

Taupō District Council

Notes of Council Workshop

Group	Council
Date	Thursday 8 August 2.00pm – 3.03pm
Venue	Council Chamber
Topic	Presentation from Waikato Water Done Well Project Team
Facilitated by	Mr Don McLeod (Matamata-Piako District Council Chief Executive), Mr Kelvin French (Co-Lab Chief Executive), and Mr Vaughan Payne (Waikato Water Done Well Project Lead)
Elected Members present	Mayor David Trewavas (in the Chair), Deputy Mayor Cr Kevin Taylor, Cr Duncan Campbell, Cr Sandra Greenslade, Cr Kylie Leonard (from 2.44pm), Cr Anna Park, Cr Kirsty Trueman (from 2.19pm), Cr Yvonne Westerman
Officers present	Chief Executive (J Gardyne), General Manager Community Infrastructure and Services (T Hale), General Manager Organisation Performance (S Matthews), General Manager People and Community Partnerships (L O'Brien), Acting Three Waters Manager (K Sears), Iwi and Co Governance Manager (D Rameka), Executive Manager Mayors Office (J Later), Iwi Engagement Partner (T W Walker), Co-Governance Management Partner (C Dempsey), Iwi and Co-Governance Advisor (A Kereopa), Senior Policy Advisor (P Caruana), Senior Analyst Business Transformation (T Paget), Programme Manager (J Walton), Legal and Governance Coordinator (D Periam)
Public / media present	Ms Sinead Hart (Co-Lab Solutions via MS Teams)
Documents either pre-circulated or tabled	Waikato Water Done Well PowerPoint Presentation tabled (A3608755)
Public or closed¹	Public

¹ Workshops are public (and are always advertised whether public or closed), unless there is a good reason(s) for information to be withheld and there is no overriding public interest in holding the workshop in public. Withholding grounds set out in the Local Government Official Information and Meetings Act 1987 (LGOIMA) are a guide. If closed, cite relevant LGOIMA section.

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Notes²

The purpose of this workshop was for the Waikato Water Done Well Project Team to present to elected members.

Mr McLeod explained that Mr French and Mr Payne were brought in to provide expertise and look at opportunities and options. There was roughly \$5 billion capital works programmed in the Waikato for the next ten years. The ability for councils and the civil construction industry to deliver all the capital work within ten years was low and if the demand was more than what could be supplied, it was likely that the price would increase. Currently councils were focused on their own services without taking into consideration the wider context.

Mr Payne explained that they recognised that the Waikato Region was very diverse, and they tried to develop an approach that would work for all councils.

A joint forum had been established which was made of Iwi Chairs and Mayors. The purpose of the forum was to provide leadership and help councils, but the final decision was for each council to make. The Waikato region was risk diverse but had a willingness to work together. The top three common challenges councils were facing was workforce availability, capital works delivery and community affordability. There had been a 30% increase in the cost to deliver water services over the past three years. There was a chance for councils to borrow up to 350% to cover the capital works costs for local water done well. The capital works Long-term Plan 2024-34 (LTP) investment for the Waikato region was shown and again specifically for Taupō district.

The average water rates per district was looked at in comparison with the average income per district. Any average water rates that were more than 2% of household incomes was an issue with affordability. In 2024 there were 2 councils exceeding the threshold, in 2034 this would increase to 5 councils. Taupō remained within the threshold. Waikato District Council had an agreement with Water Care to deliver services which would end in 2026. Compliance and consenting were a challenge for most councils with most consents expiring within the next seven years.

It was unlikely that all councils needed a Council Controlled Organisation (CCO), but all councils could benefit from working together. There was a gap with what was funded in the LTP and what staff believed was necessary. The current model of borrowing was going to be the most cost-effective approach going forward.

The efficiency savings for the LTP and efficiency savings for capital works for the whole of Waikato, Hauraki Coromandel, Waikato River Catchment and Waikato excluding Hamilton was shown.

It was believed there was an opportunity to work together to save money and improve environmental outcomes by focusing on the whole catchment rather than sections of the river through smart consenting.

Showstoppers or local concerns had been factored in and design parameters had been developed to address the local concerns while balancing with any financial concerns too.

The first recommendation was to agree on what we were trying to achieve together, outcomes and how we were all going to manage success in principle. The Waikato vision and Waikato outcomes were discussed. Success measures were shown.

The second recommendation was participating councils co-design an aggregated model that was staged by function and governed by a professional board from the outset. Stage one would be setting up a CCO that responds to critical needs but could evolve overtime. Critical needs would vary from council to council. The rationale for this recommendation was because it was pragmatic, simple and flexible. There was anticipation that a CCO would be done by next year 2025 focusing on stage one and possibly stage two. It was important that a council could join later.

² Workshops are not decision-making forums, therefore this document contains notes of key points discussed only, not decisions.

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The stage one scope of responsibilities was shown with the regional CCO looking after capital works delivery, programme management, procurement, consenting, project planning and design, asset management, education and training.

An indicative structure was shown, and it was explained that all shares would be held equally, and the money would be determined by each council. A service agreement would be entered into with each shareholder for relevant services.

It was asked of TDC to advise the project team of their decision by mid-September 2024.

In answer to questions, the following was clarified:

- Smart consenting did not factor in the fast-track bill and was independent from that.
- It was confirmed that Water Care was leaving Waikato District Council not the other way around.
- Both iwi partners and councils were wanting these discussions to start taking place as they would need to build up their internal resource or contract work out.
- The focus was not on the next five years but on the next 50 years.

The workshop closed at 3.03pm.