SECTION 1: Setting the scene | Whakaritea te wāhi
Message from the Chairperson and Chief Executive | Kōrero Matua a te Tiamana me te Tumu Whakarae

It’s a pleasure to release our 2017/18 Annual Report. We achieved a number of significant milestones over the year and this document provides a snapshot of them.

Our aim is to make the mighty Waikato the best it can be, and the past year shows we are tracking in the right direction.

Key to all our achievements is working with iwi Māori, stakeholders and our communities. It is with this kind of help that, in the last financial year, we developed our budget and work programme for the next 10 years through the 2018-2028 Long Term Plan. Adopted by the council at end of June, this document tackles the big issues we face together as a region. It builds on the work we’re already doing to support a sustainable future for our region, where our environment, economy and communities will thrive.

Our future certainly bodes well; we continue to be one of the top performing councils in New Zealand. In October, the regional council’s work was recognised with an A grade rating in Local Government New Zealand’s (LGNZ) CouncilMARK™ excellence programme.

This is the first year the excellence programme has been held and we were the only regional council to take part. It is challenging putting yourself forward for scrutiny against your peers, but we wanted to take part at the first opportunity to ensure we’re performing to the best of our ability and delivering increasing value to our ratepayers, partners and communities. Also, it was an opportunity to learn what we can do better; a service challenge we continually set ourselves.

We’re pleased LGNZ recognised and highlighted the collaborative approach we take to resolve issues and deliver on initiatives that really matter. In the past year, these included:

- A focus on freshwater – we now have the Waikato Freshwater Strategy for delivering the best use of fresh water in the next 50 years, the Restoration Strategy to guide and prioritise restoration activities in the Waikato and Waipā river catchments, and Healthy Rivers/Wai Ora: Proposed Waikato Regional Plan Change 1 to assist in reducing the amount of contaminants entering the Waikato and Waipā catchments is well underway.
Improving the economic development of our region – we supported the formation of Waikato Regional Economic Development Agency (REDA), an organisation tasked with making a difference through economic development for the people of the region.

Ensuring our infrastructure is sustainable – we opened New Zealand’s first ‘fish friendly’ flood control pump in Te Kauwhata to allow safe passage for our native species.

Managing flood events – we responded to a number of flood events across the region, including a significant coastal inundation event that affected communities along the southern Firth of Thames in January.

Responding to climate change – we committed to reducing our carbon footprint by becoming a Certified Emissions Measurement and Reduction Scheme organisation.

Forging new partnerships – a joint management agreement was signed with Tūwharetoa Māori Trust Board which will see us working together.

Supporting landowners, community groups and volunteer emergency services – we helped landowners plant nearly 500,000 plants, build more than 200 kilometres of fences and retire over 800 hectares of land. We also provided more than $2.5 million in funding to a wide range of community environmental projects and a number of volunteer emergency services. Just over $1.5 million of that was through catchment new works funding to landowners undertaking actions addressing erosion, water quality and biodiversity enhancement on their properties.

Investing in public transport – we added to the bus services we provide in Hamilton, providing an increased level of service.

So, we’re really proud of how we are performing, and it’s not just talk – we have evaluations to back up our claims. This year, we were assessed on 42 performance measures set in the 2015-2025 Long Term Plan. As at 30 June 2018, 33 were achieved (78 per cent), two were achieved in part (5 per cent), five were not achieved (12 per cent) and two were not applicable (5 per cent) because they are measured every two and five years. More information on our performance can be found on Page 31 to Page 80.

And financially, we’re doing well, too. For the last financial year, our investment fund delivered $1.3 million more than expected. The fund’s long term objective is a return of 4 per cent after inflation and fees, but for the last 10 years we’re sitting at 5.6 per cent.

Please take the time to read our 2017/18 Annual Report. While it’s another year over, we look forward to continuing to work with you to build a Waikato that can be enjoyed now and for generations to come.

Nā māua,

ALAN LIVINGSTON
Chairperson

VAUGHAN PAYNE
Chief Executive
At Waikato Regional Council our vision for the region is to care locally, compete globally. It’s all about having a sustainable future where we are resilient to changes and can take advantage of global opportunities.

On the ground it’s about achieving our three long term community outcomes for our rohe (the Waikato):

- A healthy environment.
- A strong economy.
- Vibrant communities.

These outcomes are connected, so success in one area cannot be at the expense of another. We’re looking to make decisions that provide multiple benefits for the community, now and into the future.

In our 2016-2019 Strategic Direction we identified seven priorities which guide our work programmes: partnerships, fresh water, supporting community action, regional development, land use choices, coastal and marine areas, and risk and resilience. To read about the work we’ve undertaken this year in relation to our strategic direction refer to Page 18.

We can’t achieve the best for our region on our own. That’s why we’ve committed to working in partnership with others: iwi, businesses, industry groups, central and local government, tertiary education and research providers, economic development agencies and you – the people of the Waikato.

Fostering Māori capacity to contribute to decision making is part of the way we work.

We have a number of co-governance and co-management agreements with iwi regarding their participation in natural resource management decision making. We are continuing to make progress on incorporating the legislative requirements of Treaty settlements into our day-to-day business processes, aiming for iwi partnerships to become ‘business as usual’.

We’ll continue to work with our iwi partners to implement Treaty settlements including implementing joint management agreements, advancing the Vision and Strategy for the Waikato River, and supporting our two Māori councillors to encourage the Māori community to contribute to decision making.

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

We’ll also continue to foster Māori capacity through:

- maintaining Māori representation on our eight catchment liaison subcommittees
- working with mātauranga Māori experts to incorporate aspects of this world view into our processes and practices
- providing strategies, frameworks and education programmes designed to increase staff and councillor capability to effectively engage with Māori
- facilitating council and iwi/Māori relationships
- providing pre and post Treaty settlement advice to council and government agencies.

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Established in 1989, Waikato Regional Council is responsible for a wide range of activities focused on strengthening regional performance and prosperity, which in turn make a significant contribution to New Zealand’s overall wellbeing.

Our role includes:

- **Governance and management of natural resources** – land, air, fresh water and coastal marine areas – on which our primary sector and export economy is based.
- **Strategic planning at the regional scale** delivered through statutory instruments such as the Regional Policy Statement, the Regional Land Transport Plan, the Regional Pest Management Plan, Regional Plan and Regional Coastal Plan, Civil Defence and Emergency Management, and non-statutory instruments such as regional economic development strategies.
- **Provision of regional scale infrastructure**, such as flood protection assets that protect billions of dollars worth of urban areas, roading infrastructure and productive farmland.
- **Transport planning and provision** to keep our region moving economically and socially.
- **Regional-scale response** to, and assessment of, natural hazards, including floods, earthquakes and tsunami, to protect communities and assets.
- **Biosecurity/biodiversity activities** to safeguard the productive and export-earning capacity of the natural environment, and support indigenous biodiversity, a key foundation to a sustainable economy.
- **Obtaining, storing and evaluating information** so we know how well the region is doing environmentally and economically.
- **Managing catchments** in a holistic way.

### KEY STATISTICS | TATAURANGA MATUA

<table>
<thead>
<tr>
<th></th>
<th>This year</th>
<th>Last year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regional council employees as at 30 June (full time equivalents)</td>
<td>496</td>
<td>483</td>
</tr>
<tr>
<td>Rateable properties as at 30 June</td>
<td>206,374 properties</td>
<td>201,217 properties</td>
</tr>
<tr>
<td>Total capital value of rating units as at 30 June</td>
<td>$143.340 billion</td>
<td>$120.920 billion</td>
</tr>
<tr>
<td>Total land value of rating units as at 30 June</td>
<td>$81.788 billion</td>
<td>$69.313 billion</td>
</tr>
<tr>
<td>Rateable hectares as at 30 June</td>
<td>2,126,142ha</td>
<td>2,124,550ha</td>
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<tr>
<td>Resource consents administered as at 30 June</td>
<td>10,876 consents</td>
<td>10,719 consents</td>
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<tr>
<td>Resource consent applications processed annually</td>
<td>946 consents</td>
<td>1136 consents</td>
</tr>
<tr>
<td>Annual resource consent hearing days</td>
<td>5 days</td>
<td>5 days</td>
</tr>
<tr>
<td>Certificates of compliance (COCs) processed</td>
<td>2</td>
<td>39</td>
</tr>
<tr>
<td>Stopbanks</td>
<td>563km*</td>
<td>572 km</td>
</tr>
<tr>
<td>Land benefiting from flood protection</td>
<td>2983.63 km²</td>
<td>2983.63 km²</td>
</tr>
<tr>
<td>Land benefiting from land drainage schemes</td>
<td>2263.08 km²</td>
<td>2263.08 km²</td>
</tr>
<tr>
<td>Land covered by soil conservation schemes</td>
<td>283.3 km²</td>
<td>283.3 km²</td>
</tr>
<tr>
<td>Data collection sites**</td>
<td>1435 sites</td>
<td>1435 sites</td>
</tr>
<tr>
<td>Total hectares under priority possum control</td>
<td>211,075ha</td>
<td>197,259ha</td>
</tr>
<tr>
<td>Freshwater Strategy webpage</td>
<td>1212 unique views</td>
<td>Not previously recorded</td>
</tr>
</tbody>
</table>
This year | Last year
---|---
Coastal inundation tool webpage | 779 unique views | 285 unique views

*The small reduction in kilometres of stopbanks is attributed to a reclassification of asset type from ‘stopbank’ to ‘spillway’ associated with the Piako Scheme review.

**Data collection sites.

Environmental monitoring data collection sites for 2017/18 included 1,435 sites ranging from recorders collecting continuous data to bi-annually sampled sites.

It does not include any non-routine work such as algae sampling, low flow gaugings or sediment snapshots, which are also part of our annual workload.

The 1,435 routine sites include:

- 21 intensity rainfall sites
- 31 daily read rainfall sites
- 45 surface water flow sites
- 6 coastal sites including water temperature, sea level, wave amplitude, wind speed, wind direction, wind gust and barometric pressure
- 10 automatic groundwater level sites
- 1 climate site
- 15 lake level sites
- 10 air quality monitoring sites
- 33 coastal erosion profile sites
- 28 estuary water quality monitoring sites
- 15 estuary ecological monitoring sites
- 170 freshwater ecological monitoring sites
- 431 manual groundwater level sites
- 253 groundwater quality sites
- 123 surface water quality sites (including 12 bathing beach sites)
- 24 suspended sediment monitoring sites
- 15 soil monitoring sites
- 8 temporary/portable recorder water quality sites
- 14 clean streams sites
- 24 catchment environmental monitoring sites
- 14 lakes water quality sites
- 69 fisheries monitoring sites
- 75 geothermal sites.
Your regional councillors | Ngā toki kaunihera me o rātou takiwā
Our region | To tātou Rohe

OUR REGION

The Waikato region is our home – it’s where we live, work and play – and it’s also important to New Zealand.

Covering over 35,000km² – approximately 25,000km² (2.5 million ha) of land and 10,000km² of coastal marine area – we’re the fourth largest region in New Zealand.

We sit at the heart of the upper North Island, an area important to the national economy because of its scale and contribution to New Zealand’s international connections.

The mainland area stretches from the Bombay Hills and Port Waikato in the north, south to Mokau on the west coast, and across to the Coromandel Peninsula and the Kaimai Range in the east. In the south, the region extends to the slopes of Mount Ruapehu.

The region is made up of distinct landforms generally found within four areas: the Taupō volcanic zone, Waikato lowland and Hauraki plains, western and central hill country and the eastern ranges. The Waikato region contains seven local authority districts and parts of three other districts which cross regional boundaries, as well as one city council.

We are a prime location, sharing boundaries with Auckland, Bay of Plenty, Manawatū-Whanganui and Taranaki.

OUR ENVIRONMENT

The Waikato region has a diverse landscape including wetlands, mountain ranges, rivers, geothermal resources and coastal shorelines.

The region includes:

- the Waikato River, at 425km it’s the longest in New Zealand
- Lake Taupō, the largest lake in Australasia at 623km²
- internationally significant wetlands, such as Whangamarino
- over 1200km of coastline
- a total of 75 per cent of New Zealand’s geothermal resources
- extensive native and exotic forests
- Tongariro National Park.

The region has more than 100 lakes, including Lake Taupō, more than 20 rivers, including the Waikato, Waipā, Piako, Waihou and Mokau, and about 1420 streams. The Waikato River effectively spans three regions, winding from the Manawatū-Whanganui region, all the way into Auckland. There are more than 600 different soil types with many being highly productive and fundamental to supporting our economy.

The Waikato region has 1200km of diverse coastline, ranging from the white sands of the eastern Coromandel to the rugged west coast (from Port Waikato to Mokau) with its distinctive black sands and windswept shoreline. The marine area is from high tide and extends 22km offshore, covering more than one million hectares (10,239km²) and approximately 30 per cent of the region. Overall, 35.6 per cent of our harbours and open coast are in public ownership and nine per cent of the coastline is used for roads.

Within our coastal marine area is:

- Cathedral Cove Marine Reserve
- Hauraki Gulf Marine Park
- 431,278ha of marine mammal sanctuaries.

There are also areas of significant conservation value, such as Whaingaroa (Raglan) Harbour and other forms of ‘protection’ which include areas designated as local fishing grounds under the Māori Fisheries Act 1989 and submarine cable and pipeline zones.

Offshore islands within the regional council boundary include Cuvier Island, Mercury Islands, Alderman Islands and Slipper Island on the east coast, and Gannet Island on the west coast.

OUR PEOPLE

With 403,638 (1) people, the Waikato region has the fourth largest population in New Zealand (after the Auckland, Canterbury and Wellington regions). The region’s population increased by about six per cent between 2006 and 2013, the second largest increase behind Auckland. The majority of this growth was in and around Hamilton and northern Waikato.

Almost three quarters of the region’s population live in our various urban areas, the largest urban area being Hamilton.

The region is relatively youthful, with just 14.8 per cent of the population aged 65+ years.

Approximately 84,000 Māori usually live in the Waikato, which is approximately 14 per cent of the national Māori population, and ranks second in size out of the 16 regions in New Zealand. (4) Eight rohe or tribal areas lie within the region – Ngāti Tūwharetoa, Ngāti Tahu, Ngāti Raukawa, Te Arawa, Ngāti Maniapoto, Waikato-Tainui, Hauraki and Ngāti Te Ata.

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1 Statistics NZ 2013 census
3 Statistics NZ 2015 census
The median weekly household income in the Waikato grew from $1356 in 2015 to $1498 in 2017. This is higher than the national figure of $1460. Household income was eighth highest of the 12 regions identified in New Zealand.

OUR ECONOMY

The Waikato region is a medium sized economy, contributing approximately 9 per cent to New Zealand’s gross domestic product.

Waikato is an agricultural powerhouse and a key contributor to New Zealand’s dairy industry, as well as enjoying scale and breadth in manufacturing and services.

The region is New Zealand’s most important mineral producing area. Coal, aggregates, iron and limestone are extracted, along with gold and silver.

It is a major producer of energy, with about one-third of New Zealand’s installed generation capacity. We have one large thermal, nine geothermal and more than 10 hydro power stations, along with a number of co-generation plants.

The Māori asset base in the Waikato has been estimated to be worth around $6.2 billion in 2014, representing 15 per cent of total Māori assets in New Zealand. Agriculture, forestry and fishing (28 per cent); property and business services (23 per cent); and manufacturing (15 per cent) make significant contributions to the overall Māori asset base in the region. It has been estimated that Māori businesses generate $1.4 billion annually for the regional economy.

Waikato is at the heart of the ‘golden triangle’ connecting Hamilton, Auckland and Tauranga, making it a convenient access point for freight and logistics. Waikato also enjoys a significant array of educational opportunities from early childhood centres to institutes of technology and a highly-rated university.

Waikato is home to popular and award-winning visitor destinations such as Hobbiton, the Waitomo Caves, Hamilton Gardens, Coromandel, Raglan and Lake Taupō.
About the report | Ko ngā pitopito kōrero e pā ana ki te pūrongo

2017/18 ANNUAL REPORT

The annual report is the key accountability document adopted each year by the council and sets out the differences between planned and actual performance for the year.

This annual report identifies highlights and key achievements in activities and levels of performance from 1 July 2017 to 30 June 2018.

It reports against the third year of Waikato Regional Council’s 2015-2025 Long Term Plan.

THE PLANNING AND REPORTING CYCLE

The annual report is one of a suite of statutory documents required under the Local Government Act (LGA) 2002.

A long term plan is a strategic planning document covering a 10 year period and describes the activities a local authority will fund and provide to achieve desired community outcomes. Community outcomes state what the council intends to achieve to maintain and improve the wellbeing of the region in the present and in the future.

A long term plan is reviewed and prepared every three years. It may be amended at any time, provided the full consultative process described in the LGA is used. The 2015-2025 Long Term Plan was adopted in June 2015 and this is the last year it will be reported on. The 2018-2028 Long Term Plan was adopted on 26 June 2018 and will form the basis for the 2018/19 Annual Report.

The other documents which make up the planning and reporting cycle are the annual plan and annual report. An annual plan is adopted in years two and three of the long term plan by local authorities and sets out the budget and the sources of funding for the year. The 2016/17 Annual Plan was adopted by the council on 29 June 2016 and the 2017/18 Annual Plan was adopted by the council on 7 June 2017.

Testing being carried out by staff as part of our summer coastal water quality monitoring programme.
Tuī photo by Robert Hos, judged overall winner of the 2017 Hamilton Halo photo competition.

Bellbird photo by Suzanne Hutchinson, voted People’s Choice winner in the 2017 Hamilton Halo photo competition.