



2019/20 ANNUAL PLAN

2019/20 Mahere
ā-Tau



Waikato

REGIONAL COUNCIL
Te Kaunihera ā Rohe o Waikato

**HE AHA TE MEA NUI
O TE AO?**

**HE TANGATA!
HE TANGATA!
HE TANGATA!**

WHAT IS THE MOST IMPORTANT
THING IN THE WORLD?

IT IS PEOPLE!
IT IS PEOPLE!
IT IS PEOPLE!

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SECTION 1 Setting the scene |
Whakaritea te wāhi

Message from the chairperson and chief executive | Kōrero matua a te tiamana me te tumu whakarae

For 2019/20, we've stuck closely to the programme we signalled in the long term plan adopted in June last year.

It's the first time Waikato Regional Council has agreed an annual budget and work programme without seeking additional feedback from the public. That's because we consulted extensively on our 10 year plan and, with no significant changes, the Local Government Act now enables us to set the budget without further consultation.

The \$100.983 million budget means an average rates increase of 4.5 per cent for all properties (excluding targeted rates) - slightly below that proposed in the 2018-2028 Long Term Plan.

As planned through the long term plan, average targeted rates have risen 11.2 per cent, mainly driven by increases to biosecurity, public transport (Hamilton only) and catchment work.

For biosecurity, more funding is being put into pest control, including management of possums, wallabies and kauri dieback.

We're changing gears when it comes to public transport, with the establishment of a passenger rail service between Hamilton and Auckland – a transformational multi-agency project for the Waikato region. The regional council will be collecting rates from Hamilton ratepayers for the service due to rollout by mid-2020.

We're also stepping up investment in our public bus services. This includes providing for increased services into growing parts of Hamilton and to address bus travel time reliability issues caused by increasing congestion. Among other things, this additional investment will also see the long-awaited introduction of a new electronic ticketing system in the 2019/20 year, providing our passengers with some of the features they've been asking for. We have also budgeted to improve bus driver wages and are waiting a government partnership to resolve this issue.

We've been conscious of the financial impact of increasing investment in the Lower Waikato and Waihou-Piako catchments, so decided 12 months ago to spread the burden of rates increases over three years.

Maintaining our ageing flood protection assets comes at an increasing cost. That's because construction costs are continually rising, the climate is changing, land is subsiding and there are health and safety requirements and environmental considerations that didn't exist when the assets were designed and constructed.

Climate change is too important for us to ignore. We recognise that our changing climate will affect just about everything we do into the future and are front footing action on this issue. As part of the journey to reduce greenhouse gas emissions to net zero by 2050, we are measuring and managing our emissions – which will also save you money! We are adjusting our flood risk reduction and catchment management actions to reflect projected changes in sea level and storm occurrences.

Through the long term plan we committed seed funding to support a new regional theatre. Construction is planned to commence in 2019/20, with completion anticipated in 2020/21. Our funding contribution of \$5 million will be paid when all funding conditions have been met. On this basis, there will therefore be no rating impact for 2019/20. Starting in 2020/21, rates will be collected from regional ratepayers excluding those in Hamilton city who will contribute to the project through their Hamilton City Council rates.

In this financial year, we're also beginning an exciting journey to improve the way we work. In turn, this will help make it easier for you to do business with us.

- Construction of our new headquarters is getting underway and, when finished in July 2020, will bring all Hamilton staff together under the one roof in a purpose-built building.
- Project Reboot is a massive project which will see 28 ageing systems replaced by a single platform.
- We're implementing our business intelligence strategy which will give us greater understanding and oversight of our data so we can make better decisions.

There are cost drivers identified in 2018 that still remain – such as central government expecting us to do more, yet we receive no extra national funding. This is especially an issue when it comes to paying for the administrative, planning and implementation costs associated with meeting new and existing Treaty settlement obligations.

The Government is also undertaking reviews of issues such as fresh water, three waters (stormwater, waste water and drinking water), biosecurity and biodiversity, resource management and good farming practices, which all have the potential to affect the way we do our work and add to our costs.

We haven't let these issues hold us back. Where we can, we've looked to other funding sources to enable us to do more and to minimise cost to the ratepayer.

Over the past eight years, funding worth more than \$8.5 million has been provided by the Waikato River Authority (WRA) to partner with Waikato Regional Council to achieve work on the ground. This work – often carried out with landowners, groups or other agencies – goes a long way to achieving the Vision and Strategy for the Waikato River.

The WRA has told us it's one of their largest partnerships and they are incredibly grateful for the amount of support this council has provided.



ALAN LIVINGSTON

Chairperson

Not for the first time, we've had a valuable reminder of the success that comes from collaboration.

And that's why "working together" has been included in our mission – because together we can make the mighty Waikato the best it can be: a healthy and sustainable environment, an economy that's going places, and communities that are as resilient as they are vibrant.



VAUGHAN PAYNE

Chief Executive



Working together with our iwi partners, stakeholders and community, we can make the mighty Waikato the best it can be.

Our priorities | O mātou whakaarotau

We have seven strategic priorities that guide our work. They are reviewed at the beginning of each council term to ensure we effectively address current and emerging issues. Our priorities are to:

- support communities to take action on agreed outcomes
- forge and strengthen partnerships to achieve positive outcomes for the region
- positively influence future land use choices to ensure long term sustainability
- manage fresh water more effectively to maximise regional benefit
- increase communities' understanding of risks and resilience to change
- enhance the values of the region's coasts and marine areas
- shape the development of the region so it enhances our quality of life.

Here's a snapshot of what we've been doing to achieve our priorities, as well as some of the work we will be doing in 2019/20 to make further gains.

Support communities to take action on agreed outcomes

A lot of what we do is geared towards improving the quality of life in the Waikato, and we know the challenges faced by our community are varied. That's why we are doing work like controlling pest plants and animals which threaten our region's native ecosystems, ensuring we're better prepared for natural disasters, and keeping people safer on our roads and waterways.

However, it's people who are key to the success of our rohe. Typically, local communities know their own issues best and are best placed to do something about them. That's why we focus on supporting landowners and communities to take action. In particular, we have a number of funds that support landowners and community groups to improve their natural environment and catchments.

Working with communities is especially important in our catchment planning and management. By including communities in the development and implementation of catchment plans, and encouraging landowners to take ownership, we get quality environmental outcomes. As a result, we're seeing an increased demand for this type of work.

We also give funding support to other organisations doing good work. Throughout 2019/20, we will continue to support groups such as Maungatautari Ecological Island Trust, Surf Life Saving, LandSAR, Coastguard, Philips Search and Rescue Trust and Coromandel Rescue Helicopter Trust.

Meanwhile, local government elections will be held in 2019. This is your chance to help build on the mighty Waikato, either by voting for the people who you think will make the right decisions to shape the region or by standing for election yourself. During the buildup to the elections, there will be an opportunity to speak to the candidates about what's important to you, your whānau and local community. Make sure you get involved.

Forge and strengthen partnerships to achieve positive outcomes for the region

Delivering on our programme of work requires collaboration and good partnerships. Our partnerships with iwi Māori and various organisations, including in education, community and business, are vital to achieve positive economic, environmental and social outcomes for the region.

We play a vital role in the implementation of Treaty settlement arrangements. We already have five joint management agreements with iwi throughout the region, and these mean we work together to ensure mutually beneficial environmental and resource management outcomes. Co-governance committees have been set up for collaborative decision making on our environmental issues and challenges. Central government expects us to do more in this space, but meeting the obligations of current and new Treaty settlements comes with administrative and planning costs. Of course we want to be successful in co-governance, so we are currently working with the Crown for appropriate financial contributions to achieve long term effective implementation.

Waikato Regional Council is one of 12 councils who own the company Waikato Local Authority Shared Services (Waikato LASS). This company promotes the sharing of services between local authorities in the region to gain efficiencies, reduce costs and remove duplication of effort. Waikato LASS has recently launched the Waikato Data Portal, a public platform on which we share data with each other and our ratepayers. Having this data freely available promotes progress, unlocks innovation and results in economic value for the region.

In the coming year, we will also continue to foster our relationship with Beef + Lamb NZ by holding workshops for farmers to support the completion of farm environment plans, we'll continue working with territorial authorities in our region to encourage and support them in giving effect to the Waikato Regional Policy Statement through their district plans, and we'll work with schools to implement our Enviroschools programme to encourage sustainable habits in children.

Positively influence future land use choices to ensure long term sustainability

Soil health, erosion, biodiversity and water quality are all interconnected when it comes to land use. Communities want the best from our land use, both environmentally and economically. Our natural resources support our economy and

communities in the long term, so we need to think about the potential impacts and benefits of land use and everyone's needs, including iwi Māori values and aspirations.

We have a number of policies and rules to improve management of land use and ensure the preservation of our natural resources for future generations, while also sustaining a strong economy. Two of these plans, the *Waikato Regional Coastal Plan* and the *Waikato Regional Plan*, are currently being reviewed in a process called Healthy Environments. This long term project is expected to be completed in 2028. It has to take into account changes to the Resource Management Act, which are yet to be proposed by central government, and updated or new national policy directives.

On the ground, there are many landowners, community groups and other agencies working to restore our region's environment so native plants and animals can thrive, or improving the quality of our waterways. We give them all the support we can, and we want to bring attention to the projects they're working on. Therefore, we're looking at ways to publicly promote the scale and investment of the work being done.

Waikato River Authority, a major funder of works to improve the Waikato River, is one such organisation doing good mahi to improve our natural environment. We partner with them to support communities and landowners undertaking work to protect our natural resources and improve water quality in the Waikato River catchment. Joint projects we're working on include realising the *Waipā Catchment Plan*, improving the Whirinaki catchment in the Upper Waikato Zone, and working alongside landowners in the Central Waikato Zone and Lower Waikato Zone (particularly to reduce erosion and improve water quality in the Matahuru, Mangapiko, Naike, Mangawara and Lake Waahi catchments). Partnering with Waikato River Authority means we can achieve more together.

Since 2015, the council has accessed funding from the Ministry for Primary Industries to distribute to landowners undertaking hill country erosion work. The programme initially focused on the western hill country of the Waikato, however, another \$3.7 million over four years has been secured from 2019/20. This funding will go towards riparian and reversion work, willow and poplar pole planting, retirement and forestry/mānuka planting in the Lower Waikato, Central, West Coast, Waipā and Coromandel zones.

Manage fresh water more effectively to maximise regional benefit

Communities and our economy need water. Clean water. So it's hardly surprising that water quality is what the majority of our communities tell us they care most about. In response to this, we worked with our communities to develop the *Waikato Freshwater Strategy*, a roadmap to achieve an integrated water management regime which will enable us to deliver the best use of fresh water over the next 30-50 years.

We've also undertaken a lot of work prioritising where in our various catchments we will get the best return on investment to improve water quality, biodiversity and soil stabilisation. Such mapping is informing both our regulatory and non-regulatory interventions.

Healthy Rivers/Wai Ora: Proposed Waikato Regional Plan Change 1 is one way we are trying to make noticeable improvements to water quality. The proposed plan seeks to reduce the amount of contaminants entering the Waikato and Waipā catchments and achieve the *Vision and Strategy for the Waikato River/Te Ture Whaimana o Te Awa o Waikato*, which is making the river swimmable and viable for food collection along its entire length. The regional council's hearing and decisions process for *Healthy Rivers* is likely to be completed in 2019/20, and then submitters will have the opportunity to lodge any appeals. *Plan Change 1* is essential for implementing the *National Policy Statement for Freshwater Management*.

The management of water is certainly a hot topic for central government. Among its initiatives, the Government has released a paper, *Essential Freshwater*, which outlines its plan to restore and protect fresh water in New Zealand. The Government is also reviewing how improvements can be made to the regulation and supply of drinking water, waste water and stormwater. The outcome of these reviews may have an impact on our business, therefore we are actively involved in the review process in order to have a good understanding of how any changes will affect our functions and communities.

Elsewhere, with the help of other funders, we've started a three-year project to improve fish passage through our flood pumps. We need flood protection infrastructure to support the economic activities in our communities but they pose a barrier to native fish migration.

Increase communities' understanding of risks and resilience to change

Change is inevitable. It has the potential to increase people's vulnerability and impact on quality of life. We're facing declining and ageing populations in some areas, changes to jobs and technology, and climate change.

We are aware of the many challenges these may present going forward. As populations decline we may see issues with access to services; as sea levels rise and we get more frequent and intense weather patterns, we'll need to address that in flood management.

To ensure you're prepared, we're working to improve the quality of information and advice that we provide, and make it more accessible. This includes making it easy to find out what the hazards and risks are for all properties in the Waikato, and increasing our understanding of what climate change means for our region.

Part of this is investigating the sustainability of our flood protection and drainage infrastructure, and the ability of communities to continue to pay for this required service.

However, this is not just in response to climate change but also to address increasing expectations that our assets be environmentally sustainable.

Enhance the values of the region's coasts and marine areas

We monitor and protect the health of our marine environment to 12 nautical miles offshore. What happens on the land has an effect on this environment, with things like pollutants in run off, sedimentation and erosion causing negative impacts. Intensification of land use exacerbates these problems.

That's why our work to positively influence land use choices is extremely important. Healthy Environments, the review of both the *Regional Coastal Plan* and the *Waikato Regional Plan*, will consider the regulatory framework we use to ensure we protect our natural resources such as the marine environment.

We're also working with communities in a non-regulatory space to improve our harbour and catchments. We're fast-tracking non-statutory harbour and catchment plans for across the region. These plans, which are developed with the communities of our catchments, identify the issues and priorities to guide the work that we, other agencies, iwi and landowners do to improve freshwater quality, reduce sedimentation, stabilise river and catchment systems and enhance biodiversity.

We already have plans for Tairua, Whangamatā, Whangapoua and Wharekawa. In 2019/20 we will be working on completing plans for Whitianga/Mercury Bay and Coromandel/Manaia. We'll also be developing sub-catchment plans for the west coast harbours of Aotea, Kāwhiā and Whaingaroa.

Shape the development of the region so it enhances our quality of life

The Waikato region is a place of powerful possibilities. To harness all our potential, we connect people, ideas and information to be as strong as we can be. We make sure development happens within environmental limits and not at the expense of our quality of life.

As part of this priority, we signed up to support the development and implementation of the *Waikato Plan*. The *Waikato Plan*, a collaborative effort by local government, central government, iwi, businesses and communities, is a region wide overarching strategic plan to address the challenges we all face. It has a 30 year focus and supports a coordinated approach to plan for population and demographic change and investment in infrastructure such as rail, key roading networks, walkways and cycleways. It focuses on partnerships with iwi/Māori, protecting ecosystems, responding to climate change and addressing water allocation and quality issues. The plan seeks to advance the four wellbeings – social, economic, environmental and cultural – by championing regional economic development through attracting visitors.

Elsewhere, we're supporting a startup rail service between Hamilton and Auckland. Hamilton City Council asked us to rate for the new service in our 2018-2028 Long Term Plan and, after consultation with the community and confirmation of a

significant subsidy from NZTA, we've agreed to support this venture. The service is in response to congestion on the state highway between Hamilton and Auckland. It is anticipated to start in mid-2020.

The regional council has also, through the development of our 2018-2028 Long Term Plan, agreed to support a community initiative driven by Momentum Waikato to build a new theatre and creative precinct in Hamilton for the Waikato region. Having a regional theatre supports our goals of promoting social connections, enhancing the quality of life of Waikato residents, fostering economic development and attracting visitors to our region. Construction of the theatre is planned to begin in 2019/20, and it is anticipated that the new theatre will open in 2020/21. The council has committed to a funding contribution of \$5 million, which will be paid when all funding conditions have been met.

As a council, we are always looking to improve the quality of life of our communities. We keep this priority fresh by developing a new three-year strategic direction after every new council is formed. This will happen again after the local government elections in October 2019. Our new councillors will set their priorities for the triennium, taking into consideration the challenges and opportunities faced by the current council and the work that is already underway to respond to these challenges.



Double decker buses rolled out on Waikato Regional Council's public bus network for the first time in April 2018.

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

How to read this section | Me pēwhea te pānui i tēnei wāhanga

Waikato Regional Council has eight groups of activities outlined within this section. Within each group of activities there are a number of activities. This section provides the following details on each group of activities,

Key highlights and priorities for 2019/20

Identifies projects the council will be undertaking during the financial year.

ACTIVITIES

Provides a brief description of each activity that makes up the group.

LEVELS OF SERVICE

Describes how we will measure our success.

Activity	Level of service	Performance measures	Previous performance	Target
The activities that are included within this group of activities.	Outputs the council expects will be generated by this activity.	Identifies specific outputs the council wishes to achieve.	Benchmarking of the council's past performance against the target.	The performance target by which actual levels of service provision are meaningfully assessed.

FINANCIAL SUMMARY

Outlines the cost of service and expenditure by activity.



Community and services | Hapori me ngā ratonga

ACTIVITIES

- Community partnerships

The community partnerships activity provides support and advice within the council and externally to build awareness, encourage involvement and engagement, and provide education programmes that support the community to achieve shared outcomes. Education programmes focus on multi-agency relationships to bring about behavioural change to enhance sustainability and road safety.

This activity is also focused on creating clarity, transparency and consistency across our stakeholder relationships and partnerships so the organisation is best placed to identify emerging opportunities and new revenue streams.

- Governance

The governance activity supports the chairman and councillors in their roles, ensures council processes such as triennial elections and meetings are run correctly, and decision making processes are robust and transparent. This includes providing for iwi, community and key stakeholder representation on the council's standing subcommittees and councillor representation on other local government, key stakeholder and community groups.

Maintaining the integrity of the council's processes is also supported by the provision of timely and appropriate responses to official information requests and Ombudsman's office enquiries.

- Iwi Māori participation

We build the council's capability and confidence to effectively partner with iwi Māori. By strengthening these relationships we increase the ability of iwi Māori to meaningfully participate in mutually beneficial collaborative initiatives.

- Planning and reporting

This activity includes the development of statutory plans and reports required by the Local Government Act 2002 to improve transparency and accountability to our community. These include long term plans, annual plans and annual reports.

Key highlights and priorities for 2019/20

Some of the key work these activities will focus on in 2019/20 include the local government elections and the induction of the new council. The council will undertake a robust election process and encourage the community to vote so everyone can have their say in how their Waikato is governed and who best represents their interests.

Work will also go into ensuring that those elected fully understand the intricacies of our business and are properly briefed on all challenges and opportunities that will face the council, not only in the immediate term but also over the longer term.

In response to new Treaty of Waitangi settlements we will be establishing a number of new co-governance committees. We will continue to work with the Crown to ensure that additional financial contributions are provided to support the effective implementation of these new settlement arrangements.

Construction of the new regional theatre, a community initiative driven by Momentum Waikato, will begin in 2019/20. It is anticipated that the theatre will open in 2020/21.

LEVELS OF SERVICE

Activity	Level of service	Performance measures	Baseline result (2017/18)	Year 2 target (2019/20)
Community partnerships	To collaborate with other agencies and the people of the Waikato to deliver new and current initiatives that achieve economic, environmental and social outcomes	Number of initiatives implemented as a result of working together with our key stakeholders and partners to achieve mutually beneficial outcomes	New measure	Maintain or increase the number of initiatives

Activity	Level of service	Performance measures	Baseline result (2017/18)	Year 2 target (2019/20)
Governance	To provide and promote governance processes that are robust and transparent for the regional community	Percentage of official information requests responded to within statutory timeframes	100%	100%
		Percentage of council agendas that are publicly available two working days or more before the meeting	100%	100%
Iwi Māori participation	To support a Treaty based partnership approach in our engagement with iwi Māori	Completion of key actions identified in the Māori Partnership Approach	New measure	Number of actions completed as per schedule
Planning and reporting	To produce high quality and fit for purpose long term plans and amendments to long term plans to encourage participation in decision making by the regional community	Long term plans and amendments to long term plans receive 'unmodified' audit opinions	Achieved	Unmodified opinion received



FINANCIAL SUMMARY

COST OF SERVICE STATEMENT

Community and services

	2018/19 Annual Plan	2019/20 Annual Plan	2019/20 LTP
	(\$000)	(\$000)	(\$000)
Community partnerships	4,539	7,211	7,595
Governance	3,695	4,115	4,148
Iwi partnerships	1,330	1,398	1,427
Planning and reporting	948	1,082	1,234
TOTAL EXPENDITURE	10,512	13,806	14,404
FUNDED BY			
General rates	1,259	1,105	1,285
UAGC	7,947	8,294	8,593
Targeted rates	831	830	1,035
Government grants	523	536	536
Other income	200	210	210
TOTAL FUNDING	10,759	10,975	11,659
TRANSFER TO / (FROM) RESERVES	247	(331)	(331)
Net operating surplus / (deficit)	-	(2,500)	(2,414)
Loan drawdown/(repayment)	-	2,500	2,414

Waikato Civil Defence Emergency Management Group | Te Rakau Whakamarumarū ā Rohe o Waikato

ACTIVITY

- Waikato Civil Defence Emergency Management Group

The Waikato Civil Defence Emergency Management Group (Waikato CDEM Group) is responsible for delivering on the 4 Rs, readiness, response, reduction and recovery. The Group Emergency Management Office (GEMO), administered by Waikato Regional Council, coordinates all activities but takes direction from the CDEM Joint Committee, an elected body representing all councils in the Waikato.

This activity includes facilitation of community, organisational and business readiness; the provision of an appropriate emergency response and coordination capability; identification and promotion of reduction activities that ultimately reduce the impacts on our communities from an emergency; and the coordination of recovery efforts to ensure the best outcome for the community.

Key highlights and priorities for 2019/20

Although it will be largely business as usual for this group of activity, we will be responding to and implementing key aspects of the government's emergency management systems reform. A review of the CDEM Group Plan will also begin in 2019/20.

LEVELS OF SERVICE

Activity	Level of service	Performance measures	Baseline result (2017/18)	Year 2 target (2019/20)
Waikato CDEM Group	To provide the community with a region-wide coordinated response from government, NGOs and community based responders in the event of a civil defence emergency to reduce the impact on people and the economy	The time taken for the Group Emergency Coordination Centre to be activated in a response to a civil defence event/emergency	Achieved - 60 minutes* *no differentiation was made between business hours and after hours	≤30 mins during business hours ≤60 minutes after hours
		The operative Group CDEM Plan is reviewed within statutory timeframes	New measure	Begin a review of the Group Plan
		Annual assessment and, if necessary, revision of Group Plan to ensure it complies with current legislative requirements	New measure	No assessment required

FINANCIAL SUMMARY

COST OF SERVICE STATEMENT

Waikato Civil Defence Emergency Management Group

	2018/19 Annual Plan	2019/20 Annual Plan	2019/20 LTP
	(\$000)	(\$000)	(\$000)
Waikato CDEM group	2,464	2,518	2,515
TOTAL EXPENDITURE	2,464	2,518	2,515

FUNDED BY			
Targeted rates	1,766	1,882	1,878
Fees and charges	75	70	70
Other income	571	545	545
TOTAL FUNDING	2,412	2,496	2,493
TRANSFER TO / (FROM) RESERVES	(52)	(22)	(22)
Net operating surplus / (deficit)	-	-	-



Regional hazards and emergency response | Mōreatanga ā rohe me te whakarata ohotata

ACTIVITIES

- Resilient development

Resilient development involves the collection and provision of strategic information and advice to district councils, the Waikato Civil Defence Emergency Management (CDEM) Group and landowners on a range of hazards. The information is used to help identify the region's areas most at risk from hazard events, and to minimise risk and damage to people, homes, businesses and infrastructure. This ensures communities can prepare for or avoid hazards so that risks are reduced over time, and that sound decisions are made about the future development of hazard prone areas.

- Waikato Regional Council emergency response

The Waikato Regional Council emergency response activity provides strategic regional hazard information and advice to key stakeholders, and prepares for and responds to marine oil spills, flood events and other natural hazard events. Support is also provided by this activity to the Waikato CDEM Group during a natural hazard event.

Key highlights and priorities for 2019/20

The regional council's hazards portal will be launched in 2019/20 to provide relevant and up to date hazard information to stakeholders and communities. This will enable them to make better decisions on managing existing and proposed development to minimise risk and damage to people, homes, businesses and infrastructure.

A new, enhanced version of the coastal inundation tool will also be released in 2019/20 in collaboration with Bay of Plenty Regional Council.

LEVELS OF SERVICE

Activity	Level of service	Performance measures	Baseline result (2017/18)	Year 2 target (2019/20)
Resilient development	To provide technical support to the Waikato CDEM Group to enable resilient Waikato communities	Percentage of agreed Waikato CDEM Group requests responded to within specified timeframes	New measure	100%
	To provide hazard information to communities and stakeholders to ensure they are well informed	Provide relevant and up-to-date hazard information to communities and stakeholders via the online hazards portal	New measure	Data updated quarterly
WRC emergency response	To provide the community with timely flood event information and situation reports and to respond effectively to flood events to lessen the adverse effects	Percentage of customers satisfied with the Waikato Regional Council's flood warning service (source: contact database survey)	94%	90%
	To reduce the environmental impact of marine oil spills by having a safe, coordinated and effective plan in place and maintain an effective readiness to respond	A marine oil spill plan is in place and two exercises are undertaken per year	New measure	Plan in place and two exercises undertaken

FINANCIAL SUMMARY

COST OF SERVICE STATEMENT

Regional hazards and emergency response

	2018/19 Annual Plan	2019/20 Annual Plan	2019/20 LTP
	(\$000)	(\$000)	(\$000)
Waikato Regional Council emergency response	1,192	1,223	1,218
Resilient development	745	764	765
TOTAL EXPENDITURE	1,937	1,987	1,983
FUNDED BY			
UAGC	1,760	1,809	1,801
Targeted rates	-	-	-
Fees and charges	177	177	182
Other income	-	-	-
TOTAL FUNDING	1,937	1,986	1,983
TRANSFER TO / (FROM) RESERVES			
Net operating surplus / (deficit)	-	-	-

Flood protection and control works | Ngā mahi hei ārai, hei ārahi hoki i ngā waipuke

ACTIVITIES

- Flood protection

The flood protection activity reduces the likelihood that flooding will impact our communities by establishing, maintaining and renewing flood protection infrastructure such as stopbanks, floodgates and pump stations. This infrastructure is designed to meet levels of service that are agreed with the community, and is maintained by a programme of regular inspections, routine maintenance and in some cases major renewals.

- Land drainage

Waikato Regional Council manages a system of natural and built infrastructure to provide adequate land drainage to support productive pastoral (and other) farming. The council has oversight of 92 land drainage schemes which were set up based on a historic network of drains. Each scheme is fully funded under its own targeted rate.

- River management

The river management activity is responsible for managing rivers and streams in the Waikato region. This activity includes erosion control, gravel management and management of vegetation, but also seeks to achieve broader environmental outcomes such as habitat restoration and biodiversity enhancement. Programmes are based on priority and the level of risk to people and property.

Key highlights and priorities for 2019/20

The regional infrastructure fish passage project will continue in 2019/20 to try to mitigate the impacts of land drainage and flood control infrastructure on migratory native fish. The project, done in partnership with others, involves research and development including a series of safe fish passage trials over a three year period.

We will continue to work towards delivering an infrastructure sustainability plan. The purpose of the strategy is to explore the various issues that are, or that may, affect the sustainability of the council's land drainage and flood protection infrastructure, including looking at options to respond to these issues over the coming decades.

Work on constructing the new Mugeridge's pump station near Ngatea will continue with completion due by the end of 2019/20. This new capital project, together with a \$27.3m programme of renewals and maintenance of flood protection assets remains the focus of our asset, management programme.

LEVELS OF SERVICE

Activity	Level of service	Performance measures	Baseline result (2017/18)	Year 2 target (2019/20)
Flood protection	To provide the standard of flood protection agreed with communities as set out in zone plans and associated documents	Major flood protection and control works are maintained, repaired and renewed to the key standards defined in relevant planning documents (such as zone management plan, annual works programme or long term plan) Note: The two elements to this measure are described in more detail in parts one and two below	Achieved	Achieved
		Part one: Percentage of planned mandatory maintenance* actions achieved each year	93%	85%
		Part two: Percentage of stop banks maintained to above designed flood height, as agreed within each zone	93.1% (combined urban and rural)	Rural: 93% Urban: 93%
		Percentage of flood recovery plans** implemented after all major events	New measure	80% compliant
Land drainage	To provide reliable water table management on land within drainage schemes for the purpose of maintaining pastoral production	Number of reported incidences where it takes more than three days to remove surface water after events with up to a 10% annual exceedance probability	One (achieved)	<5
River management	To maintain channel capacity and stability of priority rivers and streams in each management zone	Percentage of planned maintenance actions achieved each year	New measure	85%
		Percentage of enquiries acknowledged within two working days	New measure	95%
<p>* Maintenance can mean repair, renew or maintain. ** The plans set out timeframes under which flood response actions are to be completed.</p>				

FINANCIAL SUMMARY

COST OF SERVICE STATEMENT

Flood protection and control works

	2018/19 Annual Plan (\$000)	2019/20 Annual Plan (\$000)	2019/20 LTP (\$000)
Flood protection	14,464	16,123	15,964
River management	5,272	5,865	5,769
Land drainage	2,111	2,197	2,159
TOTAL EXPENDITURE	21,847	24,184	23,892
FUNDED BY			
General rates	2,607	2,956	2,914
Targeted rates	17,477	19,926	19,867
Government grants	-	-	-
Fees and charges	20	32	32
Investment income	-	-	-
Other income	774	774	774
TOTAL FUNDING	20,878	23,688	23,587
TRANSFER TO / (FROM) RESERVES	(50)	(497)	229
Net operating surplus / (deficit)	(919)	(0)	(534)
Loan drawdown/(repayment)	919	-	534

Integrated catchment management | Te whakahaere ā-tōpū i te rauwiringa wai

ACTIVITIES

- Biodiversity

The biodiversity activity carries out three main functions:

- Providing support, funding and advice to environmental projects driven by community groups, iwi and members of the public.
- Focusing on the many benefits Waikato Regional Council activities bring to the region's biodiversity.
- Leading ecosystem restoration and collaborating with other government organisations and stakeholders to yield significant, long term protection of vulnerable ecosystems.

- Biosecurity

The biosecurity activity includes the exclusion, eradication or management of pests and diseases that pose a risk to the economy, environment and cultural and social values, including human health. The council collaborates and works in partnership with a wide range of national, regional and local organisations/communities to deliver pest management throughout the region.

The activity is achieved through direct and biological control of animal and plant pests including community based initiatives, providing information and advice on plant and animal pest control, monitoring of pest animals and plants throughout the region, as well as developing strategy and rules for the protection and enhancement of the environment.

- Catchment planning and management

The catchment planning and management activity provides for the management of catchments throughout the region. Key priorities for this activity include maintaining existing soil conservation schemes, promoting, planning and implementing new catchment protection projects aimed at improving water quality, protecting biodiversity, managing shallow lakes, and planning for zones, catchments and harbours. These activities are undertaken collaboratively with landowners, community

groups, iwi and other agencies. The council also undertakes zone, catchment and harbour management planning, including the development and review of eight zone management plans.

- Land management advisory services

This activity works with others to deliver a range of non-regulatory services to support the agriculture industry, including community engagement and extension programmes aimed at building farmer awareness of good practices and developing capability and capacity within the industry. This includes supporting policy implementation by raising awareness of regulatory requirements. In particular it coordinates farm environment planning within the Waikato and Waipā (Healthy Rivers) catchments. It also works in the Hauraki catchments to prepare for the implications of its plan change.

This service complements regulatory functions by engaging with the agriculture sector and ensuring it has the systems, capability and capacity to manage the effect of agriculture on water and soil values.

Key highlights and priorities for 2019/20

The review of the Regional Pest Management Plan will continue in 2019/20 with a focus on engaging with our stakeholders. Extra biosecurity funding will be put into pest management for kauri dieback, possums and wallabies.

Work will continue on developing harbour and catchment management plans for the region. Whitianga/Mercury Bay and Coromandel/Manaia are due for completion by the end of 2019/20. Development of sub-catchment plans will also continue for the West Coast harbours of Aotea, Kawhia and Whaingaroa.

Increasing capacity in the catchment planning and management activity will also continue in response to community demand. This includes working with communities as well as supporting projects we undertake with partners including the Waikato River Authority and Department of Conservation.

LEVELS OF SERVICE

Activity	Level of service	Performance measures	Baseline result (2017/18)	Year 2 target (2019/20)
Biodiversity	To work in partnership with others to maintain and enhance indigenous biodiversity	Percentage of projects funded through Natural Heritage Partnership Programme that achieve milestones as per the funding agreement	Not achieved	100%
		Number of on the ground projects in action to protect and restore indigenous biodiversity per zone	New measure	≥2 per zone
Biosecurity	To reduce animal pest populations in identified sites with assessed biodiversity values	Increasing long term trend in the number of tūi in Hamilton	Not applicable - measured biennially	Not applicable - measured biennially
		Average rat tracking index (RTI) for all rat control operations	New measure	≤5%
		Average number of possums* caught for every 100 traps set for possum operations	2.49%	≤5% RTC for ground control
	To control low density, high threat plant pests to minimise impacts on primary industry and human health	Reducing trend in the coverage of eradication pest plants** at known sites	New measure	Reducing trend
Catchment planning and management	To maintain existing historic scheme works to ensure gains are preserved	Percentage of sampled catchment works maintained in effective condition to the standards set out in zone plans***	90.6%	70%
	To implement agreed plans (catchment new works) with landowners and land managers for reduced erosion, improved water quality and enhanced biodiversity	Percentage of catchment new works undertaken in priority catchments and/or at priority sites across all zones	New measure	80%
Land management advisory services	To work with partners, stakeholders and community to	Percentage of people (as surveyed) participating in Waikato Regional Council extension programmes who	70%	66%

Activity	Level of service	Performance measures	Baseline result (2017/18)	Year 2 target (2019/20)
	improve soil conservation and water quality	make a change in agricultural practice within 12 months of attendance		
		Number of farmers attending farm environment planning workshops**** (Healthy Rivers)	New measure	300

*Possums are targeted as they have a detrimental impact on our native flora and fauna, including devastating native forests and impacting on pasture, horticulture and forestry.

**Eradication pest plants are those with limited distribution or density. Eventual goal is eradication at known sites in the region, although 'zero density' is more practical to achieve. Includes African feather grass, cathedral bells, Chilean flame creeper, evergreen buckthorn, horse nettle, Chinese knotweed, lantana, Manchurian wild rice, mile-a-minute, nassella tussock, fire stemmed needle grass and Chilean needle grass, noogoora bur, purple loose strife, rhododendron ponticum, sagittaria, seaspurge, Senegal tea, spartine, variegated thistle, water poppy and white bryony.

***A sample of at least 10% of all catchment scheme and non-scheme works (individual work agreements legally protected on property title outside schemes) are inspected to assess works condition every year. Works include fencing, planting and erosion control structures.

****A total of 3000 farm environment plans must be delivered over 10 years. The first set of plans for priority 1 sub-catchments must be completed by 1 March 2022 with the second set of plans for priority 2 sub-catchments completed by 1 March 2025. Workshops to aid farmers in this process will begin in 2018/19.



Our catchment management officers work with farmers on projects, including fencing, aimed at improving such things as water quality and protecting biodiversity.

FINANCIAL SUMMARY

COST OF SERVICE STATEMENT

Integrated catchment management

	2018/19 Annual Plan (\$000)	2019/20 Annual Plan (\$000)	2019/20 LTP (\$000)
Catchment planning and management	14,526	15,441	14,743
Biosecurity	7,998	8,813	8,764
Biodiversity	2,770	2,826	2,854
Environmental farming systems	2,022	2,111	2,014
TOTAL EXPENDITURE	27,316	29,191	28,375
FUNDED BY			
General rates	6,346	6,993	6,900
UAGC	1,554	1,640	1,632
Targeted rates	15,533	17,238	17,454
Government grants	274	-	-
Fees and charges	1,005	1,056	1,005
Other income	753	903	153
TOTAL FUNDING	25,465	27,830	27,144
TRANSFER TO / (FROM) RESERVES	(1,386)	(896)	(759)
Net operating surplus / (deficit)	(465)	(465)	(472)
Loan drawdown/(repayment)	465	465	472

Public transport | Ngā waka kawē tangata tūmatanui

ACTIVITY

- Public transport

Waikato Regional Council provides comprehensive public bus services within Hamilton and to satellite towns around Hamilton. There are also a number of rural centres within the region serviced by the council's public transport network. In addition, the council provides Total Mobility services in Hamilton, Tokoroa and Taupō, which provides door to door transport services for people with disabilities.

Key highlights and priorities for 2019/20

A new public transport integrated ticketing system will be implemented in late 2019. The new system will enable access to better fare revenue and patronage data and be more customer-friendly.

The five year trial of the rail service between Hamilton and Auckland will begin in mid-2020. The service will stop at Frankton, Rotokauri, Huntly, Papakura and Auckland and has capacity for about 150 passengers to travel each way.

A new public transport service will begin between Tokoroa and Hamilton to help improve regional access to essential services, employment opportunities, tertiary education and social opportunities.

LEVELS OF SERVICE

Activity	Level of service	Performance measures	Baseline result (2017/18)	Year 2 target (2019/20)
Public transport	To provide the Waikato community with an efficient and reliable public transport system that enables an alternative to private vehicle travel and access to essential services	Percentage of patronage growth in the region	4.67%	2%
		Percentage of customers surveyed who are 'satisfied' or better with the passenger transport service Source: Customer satisfaction survey	96%	>95%
		Percentage of surveyed passengers who believe fares represent good value for money Source: Customer satisfaction survey	New measure	>74%
		Percentage of scheduled service trips that depart timing points* on time compared to public timetable	New measure	>95% scheduled service trips depart between 59 seconds before and 4 minutes 59 seconds after the scheduled departure time
		Percentage of households in Hamilton within 800m of public transport bus stop	New measure	>98%
		Rail service is implemented by the agreed date as per agreed levels of service**	New measure	Service is up and running by April 2020, as per agreed level of service

*A timing point is defined as a key interval along a route (it is less frequent than a bus stop). The number of timing points varies for each route.

Activity	Level of service	Performance measures	Baseline result (2017/18)	Year 2 target (2019/20)
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**Once the rail service has commenced the council will be in a better position to set specific targets for agreed levels of service. These metrics are likely to be similar to the metrics currently measured in relation to bus passenger transport services.

FINANCIAL SUMMARY

COST OF SERVICE STATEMENT

Public transport

	2018/19 Annual Plan (\$000)	2019/20 Annual Plan (\$000)	2019/20 LTP (\$000)
Public transport	26,773	31,607	35,414
TOTAL EXPENDITURE	26,773	31,607	35,414
FUNDED BY			
Targeted rates	7,969	9,327	9,615
Government grants	12,519	14,413	15,641
Fees and charges	1,101	1,182	1,448
Other income	6,605	6,823	8,258
TOTAL FUNDING	28,194	31,746	34,962
TRANSFER TO / (FROM) RESERVES	1,757	497	29
Net operating surplus / (deficit)	(336)	(358)	(481)

Resource use | Te whakamahinga o te taiao

ACTIVITIES

- Consent processing and compliance

The consent processing and compliance activity is responsible for both the issuing of resource consents under the Resource Management Act, which allow people to use the region's natural resources, and subsequent monitoring of those consents. Consents typically contain a number of conditions which make sure the effects of the activity are appropriately controlled. These consents are monitored by the council on a prioritisation basis. The council also proactively monitors compliance with some activities that are only permitted under the Waikato Regional Plan, subject to compliance with a range of conditions.

This activity is also responsible for processing resource consent applications under the Building Act for large dams on behalf of all North Island regional councils, and responding to identified non-compliance with Building Act requirements as these relate to large dams within the Waikato region.

- Investigations and incident response

Waikato Regional Council runs a 24 hour 7 day a week response service to ensure the environment, people or property are not seriously affected by pollution incidents or activities that are non-compliant with environmental regulation. The council also investigates serious breaches of environmental or maritime regulation and, where significant non-compliance has been found to occur, formally investigates the incident to enable decisions to be made on appropriate action, including enforcement.

- Maritime services

This activity is split into three work streams, namely policy and procedures, compliance with the navigation safety bylaw and education, and operations. Operations include compliance activities, debris removal, and inspecting and maintaining the region's network of navigation aids.

Key highlights and priorities for 2019/20

It will largely be business as usual for this group of activities, however, the council will continue to follow a more risk-based monitoring programme targeting the 19 per cent of Waikato dairy farms that have inadequate effluent storage, as well as earthworks related activities, forestry harvesting and vegetation clearance as these pose a higher risk of effecting our waterways.

Work will also continue on preparing for the implementation of Healthy Rivers/Wai Ora.

LEVELS OF SERVICE

Activity	Level of service	Performance measures	Baseline result (2017/18)	Year 2 target (2019/20)
Consent processing and compliance	To efficiently and effectively deliver consenting compliance monitoring processes under the Resource Management Act 1991 (RMA) to enable the lawful use of natural and physical resources	Percentage of resource consents processed in accordance with RMA timeframe discount regulations	99.8%	≥95%
		Percentage of highest priority (P1) consented sites monitored each year	100%	100%
		Percentage of significant non-compliance incidents where action is taken	100%	100%

Activity	Level of service	Performance measures	Baseline result (2017/18)	Year 2 target (2019/20)
Investigations and incident response	To provide a dedicated incident response service to ensure the environment, people or property are not seriously affected by pollution incidents or non-compliant activities	Percentage of time the 24 hour 7 day a week response service for reporting environmental incidents is available	96% (not achieved)	100%
	To take appropriate action in response to notifications of serious non-compliance	Percentage of serious non-compliance incidents that are actioned	100%	100%
Maritime services	To maintain safe and navigable waterways in the region to protect the people using them	Percentage of time grade 1 aids* to navigation are operational within 24 hours of failure or notified to Maritime NZ	Achieved	100%
		Maintain a 24 hour 7 day a week response for navigational incidents**	100%	100%
<p>* Considered to be of primary navigational significance</p> <p>** Navigational incidents are those Waikato Regional Council has jurisdiction over, for example, an oil spill debris in a river. Incidents are reported to us from Maritime NZ or NZ Police.</p>				

FINANCIAL SUMMARY

COST OF SERVICE STATEMENT

Resource use

	2018/19 Annual Plan	2019/20 Annual Plan	2019/20 LTP
	(\$000)	(\$000)	(\$000)
Consents processing and compliance monitoring	11,605	12,133	12,062
Investigations and incident response	2,808	3,039	2,889
Maritime Services	1,727	1,779	1,767
TOTAL EXPENDITURE	16,140	16,951	16,718

FUNDED BY			
General rates	6,171	6,696	6,522
UAGC	1,587	1,639	1,627
Targeted rates	1,416	1,523	1,450
Fees and charges	6,161	6,341	6,338
Other income	428	428	428
TOTAL FUNDING	15,763	16,627	16,365
TRANSFER TO / (FROM) RESERVES	156	162	162
Net operating surplus / (deficit)	(533)	(486)	(515)
Loan drawdown/(repayment)	533	486	515

Science and strategy | Pūtaiao me te rautaki

ACTIVITIES

- Environmental monitoring

This activity focuses on the collection, storage, management and analysis of quality-assured data on the current state of air, water, land, coastal resources and ecosystems. Data is collected to support the operation of flood warning systems, use and allocation of surface and ground freshwater resources, setting water quality limits, identifying changes in water quantity and quality, soil, fresh water ecology, coastal ecology and air quality. Data is used to support the setting of policies and rules and inform resource consent decisions.

- Environmental science and information

This activity works closely with the environmental monitoring activity to gather, analyse and communicate environmental information related to air, biodiversity, coasts, existing and emerging contaminants, geothermal resource, groundwater, lakes, rivers and streams, wetlands, impacts of past and present land use, and soil. This information provides science-based evidence to support understanding of how the environment functions, changes and sustains life, which underpins the council's decision making on the allocation and sustainable management of the region's natural resources.

- Social and economic information

The activity supports evidence based planning and decision making by gathering, analysing and reporting on social and economic data and information and linking this to environmental knowledge. These functions provide the council with a better understanding of the social and economic qualities, opinions and aspirations of our communities, which contributes to informed decision making about the allocation of natural resources.

The activity also undertakes research and advises on best practice engagement and consultation processes and monitors people's understanding, awareness and attitudes in regards to the work that the council does.

- Integration and infrastructure

This activity supports the development and implementation of policy ensuring there is a connector between the science information, strategy and policy developed by the organisation and the community. It focuses on strengthening internal and external relationships and ensures key stakeholders throughout the region are aware of current science, strategy and policy projects and are able to effectively contribute.

This activity also provides oversight for the development of transport and infrastructure policy and implementation, as well as supporting stakeholders to understand implementation responsibilities and ensuring there is multi-agency consistency with regional policy.

- Regional strategy and development

This activity involves working together to lead the Waikato region to be more strategic and future focused. Waikato Regional Council determines its role and priorities via its strategic direction and undertakes strategic thinking with key regional stakeholders.

The activity supports collaborative regional and inter-regional development issues, including UNISA, the Waikato Mayoral Forum and Waikato Means Business.

The activity is also about building relationships with and influencing other agencies, including iwi, local and central government and the private sector, to inform sector and inter-regional strategies and national policy and regulation.

- Resource management policy

This activity is responsible for the development and review of resource management plans and the regional policy statement under the Resource Management Act 1991. These documents ensure natural resources are sustainably managed while enabling economic development and growth, and communities to thrive. This activity also provides future focused, effective resource management policy and planning information, advice, analysis and solutions under other relevant legislation.

Key highlights and priorities for 2019/20

The hearings and decisions process for Healthy Rivers/Wai Ora: proposed Waikato Regional Plan Change 1 will likely be completed in 2019/20. Following the release of the independent hearing panel decision, submitters will have the opportunity to lodge an appeal.

The review (Healthy Environments) of the Regional Coastal Plan and the Regional Plan will continue in 2019/20. The focus for this year will be on information and data gathering and engagement with stakeholders.

The council will also respond to the new requirements of the anticipated National Policy Statement on Freshwater Management.

A key piece of work following the local government elections in October 2019 will be the development of a strategic direction for the triennium. This will allow councillors to set their

priorities, taking into consideration the challenges and opportunities faced by the council and work that is already underway to respond to these challenges.

Waikato Regional Council will also continue to support the implementation and refresh of the Waikato Plan in 2019/20.

LEVELS OF SERVICE

Activity	Level of service	Performance measures	Baseline result (2017/18)	Year 2 target (2019/20)
Environmental monitoring	Provide high quality and timely data to key decision makers and the public	External audit of one environmental domain each year shows good quality control of data collection and analysis	Achieved	1 domain audited
	To provide high quality, independent and timely information on the allocation and management of natural resources to key decision makers and the community	During flood events the maximum contiguous period without data is 70 minutes for flood alarmed hydrology sites	New measure	<70 minutes without data
Environmental science and information	To provide high quality, independent and timely information on the allocation and management of natural resources to key decision makers and the community	Percentage of indicators on the changes and trends in natural resource availability are analysed and reported on as per the indicator monitoring schedule	Achieved	100%
	To provide a policy framework that leads to better swimming water quality in rivers and lakes	Positive annual progress is made toward the regional target for swimmable lakes and rivers, as required by the NPS freshwater management	New measure	Increasing trend
Social and economic information	To provide high quality and timely social and economic research expertise and advice to support the council's decision making processes	Percentage of indicators on the changes and trends in social and economic indicators analysed and reported on as per the indicator monitoring schedule	100%	100%
Integration and infrastructure	To provide certainty to the regional community through robust and integrated land use and infrastructure planning	Update the Regional Policy Statement (RPS) as per the scheduled programme	New measure	No target
		Actively engage with district plan change processes to ensure RPS is given effect to	New measure	Formal participation in district plan change processes to ensure RPS is given effect to
Regional strategy and development	To ensure the council is making progress towards its strategic direction priorities	Report annually on progress made against the council's strategic direction	Achieved	Progress reported in the WRC annual report

Activity	Level of service	Performance measures	Baseline result (2017/18)	Year 2 target (2019/20)
Resource management policy	To provide certainty to the regional community through a robust, integrated and consistent environmental planning framework	Compliance with Resource Management Act and Treaty settlement legislative planning requirements	New measure	All legislative requirements are met
	To provide opportunities to be involved in planning processes	Percentage of Resource Management Act (RMA) planning documents made available for consultation that meet RMA legislative requirements	New measure	100%
	To provide a Regional Policy Statement and Regional Plan(s) that ensure natural and physical resources are managed sustainably	State of the environment reporting is undertaken annually	New measure	Reported annually



FINANCIAL SUMMARY

COST OF SERVICE STATEMENT

Science and strategy

	2018/19 Annual Plan	2019/20 Annual Plan	2019/20 LTP
	(\$000)	(\$000)	(\$000)
Integration and infrastructure	3,927	3,891	4,107
Regional strategy and development	2,464	2,527	2,555
Resource management policy	4,726	5,981	6,168
Social and economic information	1,308	1,395	1,458
Environmental monitoring	3,527	3,642	3,945
Environmental information	8,641	9,126	9,154
TOTAL EXPENDITURE	24,593	26,562	27,387
FUNDED BY			
General rates	19,065	20,458	21,129
UAGC	1,464	1,535	1,606
Government grants	583	833	858
Fees and charges	2,990	3,198	3,252
Other income	85	199	199
TOTAL FUNDING	24,187	26,223	27,045
TRANSFER TO / (FROM) RESERVES	(497)	(440)	(440)
Net operating surplus / (deficit)	91	101	98
Loan drawdown/(repayment)	(91)	(101)	(98)



SECTION 3 Finances | Pūtea

Prospective financial statements | Ngā tauākī pūtea ki te pae

The following pages present the financial projections of the council for 2019/20. 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 2019. This position differs from the estimated financial position as at 30 June 2019 included in the 2018/19 Annual Plan and 2018-2028 Long Term Plan (LTP) and results in the projected opening balances applied to the 2019/20 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 2019. Actual financial results have been incorporated to the extent that they affect the opening forecast prospective position at 1 July 2019. Comparative information provided for 2019/20 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 39 to Page 128 has been prepared in accordance with the council's current accounting policies as specified on Page 53. 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 2018.



PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

	2018/19 Annual Plan	2019/20 Annual Plan	2019/20 LTP
	\$000	\$000	\$000
General rates	32,573	35,339	34,972
Total UAGC rate revenue	14,312	14,917	15,259
Natural heritage	1,032	1,027	1,047
Regional services fund	716	715	715
Civil defence	1,766	1,882	1,878
Total all property rates	50,399	53,880	53,871
Targeted rates			
- Stock truck effluent	115	115	137
- Regional facilities	-	-	183
- Biosecurity	6,704	7,667	7,656
- Transport	7,969	9,327	9,615
- Asset management schemes	25,274	28,471	28,618
- Permitted activity monitoring	1,416	1,523	1,450
Total targeted rate revenue	41,478	47,103	47,659
Total rate revenue	91,877	100,983	101,530
Rates penalty income	880	880	880
Rates remissions granted	(552)	(552)	(552)
Net rates revenue	92,205	101,311	101,858
Government grants	13,898	15,782	17,035
Direct charges	7,394	7,633	7,930
Consent holder charges	4,135	4,423	4,397
Investment fund distribution income	3,416	3,491	3,491
Investment fund capital protection income	1,727	1,765	1,765
Interest income	1,500	1,200	1,500
Other income	8,866	9,273	10,017
Royalties	120	120	120
Rental income	845	845	845
Other gains/(losses)	(43)		
Total revenue	134,063	145,843	148,958

Operating expenditure	75,993	88,936	89,988
Employee benefit expenses	48,468	50,684	50,106
Interest expense	858	1,341	1,487
Depreciation and amortisation	10,387	11,491	11,721
Total cost of service	135,706	152,452	153,302
Operating surplus/(deficit) before taxation	(1,643)	(6,609)	(4,344)
Share of associate surplus/(deficit)	-	-	-
Surplus/(deficit) before income tax	(1,643)	(6,609)	(4,344)
Income tax expense	-	-	-
Net surplus/(deficit) after taxation	(1,643)	(6,609)	(4,344)
Other comprehensive revenue and expenses			
Gain/(loss) on property, plant and equipment revaluations	-	53,436	53,436
Total other comprehensive revenue and expenses	(1,643)	46,827	49,092
Total comprehensive revenue and expenses	(1,643)	46,827	49,092
Transfer to / (from) reserves	3,317	54,932	55,460
Total comprehensive revenue and expenses after reserve transfers	(4,960)	(8,105)	(6,368)

SUMMARY COST OF SERVICE STATEMENT

	2018/19 Annual Plan	2019/20 Annual Plan	2019/20 LTP
	(\$000)	(\$000)	(\$000)
Revenue			
Community and services	10,759	10,975	11,659
Civil Defence and emergency management	2,412	2,496	2,493
Regional hazards and emergency response	1,937	1,986	1,983
Flood protection and control works	20,878	23,688	23,587
Integrated catchment management	25,465	27,830	27,144
Resource use	15,763	16,627	16,365
Science and strategy	24,187	26,223	27,045
Public transport	28,194	31,746	34,962
Corporate and self funding	4,308	4,101	3,558
Council controlled organisations	160	171	162
Total revenue	134,063	145,842	148,958
Expenditure			
Community and services	10,512	13,806	14,404
Civil Defence and emergency management	2,464	2,518	2,515
Regional hazards and emergency response	1,937	1,987	1,983
Flood protection and control works	21,847	24,184	23,892
Integrated catchment management	27,316	29,191	28,375
Resource use	16,140	16,951	16,718
Science and strategy	24,593	26,562	27,387
Public transport	26,773	31,607	35,414
Corporate and self funding	3,964	5,475	2,452
Council controlled organisations	160	171	162
Total expenditure	135,706	152,451	153,302
Net surplus/(deficit) before reserve transfers	(1,643)	(6,609)	(4,344)

PROSPECTIVE STATEMENT OF CHANGES IN NET ASSETS/EQUITY

	2018/19 Annual Plan	2019/20 Annual Plan	2019/20 LTP
	\$000	\$000	\$000
Equity at 1 July	620,971	614,940	619,328
Total comprehensive income	(1,643)	46,827	49,092
Equity at 30 June	619,328	661,767	668,420
Components of equity			
Retained earnings at beginning of year	227,701	228,990	227,366
Net surplus / (deficit) for the year	(1,643)	(6,609)	(4,344)
Net transfer (to) / from reserves	1,308	(126)	(1,876)
Retained earnings at end of year	227,366	222,255	221,146
Council created reserves at beginning of year	54,484	47,164	53,176
Transfer to / (from) retained earnings	(1,308)	126	1,876
Council created reserves at end of year	53,176	47,290	55,052
Revaluation reserves at beginning of year	338,786	338,786	338,786
Net transfer to / (from) retained earnings		53,436	53,436
Council created reserves at end of year	338,786	392,222	392,222
Total equity at end of year	619,328	661,767	668,420

PROSPECTIVE STATEMENT OF FINANCIAL POSITION

	2018/19 Annual Plan	2019/20 Annual Plan	2019/20 LTP
	\$000	\$000	\$000
Current assets			
Cash and cash equivalents	5,205	8,405	9,063
Trade and other receivables	11,618	11,986	12,909
Prepayments	1,008	1,167	1,109
Inventories	150	413	150
Work in progress	967	996	995
Other financial assets	23,734	6,041	23,737
Total current assets	42,682	29,008	47,963
Non-current assets			
Financial assets	95,988	101,355	96,922
Other financial assets	146	106	106
Investments in CCOs	1,741	1,714	1,741
Biological assets	1,348	1,516	1,348
Intangible assets	2,389	4,012	3,399
Property, plant and equipment	534,348	598,250	589,447
Total non-current assets	635,960	706,953	692,963
Current liabilities			
Trade and other payables	18,968	19,168	22,411
Employee benefit liabilities	7,368	7,705	7,617
Borrowing	11,520	12,232	11,480
Total current liabilities	37,856	39,105	41,508
Non-current liabilities			
Employee benefit liabilities	2,704	2,561	2,795
Borrowing	18,755	32,528	28,203
Total non-current liabilities	21,459	35,089	30,998
Net assets	619,327	661,767	668,420
Equity			

Accumulated funds	227,366	222,255	221,146
Other reserves	391,962	439,512	447,274
Total equity	619,328	661,767	668,420

PROSPECTIVE STATEMENT OF CASH FLOWS

	2018/19 Annual Plan	2019/20 Annual Plan	2019/20 LTP
	\$000	\$000	\$000
Receipts from customers	112,483	123,237	123,876
Grants	13,898	15,782	17,035
Investment income received	4,916	4,691	4,991
Receipt of funding on behalf of third parties	-		
Total cash provided	131,297	143,710	145,902
Payments to suppliers	(75,362)	(90,265)	(88,161)
Payments to employees	(47,523)	(50,490)	(49,766)
Payments of funds held on behalf of third parties	-		
Goods and services tax	-		
Total cash applied	(122,885)	(140,755)	(137,927)
Net cash flow from operating	8,412	2,955	7,975
Loan repayments		39	39
Sale of property, plant and equipment	-	10,880	10,880
Sale of investments	1,357	831	831
Total cash provided	1,357	11,750	11,750
Increase in investments	(23,392)	-	-
Purchase of intangible assets	(430)	(1,939)	(1,970)
Purchase of property, plant and equipment	(17,201)	(31,602)	(23,304)
Total cash applied	(41,023)	(33,541)	(25,274)
Net cash flow from investing	(39,666)	(21,791)	(13,524)
Proceeds from borrowings	36,433	29,419	20,927
Repayment of borrowings	(6,157)	(9,278)	(11,520)
Net cash flow from financing	30,276	20,141	9,407
Net cash flow	(978)	1,305	3,858
Cash and cash equivalents at 1 July	6,182	7,099	5,204
Net increase/(decrease) in cash and cash equivalents	(978)	1,305	3,858
Cash and cash equivalents at 30 June	5,204	8,405	9,062

NOTES TO THE PROSPECTIVE FINANCIAL STATEMENTS

NET SURPLUS WILL BE USED AS FOLLOWS:

	2018/19 Annual Plan	2019/20 Annual Plan	2019/20 LTP
	\$000	\$000	\$000
Transfers to / (from) reserves	1,590	(269)	259
Investment fund preservation	1,727	1,765	1,765
Transfer to / (from) retained earnings	(4,960)	(8,105)	(6,368)
Net surplus / (deficit)	(1,643)	(6,609)	(4,344)

MAIN COMPONENTS OF CAPITAL EXPENDITURE

	2018/19 Annual Plan	2019/20 Annual Plan	2019/20 LTP
	\$000	\$000	\$000
Land	-	-	-
Building development	1,125	6,363	6,836
Motor vehicles	625	675	686
Plant and equipment	2,192	1,175	1,040
Information services	1,051	1,670	867
Intangible assets	430	1,939	1,970
Furniture and fittings	75	2,091	2,091
Infrastructure	12,133	12,164	11,784
Total capital expenditure	17,631	26,077	25,274

DEPRECIATION AND AMORTISATION

	2018/19 Annual Plan	2019/20 Annual Plan	2019/20 LTP
	\$000	\$000	\$000
Community and services	2	2	2
Civil defence emergency management	20	22	20
Regional hazards and emergency response			
Flood protection and control works	6,276	7,169	7,220
Integrated catchment management	41	50	42
Public transport	660	703	940
Resource use	93	88	89
Science and strategy	886	1,044	965
Corporate and self funding	2,408	2,413	2,442
Total depreciation and amortisation	10,387	11,491	11,721

OTHER INCOME

	2018/19 Annual Plan	2019/20 Annual Plan	2019/20 LTP
	\$000	\$000	\$000
Contributions from other parties	2,301	2,409	1,679
Infringement fines	345	345	345
Public transport fare revenue	6,220	6,519	7,993
Total other income	8,866	9,273	10,017

REVENUE

	2018/19 Annual Plan	2019/20 Annual Plan	2019/20 LTP
	\$000	\$000	\$000
Exchange revenue	41,513	44,187	46,755
Non-exchange revenue	92,550	101,656	102,203
Total revenue	134,063	145,843	148,958

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
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

Reserve name	Purpose	Activities
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
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

Reserve name	Purpose	Activities
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
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.

	2019/20 Opening balance	Transfer to / (from) reserve Annual Plan	Closing reserve balance	Closing reserve balance per LTP
	\$000	\$000	\$000	\$000
General	402	(253)	149	150
Motor Vehicles & Plant	388	(4)	384	483
Operational Fixed Asset Depreciation	1,357	-	1,357	1,357
Communications network	550		550	550
Public Transport	1,391	(780)	611	690
Stock Truck Effluent	352	(78)	274	236
Investment Fund Capital Protection	9,425	1,765	11,190	11,801
Investment Fund Equalisation	12,616	(831)	11,785	9,731
Regional Development Fund	4,996	1,546	6,542	6,542
Building Act Contingency	97	3	100	97
IRIS	368	(62)	306	211

Environmental Initiatives	162	-	162	190
Natural Heritage	1,062	-	1,062	1,179
Biosecurity	3,062	(731)	2,331	1,559
Koi Carp Digester	23	(14)	9	8
Permitted Activity Monitoring	(328)	152	(176)	(121)
Civil Defence	454	(22)	432	411
Complaints and enforcement	72		72	72
Contaminated Land Reserve	338	60	398	399
Hauraki Plan Change	243		243	
Regional Disaster Recovery	4,402	243	4,645	5,558
Zone Disaster Recovery	3,301	202	3,503	3,420
Drainage	(1,683)	(55)	(1,738)	(1,197)
Watershed	7,179	24	7,203	6,727
Coromandel	3,362	(147)	3,215	3,322
West Coast	94	-	94	25
Waihou Piako Scheme	406	(733)	(327)	1,655
Prior Year Surplus	161	(161)	-	
Asset Revaluation Reserve	338,787	53,436	392,223	392,222
Total reserve transfers	393,039	53,560	446,599	447,277

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 27 June 2019. 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)
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Buildings – concrete	100
Buildings – wooden	40
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 licenses 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.

Carbon credits

Purchased carbon credits are recognised at cost on acquisition. They are not amortised, but are instead tested for impairment annually. They are derecognised when they are used to satisfy carbon emission obligations.

Free carbon units received from the Crown are recognised at fair value on receipt. They are not amortised, but are instead tested for impairment annually. They are derecognised when they are used to satisfy carbon emission obligations.

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.

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 2019

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	69%	Yes
• Increases	Increases in the annual rate revenue requirement will be limited to a 9 per cent increase in revenue from current ratepayers	7.5%	Yes
Debt affordability benchmark	Net debt/total revenue is <100 per cent	31%	Yes
	Net interest/total revenue is <10 per cent	1%	Yes
	Net interest/annual rates revenue is <15 per cent	1%	Yes
	Liquidity is >120 per cent	159%	Yes
Balanced budget benchmark	100%	96%	No
Essential services benchmark	100%	170%	Yes
Debt servicing benchmark	10%	1%	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.

Additional information

The council has not met the Balanced Budget Benchmark for the 2019/20 financial year as a result of the following decisions.

- The council's decision to spread the funding of depreciation expense in the Lower Waikato, Waihou and Piako catchment zones over the first three years of the LTP, to manage the affordability of rates increases for these communities
- The council's decision not to fully fund depreciation of the new regional ticketing solution for public transport. It is assumed that any replacement system will receive part funding from NZTA
- The council's contribution to the proposed Waikato Regional Theatre, which will be funded by borrowings
- Funding from the investment equalisation reserve for agreed programmes of work

The council believes these funding decisions are financially prudent, and do not impact on the overall financial position of the council.

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 Annual Plan 2019-20 (Whole of Council)

	2018/19 Annual Plan (\$000)	2019/20 Annual Plan (\$000)	2019/20 LTP (\$000)
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	47,765	51,136	51,110
Targeted rates	44,991	50,726	51,299
Subsidies and grants for operating purposes	13,898	15,782	17,035
Fees and charges	21,014	21,949	22,964
Interest and dividends from investments	6,643	6,456	6,756
Local authorities fuel tax, fines, infringement fees, and other receipts	345	345	345
Total operating funding (A)	134,656	146,394	149,509
Applications of operating funding			
Payments to staff and suppliers	125,012	140,171	140,646
Finance costs	858	1,341	1,487
Other operating funding applications	-	-	-
Total applications of operating funding (B)	125,870	141,512	142,133
Surplus (deficit) of operating funding (A-B)	8,786	4,882	7,376
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	30,176	20,142	9,408
Gross proceeds from sale of assets	-	10,880	10,880
Lump sum contributions	-	-	-

Other dedicated capital funding			
Total sources of capital funding (C)	30,176	31,022	20,288
Applications of capital funding			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	2,103	11,968	11,092
- to replace existing assets	15,528	14,109	14,182
Increase (decrease) in reserves	21,331	9,827	2,390
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	38,962	35,904	27,664
Surplus (deficit) of capital funding (C-D)	(8,786)	(4,882)	(7,377)
Funding balance ((A-B)+(C-D))	-	-	-

Waikato Regional Council Funding Impact Statement for Annual Plan 2019-20 for Community and Services

	2018/19 Annual Plan (\$000)	2019/20 Annual Plan (\$000)	2019/20 LTP (\$000)
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	9,205	9,399	9,878
Targeted rates	831	830	1035
Subsidies and grants for operating purposes	523	536	536
Fees and charges	200	210	210
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding (A)	10,759	10,975	11,659
Applications of operating funding			
Payments to staff and suppliers	6,646	9,965	10,106
Finance costs	-	-	93
Internal charges and overheads applied	3,866	3,840	4,205
Other operating funding applications	-	-	-
Total applications of operating funding (B)	10,512	13,805	14,404
Surplus (deficit) of operating funding (A-B)	247	(2,830)	(2,745)
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	-	2,500	2,413
Gross proceeds from the sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	-	2,500	2,413
Applications of capital funding			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	0	0	0
- to replace existing assets	-	-	-
Increase (decrease) in reserves	247	(330)	(332)

Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	247	(330)	(332)
Surplus (deficit) of capital funding (C-D)	(247)	2,830	2,745
Funding balance ((A-B)+(C-D))	-	-	-

Waikato Regional Council Funding Impact Statement for Annual Plan 2019-20 for Civil Defence Emergency Management

	2018/19 Annual Plan (\$000)	2019/20 Annual Plan (\$000)	2019/20 LTP (\$000)
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	-	-	-
Targeted rates	1,766	1,882	1,878
Subsidies and grants for operating purposes	-	-	-
Fees and charges	646	615	615
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding (A)	2,412	2,496	2,492
Applications of operating funding			
Payments to staff and suppliers	1,835	1,841	1,853
Finance costs	-	-	-
Internal charges and overheads applied	619	657	651
Other operating funding applications	-	-	-
Total applications of operating funding (B)	2,454	2,498	2,504
Surplus (deficit) of operating funding (A-B)	(42)	(2)	(12)
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	-	-	-
- to replace existing assets	0	0	0
Increase (decrease) in reserves	(42)	(2)	(12)

Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	(42)	(2)	(12)
Surplus (deficit) of capital funding (C-D)	42	2	12
Funding balance ((A-B)+(C-D))	-	-	-

Waikato Regional Council Funding Impact Statement for Annual Plan 2019-20 for Regional Hazards and Emergency Response

	2018/19 Annual Plan (\$000)	2019/20 Annual Plan (\$000)	2019/20 LTP (\$000)
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	1,760	1,810	1,801
Targeted rates	-	-	-
Subsidies and grants for operating purposes	-	-	-
Fees and charges	177	177	182
Internal charges and overheads recovered	155	155	155
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding (A)	2,092	2,142	2,138
Applications of operating funding			
Payments to staff and suppliers	1,296	1,306	1,316
Finance costs	-	-	-
Internal charges and overheads applied	796	835	822
Other operating funding applications	-	-	-
Total applications of operating funding (B)	2,092	2,141	2,138
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	-	-	-
- 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 Annual Plan 2019-20 for Flood Protection and Control Works

	2018/19 Annual Plan (\$000)	2019/20 Annual Plan (\$000)	2019/20 LTP (\$000)
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	2,607	2,956	2,914
Targeted rates	17,477	19,926	19,867
Subsidies and grants for operating purposes	-	-	-
Fees and charges	794	806	806
Internal charges and overheads recovered	2,804	2,985	2,999
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding (A)	23,682	26,673	26,586

Applications of operating funding			
Payments to staff and suppliers	12,008	12,956	12,757
Finance costs	381	635	659
Internal charges and overheads applied	6,076	6,504	6,355
Other operating funding applications	-	-	-
Total applications of operating funding (B)	18,465	20,095	19,771
Surplus (deficit) of operating funding (A-B)	5,217	6,578	6,815

Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	13,465	12,822	5,205
Gross proceeds from the sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	13,465	12,822	5,205

Applications of capital funding			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	162	635	70
- to replace existing assets	13,248	11,639	11,825
Increase (decrease) in reserves	5,272	7,127	125

Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	18,682	19,401	12,020
Surplus (deficit) of capital funding (C-D)	(5,217)	(6,579)	(6,815)
Funding balance ((A-B)+(C-D))	-	-	-

Waikato Regional Council Funding Impact Statement for Annual Plan 2019-20 for Integrated Catchment Management

	2018/19 Annual Plan (\$000)	2019/20 Annual Plan (\$000)	2019/20 LTP (\$000)
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	7,901	8,632	8,532
Targeted rates	15,533	17,238	17,454
Subsidies and grants for operating purposes	274	-	-
Fees and charges	1,758	1,960	1,158
Internal charges and overheads recovered	1,015	840	1,038
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding (A)	26,481	28,670	28,182
Applications of operating funding			
Payments to staff and suppliers	19,867	20,769	20,266
Finance costs	(82)	(81)	(56)
Internal charges and overheads applied	8,504	9,293	9,160
Other operating funding applications		-	-
Total applications of operating funding (B)	28,289	29,981	29,370
Surplus (deficit) of operating funding (A-B)	(1,808)	(1,311)	(1,189)
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	465	465	472
Gross proceeds from the sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	465	465	472
Applications of capital funding			
Capital expenditure			
- to meet additional demand		-	-
- to improve the level of service	-	-	-
- to replace existing assets	0	0	0
Increase (decrease) in reserves	(1,343)	(846)	(716)

Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	(1,343)	(846)	(716)
Surplus (deficit) of capital funding (C-D)	1,808	1,311	1,188
Funding balance ((A-B)+(C-D))	-	-	-

Waikato Regional Council Funding Impact Statement for Annual Plan 2019-20 for Public Transport

	2018/19 Annual Plan (\$000)	2019/20 Annual Plan (\$000)	2019/20 LTP (\$000)
Sources of operating funding			
General rates, uniform annual general charges, rates penalties		-	-
Targeted rates	7,969	9,327	9,615
Subsidies and grants for operating purposes	12,519	14,413	15,641
Fees and charges	7,706	8,006	9,706
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding (A)	28,194	31,746	34,962
Applications of operating funding			
Payments to staff and suppliers	25,079	29,571	33,376
Finance costs	-	-	-
Internal charges and overheads applied	1,034	1,333	1,097
Other operating funding applications			-
Total applications of operating funding (B)	26,113	30,904	34,473
Surplus (deficit) of operating funding (A-B)	2,081	842	489
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	160	894	79
- to replace existing assets	0	0	0
Increase (decrease) in reserves	1,921	(52)	410

Increase (decrease) of investments	-	0	-
Total applications of capital funding (D)	2,081	842	489
Surplus (deficit) of capital funding (C-D)	(2,081)	(842)	(489)
Funding balance ((A-B)+(C-D))	-	-	-

Waikato Regional Council Funding Impact Statement for Annual Plan 2019-20 for Resource Use

	2018/19 Annual Plan (\$000)	2019/20 Annual Plan (\$000)	2019/20 LTP (\$000)
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	7,758	8,335	8,149
Targeted rates	1,416	1,523	1,450
Subsidies and grants for operating purposes		-	-
Fees and charges	6,244	6,423	6,421
Internal charges and overheads recovered		-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	345	345	345
Total operating funding (A)	15,763	16,626	16,365
Applications of operating funding			
Payments to staff and suppliers	9,504	9,782	9,691
Finance costs	96	195	187
Internal charges and overheads applied	6,539	6,972	6,840
Other operating funding applications		-	-
Total applications of operating funding (B)	16,139	16,949	16,718
Surplus (deficit) of operating funding (A-B)	(376)	(323)	(353)
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	2,479	2,012	1,758
Gross proceeds from the sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	2,479	2,012	1,758
Applications of capital funding			
Capital expenditure			
- to meet additional demand		-	-
- to improve the level of service	-	1,179	1,198
- to replace existing assets	140	140	142
Increase (decrease) in reserves	1,963	370	66

Increase (decrease) of investments	-	0	-
Total applications of capital funding (D)	2,103	1,689	1,406
Surplus (deficit) of capital funding (C-D)	376	323	352
Funding balance ((A-B)+(C-D))	-	-	-

Waikato Regional Council Funding Impact Statement for Annual Plan 2019-20 for Science and Strategy

	2018/19 Annual Plan (\$000)	2019/20 Annual Plan (\$000)	2019/20 LTP (\$000)
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	20,529	21,993	22,735
Targeted rates	-	-	-
Subsidies and grants for operating purposes	583	833	858
Fees and charges	3,074	3,397	3,451
Internal charges and overheads recovered	814	758	776
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding (A)	25,000	26,981	27,820
Applications of operating funding			
Payments to staff and suppliers	15,360	16,945	17,695
Finance costs	172	162	162
Internal charges and overheads applied	9,874	10,213	10,306
Other operating funding applications	-	-	-
Total applications of operating funding (B)	25,406	27,320	28,163
Surplus (deficit) of operating funding (A-B)	(406)	(339)	(343)
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	4,549	(101)	(98)
Gross proceeds from the sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	4,549	(101)	(98)
Applications of capital funding			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	581	906	920
- to replace existing assets	550	700	559
Increase (decrease) in reserves	3,012	(2,045)	(1,920)

Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	4,143	(439)	(441)
Surplus (deficit) of capital funding (C-D)	406	338	343
Funding balance ((A-B)+(C-D))	-	-	-

Waikato Regional Council Funding Impact Statement for Annual Plan 2019-20 for Corporate & Management

	2018/19 Annual Plan (\$000)	2019/20 Annual Plan (\$000)	2019/20 LTP (\$000)
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	(1,994)	(1,988)	(2,899)
Targeted rates			
Subsidies and grants for operating purposes			
Fees and charges	416	356	416
Internal charges and overheads recovered	34,488	36,541	36,101
Local authorities fuel tax, fines, infringement fees, and other receipts	6,643	6,456	6,756
Total operating funding (A)	39,553	41,364	40,373
Applications of operating funding			
Payments to staff and suppliers	34,571	37,909	34,441
Finance costs	291	430	442
Internal charges and overheads applied	814	758	776
Other operating funding applications		-	-
Total applications of operating funding (B)	35,676	39,096	35,660
Surplus (deficit) of operating funding (A-B)	3,877	2,268	4,714
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	9,217	2,443	(344)
Gross proceeds from the sale of assets	-	10,880	10,880
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	9,217	13,323	10,536
Applications of capital funding			
Capital expenditure			
- to meet additional demand		-	-
- to improve the level of service	1,200	8,354	8,825
- to replace existing assets	1,590	1,630	1,656
Increase (decrease) in reserves	10,303	5,607	4,769

Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	13,094	15,591	15,250
Surplus (deficit) of capital funding (C-D)	(3,876)	(2,268)	(4,714)
Funding balance ((A-B)+(C-D))	-	-	-

Annual funding impact statement for 2019/20 | Te tauākī pānga pūtea ā-tau 2019/20

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	2019/20 %	2018/19 %
General rate	24	24
UAGC	10	11
Targeted rates	35	34
Government grants	11	10
Direct charges	5	5
Consent holder charges	3	3
Interest income	1	1
Investment income	4	4
Rental income	1	1
Other income	7	7
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 2019 - 2020 Annual Plan is as follows.

	2018/19 AP	2019/20 AP	2020/21 LTP	2021/22 LTP	2022/23 LTP	2023/24 LTP	2024/25 LTP	2025/26 LTP	2026/27 LTP	2027/28 LTP
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
General rate	32,573	35,339	37,340	39,049	39,151	38,984	38,687	39,558	41,251	41,126
UAGC	14,312	14,917	15,890	16,322	16,578	17,032	17,431	17,810	18,217	18,544
Targeted rates	44,992	50,727	57,974	58,468	61,020	61,669	62,405	64,364	66,152	67,674
	91,877	100,983	111,203	113,839	116,749	117,685	118,523	121,731	125,621	127,344

Government grants	13,898	15,782	19,064	19,457	19,897	20,358	20,852	21,245	21,714	22,160
Direct charges	7,394	7,633	8,395	8,925	9,710	9,943	10,107	10,365	10,534	10,797
Consent holder charges	4,135	4,423	4,502	4,512	4,575	4,677	4,765	4,852	4,926	5,170
Investment fund distribution income	3,416	3,491	3,567	3,646	3,726	3,808	3,892	3,978	4,065	4,154
Investment fund capital protection income	1,727	1,765	1,804	1,844	1,884	1,926	1,968	2,011	2,055	2,101
Interest income	1,500	1,200	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Other income	9,194	9,601	10,871	11,096	11,255	11,370	11,449	11,733	11,922	12,111
Royalties	120	120	120	120	120	120	120	120	120	120
Rental income	845	845	654	654	654	654	654	654	654	654
Other gains/(losses)	(43)	-	-	-	-	-	-	-	-	-
Total other Income	42,186	44,860	50,478	51,753	53,322	54,355	55,307	56,458	57,490	58,767
Total Revenue	134,063	145,843	161,682	165,592	17,070	172,041	173,830	178,189	183,111	186,111

The projected number of rating units within the region at 30 June 2019 is 203,622.

The projected total capital value of all rating units within the region at 30 June 2019 is \$161.681 billion.

The projected total land value of all rating units within the region at 30 June 2019 is \$93.336 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 \$40,640,000 (GST Inclusive) compared with \$37,459,000 (GST Inclusive) in 2018/19.

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

Activity	\$000 (GST inclusive)
Community and services	1,271
Emergency Management	-
Flood control and protection works	3,399
Integrated catchment management	8,042
Public transport	-
Resource use	7,700
Science and strategy	23,526
Corporate	(3,299)
TOTAL	40,640

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 2018/19 year is \$161.6819 billion.

The 2019/20 rate

Area of benefit (GST inclusive)	Percentage of region	Rate \$1 per \$1 CV (GST inclusive)	\$(000) GST inclusive
Hamilton City	24.42%	0.00023679	9,945
Matamata-Piako	8.83%	0.00023430	3,586
Ōtorohanga	2.85%	0.00027277	1,157
Rotorua	1.46%	0.00025103	593
South Waikato	3.92%	0.00023796	1,592
Taupō	10.40%	0.00028417	4,224
Thames-Coromandel	12.72%	0.00025356	5,166
Waikato	17.51%	0.00025249	7,111
Waipā	11.88%	0.00027635	4,825
Waitomo	2.02%	0.00023687	820
Hauraki	3.99%	0.00023590	1,620
Total	100.00%		40,640

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 \$17,155,000 (GST Inclusive). This amounts to 10 per cent of the council’s total revenue for the year, and 15 per cent of total rates revenue.

The UAGC will be used to fund the following activities:

Activity	\$000 (GST inclusive)
Governance	4,418
Organisational planning and reporting	1,267
Iwi partnerships	1,608
Community partnerships	2,244
Waikato Regional Council emergency management	1,249
Resilient development	832
Biodiversity	1,886
Maritime services	1,885
Social and economic information	1,270
Regional strategy and development	495
TOTAL	17,155

How it is applied

The UAGC is set on every rating unit in the Waikato region. The estimated number of rating units is 203,622

The 2019/20 rate

The rate is \$84.23 per rating unit (GST inclusive). This is an increase of \$2.40 from 2018/19.

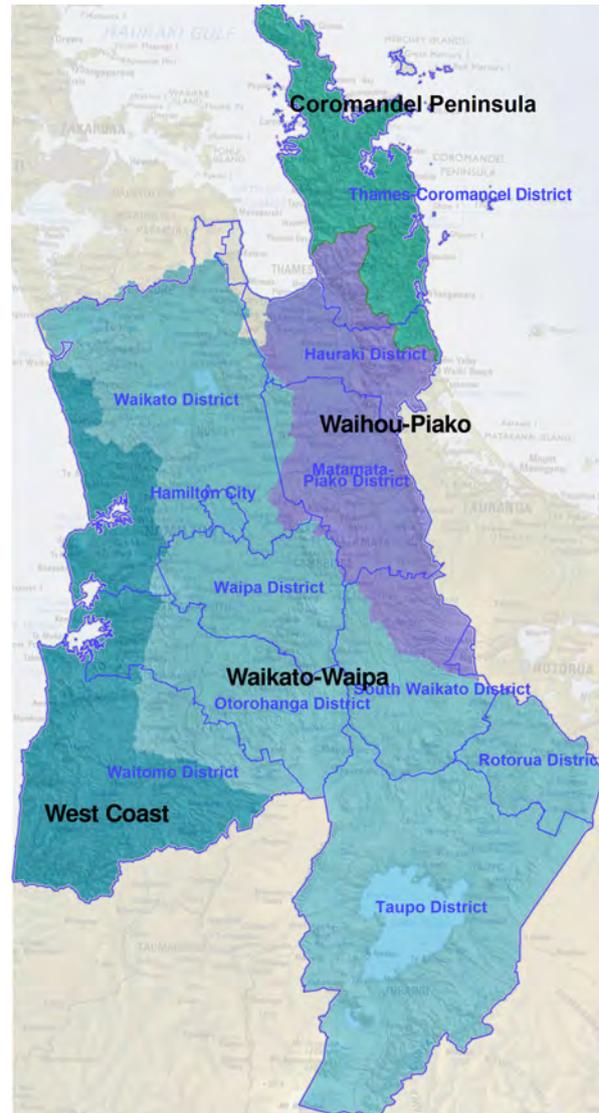
TARGETED RATES

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	5,186	3,985
River management	2,018	1,683
Catchment new works	425	361
Catchment maintenance	372	316
Catchment oversight	1,298	1,104
Information and advice	105	89
Total Waihou Valley Scheme	9,405	7,538

Piako River Scheme	Projected expenditure (\$000) (GST inclusive)	Targeted rate revenue (\$000) (GST Inclusive)
Flood protection	4,854	3,530
River management	598	488
Catchment new works	269	228
Catchment maintenance	-	-
Catchment oversight	853	725
Information and advice	101	86
Total Piako River Scheme	6,675	5,056

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	860
River flooding	673
Drainage	1,871
Residential, industrial/commercial	339
Total	3,742

The 2019/20 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	70.2290	52.6717	35.1145	3.5114

Area of benefit (GST inclusive)	Factor used	RF1	RF2	RF3	RF4	RFPZ1	RFPZ2	RFPZ3
River flooding	\$ per hectare	48.9348	24.4674	18.3506	6.1169	19.5739	9.7870	2.4468

Area of benefit (GST inclusive)	Factor used	D1	D2	D3	D4	D5	D6	D7	D8	D9
Drainage	\$ per hectare	53.4138	42.7310	32.0483	26.7069	24.9264	23.1460	14.2437	5.3414	1.7805

Area of benefit (GST inclusive)	Factor used	RIC1	RIC2
Residential, industrial/commercial	\$1 per \$1 Capital value	0.00096488	0.00048244

Local protection – Waihou Valley scheme maintenace

Layer	Targeted rate revenue (\$000) (GST Inclusive)
Rural	4,448
Urban	1,131
Total	5,579

The 2019/20 rate

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

Waihou Clasifications

Area of benefit (GST inclusive)	Factor used	U1	U2	U3	U4
Urban	\$1 per \$1 Capital value	0.00069777	0.00039872	0.00019936	0.00007476

Area of benefit (GST inclusive)	Factor used	A	B	C	D	E
Rural	\$1 per \$1 Land value	0.00894883	0.00462871	0.00277722	0.00061716	0.00030858

Layer	Targeted rate revenue (\$000) (GST Inclusive)
Catchment	3,275

The 2019/20 rate

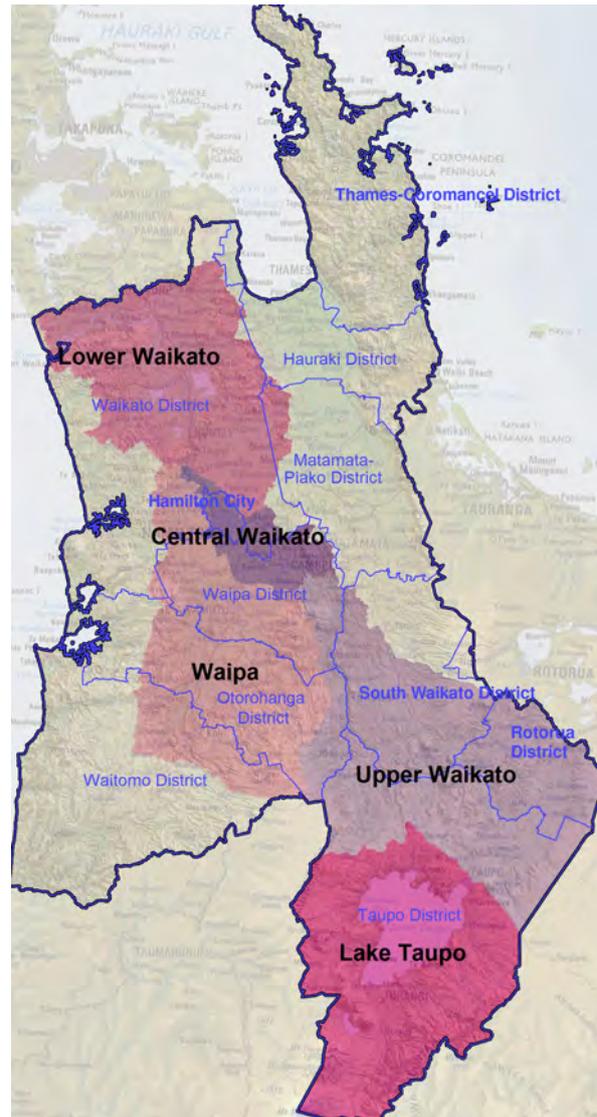
The following rate is applied to all rating units within the Waihou and Piako zones.

Area of benefit (GST inclusive)	Factor used	WPC1	WPC2	WPC3
Catchment	\$1 per \$1 Capital value	0.00021607	0.00012964	0.00008643

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.⁽¹⁾ 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 2019/20:

Zone	Projected expenditure (\$000) (GST inclusive)	Targeted rate revenue (\$000) (GST Inclusive)
Lake Taupō management zone	1,834	1,246
Upper Waikato management zone	1,171	748
Central Waikato management zone	1,828	1,163
Waipā management zone	5,526	3,219
Lower Waikato management zone	10,487	8,415
TOTAL	20,846	14,790

¹ Waikato River Catchment Services, "Project Watershed". Level of Service and Funding Policy, June 2002. Docs # 752002.

The targeted rate requirement is \$14,790,000 (GST Inclusive), an increase of \$2,270,000 on the amount required in the 2018/19 year. The targeted rate includes funding of operating expenses, depreciation, interest expense, provision for debt repayment.

How it is applied

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

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

Greater Waikato catchment differential

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

Contributor differential

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

Contributor differential – hydro

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

Beneficiary differential – hydro

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

Management zone differential

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

River control and flood protection direct benefit differential

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

How it is applied

Differential	Targeted rate revenue (\$000) (GST Inclusive)
Greater Waikato catchment differential	3,866
Contributor differential urban	1,585
Contributor differential rural	1,002
Contributor differential - hydro	638
Management zone differential	-
- Lower Waikato	2,275
- Central Waikato	601
- Upper Waikato	375
- Waipā	1,153
- Lake Taupō	493
- River control and flood protection benefit	2,802
- Total	14,790

The 2019/20 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	0.00002801
- Waipā district	capital value	0.00004125
- Waikato district	capital value	0.00003653
- Ōtorohanga district	capital value	0.00004440
- Hauraki district	capital value	0.00004998
- Matamata-Piako district	capital value	0.00003828
- South Waikato district	capital value	0.00003574
- Waitomo district	capital value	0.00004202
- Taupō district	capital value	0.00004486
- Rotorua district	capital value	0.00005233
Contributor differential urban	land value	0.00004236
Contributor differential rural	land value	0.00004236
Contributor differential - hydro	capital value	0.00061099

Lake Taupō management zone differential	Factor used	Rate in the \$1 per \$1 of value (GST inclusive)
- Taupō district	capital value	0.00004759

Upper Waikato management zone differential	Factor used	Rate in the \$1 per \$1 of value (GST inclusive)
- Ōtorohanga district	capital value	0.00003165
- South Waikato district	capital value	0.00002720
- Taupō district	capital value	0.00002487
- Rotorua district	capital value	0.00003991
- Waipā district	capital value	0.00005638
- Matamata-Piako district	capital value	0.00000762

Central Waikato management zone differential	Factor used	Rate in the \$1 per \$1 of value (GST inclusive)
- Hamilton city	capital value	0.00001048
- Waipā district	capital value	0.00001264
- Waikato district	capital value	0.00001274

Lower Waikato management zone differential	Factor used	Rate in the \$1 per \$1 of value (GST inclusive)
- Waikato district	capital value	0.00014015
- Matamata-Piako district	capital value	0.00014479
- Hauraki district	capital value	0.00014709
- Hamilton city	capital value	0.00003796

Waipā management zone differential	Factor used	Rate in the \$1 per \$1 of value (GST inclusive)
- Waipā district	capital value	0.00008157
- Waikato district	capital value	0.00006670
- Ōtorohanga district	capital value	0.00007972
- Waitomo district	capital value	0.00007447
- Hamilton city	capital value	0.00001368

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	11.4472	8.0130	6.8683	5.7236	4.5789	3.4342	-
Mangawara	4.0278	3.2222	2.8194	1.6111	1.0069	0.6042	0.4028

Main channel works continued

Area of benefit (GST inclusive)	7	8	9A	9B	9C
Waikato	2.8618	2.2894	1.7171	1.1447	0.5724
Mangawara	0.2014	-	-	-	-

Community works

Area of benefit (GST inclusive)	1	2	3	4	5	6	6A	7	8
Waikato	20.2092	16.1673	14.1464	12.1255	10.1046	8.0837	-	7.0732	2.0209
Mangawara	6.6070	5.2856	4.6249	2.6428	1.6517	0.9910	0.6607	0.3304	-

Local protection works

Franklin district

Area of benefit (GST inclusive)	1	2	3	4	5	6	7	8
Motukaraka	-	67.9760	64.3982	-	-	-	-	-
Bell Road	-	-	-	-	452.1064	-	-	-
Tickles	679.6901	-	-	-	-	-	-	-
Waller	-	-	-	556.7934	-	-	-	-
Orton	-	-	-	233.0936	191.9593	150.8254	-	-
Parish Polder	-	-	-	283.2188	-	-	-	-
Whangamarie	124.0734	74.4440	49.6294	18.6110	-	-	-	-
Te Kohanga	71.1325	-	-	60.4626	-	-	-	-
Tuakau	-	-	-	166.4378	-	-	-	-
Onewhero West	-	-	-	178.7635	-	-	-	-
Mangatawhiri								
- Comp 1	-	-	-	60.6484	-	-	32.1080	28.5404
- Comp 2	-	-	190.2498	179.6804	-	-	-	-
- Comp 3	-	-	-	141.4810	-	-	-	-
- Comp 4	-	-	195.2414	-	-	-	-	-
- Comp 5	-	-	-	385.7233	-	-	-	-

Waikato district

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

Meremere west	-	-	-	156.1798	-	-	-	-
Meremere	-	-	-	-	200.3666	-	-	-
Waikare	83.3482	-	75.0134	70.8460	-	-	37.5067	33.3393
Huntly west	71.2634	-	-	-	-	-	32.0685	28.5053
Kimihia	94.2946	-	84.8652	80.1505	-	-	-	37.7179
Deroles	-	-	-	-	217.9759	-	-	-
Vrsalijkos	-	273.1765	-	-	-	-	-	-
Churchill	-	-	119.6013	-	-	-	-	-
Ruawaro	-	-	-	265.8834	-	-	-	-
Swan	-	69.6283	-	-	-	40.3111	32.9819	-
Island Block	-	-	335.3343	-	-	-	-	-
Orchard Road	-	-	-	1,067,2332	-	-	-	-
Locke	-	-	257.2453	-	-	-	-	-

Waikato district continued

Area of benefit (GST inclusive)	9	10	11	12
Waahi	-	41.5401	-	16.6161
Meremere west	-	-	-	-
Meremere	-	-	-	-
Waikare	-	-	16.6696	-
Huntly west	-	-	-	7.1264
Kimihia	-	-	-	-
Deroles	-	-	-	-
Vrsalijkos	-	-	-	-
Churchill	-	-	-	-
Ruawaro	93.8406	-	-	31.2804
Swan	-	-	-	-
Island Block	111.7779	-	-	-
Orchard Road	-	-	-	-
Locke	-	-	-	-

Area of benefit (GST inclusive)	1	2	3	4	5	6	7	8	9
Aka Aka (LPSECB)	3.6690	-	-	-	-	-	-	-	-
Aka Aka (LPG)	9.1730	-	-	-	-	-	-	-	-
Aka Aka (LPPG)	30.5766	-	-	-	-	-	-	-	-

Aka Aka (LPP)	39.7497	38.2207	76.4418	-	-	-	-	-	-
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Area of benefit (GST inclusive)	1	2	3	4	5	6	7	8	9
Mercer west									
- Southern	-	-	-	-	-	-	51.9925	-	-
- Morrissions	-	-	-	-	-	-	-	109,7691	-
Mangawara	39.1737	31.3389	27.4216	15.6695	9.7934	5.8761	1.9587	-	-
Mangawara A	-	-	-	-	-	3.9174	-	-	-

Waikato zone - fixed direct benefit rate

Area of benefit (GST inclusive)	Factor used	Rate (\$) GST inclusive
Huntly	per rating unit (GST inclusive)	\$ 47.02

Waipā zone - direct benefit rate

Rated at \$ per hectare

Area of benefit (GST inclusive)	1	2
Kawa	12.8130	6.4065

Waipā zone - fixed direct benefit rate

Area of benefit (GST inclusive)	Factor used	Rate (\$) GST inclusive
Ōtorohanga	per rating unit (GST inclusive)	\$ 39.72

Taupō zone - direct benefit rates

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

Area of benefit (GST inclusive)	1	2	3	4	5
Tongariro	0.00080085	0.00048051	0.00032034	0.00028030	0.00016017
Tauranga/Taupō	0.00082419	0.00065935	0.00028847	0.00023077	0.00008242
Tauranga/Taupō A	-	-	0.00020605	-	-

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

Area of benefit (GST inclusive)	6	6A	7
Tongariro	0.00008009	-	0.00004004

Tauranga/Taupō	-	-	-
Tauranga/Taupō A	-	-	-

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	-	-	-	-	501.4019	-	-	-	-
Mercer west - Morrisons capital	-	-	-	-	-	-	-	209.3372	-

Taupō zone

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

Area of benefit (GST inclusive)	1	2	3	4	5
Tongariro	0.00048290	0.00028970	0.00019310	0.00016900	0.00009660
Tauranga/Taupō	0.00073517	0.00058814	0.00025731	0.00020585	0.00007352
Tauranga/Taupō A	-	-	0.00018379	-	-

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

Area of benefit (GST inclusive)	6	7
Tongariro	0.00004830	0.00002410
Tauranga/Taupō	-	-
Tauranga/Taupō A	-	-

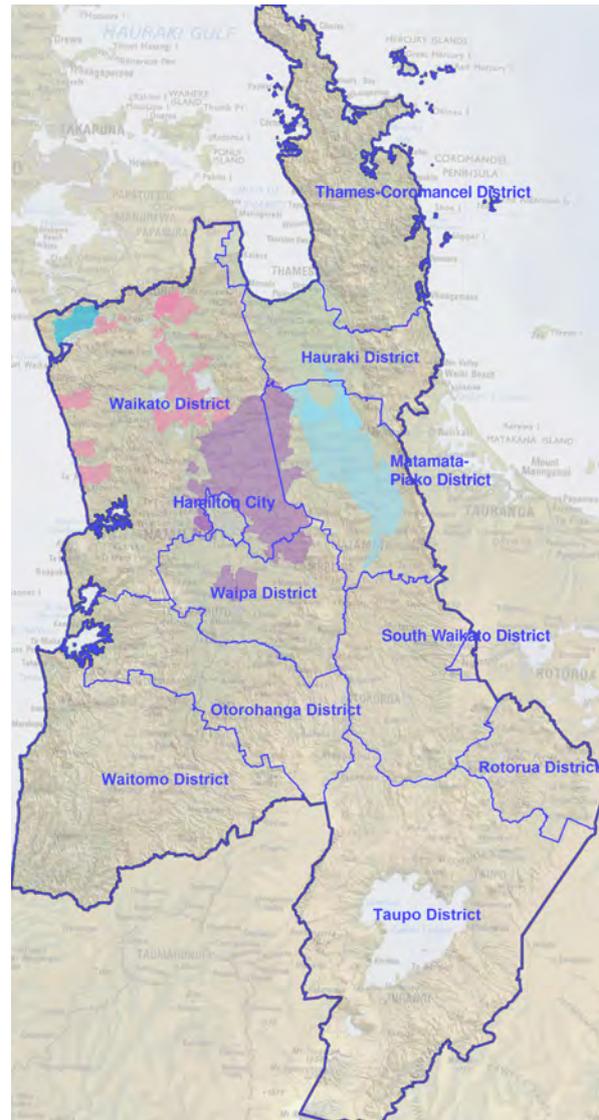
Drainage rates

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.⁽²⁾ 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	651
Waikato Central drainage maintenance	1,012
Franklin Waikato drainage maintenance	552
Aka Aka / Otaua drainage maintenance	226
Total expenditure	2,440

These requirements have been developed in consultation with the council's drainage advisory subcommittees.

² 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	52
Manawaru	83
Waihekeau	48
Tatuanui	60
Whakahoro	74
Waitoa	40
Waihou	27
Elstow	72
Tahuna	43
Ahikope pumping	23
Tahuna pumping	80
Rowes East	12
Bancroft	3
Matamata Urban	33

Waikato Central	(\$000) (GST inclusive)
Rotomanuka	30
Hautapu	81
Fencourt	76
Ōhaupō-Ngāroto	17
Freshfield maintenance	63
Freshfield pumping	43
Komokorau 1	126
Komokorau 2	2
North Mangawara	6
South Mangawara	25
Tauhei	76
Tenfoot	43
Uapoto	26
Ngāruawahiā	46
Rotokauri	34
Ohote Basin	23
Mangaonua	58
Waitakaruru	109
Manor Park	18
Greenhill	7
Hopuhopu	7
Kirikiroa	9
Koromatua	4
Matangi	51
Ngāruawahiā North	9
Pukeroro	9
Puketaha	6
Te Kōwhai	7

Franklin Waikato	(\$000) (GST inclusive)
Waller Commins	0
Motukaraka	104
Bell Road	4
Tuakau Swamp	13

Mangatawhiri compartment 1	3
Mangatawhiri compartment 2	16
Mangatawhiri compartment 3	14
Mangatawhiri compartment 4	34
Mangatawhiri compartment 5	2
Orton	12
Morrison's Swamp	0
Te Kohanga	10
Kaawa	15
Onepoto	7
Onewhero Downstream	0
Okowhau	10
Huntly West	17
Hills	4
Horohoro	40
Austins	18
Blairs	6
Guests	9
Ruawaro Furniss	3
Ruawaro Central	0
Ruawaro North	6
Kimihia pumped	1
Kimihia	6
Ohinewai	0
Rangiriri	8
Island Block	7
Orchard Road	5
Swan Road	46
Vrsalijkos Road	7
Churchill East	46
Meremere East	23
Mangati	5
Mangawara	6
Pukekapia 1	5
Pukekapia 2	6
Ruawaro East	0

Ruawaro West	4
Waikare Frost	7
Waikare Ohinewai	3
Waikare Nikau	3
Waikare Rangiriri	2
Waikare West	11
Waikorea	2

Aka Aka	(\$000) (GST inclusive)
Aka Aka	226

The 2019/20
Thames Valley Drainage Area
\$ per hectare

Area of benefit (GST inclusive)	Urban	A	B	C	D	E	F
Hungahunga	129.0163	12.9016	10.3213	6.4508	3.2254	1.9352	0.6451
Manawaru	200.2099	20.0210	16.0168	10.0105	5.0052	3.0031	1.0010
Waihekeau	105.9427	10.5943	8.4754	5.2971	2.6486	1.5891	0.5297
Tatuanui	-	224.6039	17.9683	11.2302	5.6151	3.3691	1.1230
Whakahoro	-	20.6947	16.5558	10.3474	5.1737	3.1042	1.0347
Waitoa	-	10.9720	8.7776	5.4860	2.7430	1.6458	0.5486
Waihou	-	17.0300	13.6240	8.5150	4.2575	2.5545	0.8515
Elstow	196.2337	19.6234	15.6987	9.8117	4.9058	-	0.9812
Tahuna	-	18.1411	14.5129	9.0705	4.5353	2.7211	0.9071
Ahikope pumping	-	36.9087	29.5270	18.4544	9.2272	5.5363	1.8454
Tahuna pumping	-	65.4363	52.3490	32.7181	16.3591	9.8154	3.2718
Rowes East	-	164.4237	131.5389	82.2121	41.1059	24.6636	8.2212
Bancroft	-	6.8253	5.4603	3.4127	1.7063	1.0238	0.3413
Matamata Urban	-	180.5275	144.4220	90.2638	45.1301	27.1630	9.0264

Waikato Central Drainage Area

\$ per hectare

Area of benefit (GST inclusive)	Urban	A	B	C	D	E	F
Rotomanuka	-	15.3597	6.4789	0.8440	-	-	-
Hautapu	253.9637	25.3964	17.7775	12.6982	6.3491	3.8095	1.2698
Fencourt	473.8415	47.3841	33.1689	23.6921	9.4768	7.1076	2.3692
Ōhaupō-Ngāroto	-	13.5637	9.4946	6.7818	3.3909	2.7127	0.6782
Freshfield maintenance	233.0119	23.3012	17.4759	11.6506	5.8253	3.4952	1.1651
Freshfield pumping	-	244.3167	183.2375	122.1583	61.0793	36.6475	-
Komokorau 1	-	19.5291	13.6704	9.7645	5.8587	2.9294	0.9765
Komokorau 2	-	-	-	49.3170	24.6585	-	2.4659
North Mangawara	-	5.6795	3.9757	2.8398	1.1359	0.8519	0.3408
South Mangawara	130.0905	13.0090	9.1063	6.5045	2.6018	1.9514	0.7805
Tauhei	185.4003	18.5400	12.9780	9.2700	3.7080	2.7810	1.1124
Tenfoot	195.3104	19.5310	13.6717	9.7655	3.9062	2.9297	1.1719
Uapoto	246.1290	24.6129	17.2290	12.3064	4.9226	3.6919	1.4768
Ngāruawahia	459.7593	45.9759	36.7807	22.9880	11.4940	6.8964	2.2988
Rotokauri	391.5633	39.1563	31.3251	19.5782	9.7891	5.8735	1.9577
Ohote Basin	173.2449	43.3112	28.1523	25.9867	-	10.8278	6.4967
Mangaonua	317.9161	31.7916	22.2541	15.8958	6.3583	4.7687	-
Waitakaruru	308.4962	30.8496	21.5947	15.4248	6.1699	4.6274	1.5425
Manor Park	2,230.3787	446.0757	-	-	-	223.0358	-
Greenhill	-	77.2008	69.4807	48.6360	-	-	-
Hopuhopu	-	28.1662	18.5897	9.3794	3.0982	-	-
Kirikiroa	-	-	-	41.7886	20.8942	-	4.1789
Koromatua	-	35.7674	23.8390	5.9481	-	-	-
Matangi	-	26.0831	-	-	-	-	-
Ngāruawahia North	-	263.9310	-	-	-	-	-
Pukeroro	-	75.0371	49.9747	37.5186	-	-	-
Puketaha	338.7907	33.8791	23.7153	16.9395	10.1637	5.0819	1.6939
Te Kōwhai	-	88.2965	66.1341	33.1112	22.0741	11.0371	-

Aka Aka Drainage Area

Subdivision		
Aka Aka	\$ 46.67	fixed rate per hectare (GST inclusive)

Franklin Waikato Drainage Areas \$ per hectare

Area of benefit (GST inclusive)	Urban	A	B	C	D	E	F
Waller Commins	-	-	-	-	-	-	-
Motukaraka	-	72.4079	-	-	-	-	-
Bell Road	-	-	-	33.0406	-	-	-
Tuakau Swamp	-	-	133.1428	-	29.5873	-	-
Mangatawhiri Compartment 1	-	-	-	28.7240	9.5747	5.7448	-
Mangatawhiri Compartment 2	-	-	107.4491	71.6327	23.8776	14.3265	-
Mangatawhiri Compartment 3	-	-	29.0720	19.3813	6.4604	-	-
Mangatawhiri Compartment 4	-	-	84.5936	56.3957	18.7986	-	7.5194
Mangatawhiri Compartment 5	-	-	-	-	65.9525	-	-
Orton	-	56.0161	33.6097	22.4064	11.2032	-	-
Morrison's Swamp	-	-	-	-	-	-	-
Te Kohanga	-	17.5635	5.8545	2.9273	-	-	-
Kaawa	-	95.0719	47.5360	-	-	-	-
Onepoto	-	142.3110	106.7333	71.1555	-	-	-
Onewhero Downstream	-	-	-	-	-	-	-
Okowhau	-	116.1263	66.3662	33.1888	16.5713	-	-
Huntly West	-	57.7469	41.2486	16.4983	8.2578	-	-
Hills	-	61.4984	43.9344	17.5701	8.8004	-	-
Horohoro	-	83.3601	59.5358	23.8160	11.9038	-	-
Austins	-	99.6943	62.3189	24.9236	-	-	-
Blairs	-	109.6157	78.2983	31.3172	15.6749	-	-
Guests	-	57.9617	38.6605	-	-	-	-
Ruawaro Furniss	-	-	59.0322	39.3444	-	-	-
Ruawaro Central	-	-	-	-	-	-	-
Ruawaro North	-	65.8996	49.0754	18.8473	-	-	-
Kimihia SRA	-	68.9626	34.4921	-	-	-	-
Kimihia	-	70.7289	35.3786	-	-	-	-
Rangiriri	-	102.3266	85.2687	51.1733	-	-	-
Island Block	-	74.1897	37.0801	18.5548	-	-	-

Swan Road	-	-	99.0207	66.0072	33.0127	-	-
Vrsalijkos	-	175.6950	-	87.8302	-	-	-
Orchard Road	808.2023	80.8202	56.5741	40.4101	-	12.1230	4.0511
Churchill East	-	106.2185	84.9642	63.7311	-	-	-
Meremere East	-	64.3236	48.2427	32.1554	16.0810	-	-
Mangati	-	74.9728	59.9783	29.9892	-	-	-
Mangawara	-	14.6414	9.1362	7.3207	1.8155	-	-
Pukekapia 1	-	28.3065	14.1533	7.0767	-	-	-
Pukekapia 2	-	56.1440	28.0720	14.0359	-	-	-
Ruawaro East	-	-	-	-	-	-	-
Ruawaro West	-	39.1273	29.3455	19.5637	9.7818	-	-
Travers Road	-	-	-	-	-	-	-
Waikare Frost	-	46.3812	23.1905	11.5952	5.8440	-	-
Waikare Ohinewai	-	-	80.8545	40.4274	20.0523	-	-
Waikare Nikau	-	42.5232	35.2094	28.3204	-	14.1602	7.0589
Waikare Rangiriri	-	23.1591	13.8723	4.6318	-	-	-
Waikare West	-	28.5368	22.7723	11.3862	5.6788	-	-
Waikorea	-	17.9610	-	-	-	-	-

Peninsular 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.⁽³⁾

What it funds

The funding provides for projected costs of \$3,344,000 (GST inclusive).

Activity	Projected expenditure (\$000) (GST inclusive)	Targeted rate revenue (\$000) (GST Inclusive)
Flood protection	530	427
River management	645	443
River improvement	108	86
Catchment new works	547	346
Catchment maintenance	39	29
Animal pest control	17	15
Catchment oversight	423	284
Information and advice	159	117
Works and services - coastal marine area	875	340
Total	3,344	2,087

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	1,132
River and flood control direct benefit	956
Total	2,087

³ Peninsula Project (Coromandel Zone) Revenue and Funding Policy. Doc # 889245

The 2019/20 rate

Differential	Factor Used	Rate (\$) GST inclusive
Catchment		
CV Basis	Capital value \$1 per \$1	0.00004402
Per rating unit basis	Per rating unit	33.74
Coromandel Retirement Village		
Maintenance	Capital value \$1 per \$1	0.00008801
Coromandel township		
Maintenance	Capital value \$1 per \$1	0.00010812
Coromandel township capital		
Capital channel 1	Capital value \$1 per \$1	0.00041179
Capital channel 2	Capital value \$1 per \$1	0.00020589
Capital channel 3	Capital value \$1 per \$1	0.00010295
Capital indirect	Capital value \$1 per \$1	0.00000882
Grahams Creek		
Indirect maintenance	Capital value \$1 per \$1	0.00004160
Indirect capital	Capital value \$1 per \$1	0.00001470
Capital channel CH1	Capital value \$1 per \$1	0.00018799
Capital stopbank SB2	Capital value \$1 per \$1	0.00010940
Capital channel CH2	Capital value \$1 per \$1	0.00004700
Capital stopbank SB1	Capital value \$1 per \$1	0.00032820
Karaka Stream capital		
Capital KL1	Capital value \$1 per \$1	0.00039256
Capital KL2	Capital value \$1 per \$1	0.00019628
Capital KL3	Capital value \$1 per \$1	0.00006543
Pohue Channel capital		
Capital channel 1	Capital value \$1 per \$1	0.00050267
Tairua Harbour		
Maintenance	Per rating unit	18.53
Tapu		
Maintenance	Capital value \$1 per \$1	0.00000000
Te Puru		
Maintenance	Capital value \$1 per \$1	0.00029826
Te Puru capital Indirect		
Te Puru capital Indirect	Per rating unit	66.05
Te Puru channel capital		
Capital channel 1	Capital value \$1 per \$1	0.00006644

	Per rating unit	33.88
Capital channel 1a	Capital value \$1 per \$1	0.00006644
	Per rating unit	844.02
Capital channel 2	Capital value \$1 per \$1	0.00003322
	Per rating unit	16.94
Capital channel 2a	Capital value \$1 per \$1	0.00003322
	Per rating unit	47.44
Capital channel 3	Capital value \$1 per \$1	0.00001661
	Per rating unit	8.47
Te Puru stopbank capital		
Capital stopbank 1	Capital value \$1 per \$1	0.00041673
	Per rating unit	212.54
Capital stopbank 1a	Capital value \$1 per \$1	0.00041673
	Per rating unit	5,294.33
Capital stopbank 2	Capital value \$1 per \$1	0.00020837
	Per rating unit	106.27
Capital stopbank 2a	Capital value \$1 per \$1	0.00020837
	Per rating unit	297.55
Capital stopbank 3	Capital value \$1 per \$1	0.00010418
	Per rating unit	53.13
Waiomu channel capital		
Capital channel 1	Capital value \$1 per \$1	0.00060435
Capital channel 2	Capital value \$1 per \$1	0.00030218
Capital channel 3	Capital value \$1 per \$1	0.00015109
Waiomu stopbank capital		
Capital Stopbank 1	Capital value \$1 per \$1	0.00033183
Capital Stopbank 3	Capital value \$1 per \$1	0.00005530
Waiomu-Pohue		
Capital indirect	Capital value \$1 per \$1	0.00003421
Maintenance	Capital value \$1 per \$1	0.00018694
Whangamata Harbour		
Maintenance	Per rating unit	13.68

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.⁽⁴⁾

What it funds

The funding provides for projected costs of \$2,321,000 (plus GST at the prevailing rate).

Activity	Projected expenditure (\$000) (GST inclusive)	Targeted rate revenue (\$000) (GST Inclusive)
River management	300	150
Catchment new works	1,349	501
Catchment maintenance	39	20
Catchment oversight	544	132
Information and advice	89	45
Total activity	2,321	848

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	848

The 19/20 rate

West Coast

Differential	Factor Used	Rate (\$) GST inclusive
Catchment - West Coast		
Capital value basis	\$1 per \$1 capital value	0.00008315
Per rating unit basis	\$ per rating unit	62.17

Public transport rate

What it funds

The public transport rate funds part of the cost of the Hamilton city urban public transport service. The revenue required in 2019/20 is \$10,726,000 (GST inclusive).

How it is applied

The scheme consists of two differentials, direct and indirect to reflect the access that properties have to public transport services:

- Direct – rate in the dollar per dollar of capital value of all rating units within Hamilton city boundary that are within

800 metres of a bus route. The total rate requirement for 2019/20 for the direct rate is \$8,408,000 (GST inclusive).

- Indirect – rate in the dollar per dollar of capital value of all rating units within Hamilton city boundary. The total rate requirement for 2019/20 for the indirect rate is \$1,528,000 (GST inclusive).
- Indirect Rail - rate in the dollar per dollar of capital value of all rating units within Hamilton city boundary. The total rate requirement for 2019/20 for the indirect rate is \$790,000 (GST inclusive).

The 2019/20 rate

Area of benefit (GST inclusive)	Rate \$1 per \$1 CV (GST inclusive)
Public transport - indirect	0.00003648
Public transport - direct	0.00020670
Public transport - indirect - rail	0.00001886

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 2019/20 is \$8,817,000 (GST inclusive), an increase of \$1,108,000 from 2018/19.

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 2019/20 year is \$161,681 billion.

The 2019/20 rate

Area of benefit (GST inclusive)	Percentage of region	Rate \$1 per \$1 CV (GST inclusive)	\$(000) GST inclusive
Hamilton City	24.42%	0.00005131	2,153
Matamata-Piako	8.83%	0.00005077	779
Ōtorohanga	2.85%	0.00005922	251
Rotorua	1.46%	0.00005440	129
South Waikato	3.92%	0.00005156	346
Taupō	10.40%	0.00006170	917
Thames-Coromandel	12.72%	0.00005494	1,122
Waikato	17.51%	0.00005471	1,544
Waipā	11.88%	0.00005988	1,048
Waitomo	2.02%	0.00005132	178
Hauraki	3.99%	0.00005111	352
Total	100.00%		8,817

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 \$1,181,000 (GST inclusive). It is applied on a uniform basis to every rating unit in the Waikato region.

The 2019/20 rate

The 2019/20 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 \$1,751,000 (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 2019/20 rate

The 2019/20 rate is \$69.62 (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 \$822,000 (GST inclusive). It is applied on a uniform basis to every rating unit in the Waikato region.

The 2019/20 rate

The 2019/20 rate is \$4.04 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 \$133,000 (GST inclusive). It is applied on the capital value of every rating unit in the Waikato region of two hectares and above.

The 2019/20 rate

The rate is \$0.0000235 per \$1 capital value (GST inclusive).

Civil defence and emergency management

What it funds

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

How it is applied

The revenue required is \$2,164,000 (GST inclusive). It is applied on a uniform basis to every rating unit in the Waikato region.

The 2019/20 rate

The rate is \$10.62 per rating unit (GST inclusive).

Separately used or inhabited parts of a rating unit

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

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

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

Other financing mechanisms

Borrowing

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

Reserve funds

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

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

Rates collection

Waikato Regional Council will be issuing a single invoice in September with payment due by 31 October 2017 (being the last business day of the month). Payment options available are:

- cheque (prepaid envelope will be provided)
- internet/phone banking
- direct debit/automatic payment
- credit card (via internet)
- payment at NZ Post shops
- 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 2019. Prior year rates not paid by 30 June 2019 will attract a further penalty of 10 per cent to the extent of non-payment on 4 July 2019 (being 5 working days from the date of the council resolution to assess the 2019/20 rates). Prior year rates remaining unpaid six months after 4 July 2019 will attract a further penalty of 10 per cent to the extent of non-payment on 4 January 2020.

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.⁽⁵⁾

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 \$500 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⁽⁶⁾ (section 36(1)(b))

For carrying out its functions in relation to the receiving, processing and deciding on resource consent applications (including assessment of application 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
- fix specific amounts to be charged 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 of the processing of the application as determined, according to the following formula:

Charge = (staff time x charge rate⁽⁷⁾) + administration fee + direct costs including disbursements + notification and hearing costs

Fixed application charges	\$ (GST exclusive)
Bore consent	400
Controlled activity bridge consent	1,100
Controlled activity culvert consent	1,200
Taupō land use >20ha	1,050
Mooring inside zoned Mooring Area	400
Change to mooring	150
Consent application lodgment fee (fee per application)	250
<ul style="list-style-type: none"> • One application • Two applications • Three applications • Four or more applications 	200 175 150
Consent transfer fee	90

STAFF CHARGE RATES

	Rate per hour (\$) (GST exclusive)
Technical expert	190
Technical Officer	145
Programme manager	170
Senior resource officer	140
Resource officer	125
Business support	90

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

6 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.

7 Refer to staff charges table at the end of this section.

ANNUAL CONSENT HOLDER CHARGES

CONSENT ADMINISTRATION CHARGE (SECTION 36(1)(C))

The resource consent annual administration fee contributes to the cost the council incurs on undertaking its consenting and monitoring functions required under the Resource Management Act 1991. This includes 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))

A scale of charges will be used for charging different classes of consent holders for information gathering and research, and for the exercise of resource consents

A specific amount will be charged across all classes of consents for state of the environment monitoring associated with the effectiveness of policy statements and plans.

DATA MONITORING (SECTION 36(1)(C))

The costs of data monitoring will be recovered by charging consent holders fixed amounts.

This charge does not cover site specific consent compliance monitoring which is charged on an actual cost basis, except in relation to consents to take water for farm dairy purposes (i.e. milk cooling and shed washdown purposes) where a fixed charge applies as described below.

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⁽⁸⁾) + direct costs including disbursements

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

Where consent is held to take water for farm dairy purposes, an annual charge of \$65 applies, which is included as part of the annual consent holder charge. This fee 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 fee will be directly charged in accordance with the above formula.

2019/20 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	140	418	-	558
• Other discharges	Other discharges to air, including odour	140	-	-	140
Discharges					
Agricultural	Discharges to land and water from agricultural sector activities	140	255	-	395
Process discharges					

8 Refer to staff charges table at the end of this section.

• Major	Stormwater discharge >200 litres per second; Sewage >15m ³ per day; mine wastewater >100m ³ per day; geothermal 100 – 1500m ³ per day	140	423	-	563
• Minor	Industrial, mining, quarry, urban and commercial discharges to land and water that do not fall into “Major” class	140	316	-	456
Geothermal					
• Large	Discharge of geothermal sourced waters exceeding 100,000m ³ per day	140	15,752	-	15,892
• Medium	Discharge of geothermal sourced waters from 20,001 to 100,000m ³ per day	140	5,866	-	6,006
• Small	Discharge of geothermal sourced waters of less than 20,000m ³ per day ⁵	140	1,700	-	1,840
Takes					
• Water takes	Takes of surface or ground water, excluding farm water takes	140	Minimum charge of \$65, then 32 cents per m ³	-	
• Farm water takes	Takes of surface or ground water for farming support	140	Minimum charge of \$65, then 32 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	140	-	-	140
• Non-consumptive water takes (impact)	Non-consumptive water takes that impact flow regimes or water availability	140	600	-	740
Geothermal takes					
• Large	Takes of geothermal sourced fluids exceeding 100,000m ³ per day	140	43,983	-	44,123

• Medium	Takes of geothermal sourced fluids of between 20,001 and 100,000m ³ per day	140	18,037	-	18,177
• Small	Takes of geothermal sourced fluids of between 1,000m ³ and 20,000m ³ per day ⁴	140	4,736	-	4,876
Dams					
• Waikato	Large dams within the Waikato hydro network used for electricity generation	140	4,100 per dam	-	
• Large	Dams deeper than 3 metres and which hold more than 20,000m ³ of water	140	3,000 per dam	-	
• Small	All dams not covered by the consent classes above	140	135 per dam	-	
Coastal					
Marine farms		140	76 per hectare	40	
Moorings	All mooring structures	140	-	15	155
Other	Activities requiring consent which may significantly impact upon the coastal environment and do not sit within the classes listed above	140	320	-	460
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	140	1,499	-	1,639
• 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	140	281	-	421
Land use - Lake Taupō					

• Large	Land areas greater than 100 hectares	140	565	-	705
• Medium	Land areas from 20 to 100 hectares	140	275	-	415
• Small	Land areas less than 20 hectares	140	130	-	270
Other	Activities requiring consent which do not fit within the consent classes above, but which may have environmental effects and will require some supervision and monitoring by Waikato Regional Council	140	-	-	140
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	140	-	-	140

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.
4. For geothermal takes of less than 1000m³ per day, the charge applicable to a water take will apply.
5. For geothermal discharges less than 100m³ per day the process minor category will apply and for those between 100m³ and 1500m³ per day the process major category will apply.

REMISSION

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

- charges to individual consent holders are deemed to be unreasonable
- a redress of relative benefits to the consent holder is necessary
- the information produced by an applicant for a resource consent benefits the community as a whole.

NAVIGATION SAFETY RELATED CHARGES

Pursuant to section 150 of the Local Government Act 2002, Waikato Regional Council has made a bylaw in respect of navigation safety within the Waikato region. Section 150(a) of the Local Government Act allows the 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 4.4), or suspension or exemption of any provisions within this bylaw (Bylaw 4.2)	\$108.70
Application for permanent speed upliftings (Clause 4.3)	Actual and reasonable costs
Public notice for a temporary event (Clause 4.4)	Actual and reasonable costs
Mooring fee - Harbourmaster activities and safety checks (charged annually)	\$62.50
Visitor mooring rental	\$17.39 per night \$86.96 per week
Registration of personal watercraft	\$43.48
Transfer of registration	Free
Dealer registration	\$43.48
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 PIMs, building consents, compliance schedules, inspections, code of compliance certificates, DSAP, annual WOF and dam classification certificates.

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.

REQUESTS FOR INFORMATION AND DOCUMENTS

RESOURCE MANAGEMENT PLANS AND CONSENTS

Except as provided in relation to policy documents, 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 charge rate.

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.

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 for up to 15 years.

Application fees in relation to these postponements are as follows.

1. \$300 counselling fee.
2. 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.
3. 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 tairā

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	\$350,000 property			\$500,000 property			\$1,000,000 property			\$2,000,000 property		
	2018/19	2019/20	Change	2018/19	2019/20	Change	2018/19	2019/20	Change	2018/19	2019/20	Change
Hamilton	78.46	82.88	4.42	112.08	118.40	6.31	224.16	236.79	12.63	448.33	473.58	25.25
Hauraki	84.63	82.56	(2.06)	120.90	117.95	(2.95)	241.79	235.90	(5.89)	483.59	471.80	(11.79)
Matamata-Piako	81.62	82.00	0.39	116.60	117.15	0.55	233.19	234.30	1.11	466.39	468.60	2.21
Otorohanga	92.35	95.47	3.12	131.94	136.39	4.45	263.87	272.77	8.90	527.74	545.54	17.80
Rotorua	82.44	87.86	5.42	117.78	125.52	7.74	235.55	251.03	15.48	471.10	502.06	30.96
South Waikato	82.32	83.29	0.97	117.59	118.98	1.39	235.19	237.96	2.77	470.38	475.92	5.54
Taupō	90.26	99.46	9.20	128.94	142.08	13.15	257.88	284.17	26.29	515.76	568.34	52.58
Thames-Coromandel	82.31	88.75	6.44	117.58	126.78	9.20	235.16	253.56	18.40	470.32	507.12	36.80
Waikato	81.56	88.37	6.81	116.52	126.24	9.73	233.03	252.49	19.46	466.06	504.98	38.92
Waipa	93.87	96.72	2.85	134.10	138.18	4.08	268.20	276.35	8.15	536.40	552.70	16.30
Waitomo	81.81	82.90	1.09	116.88	118.44	1.56	233.75	236.87	3.12	467.50	473.74	6.24

UNIFORM ANNUAL GENERAL CHARGE – CHARGED TO ALL PROPERTIES IN THE REGION

2018/19 rate	81.83	per rating unit
2019/20 rate	84.23	per rating unit
Change	2.40	per rating unit

CIVIL DEFENCE EMERGENCY MANAGEMENT RATE – CHARGED TO ALL PROPERTIES IN THE REGION

2018/19 rate	10.10	per rating unit
2019/20 rate	10.62	per rating unit
Change	0.52	per rating unit

NATURAL HERITAGE RATE – CHARGED TO ALL PROPERTIES IN THE REGION

2018/19 rate	5.80	per rating unit
2019/20 rate	5.80	per rating unit
Change	0.00	per rating unit

BIOSECURITY RATE – CHARGED TO ALL PROPERTIES IN THE REGION

Territorial authority	\$350,000 property			\$500,000 property			\$1,000,000 property			\$2,000,000 property			
	2018/19	2019/20	Change	2018/19	2019/20	Change	2018/19	2019/20	Change	2018/19	2019/20	Change	
Hamilton	16.15	17.96	1.81	23.07	25.66	2.58	46.15	51.31	5.16	92.30	102.62	10.32	Revalued
Hauraki	17.43	17.89	0.46	24.90	25.56	0.66	49.80	51.11	1.31	99.60	102.22	2.62	Revalued
Matamata-Piako	16.81	17.74	0.93	24.02	25.35	1.33	48.03	50.70	2.67	96.06	101.40	5.34	Revalued
Otorohanga	19.02	20.73	1.70	27.17	29.61	2.44	54.35	59.22	4.87	108.70	118.44	9.74	
Rotorua	16.98	19.04	2.06	24.26	27.20	2.95	48.51	54.40	5.89	97.02	108.80	11.78	

South Waikato	16.94	18.05	1.11	24.20	25.78	1.58	48.39	51.56	3.17	96.78	103.12	6.34	Revalued
Taupō	18.59	21.60	3.01	26.56	30.85	4.30	53.11	61.70	8.59	106.22	123.40	17.18	
Thames-Coromandel	16.95	19.23	2.28	24.21	27.47	3.26	48.43	54.94	6.51	96.86	109.88	13.02	
Waikato	16.80	19.15	2.35	24.00	27.35	3.35	48.00	54.71	6.71	96.00	109.42	13.42	
Waipa	19.33	20.96	1.62	27.62	29.94	2.32	55.24	59.88	4.64	110.48	119.76	9.28	
Waitomo	16.85	17.96	1.11	24.07	25.66	1.59	48.14	51.32	3.18	96.27	102.64	6.37	Revalued

REGIONAL SERVICES RATE – CHARGED TO ALL PROPERTIES IN THE REGION

2018/19 rate	4.13	per rating unit
2019/20 rate	4.04	per rating unit
Change	(0.09)	per rating unit

PUBLIC TRANSPORT RATE – CHARGED TO HAMILTON CITY PROPERTIES ONLY

Property location	\$350,000 property			\$500,000 property			\$1,000,000 property			\$2,000,000 property		
	2018/19	2019/20	Change	2018/19	2019/20	Change	2018/19	2019/20	Change	2018/19	2019/20	Change
Within 800 meters of bus stop (serviced)	84.18	91.74	7.56	120.25	131.05	10.80	240.51	262.10	21.59	481.02	524.20	43.18
All properties in Hamilton city	12.07	12.78	0.71	17.24	18.25	1.01	34.48	36.50	2.02	68.97	73.00	4.03

PERMITTED ACTIVITY MONITORING RATE – CHARGED TO ALL PROPERTIES TWO HECTARES AND ABOVE

2018/19 rate	64.26	per rating unit
2019/20 rate	69.62	per rating unit

Change	5.36	per rating unit
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STOCK TRUCK EFFLUENT RATE – CHARGED TO ALL PROPERTIES TWO HECTARES AND ABOVE

\$500,000 property		\$1,000,000 property			\$2,000,000 property			
2018/19	2019/20	Change	2018/19	2019/20	Change	2018/19	2019/20	Change
1.25	1.15	(0.10)	2.50	2.30	(0.20)	5.00	4.60	(0.40)

CATCHMENT SCHEME RATES

WAIHOU PIAKO CATCHMENT RATE – CHARGED ON A DIFFERENTIAL BASIS TO ALL PROPERTIES IN THE ZONE ⁽⁹⁾

Property type	\$350,000 property			\$500,000 property		
	2018/19	2019/20	Change	2018/19	2019/20	Change
Residential	80.83	75.62	(5.20)	115.46	108.04	(7.43)
Property type	\$2,000,000 property			\$3,500,000 property		
	2018/19	2019/20	Change	2018/19	2019/20	Change
Rural	461.86	432.14	(29.72)	808.26	756.24	(52.01)

WAIKATO-WAIPĀ SCHEME (WATERSHED) – CHARGED ON A DIFFERENTIAL BASIS TO ALL PROPERTIES IN THE ZONE

Management zone / territorial authority	\$350,000 property			\$500,000 property			\$1,000,000 property			\$2,000,000 property		
	2018/19	2019/20	Change	2018/19	2019/20	Change	2018/19	2019/20	Change	2018/19	2019/20	Change
Central Waikato zone - Hamilton city	16.72	19.96	3.23	23.89	28.51	4.62	47.78	57.02	9.24	95.57	114.04	18.48
Central Waikato zone - Waipa district	25.76	28.31	2.55	36.80	40.44	3.64	73.60	80.88	7.28	184.00	202.21	18.20
Lower Waikato zone - Waikato district	55.36	66.50	11.14	79.09	95.00	15.91	158.18	190.00	31.82	395.45	475.00	79.55
Waipa zone - Otorohanga district	46.48	49.45	2.96	66.40	70.64	4.24	132.81	141.28	8.47	332.01	353.19	21.18
Upper Waikato - South Waikato district	22.74	24.25	1.51	32.49	34.65	2.16	64.98	69.29	4.31	162.46	173.23	10.78
Upper Waikato - Rotorua district	33.47	35.54	2.07	47.81	50.77	2.96	95.61	101.54	5.92	239.04	253.85	14.81
Lake Taupo zone - Taupo district	36.43	38.07	1.63	52.05	54.38	2.33	104.10	108.76	4.66	260.25	271.90	11.65

⁹ Some properties within this catchment have been revalued. This will impact the annual rates charges for 2019/20.

COROMANDEL ZONE RATE – CHARGED ON A DIFFERENTIAL BASIS TO ALL PROPERTIES IN THE ZONE

\$350,000 property		\$500,000 property			\$1,000,000 property			\$2,000,000 property			
2018/19	2019/20	Change	2018/19	2019/20	Change	2018/19	2019/20	Change	2018/19	2019/20	Change
48.00	49.15	1.15	54.52	55.75	1.23	76.25	77.76	1.51	119.71	121.78	2.07

WEST COAST ZONE RATE – CHARGED ON A DIFFERENTIAL BASIS TO ALL PROPERTIES IN THE ZONE

\$350,000 property		\$500,000 property			\$1,000,000 property			\$2,000,000 property			
2018/19	2019/20	Change	2018/19	2019/20	Change	2018/19	2019/20	Change	2018/19	2019/20	Change
87.70	91.27	3.58	100.07	103.74	3.68	141.32	145.32	4.00	223.82	228.47	4.65

DRAINAGE RATE – CHARGED ON A DIFFERENTIAL BASIS TO ALL PROPERTIES IN THE DRAINAGE AREA

	0.2ha property (residential)			2.0ha property (lifestyle)			75ha property (dairying)		
	2018/19	2019/20	Change	2018/19	2019/20	Change	2018/19	2019/20	Change
Thames Valley	25.08	25.80	0.73	20.06	20.64	0.58	940.35	967.62	27.27
Waikato Central	38.21	39.06	0.85	26.75	27.34	0.60	1,432.81	1,464.82	32.01
Aka Aka	8.83	9.33	0.50	88.32	93.34	5.02	3,312.00	3,500.25	188.25

HE TAIAO MAUIORA

HEALTHY ENVIRONMENT

HE ŌHANGA PAKARI

STRONG ECONOMY

HE HAPORI HIHIRI

VIBRANT COMMUNITIES

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