

2022/23 Annual Plan Mahere ā-Tau



About the plan

2022/23 Annual Plan

The annual plan is our statement to the community about our proposed finances and service performance from 1 July 2022 to 30 June 2023. This annual plan is a companion document to the 2021-2031 Long Term Plan (LTP) and should be read in conjunction with it. It gives an overview of the work we plan to undertake in 2022/23 and provides financial statements detailing how we will pay for it. For more information, including details of our groups of activities, levels of service and policies, please refer to the LTP.

The planning and reporting cycle

The annual plan is one of a suite of statutory documents required under the Local Government Act (LGA) 2002. An annual plan is adopted in years two and three of the long term plan and sets out the budget and the sources of funding for the year ahead.

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. 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 Long Term Plan was adopted on 29 June 2021. It may be amended at any time, provided the full consultative process described in the LGA is followed. An annual report is prepared at the end of each year and retrospectively describes the community outcomes that have been achieved.

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SECTION 1 **Setting the scene |** **Whakaritea te wāhi**

Message from the chairperson and chief executive | Kōrero matua

Through the work we do, we want to help make the Waikato the best it can be – environmentally, economically and socially – for now and for generations to come.

We know we can't do it on our own. Working together with iwi, residents and ratepayers, community groups, central and local government, the primary sector and businesses helps ensure we get it right. And, when we do, our region will be stronger, our economy more resilient, and our quality of life will be even better.

The current global financial climate is one of the most challenging we've faced for many years. The economic aftershocks caused by COVID-19 and the stimulus needed to protect livelihoods, as well as the impacts of the ongoing war in Ukraine, mean the national rate of annual inflation is currently sitting at a 30-year high.

These pressures have driven significant increases in the costs of service delivery and are having dramatic impacts on the cost of living for families and businesses across our region. This was front of mind for the council when this report was adopted.

Council was also mindful that failure to invest also carries economic risks and that economic challenges are not the only ones we face. Extreme weather events caused by climate change, like floods and drought, are posing increasingly frequent and significant risks to our communities and particularly to the primary industries on which so many depend.

A major part of our remit and our responsibility as regional council is to keep our communities safe and ensure the wheels of our regional economy keep turning. This means we also can't afford to delay prudent investment in vital infrastructure for our region.

Public transport is a fundamental part of connecting and ensuring resilient communities, while flood protection and river control works enable our communities to be safe and enduring. These are the two areas of the more substantive spend in the council's budget.

Our flood protection schemes protect 3000km² of land, as well as critical services and infrastructure. Being able to productively use this land boosts our regional economy by \$2.2 billion every year. Failure to maintain vital assets like these, for example, or to invest in building our knowledge of the risks posed by climate change so we can continue prepare effectively, is simply not an option.

In this highly challenging climate, we are continuing to take a realistic and responsible approach with a constrained rates increase below that forecast in our long term plan – despite a zero per cent rates rise in 2020/21 – ranking among the lowest of all regional councils nationwide.

Caring for our place, empowering our people

Our work to achieve this is tracking well against the long term plan signed off in 2021, and our vision of a mighty Waikato that cares for our place and empowers our people.

We're continuing to fulfil our regulatory functions and deliver great environmental outcomes, from innovative waste reduction initiatives to working on multiple shovel ready projects that received government funding as part of its economic recovery response to COVID-19. Waikato Regional Council has reduced its gross carbon emissions by 44.4 per cent since we began measuring them in 2016/17, so we're well on track to meet our current target of 68 per cent CO₂e reductions by 2030.

Elsewhere, our major review of the Waikato Regional Coastal Plan is due to be notified in 2022/23. Over the last two years, we've sought feedback from tangata whenua, coastal residents and users, industry and other key stakeholders on the issues and gaps they've identified with our current plan. This feedback, along with statutory requirements, have informed the revisions to the draft coastal plan.

The Te Huia train service, launched in 2021, is an increasingly utilised transport option between two thriving regions, the Waikato and Auckland. We'll be looking to make further improvements to the service this year, but within our existing budget. Council supports a service improvement plan to increase the number of daily train services – subject to the availability Waka Kotahi NZ Transport Agency funding, the plan would see that number increase from four to six on weekdays in 2022/23. Further increases to the number of weekend services have also been mooted, but any new decisions would need to be taken through the 2024-2034 Long Term Plan. Our approach of driving continual service improvements seeks to meet community aspirations for more frequent services while also efficiently balancing supply and demand as the latter continues to grow.

The council has decided to take over rating for public transport services in Thames-Coromandel, Hauraki and Matamata-Piako districts, following public consultation. We've also agreed not to proceed with the new bus services we had proposed for Thames-Coromandel and Hauraki, but to continue with more public engagement and more detailed

planning of routes and timetables for them, with information to come back to council on impacts and the availability of Waka Kotahi funding at a later date.

While it is disappointing this funding has not been immediately forthcoming from Waka Kotahi to deliver these new services, with such clear community support demonstrated through recent consultation – particularly in the Hauraki and Thames-Coromandel districts – we hope to see this position change during the course of their current three-year funding cycle.

On the legislation front, the council will progress actions in the National Adaptation Plan once it is finalised this year. The plan will help all sectors and communities in Aotearoa prepare to live with the effects of climate change and continue to thrive despite its impacts. Our council is also undertaking comprehensive risk assessment surveys to build up a much more detailed picture of the impacts extreme weather events are having on our region.

We also need to give effect to amendments to the national environmental standards on freshwater and air quality, both also due this year, and planned reform to the Resource Management Act will require us to make another significant step-change.

We'll work with our iwi partners and other key stakeholders to ensure our activity in these areas continues to reflect and strengthen existing co-governance arrangements and our ways of working.

The Future for Local Government Review, which we're feeding into with other councils, is also on the horizon. This, too, has the potential to drive ongoing changes for our sector.

Investing in resilience to weather economic and ecological challenges

This annual plan confirms the work we'll be doing over the year ahead to meet the needs of our communities and explains how we'll pay for it. It is the second of the current three-year reporting cycle – but the last for this council due to elections later in 2022 – as we work to deliver on our 2021-2031 Long Term Plan (LTP).

We remain mindful of the financial impacts of unfunded mandates – new legislation and reforms from central government introduced either without funding or with insufficient funding. We will continue to advocate for such

mandates to come with appropriate funding to ensure the burden of these increasing costs doesn't continue to fall disproportionately on local rates.

For 2022/23, we have been particularly conscious of the commitments we'd already made to our communities through the LTP, as well as the significant challenges and uncertainties ahead for our region and the council.

The health-related anxiety associated with earlier phases of the COVID-19 pandemic may be abating for many, but the new economic realities left in its wake continue to be incredibly tough for communities and businesses, with New Zealand experiencing 6.9 per cent annual inflation to the March 2022 quarter.⁽¹⁾

Taking all of this into consideration, and with a new council to be elected in October, we are sticking closely to the programme we signalled in our LTP. We're pleased to be able to do so despite the many impacts current inflationary pressures are having on the cost of service delivery and off the back of our emergency COVID recovery budget in 2020/21, which delivered a zero per cent rates increase to support our communities through a period of great uncertainty.

The \$121.797 million rates revenue budget laid out for 2022/23 means an increase in rates revenue from current ratepayers of 7.7 per cent compared to the 2021/22 financial year. Overall, general and uniform annual general charge rates revenue from current ratepayers will increase by 7.5 per cent. Targeted rates revenue from current ratepayers will increase by 7.8 per cent, though impacts will vary depending on property value, location and the services received.

Planning for the long term

During 2022/23 we'll be looking at the big issues we need to get stuck into over the next 10 years. That will include staff and new councillors preparing our 2024-2034 Long Term Plan. Guiding our work programme will be the six strategic priorities for a Waikato region that has a healthy environment, strong economy and vibrant communities.

The key to getting the job done and forging an exciting future for the Waikato is our partnerships with others. That's why working together is central to our purpose and reflected through our priorities.

We look forward to working with you over the next year.



A handwritten signature in blue ink that reads "Barry Quade".



A handwritten signature in blue ink that reads "Clive Hyslop".

1 Stats NZ 2022, stats.govt.nz/news/annual-inflation-reaches-30-year-high-of-6-9-percent (22 June 2022)

How to read this document | Me pēwhea te pānui i tēnei mahere ā-tau

This 2022/23 Annual Plan updates year two 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 Long Term Plan.

Our work in 2022/23 will continue to focus on achieving what we set out to do in the Long Term Plan around our three community outcomes: **healthy environment, strong economy** and **vibrant communities**.

The following financial summary reflects our budgeted cost of service and capital spending, rates, and borrowing for 2022/23.

We strongly encourage you to read this plan in conjunction with the 2021-2031 Long Term Plan to understand the full scope of work Waikato Regional Council does for our region.



Your region | Tō tātou rohe

The Waikato region occupies the heart of the upper North Island. Our region stretches from the Bombay Hills and Port Waikato in the north, south to Mokau on the west coast, across to the Coromandel Peninsula and the Kaimai Range in the east, and down to the slopes of Mount Ruapehu. It contains New Zealand's longest river, the Waikato River, which winds its way 425 kilometres from Lake Taupō to the Tasman Sea.

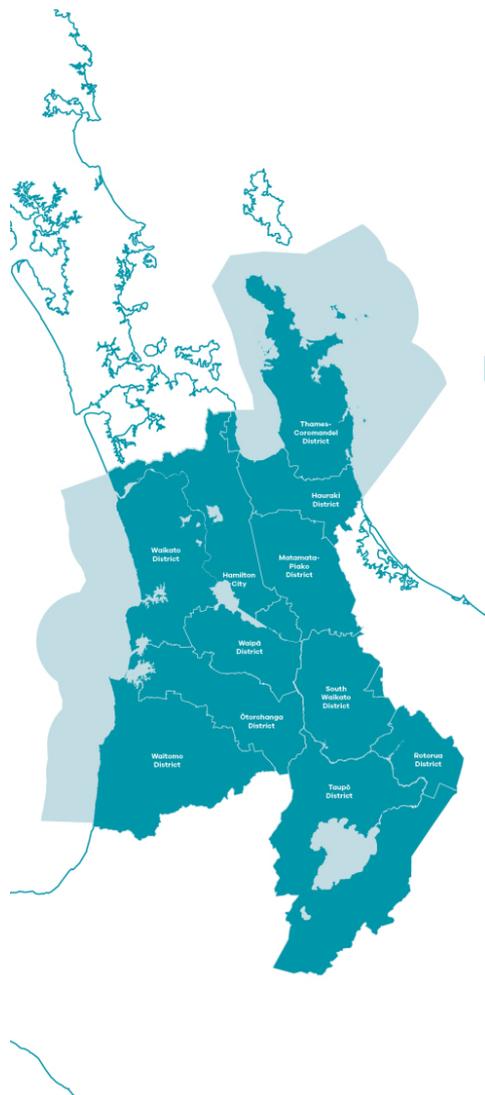
The Waikato is one of the richest agricultural areas in the world. It also has many distinct landforms, including the Taupō volcanic zone, Waikato lowland and Hauraki Plains, western and central hill country, and the Coromandel and Kaimai ranges.

The Waikato is part of the 'golden triangle' connecting Hamilton, Auckland and Tauranga, making it a convenient access point for freight and logistics.

The population of the region is 506,000, making it the fourth most populous region in New Zealand. Almost three quarters of the region's population live in our urban areas, the largest urban area being Hamilton city. The people of the Waikato region are represented by 14 elected council members representing two Māori seats and 12 general seats. The council has a chair and a deputy chair who are appointed by the council.

The councillors work in committees and make decisions and/or recommendations on a variety of matters, which are then reported to or decided on by the full council once a month. Additional extraordinary meetings are held on an ad hoc basis from time to time to address particularly urgent matters.

The triennium for our current council started in October 2019. This means local elections to appoint a new council will be held in October 2022.



 25,000km²
land area

 1200km
of coastline

 506,000
people

 216,087
rateable properties
(as at 19 May 2022)

 623km²
Lake Taupō, the largest lake in
Australasia

 70 per cent
of New Zealand's geothermal
resources are found in the Waikato

 431,278ha
of marine mammal sanctuaries

 425km
Waikato River, the longest in New
Zealand

 Whangamarino Wetland, the second
largest wetland on the North Island

 Tongariro National Park, New
Zealand's oldest national park and a
World Heritage area

 3400ha
Maungatautari, Sanctuary Mountain,
New Zealand's largest mainland
ecological island

Community outcomes | Ngā putanga ā-hapori

Our vision

The mighty Waikato: Caring for our place, empowering our people.

Our purpose

Working together for a Waikato region that has a **healthy environment, strong economy and vibrant communities**.

Our 10-year strategy sets out why we are here, what we stand for, our values, the principles that guide our work, and the commitment we make to every individual and organisation that uses our services. It also identifies six strategic priorities that collectively help us build a resilient Waikato – a region

that is prepared and well positioned to respond to new challenges and tough times. Progress against our community outcomes also reflects progress towards these priorities.

We work alongside residents and ratepayers, community groups, central and local government, iwi, the primary sector and businesses to deliver the outcomes identified under each priority

These outcomes have been aligned to the United Nations' Sustainable Development Goals (SDGs) through our local Waikato wellbeing targets. These outcomes and targets were used to shape our 2021-2031 Long Term Plan and this 2022/23 Annual Plan. This section sets out the work we have planned in 2022/23 to help achieve them.

OUR PURPOSE | Ta mātou aranga

We work together for a Waikato region that has a healthy environment, strong economy and vibrant communities. We bring our purpose to life by aligning our work to wellbeing targets developed by Waikato communities and based on 17 United Nations Sustainable Development Goals (SDGs).

HEALTHY ENVIRONMENT	STRONG ECONOMY	VIBRANT COMMUNITIES
<ul style="list-style-type: none"> 6 CLEAN WATER AND SANITATION 13 CLIMATE ACTION 14 LIFE BELOW WATER 15 LIFE ON LAND 	<ul style="list-style-type: none"> 8 DECENT WORK AND ECONOMIC GROWTH 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 10 REDUCED INEQUALITIES 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	<ul style="list-style-type: none"> 1 NO POVERTY 3 GOOD HEALTH AND WELL-BEING 4 QUALITY EDUCATION 5 GENDER EQUALITY 2 ZERO HUNGER 7 AFFORDABLE AND CLEAN ENERGY 11 SUSTAINABLE CITIES AND COMMUNITIES 16 PEACE, JUSTICE AND STRONG INSTITUTIONS 17 PARTNERSHIPS FOR THE GOALS

OUR STRATEGIC PRIORITIES | A mātou aranga nui

Water Wai	Biodiversity and biosecurity Rerenga rauropi, tiakitanga taiao	Sustainable infrastructure Hanganga tauwhiro	Climate Āhuarangi	Coastal and marine Takutai moana	Transport connections Hononga ā-waka
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THE WAY WE WORK | Te āhua o ā mātou mahi

Community-led action	Constructive leadership	Effective partnerships	Embracing te ao Māori	Financial responsibility	Information led	Managed change	Striking the balance
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OUR VALUES | A mātou uara

- Responsible – doing the right thing
- Effective – making a difference
- Respectful – acting with respect

OUR CUSTOMER COMMITMENT | Ta mātou oati ki te kiritaki

Exceptional customer service built on a foundation of authenticity, empathy and trust.

Healthy environment | He taiao mauriora



OUR STRATEGIC PRIORITIES | A mātou aronga nui



Leading on climate change

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

In 2022/23, we’ll be focussing on staff training and development to build their confidence in assessing the implications of climate change in their work. We will undertake our third regional greenhouse gas (GHG) inventory, as well as complete our regional climate risk assessment.

Work will continue, through the Transport Emissions Reduction Working Group, to reduce carbon emissions from transport across the region. And we’ll continue to support delivery of wider-scale collaboration between councils via the Waikato Plan Climate Change Project and the Upper North Island Strategic Alliance.

We’ll 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’ve reduced them by 44.4 per cent. In fact, we’re now on track to meet our target of a 68 per cent reduction by 2030. ⁽²⁾

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. We have been establishing partnerships to help reduce waste and redirect it away from landfill.

A number of new and ongoing waste reduction projects are planned in 2022/23. We’ll be continuing work with territorial authorities and waste reduction and resource recovery

specialists, through research and education initiatives, to apply the principles of circular economy to areas like construction and to the treatment of agricultural and organic waste.

We’re also supporting the Para Kore ‘zero waste on marae’ programme and are part of the Waste Liaison Group of territorial authorities to provide a unified voice for local government on waste reduction and recovery issues.

Protecting our water, air and land

Amendments to national environmental standards (NES) to improve air quality and fresh water will come into effect during 2022/23. The council will play a key role in implementing these regulations, alongside external agencies. This work includes:

- gathering emission projections for airsheds identified as being unlikely to comply with 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 PM_{2.5} monitoring capability to detect the fine particulate matter in smoke and other pollutants across our airsheds, within existing budgets
- implementing NES for water quality alongside Healthy Rivers/Wai Ora Plan Change 1 when it becomes operative.

As well as implementing the new water quality standards, our freshwater policy review will continue in 2022/23, covering:

- tangata whenua and community engagement
- confirmation and attribution and baselining post engagement
- presenting policy options to test with the council and co-governance.

2 Compared to 2016/17 base year

We'll also be continuing to implement our Science Plan. This includes working with research partners to further develop our understanding of conditions in the Hauraki Gulf, building on previous environmental modelling done for Sea Change – Tai Timu Tai Pari Hauraki Gulf Marine Spatial Plan, and work undertaken in response to Variation 6 to the Waikato Regional Plan (Water Quantity), which increased the amount of water able to be collected from the Waikato River above Lake Karāpiro.

In 2022/23, we will begin regular monitoring of the health of our valuable wetland ecosystems, which are critical habitats for many native plants and animals. We'll also be completing a comprehensive state-of-the-environment report covering all domains (air, land and water), and provide an up-to-date summary of the human pressures on our environment.

We're currently reviewing the Waikato Regional Coastal Plan, the rulebook for activities in the coastal marine area – from the high tide mark out to 12 nautical miles. This review will ensure we're in step with current issues and community aspirations as well as legislative changes and national/regional policy direction. The updated plan will be guided by feedback from a range of stakeholders, including iwi, industry, coastal residents and other users. It is expected to be notified for public submissions in 2022/23.

We're in the process of implementing a regional peat subsidence monitoring programme. It involves the use of airborne laser image detection (LiDAR) to measure changes in surface elevation of about 11,000 of hectares of drained peatlands in the Waikato region. This monitoring, done at sites every five years, is important because ongoing peat subsidence impacts on drainage management and contributes to our regional greenhouse gas footprint.

We undertake planting and maintenance of native plants to improve water quality and increase biodiversity across multiple regional sites. In 2022/23, we will continue to work with our project partners, iwi and communities to deliver significant regional outcomes.

In 2022/23, we're developing a business case to give effect to the National Policy Statement on Biodiversity. Our work in this area includes:

- developing a biodiversity inventory baseline for the Waikato region
- updating our maps of significant natural areas using our biodiversity inventory
- developing a regional biodiversity accord with iwi and other stakeholders
- exploring the use of eDNA and other emerging technologies for ecological monitoring
- increasing financial support to community groups undertaking environmental initiatives

- increasing community and landowner-led land restoration efforts by providing more technical advice, coordination and operational support
- undertaking marine biosecurity research and coordination.

Education

The Enviroschools programme is now reaching 48 per cent of all schools in the Waikato. Eight new schools joined last year and there's a packed programme of work for 2022/23, working in partnership with a wide range of external stakeholders, to support more schools in their sustainability journey.

- Delivering professional development training: Encouraging connections within and across school communities to promote learning for sustainability and students' action competence.
- Strengthening action learning: Continuing to deepen the Enviroschools action learning process with focused deep dives, facilitated 'hero projects', and making grant funding available for eligible youth-led projects.
- Delivering events to inspire: Running fun and engaging events to empower and connect young people, including a Māra Kai competition for primary students and a Climate Action Hui for secondary students in 2022/23.

Our youth and secondary programme gives young people the opportunity to get involved in influencing and being a part of positive change in their communities. We're delivering a number of programmes in 2022/23.

- Connecting with secondary: Expanding our links with secondary schools beyond those involved with Enviroschools through a "taster" programme designed to encourage more to become Enviroschools.
- Internships: Continued internship placements for a number of high school students.
- Rangatahi Voices: Launching and supporting a new youth platform for young people to better connect with the council and for the council to better connect with young people.
- Launch of the NCEA teacher support resource: Developing and launching a resource to support secondary teachers to use the National Certificate of Educational Achievement Standards to teach Education for Sustainability.

Our Advancing Mātauranga Māori work is all about retaining, revitalising and sharing the wisdom and tradition of tangata whenua. It aims to build the confidence, resilience and pride of our rangatahi, delivering a unique programme of environmental learning with a strong Māori cultural lens.

The programme helps build a sense of connection to awa and whenua through guided river learning experiences in traditional waka. Experiences are also delivered via korero, waiata, haka, karakia and exploration of atua whakapapa. The programme, which is provided in te reo māori, seeks to

strengthen connections to culture and place to engage, educate and encourage the kaitiaki, innovators and leaders of the future.

- Kura waiti ki kura waita | River schools to moana schools – a key project in this programme of work, launched in 2022 after a one-year trial in 2021, so work will continue in 2022/23 to build on this progress. The programme follows a social ripple effect framework that has our tupuna awa Waikato me ona waiti me ona waita, the health and wellbeing of our ancestral river and connected

waterways, at its centre. It helps young people understand how they can make a difference in protecting, restoring and revitalising our waterways and addressing the impacts of climate change within authentic cultural settings.

- Internships and raukura (mentors) – Developing ongoing STEM and environmental science career pathways and council support structures, working alongside iwi and marae and partnership with the University of Waikato, for rangatahi involved in the river schools programme.



Strong economy | He ōhanga pakari



OUR STRATEGIC PRIORITIES | A mātou aronga nui

Sustainable infrastructure
Hanganga tauwhiro

Climate
Āhuarangi

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, and of the war in Ukraine, are driving economic forces beyond the control of local government. Annual inflation is sitting at a 30-year high, driving significant cost pressures on our council and communities.

At the same time, the risks to livelihoods posed by weather extremes caused by climate change 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.

Our flood protection schemes alone protect 3000km² of land, as well as critical services and infrastructure. Being able to productively use this land boosts our regional economy by \$2.2 billion every year. These realities mean we can't afford to delay investment in such vital infrastructure.

Moving towards a low carbon economy

The Waikato is one of the most productive agricultural regions in New Zealand. Dairy and meat products make 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. The council will continue to develop information and tools to help the primary sector adapt to a changing climate and to reduce emissions.

In 2022/23 we plan to:

- roll out a water cycle systems analysis tool to help communities deal with drought
- release climate impact data and projections to help decision-makers act
- implement a community resilience work programme.

We will also be carrying out a three-stage review, applying a climate change lens, of our Regional Economic Development Strategy (formerly Waikato Means Business) and developing an implementation plan to put any agreed changes into action.

We'll continue work on our Sustainable Infrastructure Decision Making Framework. This will support the council to make sound, long-term investments in critical flood protection and land drainage assets. We will be focusing on engaging with our partners and key stakeholders in 2022/23 to further refine the framework. We will also evaluate how it will be used in our next long term plan process to identify and prioritise programmes of work and associated investment in land drainage and flood protection infrastructure.

Investing in our region

In response to COVID-19, the Government awarded funding to the council for multiple Shovel Ready infrastructure and environmental restoration projects. The funding was to be used to help stimulate the economy and create jobs, while providing public or regional benefit.

Our projects are focused on protecting and enhancing water quality, biodiversity, soils and coastal areas, and protecting communities from flooding. We're continuing to deliver these Shovel Ready projects, in association with funding partners, iwi and communities, in 2022/23.

- Fish passage pumps: We'll be continuing the upgrade of up to five pump stations to enable safer passage of native fish, particularly tuna (eels). These pumps are critical to the ongoing flood protection of productive farmland and current infrastructure does not enable safe downstream passage of native fish. Detailed design of the Churchill East pump station, our second upgrade, is underway. Investigation and design of the remaining pump stations will commence in 2022/23.
- Roger Harris pump station: This station is getting a structural and electrical upgrade, with the electrical work already underway. This will enhance our regional resilience and environmental monitoring ability. The construction upgrade, which includes the inlet bays, screens, handrails and platform access, will be completed in 2022/23.
- Firth of Thames foreshore east and west stopbanks: The upgrade of these stopbanks, constructed in 1961, is critical for the flood protection of the Hauraki Plains. The

upgrade includes additional foundation width to support any future increases in design height. Excavation of foreshore sediment traps is underway to provide the earth for the stopbank upgrades.

- Piako River mouth right bank asset rationalisation: We'll continue with the reshaping of current tidal stopbanks, construction of a new floodgate and the creation of a wading bird habitat. Final drainage works and the decommissioning of three ageing floodgates will be completed the following year.
- Replacement vessel: This project will see the completion of a design and the build 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. The vessel will be a key asset to undertake maintenance to support the stability and capacity of the river channels and be used to remove obstructions. Vessel construction, the upgrade of an existing mooring at Mercer and the development of a dry dock facility is planned to start in 2022/23.
- Piako River green corridor: We'll continue to plant native plants along the Piako River and foreshore drain, and the construction of sediment traps at key sites along the lower Piako River. We will upgrade 7 kilometres of fencing along the main river channel. We'll also be carrying out animal pest control to support avifauna.
- Upper Waiomou Stream restoration: We'll continue working with landowners on selective poplar and willow tree removal, managing other pest plants and animals, and planting native plants along waterways.
- Lake Kimihia restoration: We will continue working with landowners and partners to fence, retire and plant native plants along stream and wetland areas in the lake catchment. We will also be working with iwi on other cultural and ecological restoration activities, including improving access for waka to the lake.
- Opuatia Wetland restoration: A key focus for restoring this wetland involves controlling weed species, in particular yellow flag iris and areas of willow, royal fern, honeysuckle and pampas. We will start restoration plantings at the site this year.
- Karāpiro and Mangaonua catchments: We will continue working with landowners to identify and mitigate erosion through retirement and plantings in steep hill country, 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.

- Manaia River restoration: We will continue to work with landowners to identify areas for restoration, thereby supporting local employment and training, and with the kura and community on water quality monitoring. Eco-sourced native plants will be planted along riparian margins; river erosion protection and pest plant and animal pest control will be carried out.
- Clean Streams 2020: This project to provide free native plants to landowners who have fenced and maintained riparian areas in priority catchments around the region will end in 2022. We will complete our monitoring of the success of these plantings in early 2023.
- Nga Wai o Waikato: This project supports river and catchment work to reduce erosion and sedimentation in the lower Waikato River catchments. There is a specific focus on the catchments that flow into significant lakes and wetlands such as lakes Waikare and Whangape and the Whangamarino and Opuatia wetlands. We'll continue to work with landowners to plant and stabilise areas of high erosion risk in hill country and to manage and prevent areas of significant riverbank erosion along key waterways.

Keeping our region resilient

We'll be working with other Civil Defence and Emergency Management (CDEM) group member councils to progress significant changes to the Civil Defence regulatory framework, including:

- developing a new Emergency Management Bill
- reviewing the National Emergency Management Plan Order
- developing the National Resilience Strategy Roadmap.

The group will also be reviewing the current CDEM Group Plan and feeding into a number of important reviews of reforms, including:

- Natural and Built Environments Act
- three waters legislation
- health system reforms
- Future of Local Government Review.

Vibrant communities | He hapori hihiri



OUR STRATEGIC PRIORITIES | A mātou aronga nui



Climate
Āhuarangi



Transport connections
Hononga ā-waka

Connecting our communities

Waikato to Auckland connectivity 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. During 2022/23 we'll be continuing to implement the Te Huia Service Improvements Plan:

- installing electric train protection technology to improve service reliability
- enabling two-directional operation of the train at terminus stations
- increasing service frequency from four to six services a day on weekdays
- doubling Saturday service frequency from two to four
- establishing a daily return service from Waikato to Auckland on Sundays.

We are also working in collaboration with Auckland Transport, KiwiRail and Waka Kotahi to investigate inter-regional rail access once Auckland's new City Rail Link underground service has been completed.

We'll be making east-west travel across Hamilton faster and easier with the introduction of the new Meteor bus service, planned to launch in late 2022. Linking Silverdale and Rotokauri Rise via the University of Waikato and the CBD, this service will run every 15 minutes in both directions on weekdays, and every half hour on evenings and weekends. At the same time, we'll be rolling out improvements to the Comet service, including more frequent services on weekdays and weekends.

We'll also be consulting on several proposed changes to Hamilton's bus network. The last two years have seen major changes in the way we all work, learn and travel due to COVID-19. More people have spent time working and studying from home and we've seen these habits continue. These changes have given us cause to think about our current network, whether it's still fit for purpose and how we could improve it.

We'll be seeking public feedback on proposed changes to make sure our public transport network remains relevant, efficient and reliable, and that it continues to work for the community. Proposals include:

- re-routing some services to provide quicker journeys to and from town from the east side of the river
- optimising timetables to improve reliability and removing some trips that have very low passenger numbers
- extending our demand-responsive Flex transport option to service Flagstaff and Rototuna from 7am to 6pm seven days a week.

Flex was launched in 2021/22. It uses smaller buses to provide an on-demand, corner-to-corner rideshare service. After starting out as a night service to and from Hamilton's CBD on Friday and Saturday nights, it now also operates between the Hamilton Transport Centre and Hamilton Airport seven days a week. As Rototuna and Flagstaff are large, growing residential suburbs further away from town, and a bus ride on a fixed route and timetable can often mean long journey times, we feel these areas could be much better serviced by a demand-responsive option.

To help ensure that our communities remain well connected and to support our vision for growth, a new regional public transport plan (RPTP) will be put into operation in 2022/23. The RPTP sets out the priorities and requirements of public transport services and infrastructure to be delivered in the Waikato over the next 10 years.

We'll also commence the development of the regional land transport plan which will set the vision and objectives for transport in our region. This will ensure that we have a safe, connected transport system that focuses investment where it is most needed.

Improving transport links across the region

Waikato Regional Council will proceed with a proposal to rate for public transport services in the Thames-Coromandel, Hauraki and Matamata-Piako districts in place of the district councils. This will make it easier to plan and fund a more integrated regional network, particularly where services

cross district boundaries. This is an interim funding policy which is the first step in a move towards realising our wider vision for public transport across the region.

Existing services in these districts will continue and planning will proceed for proposed new bus services in Hauraki and Thames-Coromandel, with implementation of such services pending the availability of funding from Waka Kotahi New Zealand Transport agency or another appropriate source.

The changes were consulted on in April 2022 and the council confirmed it would not be making any provision for new services in these districts within the LTP amendment or annual plan.

Settlements and co-governance

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

Te Kōpu ā Kānapanapa, a joint committee of Te Kotahitanga o Ngāti Tūwharetoa, Waikato Regional Council and Taupō District Council, is in the process of developing Te Kaupapa Kaitiaki – Taupō Catchment Plan, a legislative requirement under the Ngāti Tūwharetoa Claims Settlement Act 2018. The draft plan will go through a process of public consultation prior to adoption in late 2022.

The council also has a number of co-governance and co-management agreements with iwi regarding their participation in natural resource management decision making. The arrangements include joint management agreements between iwi and the regional council on the way we will work together. All five agreements are due for review.

Ngāti Maniapoto is poised to receive Treaty settlement which includes the development of a new joint management agreement with Waikato Regional Council, Waitomo District Council and Ōtorohanga District Council 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.

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. Embracing kaupapa Māori is outlined within our strategic priorities, with a focus on incorporating a kaupapa Māori perspective in all of the work we do to strengthen our ability to work more meaningfully with Māori.

Tai-ranga-whenua, our kaupapa Māori focused team, contributes in a significant way to achieve this objective. For the council's partnerships to be successful, the entire organisation must take ownership.

Our approach is focused on growing capability and confidence across the organisation to effectively partner with iwi Māori and on strengthening relationships through initiatives designed to respond to the challenge of iwi Māori capacity.

Future-proofing our region

Through the 2021-2031 LTP, the council agreed to borrow up to \$35 million over 10 years for a sustainable homes scheme, EcoRetrofit. This aims to support ratepayers to access funds for sustainable home improvements, with money borrowed 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 for 12 months 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 compliance with the new requirements of the CCCFA, which took effect from 1 December 2021, before proceeding with the scheme.

We're also working with Hauraki District Council and other stakeholders on Wharekawa Coast 2120, a 100-year adaption plan. In 2022/23, we will be finalising the risk assessment for the project and providing technical information to support the development of adaptation options for the project's coastal catchments. We will also continue work to capture mātauranga Māori and integrate gathered knowledge into the project to inform adaptation options, refinement and selection.

During 2022/23, we will continue our work with the Upper North Island Strategic Alliance (UNISA) to discuss mutual areas of interest such as climate change and response to legislative reform. We'll also continue our work on the Waikato Plan following its strategic review in June 2022.

A revised Future Proof Strategy goes live at the start of 2022/23 and, together with other councils, we will continue to implement the 100-point plan for strategic growth in Hamilton, Waipā and Waikato subregion. This will also inform the urban growth management component of the Waikato Regional Policy Statement for the year ahead.

Wellbeing

During 2022/23, we'll continue our work with the Waikato Wellbeing Project, working with its ambitious wellbeing goals that sit alongside both the purpose of the Local Government Act and the priorities of Waikato Regional Council's long term plan to promote environmental, economic, social and cultural wellbeing.

To make progress towards these outcomes, we need to be able to measure and share information on our successes, our challenges and the areas where there is room for improvement. A multi-stakeholder group is exploring the feasibility of a centre of excellence to manage, collate and disseminate wellbeing data, information and knowledge. This will help guide decisions and investments in the Waikato region.

In 2018, following public consultation, we approved a grant of \$5 million to the Waikato Regional Property Trust as a contribution towards the construction of the Waikato Regional Theatre. With the tender now awarded, construction to ground level and completion of the structural envelope is due to take place in 2022/23.

The project is expected to be completed in early 2024 and contribute to enhancing the cultural vibrancy of our region for the benefit and wellbeing of our communities.

Elections

The next local government elections will be held on Saturday, 8 October 2022. The chief executive is responsible for facilitating and fostering representative and substantial participation.

Some of the key work required to achieve this will include running the election process to ensure our legislative obligations are met and encouraging the community to participate so everyone can have their say in how their Waikato is governed and who they think best represents their interests.

A significant component of this work also involves ensuring those elected fully understand the intricacies of our work and are well briefed on the challenges and opportunities that will face the council, not only in the immediate term but also long term.



Vision and Strategy for the Waikato River | Te Ture Whaimana o te Awa o Waikato

Restoring the Waikato River

The work we do helps to deliver on Te Ture Whaimana o te Awa o Waikato – the Vision and Strategy for the Waikato River. The Vision and Strategy 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 Vision and Strategy is the Waikato River Authority, which also invests funds into rehabilitation 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. Treaty settlement legislation requires us to give effect to the Vision and Strategy.

Delivering on the objectives

There are 13 objectives in the Vision and Strategy, and a number of them are related. The work we do often helps to deliver on more than one objective. In 2022/23, the council 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 be continuing work on our Freshwater Policy Review. This aims to stop further degradation of our fresh

water and improve its quality and ecosystem health. Work for 2022/23 will include engagement with tangata whenua, farmers, industry and communities to help us determine the best solution to managing our region's fresh water. We expect high-level policy options to be presented to the council and co-governance in late 2022.

- Our review of the Waikato Regional Coastal Plan will continue as we refine our approach to sustainably manage the coasts of the Waikato. The coastal marine area in the lower Waikato River is subject to the provisions of the Vision and Strategy. Preparation of the S42A report is expected to commence in mid-2023 with hearings to commence in late 2023.
- There is continued work on the Waikato Regional Plan Change 1, with appeals before the environment court and resolution actions throughout 2022/23. The proposed plan seeks to reduce the level of contaminants entering the Waikato and Waipā catchments to achieve the Vision and Strategy.
- The Vision and Strategy 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 or undertaking 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 2022/23 includes:

- continuing our project to upgrade up to five pump stations to enable safer passage of native fish, particularly tuna (eels)
- working with landowners and partners to continue ecological restoration work at Lake Kimihia in Huntly
- working with landowners to undertake riparian fencing and planting, reducing streambank erosion, retiring land for native revegetation and other measures to reduce sediment inputs into lakes and wetlands
- retiring wetland, riparian margins and hill country in the Karāpiro and Mangaonua catchments, planting native

trees, controlling pest plants and enhancing the in-stream environment with fish habitat structures

- continuing support for numerous iwi and community groups in undertaking 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 page 9 and Investing in our region on page 12 for more information on our work in the science space and the Waikato River Authority scorecard, available at waikatoriver.org.nz.



Facilitating Māori participation | Te whakaāheitia o Ngaī Māori

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. Our approach is captured largely by our co-governance and co-management arrangements, as well as the work of our internal Tai-ranga-whenua team.

Waikato Regional Council has a number of co-governance and co-management arrangements with iwi regarding their participation in natural resource management decision-making as a result of Treaty of Waitangi settlements with the Crown. The co-management arrangements include joint management agreements between iwi and the regional council on the way we will work together, and the development of catchment plans in partnership with iwi.

There are also iwi management plans – documents developed by iwi to address resource management activity of significance within their respective rohe (regions). The plans can contain information relating to specific cultural values, historical accounts, descriptions of areas of interest (hapū/iwi boundaries) and consultation and engagement protocols for resource consents and plan changes.

Currently, the council has a total of six co-governance forums and committees that help ensure our obligations to iwi partners are well implemented. As part of these arrangements, the council:

- supports existing Waikato and Waipā rivers and Ngāti Tūwharetoa settlement legislation, and other iwi-specific statutory requirements and commitments
- employs iwi interns to undertake river and catchment restoration related work within their rohe
- develops joint strategic work programmes
- meets regularly with iwi partners to monitor the implementation of these arrangements.

The council will continue to work with our iwi partners to implement existing, new and pending Treaty settlements, including joint management agreements, advancing the Vision and Strategy for the Waikato River and supporting our Māori councillors.

Positive progress is being made to get the Crown to recognise the role councils play in implementing effective Treaty settlement outcomes on their behalf. Our advocacy may even have influenced pending resource management and local government reform.

In 2017, we contributed to a framework, developed by Local Government New Zealand, that sets out the specific commitments or obligations arising from each of the Treaty settlement arrangements. The resulting report makes the case for a greater financial contribution to local government for the implementation of Treaty of Waitangi settlement arrangements. One of the six recommendations in the report is for the Crown to provide financial assistance to iwi for capacity and capability building. This assistance would ensure iwi could participate and contribute equally in co-governance and co-management arrangements, and to help reduce local government costs.

Similarly, the Productivity Commission has recommended a comprehensive and independent in-depth analysis of the costs associated with implementing Treaty settlement arrangements – both to councils and to iwi. Such analysis could inform an update of government policy on Crown contributions to support the implementation of Treaty settlements.

Tuitui Iwi ā-Rohe – Regional Iwi Partnerships was established in 2019 and includes representatives from seven iwi authorities. The purpose of the new committee is for iwi to provide strategic guidance on significant regional issues such as the implementation of the council's 10-year strategy and Climate Action Roadmap.

Our Tai-ranga-whenua team aims to build capability and confidence within the council to effectively partner with iwi Māori. By strengthening our relationships, we increase the ability of iwi Māori to meaningfully participate in mutually beneficial collaborative initiatives. This activity enables more effective and efficient decision making and creates more robust and lasting solutions to enhance the wellbeing of Māori and the wider community.

We will also continue to help foster Māori capacity by:

- maintaining two 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.

Unfunded mandates | Kaupapa kore pūtea

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. In the last year, unfunded mandates have had the greatest impact on our policy programme and our associated response to new policy, as well as our ability to implement Treaty settlements.

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.

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 on Freshwater Management, which will cost approximately \$2.455 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 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 uphold the NPS in district plan review processes. This has led to our participation in an appeal to a local district plan rezoning.

- The changes to the policy framework, based on national direction, also has an impact on our integrated catchment management activities, where we are the resource consent holder. The consent requirements and policy considerations have become more onerous and therefore involve higher costs or additional staff resource to ensure compliance.
- Waka Kotahi New Zealand Transport Agency’s funding policy and guidance for public transport authorities (PTAs) is they should maintain services at levels appropriate to the COVID-19 alert level and maintain net contract payments to service providers. However, Waka Kotahi funds just 51 per cent of the fare revenue shortfalls and increased costs associated with implementation of COVID-19 health and safety measures. The net shortfall falls on the PTA. We expected this would cost the council about \$600,000 in the 2021/22 financial year, with no greater certainty on the funding impacts in the short-medium term. The council is currently using its targeted rate reserves to buffer ratepayers from these funding impacts.
- 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.

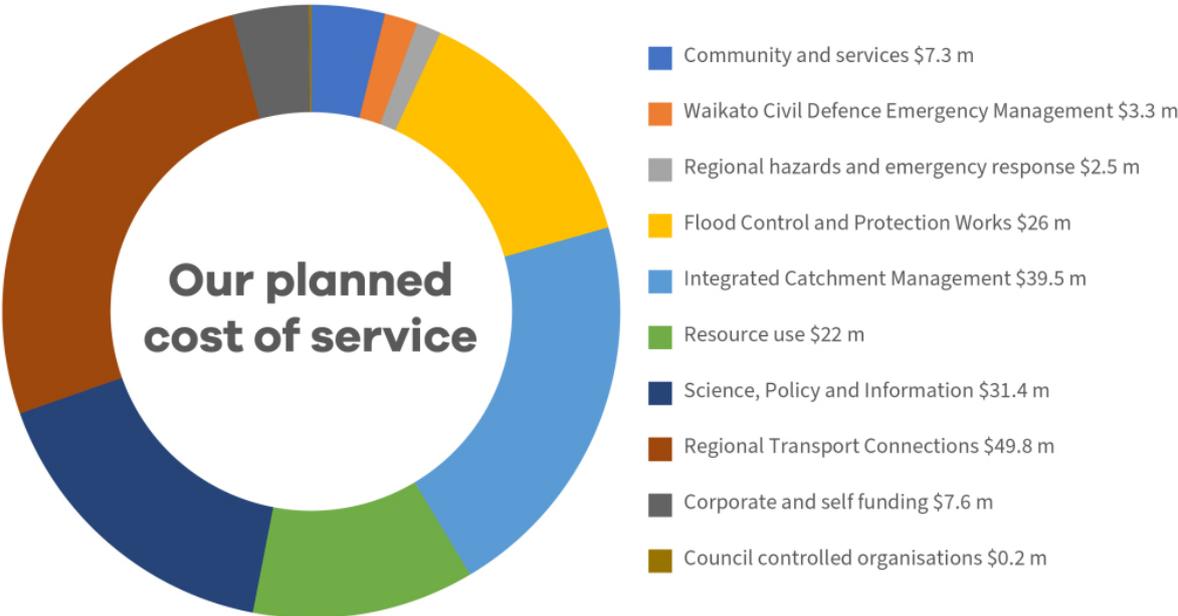
Looking to the future, the council has agreed on a number of principles to guide our engagement and response to the Future of Local Government Review now underway. These include the opportunity to investigate new and enduring funding tools and systems to support the local government sector.

Financial highlights 2022/23 | Ngā tīpako pūtea

Changes through our 2022/23 Annual Plan have resulted in a number of adjustments to our cost of service and capital expenditure in 2022/23 compared to what was originally set out in the year two budget in the 2021-2031 Long Term Plan.

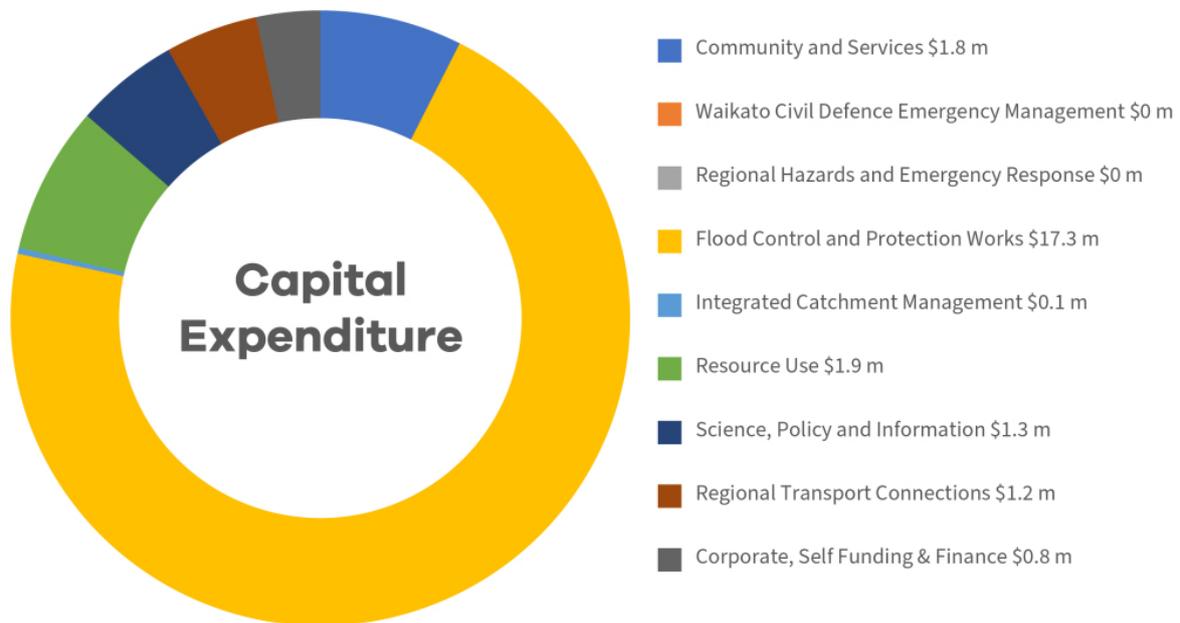
Cost of service

Our total cost of service budget for 2022/23 is now \$189.6 million, compared to \$184.2 million as proposed in year two of our amended LTP.



Capital expenditure

Our total capital expenditure budget for 2022/23 is \$24.4 million, compared to \$36.6 million as originally budgeted in year two of our 2021-2031 Long Term Plan.

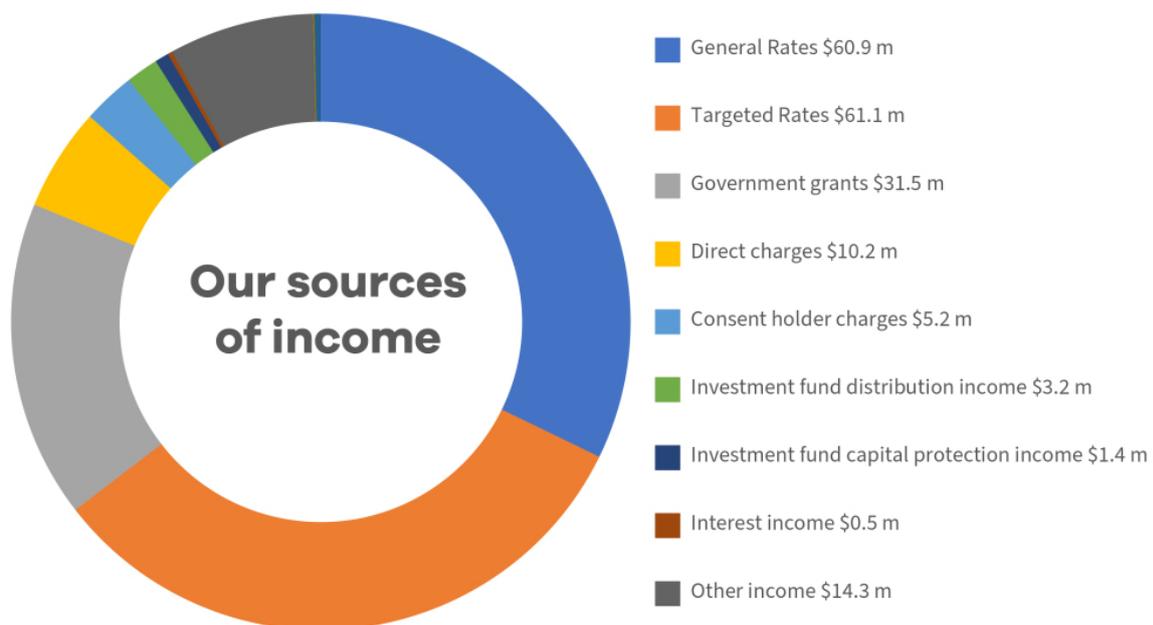


Funding our work

The money collected through your rates is expected to make up 64 per cent of the money that funds our cost of service in 2022/23.

This Annual Plan will see an average rate increase for the 2022/23 financial year of 7.7 per cent. This is slightly less than the amended 2021-2031 Long Term Plan, which signalled an increase of 8.1 per cent. There is an increase to uniform annual general rates of 7.5 per cent and an average increase in targeted rates of 7.8 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 2022/23.

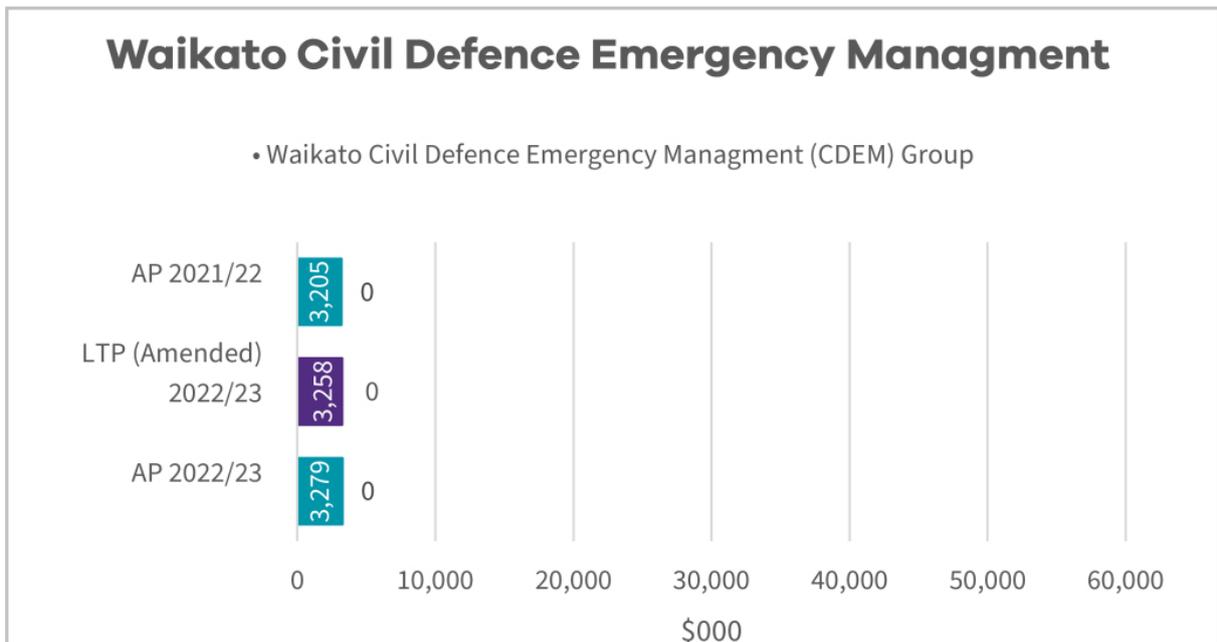


SECTION 2 Groups of activities | Ko ngā mahi-ā-rōpū

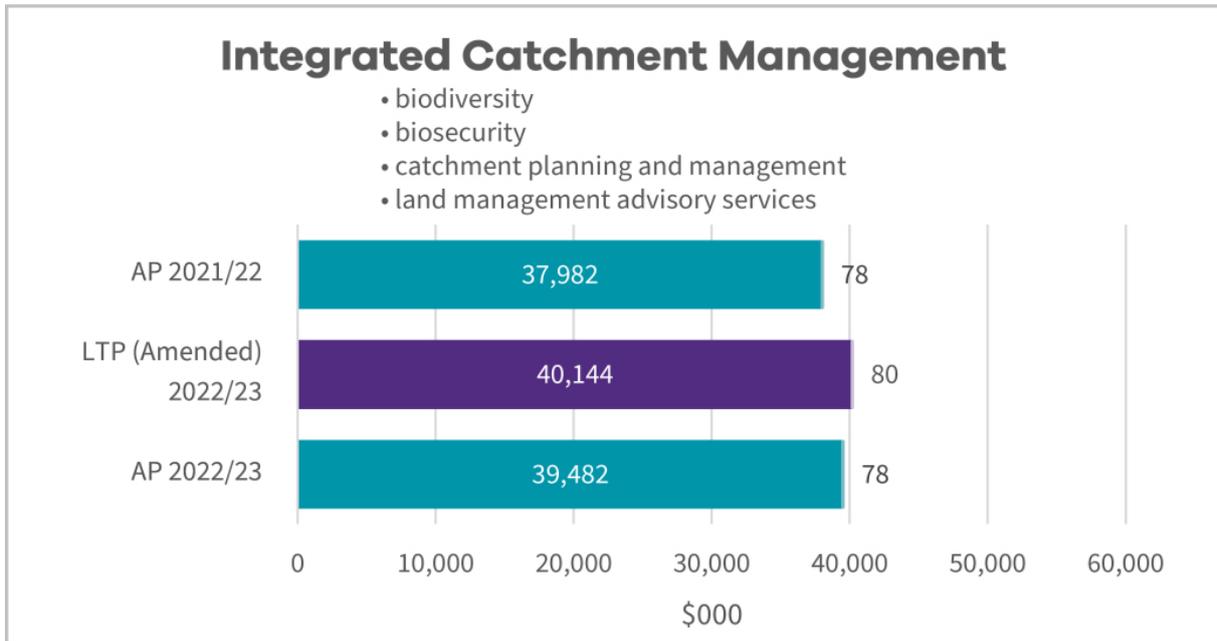
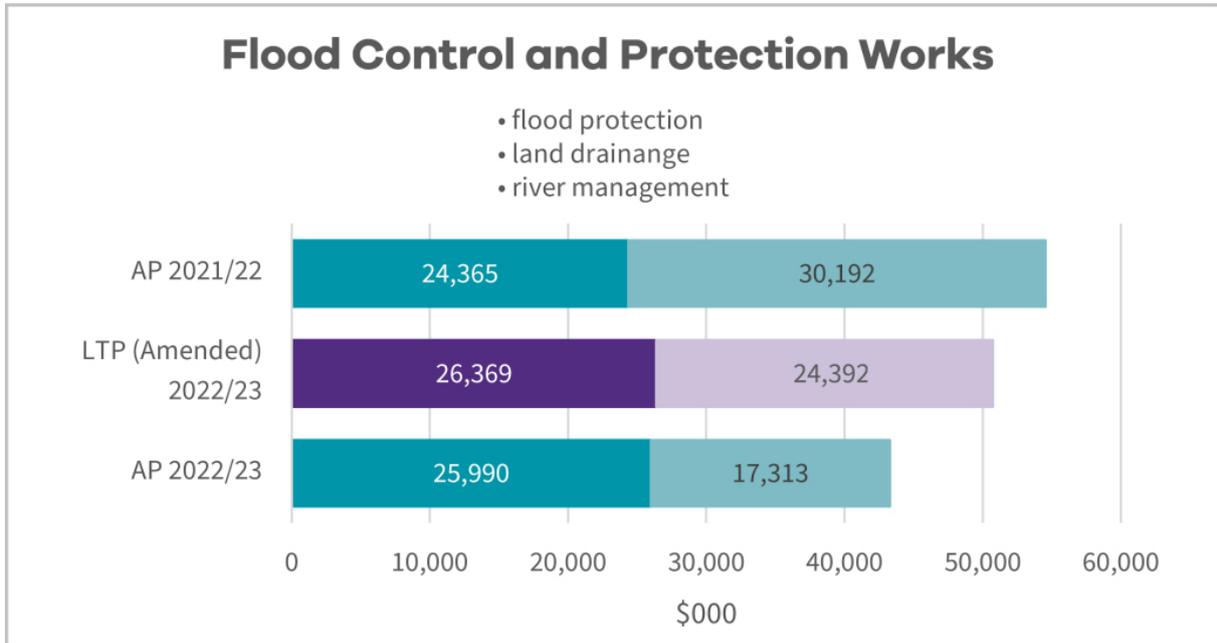
Groups of activities | Ko ngā mahi-ā-rōpū

The following show our cost of services and capital expenditure for 2022/23 compared to our budget for 2021/22 and what was budgeted through year two of the 2021-2031 Long Term Plan.

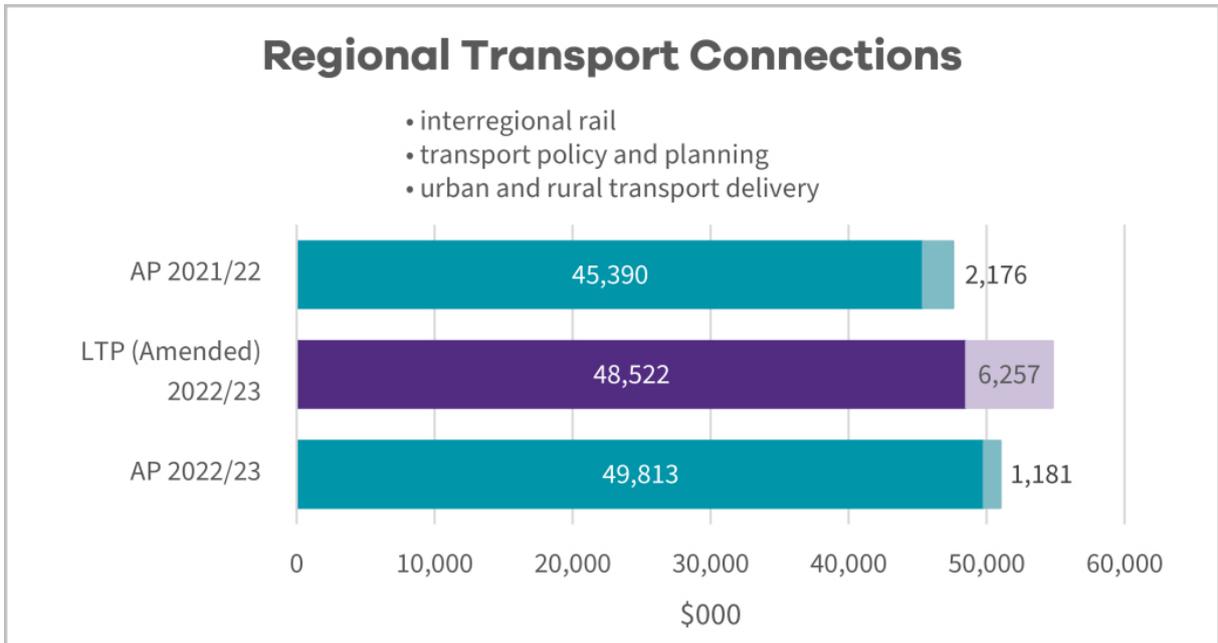
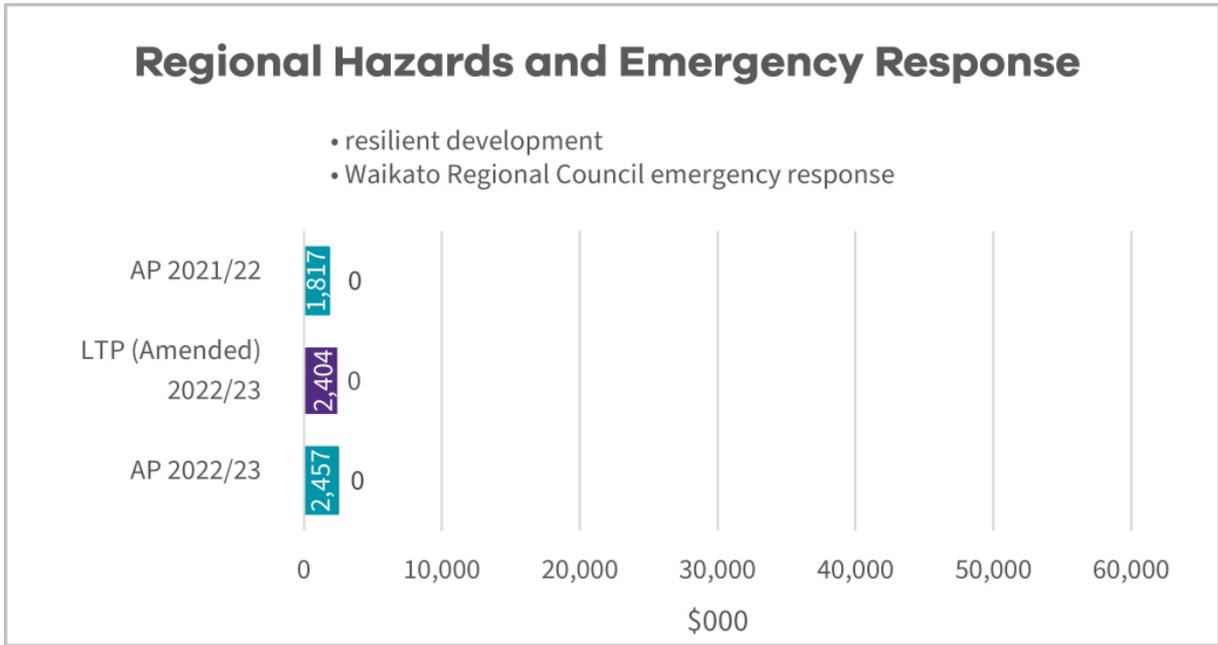
- AP Total Cost of Service ■ AP Capital expenditure
- LTP Total Cost of Service ■ LTP Capital expenditure



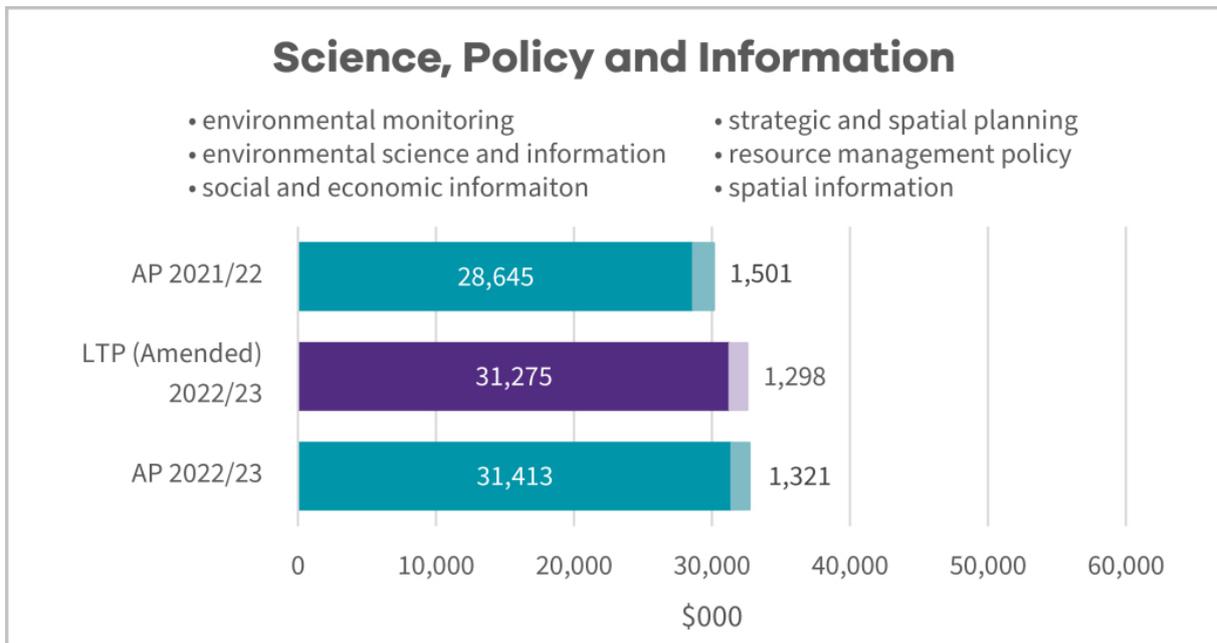
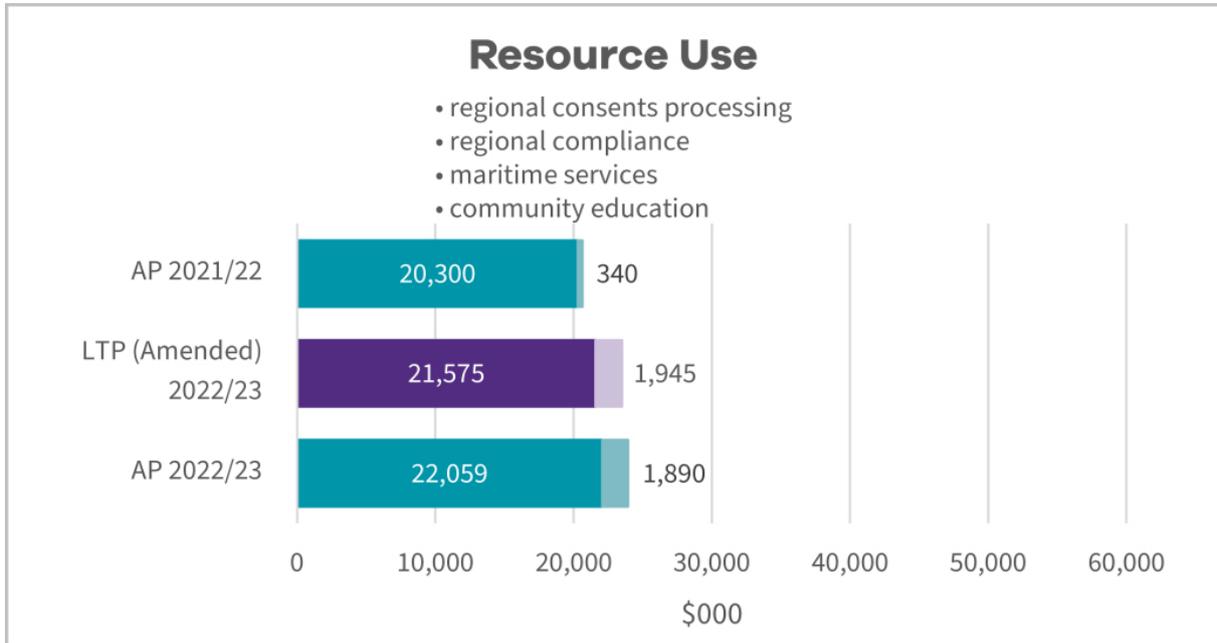
■ AP Total Cost of Service ■ AP Capital expenditure
■ LTP Total Cost of Service ■ LTP Capital expenditure



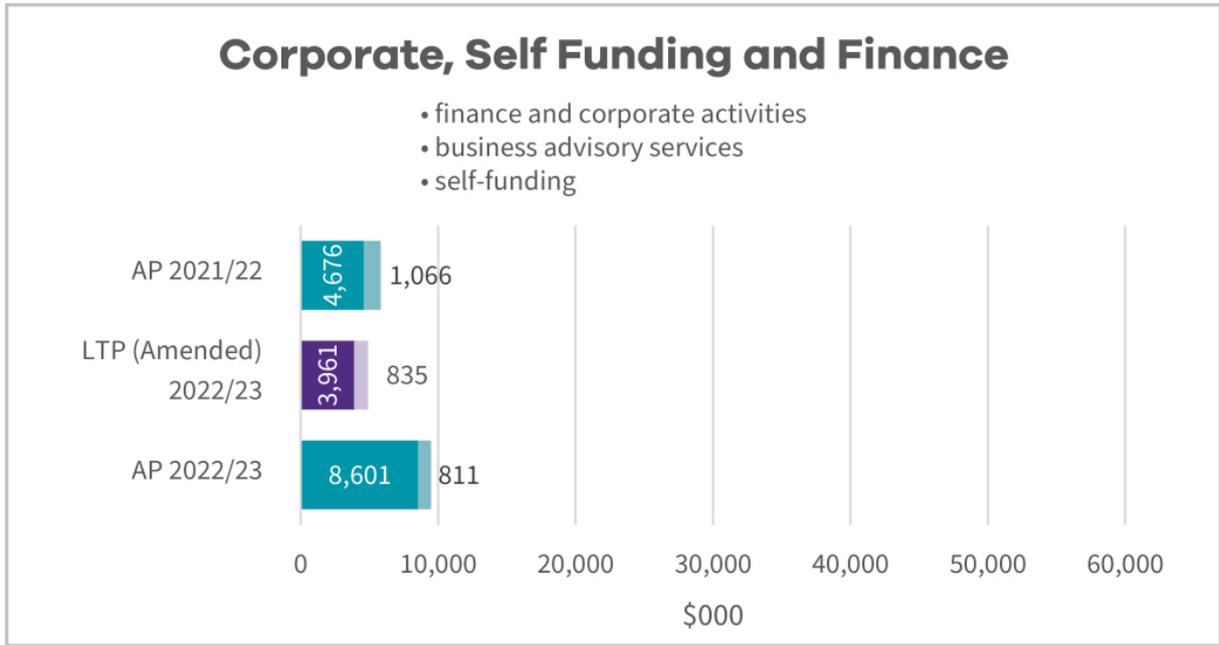
- AP Total Cost of Service
- AP Capital expenditure
- LTP Total Cost of Service
- LTP Capital expenditure



- AP Total Cost of Service ■ AP Capital expenditure
- LTP Total Cost of Service ■ LTP Capital expenditure



■ AP Total Cost of Service ■ AP Capital expenditure
■ LTP Total Cost of Service ■ LTP Capital expenditure



SECTION 3 **Finances | Pūtea**

Prospective financial statements | Ngā tauākī pūtea ki te pae

The following pages present the financial projections of the council for 2022/23. 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 2022. This position differs from the estimated financial position as at 30 June 2022 included in the 2021-2031 Long Term Plan (LTP) and results in the projected opening balances applied to the 2022/23 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 2022. Actual financial results have been incorporated to the extent that they affect the opening forecast prospective position at 1 July 2022. Comparative information provided for 2021/22 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 120 has been prepared in accordance with the council's current accounting policies as specified on page 43. 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

	2021/22 Annual Plan	2022/23 Annual Plan	2022/23 LTP (Amended)
	\$000	\$000	\$000
General rates	40,532	44,479	45,106
Total UAGC rate revenue	15,068	16,223	15,922
Natural heritage	1,062	1,065	1,080
Regional services fund	717	714	716
Civil defence	2,449	2,517	2,492
Total all property rates	59,828	64,998	65,316
Targeted rates			
- Stock truck effluent	48	82	89
- Regional facilities	172	340	341
- Biosecurity	9,175	10,672	10,330
- Transport	12,432	13,224	13,210
- Asset management schemes	28,346	30,896	31,189
- Permitted activity monitoring	1,443	1,585	1,560
- Voluntary targeted rate - Sustainable Homes	-	-	255
Total targeted rate revenue	51,616	56,799	56,974
Total rate revenue	111,444	121,797	122,290
Rates penalty income	950	950	978
Rates remissions granted	(990)	(789)	(1,019)
Sustainable Homes Scheme loan repayments	-	-	(255)
Net rates revenue	111,404	121,958	121,994
Government grants	30,561	31,469	36,137
Direct charges	9,290	10,193	9,893
Consent holder charges	4,910	5,187	5,207
Investment fund distribution income	3,077	3,200	3,200

Investment fund capital protection income	1,362	1,384	1,384
Interest income	300	450	387
Other income	15,607	14,311	16,765
Royalties	125	125	125
Rental income	637	637	637
Total revenue	177,273	188,914	195,729
Operating expenditure	105,875	117,193	112,848
Employee benefit expenses	54,143	58,623	56,899
Interest expense	921	1,347	1,345
Depreciation and amortisation	11,312	12,434	13,072
Total cost of service	172,251	189,597	184,164
Operating surplus/(deficit) before taxation	5,022	(683)	11,565
Surplus/(deficit) before income tax	5,022	(683)	11,565
Income tax expense	-	-	-
Net surplus/(deficit) after taxation	5,022	(683)	11,565
Other comprehensive revenue and expenses			
Gain/(loss) on property, plant and equipment revaluations	-	26,896	26,896
Total other comprehensive revenue and expenses	5,022	26,213	38,461
Total comprehensive revenue and expenses	5,022	26,213	38,461
Transfer to / (from) reserves	6,168	30,790	38,717
Total comprehensive revenue and expenses after reserve transfers	(1,146)	(4,577)	(256)

Summary cost of service statement

Consolidated	2021/22 AP	2022/23 AP	2022/23 LTP (Amended)
	\$000	\$000	\$000
Revenue			
Community and services	7,009	7,208	7,371
Waikato Civil Defence Emergency Management	3,208	3,279	3,258
Regional hazards and emergency response	1,817	2,457	2,404
Flood Control and Protection Works	30,708	31,322	31,404
Integrated Catchment Management	36,575	38,331	39,717
Resource use	19,912	21,589	20,978
Science, Policy and Information	28,757	31,391	31,208
Regional Transport Connections	44,912	48,024	54,469
Corporate and self funding	4,135	5,086	4,692
Council controlled organisations	237	231	226
Total revenue	177,273	188,914	195,729
Expenditure			
Community and services	6,860	7,292	7,673
Waikato Civil Defence Emergency Management	3,205	3,279	3,258
Regional hazards and emergency response	1,817	2,457	2,404
Flood Control and Protection Works	24,365	25,990	26,369
Integrated Catchment Management	37,982	39,482	40,144
Resource use	20,300	22,059	21,575
Science, Policy and Information	28,645	31,413	31,275
Regional Transport Connections	45,390	49,813	48,522
Corporate and self funding	3,449	7,582	2,717
Council controlled organisations	237	231	226
Total expenditure	172,251	189,597	184,164
Net surplus/(deficit) before reserve transfers	5,022	(683)	11,566

Prospective statement of changes in net assets/equity

	2021/22 Annual Plan	2022/23 Annual Plan	2022/23 LTP (Amended)
	\$000	\$000	\$000
Equity at 1 July	646,117	659,477	651,139
Total comprehensive income	5,022	26,213	38,461
Equity at 30 June	651,139	685,690	689,600
Components of equity			
Retained earnings at beginning of year	213,506	219,436	219,436
Net surplus / (deficit) for the year	5,022	(683)	11,565
Net transfer (to) / from reserves	908	1,364	(6,742)
Retained earnings at end of year	219,436	220,117	224,260
Council created reserves at beginning of year	55,849	63,695	54,941
Transfer to / (from) retained earnings	(908)	(1,364)	6,742
Council created reserves at end of year	54,941	62,331	61,683
Revaluation reserves at beginning of year	376,762	376,346	376,762
Net transfer to / (from) retained earnings	-	26,896	26,896
Revaluation reserves at end of year	376,762	403,242	403,658
Total equity at end of year	651,139	685,690	689,600

Prospective statement of financial position

	2021/22 Annual Plan	2022/23 Annual Plan	2022/23 LTP (Amended)
	\$000	\$000	\$000
Current assets			
Cash and cash equivalents	4,851	5,188	4,315
Trade and other receivables	22,207	23,665	24,519
Prepayments	1,144	1,266	1,219
Inventories	507	619	507
Work in progress	1,208	1,267	1,272
Other financial assets	11,126	21,083	11,252
Total current assets	41,043	53,088	43,084
Non-current assets			
Financial assets	104,196	105,098	105,098
Other financial assets	763	763	2,123
Investments in CCOs	2,198	2,198	2,198
Biological assets	755	755	755
Intangible assets	7,552	10,026	10,056
Property, plant and equipment	584,723	621,120	632,689
Total non-current assets	700,187	739,960	752,919
Current liabilities			
Trade and other payables	26,940	29,820	28,714
Employee benefit liabilities	6,714	7,270	7,056
Borrowing	3,706	4,843	4,610
Total current liabilities	37,360	41,933	40,380
Non-current liabilities			
Employee benefit liabilities	2,747	2,974	2,887
Derivative Financial Instruments	2,397	2,397	2,397
Borrowing	47,587	60,055	60,738
Total non-current liabilities	52,731	65,426	66,022

Net assets	651,139	685,689	689,601
Equity			
Accumulated funds	219,436	220,116	224,260
Other reserves	431,703	465,573	465,341
Total equity	651,139	685,689	689,601

Prospective statement of cash flows

	2021/22 Annual Plan	2022/23 Annual Plan	2022/23 LTP (Amended)
	\$000	\$000	\$000
Receipts from customers	138,498	150,953	152,309
Grants	30,561	31,469	36,137
Investment income received	300	450	387
Total cash provided	169,359	182,872	188,833
Payments to suppliers	(104,955)	(115,953)	(112,558)
Payments to employees	(53,678)	(57,840)	(56,417)
Total cash applied	(158,633)	(173,793)	(168,975)
Net cash flow from operating	10,726	9,079	19,858
Loan repayments	42	869	212
Loan advances	(825)	(825)	(1,698)
Sale of investments	3,624	3,682	3,682
Total cash provided	2,841	3,726	2,196
Increase in investments	(8,849)	(10,000)	-
Purchase of intangible assets	(1,156)	(3,161)	(3,191)
Purchase of property, plant and equipment	(35,056)	(21,248)	(33,454)
Total cash applied	(45,062)	(34,409)	(36,645)
Net cash flow from investing	(42,221)	(30,683)	(34,449)
Proceeds from borrowings	24,277	24,787	24,481
Repayment of borrowings	(5,235)	(10,203)	(10,425)
Net cash flow from financing	19,042	14,584	14,055
Net cash flow	(12,452)	(7,020)	(536)
Cash and cash equivalents at 1 July	17,304	12,210	4,851
Net increase/(decrease) in cash and cash equivalents	(12,452)	(7,020)	(536)
Cash and cash equivalents at 30 June	4,851	5,190	4,315

Notes to the prospective financial statements

Net surplus will be used as follows:

	2021/22 Annual Plan	2022/23 Annual Plan	2022/23 LTP (Amended)
	\$000	\$000	\$000
Transfers to / (from) reserves	4,806	2,510	10,438
Investment fund preservation	1,362	1,384	1,384
Transfer to / (from) retained earnings	(1,146)	(4,577)	(256)
Net surplus / (deficit)	5,022	(684)	11,566

Main components of capital expenditure

	2021/22 Annual Plan	2022/23 Annual Plan	2022/23 LTP (Amended)
	\$000	\$000	\$000
Land	-	-	-
Building development	49	45	46
Motor vehicles	753	674	694
Plant and equipment	7,132	1,005	5,034
Information services	1,945	2,231	3,309
Intangible assets	1,156	3,161	3,191
Furniture and fittings	25	20	21
Infrastructure	25,152	17,273	24,351
Total capital expenditure	36,213	24,409	36,645

Depreciation and amortisation

	2021/22 Annual Plan	2022/23 Annual Plan	2022/23 LTP (Amended)
	\$000	\$000	\$000
Community and services	2	2	2
Civil defence emergency management	42	41	43
Regional hazards and emergency response	-	-	-
Flood protection and control works	6,442	6,935	7,445
Integrated catchment management	6	79	14

Public transport	1,296	1,525	1,635
Resource use	113	116	120
Science and strategy	1,045	1,184	1,218
Corporate and self funding	2,365	2,551	2,595
Council controlled organisations	-	-	-
Total depreciation and amortisation	11,312	12,434	13,072

Other income

	2021/22 Annual Plan	2022/23 Annual Plan	2022/23 LTP (Amended)
	\$000	\$000	\$000
Contributions from other parties	8,822	6,993	8,347
Infringement fines	422	441	441
Public transport fare revenue	6,363	6,876	7,977
Total other income	15,607	14,311	16,765

Revenue

	2021/22 Annual Plan	2022/23 Annual Plan	2022/23 LTP (Amended)
	\$000	\$000	\$000
Exchange revenue	65,447	66,515	73,294
Non-exchange revenue	111,826	122,399	122,435
Total revenue	177,273	188,914	195,729

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
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

Reserve name	Purpose	Activities
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
Koi carp digester	To allow external funding to be applied to meet the depreciation expense related to this asset.	Integrated catchment management

Reserve name	Purpose	Activities
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 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

Reserve name	Purpose	Activities
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

The following reserve movements are projected for this annual plan.

	2022/23 Opening balance	Transfer to / (from) reserve Annual Plan	Closing reserve balance	Closing reserve balance per LTP
	\$000	\$000	\$000	\$000
General	432	(600)	(168)	(138)
Motor Vehicles & Plant	691	(87)	604	498
Operational Fixed Asset Depreciation	747	(400)	347	347
Communications network	550		550	550
Public Transport	996	(660)	336	10,002
Stock Truck Effluent	343	-	343	(273)
Investment Fund Capital Protection	14,454	1,384	15,838	14,860
Investment Fund Equalisation	13,098	(482)	12,616	10,368
Regional Development Fund	7,974	881	8,855	4,217
Building Act Contingency	86	2	88	102
IRIS	341	(48)	293	201
Environmental Initiatives	(1)	-	(1)	27
Natural Heritage	855	-	855	784
Biosecurity	564	(374)	190	1,575
Koi Carp Digester	-	-	-	(5)
Permitted Activity Monitoring	370	-	370	141
Civil Defence	160	-	160	286

Complaints and enforcement	72		72	72
Contaminated Land Investigation	399	-	399	398
Hauraki Plan Change	93	-	93	93
Regional Disaster Recovery	4,583	98	4,681	4,947
Zone Disaster Recovery	3,550	77	3,627	3,670
Drainage	(1,924)	(152)	(2,076)	(2,790)
Watershed	9,828	(736)	9,092	9,456
Coromandel	3,934	27	3,961	3,954
West Coast	62	6	68	331
Waihou Piako Scheme	2,220	50	2,270	476
Pathways to the Sea	136		136	-
Shovel Ready	93		93	-
Derivative financial instruments	(1,170)		(1,170)	(2,397)
Sustainable Homes Scheme	(224)	-	(224)	(441)
Prior Year Surplus	384	(350)	34	369
Asset Revaluation Reserve	376,346	26,896	403,242	403,658
Total reserve transfers	440,042	25,532	465,574	465,335

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 2022. 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 items	7.5 - 10
Air conditioning	20

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.

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)
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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
- the present value of the estimated future cash flows.

Expected future payments are discounted using market yields on government bonds at balance date with terms to maturity that match, as closely as possible, the estimated future cash outflows for entitlements. The inflation factor is based on the expected long term increase in remuneration for employees.

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 initially recognised at their face value and subsequently measured at amortised cost using the effective interest method.

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.

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

Income tax expense is the aggregate of current period movement in relation to both current 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 the assets and liabilities in the prospective financial statements and the corresponding tax bases used in the computation of taxable surplus.

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 and liability in a transaction that is not a business combination, and at the time of the transaction, affects neither accounting surplus nor taxable surplus.

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 income 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 those costs directly attributable to a significant activity. Indirect costs are those costs that cannot be identified in an economically feasible manner with a specific significant activity.

Cost allocation policy

Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities based on a model that allocates cost, by a predetermined level of activity usage.

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 2023

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	64%	Yes
• Increases	Increases in the annual rate revenue requirement will be limited to a 9 per cent increase in revenue from current ratepayers	7.7%	Yes
Debt affordability benchmark	Net debt/total revenue is <100 per cent	34%	Yes
	Net interest/total revenue is <10 per cent	1%	Yes
	Net interest/annual rates revenue is <15 per cent	1%	Yes
	Liquidity is >110 per cent	141%	Yes
Balanced budget benchmark	100%	100%	Yes
Essential services benchmark	100%	251%	Yes
Debt servicing benchmark	10%	0.7%	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.

Funding impact statements by group of activity | Ngā tauākī pānga pūtea mā te kāhui mahi

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 2022/23 Annual Plan (Whole of Council)

	2021/22 Annual Plan (\$000)	2022/23 Annual Plan (\$000)	2022/23 LTP (Amended) (\$000)
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	56,550	61,652	62,005
Targeted rates	55,843	61,095	61,261
Subsidies and grants for operating purposes	23,483	26,211	31,056
Fees and charges	30,148	30,012	32,186
Interest and dividends from investments	4,739	5,034	4,884
Local authorities fuel tax, fines, infringement fees, and other receipts	422	441	529
Total operating funding (A)	171,185	184,445	191,922
Applications of operating funding			
Payments to staff and suppliers	161,008	176,604	170,766
Finance costs	921	1,347	1,345
Other operating funding applications	-	-	255
Total applications of operating funding (B)	161,929	177,951	172,366
Surplus (deficit) of operating funding (A-B)	9,256	6,494	19,556
Sources of capital funding			
Subsidies and grants for capital expenditure	7,078	5,258	5,081
Development and financial contributions	-	-	-
Increase (decrease) in debt	19,042	14,584	14,055
Gross proceeds from sale of assets	-	-	-

	2021/22 Annual Plan (\$000)	2022/23 Annual Plan (\$000)	2022/23 LTP (Amended) (\$000)
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	26,120	19,843	19,136
Applications of capital funding			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	6,398	5,346	13,192
- to replace existing assets	29,814	19,063	23,453
Increase (decrease) in reserves	(837)	1,929	2,047
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	35,376	26,337	38,692
Surplus (deficit) of capital funding (C-D)	(9,255)	(6,494)	(19,556)
Funding balance ((A-B)+(C-D))	-	-	-

Waikato Regional Council Funding Impact Statement for 2022/23 Annual Plan for Community and Services

	2021/22 Annual Plan (\$000)	2022/23 Annual Plan (\$000)	2022/23 LTP (Amended) (\$000)
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	6,121	6,155	6,228
Targeted rates	889	1,053	1,312
Subsidies and grants for operating purposes	-	-	-
Fees and charges	-	-	-
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	87
Total operating funding (A)	7,009	7,208	7,626
Applications of operating funding			
Payments to staff and suppliers	4,639	5,075	5,356
Finance costs	130	111	178
Internal charges and overheads applied	2,092	2,107	2,140
Other operating funding applications	-	-	255
Total applications of operating funding (B)	6,860	7,292	7,928
Surplus (deficit) of operating funding (A-B)	149	(84)	(302)
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	983	815	1,538
Gross proceeds from the sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	983	815	1,538
Applications of capital funding			
Capital expenditure			
- to meet additional demand	-	-	-

	2021/22 Annual Plan (\$000)	2022/23 Annual Plan (\$000)	2022/23 LTP (Amended) (\$000)
- to improve the level of service	-	-	-
- to replace existing assets	-	-	-
Increase (decrease) in reserves	1,132	731	1,236
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	1,132	731	1,236
Surplus (deficit) of capital funding (C-D)	(149)	84	302
Funding balance ((A-B)+(C-D))	-	-	-

Waikato Regional Council Funding Impact Statement for 2022/23 Annual Plan for Civil Defence Emergency Management

	2021/22 Annual Plan (\$000)	2022/23 Annual Plan (\$000)	2022/23 LTP (Amended) (\$000)
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	-	-	-
Targeted rates	2,449	2,517	2,492
Subsidies and grants for operating purposes	-	-	-
Fees and charges	759	762	766
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding (A)	3,208	3,279	3,258
Applications of operating funding			
Payments to staff and suppliers	2,317	2,363	2,349
Finance costs	-	-	-
Internal charges and overheads applied	868	896	888
Other operating funding applications	-	-	-
Total applications of operating funding (B)	3,185	3,259	3,237
Surplus (deficit) of operating funding (A-B)	23	20	21
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	-	-	-

	2021/22 Annual Plan (\$000)	2022/23 Annual Plan (\$000)	2022/23 LTP (Amended) (\$000)
- to improve the level of service	-	-	-
- to replace existing assets	-	-	-
Increase (decrease) in reserves	23	20	21
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	23	20	21
Surplus (deficit) of capital funding (C-D)	(23)	(20)	(21)
Funding balance ((A-B)+(C-D))	-	-	-

Waikato Regional Council Funding Impact Statement for 2022/23 Annual Plan for Regional Hazards and Emergency Response

	2021/22 Annual Plan (\$000)	2022/23 Annual Plan (\$000)	2022/23 LTP (Amended) (\$000)
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	1,601	1,867	1,818
Targeted rates	-	-	-
Subsidies and grants for operating purposes	-	-	-
Fees and charges	217	589	587
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding (A)	1,817	2,457	2,404
Applications of operating funding			
Payments to staff and suppliers	974	1,423	1,432
Finance costs	-	-	-
Internal charges and overheads applied	844	1,035	973
Other operating funding applications	-	-	-
Total applications of operating funding (B)	1,817	2,457	2,404
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	-	-	-

	2021/22 Annual Plan (\$000)	2022/23 Annual Plan (\$000)	2022/23 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 2022/23 Annual Plan for Flood Protection and Control Works

	2021/22 Annual Plan (\$000)	2022/23 Annual Plan (\$000)	2022/23 LTP (Amended) (\$000)
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	2,868	3,229	3,239
Targeted rates	19,990	22,064	22,312
Subsidies and grants for operating purposes	-	-	-
Fees and charges	772	772	772
Internal charges and overheads recovered	4,818	4,854	4,917
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding (A)	28,448	30,919	31,240
Applications of operating funding			
Payments to staff and suppliers	12,388	12,974	12,913
Finance costs	327	548	664
Internal charges and overheads applied	10,105	10,401	10,345
Other operating funding applications	-	-	-
Total applications of operating funding (B)	22,820	23,923	23,922
Surplus (deficit) of operating funding (A-B)	5,628	6,996	7,318
Sources of capital funding			
Subsidies and grants for capital expenditure	7,078	5,258	5,081
Development and financial contributions	-	-	-
Increase (decrease) in debt	17,377	7,160	10,259
Gross proceeds from the sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	24,456	12,418	15,341
Applications of capital funding			
Capital expenditure			
- to meet additional demand	-	-	-

	2021/22 Annual Plan (\$000)	2022/23 Annual Plan (\$000)	2022/23 LTP (Amended) (\$000)
- to improve the level of service	2,930	1,286	4,062
- to replace existing assets	27,262	16,027	20,329
Increase (decrease) in reserves	(109)	2,101	(1,734)
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	30,083	19,414	22,658
Surplus (deficit) of capital funding (C-D)	(5,628)	(6,996)	(7,318)
Funding balance ((A-B)+(C-D))	-	-	-

Waikato Regional Council Funding Impact Statement for 2022/23 Annual Plan for Integrated Catchment Management

	2021/22 Annual Plan (\$000)	2022/23 Annual Plan (\$000)	2022/23 LTP (Amended) (\$000)
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	10,005	10,423	11,457
Targeted rates	18,639	20,652	20,376
Subsidies and grants for operating purposes	1,669	2,983	1,976
Fees and charges	6,261	4,272	5,908
Internal charges and overheads recovered	2,062	1,937	2,125
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding (A)	38,636	40,267	41,842
Applications of operating funding			
Payments to staff and suppliers	29,633	30,403	31,442
Finance costs	(52)	(35)	(41)
Internal charges and overheads applied	10,456	11,036	10,854
Other operating funding applications	-	-	-
Total applications of operating funding (B)	40,037	41,404	42,255
Surplus (deficit) of operating funding (A-B)	(1,401)	(1,137)	(413)
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	-	-	-

	2021/22 Annual Plan (\$000)	2022/23 Annual Plan (\$000)	2022/23 LTP (Amended) (\$000)
- to improve the level of service	78	78	80
- to replace existing assets	-	-	-
Increase (decrease) in reserves	(1,479)	(1,215)	(493)
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	(1,401)	(1,137)	(413)
Surplus (deficit) of capital funding (C-D)	1,401	1,137	413
Funding balance ((A-B)+(C-D))	-	-	-

Waikato Regional Council Funding Impact Statement for 2022/23 Annual Plan for Regional Transport Connections

	2021/22 Annual Plan (\$000)	2022/23 Annual Plan (\$000)	2022/23 LTP (Amended) (\$000)
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	1,615	1,876	1,718
Targeted rates	12,432	13,224	13,210
Subsidies and grants for operating purposes	21,813	23,228	29,080
Fees and charges	9,052	9,696	10,461
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding (A)	44,912	48,024	54,469
Applications of operating funding			
Payments to staff and suppliers	41,059	45,213	43,744
Finance costs	-	-	-
Internal charges and overheads applied	3,036	3,075	3,143
Other operating funding applications	-	-	-
Total applications of operating funding (B)	44,095	48,288	46,887
Surplus (deficit) of operating funding (A-B)	817	(264)	7,582
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	-	-	-

- to improve the level of service	2,014	400	5,454
- to replace existing assets	-	781	-
Increase (decrease) in reserves	(1,197)	(1,445)	2,128
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	817	(264)	7,582
Surplus (deficit) of capital funding (C-D)	(817)	264	(7,582)
Funding balance ((A-B)+(C-D))	-	-	-

Waikato Regional Council Funding Impact Statement for 2022/23 Annual Plan for Resource Use

	2021/22 Annual Plan (\$000)	2022/23 Annual Plan (\$000)	2022/23 LTP (Amended) (\$000)
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	10,199	10,997	10,738
Targeted rates	1,443	1,585	1,560
Subsidies and grants for operating purposes	-	-	-
Fees and charges	7,848	8,565	8,240
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	422	441	441
Total operating funding (A)	19,912	21,589	20,978

Applications of operating funding			
Payments to staff and suppliers	11,531	12,615	12,143
Finance costs	120	158	165
Internal charges and overheads applied	8,649	9,286	9,268
Other operating funding applications	-	-	-
Total applications of operating funding (B)	20,300	22,059	21,575
Surplus (deficit) of operating funding (A-B)	(388)	(470)	(597)

Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	585	2,211	2,395
Gross proceeds from the sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	585	2,211	2,395

Applications of capital funding			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	200	1,750	1,801

- to replace existing assets	140	140	144
Increase (decrease) in reserves	(143)	(149)	(147)
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	197	1,741	1,798
Surplus (deficit) of capital funding (C-D)	388	470	597
Funding balance ((A-B)+(C-D))	-	-	-

Waikato Regional Council Funding Impact Statement for 2022/23 Annual Plan for Science and Strategy

	2021/22 Annual Plan (\$000)	2022/23 Annual Plan (\$000)	2022/23 LTP (Amended) (\$000)
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	23,888	26,406	26,126
Targeted rates	-	-	-
Subsidies and grants for operating purposes	-	-	-
Fees and charges	4,119	4,235	4,332
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)	28,912	31,546	31,363
Applications of operating funding			
Payments to staff and suppliers	17,840	19,669	19,667
Finance costs	84	77	77
Internal charges and overheads applied	10,876	11,822	11,686
Other operating funding applications	-	-	-
Total applications of operating funding (B)	28,800	31,568	31,430
Surplus (deficit) of operating funding (A-B)	112	(22)	(67)
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	(312)	(319)	(319)
Gross proceeds from the sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	(312)	(319)	(319)
Applications of capital funding			
Capital expenditure			
- to meet additional demand	-	-	-

	2021/22 Annual Plan (\$000)	2022/23 Annual Plan (\$000)	2022/23 LTP (Amended) (\$000)
- to improve the level of service	951	771	732
- to replace existing assets	711	550	1,370
Increase (decrease) in reserves	(1,862)	(1,662)	(2,487)
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	(200)	(341)	(386)
Surplus (deficit) of capital funding (C-D)	(112)	22	67
Funding balance ((A-B)+(C-D))	-	-	-

Waikato Regional Council Funding Impact Statement for 2022/23 Annual Plan for Corporate & Management

	2021/22 Annual Plan (\$000)	2022/23 Annual Plan (\$000)	2022/23 LTP (Amended) (\$000)
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	254	701	682
Targeted rates	-	-	-
Subsidies and grants for operating purposes	-	-	-
Fees and charges	1,120	1,120	1,120
Internal charges and overheads recovered	41,088	43,852	43,321
Local authorities fuel tax, fines, infringement fees, and other receipts	3,989	4,284	4,134
Total operating funding (A)	46,450	49,957	49,257
Applications of operating funding			
Payments to staff and suppliers	41,511	47,705	42,622
Finance costs	311	489	302
Internal charges and overheads applied	314	306	320
Other operating funding applications	-	-	-
Total applications of operating funding (B)	42,137	48,499	43,244
Surplus (deficit) of operating funding (A-B)	4,313	1,458	6,013
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	410	4,716	182
Gross proceeds from the sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	410	4,716	182
Applications of capital funding			
Capital expenditure			
- to meet additional demand	-	-	-

	2021/22 Annual Plan (\$000)	2022/23 Annual Plan (\$000)	2022/23 LTP (Amended) (\$000)
- to improve the level of service	225	1,061	1,063
- to replace existing assets	1,701	1,565	1,610
Increase (decrease) in reserves	2,797	3,548	3,522
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	4,723	6,174	6,195
Surplus (deficit) of capital funding (C-D)	(4,313)	(1,458)	(6,013)
Funding balance ((A-B)+(C-D))	-	-	-

Annual funding impact statement for 2022/23 | Te tauākī pānga pūtea ā-tau 2022/23

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	2022/23 %	2021/22 %
General rate	24	23
UAGC	9	8
Targeted rates	32	32
Government grants	17	17
Direct charges	5	5
Consent holder charges	3	3
Interest income	0	0
Investment income	2	3
Rental income	0	0
Other income	8	9
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 2022/23 Annual Plan is as follows.

	2021/22 AP	2022/23 AP	2022/23 LTP (Amended)	2023/24 LTP (Amended)	2024/25 LTP (Amended)	2025/26 LTP (Amended)	2026/27 LTP (Amended)	2027/28 LTP (Amended)	2028/29 LTP (Amended)	2029/30 LTP (Amended)	2030/31 LTP (Amended)
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
General rate	40,532	44,479	45,106	45,409	47,415	47,201	47,269	47,597	48,305	49,385	50,304
UAGC	15,068	16,223	15,922	16,740	17,590	18,100	18,489	18,817	19,205	19,614	19,951
Targeted rates	55,844	61,095	61,262	63,907	66,454	71,031	72,413	75,627	78,309	80,352	82,434
	111,444	121,797	122,290	126,056	131,459	136,332	138,171	142,041	145,819	149,351	152,689

Government grants	30,561	31,469	36,137	25,031	25,922	25,564	26,131	26,701	27,041	27,629	28,205
Direct charges	9,290	10,193	9,893	10,183	10,577	10,883	11,078	11,285	11,352	11,551	11,758
Consent holder charges	4,910	5,187	5,207	6,360	6,138	6,002	5,917	6,283	5,945	6,053	6,131
Investment fund distribution income	3,077	3,200	3,200	3,265	3,202	3,266	3,331	3,325	3,391	3,459	3,507
Investment fund capital protection income	1,362	1,384	1,384	1,406	1,428	1,451	1,474	1,498	1,522	1,546	1,571
Interest income	300	450	387	514	721	1,028	1,435	1,885	2,161	2,209	2,210
Other income	15,567	14,472	16,469	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	125
Rental income	637	637	637	637	637	637	637	637	637	637	637
Other gains/(losses)	-	-	-	-	-	-	-	-	-	-	-
Total other Income	65,829	67,117	73,439	60,263	61,186	59,352	59,361	59,585	59,028	59,640	60,235
Total Revenue	177,273	188,914	195,729	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 2022 is 211,922

The projected total capital value of all rating units within the region at 30 June 2022 is \$215,959 billion.

The projected total land value of all rating units within the region at 30 June 2022 is \$128,163 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 24 per cent of the council's total revenue for the year. For this year, the amount of general rate revenue required is \$51,151,000 (GST Inclusive) compared with \$46,612,000 (GST Inclusive) in 2021/22.

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	-
Flood control and protection works	3,713
Integrated catchment management	9,313
Regional Transport Connections	1,263
Resource use	9,726
Science, Policy and Information	27,809
Corporate	(673)
Total	51,151

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 2022/23 year is \$215,959 billion.

The 2022/23 rate

Area of benefit (GST inclusive)	Percentage of region	Rate \$1 per \$1 CV (GST inclusive)	\$(000) GST inclusive
Hamilton City	28.03%	0.00021162	14,357
Matamata-Piako	7.89%	0.00021175	4,033
Ōtorohanga	2.37%	0.00024337	1,211
Rotorua	1.03%	0.00022260	527
South Waikato	3.49%	0.00021107	1,784

Taupō	9.99%	0.00028081	5,107
Thames-Coromandel	12.84%	0.00026230	6,563
Waikato	16.62%	0.00023793	8,496
Waipā	11.97%	0.00026414	6,119
Waitomo	1.80%	0.00021056	920
Hauraki	3.98%	0.00021479	2,034
Total	100%		51,151

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 \$18,657,000 (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	4,236
Planning, reporting and funding	1,218
Iwi Maori Partnerships	1,624
Urban and Rural Transport delivery	230
Transport Policy and Planning	663
Waikato Regional Council emergency response	851
Resilient development	1,296
Environmental monitoring	1,049
Regional consents processing	828
Biodiversity	2,467
Maritime services	2,093
Social and economic information	1,252
Strategic and spatial planning	463
Corporate	387
TOTAL	18,657

How it is applied

The UAGC is set on every rating unit in the Waikato region. The estimated number of rating units is 211,922

The 2022/23 rate

The rate is \$88.02 per rating unit (GST inclusive). This is an increase of \$5.66 from 2021/22.

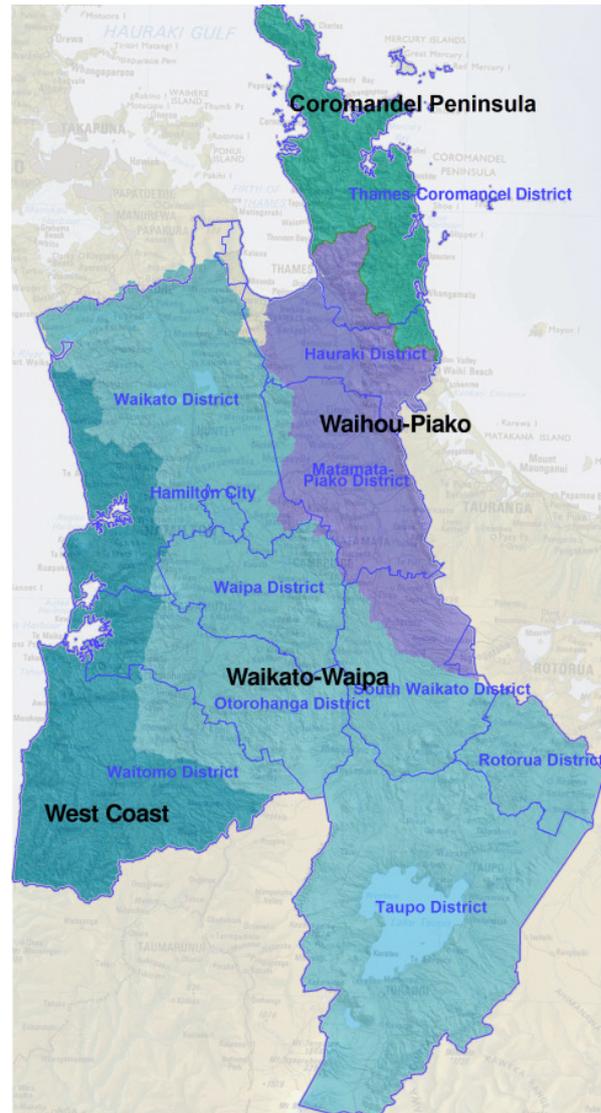
Targeted rates

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	7,336	5,084
River management	1,736	1,475
Catchment new works	821	332
Catchment maintenance	351	268
Catchment oversight	957	813
Information and advice	258	220
Total Waihou Valley Scheme	11,459	8,192

Piako River Scheme	Projected expenditure (\$000) (GST inclusive)	Targeted rate revenue (\$000) (GST Inclusive)
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Flood protection	6,713	3,796
River management	641	564
Catchment new works	1,231	311
Catchment maintenance	-	-
Catchment oversight	821	698
Information and advice	240	205
Total Piako River Scheme	9,645	5,573

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	947
River flooding	741
Drainage	2,062
Residential, industrial/commercial	373
Total	4,124

The 2022/23 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	76.4051	57.3038	38.2025	3.8203

Area of benefit (GST inclusive)	Factor used	RF1	RF2	RF3	RF4	RFPZ1	RFPZ2	RFPZ3
River flooding	\$ per hectare	53.5522	26.7761	20.0821	6.6940	21.4209	10.7104	2.6777

Area of benefit (GST inclusive)	Factor used	D1	D2	D3	D4	D5	D6	D7	D8	D9
Drainage	\$ per hectare	58.9171	47.1337	35.3503	29.4586	27.4947	25.5308	15.7112	5.8917	1.9639

Area of benefit (GST inclusive)	Factor used	RIC1	RIC2
Residential, industrial/commercial	\$1 per \$1 Capital value	0.00073407	0.00036703

Local protection – Waihou Valley Scheme maintenance

Layer	Targeted rate revenue (\$000) (GST Inclusive)
Rural	4,833
Urban	1,229
Total	6,062

The 2022/23 rate

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

Waihou classifications

Area of benefit (GST inclusive)	Factor used	U1	U2	U3	U4
Urban	\$1 per \$1 Capital value	0.00055399	0.00031657	0.00015828	0.00005936

Area of benefit (GST inclusive)	Factor used	A	B	C	D	E
Rural	\$1 per \$1 Land value	0.00930565	0.00481327	0.00288796	0.00064177	0.00032088

Layer	Targeted rate revenue (\$000) (GST Inclusive)
Catchment	3,579

The 2022/23 rate

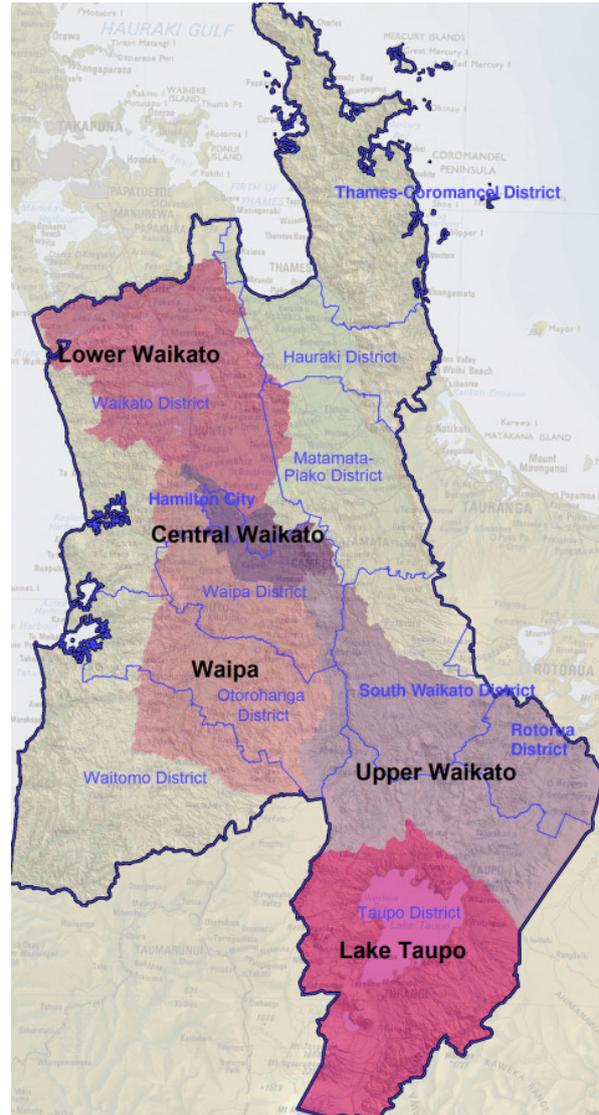
The following rate is applied to all rating units within the Waihou and Piako zones.

Area of benefit (GST inclusive)	Factor used	WPC1	WPC2	WPC3
Catchment	\$1 per \$1 Capital value	0.00019217	0.00011530	0.00007687

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.⁽³⁾ 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.



What it funds

The funding provides for the following projected expenditure for 2022/23:

Zone	Projected expenditure (\$'000) (GST inclusive)	Targeted rate revenue (\$'000) (GST Inclusive)
Lake Taupō management zone	1,006	702
Upper Waikato management zone	1,281	670
Central Waikato management zone	2,139	1,344
Waipā management zone	5,127	2,996
Lower Waikato management zone	17,934	9,571
TOTAL	27,487	15,283

The targeted rate requirement is \$15,285,000 (GST Inclusive), a decrease of \$1,659,000 on the amount required in the 2022/23 year. The targeted rate includes funding of operating expenses, depreciation, interest expense, provision for debt repayment.

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

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	3,589
Contributor differential urban	2,042
Contributor differential rural	918
Contributor differential - hydro	733
Management zone differential	-
- Lower Waikato	2,399
- Central Waikato	724
- Upper Waikato	331
- Waipā	1,028
- Lake Taupō	289

- River control and flood protection benefit	3,229
- Total	15,283

The 2022/23 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	0.00001593
- Waipā district	capital value	0.00002885
- Waikato district	capital value	0.00002685
- Ōtorohanga district	capital value	0.00003551
- Hauraki district	capital value	0.00003496
- Matamata-Piako district	capital value	0.00003156
- South Waikato district	capital value	0.00002573
- Waitomo district	capital value	0.00002909
- Taupō district	capital value	0.00003383
- Rotorua district	capital value	0.00004774
Contributor differential urban	land value	0.00003408
Contributor differential rural	land value	0.00003408
Contributor differential - hydro	capital value	0.00067413

Lake Taupō management zone differential	Factor used	Rate in the \$1 per \$1 of value (GST inclusive)
- Taupō district	capital value	0.00002130

Upper Waikato management zone differential	Factor used	Rate in the \$1 per \$1 of value (GST inclusive)
- Ōtorohanga district	capital value	0.00002680
- South Waikato district	capital value	0.00001865
- Taupō district	capital value	0.00002145
- Rotorua district	capital value	0.00003467
- Waipā district	capital value	0.00004055
- Matamata-Piako district	capital value	0.00000489

Central Waikato management zone differential	Factor used	Rate in the \$1 per \$1 of value (GST inclusive)
- Hamilton city	capital value	0.00000773
- Waipā district	capital value	0.00001104
- Waikato district	capital value	0.00001097

Lower Waikato management zone differential	Factor used	Rate in the \$1 per \$1 of value (GST inclusive)
- Waikato district	capital value	0.00012273
- Matamata-Piako district	capital value	0.00013674
- Hauraki district	capital value	0.00011695
- Hamilton city	capital value	0.00001649

Waipā management zone differential	Factor used	Rate in the \$1 per \$1 of value (GST inclusive)
- Waipā district	capital value	0.00005668
- Waikato district	capital value	0.00004474
- Ōtorohanga district	capital value	0.00006062
- Waitomo district	capital value	0.00004978
- Hamilton city	capital value	0.00000503

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	13.7688	9.6382	8.2613	6.8844	5.5075	4.1306	-
Mangawara	4.9189	3.9351	3.4432	1.9676	1.2297	0.7378	0.4919

Main channel works continued

Area of benefit (GST inclusive)	7	8	9A	9B	9C
Waikato	3.4422	2.7538	2.0653	1.3769	0.6884

Mangawara	0.2459	-	-	-	-
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Community works

Area of benefit (GST inclusive)	1	2	3	4	5	6	6A	7	8
Waikato	26.1131	20.8905	18.2792	15.6679	13.0566	10.4452	-	9.1396	2.6113
Mangawara	8.5979	6.8784	6.0186	3.4392	2.1495	1.2897	0.8598	0.4299	-

Local protection works

Franklin district

Area of benefit (GST inclusive)	1	2	3	4	5	6	7	8
Motukaraka	-	140.0380	132.6675	-	-	-	-	-
Bell Road	-	-	-	-	175.6999	-	-	-
Tickles	-	-	-	-	-	-	-	-
Waller	-	-	-	657.4694	-	-	-	-
Orton	-	-	-	308.0649	253.7002	199.3359	-	-
Parish Polder	-	-	-	409.7130	-	-	-	-
Whangamarie	116.2662	69.7597	46.5065	17.4399	-	-	-	-
Te Kohanga	207.5700	-	-	176.4344	-	-	-	-
Tuakau	-	-	-	191.1614	-	-	-	-
Onewhero West	-	-	-	229.3028	-	-	-	-
Mangatawhiri								
- Comp 1	-	-	-	59.6802	-	-	31.5954	28.0847
- Comp 2	-	-	190.5632	179.9765	-	-	-	-
- Comp 3	-	-	-	127.3989	-	-	-	-
- Comp 4	-	-	191.8246	-	-	-	-	-
- Comp 5	-	-	-	379.1221	-	-	-	-

Waikato district

Area of benefit (GST inclusive)	1	2	3	4	5	6	7	8
Waahi	-	-	-	-	-	-	-	-
Meremere west	-	-	-	284.5855	-	-	-	-
Meremere	-	-	-	-	189.9670	-	-	-

Waikare	79.4276	-	71.4848	67.5134	-	-	35.7424	31.7710
Huntly west	79.6743	-	-	-	-	-	35.8534	31.8697
Kimihia	151.2403	-	136.1162	128.5543	-	-	-	60.4962
Deroles	-	-	-	-	201.4417	-	-	-
Vrsalijkos	-	376.8156	-	-	-	-	-	-
Churchill	-	-	140.7797	-	-	-	-	-
Ruawaro	-	-	-	380.4979	-	-	-	-
Swan	-	74.6314	-	-	-	43.2076	35.3518	-
Island Block	-	-	407.7162	-	-	-	-	-
Orchard Road	-	-	-	1,639.2356	-	-	-	-
Locke	-	-	237.7323	-	-	-	-	-

Waikato district continued

Area of benefit (GST inclusive)	9	10	11	12
Waahi	-	43.2850	-	17.3147
Meremere west	-	-	-	-
Meremere	-	-	-	-
Waikare	-	-	15.8855	-
Huntly west	-	-	-	7.9674
Kimihia	-	-	-	-
Deroles	-	-	-	-
Vrsalijkos	-	-	-	-
Churchill	-	-	-	-
Ruawaro	134.2941	-	-	44.7645
Swan	-	-	-	-
Island Block	135.9051	-	-	-
Orchard Road	-	-	-	-
Locke	-	-	-	-

Area of benefit (GST inclusive)	1	2	3	4	5	6	7	8	9
Aka Aka (LPSECB)	5.9476	-	-	-	-	-	-	-	-
Aka Aka (LPG)	15.1222	-	-	-	-	-	-	-	-

Aka Aka (LPPG)	50.4075	-	-	-	-	-	-	-	-
Aka Aka (LPP)	65.5297	63.0092	126.0191	-	-	-	-	-	-

Area of benefit (GST inclusive)	1	2	3	4	5	6	7	8	9
Mercer west									
- Southern	-	-	-	-	-	-	48.0487	-	-
- Morrisons	-	-	-	-	-	-	-	101.4427	-
Mangawara	61.8830	49.5064	43.3181	24.7532	15.4708	9.2825	3.0942	-	-
Mangawara A	-	-	-	-	-	6.1883	-	-	-

Waikato zone - fixed direct benefit rate

Area of benefit (GST inclusive)	Factor used	Rate (\$) GST inclusive
Huntly	per rating unit (GST inclusive)	\$ 65.04

Waipā zone - direct benefit rate

Rated at \$ per hectare

Area of benefit (GST inclusive)	1	2
Kawa	11.1313	5.5657

Waipā zone - fixed direct benefit rate

Area of benefit (GST inclusive)	Factor used	Rate (\$) GST inclusive
Ōtorohanga	per rating unit (GST inclusive)	\$ 36.84

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	-	-	-	-	-	-	-	41.4308	-
Jefferis capital	-	208.3360	-	-	-	-	-	-	-

Taupō zone - direct benefit rates

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

Area of benefit (GST inclusive)	1	2	3	3A	4
Tongariro	0.00048608	0.00029165	0.00019443		0.00017013
Tauranga/Taupō	0.00064526	0.00051621	0.00022584		0.00018067
Tauranga/Taupō A				0.00016131	

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

Area of benefit (GST inclusive)	5	6	7
Tongariro	0.00009722	0.00004861	0.00002430
Tauranga/Taupō	0.00006453	-	-
Tauranga/Taupō A			

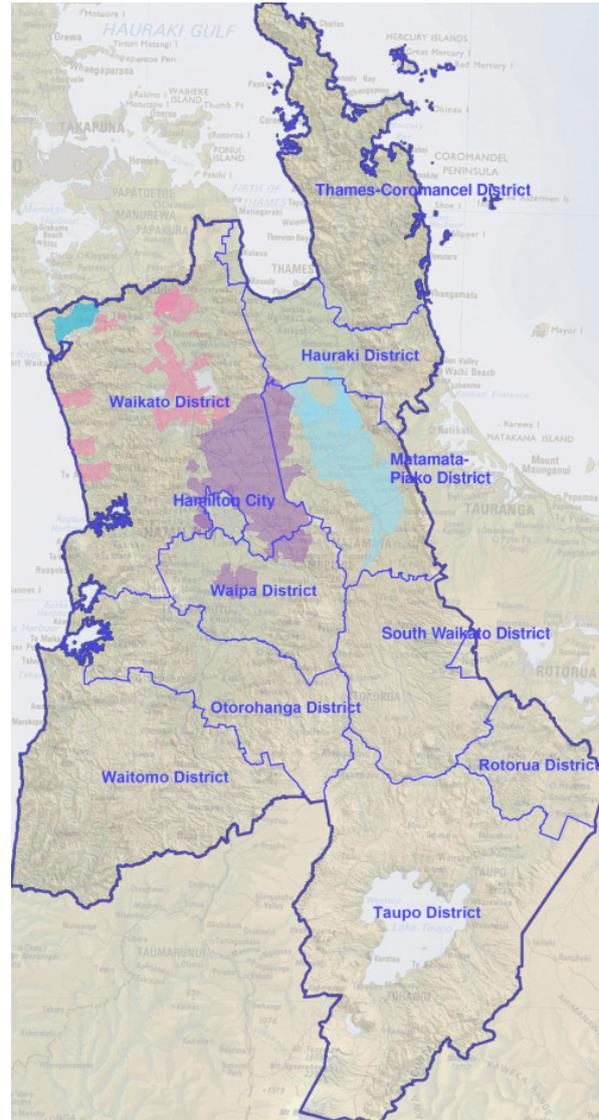
Drainage rates

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.⁽⁴⁾ 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	710
Waikato Central drainage maintenance	1,327
Franklin Waikato drainage maintenance	708
Aka Aka / Otaua drainage maintenance	357
Total expenditure	3,102

⁴ Thames Valley: Tahuna Subdivision Drainage District, Classification Report. Elstow Subdivision Drainage District, Classification Report. Waihou Subdivision, Classification Report. Whakahoro Drainage District, Classification Report. Tatuani 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

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	38
Manawaru	57
Waihekeau	71
Tatuanui	83
Whakahoro	105
Waitoa	77
Waihou	26
Elstow	90
Tahuna	52
Ahikope pumping	18
Tahuna pumping	48
Rowes East	6
Bancroft	5
Matamata Urban	34
Total	710

Waikato Central	(\$000) (GST inclusive)
Rotomanuka	38
Hautapu	81
Fencourt	87
Ōhaupō-Ngāroto	26
Freshfield maintenance	78
Freshfield pumping	56
Komokorau 1	171
Komokorau 2	3
North Mangawara	27

South Mangawara	48
Tauhei	86
Tenfoot	58
Uapoto	32
Ngāruawahiā	91
Rotokauri	51
Ohote Basin	14
Mangaonua	73
Waitakaruru	150
Manor Park	29
Greenhill	10
Hopuhopu	14
Kirikiroa	10
Koromatua	5
Matangi	52
Ngāruawahiā North	8
Pukeroro	11
Puketaha	7
Te Kōwhai	11
Total	1327

Franklin Waikato	(\$000) (GST inclusive)
Waller Commins	0
Motukaraka	140
Bell Road	10
Tuakau Swamp	14
Mangatawhiri compartment 1	5
Mangatawhiri compartment 2	22
Mangatawhiri compartment 3	13
Mangatawhiri compartment 4	46
Mangatawhiri compartment 5	2
Orton	7
Morrisons Swamp	3

Te Kohanga	15
Kaawa	35
Onepoto	12
Onewhero Downstream	-0
Okowhau	16
Huntly West	21
Hills	6
Horohoro	52
Austins	12
Blairs	7
Guests	12
Ruawaro Furniss	5
Ruawaro Central	1
Ruawaro North	10
Kimihia pumped	2
Kimihia	6
Ohinewai	0
Rangiriri	14
Island Block	11
Orchard Road	6
Swan Road	35
Vrsalijkos Road	6
Churchill East	42
Meremere East	25
Mangati	3
Mangawara	9
Pukekapia 1	8
Pukekapia 2	9
Ruawaro East	1
Ruawaro West	6
Waikare Frost	14
Waikare Ohinewai	5
Waikare Nikau	4

Waikare Rangiriri	4
Waikare West	24
Waikorea	6
Total	708

Aka Aka	(\$000) (GST inclusive)
Aka Aka	357

The 2022/23 rate

Thames Valley drainage area

\$ per hectare

Area of benefit (GST inclusive)	Urban	A	B	C	D	E	F
Hungahunga	95.5681	9.5568	7.6454	4.7784	2.3892	1.4335	0.4778
Manawaru	136.2264	13.6226	10.8981	6.8113	3.4057	2.0434	0.6811
Waihekeau	157.9601	15.7960	12.6368	7.8980	3.9490	2.3694	0.7898
Tatuanui	-	300.5052	24.0404	15.0253	7.5126	4.5076	1.5025
Whakahoro	-	29.4714	23.5771	14.7357	7.3679	4.4207	1.4736
Waitoa	223.6806	22.3681	17.8945	11.1840	5.5920	3.3552	1.1184
Waihou	-	15.8523	12.6819	7.9262	3.9631	2.3778	0.7926
Elstow	251.1077	25.1108	20.0886	12.5554	6.2777	-	1.2555
Tahuna	-	22.1114	17.6891	11.0557	5.5279	3.3167	1.1056
Ahikope pumping	-	30.1962	24.1570	15.0981	7.5490	4.5294	1.5098
Tahuna pumping	-	38.3919	30.7135	19.1960	9.5980	5.7588	1.9196
Rowes East	-	76.5070	61.2056	38.2535	19.1268	11.4760	3.8254
Bancroft	-	10.3033	8.2426	5.1516	2.5758	1.5455	0.5152
Matamata Urban	-	184.5595	147.6476	92.2797	46.1411	27.7712	9.2280

Waikato Central drainage area

\$ per hectare

Area of benefit (GST inclusive)	Urban	A	B	C	D	E	F
Rotomanuka	-	19.7538	8.3323	1.0855	-	-	-

Hautapu	247.7420	24.7742	17.3419	12.3871	6.1935	3.7161	1.2387
Fencourt	541.8705	54.1871	37.9309	27.0935	10.8374	8.1281	2.7093
Ōhaupō-Ngāroto	-	20.5830	14.4081	10.2915	5.1457	4.1166	1.0292
Freshfield maintenance	286.2646	28.6265	21.4698	14.3132	7.1566	4.2940	1.4314
Freshfield pumping	-	313.7467	235.3099	156.8734	78.4368	47.0620	-
Komokorau 1	-	25.9387	18.1571	12.9693	7.7816	3.8908	1.2969
Komokorau 2	-	-	-	55.4124	27.7060	-	2.7706
North Mangawara	266.1501	26.6150	18.6305	13.3075	5.3230	3.9923	1.5969
South Mangawara	233.8980	23.3898	16.3728	11.6949	4.6780	3.5085	1.4034
Tauhei	210.0079	21.0008	14.7006	10.5004	4.2002	3.1501	1.2600
Tenfoot	257.5598	25.7560	18.0292	12.8780	5.1512	3.8634	1.5454
Uapoto	302.1096	30.2110	21.1477	15.1055	6.0422	4.5316	1.8127
Ngāruawahiā	888.4003	88.8400	71.0720	44.4200	22.2100	13.3260	4.4420
Rotokauri	568.8284	56.8828	45.5063	28.4414	14.2207	8.5324	2.8439
Ohote Basin	103.1123	25.7781	16.7557	15.4668	-	6.4445	3.8667
Mangaonua	402.6222	40.2622	28.1836	20.1311	8.0524	6.0393	-
Waitakaruru	420.9313	42.0931	29.4652	21.0466	8.4186	6.3140	2.1047
Manor Park	3,541.5284	708.3057	-	-	-	354.1495	-
Greenhill	-	116.2855	104.6569	73.2590	-	-	-
Hopuhopu	-	68.8863	45.4650	22.9391	7.5772	-	-
Kirikiroa	-	-	-	43.0748	21.5375	-	4.3075
Koromatua	-	48.7214	32.4728	8.1024	-	-	-
Matangi	-	26.6636	-	-	-	-	-
Ngāruawahiā North	-	234.2369	-	-	-	-	-
Pukeroro	-	90.2176	60.0850	45.1087	-	-	-
Puketaha	408.7094	40.8709	28.6097	20.4355	12.2612	6.1310	2.0436
Te Kōwhai	-	140.0835	104.9223	52.5314	35.0211	17.5106	-

Aka Aka drainage area

Area of benefit (GST inclusive)	Urban	A	B	C	D	E	F
Waller Commins	-	-	-	-	-	-	-
Motukaraka	-	97.6101	-	-	-	-	-

Bell Road	-	-	-	82.9506	-	-	-
Tuakau Swamp	-	-	152.3911	-	33.8647	-	-
Mangatawhiri Compartment 1	-	-	-	43.1546	14.3849	8.6309	-
Mangatawhiri Compartment 2	-	-	212.0187	141.3458	47.1153	28.2692	-
Mangatawhiri Compartment 3	-	-	23.6718	15.7812	5.2604	-	-
Mangatawhiri Compartment 4	-	-	113.5326	75.6884	25.2295	-	10.0918
Mangatawhiri Compartment 5	-	-	-	-	64.4028	-	-
Orton	-	34.3850	20.6310	13.7540	6.8770	-	-
Morrison's Swamp	-	35.4649	26.5986	17.7324	8.8662	-	-
Te Kohanga	-	25.2861	8.4287	4.2143	-	-	-
Kaawa	-	224.9374	112.4687	-	-	-	-
Onepoto	-	245.6793	184.2595	122.8397	-	-	-
Onewhero Downstream	-	-	-	-	-	-	-
Okowhau	-	186.1038	106.3582	53.1885	26.5570	-	-
Huntly West	-	71.7392	51.2433	20.4959	10.2588	-	-
Hills	-	85.8082	61.3014	24.5154	12.2791	-	-
Horohoro	-	107.2992	76.6331	30.6554	15.3223	-	-
Austins	-	67.3875	42.1239	16.8469	-	-	-
Blairs	-	140.1974	100.1428	40.0544	20.0481	-	-
Guests	-	75.2779	50.2104	-	-	-	-
Ruawaro Furniss	-	-	86.3804	57.5718	-	-	-
Ruawaro Central	-	56.9228	40.6598	-	-	-	-
Ruawaro North	-	116.5656	86.8065	33.3379	-	-	-
Kimihia SRA	-	87.3861	43.7103	-	-	-	-
Kimihia	-	66.4114	33.2190	-	-	-	-
Rangiriri	-	162.3373	135.2754	81.1850	-	-	-
Island Block	-	127.5960	63.7725	31.9118	-	-	-
Swan Road	-	-	77.3210	51.5422	25.7782	-	-
Vrsalijkos	-	155.1243	-	77.5465	-	-	-
Orchard Road	935.1693	93.5169	65.4617	46.7584	-	14.0275	4.6874
Churchill East	-	97.0795	77.6539	58.2476	-	-	-
Meremere East	-	70.5914	52.9435	35.2886	17.6479	-	-
Mangati	-	56.4746	45.1792	-	-	-	-

Mangawara	-	22.0221	13.7418	11.0110	2.7307	-	-
Pukekapia 1	-	41.7630	20.8815	10.4407	-	-	-
Pukekapia 2	-	88.3875	44.1938	22.0972	-	-	-
Ruawaro East	-	-	6.9040	4.5981	2.2990	-	-
Ruawaro West	-	48.9519	36.7139	24.4759	12.2379	-	-
Travers Road	-	-	-	-	-	-	-
Waikare Frost	-	96.3404	48.1701	24.0849	12.1388	-	-
Waikare Ohinewai	-	-	123.3748	61.6876	30.5975	-	-
Waikare Nikau	-	55.3439	45.8250	36.8590	-	18.4295	9.1871
Waikare Rangiriri	-	43.6646	26.1550	8.7329	-	-	-
Waikare West	-	58.7613	46.8915	23.4458	11.6935	-	-
Waikorea	-	58.2845	-	-	-	-	-

Franklin Waikato drainage areas

\$ per hectare

Subdivision			
Aka Aka	\$ 74.22	fixed rate per hectare (GST inclusive)	

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.⁽⁵⁾

What it funds

The funding provides for projected costs of \$3,871,000 (GST inclusive).

Activity	Projected expenditure (\$000) (GST inclusive)	Targeted rate revenue (\$000) (GST Inclusive)
Flood protection	499	446
River management	583	467
River improvement	131	106
Catchment new works	913	396
Catchment maintenance	44	32
Catchment oversight	544	397

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

Information and advice	182	135
Works and services - coastal marine area	975	440
Total	3,871	2,418

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.

The targeted rate requirement is as follows:

Differential	Targeted rate revenue (\$000) (GST inclusive)
Catchment - Coromandel	1,400
River and flood control direct benefit	1,018
Total	2,418

The 2022/23 rate

Differential	Factor Used	Rate (\$) GST inclusive
Catchment		
CV Basis	Capital value \$1 per \$1	0.00004274
Per rating unit basis	Per rating unit	39.49
Coromandel Retirement Village		
Maintenance	Capital value \$1 per \$1	0.00007010
Coromandel township		
Maintenance	Capital value \$1 per \$1	0.00008227
Coromandel township capital		

Capital channel 1	Capital value \$1 per \$1	0.00032305
Capital channel 2	Capital value \$1 per \$1	0.00016153
Capital channel 3	Capital value \$1 per \$1	0.00008076
Capital indirect	Capital value \$1 per \$1	0.00000695
Grahams Creek		
Indirect maintenance	Capital value \$1 per \$1	0.00003905
Indirect capital	Capital value \$1 per \$1	0.00000912
Capital channel CH1	Capital value \$1 per \$1	0.00011746
Capital stopbank SB2	Capital value \$1 per \$1	0.00006905
Capital channel CH2	Capital value \$1 per \$1	0.00002936
Capital stopbank SB1	Capital value \$1 per \$1	0.00020714
Karaka Stream capital		
Capital KL1	Capital value \$1 per \$1	0.00028331
Capital KL2	Capital value \$1 per \$1	0.00014165
Capital KL3	Capital value \$1 per \$1	0.00004722
Pohue Channel capital		
Capital channel 1	Capital value \$1 per \$1	0.00047870
Tairua Harbour		
Maintenance	Per rating unit	18.06
Tapu		
Maintenance	Capital value \$1 per \$1	0.00022796
Te Puru		
Maintenance	Capital value \$1 per \$1	0.00026193
Te Puru capital Indirect		
Te Puru capital Indirect	Per rating unit	59.83
Te Puru channel capital		
Capital channel 1	Capital value \$1 per \$1	0.00005374
	Per rating unit	30.26
Capital channel 1a	Capital value \$1 per \$1	0.00005374
	Per rating unit	753.66
Capital channel 2	Capital value \$1 per \$1	0.00002687
	Per rating unit	15.13
Capital channel 2a	Capital value \$1 per \$1	0.00002687
	Per rating unit	42.36
Capital channel 3	Capital value \$1 per \$1	0.00001344

	Per rating unit	7.56
Te Puru stopbank capital		
Capital stopbank 1	Capital value \$1 per \$1	0.00033910
	Per rating unit	189.78
Capital stopbank 1a	Capital value \$1 per \$1	0.00033910
	Per rating unit	4,727.52
Capital stopbank 2	Capital value \$1 per \$1	0.00016955
	Per rating unit	94.89
Capital stopbank 2a	Capital value \$1 per \$1	0.00016955
	Per rating unit	265.70
Capital stopbank 3	Capital value \$1 per \$1	0.00008477
	Per rating unit	47.45
Waiomu channel capital		
Capital channel 1	Capital value \$1 per \$1	0.00051183
Capital channel 2	Capital value \$1 per \$1	0.00025592
Capital channel 3	Capital value \$1 per \$1	0.00012796
Waiomu stopbank capital		
Capital Stopbank 1	Capital value \$1 per \$1	0.00029982
Capital Stopbank 3	Capital value \$1 per \$1	0.00004997
Waiomu-Pohue		
Capital indirect	Capital value \$1 per \$1	0.00002896
Maintenance	Capital value \$1 per \$1	0.00026232
Whangamata Harbour		
Maintenance	Per rating unit	13.51

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.⁽⁶⁾

What it funds

The funding provides for projected costs of \$2,394,000 (including GST at the prevailing rate).

Activity	Projected expenditure (\$000) (GST inclusive)	Targeted rate revenue (\$000) (GST Inclusive)
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River management	302	151
Catchment new works	1,574	580
Catchment maintenance	49	25
Catchment oversight	390	194
Information and advice	78	39
Total activity	2,394	989

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	989

The 2022/23 rate

West Coast

Differential	Factor Used	Rate (\$) GST inclusive
Catchment - West Coast		
Capital value basis	\$1 per \$1 capital value	0.00007357
Per rating unit basis	\$ per rating unit	72.27

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 2022/23 is \$15,207,000 (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 2022/23 for the direct rate is \$11,062,000 (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 2022/23 for the indirect rate is \$2,030,000 (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 2022/23 for the direct rate is \$248,000 (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 2022/23 for the indirect rate is \$62,000 (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 2022/23 for the unit rate is \$1,233,000 (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 2022/23 for the indirect rate is \$572,000 (GST inclusive).

The 2022/23 rate

Area of benefit (GST inclusive)	Factor Used	Rate (\$) GST inclusive
Public transport Hamilton - indirect	Capital value \$1 per \$1	0.00002999
Public transport Hamilton - direct	Capital value \$1 per \$1	0.00016993
Public transport Matamata Piako - indirect	Capital value \$1 per \$1	0.00000247
Public transport Matamata Piako - direct	Capital value \$1 per \$1	0.00002509
Public transport Hauraki - indirect	Capital value \$1 per \$1	0.00000060
Public transport Hauraki - direct	Capital value \$1 per \$1	0.00000622
Public transport Thames Coromandel - indirect	Capital value \$1 per \$1	0.00000041
Public transport Thanes Coromandel - direct	Capital value \$1 per \$1	0.00000259
Public transport - rail - unit rate	Per rating unit	20.00
Public transport - rail - indirect	Capital value \$1 per \$1	0.00000845

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 2022/23 is \$12,273,000 (GST inclusive), an increase of \$1,722,000 from 2021/22.

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 2022/23 year is \$215,919 billion.

The 2022/23 rate

Area of benefit (GST inclusive)	Percentage of region	Rate \$1 per \$1 CV (GST inclusive)	\$(000) GST inclusive
Hamilton City	28.03%	0.00005081	3,440
Matamata-Piako	7.89%	0.00005084	968
Ōtorohanga	2.37%	0.00005843	291
Rotorua	1.03%	0.00005344	126
South Waikato	3.49%	0.00005067	428
Taupō	9.99%	0.00006742	1,226
Thames-Coromandel	12.84%	0.00006297	1,576
Waikato	16.62%	0.00005712	2,040
Waipā	11.97%	0.00006341	1,469
Waitomo	1.80%	0.00005055	221
Hauraki	3.98%	0.00005157	488
Total	100%		12,273

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 \$1,224,000 (GST inclusive). It is applied on a uniform basis to every rating unit in the Waikato region.

The 2022/23 rate

The 2022/23 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 \$1,823,000 (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 2022/23 rate

The 2020/21 rate is \$74.47 (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 \$821,000 (GST inclusive). It is applied on a uniform basis to every rating unit in the Waikato region.

The 2022/23 rate

The 2022/23 rate is \$3.87 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 \$95,000 (GST inclusive). It is applied on the capital value of every rating unit in the Waikato region of two hectares and above.

The 2022/23 rate

The rate is \$0.00000148 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.

The 2022/23 rate

How it is applied

The revenue required is \$2,895,000 (GST inclusive). It is applied on a uniform basis to every rating unit in the Waikato region.

The 2022/23 rate

The rate is \$13.66 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 22/23 is \$351,000 (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 2022/23 is \$39,000 (GST inclusive)

Territorial authority area	\$ Per rating unit	\$(000) GST inclusive
Waikato District	5.06	162.1
Waipa District	5.06	115.0
Matamata-Piako District	5.06	74.9
Thames-Coromandel District	0.48	13.3
Hauraki District	0.48	4.9
Otorohanga District	0.48	2.1
South Waikato District	0.48	4.6
Waitomo District	0.48	2.2
Taupo District	0.48	10.8
Rotorua District	0.48	0.6
Total		390.5

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 30 October 2020 (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 2022. Prior year rates not paid by 30 June 2022 will attract a further penalty of 10 per cent to the extent of non-payment on 7 July 2022 (being 5 working days from the date of the council resolution to assess the 2022/23 rates). Prior year rates remaining unpaid six months after 7 July 2022 will attract a further penalty of 10 per cent to the extent of non-payment on 4 January 2023.

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.

Schedule of fees and charges | Te rārangi o ngā nama me ngā utu

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.⁽⁷⁾

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⁽⁸⁾ (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⁽⁹⁾) + administration fee + direct costs including disbursements + notification and hearing costs

Fixed application charges	\$ (GST exclusive)
Bore consent (controlled activity)	420
Mooring consent inside zoned mooring area (ZMA)	420
Change to mooring consent	210
Consent application lodgement fee (fee per application)	
• One activity	250
• Two activities	200
• Three activities	175
• Four or more activities	150
Consent transfer fee (for one consent)	135
Each additional consent	95

Staff charge rates

	Rate per hour (\$) (GST exclusive)
Technical expert	195
Technical officer	150
Team Leader	175
Senior resource officer	145
Resource officer	130
Business support / legal advisor	95
Legal Advisor	325

⁷ For the full policy, refer to the council's 'Administrative Charges Policy: 1999'. This document is available on request

⁸ 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

⁹ Refer to staff charge rates table above

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⁽¹⁰⁾) + 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 \$65 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 \$65 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⁽¹¹⁾) + 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.

¹⁰ Refer to staff charge rates table on the previous page

¹¹ Refer to staff charge rates table on previous page

2022/23 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	145	588	-	703
• Other discharges	Other discharges to air, including odour	145	-	-	145
Agricultural					
Agricultural discharges	Discharges to land and water from agricultural sector activities	145	470	-	615
Process discharges					
• Major	Stormwater discharge >200 litres per second; Sewage >15m ³ per day; mine wastewater >100m ³ per day; geothermal 100 – 1500m ³ per day	145	835	-	980
• Minor	Industrial, mining, quarry, urban and commercial discharges to land and water that do not fall into 'Major' class	145	425	-	570
Geothermal					
• Discharge	Discharge of geothermal sourced fluids	145	12 cents per tonne or m ³ (daily rate)		
• Take	Takes of geothermal sourced fluids	145	22 cents per tonne or m ³ (daily rates)		
Water takes					
Water takes	Takes of surface or ground water, excluding farm water takes	145	Minimum charge of \$65, then 45 cents per m ³	-	
Farm water takes	Takes of surface or ground water for farming support	145	Minimum charge of \$65, then 45 cents per m ³	65	
Non-consumptive water takes (no impact)	Non-consumptive water takes with no impact on water availability, or for flood management or environmental purposes	145	-	-	145

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	145	600	-	745
Dams					
• Waikato	Large dams within the Waikato hydro network used for electricity generation	145	9,210 per dam	-	9,355
• Large	Dams deeper than 3 metres and which hold more than 20,000m ³ of water	145	5,894 per dam	-	6,039
• Small	All dams not covered by the consent classes above	145	276 per dam	-	421
Coastal					
• Marine farms		145	50 per hectare	40	
• Moorings	All mooring structures ⁽¹²⁾	145	23	15	183
• Other	Activities requiring consent which may significantly impact upon the coastal environment and do not sit within the classes listed above	145	575	-	720
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	145	1,724	-	1,869
• 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	145	323	-	468

12 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	145	795	-	940
• Medium	Land areas from 20 to 100 hectares	145	400	-	545
• Small	Land areas less than 20 hectares	145	190	-	335
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	145	-	-	145

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.

- 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.

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

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	Fee (\$) (GST exclusive)
Application for temporary events (Clause 5.6), or suspension or exemption of any provisions within this bylaw (Bylaw 4.2)	\$108.70
Application for permanent speed upliftings (Clause 5.8)	Actual and reasonable costs

Public notice for a temporary event (Clause 5.6.5)	Actual and reasonable costs
Mooring fee – Harbourmaster activities and safety checks (charged annually) (13)	\$62.50
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 \$65 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	Recommended rate per hour (\$) (GST exclusive)
Regional on-scene commander (ROSC)	\$195
Subject matter expert (SME) ie wildlife, environmental scientist	\$150
Senior regional responder (SRR) / leading hand / EOC function manager	\$145
Regional responder (RR), operations team member, EOC function team member	\$130
Business support (after termination of response)	\$95
Disbursements (eg but not limited to: meals and accommodation, vehicle running costs, specialist equipment, external agency advice, waste management)	Actual costs incurred
Legal advisor	\$325

Technical reports

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

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.

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

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	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	\$1,600
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.

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

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			
	2021/22	2022/23	Change	2021/22	2022/23	Change	2021/22	2022/23	Change	
Hamilton	91.42	105.81	14.39	182.84	211.62	28.78	365.68	423.23	57.56	Revalued
Hauraki	98.84	107.40	8.56	197.68	214.79	17.12	395.35	429.59	34.23	Revalued
Matamata-Piako	108.64	105.88	(2.76)	217.28	211.75	(5.53)	434.56	423.50	(11.05)	Revalued
Otorohanga	142.66	121.68	(20.98)	285.32	243.37	(41.95)	570.64	486.74	(83.91)	
Rotorua	115.00	111.30	(3.70)	230.00	222.60	(7.40)	460.01	445.20	(14.80)	
South Waikato	105.56	105.53	(0.03)	211.12	211.07	(0.05)	422.24	422.13	(0.10)	Revalued
Taupo	128.74	140.40	11.67	257.48	280.81	23.33	514.95	561.62	46.67	
Thames-Coromandel	121.39	131.15	9.76	242.78	262.30	19.52	485.57	524.61	39.04	
Waikato	101.70	118.97	17.27	203.40	237.93	34.53	406.80	475.86	69.06	
Waipa	125.61	132.07	6.46	251.21	264.14	12.93	502.43	528.28	25.85	

Waitomo	110.13	105.28	(4.85)	220.26	210.56	(9.70)	440.52	421.11	(19.41)	Revalued
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Uniform annual general charge – charged to all properties in the region

2021/22 rate	82.36	per rating unit
2022/23 rate	88.02	per rating unit
Change	5.66	per rating unit

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

2021/22 rate	13.39	per rating unit
2022/23 rate	13.66	per rating unit
Change	0.27	per rating unit

Natural heritage rate – charged to all properties in the region

2021/22 rate	5.80	per rating unit
2022/23 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			
	2021/22	2022/23	Change	2021/22	2022/23	Change	2021/22	2022/23	Change	
Hamilton	20.70	25.40	4.70	41.40	50.81	9.40	82.80	101.61	18.81	Revalued
Hauraki	22.38	25.78	3.40	44.76	51.57	6.81	89.53	103.14	13.61	Revalued
Matamata-Piako	24.60	25.42	0.82	49.20	50.84	1.64	98.40	101.67	3.27	Revalued

Otorohanga	32.30	29.21	(3.09)	64.61	58.43	(6.18)	129.22	116.86	(12.36)
Rotorua	26.04	26.72	0.68	52.08	53.44	1.36	104.16	106.88	2.72
South Waikato	23.90	25.34	1.43	47.81	50.67	2.87	95.61	101.35	5.73
Taupo	29.15	33.71	4.56	58.30	67.42	9.11	116.61	134.83	18.23
Thames-Coromandel	27.49	31.49	4.00	54.98	62.97	8.00	109.95	125.95	16.00
Waikato	23.03	28.56	5.53	46.06	57.12	11.06	92.12	114.25	22.13
Waipa	28.44	31.71	3.26	56.89	63.41	6.53	113.77	126.83	13.06
Waitomo	24.94	25.28	0.34	49.88	50.55	0.67	99.75	101.10	1.35
									Revalued

Regional services rate – charged to all properties in the region

2021/22 rate		3.92	per rating unit
2022/23 rate		3.87	per rating unit
Change		(0.05)	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		
	2021/22	2022/23	Change	2021/22	2022/23	Change	2021/22	2022/23	Change
Hamilton Rail - unit rate	20.00	20.00	-	20.00	20.00	-	20.00	20.00	-
Hamilton Rail - indirect benefit rate	4.21	4.23	0.01	8.42	8.45	0.03	16.85	16.90	0.06
Hamilton City direct benefit rate	95.78	99.96	4.18	191.55	199.91	8.36	383.10	399.82	16.72
									Revalued

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

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

2021/22 rate	2.61	per rating unit
2022/23 rate	5.06	per rating unit
Change	2.45	per rating unit

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

2021/22 rate	0.24	per rating unit
2022/23 rate	0.48	per rating unit
Change	0.24	per rating unit

Catchment scheme rates

Waihou Piako catchment rate – charged on a differential basis to all properties in the zone ⁰

Property type	\$500,000 property		\$1,000,000 property	
	2021/22	2022/23	2021/22	2022/23
Residential	77.81	96.09	155.61	192.17
			18.28	36.56
				Revalued
Property type	\$2,000,000 property		\$3,500,000 property	
	2021/22	2022/23	2021/22	2022/23
Rural	311.22	384.34	544.64	672.60
			73.12	127.96
				Revalued

Waikato-Waipā scheme (Watershed) – charged on a differential basis to all properties in the zone

Management zone / territorial authority	\$500,000 property			\$1,000,000 property			\$2,000,000 property		
	2021/22	2022/23	Change	2021/22	2022/23	Change	2021/22	2022/23	Change
Central Waikato zone - Hamilton City	15.81	19.29	3.48	31.61	38.57	6.96	63.23	77.14	13.92
Central Waikato zone - Waipa District	29.67	30.80	1.13	59.33	61.60	2.27	148.34	154.00	5.67
Lower Waikato zone - Waikato District	84.84	85.65	0.82	169.67	171.31	1.63	424.18	428.27	4.09
Waipa zone - Otorohanga District	49.93	51.43	1.50	99.86	102.86	3.01	249.64	257.15	7.51
Upper Waikato - South Waikato District	22.33	26.35	4.02	44.66	52.70	8.04	111.64	131.74	20.10
Upper Waikato - Rotorua District	40.94	43.58	2.64	81.87	87.15	5.28	204.69	217.88	13.19
Lake Taupo zone - Taupo District	31.17	32.81	1.64	62.34	65.62	3.28	155.85	164.05	8.21
									Revalued

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

\$500,000 property			\$1,000,000 property			\$2,000,000 property		
2021/22	2022/23	Change	2021/22	2022/23	Change	2021/22	2022/23	Change
56.05	60.87	4.82	82.24	82.24	6.50	115.11	124.98	9.87

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

\$500,000 property			\$1,000,000 property			\$2,000,000 property		
2021/22	2022/23	Change	2021/22	2022/23	Change	2021/22	2022/23	Change
107.25	109.05	1.80	145.85	145.83	(0.02)	223.05	219.40	(3.65)

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

	0.2 ha property (Residential)			2.0 ha property (Lifestyle)			75 ha property (Dairying)		
	2021/22	2022/23	Change	2021/22	2022/23	Change	2021/22	2022/23	Change
Thames Valley	22.14	19.11	(3.03)	17.71	15.29	(2.42)	830.30	716.76	(113.54)

	0.2 ha property (Residential)			2.0 ha property (Lifestyle)			75 ha property (Dairying)		
	2021/22	2022/23	Change	2021/22	2022/23	Change	2021/22	2022/23	Change
Waikato Central	44.93	51.51	6.58	31.45	36.06	4.61	1,684.79	1,931.70	246.91

	0.2 ha property (Residential)			2.0 ha property (Lifestyle)			75 ha property (Dairying)		
	2021/22	2022/23	Change	2021/22	2022/23	Change	2021/22	2022/23	Change
Aka Aka	13.83	14.84	1.01	138.33	148.45	10.12	5,187.26	5,566.85	379.59

He taiao mauriora

Healthy environment

He ōhanga pakari

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