

Waikato Mayoral Forum and Councils Collaboration Projects: Progress Report #6: April 2014

Introduction

This report is to provide an update on the six work streams being carried out under the auspices of the Waikato Mayoral Forum, which consists of the region's mayors and the chairperson of the regional council.

The work streams – covering roading, water and wastewater services, planning and the spatial plan, economic development, regulatory by-laws and policies, and governance – are an integrated package designed to help get the best out of the regional economy and deliver multi-million dollar cost savings for ratepayers. Each workstream has a small governance group of three or four mayors/chairperson and support from an assigned council executive officer.

Besides forum members, this report is also for councillors, stakeholders and the general community on progress. The projects are due to continue to provide updates on the workstreams on a regular basis.

The latest report follows on from a meeting in March 2014 when the Mayoral Forum made a presentation to councillors from local authorities in the Waikato region to update them on progress to date. The information presented then is available at www.mpdc.govt.nz/waikatomayoralforum.

The governance groups are:

Roading

Mayors: Allan Sanson, Brian Hanna, John Tregidga.
Executive Officer: Don McLeod.

Waters

Mayors: Glen Leach, Jim Mylchreest, Max Baxter.
Executive Officer: David Hall.

Planning

Mayors/Chairperson: Paula Southgate, Julie Hardaker, Neil Sinclair, Jan Barnes.
Executive Officer: Garry Dyet, Gavin Ion.

Economic Development

Mayors/Chairperson: Paula Southgate, Julie Hardaker, David Trewavas, John Tregidga.
Executive Officer: Langley Cavers.

Regulatory By-laws and Policies

Mayors/Chairperson: Allan Sanson, Neil Sinclair, Jan Barnes

Executive Officer: Craig Hobbs.

Governance

Mayors/Chairperson: Jan Barnes, Paula Southgate, Julie Hardaker.

Executive Officer: Gavin Ion.

Workstream: Roding

Purpose

This report provides an update to the Mayoral Forum on the progress of implementing the Centre of Excellence for Roding Asset Management in the Waikato (Road Asset Technical Alliance – RATA).

Progress on Key Milestones

During the first quarter of 2014 two initiatives have commenced:

1. The Roding Mayors presented to each council with the aim of achieving a memorandum of understanding amongst participating councils. All Councils, except for Taupo District, Hamilton City and Waikato Regional, were visited and a high level of support was indicated for the establishment of RATA.
2. The Mayoral Forum has appointed a Project director, Dawn Inglis (on Secondment from her role as Roding Manager, Waipa DC). Dawn's role as Project Director is to establish:
 - a. The project structure
 - b. Service specification for each Council and supporting multiparty funding agreement
 - c. The technical specifications for each of the three services.

The Waikato Mayoral Forum met on 17th March, and this included a presentation to Councillors on the RATA proposal.

Next Steps

The work to establish RATA is now underway, with the key goal being to achieve a robust benchmarking framework for roding in the Waikato which will assist in identifying best practice in asset management, leading to optimal decision making. The benchmarking will assess

- Customer Satisfaction
- Quality Outcomes (e.g. asset condition indicators, safety outcomes)
- Cost

The One Network Road Classification (ONRC) is an important national project which will provide a standardised classification hierarchy for all roads, along with a set of “fit for purpose” performance standards/levels of service that will guide future decision making. RATA will support the implementation of the ONRC and assist each local authority (where appropriate), in determining what may be the best transition management plan to the fit for purpose performance measures if they vary from those currently delivered.

The ONRC also provides a key enabler for the robust benchmarking processes.

The FAR (Funding Assistance Rates), review outcomes are expected to be released in May/June 2014 with an outline of the proposed transition to full implementation by 2018. The implications of a change in funding assistance rates (now known as co-investment rates), will be more significant once the fit for purpose standards are known, as these will provide the guidance on the appropriate overall level of co-investment the NZ Transport Agency are willing to make in each roading network.

RATA's costs are anticipated to be approximately \$1M in year one for all resources (secondments of existing staff wherever possible and associated data collection and project costs). Several cost allocation methodologies are being considered, but all are expected to be similar to existing budgets. All allocation methodologies are based on an expectation that a "grant" or advanced funding towards the establishment costs be provided by the NZ Transport Agency to support the collaboration initiative.

The costs include the undertaking of a Review And Prioritisation Team (RAPT) Process where all 2014/15 renewal sites are visited by a selection of regional roading managers to discuss the proposed works. This project is proposed to establish a consistent approach to treatment selections, leading to more robust discussion on ensuring we are all delivering the right treatments, at the right place, at the right time. The project is planned to be completed during July – August 2014.

Roading Managers are still indicating a high level of support for the establishment of RATA. Options for formalising each Council's support in principle for RATA will be discussed at the meeting

Workstream: Waters

Purpose

This workstream is progressing investigations into the benefits and challenges that either a regional or sub-regional management of the water and wastewater utility activities would provide to the Waikato.

Progress on Key Milestones

Reported on separately.

Next Steps

Reported on separately.

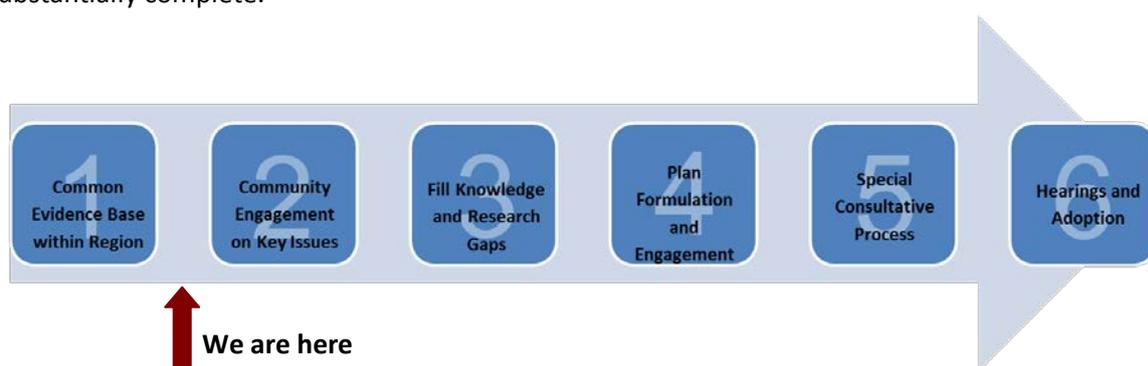
Workstream: Spatial Plan

Purpose

This report provides an update on the progress of phase one of the Waikato Spatial Plan project.

Progress on Key Milestones

The key steps towards developing the Waikato Spatial Plan as set out in the diagram below. We are currently at Stage One of this process – developing a common evidence base, which is now substantially complete.



The table below reports on progress of key tasks associated with the project.

Task	Progress
1. Technical reports covering economic, social, cultural and environmental wellbeing that summarise the existing evidence base for the opportunities, strengths and challenges the Waikato region will face in the coming 30-years.	Complete
2. Technical Paper – Population and Demographic trends	Complete
3. An assessment of critical infrastructure that supports the region, and available data on committed and forecasted investment.	Complete
4. Discussion document on how to develop, adopt and implement a spatial plan with existing legislative toolkit	Complete
5. Waikato Regional Sport and Recreational Facilities Plan	Draft Report Complete Engagement with TA staff underway Project Complete May 14
6. Summary report setting out: <ul style="list-style-type: none"> a. The opportunities, strengths and challenges the Waikato region may face in the coming 30-years. b. The linkages between the economic, social, cultural and environmental wellbeing. 	Complete

c. A draft set of priorities for the Waikato to engage on through the Spatial Plan process.	
7. Project plan, budget and scope for the next project stage.	Draft in discussion Complete May 14

Next Steps

To complete stage one, each Council within the region will receive two papers:

1. To confirm progress with developing and consulting on a draft spatial plan; and
2. Establishing a Joint Committee under the Local Government Act to provide the governance structure to develop, consult and recommend the spatial plan for adoption to participating Councils in the region.

This process will be completed by 30th May 2014, following which the project team will commence the Spatial Plan development process.

Workstream: Economic Development

Purpose

To provide an update on a project to develop a draft implementation plan to give effect to the Waikato Economic Development Strategy (known as “Waikato Means Business”).

Background

The Waikato Mayoral Forum agreed at its meeting of 17 March that:

- an implementation plan to follow on from the Waikato Regional Economic Development Strategy be developed by 30 June 2014; and
- the Chair of the Waikato Mayoral Forum invites the outgoing members of the Waikato Economic Strategy Governance Group to oversee the development of the implementation plan. A replacement would be sought for any existing Group members who are unable to continue.

Progress on Key Milestones

A reference to the development of an implementation plan will be included in the Waikato Mayoral Forum’s 17 March 2014 media release.

The Chair of the Waikato Mayoral Forum has written to the business members of the outgoing Waikato Economic Strategy Governance Group inviting participation in the project to develop an implementation plan.

That process is ongoing. However the following table summarises the responses received to date (as at 15 April 2014):

Hon John Luxton (Chair)	Accepted (if available to attend meetings)
John Cook	-
Traci Houpapa	Accepted
Parekawhia McLean	-
Graeme Milne	Declined
Frank Scrimgeour	Accepted

Next Steps

Once the invitation process has been completed in respect of the outstanding responses, a replacement will be sought for Mr Graeme Milne and any other of the existing membership who are unable to continue.

Once the final form of the membership of Waikato Economic Strategy Governance Group has been finalised, a meeting schedule will be prepared and agreed.

It is expected that the first meeting of the Waikato Economic Strategy Governance Group would discuss and agree a list of potential high priority and key supporting actions required to give effect to the implementation plan project.

Work stream: Regulatory Bylaws and Policies

Background

On the 9th of September 2013 the Waikato Mayoral Forum approved a strand of work aimed at better alignment of council bylaws and other regulations

The goal of the Regulatory Bylaws and Policy's work stream is to get a greater consistency and quality in regulatory instruments across the Waikato and to create efficiencies by Councils working collaboratively to produce these documents.

Progress to date

There has been no work done to date on a scoping document for engaging a lead contractor to develop the Regional Technical Specifications that the Mayoral Forum approved at its March meeting.

Work on the regulatory policy and bylaw work stream is progressing well and is currently running to plan. Refer resolution passed at the Waikato Mayoral Forum in March 2014. *That the Mayoral Forum approves the development of a Significance and Engagement Policy as the basis for establishing a consistent process and template (previously approved) for regulatory documents.*

Cindy Kent (South Waikato District Council) and Tegan McIntyre (Hamilton City Council) have been engaged on behalf of the Waikato LASS and the Waikato Mayoral Forum and have commenced work to provide the following three products:

1. Shared Significance and Engagement Policy framework
2. Standardised policy template and development process
3. Standardised bylaw development process

With the following deliverables:

- A Significance and Engagement Policy template with embedded guidance material and 'heat maps', referred to as a 'framework'
- A policy template and formation guide
- A process map and standard operating procedure for policy development
- A policy development checklist

Project Scope

Cindy and Tegan are working with the Waikato Strategic Planners Network and other stakeholder groups to develop and deliver these products.

All three products are to reflect best practise and should be suitable for shared regional application by local authorities within the Waikato Region. The shared Significance and Engagement Policy framework should allow for regional variation in application but should aim to standardise structure and terminology.

The agreed standardised process and guidance notes for the policy and bylaw process are to be supported by the provision of common document templates to provide a consistent style and should support easy implementation by local authorities.

- A. The focus of the project will be on delivering products that:
 - a. Establish a common structure and use of terminology;
 - b. are easy for staff to use and for the public to understand;
 - c. are designed to be adaptable so that they form a strong foundation for variable use across the region and are adaptable for future versions; and that
 - d. are delivered in a format that is easy for councils to record and use.
- B. This project will initially deal with the development of regulatory policies and bylaws - which is the first part of the policy and bylaw cycle. The remainder of the cycle is not addressed by this project, but is expected to occur in future phases. Excluded from this initial work is advice or guidance on the management, implementation, review, renewal, communication, recording and revocation of regulatory policies and bylaws once they are developed.
- C. Every effort will be made to gather information and feedback on preliminary drafts from each Council (see the project stakeholders section of this proposal), but in the end it will be the responsibility of council staff members to provide their views.
- D. The project will deliver a set of draft documents that have been exposed to numerous council employees, and that are reasonably palatable for most Waikato council staff. It is recognised that there is unlikely to be unanimous agreement on the final words and styles.
- E. The draft guidance and document template/s will therefore be high level conceptual documents designed to allow for local flexibility while setting in place a shared 'go to' resource.
- F. The draft documents will be provided to the Mayoral Forum for adoption, and once adopted, the Mayors will be responsible for the clear communication to all Councillors.

Staff Working Group

1. Chief Executives have nominated a staff member to represent their respective Council in a working group. The working group consists of the following:

Staff Nominee	Position	Council
Sam Napia	Group Manager Governance	Thames-Coromandel *
Nick Carroll	Policy Manager	Taupo
Andrew Loe	Environmental Services Manager	Otorohanga
Shelley Monrad	Corporate and Community Planning Team Leader	Waipa
Vishal Ramduny	Planning and Strategy Manager	Waikato
Mark Buttimore	Strategic Planning Project Manager	Hauraki
Michelle Hawthorne	Corporate Strategy Manager	Matamata Piako
Vibhuti Chopra	Group Manager Corporate Services	Waitomo
Dylan Gardener		Waikato Regional Council
Cindy Kent	Strategic Projects Manager	South Waikato
Tegan McIntyre	Programme Manager - Policy	Hamilton City

**Please note that TCDC support the project but will also continue with the development of their individual policy.*

2. A meeting of Strategic Planners Network (SPN) was held on 3 April and a presentation on the project, proposed process and milestones given. A short workshop on the project was held. Feedback on which staff and when councils would like to be involved was provided, as well as challenges of working collaboratively identified. Seeking Elected Member feedback early in the process was highlighted as important for most councils.

Analysis of Material

3. Most working group members have sent through background information as requested at the start of the project, including copies of their respective Significance Policy and Engagement Policy.
4. The process of measuring existing policies against both the existing requirements of the Local Government Act 2002 (LGA) and the requirements identified in the new LGA Bill has started.
5. In addition, initial feedback provided by councils has shown support for completing the new policy framework as soon as possible, rather than waiting for the new Bill to be enacted. The results from the analysis of all of the above will be used in the May workshop.

Broadening the collaboration

6. There are several other organisations currently developing thinking around a draft Significance and Engagement Policy and what this might mean for the ways in which councils engage with their communities:
 - 6.1. The Society of Local Government Managers (SOLGM) is looking to commission national guidance material. This work has not yet commenced and is aimed for completion in July unless the enactment of the Bill is postponed. SOLGM is keen to collaborate with the project and believes that the Waikato template could be used more widely if the project is a success. They will discuss the project with the Department of Internal Affairs to assess the transferability of the approach to other councils.
 - 6.2. Engagement Works Ltd has been providing 3 day training courses to council staff (which includes thoughts on a policy template and an engagement plan for seeking community feedback). A number of Western Bay Councils and some Waikato Councils have undertaken this training and have rights to the resource kit. The feedback from those who have attended the training is that this material is a good basis with which to start the thinking and that the LASS project can build and shape this material further. Engagement Works are interested in working alongside the LASS project to develop a draft policy that would meet the needs of the councils within the region and have agreed to share their resource kit at a nominal fee (so that it is available to all councils participating in the project) .
 - 6.3. Discussions will be initiated soon with Local Government New Zealand (LGNZ) to ensure that they too know what is happening, and to ensure that the relevant agencies are working in collaboration.

Budget

7. To date we are working within the \$20,000 budget assigned by LASS for this project. Cindy Kent and Tegan McIntyre will forward timesheets and disbursement to SWDC and HCC respectively for payment and SWDC/HCC will invoice LASS.
8. Engagement Works has quoted to license LASS to share their resource kit with named member councils for a one-off fee of \$2,000+ GST. Based on 10 councils, that would be a discount of approximately 67% off the full price of \$620+GST. Tegan and Cindy are evaluating this material currently but seem to think this will be a good investment. A report will come to LASS when a recommendation is ready to be made.

Next steps

9. The SPN working group is scheduled to meet Thursday 17th April 2014 to discuss each Councils' planned future approach to the policy, identify any needs or 'must haves' required from the project and to assess to identify any issues each council anticipates in terms of using the framework and solutions to these.
10. A workshop is being planned for 2 May 2014 to provide a comparison of the various current significance policies and consultation policies, identify commonalities, best practice and start considering the key elements and high level contents requirements of the new policy.

Workstream: Governance

Progress to date

The triennial agreement has been circulated to Councils for signing. At this stage 10 Councils have signed the agreement. At this stage, Rotorua have indicated they do not wish to participate in any discussions of the Mayoral Forum. This stance is because Rotorua are more closely aligned to the Bay of Plenty region.

Thames-Coromandel has indicated they are unlikely to sign the agreement as it is drafted with the concern being the clauses in the agreement which relate to the Mayoral Forum. The Mayoral Forum Chairperson will contact both The Thames-Coromandel and Rotorua Mayors to discuss the situation

Overall Finances

The finances for these workstream projects are being collectively managed through the jointly owned organisation Local Authority Shared Services Ltd (LASS), in which each Council is a shareholder.

Each Council gave consideration to its commitment during the 2013/14 Annual Plan process, and almost all Councils made positive funding decisions. Thames-Coromandel declined to participate in the Waikato Plan and Economic Development workstreams, whilst Rotorua limited further funding as it is also partaking in similar Bay of Plenty projects. The two tables below reflect the original figures for Phase two.

Project Funding Per Year

Phase Two	Agreed	Share	2012/13	2013/14	2014/15
Waikato RC	361.00	28.74%	90.00	190.00	81.00
Hamilton	253.59	20.19%	54.74	157.31	41.54
Hauraki	45.89	3.65%	10.05	27.52	8.32
Matamata-Piako	82.08	6.54%	17.32	47.98	16.78
Otorohanga	28.86	2.30%	6.15	16.43	6.28
South Waikato	44.01	3.50%	9.60	26.28	8.13
Taupo	117.21	9.33%	25.29	70.63	21.30
Thames-Coromandel	35.17	2.80%	8.48	26.68	0.00
Waikato	143.94	11.46%	30.84	82.22	30.88
Waipa	111.34	8.87%	23.67	65.63	22.04
Waitomo	24.58	1.96%	5.43	14.05	5.11
Rotorua	8.28	0.66%	8.28	0.00	0.00
Total	1,255.95	100.00%	289.85	724.73	241.37

Project Funding Per Project

Phase Two	Total	%	Planning	ED	Waters	Roading
Waikato RC	361.00	28.74%	276.00	85.00	0.00	0.00
Hamilton	253.59	20.19%	141.54	22.72	71.75	17.58
Hauraki	45.89	3.65%	28.36	4.48	9.53	3.52
Matamata-Piako	82.08	6.54%	57.17	6.04	11.77	7.10
Otorohanga	28.86	2.30%	21.41	2.27	2.53	2.66
South Waikato	44.01	3.50%	27.69	4.18	8.70	3.44
Taupo	117.21	9.33%	72.57	10.35	25.28	9.01
Thames-Coromandel	35.17	2.80%	0.00	0.00	24.35	10.81
Waikato	143.94	11.46%	105.23	11.85	13.78	13.07
Waipa	111.34	8.87%	75.09	8.74	18.19	9.33
Waitomo	24.58	1.96%	17.40	2.49	2.52	2.16
Rotorua	8.28	0.66%	1.71	0.34	5.75	0.49
Total	1,255.95	100.00%	824.16	158.46	194.14	79.19

Expenditure to Date

	Economic					
	Roading	Planning	Waters	Development	Governance	Totals
Contributions						
Phase One	20,000	32,500	51,200	0	8,000	111,700
Phase Two 2012/13 – paid	30,000	135,800	40,020	84,070	0	289,890
Phase Two 2013/14 – paid		20,000	154,140	74,710		248,850
Phase Two 2013/14 – to be invoiced	49,180	446,980			0	496,160
Phase Two 2014/15 – to be invoiced	0	241,380	0	0	0	241,380
Total Contributions	99,180	876,660	245,360	158,780	8,000	1,387,980
Expenditure To Date	27,013	197,855	223,600	171,840	7,430	627,738
Still Available	72,167	678,805	21,760	(13,060)	570	760,242

Expenditure movement since last progress report

	Economic					
	Roading	Planning	Waters	Development	Governance	Totals
Contributions						
Phase One						
Phase Two 2012/13						
Phase Two 2013/14 – paid						
Phase Two 2013/14 – to be invoiced						
Phase Two Contributions 2014/15						
Total Contributions						
Expenditure	9,013	51,343	52,200	20,498		133,054
Available	(9,013)	(51,343)	(52,200)	(20,498)		(133,054)