | 24.2732 | 14.5639 | 7.2819 | 2.4273 |
| Te Kōwhai | - | 175.0785 | 131.1338 | 65.6544 | 43.7696 | 21.8848 | - |

Aka Aka drainage area

| Subdivision | | | |
|-------------|----------|--|--|
| Aka Aka | \$ 75.42 | fixed rate per hectare (GST inclusive) | |

Franklin Waikato drainage areas

\$ per hectare

| Area of benefit (GST inclusive) | Urban | A | B | C | D | E | F |
|---------------------------------|-------|----------|----------|----------|---------|---------|---------|
| Waller Commins | - | - | - | - | - | - | - |
| Motukaraka | - | 103.8711 | - | - | - | - | - |
| Bell Road | - | - | - | 118.6650 | - | - | - |
| Tuakau Swamp | - | - | 174.9338 | - | 38.8742 | - | - |
| Mangatawhiri Compartment 1 | - | - | - | 61.9432 | 20.6477 | 12.3886 | - |
| Mangatawhiri Compartment 2 | - | - | 228.7598 | 152.5065 | 50.8355 | 30.5013 | - |
| Mangatawhiri Compartment 3 | - | - | 25.9348 | 17.2898 | 5.7633 | - | - |
| Mangatawhiri Compartment 4 | - | - | 128.8560 | 85.9040 | 28.6347 | - | 11.4539 |
| Mangatawhiri Compartment 5 | - | - | - | - | 70.5580 | - | - |
| Orton | - | 52.7441 | 31.6465 | 21.0976 | 10.5488 | - | - |
| Morrison's Swamp | - | 39.3530 | 29.5148 | 19.6765 | 9.8383 | - | - |
| Te Kohanga | - | 29.9305 | 9.9768 | 4.9884 | - | - | - |
| Kaawa | - | 237.2625 | 118.6313 | - | - | - | - |
| Onepoto | - | 350.6551 | 262.9913 | 175.3275 | - | - | - |
| Onewhero Downstream | - | - | - | - | - | - | - |
| Okowhau | - | 207.0493 | 118.3287 | 59.1747 | 29.5459 | - | - |
| Huntly West | - | 66.1319 | 47.2380 | 18.8939 | 9.4569 | - | - |
| Hills | - | 93.5745 | 66.8496 | 26.7342 | 13.3905 | - | - |

| Area of benefit (GST inclusive) | Urban | A | B | C | D | E | F |
|---------------------------------|----------|----------|----------|---------|---------|---------|---------|
| Horohoro | - | 115.9869 | 82.8379 | 33.1375 | 16.5629 | - | - |
| Austins | - | 71.7832 | 44.8717 | 17.9458 | - | - | - |
| Blairs | - | 140.2819 | 100.2034 | 40.0785 | 20.0603 | - | - |
| Guests | - | 84.6819 | 56.4828 | - | - | - | - |
| Ruawaro Furniss | - | - | 92.7600 | 61.8246 | - | - | - |
| Ruawaro Central | - | 60.5557 | 43.2549 | - | - | - | - |
| Ruawaro North | - | 126.3276 | 94.0762 | 36.1297 | - | - | - |
| Kimihia SRA | - | 94.5083 | 47.2731 | - | - | - | - |
| Kimihia | - | 72.5151 | 36.2720 | - | - | - | - |
| Rangiriri | - | 178.1256 | 148.4321 | 89.0806 | - | - | - |
| Island Block | - | 135.0068 | 67.4764 | 33.7652 | - | - | - |
| Swan Road | - | - | 87.2511 | 58.1616 | 29.0895 | - | - |
| Vrsalijkos | - | 121.9748 | - | 60.9752 | - | - | - |
| Orchard Road | 997.8744 | 99.7874 | 69.8512 | 49.8937 | - | 14.9681 | 4.9894 |
| Churchill East | - | 98.0390 | 78.4214 | 58.8234 | - | - | - |
| Meremere East | - | 71.6645 | 53.7484 | 35.8251 | 17.9161 | - | - |
| Mangati | - | 63.7262 | 50.9810 | - | - | - | - |
| Mangawara | - | 24.0504 | 15.0074 | 12.0252 | 2.9822 | - | - |
| Pukekapia 1 | - | 44.8658 | 22.4329 | 11.2165 | - | - | - |
| Pukekapia 2 | - | 94.2162 | 47.1081 | 23.5541 | - | - | - |
| Ruawaro East | - | - | 9.8649 | 6.5700 | 3.2850 | - | - |
| Ruawaro West | - | 53.3261 | 39.9945 | 26.6630 | 13.3315 | - | - |
| Travers Road | - | - | - | - | - | - | - |
| Waikare Frost | - | 86.2935 | 43.1468 | 21.5734 | 10.8730 | - | - |
| Waikare Ohinewai | - | - | 132.9490 | 66.4745 | 32.9714 | - | - |
| Waikare Nikau | - | 61.4246 | 50.8596 | 40.9088 | - | 20.4544 | 10.1965 |
| Waikare Rangiriri | - | 47.3580 | 28.3674 | 9.4716 | - | - | - |
| Waikare West | - | 61.6794 | 49.2202 | 24.6101 | 12.2742 | - | - |
| Waikorea | - | 66.3485 | - | - | - | - | - |

Peninsula project (Coromandel Zone)

The Peninsula Project (Coromandel Zone) scheme provides for work to address the issues of flood protection, soil conservation and river management on the Coromandel Peninsula. Details of the funding policy and the area covered by this scheme can be obtained from the Peninsula Project (Coromandel Zone) Revenue and Funding Policy.⁽⁴⁾

What it funds

The funding provides for projected costs of \$3,763,000 (GST inclusive).

| Activity | Projected expenditure (\$000) (GST inclusive) | Targeted rate revenue (\$000) (GST Inclusive) |
|--|--|---|
| Flood protection | 498 | 459 |
| River management | 647 | 518 |
| River improvement | 140 | 113 |
| Catchment new works | 726 | 428 |
| Catchment maintenance | 48 | 36 |
| Catchment oversight | 549 | 390 |
| Information and advice | 208 | 154 |
| Works and services - coastal marine area | 946 | 369 |
| Total | 3,763 | 2,466 |

How it is applied

The rate is assessed on a benefit/contributor classification basis, using a combination of capital value, land value and land area.

The scheme consists of the following differentials that are applied to a rating unit.

Catchment differential – capital value basis

This is based on the capital value of all rating units within the catchment boundary.

Catchment differential – per rating unit basis

This is based on a uniform fixed amount per rating unit on all rating units within the catchment boundary.

River and flood control direct benefit differential

This is based on the amount of benefit a rating unit receives from river and flood control works. The land within the scheme is classified on this basis and assigned within rating differentials. Rating is calculated on a capital value or per rating unit basis within each differential. This applies to capital works and maintenance associated with capital works. Base level stream maintenance is funded by one differential across the whole scheme. The details of the classifications can be found in the funding document.

4 Peninsula Project (Coromandel Zone) Revenue and Funding Policy, Doc # 889245

The targeted rate requirement is as follows:

| Differential | Targeted rate revenue (\$000) (GST inclusive) |
|--|---|
| Catchment - Coromandel | 1,377 |
| River and flood control direct benefit | 1,089 |
| Total | 2,466 |

The 2023/24 rate

| Differential | Factor Used | Rate (\$) GST inclusive |
|-------------------------------|---------------------------|----------------------------|
| Catchment | | |
| CV Basis | Capital value \$1 per \$1 | 0.00004235 |
| Per rating unit basis | Per rating unit | 39.73 |
| Coromandel Retirement Village | | |
| Maintenance | Capital value \$1 per \$1 | 0.00007019 |
| Coromandel township | | |
| Maintenance | Capital value \$1 per \$1 | 0.00008534 |
| Coromandel township capital | | |
| Capital channel 1 | Capital value \$1 per \$1 | 0.00034184 |
| Capital channel 2 | Capital value \$1 per \$1 | 0.00017092 |
| Capital channel 3 | Capital value \$1 per \$1 | 0.00008546 |
| Capital indirect | Capital value \$1 per \$1 | 0.00000730 |
| Grahams Creek | | |
| Indirect maintenance | Capital value \$1 per \$1 | 0.00004193 |
| Indirect capital | Capital value \$1 per \$1 | 0.00001304 |
| Capital channel CH1 | Capital value \$1 per \$1 | 0.00017023 |
| Capital stopbank SB2 | Capital value \$1 per \$1 | 0.00009987 |
| Capital channel CH2 | Capital value \$1 per \$1 | 0.00004256 |
| Capital stopbank SB1 | Capital value \$1 per \$1 | 0.00029960 |
| Karaka Stream capital | | |
| Capital KL1 | Capital value \$1 per \$1 | 0.00033073 |
| Capital KL2 | Capital value \$1 per \$1 | 0.00016536 |
| Capital KL3 | Capital value \$1 per \$1 | 0.00005512 |
| Pohue Channel capital | | |

| Differential | Factor Used | Rate (\$) GST inclusive |
|--------------------------|---------------------------|-------------------------|
| Capital channel 1 | Capital value \$1 per \$1 | 0.00054103 |
| Tairua Harbour | | |
| Maintenance | Per rating unit | 23.05 |
| Tapu | | |
| Maintenance | Capital value \$1 per \$1 | 0.00024545 |
| Te Puru | | |
| Maintenance | Capital value \$1 per \$1 | 0.00027634 |
| Te Puru capital Indirect | | |
| Te Puru capital Indirect | Per rating unit | 83.07 |
| Te Puru channel capital | | |
| Capital channel 1 | Capital value \$1 per \$1 | 0.00007471 |
| | Per rating unit | 42.01 |
| Capital channel 1a | Capital value \$1 per \$1 | 0.00007471 |
| | Per rating unit | 1,046.38 |
| Capital channel 2 | Capital value \$1 per \$1 | 0.00003736 |
| | Per rating unit | 21.00 |
| Capital channel 2a | Capital value \$1 per \$1 | 0.00003736 |
| | Per rating unit | 58.81 |
| Capital channel 3 | Capital value \$1 per \$1 | 0.00001868 |
| | Per rating unit | 10.50 |
| Te Puru stopbank capital | | |
| Capital stopbank 1 | Capital value \$1 per \$1 | 0.00047141 |
| | Per rating unit | 263.49 |
| Capital stopbank 1a | Capital value \$1 per \$1 | 0.00047141 |
| | Per rating unit | 6,563.64 |
| Capital stopbank 2 | Capital value \$1 per \$1 | 0.00023571 |
| | Per rating unit | 131.75 |
| Capital stopbank 2a | Capital value \$1 per \$1 | 0.00023571 |
| | Per rating unit | 368.89 |
| Capital stopbank 3 | Capital value \$1 per \$1 | 0.00011785 |
| | Per rating unit | 65.87 |
| Waiomu channel capital | | |

| Differential | Factor Used | Rate (\$) GST inclusive |
|-------------------------|---------------------------|-------------------------|
| Capital channel 1 | Capital value \$1 per \$1 | 0.00064392 |
| Capital channel 2 | Capital value \$1 per \$1 | 0.00032196 |
| Capital channel 3 | Capital value \$1 per \$1 | 0.00016098 |
| Waiomu stopbank capital | | |
| Capital Stopbank 1 | Capital value \$1 per \$1 | 0.00030023 |
| Capital Stopbank 3 | Capital value \$1 per \$1 | 0.00005004 |
| Waiomu-Pohue | | |
| Capital indirect | Capital value \$1 per \$1 | 0.00003515 |
| Maintenance | Capital value \$1 per \$1 | 0.00027740 |
| Whangamata Harbour | | |
| Maintenance | Per rating unit | - |

West Coast

The West Coast scheme provides for work to address the issues of flood protection, soil conservation and river management within the West Coast Zone. Details of the funding policy and the area covered by this scheme can be obtained from the West Coast Zone Funding Policy.⁽⁵⁾

What it funds

The funding provides for projected costs of \$2,993,000 (including GST at the prevailing rate).

| Activity | Projected expenditure (\$000) (GST inclusive) | Targeted rate revenue (\$000) (GST Inclusive) |
|------------------------|---|---|
| River management | 437 | 218 |
| Catchment new works | 1,647 | 614 |
| Catchment maintenance | 57 | 29 |
| Catchment oversight | 429 | 214 |
| Information and advice | 93 | 46 |
| Total activity | 2,663 | 1,121 |

How it is applied

The rate is assessed on a per rating unit and capital value basis.

The scheme consists of the following differentials which are applied to rating unit.

Catchment differential – capital value basis

This is based on the capital value of all rating units within the catchment boundary.

Catchment differential– per rating unit basis

This is based on a uniform rate on all rating units within the catchment boundary.

The targeted rate requirement is as follows:

| Differential | Targeted rate revenue (\$000) (GST Inclusive) |
|------------------------|---|
| Catchment - West Coast | 1121 |

The 2023/24 rate

West Coast

| Differential | Factor Used | Rate (\$) GST inclusive |
|-------------------------------|---------------------------|-------------------------|
| Catchment - West Coast | | |
| Capital value basis | \$1 per \$1 capital value | 0.00007879 |
| Per rating unit basis | \$ per rating unit | 81.29 |

Public transport rate

What it funds

The public transport rate funds part of the cost of the Hamilton city urban public transport service and the Regional Connector service. The revenue required in 2023/24 is \$18,119,000 (GST inclusive).

How it is applied

The scheme consists of nine differentials, a per property unit rate along with direct and indirect to reflect the access that properties have to public transport services:

- Public Transport Hamilton Direct – rate in the dollar per dollar of capital value of all rating units within the Hamilton city boundary that are within 800 metres of a bus route. The total rate requirement for 2023/24 for the direct rate is \$13,677,000 (GST inclusive).
- Public Transport Hamilton Indirect – rate in the dollar per dollar of capital value of all rating units within the Hamilton city boundary. The total rate requirement for 2023/24 for the indirect rate is \$2,508,000 (GST inclusive)

- Public Transport Matamata Piako Direct, Thames Coromandel Direct and Hauraki Direct - rate in the dollar per dollar of capital value of all rating units in the urban areas directly benefiting from the service (urban areas are defined by Statistics NZ urban rural classification 2021 and have a regional connector service). The total rate requirement for 2023/24 for the direct rate is \$241,000 (GST inclusive)
- Public Transport Matamata Piako Indirect, Thames Coromandel Indirect and Hauraki Indirect - rate in the dollar per dollar of capital value of all rating units across the district. The total rate requirement for 2023/24 for the indirect rate is \$60,000 (GST inclusive)
- Rail Unit Rate – based on a uniform fixed amount per rating unit on all rating units within the Hamilton city boundary. The total rate requirement for 2023/24 for the unit rate is \$1,260,000 (GST inclusive).
- Indirect Rail – rate in the dollar per dollar of capital value of all rating units within the Hamilton city boundary. The total rate requirement for 2023/24 for the indirect rate is \$373,000 (GST inclusive).

The 2023/24 rate

| Area of benefit (GST inclusive) | Factor Used | Rate (\$) GST inclusive |
|---|---------------------------|-------------------------|
| Urban public transport Hamilton - serviced by passenger transport network | Capital value \$1 per \$1 | 0.00020655 |
| Urban public transport Hamilton - indirect benefit | Capital value \$1 per \$1 | 0.00003645 |
| Urban public transport Matamata Piako - indirect benefit | Capital value \$1 per \$1 | 0.00000236 |
| Urban public transport Matamata Piako - direct benefit | Capital value \$1 per \$1 | 0.00002431 |
| Urban public transport Hauraki - indirect benefit | Capital value \$1 per \$1 | 0.00000060 |
| Urban public transport Hauraki - direct benefit | Capital value \$1 per \$1 | 0.00000623 |
| Urban public transport Thames Coromandel - indirect benefit | Capital value \$1 per \$1 | 0.00000038 |
| Urban public transport Thames Coromandel - direct benefit | Capital value \$1 per \$1 | 0.00000238 |
| Urban public transport - rail - value based | Capital value \$1 per \$1 | 0.00000543 |
| Urban public transport - rail - per property | Per rating unit | 20.00 |

Biosecurity rate

What it funds

The biosecurity rate funds the cost of plant and animal control works aimed at improving biodiversity across the region.

The total biosecurity rate revenue requirement for 2023/24 is \$13,040,000 (GST inclusive), an increase of \$767,000 from 2022/23.

How it is applied

The biosecurity rate is set on a capital value basis. It is set on a differential basis using equalised capital value and the location of the land within the Waikato region. An equalisation process is undertaken on an annual basis to take account of the different revaluation cycles of the territorial authorities in the region.

The rate in the dollar per dollar of capital value of a rating unit is determined by dividing the biosecurity rate revenue requirement by the capital value of all rateable properties in the Waikato region taking account of the differential. The capital value of the region used for the 2023/24 year is \$241.928 billion.

The 2023/24 rate

| Area of benefit (GST inclusive) | Percentage of region | Rate \$1 per \$1 CV (GST inclusive) | \$(000) GST inclusive |
|---------------------------------|----------------------|-------------------------------------|-----------------------|
| Hamilton City | 24.60% | 0.00004662 | 3,208 |
| Matamata-Piako | 7.90% | 0.00005308 | 1,030 |
| Ōtorohanga | 2.39% | 0.00004777 | 312 |
| Rotorua | 1.07% | 0.00005860 | 140 |
| South Waikato | 3.46% | 0.00005276 | 451 |
| Taupō | 10.60% | 0.00004785 | 1,382 |
| Thames-Coromandel | 13.92% | 0.00007143 | 1,815 |

| Area of benefit (GST inclusive) | Percentage of region | Rate \$1 per \$1 CV (GST inclusive) | \$(000) GST inclusive |
|---------------------------------|----------------------|-------------------------------------|-----------------------|
| Waikato | 17.75% | 0.00006323 | 2,315 |
| Waipā | 12.73% | 0.00004784 | 1,660 |
| Waitomo | 1.67% | 0.00004988 | 218 |
| Hauraki | 3.91% | 0.00005226 | 510 |
| Total | 100% | | 13,040 |

Natural heritage rate

What it funds

This rate funds the cost of work associated with protecting natural heritage areas in the region.

How it is applied

The revenue required is \$1,250,000 (GST inclusive). It is applied on a uniform basis to every rating unit in the Waikato region.

The 2023/24 rate

The 2023/24 rate is \$5.80 per rating unit (GST inclusive).

Permitted activity monitoring rate

What it funds

This rate funds the monitoring of activities permitted under the Waikato Regional Plan in order to assess compliance with the rules, and the effect of allowing the activities to be undertaken.

How it is applied

The revenue required is \$1,810,000 (GST inclusive). It is applied on a uniform basis to every rating unit of two hectares or greater in the Waikato region on a differential basis.

The 2023/24 rate

The 2023/24 rate is \$73.37 (GST inclusive) per rating unit of two hectares or greater in land area.

Regional services rate

What it funds

This rate funds the region's contribution to voluntary emergency services operating within the Waikato region.

How it is applied

The revenue required is \$820,000 (GST inclusive). It is applied on a uniform basis to every rating unit in the Waikato region.

The 2023/24 rate

The 2023/24 rate is \$3.79 per rating unit (GST inclusive).

Stock truck effluent rate

What it funds

This rate funds the construction and maintenance of stock truck effluent stations across the region in accordance with the Stock Truck Effluent Strategy.

How it is applied

The revenue required is \$102,000 (GST inclusive). It is applied on the capital value of every rating unit in the Waikato region of two hectares and above.

The 2023/24 rate

The rate is \$0.00000142 per \$1 capital value (GST inclusive).

Civil Defence and emergency management

What it funds

This rate funds the region's Civil Defence and Emergency Management services, on behalf of the Civil Defence and Emergency Management Group.

How it is applied

The revenue required is \$2,938,000 (GST inclusive). It is applied on a uniform basis to every rating unit in the Waikato region.

The 2023/24 rate

The rate is \$13.57 per rating unit (GST inclusive).

Waikato Regional Theatre rate

What it funds

The Waikato Regional Theatre rate funds the Council's contribution to the capital construction of the theatre

How it is applied

The scheme consist of two differentials:

- A uniform rate applied to every rating unit within the boundaries of Waikato District, Waipa District and Matamata Piako District. The total rates requirement for 23/24 is \$386,000 (GST inclusive)
- A uniform rate applied to every rating unit within the boundaries of Thames-Coromandel District, Hauraki

District, Otorohanga District, Waitomo District, Taupo District and Rotorua District. The total rates requirement for 2023/24 is \$42,000 (GST inclusive)

The 2023/24 rate

| Territorial authority area | \$ Per rating unit | \$(000) GST inclusive |
|----------------------------|--------------------|--------------------------|
| Waikato District | 5.4 | 178 |
| Waipa District | 5.4 | 126 |
| Matamata-Piako District | 5.4 | 82 |
| Thames-Coromandel District | 0.52 | 15 |
| Hauraki District | 0.52 | 5 |
| Otorohanga District | 0.52 | 2 |
| South Waikato District | 0.52 | 5 |
| Waitomo District | 0.52 | 2 |
| Taupo District | 0.52 | 12 |
| Rotorua District | 0.52 | 1 |
| Total | | 428 |

Separately used or inhabited parts of a rating unit

Separately used or inhabited parts of a rating unit can be defined as:

- Any part of a rating unit that is, or is able to be, separately used or inhabited by the ratepayer, or by any other person or body having a right to use or inhabit that part by virtue of a tenancy, lease, licence or other agreement, but excluding uses of a minor or incidental nature.
- Each use that involves different activity conducted by a person, company or organisation different to the ratepayer is considered to be a separate use.

Note that the council does not currently use separately used or inhabited parts of a rating unit as a basis for its rating.

Other financing mechanisms

Borrowing

Borrowing is recognised as an effective method of achieving equity between different generations of ratepayers (inter-generational equity). Where there are targeted rates that do not cover the operating costs of the activity in any one year then the council uses borrowing to fund the deficit.

Reserve funds

Reserves arise where funding has been obtained for a particular activity and, at a point in time, not all the revenue has been spent on the activity. Maintaining reserves ensures that revenue is used for its intended purpose and enables revenue to be maintained at a constant level when the service provided is continuing at the same level. They also allow the ability to fund works of an inter-generational nature, capital expenditure in particular, over the most appropriate time period.

The council only maintains reserves relating to targeted rates which have been provided by regional ratepayers for specific activities. While the cash associated with reserves may be used as funding for other activities within the organisation, it will continue to be identified as an asset and interest will be credited to the area for which the revenue was raised.

Rates collection

Waikato Regional Council will be issuing a single invoice in September with payment due by 31 October 2023 (being the last business day of the month). Payment options available are:

- internet/phone banking

- direct debit/automatic payment
- credit card (via internet)
- eftpos/cash payment at NZ Post shops
- eftpos/cash payment at Waikato Regional Council's Hamilton office
- payment at Hamilton City Council's office.

Pursuant to section 53 of the Local Government (Rating) Act 2002, the council has appointed Hamilton City Council to act as a collection agent on its behalf in relation to outstanding rates on rating units within the Hamilton City Council boundary.

Current year rates not paid by the due date will attract a penalty of 10 per cent to the extent of non-payment on 1 November 2023. Prior year rates not paid by 30 June 2023 will attract a further penalty of 10 per cent to the extent of non-payment on 7 July 2023 (being 5 working days from the date of the council resolution to assess the 2023/24 rates).

Prior year rates remaining unpaid six months after 7 July 2023 will attract a further penalty of 10 per cent to the extent of non-payment on 3 January 2024.

Penalties will not be applied to accounts with an outstanding balance where an agreed arrangement to pay is in place.

Where any payment is made by a ratepayer that is less than the amount now payable, the council will apply the payment firstly to any rates outstanding from previous rating years and then proportionately across all current year rates due.

Postponed rates will attract a yearly interest rate of one per cent above the average 90 day bill rate on the outstanding yearly balance, including interest charges from any previous years.

Rates enquiries – how your regional rates are spent

Any queries about how your regional rates are spent should be directed to the Waikato Regional Council's freephone – 0800 800 401.

Te rārangi o ngā nama me ngā utu

Schedule of fees and charges

The council may fix charges relating to its functions and responsibilities under Section 36 of the Resource Management Act 1991. An outline of current policy and charges is provided below.⁽⁶⁾

Application charges

Changes to policy statements and plans (Section 36(1)(A))

When assessing applications for the preparation of, or changes to policy statements or regional plans, the council will:

- charge applicants actual and reasonable costs
- require applicants to pay a \$1,000 deposit per application or a deposit of up to 50 per cent of the estimated costs of the council carrying out its functions in relation to such applications
- require applicants or their agent to pay for the costs incurred on an ongoing basis.

Resource consent application processing⁽⁷⁾ (section 36(1)(b))

For carrying out its functions in relation to the receiving, processing, and deciding on resource consent applications (including assessment of applications for certificates of compliance), and for considering and deciding on changes to or reviews of consent conditions and transfer of consents, the council will:

- charge applicants and consent holders actual and reasonable costs
- charge a fixed amount for specified consents (see table below) and require applicants and consent holders to pay the full charge prior to work commencing on the application or review
- require applicants or consent holders, where a specific amount has not been fixed, to pay a deposit of up to 50 per cent of the estimated costs with a minimum deposit of \$1,000 prior to consideration of the application or review, with the balance of the costs to be paid on a regular basis as costs are incurred
- require applicants or consent holders, where a specific amount has not been fixed, to pay the actual and reasonable costs for the processing of the application as determined, according to the following formula:

Charge = (staff time x charge rate⁽⁸⁾) + administration fee + direct costs including disbursements + notification and hearing costs

| Fixed application charges | Proposed 2023/24 \$ (GST exclusive) |
|---|-------------------------------------|
| Bore consent (controlled activity) | 440 |
| Mooring consent inside zoned mooring area (ZMA) | 440 |
| Change to mooring consent | 220 |
| Consent application lodgement fee (fee per application) | |
| • One activity | 260 |
| • Two activities | 210 |
| • Three activities | 185 |
| • Four or more activities | 160 |
| Consent transfer fee (for one consent) | 140 |
| Each additional consent | 100 |

Staff charge rates

| | Proposed 2023/24 Rate per hour (\$) (GST exclusive) |
|-------------------------|---|
| Technical expert | 205 |
| Technical officer | 160 |
| Team Leader | 185 |
| Senior resource officer | 160 |

⁶ For the full policy, refer to the council's 'Administrative Charges Policy: 1999'. This document is available on request

⁷ An indication of likely costs, based on average costs for processing a particular category of consent, can be provided at the time of making an application. However, actual charges may vary, depending on the complexity of the environmental issue involved and the process to be followed

⁸ Refer to staff charge rates table above

| | |
|----------------------------------|-----|
| Resource officer | 140 |
| Business support / legal advisor | 100 |
| Legal Advisor | 330 |

Annual consent holder charges

Consent administration charge (Section 36(1)(C))

The resource consent annual administration fee contributes to the cost the council incurs for undertaking its consenting and monitoring functions required under the Resource Management Act 1991. This includes generating resource consents, maintaining consent and compliance information, updating consent status, processing consent surrenders and expiries, annual charge enquiries as well as general oversight of the consenting and monitoring activities of the council. This charge is the same for all categories of resource consent.

Information gathering and research (Section 36(1)(C))

Councils have a duty to gather information and monitor the environment under the Resource Management Act. A key part of this includes field monitoring (e.g. river flow, groundwater availability, water quality, ecology, air quality) and scientific investigations to enable activities to occur in a sustainable way in the Waikato region.

Where council considers the need for this work is caused by or benefits consent holders, it can apportion some of the charge to consent holders.

The scale of charge assessed for each class of consent is based on the forecast expenditure for the relevant council work programmes and an assessment of the share of these costs that should be borne by consent holders or the public. Overall, the total funding contribution from consent holders is equivalent to approximately one-third of the total cost.

The monitoring and investigations undertaken are not usually specific to the location of an individual consent. It provides for managing the cumulative impacts of many activities and consents on a broader catchment, aquifer or airshed scale.

Consent compliance monitoring

All monitoring of compliance with consent conditions, excluding farm dairy water take consents, will be charged on an actual cost basis.

Actual and reasonable costs for monitoring consent compliance will be directly charged according to the following formula:

Charge = (staff time x charge rate⁽⁹⁾) + direct costs including disbursements

Consent holders or their agent are required to pay for costs incurred on an ongoing basis as they occur, unless otherwise agreed by Waikato Regional Council.

Where a consent is held to take water for farm dairy purposes, an annual compliance monitoring charge of \$70 applies, which is included as part of the annual consent holder charge. This charge applies so long as monitoring determines that compliance has been achieved. If the consent holder is found to be non-compliant, any costs in addition to the \$70 charge will be directly charged in accordance with the above charging formula.

Permitted activity compliance monitoring

Monitoring of Permitted Activities under:

- (a) the National Environmental Standard for Plantation Forestry 2017 (NESPF) pursuant to Part 3, Regulation 106, and
- (b) the National Environmental Standard for Freshwater 2020 (NESF) pursuant to Part 4, Regulation 75

will be charged actual and reasonable costs for monitoring compliance according to the following formula:

Charge = (staff/contractor time x charge rate⁽¹⁰⁾) + direct costs including disbursements

Parties operating under the NESPF and/or NESF will be charged for costs incurred on an ongoing basis as they occur, unless otherwise agreed by Waikato Regional Council.

Waikato Regional Council may set fixed charges for monitoring activities carried out under the NESPF and/or NESF. Council may require operators to pay the full charge towards monitoring the activity prior to any monitoring taking place.

9 Refer to staff charge rates table on the previous page

10 Refer to staff charge rates table on previous page

2023/24 Resource consent holder charges

All amounts are GST exclusive.

| Consent class | Description | Consent administration | Information gathering, research and data monitoring | Compliance monitoring | Total |
|---|---|------------------------|--|-----------------------|-------|
| Air | | | | | |
| • Discharge of contaminants | Discharges of NES contaminants to the air | 155 | 588 | - | 743 |
| • Other discharges | Other discharges to air, including odour | 155 | - | - | 155 |
| Agricultural | | | | | |
| Agricultural discharges | Discharges to land and water from agricultural sector activities | 155 | 550 | - | 705 |
| Process discharges | | | | | |
| • Major | Stormwater discharge >4ha land; Sewage >15m ³ per day; mine wastewater >100m ³ per day | 155 | 772 | - | 927 |
| • Minor | Industrial, mining, quarry, urban and commercial discharges to land and water that do not fall into 'Major' class | 155 | 421 | - | 576 |
| Geothermal | | | | | |
| • Discharge | Discharge of geothermal sourced fluids | 155 | 13 cents per tonne or m ³ (daily rate) | | |
| • Take | Takes of geothermal sourced fluids | 155 | 27 cents per tonne or m ³ (daily rates) | | |
| Water takes | | | | | |
| Water takes | Takes of surface or ground water, excluding farm water takes | 155 | Minimum charge of \$65, then 45 cents per m ³ | - | |
| Farm water takes | Takes of surface or ground water for farming support | 155 | Minimum charge of \$65, then 45 cents per m ³ | 70 | |
| Non-consumptive water takes (no impact) | Non-consumptive water takes with no impact on water availability, or for flood management or environmental purposes | 155 | - | - | 155 |

| Consent class | Description | Consent administration | Information gathering, research and data monitoring | Compliance monitoring | Total |
|---|---|------------------------|---|-----------------------|-------|
| Non-consumptive water takes (impact) | Non-consumptive water takes that impact flow regimes or water availability | 155 | 600 | - | 755 |
| Dams | | | | | |
| • Waikato | Large dams within the Waikato hydro network used for electricity generation | 155 | 8,965 per dam | - | 9,120 |
| • Large | Dams deeper than 3 metres and which hold more than 20,000m ³ of water | 155 | 5,738 per dam | - | 5,893 |
| • Small | All dams not covered by the consent classes above | 155 | 269 per dam | - | 424 |
| Coastal | | | | | |
| • Marine farms | | 155 | 50 per hectare | 40 | |
| • Moorings | All mooring structures ⁽¹¹⁾ | 155 | 23 | 15 | 193 |
| • Other | Activities requiring consent which may significantly impact upon the coastal environment and do not sit within the classes listed above | 155 | 600 | - | 755 |
| Land use | | | | | |
| • Major | Large scale land use activities that have potential to generate significant land instability or sediment discharges. Including (but not limited to): Forestry harvesting >20ha Metal extraction >500m ³ Earthworks >10,000m ³ | 155 | 1,589 | - | 1,744 |
| • Minor | Large scale land use activities that have some potential to generate significant land instability or sediment discharges. Including (but not limited to): Forestry harvesting <20ha Metal extraction <500m ³ Earthworks <10,000m ³ | 155 | 298 | - | 453 |

¹¹ Refer to the bylaw requirement table for further charges.

| Consent class | Description | Consent administration | Information gathering, research and data monitoring | Compliance monitoring | Total |
|-----------------------------------|--|------------------------|---|-----------------------|-------|
| Land use - Lake Taupō | | | | | |
| • Large | Land areas greater than 100 hectares | 155 | 795 | - | 950 |
| • Medium | Land areas from 20 to 100 hectares | 155 | 400 | - | 555 |
| • Small | Land areas less than 20 hectares | 155 | 190 | - | 345 |
| Administration | | | | | |
| Administration charge only | Activities requiring consent which do not fit within the consent classes above, and which are not expected to have major environmental effects that will require some supervision and monitoring by Waikato Regional Council | 155 | - | - | 155 |

Note:

1. All charges exclude GST.
2. GST at the prevailing rate will be added to all charges when invoiced.
3. Whitebait stands and bore permits will not be charged an annual charge.

Remission

Under Section 36(5) of the RMA the council has discretion to remit the whole or any part of any charge. Charges will be remitted where:

- charges to individual consent holders are deemed to be unreasonable
- a redress of relative benefits to the consent holder is necessary

- the information produced by an applicant for a resource consent benefits the community as a whole
- for Land use - Lake Taupō a remission of the information gathering, research and data monitoring component of this charge will be considered where the consent holder can demonstrate that the consented land use is primarily a low nutrient discharge.

Navigation safety related charges

Pursuant to section 33M of the Maritime Transport Act 1994, Waikato Regional Council has made a bylaw in respect of navigation safety within the Waikato region. Section 33R of the Maritime Transport Act 1994 allows Waikato Regional Council to set fees in respect of activities that it has to undertake to implement the bylaw.

Any costs incurred for particular services provided for navigation safety which are not outlined below are fully recoverable from the person or organisation causing this cost to be incurred.

| Bylaw requirement | Proposed 23/24 Fee (\$) (GST Exclusive) |
|---|--|
| Application for temporary events (Clause 5.6), or suspension or exemption of any provisions within this bylaw (Bylaw 4.2) | \$112.80 |
| Application for permanent speed upliftings (Clause 5.8) | Actual and reasonable cost |
| Public notice for a temporary event (Clause 5.6.5) | Actual and reasonable costs |

| Bylaw requirement | Proposed 23/24 Fee (\$) (GST Exclusive) |
|--|--|
| Mooring fee – Harbourmaster activities and safety checks (charged annually) ⁽¹²⁾ | \$120.00 |
| Management of navigation safety related activities for Port Taharoa | Actual and reasonable costs |
| Management and inspection of navigation safety-related activities | Actual and reasonable costs |
| Assessment and report on any RMA consent application which has the potential to affect navigational safety | Actual and reasonable costs |

Note:

1. The bylaw does not apply to Lake Taupō.
2. All charges exclude GST. GST at the prevailing rate will be added to all charges when invoiced.

Kawhia mooring license fee

Waikato Regional Council holds a consent for the management of a number of moorings within the Kawhia harbour. A charge of \$100 per annum will be charged where council licenses the use of these moorings to individuals. The charge covers costs incurred to administer these moorings under the terms of the council’s consent. All prices are GST exclusive.

Charges under the building act 2004

Waikato Regional Council will charge for all application, inspection and compliance processes associated with its regulatory role under the Building Act 2004, including but not limited to PIM’s, building consents, compliance schedules, inspections, code of compliance certificates, DSAP. Annual WOF and dam classification certificates.

Requests for information and documents Resource management plans and consents

Except as provided in relation to policy document, actual and reasonable costs will be charged for providing documents, information and advice in respect of resource management plans and resource management consents (sections 36(1)(e) and (f) of the Resource Management Act 1991). The first half hour of staff time will not be charged, after which the total staff time spent on actioning the request will be charged at the relevant staff rate.

Marine oil spill response: charges under the Maritime Transport Act 1994

In accordance with section 444 of the Maritime Transport Act (MTA) regional councils exercising a delegated function or power may charge a fee in relation to that function or power. The total hours charged for cost recovery will be at the discretion of the Regional On Scene Commander. Staff hourly rates will be at the appropriate rate as set out in the schedule of fees and charges.

| MOS role | Proposed 2023/24 Recommended Rate per hour (GST Exclusive) |
|---|---|
| Regional on-scene commander (ROSC) | \$205 |
| Subject matter expert (SME) i.e. wildlife, environmental scientist | \$160 |
| Senior regional responder (SRR) / leading hand / EOC function manager | \$160 |
| Regional responder (RR), operations team member, EOC function team member | \$140 |
| Business support (after termination of response) | \$100 |
| Disbursements (e.g. but not limited to: meals and accommodation, vehicle running costs, specialist equipment, external agency advice, waste management) | Actual costs incurred |
| Legal advisor | \$330 |

Technical reports

Many of our technical reports are available to download free of charge on the council’s website:
www.waikatoregion.govt.nz

¹² Refer to the moorings charge in the resource consent holder charges table for additional charges.

Technical reports will be charged at a base rate of \$20 plus \$0.15 per A4 page and \$0.30 per A3 page. Earlier technical reports priced less than \$10 will be provided free of charge. All prices are GST exclusive.

Policy documents

Many of our policy documents and plans are available to download free of charge on the council's website: www.waikatoregion.govt.nz

Requests for policy documents and plans will be charged at the following rates:

| Document | Proposed 2023/24 Fee (\$) (GST exclusive) |
|---|---|
| Regional Coastal Plan – hard copy | \$120 |
| Regional Coastal Plan – CD ROM | \$20 |
| Waikato Regional Plan – hard copy | \$120 |
| Waikato Regional Plan (including maps) – CD ROM | \$20 |
| Waikato Regional Plan Maps (full set) – hard copy | \$1600 |
| Waikato Regional Plan – individual maps | Cost of production |
| Transitional Regional Plan | \$20 |
| Regional Policy Statement | \$80 |

Spatial information data

Waikato Regional Council, at its discretion, may charge for access to or extraction of spatial information data. The total staff time spent will be charged at the technical officer charge rate as per the schedule of fees and charges. There is no charge for the data itself.

River and catchment service charges

Waikato Regional Council, at its discretion, may charge for the provision of information and advice relating to the following:

- hazard information and advice
- technical information and advice
- property information
- provision of historic information and records
- licences to construction structures on Waikato Regional Council owned or managed land
- provision of other information or services where costs, including staff time, are incurred by Waikato Regional Council.

Actual and reasonable costs will be charged for the provision of information, documents and technical advice. The first half hour of staff time involved in providing the service will not be charged, after which the total staff time spent providing the service may be charged.

Charges for requests for official information

The Local Government Official Information and Meetings Act 1987 (LGOIMA) provides that any charge for the supply of official information must be reasonable. Regard may be had to the cost of the labour and materials involved in making the information available and any costs incurred pursuant to a request of the applicant to make the information available urgently.

Accordingly, where costs are recovered for the provision of official information, the amount charged for staff time will be in accordance with the Ministry of Justice guidelines for charging for services. Time spent by staff searching for relevant material, abstracting and collating, copying, transcribing and supervising access where the total time involved *is in excess of one hour* will be charged out as follows, after that first hour:

- an initial charge of \$38 (including GST at the prevailing rate) for the first chargeable half hour or part thereof; and
- then \$38 (including GST at the prevailing rate) for each additional half hour or part thereof.

Charges for the rates postponement policy

The council currently has a rates postponement policy that allows eligible individuals to postpone their rates.

Application fees in relation to these postponements are as follows.

1. Costs to register a statutory land charge in relation to the postponed rates. The fee will reflect the current charges set by Landonline at the time the statutory land charge is registered.
2. Costs to release statutory land charge in relation to the postponed rates. The fee will reflect the current charges set by Landonline at the time the statutory land charge is released.

Charges for debt collection

In situations where the council is required to engage the service of a debt collection agent to recover amounts owing to the council, the cost charged by the collection agency to the council will be payable by the debtor.

Ngā pānga ā-reiti mō ngā whenua tauira Rating Impacts for sample properties

The following tables provide a range of examples of the impact of the council's planned budgets on the rates requirement. The actual rates charged to a property will depend on where it is located, its size and its value. To understand the impact the proposed budgets will have on the rates charged to your property, please refer to the Waikato Regional Council website: www.waikatoregion.govt.nz/rates.

General rate: charged to all properties in the region

| Territorial authority | \$500,000 property | | | \$1,000,000 property | | | \$2,000,000 property | | |
|-----------------------|--------------------|---------|---------|----------------------|---------|---------|----------------------|---------|---------|
| | 2022/23 | 2023/24 | Change | 2022/23 | 2023/24 | Change | 2022/23 | 2023/24 | Change |
| Hamilton | 105.81 | 92.56 | (13.25) | 211.62 | 185.12 | (26.50) | 423.23 | 370.24 | (52.99) |
| Hauraki | 107.40 | 103.77 | (3.63) | 214.79 | 207.54 | (7.25) | 429.59 | 415.08 | (14.51) |
| Matamata-Piako | 105.88 | 105.39 | (0.49) | 211.75 | 210.77 | (0.98) | 423.50 | 421.54 | (1.96) |
| Otorohanga | 93.45 | 94.85 | 1.40 | 186.90 | 189.70 | 2.79 | 373.81 | 379.40 | 5.59 |
| Rotorua | 111.30 | 116.34 | 5.04 | 222.60 | 232.68 | 10.08 | 445.20 | 465.37 | 20.17 |
| South Waikato | 105.53 | 104.75 | (0.78) | 211.07 | 209.50 | (1.56) | 422.13 | 419.01 | (3.13) |
| Taupo | 90.47 | 94.32 | 3.85 | 180.93 | 188.63 | 7.70 | 361.87 | 377.26 | 15.39 |
| Thames-Coromandel | 131.15 | 142.93 | 11.78 | 262.30 | 285.86 | 23.56 | 524.61 | 571.72 | 47.12 |
| Waikato | 118.97 | 125.54 | 6.57 | 237.93 | 251.07 | 13.14 | 475.86 | 502.15 | 26.28 |
| Waipa | 90.65 | 94.99 | 4.34 | 181.30 | 189.98 | 8.68 | 362.60 | 379.97 | 17.36 |

| | | | | | | | | | |
|---------|--------|-------|--------|--------|--------|---------|--------|--------|---------|
| Waitomo | 105.28 | 99.04 | (6.24) | 210.56 | 198.08 | (12.48) | 421.11 | 396.15 | (24.96) |
|---------|--------|-------|--------|--------|--------|---------|--------|--------|---------|

Uniform annual general charge – charged to all properties in the region

| | | | | | | | | | |
|--------------|--|--|--|--|--|-------|-----------------|--|--|
| 2022/23 rate | | | | | | 88.02 | per rating unit | | |
| 2023/24 rate | | | | | | 93.35 | per rating unit | | |
| Change | | | | | | 5.33 | per rating unit | | |

Civil defence emergency management rate – charged to all properties in the region

| | | | | | | | | | |
|--------------|--|--|--|--|--|--------|-----------------|--|--|
| 2022/23 rate | | | | | | 13.66 | per rating unit | | |
| 2023/24 rate | | | | | | 13.57 | per rating unit | | |
| Change | | | | | | (0.09) | per rating unit | | |

Natural heritage rate – charged to all properties in the region

| | | | | | | | | | |
|--------------|--|--|--|--|--|------|-----------------|--|--|
| 2022/23 rate | | | | | | 5.80 | per rating unit | | |
| 2023/24 rate | | | | | | 5.80 | per rating unit | | |
| Change | | | | | | - | per rating unit | | |

Biosecurity rate – charged to all properties in the region

| Territorial authority | \$500,000 property | | | \$1,000,000 property | | | \$2,000,000 property | | |
|-----------------------|--------------------|---------|--------|----------------------|---------|--------|----------------------|---------|--------|
| | 2022/23 | 2023/24 | Change | 2022/23 | 2023/24 | Change | 2022/23 | 2023/24 | Change |
| Hamilton | 25.40 | 23.31 | (2.09) | 50.81 | 46.62 | (4.19) | 101.61 | 93.24 | (8.37) |
| Hauraki | 25.78 | 26.13 | 0.35 | 51.57 | 52.26 | 0.70 | 103.14 | 104.53 | 1.39 |
| Matamata-Piako | 25.42 | 26.54 | 1.12 | 50.84 | 53.08 | 2.24 | 101.67 | 106.16 | 4.48 |
| Otorohanga | 22.44 | 23.89 | 1.45 | 44.87 | 47.77 | 2.90 | 89.74 | 95.54 | 5.80 |
| Rotorua | 26.72 | 29.30 | 2.58 | 53.44 | 58.60 | 5.15 | 106.88 | 117.19 | 10.31 |
| South Waikato | 25.34 | 26.38 | 1.04 | 50.67 | 52.76 | 2.09 | 101.35 | 105.52 | 4.17 |
| Taupo | 21.72 | 23.92 | 2.20 | 43.44 | 47.85 | 4.41 | 86.88 | 95.69 | 8.81 |
| Thames-Coromandel | 31.49 | 35.71 | 4.23 | 62.97 | 71.43 | 8.45 | 125.95 | 142.85 | 16.91 |
| Waikato | 28.56 | 31.61 | 3.05 | 57.12 | 63.23 | 6.10 | 114.25 | 126.45 | 12.21 |
| Waipa | 21.76 | 23.92 | 2.16 | 43.53 | 47.84 | 4.32 | 87.05 | 95.69 | 8.63 |
| Waitomo | 25.28 | 24.94 | (0.33) | 50.55 | 49.88 | (0.67) | 101.10 | 99.76 | (1.34) |

Regional services rate – charged to all properties in the region

| | | |
|--------------|--------|-----------------|
| 2022/23 rate | 3.87 | per rating unit |
| 2023/24 rate | 3.79 | per rating unit |
| Change | (0.08) | per rating unit |

Public transport rate – charged to properties in Hamilton city, Hauraki, Matamata-Piako and Thames-Coromandel districts

| Property location | \$500,000 property | | | \$1,000,000 property | | | \$2,000,000 property | | |
|---|--------------------|---------|--------|----------------------|---------|--------|----------------------|---------|--------|
| | 2022/23 | 2023/24 | Change | 2022/23 | 2023/24 | Change | 2022/23 | 2023/24 | Change |
| Hamilton Rail - unit rate | 20.00 | 20.00 | - | 20.00 | 20.00 | - | 20.00 | 20.00 | - |
| Hamilton Rail - indirect benefit rate | 4.23 | 2.87 | (1.36) | 8.45 | 5.73 | (2.72) | 16.90 | 11.46 | (5.44) |
| Hamilton City direct benefit rate | 99.96 | 119.64 | 19.68 | 199.91 | 239.28 | 39.37 | 399.82 | 478.56 | 78.73 |
| Hamilton City indirect benefit rate | 14.99 | 17.95 | 2.95 | 29.99 | 35.89 | 5.90 | 59.97 | 71.78 | 11.81 |
| Hauraki direct benefit rate | 3.11 | 3.11 | 0.00 | 6.22 | 6.23 | 0.01 | 12.44 | 12.45 | 0.01 |
| Hauraki indirect benefit rate | 0.30 | 0.30 | 0.00 | 0.60 | 0.60 | 0.00 | 1.20 | 1.21 | 0.00 |
| Matamata Piako direct benefit rate | 12.55 | 12.16 | (0.39) | 25.09 | 24.31 | (0.78) | 50.19 | 48.62 | (1.56) |
| Matamata Piako indirect benefit rate | 1.23 | 1.18 | (0.05) | 2.47 | 2.36 | (0.10) | 4.93 | 4.73 | (0.20) |
| Thames Coromandel direct benefit rate | 1.29 | 0.19 | (1.11) | 2.59 | 0.38 | (2.21) | 5.18 | 0.75 | (4.43) |
| Thames Coromandel indirect benefit rate | 0.20 | 1.19 | 0.99 | 0.41 | 2.38 | 1.97 | 0.82 | 4.76 | 3.94 |

Permitted activity monitoring rate – charged to all properties two hectares and above

| | | |
|--------------|--------|-----------------|
| 2022/23 rate | 74.47 | per rating unit |
| 2023/24 rate | 73.37 | per rating unit |
| Change | (1.10) | per rating unit |

Stock truck effluent rate – charged to all properties two hectares and above

| \$500,000 property | | \$1,000,000 property | | | \$2,000,000 property | | | |
|--------------------|---------|----------------------|---------|---------|----------------------|---------|---------|--------|
| 2022/23 | 2023/24 | Change | 2022/23 | 2023/24 | Change | 2022/23 | 2023/24 | Change |
| 0.74 | 0.71 | (0.03) | 1.48 | 1.42 | (0.06) | 2.96 | 2.85 | (0.11) |

Regional Theatre rate - charged to all properties in the region excluding Hamilton city

Regional Theatre rate - charged to all properties in the primary layer

| | | |
|--------------|------|-----------------|
| 2022/23 rate | 2.61 | per rating unit |
| 2023/24 rate | 5.40 | per rating unit |
| Change | 2.45 | per rating unit |

Regional Theatre rate - charged to all properties in the secondary layer

| | | |
|--------------|------|-----------------|
| 2022/23 rate | 0.24 | per rating unit |
| 2023/24 rate | 0.52 | per rating unit |
| Change | 0.24 | per rating unit |

Coromandel zone rate – charged on a differential basis to all properties in the zone

| \$500,000 property | | Change | | | \$1,000,000 property | | | Change | | | \$2,000,000 property | | | Change | | |
|--------------------|---------|---------|---------|---------|----------------------|---------|---------|---------|---------|---------|----------------------|---------|---------|---------|---------|--|
| 2022/23 | 2023/24 | 2022/23 | 2023/24 | 2022/23 | 2023/24 | 2022/23 | 2023/24 | 2022/23 | 2023/24 | 2022/23 | 2023/24 | 2022/23 | 2023/24 | 2022/23 | 2023/24 | |
| 60.87 | 60.91 | 0.04 | 82.24 | 82.08 | (0.16) | 124.98 | 124.43 | (0.55) | | | | | | | | |

West Coast zone rate – charged on a differential basis to all properties in the zone

| \$500,000 property | | Change | | | \$1,000,000 property | | | Change | | | \$2,000,000 property | | | Change | | |
|--------------------|---------|---------|---------|---------|----------------------|---------|---------|---------|---------|---------|----------------------|---------|---------|---------|---------|--|
| 2022/23 | 2023/24 | 2022/23 | 2023/24 | 2022/23 | 2023/24 | 2022/23 | 2023/24 | 2022/23 | 2023/24 | 2022/23 | 2023/24 | 2022/23 | 2023/24 | 2022/23 | 2023/24 | |
| 109.05 | 120.69 | 11.64 | 145.83 | 160.09 | 14.25 | 219.40 | 238.88 | 19.48 | | | | | | | | |

Drainage rate – charged on a differential basis to all properties in the drainage area

| 0.2 ha property (Residential) | | Change | | | 2.0 ha property (Lifestyle) | | | Change | | | 75 ha property (Dairying) | | | Change | | |
|-------------------------------|---------|---------|---------|---------|-----------------------------|---------|---------|---------|---------|---------|---------------------------|---------|---------|---------|---------|--|
| 2022/23 | 2023/24 | 2022/23 | 2023/24 | 2022/23 | 2023/24 | 2022/23 | 2023/24 | 2022/23 | 2023/24 | 2022/23 | 2023/24 | 2022/23 | 2023/24 | 2022/23 | 2023/24 | |
| 19.11 | 16.52 | (2.59) | 15.29 | 13.22 | (2.08) | 716.76 | 619.48 | (97.28) | | | | | | | | |

| 0.2 ha property (Residential) | | Change | | | 2.0 ha property (Lifestyle) | | | Change | | | 75 ha property (Dairying) | | | Change | | |
|-------------------------------|---------|---------|---------|---------|-----------------------------|----------|----------|---------|---------|---------|---------------------------|---------|---------|---------|---------|--|
| 2022/23 | 2023/24 | 2022/23 | 2023/24 | 2022/23 | 2023/24 | 2022/23 | 2023/24 | 2022/23 | 2023/24 | 2022/23 | 2023/24 | 2022/23 | 2023/24 | 2022/23 | 2023/24 | |
| 51.51 | 62.74 | 11.23 | 36.06 | 43.92 | 7.86 | 1,931.70 | 2,352.70 | 421.00 | | | | | | | | |

| | 0.2 ha property (Residential) | | | 2.0 ha property (Lifestyle) | | | 75 ha property (Dairying) | | |
|---------|-------------------------------|---------|--------|-----------------------------|---------|--------|---------------------------|----------|--------|
| | 2022/23 | 2023/24 | Change | 2022/23 | 2023/24 | Change | 2022/23 | 2023/24 | Change |
| Aka Aka | 14.84 | 15.08 | 0.24 | 148.45 | 150.85 | 2.40 | 5,566.85 | 5,656.75 | 89.91 |



He taiao mauriora ▲ **Healthy environment**

He hapori hihiri ▲ **Vibrant communities**

He ōhanga pakari ▲ **Strong economy**

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