

**VISION FOR THE REGION**  
THE WAIKATO CARES LOCALLY, COMPETES GLOBALLY

**WAIKATO REGIONAL COUNCIL'S MISSION**

Working together to build a Waikato region that has a healthy environment,  
a strong economy and vibrant communities



## Notice of Meeting:

I hereby give notice that an ordinary Meeting of the Lake Taupō Protection Project Joint Committee will be held on:

**Date:** Friday 22 June 2018  
**Time:** 10.30am  
**Meeting Room:** Council Chamber  
**Venue:** Taupō District Council, 107 Te Heuheu, Taupō

VRJ Payne  
Chief Executive Officer

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## Lake Taupō Protection Project Joint Committee Agenda

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<b>Chair</b>	Tangonui Kingi
<b>Deputy Chair</b>	Cr Kataraina Hodge
<b>Members</b>	
<b>Taupō District Council</b>	Cr Rosanne Jollands Cr John Williamson
<b>Crown Representatives</b>	Shaun Lewis      Ministry for the Environment Laura-Kate Petersen      Ministry for Primary Industries
<b>Tūwharetoa Māori Trust Board</b>	Tangonui Kingi Maria Nepia
<b>Waikato Regional Council</b>	Cr Kathy White Cr Kataraina Hodge

**Quorum**      Four made up of one member from Tūwharetoa Māori Trust Board, Taupō District Council, the Crown and Waikato Regional Council.

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Tau Bio  
Democracy Advisor

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**OBJECTIVE:**

Establish the Lake Taupō Protection Trust to implement the Lake Taupō Protection Project in accordance with the Trust Deed.

Provide governance to the Lake Taupō Protection Trust in accordance with the Local Government Act 2002 and The Lake Taupō Protection Project Agreement.

**SCOPE OF ACTIVITY:**

1. Appoint trustees to The Lake Taupō Protection Trust in accordance with the provisions of the Trust Deed relating to the appointment of trustees.
2. Set broad direction, objectives, priorities of the Trust and its expenditure of funds.
3. Monitor/review the strategies developed to achieve The Lake Taupō Protection Project's objective as set out in The Lake Taupō Protection Trust's Statement of Intent (clause 2.1, Project Agreement).
4. Review The Lake Taupō Protection Project at five (5) yearly intervals, or as required by The Lake Taupō Protection Trust Joint Committee.
5. Report to the Member Authorities as requested on its decisions and activities (clause 9.5, Project Agreement).

**POWER TO ACT:**

1. Appoint trustees to The Lake Taupō Protection Trust in accordance with the provisions of the Trust Deed relating to the appointment of trustees.
2. Receive information/reports from The Lake Taupō Protection Trust on its decisions and activities.
3. To receive and make comments on the Lake Taupō Protection Trust's Statement of Intent.

**POWER TO RECOMMEND TO THE MEMBER AUTHORITIES:**

Any decision resulting from a review undertaken in (Clause 4 of Scope of Activity) amounts to an amendment to The Lake Taupō Protection Project Agreement and as such, will require the approval/agreement of the Member Authorities.

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5	<b><u>2018/19 Trust Statement of Intent</u></b> <i>Doc #12639482</i>  <i>Report to provide the Committee with the final Trust 2018/19 Statement of Intent.</i>	13 - 21
6	<b><u>2018/19 Trust Budget</u></b> <i>Doc #12636286</i>  <i>Report to provide the Committee with the final 2018/19 budget.</i>	22 - 27
7	<b><u>2018/19 Annual Trustee Remuneration</u></b> <i>Doc #12637481</i>  <i>Report to provide the Committee with information on annual payments.</i>	28 - 29
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9	<b><u>Minimum Reporting Requirements for Waikato Regional Council</u></b> <i>Doc #12537205</i>  <i>Report to advise the Committee on the minimum reporting requirements as a result of amendments made to the Lake Taupo Compliance Plan.</i>	33 - 35
10	<b><u>New Reporting Format for Monitoring of Properties</u></b> <i>Doc #12611226 &amp; 12612337</i>  <i>Report to provide the Committee with information the new reporting format for properties being monitored.</i>	36 - 37

**Resolution to Exclude the Public**

	<b>Recommends that the public be excluded from the following part/s of the meeting: The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing</b>	
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	of this resolution are as follows:	
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	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
11	<i>Public Excluded Minutes from 12 March 2018.</i>	Good reason to withhold exists under Section 7.	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)
12	<i>Resource Management Act Section 33 – Legal Opinion.</i>	Good reason to withhold exists under Section 7.	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)
13	<i>Variation to Project Agreement - Extension.</i>	Good reason to withhold exists under Section 7.	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)

This resolution is made in reliance on sections 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 7 of that Act, which would be prejudiced by the holding of the relevant part of the proceedings of the meeting in public are as follows:

Item No	Interest
13	Protect information where the making available of the information (i) would disclose a trade secret; or (ii) would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information (Section 7(2)(b))
13	In the case only of an application for a resource consent, or water conservation order, or a requirement for a designation or heritage order, under the Resource Management Act 1991, to avoid serious offence to Tikanga Māori , or to avoid the disclosure of the location of waahi tapu (Section 7(2)(ba))

Item No	Interest
11, 12	Maintain legal professional privilege (Section 7(2)(g))
11, 12	Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) (Section 7(2)(i))

**Public Excluded Section**

<b>11</b>	<b><u>Confirmation of Public Excluded Minutes of the Lake Taupo Protection Project Joint Committee</u></b> <i>Doc #11930449</i>	38 – 42
<b>12</b>	<b><u>Resource Management Act Section 33 – Legal Opinion</u></b> <i>Doc #12490865 &amp; 12497149</i>	43 – 56
<b>13</b>	<b><u>Variation to Project Agreement - Extension</u></b> <i>Doc #12543547 &amp; 12618703</i>	57 - 59




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## Lake Taupō Protection Project Joint Committee MINUTES

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Minutes of a meeting of the Lake Taupō Protection Project Joint Committee held in Millennium Hotel (Manuels), 243 Lake Terrace, Taupō on 12 March 2018 at 10.38 am.

<b>Waikato Regional Council</b>	<b>Present:</b> Cr K White	
<b>Taupō District Council</b>	Cr K Hodge	
	Cr R Jollands	
<b>Crown Representatives</b>	S Lewis	Ministry for the Environment
	L-K Petersen	Ministry for Primary Industries
<b>Tūwharetoa Māori Trust Board</b>	T Kingi	
	M Nepia	
	<b>IN ATTENDANCE:</b>	
	Councillor A Livingston	
	Councillor S Kneebone	
<b>Waikato Regional Council staff</b>	N Williams (Director of Community and Services)	
	N Botherway (Manager of Framing Services)	
	A McLeod (Manager Upper Waikato/Taupō)	
	T Bio (Democracy Advisor)	
<b>Taupō District Council staff</b>	T Wood	
<b>Ministry for the Environment staff</b>	H Penny (Senior Advisor)	
<b>Tūwharetoa Māori Trust Board staff</b>	A Barnett (Senior Consultant)	
<b>Lake Taupō Protection Project Trust members</b>	C Stent	
	M Peck	
	G Fitzgerald	
	S Yerex	
<b>Member of the public</b>	J Reeves	

Chair welcomed everyone and asked N. Williams to open the meeting with a karakia.  
 Laura–Kate Petersen (Crown Representative) and Gwyn Morgan (staff) from Ministry of Primary Industries attended the meeting via teleconference.

### **Apologies**

### **Organisation**

Taupō District Council: Cr J Williamson

**Accepted**

### **Confirmation of Agenda**

Agenda Item 2

Minutes of the previous Lake Taupō Protection Project Joint Committee (public excluded) were to be considered by the meeting before agenda item 9.

Cr Hodge moved/S Lewis seconded

LTJC17/01

**THAT the agenda of the meeting of the Lake Taupō Protection Project Joint Committee of 12 March 2018, as circulated, be confirmed as the business for the meeting.**

**The motion was put and carried LTJC17/01**

### **Disclosures of Interest**

Agenda Item 3

There were no disclosures of interest.

### **Minutes of Previous Meeting**

Agenda Item Doc

The minutes were taken as read.

Cr White moved/Cr Jollands seconded.

LTJC17/02

### **RESOLVED**

**THAT the Minutes of the Lake Taupō Protection Project Joint Committee meeting of 15 December 2017 be received and approved as a correct record.**

**The motion was put and carried LTJC17/02**

**Six monthly reporting requirements on Trust operations**

Agenda Item 5 Doc 11923236

Chair of the Lake Taupō Protection Project Trust (C Stent) presented a written report to the Committee with information on the Trust operations for the previous six-month period.

During discussion the following was noted:

- A member inquired, that in terms of undertaking research, who would Tuwharetoa landowners/trustees contact? The response was that they would go through the Trust and talk to Marion Peck.

M Nepia moved/Cr R Jollands seconded

LTJC17/03

**RESOLVED**

**THAT the report 'Six monthly reporting requirements on Trust operations' dated 27<sup>th</sup> February 2018 be received; and**

**THAT the 'Six monthly report on Trust operations from '01 July 2017 to 3.12.17' together with the financial statements for the 6-month period ended 31.12.17 be received.**

**The motion was put and carried LTJC17/03**

**Annual Statement of Intent report requirements**

Agenda Item 6 Doc 11923720

Chair of the Lake Taupō Protection Project Trust (C Stent) presented a written report with information on the Trust's draft annual Statement of Intent.

During discussion the following was noted:

- A member asked if there would be any research done regarding phosphorus levels. The response was that the focus of was on nitrogen but the Trust was happy to take directions on this.
- It was noted that the Crown's funding was limited to nitrogen reduction and would need to vary its provisions to add in phosphorus.

M Nepia moved/S Lewis seconded

LTJC17/04

**RESOLVED**

**THAT the report 'Annual Statement of Intent reporting requirements' dated 27<sup>th</sup> February 2018 be received; and**

**THAT the Committee provide to the Trust comment on the draft 2018/19 Statement of Intent content no later than 1 May 2018.**

**The motion was put and carried LTJC17/04**



**Monitoring Deed 2017 Review Recommendations**

Agenda Item 7 Doc 11869685

Policy Advisor (H Penny) presented a written report regarding recommendations to address the key findings of the Lake Taupō Protection Project review of the Monitoring Deed (the Deed). The report also considered the Tūwharetoa Māori Trust Board becoming a signatory to the Deed.

During discussion the following was noted:

- The Monitoring Deed places specific obligations on the Waikato Regional Council to do monitoring and on the Trust to report any legal actions. There weren't any additional obligations anticipated in relation to the deed.
- It was noted that, subject to Joint Committee direction, the Officials Working Group would work with the Waikato Regional Council's monitoring and communications staff to finalise the minimum reporting requirements and wording changes to the Monitoring Deed and related documents. This work would be done in full consultation with the Lake Taupō Protection Trust (Trust) as they are a signatory to the Deed too.
- A member asked if the Trust receive from the Officials Working Group, a copy of agendas and relevant papers to comment on. The response was that the Officials Working Group identified items relevant to the Trust that they, the Trust, may wish to discuss with officials. The Joint Committee reinforced the importance of working collaboratively with the Trust and 'being at the table' on relevant matters.
- After further discussion the Joint Committee agreed that there needed to be more reassurance that these recommendations would not be increasing the scope or potential costs for physical monitoring. It was noted that the intent of the recommendations was not to create more work, it was purely around reporting and understanding the information out there. It was further noted that for the Crown, their only line of sight came from the monitoring activities.
- The Joint Committee noted that the Trust was not a partner but signatory to Monitoring Deed.
- The direction for the Official Working Group in terms of potential changes to the Monitoring Deed would be to work with the Trust and report back to the June 2018 Committee meeting.

M Nepia moved/S Lewis seconded.

LTJC17/05

**RESOLVED**

**THAT the report 'Monitoring Deed 2017 Review Recommendations' (doc 11869685 dated 22 February 2018) be received; and**

**RECOMMENDATION**

**THAT the Lake Taupō Protection Project Trust Joint Committee (LTPPJIC) recommends the Partners and the Trust to work together to:**

- a. Agree with the Waikato Regional Council (WRC) monitoring and communications staff on 'minimum reporting requirements to be included to the Council's Catchment Compliance Monitoring Plan;
- b. Consider a revised clause within the Monitoring Deed requiring the Lake Taupō Protection Trust (LTPT) to report regularly to the LTPPJIC on activities planned or undertaken;
- c. Agree to change the frequency of the Monitoring Deed review process to every three years (or as required);
- d. Agree to include within the Monitoring Deed review process that explicit consideration is given as to whether the 'minimum reporting requirements' are effective in achieving their purpose;
- e. Complete a legal review to consider the role of the Tūwharetoa Māori Trust Board as signatory to the Monitoring Deed.

The motion was put and carried LTJC17/05

**Resolutions to Exclude the Public**

Agenda Item 8

Cr R Jollands moved/Cr K White seconded

	<p><b>Recommended that the public be excluded from the following part/s of the meeting:</b></p> <p><b>The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:</b></p>	
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General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
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9	<i>Project Agreement Extension and Long Term Governance Management</i>	Good reason to withhold exists under Section 7.	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)
10	<i>Trustee rotation and appointment process</i>	Good reason to withhold exists under Section 7.	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)

This resolution is made in reliance on sections 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 7 of that Act, which would be prejudiced by the holding of the relevant part of the proceedings of the meeting in public are as follows:

Item No	Interest
9	Protect information where the making available of the information (ii) would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information (Section 7(2)(b))
9	Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) (Section 7(2)(i))
10	Protect the privacy of natural persons, including that of deceased natural persons (Section 7(2)(a))

Return to Open Meeting 12.19

**Item Reported from Public Excluded**

The Joint Committee resolved that the following decisions with respect to Item No 11 be reported in Open Meeting:

THAT retiring Trustees Clayton Stent and Gerald Fitzgerald be reappointed as Trustees to the Lake Taupō Protection Trust up to 30 June 2019.

Meeting closed at 12.02pm

Doc#11929966

**Report to the Lake Taupo Protection Project  
Joint Committee  
22 June 2018**

**File No:** 03 04 21  
**Date:** 11<sup>th</sup> June 2018  
**To:** Members  
**From:** Trust manager  
**Subject:** 2018/19 Statement of Intent

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## 1.0 Purpose

- 1.1 The purpose of this report is to provide this Committee with the final version of the Trust's annual Statement of Intent (SOI) [Doc # 249] for the 2018/19 financial year.

**Recommendation:**


1. That the report [Doc # 21344] '2018/19 Statement of Intent' be received; and
2. The Trust is required to deliver the final Statement of Intent for the 2018/19 financial year [Doc # 249] to the Joint Committee on or before 30 June in each year.

## 2.0 Background

- 2.1 The Trust presented its draft SOI to the March 2018 meeting of the Joint Committee which provided an opportunity for members to comment on the proposed SOI content as provided for within the Trust Deed; as no direct feedback was received from this Committee the draft version has now become final.
- 2.2 The Trust Deed further requires the final version of the Trust's SOI be delivered to the Joint Committee on or before 30<sup>th</sup> June each year.

## 3.0 Report:

- 3.1 The Trust approved the 2018/19 SOI at its meeting held on 21<sup>st</sup> May 2018.
- 3.2 The Trust now delivers the complete SOI for the incoming financial year as required by the Trust Deed.

  
Marion Peck



Final  
Approved by LTPT 21.5.18  
Doc # 249

## **STATEMENT OF INTENT**

### **01 July 2018 to 30 June 2019**

#### **1.0 Introduction**

- 1.1 The Lake Taupo Protection Trust (the Trust) was established on 9 February 2007 to administer public funds to achieve an improvement in the water quality of Lake Taupo. The Taupo District Council (TDC), Waikato Regional Council (WRC), and the Crown (together called the 'Funding Partners') have agreed to provide funding on an annual incremental basis to the Trust for this work to be undertaken.
- 1.2 The purpose of the Trust (as set out in the Trust Deed) is the maintenance of water quality in Lake Taupo by reducing manageable nitrogen levels produced in the Lake Taupo catchment area by 20% through permanent changes in the use and management of pastoral land.
- 1.3 The Trust operation is being completed in conjunction with a complementary work program involving the policy and rules set by Waikato Regional Council under Variation 5 to the Regional Plan.
- 1.4 Currently there are four independent Trustees appointed through a publicly notified process to oversee the work of the Trust. They report three monthly on the work undertaken to a governance body being the Lake Taupo Protection Project Joint Committee (Joint Committee) comprising of two representatives from WRC, TDC, the Crown, and Ngati Tuwharetoa as kaitiaki of the Lake.
- 1.5 The Trust was previously operating towards a target of 153,000kgs being the estimated 20% of the total nitrogen. Following completion of the Nitrogen benchmarking exercise the project funders agreed to amend the target to 170,300 kgs.
- 1.6 The funding partners accepted the increased Nitrogen target and funds were agreed to, to increase the public fund to accommodate the increased nitrogen project target of 170,300 kgs to fully achieve the target of a 20% permanent reduction in manageable nitrogen.
- 1.7 The Trust achieved contractually the project's Nitrogen reduction target in the 2015 calendar year. As a result of that achievement the Trust recommended to the Joint Committee a reduction in the number of Trustees (from seven to four) and staff (from two to one) to reflect the Trust's work plan moving forward; those changes were supported by the Joint Committee.
- 1.8 In April 2015 a Monitoring Deed was executed by project funding partners and The Lake Taupo Protection Trust, as the original project documents (The Lake Taupo





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Protection Project Agreement, Funding and Trust Deeds) did not address the issue of ongoing monitoring into the future which resulted in the parties entering into the Monitoring Deed to supplement and stand beside the Project documents. Stemming from the Monitoring Deed are the Taupo Catchment Compliance Monitoring Plan, the Lake Taupo Catchment Compliance Framework, and Communications Plan 2016-2018. Performance against the plan actions are reported on by partner agencies to the Joint Committee.

- 1.9 The Monitoring Deed sets out the provision for annual review. In the 2017 calendar year the Joint Committee agreed to a review being undertaken; the review is due to complete in the 2018 calendar year.
- 1.10 The Trust's work plan now focuses on the administration of the Nitrogen Reduction Agreements to ensure they are complied with and all reductions complete and secure by 30<sup>th</sup> June 2019.
- 1.11 The Joint Committee is now considering and working through a number of future scenario options beyond the operational term of the Trust in relation to the ongoing management of Nitrogen Reduction Agreements; their decisions will be known and notified to the Trust during the 2018 calendar year.

## **2.0 Governance**

- 2.1 The governance structure comprises a Joint Committee which meets quarterly and receives reports on financial and operational matters on the Trust's activities.
- 2.2 The immediate governance of the Trust is through the appointment of four trustees who are responsible for implementing the project in terms of the Trust Deed governing the Trust.

## **3.0 Objectives**

- 3.1 The Trust will operate in alignment with the Trust Deed, this Statement of Intent, annual operating targets and in compliance with the provisions applicable to it under the Local Government Act.
- 3.2 The cash flow projection to be reported to the Joint Committee on or before December 2018 and to show the ability of the project to complete within budget.
- 3.3 Continue to administer Trust Nitrogen Reduction Agreements to ensure outstanding contracts are fulfilled by 30<sup>th</sup> June 2019.
- 3.4 Operate and report on the outcomes of nitrogen research project(s) approved by the Trust.



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- 3.5 Continue to undertake responsibilities identified for the Trust under the approved Taupo Catchment Compliance Monitoring Plan and generally support the operation of that Plan with other joint parties including the Trust's support of the Lake Taupo Protection Project's Communication Plan.

#### **4.0 Nature and Scope of Activities**

- 4.1 The nature and scope of activities for the year 01 July 2018 to 30 June 2019 are as detailed:

#### **4.2 Fund Management:**

Review the Trust's Treasury Policy, Delegation, and Sensitive Expenditure Policies by June 2018 and implement their requirements throughout the 2018/19 financial year.

#### **4.3 Future Direction:**

- All policies and operations will be reviewed to match the different and ongoing responsibilities of the Trust.
- Continue with research funding which complements completion of the project and supports positive economic outcomes for pastoral landowners within the catchment.
- Maintain relationships with all contracted parties and with major partners to ensure any issue of contention is proactively settled.
- Where necessary take legal action to remedy any contractual failure by any party to reduce Nitrogen.
- Continue to work with the Waikato Regional Council to consider ways that monitoring can be carried out effectively and efficiently and support the delivery of the Lake Taupo Catchment Compliance Framework Plan.

#### **4.4 Administration:**

Report six monthly to the Joint Committee on progress, both financial and qualitative.

#### **5.0 Budgetary Parameters**

- 5.1 The Trust will operate within the budgetary parameters set within the approved 2018/19 budget and any approved cash flow projection.

#### **6.0 Accounting Policies**

- 6.1 The accounting policies of the Trust will comply with 'generally accepted accounting practice' (as defined in the Local Government Act 2002). The financial statements of the Trust are to be prepared in accordance with the requirements of the Local Government Act 2002, which includes the requirement to comply with New Zealand





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generally accepted accounting practices NZ GAPP, and NZ IFRS, and other applicable financial reporting standards as appropriate for public benefit entities.

## 7.0 Performance Targets

7.1 The following high line governance performance objectives are:

Actions	Performance Measures
Oversee the financial position of the Trust to meet and maintain a positive cash flow projection.	Cash Flow Projection in place and being operated to achieve a positive outcome at 30 <sup>th</sup> June 2019.
Ensure that all LTPT nitrogen reduction contracts are being complied with to achieve the overall Nitrogen reduction target of 170,300 kgs and where relevant in conjunction with Waikato Regional Council.	Nitrogen reduction contracts are being met and any contractual failure is addressed to achieve repatriation of any loss of nitrogen reduction.
Monitor/track that compliance monitoring results are received on an ongoing basis for LTPT N reduction agreements.	Monitoring compliance results are received in accordance with monitoring plan timelines; and Audit NZ notified of the results.
Report to Trust Board on compliance monitoring results (received from WRC) for LTPT N reduction purchases.	Trust Board up to date with compliance monitoring results.
Manage Trust funded research projects that have been previously approved by the Trust.	Research outcomes reported on.
Participation and assistance in the annual audit of the Trust.	Positive audit result.
Carry out Trust responsibilities identified in the Taupo Catchment Compliance Monitoring Plan and provide support in the operation of the plan with other joint parties which includes the Trust's support of the Lake Taupo Protection Project's Communication Plan.	Trust actions completed and the Taupo Catchment Compliance Monitoring Plan be supported on an ongoing basis.
Provide ongoing support as required in the operation of the Lake Taupo Catchment Compliance Framework	Support provided as required to achieve the aims of the Lake Taupo Catchment Compliance Framework.



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Actions	Performance Measures
Undertake any Trust actions arising from the Joint Committees consideration of the (2016) project review report recommendations, and work with project partners as required on any other related matters where Trust assistance or input is required including any transitional planning and action requirements.	Trust actions arising from the Project Review report are achieved.

## **8.0 Estimate of Distribution to Shareholders**

- 8.1 No distributions will be made to the Funding Bodies and no payments will be made to the Funding Bodies unless in payment for agreed services.

## **9.0 Information to be provided**

- 9.1 The Trust will deliver to the Joint Committee six monthly and an annual report on the Trust's operations as follows:

- Within two months of the end of the first half of the financial year a Statement of Financial performance, Statement of Changes in Equity, Statement of Financial Position, Statement of Cash Flow and a Statement of Service Performance.

- 9.2 Within three months of the end of the first half of the financial year the following audited statements:

- a) Statement of Financial performance
- b) Statement of Changes in Equity
- c) Statement of Financial Position
- d) Statement of Cash Flows
- e) Statement of Service Performance including a summary as to how the Trust has performed against achieving its objectives and its prospects for the next financial year
- f) A report in relation to the Trust's medium to long term plans.

## **10.0 Purchase of Shares in any Company not the CCO or a Shareholder of the CCO**

- 10.1 There is no intent for the Trust to purchase shares or interest in any company.

## **11.0 Estimates of Values by Trustees**

- 11.1 All values of assets will be provided based on appropriate valuation methods which are provided by a qualified registered Valuer appointed by the Trust.





20  
**Report to the Lake Taupo Protection Project  
Joint Committee meeting  
22 June 2018**

**File No:** 03 04 21  
**Date:** 12<sup>th</sup> June 2018  
**To:** Members  
**From:** Trust manager  
**Subject:** **Trustee remuneration for the 2018/19 financial year**

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**1.0 Purpose**

- 1.1** The purpose of this report is to provide this Committee with information on the Trustee remuneration for the incoming financial year.

**Recommendation:**

1. That the report 'Trustee remuneration for the 2018/19 financial year ' [Doc # 21350] be received; and
2. That the Committee endorses Trustee remuneration for the 2018/19 financial year at the following rates:
  - **Chairman:** \$22,000 base salary per annum plus reimbursement of actual and reasonable travel, meal, and accommodation expenses for each meeting attended.
  - **Members:** \$13,000 base salary per annum plus reimbursement of actual and reasonable travel, meal, and accommodation expenses for each meeting attended.
3. **Mileage rate:** .74 cents/per/km.

**2.0 Background**

- 2.1** Section 11.9 (b) of the Trust Deed requires the noting of the remuneration of the Trustees as set by the Settlers (The Lake Taupo Protection Project Joint Committee) at each Annual General Meeting of the Trust.
- 2.2** In June last year the Joint Committee resolved remuneration of Trustees of the Lake Taupo Protection Trust were endorsed without change for the 2017/18 year at the following rates:
- **Chairman:** \$22,000 base salary per annum plus reimbursement of actual and reasonable travel, meal, and accommodation expenses for each meeting attended.
  - **Members:** \$13,000 base salary per annum plus reimbursement of actual and reasonable travel, meal, and accommodation expenses for each meeting attended.
  - **Mileage:** 74c/per/km.

**Report to the Lake Taupo Protection Project  
Joint Committee meeting  
22 June 2018**

**3.0 Report:**

- 3.1 The outcome of reviewing trustee remuneration in accordance with 'Cabinet Officer Paper Fees Framework for Members of Statutory and Other Bodies Appointed by the Crown' the recommendation is that trustee remuneration remains at the current level for the 2018/19 financial year as specified in 2.2 of this report which includes the mileage rate of .74cents/per/km.



Marion Peck



**Report to the Lake Taupo Protection Project  
Joint Committee meeting  
22 June 2018**

**File No:** 03 04 21  
**Date:** 11<sup>th</sup> June 2018  
**To:** Members  
**From:** Trust manager  
**Subject:** LTPT 2018/19 Budget

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**1.0 Purpose**

- 1.1 The purpose of this report is to provide this Committee with the approved budget of the Trust for the 2018/19 financial year.

**Recommendation:**

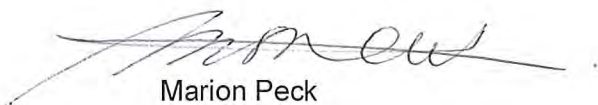
1. That the report '2018/19 LTPT Budget' [Doc # 21345] be received; and
2. That the budget for the 2018/19 financial year [Doc # 531] be received.

**2.0 Background:**

- 2.1 This budget is similar to previous years and takes a 'business as usual approach' in terms of Trust operations and has budgeted for the continuance of four Trustees and one staff member for the ensuing financial year.

**3.0 Report:**

- 3.1 The attached budget should be considered in conjunction with the provided Statement of Intent for the 2018/19 financial year.
- 3.2 It is important to highlight that this budget forms part of the Trust's projected cash flow until June 2019 which ensures that the obligations of Nitrogen reduction contracts are able to be met. The Trust's cash flow projection continues to show a contingency amount at project end (30<sup>th</sup> June 2019) so overall things remain on track financially.
- 3.3 The 2018/19 budget [Doc # 531] is now provided in its final form as approved by the Trust on 21<sup>st</sup> May 2018.



Marion Peck

<b>The Lake Taupo Protection Trust</b> <b>Income Statement</b> <b>for the Year Ended 30th June 2019</b>			
	Budget 2019 Total	Full Year Forecast 2018 Total	Actual 2017 Total
<b>Income</b>			
Targeted Rates (WRC)	0	0	156,000
Government Contribution	0	2,950,000	3,767,000
Interest Received	12,000	85,036	151,165
Profit on Sale of Assets	0	0	640
<b>Total Income</b>	<b>12,000</b>	<b>3,035,036</b>	<b>4,074,805</b>
<b>Less Trust Administration Expenses</b>			
<b>Trustee Related</b>			
Trustee Remuneration	60,000	58,500	61,000
Travel by Trustees	5,217	4,898	4,378
Insurance (Indemnity)	3,565	1,188	4,385
Trustee Course / Conference Fee	1,000	333	0
<b>Employee Related</b>			
Wages - CEO & Staff	98,500	98,144	98,660
Staff Training & Education	870	1,000	0
ACC Levy	1,750	283	814
Vehicle Lease	12,360	12,359	13,089
Vehicle Running Costs - staff	3,200	3,463	3,041
Travel by Employees	1,000	333	0
Insurance (Vehicle)	700	233	996
Health & Safety	600	200	0
<b>New Office Related</b>			
Office Expenses - Rent	17,179	14,907	15,787
Office Expenses - Power	0	0	285
Office Expenses - Telephone	3,000	2,757	3,048
Office Expenses - Insurance on Office Furniture	150	50	1,039
Office Expenses - Computer Support	3,478	2,834	2,298
Depreciation	1,440	592	498
<b>General/Other</b>			
Accommodation & Meals	1,000	333	128
Accountancy & Advisory	30,435	35,033	42,979
Advertising, Marketing & External Communications	870	931	723
Audit Fee	22,284	17,338	22,413
Bank Fees	300	261	254
Legal Fees	30,000	15,027	7,260
Consultancy Fees	40,000	32,713	12,908
Meeting Expenses	2,609	2,608	2,278
Other Expenses	2,000	1,453	1,537
Postage & Courier	348	382	96
Printing & Stationery	600	364	511
Photocopy Lease & Document Storage	840	17,745	3,908
Website Development/Maintenance	1,000	767	1,184
<b>Total Trust Administration Expenses</b>	<b>346,295</b>	<b>327,029</b>	<b>305,497</b>



<b>The Lake Taupo Protection Trust Income Statement (Continued) for the Year Ended 30th June 2019</b>			
	Budget 2019 Total	Full Year Forecast 2018 Total	Actual 2017 Total
<b>Nitrogen/Contract Compliance Expenditure</b>			
Monitoring / Plan Implementation	200,000	89,584	7,743
Nitrogen	4,065,275	4,786,015	2,541,506
<b>Total Acquisitions of Properties/Nitrogen</b>	<b>4,265,275</b>	<b>4,875,599</b>	<b>2,549,249</b>
<b>Research &amp; Development Expenditure</b>			
Research Funding	43,478	36,232	43,478
External Consultants / Contractor	0	27,000	0
<b>Total Research &amp; Development Expenditure</b>	<b>43,478</b>	<b>63,232</b>	<b>43,478</b>
<b>Joint Committee Expenditure</b>			
<b>Total Joint Committee Expenditure</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Wind Up Costs</b>			
Project Transition Costs	100,000	0	0
Contingency	300,000	0	0
Accounting - Wind Up	5,000	0	0
Legal Expenses - Wind Up	65,000	0	0
<b>Total Wind Up Expenditure</b>	<b>470,000</b>	<b>0</b>	<b>0</b>
<b>Total Expenses</b>	<b>5,125,049</b>	<b>5,265,862</b>	<b>2,898,223</b>
<b>Surplus / (Deficit)</b>	<b>(5,113,049)</b>	<b>(2,230,827)</b>	<b>1,176,582</b>



<b>The Lake Taupo Protection Trust</b> <b>Balance Sheet</b> <b>for the Year Ended 30th June 2019</b>			
	Budget 2019 Total	Full Year Forecast 2018 Total	Actual 2017 Total
<b>Capital</b>			
Retained Earnings	740,333	5,853,382	8,084,208
Capital Contribution	10	10	10
<b>Total Capital</b>	<b>740,343</b>	<b>5,853,392</b>	<b>8,084,218</b>
<b>Assets</b>			
BNZ - Business First On Call Account	206,201	586,316	670,890
BNZ - Term Deposit	500,000	1,000,000	2,000,000
Accrued Interest on Term Deposits	5,064	5,064	30,579
Fixed Assets (Cost)	17,090	17,090	13,625
Less Accumulated Depreciation	(14,100)	(12,660)	(12,068)
GST Refund Due	80,180	246,400	259,497
Prepayment	5,819	4,071,094	6,631,385
<b>Total Assets</b>	<b>800,253</b>	<b>5,913,303</b>	<b>9,593,908</b>
<b>Liabilities</b>			
Nitrogen Reduction Payable	0	0	1,438,891
Accounts Payable	40,471	40,471	48,418
Employee Entitlements	19,440	19,440	22,381
<b>Total Liabilities</b>	<b>59,911</b>	<b>59,911</b>	<b>1,509,690</b>
<b>Net Assets</b>	<b>740,343</b>	<b>5,853,392</b>	<b>8,084,218</b>

<b>The Lake Taupo Protection Trust</b> <b>Statement of Cashflows</b> <b>for the Year Ended 30th June 2019</b>			
	Budget 2019 Total	Full Year Forecast 2018 Total	Actual 2017 Total
<b>Items for Cashflow</b>			
<b>Cashflows from Operating Activities</b>			
Targeted Rates (EW)	0	0	156,000
Targeted Rates (TDC)	0	0	0
Government Grants	0	2,950,000	3,767,000
Additional Local Authority Funding (EW)	0	0	0
Additional Local Authority Funding (TDC)	0	0	0
Interest Received CF	12,000	113,251	136,014
Receipts from other Revenue	0	0	0
Payments to Suppliers & Employees	(1,058,333)	(504,763)	(455,784)
Goods & Services Tax (Net)	166,218	21,550	55,955
<b>Net Cash from Operating Activities</b>	<b>(880,115)</b>	<b>2,580,038</b>	<b>3,659,185</b>
<b>Cashflows from Investing Activities</b>			
Nitrogen Reduction Payments (Contractual Liabilities)	0	(3,664,612)	(3,834,212)
Investment in Term Deposits	0	0	46,196
Proceeds from Sale of Property, Plant & Equipment	0	0	774
Purchase of Property, Plant & Equipment	0	0	(520)
<b>Net Cash from Investing Activities</b>	<b>0</b>	<b>(3,664,612)</b>	<b>(3,787,762)</b>
<b>Cashflows from Financing Activities</b>			
Capital Contribution	0	0	0
Borrowings	0	0	0
<b>Net Cash from Financing Activities</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Increase in Cash, Cash Equivalents and Bank Accounts</b>	<b>(880,115)</b>	<b>(1,084,574)</b>	<b>(128,577)</b>
Cash, Cash Equivalents and Bank Accounts at the Beginning of the Period	1,586,316	2,670,890	2,799,467
<b>Cash, Cash Equivalents and Bank Accounts at the End of the Period</b>	<b>706,201</b>	<b>1,586,316</b>	<b>2,670,890</b>



Notes1 - Budgeted 2019 nitrogen payments

The following Nitrogen Payments are forecasted for the 2019 Financial year:

	<u>Balance Sheet</u> GST Excl Prepayments	<u>Balance Sheet</u> GST Excl Nitrogen Liability	<u>Profit &amp; Loss</u> GST Excl Nitrogen Expense
Opening Balance	4,065,275	0	0
Nitrogen Purchases - [REDACTED]	(1,016,668)		1,016,668
Nitrogen Purchases - [REDACTED]	(3,048,607)		3,048,607
	<u>0</u>	<u>0</u>	<u>4,065,275</u>

2 - Wind Up Costs

Wind up Costs of \$470,000 have been included in the 2019 Budget. These amounts will be incurred in the year the Trust winds up.

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Report to the Lake Taupo Protection Project  
Joint Committee meeting  
22 June 2018

**File No:** 03 04 21  
**Date:** 12<sup>th</sup> June 2018  
**To:** Members  
**From:** Trust manager  
**Subject:** Trustee remuneration for the 2018/19 financial year

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## 1.0 Purpose

- 1.1 The purpose of this report is to provide this Committee with information on the Trustee remuneration for the incoming financial year.

**Recommendation:**

1. That the report 'Trustee remuneration for the 2018/19 financial year ' [Doc # 21350] be received; and
2. That the Committee endorses Trustee remuneration for the 2018/19 financial year at the following rates:
  - **Chairman:** \$22,000 base salary per annum plus reimbursement of actual and reasonable travel, meal, and accommodation expenses for each meeting attended.
  - **Members:** \$13,000 base salary per annum plus reimbursement of actual and reasonable travel, meal, and accommodation expenses for each meeting attended.
3. **Mileage rate:** .74 cents/per/km.

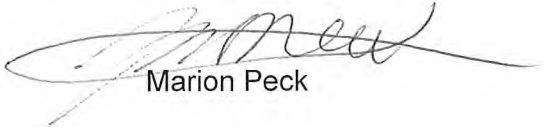
## 2.0 Background

- 2.1 Section 11.9 (b) of the Trust Deed requires the noting of the remuneration of the Trustees as set by the Settlers (The Lake Taupo Protection Project Joint Committee) at each Annual General Meeting of the Trust.
- 2.2 In June last year the Joint Committee resolved remuneration of Trustees of the Lake Taupo Protection Trust were endorsed without change for the 2017/18 year at the following rates:
- **Chairman:** \$22,000 base salary per annum plus reimbursement of actual and reasonable travel, meal, and accommodation expenses for each meeting attended.
  - **Members:** \$13,000 base salary per annum plus reimbursement of actual and reasonable travel, meal, and accommodation expenses for each meeting attended.
  - **Mileage:** 74c/per/km.

**Report to the Lake Taupo Protection Project  
Joint Committee meeting  
22 June 2018**

**3.0 Report:**

- 3.1 The outcome of reviewing trustee remuneration in accordance with 'Cabinet Officer Paper Fees Framework for Members of Statutory and Other Bodies Appointed by the Crown' the recommendation is that trustee remuneration remains at the current level for the 2018/19 financial year as specified in 2.2 of this report which includes the mileage rate of .74cents/per/km.



Marion Peck

# Report to Lake Taupō Protection Project Joint Committee

**Date:** 1 June 2018

**Author:** Officials Working Group

**Authoriser:** Director Community and Services

**Subject:** Variations to the Monitoring Deed Arising from 2017 Review Recommendations

**Section:** B (For recommendation to Council)

## Purpose

1. The purpose of this report is to propose changes to the Monitoring Deed for the Lake Taupō Protection Project which addresses the findings from the recent review of the Deed. If agreed these changes will be formalised as a variation to the Deed.

## Executive Summary

2. The Lake Taupō Protection Project Monitoring Deed (the Deed) was reviewed in November 2017 and involved the project partners and the Lake Taupō Protection Trust (LTPT).
3. Key findings were:
  - a. The need for clearer requirements for reporting of monitoring activities to enable better information to be reported to the Joint Committee on operational issues
  - b. The frequency of the Monitoring Deed review process and a preference to undertake reviews every three years (or as required) rather than annually
  - c. The advantages of all partners being signatory to the Deed and, as a consequence, the Tūwharetoa Māori Trust Board (TMTB) becoming signatory.
4. Proposed wording changes to the Deed have been drafted for the signatories' consideration.
5. Based on these changes a proposed variation has been drafted.

## Officials Working Group's Recommendations:

### Resolution

1. That the report "Variations to the Monitoring Deed Arising from 2017 Review Recommendations" (Doc # 12559844 dated 1 June 2018) be received, and

### Recommendation

2. The Lake Taupō Protection Project Joint Committee (LTPPJJC) recommends that:
  - a. The Public Funders and the Lake Taupō Protection Trust extend an invitation to the Tūwharetoa Māori Trust Board to become a signatory to the Monitoring Deed.
  - b. All partners confirm the wording changes to the Monitoring Deed for the Lake Taupō Protection Project as outlined in the report "Variations to the Monitoring Deed Arising from 2017 Review Recommendations" (Doc # 12559844 dated 1 June 2018) and confirm the proposed a variation to the Monitoring Deed (Doc # 12618905) for signing by all parties .

## Background

6. In 2015 the Crown, Waikato Regional Council (WRC), Taupō District Council (TDC) and the Lake Taupō Protection Trust (LTPT) signed a deed, known as the Lake Taupō Protection Project Monitoring Deed (the Deed), to provide for a cost effective and efficient long-term monitoring programme to safeguard the success of the project.
7. The first formal review of the Deed was undertaken in November 2017, involving the project partners and the LTPT. Although parties were generally satisfied that the Deed was achieving its purpose, the review identified a number of areas for improvement. Briefly, these were:
  - a. The need for clearer requirements for reporting of monitoring activities to enable better information to be reported to the Joint Committee on operational issues
  - b. Subject to a more robust reporting regime being implemented, undertaking reviews of the Deed on a less frequent basis
  - c. The advantages of all partners being signatory to the Deed with specific consideration given to the TMTB becoming a signatory.
8. As decided at the March meeting of the LTPPJIC, the following steps were to be undertaken to implement the findings of the review.
  - a. Agree with WRC monitoring and communications staff on 'minimum reporting requirements' to be included the Council's Catchment Compliance Monitoring Plan
  - b. Agree on a revised clause within the Monitoring Deed requiring LTPT to report regularly to the LTPPJIC on any monitoring activities planned or undertaken
  - c. Agree to include within the Monitoring Deed review process that explicit consideration is given as to whether the 'minimum reporting requirements' are effective in achieving their purpose
  - d. Agree to change the frequency of the Monitoring Deed review process to every three years (or as required)
  - e. Complete a legal review to consider the role of the TMTB as signatory to the Monitoring Deed.
9. The actions taken by the Official Working Group (OWG) to implement the review findings are outlined below.

## Implementation of Review Findings

### Minimum Reporting Requirements - WRC

10. The OWG have worked with WRC monitoring and communications staff to develop 'minimum reporting requirements' for both consent compliance under the Waikato Regional Plan (variation 5) and reporting against the Lake Taupō Protection Project Communications Plan.
11. It is anticipated that the LTPPJIC (or its successors) will want to revisit these requirements from time to time and rather attaching them to the Deed, it was thought that it would be better to include these requirements in a document that could be more readily changed. To this end WRC staff have proposed that the minimum reporting requirements be included in an appendix to the Lake Taupō Compliance Plan. This matter has been addressed in a separate report to the LTPPJIC (refer to Doc # 12537205).
12. The following wording changes are proposed to the Deed:

### **3 The framework for future monitoring and reporting**

- 3.1 The following framework set out the parties' expectations for monitoring and enforcement of Land Use Consents and Nitrogen Discharge Agreements:

- a. ...
- b. The Monitoring Plan *and associated documents* will describe:
  - i ...vi

*vii minimum reporting requirements for consent compliance and communications (approved by the Joint Committee and agreed by Waikato Regional Council).*

13. Clause 3.4 of the Deed deals with matters relating the review of the Monitoring Plan. It is suggested that the following sub clause be added to ensure that the minimum reporting requirement remain relevant and provide the LTPPJIC with sufficient information for governance purposes.

- 3.4 The parties recognise that the purpose of the Monitoring Plan is to support the success of the Project, and must be kept current, effective and reasonable in light of the prevailing circumstances. Against that background:

- a. WRC may at any time seek ...
- b. the Monitoring Plan will be reviewed by the Joint Committee ...
- c. *any future review of the Monitoring Plan and associated documents will give explicit consideration as to whether the agreed 'minimum reporting requirements' as required by 3.1 (b.)(vii) of this Deed are effective in achieving their purpose.*

#### Minimum Reporting Requirements - LTPT

14. Although the Deed already includes provisions for LTPT to keep WRC and the Joint Committee reasonably informed of any legal action taken to achieve compliance with the Nitrogen Discharge Reduction Agreements (clause 3.7), information on any monitoring activities planned by the Trust was also thought to be helpful for the LTPTJC. To this end a new clause 3.7 is proposed.

*3.7 The Trust will report to the Joint Committee on any monitoring activities planned or undertaken in relation to the Nitrogen Discharge Reduction Agreements.*

~~3.7~~ In the event of any legal action taken by the Trust to achieve compliance with the Nitrogen Reduction Agreements the Trust will keep WRC and the Joint Committee reasonably informed of the enforcement action planned and undertaken by the Trust, the proceedings and eventual outcome.

15. The LTPT will need to formally agree to the additional clause proposed.

#### Frequency of reviews

16. Annual reviews of the Deed are provided for under clause 4.2.
17. A finding of the 2017 review was that regular reviews were important but that every three years, or as required, would suffice.
18. It is proposed that clause 4.2 be reworded as followed:
- 4.2 The Public Funders shall, through the Joint Committee, review this Deed and its purpose at ~~annual~~ *three year* intervals, *or more frequently if required, following its commencement with the next review to be undertaken in the Financial Year beginning 1 July 2020.*

#### Consideration of TMTB as a signatory to the Deed

19. At its March 2018 Meeting the LTPTJC recommended that the partners and the LTPT work together to "Complete a legal review to consider the role of the Tūwharetoa Māori Trust Board as signatory to the Monitoring Deed".
20. This work has now been completed by the Ministry for the Environment's legal advisors and there are no legal impediments to the TMTB becoming a signatory to the Deed. The TMTB has also sought its own legal advice which confirms this finding.
21. The TMTB are very willing to become a signatory and the LTPT have also confirmed their support for the Board's participation in the Deed.

#### **Proposed variation**

22. A variation to the Monitoring Deed has been drafted for recommending to the signatories (see attachment – circulated separately).

#### **Conclusion**

23. Adoption of the proposed changes to the Monitoring Deed outlined in this report by the project partners and the LTPT completes the first formal review of the Deed.
24. The changes are the subject of a variation to the Monitoring Deed that is to be signed by all of the parties to the Deed including the TMTB.
25. The proposed changes will also changes will also result in changes to subsidiary documents to the Deed such as the Lake Taupō Compliance Plan

#### **Attachments – To be circulated separately**

Variation to the Monitoring Deed (Doc# 12618905)



# Report to Lake Taupō Protection Project Joint Committee

**Date:** 28 May 2018

**Author:** Nicole Botherway, Farming Service Manager

**Authoriser:** Chris McLay, Director Resource Use

**Subject:** Lake Taupō Compliance Plan – Minimum Reporting Requirements

**Section:** B (For recommendation to Council)

## Purpose

1. This report proposes changes to Waikato Regional Council's (WRC) Lake Taupō Compliance Plan by the inclusion of minimum reporting requirements as an appendix to the Plan. These reporting requirements were as recommended by the Lake Taupō Protection Project Joint Committee (LTPPJJC) as a consequence of its recent review of the Monitoring Deed.

## Executive Summary

2. The recent review of the Monitoring Deed for the Lake Taupō Protection Project identified a number of improvements to the current reporting regime.
3. One of the improvements was a proposal to develop minimum reporting requirements to ensure that the LTPPJJC members had a clear line of sight on all monitoring activities.
4. Minimum reporting requirements have been developed in consultation with WRC staff for inclusion as an appendix to the Lake Taupō Compliance Plan – a document owned and administered by the WRC.

## Staff Recommendation:

### Resolution

1. That the report 'Lake Taupō Compliance Plan – Minimum Reporting Requirements' (Doc #12537205 dated 28 May 2018) be received.

### Recommendation

2. That the Lake Taupō Protection Project Joint Committee recommends to the Waikato Regional Council that it amends the Lake Taupō Compliance Plan by the inclusion a new appendix (and associated wording changes within the plan) setting out minimum reporting standards as specified in Doc #12537205.

## Background

5. The first formal review of the Monitoring Deed for the Lake Taupō Protection Project was undertaken in November 2017, involving the project partners and the Lake Taupō Protection Trust (LTPT).
6. While the parties were generally satisfied that the Deed was achieving its purpose, the review identified a number of areas for improving the current reporting regime.
7. Officials from the partner organisations considered the feedback provided through the review process. One of the improvements recommended was a proposal that a set of 'minimum reporting requirements'

be developed, in conjunction with the WRC monitoring and communications staff, to enable a clear line of sight on all monitoring activities to be provided to the project partners.

#### Issue

8. WRC staff have now had the opportunity to consider the proposed 'minimum reporting requirements' to ensure that they are able to provide the level and breadth of information requested by the LTPPJJC.
9. Initially, it was recommended that these 'minimum reporting requirements' be incorporated into the Lake Taupō Catchment Compliance Monitoring Plan which provides the monitoring framework for the project.
10. WRC staff are satisfied that they are able to fulfil the minimum requirements proposed but suggest that these requirements be incorporated into the Lake Taupō Compliance Plan. The Compliance Plan is a 'living' document that details the compliance approach for the Lake Taupō Catchment. It guides the approach applied by compliance staff and any associated reporting to WRC, the LTPT and the LTPPJJC.
11. Section 9 of the Compliance Plan<sup>1</sup> which deals with the 'reporting of compliance findings and activities' could be altered as follows:

#### **9. Reporting of Compliance Findings and Activities**

The outcomes of compliance monitoring in the Lake Taupo catchment will be reported following normal Council reporting processes. A compliance monitoring report is presented to the Council each year, detailing all publicly releasable compliance and enforcement activities for the previous year. The Lake Taupo compliance monitoring results will be included within this report.

In addition to the annual Council compliance and enforcement report, the following reporting is required, as set out in section 3.2 of the monitoring deed.

1. Semi – annual (twice per year) reporting to the Joint Committee, for the periods ending 30 June, and 31 December each year, presented at the next meeting after those dates each year.
2. Semi – annual (twice per year) reporting to the Lake Taupo Protection Trust, being a copy of the reports referred to in paragraph 1 above, provided at the same time as the report is provided to the Joint Committee.
3. Event based reporting (as soon as is practicable) to the Lake Taupo Protection Trust in the event of the Council becoming aware of potential non- compliance with an NDRA.
4. *Reporting to both the Joint Committee and the Lake Taupo Protection Trust shall include (but not be limited to) the matters set out in Appendix 2 of this document.*

#### **10. Review of this monitoring plan**

This compliance monitoring plan is intended to be a living document, which is reviewed regularly to maintain its currency. ...

12. A copy of the proposed Appendix 2 for inclusion in the Lake Taupō Compliance Plan is attached to this report.
13. The Lake Taupō Compliance Plan is owned and administered by the WRC and as such the LTPPJJC can only recommend that changes are made to this document.

<sup>1</sup> For the full plan, please refer to Lake Taupo Protection Project Joint Committee Handbook

## Conclusion

14. Provision of a set of minimum reporting requirements for the WRC monitoring and communications teams will help ensure the LTPPJ members have a good appreciation of the activities being undertaken in the Lake Taupō catchment. This will provide the Committee with the information it needs to protect the public's investment in the Lake Taupō Protection Project.

## References

Waikato Regional Council, Lake Taupō Compliance Plan (Doc# 3695797)

### Appendix 2 – Lake Taupō Protection Project Monitoring Deed - recommended minimum reporting requirements (likely to include but is not limited to):

#### a) Recommended minimum reporting requirements by WRC Monitoring team (Annually to the Joint Committee)

- *Number of consent holders (e.g. number of properties / different land uses e.g. dairy, drystock)*
- *Monitoring land owner compliance with land use consents (desk top and physical inspections)*
- *Monitoring land owner compliance with permitted activities*
- *Aerial monitoring (number of monitoring flights and outcomes)*
- *Details of all issues of non-compliance and how these have been addressed (eg warnings, abatement notices, enforcement orders or prosecutions)*
- *Enforcement actions taken (reason why, action taken and outcome)*
- *Responses to complaints (how many complaints received and summary of action taken)*
- *All reporting compared to previous year*
- **ANNUAL BASIS** - *summary describing the effectiveness of the Monitoring Plan, including any recommendations for improvement*
- **PLUS** – *immediate notification to Project Partners if there are any significant confirmed incidents of non-compliance.*

#### b) Recommended minimum reporting requirements by WRC Communications team (Annually to the Joint Committee)

- *Ongoing reporting of Communications Plan implementation*
- *Details of any education, information or advice provided to:*
  - *landowners on consent-related matters*
  - *other stakeholders (such as sector groups)*
  - *the wider community*
- **ANNUAL BASIS** - *summary describing the effectiveness of the Communications Plan, including any recommendations for improvement*

## Report to Lake Taupō Protection Project Joint Committee

**Date:** 13 June 2018

**Author:** Nicole Botherway, Farming Service Manager

**Authoriser:** Chris McLay, Director Resource Use

**Subject:** Monitoring of Properties – New Reporting Format

**Section:** A (to be received for information)

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### Purpose

1. This report is to enable Waikato Regional Council Staff to give a presentation to the Lake Taupō Protection Project Joint Committee (LTPPJ) on the aerial monitoring of properties in the Lake Taupō Catchment. The report also provides the LTPPJ with an opportunity to view the new reporting format that is being developed for compliance monitoring in the catchment based on the recently agreed 'minimum reporting requirements'.

### Staff Recommendation:

1. That the report 'Monitoring of Properties – New Reporting Format' (Doc# 12611226 dated 13 June 2018) and presentation from Waikato Regional Council Staff (Doc# 12560417) be received.

### Attachments

Monitoring data 2017-18 Lake Taupo – Doc# 12612337

# Lake Taupo Monitoring Report for 2017/18

	2016/17	2017/18
<b>Number of consent holders</b>		
Forestry	5	5
Bovine Dairy	4	4
Drystock	70	72
Ovine Dairy	2	2
Cut and Carry	1	1
Other - Discharge	2	2
Consent monitoring	53	55
Monitoring of LTPT properties	22	22
<b>Enforcement Action</b>		
Formal Warning	2	0
Infringement	0	0
Investigation	1	0

Complaints	1	0
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Permitted Activities		
Aerial monitoring undertaken	Aug-16	Aug-17
2 per year	Feb-17	Mar-18
Complaints		3

Comments

Year completed

Work in progress




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## Lake Taupō Protection Project Joint Committee PUBLIC EXCLUDED MINUTES

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Minutes of a Public Excluded Meeting of the Lake Taupō Protection Project Joint Committee held in Millennium Hotel (Manuels), 243 Lake Terrace, Taupō on 12 March 2018 at 11.27am.

<b>Present:</b>	
<b>Waikato Regional Council</b>	Cr K White
	Cr K Hodge
<b>Taupō District Council</b>	Cr R Jollands
	Cr J Williamson
<b>Crown Representatives</b>	S Lewis
	L-K Petersen
	Ministry for the Environment
	Ministry for Primary Industries
<b>Tūwharetoa Maori Trust Board</b>	T Kingi
	M Nepia

### IN ATTENDANCE:

Councillor S Kneebone

<b>Waikato Regional Council staff</b>	N Williams (Director of Community and Services)
	N Botherway (Manager of Framing Services)
	A McLeod (Manager Upper Waikato/Taupō)
	T Bio (Democracy Advisor)
<b>Taupō District Council</b>	T Wood
<b>Ministry for the Environment</b>	H Penny (Senior Advisor)
<b>Lake Taupō Protection Project</b>	C Stent
<b>Trust members</b>	M Peck
	G Fitzgerald
	S Yerex

**PEX – Minutes of 15 December 2017 Lake Taupō Protection Project Joint Committee.**

Doc 11566826

The Chair tabled the minutes of the previous meeting. Taken as read.

Members were of the opinion the minutes encapsulated the previous issues well and had no further questions.

Cr R Jollands moved/Cr K White seconded

LTJC17/06

**RESOLVED**

**THAT the minutes of 15 December 2017 be confirmed as a correct record.**

**The motion was put and carried (LTJC17/06)**

**Project Agreement Extension and Long Term Governance and Management**

Agenda Item 9 Doc 11787431

Manager Upper Waikato/Taupō (A McLeod), on behalf of the Officials Working Group, provided the Joint Committee with further analysis and new information on a select number of future governance and management options that were presented at the 15 December 2017 meeting.

During discussion the following was noted:

- A member asked the Crown representatives if they felt they had sufficient information to present to the Minister. The Crown representatives acknowledged the support from Joint Committee and stated they were satisfied they had enough information to present to the Minister for consideration.
- For clarity the members were advised that the recommendations would be put to partners and if agreed in principle then staff would prepare a draft variation. It was noted that the Joint Committee only had powers to recommend and did not have powers to resolve this type of action.
- In terms of the next steps for the Crown – once the Joint Committee made its recommendations the Minister would be briefed. The Crown representatives emphasised commitment to the timeframe. The Crown representatives also assured the Joint Committee that the partners would be kept informed in terms of when things were happening through the process.
- It was understood by the Joint Committee that there was the intention for other parties to approve in principle the recommendations before drafting the variation. It was further understood that the process for this would be for the recommendation come through from the Joint Committee's minutes to the respective councils and similarly through to the Crown.

Cr R Jollands moved/Cr K White seconded

LTJC17/07

**RESOLVED**

**THAT the report Project Agreement Extension and Long-Term Governance and**

Management (Doc 11787431 dated 12 March 2018) be received for information.

**RECOMMENDED**

**THAT the Lake Taupō Protection Project Joint Committee recommends:**

**2. THAT the Crown (acting through the Minister of the Environment), Waikato Regional Council and Taupō District Council agree in principle to extend the term of the Project Agreement for the Lake Taupō Protection Project (clause 2.1(e)) from 30 June 2019 to 30 June 2021 and that staff be instructed to prepare a variation to the Project Agreement in accordance with 16.3 of the Project Agreement and variation(s) to any other project document as required.**

**3. THAT the Crown (acting through the Minister of the Environment), Waikato Regional Council and Taupō District Council agree in principle to retention of the Lake Taupō Protection Trust in its current form until 30 June 2021.**

**4. THAT the Tūwharetoa Māori Trust Board, Waikato Regional Council and Taupō District Council work together to explore options for consideration of the long-term governance of the project within a co-governance arrangement which:**

- a. Seeks to retain the key elements of the existing partnerships; and**
- b. Provides oversight of the nitrogen alongside other aspects of water quality and catchment health.**

**The motion was put and carried (LTJC17/07)**

- After further discussion, the Joint Committee agreed to add an extra recommendation as recommendation 5 which would include the indicative timeframes as per page 41 of the Public Excluded agenda package.
- The Joint Committee agreed it was an important recommendation to include because even though the timeframes given were indicative, it recognised certain obligations that each of the partners would be responsible for and for keeping the momentum going.

Cr R Jollands moved/Cr K White seconded

LTJC17/08

**RECOMMENDED**

**5. THAT the indicative timeframe table on page 41 of the agenda package (page 10 of the report doc # 11787431) be noted.**

**The motion was put and carried (LTJC17/08)**



**Trustee rotation and appointment process**

Agenda Item 11 Doc 11854656

Manager Upper Waikato/Taupō (A McLeod), provided the Joint Committee with a process for managing the Lake Taupō Protection Trust Trustee rotation and appointment process.

During discussion the following was noted:

- Members agreed approving these recommendations would contribute to the stability of the Trust and project and there were no further questions.

M Nepia moved/Cr K Hodge seconded

LTJC17/09

**RESOLVED**

1. **THAT the report Trustee rotation and appointment process (Doc 11854656 dated 23 February 2018) be received.**
2. **THAT retiring Trustees Clayton Stent and Gerald Fitzgerald be reappointed as Trustees to the Lake Taupō Protection Trust up to 30 June 2019 (including any wind up time) and;**
3. **THAT, should the Partners decide to extend the life of the project agreement and the Lake Taupō Protection Trust beyond 30 June 2019, Trustees Clayton Stent, Gerald Fitzgerald, Sue Yerex and Jeremy Rickman continue their appointment until 30 June 2021, or until the Trust is formally wound up, or whichever comes first.**

The motion was put and carried (LTJC17/09)

**Items to be reported from Public Excluded**

Cr R Jollands moved/M Nepia seconded

LTJC17/10

**RESOLVED**

**THAT the following decision with respect to Item No 11 be reported in Open meeting.**

**That retiring Trustees Clayton Stent and Gerald Fitzgerald be reappointed as Trustees to the Lake Taupō Protection Trust up to 30 June 2019.**

The motion was put and carried (LTJC17/10)

**Return to Open meeting**

Cr K White moved/Cr R Jollands seconded

LTJC17/11

**RESOLVED**

**THAT the meeting return to Open meeting.**

The motion was put and carried (LTJC17/11)

Return to Open Meeting at 12.01pm.

Doc # 11930449

PUBLIC EXCLUDED

# Public Excluded Report to Lake Taupō Protection Project Joint Committee

**Date:** 21 May 2018

**Author:** Nicole Botherway, Manager Farming Services

**Authoriser:** Chris McLay, Director – Resource Use

**Subject:** Advice on Transfer of Powers under s 33 of the RMA

**Section:** A (Committee has delegated authority to make decision)

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## Purpose

1. This report provides the Lake Taupō Protection Project Joint Committee (LTPPJ) with advice on the strategic opportunities for the project for the transfer of powers presented by section 33 of the Resource Management Act 1991 (RMA).

## Executive Summary

2. Adopted by the LTPPJ in June 2015, the Lake Taupō Catchment Compliance Monitoring Plan contained an action to investigate the strategic opportunities inherent in section 33 RMA transfer of powers. Advice on this matter has been obtained from law firm Meredith Connell. This advice was funded by both the Lake Taupō Protection Trust (LTPT) and Waikato Regional Council (WRC).

## Staff Recommendation:

That the report 'Advice on Transfer of Powers under s 33 of the RMA (Doc # 12490865 dated 21 May 2018) be received.

## Public Excluded

3. The following good reason(s) to withhold this paper from the public exists under Section 7 of the Local Government Official Information and Meetings Act 1987 (LGOIMA), Section 48(1).
  - a. Maintain legal professional privilege (section 7(2)(g)); and
  - b. Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) (Section 7(2)(i)).

## Background

4. In accordance with the Monitoring Deed signed by the project partners and the LTPT in 2015, WRC was required to prepare a monitoring plan for the monitoring and enforcement of land use consents and permitted activities within the Lake Taupō catchment [Monitoring Deed, 3.1(a)].
5. The Lake Taupō Catchment Compliance Monitoring Plan was adopted by the LTPPJ in June 2015 and contained four themes of work that built on the monitoring and enforcement already undertaken by WRC. One of these four themes was the investigation of the strategic opportunities inherent in section 33 RMA transfer of Powers to a Ngāti Tūwharetoa iwi authority. The Monitoring Plan also contained a specific action to explore the opportunities for a partial or full transfer of s33 RMA powers for monitoring by 2018.
6. This paper and the attached advice assists with achieving this action. In addition the advice covers the potential transfer of powers to any of the project partners (including the Crown)

7. The costs of obtaining the advice from the law firm Meredith Connell were funded by both the LTPT and WRC.

**Issue**

8. The advice received from Meredith Connell sets out the process for the transfer of powers under section 33 of the RMA and the matters that would need to be satisfied (including requirements other legislation applying to local government).
9. This advice is provided to the partners to assist with future discussions on matters relating to the long term management of nitrogen reduction in Lake Taupō.

**Attachments**

Meredith Connell, Section 33 of the Resource Management Act 1991: transfer of powers (Doc #12497149)

**References**

Lake Taupō Catchment Compliance Monitoring Plan (Doc #4093282)

12 December 2017

By Email: [Nicole.Botherway@waikatoregion.govt.nz](mailto:Nicole.Botherway@waikatoregion.govt.nz)

***Private and Confidential***

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**Section 33 of the Resource Management Act 1991: transfer of powers**

**1 Introduction**

- 1.1 You have asked us for advice on the opportunities presented by section 33 of the Resource Management Act 1991 (**RMA**) for Waikato Regional Council (**WRC**) to transfer certain compliance monitoring powers related to the Lake Taupō Catchment (the **Catchment**). In particular, you have sought our advice as to the:
- (a) legislative requirements for a transfer of functions, powers or duties under section 33 of the RMA;
  - (b) process for transferring functions, powers or duties;
  - (c) qualities that would make a particular public authority suitable to receive a local authority function, power or duty; and
  - (d) liabilities that WRC and the transferee would have once the function, power or duty has been transferred.
- 1.2 You have asked us to consider section 33 in the context of a potential transfer of powers to a Ngāti Tūwharetoa iwi authority, the Ministry for the Environment (**MfE**), or Taupo District Council (**TDC**). You also asked that we consider the status quo as an option (that is, WRC retaining its powers, functions and duties in relation to the Lake Taupō Catchment).

**2 Executive summary**

- 2.1 In summary:
- (a) WRC may transfer one or more of its functions, powers or duties, except the power of transfer, to another public authority. The term “public authority” includes an iwi authority.
  - (b) Transferring monitoring functions, powers and duties in respect of the Lake Taupō Catchment may not be a straightforward process. WRC must be satisfied that the proposed transferee is a public authority for the purposes of section 33 and that it represents the appropriate community of interest. It must also be satisfied that the transfer of functions,

powers or duties is desirable for reasons of efficiency, and technical expertise or special capabilities. In our view, to be 'desirable' means that the proposed transfer must create advantages in each of the grounds compared to the status quo of WRC continuing to exercise the relevant function, power or duty.

- (c) If these requirements are all met, WRC must then follow the statutory process for transferring powers. This involves the special consultative procedure set out in section 83 of the Local Government Act 2002 (**LGA**). If there are any groups or authorities that object to the proposal to transfer powers, they will have a right to present their views at this point. WRC must receive any such views with an open mind and give them due consideration.<sup>1</sup>
- (d) Once a function, power or duty has been transferred, the transferee will be responsible for the exercise of that function, power or duty, but WRC will still be required to monitor the exercise of any functions, power or duties transferred by it to the public authority.

### 3 Background

- 3.1 In the early 2000s, WRC established the Protecting Lake Taupō Project (the **Project**) to respond to community concerns about the declining water quality of Lake Taupō. The Project is a partnership between WRC, Central Government, Ngāti Tūwharetoa, and TDC.
- 3.2 The Project is implemented by an incorporated charitable trust called the Lake Taupō Protection Trust (**the Trust**) that was established in February 2007. The purpose of the Trust is to maintain water quality in Lake Taupō by reducing manageable nitrogen levels produced in the Catchment by 20 per cent. The principal strategies of the Trust include the conversion of high nitrogen leaching pastoral land into low leaching land uses, the purchase of land to achieve such conversion, research into alternative low leaching nitrogen land uses, and researching and developing alternative technologies.
- 3.3 We understand that, to date, the Project has been very successful. However, the ultimate success of the Project relies on continued monitoring to ensure that the reductions in nitrogen entering the Lake are maintained. In that regard, the Lake Taupō Catchment Monitoring Plan (**Monitoring Plan**) was developed and approved in June 2015.
- 3.4 The Monitoring Plan sets out a three year compliance monitoring plan, which includes actions such as:
  - (a) Monitoring land owner compliance with land use consents and permitted activities.
  - (b) Utilising WRC's current enforcement processes and refining the process for managing non-compliance in the Lake Taupō Catchment more closely.
  - (c) Developing a communications strategy for the audiences and stakeholders in the Lake Taupō Catchment.
  - (d) Identifying information, advice and education requirements, and developing advice and information programmes and education strategies.
  - (e) Reviewing the applicability of online reporting of compliance information and undertaking a review of other technologies that could assist cost-effective, targeted monitoring of compliance with land use consents and permitted activities.

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<sup>1</sup> Section 82(1)(e) of the LGA.

- (f) Examining strategic opportunities presented by section 33 of the RMA.

3.5 This advice focuses on subparagraph (f) above, examining the strategic opportunities presented to WRC by section 33 of the RMA for the transfer of powers. However, we have approached our advice on the basis that the other actions in the Monitoring Plan provide context as to the types of powers that WRC may contemplate transferring under section 33 of the RMA. In terms of timing, the Monitoring Plan requires that by June 2018:

- (a) the ability to transfer powers is investigated;
- (b) potential transferees are identified; and
- (c) if agreed, the transfer of powers is formalised.

3.6 As WRC's investigation of section 33 transfers is at a high-level preliminary stage, there are currently no details of the specific functions, powers and/or duties that WRC would consider transferring to another public authority. That said, in the context of the background to the Project, we expect that the types of functions, powers and/or duties that WRC might consider transferring could include any, or all, of the following:

- (a) The duty to monitor the efficiency and effectiveness of policies, rules or other methods in the Waikato Regional Policy Statement and/or the Waikato Regional Plan, insofar as they relate to the Lake Taupō Catchment.
- (b) The duty to monitor nitrogen levels in Lake Taupō.
- (c) The duty to monitor land owner compliance with land use consents and permitted activities in the Lake Taupō Catchment.
- (d) The power to investigate and take enforcement action for non-compliance with land use consents and permitted activity rules in the Lake Taupō Catchment, including issuing of enforcement orders, abatement notices, and infringement notices, and initiating prosecutions in the District Court.

## 4 Section 33 of the RMA

4.1 Pursuant to section 33 of the RMA, WRC may transfer one or more of its functions, powers or duties (except the power of transfer) to another public authority:

### **33 Transfer of powers**

- (1) A local authority may transfer any one or more of its functions, powers, or duties under this Act, except this power of transfer, to another public authority in accordance with this section.
- (2) For the purposes of this section, **public authority** includes –
  - (a) a local authority; and
  - (b) an iwi authority; and
  - (c) *[Repealed]*
  - (d) a government department; and

- (e) a statutory authority; and
  - (f) a joint committee set up for the purposes of section 80; and
  - (g) a local board.
- (3) *[Repealed]*.
- (4) A local authority shall not transfer any of its functions, powers, or duties under this section unless –
- (a) it has used the special consultative procedure set out in section 83 of the Local Government Act 2002; and
  - (b) before using that special consultative procedure it serves notice on the Minister of its proposal to transfer the function, power, or duty; and
  - (c) both authorities agree that the transfer is desirable on all of the following grounds:
    - (i) the authority to which the transfer is made represents the appropriate community of interest relating to the exercise or performance of the function, power or duty;
    - (ii) efficiency;
    - (iii) technical or special capability or expertise;
- (5) *[Repealed]*
- (6) A transfer of functions, powers, or duties under this section shall be made by agreement between the authorities concerned and on such terms and conditions as are agreed.
- (7) A public authority to which any function, power, or duty is transferred under this section may accept such transfer, unless expressly forbidden to do so by the terms of any Act by or under which it is constituted; and upon any such transfer, its functions, powers, and duties shall be deemed to be extended in such a manner as may be necessary to enable it to undertake, exercise, and perform the function, power, or duty.
- (8) A local authority which has transferred any function, power, or duty under this section may change or revoke the transfer at any time by notice to the transferee.
- (9) A public authority to which any function, power, or duty has been transferred under this section, may relinquish the transfer in accordance with the transfer agreement.

4.2 Section 33 was included in the RMA as originally enacted in 1991, but has been subject to several amendments over the years which have broadened the scope of the provision.



- 4.3 When the RMA was first introduced, section 33 provided that specified functions, powers and duties could not be transferred. These were the power to approve a policy statement or plan, or any changes to a policy statement or plan; the power to issue, or make a recommendation on, a requirement for a designation or a heritage order; and the power to transfer powers, functions and duties. Many of these restrictions were removed by the Resource Management Amendment Act 2003 (**2003 Amendment Act**) and now a local authority can transfer any of its RMA powers, functions and duties, except the power of transfer itself.
- 4.4 A report prepared by MfE in 2015 on the use of section 33 (**MfE Report**)<sup>2</sup> found that the power of transfer has not been widely used. In particular, the MfE Report found that:
- (a) There was relatively little information readily available about the use of section 33.
  - (b) Six of the 11 regional councils had not used section 33, four had transferred functions, and one regional council had received, rather than transferred, a function.
  - (c) The transfers that are in place are limited in scope and, with one exception, were put in place more than 10 years ago.
  - (d) It is less common for district councils to transfer functions, with only three district councils utilising the power of transfer.
- 4.5 The question of transfer of powers from a local authority to an iwi authority did not fall within the scope of the MfE Report, but in 2004 the Environment Court in *Te Roopu Manaaki o Tarawera v Rotorua District Council*<sup>3</sup> commented that, as at the date of the decision, no local authority functions or powers had been transferred to iwi authorities.<sup>4</sup> We have not been able to find any caselaw or commentary indicating that powers, functions or duties have been transferred to iwi authorities since that decision.
- 4.6 We note that there are other legislative controls that specify how WRC must conduct itself and exercise its decision making powers that WRC would need to be cognisant of when making any decision to transfer powers under s 33 of the RMA. For example:
- (a) Section 18A(a) of the RMA provides that every person exercising powers and performing functions under the RMA must take all practicable steps to use timely, efficient, consistent, and cost-effective processes that are proportionate to the functions or powers being performed or exercised.
  - (b) WRC is also regulated by the Local Government Act 2002 (**LGA**) and must perform its role in accordance with that Act. In particular, the LGA requires that WRC:
    - (i) Conduct its business in an open, transparent and democratically accountable manner.<sup>5</sup>
    - (ii) Give effect to its identified priorities and desired outcomes in an efficient and effective manner.<sup>6</sup>
    - (iii) Make itself aware of, and have regard to, the views of all of its communities.<sup>7</sup>

<sup>2</sup> Ministry for the Environment. 2015. *Section 33 Transfer of Functions, Powers or Duties – a stocktake of council practice*. Wellington: Ministry for the Environment.

<sup>3</sup> *Te Roopu Manaaki o Tarawera v Rotorua District Council* A099/2004 at [25].

<sup>4</sup> At [25].

<sup>5</sup> Section 14(1)(a)(i) of the LGA.

<sup>6</sup> Section 14(1)(a)(ii) of the LGA.

<sup>7</sup> Section 14(1)(b) of the LGA.

- (iv) When making decisions, take account of the diversity of the community and the community's interests, and the interests of future, as well as current, communities.<sup>8</sup>
  - (v) Provide opportunities for Maori to contribute to its decision-making process.<sup>9</sup>
  - (vi) Ensure prudent stewardship and the efficient and effective use of its resources in the interests of its district or region.<sup>10</sup>
- (c) These LGA principles are fundamental to local authority decision-making, including decision-making in relation to compliance and monitoring under the RMA. However, as they sit outside the RMA they are not duties or obligations that can be transferred pursuant to section 33. If WRC is contemplating transferring functions, powers or duties to a public authority that is not a local authority, WRC would need to carefully consider whether it would be able to continue to meet its obligations under the LGA.

## 5 Potential transferees: who is eligible?

- 5.1 WRC may only transfer its functions, powers or duties to the public authorities specified in section 33(2) of the RMA. These include local authorities, iwi authorities, government departments, statutory authorities, joint committees, and local boards.
- 5.2 Before agreeing to a transfer of powers, section 33(4)(c) of the RMA requires that WRC and a proposed public authority transferee be satisfied that the proposed transfer is desirable on all of the following grounds:
- (a) the transferee represents the appropriate community of interest relating to the exercise or performance of the function, power or duty<sup>11</sup>;
  - (b) efficiency<sup>12</sup>; and
  - (c) technical or special capability or expertise<sup>13</sup>.
- 5.3 Importantly, our reading of section 33(4) is that both WRC and the potential transferee must agree that the proposed transfer is "*desirable*" on each and every ground. We are not aware of any caselaw that considers the meaning of desirable in the context of s 33 but is clearly a higher standard than being required to "have regard to" the factors in s 33(4)(c) of the RMA.
- 5.4 There are other sections of the RMA that impose a desirability test:
- (a) Section 45(2) of the RMA, which provides that "in determining whether it is desirable to prepare a national policy statement, the Minister may have regard to" certain specified matters.
  - (b) Section 58D(2)(a), which relates to the new national planning standards regime introduced by the Resource Law Amendment Act 2017. Section 58D(2)(a), provides that "in preparing or amending a national planning standard, the Minister may have regard to whether it is desirable to have national consistency in relation to a resource management issue".

<sup>8</sup> Section 14(1)(c) of the LGA.

<sup>9</sup> Section 14(1)(d) of the LGA.

<sup>10</sup> Section 14(1)(g) of the LGA.

<sup>11</sup> Section 33(4)(c)(i) of the RMA.

<sup>12</sup> Section 33(4)(c)(ii) of the RMA.

<sup>13</sup> Section 33(4)(c)(iii) of the RMA.

- (c) Sections 165L and 165ZB which apply if in a regional council’s opinion it is desirable to use the allocation method where there are high or competing demands for coastal occupation permits or to suspend applications for such coastal occupation permits.
- 5.5 Again, we are not aware of any caselaw that considers the meaning of the word “desirable” as it is used in these provisions. However, it seems to us that if there is any commonality to be discerned between these provisions, it is that the person considering exercising the relevant power has a broad discretion whether to exercise that power or not and would do so if there would be advantages (compared to the status quo or doing nothing) in terms of properly administering the RMA.
- 5.6 This is consistent with the New Zealand Oxford Dictionary definition of desirable as meaning “*worth having or wishing for*”. This definition is in our view future looking, suggesting that there would be advantages to that course of action as compared to the status quo.
- 5.7 We note that there are a number of other provisions in the RMA that require that a proposed action be “*necessary or desirable*”<sup>14</sup> In terms of the difference in meaning between those two words, the Environment Court has commented that “necessary” must mean an outcome that is more than desirable or convenient.<sup>15</sup>
- 5.8 In short, we think that while the parties do not need to agree that it is *necessary* to transfer the function, power or duty in terms of representing the community of interest, efficiency, special expertise and capability, there must be clear advantages in doing so. As a result, we consider that it is implicit that in order to be “*desirable*” the potential transferee must be able to perform the function, duty or power proposed to be transferred better than the Council on each ground listed in s 33(4)(c) of the RMA. If we are wrong in that regard, it is certainly the case that the potential transferee must be able to perform the transferred function, duty or power at least as well as the Council.
- 5.9 We comment generally on each of the section 33(4)(c) criteria as follows:
- (a) In the context of section 33, and depending on the particular powers proposed to be transferred, the “appropriate community of interest” may be a wide group. For example, in the current context, it could potentially include, without limitation, the Project partners, owners or occupiers of land within the Catchment, and any persons with an interest in the nitrogen levels of Lake Taupō (for example recreational and commercial users of the Lake). Such stakeholders are likely to have varied and competing interests and it may be difficult for WRC to establish that another public authority could adequately *represent* the community of interest. Lake Taupō is a national asset and to our mind this suggests that any entity receiving the delegation should be able to recognise and manage competing national-level interests in the Lake.
- (i) The second requirement is that WRC and the transferee be satisfied that the transfer is desirable for reasons for efficiency. The concept of “efficiency” is used throughout the RMA and in the context of section 33. If it is taken as given that WRC undertakes its responsibilities under the RMA efficiently (i.e. in a well-organised, competent and cost-effective manner) then we consider that for a transfer of powers to be desirable for reasons of efficiency WRC must be satisfied

<sup>14</sup> Section 165H Regional council to have regard to and be satisfied about certain matters before including allocation rule in regional coastal plan or proposed regional coastal plan; section 313 Decision on application for declaration; ss 360 and 360B relating to conditions to be satisfied before regulations made.

<sup>15</sup> *Auckland Yacht and Boating Association Inc v Auckland Regional Council* [2010] NZEnvC 286 (in the context of determining whether a person’s reason for seeking a mooring at a particular location was compelling so as to render a mooring in that location necessary).

that the potential transferee can perform the power, duty or function more efficiently than WRC.

- (b) In terms of technical or special capability or expertise, WRC's compliance monitoring is currently undertaken by a specialist Taupō-based WRC compliance team. This team has specialist knowledge and expertise in the requirements of the Lake Taupō section of the Waikato Regional Plan and the various compliance and enforcement tools available to WRC under the RMA. We think any potential transferee would need to ensure that appropriately skilled personnel and processes were in place prior to the transfer occurring and indeed would need to have some better technical expertise in order to satisfy this criterion. While we acknowledge that WRC's compliance team could work closely with a potential transferee to share its specialist knowledge, it seems unlikely to us that any potential transferee would have a better level of technical capability, especially at the outset when WRC is considering whether a potential transferee meets the requirements of s33(4) of the RMA.

- 5.10 We comment on these statutory requirements in respect of each of the identified potential transferees below.

### ***Ngāti Tūwharetoa iwi authority***

#### *Identifying the iwi authority*

- 5.11 As discussed earlier, a local authority may transfer any of its functions, powers or duties to an iwi authority. An "iwi authority" is defined in section 2 of the RMA as "*the authority which represents an iwi and which is recognised by that iwi as having authority to do so.*"
- 5.12 Ngāti Tūwharetoa is recognised as having mana whenua over the Catchment. It also holds legal title to the bed of the Lake Taupō and its tributaries, and is kaitiaki (guardian or trustee) of the Lake.<sup>16</sup>
- 5.13 We understand, however, that there are several Ngāti Tūwharetoa representative organisations, including Te Kotahitanga o Tūwharetoa, Tūwharetoa Settlement Trust, Tūwharetoa Māori Trust Board, and Ngāti Tūwharetoa Fisheries Charitable Trust.<sup>17</sup> We are aware that the Tūwharetoa Māori Trust Board has been recognised by WRC and the Crown as an iwi authority for the purposes of the RMA since it came into force. There may also be other groups that represent Ngāti Tūwharetoa hapu, such as the Mokai Marae Reserve/Tuaropaki A Trust.
- 5.14 Further, as the compliance monitoring functions, powers and duties would be in relation to land uses within the Catchment, there may also be other iwi that claim mana whenua over an overlapping area. For example, the TDC website records that the Taupō District is the ancestral home to four iwi: Ngāti Tūwharetoa, Ngāti Tahu/ Ngāti Whaoa and Raukawa.<sup>18</sup> Accordingly, if WRC is amenable to transferring functions, powers or duties to an iwi authority, it must first identify the relevant iwi authority to whom these should be transferred. For the reasons set out above, this may not be a straightforward task.

#### *Desirability of transfer*

- 5.15 Assuming that an appropriate iwi authority can be identified, any proposed transfer must also meet the requirements set out section 33(4)(c) of the RMA. In that regard, we comment as follows:

<sup>16</sup> Section 3.10 of the Operative Waikato Regional Plan (April 2012 version).

<sup>17</sup> <http://www.tkm.govt.nz/iwi/ngati-tuwharetoa/#>

<sup>18</sup> <http://www.taupodc.govt.nz/our-district/kaupapa-maori/Pages/default.aspx>

- (a) **Community of interest:** Both the WRC and the transferee must be satisfied that the iwi authority represents the appropriate community of interest relating to the exercise or performance of the function, power or duty:
- (i) Again, this may not be a straightforward task and may be difficult to ascertain, particularly given that other iwi appear to claim mana whenua over land within the Catchment.
  - (ii) While it is certainly helpful that the transfer would be in relation to a clearly defined physical area, being the Lake Taupō Catchment, and that Ngāti Tūwharetoa have mana whenua over that Catchment, WRC would still need to satisfy itself that the iwi authority represents the community of interest. It may be that there are other iwi, or even hapu within Ngāti Tūwharetoa, that do not consider their interests to be represented by the transferee.
  - (iii) Any iwi authority to whom functions, powers or duties are transferred would need to act impartially, in the interest of the community, and would also be required to balance the relationship of Maori with their ancestral lands, water, sites, waahi tapu and other taonga, with other matters of national importance. The iwi authority would also need to be capable of representing the various interests. While this may be straightforward where there is a commonality of interest (such as environmental groups or recreational land users) this may be more challenging when it comes to the interests of commercial or national entities whose interests, may not always accord with Maori values.
- (b) **Efficiency:** There are iwi authorities in New Zealand that operate as effective and efficient commercial entities and are responsible for managing a diverse and high value portfolio of assets on behalf of their iwi and hapu. It may well be that this experience and commercial acumen means that the iwi authority could bring efficiency advantages to the exercise of the relevant function, power or duty. That said, WRC has similar responsibilities and experience in managing its assets on behalf of the region so whether an iwi authority could in fact exercise the particular power, function or duty more efficiently than WRC itself would need to be evaluated on a case by case basis.
- (c) **Technical expertise:** Of all the potential transferees, an iwi authority is least likely to have had previous experience or technical expertise in compliance monitoring, including taking investigatory and enforcement action. We think it is unlikely that an iwi authority would be able to satisfy the special technical expertise and special capability criterion, without implementing some new processes and engaging new staff.

#### ***Taupō District Council***

- 5.16 TDC, as an elected body, would be better able to satisfy the first limb of section 33(4)(c), in the sense that it has a mandate to represent the Taupō community and, like WRC, its decision-making is regulated by the LGA. However, the requirement relates to representing not just the Taupō district but rather the community of interest. Given that Lake Taupō is a regionally and nationally significant taonga, the two councils would need to be convinced that TDC could adequately represent the relevant regional and national interests in relation to Lake Taupō.
- 5.17 WRC will also need to be satisfied that a transfer of powers to TDC is desirable for reasons for efficiency. Although TDC will have similar experience as WRC in terms of running an efficient operation, whether TDC could in fact exercise the particular power, function or duty more efficiently than WRC itself would again need to be evaluated on a case by case basis.

- 5.18 WRC would need to be satisfied that TDC has the and technical expertise or special capabilities to undertake compliance monitoring of land uses that involve nitrogen leaching. TDC will be more experienced than an iwi authority or MfE with compliance and enforcement given its existing responsibilities under the RMA in relation to land uses in its district but will not have specific experience in nitrogen discharge or catchment management. There is a clear division of powers under the RMA between district and regional councils with district council responsible for land use planning and regional councils responsible for air, land and water. In districts such as Taupō where there is a two-tier system of local government the technical expertise for air, land and water management usually sits quite squarely within the regional council. As a result, we consider it would be quite unlikely for TDC to be able to bring greater technical expertise or special capabilities to the highly technical area of nitrogen leaching in the Catchment.

### ***Ministry for the Environment***

- 5.19 MfE is Central Government's principal advisor on national and international environmental issues. In that regard, MfE is well placed to represent national interests in the Lake but it is the least well place in terms of representing the regional or district communities.
- 5.20 MfE is not involved in day-to-day environmental management and, instead, focuses on providing environmental management systems (including laws, regulations and national environmental standards), guidance on best practice, information about the health of the environment, and national direction through national policy statements and strategies. Accordingly, we consider it would be unlikely that MfE would be able to bring efficiency advantages to the table when it comes to compliance monitoring of nitrogen leaching in the Catchment
- 5.21 Similarly, given that MfE would have only limited skills in monitoring and compliance it seems unlikely that any proposed transfer would be desirable for reasons of technical expertise or special capabilities.

### **The process for transferring powers**

- 5.22 The process for transferring powers to a suitable transferee is set out in section 33(4), which requires that a local authority shall not transfer any of its functions, powers or duties unless it has used the special consultative procedure set out in section 83 of the Local Government Act 2002<sup>19</sup> and that, before using that procedure, has served notice on the Minister for the Environment of its proposal to transfer the function, power or duty.<sup>20</sup> There is no legislative requirement to inform the Minister of the final decision on the transfer proposal.
- 5.23 A local authority that is required to use the special consultative procedure must:
- (a) prepare a statement of the proposal;
  - (b) make the proposal available for public inspection;
  - (c) enable public submissions; and
  - (d) provide the opportunity for submitters on the proposal to be heard by the local authority.
- 5.24 It is likely that if there were any unresolved issues over which iwi authority should be transferred powers that this would play out through the special consultation process. WRC must receive any such views with an open mind and give them due consideration.<sup>21</sup> While WRC has the final

<sup>19</sup> Section 33(4)(a) of the RMA.

<sup>20</sup> Section 33(4)(b) of the RMA.

<sup>21</sup> Section 82(1)(e) of the LGA.



decision-making power it would need to be cognisant of the implications for its ongoing relationships with different iwi groups in its region.

- 5.25 At the conclusion of this process, the local authority and the public authority must reach agreement on the terms of the transfer. Section 33(6) provides that this may be on such terms and conditions as agreed between the authorities. Set out below are several examples of conditions of agreement that have been agreed by parties in respect of section 33 transfers:<sup>22</sup>

- (a) Transferee to advise transferor of receipt of applications.
- (b) Transferee has power to recover costs incurred by carrying out the transferred function.
- (c) Transferee to report to the transferor at specified intervals.
- (d) Transferor can request information related to the transfer at any time.

#### **Post-transfer liabilities**

- 5.26 The 2003 Amendment Act made another fundamental change to section 33 when it removed subsection (3) which expressly provided that a local authority who transfers its powers shall continue to be responsible for the exercise of those powers.

A local authority that transfers any function, power, or duty under this section shall continue to be responsible for the exercise thereof.

- 5.27 The MfE Report notes that this particular amendment was supported by most local authorities that submitted on the Resource Management Amendment Bill 1999 on the basis that it simplified the provision, clarified the scope of the transfer power and provided more accountability after a transfer has occurred.
- 5.28 The Environment Court in the *Te Roopu* decision found that the repeal of subsection (3) means that the exercise of any transferred function or power will carry with it full responsibility including cost liability.<sup>23</sup>
- 5.29 While this may be the case, section 35(2)(c) of the RMA requires local authorities to monitor the exercise of any functions, power or duties transferred by it. If, as a result of that monitoring, WRC is not satisfied with the transferee's performance or exercise of the powers, transferred to it, it will be able to revoke the transfer by giving notice to the transferee.<sup>24</sup>
- 5.30 In that regard, if WRC were to agree to such a transfer of powers, it would need very carefully to consider and define the transferee's responsibilities and the matters WRC will retain responsibility for in order to carry out its monitoring obligations. For example, WRC is required pursuant to section 84(1) of the RMA to observe and enforce the observance of its policy statement and plans. Accordingly, if WRC is considering transferring any of its compliance monitoring powers relating to the Lake Taupō Catchment, then WRC would need to consider and specify whether it is also transferring its duty under section 84(1) insofar as it relates to the Catchment. If it is not, then it would need to ensure that it received adequate information from the transferee that it could be sure it was carrying out its obligations under section 84.

<sup>22</sup> Ministry for the Environment. 2015. *Section 33 Transfer of Functions, Powers or Duties – a stocktake of council practice*. Wellington: Ministry for the Environment

<sup>23</sup> *Te Roopu Manaaki o Tarawera v Rotorua District Council* A099/2004 at [25].

<sup>24</sup> Section 33(8) of the RMA.

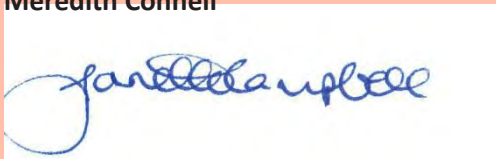
## 6 Other co-management alternatives to section 33

- 6.1 We have not been asked to provide advice on or consider possible alternatives to section 33. Nevertheless, it is worthwhile noting that if, in the circumstances, WRC does not consider a section 33 transfer appropriate, there are other co-management and co-governance arrangements available that may be worth considering.
- 6.2 For example, if WRC is looking for a method by which to cement iwi's involvement in the monitoring and enforcement of provisions relating to the Lake Taupō Catchment, it may consider entering to a Joint Management Agreement. This was not within the scope of advice sought, but we would be happy to provide further advice on any such alternative arrangements the Trust or WRC may wish to consider.

## 7 Conclusions and recommendations

- 7.1 To transfer powers to any public authority WRC will need to determine who the appropriate transferee is, the functions, powers or duties that should be transferred, and the terms and conditions on which the functions, powers or duties should be transferred. If WRC would like to take further steps to examine and determine who might be an appropriate transferee and the possible terms for any transfer of powers, then we would be happy to assist.
- 7.2 If you have any questions in relation to this advice, please contact one of the writers.

Yours faithfully  
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# Public Excluded Report to Lake Taupō Protection Project Joint Committee

**Date:** 29 May 2018

**Author:** Officials Working Group

**Authoriser:** Director Community and Services

**Subject:** Variation of Project Agreement – Extension of Project Term

**Section:** B (For recommendation to Council)

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## Purpose

- 1) The purpose of this report is to present the proposed variation to the Lake Taupō Protection Project Project Agreement (the Project Agreement) to extend the term of the agreement from 30 June 2019 to 30 June 2021.

## Executive Summary

- 2) The term of the Project Agreement for the Lake Taupō Protection Project is due to end on 30 June 2019. The parties to the project - the Crown (acting through the Minister of the Environment), Waikato Regional Council (WRC) and Taupō District Council (TDC) - have all agreed in principle to an extension in the term of the Project Agreement until 30 June 2021. The extension to the project is also supported by the Tūwharetoa Māori Trust Board, as project partner.
- 3) Extending the Agreement will allow the continuation of the current governance and management arrangements beyond 30 June 2019. It will also allow time for the partners to finalise preferred options and transition to a new long term governance and management regime and for the two councils to secure ongoing funding for oversight of the contracts.
- 4) In accordance with clause 16.3 a written variation to the Project Agreement has been drafted for adoption and signing by all parties.

## Officials Working Group's Recommendations:

### Resolution

1. That the report 'Variation of Project Agreement – Extension of Project Term (Doc # 12543547 dated 29 May 2018) be received for information.

### Recommendations

2. That the Crown (acting through the Minister of the Environment), Waikato Regional Council and Taupō District Council note and adopt for signing the changes proposed to the Lake Taupō Protection Project Project Agreement as set out in the Deed of Variation (07649) Number 3 (Doc # 12618703).
3. That the Lake Taupo Protection Trust be advised in writing that the term of the Project Agreement has been extended from 30 June 2019 until 30 June 2021.

4. That report 'Variation of Project Agreement – Extension of Project Term (Doc # 12543547 dated 29 May 2018) and the Deed of Variation (07649) Number 3 (Doc # 12618703) be released from public excluded on 13 July 2018 (or before if agreed by the parties).

**Public Excluded (delete if not applicable)**

- 5) The following good reason(s) to withhold this paper from the public exists under Section 7 of the Local Government Official Information and Meetings Act 1987 (LGOIMA), Section 48(1).
- a. Protect information where the making available of the information
    - (ii) would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information (section 7(2)(b)); and
  - b. Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) (Section 7(2)(i)).

**Background**

- 6) At its meeting on 12 March 2018, the LTPPJ recommended:

*That the Crown (acting through the Minister of the Environment), Waikato Regional Council and Taupō District Council agree in principle to extend the term of the of the Project Agreement for the Lake Taupō Protection Project (clause 2.1(e) from 30 June 2019 to 30 June 2021 and that staff be instructed to prepare a variation to the Project Agreement in accordance with clause 16.3 of the Project Agreement and variation(s) to any other project document as required.*

- 7) The extension was sought for a range of reasons, including (but not limited to):
- a. Having sufficient time to investigate options for future co-governance of the project.
  - b. WRC amending Chapter 3.10 (Variation 5) of the Regional Plan.
  - c. Having to find future funding sources for the project.
- 8) By extending the date of the project until 30 June 2021, this would allow the existing governance and management arrangements to continue until that point in time. It would also allow the necessary work to be completed to have arrangements in place for post 30 June 2021.

**Parties Agreement**

- 9) The recommendation to extend the project term was adopted by both Waikato Regional Council and Taupō District Council at their meetings on 22nd and 27th March 2018 respectively. The Minister for the Environment subsequently agreed in principle to the extension.
- 10) The extension to the project is also supported by the Tūwharetoa Māori Trust Board, as project partner.
- 11) In agreeing to the extension, the Minister requested that an additional clause be added to the Project Agreement to explicitly address the obligations of WRC and the TDC on expiry of the Project Agreement.

**Variation**

- 12) Clause 16.3 the Project Agreement stipulates that the agreement “shall not be amended or varied except in writing signed by all parties.”
- 13) Staff have drafted a variation to amend clause 2.1(e) as follows (copy attached):
- (e) **Term.** *Subject to clause 2.1.A*, the term of the Project is scheduled to be a period of ~~14 years~~ commencing on 1 July 2005 and terminating on 30 June ~~2019~~**2021** or such earlier date as the Public Fund has been fully expended and the Trust holds no assets.
- 2.1.A The Crown’s agreement to extend the term of the Project from 30 June 2019 to 30 June 2021 is given on the basis EW and TDC will include in their respective long term plans sufficient resources necessary for the long-term management of the nitrogen discharge reduction agreements. EW, TDC and the Crown will together through the Joint Committee develop a set of agreed principles for the transition of those agreements for the councils’ approval by 30 June 2019.

- 14) The LTPPJ will need to forward the variation to the respective parties to the Project Agreement for adoption and signing noting that they have already agreed to in principle to extending the project term.

### **Lake Taupo Protection Trust (LTPT)**

- 15) Clause 25.1 of the Trust Deed for the LTPT states that:

25.1 The Trustees shall wind up the Trust upon termination of the Project as notified by the Settlers to the Trustees, or at any earlier time if the Trustees decide that for any reason it is no longer practicable or desirable to carry out the purposes of the Trust, by the unanimous resolution of the Trustees with the prior unanimous consent of the Settlers.

- 16) The LTPT is about to enter its last year of operation under the term of the existing Project Agreement. When preparing its draft (and now final) Statement of Intent the LTPT have assumed for audit purposes that they will conduct their business as a going concern rather than being 'in wind-up' mode. It is important that they receive formal notification of the extension to the term of the Project Agreement to confirm this position.
- 17) No changes are required to the LTPT's Trust Deed as a consequence of the extension to the term of the Project Agreement.

### **Communication**

- 18) Extension of the Project Agreement will need to be released to the public and it provides an opportunity for all of the project partners to once more raise the profile of the project.
- 19) The Officials Working Group (OWG) propose that a joint media statement from the project partners be made upon the signing of the Project Agreement Variation. This release should be made on or before 13 July 2018.

### **Conclusion**

- 20) The Crown, WRC and TDC have all agreed in principle to an extension in the term of the Project Agreement until 30 June 2021 which now must be executed in writing and signed by all parties. A variation to the Project Agreement has been drafted for this purpose.

### **Attachments – To be circulated separately**

Draft Variation to the Lake Taupō Protection Project Project Agreement (Doc# 12618703).