

Waikato Mayoral Forum and Councils

Collaboration Projects: Progress Report #4: Nov 2013

Introduction

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

The work streams – covering roading, water and wastewater services, planning and economic development - 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/chair and support from an assigned council executive officer.

In March 2013 the Mayoral Forum made a presentation to all the councillors of the twelve local authorities in the Waikato region on the opportunities that these workstreams provided, and the funding required to progress to the next stage. The same presentation was given to wider stakeholders. A copy of this information is available at www.mpdc.govt.nz/waikatomayoralforum.

Councils, through their Annual Plan process, made commitments to these projects, and approved funding. It was agreed that regular reporting on these workstreams would be provided.

This report provides an update for forum members, councillors, stakeholders and the general community on progress. The projects are due to continue to provide updates on the workstreams on a six-weekly basis.

The governance groups are:

Roading: Mayors: Brian Hanna, Allan Sanson, John Tregidga.

Executive Officer: Don McLeod.

Economic Development: Mayors/Chair: Paula Southgate, Julie Hardaker, David Trewavas, John Tregidga.

Executive Officer: Langley Cavers.

Planning & governance: Mayors/Chair: Paula Southgate, Julie Hardaker, Neil Sinclair, Jan Barnes.

Executive Officers: Garry Dyet, Gavin Ion.

Waters: Mayors: Glenn Leach, Jim Mylchreest, Max Baxter.

Executive Officer: David Hall.

Workstream: Waikato Roothing Collaboration

Purpose

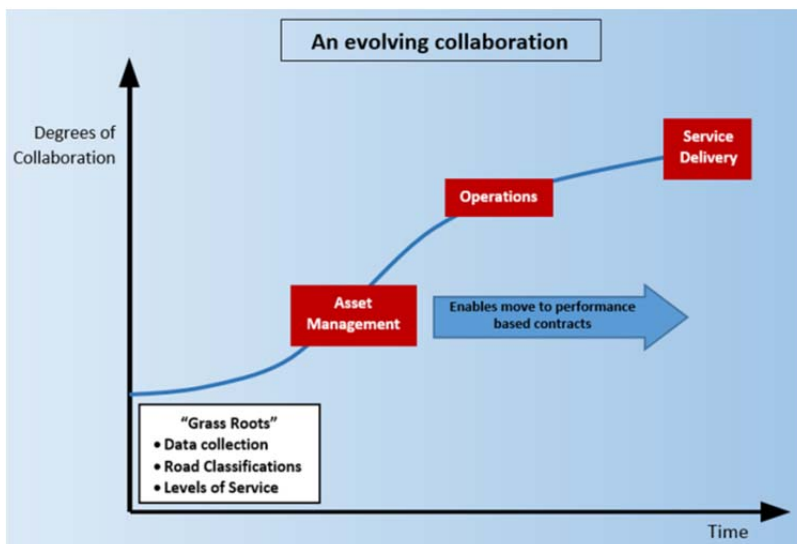
This workstream, known as the Waikato Roothing Collaboration project, is investigating whether a sound business case can be made for a Waikato Centre of Excellence for advanced road asset management.

Background

The Mayoral Forum instructed the Waikato Regional Advisory Group (roading managers from each Council, the NZTA and Waikato Regional Council) to prepare a business case for collaboration between the Waikato Road Controlling Authorities (RCA's) in the provision of road maintenance, operations and renewal works. The business case must ensure that:

- Good customer service is delivered locally.
- Functions that would benefit from greater scale are reviewed to appropriate mechanisms.

The business case has determined that an evolving collaboration model is the best fit for the Waikato Region, focusing initially on advancing practise and consistency in road asset management, which will enable and inform other forms of collaboration in operations and service delivery.



The preferred option to advance asset management is through a Waikato Centre of Excellence for advanced road asset management.

Progress on Key Milestones

Progress on the roading reports over the last 6 weeks:

- A workshop of the Regional Advisory Group has identified the types of asset management activities that a Centre of Excellence could assist with, and has sized the scale of these activities currently undertaken by in-house staff and consultants throughout the region.
- The draft business case has been prepared and circulated to prospective partner councils

Next Steps

Project will be completed in the next 6 weeks. Tasks for project completion are:

- The business case the Centre of Excellence will be workshopped with each partner council and NZTA. This workshop series will be completed by 6th December.
- The business case will be finalised and presented to the Roothing Mayors along with a summary of feedback from the workshops.
- A summary paper will be prepared and presented to the CEO's to advance the formal collaboration stages of the project.

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

- The Mayoral Forum resolved to support Stage II of this study at a meeting held in Karapiro on 29 July. Since that date the Project Control Group has met to finalise the details of the brief and, following further negotiations, approved a contract between Participate Ltd and LASS. This contract has now been agreed and executed and work is underway.
- In order to streamline data gathering a targeted survey has been prepared for each Council and circulated well in advance of proposed visits to each Council.

Next Steps

- The next step is the analysis of data gathered and a report prepared. The Stage II report will be completed by March 2014.

Workstream: Waikato Planning

Purpose

This report provides an update on the progress of a potential Waikato Spatial Plan.

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 will be completed by February 2014.



Task	Progress
1. A Waikato Profile Statement for economic, social, cultural and environmental wellbeing that summarises the existing evidence base for the opportunities, strengths and challenges the Waikato region will face in the coming 30-years.	Completed 13 December, 2013
2. Technical Paper – Population and Demographics	Complete
3. An assessment of critical infrastructure that supports the region, and available data on committed and forecasted investment.	Completed 13 December, 2013
4. Waikato Regional Sport and Recreational Facilities Plan	Technical assessments completed, Nov 13 Draft Report, Dec 13 Project Completed, April 14
5. A summary report suitable for community engagement that sets 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 	Draft Report, February 14

environmental wellbeing. c. A draft set of priorities for the Waikato to engage on through the Spatial Plan process.	
6. Project plan, budget and scope for the next project stage.	February, 2014

Since September the project milestones completed have been:

- The Waikato regional demographic report has been completed by the University of Waikato
- The technical leadership group continues to meet every fortnight to progress the common evidence base for economic, social, cultural and environmental wellbeing.
- A draft report on the economic, social, cultural and environmental wellbeing of the Waikato has been prepared
- An draft infrastructure stock take has been completed
- The Waikato Regional Sport and Recreation Plan project has appointed a lead consultant to develop the plan, and technical assessments have been completed of existing regional assets and their usage
- Appointment of Ken Tremaine Consulting to prepare the Waikato Summary Report

Next Steps

The following tasks will be progressed over the coming 6 weeks:

- The final set of technical evidence on economic, social, cultural and environmental wellbeing of the Waikato will be prepared.
- The final regional infrastructure stocktake will be completed.
- A draft regional sport and recreation plan will be prepared for the Project Steering Group.
- A discussion document on potential frameworks for developing, adopting and implementing a Waikato Spatial Plan will be completed.
- The Waikato Spatial Plan Summary Report will be progressed.

Workstream: Economic Development

Purpose

This workstream is managing the development of a draft Waikato Economic Development Strategy.

Background

Waikato is New Zealand's fourth-largest regional economy. We're an important centre of primary production. However, there is clear evidence suggesting Waikato is not achieving its potential:

- Estimated Waikato GDP per capita is \$43,350, compared to \$46,500 nationally.
- Waikato region's median weekly household income is \$1,281, compared to \$1,304 for NZ
- Economic growth has been uneven across territorial authorities in the region.

As well as being influenced by the global economy generally, the Waikato economic performance is becoming increasingly connected to the economies of neighbouring regions. The need to align efforts with Auckland and Bay of Plenty is increasingly important. However, the Waikato is the only region without a clear vision and strategy to inform strategic discussions with the rest of the upper North Island.

Also, a recent report for Local Government New Zealand identified a wide range of ways in which local government can support economic development. A strategy will help inform and prioritise actions for the Waikato.

It is clear the economic challenges and opportunities facing the region are significant and inter-related. No single organisation has the scale or scope to address them across the region and maximise the benefits to themselves or the wider community. With greater competition for central government and other resources, the various parts of the Waikato do not have a clear, shared understanding of the region's "value proposition" and its ability to attract such resources.

Economic activities and investments require better coordination within the region and between the region and central government. It is also necessary to improve the utilisation of regional resources and have a regional strategic focus. Collaboration is therefore required among and between firms and industry groups, central and local government organisations, iwi, tertiary education and research providers, and commercialisation and economic development agencies.

A regional economic development strategy will help identify opportunities to make significant differences in the Waikato.

A jointly funded Waikato economic development strategy would enable a collaborative and integrated approach to regional economic development by:

- leveraging new resources
- increasing the number of joint projects undertaken
- aligning activities and resources for economic development.

A strategy would look to boost economic growth by building on areas of regional advantage and helping the Waikato region to identify and take opportunities, and effectively manage risks.

Progress on Key Milestones

The strategy is being developed by a governance group that includes representatives of industry (including Māori business) and local government. The Governance Group acts as a sounding board, to test and challenge assumptions made, to assist in engaging the wider Waikato business community and to act as advisors to the Executive Group and the Secretariat.

The Governance Group has met four times since establishment. The content of meetings has set the scene for a shared understanding of the Waikato region's economy, key industries and issues and opportunities. This has been used to develop – at a high level – draft vision, goals, strategic priorities, areas of focus and potential flagship initiatives.

The Governance Group has released a strategy discussion paper for consultation until late November. The strategy discussion paper includes these high level goals, objectives and potential priority areas for the strategy, for further discussion and agreement. The discussion paper is supported by an economic development issues and opportunities report, which recaps the major issues and opportunities facing the Waikato economy identified through the work to date, and a growth goals assessment report.

The Governance Group hosted five workshops in November, each focused on a potential strategic priority. Meetings were also held with interest groups around the region.

Next Steps

The next steps in the process are due to be:

- Governance Group meeting December 2013 to consider the outcomes of consultation and submissions, and recommended changes to the strategy discussion paper.
- A final paper (“green paper”) will be developed between mid-December and early February 2014, before it is signed off by the Governance Group.

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.

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:

	Roading	Planning	Waters	Economic Development	Governance	Totals
Phase One Contributions	20,000	32,500	51,200	0	8,000	111,700
Phase Two Contributions 2012/13	30,000	135,800	40,020	84,070	0	289,890
Phase Two Contributions 2013/14	49,190	446,990	154,140	74,410	0	724,730
Phase Two Contributions 2014/15	0	241,370	0	0	0	241,370
Total Contributions	99,190	856,660	245,360	158,480	8,000	1,367,690
Expenditure To Date	18,000	119,329	123,400	137,284	7,430	405,443
Still Available	81,190	737,331	121,960	21,196	570	962,247