



Waitaki

DISTRICT COUNCIL

TE KAUNIHERA Ā ROHE O WAITAKI

**I hereby give notice that the
Council Meeting
will be held on:**

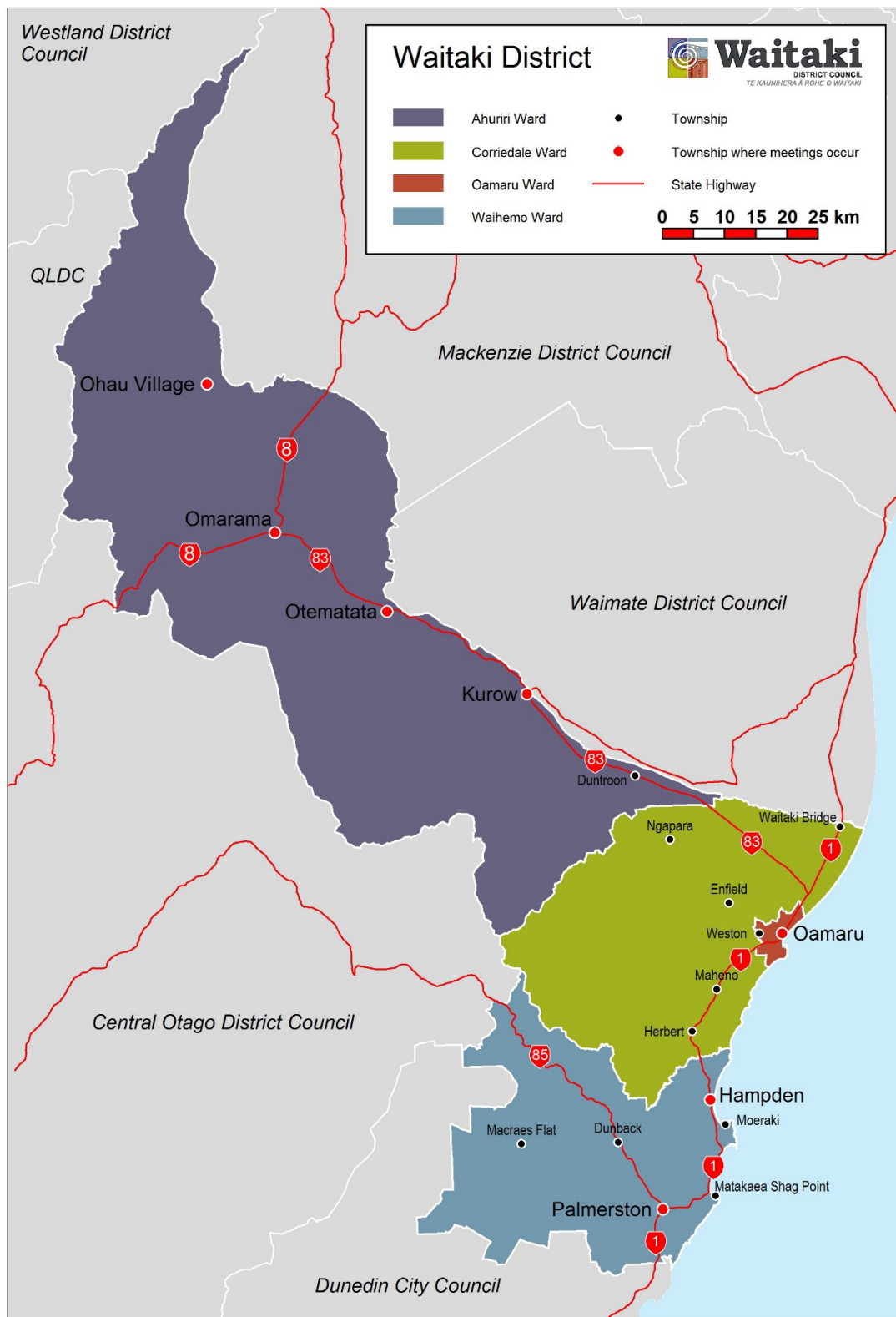
Date: Tuesday, 28 June 2022
Time: 9.00am
Location: Council Chamber, Third Floor
Office of the Waitaki District Council
20 Thames Street, Oamaru

Agenda

Council Meeting

28 June 2022

**Alex Parmley
Chief Executive**





COMMUNITY OUTCOMES



STRATEGIC PRIORITIES



Ensuring we get core business done while delivering on our strategic priorities and achieving our community outcomes



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- 1 APOLOGIES**
- 2 DECLARATIONS OF INTEREST**
- 3 PUBLIC FORUM**

4 CONFIRMATION OF PREVIOUS MEETING MINUTES

4.1 PUBLIC MINUTES OF THE COUNCIL MEETING HELD ON 29 MARCH 2022

Author: Ainslee Hooper, Governance and Policy Advisor

Authoriser: Lisa Baillie, People and Culture Group Manager

Attachments: 1. Public Minutes of the Council Meeting held on 29 March 2022

RECOMMENDATION

That Council confirms the Public Minutes of the Council Meeting held on 29 March 2022, as circulated, as a true and correct record of that meeting.

UNCONFIRMED MINUTES

**OF THE WAITAKI DISTRICT COUNCIL MEETING
HELD IN THE COUNCIL CHAMBER, THIRD FLOOR,
20 THAMES STREET, OAMARU
AND VIA ZOOM VIDEO-CONFERENCE
ON TUESDAY 29 MARCH 2022 AT 9.00AM**

PRESENT: Mayor Gary Kircher (Chair), Deputy Mayor Melanie Tavendale (Associate Chair), Cr Hana Halalele (via Zoom), Cr Jeremy Holding, Cr Jim Hopkins, Cr Bill Kingan, Cr Guy Percival, Cr Jim Thomson (from 9.56am), Cr Kelli Williams (via Zoom), and Cr Colin Wollstein

APOLOGY: Cr Jim Thomson (for lateness)

IN ATTENDANCE: Alex Parmley (Chief Executive)
Paul Hope (Finance and Corporate Development Group Manager and Acting Assets Group Manager)
Lisa Baillie (People and Culture Group Manager / Deputy Chief Executive) (via Zoom)
Roger Cook (Acting Heritage, Environment and Regulatory Group Manager)
Ainslee Hooper (Governance and Policy Advisor)

IN ATTENDANCE FOR SPECIFIC AGENDA ITEMS:

Joshua Rendell (Assets Operations Manager)
Mike Harrison (Roading Manager)
Andrew Bardsley (Regulatory Manager) (via Zoom)

The Chair declared the meeting open at 9.00am and welcomed everyone present.

1 APOLOGIES

RESOLVED WDC 2022/021

Moved: Cr Jim Hopkins

Seconded: Cr Bill Kingan

That the apology for lateness received from Cr Jim Thomson be accepted.

CARRIED

2 DECLARATIONS OF INTEREST

There were no declarations of interest.

3 PUBLIC FORUM

There were no speaker registrations for the Public Forum.

4 CONFIRMATION OF PREVIOUS MEETING MINUTES

4.1 PUBLIC MINUTES OF THE COUNCIL MEETING HELD ON 28 FEBRUARY 2022

RESOLVED WDC 2022/022

Moved: Cr Jim Hopkins

Seconded: Deputy Mayor Melanie Tavendale

That Council confirms the Public Minutes of the Additional Council Meeting held on 28 February 2022, as circulated, as a true and correct record of that meeting.

CARRIED

4.2 PUBLIC MINUTES OF THE COUNCIL MEETING HELD ON 8 MARCH 2022

RESOLVED WDC 2022/023

Moved: Deputy Mayor Melanie Tavendale

Seconded: Cr Colin Wollstein

That Council confirms the Public Minutes of the Additional Council Meeting held on 8 March 2022, as circulated, as a true and correct record of that meeting.

CARRIED

5 LEADERSHIP REPORTS

5.1 MAYOR'S REPORT - 29 MARCH 2022

The report, as circulated, attached the Mayor's Report to this Council Meeting, for the information of Councillors and members of the public.

The Chair took his report as read. By way of updates, he noted that:

Three Waters: DIA had responded to his letter and agreed that Council can talk with the Scottish water authority about the information provided to the Minister that Council believed was factually incorrect. Further discussions with DIA on this matter were also planned.

Future for Local Government: Council elected members and executive management had met with the FFLG panel and feedback from panel members had included that they believed Waitaki District Council was doing some very good work and offered good examples for sharing with other councils.

COVID restrictions: The Government was lifting some of those. Council's own system and people were holding up well. It was noted for the record that some of Council's meetings had been cancelled because of COVID restrictions or converted to Zoom meetings.

During discussion on **affordability matters related to the Government's Three Waters reform** proposals, elected members shared views that some communities would not be able to afford the major upgrades required and the Government needed to help out more; that Council's LGNZ membership should be used to encourage advocacy on such matters; and that central government agencies and those with power and influence within communities who were communicating potential changes for communities and ratepayers should be aiming to instil more calm and understanding by ensuring the information that is circulated is factual and easy to digest. From a Waitaki perspective, Council had produced a series of small videos to help explain the situation before it was made compulsory, and it would do so again to help deliver the right messages to its

communities. Key aspects of those messages were that Councils will continue to own the water assets; iwi will not own any of them; but the big challenge will be that councils will have very little say in how those assets are managed, which is why Waitaki is not supportive of the Government's proposal.

RESOLVED WDC 2022/024

Moved: Cr Jeremy Holding

Seconded: Cr Colin Wollstein

That Council receives and notes the information.

CARRIED

5.2 CHIEF EXECUTIVE'S PROGRESS REPORT

The report, as circulated, was provided to bring Elected Members up to date on progress with delivery of the Key Performance Indicators (KPI) set by Council for the Chief Executive for the year ending 30 June 2022, together with other matters.

Chief Executive Alex Parmley took his report as read, highlighting the steady progress on Key Performance Indicators (KPIs) within the context of considerable 'busyness' of many government reforms and COVID. He referenced the steps that had been taken to protect Council teams and customers and yet still ensure that business as usual (BAU) continued as much as possible. Mr Parmley extended his thanks to the whole Council team for the progress that was being made in amongst the challenges of the current environment.

The Chief Executive was congratulated for his 'very good report' on the summary of work being undertaken and how it related to Council's priorities.

Key discussion points were as follows:

1. Future for Local Government (FfLG): When asked if Council could be used as an 'example' rather than 'pilot', Mr Parmley noted that the piloting approach was how it was referred to in the local government community, but he would enquire whether 'example' could be endorsed.
2. The Spatial Plan was on track to go to an Extraordinary Community, Culture and Regulatory Committee Meeting on 5 April, and from there by recommendation from that Committee to Council on 10 May for approval. Therefore, it would meet the "quarter 4" KPI milestone.
3. The Governance Review report was expected around the end of March.
4. COVID restrictions and Council's response – The Executive Leadership Team's approach was to assess the risks to staff, elected members and customers based on the evidence available whenever the Government adjusted its restrictions. Whilst some restrictions had been relaxed, the challenge for Council management was that the risk here still exists, and the COVID peak in Waitaki had not yet occurred. There was no specific date yet when Council would move to pre-COVID conditions in the workplace and in the Council Chamber for meetings, but gradual adjustments would be made as risk assessments determined they could be done safely.

When asked, Mr Parmley briefed elected members on his meeting with the Hon Andrew Little, Minister of Health, and recent discussions on the Tokarahi water scheme (Corriedale Water provided day to day management and discussions had been focused on how to meet the new standards and their aspirations).

RESOLVED WDC 2022/025

Moved: Cr Bill Kingan

Seconded: Deputy Mayor Melanie Tavendale

That Council receives and notes the information.

CARRIED

6 RECOMMENDATIONS FROM COMMITTEES REPORTS

6.1 RECOMMENDATIONS OF THE WAIHEMO COMMUNITY BOARD MEETING HELD ON 7 MARCH 2022

6.1.1 PALMERSTON SQUASH RACQUETS CLUB - FINANCIAL MATTERS AND LEASE RENEWAL

It was noted that this was a longstanding matter that had been successfully resolved, and the solution recognises the improvements that have been made to the facility by the Palmerston Squash Racquets Club.

RESOLVED WDC 2022/026

Moved: Mayor Gary Kircher

Seconded: Cr Colin Wollstein

That Council:

1. Remits \$2,634.99 in penalties charged on the Palmerston Squash Racquets Club rates account.
2. Requires the Palmerston Squash Racquets Club to pay the outstanding rates balance of \$7,529
3. Drafts a new lease based on a per member rate of \$60.00 per person per annum to cover rates and insurance.
4. Notes that the Waihemo Community Board has agreed to make a grant to the Palmerston Squash Racquets Club of \$3,700 from its discretionary fund as a contribution to the cost of the completed upgrade.

CARRIED

7 DECISION REPORTS

7.1 2022 TRIENNIAL ELECTIONS

The report, as circulated, sought Council approval for postal voting and a determination of the order in which candidate' names are to be shown on the voting documents used for the 2022 triennial elections for Waitaki District Council and the Oamaru Licensing Trust.

It was clarified that this approach was very consistent with that followed at the last local government election, and that, because reliable electronic voting methods were not yet available, they had been excluded as an option once again.

RESOLVED WDC 2022/027

Moved: Cr Jim Hopkins

Seconded: Deputy Mayor Melanie Tavendale

That Council:

1. Pursuant to Section 36 (2) of the Local Electoral Act 2001, agrees that the 2022 triennial elections are to be conducted using the postal voting method.
2. Pursuant to Clause 31(1) of the Local Electoral Act Regulations 2001, agrees that the names of the candidates at the 2022 elections are to be arranged in random order.

CARRIED

7.2 2022/23 ANNUAL PLAN COMMUNITY ENGAGEMENT

The report, as circulated, sought Council's approval of the Annual Plan 2022/23 Engagement Document and supporting information to enable community engagement on the Annual Plan 2022/23 to commence.

Finance and Corporate Development Operations Manager Richard Maher highlighted those efforts had been made by officers to identify some possible ways to make some savings to keep the rates increase down, noting that none of them were ideal but were being put forward for discussion. Otherwise, the paper was taken as read.

Comments in response highlighted the need to minimise cost increases, especially in the roading area which was a problem for all councils around the country as NZTA was not doing its part as a cost partner with councils and the equally high inflation in that sector. Health and safety costs were also highlighted as a contributor to increasing costs – for example, a \$20k project was becoming a \$30k project because of health and safety measures. Regarding the savings identified by officers, it was noted that many of these were one-off, which meant that the proposed rates increase was still high but, compared with other councils, it was better than many others.

When asked if there could be confidence around the numbers proposed, given that there were still major cost items to be resolved (eg the roading tender, which would be discussed in the public excluded session of today's meeting), the response was that it would be unlikely a delay of 10 days or so would provide any greater degree of certainty, given the reality of the current cost environment. The proposed rates increase in the report was a reasonable number to discuss with the community, and to meet the 30 June legislative deadline for adoption of the Annual Plan, there had to be a decision of Council today to go to community engagement.

The 9.5% increase in commercial rates was queried in view of its size and the greater focus on smoothing residential rates by comparison. In response, officers noted that the commercial rate had had less of an increase than residential properties the previous year, and that – in the absence of many tools to use – the focus was on looking at where the spend is, and this year it was on the movement of capital-based rates. Another elected member accepted the point raised, but suggested it was too late to rejig the formula and the better approach would be for elected members to consider how they could respond to any submissions that may be received on that matter.

The proposed approach was clarified – a move of 2% had been forecasted, and officers had settled on the suggestion of 1%, by finding a way to delay some activities/projects. The changes were outlined in the report. In response, it was also noted that there would be other ebbs and flows over the year and the challenge for the new Council after the October elections would be deal with that next year. It was the responsibility of this Council to do what it could to assist.

MOTION

Deputy Mayor Melanie Tavendale moved the report's recommendations, and Cr Bill Kingan seconded the motion.

Discussion on the motion:

Staff were commended on the work that had been done to identify savings and on the development of the engagement document.

Minor corrections to the engagement document were discussed. These included, for the bubble referencing "metalling 22,000", that it read instead "applied 22,000 cubic metres of metal on roads" but also that it would be good to know where that was in the overall process – eg how much of that has been done? Other suggestions related to includes updates on issues included on the cover; the reversal of pages 2 and 3; simplifying language on the background page; the status of work against the LTP. Grammatical changes were also put forward, as well as clarifying that a number of statements about the RMA reforms that appeared as fact were actually information that had been quoted.

The Chair acknowledged the many suggestions and also that staff may not have much time to attend to them all. He suggested that the conversation be held offline, and that elected members focus on suggested changes that would make a meaningful difference, noting that while some rewording may be helpful, not all of it would add any value.

AMENDMENT

In view of the discussion above, the Chair suggested that point 2 in the recommendation be extended, with the addition of "subject to any minor edits by delegation to the Chief Executive". The mover and seconder agreed to that amendment.

Another elected member suggestion caution that one elected member's opinion of what needed to be changed did not end up changing the whole document; that might leave staff in an uncomfortable position which would not be right. This was acknowledged and the delegation to the Chief Executive was highlighted as a means to ensure that Mr Parmley had the final say in what would be changed in response to any suggestions from elected members.

RESOLVED WDC 2022/028

Moved: Deputy Mayor Melanie Tavendale

Seconded: Cr Bill Kingan

That Council:

1. Confirms the change to the indicative rate increase for 2022/23 (Attachment 1); and
2. Approves for engagement purposes the Annual Plan 2022/23 Engagement Document (Attachment 2), subject to any minor edits by delegation to the Chief Executive; and
3. Confirms the implementation of the Engagement Plan agreed at the Additional Council Meeting on 8 March 2022; and
4. Notes that the community engagement period commences on Wednesday 13 April 2022, and ends on Wednesday 4 May 2022; and
5. Notes that supporting information will be available on the website including:
 - i) Proposed Fees and Charges 2022/23
 - ii) Annual Plan 2022-23 Projects
 - iii) Long Term Plan 2021-2031.

CARRIED

The Chair directed the meeting forward to Agenda Item 7.4.

7.4 TWO HOUR FREE CAR PARKING

The report, as circulated, sought Council's decision on whether the two-hour free parking initiative should be extended and, if so, for how long.

Regulatory Manager Andrew Bardsley spoke to the report (via Zoom).

Discussion focused on costs and how they would be covered with less revenue coming in (covered by the business rate as well as offsets to cover maintenance and the salary of the parking officer); the parallel review work being done on the parking strategy; steps in the enforcement process; and the recommendation to keep the process as simple as possible to avoid the need for complex marketing communications and to ensure a fair system for all.

RESOLVED WDC 2022/029

Moved: Deputy Mayor Melanie Tavendale

Seconded: Mayor Gary Kircher

That Council:

1. Approves the continuation of two-hour free parking for a period of up to twelve months with enforcement.
2. Approves the discount of 25% on current Parking Permit pricing and renewals.

CARRIED

The meeting was adjourned at 10.15am and reconvened at 10.30am.

7.3 COUNCIL CONTROLLED ORGANISATIONS - HALF YEAR REPORTS TO 31 DECEMBER 2021 AND DRAFT STATEMENTS OF INTENT FOR 2022-2023

The report, as circulated, provided Council with the Half Year Reports for the period ending 31 December 2021 for three of the four Council Controlled Organisations, namely (i) Tourism Waitaki Limited; (ii) Ōmārama Airfield Limited; and (iii) Whitestone Contracting Limited.

Board Chair Mr Mike McElhinney, Directors Mr Rick Ramsay and Ms Janine Tulloch, General Manager Margaret Munro, and Accountant Shevaun Thomas briefed the meeting on activities and outcomes of the year to date, as well as future opportunities and forecasts.

Key discussion points with the Tourism Waitaki Limited Board and staff included: (a) the difference before and after Central Government support had been received, as reflected in the financial documents; that MBIE had not yet indicated whether there would be another tranche of MBIE funding to support Regional Tourism Organisations (RTOs) in FY 2023, so TWL was working with two scenarios – one with that funding and one without, with the workplan still in development. Workshops and operator networks; winter and summer campaign materials and local video content; TWL's role in lobbying for inclusion of greater areas through being part of Tourism New Zealand and the Tourism Expert Council advocacy to the Minister and eligibility for the \$49M kickstart funding; the opportunity presented to engage in more online experiences and the popularity of the webcam at the Penguin Colony was Qualmark would like to see as an enhancement to that project to elevate it for consideration for a higher award; active engagement with iwi; the difficulties with the MBIE funding process; the events strategy; overhead costs; and the FY 2023 budget, the loan to cover costs until border restrictions are lifted to enable international visitors to return, and the likely continued challenge through 2023 while those circumstances work themselves through.

The Chair referred to Council's Letter of Expectations that would be sent to the Board shortly and the hope that its contents would be reflected in the final Statement of Intent that the Board would deliver at the 28 June Council Meeting. He thanked the Board and staff for their work in challenging times and for their efforts in trying to encourage as many international visitors as possible to the Waitaki.

Whitestone Contracting Limited:

Board Director Mr George Kelcher, Chief Executive Mr Paul Bisset, and Executive Manager Corporate Services Mr Tony Read briefed elected members on the activities and outcomes of the past year.

Key discussion points were (a) acknowledgments for the very good work of the three directors who departed in 2021 and for the three well-qualified people who had recently been appointed to the Board as well as new Chief Executive Paul Bisset; (b) revenue for the previous year was the lowest for five years; (c) profit in the first six months of the current year and some high-quality results achieved for clients; (d) considerable investment in equipment; (e) a drop in FTEs largely being the result of the lost Mackenzie roading contract; (f) early expectations that the company may not meet the 8% return on shareholder funds this year, with results heading toward a dividend of \$0.5M at this stage; (g) Council's preparation of a Letter of Expectations for each Council Controlled Organisation (CCO), and seeing them reflected in the final Statements of Intent at the 28 June Council Meeting; and (h) congratulations to the company teaming up with 'Mates in Construction'.

The Chair thanked the WCL representatives for attending and wished them all the best for the year ahead.

Ōmārama Airfield Limited:

Board Chair Mr Clive Geddes joined the meeting via Zoom and briefed the meeting on activities in the year to date. Key discussion points were: (a) constraints in the operating environment for gliding activity because of the absence of overseas flyers in the last six months, and the serious challenges for New Zealand pilots to be able to attend any competitions and courses held in Omarama or to take up recreational flight. Despite that less than expected level of activity, the financial position had been a bit better than forecast, due mainly to concerted efforts to contain costs. There were many German and British pilots wanting to visit in the new year once border restrictions were lifted.

Mr Geddes also highlighted the Board's plan to do a full review of areas of the airfield's land to irrigate in future, to determine the most efficient use of water, the system needed; improvements to be made to the existing well and pumping system, and the need to keep some cash reserve available for that expenditure. He also referenced the non-aviation revenue from the café operation which was helping the company to secure its financial future, by catering for dinners with 80-120 people despite the challenges of maintaining a staffing roster in the current COVID environment.

The Chair referenced the Letter of Expectations coming from Council to the Board, to help inform the final Statement of Intent to be received in June. He thanked the Chair and Board for the work that it was doing, and for managing to keep things running and to break-even during challenging times by being as hands-on as it could be. The importance of the Airport as an asset to the district was also highlighted.

Waitaki District Health Services Limited:

It was acknowledged that the WDHSL half-year report and draft Statement of Intent were not available for presentation at this time.

MOTION AMENDMENT

It was suggested, and agreed with elected members, that those documents could be received through a future Performance, Audit and Risk Committee Meeting or a future Council Meeting, depending on when it became available. The mover and seconder agreed to amend the motion to reflect this more flexible arrangement.

RESOLVED WDC 2022/030

Moved: Cr Jim Hopkins

Seconded: Cr Colin Wollstein

That Council:

1. Formally receives documents from its Council Controlled Organisations as set out below:
 - a. the Tourism Waitaki Limited Half Year Report to 31 December 2021; and
 - b. the Tourism Waitaki Limited Draft Statement of Intent for 2022 – 2023; and
 - c. the Ōmārama Airfield Limited Half Year Report to 31 December 2021; and
 - d. the Ōmārama Airfield Limited Draft Statement of Intent for 2022 – 2023; and
 - e. the Whitestone Contracting Limited Half Year Report to 31 December 2021; and
 - f. the Whitestone Contracting Limited Draft Statement of Intent for 2022 – 2023.
2. Notes that Waitaki District Health Services Limited's Half Year Report to 31 December 2021 and Draft Statement of Intent for 2022 – 2023 have been delayed and will be presented to a future Council or PAR Committee Meeting; and
3. Instructs the Executive Committee, with the Chief Executive and the Finance and Corporate Development Group Manager, to actively engage with all CCOs on their respective Letters of Expectations from Council and Audit Management Letters and associated follow up actions.

CARRIED

7.5 ENDORSEMENT OF 'HEALTHY HOMES FOR ALL – A COMMUNITY HOUSING STRATEGY'

The report, as circulated, sought Council's endorsement of the attached document, 'Healthy Homes for All – A Community Housing Strategy', as discussed in the 8 February workshop with elected members.

Community Development Manager Helen Algar QSM introduced the report.

Deputy Mayor Melanie Tavendale sought to move that Council changes the word "Endorses" to "Adopts" in the officer recommendations, to recognise the work that had been done by many groups collaboratively to come up with an agreed strategy, the large amount of data that had been collected, and the fact that it did not tie Council into anything but was stronger.

The Chair accepted the statement as a Notice of Motion, in order first to receive questions from other elected members on the report's content and recommendations.

Elected members shared views and/or concerns about specific wording in the strategy relating to definitions, certain objectives, survey statistics, and community descriptors. Some changes were suggested, including that Council should be included in the Trust because it had access to Local Government Funding Agency (LGFA) funding. In response, the Chair acknowledged the challenge of trying to rewrite something that was not Council's sole document, even if it were to

adopt it. On the LGFA issue, Group Manager Paul Hope advised that it would be challenging for Council to get involved as a funding source, given credit legislation.

Other concerns raised by elected members focused on the use of the word 'discrimination' in relation to landlords, and the need for Council to consider education as a means to encourage tenants as well as landlords to be a lot more understanding of rules and expectations about looking after houses. Another viewpoint was that discrimination did exist, and it would be important not to shy away from the issues but rather to find ways to resolve them.

The Chair recognised the Deputy Mayor's earlier Notice of Motion and invited her to move it formally at this time.

MOTION

Deputy Mayor Melanie Tavendale moved the report's recommendations with the word "Endorses" changed to "Adopts", and with the addition of words at the end, namely "subject to there not being any substantive change made when adopted by the Waitaki Housing Taskforce". Cr Hana Halalele seconded the motion.

Discussion on the motion:

Views for the motion included that adoption by Council would signal that Council recognised and supported the data that underpinned the strategy and that it was right behind the Waitaki Housing Taskforce and what it was trying to achieve. It was also emphasised that adopting the strategy showed a stronger commitment to the people in our community who were living in overcrowded homes that are not suitable, and to make some progress so that funding could be sought at central government level to address some of the issues contributing to that.

Reservations against the motion included that Council had yet to adopt a Property Strategy which might have helped to address some of the housing matters being raised in the Taskforce's strategy and in the absence of that, some favoured endorsement rather than adoption of the strategy. Other concerns included a desire to see some re-emphasising of certain priorities to address issues of equity and deprivation and being able to offer treatments in those areas that were clearly identifiable in an equal manner. The lack of Councillor involvement in development of the strategy was also raised and it was suggested that, because it was not Council's document, it was not appropriate in terms of process or protocol for Council to adopt it before the Taskforce did. The need to respect the various viewpoints around the table was also put forward as a reason that endorsement was an acceptable response at this time.

Final comments from both sides of the debate included:

- (a) Whilst some were 100% supportive of the objectives and the strategy, there were reservations about the process being followed;
- (b) The strategy will help deliver better quality, affordable homes for the community which were needed, and it involved many agencies, not just Council. This is the start of a very long journey that needed to take advantage of opportunities available now, through the Future for Local Government reform process and the funding pockets available, to start work on some definitive action to resolve the housing needs of Waitaki's communities.

The Chair put the motion to the meeting and declared it carried on a vote by voice.

Cr Jim Hopkins immediately called for a show of hands, as permitted under clause 19.4(a) and (b) of Waitaki District Council Standing Orders.

The Chair requested a show of hands and, in response, declared the motion carried.

RESOLVED WDC 2022/031

Moved: Deputy Mayor Melanie Tavendale

Seconded: Cr Hana Halalele

That Council:

- 1 Acknowledges the efforts of all involved in the production of the Community Housing Strategy;
- 2 Adopts the 'Healthy Homes for All – A Community Housing Strategy' prior to formal adoption by the Waitaki Housing Taskforce, subject to there not being any substantive change made when it is adopted by the Waitaki Housing Taskforce;
- 3 Requests an officer report be prepared that outlines options available to Council to meaningfully contribute to the achievement of the measures outlined in the strategy.

CARRIED

8 MEMORANDUM REPORTS

8.1 HEALTH AND SAFETY UPDATE

The report, as circulated, sought to update Council with information on key health and safety (H&S) risks and the measures in place to mitigate those risks at Waitaki District Council workplaces.

Health and Safety Advisor Bill Nelson gave an update on COVID-related numbers for the Waitaki district, and highlighted that people are not out in the community as much, which is helping to keep COVID numbers lower in the wider community.

Rising incidences of abuse to staff were discussed as a concern. There had been another 10 processed since the agenda report was written, which was considered "disturbing". Many incidences were happening at the Aquatic Centre. Staff were able to manage these interactions better after receiving specific training.

It was clarified that not all elected members had been at the meeting where the due diligence health and safety pack had been distributed, but that they had been delivered subsequently.

RESOLVED WDC 2022/032

Moved: Cr Jim Hopkins

Seconded: Cr Jeremy Holding

That Council receives and notes the information.

CARRIED

The Chair signalled his intention to move into Public Excluded and informed everyone watching the meeting via the livestream that it would cease immediately after the resolution to facilitate that move, under Agenda Item 9.

9 RESOLUTION TO EXCLUDE THE PUBLIC

RESOLVED WDC 2022/033

Moved: Cr Jeremy Holding

Seconded: Cr Jim Thomson

That the public be excluded from the following parts of the proceedings of this meeting.

The general subject matter 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 of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
10.1 - Kurow Duntroon Irrigation Company Funding Update PE	<p>s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information</p> <p>s7(2)(c)(i) - the withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied</p> <p>s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p>	s48(1)(a)(i) - 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 would exist under section 6 or section 7
10.2 - Road Maintenance Contract 807 - Tender Result PE	s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information	s48(1)(a)(i) - 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 would exist under section 6 or section 7

	s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	
10.3 - Public Excluded Recommendations of the Executive Committee Meeting held on 1 March 2022	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	s48(1)(a)(i) - 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 would exist under section 6 or section 7
10.4 - Public Excluded Minutes of the Additional Council Meeting held on 28 February 2022	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	s48(1)(a)(i) - 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 would exist under section 6 or section 7
10.5 – Public Excluded Minutes of the Additional Council Meeting held on 8 March 2022	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	s48(1)(a)(i) - 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 would exist under section 6 or section 7

CARRIED

The meeting was adjourned at 12.16pm and reconvened at 1.00pm.

10 PUBLIC EXCLUDED SECTION

The Public Excluded Minutes apply to this section of the meeting.

11 RESOLUTION TO RETURN TO THE PUBLIC MEETING

RESOLVED WDC 2022/040

Moved: Cr Jim Hopkins

Seconded: Deputy Mayor Melanie Tavendale

That Council resumes in open meeting and decisions made in the public excluded session are confirmed and made public as and when required and considered.

CARRIED

12 RELEASE OF PUBLIC EXCLUDED INFORMATION

In accordance with Waitaki District Council Standing Orders, and pursuant to resolutions in the public excluded session of the meeting, the following previously public excluded information that Council decided to release is included here under this agenda item in the Public Minutes of this meeting:

10.4 PUBLIC EXCLUDED MINUTES OF THE ADDITIONAL COUNCIL MEETING HELD ON 28 FEBRUARY 2022

RESOLVED WDC 2022/037

Moved: Deputy Mayor Melanie Tavendale

Seconded: Cr Jim Thomson

That Council confirms the Public Excluded Minutes of the Additional Council Meeting of 28 February 2022, with the one correction agreed at this meeting, as a true and correct record of that meeting.

CARRIED

10.5 PUBLIC EXCLUDED MINUTES OF THE ADDITIONAL COUNCIL MEETING HELD ON 8 MARCH 2022

RESOLVED WDC 2022/038

Moved: Cr Jeremy Holding

Seconded: Cr Hana Halalele

That Council confirms the Public Excluded Minutes of the Additional Council Meeting held on 8 March 2022, as circulated, as a true and correct record of that meeting.

CARRIED

13 MEETING CLOSE

There being no further business, the Chair declared the meeting closed, at 5.20pm.

TO BE CONFIRMED at the Council Meeting to be held on 28 June 2022.

.....
CHAIRPERSON

UNCONFIRMED

4.2 PUBLIC MINUTES OF THE COUNCIL MEETING HELD ON 10 MAY 2022

Author: Ainslee Hooper, Governance and Policy Advisor

Authoriser: Lisa Baillie, People and Culture Group Manager

RECOMMENDATION

That Council confirms the Public Minutes of the Council Meeting held on 10 May 2022, as circulated, as a true and correct record of that meeting.

PLACEHOLDER

These minutes will be circulated under separate cover, as part of an Agenda Addendum, in advance of the Council Meeting.

4.3 PUBLIC MINUTES OF THE COUNCIL HEARING AND DELIBERATIONS ON THE ANNUAL PLAN HELD ON 17 MAY 2022

Author: Ainslee Hooper, Governance and Policy Advisor

Authoriser: Lisa Baillie, People and Culture Group Manager

RECOMMENDATION

That Council confirms the Public Minutes of the Council Hearing and Deliberations on the Annual Plan held on 17 May 2022, as circulated, as a true and correct record of those Hearing and Deliberations.

PLACEHOLDER

These minutes will be circulated under separate cover, as part of an Agenda Addendum, in advance of the Council Meeting.

**4.4 PUBLIC MINUTES OF THE COUNCIL HEARING AND DELIBERATIONS ON THE
FORRESTER HEIGHTS CONSULTATION HELD ON 30 AND 31 MAY 2022**

Author: Ainslee Hooper, Governance and Policy Advisor

Authoriser: Lisa Baillie, People and Culture Group Manager

RECOMMENDATION

That Council confirms the Public Minutes of the Council Hearing and Deliberations on the Forrester Heights Consultation held on 30 and 31 May 2022, as circulated, as a true and correct record of those Hearing and Deliberations.

PLACEHOLDER

These minutes will be circulated under separate cover, as part of an Agenda Addendum, in advance of the Council Meeting.

4.5 PUBLIC MINUTES OF THE COUNCIL MEETING HELD ON 7 JUNE 2022

Author: Ainslee Hooper, Governance and Policy Advisor

Authoriser: Lisa Baillie, People and Culture Group Manager

Attachments: 1. Public Minutes of the Council Meeting held on 7 June 2022

RECOMMENDATION

That Council confirms the Public Minutes of the Council Meeting held on 7 June 2022, as circulated, as a true and correct record of that meeting.

UNCONFIRMED MINUTES

**OF THE ADDITIONAL COUNCIL MEETING
HELD IN THE COUNCIL CHAMBER, THIRD FLOOR,
OFFICE OF THE WAITAKI DISTRICT COUNCIL, 20 THAMES STREET, OAMARU
AND VIA ZOOM VIDEO-CONFERENCE
ON TUESDAY, 7 JUNE 2022 AT 10.30AM**

PRESENT: Mayor Gary Kircher (Chair), Deputy Mayor Melanie Tavendale (Associate Chair), Cr Hana Halalele, Cr Jeremy Holding, Cr Jim Hopkins, Cr Bill Kingan, Cr Guy Percival, Cr Jim Thomson, Cr Kelli Williams, and Cr Colin Wollstein

IN ATTENDANCE: Alex Parmley (Chief Executive)
Paul Hope (Finance and Corporate Development Group Manager and Acting Assets Group Manager)
Lisa Baillie (People and Culture Group Manager / Deputy Chief Executive)
Roger Cook (Heritage, Environment and Regulatory Group Manager) (via Zoom)
Bill Chou (Information Services Group Manager) (via Zoom)
Ainslee Hooper (Governance and Policy Advisor)

IN ATTENDANCE FOR SPECIFIC AGENDA ITEMS:

Richard Maher (Finance and Corporate Development operations Manager (for item 5.1)
Mandy McIntosh (Corporate Development Officer) (for item 5.1)
Melanie Jones (Business Attraction and Recovery Manager) (for item 5.2)

The Chair declared the meeting open at 10.30am and welcomed everyone present.

1 APOLOGIES

There were no apologies.

2 DECLARATIONS OF INTEREST

There were no declarations of interest.

3 PUBLIC FORUM

There was no Public Forum held at this Additional Council Meeting.

4 RECOMMENDATIONS FROM COMMITTEES REPORTS

4.1 RECOMMENDATIONS OF THE AHURIRI COMMUNITY BOARD MEETING HELD ON 9 MAY 2022

4.1.1 OTEMATATA PLAYGROUND EQUIPMENT

MOTION

Cr Bill Kingan moved the report's recommendations and extended his congratulations to the Otematata community on what is being done there and the leadership that was being shown on how to look after their own patch in a way that benefitted the whole district. These comments were endorsed by several elected members.

Deputy Mayor Melanie Tavendale seconded the motion and highlighted that the proposed approach (with the community group taking the lead by paying for the equipment and Council being asked to cover future costs of maintenance and depreciation) was a 'fair deal' for all.

Discussion on the motion

It was clarified that the maintenance costs would be funded from Ahuriri ward rates, and the depreciation would be covered across the whole district.

RESOLVED WDC 2022/061

Moved: Cr Bill Kingan

Seconded: Deputy Mayor Melanie Tavendale

That Council:

1. Approves the installation of play equipment by the Otematata Residents Association Incorporated in the Otematata Domain; and
2. Accepts responsibility for the maintenance and depreciation of the new play equipment.

CARRIED

5 DECISION REPORTS

5.1 KEY DIRECTIONS FOR THE 2022/23 ANNUAL PLAN

The report, as circulated, sought Council's consideration of additional information requested by Elected Members arising from the Annual Plan 2022/23 hearing of submissions and deliberations held on 17 May 2022 and to provide final direction to officers on changes to the draft Annual Plan 2022/23.

Group Manager Paul Hope advised the meeting that the consideration of feedback received as part of the consultation process had increased the pre-consultation rates increase of 7.47% to 7.53% (as shown on page 36 of the agenda), which was still 1% less than what was proposed in the 2021-2031 Long Term Plan for the FY 2022/-2023.

The new addition of land costs associated with submission #19 relating to the sealing of District Road was queried. Mr Hope advised that, when investigating this matter further at the request of elected members during the hearing, officers had found that land would need to be acquired at an additional cost to construction of the road because the legal boundaries were insufficient width for a formed road. It was acknowledged that the road was currently narrow and gravel only, and that matters were stacking up that it may not be possible to seal the road as requested. It was suggested that some elected members could meet with the submitters and neighbours to discuss the issues involved rather than simply sending out the submission response letter. This approach

was supported. It was also suggested that not enough care was being taken in addressing such matters when consents are dealt with, and a contribution by the developer at the time should have been sought to avoid all ratepayers having to contribute to fix the problem now.

It was also clarified that the sealing of Tutu Hill Road was currently sitting in the FY2023 period. In response, an elected member advised that Council had not yet made a decision on whether to proceed with that, given that the cost was now substantially more than previously. Officers advised that a decision could be made on 28 June or at the first Council meeting in the new financial year. During discussion, it was suggested that there would be minimal benefit in splitting the cost over more than one year because it will be loan-funded. There was a need to look at the total cost and discuss whether Council wanted to proceed with it with the budget available, or to vary the budget once the new year has commenced. A request was made for more information about what could be achieved with only the budget available now. Officers advised that a separate report with updated costs was being prepared.

The significant cost increases associated with roading were raised. One elected member responded that that was now the reality with reduced Waka Kotahi funding available. The community had been consulted on whether they wanted Council to put more into roading and the response had been generally in favour and that there was a preference not to let roads go backwards in terms of quality. It was agreed that the best approach was to commit to what is in the budget now, and to see what the report brought in terms of updated costs in the new financial year.

There was discussion about Ardgowan Road cycle connection which had a \$10k budget allocated to the Annual Plan year, with further funding for the construction of the track in the following year. Several elected members saw this as a priority project and wondered if it could be brought forward. It was highlighted that the Government's announcement of new budget funding for cycling had not been considered in the proposed project, but there was a need to be sure that it would be front of mind when that budget criteria is announced to ensure Council could explore those opportunities. It was also pointed out that some commitment had been made by the local community to help contribute to the project.

Mr Hope advised that Council officers applied for government funding wherever it could. To bring the project forward would almost certainly mean that it could not be delivered, as there is a very full programme of work as it is for FY 2022/2023, and it would be a reasonably complicated project. If this project were to be done earlier, it would take a considerable amount of resource so a decision would need to be made by Council about which other things it did not want to do instead. A 'design and build' element was suggested as an element to consider, to minimise the impact on Council's already stretched resourcing. Getting some pricing on that basis would be helpful.

Mr Hope's advice was acknowledged, and elected members agreed that, whether Government funding became available or not, this project was a priority. By retaining it in the budget as it is now, then it would allow for planning to take place so that the project could be ready if and when additional funding became available. **ACTION: Status quo**

Regarding the Emergency Operations Centre, it was suggested that the amounts are adjusted so that any capital cost could be modified to loan-funding, and the rates component would fund the operational costs, even if for five years. This was not supported by one elected member who thought it was premature because it had not been debated by Council and no specific question had been asked of the community about whether Council should provide funding to the Emergency Operations Centre. Another view was that it had been discussed as part of the consultation document and had also been supported in previous conversations amongst elected members.

A different viewpoint was that the current Emergency Operations Centre was not fit for purpose, and there was a need to have something purpose-built and up to IL4 standards. A business case would still need to come to Council before a commitment is made but allowing for that possibility now and loan-funding anything else was the best possible option.

A request was made to check the figures for item 2453 Hansen replacement in terms of the split of costs. **ACTION required.**

A request was made to check the costs for the Waihemo tanker filling station and also for the Omarama water filling station. **ACTON required.**

Regarding the request to have discounted camping fees for Waitaki ratepayers, officers noted that a separate agenda report would be brought to Council about charges for camping grounds and that matter could be considered at that time. The amount of reduced revenue was small enough that it could be dealt with during the year, without needing to adjust the budget now.

It was clarified that the funding for the Oamaru and Waitaki information hub and for Tourism Waitaki Limited were more than originally budgeted. Once the new economic development strategy was implemented, forward budgets would be considered, but it would be premature to take it out now, so the status quo was being proposed. This was acknowledged by other members.

MOTION

Deputy Mayor Melanie Tavendale moved the report's recommendations, and Cr Colin Wollstein seconded the motion.

Discussion on the motion

One elected members expressed some sadness that only 58 submissions had been received on the Annual Plan (compared with over 900 on the Forrester Heights consultation) and that opportunities to reduce budgets today had not been supported around the Council table.

Another elected member acknowledged that all elected members would like to see the rate increase much lower than is currently proposed, but Council was looking to achieve more things and trying to be as nimble as possible about how projects were funded. The proposed rate increase was close to the CPI inflation increase which was not a bad result given the current environment. A lot of other councils were making similar decisions under similar pressures this year. A third elected member sought to remind everyone, including members of the public, that Council had an average zero increase in rates last year, and it was well known that if you paid nothing the previous year, then there would always be a need to pay the following year. It was an important message that was communicated at the time and needed to be remembered now.

Using her right of reply, the Deputy Mayor acknowledged the comparison between the Annual Plan and Forrester Heights' numbers of submissions and said it was a feature of the current environment and Council could only consider what was in front of it. The disinterest in local government matters was across the board and the country and that was feeding into discussions about transformation and doing things differently that were also being progressed by management and officers at the moment.

RESOLVED WDC 2022/062

Moved: Deputy Mayor Melanie Tavendale

Seconded: Cr Colin Wollstein

That Council:

1. Receives further information requested at the hearing and deliberations on 17 May 2022; and
2. Agrees any final changes to the draft Annual Plan 2022/23 in advance of its adoption on 28 June 2022; and
3. Pursuant to section 95 (2A) of the Local Government Act 2002, agrees that the proposed Annual Plan does not include significant or material differences to year 2 of the 2021-31 Long Term Plan; and
4. Instructs officers to make final changes to the draft Annual Plan 2022/23 based on the resolution of recommendations 1 and 2 above; and

5. Notes that the draft Annual Plan 2022/23 will be presented to Council for adoption at the Council Meeting scheduled for 28 June 2022.

CARRIED

The Chair thanked officers for their work so far and acknowledged the work still to be done in preparing the final Annual Plan and report to go to the 28 June 2022 Council Meeting and preparing the response letters for submitters.

5.2 APPROVAL OF DRAFT ECONOMIC DEVELOPMENT STRATEGY WITH WHICH TO ENGAGE WITH STAKEHOLDERS

The report, as circulated, sought Council's adoption of the Waitaki Economic Development strategy as a draft to engage with Te Rūnaka o Moeraki, key businesses and stakeholders, with a view to finalising the strategy and agreeing a partnership approach to its implementation.

It was clarified that the Economic Development Strategy was for the district, not just for Council, and Council would engage with partners to implement the strategy.

Chief Executive Alex Parmley thanked consultants Polis and Business Attraction and Recovery Manager Mel Jones for their diligent work on the strategy and with businesses to get the strategy to where it is before Council today to be adopted as a draft for further consultation with key stakeholders.

Discussion addressed the need to have measures of success in place so that Council could monitor progress as it was made; and to agree the name of the new economic development agency with key stakeholders.

Getting an economic development agency set up for Waitaki was highlighted as a particularly positive recommendation, with tourism to be one of five areas of focus.

Another elected member felt that the strategy had not looked at how Council could internally promote economic development and how it could be reconfigured to generate more economic development revenue. Invited to respond by the Chair, Mr Parmley advised that Council would not be able to deliver the strategy on its own and there would need to be a whole of Council approach taken. That would mean reviewing how Council approached activities, and that would be for the transformation project to deliver.

This approach was echoed by other elected member views, including that the strategy was needed first, but that the goals in the strategy of sustainable and inclusive growth were also aligned to Council's existing goals and yet could be expanded during the transformation work. One view was that Council needed to be clearer about wanting to spend less on tourism so that it could spend more on economic development more broadly, with tourism recognised as only one component of that and the transformation project helping to provide the framework for a whole of Council approach to working with others to achieve the broader objectives for the entire district.

MOTION

Cr Jim Hopkins moved the report's recommendations and Mayor Gary Kircher seconded the motion.

Discussion on the motion

The ambitious nature of the strategy was emphasised, especially given that it was including a range of industry sectors in addition to tourism as drivers of economic development across the district. The data analysis had been valuable in documenting other important drivers as well.

Several elected members spoke about the critical need for measures to enable progress against the strategy to be monitored and for engagement with businesses and stakeholders.

RESOLVED WDC 2022/063

Moved: Cr Jim Hopkins
Seconded: Mayor Gary Kircher

That Council adopts the Waitaki Economic Development strategy as a draft with which to engage with key businesses and stakeholders.

CARRIED

5.3 TRANSFORMATION PROGRAMME – BUDGET ALLOCATIONS

The report, as circulated, sought Council's formal agreement to initiate a Transformation Programme, to commence development of a business case, and to agree the approach to funding the Transformation Programme for a two-year period.

Chief Executive Alex Parmley acknowledged the desire around the Council table and amongst management and staff to change the way work is done to deliver better outcomes for the Waitaki community. He then briefed the meeting on the transformation programme approach. Key points included that, rather than seeking to change gradually, the transformation programme takes the initiative and will design what change will look like as part of the Future for Local Government process. The approach would be specific to this Council because the people and district we serve are different to what is present elsewhere. Whilst the total cost of the transformation is not yet known, some initial funding is being sought in this report to get the process underway, with the biggest issue being the business case development. Council already has a big plan of work with what has been approved in the Long Term Plan and Annual Plan, and this work would be on top of that. Therefore, extra capacity and expertise would be needed – to assist the transformation, not to 'do it to us', as the intention was to grow the skills of existing staff wherever possible.

The Chair reminded elected members why they had chosen Mr Parmley to be the Chief Executive – to support Council's work on the FfLG reform and what it might mean for Waitaki; and secondly, to transform Council so it could do a better job overall for residents. The transformation programme was contributing to the second point, and as Chair of Council, he was fully in favour of what is being proposed. The need to get away from silo thinking was important. He had a question about where elected members, as representatives of Waitaki residents, fitted in. Mr Parmley advised that management wanted to ensure elected members were aware of where the transformation programme was heading, and they would be kept informed of progress. It was also acknowledged that Council would be wanting to hold management to account for delivery as the programme progressed.

Several elected members expressed their support for what was being proposed. In response to questions, the following matters were clarified.

Approving the initial funding of \$0.5M was queried, as perhaps being 'the cart before the horse' given that the business case had not yet been developed. Mr Parmley advised that, in order to develop the business case, a lot of investigative work needed to be done to define what would work and what would not, and a small team and some external expertise would be required to complete that. The initial funding would cover the costs of both the business case and the people involved.

It was clarified that the transformation would be done in phases, with specific groups of departments or functions at different times. A plan of the order for that, and the timing had yet to be developed. However, it would be too big of a risk to switch the whole Council across at once.

Asked about how elected members could assess the cost benefit of a project like this, Mr Parmley encouraged elected members to think of this initiative in terms of investment, rather than cost. Similar programmes could take 2-3 years. Group Manager Lisa Baillie added that previous reviews and changes at Council had been departmental only and that had encouraged the siloed

approach. By designing the change across the whole of Council, the aim was to remove the silo barriers.

Regarding recommendation 3(a)'s proposed first call for funding being from surplus salaries, concern was raised that projects with funding already approved would not be abandoned if they had not yet commenced. It was clarified that projects would be looked at on a case-by-case basis by officers and Council. It was suggested by an elected member that Council would need to be involved in those decisions, to ensure they felt it was appropriate for projects to be carried forward, or loan-funded, or funded through amenity rates. In light of this view, it was proposed that the wording in recommendation 3(a) be changed from "as appropriate" to "as agreed". This was supported by several elected members. Another suggestion to add to point 1 with the words "and the return on rates" was not supported by the meeting.

Another elected member reminded the meeting that there was challenge also for elected members in this initiative, because it would require a change in their mindset as well – for example, to look at things as an investment, rather than cost; and to allow officers to be proactive, rather than reactive, and inspirational in their thinking about different ways of delivering outcomes; and for the governance group to 'get with the programme'.

MOTION

The Chair said he would move the report's recommendations with the addition to 3(a) of "as agreed". Deputy Mayor Melanie Tavendale seconded the motion.

Discussion on the motion:

Views in favour of the motion noted that investment was required to get the return on rates. It was good to see funding for this initiative was being repurposed and it was not new money.

Another view was that they were 'heartened' to hear how management and staff were keen to be involved in this transformation and the opportunities that presented for Council as a whole to achieve a lot more. There was no doubt that councils would look very different in 5-10 years' time, given the reforms occurring across the sector, and Waitaki was leading the change by taking this proactive step to complete the transformation in a way that suited its objectives, people, and community. Other elected members were encouraged to 'be brave' and 'give staff room to grow and look at what this could be and be open-minded enough to let it happen'.

The Chair endorsed all of the views put forward by elected members, and thanked management and staff for stepping up to say that the transformation was needed. He acknowledged that not everyone was comfortable with change, but if the processes could be changed by design and in the way envisaged, it was hoped that any frustration could be removed. On behalf of Council, the Chair wished management and staff all the best with the initiative.

RESOLVED WDC 2022/064

Moved: Mayor Gary Kircher

Seconded: Deputy Mayor Melanie Tavendale

That Council:

1. Agrees to initiate a Transformation Programme to modernise the Council and its services, improve efficiency, customer service and delivery of community outcomes.
2. Instructs the Chief Executive to develop a business case, setting out the overall ambitions of the Transformation Programme, the outcomes to be achieved, the benefits to the organisation and the people we serve, the investment needed to get there and the return on the investment.
3. Agrees to reallocate existing funding to the Transformation Programme through a combination of sources to form a source of funds necessary to commence the programme, with an initial funding of \$500,000, with sources of funding as follows:
 1. 'First call' to repurpose unspent funds (carry forwards) as agreed;
 2. Targeted funds (amalgamating existing projects that relate to the Transformation Programme);
 3. Identifying planned projects needed to deliver the Transformation Programme within the next Annual Plan, and the upcoming Long Term Plan as appropriate; and
1. Commits in principle to the use of the 'no worse off' financial support package, towards the Transformation Programme, should the funds become available for Council.

CARRIED

5.4 CHIEF EXECUTIVE AUTHORITY TO ACT

The report, as circulated, sought to clarify the authority of the Chief Executive to act on urgent matters that would normally require a decision from Council or another grouping of elected members but there is insufficient time for a meeting to be called.

Cr Jim Hopkins said he would move the report's recommendations with two amendments – (i) to replace, in 1(a), the words "obtain for" with "obtain consent from", which was agreed; and (ii) to add to the end of 1(b) "or other specified groups of elected members".

The Chair shared his hesitancy about the scope of the recommendations, not in relation to trust but rather in terms of Council's sovereignty. In the absence of specific examples of why and how this authority might be used, he could not think of any (except for the Kurow Duntroon Irrigation Company matter currently facing Council). He suggested that the "Mayor and all Councillors" should be the level of consultation first, then the Mayor and then the Deputy Mayor, which would be able to cover concerns raised by Cr Hopkins. Cr Hopkins agreed and said he would be happy to second an amended motion if the Chair wanted to move it.

AMENDED MOTION

The Chair agreed to amend the motion to show himself as mover and Cr Hopkins as seconder, given that it had been proposed by the original mover.

Discussion on the amended motion:

Under point 3, it was suggested, and agreed by the Chair, that the word "Delegation" needs to be changed to "decision".

When asked who had provided the advice referenced in the report, Group Manager Paul Hope advised that Anderson Lloyd had been engaged to draft the scope of the resolution.

RESOLVED WDC 2022/065

Moved: Mayor Gary Kircher

Seconded: Cr Jim Hopkins

That Council:

1. Delegates to the Chief Executive all responsibilities, duties and powers of Council, all Council committees, or subcommittees (except any decisions that cannot be delegated by law and except the responsibilities, duties and powers of the Executive Committee, District Licensing Committee, and the Hearing Committee), provided that such delegation may only be exercised if:
 - (a) the Chief Executive determines:
 - (i) that an urgent decision to enable the proper performance of Council function is required by the Council, committee, or subcommittee; and
 - (ii) that, in the circumstances, it is not possible, or it is impractical to convene a meeting or to obtain consent from the Council, committee or subcommittee (as relevant), due to the urgent nature of the decision.
 - (b) the Chief Executive makes a decision under the circumstances described in paragraph (a) above after consulting with the Mayor and all Councillors, or if that cannot happen, then consulting with the Mayor, or if the Mayor is unavailable in the time required, then the Deputy Mayor;
2. Agrees that any decision made under the delegation set out in paragraph 1 (**Delegation**) will be binding on the Council.
3. Agrees that the decision will be notified to all Councillors, and the public where it can be under the Local Government Official Information and Meetings Act 1987, as soon as possible and be reported at the earliest possible time to a full Council meeting.
4. Notes that the Delegation is intended to be used as a contingency and is made in order to ensure that Council can continue to undertake its proper functions under urgent or time-critical situations.
5. Confirms that existing Chief Executive and officer delegations that are currently in place, and delegations that cannot be delegated by law, are unaffected by this resolution and will remain with the Chief Executive, officers, or Council as applicable.

CARRIED

5.5 RATIFICATION OF COUNCIL SUBMISSION TO THE MINISTRY FOR THE ENVIRONMENT ON TRANSFORMING RECYCLING

The report, as circulated, sought Council's formal ratification of its submission on the Transforming Recycling Consultation, as submitted to the Ministry for the Environment on 8 May 2022 and included as Attachment 1.

In response to a suggestion that this report lie on the table, it was noted that the submission had already gone to the Ministry and that there would be plenty of opportunity to provide further feedback at a later date.

RESOLVED WDC 2022/066

Moved: Mayor Gary Kircher
Seconded: Deputy Mayor Melanie Tavendale

That Council formally ratifies Waitaki District Council's submission on the Transforming Recycling Consultation.

CARRIED

6 RESOLUTION TO EXCLUDE THE PUBLIC

RESOLVED WDC 2022/067

Moved: Cr Jim Thomson
Seconded: Cr Kelli Williams

That the public be excluded from the following parts of the proceedings of this meeting.

The general subject matter 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 of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
7.1 - Roading Maintenance Contract Procurement PE	s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities	s48(1)(a)(i) - 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 would exist under section 6 or section 7

CARRIED

The meeting was adjourned at 12.21pm and reconvened at 12.52pm in Public Excluded.

7 PUBLIC EXCLUDED SECTION

The Public Excluded Minutes apply to this section of the meeting.

8 RESOLUTION TO RETURN TO THE PUBLIC MEETING

RESOLVED WDC 2022/070

Moved: Deputy Mayor Melanie Tavendale

Seconded: Cr Jeremy Holding

That Council resumes in open meeting and decisions made in the public excluded session are confirmed and made public as and when required and considered.

CARRIED

9 RELEASE OF PUBLIC EXCLUDED INFORMATION

In accordance with Waitaki District Council Standing Orders, and pursuant to resolutions in the public excluded session of the meeting, no information was selected by Council for release under this agenda item in the Public Minutes of this meeting.

10 MEETING CLOSE

There being no further business, the Chair declared the meeting closed, at 1.12pm.

TO BE CONFIRMED at the Council Meeting to be held on Tuesday, 28 June 2022.

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CHAIRPERSON

5 LEADERSHIP REPORTS

5.1 MAYOR'S REPORT - 28 JUNE 2022

Author: Gary Kircher, Mayor for Waitaki

Attachments: 1. Mayor's Report for 28 June 2022 Council Meeting

RECOMMENDATIONS

That Council:

1. Receives and notes the information; and
2. Adopts the Climate Change Declaration as appended to this Mayor's Report of 28 June 2022 (Appendix 1); and
3. Agrees to contribute \$2,000 to the legal costs of Wairoa District Council for the defense of their decision to rate forestry land to help fund community wellbeing initiatives.

PURPOSE

The Mayor's Report to this 28 June 2022 Council Meeting is attached.

MAYOR'S REPORT – 28 June 2022 COUNCIL MEETING

This report is an opportunity for Councillors and the wider community to be informed on a range of issues and happenings in Waitaki and beyond. It is an update since my last report which went to the full Council Meeting on 10 May 2022.

The Future of the Land Known as Forrester Heights

Today, we will be asked to make a decision on the future of approximately 2.5 hectares of land on Cape Wanbrow. Although it is a relatively moderate decision amongst the many decisions we make, it is an issue which has captured and polarised people. Whilst some people would say that that is a reason to not address the issue, I believe it is the reason why we must address it. It has continued to divide, and even cause some anxiety in, our community, so while a decision today will not be the end of the matter, at least people will know which path the Council will proceed on.

The process we have run is a robust one, with as much information provided as possible, and plenty of opportunity for people to give us their thoughts. With over 900 submissions, it was a very good response. However, there are those who believe we should make the decision solely on the basis of those decisions, but we know that we are here to make decisions on behalf of the whole community. If the process we ran was a referendum, a 4% turnout would be very poor indeed.

One of the highlights was the participation of students from Oamaru Intermediate School. The approximately 70 submissions which came from them, and having 18 of them speak to their submissions, really helped to see what our young people thought of the issue. A number of adults had commented in their own submissions that we should think of the future generations, so it was particularly relevant to hear from that next generation!

In recognition of their very good submissions, I attended a special assembly at the school on 15 June. The students had put a lot of thought, time and effort into their submissions, and it was absolutely fantastic to acknowledge the work of so many of our young people!

As a thank you from us, I presented each of the participating students with one of our "We Love This Place – WAITAKI" posters and a choccy fish. Perhaps we should not be too surprised if we have several hundred submissions from the school on our next engagement process!

At the assembly, the pupils got to watch the recording of two of their 18 peers who spoke to their submissions – Will and Eunice. I thought it would be good to acknowledge their leadership skills by getting them both to try on the Mayoral chains! Both have promised to let me run for another term before they decide whether to put their names into the hat! If the pupils of OIS are anything to go by, we definitely have a bright future ahead of us.

I also passed on our gratitude to Mr Martin and his fellow teachers who organised their students to make their submissions. We regularly hear about the need for civics to be included in our education curriculum and this is exactly what is happening at Oamaru Intermediate School!

**Cr Jim Thomson tests
out the seat on the
Forrester Heights land**



Meeting with The Taxpayers' Union, Groundswell and community

When there is going to be a meeting on an issue as contentious as the reform of three waters, and when that meeting has been organised by groups with very strong views opposing the issue, the potential for things to go pear-shaped is high.

However, it was a meeting attended by around 100 people, including many we know and who have genuine concerns about the proposed changes. I was also pleased to see Cr Kingan and Cr Hopkins in attendance, and I thank them for being there. There is a significant amount of misunderstanding and misinformation on the reform, so it was a chance to put some balance into the discussion.

My comments to the gathered crowd centred on our opposition to the reform and why we were opposed – primarily that the figures being used to base the government's case on just did not make sense, and that the one-size-fits-all solution proposed by the government did not work for us with its loss of community voice.

But I also explained our need for a change from the status quo – in particular, the affordability challenge faced by small communities with high upgrade costs. Although we stridently dispute the \$1.5 billion price tag that the government has attached to our work programme required to get everything up to the expected standards, we still acknowledge that the cost is somewhere in the vicinity of \$500 million. Even that amount would require a huge hike in rates, especially if a number of the rural schemes are removed from the reforms via the proposed recommendations from the Rural Schemes Technical Working Group. It would see an average debt of approximately \$50,000 per residential or business property, a level of debt that our community cannot afford.

The Taxpayers' Union has been good at stirring up people with the statement that, if the water entities took over our water activity and those costs were then removed from our rates requirement, that there is no guarantee that Councils will reduce rates. To me, that is absolute nonsense, and I gave the commitment that the amount that we charge for water rates would come off our rates invoices. There are a number of implications around shared overheads which might mean it is not exactly that amount, but I see no reason why the great proportion of those charges would not be deducted. As I pointed out to that meeting, these are our people and affordability is an issue. We know that, even though we are not charging for delivering water services, the proposed entity will be and that must be taken into account.

I was pleased with the way our local community responded at that meeting, reinforcing that we are all in this situation together, and that we, as our community's representatives, want the best possible outcome for Waitaki.

Addressing the crowd at the Stop Three Waters meeting



Climate Change Declaration

In 2015, LGNZ developed a Leaders' Climate Change Declaration which sets out principles and commitments that Council could agree to, which would help deal to the issues of climate change. At that time, I considered it to be as effective as the numerous global climate change summits that were held around the world, and that was very little. Waitaki did not sign that declaration for that reason. In the interim, I have modified that declaration to make it much more relevant to Waitaki and the challenges we are facing.

The Draft Waitaki District Climate Change Declaration is appended to this report for your consideration.

One of the most significant differences this one has compared to the 2015 LGNZ declaration is that it more clearly sheets home to each district and city, the actual emissions and carbon offsets. Unless we have a system that recognises the actual nett emissions of each area, there will be some regions that do little to decrease actual emissions and/or put in place mechanisms to sequester carbon. It is fundamentally inequitable for any area to have high emissions and low sequestration, instead relying on other areas of New Zealand to carry that load for them.

This is particularly so if the solutions impact the economic viability of low-nett emission areas, or if the costs of adaptation to climate change are not shared proportionately to those nett emissions. Accordingly, our declaration asks that nett emissions are measured for each local authority area in New Zealand so that solutions can be better targeted within each area.

Another significant difference is the strengthened commitment to take action and to plan more thoroughly for the impact of climate change. I was critical of the original declaration because it was implying commitments to actions which were actually not feasible for our district, or which were actually commitments that our community could not hold us accountable for. Our declaration is clearer about our commitment, and the measures are more tangible.

RECOMMENDATION

That Council adopts the Climate Change Declaration as appended to this Mayor's Report, dated 28 June 2022 (refer to Appendix 1).

The Sports and Events Centre Update

The latest progress on this major project has seen the project group agree to engage with a number of large contractors which can deliver a quality facility for an agreed price. The construction industry is currently working in a very challenging environment, with all too many building firms featuring amongst the failed company statistics. How many tenderers we get for our project depends on a range of factors, but with local input carrying a premium, it is expected that our own construction industry will benefit from the work.

We still have some way to go on the fundraising, and our offers to assist the Events Centre Trust continue to be made. They have just presented to the Otago Community Trust CEO and staff, so we have our fingers crossed for a substantial grant from that organisation in due course. I believe we will know that result within a few months. Another potential funder is the Lotteries Commission, although they are struggling to give the very large donations that communities have benefited from in the past. So, it is not in the bag yet but a lot of work is going on to make sure we do, in fact, have a viable project.

My gratitude goes to all the generous donors who have committed funding to the project so far.

The Future for Local Government reform

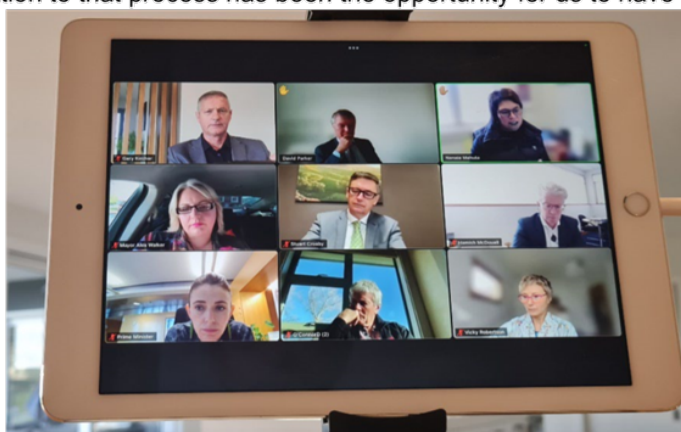
With Waitaki's response to the FfLG panel almost finalised, we continue to be used as an exemplar of a Council already heavily involved in the community wellbeing space. Recently, LGNZ commissioned a series of videos of the work that a number of Councils were doing in this space, and they chose Waitaki and our involvement in the health sector as one of those examples.

Although it did not tell the full story of our involvement in the Observatory Retirement Village and other health-related initiatives we have been involved in, it did go into the reasons we got into the hospital 'business' and what that means for the wellbeing of the people of Waitaki.

Central Government/Local Government Forum

Although Covid has continued to be disruptive with life, the LGNZ National Council did get to meet with the government's cabinet in early April to discuss a range of issues, albeit via Zoom. And a more recent addition to that process has been the opportunity for us to have a specific Rural & Provincial (R&P) sector meeting with the Prime Minister and some of her Ministers. Several weeks ago, the Chair of the Rural Sector and I, as Chair of the Provincial Sector, got to discuss some issues that were particularly relevant to our member councils.

The opportunity to share our thoughts with the Government



Mayor Alex Walker spoke first on the Three Waters Reform, emphasising the range of views, the challenges of retaining staff in our water departments, and the wish to see the recommendations adopted from the representation working group and the rural schemes technical working group. The 74 recommendations will improve the government's model, and the recommendations for the rural schemes are particularly important to district like ours – ones with schemes where the bulk of the water supplied is going to stock. If those schemes are able to be transferred back to their consumer communities, then that will take away some of the more controversial aspects of the reforms. We await the decision of the government on whether they will accept those recommendations.

I spoke on the Future for Local Government, emphasising the importance of this reform to our rural and provincial councils where services are less likely to be delivered and where the government service gaps are likely to be much larger than in metro councils' areas.

One of the issues I raised was the Mayors' Taskforce for Jobs youth employment initiative. We suspected that the Prime Minister, who had previously expressed her enthusiastic support for the programme, may not have been made aware of MSD's proposed reduction in funding to the approximately 30 participating councils. The current year's funding of \$14m is being cut to just \$8m – a significant drop which means the very successful programme has to be reduced, the opposite of what should happen when excellent results are being achieved.

I was able to call on my previous experience as a Work Broker for Work and Income, endeavouring to get our young people into work despite the range of barriers which many of

them had, or perceived themselves to have. Placing them into a job without ongoing support via a pastoral care wrap-around service was almost guaranteed to fail, as opposed to the many, but consistently successful, services put together by the participating councils.

It is very clear to us that the MTFJ programme is an excellent exemplar of how central government can devolve services to local government. The model is simple: give us the funding, agree with us the desired outcome, do not prescribe how we have to carry out the task, and watch the successes happen! As I told the Prime Minister, the reduction in budget sends our sector a very poor message. The cut portrays the government as being fickle and the uncertain funding is exactly what we do not want. Instead, the Future for Local Government requires certainty of funding over the long term, certainty of outcomes, and other than possibly a requirement to work with the broader local governance and local mana whenua, no other limits on how we decide to achieve those outcomes.

I was very pleased to hear later that, following the meeting, the PM got on the phone to her Minister and to the CEO of MSD asking questions about the situation.

As a follow-up to that discussion, I was able to ask Minister Mahuta at last week's R&P meeting, whether there had been any outcome from the CG/LG Forum. It was important to get a timely response from the government on the matter, as all Councils are currently in the process of confirming their budgets, and a number of them needed to know whether they were laying off the people who had been looking after those young people. The Minister is following up on that question.

I would like to think that examples like this show the real value of LGNZ and the need to continue working with the government of the day, whatever political parties that might be. We have the opportunity to work with them to make gains for our community, and to stand up to them when we think they are wrong. As it goes for most things in life, success relies on good relationships, and it is better to keep talking than to put up a wall.

Rural & Provincial (R&P) Forum

On 16 and 17 June, we were able to gather the 50 or so rural and provincial councils together in Wellington for the first time in the last twelve months. There was a real air of excitement from everybody that we could be in the same room. Given the tensions around the three waters reforms and a feeling of division that has occurred over the last year, it was a chance to join together and talk through issues, rediscover that there are actually many, many issues which we have in common, and to reset a few relationships as well.

As Chair of the Provincial Councils, and along with the Chair of the Rural Councils, we had worked on creating an agenda which would be as interesting and topical as possible, and the feedback was very positive.

I will touch on a few of the speakers and topics, as Deputy Mayor Tavendale and Cr Halalele were both at the forum and are also sharing their thoughts within this report.

Report Forestry, Community Wellbeing, and a Rates Review – in court, presented by Matthew Lawson, Director of Lawson Robinson

This presentation was interesting because of the similarities in what our Council has done to introduce a differential for forestry to help us with paying for the impact on our roading during harvesting. However, Wairoa District Council (Wairoa DC) went further, determining that forestry, in particular carbon forestry, created significant issues in rural communities, and that they should contribute to the costs of the broader community impacts.

The Council's proposal was to create a forestry differential in the general rate, based on capital value. The Council moved 10% of the water, wastewater, stormwater, and waste management expenses to come from the general rate, as well as 50% of the UAC charges.

Their proposal was not received very well by the forestry industry, which threatened a judicial review of their decision.

The forestry sector claimed that they were singled out unnecessarily, but there was a full rating review carried out. Decisions from that process flowed through to the Council's Revenue and Financing Policy, then their Annual Plan and Long-Term Plan, so the forestry sector had plenty of consultative opportunities before the decisions were locked in.

Some of the finer details of the review include the Wairoa DC proposing five rate differentials. Forestry had a proposed differential of 4x the residential differential. As a result of submissions from the community, this was ultimately increased to 4.8x.

Unlike our experience, though, the NZ Forest Owners' Association took the Wairoa DC to court, seeking a judicial review. They argued that the rating was unfair, that they were doing good work towards climate change, and that the Council was outside their mandate. The application was unsuccessful on all grounds. However, NZFOA have now appealed the decision to the Court of Appeal.

There are ramifications for forestry around the country, but there has been a proper application of rating tools, making it difficult to see how the sector could overturn the court's decision. Wairoa DC still has a fight on its hands, and this is one that Councils like ours needs them to win. At our R&P meeting, a suggestion came from the floor that, if enough Councils contributed to Wairoa's defense of their position, we would all benefit. Accordingly, I am putting it to our Councillors that we should support this David vs Goliath battle and provide some financial support to Wairoa and its population of less than 9,000 people.

RECOMMENDATION

That Council agrees to contribute \$2,000 to the legal costs of Wairoa District Council for the defense of their decision to rate forestry land to help fund community wellbeing initiatives.



The David vs Goliath Legal Battle

As a result of the discussions over the day and a half of presentations and engagement, we asked LGNZ to work with us as co-chairs, to produce an op-ed which could go to media for their potential publication. The following is the result of that work:

Op-ed By Alex Walker and Gary Kircher – LGNZ's Rural and Provincial Councils' chairs

Rural and provincial councils call on Government to better align reforms

"Slow down on the reforms and get out of your silos," is the clear message to the Government from the rural and provincial councils of New Zealand.

It comes after all 50 R&P councils' Mayors, Chairs, CEs and some of their councillors met for the first time this year during a two-day forum run by Local Government NZ (LGNZ) in Wellington late last week. The forum heard from politicians from both sides of the House who all acknowledged the current pressures on the sector.

Mayor Alex Walker and Mayor Gary Kircher are the Chairs of LGNZ's Rural and Provincial Councils. They say on any given day, councils are dealing with roading, parks and reserves and the 30 - 40 other services communities expect their councils to deliver, before adding the reforms to the mix.

"The Three Waters reform and Resource Management reform will completely change the roles and responsibilities of local authorities," says Mayor Walker.

"Councils are not opposed to change, and we all agree that the status quo is unsustainable, but we can't have everything happen at once.

"On top of those two reforms, we have a new health system with locality functions being implemented, the significant climate change work including the National Adaptation Plan and Emissions Reduction Plan, a new Waste Minimisation Strategy and the proposed reform of emergency management.

"Most importantly, the Future for Local Government (FfLG) Review is also underway, which is an important piece of work and in an ideal world would have been done before anything else.

"During our forum we heard from the sector and a number of speakers that skilled staff from councils are being poached into Government departments.

"This leaves a massive skills gap right across the local government sector.

"Everyone agrees that we need a strong, cohesive local government that ultimately empowers communities and local decision making. The reforms are a once-in-a-generation opportunity to get it right; let's not rush it for the sake of politics," Mayor Walker said.

"Councils cannot meaningfully contribute to reforms of this scale with those kinds of workforce challenges, particularly during a year when local body elections are taking place and new members are being inducted into their roles – many of whom will have little or no prior knowledge of these reforms," says Mayor Kircher.

"We are working in a pressure cooker environment, but this pressure will be exacerbated by the need to make meaningful contributions to the Water Services Bill, the Natural & Built Environments Bill and the Spatial Planning Bill, while making sure that the core services are still being delivered to our communities.

"In rural and provincial New Zealand, councils are showing leadership by implementing innovative, community-led initiatives across a spectrum of issues such as employment, health and housing.

"The initiatives show creativity and take into account the unique nature of different rural communities. We must use the reforms as an opportunity to build on these successes.

"We strongly urge the Government to listen to our concerns. We want the Government to work with the sector to better coordinate the timeframes and align all the reforms that impact the sector," Mayor Kircher said.

LGNZ President, Stuart Crosby added that the challenges we are confronted with have built up over several decades and we shouldn't look to fix it all in a handful of years.

"This approach will not do the reforms justice. It will not do our communities justice. It certainly will not help the workforce challenges councils are all facing," he said.

"The challenges for our rural, provincial and metro councils vary in type and scale, but everyone agrees that the pace of change needs to slow down.

"Let's take a phased approach and find solutions to get more people with skills on the ground – which means growing our own to future-proof our sector and plugging the immediate skills gap.

"It's about engaging with the people who will have to put the reforms into action, so we can all better serve our mutual communities," Stuart Crosby said.

Report from Deputy Mayor Tavendale on the LGNZ Rural & Provincial Meeting, Wellington

The Minister of Local Government, the Hon Nanaia Mahuta, gave updates on the 3 Waters and Future for Local Government reforms, as well as a question and answer session.

Update on 3 waters reform

The government has accepted most of the recommendations from the representation working group.

The Water Services Entity Bill that has been introduced to the House will establish the new water entities, including ongoing provisions for public ownerships and transitional arrangements. Later this year further legislation will be introduced to outline how the changeover will happen.

The government's goal is to have legislation to reflect international best practice. Submissions for the first bill close on Friday 22 July, and the Minister encourages Councils to make a submission.

The Rural Supplies and the Planning Interface Technical Workshop Groups were established in response to feedback on rural supplies. The Minister believes the recommendations of their report will ensure reforms have a positive impact on rural communities. To be clear, it is only council-owned rural water schemes that will be transferred to new water entity.

The Minister stressed that this is not about taking control of assets. They are working to establish local transition teams in each region, and encourage all councils to get engaged in this work to ensure a shaped, local feel to each water provision.

An expert, well serviced workforce is critical to the transition. For this to be successful, New Zealand will need to maintain and grow the talent of water professionals. These reforms could create another 9,000 jobs. The scale of the four new entities makes upskilling and moving up the ladder possible for our people. The Minister finished this update by saying that rural communities will benefit the most, counter to most of the concerns she hears.

Update on Future for Local Government

The Minister acknowledges that the local government sector is under a lot of pressure due to the reform agenda, with resource management, climate change, health, three waters and future for local government making up just some of the work programmes. It is critical that local government can engage meaningfully. The independent review into the Future for Local Government is taking a holistic view. The final report is to be released in 2023. The minister recognises that the short-term pressures around these reforms will be more pronounced for smaller councils, but impacts of the reforms will be important, and this is an opportunity for the system to evolve. The government need to know what support will be needed to respond to these transitions.

The Minister also announced that she now has an associate minister in the local government portfolio – Kieran McNulty. His responsibilities within that role are yet to be agreed.

Q&A:

A selection of questions from the floor and the Minister's responses.

Q: Harmonisation of funding – will it be there? What guarantees can you offer?

A: We have got to learn from electricity reforms. Consideration around pricing to come. This will be the role of the regulator. I can assure you that the impact on ratepayers is a significant issue that ministers are aware of. We will proof test of the benefits to small communities. All of this will be a part of policy consideration.

Q: Local government collects approximately 6% of taxation – is central government willing to divest funding and responsibility? For example, do you think local government has a role in housing?

A: We have had to undertake partnerships with local government in housing. Funding is at the core of the work we are doing for FFLG. The review panel made aware of the Productivity Commission report on LG Funding and Financing, and have been asked to refer back to it. You've all heard me say that, in the future space for LG, there is an invisible line between central and local government. I believe the review panel is starting to find what the new opportunities are. I'm looking forward to the panel's ideas, new revenue streams, and who is best at delivering which services. The point been made quite convincingly with ministerial colleagues around this. This can be delivered on, but we need a few more proof points on how we can do it differently. Certain Councils have offered up a solution. We need to be in the optimum space of working together.

Q: How will the government respond to workforce shortages, in water, health, building etc?

A: The 9,000 increase in staff for water services delivery is over 30 years. We could respond as construction industry did by relying on immigration, but we want to be more strategic and grow our workforce capability. What we are currently doing is relying on overseas engineers. I think we can grow that talent, with a horizon of about 15 years.

I spoke to Melbourne Water about their challenges, particularly in rural areas. They utilised subcontracting, they re-skilled core parts of our existing workforce, and introduced micro-credentials. Water NZ are taking a more active role in addressing this challenge.

Q: How are we going to make this water cheaper when we have to employ so many to deliver it? Central government can afford to pay staff much more than us. Is the government going to support us with staffing to keep running our councils?

A: The pressures amongst councils are the same in central government. We have poached out of necessity. Local transition teams will offer greater stability for existing staff in the sector. Four entities operating at scale offer procurement advantages. For pricing, modelling shows it's not a simple 'one thing will lead to that'. We will ensure ratepayers have the ability to have a say in how the water services are delivered, and that the water services are accountable. We can build that in, including more transparency.

Q: Acknowledging the critical nature of the workforce, is the scale and pace of change appropriate? Is it achievable, manageable, and will we have people at the end of it?

A: Yes, we will have people at the end of it. I hear the people impacts. We need certainty of those in the workforce, forecasting, how do we grow that talent?

Q: Thank you for your apology for your public information campaign. What part are we going to play in proof of concept? We have very divided communities, and a lack of faith in central and local government.

A: We will work with local government; we need to make sure people get the facts. There is a lot of emotion in this issue, and the emotion is very destructive. Will keep working with LGNZ as your representative body. A number of councils have entered their own campaigns, we just have to work with that.

Q: What plans do you have for mana enhancement of councils in your reform programme?

A: One thing I have learnt is to never jump into the middle of a fight that is brewing. This is not the norm; government usually would have told local government what is happening. We have worked together, and I have tried to work together in good faith. Mana enhancement goes both ways. Even if we don't agree, the communication channels need to stay open. When we go down rabbit holes, we have lost focus on why we are here, it is for our communities. Higher conversation, mutual benefits, higher objectives. This is the reason I wanted to be a minister; I know the impact your decisions make on your communities.

Q: Mayors' Taskforce for Jobs is a good model for what Future for Local Government could look like, but the \$14 million budget has been cut to \$8 million; how does that correlate?

A: This has been raised with the Prime Minister, and we needed to do more work in this area. Are we linking into MTFJ? The Minister for Social Development wasn't on that call, but she has been asked to get back to you on that. I understand the urgency of the response.

Closing statement, Memorandum of Understanding with Councils is something we could look into, but we haven't done that before. We could do it better. My reflection is that we need an agreed set of shared priorities, not just a shopping list. A MoU could be the first step, then we can learn from it and get to another place.

Cr Melanie Tavendale

Report from Cr Hana Halalele on the LGNZ Rural & Provincial Meeting, Wellington

I was fortunate to attend my first Rural & Provincial meeting in Wellington last week with Mayor Gary Kircher, Deputy Mayor Melanie Tavendale and our CE Alex Parmley.

Attended by over 100 delegates, it was an important opportunity for the rural provincial sector to meet face to face and discuss important issues and leverage the collective impact of the forum. Topics included the government reforms, relationship between Central and Local government and updates from NZ Infrastructure Commission, Localism models and Working in Partnership between Taupō District Council and Ngāti Tūrangitukua.

I'll touch briefly on the Mana Whakahono partnership because it provides a straight-forward framework to guide how Councils can work together with mana whenua. The Mana Whakahono is a relationship-based agreement between Taupō District Council and Ngāti Tūrangitukua. Within this agreement is an Iwi Participation tool that sits under the RMA and enables local authorities and tangata whenua to talk about how they can work together and be included in resource management issues and decisions. The agreement covers goals and aspirations of both parties and allows for input into the development of Council policies, infrastructure, reserve management and other things like Three Waters. The co-governance Committee is made up equal representation from Council and Ngāti Tūrangitukua.

The presenters shared the history about the Tūrangi township in the mid 1960's. It was developed by the Crown acquiring Māori land without consultation and Wahi tapu were destroyed in the construction of the town. It caused a lot of grievance, and the Waitangi Tribunal found the Crown breached a number of the Treaty of Waitangi principals.



Tina Porou and Gareth Green discuss the process used to build the Mana Whakahono partnership

Mana Whakahono provides a way forward from the past and allows for more equitable participation arrangements. It levels the playing field and balances the power differences, includes the *actual* people that need to be at the decision-making table using tikanga and Mātauranga Māori to guide how relationships work. *Essentially, it's about doing the right thing.*

I believe co-governance is a misinformed issue that is dividing this country at the moment. I hear comments and read social media posts that aren't fully informed and claim separatist movements. But the country is actually *already* separatist because it doesn't allow Māori to participate in decision making equitably. It doesn't allow them the chance to protect the taonga including land and water for generations to come. Māori have an inherent role as indigenous people of the land to protect these items. Who wouldn't want our grandchildren to have safe clean drinking water? Who wouldn't want the mauri of our lakes and rivers and wairua of the land to be protected against harm?

The mechanism for how co-governance operates still needs to be ironed out yes for sure, but we don't need to be fearful about co-governance when you understand the fundamentals of what it actually means.

Cr Hana Halalele

Meeting with National Party Spokesperson for Local Government

Following our R&P meeting in Wellington, I went with Mr Parmley and Councillors Tavendale and Halalele to Parliament to meet with Simon Watts, North Shore MP & National Party Spokesperson for Local Government. Simon had presented at the R&P meeting, so it was a chance to delve into more detail with him, particularly on the Future for Local Government reform. It is a topic that is very important to have cross-party support on, as the last thing we want in local government is to be in the middle of swings from one policy platform to another. The focus must be on the wellbeing of communities and the funding that has to come from government needs to be agreed and maintained regardless of who is in power.

From his speech at R&P, it was clear that, although Mr Watts had visited some 30 Councils (including ours) in his spokesperson role, he still had more to learn on a range of topics, but he is keen to learn more.

It is important for us to maintain a good relationship with members of the main parties, particularly when the future for local government reform needs cross-party support for it to be sustainable for the long term.

Local Electoral (Advertising) Amendment Bill

In recent times, a number of the elected members have expressed concerns about the ongoing requirement for political campaign materials and advertising to include an address. It does not have to be a residential address, but most candidates are carrying out their own campaigns, and there are many who do not have access to any other address than the one they live at. With so much angst and abuse in communities across New Zealand, the last thing we need is for people to be so worried that someone might target their home because that is listed on their campaign poster. That does not encourage more people to stand for office and it can limit the diversity of candidates that truly reflect our communities.

LGNZ and the National Council have raised the issue with the government in multiple meetings, including the recent Local Government/Central Government rural & provincial sector meeting. At that meeting, the government gave a commitment to get the respective legislation through Parliament very shortly. That opportunity came around more quickly than expected and, given the need to get it through before the election material was due to go out, they only gave a few days to get submissions in from the public.

Although it came at a busy time for me, I took the opportunity to write a submission on behalf of our Council and sent it off. Although I was not able to get approval from Councillors, I was reasonably confident that I would have support for the position I took, which was to support the bill before the select committee. A copy of that submission is attached to this report, as Appendix 2.

To finish off, I wish to commend our Deputy Mayor for the public stand that she took on this issue, which I am sure contributed to action being taken to rectify the situation. Cr Tavendale has once again stepped up to share her concerns within our community and beyond, so well done!

Warm regards



Gary Kircher
Mayor for Waitaki

MEETINGS ATTENDED BY MAYOR GARY KIRCHER

6 May	Radio Interview with The Breeze
6 May	Meeting with David Douglas re carbon forestry
7 May	Oamaru Playcentre 40 th Anniversary
8 May	Forrester Heights Engagement Session at Farmers Market
9 May	Ahuriri Community Board Meeting
10 May	Real Radio Interview
10 May	Council Meeting
10 May	Council Workshop – Property Strategy
10 May	Site Visit to Museum and Archive
10 May	Councillor briefing
11 May	Meeting with Deputy Mayor Melanie Tavendale
11 May	Meeting to discuss Visitor/Information Centre
11 May	Three Waters update with Minister Mahuta – via Zoom
12 May	Meeting with Department of Internal Affairs DCE Michael Lovett & 3Waters Transition Unit's Hamiora Bowkett - Rolleston
12 May	LGNZ Reforms update – via Zoom
13 May	Meeting with Water Services Team re community engagement
13 May	Meeting to discuss UNESCO Assessors' visit
16 May	Mayor and Chief Executive Meeting
17 May	Council Workshops
17 May	Annual Plan Submissions Hearing
17 May	Councillor briefing
18 May	Otago Regional Leadership Group Meeting – via Zoom
18 May	150 th Anniversary Lodge Oamaru Kilwinning No82
19 May	LGNZ Meeting, discussing 3W Entity D - CEO Job Descr. – via Zoom
20 May	Budget 2022 Health Address – via Zoom
20 May	National Council Meeting – via Zoom
23 May	Mayor and Chief Executive Meeting
23 May	Meeting regarding the Roding Tender Review report – via Zoom
26 May	Podcast interview with Barry Wilson
26 May	Podcast interview with Kristy Jennings
26 May	Canterbury Mayoral Forum Dinner Meeting
27 May	Canterbury Mayoral Forum
27 May	Events Centre Project Board Meeting
27 May	KDIC Creditors' Meeting
27 May	2022 Youth Film Competition – Judging and presentations
28 May	Oamaru Library Welcome Back Campaign – reading to children
28 May	Celebration for Derek Beveridge's 35 years' service to ATC
29 May	Museum Talk – Henry Buckenham
30 May	Meeting with Waitaki District Health Services Ltd CEO
30 May	Mayor and Chief Executive Meeting
30 May	Draft Agenda Meeting
30 May	Forward Planning Meeting
30 May	Forrester Heights Submission Hearing Session 1
30 May	Tourism Waitaki Board Meeting re ED Strategy – via Zoom
30 May	Council Workshop – Transformation Programme update
30 May	Waitaki Sports Awards
31 May	Forrester Heights Submission Hearings – Session 2
31 May	Councillor briefing
1 June	Meeting with Dick Cottier – Community Hub
1 June	Presentation of 3W Rural Supplies Working Group Report – via Zoom
1 June	Meeting with the Maheno Water Committee

2 June	Meeting with Events Centre Group
2 June	Meeting with Jim O'Gorman re Kakanui estuary
2 June	Meeting with Sabertooth Security
2 June	Destination Management Governance Group Meeting
3 June	The Breeze Radio Interview
3 June	CG/LG Forum - Rural and Provincial Sector Session via Zoom
3 June	Meeting with Federated Farmers Rural Reference Group
7 June	Real Radio Interview
7 June	Draft Agenda Meeting
7 June	Additional Council Meeting
7 June	Chief Executive KPIs for 2022/2023 - Council Workshop 1
7 June	Councillor briefing
7 June	Site visit to Forrester Heights for Elected Members
7 June	Waitaki Economic Development Governance Group Meeting
7 June	LGNZ Rural & Provincial agenda discussion – via Zoom
8 June	Site visit to the Museum with Allan Dick
8 June	Meeting with Cr Hana Halalele
8 June	Meeting with St John's re assistance with project
9 June	Observatory Retirement Village Trust Meeting
9 June	Podcast Interview with Al Bell
9 June	Meeting with Audit NZ
9 June	LGNZ Reform Update – via Zoom
9 June	Meeting with MP Jacqui Dean – Forrester Gallery
9 June	A2O Joint Committee Business Case workshop
9 June	Meeting with Tessa Robertson, Tuia Programme
9 June	Taxpayers Union – Stop Three Waters Oamaru Meeting
9 June	Waitaha – The Art of Peace Opening at Forrester Gallery
11 June	Building our Community Together Conference – Pembroke School
11 June	Bruce Comfort's 80 th Birthday Celebration
13 June	Meeting with the Mayor and Deputy Mayor
13 June	CEO's KPIs – Council Workshop 2
13 June	45 South TV Interview
13 June	Meeting with Mr & Mrs Grant – Three Waters
13 June	Meeting with Alps 2 Ocean Cycle Trail Manager Robyn Hyde
13 June	Meeting with Simon Neale via Zoom
13 June	Electionz briefing for Council – via Zoom
13 June	Combined Community Boards Workshop – via Zoom
13 June	Three Waters Meeting with National Transition Unit CEO, Heather Shotter, in Balclutha
14 June	Real Radio Interview
14 June	Council Committees Day Meetings
14 June	Councillor briefing
14 June	E Tu Whanau Ann Dysart Kahukura Awards – via Zoom
15 June	Oamaru Intermediate School visit and Morning Tea
15 June	Otago Regional Leadership Group Meeting
16 June	Rural and Provincial Sector Meeting
17 June	Rural and Provincial Sector Meeting
17 June	Meeting with MP Simon Watts National Spokesperson for Local Govt
19 June	Masonic Lodge Charitable Trust Presentations
20 June	Mayor and Chief Executive Meeting
20 June	Draft Agenda Meeting

20 June	CEO's KPIs for 2022/2023 – Council Workshop 3
20 June	Events Centre Project Board Meeting
21 June	Real Radio Interview
21 June	Cultural Facilities Volunteers Morning Tea
21 June	Meeting with Simon Berry
22 June	Waitaki Heritage Fund Committee Meeting

**Appendix 1 – Waitaki District Council Local Government Climate Change Declaration
(on following pages)**



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Office 20 Thames Street
Private Bag 50058
Oamaru 9444
Waitaki District
New Zealand

Local Government Climate Change Declaration – Waitaki District

In 2015, Mayors and Chairs of New Zealand's local authorities declared an urgent need for responsive leadership and a holistic approach to climate change. The Waitaki District Council acknowledged that the 'one-size-fits-all' approach was too broad for our own circumstances so agreed to create this more appropriate declaration to suit our district. With the government's recently announced Emissions Reduction Plan (May 2022), and National Adaptation Plan there is an opportunity to have a declaration which supports those plans and our district.

Climate change presents significant, challenges, opportunities, and risks to communities throughout the world and in New Zealand. Local and regional government undertakes a wide range of activities that will be impacted by a changing climate and provides infrastructure and services that may assist in reducing greenhouse gas emissions and enhancing resilience.

The Waitaki District Council agrees to:

1. acknowledge the importance and urgent need to address climate change for the benefit of current and future generations;
2. give our support to the New Zealand Government for developing and implementing, in collaboration with councils, communities and businesses, the National Emissions Reduction Plan (2022-25) and National Adaptation Plan, toward a low carbon and resilient New Zealand;
3. encourage Government to take the lead with climate change mitigation measures;
4. request Government ensures sufficient resource is provided to support our businesses and communities to transition to a net zero emissions economy and adapt to climate change
5. outline key commitments our council will take in responding to the risks and opportunities posed by a changing climate; and
6. recommend important guiding principles for responding to climate change.

Now that the New Zealand Government has developed the Emissions Reduction Plan for a low carbon and resilient New Zealand, we ask that they take into account the actual carbon footprint of each district so that rural and provincial communities are not expected to carry the majority of the load if they are already low net emitters. We stress the benefits of timely implementation to moderate the costs of adaptation to our communities. We are all too aware of challenges we face shoring up infrastructure and managing insurance costs. These are serious financial considerations for councils and their communities.

To underpin this plan, we ask that an holistic economic assessment is undertaken of New Zealand's vulnerability to the impacts of climate change and of the opportunities and benefits for responding. We believe that New Zealand has much at stake and much to gain by adopting strong leadership on climate change emission reduction targets.

We know that New Zealanders are highly inventive, capable and passionate about the environment. New Zealanders are proud of our landscapes, healthy environment and our unique kiwi identity and way of life. Central and local government, working together with communities and business, can develop and implement ambitious strategies based on sound science, to protect our national inheritance and security.

Council Commitments

For our part we commit to:

1. Develop and implement appropriate action plans that reduce greenhouse gas emissions and support resilience within our own council and for our local communities. These plans will:
 - a. Support the reduced need to travel and promote low carbon transport options, including lobbying for the introduction of appropriate public transport within Waitaki,
 - b. work to improve the resource efficiency and health of homes, businesses and infrastructure in our district;
 - c. support the transition of our businesses and economy to net zero emissions and to take advantage of the new business opportunities arising; and
 - d. support the use of renewable energy and uptake of low-emission vehicles where appropriate.
2. Ensure Climate Change considerations are reflected in all our plans and in our decision making
3. Work with our communities to understand, prepare for and respond to the physical impacts of climate change.
4. Work with central government to deliver on national emission reduction targets and support resilience in our communities in a fair and equitable way that recognises the nett emissions of each district and city.

We believe these actions may result in widespread and substantial benefits for our communities such as creating new jobs and business opportunities, improved public health, creating stronger, more connected communities, reducing air pollution and supporting local biodiversity. In short, it may help to make our communities better places to live, work, learn and visit for generations to come.

Guiding Principles

The following principles provide guidance for decision making on climate change. These principles are based on established legal and moral obligations placed on Government when considering the current and future social, economic and environmental well-being of the communities they represent.

1. Precaution

There is clear evidence for the need to act on climate change and to adopt a precautionary approach because of the irreversible nature and scale of risks involved. The global community must eliminate the possibility of planetary warming beyond two degrees from pre-industrial levels. This could

potentially threaten life on Earth (Article 2 of the UNFCCC). Actions need to be based on sound scientific evidence and resourced to deliver the necessary advances and should be based on the nett emissions created by each district/country. Acting now will reduce future risks and costs associated with climate change.

2. Stewardship/Kaitiakitanga

Each person and organisation has a duty of care to safeguard the life-supporting capacity of our environment on which we all depend and to care for each other. This is why a district-based assessment of emissions is so important, to ensure that equity is taken into account when considering what actions are required. Broad-based climate policies should enable all organisations and individuals to do all they need to reduce nett emissions and enhance resilience. Policies should be flexible to allow for locally and culturally appropriate responses. These Guiding Principles are established within the: Treaty of Waitangi, Resource Management Act 1991, Local Government Act 2002, Civil Defence and Emergency Management Act 2002, Oslo Principles 2014, Principles of Fundamental Justice and Human Rights. New Zealand Local Government Leaders' Climate Change Declaration 2017

3. Equity/Justice

It is a fundamental human right to inherit a habitable planet and live in a just society. The most vulnerable in our community are often disproportionately affected by change and natural hazards. Approaches need to consider those most affected and without a voice, including vulnerable members in our community, our Pacific neighbours, and future generations. Again, that is why a district-based approach to nett emissions is important, ensuring that the areas and sectors contributing the most to climate change, are the ones which are required to take the greatest actions. Sharing the load ensures that both rural areas and metropolitan areas focus on their own nett contributions to the changing climate, and do not rely on others to carry that load for them.

4. Anticipation (thinking and acting long-term)

Long-term thinking, policies and actions are needed to ensure the reasonably foreseeable needs of current and future generations are met. A clear and consistent pathway toward a low carbon and resilient future needs to provide certainty for successive governments, businesses and communities to enable transformative decisions and investments to be made over time.

5. Understanding

Sound knowledge is the basis of informed decision making and participatory democracy. Using the best available information in education, community consultation, planning and decision making is vital. Growing understanding about the potential impacts of a changing climate, and the need for, and ways to respond, along with understanding the costs and benefits for acting, will be crucial to gain community support for the transformational approaches needed.

6. Co-operation

The nature and scale of climate change requires a global response and human solidarity. We have a shared responsibility and cannot effectively respond alone. Building strong relationships between countries and across communities, organisations and scientific disciplines will be vital to share knowledge, drive innovation, and support social and economic progress in addressing climate change.

7. Resilience

Some of the impacts of climate change are now unavoidable. Enhancing the resilience and readiness of communities and businesses is needed so they can thrive in the face of changes. Protecting the safety of people and property is supported by sound planning and a good understanding of the risks and potential responses to avoid and mitigate risk. Building greater resilience into infrastructure and other assets is key to having a sustainable future.

Signed on behalf of the Waitaki District Council

..... Dated.....

Gary Kircher

Mayor for Waitaki



**Appendix 2 – Mayor's submission on the Local Electoral (Advertising) Amendment
Bill on behalf of Council – 10 June 2022**

(on following page)



10 June 2022

Committee Secretariat
Justice Committee
Parliament Buildings
Wellington

Via email to: ju@parliament.govt.nz

Kia ora koutou

Local Electoral (Advertising) Amendment Bill

The Waitaki District Council welcomes the opportunity to make a submission on the Local Electoral Advertising Amendment Bill.

Our Council supports the purpose of this bill, as we share the concerns around safety of candidates standing for election within the local government sector. We are living in unusual times and there is no sign of when that might change. People have been increasingly abusive and anxious about a range of issues, and this has boiled over into their reactions with each other.

To put one's head above the parapet by standing for election to be a community board member, a Councillor, or a Mayor, is hardly ever easy. If we are serious about wanting a quality and diverse range of candidates to stand for election, we need to be prepared to make changes to make those roles more attractive.

Removing the requirement to have someone's residential or business address is one way to do that, decreasing the risk of someone being targeted at home or in their workplace. It also removes the discriminatory nature of the system, should their home address be the only address available for a candidate to use.

Allowing a candidate to publish an easily contactable phone number or email address would be more helpful than having a residential address, so this is helping to improve local democracy from that perspective as well.

We note the urgent passing of this Bill prior to the 2022 election campaign period beginning 15 July 2022 is crucial to ensure the changes take effect before this year's election period. Without these changes, we're concerned that a number of potential candidates may be deterred from standing due to fears for their personal safety, and the safety of those they live with.

Thank you for the work you are doing with this bill. It is important and it is a step towards ensuring that any barriers to standing for office are removed. We look forward to the Local Electoral Advertising Amendment Bill being passed before this year's local body election campaign period starts.

Ngā mihi nui

Gary Kircher
Mayor for Waitaki

Whitestone Waitaki - naturally better

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6 DECISION REPORTS

6.1 ADOPTION OF THE 2022/23 ANNUAL PLAN

Author:	Mandy McIntosh, Corporate Development Officer
Authoriser:	Paul Hope, Finance and Corporate Development Group Manager
Attachments:	1. Waitaki District Council Annual Plan 2022-2023 - Under a separate cover 2. Key Steps in the Rates Development of the Annual Plan 2022-2023 3. Proposed Fees and Charges from 1 July 2022 4. Amenity Flat Rate for Weston and Oamaru

RECOMMENDATIONS

That Council:

1. Notes the following steps for completing the Annual Plan 2022/23 process:
 - a) Confirms minor matters that support the Annual Plan and Rates Resolution
 - b) Adopt the Annual Plan 2022/23; and
 - c) Receive and note the 2022/23 fees and charges; and
 - d) Set the rates by resolution for the 2022/23 financial year (through a separate report).
2. Confirms the following minor matters that support the Annual Plan and Rates Resolution:
 - a) That the fixed charge for properties over 2 ha with regard to the Oamaru and Weston amenity rates will be set at \$250 (plus GST).
 - b) For eligible rating units, agrees to remit the Oamaru and Weston Amenity rates down to the level equivalent that would have been charged under the Land Value Basis, and
 - c) Confirms that all other remissions are maintained at the level set in the previous year.
3. Adopts the attached Waitaki District Council Annual Plan 2022/23.
4. Delegates authority to the Council's Chief Executive, in consultation with the Mayor, to make any necessary final corrections to the Annual Plan 2022/23 prior to legal deposit.

DECISION OBJECTIVE

To comply with key statutory requirements under the Local Government Act 2022 relating to planning, accountability and decision-making and adopt the Waitaki District Council Annual Plan 2022/23.

This enables Council, via a separate and subsequent report, to set the rates from 1 July 2022 for the 2022/23 financial year.

SUMMARY

The Waitaki District Council Annual Plan 2022/23 is ready for adoption. It delivers the agreed year 2 of the 2021-31 Long Term Plan work programme plus a range of additional items approved by Council. This development of the Annual Plan has resulted in overall rate increase of 7.53%, which compares favourably to the projected rates increase of 8.53% in Year 2 of the Long Term Plan.

The Annual Plan document and supporting material are all contained in attachments to this report. These attachments include:

- 1 Waitaki District Council Annual Plan 2022/23
- 2 A summary of the key changes in projected rates revenue against the 2021-31 Long Term Plan.
- 3 The Schedule of Fees and Charges as from 1 July 2022.

The report also covers off some minor additional matters that need to be confirmed as part of the finalisation process.

The recommendations also include a delegation to make any necessary non-material corrections to the Annual Plan 2022/23 prior to final publication in July 2022.

DECISION-MAKING EXPECTATIONS

Governance Decision-Making:	Adoption of the Annual Plan 2022/23
Operational Decision-Making:	Make any final changes to the Annual Plan 2022/23 prior to legal deposit
Communications	Media Releases – contributed to by officers and Elected Members Media/public enquiries regarding governance decision-making topics above can be addressed by governance Media/public enquiries regarding operational decision-making topics above can be addressed by officers

SUMMARY OF DECISION-MAKING CRITERIA

	No/Moderate/Key		No/Moderate/Key
Policy/Plan	Key	Environmental Considerations	No
Legal	Moderate	Cultural Considerations	No
Significance	Key	Social Considerations	No
Financial Criteria	Key	Economic Considerations	No
Community Views	No	Community Board Views	No
Consultation	No	Publicity and Communication	No

BACKGROUND

Today's meeting represents the final step in completing the Annual Plan, with the final document provided for Council adoption (Refer Attachment 1 circulated as a separate PDF document). This planning process has provided the Council with an opportunity to review the detailed financial forecasts in year 2 of the 2021-31 Long Term Plan (LTP).

A summarised timeline of the Annual Plan 2022/23 process is provided below.

14 December 2021

Council workshop held on the draft Annual Plan to consider indicative budgets and any new projects.

15 February 2022

Council workshop held on the draft Annual Plan to consider updated budgets and any new project information.

1 March 2022

Council workshop held on the draft Annual Plan to present the draft Engagement Plan and draft Engagement Document.

8 March 2022

Additional Council meeting confirmed the updates to the 2021-31 LTP Year 2 Operating budgets as discussed at earlier workshops; agreed changes to the operating budgets; confirmed the updated 2021-31 LTP Year 2 projects; agreed to include additional projects; noted the current level of rates increase (6.47%) was below that indicated for Year 2 of the LTP; agreed that while there are no significant or material differences to year 2 of the 2021-31 LTP, some of the proposals could be considered significant under council's Significance and Engagement Policy, and to engage with the community on that basis.

At this meeting, Council also confirmed the format of the community engagement.

29 March 2022

Council meeting to confirm the change to the indicative rate increase for 2022/23 to 7.47%; approve for engagement purposes the Annual Plan 2022/23 engagement document (subject to minor edits); and confirmed implementation of the engagement plan agreed at the Additional Council Meeting on 8 March 2022.

17 May 2022

Council hearings and deliberations to consider feedback from the community engagement and to provide direction to officers on changes to the draft budgets and projects, and additional information required.

7 June 2022

Additional Council meeting agreed to confirm the key directions on draft budgets and projects provided to officers at the 17 May hearings and deliberations.

Staff were directed to prepare the Annual Plan 2022/23 for adoption.

28 June 2022

The Annual Plan 2022/23 to be formally adopted by Council.

SUMMARY OF OPTIONS CONSIDERED

Option 1 - Adopt the Annual Plan 2022/23 as presented, subject to any minor edits or corrections identified (Preferred)

Option 2 – Delay the adoption Annual Plan 2022/23 due to a material issued being identified at the meeting.

ASSESSMENT OF PREFERRED OPTION

Option 1 is the preferred option, to ensure that Council meets the statutory timeline for adopting the plan and set new rates prior to the first instalment due date.

The Council has only one option at this stage of the process and that is to adopt the Annual Plan as appended with no material changes. Introducing material changes at this stage, such as a new proposal(s) with additional funding requirements, would create a high risk of not meeting the statutory timeline for setting the new rates.

MINOR RATING AND OTHER MATTERS

Oamaru and Weston Amenity Flat Rate Charge

The intention of the Flat Rate Amenity was to apply the rate in a fair way to high value residential properties with a land area greater than 2ha. In the 2021/22 year, the flat rate was initially set at too high a level and needed to be adjusted subsequent to the adoption of the plan.

The recent purchase and implementation of a new rates modelling tool has allowed officers to model the impact of the different options in relation to the rates at an individual property level. This has allowed a precise analysis of the options available which is shown in Attachment 4.

As a result of modelling and analysis, a Flat Rate Amenity Charge of \$250 for assessments with a land area of 2ha or greater is recommended as this is believed to produce the best outcome for Council and the community.

However, as a flat rate rather than a cap had to be used some lower value properties end up receiving a greater share than if Land Value only was used. This anomaly can be most easily addressed through a targeted remission which would bring the net charge back the amount that would have been charged if land value rather than the flat rate had been applied.

Council must set the amount of the flat rate. Council is not required to provide a remission but may if it wishes.

Sundry Remission Levels

Council has a number of remission available to ratepayers that meet specific criteria. To improve transparency, these remissions are included in this report for Council endorsement for the coming year. These remissions relate to the Uniform Annual General Charges and Ward Charges on the rating units that have been identified as receiving an unfair charge based on the nature of the property. The remissions included are:

- Multiple single bedroom inhabited parts (50%)
- Moeraki Kaik Camp (75%)
- Waitaki River Kaik (50%)
- Waitaki Bridge Camp (50%)
- Gemmel's Crossing Camp (75%)

SUMMARY OF OPTIONS CONSIDERED

Option 1 –

- 1 Approve the \$250 Flat Rate Amenity charge for Oamaru and Weston.
- 2 Approve a remission for all exclusively residential properties with a land area greater than or equal to 2 ha to reduce the amount charge to the same level if the rate was calculated on Land Value.
- 3 Confirm all remission stay at the same level that applied during the 2021/22 year.

Option 2 – Vary all or some of the recommendations above.

FINAL STEPS

Following adoption of the Annual Plan 2022/23, officers will complete final checks prior to printing and publishing the Annual Plan within the necessary timeline to meet legislative requirements.

Copies of the Annual Plan will be provided to elected members (Council and Community Board members) and to the public via the website. Council service centres and libraries will receive a printed copy for public access.

Responses will be sent to all submitters to the Annual Plan.

Officers will implement and apply the revised rates and fees and changes from 1 July 2022 onwards.

ADDITIONAL DECISION-MAKING CONSIDERATIONS

Outcomes

We keep our district affordable

We enable opportunities for new and existing business

We provide and enable services and facilities so people want to stay and move here

We understand the diverse needs of our community

Waitaki's distinctive environment is valued and protected

We maintain the safest community we can

Policy and Plan Considerations

This reports seeks the adoption of the Annual Plan 2022/23 based on year 2 of the Long Term Plan.

Community Views

Community engagement was undertaken on the draft Annual Plan 2022/23 from 13 April to 4 May 2022.

Financial Considerations

The Annual Plan 2022/23 contains the budget for the 1 July 2022 to 30 June 2023 financial year.

Legal Considerations

An annual plan must be adopted before the commencement of the year to which it relates.

Within one (1) month after the adoption of the annual plan, it must be made publicly available.

Publicity and Community Considerations

Community views were sought during community engagement. Hearings and deliberations were held on 17 May 2022.

The Annual Plan 2022/23 will be made public as soon as practicable once adopted by Council.

Attachment 2 Waitaki District Council Annual Plan 2022-23

(Under a separate cover)

Key steps in the development of the 2022/23 Annual Plan

Timeline	Annual Plan 2022/23 Vs LTP years 1 & 2 \$000	Change %
Rates budgeted 2021/31 LTP for 2021/22 (year 1)	34,732	
Rates budgeted 2021/31 LTP for 2022/23 (year 2)	37,695	8.53%

Officers based initial budgets on the 2021/22 budgets, accounting for changes in staffing, depreciation and input from Unit Managers, as well as updated costs, interest rates and changed timings for capital and other projects

Rates prior to initial budget workshop 15 February 2022

37,168	7.01%
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Using information gained from the February workshop together with an estimate of the potential impact of changes to the roading contract and associated costs, officers made the necessary changes to reach a budget that was used as the basis for community engagement

Rates approved on 29 March as the basis for community engagement

37,325	7.47%
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Community engagement resulted in relatively few submissions with a financial impact - these were worked through the budget to give the final budget and the resulting rates revenue

Final Rates budget after hearings and deliberations on 16 May and the Council meeting on 7 June 2022

37,348	7.53%
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Proposed Fees and Charges from 1 July 2022

Activity	Basis for Charge	Fees and Charges from 1 July 2022	Fees and Charges from 1 July 2021	Change \$	Change %	Reason for proposed change
Waitaki Aquatic Centre - Services						
Public swimming	Adults per swim	5.40	5.30	0.10	1.89%	Consumer Price Index (CPI) increase
	Adult 10 swim concession	49.00	47.70	1.30	2.73%	CPI increase
	Adult 3 month pass	170.00	166.00	4.00	2.41%	CPI increase
	Children per swim (School age)	3.40	3.30	0.10	3.00%	CPI increase
	Child 10 swim concession	30.00	29.10	0.90	3.09%	CPI increase
	Child 3 month pass	93.00	90.00	3.00	3.33%	CPI increase
	Child under 8	Free with adult entry	Free with adult entry	0.00	N/A	
	Family Pass	14.50	14.30	0.20	1.40%	CPI increase
	Community Card Holder/ Gold Card/ Health and Green Prescription/ Shower use only	4.50	4.30	0.20	4.65%	CPI increase
	Community Card/ Gold Card 10 swim pass	39.00	37.80	1.20	3.17%	CPI increase
	Community Card/ Gold Card 3 month pass	134.00	130.00	4.00	3.08%	CPI increase
	Swim Instructor Hire per hour – max ratio of 10 per instructor	38.00	37.00	1.00	2.70%	CPI increase
	Community Card Holder/ Gold Card/ Health and Green Prescription Aerobics classes	6.20	6.00	0.20	3.33%	CPI increase
	Community Card Holder/ Gold Card/ Health and Green Prescription 10 Aerobics classes	55.50	54.00	1.50	2.78%	CPI increase
	Aerobics/ Waterjogging classes	8.00	7.80	0.20	2.56%	CPI increase
	Aerobics/ Waterjogging 10 swim pass	72.50	70.20	2.30	3.28%	CPI increase
	Aerobics/ Aquajogging/ instruction class only (no pool entry)	3.10	3.00	0.10	3.33%	CPI increase
	Pool bookings per hour	144.20	140.00	4.20	3.00%	CPI increase
	Inflatable Hire	41.20	40.00	1.20	3.00%	CPI increase
	Lane Hire per Hour	By negotiation	By negotiation	0.00	N/A	
	Swim School/ class	As set per term	As set per term	0.00	N/A	

Activity	Basis for Charge	Fees and Charges from 1 July 2022	Fees and Charges from 1 July 2021	Change \$	Change %	Reason for proposed change
CIVIC ACTIVITIES						
Credit Card Surcharge	For payments by credit card, based on the transaction value	1.50%	1.50%	0.00	N/A	
Online Credit Card Surcharge	For payments by credit card, based on the transaction value	2.00%	2.00%	0.00	N/A	
Information & copying:						
Photocopying	A4 copies - per copy	0.30	0.30	0.00	N/A	
	A3 copies - per copy	0.60	0.60	0.00	N/A	
	A4 colour - per copy	3.50	3.50	0.00	N/A	
	A3 colour - per copy	5.50	5.50	0.00	N/A	
Official Information Enquiries (Note replies will be provided in electronic file unless requested otherwise)	Staff time - first hour is free, then:	No Fee	No Fee	0.00	N/A	
	Staff time, per half-hour, or part thereof	55.00	55.00	0.00	N/A	
	A4 copies - per copy in excess of 20 pages	0.30	0.30	0.00	N/A	
	A3 copies - per copy in excess of 20 pages	0.60	0.60	0.00	N/A	
Waihemo Centre	Typing - staff time per 15 minutes or part of	12.50	12.50	0.00	N/A	
	Fax: - National	2.00	2.00	0.00	N/A	
	Fax: - International	3.00	3.00	0.00	N/A	
	Boardroom hire - corporate (per half day)	70.00	70.00	0.00	N/A	
	Boardroom hire - corporate (per day)	120.00	120.00	0.00	N/A	
	Boardroom hire - non-corporate (per day, flat rate)	60.00	60.00	0.00	N/A	
Terraview Prints	A4 prints - per print	3.00	3.00	0.00	N/A	
	A3 prints - per print	5.00	5.00	0.00	N/A	
Other Digital Plan Plots	Price by negotiation	By negotiation	By negotiation	0.00	N/A	
GIS Plots/Prints	A1 aerial/topo/services	60.00	60.00	0.00	N/A	
	A2 aerial/topo/services	40.00	40.00	0.00	N/A	
	A3 aerial/topo/services	20.00	20.00	0.00	N/A	
	A4 aerial/topo/services	10.00	10.00	0.00	N/A	
Copy Aerial Digital File		60.00	60.00	0.00	N/A	

Activity	Basis for Charge	Fees and Charges from 1 July 2022	Fees and Charges from 1 July 2021	Change \$	Change %	Reason for proposed change
Waitaki District Archive - Research Services						
Personal enquiries	Oamaru Genealogy Group members AND Students	No Fee	No Fee	0.00	N/A	
	Waitaki District residents - suggested donation	5.00	2.00	3.00	150.00%	Costs of providing access have increased
	Non-residents - suggested donation	10.00	5.00	5.00	100.00%	Costs of providing access have increased
Research on behalf (conducted by Archivist)	Less than ten minutes/requested information not found	No Fee	No Fee	0.00	N/A	
	Up to one hour flat rate	50.00	50.00	0.00	N/A	
	Per 15 minutes after first hour	12.50	12.50	0.00	N/A	
Waitaki District Archive - Reproduction of Archives						
A4 photocopies (B/W)	Per page	0.30	1.50	-1.20	-80.00%	Align with library charges
A4 photocopies (colour)	Per page	3.50	5.50	-2.00	-36.36%	Align with library charges
A3 photocopies (B/W)	Per page	0.60	6.00	-5.40	-90.00%	Align with library charges
A3 photocopies (colour)	Per page	5.50	10.00	-4.50	-45.00%	Align with library charges
Digital copies using Archive's camera	Per image	6.00	6.00	0.00	N/A	
Waitaki District Archive - Reproduction of Photographs						
A4 Inkjet photograph	Plain photo paper	0.00	8.50	-8.50	-100.00%	No longer have the printer to offer this service
	Glossy photo paper	0.00	16.00	-16.00	-100.00%	No longer have the printer to offer this service
A3 Inkjet photograph	Photo paper	0.00	37.00	-37.00	-100.00%	No longer have the printer to offer this service
Digital image	Per image	10.00	8.50	1.50	17.65%	Cost of providing this service has increased
A4 sample print	Per copy	0.00	1.50	-1.50	-100.00%	No longer have the printer to offer this service
Waitaki District Archive - Publishing						
Publishing fee	One-off charge per publication	60.00	60.00	0.00	N/A	
Written enquiries - Archive Research	Per hour after first hour	50.00	50.00	0.00	N/A	
	Less than ten minutes/requested information not found	No Fee	No Fee	0.00	N/A	
Personal enquiries	Oamaru Genealogy Group members	No Fee	No Fee	0.00	N/A	
Forrester Gallery and North Otago Museum Services						
Recitals and Functions	Groups from within the Waitaki District / event	0.00	100.00	-100.00	-100.00%	Due to redesign of spaces we will review charges when upgrades are complete
	Groups from outside the Waitaki District / event	0.00	125.00	-125.00	-100.00%	Due to redesign of spaces we will review charges when upgrades are complete
Meetings	Groups from within the Waitaki District / event	0.00	50.00	-50.00	-100.00%	Due to redesign of spaces we will review charges when upgrades are complete
	Groups from outside the Waitaki District / event	0.00	65.00	-65.00	-100.00%	Due to redesign of spaces we will review charges when upgrades are complete
Main Street level gallery	Standard, per week	0.00	130.00	-130.00	-100.00%	Due to redesign of spaces we will review charges when upgrades are complete
	Outside Council region, per week	0.00	150.00	-150.00	-100.00%	Due to redesign of spaces we will review charges when upgrades are complete

Activity	Basis for Charge	Fees and Charges from 1 July 2022	Fees and Charges from 1 July 2021	Change \$	Change %	Reason for proposed change
Forrester Gallery and North Otago Museum Services						
Basement gallery	Standard, per week	0.00	120.00	-120.00	-100.00%	Space no longer available, now a collection store
	Outside Council region, per week	0.00	130.00	-130.00	-100.00%	Space no longer available, now a collection store
Side Street level gallery	Standard, per week	0.00	120.00	-120.00	-100.00%	Due to redesign of spaces we will review charges when upgrades are complete
	Outside Council region, per week	0.00	130.00	-130.00	-100.00%	Due to redesign of spaces we will review charges when upgrades are complete
1st Floor gallery (3 spaces)	Standard, per week	0.00	130.00	-130.00	-100.00%	Due to redesign of spaces we will review charges when upgrades are complete
	Outside Council region, per week	0.00	150.00	-150.00	-100.00%	Due to redesign of spaces we will review charges when upgrades are complete
Community Gallery	Space available to local residents per exhibition	200.00	100.00	100.00	100.00%	Now includes label cost rather as a separate item as we charge these together.
	Outside Council region per week	220.00	120.00	100.00	83.33%	Now includes label cost rather as a separate item as we charge these together.
Design, production of labels, Didactics,	Up to ten items	0.00	80.00	-80.00	-100.00%	Now part of community gallery hire
	More than 12 labels and/or handouts and A3 Didactics	0.00	100.00	-100.00	-100.00%	Now part of community gallery hire
Catalogue design and production costs	Negotiated on a case-by-case basis					
Publishing Fee	One-off charge per publication	60.00	0.00	60.00	100.00%	New fee, to align with archive
Digital Image	Per image	10.00	0.00	10.00	100.00%	New fee, to align with archive
Commission	On sales of artwork (excluding regular local user groups)	30%	30%	0.00	N/A	
Research	Students	No Fee	No Fee	0.00	N/A	
	Waitaki District residents - suggested donation, first 15 mins free, then \$25 per hour unless related to an item gifted to the Museum then free	5.00	2.50	2.50	100.00%	Align with archive fee
	Non-residents - suggested donation, first 15 mins free, then \$25 per hour unless related to an item gifted to the Museum - then free	10.00	5.50	4.50	81.82%	Align with archive fee
	Research on behalf of businesses, council or individuals - per hour	50.00	50.00	0.00	N/A	

Activity	Basis for Charge	Fees and Charges from 1 July 2022	Fees and Charges from 1 July 2021	Change \$	Change %	Reason for proposed change
CULTURE AND HERITAGE						
Waitaki District Library - Services						
Rentals (Adult)	Per item per week	2.00	2.00	0.00	N/A	
Rentals eBooks (Adult)	Per item per week	0.00	2.00	-2.00	-100.00%	Do not charge for ebooks
Magazines (Quick picks)	Per item	0.00	5.00	-5.00	-100.00%	No longer provide Quick pick magazines
Magazines (Adult)	Per item per week	2.00	2.00	0.00	N/A	To bring in line with book rentals
Audio Books	Per item per three weeks	2.00	2.00	0.00	N/A	
DVD's	Per item per week	4.00	4.00	0.00	N/A	
Reserves	Adults per item	2.00	2.00	0.00	N/A	
Interloans	Per item (plus any charges from lending library)	10.00	10.00	0.00	N/A	
Overdues	Adult - per item, first notice	No Fee	4.00	-4.00	-100.00%	Reduce barriers to access to libraries
	Adult - per item, second notice	No Fee	5.00	-5.00	-100.00%	Reduce barriers to access to libraries
	Child - per item, first notice	No Fee	No Fee	0.00	N/A	
	Child - per item, second notice	No Fee	No Fee	0.00	N/A	
	Young Adult - per item, first notice	No Fee	2.00	-2.00	-100.00%	Reduce barriers to access to libraries
	Young Adult - per item, second notice	No Fee	3.00	-3.00	-100.00%	Reduce barriers to access to libraries
	Each additional week to four weeks	No Fee	No Fee	0.00	N/A	
Replacement of lost book	To cover purchase cost of replacing lost books	Variable	Variable		NA	
Replacement Library Card	Per card	No Fee	4.00	-4.00	-100.00%	Reduce barriers to access to libraries
Photocopying	A4 copies - per copy	0.30	0.30	0.00	N/A	
	A3 copies - per copy	0.60	0.60	0.00	N/A	
	A4 colour - per copy	3.50	3.50	0.00	N/A	
	A3 colour - per copy	5.50	5.50	0.00	N/A	
Cancelled library material charge	Per book	1.00-12.00	1.00-12.00	0.00	N/A	
	Per paperback/magazine	0.50 - 2.00	0.50 - 2.00	0.00	N/A	
Scanning	Per transaction	2.50	2.50	0.00	N/A	
DVD re-surfacing	Per DVD	5.00	5.00	0.00	N/A	

Activity	Basis for Charge	Fees and Charges from 1 July 2022	Fees and Charges from 1 July 2021	Change \$	Change %	Reason for proposed change
Opera House - Venue Hire	Enquiries regarding charges should be made directly to the Opera House					
Commercial Rates						
Entire Complex	Per Day	2,875.00	2,875.00	0.00	N/A	
	Dark or Rehearsal	1,380.00	1,380.00	0.00	N/A	
Whitestone Contracting Auditorium	Full Auditorium per performance	1,840.00	1,840.00	0.00	N/A	
	Dark or Rehearsal	977.50	977.50	0.00	N/A	
Otago Daily Times InkBox	Theatrical per performance	575.00	575.00	0.00	N/A	
	Theatrical Rehearsal or Dark per day	230.00	230.00	0.00	N/A	
	Gallery/ Trade Show/ Lecture Mode Full Day	345.00	345.00	0.00	N/A	
	Gallery/ Trade Show/ Lecture Mode 1/2 Day	230.00	230.00	0.00	N/A	
	Function Room Mode Full Day	460.00	460.00	0.00	N/A	
The Grand Foyer	Evening Hire	287.50	287.50	0.00	N/A	
Whitestone Cheese Empire Room	Full Day	460.00	460.00	0.00	N/A	
	1/2 Day	287.50	287.50	0.00	N/A	
The Chambers	Full Day	345.00	345.00	0.00	N/A	
	1/2 Day	172.50	172.50	0.00	N/A	
Meridian Board Room	Full Day	149.00	149.00	0.00	N/A	
	Morning or afternoon hire (4 hours max)	97.75	97.75	0.00	N/A	
	Per Hour	57.50	57.50	0.00	N/A	
Footlights Stage	Ballroom Mode Full Day	977.50	977.50	0.00	N/A	
The Study	Full Day	92.00	92.00	0.00	N/A	
	1/2 Day	46.00	46.00	0.00	N/A	
Green Room and Chorus Rooms	Full Day per room	86.25	86.25	0.00	N/A	
	Hourly	34.50	34.50	0.00	N/A	

The Opera House Manager may vary charges for events, programmes or activities that promote the complex to a wide cross section of the community.

Community Rates						
Entire Complex	Per Day	2,530.00	2,530.00	0.00	N/A	
Whitestone Contracting Auditorium	Sun to Thurs per Performance	805.00	805.00	0.00	N/A	
	Sun to Thurs Stalls Only	632.50	632.50	0.00	N/A	
	Sun to Thurs Dark or Rehearsal	402.50	402.50	0.00	N/A	
	Fri & Sat per Performance	1,075.25	1,075.25	0.00	N/A	
	Fri & Sat Stalls Only	828.00	828.00	0.00	N/A	
	Fri & Sat Dark or Rehearsal	575.00	575.00	0.00	N/A	
Otago Daily Times InkBox	Theatrical per performance	402.50	402.50	0.00	N/A	
	Theatrical Rehearsal or Dark per day	115.00	115.00	0.00	N/A	
	Gallery/ Trade Show/ Lecture Mode Full Day	230.00	230.00	0.00	N/A	
	Gallery/ Trade Show/ Lecture Mode 1/2 Day	115.00	115.00	0.00	N/A	
	Function Room Mode Full Day	320.00	320.00	0.00	N/A	
The Grand Foyer	Evening Hire	207.00	207.00	0.00	N/A	
Whitestone Cheese Empire Room	Full Day	345.00	345.00	0.00	N/A	
	1/2 Day	230.00	230.00	0.00	N/A	
The Chambers	Full Day	276.00	276.00	0.00	N/A	
	1/2 Day	115.00	115.00	0.00	N/A	
Meridian Board Room	Full Day	119.00	119.00	0.00	N/A	
	Morning or afternoon hire (4 hours max)	74.75	74.75	0.00	N/A	
	Per Hour	34.50	34.50	0.00	N/A	
Footlights Stage	Ballroom Mode Full Day	402.50	402.50	0.00	N/A	
The Study	Full Day per room	46.00	46.00	0.00	N/A	
	Hourly	11.50	11.50	0.00	N/A	
Green Room and Chorus Rooms	Full Day	46.00	46.00	0.00	N/A	
	1/2 Day	23.00	23.00	0.00	N/A	

Activity	Basis for Charge	Fees and Charges from 1 July 2022	Fees and Charges from 1 July 2021	Change \$	Change %	Reason for proposed change
RECREATION						
<i>The Recreation Manager may vary charges for events promoting a facility to a wide cross section of the community, school events promoting recreation, events where revenue is used directly to maintain the facility or non-profit events held for free benefit and participation of wider community.</i>						
<i>"Commercial" is defined as any event that charges a entry fee for participation.</i>						
<i>Electricity usage will be metered and charged in addition to the appropriate fee per this schedule.</i>						
Parks, Reserves, Sportsgrounds, Public Gardens						
Keys Deposit	Refundable deposit	20.00	20.00	0.00	N/A	
Damage Deposit	Refundable deposit	as negotiated	as negotiated	0.00	N/A	
Oamaru Public Gardens, General Parks, Reserves.						
Non commercial up to 50 people	Per day or part of	No Fee	No Fee	0.00	N/A	
Non commercial >50 people	Per day or part of	95.00	95.00	0.00	N/A	
Commercial	Per day or part of	260.00	260.00	0.00	N/A	
Weddings	Per day or part of	160.00	160.00	0.00	N/A	
Use of Public Garden Croquet Building	Non-commercial per day or part day	30.00	30.00	0.00	N/A	
Use of Public Garden Croquet Building	Commercial per day or part day	55.00	55.00	0.00	N/A	
Sportsfields						
Standard sportsfields - based on 5% cost recovery (less any sponsorship).	Per club, per field, per sport, per annum.	150.00	145.00	5.00	3.45%	Consumer Price Index (CPI) increase
Premier Sportfields (Centennial fields 1, 2, 3) - based on 5% cost recovery (less any sponsorship).	Per club, per field, per sport, per annum.	250.00	245.00	5.00	2.04%	Consumer Price Index (CPI) increase
Non Commercial / community event	Per day	110.00	105.00	5.00	4.76%	
Commercial / private event	Per day	330.00	320.00	10.00	3.13%	
Centennial Grandstand						
Sports Club use of Centennial Grandstand	Per club, per field, per sport, per annum.	90.00	90.00	0.00	N/A	
Non Commercial / community event	Per day	110.00	100.00	10.00	10.00%	
Commercial / private event	Per day	350.00	300.00	50.00	16.67%	
Cemetery and Service						
Plot Purchase Fees						
Ash plots		420	420	0.00	N/A	
Burial plot		1,150.00	1,150.00	0.00	N/A	
Baby garden plot		No fee	No fee	0.00	N/A	
Interment Service Fees						
Extra depth		420	420	0.00	N/A	
Adult burial - weekdays		1,200.00	1,200.00	0.00	N/A	
Adult burial - Saturday, Sunday, public holidays		1,400.00	1,400.00	0.00	N/A	
Baby burial - weekdays		260	260	0.00	N/A	
Baby burial - Saturday, Sunday, public holidays		260	260	0.00	N/A	
Children under 10 years - weekdays		550	550	0.00	N/A	
Children under 10 years - Saturday, Sunday, public holidays		550	550	0.00	N/A	
Inter ashes - weekdays		460	460	0.00	N/A	
Inter ashes - Saturday, Sunday, public holidays		650	650	0.00	N/A	
Breaking or tunnelling under concrete		500	500	0.00	N/A	
Additional Charges	Permits/Monumental permit	60	60	0.00	N/A	

Activity	Basis for Charge	Fees and Charges from 1 July 2022	Fees and Charges from 1 July 2021	Change \$	Change %	Reason for proposed change
Camping Grounds						
Waitaki Lakes camping areas and services (unless Leased)						
Season ticket - Excluding Ohau C (from 19 September 2020 to 2 May 2021)	Per site (2 adults, up to 3 children under 16 Free).	550.00	550.00	0.00	N/A	
Half Season ticket - Excluding Ohau C (from 11 January 2021 to 2 May 2021)	Per site (2 adults, up to 3 children under 16 Free).	350.00	350.00	0.00	N/A	
Daily Ticket occupied site	Per site (2 adults, up to 3 children under 16 Free).	25.00	25.00	0.00	N/A	
Daily Ticket unoccupied site	Per site	8.00	8.00	0.00	N/A	
Additional adults	Per night	10.00	12.50	-2.50	-20.00%	To provide for more equitable access
Dump station (non camping fee paying)		5.00	5.00	0.00	N/A	
Boat Ramp Daily Ticket	Per Boat	5.00	5.00	0.00	N/A	
Boat Ramp Annual Ticket - Excluding Ohau C (from 1 July 2020 to 30 June 2021)	Per Boat - 1 July - 30 June	60.00	60.00	0.00	N/A	
<i>Ramp fees apply to jet-skis, powerboats and yachts, not to rowers, kayaks, coracles</i>						
Dunback Domain Camping Grounds						
Season ticket (1 July 2020 to 30 June 2021)	Per site (2 adults, up to 3 children under 16 Free).	400.00	400.00	0.00	N/A	
Per person (free for children under 16)	Per night	5.00	10.00	-5.00	-50.00%	To provide for more equitable access
Duntroon Domain Camping Grounds						
Per person (free for children under 16)	Per night	10.00	10.00	0.00	N/A	
Additional for powered site	Per night	5.00	5.00	0.00	N/A	
A2O cycle trail						
Commercial users	Per day per client	5.00	0.00	5.00	New fee	Commercial partnership now managed by Council. Fee collected on behalf of A2O Joint Committee.
Solid Waste Disposal						
Solid waste disposal	Per m ³ or part thereof (Transfer stations and Palmerston)	130.00	120.00	10.00	8.33%	Government imposing extra \$10 waste levy
Green waste	Per m ³ or part thereof (Transfer stations and Palmerston)	60.00	50.00	10.00	20.00%	Government imposing extra \$10 waste levy

Activity	Basis for Charge	Fees and Charges from 1 July 2022	Fees and Charges from 1 July 2021	Change \$	Change %	Reason for proposed change
PLANNING						
<i>The Resource Management Act 1991 (the RMA) (Section 36) allows extra fees to cover actual and reasonable costs if the Deposit is inadequate. If the total cost to process an application exceeds the Deposit, additional fees will be charged. The Council will refund part of the Deposit if the work required to process the application is less than expected, subject to the proviso detailed below. The Deposit must accompany the application.</i>						
<i>Discounts will be allowed on charges for applications for resource consent and applications to change or cancel conditions if these are not processed within statutory timeframes. Such discounts will be in accordance with the Regulations to the RMA.</i>						
Planning Services						
Notified Resource Consent						
Land-use	Per application - deposit*	6,000.00	6,000.00	0.00	N/A	
Subdivision	Per application - deposit*	6,000.00	6,000.00	0.00	N/A	
Limited Notified Consent						
Land Use	Per application - deposit*	4,000.00	3,000.00	1,000.00	33.33%	Increased in Oct 2021 - approved by Council to better match cost incurred.
Subdivision	Per application - deposit*	4,000.00	3,000.00	1,000.00	33.33%	To better align deposit with the final cost.
Non-notified Resource Consent						
Land-use	Per application - deposit*	1,200.00	800.00	400.00	50.00%	Increased in Oct 2021 - approved by Council
Land-use - bulk & location with written approval	Per application - deposit*	400.00	400.00	0.00	N/A	
Subdivision	Per application - deposit*	1,200.00	800.00	400.00	50.00%	To better align deposit with the final cost.
Sundry Certification						
Miscellaneous Certification	Per certificate - deposit*	150.00	100.00	50.00	50.00%	To better align deposit with the final cost.
Section 87BA & BB Notices	Per certificate - deposit*	500.00	600.00	-100.00	-16.67%	Proposing to reduce the 87BA and BB Notices to \$500 as better reflects costs.
Section 139 Certificate of Compliance/ Existing Use Rights Certificate	Per application - deposit*	800.00	300.00	500.00	166.67%	Increased in Oct 2021 - approved by Council
Section 223 Certificate	Per certificate - deposit*	150.00	100.00	50.00	50.00%	To better align deposit with the final cost.
Section 224 Certificate	Per certificate - deposit*	350.00	300.00	50.00	16.67%	To better align deposit with the final cost.
Section 226 Certificate	Per certificate - deposit*	400.00	300.00	100.00	33.33%	Increased in Oct 2021 - approved by Council
PLANNING						
Post-consent procedures						
Section 125 extension of time for land use consent	Per consent - deposit*	300.00	300.00	0.00	N/A	
Section 127 change/cancel consent conditions	Per consent - deposit*	800.00	400.00	400.00	100.00%	Increased in Oct 2021 - approved by Council
Section 135 Compliance monitoring	Per consent - base fee \$130, plus \$130 per hour after the first hour*	130.00	130.00	0.00	N/A	
Section 138 surrender of consent	No fee	No fee	No fee	0.00	N/A	
Section 357 Objection to consent	Per consent - deposit*	400.00	400.00	0.00	N/A	
Plan change	Per application - deposit*	20,000.00	20,000.00	0.00	N/A	
Designation or Heritage order						
Requirement - Notified	Per designation/order - deposit*	6,000.00	6,000.00	0.00	N/A	
Requirement - Non notified	Per designation/order - deposit*	800.00	800.00	0.00	N/A	
Extension of time to a designation	Per designation/order - deposit*	800.00	300.00	500.00	166.67%	Increased in Oct 2021 - approved by Council
Variation	Per Outline Plan - deposit*	800.00	600.00	200.00	33.33%	Increased in Oct 2021 - approved by Council
Removal	Per Outline Plan - deposit*	100.00	100.00	0.00	N/A	
Section 176a Outline Plan	Per Outline Plan - deposit*	500.00	400.00	100.00	25.00%	To better align deposit with the final cost.
Waiver of Outline Plan	Per Outline Plan - deposit*	300.00	300.00	0.00	N/A	
* There is a threshold either side of the final cost whereby if the amount to be refunded or recovered is less than \$100 it will be absorbed to cover the processing cost.						

Activity	Basis for Charge	Fees and Charges from 1 July 2022	Fees and Charges from 1 July 2021	Change \$	Change %	Reason for proposed change
AIRPORT - Landing Fees						
Take off weight	Maximum Take-off Weight (kgs)					
	0 - 1500	8.00	8.00	0.00	N/A	
	1501 - 2000	15.00	15.00	0.00	N/A	
	2001 - 3000	20.00	20.00	0.00	N/A	
	3001 - 5000	30.00	30.00	0.00	N/A	
	>5000	50.00	50.00	0.00	N/A	
	Base fee Per tonne					
Helicopters		10.00	10.00	0.00	N/A	
Non-payment of landing fee		20.00	20.00	0.00	N/A	

Activity	Basis for Charge	Fees and Charges from 1 July 2022	Fees and Charges from 1 July 2021	Change \$	Change %	Reason for proposed change
Oamaru Harbour Services						
Harbour Fees	Holmes Wharf berth per annum	1,500.00	1,500.00	0.00	N/A	
	Holmes Wharf berth per annum non-ratepayer	1,800.00	1,800.00	0.00	N/A	
	Holmes Wharf double-berthing (by written Council approval) per day charge	7.50	7.50	N/A	N/A	
	Harbour mooring per annum ratepayer	350.00	350.00	0.00	N/A	
	Harbour mooring per annum non-ratepayer	570.00	570.00	0.00	N/A	
	Temporary WDC wharf mooring (per day charge)	10.00	10.00	0.00	N/A	
	Temporary WDC wharf mooring (per day charge) after 14 days	50.00	50.00	0.00	N/A	
	Temporary WDC wharf mooring (per day charge) after 90 days	100.00	0.00	100.00	New fee	To allow the effective management of moorings and to meet the cost of delivering
	Temporary WDC mooring (per day charge)	5.00	5.00	0.00	N/A	
	Temporary WDC mooring (per day charge) after 14 days	25.00	25.00	0.00	N/A	
	Temporary WDC mooring (per day charge) after 90 days	50.00	0.00	50.00	New fee	To allow the effective management of moorings and to meet the cost of delivering
	Council-leased mooring (structure owned by WDC) Local - annual charge	1500.00	1500.00	0.00	N/A	
	Council-leased mooring (structure owned by WDC) non-Local - annual charge	1700.00	1700.00	0.00	N/A	
	Harbour operator fee plus any disbursements (hourly rate)	90.00	90.00	0.00	N/A	
Slipway Fees	Fish Case levy per case	0.50	0.50	0.00	N/A	
	Winch (on and off) (fixed charge then hourly rate after 2 hours)	250.00	220.00	30.00	13.64%	Better match to cost
	Hourly rate for Harbour Operator	90.00	90.00	0.00	N/A	
	Daily charge	30.00	30.00	0.00	N/A	

Activity	Basis for Charge	Fees and Charges from 1 July 2022	Fees and Charges from 1 July 2021	Change \$	Change %	Reason for proposed change
Building Consent Charges						
Building value - \$0 - \$5,000	includes allowance for PIM/BC, processing and acceptable RFIs, required inspections and CCC	540.00	540.00	0.00	N/A	
Building value - \$5,001 - \$19,999						
Non-habitable		1,344.00	1,344.00	0.00	N/A	
Habitable		2,076.00	2,076.00	0.00	N/A	
Building value - \$20,000 - \$50,000						
Non-habitable		2,818.00	2,818.00	0.00	N/A	
Habitable		3,178.00	3,178.00	0.00	N/A	
Building value - \$50,001 - \$100,000						
Non-habitable	includes allowance for PIM/BC, processing and acceptable RFIs, required inspections and CCC	3,533.00	3,533.00	0.00	N/A	
Habitable		3,893.00	3,893.00	0.00	N/A	
Building value - \$100,001 - \$200,000		4,433.00	4,433.00	0.00	N/A	
Building value - \$200,001 - \$300,000		5,580.00	5,580.00	0.00	N/A	
Building value - \$300,001 - \$400,000		5,760.00	5,760.00	0.00	N/A	
Building value - \$400,001 - \$500,000		6,120.00	6,120.00	0.00	N/A	
Building value - \$500,001 - \$600,000		7,200.00	7,200.00	0.00	N/A	
Building value - in excess of \$600,000	\$7,200.00 plus \$495.00 for every \$100,000 or part thereof	See basis for charge	See basis for charge	0.00	N/A	
Accreditation levy	0.04% of the estimated value of all new Building work (inc SFH, COA, Marquee, discretionary exemption, consent amendment, pool barrier)	0.04% value of Building work	0.04% value of Building work	0.00	N/A	
Building Research Association of NZ (BRANZ) and MBIE Levies						
BRANZ Levy	Projects under \$20,000 are exempt	No Fee	No Fee	0.00	N/A	
BRANZ Levy	Over \$20,000 - per every \$1,000 or part thereof.	1.00	1.00	0.00	N/A	
MBIE levy	Projects under \$20,444 are exempt	No Fee	No Fee	0.00	N/A	
MBIE levy	Over \$20,444 - per every \$1,000 or part thereof.	2.01	2.01	0.00	N/A	
Sundry Building Consent Charges						
Code Compliance Certificate	\$90 per 30 minutes or part thereof + inspections at \$180 each					
Heater		320.00	320.00	0.00	N/A	
Certificate of Acceptance	Base fee, plus Building Consideration / PIM, plus consent plan review, plus inspections @ \$180 each	650.00	650.00	0.00	N/A	
Waiver to Building Code	\$180 per hour or part thereof	180.00	180.00	0.00	N/A	
Demolition Consent	\$180 per hour or part thereof - if requested	180.00	180.00	0.00	N/A	
Amend issued building consent	\$180 per hour or part thereof, plus estimated inspections at \$180 each	180.00	180.00	0.00	N/A	
Minor variation	if not conducted within allotted on site inspection time of 1 hour or if completed in office, \$90 per 30 minutes or part thereof plus additional inspections if required at \$180 each	90.00	90.00	0.00	N/A	
Extend building consent timeframes	Fixed fee	90.00	90.00	0.00	N/A	
Compliance Schedule	Based on 2 hours	360.00	360.00	0.00	N/A	
Compliance Schedule amendment	Based on 1 hour	180.00	180.00	0.00	N/A	
Application to erect marquee	\$180 per hour or part thereof, plus estimated inspections at \$180 each	180.00	180.00	0.00	N/A	
Certificate of Public Use Application fee (for an agreed duration)	Based on 2 hours, plus \$180 per hour after, plus inspections as required	360.00	360.00	0.00	N/A	
Certificate of Public Use - first request	Extension of timeframe up to 6 months	360.00	360.00	0.00	N/A	
Certificate of Public Use - second request	Extension of timeframe up to a further 6 months	720.00	720.00	0.00	N/A	
Certificate of Public Use - third & subsequent request	Extension of timeframe up to a further 6 months, and for each subsequent application	2,000.00	2,000.00	0.00	N/A	
Certificate of Title on behalf of owner	Administration charge, including 3rd party fees	60.00	60.00	0.00	N/A	
Linking of Titles		295.00	295.00	0.00	N/A	
Notice on Certificate of Titles		295.00	295.00	0.00	N/A	
NZ Fire Service Section 46 notice	No charge from FENZ	No charge	No charge	-75.00	-100.00%	

Activity	Basis for Charge	Fees and Charges from 1 July 2022	Fees and Charges from 1 July 2021	Change \$	Change %	Reason for proposed change
Other building charges						
Inspection Fee		180.00	180.00	0.00	N/A	
Re-inspection Fee		180.00	180.00	0.00	N/A	
Inspection Fee in other districts	Charged at cost in relevant district	Actual cost	Actual cost	0.00	N/A	
Cancelled inspection	\$90 if cancelled after 3pm day prior, \$180 if cancelled on arranged day	90.00 - 180.00	90.00 - 180.00	10.00 - 20.00	12.50%	
Specialist (other engineering review)	Actual cost of advice plus \$60.00 administration fee	\$60.00 + actual cost	\$60.00 + actual cost	0.00	N/A	
Exemption under schedule 1, Clause 2 (discretionary exemption to obtaining consent)	Based on 2 hours, \$180 per hour thereafter	360.00	360.00	0.00	N/A	
This includes pole shed exemptions.						
Discretionary exemption for installation of insulation in exterior walls	Fixed fee	180.00	180.00	0.00	N/A	
Building Warrant of Fitness	Receiving information (Annual form 12' acceptance)	75.00	75.00	0.00	N/A	
	\$180 for the first hour, \$90 per half hour or part thereof after	180.00	180.00	0.00	N/A	
Swimming Pool	Receiving information (IQP Pool Inspector)	90.00	90.00	0.00	N/A	
Swimming Pool inspection	\$180 for the first hour, \$90 per half hour or part thereof after	180.00	180.00	0.00	N/A	
Application for outdoor swimming	Based on 2 hours	360.00	360.00	0.00	N/A	
Notice to Fix	Base fee to prepare notice, plus investigation at \$180 per hour, plus inspections at \$180 per hour or part thereof	500.00	500.00	0.00	N/A	
Certificate under Sale and Supply of Alcohol Act 2012		150.00	150.00	0.00	N/A	
Request for information to be placed on property file		60.00	60.00	0.00	N/A	
Property Information - Services						
Land Information Memorandum	Commercial/Rural	400.00	400.00	0.00	N/A	
Land Information Memorandum	Commercial/Rural - urgent	795.00	795.00	0.00	N/A	
Land Information Memorandum	Residential	330.00	330.00	0.00	N/A	
Land Information Memorandum	Residential - urgent	635.00	635.00	0.00	N/A	
Project Information Memorandum / Building Consideration	Under \$5k	180.00	180.00	0.00	N/A	
Project Information Memorandum / Building Consideration	\$5k and over	360.00	360.00	0.00	N/A	
Viewing of Property File	Viewing by non-property owner	45.00	45.00	0.00	N/A	
Viewing of file Property File	Viewing by property owner	15.00	15.00	0.00	N/A	
	Urgent photocopy request, viewing fee plus photocopy charges at page rates below	15.00	15.00	0.00	N/A	
Scanning or copying property file	Per page, PLUS viewing fee:					
	A4 Black and White	6 cents	6 cents	0.00	N/A	
	A3 Black and White	10 cents	10 cents	0.00	N/A	
	A1 Black and White	40 cents	40 cents	0.00	N/A	
	A4 Colour	35 cents	35 cents	0.00	N/A	
	A3 Colour	40 cents	40 cents	0.00	N/A	
	A1 Colour	70 cents	70 cents	0.00	N/A	
New Rapid Number	Per number	140.00	140.00	0.00	N/A	
Rapid Plate installation	If qualified BCO required to install	75.00	75.00	0.00	N/A	
Replacement Plate		30.00	30.00	0.00	N/A	
Rapid Book - A4 format	Colour - to be advised at time of request	TBA	TBA	0.00	N/A	

Activity	Basis for Charge	Fees and Charges from 1 July 2022	Fees and Charges from 1 July 2021	Change \$	Change %	Reason for proposed change
Sundry Regulatory charges						
Gambling consents fee	Actual cost per consent (minimum fee \$400.00) - deposit plus \$120 per hour after 3 hours	400.00	400.00	0.00	N/A	
TAB Venues fee	Actual cost per consent (minimum fee \$400.00) - deposit plus \$120 per hour after 3 hours	400.00	400.00	0.00	N/A	
Food Act 2014 (Food Control Plan or National Programme)						
New Application	Base fee plus \$170 per hour after 1 hour	180.00	170.00	10.00	5.88%	Changed in Oct 2021 - approved by Council
Renewal	Base fee plus \$170 per hour after 1 hour	180.00	170.00	10.00	5.88%	Changed in Oct 2021 - approved by Council
Amendments	Base fee plus \$170 per hour after 1 hour	180.00	170.00	10.00	5.88%	Changed in Oct 2021 - approved by Council
Verification inspection	Base fee plus \$225 per hour after 1 hour (Capped at 4 Hours)	180.00	225.00	-45.00	-20.00%	Changed in Oct 2021 - approved by Council
Improvement Notice / Corrective Action	Base fee plus \$225 per hour after 1 hour	180.00	225.00	-45.00	-20.00%	Changed in Oct 2021 - approved by Council
Re inspection	Base fee plus \$225 per hour after 1 hour (Capped at 4 Hours)	180.00	225.00	-45.00	-20.00%	Changed in Oct 2021 - approved by Council
Compliance Verification	Base fee plus \$225 per hour after 1 hour (Capped at 4 Hours)	180.00	225.00	-45.00	-20.00%	Changed in Oct 2021 - approved by Council
Mentoring service - provider advisement available on request		N/A	N/A	0.00	N/A	
Food Control Plan		30.00	30.00	0.00	N/A	
Other Businesses Registered Under the Health Act						
New application	Base fee plus \$170 per hour after 1 hour	170.00	170.00	0.00	N/A	
Camping Grounds	Per Annual Certificate	300.00	300.00	0.00	N/A	
Hairdressers	Per Annual Certificate	225.00	225.00	0.00	N/A	
Offensive Traders	Per Annual Certificate	205.00	205.00	0.00	N/A	
Funeral Director	Per Annual Certificate	205.00	205.00	0.00	N/A	
Saleyards	Per Annual Certificate	205.00	205.00	0.00	N/A	
Transfer Fee	Transfer fee for all health services	80.00	80.00	0.00	N/A	
Other Fees						
Busking	Requires approval from WDC and permission from shop proprietor	No fee	No fee	0.00	N/A	
Itinerant Trader or Mobile Shop Permit	Per Annual Permit	100.00	100.00	0.00	N/A	
Street Furniture Permit	Per Annual Permit	50.00	50.00	0.00	N/A	
Seizure of equipment	plus storage costs if applicable	150.00	150.00	0.00	N/A	

Activity	Basis for Charge	Fees and Charges from 1 July 2022	Fees and Charges from 1 July 2021	Change \$	Change %	Reason for proposed change
Alcohol Licensing						
Cost/risk rating of on/off premises	Fee Category					
Application fee						
0-2	Very low	368.00	368.00	0.00	N/A	
3 to 5	Low	609.50	609.50	0.00	N/A	
6 to 15	Medium	816.50	816.50	0.00	N/A	
16 to 25	High	1,023.50	1,023.50	0.00	N/A	
26 plus	Very high	1,207.50	1,207.50	0.00	N/A	
Annual Fees						
0-2	Very low	161.00	161.00	0.00	N/A	
3 to 5	Low	391.00	391.00	0.00	N/A	
6 to 15	Medium	632.50	632.50	0.00	N/A	
16 to 25	High	1,035.00	1,035.00	0.00	N/A	
26 plus	Very high	1,437.50	1,437.50	0.00	N/A	
Special Licence						
	Issued in respect of					
Class 1	1 large event (400) people or more than 3 medium events (100 to 400) or more than 12 small events (less than 100)	575.00	575.00	0.00	N/A	
Class 2	3 to 12 small events (less than 100) people or 1 to 3 medium events (100 to 400)	207.00	207.00	0.00	N/A	
Class 3	1 or 2 small events (less than 100) people	63.25	63.25	0.00	N/A	
Manager's Certificate (new or renewal)						
		316.25	316.25	0.00	N/A	
Other fees payable						
Temporary authority		296.70	296.70	0.00	N/A	
Temporary licence		296.70	296.70	0.00	N/A	
Permanent club charters		632.50	632.50	0.00	N/A	
Extract from register		57.50	57.50	0.00	N/A	
Water Monitoring (for private supplies)	The fee for each supply is based on time, distance from network, cost of testing, number of samples and administration.	TBA	TBA	0.00	N/A	

Activity	Basis for Charge	Fees and Charges from 1 July 2022	Fees and Charges from 1 July 2021	Change \$	Change %	Reason for proposed change
Parking Control	Infringement Fees are set by Statute					
Metered parking	On Street - per hour	1.10	1.10	0.00	N/A	
	Off Street - per hour	0.90	0.90	0.00	N/A	
	Off Street - per day maximum charge	4.00	4.00	0.00	N/A	
Parking Permits	Per year	400.00	400.00	0.00	N/A	
	6 months	220.00	220.00	0.00	N/A	
Prepaid Daily Parking Permits	3 months	120.00	120.00	0.00	N/A	
Space Booking	On street - per day	7.00	7.00	0.00	N/A	
	On Street - per week	30.00	30.00	0.00	N/A	
	On Street - per month	100.00	100.00	0.00	N/A	
	On Street - 3 months	250.00	250.00	0.00	N/A	
	On Street - 6 months	350.00	350.00	0.00	N/A	
	Off street - per day	4.00	4.00	0.00	N/A	
	Off Street - per week	18.00	18.00	0.00	N/A	
	Off Street - per month	60.00	60.00	0.00	N/A	
	Off Street - 3 months	120.00	120.00	0.00	N/A	
	Off Street - 6 months	220.00	220.00	0.00	N/A	
Taxi Stand	Per stand	No fee	No fee	0.00	N/A	
Bus Stand	Per stand	No fee	No fee	0.00	N/A	
Amusement Devices						
Application fee	1 device, for first 7 days or part thereof,	11.50	11.50	0.00	N/A	
	for each additional device operated by the same owner, for the first 7 days or part thereof	2.30	2.30	0.00	N/A	
	for each device, for each further period of 7 days or part	1.15	1.15	0.00	N/A	

Activity	Basis for Charge	Fees and Charges from 1 July 2022	Fees and Charges from 1 July 2021	Change \$	Change %	Reason for proposed change
Animal Control						
Dog registration - Base fee		Removed	Removed	0.00	N/A	
Dog registration - category fees	Working dogs, per dog	21.00	21.00	0.00	N/A	
	Non-working dogs, per dog	70.00	70.00	0.00	N/A	
	Neutered non-working dog	56.00	56.00	0.00	N/A	
	Selected owner dogs, per dog	28.00	28.00	0.00	N/A	
	Farm pet dogs, per dog	21.00	21.00	0.00	N/A	
	Disability Assist dog	No fee	No fee			
	Probationary owner dogs	Registration fee plus 50%	Registration fee plus 50%	0.00	N/A	
	Dangerous dogs	Registration fee plus 50%	Registration fee plus 50%	0.00	N/A	
	Late registration penalty	Registration fee plus 50%	Registration fee plus 50%	0.00	N/A	
Selected Owner/Multiple Dog Permit	Application and assessment	35.00	35.00	0.00	N/A	
	Reassessment	20.00	20.00	0.00	N/A	
Adoption Fee	Application and assessment	165.00	165.00	0.00	N/A	
Replacement tag		10.00	10.00	0.00	N/A	
New tag	Dog from another district/Change of owner (For a dog that is currently registered)	No Fee	No Fee	0.00	N/A	
Dog Impounding	First offence - registered dog	50.00	50.00	0.00	N/A	
	First offence - unregistered dog	120.00	120.00	0.00	N/A	
	Second offence	100.00	100.00	0.00	N/A	
	Third offence	135.00	135.00	0.00	N/A	
	Seizure and custody	65.00	65.00	0.00	N/A	
	Sustenance per day	15.00	15.00	0.00	N/A	
	Destruction fee	60.00	60.00	0.00	N/A	
Livestock Impounding Fee	\$50 per animal plus \$85 per hour for time taken to contain animal(s)	50.00	50.00	0.00	N/A	
	Sustenance per day (if required)	10.00	10.00	0.00	N/A	

Activity	Basis for Charge	Fees and Charges from 1 July 2022	Fees and Charges from 1 July 2021	Change \$	Change %	Reason for proposed change
Roading - Private Works						
District Wide	Development Contributions/HEU	Please refer to the Development Contribution Policy click here for more information	Please refer to the Development Contribution Policy click here for more information			
Vehicle crossing application & supervision fee		No Fee	No Fee	0.00	N/A	
Cattle stop and/or gate across road	Application fee	300.00	300.00	0.00	N/A	
Stock droving/crossing permit OR Stock Underpass permit	Application fee (Note legal fees with applicant)	No Fee	No Fee	0.00	N/A	
No Spray Zone	Management fee	No fee	No fee	0.00	N/A	
Temporary road closures	Private/commercial purposes (single)	200.00	200.00	0.00	N/A	
	Public Events (Single)	150.00	150.00	0.00	N/A	
Temporary road closures	Multiple road closures (Base fee + \$50/extra each additional road to be closed)	Base Fee + \$50/extra road	Base Fee + \$50/extra road	0.00	N/A	
Temporary road closures late applications		Base Fee(s) + \$150	Base Fee(s) + \$150	0.00	N/A	
Overweight/over dimension vehicle permits	Permit - Application fee (HV Regs) - new	Fee + disbursements	Fee + disbursements	0.00	N/A	
	Permit - Application fee (HV Regs) - renewal	Fee + disbursements	Fee + disbursements	0.00	N/A	
Licence to Occupy within Road Corridor	Legal and staff costs + disbursements	Legal costs + staff costs + disbursements	Legal costs + staff costs + disbursements	0.00	N/A	
Corridor Access request (Utilities Act)	Application - Global	0.00	0.00	0.00	N/A	
Corridor Access request (Utilities Act)	Application - single	56.35	56.35	0.00	N/A	
Corridor Access request (Utilities Act)	Application - re-inspection fee	56.35	56.35	0.00	N/A	
Corridor Access request (Non excavation)	Application - Traffic management plan (site specific)	56.35	56.35	0.00	N/A	
Corridor Access request (Non excavation)	Application - Traffic management plan (generic)	113.85	113.85	0.00	N/A	
Corridor Access request (Non excavation)	Application - re-inspection fee	228.85	228.85	0.00	N/A	
Traffic Management Plan Design	Services to create Traffic management plan	Staff time per hour required + disbursements	Staff time per hour required + disbursements			
Private pipeline/utility permit	Application fee \$150/permit + legal + disbursements	\$150 + legal + disbursements	\$150 + legal + disbursements	0.00	N/A	
Non Public Works within road corridor	Refundable bond at 2.5 times construction cost	2.5 times construction cost	2.5 times construction cost	0.00	N/A	
Any activity within Road Corridor	Re-inspection Fee (for non-compliant activities)	\$150 + time + disbursements	\$150 + time + disbursements	0.00	N/A	

Activity	Basis for Charge	Fees and Charges from 1 July 2022	Fees and Charges from 1 July 2021	Change \$	Change %	Reason for proposed change
Sewerage						
Kurou	Development Contributions/HEU	Please refer to the Development Contribution Policy, click here for more information	Please refer to the Development Contribution Policy, click here for more information			
Lake Ohau	Development Contributions/HEU					
Moeraki	Development Contributions/HEU					
Oamaru (includes Weston and Kakanui)	Development Contributions/HEU					
Omarama	Development Contributions/HEU					
Otematata	Development Contributions/HEU					
Palmerston	Development Contributions/HEU					
All townships/localities	New connection:					
	- 110mm connection	670.00	670.00	0.00	N/A	
	- 150mm connection	cost plus 10%	cost plus 10%	0.00	N/A	
	Disconnection	2,630.00	2,630.00	0.00	N/A	
Trade Waste						
Annual minimum charge		979.00	979.00	0.00	N/A	
Collection	Per litre/second	2,740.00	2,740.00	0.00	N/A	
Treatment	Per kg BOD per day	211.00	211.00	0.00	N/A	
Monitoring	Per year	2,355.00	2,355.00	0.00	N/A	
Tanker Trade Waste	Per year (for each access key)	10,000.00	10,000.00	0.00	N/A	

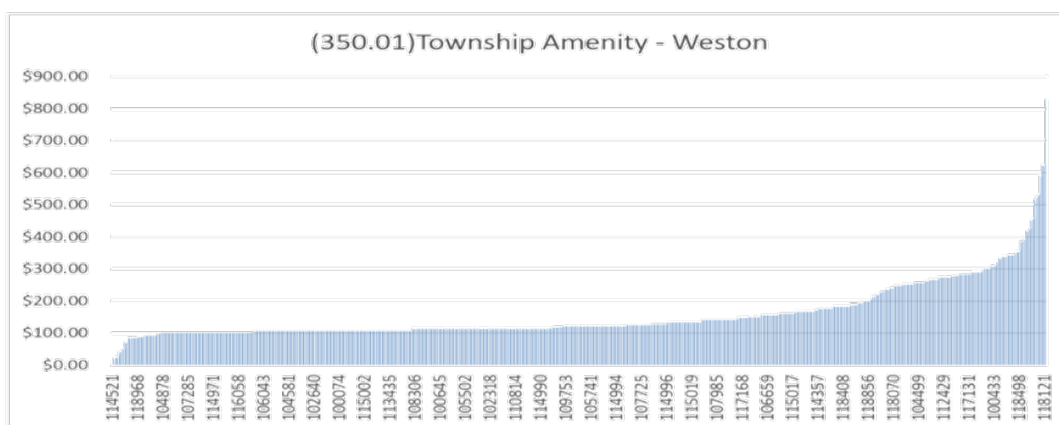
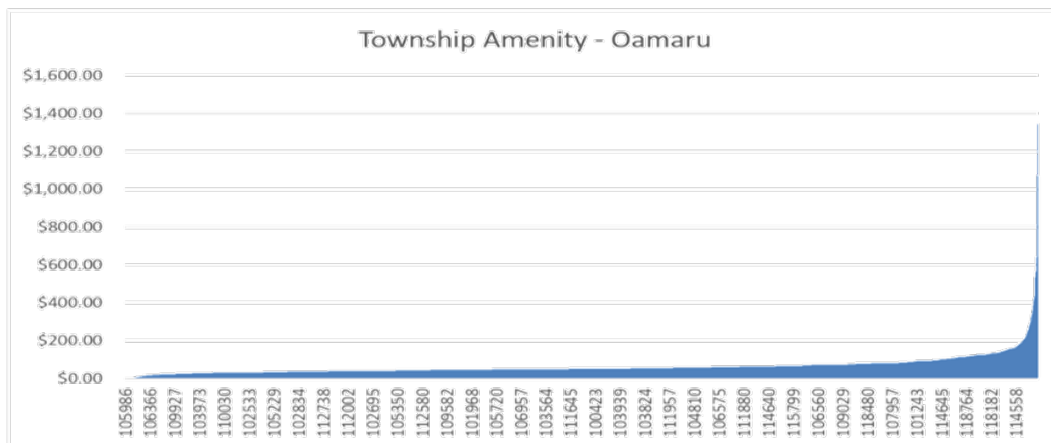
Activity	Basis for Charge	Fees and Charges from 1 July 2022	Fees and Charges from 1 July 2021	Change \$	Change %	Reason for proposed change
Water Supply						
All	Disconnection fee	670.00	670.00	0.00	N/A	
All	Restrictor change (physical costs)	460.00	460.00	0.00	N/A	
All - Standard Connection 20 mm	On demand supply	2,430.00	2,430.00	0.00	N/A	
All - Standard Connection 20 mm	Metered On demand supply	2,600.00	2,600.00	0.00	N/A	
All	Water Supply inspection (includes scheduled contractor fee)	Actual cost	Actual cost	0.00	N/A	
All	Water meter installation (includes scheduled contractor fee)	Actual cost	Actual cost	0.00	N/A	
All - Non-standard connection	Restricted/ Extraordinary/ other supply	Actual cost	Actual cost	0.00	N/A	
All	Engineer hourly charge	120.00	120.00	0.00	N/A	
All	Senior Engineer hourly charge	180.00	180.00	0.00	N/A	
All	Administration hourly charge	80.00	80.00	0.00	N/A	
All	Bulk Water per m³	5.00	5.00	0.00	N/A	
All	Backflow prevention device installation, and maintenance (including scheduled contractor charge)	Actual cost	Actual cost	0.00	N/A	
All	Backflow Preventer Inspection / testing	280.00	280.00	0.00	N/A	
All	Remedying damage to water supply system following a breach of the Waitaki District Council Water Supply Bylaw 2021 (including scheduled contractor charge)	Actual cost	Actual cost	0.00	N/A	
All	Reinstating water supply following a breach of the Waitaki District Council Water Supply Bylaw 2021 (including scheduled contractor charge)	Actual cost	Actual cost	0.00	N/A	

Activity	Basis for Charge	Fees and Charges from 1 July 2022	Fees and Charges from 1 July 2021	Change \$	Change %	Reason for proposed change
Awamoko	Development Contribution Levy/1m ³	Please refer to the Development Contribution Policy click here for more information	Please refer to the Development Contribution Policy click here for more information			
Bushy Creek	Development Contribution Levy/1m ³					
Dunroon	Development Contribution Levy/1m ³					
Hampden/Moeraki	Development Contribution Levy/1m ³					
Herbert/Waianakarua	Development Contribution Levy/1m ³					
Kauru Hill	Development Contribution Levy/H&E					
Kurow	Development Contribution Levy/1m ³					
Lake Ohau	Development Contribution Levy/1m ³					
Lower Waitaki	Development Contribution Levy/H&E					
Oamaru (All Zones)	Development Contribution Levy/H&E					
Omarama	Development Contribution Levy/1m ³					
Otematata	Development Contribution Levy/H&E					
Stoneburn	Development Contribution Levy/1m ³					
Tokarahi	Development Contribution Levy/1m ³					
	Connection Administration Charge					
Waihemo (All Zones)	Development Contribution Levy/H&E					
Windsor	Development Contribution Levy/1m ³					
Supervision fee for stormwater connection to kerb and channel or roadside drain by owner's drainlayer (including reinstatement)						
Development Contribution reassessment charges	Reconsideration based on incorrect calculation or assessment	No fee	No fee	0.00	N/A	
	Reconsideration based on incorrect application of policy	No fee	No fee	0.00	N/A	
	Reconsideration based on incorrect information used to calculate the Development contribution	No fee	No fee	0.00	N/A	
	Reconsideration based on incorrect information used to calculate the Development contribution where errors or omissions are attributable to the applicant	255.00	255.00	0.00	N/A	
Development Contribution objection	The Local Government Act 2002 requires the full cost of any hearings, including administration and Commissioner costs, to be paid by the objector					
	Initial deposit required before commissioner selected	3,162.50	3,162.50			
	Balance of costs incurred	At cost, payable upon invoice	At cost, payable upon invoice			

Oamaru and Weston Amenity Flat Rate

Amenity Flat Rate Options

The following charts show all assessments for Oamaru and Weston according to their Amenity charge.



It illustrates that most assessments pay approximately the same levy. This will help guide the setting of the flat rate at a "fair" level and shows there are a limited number of adversely affected properties that Council could decide to assist with a remission.

The following table illustrates the impact of the Flat Rate Amenity by counting the number of assessments impacted as per selected Flat Rate Amenity Charges.

	At \$250	
	Oamaru	Weston
Less than 2HA paying more than Flat Rate (excluding high value commercial properties)	3	56
Greater than 2HA receiving discount due to Flat Rate	36	36
Greater than 2HA paying more due to Flat Rate	207	0

As a result of modelling and analysis, a Flat Rate Amenity Charge of \$250 for assessments with a land area of 2Ha or greater is recommended as this is believed to produce the best outcome for Council and Community.

The Flat Rate Amenity charge of \$250 has the following impact:

- Oamaru, of the 6,604 Assessment charge the rate
 - 3 Assessments with a land area less than 2Ha that are paying a higher charge than those on the Flat Rate. These are excluding high value commercial properties.
 - 36 Assessments with a land area of at least 2Ha that are receiving a discount to their Amenity charge i.e., they now pay less.
 - 207 Assessments with a land area of at least 2Ha that are receiving additional Amenity charge i.e., they now pay more.
- Weston, of the 521 Assessment charge the rate
 - 57 Assessments with a land area less than 2Ha that are paying a higher charge than those on the Flat Rate
 - 36 Assessments with a land area of at least 2Ha that are receiving a discount to their Amenity charge i.e., they now pay less.
 - 0 Assessments with a land area of at least 2Ha that are receiving additional Amenity charge i.e., they now pay more.

Implications for Council

Council must set the amount of the flat rate.

Council is not required to provide remissions but may if it wishes. The potential remissions are:

1. Apply a remission for all assessments with a land area greater than or equal to 2Ha to reduce the amount charge to the same level if the rate was calculated on Land Value.
2. Apply a remission to assessments used exclusively for **residential purposes** with a land area less than 2Ha so that they are charged no more than the flat rate.

The following table illustrates the potential discounts/remissions per category:

Remission/Discount	Oamaru	Weston
< 2Ha (Remission) (2)	\$275	\$2,768
> 2Ha (Discount)	\$7,802	\$5,180
> 2Ha (Remission) (1)	\$22,091	\$0
Total	\$30,168	\$7,948

Given the amounts and number of properties involved, it is not recommended that any action be taken for the second groups of properties.

If any remissions are supported, the rates will be recalculated to allow for the impact of this adjustment. This will allow the correct net amount required is collected.

6.2 RESOLUTION TO SET THE RATES FOR THE 2022/23 RATING YEAR**Author:** Ian Wells, Accounting Manager**Authoriser:** Paul Hope, Finance and Corporate Development Group Manager**RECOMMENDATION**

That Council:

1. Agrees to set the rates and due dates for payments, and to authorise the penalty regime for the 2022/23 year commencing 1 July 2022 and ending 30 June 2023, in accordance with the information contained in the Annual Plan 2022/23 as set out below.

All amounts are GST inclusive and the rates in the dollar are shown per \$100 of value.

Name of Rate	Summary Narrative	Local Government (Rating) Act Ref	Rate Set (GST inclusive)	Required Revenue (GST inclusive)
(To be read in conjunction with the Funding Impact Statement.)				
General Rate	A uniform rate in the dollar based on the land value of each rating unit in the district.	s13(2)(a)	\$0.0679	\$3,251,806
Uniform Annual General Charge	Charged on each Separately Used or Inhabited Part (SUIP) of a rating unit in the district.	s15(1)(b)	\$463.00	\$6,458,424
District Services Rate	A targeted rate be set at a uniform rate in the dollar, based on the capital value of each rating unit in the district.	s16(3)(a)	\$0.0194	\$1,896,173
Ward Services Charges	Charged on each Separately Used or Inhabited Part (SUIP) of a rating unit in the district, differentiated by Ward.	s16(3)(b)		
Ahuriri Ward Services Charge			\$121.00	\$248,393
Corriedale Ward Services Charge			\$338.00	\$889,949
Ōamaru Ward Services Charge			\$548.00	\$3,991,288
Waihemo Ward Services Charge			\$121.00	\$243,411

Name of Rate	Summary Narrative	Local Government (Rating) Act Ref	Rate Set (GST inclusive)	Required Revenue (GST inclusive)
Ward Services Rates	A targeted rate set at a uniform rate in the dollar, based on the capital value of each rating unit in the district differentiated by Ward.	s16(3)(b)		
Ahuriri Ward Services Rate			\$0.0124	\$306,622
Corriedale Ward Services Rate			\$0.0076	\$220,981
Ōamaru Ward Services Rate			\$0.0303	\$943,371
Waihemo Ward Services Rate			\$0.0366	\$446,700
Community Board Rates	A targeted rate set at a uniform rate in the dollar, based on the land value of each rating unit in each Ward.	s16(3)(b)		
Ahuriri Community Board Rate			\$0.0060	\$47,767
Waihemo Community Board Rate			\$0.0157	\$120,605
Ōamaru Business Area Rates	A targeted rate set at a uniform rate in the dollar, differentiated by use and location, based on the capital value of each rating unit in the defined areas.	s16(3)(b)		
Ōamaru Business Area A			\$0.2951	\$538,080
Ōamaru Business Area B			\$0.1476	\$97,019
Ōamaru Urban Area Rate	A targeted rate set at a uniform rate in the dollar, based on the capital value of each rating unit in the defined area.	s16(3)(b)	\$0.0238	\$582,365

Name of Rate	Summary Narrative	Local Government (Rating) Act Ref	Rate Set (GST inclusive)	Required Revenue (GST inclusive)
Local Amenity Rates	A targeted rate set at a uniform rate in the dollar, based on the land value of each rating unit in each defined area.	s16(3)(b)		
Duntroon			\$0.0059	\$431
Hampden			\$0.0569	\$26,588
Herbert			\$0.0059	\$431
Kakanui			\$0.0068	\$5,750
Kurow			\$0.0164	\$5,717
Lake Ōhau			\$0.0037	\$1,400
Maheno			\$0.0054	\$431
Moeraki			\$0.0048	\$1,643
Ōmārama			\$0.0222	\$16,738
Otematata			\$0.0489	\$52,854
Palmerston			\$0.0595	\$27,773
Shag Point			\$0.0027	\$431
Local Amenity Rates	A targeted rate differentiated by land area based on a uniform rate in the dollar or a fixed amount on each rating unit in each defined area.	s16(3)(b)		
Ōamaru (land area 2 hectares and under)			\$0.0392	\$352,828
Ōamaru (land area greater than 2 hectares)			\$250.00	\$60,788
Weston (land area 2 hectares and under)			\$0.0965	\$73,883
Weston (land area greater than 2 hectares)			\$250.00	\$9,000

Name of Rate	Summary Narrative	Local Government (Rating) Act Ref	Rate Set (GST inclusive)	Required Revenue (GST inclusive)
Roading Rate	A targeted rate differentiated by land use based on the capital value of each rating unit in the district.	s16(3)(a)		
Electrical Generation			\$0.0854	\$688,379
Mineral Extraction			\$1.5054	\$430,237
Forestry			\$0.3408	\$235,152
General			\$0.0847	\$7,489,172
Public Hall Rates	Charged on each Separately Used or Inhabited Part (SUIP) of a rating unit in the defined areas.	s16(3)(b)		
Airedale Public Hall Rate			\$40.00	\$1,080
Ardgowan Public Hall Rate			\$20.00	\$2,940
Awamoko Public Hall Rate			\$30.00	\$2,610
Dunback Public Hall Rate			\$30.00	\$3,900
Duntroon Public Hall Rate			\$20.00	\$3,060
Enfield Public Hall Rate			\$20.00	\$2,680
Five Forks Public Hall Rate			\$20.00	\$1,600
Hampden Public Hall Rate			\$40.00	\$11,280
Kakanui Public Hall Rate			\$20.00	\$7,740
Kauru Hill Public Hall Rate			\$50.00	\$2,150
Kurow Public Hall Rate			\$50.00	\$16,200
Lower Waitaki Public Hall Rate			\$80.00	\$15,600
Macraes Public Hall Rate			\$60.00	\$3,120
Maheno Public Hall Rate			\$40.00	\$7,840
Moeraki Public Hall Rate			\$40.00	\$9,040
Ngapara Public Hall Rate			\$20.00	\$1,740
Ōmārama Public Hall Rate			\$50.00	\$19,050
Otekaieke Public Hall Rate			\$20.00	\$1,720
Otematata Public Hall Rate			\$50.00	\$26,750
Otepopo Public Hall Rate			\$30.00	\$5,430
Palmerston Public Hall Rate			\$40.00	\$28,280
Pukeuri Public Hall Rate			\$20.00	\$2,080

Name of Rate	Summary Narrative	Local Government (Rating) Act Ref	Rate Set (GST inclusive)	Required Revenue (GST inclusive)
Tokarahi Public Hall Rate			\$30.00	\$3,240
Totara Public Hall Rate			\$40.00	\$9,080
Waianakarua Public Hall Rate			\$30.00	\$1,830
Waitaki Bridge Public Hall Rate			\$20.00	\$3,120
Weston Public Hall Rate			\$40.00	\$24,720
Windsor Public Hall Rate			\$50.00	\$3,350
Sewerage Rates and Charges	A targeted rate based on a fixed amount per water closet. Some targeted rates will be differentiated.	s16(3)(b)		
Ōamaru			\$281.00	\$2,285,153
Duntroon			\$124.00	\$1,237
Kakanui			\$281.00	\$96,798
Kurow			\$361.00	\$109,318
Lake Ōhau Village			\$318.00	\$11,757
Lake Ōhau Village – connection availability			\$159.00	\$14,458
Moeraki			\$1,264.00	\$243,944
Moeraki – connection availability			\$633.00	\$28,502
Ōmārama			\$468.00	\$259,251
Otematata			\$330.00	\$183,587
Palmerston			\$437.00	\$272,553
Water Rates - Urban	Targeted rates based on a fixed amount per rating unit or by the nature of connections. Some targeted rates will be differentiated.	s16(3)(b)		
Ōamaru Water – Supply			\$323.00	\$2,181,581
Ōamaru Water – Reticulation			\$275.00	\$1,755,577
Weston Zone – Oamaru Water			\$706.00	\$738,526
Kakanui Zone Oamaru Water – ordinary supply			\$706.00	\$327,174
Kakanui Zone Oamaru Water – crib unit supply			\$544.00	\$26,120
Hampden-Moeraki zone – Oamaru Water – domestic supply			\$544.00	\$271,814
Hampden-Moeraki zone – Oamaru Water – rural supply			\$706.00	\$101,439
Kurow			\$781.00	\$241,017
Ōmārama			\$627.00	\$207,519

Name of Rate	Summary Narrative	Local Government (Rating) Act Ref	Rate Set (GST inclusive)	Required Revenue (GST inclusive)
Otematata			\$583.00	\$309,547
Palmerston Zone – Waihemo Water			\$937.00	\$508,391
Rural Water	Uniform targeted rates based on the type of connection.	s16(3)(b)		
Awamoko			\$560.00	\$133,840
Bushy Creek			\$176.00	\$17,255
Dunback Zone – Waihemo Water			\$937.00	\$198,221
Duntroon			\$885.00	\$69,952
Enfield Zone – Oamaru Water			\$706.00	\$186,660
Goodwood Zone – Waihemo Water			\$937.00	\$229,165
Herbert-Waianakarua zone – Oamaru Water			\$706.00	\$429,890
Kauru Hill			\$467.00	\$92,247
Lake Ōhau Village			\$421.00	\$17,252
Lake Ōhau Village – connection availability			\$210.00	\$18,725
Lower Waitaki			\$675.00	\$280,296
Stoneburn			\$417.00	\$137,500
Tokarahi			\$438.00	\$303,405
Windsor			\$436.00	\$83,023
Metered Water Rates	Targeted rates per cubic metre, based on the volume of water supplied.	s19(2)(a)		
Ōamaru Water – All zones – metered supply			\$1.19	
Waihemo Water – All zones – metered supply			\$1.19	
Kurow – metered supply			\$0.52	
Ōmārama – metered supply			\$0.96	
Otematata – metered supply			\$0.52	
Construction Loan Rates	A targeted rate charged on rating units that have elected not to pay a lump sum – excludes businesses with water meters			
Ōamaru Water Treatment Loan Rate			\$108.00	\$602,813

Instalments

Rates, except metered water rates, will be collected by four equal quarterly instalments due on the following dates, or the first working day after this date.

Payments will be applied to the oldest debt first.

Instalment Number	Due Date
One	25 August 2022
Two	25 November 2022
Three	25 February 2023
Four	25 May 2023

Metered Water Rates

Actual consumption of water by meter will be billed based on meter readings undertaken quarterly and will be due for payment on the following dates, or the first working day after this date.

Payments will be applied to the oldest debt first.

Water usage invoiced for	Due Date
Period ended 30 June 2022	25 August 2022 (billed at the 2021/22 rate)
Period ended 30 September 2022	25 November 2022
Period ended 31 December 2022	25 February 2023
Period ended 31 March 2023	25 May 2023
Period ended 30 June 2023	25 August 2023

Penalty Regime

As authorised under section 58(1)(a) of the Local Government (Rating) Act 2002, an additional charge of 10% of any amount of an instalment or metered water charge that remains unpaid after the due date for that instalment or metered water charge will be added on or after the 25 August 2022, 25 November 2022, 25 February 2023, 25 May 2023 and 25 August 2023 respectively for each instalment or metered water charge.

As authorised under section 58(1)(b) of the Local Government (Rating) Act 2002, a further charge of 10% of any amount of rates or metered water charges that remain unpaid from previous financial years will be added on 5 July 2022, being five working days after this resolution.

In addition, as authorised under section 58(1)(c) of the Local Government (Rating) Act 2002, a further charge of 10% on any amount of rates or metered water charges that remain unpaid from previous financial years will be added on 5 January 2023, being six months after application of the previous penalty.

Council confirms that all matters that can be delegated under section 132 of the Local Government (Rating) Act 2002 are delegated to the Chief Executive, Finance and Corporate Development Group Manager, and Rates Supervisor.

DECISION OBJECTIVE

To set the rates for the 2022/23 financial year in accordance with the Local Government Act 2022, the Local Government (Rating) Act 2002 and the Annual Plan 2022/23.

DECISION-MAKING EXPECTATIONS

Governance Decision-Making:	It is anticipated that Council will adopt the resolution to set the rates.
Operational Decision-Making:	The resolution provides Council the legal authority to set, invoice and collect the rates revenue necessary to ensure the continued operations of Council and the delivery of services to the community.
Communications	Media Releases – contributed to by officers and Elected Members Media/public enquiries regarding governance decision-making topics above can be addressed by governance Media/public enquiries regarding operational decision-making topics above can be addressed by officers

SUMMARY OF DECISION-MAKING CRITERIA

	No/Moderate/Key		No/Moderate/Key
Policy/Plan	No	Environmental Considerations	No
Legal	Key	Cultural Considerations	No
Significance	Key	Social Considerations	No
Financial Criteria	No	Economic Considerations	No
Community Views	No	Community Board Views	No
Consultation	No	Publicity and Communication	No

BACKGROUND

Council has developed, engaged with the community on, and adopted the Annual Plan for 2022/23. The next stage of the process is to set the rates for the 2022/23 rating year by resolution. Council is also required to set instalment dates and the penalty regime that will apply for the year. In addition, it is prudent to confirm the delegation to specific officers in relation to rating matters.

SUMMARY OF OPTIONS CONSIDERED

Option 1 – Council must agree and set the 2022/23 rates in accordance with the Local Government Act 2002 and the Local Government (Rating) Act 2002.

Option 2 – Council does not agree to set the 2022/23 rates. This option is not recommended as Council would then be in breach of legislation and be unable to invoice and collect rates income for the 2022/23 financial year.

ASSESSMENT OF PREFERRED OPTION

Option 1 is, in the opinion of officers, the only option practically and legally available to Council.

CONCLUSION

The resolution must be adopted at this meeting to enable officers to commence the processes involved in striking the rates for the 2022/23 financial year so that invoices for the first instalment can be delivered to ratepayers by mid-July.

ADDITIONAL DECISION-MAKING CONSIDERATIONS

Outcomes

We keep our district affordable

We enable opportunities for new and existing business

We provide and enable services and facilities so people want to stay and move here

We understand the diverse needs of our community

Waitaki's distinctive environment is valued and protected

We maintain the safest community we can

Legal Considerations

To meet good practise, rates should be set by 30 June of each year to meet the requirements of the Local Government Act 2002, and the Local Government (Rating) Act 2002.

Significance

Rates are the most significant income stream for Council. It is critical to their transparency and collectability that they are set correctly in accordance with the applicable legislation.

**6.3 RATIFICATION OF COUNCIL SUBMISSION ON THE NATIONAL ADAPTATION PLAN
(CLIMATE CHANGE)**

Author: Victoria van der Spek, Executive Officer
Authoriser: Roger Cook, Heritage, Environment and Regulatory Group Manager
Attachments: 1. WDC Signed Submission NAP Climate Change

RECOMMENDATION

That Council:

1. Formally ratifies Waitaki District Council's submission to the Ministry for the Environment on the Waitaki District Council submission - Draft National Adaptation Plan (climate change), as submitted on 3 June 2022.

DECISION OBJECTIVE

To retrospectively ratify Council's feedback on the Draft National Adaptation Plan (climate change), which was submitted to the Ministry for the Environment on 3 June 2022.

SUMMARY

The Draft National Adaptation Plan (NAP) proposes to address key climate risks up to 2028 through actions to adapt to and live with the future impacts of climate change such as rising sea levels and more frequent extreme weather events.

The NAP aims to build coordination and collaboration between central and local government, communities, iwi, and businesses.

The NAP also includes policy proposals for managed retreat (the careful and planned movement of people, buildings, and sites from areas at high risk of climate change impacts). Separate legislation, currently being referred to as the Climate Adaptation Act, is intended to provide tools and processes to plan and implement managed retreats.

WDC is also party to the Canterbury Mayoral Forum submission on this matter.

DECISION-MAKING EXPECTATIONS

Governance Decision-Making:	Formally ratify Council's feedback on the NAP.
Operational Decision-Making:	No further action is required by Council officers until the NAP is finalised.
Communications	Media Releases – contributed to by officers and Elected Members Media/public enquiries regarding governance decision-making topics above can be addressed by governance Media/public enquiries regarding operational decision-making topics above can be addressed by officers

SUMMARY OF DECISION-MAKING CRITERIA

	No/Moderate/Key		No/Moderate/Key
Policy/Plan	Key	Environmental Considerations	No
Legal	No	Cultural Considerations	No
Significance	No	Social Considerations	No
Financial Criteria	No	Economic Considerations	No
Community Views	No	Community Board Views	No
Consultation	No	Publicity and Communication	No

BACKGROUND

The Climate Change Response (Zero Carbon) Amendment Act 2019 requires the Minister for the Environment to prepare a National Adaptation Plan in response to national climate change risk assessments that sets out:

- the Government's objectives for adapting to the effects of climate change; and
- the Government's strategies, policies, and proposals for meeting those objectives; and
- the time frames for implementing the strategies, policies, and proposals; and
- how the matters in paragraphs (a) to (c) address the most significant risks identified in the most recent national climate change risk assessment; and
- the measures and indicators that will enable regular monitoring of and reporting on the implementation of the strategies, policies, and proposals.

In preparing a national adaptation plan, the Minister must consider the following:

- economic, social, health, environmental, ecological, and cultural effects of climate change, including effects on iwi and Māori;
- the distribution of the effects of climate change across society, taking particular account of vulnerable groups or sectors;
- New Zealand's relevant obligations under international agreements;
- any information received as a result of requests made under section 5ZW [reporting organisations] (includes the public service, local authorities, council-controlled organisations, Crown entities, lifeline utilities and others)
- any relevant advice or reports received from the Commission;
- the ability of communities or organisations to undertake adaptation action, including how any action may be funded;
- scientific and technical advice.

The NAP is broken into the following sections:

- System-wide actions
- The natural environment
- Homes, buildings, and places
- Infrastructure
- Communities
- Economy and financial system

Actions in the NAP are centred around:

- Focus area one: Reform institutions to be fit for a changing climate.
- Focus area two: Provide data, information, and guidance to enable everyone to assess and
- 1. reduce their own climate risks.
- Focus area three: Embed climate resilience across government strategies and policies.

High level summary of WDC's response to the draft NAP:

- WDC supports the proposed national tools and methodology to assess climate change impacts – this will assist in paving the way for local authorities and communities to make sustainable, long-term investment decisions.
- WDC seeks clarity around how Government's strategies and plans will integrate climate action.
- WDC encourages stronger links and more consistency between the National Adaptation Plan and the National Emissions Reduction Plan.
- WDC considers that there is a need for a hierarchy / prioritisation of where climate change fits into the national agenda (eg meeting higher environmental standards in the three waters space, linkage to Resource Management reforms).
- WDC notes there are unknown costs of implementation – design, relocation, funding, and impact on local rates.
- WDC notes that achievability and affordability factors are unknown with major investment decisions required for local authorities, particularly in the infrastructure space.
- WDC acknowledges that new national guidance will need to be rolled out at the regional and local level – the ability of small territorial authorities like Waitaki to resource this is limited, and there will be increased pressure on local body rates.
- WDC notes that resourcing will be required to develop local adaptation – this will require an appropriate balance between central government and local government funding.
- WDC acknowledges that managed retreat is not the only adaptation option – other adaptation pathways will need to be developed in partnership with local communities.

SUMMARY OF OPTIONS CONSIDERED

Option 1 – Formally ratify Council's feedback on the NAP (recommended)

Option 2 – Do not formally ratify Council's feedback on the Discussion Document

ASSESSMENT OF PREFERRED OPTION

Option 1 is the preferred option. WDC is obliged to comply with the requirements of the NAP under the Climate Change Response (Zero Carbon) Amendment Act 2019, and upcoming climate change legislation focusing on managed retreat.

The submission has already been sent to the Ministry for the Environment and therefore Option 2 is not viable. It is relevant that Council has resolved a process that allows the Chair of the Community, Culture and Regulatory Committee to approve and sign Council submissions to central government outside of the formal meetings cycle when deadlines require it, and for such submissions to then be formally ratified at the next available Council Meeting.

CONCLUSION

Planning for a climate-resilient future is important for the Waitaki district to ensure the wellbeing of its communities into the future. The NAP will guide future actions in Waitaki around climate change adaptation, and feed into upcoming climate change legislation around managed retreat.

WDC is also party to the Canterbury Mayoral Forum submission on this matter.

ADDITIONAL DECISION-MAKING CONSIDERATIONS

Outcomes

We keep our district affordable

We enable opportunities for new and existing business

We provide and enable services and facilities, so people want to stay and move here

We understand the diverse needs of our community

Waitaki's distinctive environment is valued and protected

We maintain the safest community we can

Policy and Plan Considerations

Council must have regard to national directions that are relevant to its jurisdiction.

3 June 2022

Ministry for the Environment
Manatū Mō Te Taiao
PO Box 10362,
Wellington 6143



Waitaki

DISTRICT COUNCIL
TE KAUNIHERA A ROHÉ O WAITAKI

Growing strong communities.

Phone 03 433 0300

Web www.waitaki.govt.nz

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Private Bag 50058
Oamaru 9444

Waitaki District Council submission - Draft National Adaptation Plan (climate change)

1.0 Introduction

Waitaki District Council (WDC) welcomes the opportunity to submit on the Draft National Adaptation Plan (NAP).

WDC is also party to the Canterbury Mayoral Forum submission on this matter.

The Waitaki district has a small population (~24,000) and a large land area (7,152 km²) reaching inland from the Waitaki River mouth, up the Waitaki River Valley, through Ōhau to the top of the Ahuriri River Valley, and extending south to Ōamaru, and down the east coast beyond Palmerston to Flag Swamp. Across the district there are geographical differences in climate, biodiversity, and land use type.

The Waitaki district is one of only a few territorial authorities in New Zealand working with two regional Councils, Environment Canterbury, and Otago Regional Council.

WDC recognises that adapting to climate change is a major challenge facing local government and the communities they serve. WDC has identified meeting environmental and climate change challenges as a key community outcome in its Strategic Framework. WDC's ongoing response to climate change is influenced by central and regional government leadership with respect to quantifying risks, collecting data, and integrating this into our long-term decision-making.

WDC anticipates a number of climate change effects into the future including:

- Increasingly high intensity and more frequent rainfall events – as evidenced in recent times by:
 - Recent floods involving emergency management response - January 2021, January 2020, February 2018, January 2018, April 2016
 - Increased frequency of stormwater infrastructure being overloaded (northern Ōamaru)
 - Increased temporary closure of roads and associated roading infrastructure especially in northern Ōamaru
- Increased fire risk – as evidenced in recent times by:
 - Major fires involving emergency management response - October 2020: Ohau Alpine Village and Livingstone
- Accelerating rates of coastal erosion (north and south of Ōamaru) - as evidenced in recent times by:
 - Exposure of old coastal waste dumps (south of Ōamaru)

- Property loss due to coastal erosion affecting parts of the district (south of Ōamaru)
- Emergency reinstatement works for roading and rail infrastructure moving from 1-in-10-year events to 1-in-40-year events or greater

Ōamaru's Whitestone buildings are unique in New Zealand. Climate change poses risks to the integrity of these buildings. The stone buildings are porous. Most heritage buildings in Ōamaru have an internal guttering system. With the increased intensive rainfall events predicted, this creates increased flooding risk - there will be implications for building owners in Ōamaru's CBD. Adaptation needs to be enabled in Ōamaru's heritage preservation and maintenance; however, adaptation options are limited for heritage buildings. Barriers to modification include the requirement for regulatory approval from both Waitaki District Council (Planning) and Heritage New Zealand (for protected buildings).

WDC also notes that climate change could impact on some of its community housing infrastructure, particularly at the north end Ōamaru where there is already a flooding risk.

Another pressure point in Waitaki is the Ōamaru Harbour breakwater – with rising sea level and more frequent storm events, maintenance of the breakwater infrastructure becomes more technically difficult and much more expensive.

2.0 Summary

- WDC supports the proposed national tools and methodology to assess climate change impacts – this will assist to pave the way for local authorities and communities to make sustainable, long-term investment decisions.
- WDC seeks clarity around how Government's strategies and plans will integrate climate action.
- WDC encourages stronger links and more consistency between the National Adaptation Plan and the National Emissions Reduction Plan.
- WDC considers that there is a need for a hierarchy / prioritisation of where climate change fits into the national agenda (eg. meeting higher environmental standards in the three waters space, linkage to Resource Management reforms).
- WDC notes there are unknown costs of implementation – design, relocation, funding, impact on local rates.
- WDC notes that achievability and affordability factors are unknown with major investment decisions required for local authorities, particularly in the infrastructure space.
- WDC acknowledges that new national guidance will need to be rolled out at the regional and local level – the ability of small territorial authorities like Waitaki to resource this is limited, and there will be increased pressure on local body rates.
- WDC notes that resourcing will be required to develop local adaptation – this will require an appropriate balance between central government and local government funding.
- WDC acknowledges that managed retreat is not the only adaptation option – other adaptation pathways will need to be developed in partnership with local communities.

3.0 Comments under the key themes of Te mahere urutaunga ā-motu, the draft National Adaptation Plan

3.1 Focus areas of the National Adaptation Plan

WDC considers that the three focus areas identified in the NAP are all important in adapting to the effects of climate change (reform/legislative settings, the provision of data, information and guidance and embedding climate resilience in government strategies and policies). Key priority areas for WDC are the provision of data, information and guidance, clarity around responsibilities, roles, and funding.

3.2 Costs of adaptation

WDC considers that all asset owners should cover their own cost of asset adaptation / improving resilience to the future impacts of climate change. To help facilitate this goal, there could be the option of a 50% contestable fund eg. identified through deprivation criteria along with the consideration of community and environmental benefits, or the option of a government loan for asset rich / cash poor assets providers.

3.3 Other economic opportunities in adapting to climate change

WDC suggests the consideration of water collection/harvesting in all areas and in high rainfall locations the use of micro hydroelectric generation at source.

Further considerations could include changes to building regulations, having compulsory rainwater collection (this would reduce pressures on storm water systems in high rainfall events and provide a supplementary water source during dryer periods) this may assist in reducing the duration of conserve water notices and builds in some site-specific resilience.

Equally changes to the building regulations to incorporate solar as a supplementary energy supply source. This may assist households to meet their energy needs with reduced reliance on the national grid, as this system may be vulnerable to changes in precipitation.

4.0 System-wide actions chapter

WDC is concerned that there is a risk of lack of integration between the system components of all the current key government reforms.

WDC partially agrees with the objectives of this chapter. WDC would like to question the following identified priority:

- Page 28, system wide actions – Reform institutional arrangements for water services: **Why is potable water the focus with limited reference to wastewater and stormwater? Climate change is likely to result in higher impacts on stormwater and wastewater infrastructure.**

5.0 Natural environment chapter

WDC supports the proposed national biosecurity initiatives which will assist in contributing to the management of pest species such as wallabies, wilding conifers, invasive weeds, and rabbits on public and private land in the Waitaki District.

WDC does not agree with all the actions set out in the natural environment chapter. WDC considers that the actions do not address some of the key issues that WDC faces in meeting the requirements of the challenges posed by the existing and future regulatory environment relating to the protection of the natural environment. These include:

- The proposed DOC Climate Action plan relates only to Public Conservation Land (PCL) and the marine environment. It does not appear to address the issue of prioritising and protecting naturally uncommon ecosystems on private land, on Crown pastoral lease land, or other or other tenure types (eg unallocated Crown land, reserve land).
- The proposed timeframe for the ratification of the National Policy Statement on Indigenous Biodiversity (NPSIB) is unacceptably long. Regulatory authorities are delaying important work (ie the identification of Significant Natural Areas) on the rationale that the NPSIB is imminent and will have implications on the scale and nature of the workstream. The indicative date of 2024 for ratification of the document will exacerbate existing delays and thereby worsen environmental outcomes, particularly the loss of indigenous biodiversity resulting from the degradation of significant indigenous habitat. The delays in the release of this important policy document also delays ability of the private sector to upskill and develop the capacity to undertake the significant volume of ecological assessment work that will be required to achieve the ambitious timeframes that are required under the proposed NPSIB.

Other specific comments in relation to this chapter include:

- Page 49, natural environment – Provide a forestry planning and advisory service: **ensuring this also includes advise for permanent forestry activities / initiatives.**
- Page 51, natural environment – **Additional future work programme (Fire management – emergency response) to address drier climatic conditions forecasted in some locations.**

5.1 Other initiatives to guide central government's actions to address risks to the natural environment from a changing climate

WDC identifies the following which would assist in guiding central government's actions in relation to the natural environment:

- Threats to biodiversity on private land from climate change

The protection and maintenance of biodiversity on private land remains a big conservation challenge in New Zealand. While many private landowners are environmental stewards, some seek profitable land use, and do not manage land with biodiversity conservation as a primary goal. Habitats on private land make a significant contribution to New Zealand's natural heritage.

Many threatened and at-risk species occur on private land in the Waitaki District, and these are also threatened by the direct and indirect impacts of climate change. Many of the threats are common across territorial boundaries, however neighbouring districts with similar high countries values (Mackenzie DC and Central Otago DC) do not have dedicated biodiversity advisory roles, making collaboration and group decision around advocacy campaigns difficult.

The challenges that New Zealand faces for the preservation of indigenous biodiversity on Public Conservation Land are also present, but more acutely felt, on privately owned land.

Private landowners, as managers of biodiversity values on private land will have a crucial role to play in ensure the persistence of these values.

5.2 Factors contributing to biodiversity loss on private land

WDC considers the following factors could contribute to biodiversity loss on private land:

- 1) Volatile markets and changeable regulatory environments resulting in unpredictable land management trends (ie permanent forestry / carbon farming).
- 2) Absentee or disinterested landlords.
- 3) Conflicts between environmental aspirations and economic imperatives within catchments.
- 4) Multiple landowners/managers with differing levels of environmental emphasis.
- 5) The prevalence of historically acceptable, but now environmentally questionable land practices and attitudes.
- 6) Distrust of regulation.

WDC considers it is likely that these factors, in combination with the decreased predictability and increased severity of extreme weather events caused by climate change, will continue to drive biodiversity loss in habitats that are already made vulnerable by biological invasions and habitat fragmentation. We know that in the short to mid-term the impacts from climate change on the natural environment are likely to be indirect, and therefore difficult to predict.

Biodiversity conservation on private land is therefore likely to continue to be a major challenge.

5.3 Other actions central government should consider to support / build climate resilience for the natural environment

Compared to public conservation land, active farming on private land means there are more observational views compared to public land.

WDC notes the following central government actions that may contribute to a more resilient natural environment:

- Funding and financing tools to incentivise landowners to adapt to climate risk.
- Encourage local biodiversity forums and other working groups that support landowners to identify, avoid or mitigate problem species as they arise.
- Provide better tools and expertise to local government facilitating more sustainable compliance monitoring solutions for the high country.

- Develop funding streams for local government in relevant districts to employ field staff to better serve isolated high country rural communities, and support community action.
- Prioritise actions that support regional and local government to identify, monitor and administer Significant Natural Areas.
- Encourage alternative use of land through favourable policy ie.by modifying the ETS criteria to better incentivise establishment of indigenous forests, as well as tools that facilitate the registration of existing natural habitats (ie wetlands/grasslands) in the ETS.

5.4 Other actions central government could identify and support New Zealand's most vulnerable ecosystems and species in a changing climate

WDC notes the following central government actions that could support vulnerable ecosystems and species in response to climate change:

- Prioritise the development of processes for local government that facilitate the identification and monitoring of Significant Natural Areas (ie through remote sensing/secondment of DOC field staff).
- Develop a framework to assist local government to prioritise which vulnerable ecosystems to protect, where mitigation is possible and how to reconcile that climate change is likely to result in the loss of vulnerable ecosystems regardless of the actions taken.

5.5 Priority actions outside of central government that would build the natural environment's resilience to the impacts of climate change

WDC notes the following actions outside of central government that could help encourage and enable a more resilient natural environment in response to climate change:

- The management of marginal and ecologically sensitive lands eg. education and incentives to exclude livestock from ecologically sensitive areas, and the control of mammalian predators.
- Encouraging the "right tree in the right place" on marginal land.
- The development of philosophical frameworks/value hierarchies to underpin decision making around managed retreat.

6.0 Homes, buildings, and places chapter

WDC agrees with the actions set out in this chapter. A key to success will be providing both incentives and education to the building sector to ensure climate change adaptation is factored in. This includes robust planning provisions.

7.0 Infrastructure chapter

WDC considers that the high-level objectives identified in the Infrastructure chapter cannot be disputed (reducing the vulnerability of assets exposed to climate change, ensuring new infrastructure fit for purpose in a changing climate, and using renewal programmes to improve adaptive capacity).

WDC is concerned that current funding and financing tools are inadequate for infrastructure providers to begin adapting their existing networks to respond to climate risk. Infrastructure funding and financing must be considered in parallel to the desired actions.

WDC partially agrees with the actions set out in the infrastructure chapter. We question the following:

- Page 64, infrastructure – **Why the focus on potable water supplies?** The rationale for a focus on potable water supplies is unclear. Climate change is likely to have more of an impact on the stormwater and wastewater infrastructure in many parts of New Zealand.
- Page 67, infrastructure – Develop and implement Waka Kotahi Climate Change Adaptation Action Plan: **What about a plan for Kiwi Rail? It is important to include all transport modes. How will rail and road planning be integrated to address climate change impacts?**

WDC supports aligning actions across local and central government and private sector asset owners. Alignment is key across all infrastructure asset owners. A national spatial plan (which also includes ports and airports) implemented through new Resource Management legislation may assist to align the actions of all infrastructure providers.

According to Table 4, Page 65, Waste and Resource Recovery is **not** regarded as Lifeline Utility. WDC questions why waste is not considered to be a lifeline utility, particularly in relation to the management of waste during and post most Civil Defence emergencies.

8.0 Communities chapter

WDC supports applying an equity lens to climate change adaptation both intergenerationally and across currently vulnerable people.

As with the Natural Environment, Homes, building and places and Infrastructure chapters, a key to success will be providing both incentives and education for communities to ensure climate change adaptation is understood. Local government and iwi will also require more support and tools to engage with their communities around adapting to a changing change.

WDC supports the development of a Health National Adaptation Plan with mental health being prioritised.

9.0 Economy and financial system chapter

WDC considers that costs must be shared equitably across the economy.

WDC partially agrees with the actions set out in this chapter. We would like to make specific comment on the following:

- Page 84, economy and financial system – why we need to take action: **All financial systems should be supportive of sustainable land use best practices. One example could be incentivising sustainable business decisions through loan criteria from banks.**
- Page 85 – disproportionate impacts on iwi and Māori: **Note that there are many regional and local economies across New Zealand that are heavily invested in land-based primary industries, Waitaki being no exception. What is the motivation in this impact to be addressed for iwi/Māori? Is there a subsidisation implied for iwi/Māori, and if so, what are the justifications?**
- Page 95 – future work programmes: linked to page 85 comment, **what are the outcomes intended in supporting Māori small business resilience and transitions and the justifications (purpose and goals) for this prioritisation?**

9.1 Role of insurance as a response to flood risk

WDC is generally supportive of insurability as a mechanism to support other climate adaptation actions.

If insurability is going to be utilised as a mechanism in relation to flood hazard risk mitigation, then consideration and inclusion of other climate risks are needed (ie coastal inundation and/or erosion).

WDC notes that this role could be applied to new builds – can new homes ensure that they will get insurance once the property is complete prior to issue of a building consent? This would need to be based on indicative plans. If this were the case, it would be up to the property owner to confirm insurance will be available once the build is complete prior to land purchase/plans reaching council.

If new builds are in an area deemed at risk by climate change/sea level rise/flood risk, insurance could play a role in determining whether they would insure that role due to the risk perceived. There could be a range of risk levels rather than one "blanket" rule eg flood from creek/proximity v flood from sea/proximity v flood from river/proximity to risk, eg. a new waterfront property on Kapiti waterfront or similar – would this be insurable?

It is more difficult for insurance to play a role on existing houses, especially if these have been lived in by current owners for a number of years, as an insurance retreat due to flood risk may challenge ability to sell – or selling price achievable.

WDC considers that new policies should be clear on the position of flood risk – and any move towards an insurance retreat should be promoted well in advance of the shift to ensure people do not find themselves in an unexpected situation.

9.2 Role of Government in supporting flood insurance as climate change risks cause private insurance retreat

WDC considers that Government should have a role in supporting flood insurance. This includes understanding the implications of properties impacted by government decisions and the cost of changing infrastructure. If the owners have resided at the property for a duration of time, where the risk of climate change/impact of sea level rise was unknown, the owners should not be fully responsible for the "cost/risk" of climate change, particularly where the insurers are retreating on the position as this was an unknown eventuality until recent years.

WDC considers that central government should support the existing owners for any future insurance claim if private insurance retreated from the property. New/recent owners of waterfront properties would be more aware of the impacts of climate change, and the risk to land slip/sea level rise. New home buyers should be required to ensure that they can get insurance for their properties prior to development. If there is an insurance retreat, and people commit to build on a property that may be waterfront and impacted by sea/level rise, where insurance cannot be obtained in future due to climate change/sea level rise, this should be known prior to issue of building consent. At this stage, there is no requirement for builders to ensure that insurance can be obtained on a property until the build is complete.

WDC considers it would be unfair to allow an insurance retreat on existing properties that have been in existence for more than (10 years) as the inability to insure has simply changed – this is where Government is key to supporting.

The risk of making a property unsaleable, or dropping value for the seller, should be considered. WDC considers that the owner is irrelevant. If a new build – the builder and owner would both be aware of risks. If an older property, this was a more unknown risk/quantum.

WDC also considers that location to risk should be considered, eg proximity to waterfront/flood risk.

9.3 Supporting flood insurance due to climate change effects

WDC considers the following options are relevant for the Government's role in supporting flood insurance as climate change risks cause private insurance retreat:

- Option 1: Government provides insurance for the property where the insurers have retreated;
- Option 2: Government support the owner if a claim settlement is required;
- Option 3: Government considers buying the property for a set price (or do not insure) to be removed to eliminate flood risk;
- Option 4: Government invests in flood risk mitigation eg sea wall protection.

If the Government were to directly support flood insurance, WDC considers that the Government should support both the availability and affordability of insurance. If the insurance retreat applied across all properties, there should be a level of difference in pricing for new builds or recent builds where developers have been aware of the risk of flooding due to climate change.

WDC considers the costs of support should be funded by central government.

WDC considers that insurance retreat is something that is a reality – but challenging to existing land/property owners particularly in a country that is surrounded by water.

If an insurance retreat occurs, whether central government steps in to support insurance or not, there will still be a property valuation risk which is damning to all property owners. Retreat forces a level of active awareness of risks – having central government commitment to support provides a level of assurance to property owners – but it creates a level of market uncertainty/buyer uncertainty/owner uncertainty.

WDC considers that support should be permanent for existing buildings. Support should not be available for builds that are not yet in progress. However, if there is likely to be an insurance retreat occur while a build is in progress, this may need to be considered. Future builds and the risk of an insurance retreat needs to be made clear nationally by central government for those people looking to build in risk areas.

WDC considers that if temporary, only if the flood risk has been mitigated should the support be withdrawn.

10.0 General comments on managed retreat which will inform the initial stages of policy development for the Climate Change Adaptation Act and Managed Retreat Act

Overall WDC supports the objectives and policies related to managed retreat.

WDC supports the government being proactive in how we consider managed retreat as an adaption option, and how managed retreat is integrated with other adaptation options.

WDC acknowledges that managed retreat is not the only adaptation option – other adaptation pathways will need to be developed in partnership with local communities. WDC would note that it is key that communities participate in the process, and central to the discussions, as the decisions made will directly impact them.

11.0 Conclusion

Thank you again for the opportunity to contribute to the National Adaptation Plan and government's response to tackling the effects of climate change.

Yours sincerely



Cr Melanie Tavendale
Chair – Community, Culture and Regulatory Committee

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6.4 OTAGO CIVIL DEFENCE EMERGENCY MANAGEMENT PARTNERSHIP AGREEMENT

Author: Roger Cook, Heritage, Environment and Regulatory Group Manager

Authoriser: Alex Parmley, Chief Executive

Attachments: 1. Otago CDEM Partnership Agreement Waitaki District Council
2. Otago Civil Defence and Emergency Management Partnership Agreement

RECOMMENDATIONS

That Council:

1. Receives the paper, "Otago CDEM Partnership Agreement Waitaki District Council" from Emergency Management Otago (EMO) (Te Rākau Whakamarumarū Ōtākou) **Attachment 1**; and
2. Endorses the proposed Otago Civil Defence and Emergency Management Partnership Agreement **Attachment 2**; and
3. Notes that the proposed agreement has been endorsed by the Otago Civil defence and Emergency Management Coordinating Executive Group (CEG); and
4. Ratifies this arrangement by empowering Mayor Gary Kircher to sign the document on behalf of Waitaki District Council.

DECISION OBJECTIVE

To realise the benefits of signing a formal partnership agreement as one of the Territorial Authorities within Otago and Emergency Management Otago (EMO).

SUMMARY

The proposed partnership agreement (**Attachment 2**), which sets out the respective roles and responsibilities for Civil Defence and Emergency Management (CDEM) within Otago, is best practice. It realises the intent of the establishment of EMO in 2016 and aligns with local and national reviews and legislation. It is recommended by the Coordinating Executive Committee (the Chief Executives of the Territorial Authorities in Otago) and the Joint Committee (the Mayors of the Territorial Authorities in Otago). Officers support the proposal as it reduces ambiguity, reduces risk, and supports alignment in terms of Readiness, Reduction, Response and Recovery (the 4Rs) across Otago.

DECISION-MAKING EXPECTATIONS

Governance Decision-Making:	Elected members support the formalisation of the Waitaki District Council partnership with Emergency Management Otago.
Operational Decision-Making:	Officers enact the Partnership Agreement.
Communications	Media Releases – contributed to by officers and Elected Members

Media/public enquiries regarding governance decision-making topics above can be addressed by governance

Media/public enquiries regarding operational decision-making topics above can be addressed by officers

SUMMARY OF DECISION-MAKING CRITERIA

	No/Moderate/Key		No/Moderate/Key
Policy/Plan	Key	Environmental Considerations	No
Legal	Moderate	Cultural Considerations	No
Significance	No	Social Considerations	Key
Financial Criteria	Moderate	Economic Considerations	No
Community Views	No	Community Board Views	No
Consultation	No	Publicity and Communication	Moderate

BACKGROUND

Emergency Management Otago (EMO) has existed in its current form since it was created in 2016. Although EMO was supported by a resolution of the Joint Committee it was not ratified with the signing of any formal agreement and the roles and responsibilities were not outlined.

In response to the 2017 CDEM sector Technical Advisory Group (TAG) review, a 2018 parliamentary report supported a strengthened regional approach to emergency management while still providing flexibility for local delivery to suit local needs and characteristics.

In 2019 the Coordinating Executive Group, made up of the Chief Executives of the Territorial Authorities within Otago, sought an independent review of CDEM arrangements in the region. The findings of that review recommend:

- Developing a detailed description of roles of EMO, with Otago Regional Council (ORC) as both the administering authority and as an authority in its own right and in terms of its regional responsibilities and the constituent territorial authorities.

The proposed partnership agreement (**Attachment 2**) between the Territorial Authorities in Otago and Emergency Management Otago sets out the roles and responsibilities for emergency management as defined in Sections 17 and 64 of the Civil Defence and Emergency Management Act 2002 (the Act).

The Act states in Section 64 (1) A local authority must plan and provide for civil defence emergency management within its district. Section 17 (1) details the functions of Civil Defence Emergency management groups; Waitaki District Council is a member of Otago Civil Defence Emergency Management Group. The partnership agreement gives meaning to Section 17 and its subsections. The details of the agreement are summarised as follows:

- The provision of an Emergency Operations Centre (EOC) and other resources that are fit for purpose.
- Respond to and manage adverse effects of emergencies in the district including recovery activities.
- Provide suitably trained and competent personnel with capacity to support 24/7 response, and recovery activities.
- Understand and prepare appropriately for the hazardscape of the district.
- Plan, budget and report on Operating costs (including Training and Exercises)

- Promote and raise public awareness to improve community resilience to emergencies.
- Support the coordination of Lifeline utility functions in readiness, response and recovery.
- Appoint appropriate representatives to actively participate in CDEM leadership at district and group level to promote Civil Defence Emergency Management consistent with the purpose of the Act and the partnership agreement.

SUMMARY OF OPTIONS CONSIDERED

Option 1 – Endorse the proposed agreement. Emergency Management Otago (EMO) has prepared a partnership agreement that represents the roles and responsibilities within the Territorial authority and the regional representative EMO. Whilst there is no legal requirement for a partnership agreement it reflects best practice. It would support alignment in terms of Readiness, Reduction, Response and Recovery (the 4Rs) across the five Territorial authorities within the Otago region. **Recommended option**

Option 2 – Do nothing. There is no legal requirement to have a formalised agreement. However, the lack of a formal agreement introduces ambiguity and therefore risk. Civil Defence and Emergency Management responses to events are by their nature unplanned but preparing for such events in a coordinated way and having documented expectations regarding roles and responsibilities before, during, and after provides clarity and reduces risk.

ASSESSMENT OF PREFERRED OPTION

The endorsement of the proposed partnership agreement between Emergency Management Otago and Waitaki District Council provides benefit to the Community. It reduces risk by clarifying roles and responsibilities for Civil Defence and Emergency Management. It aligns with the purpose of the establishment of EMO, the Territorial and Regional authority responsibilities defined in the Act, a parliamentary report on CDEM and an independent review.

The proposed agreement is recommended by the Coordinating Executive Group who proposed that it was forwarded to the Joint Committee (Mayors) for ratification, who then recommended socialising to all Otago Councils, seeking their individual mandate prior to signing.

CONCLUSION

The endorsement of the proposed partnership agreement by elected members is recommended for the reasons set out in this report and the attached report from EMO (**Attachment 1**). The proposal provides benefits to Waitaki residents by providing clarity of the roles and responsibilities for Civil Defence and Emergency Management within the district and the Otago region. It has been through iterative development and has received support for recommendation through each of the EMO committees. It is socialised with Council, seeking individual mandate prior to signing.

ADDITIONAL DECISION-MAKING CONSIDERATIONS

Outcomes

We keep our district affordable

We provide and enable services and facilities so people want to stay and move here

We understand the diverse needs of our community

Waitaki's distinctive environment is valued and protected

We maintain the safest community we can

Policy and Plan Considerations

Local and National reviews of Civil Defence and Emergency management arrangements support the adoption of a formalised agreement between parties.

Community Views

The community has not been consulted on this proposal as it has no direct implications to the overall delivery of Civil Defence and Emergency management to the community. It reduces ambiguity and therefore lowers risk.

Financial Considerations

The agreement defines matters that are funded locally and via targeted rates. This will assist with alignment to Council planning cycles.

Legal Considerations

The agreement aligns with the Roles and Responsibilities defined in the Civil Defence and Emergency Management Act 2002, Section 17 and 64.

However, there is no legal requirement to have an agreement between the parties.

Publicity and Community Considerations

The proposed agreement helps ensure a distinction between Otago regional Council and EMO as the administering authority, this will have no impact on Waitaki residents.



Otago CDEM Partnership Agreement

Waitaki District Council

PURPOSE

To seek Waitaki District Council approval of a written agreement describing the partnership arrangement between Otago Regional Council (ORC) and the five territorial authorities of Otago for the delivery of Civil Defence and Emergency Management (CDEM) responsibilities within the Otago CDEM Group area.

EXECUTIVE SUMMARY

Although Emergency Management Otago as an entity has existed since 2016, the roles and responsibilities of all parties involved, particularly the Regional Council in its role as administering authority have not been clearly established.

This document seeks to give clarity to area's including but not limited to:

- Governance and Management
- Equipment
- Facilities
- Financial Management
- Hazard and Risk Management
- Lifeline Utilities

Clarity around these areas benefits all parties in understanding their individual and collective responsibilities across the '4R's' in Otago

There is no legislative requirement to have a written agreement however an agreement is good practice and reduces risk for all parties by ensuring responsibilities are clear.

To date to partnership agreement has been socialised with affected business units within the Regional Council.

The National Emergency Management Agency has reviewed the document and has endorsed it as consistent with CDEM Act 2002.

The agreement was supplied to Council representatives in November 2021. This group met again in March 2022 to provide feedback on the agreement prior to review by Chief Executives.

The Coordinating Executive Group met on the 18th of March 2022 and endorsed this agreement recommending that it be forwarded to Joint Committee (Mayors) for ratification.

The Joint Committee met on the 31st of March 2022 and recommended that this agreement be socialised amongst all Otago councils. Members of the Joint Committee wanted to ensure they had the mandate bestowed on them by their respective councils prior to signing.

RECOMMENDATION

That the Waitaki District Council:

- 1) ***Receives*** this report.
- 2) ***Endorses*** the proposed Otago Civil Defence and Emergency Management Partnership Agreement.
- 3) ***Notes*** that the proposed agreement has been endorsed by the Otago Civil Defence and Emergency Management Coordinating Executive Group.
- 4) ***Ratifies*** this arrangement by empowering Mayor Gary Kircher to sign the document on behalf of the Waitaki District Council.

BACKGROUND

Emergency Management Otago as it exists in its current form was created in 2016 following a review in 2015 by Cornwall Strategic. The purpose of this review was to assess CDEM arrangements and to investigate options for ensuring appropriate readiness and the delivery of an effective response in the Otago region.

To date the Otago CDEM scenario can best be described as collaborative arrangements developed by all the councils within the Otago region, to manage our responsibilities under the Civil Defence and Emergency Management Act 2002.

Although the formation of Emergency Management Otago was supported at the time by a resolution of the Joint Committee, this was not ratified with the signing of a formal agreement that outlined the roles and responsibilities of each party.

Throughout this time there has been some confusion on occasion as to the roles and responsibilities of parties; particularly around matters relating to funding and governance.

In 2019 the Coordinating Executive Group again sought an independent review of CDEM arrangements in Otago.

Bruce Robertson was engaged and submitted a formal review document in January 2020.

Three of the eight core findings directly spoke to problems arising out of a lack of clarity around roles and responsibilities.

The following excerpts were contained within his report:

The role of ORC as the administering authority needs to be better defined. It is either assuming, or expected to assume, a role that is more than supporting the work of the Joint Committee and the CEG. This is compounded by a lack of clarity about the funding arrangements through the regionally collected CDEM targeted rate and how it is determined. The uncertainty around the role of the administering authority diverts focus from the primacy of Joint Committee and CEG working with the EMO to provide effective CDEM services.

Associated with defining the role of the administering authority, it would be beneficial to also define what ORC does to meet its own CDEM responsibilities. This would assist the relationship – professionally and administratively – between ORC and EMO and also between ORC and its fellow group partners.

A corollary to better definition of ORC's roles (as an administering authority and as a regional council) is also greater clarity on the individual territorial authorities' responsibilities, their activities and level of funding.

Bruce Robertson went on to recommend the following

The review recommends that C.E.G.:

Notes the current structural arrangements are fit for purpose; however, those arrangements would be enhanced by:

- *Developing a detailed description of roles of EMO, ORC as the administering authority, ORC as an authority in its right and in terms of its regional responsibilities and the constituent territorial authorities*

It is important to note that the lack of a formal agreement should not speak to the nature of arrangements here in Otago, as stated above current arrangements are fit for purpose.

Otago's arrangement is also supported by an August 2018 parliamentary report in response to a 2017 CDEM sector Technical Advisory Groups (TAG) review commissioned by the Hon Gerry Brownlee – CDEM Minister.

'Delivering better responses to natural disasters and other emergencies – Government response to the Technical Advisory Group's recommendations.

Require Groups to take a regional approach consistent with the intent of the CDEM Act (2.1).

We support a strengthened regional approach to emergency management while still providing flexibility for local delivery to suit local needs and characteristics.

We intend to amend the CDEM Act so that the CDEM Group and member local authorities have clear and separate responsibilities for emergency management. Groups (local authorities collectively) would continue to be responsible for planning and providing for emergency management. Groups would have an explicit function to coordinate emergency management activity across the region through the Group Plan, work programme, and shared emergency management service agreement. Local authority members would be required to give effect to the decisions of the Group, including to resource the decisions of the Group.

We intend to also provide more flexibility for Joint Committee Groups to agree which member local authority will act as the Group's statutory administering authority. The regional council remains as a default unless the Group agrees otherwise. This reinforces the current intent of the CDEM Act that the regional council does not have any greater governance role than any other member. We intend to also enable Group members, in an emergency when an urgent decision is required, to attend a Group (Joint Committee) meeting by audio/audio-visual link, rather than having to be physically present, in order to achieve a quorum. This has been an issue in the past for Group leadership in an emergency.

From this, we expect increased economies of scale, capability, capacity, and interoperability between regions to deliver better emergency management services across the 4Rs. There is still flexibility to tailor activities to suit local needs and characteristics. Emergency management personnel can be embedded in local authorities to take account of the needs of, and maintain connections with, local communities.

The document as it sits before you today is a representation of roles and responsibilities as they currently exist in Otago. It is not envisaged that any of the material contained in the document will add additional burden to parties in excess of activity that should have been occurring to date.

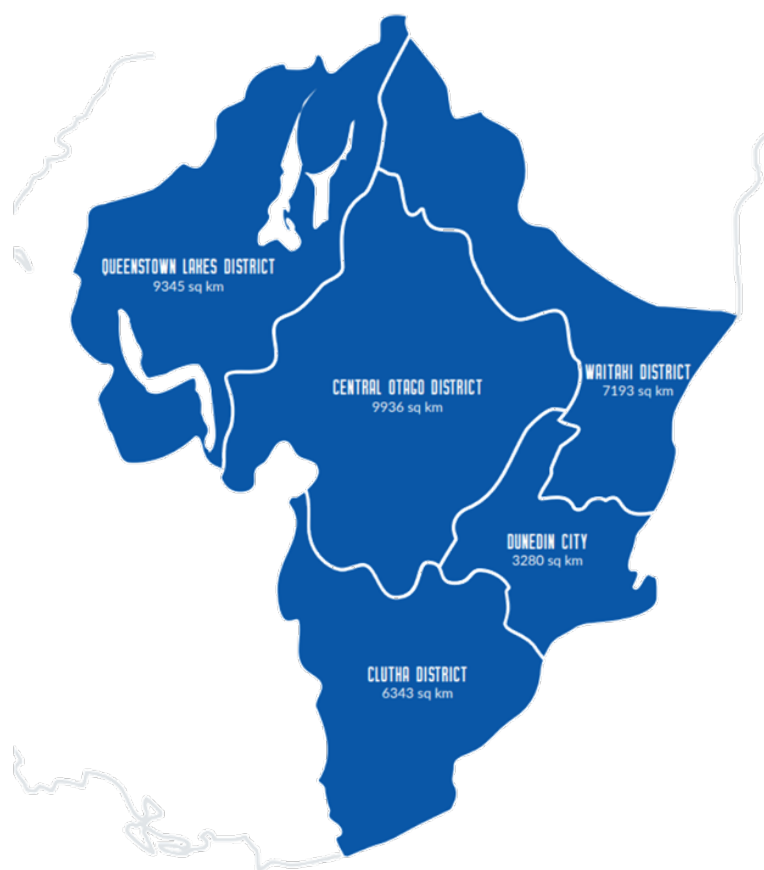


Figure 1 The Otago CDEM Group area

DISCUSSION

The 2016 reorganisation of CDEM arrangements in Otago has achieved its intent. However, clarity of roles and responsibilities that are prescribed in a manner to remove doubt from all parties is advantageous.

The National Emergency Management Agency (NEMA) are actively consulting on sector reform (TRIFECTA). This reform is in response to a National Technical Advisory Groups (TAG) review into CDEM arrangements in New Zealand.

The governments response to this review has been referenced earlier in this document confirming that the joint approach to CDEM activities in Otago is seen as an exemplar.

This agreement clearly defines roles and responsibilities as defined in Section 17 and 64 of the CDEM Act 2002.

OPTIONS

The Waitaki District Council has two options:

Option 1 – Status Quo. Continue to deliver in absence of a formal agreement

Option 2 – Endorse the proposed agreement accepting the roles and responsibilities as documented.

Financial Considerations:

As defined in Schedule B, an integrated planning cycle that fits with the Regional Councils Annual and Long-Term planning calendars.

Significance and Engagement

This is formalising a current arrangement, no further engagement other than the consultation completed to date is required.

Legislative and Risk Considerations

The relevant legislation allows the arrangement. There is no legislative requirement to have a written agreement however an agreement is good practice and reduces risk for all parties by ensuring responsibilities etc are clear.

Communications Considerations

The proposed agreement helps ensure distinction between ORC and EMO is clear in its role as the administering authority, as well as matters funded locally vs the targeted rate.

NEXT STEPS

That Joint Committee ratify the partnership agreement by having all Mayors sign it as representatives of the Otago Emergency Management Group

ATTACHMENT

Otago CDEM Partnership Agreement



**Emergency
Management Otago**
Te Rākau Whakamarumarū Ōtākou

OTAGO CIVIL DEFENCE AND EMERGENCY MANAGEMENT

AGREEMENT

AGREEMENT dated this @@ day of @@@@

Otago Regional Council ("ORC")

Central Otago District Council ("CODC")

Clutha District Council ("CDC")

Queenstown Lakes District Council ("QLDC")

Dunedin City Council ("DCC")

Waitaki District Council ("WDC")

1. DEFINITIONS

Terms used in this Agreement (including Schedules) which are defined in the CDEM Act have the same meaning.

- 1.1 **Administering authority** means the Otago Regional Council¹.
- 1.2 **Agreement** means this Otago CDEM Agreement signed by all Parties; and includes Schedules A, B and C that may be amended from time to time.
- 1.3 **CDEM** means Civil Defence Emergency Management
- 1.4 **CDEM Act** means the Civil Defence Emergency Management Act 2002.
- 1.5 **Otago Civil Defence Emergency Management Group region** means the area covered by Otago CDEM Group. This is based on the boundaries of the territorial authority members of the Otago CDEM Group.
- 1.6 **Otago Civil Defence Emergency Management Group ('Group')** means the joint standing committee² of representatives of local authorities within the Otago CDEM Group.
- 1.7 **CEG** means the Civil Defence Coordinating Executive Group established in accordance with the CDEM Act.³
- 1.8 **EMO or Emergency Management Otago** are CDEM career professionals employed by the ORC, responsible for delivering a range of services on behalf of the Group that enables the Group to fulfil its role.
- 1.9 **Local Authority** means both regional council and territorial authorities that are members of the Group, hereafter also referred to as **Parties**.
- 1.10 **ORC** means the Otago Regional Council
- 1.11 **ORC Executive Manager** means the direct supervisor to the Manager Emergency Management Otago.
- 1.12 **TA or Territorial Authority** means a city council or a district council.
- 1.13 **Lead** means to be accountable for, organise, direct deliver and fund CDEM activity.
- 1.14 **Support** means to give direct or indirect assistance in the development and delivery of CDEM activity.
- 1.15 **Coordinate** means to bring different elements (resources, activities or organisation) together, for development of efficient and effective delivery of CDEM activity.

¹ Civil Defence Emergency Management Act, Section 23

² Local Government Act 2002, Schedule 7, Clause 30 (1) (b)

³ CDEM Act, Section 20 (1)

2. BACKGROUND

- 2.1. On the 31st May 2003 the Local Authorities established the Otago Civil Defence Emergency Management Group ('Group') as a joint standing committee of the Local Authorities as required by the CDEM Act'.⁴
- 2.2. The Local Authorities and the Group have functions, powers and duties under the CDEM Act.
- 2.3. Following a comprehensive review of CDEM in the Otago region in 2016, the Group resolved that it's operational responsibilities for CDEM under the CDEM Act be combined and delivered through one team to be known as EMO, with the intention that each Council is to be an active equal participant in the establishment, development and control of EMO.
- 2.4. This new Agreement signed by all Parties, supersedes all previous agreements associated with Group arrangements for the delivery of joint CDEM services.

3. PURPOSE OF CIVIL DEFENCE EMERGENCY MANAGEMENT

The purpose of CDEM is to:

- Improve and promote the sustainable management of hazards in a way that contributes to the social, economic, cultural and environmental well-being and safety of the public and also to the protection of property.
- Encourage and enable communities to achieve acceptable levels of risk including, without limitation, identifying, assessing, and managing risks; consulting and communicating about risks; identifying and implementing cost-effective risk reduction; and monitoring and reviewing the process.
- Provide for planning and preparation for emergencies and for response and recovery in the event of an emergency.
- Coordinate through regional groups, planning, programmes and activities related to CDEM across the areas of reduction, readiness, response and recovery and encourage co-operation and joint action within those regional groups.
- Provide a basis for the integration of national and local CDEM planning and activity through the alignment of local planning, with a national strategy and national plan.
- Encourage the coordination of emergency management, planning, and activities related to CDEM across the wide range of agencies and organisations preventing or managing emergencies.

⁴ CDEM Act 2002, Section 12

4. PURPOSE

- 4.1. The purpose of this Agreement is to define the roles and responsibilities between the Group, CEG, the ORC and TA's to deliver CDEM for the Group's area under the CDEM Act.
- 4.2. ORC is the Administering Authority for the Civil Defence Emergency Management Group and employs EMO personnel). This agreement sets out the lines of command and control for EMO in respect of the relationship between Group, CEG and ORC.

5. VISION AND PRINCIPLES

Otago CDEM Vision:

Otago is a stronger, more connected, and adaptable region

- 5.1 This Agreement is intended to reflect and give effect to the guiding principles in the Group Plan.

6. FUNCTION, GOVERNANCE, AND OBLIGATIONS

Governance

- 6.1. The Group oversees the delivery of the functions, duties and power of the Group, under the CDEM Act.
- 6.2. The CEG is established under the CDEM Act to provide management oversight to Otago CDEM.
- 6.3. The CEG is statutorily responsible for providing advice to the Group and implementing as appropriate, the decisions of the Group.
- 6.4. The CEG is statutorily responsible for overseeing the implementation, development, maintenance, monitoring and evaluation of the Otago CDEM Group Plan.

Otago Regional Council's Role In relation to CDEM

- 6.5. There are three roles of ORC in respect to CDEM. The first is the statutory role as the administering authority for the Group as required by the CDEM Act. The second is the role as employer of the Emergency Management Otago staff. The third is a member of the Group and CEG (The role of ORC on the CEG and Group is as for all members).
- 6.6. In its role as the Administering Authority, the ORC is responsible for the provision of administrative and related services that may from time to time be required by the Group..
- 6.7. In its role as the employer and facilitator of Emergency Management Otago, the ORC shall provide the following services in support of the entire Group:
 - The administration of Group finances and budgets, entering into contracts with service providers and procurement on behalf of the Group.

- Staff management of EMO staff, including oversight of Emergency Management Otago's work programme, performance management, health and safety policy and systems, equipment and fleet vehicles.
 - For the avoidance of any doubt, all ORC policies including but not limited to staff conduct, performance, health and safety, procurement, financial management and ORC delegations apply to all EMO staff and Group activities at all times.
- 6.8. In its role as a member of the Group and CEG, the ORC shall provide the following services in support of the entire Group:
- a) An area adequate for the Group Emergency Coordination Centre (building to meet appropriate standard – IL4), and to a scale to meet its role in a major regional level response⁵. This facility must have capacity, workspace and adequate trained staffing to support 24-hour extended operations where required.
 - b) Expertise in hazard knowledge in the region.

Recruitment

- 6.9. In terms of the position of Manager Emergency Management Otago, the interview panel must include a member of CEG independent of the ORC.

Parties Specific Obligations

- 6.10. The functions, roles and responsibilities for Parties and EMO are set out in full in Schedule A to this Agreement. The mandate for these roles and responsibilities are in line with the CDEM Act or as agreed by all Parties.
- 6.11. Schedule B to this Agreement sets out the roles and responsibilities with reference to CDEM revenue and finances.
- 6.12. The Group commits to the prudent management of its annual operating budget (i.e. within a variance of no more than 5% at year-end). This commitment is subject to resource demands from civil defence emergencies. For the avoidance of doubt the Group budget process is via the Otago Regional Council Long Term or Annual Planning Process and ORC policies for sensitive expenditure, contract management, procurement, travel and all other relevant policies apply.
- 6.13. All Parties must use their best endeavours to implement and perform the duties outlined in Schedules to this Agreement.

General Obligations

- 6.14. Each Party must act in accordance with the purpose and principles of this Agreement.
- 6.15. Each Party must do all things necessary to give effect to this Agreement.
- 6.16. Each Party must make all necessary delegations to enable this Agreement to be implemented in full.

⁵ Major regional level response as per CIMS 3rd edition

Indemnity

- 6.17. Each member is protected from liability as covered in section 110 CDEM Act 2002. As the Otago CDEM Group is not recognised as an independent legal entity no right of reprisal is available to any party against any other party of this agreement.

CDEM Staff Management

- 6.18. Emergency Management Otago staff are CDEM career staff. All EMO staff are the employees of ORC. Otago TAs under this agreement, will not employ any career CDEM staff outside of this Agreement.
- 6.19. The ORC Executive Manager will liaise with the CEG chair when conducting an annual and half year performance review of the Manager Emergency Management Otago so that the operational performance can be fairly assessed and reported on.

7. FINANCE MATTERS

- 7.1. From the date of signing of this Agreement, the methodology for funding for the Otago CDEM service to deliver CDEM functions outlined in this Agreement, specifically Schedule A, will be through:
- Group CDEM service delivery: CDEM Regional Targeted Rate⁶.
 - TA CDEM service delivery: Respective Territorial Authority budget.
- 7.2. A revenue and financial statement is detailed in Schedule B of this Agreement.
- 7.3. A review of the financial methodology for funding CDEM services in the Otago should be undertaken consistent with the duration and review under section 9 of this Agreement.

8. DURATION AND REVIEW OF AGREEMENT

The duration of the Agreement is 10 years from @@@@ (expiration date), provided that the provisions of this Agreement shall continue to apply if the Parties agree that it shall continue for a specified period. This Agreement shall bind successors.

- 8.2. Any of the Parties may terminate their partnership in this Agreement at the first specified expiration date of this Agreement, by sending to all other Parties, one year's notice of termination in writing. At the date of the coming into effect of the notice that Local Authorities right to participate in this Agreement and the negotiations for the renewal or extension of this Agreement shall cease, but without prejudice to any liabilities and responsibilities up to the date of the coming into effect of the notice.

⁶ CDEM Regional Targeted Rate means the annual rate set by Otago Regional Council under the Local Government (Rating) Act 2002 to fund the budget approved by the Group for CDEM services.

- 8.3. Review of this Agreement shall commence eighteen months prior to the expiration date, or as agreed otherwise by the Parties; the Group shall meet in good faith to negotiate the renewal or extension with or without amendments.
- 8.4. Review and amendments to the Schedules in this Agreement are to occur on changes to legislation impacting CDEM, or further policy guidance and procedures stemming from the National Emergency Management Systems Reform, CDEM Reviews, emergency event reviews or as a result of all Parties agreeing amendments for enhanced CDEM service delivery.
- 8.5. The Parties acknowledge review and amendment to the Schedules in this Agreement will be instigated, considered and recommended by CEG. Amendments to the Agreement can only be authorised by the Parties in writing.

9. DISPUTES

The primary object of this section is to ensure that any dispute between Parties will be resolved as quickly and as informally as possible. Particular regard is to be had to that primary object in the interpretation or implementation of this section.

- 9.1 The purpose and principles of this Agreement must be applied by all Parties to try and resolve disputes.
- 9.2 Parties to any dispute must try in good faith to resolve that dispute by direct negotiation.
- 9.3 One Party must give written notice of a dispute on the other Parties(s).
- 9.4 If the dispute is not resolved within 10 working days of receipt of the notice of dispute, or such longer time as the Parties may agree, then the dispute must be referred to the Chairperson of CEG.
- 9.5 The Chairperson of the CEG will attempt to facilitate agreement. If no agreement is reached within a further 10 working days, then the dispute must be referred to mediation.
- 9.6 If referred to mediation, then such mediation will be conducted by a mediator jointly appointed by the Parties. If the Parties fail to agree on a mediator within 10 working days of the expiry of the date in clause 10.7, then the mediator shall be appointed by the President of the New Zealand Law Society or his or her nominee.
- 9.7 The costs of mediation must be paid equally by the Parties to the mediation.
- 9.8 Nothing in this section precludes any party seeking interim relief from any Court or initiating legal proceedings. However, Parties must utilise the dispute procedures in clauses 10.1 to 10.9 before taking legal action(s).

10. DISSOLUTION

In the event that EMO is dissolved for any purpose other than as a result of a Local Government reorganisation then:

- 10.1 Any lease or arrangement between the Parties for the purpose of EMO shall be deemed to be at an end as at the date of dissolution.

11. NOTICES

Any notice under this Agreement is to be in writing and may be made by email, personal delivery or post to the address of each Local Authority.

11.2. No communication shall be effective until received. A communication shall be deemed to be received by the addressee, unless the contrary is proved:

- In the case of a transmission by email on receipt of confirmation of receipt by the sender of the email,
- In the case of personal delivery, when delivered, and
- In the case of post on the third working day following posting.

12. COUNTERPARTS

This Agreement may be signed in any number of identical counterpart copies and transmitted in hard copy or electronically, all of which taken together shall make up one agreement.

Agreement signed by...



Andrew Noone
Chair
Otago Regional Council

Signature

Date



Aaron Hawkins
Mayor
Dunedin City Council

Signature

Date



Tim Cadogan
Mayor
Central Otago District Council

Signature

Date



Clutha
District Council

Bryan Cadogan
Mayor
Clutha District Council

Signature

Date



Waitaki
DISTRICT COUNCIL
TE KAUNIHERA Ā ROHE O WAITAKI

Gary Kircher
Mayor
Waitaki District Council

Signature

Date



**QUEENSTOWN
LAKES DISTRICT
COUNCIL**

Jim Boulton
Mayor
Queenstown Lakes District Council

Signature

Date

Schedule A Otago CDEM Roles and Responsibilities

The functions, roles and responsibilities by function for Otago CDEM Group member Councils and Emergency Management Otago (EMO) are set out in full in this Schedule. The mandate for these roles and responsibilities are in line with the CDEM Act and supporting statutory requirements or as agreed by all Parties (Councils and EMO).

This Schedule details the following functions and respective roles and responsibilities for each of these functions:

Emergency Management Otago	Otago Regional Council	Territorial Authorities
Business Continuity Management Disruptions are an expected part of business, so it's important to be prepared for when they occur. Disruptions can be internal events that impact on organisation alone (eg: IT system failure), or external events that could impact across several organisations and locations (e.g., earthquake).		
<ul style="list-style-type: none"> Undertake business continuity planning for Emergency Management Otago to be capable of delivering essential services and a functioning GECC during a crisis / emergency event and through the recovery. 	<ul style="list-style-type: none"> Undertake business continuity planning for Otago Regional Council to be capable of delivering essential services and a functioning GECC during a crisis / emergency event and through the recovery 	<ul style="list-style-type: none"> Undertake business continuity planning for the territorial authority to be capable of delivering essential services and a functioning EOC during a crisis / emergency event and through the recovery
Capability Development, Training and Exercises Training and exercising progressively enhances individuals, local authorities and the Otago CDEM Group's capability to prepare for and manage emergencies and resources, using lessons learnt. The CDEM Group and each member of the Group are to take all steps necessary on an ongoing basis to maintain and provide, or to arrange the provision of, or to otherwise make available suitably trained and competent personnel, including volunteers, and an appropriate organisational structure for those personnel, for effective civil defence emergency management.		
<ul style="list-style-type: none"> Develop, deliver and report on training and exercise programmes for all local authority staff with a CDEM role. Coordinate professional development of all CDEM career staff. 	<ul style="list-style-type: none"> Agree sufficient access to all ORC staff identified in CDEM roles with supervisors to ensure they're available for, attend and complete all competencies associated with training and exercises in accordance with the agreed training schedule. 	<ul style="list-style-type: none"> Make all staff identified in CDEM roles available for, attend and complete all competencies associated with training and exercises in accordance with the agreed training schedule. Support community training and exercises
Community Resilience and Partnership Community resilience in the Civil Defence and Emergency Management context, can best be described as the community's ability to cope with, bounce back and learn from adversity encountered during and after disasters. There are activities to support in building community resilience. These activities are community engagement, community planning, public education, monitoring and evaluation to measure community resilience. The integration and inclusion of iwi in community resilience activities cements the Otago CDEM principles of Māori partnership.		
Community Resilience <ul style="list-style-type: none"> Development and implementation of community planning guidance documents and templates to support local CDEM Community Resilience activities and planning processes. Support regional and local level Community Resilience activities and planning. Support the development of Community Response Plans for local communities with relevant Territorial Authority as required. Ensure that the CDEM component of iwi and hapū management plans are coordinated at Group and local level (as required). Public Education	Community Resilience <ul style="list-style-type: none"> Support EMO and local level Community Resilience activities by commitment of staff resources and technical information to assist in local Community Resilience activities (hazard specific) as required. Ensure whole-of-council approach to Regional Council Community Resilience activities. 	Community Resilience <ul style="list-style-type: none"> Partner with EMO planning for all Community Resilience activities at the local level. Commitment of local council staff / resources to conduct Community Resilience activities. Support CDEM engagement with local communities. Support the development of Community Response Plans. Ensure whole-of-council approach to local level Community Resilience activities. Consider the CDEM component of iwi and hapū management plans and coordination at local level (as required).

Emergency Management Otago	Otago Regional Council	Territorial Authorities
<ul style="list-style-type: none"> Lead the planning for and coordination of Public Education activities at the Group level. Support local level Public Education activities. Fund and maintain Group resources for Public Education. Develop and maintain an Otago CDEM Group website and social media presence. 		Public Education <ul style="list-style-type: none"> Support Public Education activities at the local level. Fund and maintain local resources for Public Education.
Equipment Includes all equipment to support readiness, response and recovery activities.		
<ul style="list-style-type: none"> Provide and implement guidance and set policy on minimum specifications and standards, and functionality of CDEM equipment required for EOCs/ GECC across the region. Ensure procurement and maintenance of equipment, software and Information Communications and Technology (ICT) systems owned by Otago Regional Council in accordance with Otago Regional Council policies. Coordinate all CDEM Group responsibilities for effective interoperability with National CDEM systems 	<ul style="list-style-type: none"> Fit out and provide associated Information Technology (IT) equipment and infrastructure for EMO staff and GECC facilities (and alternate sites). Implement minimum equipment standards required for GECC in line with CDEM Group policy. Own equipment and associated infrastructure, to cover costs to maintain it to an operational standard and to manage and conduct maintenance programme. Provide EMO with furniture and equipment for staff located at Otago Regional Council offices. Undertake fleet management of all Emergency Management Otago vehicles. Procure any priority equipment required by the activated GECC to ensure effective operational capability of the GECC. <p>For the avoidance of doubt equipment and fleet will be managed under the relevant policies of the Otago Regional Council, including procurement, replacement and asset management.</p>	<ul style="list-style-type: none"> Fit out and provide associated Information Technology (IT) equipment and infrastructure for EOC facilities (and alternate sites). Implement minimum equipment standards required for EOC, ICPs and CDCs as required in line with CDEM Group policy. Own equipment and associated infrastructure, to cover costs to maintain it to an operational standard and to manage and conduct maintenance programme. Provide EMO with furniture and equipment for Emergency Management Officer staff embedded within districts. Provide ICT and property support, procure any priority equipment required to the EOC or Recovery Office in activation to ensure effective operational capability of the EOC equipment.
Facilities Includes any facility to support readiness, response and recovery activities.		
<ul style="list-style-type: none"> Serve as custodians of the GECC to ensure operational readiness, in consultation with ORC Support Services who are responsible for building management, maintenance, changes to building layout or function and cleaning of the GECC. Provide guidance on functionality and safety of EOC and GECC facilities. Activation of GECC facility as required for response. 	<ul style="list-style-type: none"> Provide and maintain GECC facilities (and alternate facilities) for operational response. Provide EMO with fit for purpose office space. Support the activation of the GECC facility if required for response if requested by the Group Controller. 	<ul style="list-style-type: none"> Provide council-based EMO staff with fit for purpose office space. Provide and maintain EOC (and alternate) facilities for operational response. Provide facilities or enter into agreements for the provision of facilities to serve as Civil Defence Centres (CDCs). Activation of EOC facility as required for response. Activation of CDCs as required in response.

Emergency Management Otago	Otago Regional Council	Territorial Authorities
Financial Management The CDEM Group is to ensure allocation of financial budget to ensure effective delivery of the of CDEM services as outlined in the Group Plan.		
Emergency Management Budgets <ul style="list-style-type: none"> Lead, develop, manage and administer CDEM Group budgets, including Capital Expenditure (CAPEX) and operational expenditure (OPEX), for the endorsement of CEG and approval by Joint Committee. However, the decision regarding the budget rated for annually ultimately sits with the Otago Regional Council. Manage costs in line with budget. Manage and administer specific contractual arrangements for services delivered by EMO. Coordinate and provide reporting on the CDEM Group budget and resourcing. 	Emergency Management Budgets <ul style="list-style-type: none"> Provide financial management and accounting services for CDEM Group budget. Manage, administer and submit reporting to the CDEM Group of Regional Council budgets for regional CDEM delivery Provide staff time and travel and accommodation costs associated with attendance at training and exercises. 	Emergency Management Budgets <ul style="list-style-type: none"> Manage, administer and submit reporting to the CDEM Group of Territorial Authority CDEM budgets. Fund any operating costs for Territorial Authority EOCs (including catering, stationery and contractors). Provide staff time and travel and accommodation costs associated with attendance at training and exercises. Fund community training and exercises. Submit reporting to the CDEM Group on Territorial Authority CDEM budget and resourcing.
Governance and Management		
Joint Committee <ul style="list-style-type: none"> Implements the CDEM Group Plan on behalf of the Joint Committee. Coordination, management and preparation of all agendas, reports, supporting papers and presentations on Group matters to the Joint Committee. Coordinating Executive Group (CEG) <ul style="list-style-type: none"> Supports the CEG in carrying out its directions from the Joint Committee and its obligations under the CDEM Act. Coordination, management and preparation of all agendas, reports, supporting papers and presentations to CEG. CEG Operations Sub-committee <ul style="list-style-type: none"> Coordinates those activities arising from the CEG Sub-Committees and reports to them on a regular basis. Coordination, management and preparation of all agendas, reports, supporting papers and presentations to CEG Operations Sub-committee. 	Joint Committee <ul style="list-style-type: none"> Active participation through appointed designates. As Administrating Authority provide governance and secretarial support to the Joint Committee. Provide reports and recommendations on Regional Council matters to the Joint Committee. Provide reports, decisions and recommendations back to Regional Council on CDEM Group matters Coordinating Executive Group (CEG) <ul style="list-style-type: none"> Active participation through appointed designates and provide support as agreed to lead delivery of the regional CDEM work programme. Develop and implement specific Regional Council Annual Plan tasking in a Regional Council CDEM work programme with alignment to CDEM Group Annual Plan. CEG Operations Sub-committee <ul style="list-style-type: none"> Active participation through appointed designates and support the CEG Sub-committees. 	Joint Committee <ul style="list-style-type: none"> Active participation through appointed designates. Provide reports and recommendations on Territorial Authority matters to the Joint Committee. Provide reports, decisions and recommendations back to Territorial Authorities on CDEM Group matters. Coordinating Executive Group (CEG) <ul style="list-style-type: none"> Active participation through appointed designates and provide support as agreed to lead delivery of local CDEM work programme. Develop and implement specific Territorial Authority Annual Plan tasking in a local level CDEM work programme with alignment to CDEM Group Annual Plan. CEG Operations Sub-committee <ul style="list-style-type: none"> Active participation appointed designates and support the CEG Sub-committees. Ensure the alignment of CDEM Group Annual Plan and local CDEM work programmes.

Emergency Management Otago	Otago Regional Council	Territorial Authorities
	<ul style="list-style-type: none"> Ensure the alignment of CDEM Group Annual Plan and Regional CDEM work programmes. 	
Hazard and Risk Management In relation to relevant hazards and risks: identify, assess, and manage those hazards and risks; consult and communicate about risks; identify and implement cost-effective risk reduction. Identification of the hazards and risks in a Group area that may result in an emergency that requires national-level support and co-ordination.		
<ul style="list-style-type: none"> Ensure effective planning and response to all hazards and risks in line with legislated responsibilities. Develop and monitor the hazard profile for the Otago CDEM Group as per the hazardscape detailed in the Otago CDEM Group Plan. Lead effective planning for response through collaboration on hazard risk management for hazards with cross regional and national impacts. This activity is undertaken in concert with the expertise of the ORC Natural Hazards Team. 	<ul style="list-style-type: none"> Lead identification of hazards (as required) in accordance with the hazard scape outlined in the CDEM Group Plan at the regional level. Own and manage the hazards (as required) and risk within the appropriate area of responsibility as mandated through the Regional Policy Statement in alignment with the hazardscape detailed in the Otago CDEM Group Plan. Fund and manage hazard investigation within the appropriate area of responsibility as mandated through the Regional Policy Statement in alignment with the hazardscape detailed in the Otago CDEM Group Plan Support effective planning for response through collaboration on hazard risk management for hazards with cross regional and national impacts. 	<ul style="list-style-type: none"> Own and manage the hazards and risk (as required) within the appropriate area of responsibility as mandated through the Regional Policy Statement in alignment with the hazardscape detailed in the Otago CDEM Group Plan. Fund and manage hazard research within the appropriate area of responsibility as mandated through the Regional Policy Statement in alignment with the hazardscape detailed in the Otago CDEM Group Plan Support communicating hazards and risks to respective communities.
Lifeline Utilities Lifeline's failures can disrupt and endanger the wellbeing of local and regional communities. Effective relationships, priority of response protocols and lead agency role definition can reduce the risk such failures may pose. Lifeline utility means an entity named or described in the CDEM Act 2002 in Part A of Schedule 1, or that carries on a business described in the CDEM Act, Part B of Schedule 1		
<ul style="list-style-type: none"> Support Lifelines Utilities in the hazard risk assessment and planning for hazard risk reduction activities on lifelines utilities infrastructure in alignment with the hazardscape detailed in the Otago CDEM Group Plan. Provide administrative and project management support, networking, development opportunities and exercising for to the Otago Lifelines Group. Represent the Otago Lifelines Group and Otago CDEM Group at National forums. 	<ul style="list-style-type: none"> Lead hazard risk assessment and planning for hazard risk reduction and response activities on key Regional Council services and infrastructure. Support lifelines projects and activities. 	<ul style="list-style-type: none"> Lead hazard risk assessment and planning for hazard risk reduction and response activities on key Territorial Authority services and infrastructure defined as Lifeline Utilities under Schedule 1 of the CDEM Act. Support lifelines projects and activities through appointing a lifelines representative to the Otago Lifelines Group and active participation of its key lifelines managers. Provide LUCs for services defined under the CDEM Act. Activate staff to lead, coordinate and support the delivery of Lifeline Utilities (Territorial Authority) functions in response and recovery at the local level.
Planning		

Emergency Management Otago	Otago Regional Council	Territorial Authorities
<p>Fundamental to any successful undertaking is attention to planning and preparation. Whilst we pay attention to the plans that are produced, the process of planning is important to ensure that the plans developed meet the needs of the people affected.</p> <p>CDEM Groups and agencies are expected to routinely incorporate CDEM arrangements into their business planning and risk management processes, and to regularly monitor and report on their progress as appropriate. This is an important role to play in making progress towards the vision of a 'Resilient New Zealand'.</p>		
<p>Otago CDEM Group Plan</p> <ul style="list-style-type: none"> Lead the development, implementation, maintenance, monitoring and evaluation of the Otago CDEM Group Plan using approved processes. <p>Otago CDEM Business Plan</p> <ul style="list-style-type: none"> Lead the development, implementation, maintenance, monitoring and evaluation of the Otago CDEM Business Plan. Provide advice and guidance on the development of regional and local level CDEM work programmes in alignment to the Otago CDEM Business Plan. <p>Pre-event response action planning</p> <ul style="list-style-type: none"> Lead CDEM Group response planning. Support the development, implementation, maintenance of regional and local level response plans. <p>Standard Operating Procedures</p> <ul style="list-style-type: none"> Lead the development, implementation, maintenance of CDEM Group Standard Operating Procedures as required. <p>Recovery planning</p> <ul style="list-style-type: none"> Lead the development, implementation, maintenance of the Otago CDEM Group Recovery Plan. Provide advice and guidance on the development of the Local Recovery Plan. <p>Financial planning</p> <ul style="list-style-type: none"> Lead the development, implementation, maintenance of a CDEM Group policy on the management of response and recovery claims. 	<p>Otago CDEM Group Plan</p> <ul style="list-style-type: none"> Support, the development, implementation, maintenance, monitoring and evaluation of the Otago CDEM Group Plan. Ensure alignment between the Otago CDEM Group Plan and Regional Council Long Term Plans. <p>Pre-event response action planning</p> <ul style="list-style-type: none"> Support development, implementation, maintenance of CDEM response planning for Regional Council. <p>Standard Operating Procedures</p> <ul style="list-style-type: none"> Support the development, implementation, maintenance of CDEM Standard Operating Procedures as required <p>Recovery planning</p> <ul style="list-style-type: none"> Support the development, implementation, maintenance of Regional Council Recovery Plan for key council infrastructure and assets. <p>Financial planning</p> <ul style="list-style-type: none"> Support the development, implementation, maintenance of CDEM Group policy on the management of response and recovery claims. 	<p>Otago CDEM Group Plan</p> <ul style="list-style-type: none"> Support, the development, implementation, maintenance, monitoring and evaluation of the Otago CDEM Group Plan. Ensure alignment between the Otago CDEM Group Plan and Territorial Authority Long Term Plans. <p>Pre-event response action planning</p> <ul style="list-style-type: none"> Support development, implementation, maintenance of CDEM response planning for Territorial Authorities. <p>Standard Operating Procedures</p> <ul style="list-style-type: none"> Support the development, implementation, maintenance of CDEM Standard Operating Procedures as required. <p>Recovery planning</p> <ul style="list-style-type: none"> Support the development, implementation, maintenance of Local Recovery Plan with alignment to Group Recovery Plan. <p>Financial planning</p> <ul style="list-style-type: none"> Support the development, implementation, maintenance of CDEM Group policy on the management of response and recovery claims.
<p>Public Information Management</p> <p>Public information management (PIM) enables people affected by an emergency to understand what is happening and take the appropriate actions to protect themselves. This is achieved by making sure that timely, accurate, and clear</p>		

Emergency Management Otago	Otago Regional Council	Territorial Authorities
Public Information Management (PIM) staff <ul style="list-style-type: none"> Group Public Information Manager provided by EMO. Coordinate the provision of a 24/7 duty Group PIM function. Public Information Management planning <ul style="list-style-type: none"> Lead and manage all Group level PIM activities. Develop and implement consistent messages in line with national messaging and where required develop SOPs for the Group and provide coordination and advice for Group and Local PIMs. Administer and maintain Group level PIM forums and meetings. Conduct PIM for CDEM Group and support local PIMs (if established) during response and recovery. 	Public Information Management staff <ul style="list-style-type: none"> Alternate Group Public Information Managers provided by Regional Council. Provide staff to support a 24/7 duty Group PIM function. Provide communications/ media staff to receive training and support the Group and local PIM functions, including strategic communications. Public Information Management planning <ul style="list-style-type: none"> Support all CDEM Communications and Social Media activities at the Group and local level as required. Support consistent CDEM messaging across all Regional Council social media platforms and websites. Provide communications/ media staff to support the Group and Local PIM function during response and recovery if required. 	Public Information Management staff <ul style="list-style-type: none"> Local Public Information Manager and alternates provided by Territorial Authorities. Provide the agreed number of PIM staff to receive training and assist with the dissemination of CDEM information via any platform as required. Public Information Management planning <ul style="list-style-type: none"> Lead and manage all local level PIM activities. Support all CDEM Communications and Social Media activities at the Group and local level as required. Support consistent CDEM messaging across all Territorial Authority social media platforms and websites. Ensure effective delivery of PIM in response and recovery at the local level.
Reporting, Monitoring and Evaluation All members of the CDEM Group must provide reports that may be required by the Group. Monitoring and evaluation provide a method for learning from experience, analysing capability, planning and allocating resources, and demonstrating results as part of accountability to stakeholders.		
Reporting <ul style="list-style-type: none"> Facilitate agreed reporting to Joint Committee, CEG and CEG Operations Subcommittee. Coordinate and publish annual report against the Otago CDEM Group Annual Plan and the Otago CDEM Group Plan to CEG, Joint Committee and ORC Council Provide reporting to Territorial Authorities and Regional Council on staff training registration, attendance and completion of competencies associated with training. Monitoring and Evaluation <ul style="list-style-type: none"> Lead and implement Monitoring and Evaluation process for CDEM Group. Monitor progress against the goals, objectives and outcomes of the CDEM Group Plan on behalf of the Joint Committee. Develop and implement a framework for conducting post-event reviews and corrective action plans for the CDEM Group. 	Reporting <ul style="list-style-type: none"> Ensure Elected Officials and Leadership Team are informed of Joint Committee and CEG resolutions, directions and decisions. Provide reporting to Joint Committee, CEG and CEG Sub-Committee on specific Regional Council Annual Plan tasks related to CDEM. Monitoring and Evaluation <ul style="list-style-type: none"> Support, contribute and implement a lessons learned/ knowledge management process for CDEM Group. Support Monitoring and Evaluation process for CDEM Group. 	Reporting <ul style="list-style-type: none"> Ensure Elected Officials and Leadership Team are informed of Joint Committee and CEG resolutions, directions and decisions. Provide reporting to Joint Committee, CEG and CEG Sub-Committee on specific territorial authority Annual Plan tasks related to CDEM. Monitoring and Evaluation <ul style="list-style-type: none"> Support, contribute and implement a lessons learned/ knowledge management process for CDEM Group. Support Monitoring and Evaluation process for CDEM Group.

Emergency Management Otago	Otago Regional Council	Territorial Authorities
Staff <p>All staff with CDEM responsibilities including CDEM career staff, CDEM appointed staff, Regional Council and Territorial Authority staff fulfilling CIMS functions as part of an Emergency Coordination Centre (ECC) or Emergency Operations Centre (EOC) and any CDEM volunteers providing support to any CDEM function.</p> <p>The CDEM Group and each member of the Group are to take all steps necessary on an ongoing basis to maintain and provide, or to arrange the provision of, or to otherwise make available suitably trained and competent personnel, including volunteers, and an appropriate organisational structure for those personnel, for effective civil defence emergency management.</p>		
CDEM career staff <ul style="list-style-type: none"> Manager EMO to appoint CDEM career staff to deliver CDEM outlined in the CDEM Group Plan and this Agreement. 24/7 Duty staff <ul style="list-style-type: none"> Provide adequate 24/7 staff cover for duty roster for the Otago CDEM Group. Ensure support to 24/7 Local Duty Controller capability. CDEM Forums <ul style="list-style-type: none"> Appoint staff to represent the Otago CDEM Group at national, regional and local CDEM forums as required. Staff for CIMS functions <ul style="list-style-type: none"> Lead the development and implementation of the competency, capability and capacity criteria for EOC/GECC staff in CIMS functions. Make recommendations on staff to fulfil GECC CIMS functions. Provide CDEM career staff to support Group and Local Controllers. Management and coordination of a database of all CDEM personnel at the Group and local level. Activation in response / recovery <ul style="list-style-type: none"> Activate CDEM career staff to support delivery of response. Activate GECC staff for delivery of response as required. 	CEG Operations Sub-committee <ul style="list-style-type: none"> Appoint a Senior Manager as CDEM designate to represent Regional Council. CDEM career staff <ul style="list-style-type: none"> The Otago Regional Council is the employer of CDEM career staff (EMO) to deliver CDEM outlined in the CDEM Group Plan and this Agreement. 24/7 Duty staff <ul style="list-style-type: none"> Provide staff to support a 24/7 duty Group Controller capability. Staff for CIMS functions <ul style="list-style-type: none"> Group Emergency Coordination Centre Incident Management Team and alternates provided by Regional Council. Provide staff to CIMS functions within the GECC. Consult with EMO on appointments of staff to CIMS functions for the GECC. Ensure all CDEM GECC staff have respective CDEM role included in Job Description, KPI in annual performance plan, required training and exercising in annual professional development plan and be allocated the time for active participation. Activation in response / recovery <ul style="list-style-type: none"> Ensure availability and prioritisation of staff to conduct GECC operations and deliver 24/7 response. Support the provision and deployments of surge regional council CDEM staffing to support Group and Local level response and recovery within the Otago or across New Zealand. 	CEG Operations Sub-committee <ul style="list-style-type: none"> Appoint a Senior Manager as CDEM designate to represent Territorial Authority. 24/7 Duty staff <ul style="list-style-type: none"> Provide a 24/7 Duty Local Controller capability. Staff for CIMS functions <ul style="list-style-type: none"> Local Incident Management Team and alternates provided by Territorial Authorities. Provide staff to all CIMS functions within the EOC. Consult with EMO on key appointments to their EOCs. Ensure all CDEM EOC staff have respective CDEM role included in Job Description, KPI in annual performance plan, required training and exercising in annual professional development plan and be allocated the time for active participation. Activation in response / recovery <ul style="list-style-type: none"> Ensure availability and prioritisation of staff to conduct EOC operations and deliver 24/7 response. Support the provision and deployments of surge territorial authority CDEM staffing to support Group and Local level response and recovery within the Otago or across New Zealand
Warning Systems		

Emergency Management Otago	Otago Regional Council	Territorial Authorities
When there is an imminent threat to life, health or property from hazard events the issue of official warnings is the responsibility of CDEM agencies.		
<ul style="list-style-type: none"> Develop, implement and maintain CDEM Group warning systems and protocols. Procure, maintain, promote, test and activate CDEM Group public alerting systems. Ensure the functioning of an effective GECC/ EOC staff activation system. Monitor and respond to emergencies 24/7 on behalf of the CDEM Group including the dissemination of warnings and coordinating response in accordance with CDEM Group warning systems and protocols. 	<ul style="list-style-type: none"> Ensure an effective flood event monitoring and information system. Promote the flood warning system to partners, emergency services and communities. Support the dissemination of warnings from the CDEM Group to communities. 	<ul style="list-style-type: none"> Support Otago CDEM Group in promoting the public alerting systems. Maintain, test and activate local public alerting systems. Support the dissemination of warnings from the CDEM Group to communities.
Welfare Management Management of welfare across all welfare services and clusters: Registration, Needs Assessment, Inquiry, Care and protection services for children and young people, Psychosocial support, Household goods and services, Shelter and accommodation, Financial Assistance and Animal welfare. The objective of the welfare services function is to carry out activities across the 4Rs to provide for the needs of people affected by an emergency and to minimise the consequences of the emergency for individuals, families and whānau, and communities.		
<ul style="list-style-type: none"> Lead planning for the delivery of welfare services for the Otago CDEM Group, in accordance with Director's Guidelines. Appoint Group Welfare Manager to deliver and coordinate Group welfare functions across the '4Rs'. Lead the development, implementation, maintenance of an Otago CDEM Group Welfare Plan. Support local welfare planning. Provide relevant reporting and recommendations at Group level on Welfare to CEG and Joint Committee. 	<ul style="list-style-type: none"> Support Group (GECC) and local (EOC) welfare activities in response. 	<ul style="list-style-type: none"> Lead planning and delivery of local welfare arrangements in accordance with Director's Guidelines. Appoint Local Welfare Managers (Primary and Alternates) to deliver and coordinate welfare functions to local communities across the '4Rs'. Support, contribute and implement the Otago CDEM Group Welfare Plan. Ensure coordination for the delivery of welfare at the local level in accordance with the National CDEM Plan Order and Group Welfare Plan. Ensure coordination and delivery of welfare at the local level in response and recovery.

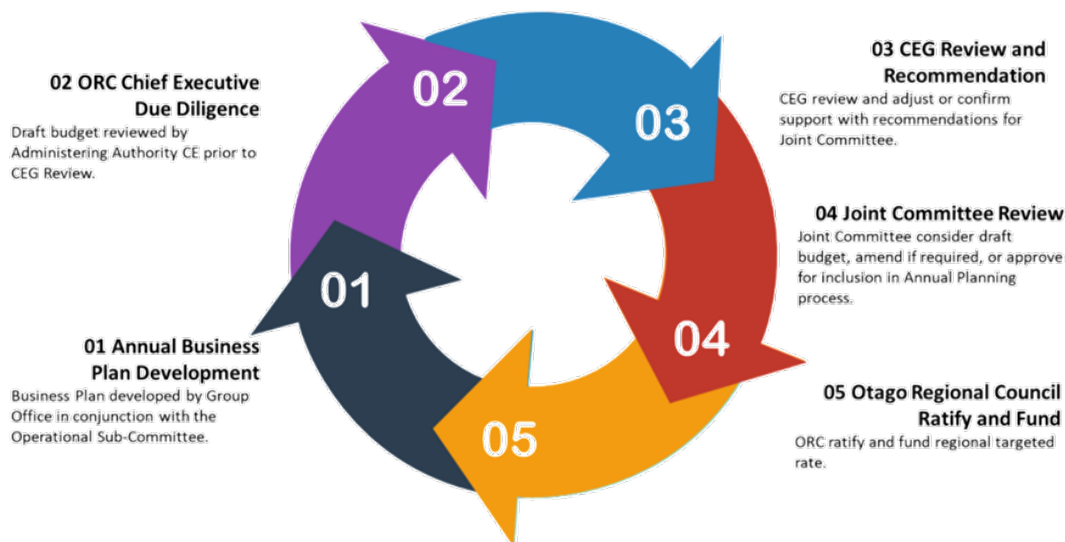
Schedule B

Otago CDEM Financial Arrangements

The financial revenue and management of CDEM budgets for the Otago CDEM Group and the members is provided for as stated below:

ENTITY	Otago CDEM Group	Otago Regional Council	Territorial Authorities
Revenue	CDEM Regional Targeted Rate. ¹	To be determined during the Annual Plan or Long-Term Plan process by Regional Council.	To be determined during the Annual Plan and Long-Term Plan process by City and District Councils.
Budget Development	Emergency Management Otago	Regional Council.	City and District Councils
Budget Approval	Otago CDEM Group	Regional Council.	City and District Councils.
Operating Variance	Transferred to Otago CDEM Group Reserve Account. Note: Surplus funds from previous years (in the form of reserves) may be used to fund expenditure.	At discretion of Otago Regional Council.	At discretion of City and District Councils.

Emergency Management Otago Group Budget Development Process



¹

A targeted rate may be set on a uniform or differential basis in accordance with Sections 16,17 and 18 of the Local Government (Rating) Act 2002.

6.5 OBSERVATORY RETIREMENT VILLAGE REVISED FINANCING ARRANGEMENTS

Author: Paul Hope, Finance and Corporate Development Group Manager

Authoriser: Alex Parmley, Chief Executive

Attachments:

1. Term Loan Agreement - consolidated loan from WDC to Observatory Village
2. Letter from Observatory Lifecare Limited - 31 March 2022
3. Letter from Observatory Village Lifecare Limited re Funding from Waitaki District Council - 21 June 2022

RECOMMENDATIONS

That Council:

1. Approves the revised funding arrangements with Observatory Village Lifecare Limited (OVL), noting the key changes from the previous agreement are as follows:
 - a) A further advance to OVL on the condition that it is used to assist Observatory Village Charitable Trust repay its loan to Council.
 - b) A revision and extension of the repayment arrangements so that it is evenly repaid over the period from 2024/25 to 2033/34.
 - c) A revised interest arrangement including a revised nominated base rate and options to select different interest rate terms.
 - d) An option for Council to review the margin on the debt at a later date.
 - e) The charging of an establishment fee.
 - f) A restating of security following the repayment and discharge of the Network Waitaki debt.
2. Requests that Observatory Village Charitable Trust develops a distribution plan and policy that reflect the urgency of getting additional funding into the health providers, in particular Oamaru Hospital, to help meet the needs of the Waitaki community.

DECISION OBJECTIVE

To approve new terms and conditions in relation to loans to the Observatory Village Group¹.

¹ The Observatory Village Group (OV) consists of three entities – Observatory Village Charitable Trust, Observatory Village Lifecare Limited and Observatory Village Care Limited. In the report, Observatory Village is used to refer to the development and operations as a whole. Names of the individual entities are only used when there is a specific need or relationship that needs to be referenced.

SUMMARY

The purchase of the loan from Waitaki District Health Services to the Observatory Village (OV) and the next stage of development mean that Council needs to review the current loans and their terms and conditions. Various changes to these loans are put forward for approval.

DECISION-MAKING EXPECTATIONS

Governance Decision-Making:	To vary the funding arrangement
Operational Decision-Making:	Detailed language and terms
Communications	Media Releases – contributed to by officers and Elected Members Media/public enquiries regarding governance decision-making topics above can be addressed by governance Media/public enquiries regarding operational decision-making topics above can be addressed by officers

SUMMARY OF DECISION-MAKING CRITERIA

	No/Moderate/Key		No/Moderate/Key
Policy/Plan	No	Environmental Considerations	No
Legal	Moderate	Cultural Considerations	No
Significance	Moderate	Social Considerations	Moderate
Financial Criteria	Key	Economic Considerations	Moderate
Community Views	No	Community Board Views	No
Consultation	No	Publicity and Communication	No

BACKGROUND

This report addresses two related matters previously considered by Council.

Council has considered matters directly related to funding the development of the Observatory Retirement Village (OV) in 2015 and 2018. The first consideration was to fund the initial development and the second the further expansion primarily of the apartments and care facility.

At its meeting on 9 November 2021, Council considered the funding arrangements of Waitaki District Health Services Limited (WDHS) particularly as it related to the loan it had made to Observatory Village Charitable Trust (OVCT). As a result of that discussion, Council purchased the loan from WDHS and became the sole funder of OV. This purchase prompted a further discussion with OV regarding funding arrangements. Council has indicated that its requirements were to change the loan to interest-bearing and to establish a repayment plan.

CURRENT MATTER

The request by Council for the OV to discuss the arrangements in terms of the former WDHS loan prompted a response request from OV to consider several other changes to the existing funding arrangements. These are outlined in the attached letter dated 31 March 2022 (**Attachment 2**). They were primarily driven by the OV's desire to continue the development of the village, including more villas and the infrastructure to support them, an additional set of apartments given the demand for this accommodation, and an additional community facility to service the growing village population. These additional facilities are planned to be constructed over the next two years at an estimated cost of \$9.5m. The request made was to delay the repayments scheduled for June 2022, 2023, and 2024 of approximately \$3.5m and then make repayments of \$1.5m over the 10 years from 2024/25 to 2033/34. This extends the overall term by seven (7) years, with the last three being the repayment of the Hospital loan.

The other main request was to put all the borrowing into one entity, Observatory Village Lifecare Limited (OVLL).

When the matter was discussed with Council's legal advisors, various other matters were highlighted that would be beneficial to Council if addressed at this time. These matters included:

- allowing different interest terms and rates to be offered to get a better spread of interest rates and maturities. This would better allow Council to manage risk in relation to debt structure and Council's Treasury policy.
- charging an establishment fee \$50,000. This is designed to offset the lost interest on the hospital loan over the last few months.
- clarifying the formula on which the interest rate will be calculated including pegging this to relevant LGFA rates, to recover a share of Council's costs and achieve the agreed margin.
- adding the ability to review / change the margin on this facility, which is currently set at 0.5% above Council's cost of funds.

This process has also been used to conduct a general tidy up of the agreement as there were several redundant clauses in the original agreement.

The draft revised agreement that reflects all these matters is attached (**Attachment 1**).

Subsequent to the draft being prepared, OVLL sent a letter dated 21 June 2022 (**Attachment 3**) requesting a reduction in the margin Council was proposing. This request was based on OVLL's assessment of market conditions and potentially more affordable options being available to them. Officers consider the margin to be at a minimum level already given the risk and other matters attached to the arrangement, and therefore no change has been made to the agreement as drafted.

SUMMARY OF OPTIONS CONSIDERED

Option 1 – Leave the current agreement in place

Option 2 – Approved the revised agreements, with minor amendments (recommended)

Option 3 – Reject the revised agreement, highlighting the matters that need further negotiation

ASSESSMENT OF PREFERRED OPTION

Option 2 is the preferred option. It is consistent with previous Council decisions and contributes to the achievement of several wider objectives, in particular the expansion of the district's housing options. In addition, it achieves a number of changes that are advantageous to Council. Now that Council is a member of the LGFA, it has access to an affordable source of funds and is not reliant on having large amounts of "cash" available to fund short- and long-term cashflow requirements. This allows Council to invest for longer terms if an appropriate level of return is achieved.

Option 1 – the status quo – will leave Council with a loan with very unattractive conditions in terms of interest (0%) and repayments (no fixed term or repayment plan).

Option 3 should be adopted if Council has the view that the terms do not provide enough benefit to Council. This is likely in the short- to medium-term to prompt OV to explore alternate sources of financing.

OTHER MATTERS

OV Distribution policy

Council may wish to ask OV to establish a formal distribution policy and plan and remind them of Council's desire to get funding to WDHS as soon as practicable. The intent of this policy would to create greater transparency around the criteria, process and amount of distributions from the OVCT.

CONCLUSION

The collaboration with OV has been highly successful at meeting several wider community objectives as well as providing a modest level of return to Council. There seems to be no reason not to continue to support this entity as it continues to develop. Council may wish to reconsider this once the next stage of development is completed.

ADDITIONAL DECISION-MAKING CONSIDERATIONS

Outcomes

We keep our district affordable

We enable opportunities for new and existing business

We provide and enable services and facilities, so people want to stay and move here

We understand the diverse needs of our community

Waitaki's distinctive environment is valued and protected

We maintain the safest community we can

Policy and Plan Considerations

The preferred option complies with Council's Treasury Policy.

Financial Considerations

The primary financial impact is in terms of cashflow. Council has a source of funds that means this is not an issue.

Legal Considerations

Legal advice has been sought and provided and is reflected in the content of the report.

Publicity and Community Considerations

Any changes in the funding arrangement will be disclosed in the Annual Report, and therefore they will need to be released once fully agreed. Council may wish to proactively address this in conjunction with ORV.

Term Loan Agreement

between

Waitaki District Council

and

Observatory Village Lifecare Limited

and

Observatory Village Care Limited

Term Loan Agreement

Date:

2022

Parties

Waitaki District Council ("the Council")

Observatory Village Lifecare Limited ("the Borrower")

Observatory Village Care Limited ("the Guarantor")

Background

- A. The Council has previously made various term loan facilities available to the Borrower (at the request of the Borrower and/or the Guarantor), including the following:
- (a) a term loan facility of \$8,000,000 under a Term Loan Agreement dated 21 December 2015 between the Council, the Borrower and the Guarantor (as amended and/or restated from time to time) ("**Initial Development Loan**"); and
 - (b) a term loan facility of \$3,500,000 under a Term Loan Agreement dated 2 February 2018 between the Council, the Borrower and the Guarantor (as amended and/or restated from time to time) ("**Stage 2 Construction Loan**").
- B. The Council is also currently owed \$4,600,000 from OVCT under a Term Loan Agreement dated 21 December 2015 initially between WDHST as lender and OVCT as borrower, but subsequently assigned from WDHST to the Council (with effect from 25 February 2022) by a Deed of Assignment dated 25 February 2022 between WDHST as assignor and the Council as assignee ("**OVCT Loan**").
- C. The total amount owing to the Council from the Borrower and OVCT as at the Commencement Date under the existing loan facilities referred to above is \$15,425,944.06 (being \$15,392,001 plus unpaid interest to 30 June 2022) ("**Existing Loans**"), with \$10,825,944.06 (\$10,792,001 plus unpaid interest to 30 June 2022) of that amount ("**Existing Borrower Loans**") owed by the Borrower and \$4,600,000 of that amount owed by OVCT, as further detailed in Appendix E.
- D. The Borrower has requested for the Existing Loans to be consolidated into one new loan from the Council to the Borrower and for all loan repayments to be delayed in order to progress further development on the Land in connection with the Project. The Council has agreed to provide a new consolidated loan of \$15,442,001 to the Borrower for repayment of the Existing Loans and Establishment Fee on the terms set out in this Agreement.
- E. The Parties now wish to enter into this Agreement to record the terms and conditions upon which the Loan will be provided by the Council to the Borrower and repaid by the Borrower to the Council.

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Agreement

1. Interpretation

Definitions

1.1 The following definitions apply, unless the context requires otherwise:

"Agreement" means this Term Loan Agreement as may be varied in writing by the Parties;

"Amalgamation" means an amalgamation pursuant to the Companies Act 1993;

"Base Rate" means, in relation to any Fixed Rate Loan, the cost to the Council of funding the Loan or any relevant portion of the Loan for the relevant period (of one year, two years or three years, respectively) from whatever source it may reasonably select (taking into account applicable interest rates and all other directly related costs incurred by the Council in relation to funding), expressed as a percentage rate per annum;

"Business Day" means any day (other than a Saturday or Sunday) on which registered banks are open for business in Oamaru.

"Commencement Date" means 30 June 2022;

"Consent" includes any consent, authorisation, registration, agreement, certificate, permit, licence, approval, authority from, by or with a Government Agency;

"Constitution" means the Constitution of the Borrower;

"Default Rate" means the rate which equates to 1.5% per annum above the Interest Rate;

"Distribution" has the meaning set out in the Companies Act 1993;

"Environment" means the natural physical surroundings of people and any human made changes to them and any structures;

"Environmental Law" means a provision or law which relates to an aspect of the Project, the Environment or the health and safety of persons;

"Establishment Fee" means an establishment fee of \$50,000 payable by the Borrower to the Council in accordance with clause 2.5 in consideration for the Council agreeing to provide the Loan to the Borrower;

"Event of Default" means an event of the kind set out in clause 11.1;

"Event of Review" means an event set out in clause 11.3;

"Existing Borrower Loans" has the meaning given in Background paragraph C;

"Existing Loans" has the meaning given in Background paragraph C;

"Fixed Interest Maturity Date" means, in respect of any Fixed Rate Loan, the last day of the relevant Fixed Interest Period;

"Fixed Interest Period" means, in respect of any Fixed Rate Loan, the period of either one year, two years or three years from any Fixed Interest Start Date, as initially set

out in Appendix F, or subsequently selected in accordance with clause 5 of this Agreement;

"Fixed Interest Rate" means, in respect of any Fixed Rate Loan, the fixed annual interest rate payable during the relevant Fixed Interest Period for that Fixed Rate Loan;

"Fixed Interest Start Date" means, in respect of any Fixed Rate Loan, the date commencing on 1st of July of the relevant year that the relevant Fixed Interest Rate will start applying to the Fixed Rate Loan in accordance with clause 5 this Agreement;

"Fixed Rate Loan(s)" means the relevant portion(s) of the Loan that the parties have agreed in writing will be subject to interest at a Fixed Interest Rate for a Fixed Interest Period in accordance with clause 5 of this Agreement;

"Governmental Agency" means any regulatory authority including any local government, statutory or self-regulatory organisation having jurisdiction in relation to the affairs of a party to a Lender Document or to whose control or jurisdiction an party to a Lender Document has consented;

"Initial Development Loan" has the meaning given in Background paragraph A;

"Insolvency" includes liquidation, receivership, statutory management, administration, striking off or removal from the register under the Companies Act 1993, winding-up, dissolution, assignment for the benefit of creditors, arrangement or compromise with creditors;

"Interest Rate" means the interest rate payable during the Term calculated in accordance with clause 5;

"Interest Review Date" means the 31st of May in each and every year during the Term;

"Indebtedness" means any obligation or indebtedness, present or future, actual, prospective or contingent;

"Land" means all of the land at 21 Stoke Street, Oamaru, comprised and described in Certificate of Title 483971 situated in the area of Oamaru known as Hospital Hill;

"Lender Document" means a document or agreement to which the Council and the Borrower are or become parties or purport to be or become parties and includes this Agreement, the Initial Loan and any Security;

"Loan" means a term loan of \$15,442,001 (fifteen million, four hundred and forty two thousand and one New Zealand dollars);

"Loan Limit" means NZ\$15,442,001 during the Term, or such lesser amount as is mutually agreed by the Parties;

"Loan Purpose" means as defined in clause 2.3;

"Major Transaction" has the meaning ascribed to that term in the Companies Act 1993;

"Margin" means a margin of 0.50% (50 basis points) per annum, subject to clause 5.12;

"Material Adverse Effect" means a material adverse effect on either:

- a. the ability of the Borrower to comply with its obligations under any Lender Document; or
- b. the Project and/or the commercial or financial prospects of the business of the Borrower;

"Officer" means the officers of the Council and any other person authorised by the Council;

"Outstanding Moneys" means the amount of the Loan outstanding at any time and all other moneys payable by the Borrower under this Agreement including accrued and/or default interest, costs and other expenses whether or not those sums are then due and owing;

"OVCT" means Observatory Village Charitable Trust;

"OVCT Loan" has the meaning given in Background paragraph B;

"PPSA" means the Personal Property Securities Act 1999;

"Potential Event of Default" means any event which, with the giving of notice, elapsing of time or satisfaction of any condition or occurrence of any event, would constitute an Event of Default;

"Project" means the construction and development of the following infrastructure at Observatory Village Lifecare in Oamaru in accordance with plans and specifications approved by the Council:

- a. the Stage 2 Development (currently scheduled for completion by May 2023);
- b. the Stage 3 Development (currently scheduled for initial construction to commence in October 2022 and for completion by February 2026);
- c. 12 new apartments (currently scheduled for initial construction to commence in December 2022 and for completion by December 2023, with the estimated cost to complete being approximately \$4,500,000); and
- d. A new community centre to provide facilities and services to residents of Observatory Village Lifecare (currently scheduled for initial construction to commence in May 2023 and for completion by May 2024, with the estimated cost to complete being approximately \$2,000,000);

"Power" means a power, right, authority, discretion or remedy which is conferred on the Council or an Officer by a Lender Document or by law in relation to a Lender Document;

"Related Company" has the meaning given to that term in the Companies Act 1993;

"Scheduled Project Completion Date" means 28 February 2026 or any other date agreed in writing between the parties;

"Security" means:

- a. the documents listed in Appendix A; and

- b. any other security or undertaking provided by the Borrower or the Guarantor, or procured by the Borrower or the Guarantor to be provided, to the Council in respect of the Borrower's or Guarantor's obligations under this Agreement from time to time;

"Security Interest" includes a mortgage, pledge, lien, hypothecation, title, retention, encumbrance, or other security arrangement of any kind and, in the case of personal property, includes any arrangement which comes within the definition of the term "security interest" under the PPSA;

"Stage 2 Development" means Stage 2 of the Observatory Village Lifecare development, including completion of the Stage 2 care wing and the 21 villas and all associated infrastructure for Stage 2;

"Stage 3 Development" means Stage 3 of the Observatory Village Lifecare development, including construction and development of 27 new residential units and all associated infrastructure for Stage 3, estimated to cost approximately \$3,000,000;

"Stage 2 Construction Loan" has the meaning given in Background paragraph A;

"Subsidiary" has the meaning ascribed to that term in the Financial Reporting Act 1993;

"Tax" includes any form of taxation including any levy, deduction, charge, or withholding which is levied or imposed by a Governmental Agency, that is required by law to be paid and any related interest, penalty, charge, fee or other amount;

"Term" means the period from the Commencement Date to the Termination Date inclusive of both dates;

"Termination Date" means 30 June 2035, subject to any earlier termination determined by the Council in exercise of its rights contained in this Agreement or any extension approved by the Council in accordance with clause 7.3; and

"WDHST" means Waitaki District Health Services Trust.

General

1.2 The following rules apply unless the context requires otherwise:

- (a) Reference to the "Borrower" throughout this Agreement shall include the "Guarantor" (as applicable);
- (b) The singular includes the plural and vice versa;
- (c) Reference to a party to this Agreement or another agreement or document includes the party's successors and permitted substitutes, transferees or assigns;
- (d) Reference to an agreement or document is to the agreement or document as amended, novated, supplemented or replaced from time to time, except to the extent prohibited by this Agreement;
- (e) Any reference to any legislation includes a variation or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it;

- (f) Reference to a person includes a company, corporation, trust, partnership, firm, joint venture or Governmental Agency;
 - (g) Reference to a clause or schedule is a reference to a clause of, or a schedule to, this Agreement;
 - (h) References to dollars or '\$' means New Zealand dollars; and
 - (i) Indebtedness which is payable on demand is due and payable on the date on which it is actually demanded.
- 1.3 A reference to an agreement includes a Security Interest, guarantee, undertaking, deed, agreement or legally enforceable arrangement (whether in writing or not).
- 1.4 Reference to current accounting practice is to accounting principles and practices applying by New Zealand law or (if not inconsistent with that law) otherwise generally accepted in New Zealand, consistently applied. A reference to an accounting term is to be interpreted according to those principles and practices.

2. The Loan

Grant of Loan

- 2.1 The Council agrees to make the Loan available to the Borrower, to be drawn down by the Borrower in one lump sum, on the terms set out in this Agreement.
- 2.2 The Loan must be drawn down in full on the Commencement Date or any later date otherwise agreed in writing by the Parties, following which any undrawn part of the Loan will cease to be available to the Borrower.

Loan Purpose

- 2.3 The Loan shall be used by the Borrower exclusively to repay the Existing Loans and Establishment Fee. The Borrower acknowledges that the Existing Borrower Loans will be immediately repaid in full on drawdown, and that the remaining balance of the Loan (less the amount of the Establishment Fee) shall be advanced or otherwise paid to the Borrower solely for the purpose of contributing to OVCT's repayment of the OVCT Loan to the Council in accordance with clause 2.4.
- 2.4 The Borrower shall procure OVCT to repay the OVCT Loan to the Council in full immediately on drawdown of the Loan under this Agreement, and shall transfer all required funds to OVCT and take all other steps necessary to enable and procure such repayment. The Borrower shall procure OVCT's solicitor to provide a solicitor's undertaking to the Council's solicitor in relation to OVCT's repayment of the OVCT Loan in accordance with this clause (in the form requested or approved by the Council's solicitor) prior to drawdown of the Loan.

Establishment Fee

- 2.5 The Borrower shall pay the Establishment Fee to the Council immediately on drawdown of the Loan. The Establishment Fee will be paid immediately on drawdown by adding the amount of the Establishment Fee to the Outstanding Moneys payable by the Borrower.

3. Conditions

Conditions precedent to drawdown:

- 3.1 The funds under the Loan shall not be available until such time as the Council has received all of the following in a form and substance in all respects satisfactory to it, namely:
- (a) Covenant Trustee Services Limited, as the statutory supervisor of the Borrower, consenting to the provision of the Loan;
 - (b) A director's certificate from two of the directors of the Borrower, in the form attached as Appendix B, addressed to the Council;
 - (c) A directors' certificate from two of the directors of the Guarantor, in the form attached as Appendix C, addressed to the Council;
 - (d) This Agreement, the Security, any other Lender Document and any other documentation arising therefrom as may have been requested by the Council, having been duly executed, including a variation of registered mortgaged 10498221.2 over the Land, a new Deed of Priority to be entered into between the Borrower, the Council and Covenant Trustee Services Limited and a new Security Sharing and Priority Deed to be entered into between the Borrower, the Council and Covenant Trustee Services Limited, as further detailed in Appendix A;
 - (e) Evidence that the Council's insurance requirements have been met;
 - (f) Payment of the Council's solicitors' costs of \$5,000 plus GST, costs and disbursements and all other fees and expenses payable under this Agreement before drawdown is made;
 - (g) A Solicitor's Certificate from the Borrower's legal advisors in the form attached as Appendix D;
 - (h) A Solicitor's Undertaking from the solicitors for OVCT undertaking that the OVCT Loan will be repaid in full by OVCT immediately after drawdown of the Loan; and
 - (i) Such other documents and evidence (including legal opinions) as the Council or its solicitors may require.
- 3.2 The conditions in clause 3.1 are inserted for the sole benefit of the Council. Only the Council may waive them.
- 3.3 The Council has the right in its discretion to cancel this Agreement and/or withhold payment of any funds under the Loan if the conditions precedent set out in this clause 3 are not satisfied prior to the Commencement Date (or such later date as the Council may agree in writing in its discretion). If the Council exercises this right, the Borrower will remain liable to and agree to pay fees incurred by the Council.

4. Drawing

- 4.1 Subject to the Borrower having complied with its obligations under this Agreement and the satisfaction or waiver of the conditions in clause 3.1 (as applicable), the Borrower shall drawdown the Loan on the Commencement Date (unless otherwise agreed in writing between the Parties) for the Loan Purpose set out in clause 2, provided that:

- (a) **Undertakings:** all the undertakings set out in clause 10 are current in all material respects and any representations or warranties therein are true and correct and not misleading on the drawdown date, by reference to the circumstances then existing;
 - (b) **No Illegality:** it is not unlawful or contrary to any directive to make the drawing available;
 - (c) **No Default:** no Event of Default or Potential Event of Default is continuing or is likely to occur as a result of the making of the drawing; and
 - (d) **Material Adverse Change:** there has been no material adverse change in relation to the Borrower.
- 4.2 On drawdown of the Loan, the Existing Borrower Loans will be immediately repaid in full from the Loan and the remaining balance advanced to the Borrower exclusively for the Loan Purpose.

5. **Interest/Review of Interest**

Interest during the Term

- 5.1 Interest shall accrue during the Term of the Loan at the rate calculated in accordance with clauses 5.2 and 5.5 on the basis of the actual number days elapsed and a 365 day year.
- 5.2 The Interest Rate shall be calculated as follows:
- (a) for any initial Fixed Interest Period, the Interest Rate for the relevant Fixed Rate Loan shall be the Fixed Interest Rate set out in the Schedule of Interest Rates included at Appendix F; and
 - (b) for any subsequent Fixed Interest Period, the Interest Rate for the relevant Fixed Rate Loan shall be the percentage rate per annum determined by the Council to be the sum of:
 - (i) the applicable Base Rate; **plus**
 - (ii) the Margin.

Interest Payments Dates

- 5.3 Interest on the Loan shall be paid monthly on the 20th day of the month in each and every year during the Term with the first and last interest payments being proportionate payments (based on the actual number of days).
- 5.4 Interest shall be paid by the Borrower to the Council in the manner determined by the Council from time to time.

Interest Rate Notice

- 5.5 The Interest Rate (as applicable) shall for each Fixed Interest Period commencing after each Interest Review Date, be calculated by the Council in accordance with clause 5.2(b) and notified to the Borrower, in the form set out in Appendix G, at least 10 Business Days before the relevant Interest Review Date (or if a date falls on a weekend the closest Business Day prior).

Interest Rate Election

- 5.6 The Borrower may, by written notice to the Council in the form set out in Appendix G by 5.00pm on the relevant Interest Review Date, request that any relevant Fixed Interest Rate notified by the Council in accordance with clause 5.5be applied to the outstanding balance of any maturing Fixed Rate Loan (or any part of it) for the relevant Fixed Interest Period commencing after the relevant Fixed Interest Maturity Date. Upon confirmation of such notice being received by the Council, the proposed amount will become a new Fixed Rate Loan subject to interest at the selected Fixed Interest Rate for the Fixed Interest Period, subject to the requirements in clause being met.
- 5.7 If:
- (a) no notice is received by the Council in accordance with clause 5.6; or
 - (b) no new Fixed Interest Rate is selected by the Borrower for any part of the outstanding balance of a Fixed Rate Loan remaining after its Fixed Interest Maturity Date,
- by the Interest Review Date immediately preceding the Fixed Interest Maturity Date for a Fixed Rate Loan, a new Fixed Interest Period of one year shall be deemed to apply to the outstanding balance of the Fixed Rate Loan following expiry of its Fixed Interest Maturity Date;
- 5.8 In respect to the Term and for the sake of clarity:
- (a) Although the Interest Rates for relevant Fixed Interest Periods may be confirmed by the 31st of May each year during the Term, the relevant Fixed Interest Rate shall only be payable for relevant Fixed Interest Period commencing after the Interest Review Date.
 - (b) The determination of interest on the 31st of May in each and every year during the Term will enable each Party to budget ahead for its financial year commencing on 1st of July.
 - (c) On calculation and notice of the Interest Rates as set out in clause 5, the Margin may vary following each Interest Review Date during the Term, in accordance with clause 5.12.

Selection of Fixed Interest Periods

- 5.9 Each Fixed Interest Period for a Fixed Rate Loan shall be for a period of one, two or three years' duration, in each case as agreed between the Council and the Borrower.
- 5.10 No Fixed Interest Period may extend beyond the Termination Date.
- 5.11 When selecting a Fixed Interest Period for any Fixed Rate Loan, the Borrower shall ensure that the total amount of all Fixed Rate Loans with the same Fixed Interest Maturity Date will be at least \$1,500,000, and that there will be a Fixed Interest Maturity Date on the 30th of June 2025 and on every following year during the Term to enable the Borrower to make the minimum repayments set out in clause 7.1.

Change in Margin

- 5.12 The Council may review the Margin each year and may increase or decrease the Margin in its sole discretion following such review. The Council will notify the Borrower

in writing of any change of the Margin prior to the change to the Margin taking effect, and such change shall apply to any new Interest Rate calculated from that date.

6. Interest on Arrears

- 6.1 If the Borrower does not pay any sum payable on any due date for payment, it must pay interest on that sum at the Default Rate from the due date until the Borrower remedies the default and pays all default interest.
- 6.2 Any sum which is not paid when due will be added to the overdue sum and will itself bear interest under this clause.

7. Repayment of Loan

Repayment of Loan during the Term

- 7.1 On each Fixed Interest Maturity Date commencing on 30th of June 2025, the Borrower shall make a minimum payment of at least \$1,500,000 in full or part repayment of any Fixed Rate Loans maturing on the relevant Fixed Interest Maturity Date to the end and intent that the total amount of the Loan will be reduced by at least \$1,500,000 each year during the Term from that date. The Borrower shall give written notice to the Council in the form set out in Appendix G, specifying the amount of any Fixed Rate Loan(s) that will be repaid on each Fixed Interest Maturity Date. All such payments shall be applied in permanent reduction of the Outstanding Moneys and amounts may not be redrawn upon repayment.

Early Repayment

- 7.2 For the avoidance of doubt, the Borrower may only repay the whole or any part of a Fixed Rate Loan on the relevant Fixed Interest Maturity Date for that Fixed Rate Loan. The Borrower may not make early repayments of the Outstanding Moneys at any time during the Term unless otherwise expressly agreed in writing by the Council at its sole discretion. Where a Fixed Rate Loan is repaid early under this Agreement (at the Council's sole discretion), the Borrower shall pay to the Council:
- (a) simultaneously with that prepayment, accrued interest on that Loan to the date of actual payment; and
 - (b) upon demand, any amount specified by the Council to be necessary to compensate it for any loss suffered or incurred by it as a result of a Fixed Rate Loan being prepaid other than on its Fixed Interest Maturity Date (including any loss incurred in liquidating or redeploying deposits from third parties acquired, arranged or utilised to make or maintain that Fixed Rate Loan, any cost, loss or expense suffered or incurred in terminating any derivative transactions entered into in connection with the fixed rate funding provided under this Agreement and any loss of margin).

Where all outstanding Fixed Rate Loans are repaid early under this Agreement at the Council's sole discretion), the Borrower shall pay to the Council, in addition to any amounts set out above, all other Outstanding Moneys to the date of actual payment.

Extension of the Term

- 7.3 The Borrower may request an extension to the Term provided that:
- (a) Such request is made by the Borrower in writing to the Council not later than 31 December 2033.
 - (b) The Council shall give due consideration to the request but shall be under no obligation to approve any extension to the Term and shall not by these presents represent that such an extension will be granted.
- 7.4 The Borrower must on the due date for payment of any Outstanding Moneys, pay to the Council an amount equal to the amount due to the account and/or in the manner the Council may from time to time advise in accordance with clause 7.1. Such moneys shall be paid in cleared funds and shall not be paid later than 4 p.m.
- 7.5 Any payment by the Borrower that falls due on a day which is not a Business Day must be made on the next Business Day.
- 7.6 If at any time during the Term the Borrower sells or otherwise disposes of the Land or the Guarantor sells the business of operating the Observatory Village Lifecare retirement village then the Outstanding Moneys at the date of sale shall be immediately repayable in cleared funds.

8. Charges and Expenses

- 8.1 The Borrower shall pay to the Council the following:
- (a) **Expenses** – The expenses of the Council in relation to:
 - (i) The preparation, execution and completion of each Lender Document, Security and any subsequent consent, approval, waiver, amendment or release;
 - (ii) Any contemplated, attempted or actual enforcement of any Lender Document or the actual or contemplated, attempted or actual exercise or defence of any Power including legal fees and expenses on a full indemnity basis; and
 - (iii) Any enquiry by a Governmental Agency concerning the Borrower or related to a Lender Document.

This includes expenses after consultation with the Borrower necessarily incurred subsequent to the date of the Agreement in retaining consultants to evaluate matters of concern to the Council and administrative time and costs including the time of Officers and other employees of the Council (whose time and costs are to be charged at reasonable rates) relating to this Agreement. All of the above expenses are payable by the Borrower on demand. Goods and Services Tax is payable by the Borrower on the above amounts.
 - (b) **Government Charges** – Any government duties, taxes and charges on the Lender Documents and payments and receipts under them.

9. Deduction From Payments

- 9.1 The Borrower must not make any payment subject to any condition, restriction or claim it may have against the Council. The Borrower may only make a withholding or deduction from money it pays to the Council under this Agreement if that withholding or deduction is required by law. If the law requires the Borrower to make a withholding or deduction then the following shall apply:
- (a) The Borrower must ensure that the withholding or deduction is for not more than the minimum amount required by the relevant law;
 - (b) The Borrower must make sure that the withholding or deduction is paid to the relevant Governmental Agency by the due date for payment; and
 - (c) The Borrower must increase the amount it pays to the Council so that the Council receives the amount it would have received had there been no withholding or deduction.

10. Undertakings

- 10.1 Each obligation of the Borrower in this Agreement continues from the date of this Agreement until the Outstanding Moneys are fully and finally repaid and irrespective whether the Council has exercised any Power.
- 10.2 The Borrower undertakes to the Council as follows, except to the extent that the Council agrees otherwise:
- (a) Not to alter the Project in any material way or its fundamental direction, and proceed to complete the Project as soon as reasonably practicable.
 - (b) It must not enter into or become subject to any Amalgamation.
 - (c) It must do everything necessary to maintain its corporate existence.
 - (d) It must ensure that it complies with all laws binding on it where non-compliance, in the opinion of the Council, may have a Material Adverse Effect.
 - (e) It must maintain procedures which, in the opinion of the Council, are adequate to monitor its compliance with Environmental Law.
 - (f) The Council may require an audit be conducted in respect of the Borrower's assets and procedures and any circumstances in relation to the Borrower's assets where the Council reasonably suspects that the Borrower is not complying, or might not in future comply with any of its obligations and that non-compliance may have a Material Adverse Effect. The Borrower shall do everything reasonably necessary to facilitate that audit which will be at the Borrower's expense. Where the audit referred to above reveals any non-compliance or any circumstances requiring remedial action, the Borrower must remedy any non-compliance or take the necessary remedial action as soon as practicable at its cost.
 - (g) It must comply with all Consents and maintain procedures to monitor compliance with Consents.

- (h) It must not create any other Security Interest over any of its real or personal assets other than:
 - (i) a Security; and/or
 - (ii) a lien arising by operation of law in the ordinary course of the business of the Borrower.
- (i) It must make sure that all of its insurable assets are at all times insured to the Council's satisfaction and provide a copy of the policy or a certificate of currency to the Council on request. It must not do, fail to do or permit anything which might prejudice the insurance cover.
- (j) It must pay the insurance premiums when due and, if requested by the Council, provide evidence of payment to the Council and any information in relation to insurance as the Council may from time to time require.
- (k) It must pay all Taxes payable by it when due.
- (l) It must conduct its business efficiently and shall not enter into a Major Transaction (other than the Securities) unless that Major Transaction has been approved by the Council.
- (m) It must not make any Distribution other than as permitted by the Council in writing. For the purposes of this clause, the Council will not unreasonably or arbitrarily withhold its consent to any Distribution to be made in accordance with any "distribution policy and plan" of the Borrower that has been approved in writing by the Council.
- (n) It must keep records and accounts relating to itself and its business and must prepare accounts and, if so requested by the Council, have them audited in accordance with the law and current accounting practice notwithstanding that the law may not require it to appoint an auditor.
- (o) It must provide to the Council:
 - (i) As soon as practicable (and in any event not later than 180 days) after the close of each of its financial years copies of its balance sheet and profit and loss account (and its Subsidiaries (if any)) which must be audited unless the Council agrees otherwise;
 - (ii) as soon as practicable (and in any event not later than 60 days) after the close of the first half of each of its financial years copies of its unaudited balance sheet and profit and loss account; and
 - (iii) by the 30th June annually, the Borrower's annual budget including capital expenditure;
 - (iv) details of any sales (including progress to completion) with respect to units constructed as part of the retirement village complex on a quarterly basis; and
 - (v) promptly provide any other information concerning the Borrower's assets and/or financial condition or business which the Council may reasonably require.

- (p) It must ensure that the financial statements of the Borrower, and the Borrower and its Subsidiaries (if any), at any time delivered to the Council:
 - (i) are prepared in accordance with generally accepted accounting practice;
 - (ii) give a true and fair view of its financial position and operations (and those of its Subsidiaries, if any) as at the date, and for the period to which the financial statements relate;
 - (iii) are prepared and delivered to all relevant persons within the period in which they are required by law or under any agreement to be delivered.
- (q) It must allow the Council or persons authorised by the Council at any time during normal business hours access to inspect assets, premises and records of the Borrower and require the provision of copies of the records. It must do everything in its power to assist that inspection and provide such copies of records.
- (r) It must immediately notify the Council if it:
 - (i) enters into an agreement to purchase, or otherwise acquire, an estate or interest in land; or
 - (ii) creates or acquires a Subsidiary.
- (s) It must notify the Council of the occurrence of any Event of Default or Potential Event of Default immediately upon becoming aware of it, giving full details of it and of any action taken (or to be taken) in respect of it.
- (t) It has disclosed to the Council all facts and circumstances which might adversely affect the decision of a person considering whether or not to provide Indebtedness to the Borrower and shall disclose to the Council, immediately it becomes aware of them, any facts or circumstances which might adversely affect the decision of a person considering whether or not to continue to provide Indebtedness to the Borrower.
- (u) Whenever the Council requests it to do anything to better secure any property which secures or is intended to secure the Loan, the Borrower must do it (or procure that it is done) immediately at its own cost.
- (v) If required to by the Council, the Borrower must:
 - (i) execute and deliver the additional securities the Council may from time to time require; and
 - (ii) produce to the Council the resolutions, documents, legal opinions or other evidence as it may require in order to be satisfied as to the enforceability of any additional securities.
- (w) The Borrower will provide the Council with a quarterly director's certificate confirming such matters as are required by the Council including:
 - (i) That there be no material changes to the Project and that all budgets provided to the Council are being adhered to in all material respects.
 - (ii) That all financial information provided by the Borrower to the Council remains accurate.

- (iii) The Borrower is not aware of any matter which would give rise to the Project being any less profitable or successful than was previously expected.
 - (iv) The Borrower is not aware of any matter that could reasonably affect the value or enforceability of the Council's Security.
- 10.3 All information supplied or to be supplied by the Borrower to the Council in compliance with clauses 10.2 shall be provided under an obligation of confidentiality and as commercially sensitive and not be available for disclosure to any party other than the Council (including its professional advisors), for the purpose of the Official Information Act 1982 or any other respect unless agreed in writing by the Borrower or otherwise required by law.

Project Undertakings

- 10.4 The Borrower undertakes to the Council as follows in respect of the Project, except to the extent that the Council agrees otherwise:
 - (a) It will provide to the Council promptly upon the Council's request:
 - (i) Certification by a mutually appointed quantity surveyor or consultant (approved by the Council) certifying the value of the work completed in respect of the Project since the Commencement Date as follows:
 - (1) That the value of the work completed by the first anniversary of the Commencement Date is at least \$1,700,000;
 - (2) That the value of the work completed by the second anniversary of the Commencement Date is at least \$3,600,000; and
 - (3) That the value of the work completed by the third anniversary of the Commencement Date is at least \$5,500,000;
 - (ii) all such reports addressed and satisfactory to the Council in all respects from agreed consultants appointed by the Borrower in respect of all matters relating to or incidental to the Project and containing such opinions, certifications and advice as are required by the Council in respect of the Project, including (without limitation) in relation to any statutory and regulatory consents and engineering certificates in respect of the Project. The report(s) must be prepared at the Borrower's cost; and
 - (iii) all such updates and information reasonably requested by the Council in relation to the Land or the Project and its completion, including any delay or change in the estimated date(s) or costs for completion of the Project (or any particular stage or part of the Project) and any change in the scope of the Project;
 - (b) It will notify the Council of the occurrence of any Event of Review immediately upon becoming aware of it, giving full details of it and of any action taken (or to be taken) in respect of it; and
 - (c) It will promptly and efficiently carry out the Project in a good and workmanlike manner, in accordance with all legal requirements and all relevant approvals, authorisations and consents for the Project, and will use all reasonable endeavours to complete the Project by the Scheduled Project Completion Date

and each stage of the Project by the expected timeframes indicated to the Council.

11. Events of Default and Events of Review

Events of Default

11.1 Each of the following is an Event of Default (whether or not it is within the control of the Borrower);

- (a) The Borrower fails to pay on the due date any amount payable by it under this Agreement (time being of the essence);
- (b) The Borrower fails to comply with any of its other obligations under a Lender Document and/or an undertaking under this Agreement is breached;

(c)

- (i) Any Indebtedness of the Borrower to anyone is not paid when due;
- (ii) In the case of Indebtedness in respect of the purchase price of an asset or service in the ordinary course of business, this will only apply if it is not paid within 90 days of the due date or if the vendor has earlier taken any step to recover the asset or withdraw the service;
- (iii) Any facility or obligation to provide loans or credit to the Borrower or to acquire or underwrite Indebtedness is for any reason terminated early;
- (iv) Any other Security Interest affecting the assets of the Borrower is enforced or becomes enforceable; or
- (v) Any lease held by the Borrower becomes liable for forfeiture;

(d)

- (i) The Borrower is unable to pay its debts, or is deemed or presumed to be unable to pay its debts, or stop or suspend or threatens to stop or suspend payment of any of its debts;
- (ii) Any step is taken for the Insolvency of the Borrower. This includes the Borrower being declared to be a corporation at risk under the Corporations (Investigation and Management) Act 1989;

(e)

- (i) The Constitution of the Borrower is altered;
- (ii) A Major Transaction occurs;
- (iii) The rights attaching to the Shares are altered; and/or
- (iv) The capital of the Borrower is altered in any way,
without the prior written consent of the Council;

(f) A Shareholder of the Borrower gives notice to the Borrower requiring it to purchase that Shareholder's Shares under section 111 of the Companies Act 1993;

- (g) An investigation into all or part of the affairs of the Borrower commences in circumstances material to its financial condition;
 - (h) All or any part of this Agreement, a Security or any other Lender Document is terminated or is or becomes illegal, invalid, unenforceable or of limited effect or a party becomes entitled to terminate, limit, cancel, rescind or avoid all or any part of any of those documents;
 - (i) Any event or series of events, whether related or not, occurs (including a material adverse change in the business, assets or financial condition of the Borrower, its Subsidiaries or the value of their respective assets), which in the opinion of the Council, may have a Material Adverse Effect;
 - (j) All or any part of the assets of the Borrower are compulsorily acquired or any step is taken for their acquisition;
 - (k) In the opinion of the Council, there is a material adverse change in the direct or indirect ownership of the Borrower;
 - (l) The Borrower or any other person breaches an Environmental Law or Consent and, in the opinion of the Council (acting reasonably), that breach may have a Material Adverse Effect on the Project, on the activities or financial condition of the Borrower, or the value of the Security;
 - (m) Any information provided by the Borrower to the Council is untrue, misleading or deceptive in any material respect;
 - (n) An order is made requiring the Borrower or any Subsidiary, to pay any debts of another company.
- 11.2 At any time after an Event of Default, and without prejudice to any other remedies, the Council may immediately terminate the Loan by notice in writing to the Borrower, and the date of such notice shall be the Termination Date.

Events of Review

- 11.3 Each of the following is an Event of Review (whether or not it is within the control of the Borrower):
- (a) If completion of the Project has not occurred, or is unlikely to be completed, by the Scheduled Project Completion Date;
 - (b) If any stage of the Project is more than 60 days behind the timeframe indicated to the Council at any time; and
 - (c) If the value of the work completed in respect of the Project since the Commencement Date is less than the amounts set out in clause 10.4(a)(i).
- 11.4 At any time after an Event of Review, and without prejudice to any other remedies, the Council may at its sole discretion review the Loan (and the terms and conditions on which it is made available to the Borrower). The Council will notify the Borrower of any such review by serving a notice specifying the relevant Event of Review (**Review Notice**). Upon receipt of a Review Notice, the Borrower must enter into negotiations with the Council in good faith for a period of no less than 14 days and up to 60 days with a view to agreeing:

- (a) any action to be taken by the Borrower to remedy and/or overcome the effects of the relevant Event of Review on terms acceptable to the Council; and
- (b) the terms and conditions on which the Council is willing to continue to make the Loan available to the Borrower (if any).

If within 60 days of the date of the Review Notice, the parties cannot agree on the above matters, the Council will be entitled by notice in writing to the Borrower to terminate the Loan at the expiration of that period and require the repayment of all Outstanding Moneys by the date specified in that termination notice (being no earlier than 90 days from the date of the Review Notice) to be the new Termination Date.

12. Termination of the Loan

- 12.1 On termination of the Loan, the Council's obligations to make any part of the Loan available shall end and the Borrower must immediately pay or repay to the Council all Outstanding Moneys. The Council shall have no further obligations to the Borrower.
- 12.2 Termination of the Loan will not affect any of the Borrower's obligations to the Council under this Agreement including, any indemnities provided or any of the Borrower's obligations under the Security, which shall remain binding upon it until all Outstanding Moneys have been repaid in full.

13. Indemnity

- 13.1 The Borrower agrees to indemnify the Council, every Officer and every employee of the Council on demand against any loss, which they may suffer as a direct or indirect consequence of:
 - (a) An Event of Default or Potential Event of Default;
 - (b) Any lawful exercise, contemplated exercise or attempted exercise of any Power or the failure to exercise any Power;
 - (c) The Council receiving an amount under any Lender Document on a date other than the due date; or
 - (d) The Loan requested under clause 4 not being made for any reason (excluding default by the Council) on the date notified by the Borrower to the Council as the drawdown date.
- 13.2 The indemnities in this clause are unconditional and irrevocable and shall survive termination of the Loan and payment of all Outstanding Moneys and the release of any Security.

14. PPSA

- 14.1 The Borrower and the Guarantor each waive any rights to receive a copy of a verification statement under the PPSA and agrees, to the extent permitted by law, that in respect of any arrangement between the Borrower and the Council:
 - (i) Sections 114(1) (a), 133 and 134 of the PPSA shall not apply;

- (ii) Neither the Borrower nor the Guarantor will have any of the rights referred to in paragraphs (c) to (e) and (h) to G) of section 107(2) of the PPSA; and
 - (iii) where the Council has rights in addition to those in Part 9 of the PPSA, those rights shall continue to apply and, in particular, shall not be limited by section 109 of the PPSA.
- 14.2 The Borrower and the Guarantor must each, immediately upon request by the Council, procure from any person considered by the Council to be relevant to its security position such agreements and waivers (including as equivalent to those above) as the Council may at any time reasonably require.
- 15. **Miscellaneous**
- 15.1 Any Officer can sign a demand, certificate or other document for the Council. The Council can:
 - (a) Deliver the document personally;
 - (b) Post it to the place where the Borrower has its registered office;
 - (c) Leave it at any one of these places;
 - (d) Send it by facsimile to the Borrower's last known facsimile number;
 - (e) Email it to the Borrower's last known email address.
- 15.2 If the document is sent through the post, it is to be regarded as having arrived on the second Business Day after posting, even if it never arrived. If it is sent by facsimile, it is to be regarded as having arrived when the sending machine receives confirmation that it has been sent in its entirety. If it is sent by email, it is to be regarded as having arrived at the time of transmission provided that if there is any dispute as to whether an email has been received, the email shall only be deemed to have been received at the time that the party giving notice produces a printed copy of the email which evidences that the email was sent to the correct email address of the party given notice.
- 15.3 Where any document is given or appears to have been given by the Borrower to the Council by facsimile or email, the Council will have no obligation to make any enquiry or require any evidence as to the validity of that document even where that document proves not to have been authorised or not to have been signed or given by the person who appears to have signed or given it.
- 15.4 The Borrower can give notice to the Council by delivering, posting, leaving, faxing or emailing it to the Council offices or any other address which the Council may have given the Borrower.
- 15.5 The Council can transfer this Agreement and all or part of the Outstanding Moneys to someone else. If it does, this Agreement and any transferred Lender Document will apply to the transferee as if it was the Council. To the maximum extent allowed by law, any transfer will be free of any set off, equity or cross claim which the Borrower would have had against the Council or the transferee of any Lender Document but for this clause. The Borrower may not assign or otherwise transfer or grant any security interest over any of its rights and obligations under this Agreement or any other Lender Document.

- 15.6 The Council may disclose to a potential assignee or transferee of its rights or obligations under any Lender Document or any other relevant party any information about the Borrower as the Council considers appropriate. However before doing this the Council will, in relation to information which is not publicly available, advise the Borrower of its intention and require an undertaking protecting the confidentiality of that information from any potential assignee or transferee or other relevant party.
- 15.7 Except where expressly stated, the Council shall have an absolute discretion as to whether it grants approvals, forms opinions, gives consents or exercises any Powers.
- 15.8 All money received or recovered by the Council under or by virtue of this Agreement will be applied in the manner and order determined by the Council.
- 15.9 If any clause in this Agreement is not enforceable then that will not affect the enforceability of any other clauses of this Agreement.
- 15.10 To the extent permitted by law, the Borrower waives any right to set off any amounts the Council owes it against the Outstanding Moneys.
- 15.11 No Power and nothing in this Agreement or any Lender Document, is adversely affected merely because of the existence of any other Lender Document, or by judgment, right or remedy against any person which the Council or someone claiming through the Council may have at any time.
- 15.12 To the extent permitted by law, neither the Council nor any of its Officers will be liable in respect of any conduct, (including but not limited to the agreement to provide the Loan) omission, delay, negligence or breach of duty in the exercise or failure to exercise a Power or for any loss (including consequential loss) which results.
- 15.13 This Agreement is governed by the laws of New Zealand.
- 15.14 The Borrower confirms that it has not entered into any Lender Document in reliance on, or as a result of any conduct of any kind of or on behalf of the Council (including any advice, warranty, representation or undertaking) except as expressly set out in the Lender Documents or in writing signed by or on behalf of the Council.
- 15.15 This Agreement may be executed in two or more counterparts, all of which will be deemed to constitute the same instrument.
- 15.16 A certificate signed by an Officer of the Council as to any interest accrued or Outstanding Moneys shall be conclusive evidence of that amount in the absence of manifest error.
16. **Guarantor a principal party**
- 16.1 The Guarantor is a principal party to this Agreement and is jointly and severally liable with the Borrower to perform and observe all the Borrower's obligations expressed or implied in this Agreement.
- 16.2 The Guarantor acknowledges reading this Agreement prior to executing it and acknowledges having been requested by the Council to obtain independent legal and financial advice in relation to the terms of this Agreement and the obligations imposed upon the Guarantor by this Agreement.

- 16.3 The Guarantor agrees to indemnify the Council and keep it harmless from and against all loss, liability, damage, costs and expenses whatsoever that the Council may suffer or incur by reason of the failure or default of the Borrower to perform any of its obligations expressed or implied in this Agreement or any Security.
- 16.4 The obligations of the Guarantor under this guarantee:
- (a) are principal obligations and not ancillary or collateral to any other right or obligation however created or arising;
 - (b) are unconditional, continuing and irrevocable and, notwithstanding any provision to the contrary in this Agreement, commence on the date of this Agreement and will remain in full force and effect until all obligations under this Agreement have been performed in full, notwithstanding any settlement of account, intermediate payment or enforcement or realisation of Security;
 - (c) may be enforced against the Guarantor without any requirement for the Council to first exercise any rights it may have against the Borrower or any other person including under any Security; and
 - (d) will not be wholly or partially discharged or in any way affected by any act, omission, matter or thing which but for this provision might operate to release the Guarantor from any of the obligations under this guarantee, or that would release a person liable as a surety only.
- 16.5 Without limiting the generality of this clause, it is agreed that if any payment, transaction, conveyance or transfer relating in any way to the Borrower's obligations is void or voidable under any law or if any such claim is compromised, then the Council is entitled as against the Guarantor to all rights in respect of the Borrower's obligations as it would have had if the payment, transaction, conveyance or transfer or so much of it as is compromised had not been made.
- 16.6 The Council will not be under any obligation to marshal or appropriate in favour of the Guarantor.

17. Security

- 17.1 The Security is given by the Borrower and the Guarantor respectively and secures all amounts payable under this Agreement and any other agreement with the Council. The Borrower and/or the Guarantor will pay all legal and other costs associated with the preparation, execution, registration, enforcement, attempted enforcement and discharge of all documents necessary to give full effect to the Security.
- 17.2 Unless agreed otherwise in writing by the Council, the Security will also cover any other obligations the Borrower or the Guarantor may have to the Council either now or in the future and whether actual or contingent, including all further advances, interest, fees and costs that are or may become payable to the Council under this Agreement or otherwise.
- 17.3 The Council may at any time require the Borrower or the Guarantor to provide additional security in form and extent satisfactory to the Council for this facility. The Borrower and the Guarantor shall comply with all of their respective obligations under the Security.

Term Loan Agreement

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Execution

Signed by **Waitaki District Council** by _____ in
the presence of:

Authorised Signatory

Signature of witness

Name of witness

Occupation

Address

Signed by **Observatory Village Lifecare
Limited** as the Borrower by:

Director's signature

Director's signature

Director's full name

Director's full name

Signed by **Observatory Village Care
Limited** as the Guarantor by:

Director's signature

Director's signature

Director's full name

Director's full name

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Appendix A

Security

The Council acknowledges that the various Securities detailed in this Appendix A will be first ranking securities except to the extent the statutory supervisor requires the same securities from the Borrower and/or the Guarantor, in which case the Council's Securities will be second ranking behind any such securities in favour of the statutory supervisor.

New Securities from the Borrower

1. A variation of registered mortgage 10498221.2 over the Land to increase the section 92 priority amount to \$17,000,000 plus 12 months interest and costs.
2. A new Deed of Priority to be entered into between the Borrower, the Council and Covenant Trustee Services Limited in substantially the same form as that entered into by those parties in connection with the Initial Development Loan and the Stage 2 Construction Loan, except that the First Secured Party Amount will be \$17,000,000 plus interest and costs and there will only be two secured parties for the Deed.
3. A new Security Sharing and Priority Deed to be entered into between the Borrower, the Council and Covenant Trustee Services Limited in replacement of the existing Security Sharing and Priority Deed between the Borrower, the Council, Covenant Trustee Services Limited and Network Waitaki Limited in substantially the same form as entered into previously, subject to any amendments approved by the Council.

Existing Securities

Part A – Existing Securities from the Borrower

- (a) Registered mortgage 10498221.2 over the Land;
- (b) A General Security Agreement entered into by the Borrower in favour of the Council dated 30 November 2015, granting the Council security over all of the Borrower's present and after acquired property.

Part B – Security from the Guarantor

The following documents entered into by the Guarantor are included in the definition "Security" for the purposes of this Agreement, namely;

- (a) A General Security Agreement entered into by the Guarantor in favour of the Council dated 30 November 2015, granting the Council security over all of the Guarantor's present and after acquired property.

Appendix B

Director's Certificate - Borrower

TO: Waitaki District Council

("the Council")

AND TO: Anderson Lloyd

We, _____ being directors of Observatory Village Lifecare Limited ("the Borrower") on behalf of the board of directors of the Borrower certify that:

(Please ensure that the appropriate resolutions below are selected and initialled)

1. Board Resolutions

1.1 The board of directors of the Borrower (the "Board") has passed resolutions:

- (a) approving the transaction (the "Transaction") contemplated by the documents listed in the schedule below (the "Documents") and the Documents themselves;
- (b) authorising execution of the Documents by the Borrower in the manner in which they have actually been executed; and
- (c) authorising the persons specified in paragraph 8 to give any notices and other communications and take any other action required under or in connection with the Documents on behalf of the Borrower.

EITHER

1.2 The resolutions were duly passed in writing signed by all of the directors of the Borrower entitled to receive notice of a meeting of the Board.

OR

1.2 The resolutions were duly passed at a meeting of the Board:

- (a) which was properly convened;
- (b) in respect of which all quorum requirements were duly observed; and
- (c) such resolutions remain in full force and effect.

2. Directors Self Interested Transactions

EITHER

2.1 To the best of my knowledge and belief after making due enquiry of all other of the Borrower's directors (as defined in section 126 of the Companies Act 1993 ("Act")), none of the directors of the Borrower has an interest (as that term is defined in section 139 of the Act) in the Transaction (except in relation to the Council appointed director).

OR

2.1 After making due enquiry, it has been determined that one or more of the Borrower's directors (as defined in section 126 of the Companies Act 1993 ("Act")) is, or may be,

interested (as that term is defined in section 139 of the Act) in the Transaction. The interest of such directors has been entered in the interest register and disclosure relating to the nature, monetary value and extent of that interest has been made to the Board. The Transaction has been disclosed to all shareholders of the Borrower.

- 2.2 In approving the Documents and the Transaction, the Board, after taking into account all relevant factors, considers that the Borrower is receiving or will receive fair value under it.

3. Corporate Benefit

- 3.1 In approving the Documents and the Transaction, the Board, after taking into account all relevant factors, has resolved that the Borrower's entry into and performance of the Documents and the Transaction is in the best interests of the Borrower.

4. Shareholder Action

EITHER

- 4.1 It has been determined that the Transaction is a Major Transaction for the purposes of section 129 of the Act. Accordingly all of the shareholders of the Borrower have by special resolution:
- (a) approved the Documents and the Transaction; and
 - (b) confirmed, approved and ratified the resolutions of the Board.

OR

- 4.1 It has been determined that the Transaction is not a Major Transaction for the purposes of section 129 of the Act.

5. Due Execution

- 5.1 The Documents have been properly executed by the Borrower;
- 5.2 The Documents have been executed on behalf of the Borrower by two directors of the Borrower.

6. Solvency

- 6.1 We are not aware of any liquidation proceedings which have been commenced or are intended to be commenced by any person against the Borrower, or which are intended or anticipated by the Borrower.
- 6.2 Having taken into account all relevant factors (including in the case of a guarantee all rights of contribution and subrogation to which the Borrower would be entitled if called upon to perform its obligations and the solvency of the guaranteed and guaranteeing parties) the Board is of the view that the value of the consideration or benefit received by the Borrower under the Documents and the Transaction is not less than the value of the consideration provided (or to be provided) by the Borrower.

6.3 After making due enquiry, the Board is of the view that the Borrower:

- (a) is able to pay its due debts;
- (b) is not engaged or about to engage in business for which its financial resources are unreasonably small;
- (c) will be able to perform its obligations under the Documents and the Transaction when required to do so; and
- (d) will not become unable to pay its due debts as a result of the Documents and the Transaction.

7. Consents

7.1 No consents are required by the Borrower for entry into, execution or performance of the Transaction or the Document(s) and the execution and delivery of the Documents and performance of the Transaction will not cause the Borrower to be in breach of any obligation or law affecting it.

8. Authorised Signatures

8.1 The following are the true signatures of the persons who have been authorised to give any notices and other communications, and to take any other action required, under or in connection with the Documents on behalf of the Borrower.

Name	Position	Signature
_____	_____	_____
_____	_____	_____

9. Outgoings and Outstanding Interests

9.1 Outstanding Interests: Except as disclosed there are no outstanding registered or unregistered charges or interests likely to defeat the title or Interest of the Council as holder of the security described in the Documents or securities previously given on the priority required by the Council, if any.

9.2 Permitted Security Interests: The Board is aware that the General Security Agreement previously entered into by the Borrower in favour of the Council prohibits the creation or subsistence of any Charge over Secured Property (as those terms are defined in the General Security Agreement) other than:

- (a) a Charge created in favour of the Council;
- (b) a lien arising only by operation of law in the ordinary course of business;
- (c) a security interest over assets securing all or part of the purchase price of those assets created in the ordinary course of business, where the amount secured is paid within 90 days; and
- (d) a security interest within the meaning of section 17(1)(b) of the Personal Property Securities Act 1999 (other than as constituted by a transfer of an accounts

and confirms that no such Charges (other than permitted Charges) have been granted or created.

1. Term Loan Agreement between the Borrower, Observatory Village Care Limited as guarantor and the Council as lender by which the Council agrees to advance the Loan of \$15,442,001 to the Borrower dated on or about the date of this certificate.
2. Variation of existing mortgage 10498221.2 over the property contained in certificate of title 483971 to increase the section 92 priority amount to \$17,000,000 plus 12 months interest and costs.
3. A new Deed of Priority to be entered into between the Borrower, the Council and Covenant Trustee Services Limited in substantially the same form as that entered into by those parties in connection with the Initial Development Loan and the Stage 2 Construction Loan, except that the First Secured Party Amount will be \$17,000,000 plus interest and costs and there will only be two secured parties for the Deed.
3. A new Security Sharing and Priority Deed to be entered into between the Borrower, the Council and Covenant Trustee Services Limited in replacement of the existing Security Sharing and Priority Deed between the Borrower, the Council, Covenant Trustee Services Limited and Network Waitaki Limited in substantially the same form as entered into previously, subject to any amendments approved by the Council.

Full Name:

Authorised Witness

Appendix C

Director's Certificate - Guarantor

TO: Waitaki District Council

("the Council")

AND TO: Anderson Lloyd

We, _____ being directors of Observatory Village Care Limited ("the Guarantor") on behalf of the board of directors of the Guarantor certify that:

(Please ensure that the appropriate resolutions below are selected and initialled)

1. Board Resolutions

1.1 The board of directors of the Guarantor (the "Board") has passed resolutions:

- (a) approving the transaction (the "Transaction") contemplated by the documents listed in the schedule below (the "Documents") and the Documents themselves;
- (b) authorising execution of the Documents by the Guarantor in the manner in which they have actually been executed; and
- (c) authorising the persons specified in paragraph 8 to give any notices and other communications and take any other action required under or in connection with the Documents on behalf of the Guarantor.

EITHER

1.2 The resolutions were duly passed in writing signed by all of the directors of the Guarantor entitled to receive notice of a meeting of the Board.

OR

1.2 The resolutions were duly passed at a meeting of the Board:

- (a) which was properly convened;
- (b) in respect of which all quorum requirements were duly observed; and
- (c) such resolutions remain in full force and effect.

2. Directors Self Interested Transactions

EITHER

2.1 To the best of my knowledge and belief after making due enquiry of all other of the Guarantor's directors (as defined in section 126 of the Companies Act 1993 ("Act")), none of the directors of the Guarantor has an interest (as that term is defined in section 139 of the Act) in the Transaction (except in relation to the Council appointed director).

OR

2.1 After making due enquiry, it has been determined that one or more of the Guarantor's directors (as defined in section 126 of the Companies Act 1993 ("Act")) is, or may be,

interested (as that term is defined in section 139 of the Act) in the Transaction. The interest of such directors has been entered in the interest register and disclosure relating to the nature, monetary value and extent of that interest has been made to the Board. The Transaction has been disclosed to all shareholders of the Guarantor.

- 2.2 In approving the Documents and the Transaction, the Board, after taking into account all relevant factors, considers that the Guarantor is receiving or will receive fair value under it.

3. Corporate Benefit

- 3.1 In approving the Documents and the Transaction, the Board, after taking into account all relevant factors, has resolved that the Guarantor's entry into and performance of the Documents and the Transaction is in the best interests of the Guarantor.

4. Shareholder Action

EITHER

- 4.1 It has been determined that the Transaction is a Major Transaction for the purposes of section 129 of the Act. Accordingly all of the shareholders of the Guarantor have by special resolution:
- (a) approved the Documents and the Transaction; and
 - (b) confirmed, approved and ratified the resolutions of the Board.

OR

- 4.1 It has been determined that the Transaction is not a Major Transaction for the purposes of section 129 of the Act.

5. Due Execution

- 5.1 The Documents have been properly executed by the Guarantor;
- 5.2 The Documents have been executed on behalf of the Guarantor by two directors of the Guarantor.

6. Solvency

- 6.1 We are not aware of any liquidation proceedings which have been commenced or are intended to be commenced by any person against the Guarantor, or which are intended or anticipated by the Guarantor.
- 6.2 Having taken into account all relevant factors (including in the case of a guarantee all rights of contribution and subrogation to which the Guarantor would be entitled if called upon to perform its obligations and the solvency of the guaranteed and guaranteeing parties) the Board is of the view that the value of the consideration or benefit received by the Guarantor under the Documents and the Transaction is not less than the value of the consideration provided (or to be provided) by the Guarantor.

- 6.3 After making due enquiry, the Board is of the view that the Guarantor:
- (a) is able to pay its due debts;
 - (b) is not engaged or about to engage in business for which its financial resources are unreasonably small;
 - (c) will be able to perform its obligations under the Documents and the Transaction when required to do so; and
 - (d) will not become unable to pay its due debts as a result of the Documents and the Transaction.

7. Consents

- 7.1 No consents are required by the Guarantor for entry into, execution or performance of the Transaction or the Document(s) and the execution and delivery of the Documents and performance of the Transaction will not cause the Guarantor to be in breach of any obligation or law affecting it.

8. Authorised Signatures

- 8.1 The following are the true signatures of the persons who have been authorised to give any notices and other communications, and to take any other action required, under or in connection with the Documents on behalf of the Guarantor.

Name	Position	Signature
_____	_____	_____
_____	_____	_____

9. Outgoings and Outstanding Interests

- 9.1 Outstanding Interests: Except as disclosed there are no outstanding registered or unregistered charges or interests likely to defeat the title or Interest of the Council as holder of the security described in the Documents or securities previously given on the priority required by the Council, if any.
- 9.2 Permitted Security Interests: The Board is aware that the General Security Agreement previously entered into by the Guarantor in favour of the Council prohibits the creation or subsistence of any Charge over Secured Property (as those terms are defined in the General Security Agreement) other than:
- (a) a Charge created in favour of the Council;
 - (b) a lien arising only by operation of law in the ordinary course of business;
 - (c) a security interest over assets securing all or part of the purchase price of those assets created in the ordinary course of business, where the amount secured is paid within 90 days; and
 - (d) a security interest within the meaning of section 17(1)(b) of the Personal Property Securities Act 1999 (other than as constituted by a transfer of an accounts

and confirms that no such Charges (other than permitted Charges) have been granted or created.

1. Term Loan Agreement between Observatory Village Lifecare Limited as borrower ("the Borrower"), the Guarantor (as guarantor) and the Council (as lender) by which the Council agrees to advance the Loan of \$15,442,001 to the Borrower dated on or about the date of this certificate.

Full Name:

Appendix D
Solicitor's Certificate

SOLICITOR'S CERTIFICATE

TO: Anderson Lloyd
Private Bag 1959
DUNEDIN

AND TO: Waitaki District Council
Private Bag 50058
OAMARU

RE: TERM LOAN AGREEMENT BETWEEN WAITAKI DISTRICT COUNCIL ("Lender"), OBSERVATORY VILLAGE LIFECARE LIMITED ("Borrower") AND OBSERVATORY VILLAGE CARE LIMITED ("Guarantor").

WE HEREBY CERTIFY to you and give you our solicitor's undertaking as follows:

1. The Borrower and the Guarantor are corporations duly authorised and validly existing under the laws of New Zealand.
2. All dates and other details in the Term Loan Agreement and the Securities ("Documents") were completed prior to execution.
3. The Borrower and the Guarantor are legally competent to enter into the arrangements recorded in the Documents.
4. The Borrower and the Guarantor have properly and validly executed where appropriate the Documents pursuant to:
 - (a) Shareholders' Resolutions; and
 - (b) Directors' Resolutions,in each case properly passed in accordance with the respective Constitutions of the Borrower and the Guarantor, and that the Documents as so executed are valid, binding and, where applicable, registrable and will on receipt by you be immediately registrable within any time limit specified in the relevant legislation pursuant to which the same are to be registered.
5.
 - (a) We recommended to the Guarantor that it should take independent advice in relation to the Documents;
 - (b) The Guarantor has chosen not to be independently advised regarding the Documents and we have written confirmation from it to that effect;

- (c) We have explained to the Guarantor the terms and effect of the Documents and the extent of the Guarantor's obligations under the Documents; and
 - (d) The Guarantor has confirmed that it understand the nature of the transaction and the extent of its liability pursuant to the Documents.
- 6. There are no authorisations, approvals, consents, filings or other requirements of Governmental or public bodies required in connection with the entry into, the performance, validity and enforceability of the Documents.
- 7. To the best of our knowledge there are no pending or present actions or proceedings affecting the Borrower and/or the Guarantor (if any) before any Court or other body which may materially or adversely affect the financial condition or operations of the Borrower and/or the Guarantor (if any) or materially impede their ability to perform their obligations under the Documents.
- 8. There are no documents that await registration or filing in respect of the Borrower and/or the Guarantor.
- 9. Copies of each of the Documents (in the form as supplied by you) have been given to each of the Borrower and the Guarantor, on or before the date of this Certificate.
- 10. We have complied with all your instructions in all other respects except as we have advised you in writing.
- 11. Details of the insurance policy/policies relating to both the Land (and buildings) and the Project are set out in the certificate(s) of currency attached to this certificate, the interest of the Lender as the appropriately ranking security holder noted on such policy(ies) The premium under such policy(ies) has been paid up to date. No charges will have priority to the Documents [except (*list charges below*)].

DATED at this day of 20[]

Partner's Signature: _____

Partner's Name: _____

Name of Firm: _____

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Term Loan Agreement

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SCHEDULE

- A. Term Loan Agreement between the Lender, the Borrower and the Guarantor dated on or about the date of this certificate.
- B. Variation of existing mortgage 10498221.2 over the property contained in certificate of title 483971 to increase the section 92 priority amount to \$17,000,000 plus 12 months interest and costs.
- C. A new Deed of Priority to be entered into between the Borrower, the Council and Covenant Trustee Services Limited in substantially the same form as that entered into previously between those parties in connection with the Initial Development Loan and the Stage 2 Construction Loan, except that the "First Secured Party Amount" will be \$17,000,000 plus interest and costs and there will only be two secured parties for the Deed.
- D. A new Security Sharing and Priority Deed to be entered into between the Borrower, the Lender and Covenant Trustee Services Limited in replacement of the existing Security Sharing and Priority Deed between the Borrower, the Lender, Covenant Trustee Services Limited and Network Waitaki Limited in substantially the same form as entered into previously, subject to any amendments approved by the Lender.

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Appendix E

Total amounts owing to Council (to be fully repaid on drawdown)

Entity owing funds to the Council	Loan	Current Maturity Date of Loan	Total principal amount outstanding	Unpaid Interest (to 30 June 2022)	Total amount to be repaid to the Council on the Commencement Date
Borrower	Initial Development Loan	20/02/2027	\$7,700,000	\$24,218.08	\$7,724,218.08
Borrower	Stage 2 Construction Loan	20/02/2029	\$3,092,001	\$9,724.98	\$3,101,725.98
OVCT	OVCT Loan (amount owed by OVCT to the Council)	On demand	\$4,600,000		\$4,600,000
Combined	Total Loans		\$15,392,001	\$33,943.06	\$15,425,944.06
Plus Establishment Fee (\$50,000)			\$15,442,001	\$83,943.06	\$15,475,944.06

Appendix F
Schedule of Interest Rates

Fixed Loan	Rate	Fixed Interest Period	Fixed Interest Rate (p/a)	Fixed Interest Start Date	Fixed Interest Maturity Date
		1 year	4.92%	1 July 2022	30 June 2023
		2 years	5.45%	1 July 2022	30 June 2024
		3 years	5.57%	1 July 2022	30 June 2025

Appendix G

Annual Notice and Election of Interest Rates

TO: Observatory Village Lifecare Limited

Term Loan Agreement dated [] June 2022 ("Agreement")

1. Terms defined in the Agreement have the same meaning in this notice.
2. We give you notice that under the Agreement, the following Fixed Rate Loan(s) will expire on the 30th of June this year ("**Fixed Interest Maturity Date**");

Fixed Rate Loan (amount)	Fixed Interest Start Date	Fixed Interest Period	Fixed Interest Rate
\$			% per annum
\$			% per annum

3. Please confirm in the table below the amount of the above Fixed Rate Loan(s) you intend to repay on the Fixed Interest Maturity Date. You are required to repay a minimum of \$1,500,000 so the total amount stated must be at least that amount.

Total amount to be repaid on Fixed Interest Maturity Date	Outstanding Balance (of maturing Fixed Rate Loan(s))
\$	\$

4. Please also confirm in the table below the amounts (if any) of the above Outstanding Balance that you would like to fix at each of the following Fixed Interest Rates for the following Fixed Interest Periods:

Proposed new Fixed Rate Loan (amount)	Fixed Interest Period	Fixed Interest Rate
\$	One year	% per annum
\$	Two years	% per annum
\$	Three years	% per annum

5. If we receive notice of your election by the 31st of May this year, we will give you written notice to confirm that your elected Fixed Interest Rate will apply to the proposed new Fixed Rate Loan(s) after the current Fixed Interest Maturity Date.
6. If we do not receive notice of your election by the 31st of May this year for any outstanding balance remaining after the Fixed Interest Maturity Date, the new Fixed Interest Rate for the outstanding balance after the current Fixed Interest Maturity Date will be the Fixed Interest Rate set out above for a one year Fixed Interest Period.

Signed for and on behalf of Waitaki District Council: _____

Date: _____

Term Loan Agreement

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TO: Waitaki District Council

We have completed the details in your attached notice in order to confirm the following details:

- Total amount to be repaid on Fixed Interest Maturity Date;
- Outstanding Balance (of maturing Fixed Rate Loan(s)) after such repayment; and
- Proposed new Fixed Rate Loan amounts for each elected Fixed Interest Rate and Fixed Interest Period.

We confirm that our election is consistent with the terms of the Agreement.

We acknowledge that our election is subject to your approval and that the new details will apply to the Loan upon written confirmation from you.

Signed for and on behalf of Observatory Village Lifecare Limited: _____

Date:

2300680 | 7038910



21 Stoke Street, Oamaru
Phone: 4345450
village@observatoryvillage.nz

31st March 2022

Paul Hope
Finance & Corporate Development Group Manager
Waitaki District Council
Oamaru

Dear Paul

Re: OBSERVATORY VILLAGE- FUNDING FROM WAITAKI DISTRICT COUNCIL

We acknowledge receipt of your letter dated 25 February 2022 providing notice of assignment of the term loan agreement and security from Waitaki District Health Services Trust to Waitaki District Council (WDC).

Statutory Supervisor

With Observatory Lifecare being a Retirement Village that has issued Occupation Right Agreements, we are required to obtain approval from our Statutory Supervisor, Covenant Trustee, for any change in loans and security.

We have provided notice to Covenant Trustees and they have requested:

A copy of the WDC Loan/Facility Agreement for the total amount of funding, including all terms and details of securities.

A Security Sharing Priority Deed will need to be drafted as between Covenant Trustees, Waitaki District Council and the Observatory Village.

Delayed Loan Repayments

When WDC provides the new loan/facility agreement, Observatory Village would like to request an amendment to the schedule of loan repayments from the existing arrangements.

Observatory Village would like to progress further development onsite this year, however to achieve this proposes an extension of the timeframes for principal repayments.

Development of Village- Stage 3 Villas

Currently Observatory has infrastructure in place for 21 villas, and these villas are scheduled to be completed by May 2023. To continue providing housing for additional residents, the infrastructure for the remaining 27 units for Stage 3 needs to commence in October 2022.

In addition there has been ongoing interest for further apartments and we have allocated an area of land to build a further 12 apartments. Construction of these Apartments should ideally commence in December 2022.

A community centre to provide facilities and services to the growing number of residents within the village, is programmed to be built with construction commencing in May 2023.



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village@observatoryvillage.nz

It is estimated that the next stage of infrastructure for 27 Stage 3 Villas will be \$3million, for completion of 12 Apartments \$4.5million and cost of the Community Centre \$2million.
Please see attached plans showing the upcoming development.

Proposed Loan Repayments

We have forecasted the cost of these developments, and sales of the Villas and Apartments and now provide the attached long term projections.

Currently \$1.7m is to be repaid to WDC by 30/6/2022. We request that this repayment be postponed along with the principal repayments of \$1.9m due on 30th June 2023.

Our amended projections proposes loan repayments commencing 30 June 2025 and every year thereafter, at \$1.5million per year, with the total loan of \$15.5m being repaid by the end of 2034.

Interest Rates

We ask that the interest charge on the loans for the next 3 years beginning 1/7/2022 are now confirmed.

Change in borrower

The prior arrangement with WDHS Trust had Observatory Village Charitable Trust as the borrower. In order for the full loan to be consolidated and interest paid by the one entity, we propose that all loans be in the name of Observatory Village Lifecare Limited as Borrower; with that company and Observatory Village Care Limited as security providers/guarantors.

Confirmation of amended terms

We would be grateful if the restructured loan could be addressed urgently for several reasons;

- a) The next loan repayment is scheduled due 30th June 2022.
- b) In order for the proposed developments to continue, we need to confirm with the existing contractors their ongoing work. Should this commitment be delayed then they may find alternative work which would defer the development further.

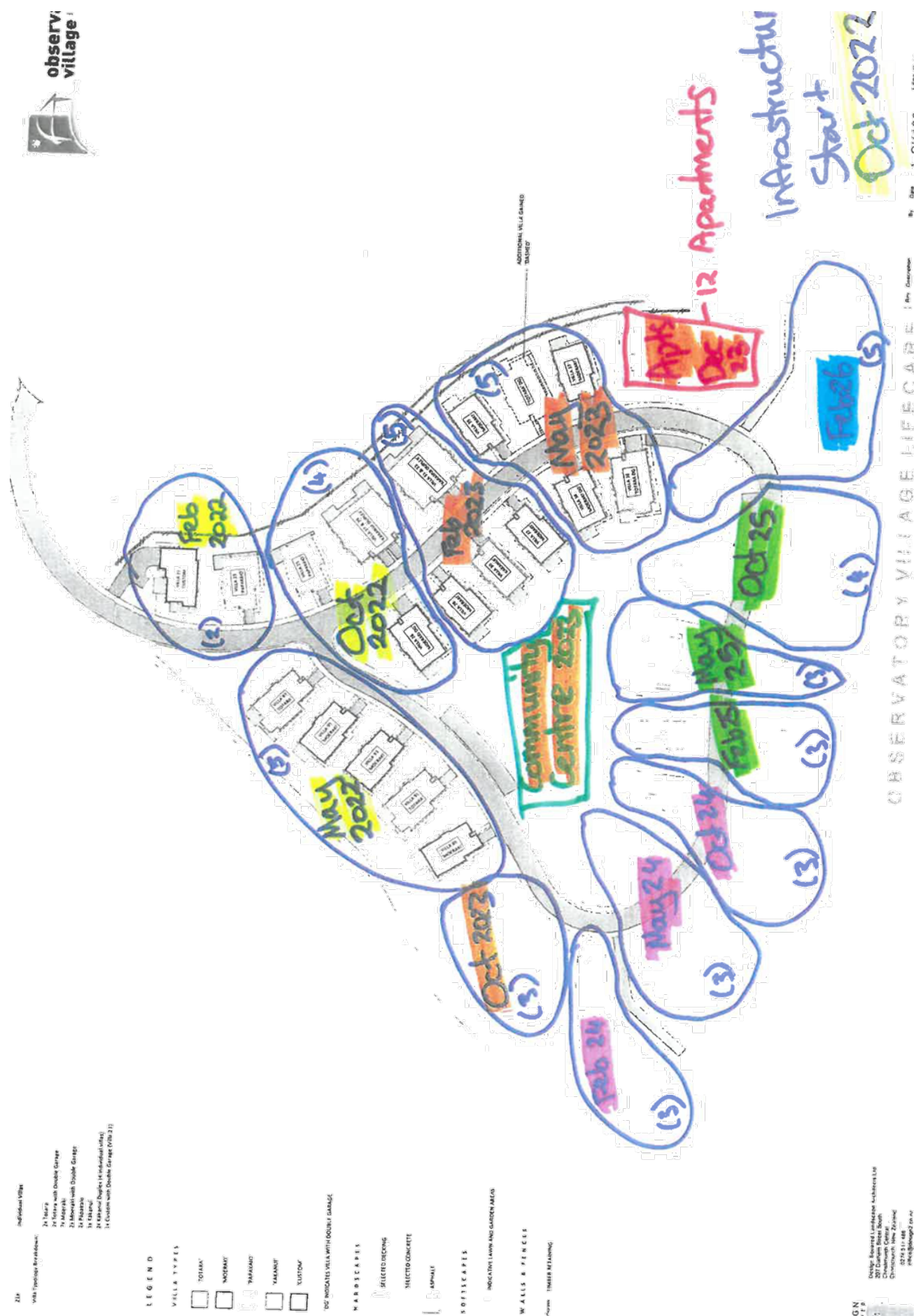
We appreciate that the requests in this letter will require further clarification and discussion within WDC and would welcome the opportunity to meet and provide further detail to you.

If you have any queries at all about the information provided, please feel free to contact the writer.

Yours faithfully



Michael de Buyzer
Trust Chairman



OBSERVATORY VILLAGE LIFECARE - LONG TERM PROJECTION

	2021-2022	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38
Op Income	426632	479743	620769	765663	846263	882663	882663	882663	882663	882663	882663	882663	882663	882663	882663	882663	882663
Op Expenses	404270	473030	499530	554030	572530	587030	605530	619030	619030	619030	619030	619030	619030	619030	619030	619030	619030
Op Profit	22362	6713	121239	211633	273733	295633	277133	263633	263633	263633	263633	263633	263633	263633	263633	263633	263633
Resale Income	620819	918167	1012740	1132320	11770014	1192692	1216546	1779646	1815239	1851544	1888575	1926347	1964873	2004171	2044254	2085139	2126842
Mgmt Fee	-544933	-544933	-544933	-544933	-544933	-544933	-544933	-544933	-544933	-544933	-544933	-544933	-544933	-544933	-544933	-544933	-544933
Rental	453329	453329	453329	453329	453329	453329	453329	453329	453329	453329	453329	453329	453329	453329	453329	453329	453329
Trust	-20000	-20000	-20000	-20000	-20000	-20000	-20000	-20000	-20000	-20000	-20000	-20000	-20000	-20000	-20000	-20000	-20000
Interest	370962	435362	435362	777432	702432	627432	552432	477432	402432	327432	252432	177432	102432	13716	0	0	0
Interest rate used	2.8%	2.8%	2.8%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Care Profit	511871	511871	511871	511871	511871	511871	511871	511871	511871	511871	511871	511871	511871	511871	511871	511871	511871
New Sales	4070000	7560000	7860000	8505000	6450000	0	0	0	0	0	0	0	0	0	0	0	0
Development Cost	5714324	9913991	9706000	4298800	3834800	30000	30000	30000	30000	30000	30000	30000	30000	30000	30000	30000	30000
S3 Infrastructure - \$3m		\$2m	\$1m														
Stage 4 Apartments- \$4.5m		\$1.8m	\$2.7m														
Community Centre - \$2m		\$200k	\$1.8m														
Total 48 Villas																	

Sell for \$5.4m

Cost \$464k (excl Infrastructure), sell for \$645k average

Loan Repayments

Funds available to distribute

	1500000	1500000	1500000	1500000	1500000	1500000	1500000	1500000	1500000	1500000	1500000	1500000	1500000	1500000	1500000	1500000	1500000
Net Change	-971738	-1464206	2872988	1456782	-1068840	-988486	-363886	-253293	-141988	-29957	82815	196341	275717	378154	419039	460742	
Open Cash	3716100	2744362	1280156	533040	3406029	4862811	3793971	2805485	2441599	2188306	2046318	2016361	2099176	2295517	2571234	2949388	3368427
Close Cash	2744362	1280156	533040	3406029	4862811	3793971	2805485	2441599	2188306	2046318	2016361	2099176	2295517	2571234	2949388	3368427	3829169

WDC LOAN BALANCES INCL WDHST \$4.6m

15548638	15548638	15548638	15548638	12548638	11048638	9548638	8048638	6548638	5048638	3548638	2048638	548638	0	0	0	0	0
13 years to repay																	



21 Stoke Street, Oamaru
Phone: 4345450
village@observatoryvillage.nz

21st June 2022

Paul Hope
Finance & Corporate Development Group Manager
Waitaki District Council
Oamaru

Dear Paul,

Re: OBSERVATORY VILLAGE- FUNDING FROM WAITAKI DISTRICT COUNCIL

On behalf of Directors, we wish to confirm our general approval to the terms and conditions of the new loan agreement between Observatory Village and Waitaki District Council.

We do wish to raise some concern at the new interest rates which are significantly higher to current rates. The interest rates are greater than we had anticipated and will affect the future budgeted forecasts. We note that the overall rate is higher in some years to Commercial bank rates.

While we understand the base rates are beyond council control, we ask that the current WDC margin of 0.5% be reviewed and reduced to 0.25% for the full loan duration. This would then align with commercial bank rates which are available to us

We appreciate there is some urgency to get the loan approved with the end of financial year ahead.

If you have any queries at all about this request, please feel free to contact the writer.

Yours faithfully

A handwritten signature in black ink, appearing to be "Peter Robinson", written over a horizontal line.

Peter Robinson
Director

6.6 FUTURE MANAGEMENT OF THE CORRIEDALE WATER SUPPLIES

Author: Caitlin Brand, Senior Policy Planner - Water Services

Authoriser: Paul Hope, Acting Assets Group Manager

RECOMMENDATIONS

That Council:

1. Decides that the full management of the Awamoko, Kauru Hill, Tokarahi and Windsor drinking-water supplies is to return to Council; and
2. Requires officers to develop a three-month management transition plan, in collaboration with Corriedale Water Management Limited, to ensure handover of full management by 1 October 2022; and
3. Thanks Corriedale Water Management Limited representatives or company directors for their management of the water supplies since 2014 and prior to that, their service as water supply sub-committee representatives.

DECISION OBJECTIVE

To adopt a management arrangement for the four Corriedale drinking-water supplies that minimises key risks to Council and consumers, meets current and future legislative requirements, and is responsive to growth and changing service level expectations.

SUMMARY

The Awamoko, Kauru Hill, Tokarahi and Windsor drinking-water supplies have been managed by Corriedale Water Management Limited since 1 July 2014.

A Memorandum of Understanding, signed by Council and Corriedale Water Management Limited, set out the management requirements of the arrangement.

The Memorandum of Understanding expires on 1 July 2022 and a decision needs to be made on how these water supplies will be managed going forward.

Officers recommend the return of full management of the four water supplies, to Council.

The status quo does not meet the requirements of the new Water Services Act, and the evolving regulatory context and Central Government requirements will make untenable the continued management of both treatment and reticulation assets, by Corriedale Water Management Limited.

To ensure minimal impact on water supply consumers, officers recommend a transition period of three months, with full management resuming by Council on 1 October 2022. A transition plan, developed in collaboration with Corriedale Water Management Limited, will be required to guide the handover process.

DECISION-MAKING EXPECTATIONS

Governance Decision-Making:	Adopting the return of full management of the four Corriedale water supplies back to Council
Operational Decision-Making:	Developing and implementing a three-month transition plan, in conjunction with Corriedale Water Management Limited, for handover of full management of the four Corriedale water supplies back to Council
Communications	Media Releases – contributed to by officers and Elected Members Media/public enquiries regarding governance decision-making topics above can be addressed by governance Media/public enquiries regarding operational decision-making topics above can be addressed by officers

SUMMARY OF DECISION-MAKING CRITERIA

	No/Moderate/Key		No/Moderate/Key
Policy/Plan	No	Environmental Considerations	Key
Legal	Key	Cultural Considerations	Key
Significance	No	Social Considerations	Key
Financial Criteria	Key	Economic Considerations	Key
Community Views	Key	Community Board Views	No
Consultation	Key	Publicity and Communication	Key

BACKGROUND

The four drinking-water supplies of Awamoko, Kauru Hill, Tokarahi and Windsor service a population of 1,300, within an area of 46,000 hectares. This is the third-largest water supply population within the Waitaki district, with only Ōamaru and Waihemo serving larger populations.

On 1 July 2014, Corriedale Water Management Limited (CWML), a company established by the representatives of the four former water supply sub-committees, took over management of the water supplies from Council. A Memorandum of Understanding (MoU) was signed that set out what was required by CWML and Council. The requirements included meeting legislation, record-keeping, and regular reporting of performance.

As CWML did not have many of the necessary processes in place to meet the MoU upon commencement of the arrangement, two formal reviews were scheduled at the end of the following six- and 12-month periods.

The two reviews noted six outstanding risks (four medium and two low), but also noted that customer satisfaction was high. Council agreed (22 June 2016 Council Meeting, WDC16/178) to extend the arrangement by one year to 1 July 2017.

In that year, an Options and Risk assessment was completed by an independent consultant and presented to Council. Council resolved (21 June 2017 Council Meeting, WDC17/094) to extend the MoU arrangement for a further five years to 1 July 2022, conditional on CWML addressing the identified risks.

Over the last five years, significant change has occurred.

In July 2020, the Three Waters Reform Programme was announced, with three key pillars proposed to address the growing challenges facing three waters service delivery nationally.

The first pillar, being the establishment of Taumata Arowai, a dedicated water service regulator, came into effect on 15 November 2021.

The second pillar, a new Water Services Act, likewise came into effect on 15 November 2021.

The next steps by Central Government will be the release of new Drinking Water Standards and Drinking Water Quality Assurance Rules in July 2022, followed by the establishment of four water service entities to run New Zealand's drinking-water, wastewater, and stormwater services from 1 July 2024.

To date, liaison with Taumata Arowai has predominantly been operational, with minimal direction offered. However, due to concerns regarding notification of E.coli transgressions on the Tokarahi and Windsor Water Supplies in November/December 2021, Taumata Arowai has provided clear feedback on the current management arrangement of the Corriedale supplies:

"The existing arrangement where Waitaki District Council owns the supply infrastructure, but has no direct involvement in the operation of Awamoko, Kauru Hill, Tokarahi and Windsor water supplies, and therefore takes few (or no) actions in response to incidents, does not fit well with the responsibilities and obligations of a 'drinking water supplier' under the Water Services Act.

*Under the Water Services Act (2021), a drinking water supplier includes the **owner** and the **operator** of a drinking water supply (section 8(c)). As such, Waitaki District Council and Corriedale Water Management Ltd are equally responsible in their duty to supply safe drinking water and to respond to an incident appropriately when drinking water is or may be unsafe, does not comply with the drinking water standards, or you are unable to maintain a sufficient quantity of drinking water".*

With expiry of the MoU fast approaching, and the above feedback indicating the current arrangement does not meet the requirements of the Water Services Act, a decision needs to be made on how these water supplies will be managed going forward.

SUMMARY OF OPTIONS CONSIDERED

Option 1 – Full management by CWML (status quo, with amendments)

This option would mean CWML continuing to manage the treatment and reticulation assets of the four water supplies, but changes would have to be made regarding Council involvement to ensure the arrangement meets the requirements of the Water Services Act.

It would require Council to be actively involved in day-to-day compliance monitoring, reporting and decision-making, particularly during events such as E. coli transgressions.

There is currently no budget allocated to the Water Services team to carry out such functions.

Other changes would also be required in relation to recording service requests and asset repairs to meet the requirements of Audit New Zealand. This is a requirement of the current MoU. However, reporting of this information to Council by CWML has not occurred to date.

A legal opinion on this option would be required to ensure Council is meeting its legislative responsibilities.

This option is CWML's preference.

Option 2 – Full management by Council (recommended)

This option would return full management to Council.

The knowledge and experience of CWML is highly valuable and as such, it is hoped they would be prepared to remain involved through an operational liaison-type role under this arrangement.

Full management by Council could not resume quickly, and a transition period of at least three months would be required.

Option 3 – Shared management by Council and CWML

This option would allow CWML to continue managing the reticulation assets of the four water supplies, and management of the treatment and reservoir assets would return to Council.

CWML would be responsible for day-to-day operation and maintenance of reticulation assets, including consumer points of supply, decision-making during events, and identification, design, and construction of reticulation asset renewals. The changes noted in Option 1, in relation to recording of service requests and asset repairs, would apply to this scenario also.

Council would be responsible for day-to-day operation and maintenance of treatment and reservoir assets, compliance sampling and monitoring, decision-making during events, reporting to and liaison with Taumata Arowai and identification, design and construction of treatment and reservoir asset renewals - including water supply upgrades to meet changing legislation.

A legal opinion on this option would also be required to ensure Council is meeting its legislative responsibilities.

Option 4 – Transfer of ownership to CWML

This option would see transfer of ownership of the four water supplies to CWML.

The Local Government Act (LGA) sets out a process for this. However, due to a limit on the number of consumers this applies to, ownership could only be transferred for the Windsor and Kauru Hill supplies.

Recent recommendations from the Rural Supplies Technical Working Group to Central Government have included a process for excluding Council-owned mixed-use rural supplies from transition to the new water services entities, and transfer of ownership to a community group.

While no limit on consumer numbers has been recommended by the working group, several other recommendations make reference to supplies under 100 consumers. Therefore, it is unlikely that the four Corriedale water supplies would meet the decision-making criteria for this process.

ASSESSMENT OF PREFERRED OPTION

Option 2, where full management of the four Corriedale water supplies returns to Council, is recommended by officers.

The recent feedback from Taumata Arowai highlighted that the status quo cannot continue in its current form due to misalignment with the Water Services Act. Consequently, Council involvement in some way or form is needed in management of the four water supplies, no matter what option is proposed.

Due to the likely challenges in managing a relationship of this kind between officers and CWML, and based on previous experience, it is highly unlikely that a shared, collaborative arrangement (as required for Option 1) would be an efficient and cost-effective way of managing the supplies.

While Option 3 addresses the majority of compliance-related concerns raised by Taumata Arowai, and requires less interaction between CWML and officers, CWML have themselves acknowledged they do not have sufficient health and safety systems in place to protect those working on the water supply assets, including reticulation. This exposes Council to significant legal liability, as the Person Conducting a Business or Undertaking (PCBU), should an accident-causing injury or death occur.

This risk, along with the current lack of service request records and asset repair information needed to comply with Audit New Zealand requirements, are key reasons why Option 3 is not preferred.

Even in the absence of the above considerations, the evolving regulatory context and Central Government requirements will make continued management by CWML, or any community group for that matter, untenable.

Changing Rules

The Drinking Water Quality Assurance Rules coming into effect in July 2022 include a number of new, stricter requirements.

Monitoring of Free Available Chlorine within the reticulation network will be required daily, as opposed to the current monthly requirement for Awamoko, Kauru Hill and Windsor, and three-times-weekly requirement for Tokarahi.

Some rules call for continuous monitoring, with data collected at one-minute intervals. This can only be achieved with full telemetry/SCADA which the existing Corriedale sites do not have.

The Water Services Act calls for those operating a drinking water supply to have prescribed skills, qualifications, or experience, or to be supervised by a person with the prescribed skills, qualifications or experience. It is not known what the prescribed qualifications will be at this stage. However, given the redundancy of the old B and C grade qualifications, it is likely that upskilling to at least the New Zealand Diploma in Drinking-Water Treatment will be required.

The Act further requires mandatory reporting against Drinking Water Network Environmental Performance Measures, some of which is required from 1 July 2022. Information to be reported will include the likes of drinking water treatment by-products, network water losses, capacity to accommodate growth, greenhouse gas emissions and managing climate change risk.

Changes are not just occurring at the national level. Council has likewise introduced new policies, systems, and processes, predominantly for procurement of goods and services, that apply not just to staff, but to any organisation (like CWML) which finances operations and projects from rates-funded accounts. New requirements include tender and quoting procedures, Chief Executive approval for significant spend, and two-person sign-off of invoices.

The Water Services team has increased resource capacity in its operations, compliance and planning and systems portfolios in recent years in anticipation of such changes and further resource may yet be required.

Water Supply Upgrades

The four Corriedale water supplies do not comply with current or future legislation and require upgrading. Budgets are allocated in Years 2 and 3 of the 3 Waters Investment Programme 2022-24, including \$50,000 for an Issues and Options assessment for each supply.

Such assessments are essential in determining a solution that not only meets legislative requirements but accommodates growth and proposed service level increases.

The four supplies are forecast to experience population growth resulting in a serviced population of around 2100 by 2070. This will be accompanied by an increased demand for water.

In determining a design basis for Ōamaru Water Supply capacity upgrades, Council agreed that allowance should be made to provide water for the purposes of dry-stock farming and beef and dry-dairy stock farming. The current dry-stock volume allowance is in the order of 65 litres per hectare and 150 litres per hectare for beef and dry-dairy.

Applying this level of service increase, plus growth, to the four Corriedale water supplies, brings future demand well in excess of the current permitted water take allocations.

Increases in allocation are unlikely to be approved, particularly for Tokarahi and Kauru Hill, as the Marewhenua and Kauru Rivers are highly valued resources by Iwi. The Kakanui River has been previously over-allocated and as such additional allocation for Windsor is also unlikely.

Therefore, options for upgrading these supplies must consider alternative water sources, and given the supplies are moderately close to Ōamaru, and each other, amalgamation must be considered as an option.

The level of assessment and liaison with key stakeholders required is considerable for CWML. The Water Services team has a number of similar Issues and Options assessments underway and is well positioned to thoroughly consider all possible upgrade solutions.

CONCLUSION

For the reasons outlined above, it is concluded that Council should proceed with adopting the return of full management of the four Corriedale water supplies to Council.

To ensure minimal impact on water supply consumers, officers recommend a transition period of three months, with full management resuming by Council on 1 October 2022.

A transition plan, developed in collaboration with CWML, will be required to guide the handover process. This plan must include proposed communication and engagement with water supply consumers to ensure they fully understand the upcoming changes and, in particular, who to contact from 1 October 2022.

ADDITIONAL DECISION-MAKING CONSIDERATIONS

Outcomes

We keep our district affordable

We enable opportunities for new and existing business

We provide and enable services and facilities so people want to stay and move here

We understand the diverse needs of our community

Waitaki's distinctive environment is valued and protected

We maintain the safest community we can

6.7 WESTON ZONE LEVEL OF SERVICE IMPROVEMENT FOR WATER SUPPLY

Author: Caitlin Brand, Senior Policy Planner - Water Services

Authoriser: Paul Hope, Acting Assets Group Manager

RECOMMENDATIONS

That Council:

1. Adopts a level of service improvement for water supply, from restricted to on-demand, for properties currently zoned residential within the Weston township; and
2. Instructs officers to develop and implement a Communications Plan to ensure consumers understand what the change means and what is required of them.

DECISION OBJECTIVE

To adopt a level of service for water supply within the Weston township that is consistent with surrounding areas and allows officers to progress the water main upgrade programme budgeted in Years 2 and 3 of the 3 Waters Investment Programme 2022-24.

SUMMARY

Weston is a gazetted fire-fighting zone, which means the water supply must meet the New Zealand Fire-fighting Water Supplies Code of Practice. Many of the water mains in the Weston township are not large enough to provide fire-fighting flows or on-demand supply to properties. An upgrade programme was developed in 2020 and all new mains were designed with capacity for both.

Several mains have already been upgraded using Three Waters Reform Tranche One funding. Officers now wish to proceed with construction of the next stages of the programme, using budget allocated in the 3 Waters Investment Programme 2022-24. To enable this, a formal decision on the level of service improvement (from restricted to on-demand) must be made by Council.

DECISION-MAKING EXPECTATIONS

Governance Decision-Making:	Adopting the proposed level of service improvement, from restricted to on-demand, for properties zoned residential within the Weston township
Operational Decision-Making:	Delivery of the water main upgrade programme included in the 3 Waters Investment Programme 2022-24 and changeover of properties from restricted to on-demand
Communications	Media Releases – contributed to by officers and Elected Members

Media/public enquiries regarding governance decision-making topics above can be addressed by governance

Media/public enquiries regarding operational decision-making topics above can be addressed by officers

SUMMARY OF DECISION-MAKING CRITERIA

	No/Moderate/Key		No/Moderate/Key
Policy/Plan	Key	Environmental Considerations	Moderate
Legal	Moderate	Cultural Considerations	Moderate
Significance	Key	Social Considerations	Key
Financial Criteria	Key	Economic Considerations	Key
Community Views	Key	Community Board Views	No
Consultation	Key	Publicity and Communication	Key

BACKGROUND

The Weston Zone of the Ōamaru Water Supply provides restricted supply to approximately 870 properties, 450 of which are within the Weston township (refer map included in Appendix A).

These 450 properties are zoned residential in the Waitaki District Plan and there has long been potential for water supply within the township to be upgraded from restricted to on-demand.

Weston is a gazetted fire-fighting zone and is therefore required to meet the New Zealand Fire-fighting Water Supplies Code of Practice (SNZ PAS 4509:2008).

Many of the water mains in the Weston township are not large enough to provide fire-fighting flows or on-demand supply to properties. The water main supplying the Weston Zone from the Ōamaru Water Treatment Plant was designed with capacity for both.

Upgrades within the township, necessary to meet the service level change from restricted to on-demand and provide the required level of fire-fighting capacity, were identified in 2020 as part of the application to Central Government for Three Waters Reform Tranche One funding. The approved funding package included \$500,000 for water main upgrades within the Weston township. While insufficient to bring the township's water supply infrastructure to the appropriate level, this funding kick-started the upgrade programme and has been used to upgrade 1,300 metres of water main, in four streets.

In the Long-Term Plan 2021-31, budget was allocated to complete the upgrade programme with \$600,000 allocated in Years 6 and 7 for community consultation and detailed design, and \$8 million in Years 8 and 9, for construction.

When developing the 3 Waters Investment Programme 2022-24, fast-tracking the completion of Long-Term Plan projects prior to water service delivery being transitioned to a new entity, this upgrade programme was identified as a priority because such a level of service improvement is unlikely to be progressed within a new entity. The allocated budgets were accordingly brought forward to Years 1, 2 and 3.

Officers have capacity to commence the upgrade programme, maintaining the momentum achieved through the Three Waters Reform Tranche One funded work, but cannot proceed until a formal decision on the level of service improvement, from restricted to on-demand, is considered by Council.

SUMMARY OF OPTIONS CONSIDERED

Option 1 – Maintain the current restricted level of service (status quo)

Option 2 – Adopt a level of service improvement from restricted to on-demand (recommended)

Option 3 – Consult with the community on the proposed level of service improvement

ASSESSMENT OF PREFERRED OPTION

Option 2, where Council adopts a level of service change, from restricted to on-demand, for properties currently zoned residential within the Weston township, is recommended.

Due to development expanding the Ōamaru township boundaries, the Weston township has essentially become a suburb of Ōamaru. Its residential zoning and limited business activities make it comparable to the South Hill, where the water supply is on-demand. A consistent level of service across the suburbs can be achieved and comes with many benefits for Weston township consumers.

The residential zoning of the Weston township creates opportunities for developers seeking to subdivide the larger parcels of land. The restricted nature of the existing supply requires consumers to have a storage tank with capacity for at least three days' supply. For those allocated one unit of water (1,818 litres per day), at least 5,000 litres of storage is required. To ensure sufficient pressure within a dwelling, a water pump is also needed. This adds significant expense to a development, an expense not required within Ōamaru.

Tanks need on-going inspection and maintenance to ensure they remain in sound condition. Damage can result in vegetation, birds, vermin and insects entering the tank, potentially contaminating the water inside. Consumers are required to install an overflow on the tank to prevent backflow of tank water into the Council water supply. For on-demand connections, this backflow protection is provided by the Council-owned manifold device at the property boundary.

Water pumps likewise require regular inspection and maintenance, as any fault can result in full loss of water supply to a dwelling. A fault could be a power outage or a failed part within the pump itself, requiring repair by a specialist provider. On-demand supplies provide pressure from the water mains, negating the need for a pump, and ensuring consistent supply, except when the supply is turned off for maintenance.

While the above requirements go with being connected to any restricted supply or zone in Waitaki, the fact that Weston is now closely linked to Ōamaru indicates that it should receive the same level of service as Ōamaru suburbs in similar proximity.

On-demand water supplies typically require larger infrastructure than that of restricted supplies, as peak demand is not controlled by restrictors and storage tanks. The costs associated with upgrading infrastructure to meet such a service level increase, would typically need to be weighed against the benefits achieved as part of the decision-making process. For the Weston scenario however, many of the water mains within the township also require upgrading to meet fire-fighting requirements. As fire-fighting flows are well in excess of consumer demand, the size of a water main is largely dictated by fire-fighting flows. The cost impact of the service level change is therefore minor.

The upgrade programme is currently loan-funded. It is expected that this loan will be transferred to the new entity, where all South Island (Entity D) water consumers will assist with the loan repayment. Should water services remain with Council, then repayment will need to be by Ōamaru Water Supply consumers, as per the current funding model. The impact on the Ōamaru Water Supply rate has not been calculated, however is expected to be small given the larger ratepayer base. Alternative funding models, such as district-wide rating, may need to be considered for the greater 3 Waters Investment Programme 2022-24. This would significantly reduce the funding impact of this project.

The Weston Zone Service Level Upgrade project is significant due predominantly to its \$8.6 million budget and community impact. The Waitaki District Council Significance and Engagement Policy requires that community engagement be considered for such a project. This project was included in

the Long-Term Plan 2021-31, which underwent a Special Consultative Procedure. Given this, and the fact the service level change will likely be welcomed by many in the Weston community - and the costs associated with the service level change itself are minor due to the need to upgrade to meet fire-fighting requirements - officers believe keeping the community well-informed on the change would be sufficient in this case and aligns with the policy.

A Communication Plan will be developed and implemented prior to any work proceeding to ensure residents are aware of the change and implications, notably:

- The benefits of an on-demand supply
- Ongoing use of existing tanks and pumps (currently needed for restricted supply)
- The timing of works and any likely disruptions

Officers will recommend in communications to consumers, that existing tanks and pumps be disconnected from the water supply wherever possible to ensure full benefit of the on-demand supply, noting some properties may require an upgrade of pipework or installation of a pressure reducing valve prior to this change to ensure existing low-pressure plumbing does not leak. Options for re-use of tanks and pumps will be provided including collection of rainwater for garden irrigation.

CONCLUSION

For the reasons outlined above, it is concluded that Council should proceed with adopting the level of service improvement, from restricted to on-demand, for properties zoned residential within the Weston township.

ADDITIONAL DECISION-MAKING CONSIDERATIONS

Outcomes

We keep our district affordable

We enable opportunities for new and existing business

We provide and enable services and facilities so people want to stay and move here

We understand the diverse needs of our community

Waitaki's distinctive environment is valued and protected

We maintain the safest community we can

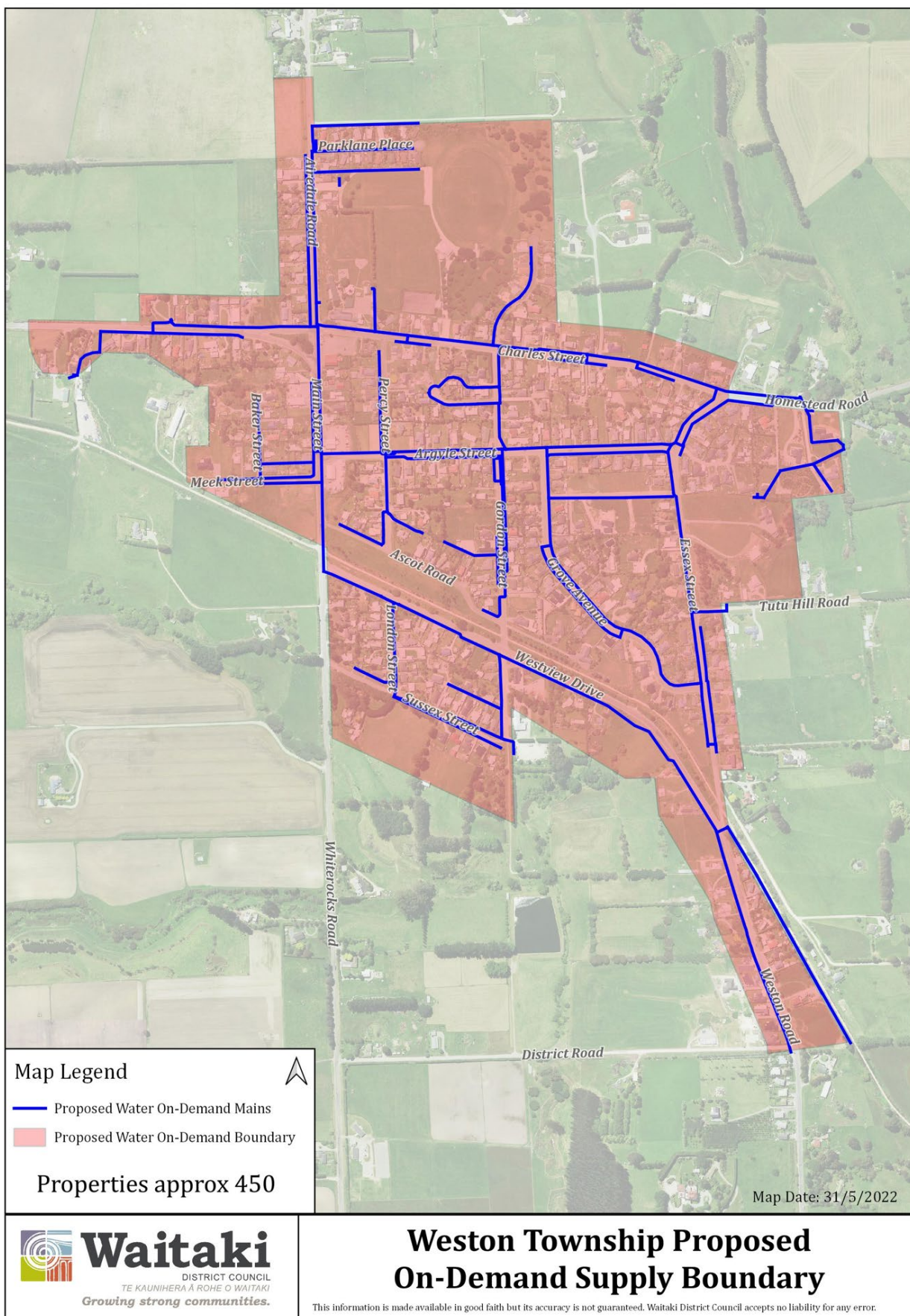
Legal Considerations

There will be a small number of property owners who have recently connected to the supply and purchased new tanks and pumps that will no longer be required. These property owners may seek reimbursement from Council. It will be crucial that officers have a consistent approach to responding to such requests.

Environmental Considerations

The change in level of service is likely to increase water consumption per property. The on-demand nature of the supply may cause consumers to be less conscious of conserving this precious resource.

APPENDIX A



6.8 THE FUTURE OF FORRESTER HEIGHTS

Author: Victoria van der Spek, Executive Officer

Authoriser: Alex Parmley, Chief Executive

Attachments:

1. Forrester Heights hearing points to consider by officers prior to 28 June decision
2. Draft Waitaki District Plan provisions for Forrester Heights

RECOMMENDATIONS

That Council:

1. Confirms its intent to sell some or all the Forrester Heights land adjacent to Cape Wanbrow, Ōamaru.
2. Delegates authority to the Chief Executive to define the sale process and negotiate any terms.
3. Directs the Chief Executive to apply a best-value criterion to the sale process and negotiations that balances anticipated financial return with broader community outcomes.
4. Directs the Chief Executive, in consultation with Council, to stipulate land use covenants and caveats applying to the use and development of the land as required to meet the best-value criterion.
5. Agrees to undertake further engagement with the community in due course on the use of the proceeds of any sale.

DECISION OBJECTIVE

To provide officers with direction on the future of Forrester Heights (2.5390 hectares of land adjacent to Cape Wanbrow, Ōamaru).

SUMMARY

This report considers the future of Forrester Heights – a 2.5390-hectare piece of land adjacent to Cape Wanbrow, Ōamaru. This consideration follows recent community consultation in April and May 2022 on three options presented by Council for the future use of this land. Council is tasked with making the best decision on the future of the land known as Forrester Heights on behalf of Waitaki's communities. Officers will execute the decision made by Council.

DECISION-MAKING EXPECTATIONS

Governance Decision-Making:

Provide direction to officers on the future use of the Forrester Heights land in Ōamaru.

Operational Decision-Making:

Prepare to execute the Council's decision on the future of the Forrester Heights land in Ōamaru.

Communications	Media Releases – contributed to by officers and Elected Members Media/public enquiries regarding governance decision-making topics above can be addressed by governance Media/public enquiries regarding operational decision-making topics above can be addressed by officers
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SUMMARY OF DECISION-MAKING CRITERIA

	No/Moderate/Key		No/Moderate/Key
Policy/Plan	No	Environmental Considerations	No
Legal	Key	Cultural Considerations	No
Significance	No	Social Considerations	No
Financial Criteria	No	Economic Considerations	No
Community Views	No	Community Board Views	No
Consultation	No	Publicity and Communication	Key

BACKGROUND

In early 2022, Council instructed officers to carry out public consultation to discern the community's view on the future of Forrester Heights.

The following three options were presented to the community:

1. Try to make Forrester Heights a reserve;
2. Sell some or all the Forrester Heights land and use the funds to benefit the community; or
3. Leave Forrester Heights as it is for now – do nothing.

Twenty-seven (27) supporting documents were provided on Council's website as background to support the options presented.

Council carried out public consultation from 1 April to 16 May 2022. 905 completed submissions were received through the consultation process (equivalent to ~3.8% of the total population of the Waitaki district). Over two-thirds of submitters preferred the Forrester Heights land to be made into a reserve.

A Council hearing took place on Monday 30 and Tuesday 31 May 2022. The hearing was followed by Council deliberations.

Elected members have asked officers to address several matters raised through submissions. Attachment 1 provides more detail on these considerations. A summary of the key considerations from the hearing and deliberations follows.

Summary of submissions

Over two-thirds of the 905 complete submissions preferred Forrester Heights to be made into a reserve.

Officers have noted that there were approximately 28 submissions received on the consultation from people residing outside of the Waitaki district (~3% of complete submissions).

Nine (9) submissions had seemingly inconsistent voting versus text on the specific options presented by Council. Out of the nine submissions, seven (7) were in support of trying to make a reserve, one in support of the status quo, and one in support of selling some or all the land. This variation will not make a material difference to the overall statistical results.

105 submissions were also submitted as “incomplete” through Survey Monkey. Upon notification, some submitters (37) resubmitted a complete submission. However, some feedback was unable to be considered by elected members due to one or more of the compulsory questions not being filled in. Whilst this covered 68 submissions, it is thought that some may be by the same submitter who did eventually successfully submit.

Land status

Legal status

The legal status of the land was detailed in the background material provided through the consultation process.

In summary, most of Forrester Heights is ‘Endowment’ land, the purpose of the endowments being to generate revenue. A small portion of the subject site (fronting Test Street) is former road (road which has formally been stopped) and is now held by Council in fee simple title. This fee-simple land is not subject to the same restrictions around use as the endowment land but is a key access point to the subject site.

Zoning status

The current planning status of the subject land (Operative Waitaki District Plan provisions) was detailed through the background material provided by Council through the consultation process. A Draft Waitaki District Plan – June 2022 has since been released for consultation. While this plan does not currently carry any statutory weight, it will do so once its status changes to a “Proposed District Plan” in the near future.

Under the Draft Waitaki District Plan – June 2022, the subject land is zoned General Residential. No other planning overlays have been identified on the subject site. Further details on zoning are found in Attachment 2 to this report.

Mana whenua

Officers met with Te Rūnanga o Moeraki representatives in December 2021 to discuss the proposed consultation on the future of Forrester Heights. A separate meeting with Te Rūnanga o Moeraki was also held in March 2022 with the Chief Executive and Mayor. No submissions were received through the consultation process from any hapū in the area.

No wāhi tūpuna sites (sites of significance to Iwi) have been identified in the Draft Waitaki District Plan – June 2022 on the Forrester Heights land.

General feasibility of land use

Geotechnical assessments

Three geotechnical reports have been prepared for the site dated between 2005 and 2009. These documents were provided on Council’s website as part of the community consultation. No further geotechnical work has been carried out since this time. Geotechnical reports are expensive and would only be undertaken once the future use of the land was known.

Other land use options

Native plantings

Council could opt to plant out the Forrester Heights land with native plants. This option is likely to cost around \$40,000 for plants and protectors (to plant at a 1.5m spacing), plus transport and labour (around \$20,000). On top of this, up to \$5,000 each year may be required for weed control and minor maintenance. Based on current supply, Council may need to order plants up to three years in advance to secure the numbers required. Volunteers could assist with this work. However, based on current progress at Cape Wanbrow, it is anticipated that it would take five or more years to plant out the Forrester Heights land area only using volunteer labour. Volunteers would also be subject to the usual health and safety requirements.

Native plant revegetation projects are unable to be self-funded – the plants need to be grown and propagated. Once planted out, there are labour and material costs to maintain the plantings.

Other enhancements at Lookout Point

Council could also consider further enhancement to Lookout Point, e.g. viewing platforms, signs, or interpretation. Costs would be subject to what the community desired.

Biodiversity and wildlife corridor opportunities

The current habitat value of the Forrester Heights land is very low, with no indigenous vegetation remaining and being physically separated from the coast by the road.

The value of the regenerating vegetation on Cape Wanbrow has some value, but the highest values are on the public conservation at the eastern side of the headland adjacent to the open coast. Here, the values are mostly as habitat for marine birds (eg penguins, sooty shearwaters). Otherwise, Forrester Heights is not likely to provide good wildlife habitat due to its proximity to residential housing, and the consequent risk of domestic animals predating on nesting birds. Once fully revegetated, the site could support populations of common forest birds, but it is considered too small and too public to justify being pest-proof fenced as an ecosanctuary.

The Forrester Heights site is essentially a blank canvas whereby biodiversity values could be created at some expense, but any biodiversity outcomes would be at least 10-20 years away, and the gains over the existing habitat are likely to be negligible. Council's Biodiversity Officer considers that any money available to be spent for the benefit of biodiversity around the Forrester Heights area could be better spent supporting existing pest control work and carrying out additional pest control on the existing coastal habitat on the privately-owned gullies to the south, along with providing incentives to create a wider buffer of coastal vegetation on the eastern side of Cape Wanbrow to create a corridor between the Cape and Bushy Beach.

Fire risk

Fire risk is not considered to be much different whether the subject land is planted out or not. Fire will travel as rapidly through the existing grass. Lookout Point, and the road above, provide a form of fire break. Past discussions with FENZ have indicated they have no particular concern with fire risk. Adjacent private properties also have some obligation to protect and manage risk to their property. Fire resistant species are also available.

Carbon credit opportunities

The minimum parcel size to qualify for the Emissions Trading Scheme is 1 hectare. The total area of the Forrester Heights land is ~2.5 hectares. Natives now can be counted towards carbon credits, but there are rules around density and height.

In terms of investment, there would be a cost to plant first, including meeting the density and height requirements with the chosen species. There would also be weed control and other land management costs.

The value of credits received and the length of time that these could be received would depend on the species that is growing on the land. This is currently anticipated to be in a range from ~\$700 per hectare per year for up to about 100 years for slower-growing natives, to around \$1,400 a hectare for faster-growing pines.

Restrictions on land use and development

If some or all the land was to be sold, Council could opt to include certain restrictions on use and development of the land through registration of restrictive covenants, caveats, or encumbrances against the title(s) of the land. Such restrictions could only be removed with the consent of the party that receives their benefits.

Options for such restrictions are wide-ranging and could apply to the final form of a development, including building height and setback, design, location; the use of certain materials (eg second-hand roofing); landscaping design, planting, access tracks/linkages, fencing; or controls on timing for development and restrictions on any further subdivision of the land.

Proceeds of any sale

Any money generated from a sale must be used for the community's benefit. Given their general purpose, funds generated by the Forrester Heights endowments could be applied to a broad purpose or activity of Council. This purpose can be decided by Council, but Council is required to consult on specific options for how the money could be used.

Option for a Referendum on the future use of the land

Section 9 of the Local Electoral Act 2001 provides the option to hold a local authority referendum (for some or all its local government area) on any matter relating to:

- the services that are provided or that may be provided by the local authority;
- any policy or intended policy of the local authority;
- any proposal relating to the current or future activities or objectives of the local authority; or
- the current or future well-being of its local government area.

The result of a local referendum is not binding on a local authority.

To align with local body elections, a decision to hold a referendum would need to be publicly notified, and information be included in voter packs by the end of July 2022.

SUMMARY OF OPTIONS CONSIDERED

Option 1 – Sell some or all the Forrester Heights land and use the funds to benefit the community (preferred option).

Comment: This option is an accepted use of endowment land under the Local Government Act 2002 and would honour the intent of its gifting. If the Forrester Heights land were offered for sale, the market would set the price. Council can opt to have conditions on the sale of the land to help address community concerns. Any money generated from a sale must be used for the community's benefit. Council is required to consult on specific options for how the money could be used.

Option 2 – Try to make Forrester Heights a reserve.

Comment: Changing Forrester Heights from Endowment land to a Reserve would require Council to have a local Bill passed in Parliament to create a new law. This process would involve significant investment in officer time and money and could take several years, with no guarantee that the Bill would be passed. The land would not be sold, so Council would not have additional funds to use for purposes consistent with the Endowments.

Option 3 – Leave Forrester Heights as it is for now (do nothing).

Comment: This option is not to develop or change the current land. This option is not a zero-cost option as there will still be holding costs associated with the land – eg maintenance at a defined level of service. Because of the Endowments, Council would eventually have to use the land to generate revenue – just not right now.

ASSESSMENT OF PREFERRED OPTION

Option 1 is the preferred option – **to sell some or all the Forrester Heights land and use the funds to benefit the community.**

The option to sell some or all the Forrester Heights land presents the least legal risk to Council, most aligns with the intent of the purpose of the land and would honour the intent of its gifting.

However, addressing the legislative risk should also be balanced against addressing the reputational risk of Council. Through the consultation, more than two-thirds of the 905 submitters held a preference to retain this land in an undeveloped capacity, as a reserve.

If the preferred option is pursued, it is recommended that “best-value” criterion is added to the sale process and negotiations to balance anticipated financial return with broader community outcomes.

CONCLUSION

In considering the future of the Forrester Heights land in Ōamaru, Council has been tasked with making the best decision for the Waitaki district – environmentally, economically, socially, and culturally.

Addressing the legal risk should also be balanced against addressing the reputational risk of Council. This is purely a political call. Officers will execute the decision made by Council.

ADDITIONAL DECISION-MAKING CONSIDERATIONS

Outcomes

Prosperous District

- Attractive to new opportunities
- Support local businesses
- Foster a diverse and resilient economy

Strong communities

- Enable safe and healthy communities
- Connected, inclusive communities
- Promoting a greater voice for Waitaki
- Celebration of our community identity

Strong services

- Robust core infrastructure and services
- Community facilities and services, we are proud of

Valued environment

- Protecting our diverse landscapes and water bodies
- Meeting environmental and climate change challenges

Legal Considerations

A change in the land status of Forrester Heights would have significant legal ramifications.

Publicity and Community Considerations

There is a high degree of community interest in the future of Forrester Heights.

Attachment 1

Forrester Heights hearings points to consider by officers in preparation for 28 June decision

Issue	Action	Officer comments
Options to mitigate visual and amenity effects associated with development	Investigate restrictions on landuse and development	There are opportunities for restrictions on use and development of the land through registration of covenants registered on the title/s restrictive covenants, caveats or encumbrances against the title(s) of the land. Council has the opportunity to address community concerns through these mechanisms.
Options for mixed use development – housing and planting / landscaping	Provide comment	Noted, but no further work would be undertaken unless the development was pursued. There are opportunities for restrictions on land use and development as outlined above.
Draft District plan provisions	Identify Draft District Plan provisions for Forrester Heights land	Under the Draft Waitaki District Plan – June 2022, the subject land is zoned General Residential. No other planning overlays have been identified on the subject site.
Mana whenua perspective on Forrester Heights	Provide mana whenua stance to the options	<p>Officers met with Te Rūnanga o Moeraki representatives in December 2021 to discuss the proposed consultation on the future of Forrester Heights. A separate meeting with Te Rūnanga o Moeraki was also held in March 2022 with the Chief Executive and Mayor. No submissions were received through the consultation process from any hapu in the area.</p> <p>No wāhi tūpuna sites (sites of significance to Iwi) have been identified in the Draft Waitaki District Plan – June 2022 on the Forrester Heights land.</p>

Issue	Action	Officer comments
Avon St – consider access, parking, vehicle movements	Consider alternative access to the site if the subdivision proposal goes ahead	Noted, but no further work would be undertaken unless the development was pursued.
Providing an access track from town, through the Forrester Heights land to Cape Wanbrow	Consider option	As noted above, opportunities for restrictions on use and development of the land can be provided on the title/s eg. by way of easement.
Provide overall stats with or without people who are residents/ not residents	Provide comment	Approximately 28 non-residents provided complete submissions.
Some submitters provided an inconsistent response to options presented by Council through consultation – does this result in a material difference to the overall result?	Provide a response	Nine submissions had seemingly inconsistent voting versus text on the specific options presented by Council. Out of the nine submissions, seven were in support of trying to make a reserve, one in support of the status quo, and one in support of selling some or all of the land. This variation is unlikely to make a material difference to the overall statistical results.
Suggestion for revoking Endowment status of land under section 144 (a)(i) of the LGA02 by asking Minister of Local Government Act to change the purpose	Provide a specific response on this point	Classifying the land as reserve does not automatically remove the endowment status and the Minister does not have the ability to remove the endowment status to facilitate a different purpose or status for the land. In the absence of a sale/disposal, that could only be achieved by a local Bill.
Development constraints – appropriateness of current geotechnical reports for site	Has additional geotechnical work been undertaken since the last report in 2009?	Three geotechnical reports have been prepared for the site dated between 2005 and 2009. No further geotechnical work has been carried out since this time.
How will funds be used if a decision is made to sell?	What are the criteria / process?	Already covered in February 2022 Council report. Given the broad purpose of the endowments, funds generated by the

Issue	Action	Officer comments
		Forrester Heights endowments could be applied to a broad legal purpose or activity of Council. This could be decided by the Council and tested with the community.
Small café or shop at top of Lookout Point	Discuss pros and cons of this idea	Noted, but not considered to be material to this decision. Lookout Point is zoned Open Space in the Draft Waitaki District Plan. Development options at Lookout Point would need to be consistent with the District plan zoning.
Solar power station and wind turbines	Discuss feasibility issues / constraints	Noted, but not material to decision. The Draft District Plan provides for the opportunity for small scale renewable energy opportunities in residential areas.
Is there an option for Council to do a referendum on the future of Forrester Heights in conjunction with the upcoming local government election?	Is this legal, achievable?	Section 9 of the Local Electoral Act 2001 provides the option for Council to hold a local authority referendum on this matter. The result of a local referendum is not binding on a local authority.
What is an acceptable return if Council decides to sell?	Provide criteria / process	Council should balance the anticipated financial return with broader community outcomes.
Tiny house village opportunities	How would this be enabled through the District Plan?	The Draft Waitaki District Plan provides the zoning for the subject land. This is further discussed in Attachment 1. Tiny houses are not specifically provided for in the Draft Waitaki District Plan.
Council development v's private development	Consider pros and cons	This was previously covered in the August 2021 and February 2022 Council reports. The question of Council-led development, joint venture, or a minimal intervention sale will need to be worked through should the decision to sell be taken by Council.

Issue	Action	Officer comments
Council's liability in the future - could liability be challenged and come back on Council?	Provide comment	Not currently known, and not investigated at this stage. This also links to other geotechnical investigations that would need to be undertaken as part of any development.
Condition of sale – Forrester Heights sold on provision that low-cost housing built at north-end of Oamaru	Provide comment if this is plausible / process	Noted in February 2022 Council report that given the broad purpose of the endowments, funds generated by the Forrester Heights endowments could be applied to a broad legal purpose or activity of Council. This can be decided by Council and must be tested with the community.
Proposes that a trust be set up by the public and others to buy the land. Would the public be willing to fund such a trust?	Provide comment	A public trust can be set up to buy the land – but that's an aspect of a sale, not an aspect of whether to sell or not
Process of disposal of land	Confirm process of disposal with EDS. Confirm OAG implications	The advice referred to through the submission is outmoded as it centres around a repealed piece of legislation – ie. section 141(b) of the Local Government Act 2002.
The option for natural burials on the Forrester Heights land with other vegetation and memorial plaques	Consider pros and cons	Currently burials outside of designated cemeteries are limited by legislation. In addition, discretionary activity resource consent would be required for burial areas in a General Residential Zone under the Draft Waitaki District plan provisions. Council has investigated options for natural burials in Oamaru cemetery.
Native planting opportunities on Forrester Heights land	Consider planting trees to help with land stability Opportunities for self-funded native plant revegetation Opportunities to use volunteers for planting	Council could opt to plant out the Forrester Heights land with native plants. This may assist with land stability. Estimated upfront costs of plantings are approximately \$60,000, plus ongoing maintenance and weed control of around \$5,000 per year.

Issue	Action	Officer comments
	Consider ongoing maintenance of plantings	<p>Volunteers could assist with this work, however, based on current progress at Cape Wanbrow, it is anticipated that it would take five or more years to plant out the Forrester Heights land area only using volunteer labour. Volunteers would also be subject to the usual health and safety requirements.</p> <p>Native plant revegetation projects are unable to be self-funded – the plants need to be grown and propagated. Once planted out, there are labour and material costs to maintain the plantings.</p>
Carbon credits – this land versus another bigger piece.	Consider options	<p>The value of credits received and the length of time that these could be received would depend on the species that is growing on the land. This is currently anticipated to be in a range from ~\$700 per hectare per year for up to about 100 years for slower-growing natives, to around \$1400 a hectare for faster-growing pines. Larger land areas would generate a greater return to Council on carbon credits.</p>
Fire risk with increased vegetation on Forrester Heights	What is the fire risk of having forest/native plantings on Forrester Heights?	<p>Fire risk is not considered to be much different whether the subject land is planted out or not. Fire will travel as rapidly through the existing grass. Lookout Point, and the road above provide a form of fire break. Past discussions with FENZ have indicated they have no particular concern with fire risk. Adjacent private properties also have some obligation to protect and manage risk to their property. Fire resistant species are also available.</p>

Issue	Action	Officer comments
Rarity of what is on Cape Wanbrow and Forrester Heights?	Provide comment	The current habitat value of the Forrester Heights land is very low with no indigenous vegetation remaining and being physically separated from the coast by the road. There are no landscape protection or significant natural areas identified for this area in the Draft Waitaki District Plan.
Wildlife corridor opportunities	Provide comment	<p>Cape Wanbrow is not likely to provide good wildlife habitat due to its proximity to residential housing, and the consequent risk of domestic animals predating on nesting birds. Once fully revegetated, the site could support populations of common forest birds but it is considered too small and too public to justify being pest-proof fenced as an ecosanctuary.</p> <p>The Forrester Heights site is essentially a blank canvas whereby biodiversity values could be created at some expense, but any biodiversity outcomes would be at least 10-20 years away, and the gains over the existing habitat are likely to be negligible.</p>
Cape Wanbrow – wilding pines interfering with volunteer plantings	Consider, link to Cape Wanbrow development plans	Noted, but not material to this decision.
A place for horses and riding on Cape Wanbrow	Is this feasible on the steep terrain?	Forrester Heights land is considered too steep, with potential for injury to both people and animals
Consider a tidy up harbour area with some of the sale proceeds; also access to Holmes Street	Provide comment	Noted, but not material to decision.

Attachment 2

Draft Waitaki District Plan provisions for Forrester Heights

Under the Draft Waitaki District Plan – June 2022, the subject land is zoned General Residential with a minimum lot size of 300m². Residential activity is a permitted activity (not requiring landuse consent) subject to meeting the relevant permitted activity standards including:

- maximum height of 8 metres
- maximum site coverage of 40%
- recession line standards (shading)
- setbacks of 4.5 metres from road boundary and 1.6 metres from neighbouring boundary
- minimum landscaped permeable surface of 25% for every residential lot
- design standards for dwellings – habitable room or kitchen + window facing street + door visible and accessible from the street
- fencing (maximum height 1.2 metres, 45% visual permeability when over .9 metre)

In addition to a primary residential unit, one additional minor residential unit is also permitted in the General Residential zone (no greater than 80m² in area, meeting the relevant zone standards, and with parking and access being achieved from the same entrance as the primary residential unit).

In the General Residential zone, multi-unit developments require a restricted discretionary activity landuse consent, with planning assessment being limited to:

- building design, siting and external appearance
- effects on visual amenity values, and established streetscape character, including retention of mature trees and landscaping
- extent to which topography, site orientation and planting have been integrated into the site layout and design
- effect on amenity values of nearby residential properties, including outlook, privacy, shading and sense of enclosure
- on-site amenity values, including the ability to provide adequate outdoor living space for all residential units on site
- parking and access, safety efficiency and impacts to on-street parking and neighbours
- the extent of impervious surfaces and landscaping, and the extent to which the activity will intensify the use of the area and/or the number of people that are likely to occupy the site, thereby potentially increasing the level of exposure to life-safety risk from the effects of natural hazards and climate change.

Other relevant development restrictions under the Draft Waitaki District Plan include:

- earthworks over 300m² in area – requiring restricted discretionary activity land use consent with standards relating to cut depth, fill height and sloping sites.
- stormwater hydraulic neutrality - all subdivisions must achieve hydraulic neutrality using an 'accepted solution'.

**6.9 COUNCIL CONTROLLED ORGANISATIONS - FINAL STATEMENTS OF INTENT
2022/2023**

Author: Ainslee Hooper, Governance and Policy Advisor

Authoriser: Paul Hope, Finance and Corporate Development Group Manager

Attachments:

1. TWL Final Statement of Intent FY 2022-2023
2. WCL Final Statement of Intent FY 2022-2023
3. OAL Final Statement of Intent FY 2022-2023
4. WDHSL Final Statement of Intent FY 2022-2023 without financials and including cover note

RECOMMENDATION

That Council formally receives and notes the attached Final Statement of Intent 2022/2023 for each of its Council Controlled Organisations, namely Tourism Waitaki Limited, Whitestone Contracting Limited, Omarama Airfield Limited, and Waitaki District Health Services Limited.

DECISION OBJECTIVE

To formally receive the Final Statements of Intent for 2022/2023 from all four of Council's Council Controlled Organisations.

SUMMARY

In accordance with Section 64 of the Local Government Act (2002), Council Controlled Organisations (CCO) Tourism Waitaki Limited (TWL), Whitestone Contracting Limited (WCL), Waitaki District Health Services Limited (WDHSL), and Omarama Airfield Limited (OAL) have prepared their Final Statements of Intent (SOI) for 2022/2023. An SOI lays out the intentions for the next financial year and the objectives to which it contributes.

All four CCOs received a Letter of Expectations from Council earlier in the year, with a request that the contents of that letter are reflected in the Final Statements of Intent that they are presenting to this meeting.

DECISION-MAKING EXPECTATIONS

Governance Decision-Making:	Formally receive the information.
Operational Decision-Making:	None
Communications	Media Releases – contributed to by officers and Elected Members Media/public enquiries regarding governance decision-making topics above can be addressed by governance

Media/public enquiries regarding operational decision-making topics above can be addressed by officers

SUMMARY OF DECISION-MAKING CRITERIA

	No/Moderate/Key		No/Moderate/Key
Policy/Plan	No	Environmental Considerations	No
Legal	Key	Cultural Considerations	No
Significance	No	Social Considerations	No
Financial Criteria	No	Economic Considerations	No
Community Views	No	Community Board Views	No
Consultation	No	Publicity and Communication	No

BACKGROUND

Council has the opportunity to comment or make suggestions on an SOI received from its CCO under Section 65 and Schedule 8 of the Local Government Act. This feedback can be on any aspect of the SOI, including the nature and scope of activities, objectives, shareholder expectations, reporting and frequency, performance targets, or Governance Policy.

DISCUSSION

The final SOIs from all four of Council's CCO have been updated to reflect the contents of the Letters of Expectations sent to them by Council earlier in the year. Comments provided by each CCO in relation to this matter are included below, for Council's consideration.

(a) Tourism Waitaki Limited

The final Statement of Intent has been rewritten to address the issues in the Letter of Expectation.

(b) Whitestone Contracting Limited

Changes made to our Statement of Intent in light of the Letter of Expectation include:

- *Added Under background:*

Supporting the overall wellbeing of the Waitaki District through promoting a prosperous district, strong communities, quality services and valuing the environment

- *Added under objectives:*

The company is committed to partnering with the shareholder and other entities where possible to further the interests of the district, secure economies of scale, secure skills required for the districts essential services, and share resources where advantageous to do so.

The company is also committed to supporting the shareholder in delivering its works programme through processes that ensure best value for the ratepayer at a reasonable return for the company.

- *Added Under performance targets:*

Financial

- Grow turnover to between \$30-\$35 million over the next three years

Community

Amended to:

- Support community initiatives with a minimum of \$50,000 of sponsorship per annum to local community organisations and wellbeing initiatives where this aligns with the business objectives.

- *Amended Dividend policy:*

Amended to reflect a minimum Dividend of \$200,000 or 50% of the surplus after tax

(c) Omarama Airfield Limited

Changes made to the final Statement of Intent as a result of the Letter of Expectations are as follows:

2.3 Objectives add .."The delivery of shareholder expectations"

2.4 Replace these :

2.4 Shareholder Expectations

The shareholders expect that in conducting the affairs of the Company the directors shall ensure:

- Business activities are conducted in an efficient and effective manner.
- Assets and liabilities are prudently managed.
- The overall performance supports shareholder reasons for continued ownership.
- The decisions made enhance the achievement of the Company's long term objectives.
- The Company acts as a good employer and as an environmentally conscious and responsible citizen.
- That a transparent and collaborative relationship is maintained with the shareholders.
- The facility is managed and operated in compliance with the regulations that govern aviation and airfields.

With these :

2.4 Shareholder Expectations

2. The shareholders expect that in conducting the affairs of the Company the directors shall ensure:
3. · Business activities are conducted in an efficient and effective manner and where feasible local supply chains and business services are utilised.
4. · Assets and liabilities are prudently managed.
5. · The asset is managed with due regard for the environment with a commitment to reducing the environmental impact of maintenance and operational activities.
6. · The overall performance supports shareholder reasons for continued ownership.
7. · The decisions made enhance the achievement of the Company's long term objectives.
8. · The Company acts as a good employer with a strong emphasis on employee safety, welfare and co-operation.

9. · That a transparent and collaborative relationship is maintained with the shareholders.
10. · The facility is managed and operated in compliance with the regulations that govern aviation and airfields.

(d) Waitaki District Health Services Limited

A memorandum to the Mayor from the WDHSL Chief Executive addresses this matter and others and has been added to the front of the final Statement of Intent for WDHSL.

ATTENDANCE AT THE MEETING BY CCO REPRESENTATIVES

The following CCO representatives will attend the meeting or participate via Zoom as indicated at the time as allocated to discuss the final Statement of Intent and answer any questions from elected members:

Tourism Waitaki Limited (12.40pm – 1.00pm)

Directors Rick Ramsay, Janine Tulloch, and Megan Crawford, and General Manager Margaret Munro will participate via Zoom. (Chair Mike McElhinney has submitted an apology due to his absence overseas.)

Whitestone Contracting Limited (1.00pm – 1.20pm)

Chair Paul Bisset, Director George Kelcher, and Executive Manager Corporate Services Tony Read will be present in the Council Chamber

Omarama Airfield Limited (1.20pm – 1.40pm)

Director Clive Geddes (via Zoom)

Waitaki District Health Services Limited (1.40pm – 2.00pm)

Chair Helen Algar QSM, and Chief Executive Keith Marshall will be present in the Council Chamber

SUMMARY OF OPTIONS CONSIDERED

Option 1 – Receive the Statement of Intent (**Preferred**)

Option 2 – Decline to receive the Statement of Intent

ASSESSMENT OF PREFERRED OPTION

There is no reason not to receive the final Statements of Intent as provided. If any major issues are noted in the final SOIs, these can be fed back to the relevant CCO Board, and a revised SOI can be requested for receipt early in the new financial year.

CONCLUSION

In view of the process that has been followed, as outlined above, it is recommended that the Final Statements of Intent for CCOs Tourism Waitaki Limited, Whitestone Contracting Limited, Waitaki District Health Services Limited, and Omarama Airfield Limited, as attached to this agenda report, are formally received and noted. They will be published to Council's website after the meeting.

ADDITIONAL DECISION-MAKING CONSIDERATIONS

Outcomes

We keep our district affordable

We enable opportunities for new and existing business

We provide and enable services and facilities so people want to stay and move here

We understand the diverse needs of our community

Waitaki's distinctive environment is valued and protected

We maintain the safest community we can

Legal Considerations

The requirements under the LGA are covered in the body of the report.

TOURISM WAITAKI LIMITED

STATEMENT OF INTENT 2022/23

Final 21 June 2022



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- 3. Vision
 - Introduction
 - The Company description
 - The Company Objectives
- 4. Nature and Scope of Activities
 - Shareholder Expectations
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- 5. Annual Report & Annual Budget
- 6. Reporting and Performance Goals 2022-23
 - Goals and Targets
- 8. Financial Projections for the Company
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 - Company Management Structure
 - Code of Conduct
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 - Accounting Policies
 - Procedure for Acquisition of Other Interests
 - Activities for Which the Company Seeks Compensation from any Local Authority
 - Sales of Goods/Services to the Shareholder

VISION

Draw visitors to the Waitaki to explore its rich heritage, unique geology, biodiversity, and Geo gastronomy and engage with our people and communities

PURPOSE

Make a positive contribution to our communities

INTRODUCTION

This Statement of Intent has been prepared in accordance with Section 64 of the Local Government Act 2002 and in the knowledge that Covid 19 continues in its third year to severely impact local, national, and international tourism.

It outlines the activities and intentions as agreed with its shareholder, based on the Waitaki District Council Shareholder Letter of Expectation for 2022-23 and the objectives to which those activities will contribute. Performance focus, methods and measures are specified, along with the Company's policies relating to governance and other matters.

As part of the COVID-19 tourism recovery initiative, the New Zealand Government supported all RTOs with targeted funding from the Ministry of Business, Innovation and Employment (MBIE) to fund agreed work plans FY21 and FY22.

This SOI Incorporates the funded outcomes it negotiated with MBIE.

The Statement of Intent is reviewed annually by the Company in consultation with Waitaki District Council.

THE COMPANY – DESCRIPTION

Tourism Waitaki Limited is the registered legal name of the former Waitaki Development Board, which was established in December 1996 and is 100% owned by the Waitaki District Council. Under the provisions of

the Local Government Act 2002 it is deemed to be a Council Controlled Organization.

Council's primary objective for continued ownership and control of Tourism Waitaki, is to advance a sustainable tourism sector.

THE COMPANY - OBJECTIVE

Waitaki will be sought out as a destination by New Zealanders and future overseas visitors.

Tourism Waitaki profiles a desirable and proud destination to all potential visitors. They can connect, listen, and learn through participation at many attractions, explore the natural environment, or discover the rich natural heritage and cultural stories of the district.

Neighboring regions will be viewed as natural and easy extensions to the visitor journey.

Tourism Waitaki will enable operators and communities to deliver original and engaging experiences in the Waitaki.

Nature and Scope of Activities (subject to COVID-19 constraints)

- Develop a Destination Management Development Plan for the Waitaki District.
- Maintain business partnerships and commercial relationships with stakeholders at local, regional, and national levels.
- Actively promote the Waitaki District to the domestic market
- Be market ready for returning international trade
- Support Waitaki tourism operators to maintain and enhance their business through advice and advocacy.
- Supply visitor information through digital services and other outlets
- Maintain the Scientific activities of the Oamaru Blue Penguin Colony (OBPC)
- Broaden the visitor experiences at the OBPC when international visitor numbers allow.
- Promote the Alps to Ocean Cycle Trail and the Waitaki Whitestone aspiring Global Geopark as key visitor attractions.

Shareholder Expectations

Council expects that in conducting the affairs of the Company, the directors shall ensure:

- Transparent and collaborative relations are maintained with the shareholder.
- Active engagement with iwi and Ngai Tahu Tourism.
- A positive relationship with the Waitaki District community is maintained,
- Locals are encouraged to be tourism advocates and ambassadors.
- Business activities are conducted in an efficient and effective manner.
- Assets and liabilities are prudently managed.
- Overall performance supports Council's reasons for continued ownership.
- Decisions are based on the achievement of long-term strategic needs and objectives,
- The Company acts as a good employer and as an environmentally conscious and responsible citizen.
- The Company engages in the development of the Economic Development Strategy and Review

Reporting Frequency and Content

A Director of the Company shall attend any meeting at which the Annual Report or Half Yearly Report is presented to Council as shareholder.

The following information will be available to the shareholder based on an annual balance date of 30th June:

Draft Statement of Intent

By 1 March each year, the Directors shall deliver to the shareholder a Draft Statement of Intent for the following year which fulfils the requirements of Section 64 of the Local Government Act 2002.

Completed Statement of Intent

By 30th June of each year, the Directors shall deliver to the shareholder a Statement of Intent for the following year which fulfils the requirement of Section 64 of the Local Government Act 2002.

Quarterly Reports

Within six weeks of the end of each quarter TWL shall report to the Shareholder in accordance with contractual requirements.

Half Year Reports

Within two months of the end of the first half of the financial year, the Directors shall deliver to the shareholder the following:

- an un-audited report containing the information required by the Financial Reporting Act 1993
- a commentary on the results for the first six months together with a report on the outlook for the second six months with reference to any significant factors that are likely to have an effect on the Company's performance
- an estimate of the financial result for the year based on that outlook,
- a report on the performance targets achieved during the six month period,
- the scale of non-Council related business activities statements for any grants awarded by the Tourism Waitaki to another party, including information measuring the effectiveness of the grant.



Annual Report

Within three months of the end of the financial year, the Directors shall deliver to the shareholders an annual report and audited financial statements containing the following information as a minimum:

- A report on the operations of the Company to enable an informed assessment of the Company's performance
- Performance against identified focus areas, methods, and measurements in this Statement of Intent.
- Performance against the Corporate Governance Statement.
- Audited financial statements as required under the Financial Reporting Act 1993.
- Any grants awarded by Tourism Waitaki Limited to another party, including information measuring the effectiveness of the grant.

Annual Budget

Annual revenue and expenditure figures shall be provided by 30 November, to enable it to be included within the Draft Annual Plan for the Waitaki District Council.

In addition to the above reports to Council, there will be between 2-4 meetings per year with the shareholders Executive Committee.

REPORTING AND PERFORMANCE GOALS FOR 2022-23

Goal 1: Engage with the tourism sector businesses for the recovery from the impacts of Covid

How this will be achieved:

1. Host Operator workshops

MBIE Project/funded

Target: Host a minimum of two operator workshops annually

2. Issue Bi-monthly newsletters

Target: Issue six newsletters annually

3. Share relevant Industry updates

Target: Quarterly, issue a market update to tourism operators which Includes local trends in visitor spend and length of stay In the Waitaki RTO. Share market updates from Tourism New Zealand

4. Participate in Waitaki Tourism Assoc (WTA) meetings

Target: Attend WTA meetings, when this is not possible provide a written report to the WTA Chair with latest trends and project updates. Target a minimum of 10 meetings attended or information contributed

5. Conduct annual surveys of operators

Target: Conduct an annual survey of operators to gain their visitor Insights and provide feedback on the functions of the RTO

6. Develop a Tourism recovery strategy

Target: In conjunction with the wider local tourism sector, develop a short-term tourism recovery strategy

Goal 2: Securing the opportunities and reaping the benefits of the Destination Management Strategy and Plan

How this will be achieved:

1. Produce the Waitaki Destination Management Development Plan

MBIE Project/funded

Target: By June 2022 have a Destination Management Development Plan

2. Collaborate with Otago RTOs

MBIE Project/funded

Target: Support on-going collaboration with the Otago RTOs to develop new regional marketing developments. As required, attend meetings, provide resources, and support co-funding of agreed projects

3. Partner with Te Manahuna DM projects

Target: Support joint Initiatives where the Mackenzie and Waitaki DMPs can provide cross-district benefits. As required attend meetings, provide resources and support co-funding of agreed projects

4. Meet with iwi, tourism operators and businesses regularly to ensure collaboration with DMP opportunities

Target: Hold meetings with iwi and Industry partners to ensure the DMP is front and center and identified opportunities are supported. Two DMP meetings held

5. All actions and initiatives will target increased visitor spend and length of stays

Target: Trend data collected from Accommodation Data Program (ADP) and the Tourism Electronic Card Transaction (TECT) data shows levels maintained or increased in the Waitaki RTO. Visitors spend is increased over current 12 month compared with the previous 12 months

Goal 3: Develop and implement a plan for the business that ensures TWL and OBPC financial sustainability for 2022/23

How this will be achieved:

1. **Tourism Waitaki will follow Best Practice Business Management and will work within available funding and resources for 2022/23**

Target: Develop a budget for TWL and OBPC for 2022/23

2. **Engage in the Economic Development Strategy project and support its implementation**

Goal 4: Develop and modernize the marketing and promotion offer

How this will be achieved:

1. **Tourism Waitaki will produce a marketing plan for 2022/23** **MBIE Project/funded**

Target: A marketing plan is developed by September 2022 which incorporates MBIE funded deliverables for marketing

2. **Use digital technology enhancements to promote the Waitaki district**

Target: Make further enhancements to TWLs social & digital marketing. Investigate the use of digital billboards

3. **Engage with travel trade and ensure the Waitaki District has a presence at trade events and trade shows.**

Target: Attendance at RTNZ, TNZ, TIA, TRENZ and TECNZ events where travel trade, product managers, IBOs, ITOs will be in attendance

4. **Collaborate with our International Marketing Alliance (IMA) partners to ensure successful representation is provided in offshore marketing.**

Target: Attendance at IMA events, or provision of resources and marketing material

Goal 5: Oamaru Blue Penguin Colony Plan for 2022/23

How this will be achieved:

1. **Tourism Waitaki will develop a budget for the OBPC reflecting the operation returning to a BAU model as seen prior to Covid 19. The budget will be monitored as visitor numbers return. MBIE Project/funded**

Target: To increase visitor numbers to the OBPC from the prior year. OBPC opens for day tours as visitor numbers increase.

2. **Promotion of other visitor activities at the OBPC**

Target: Using a digital display at the OBPC, other local activities and sights can be on show for visitors to view

3. **Survey of visitors to OBPC to measure an annual NPS score**

Target: OBPC will regularly seek visitors feedback via surveys with the aim to increase the NPS score on the previous year.

NPS or Net Promoter Score, is derived from customers being asked a specific survey question. The resulting score can be used to compare previous NPS scores, or against similar businesses within the same Industry. To increase the NPS score generally reflects a lift in visitor satisfaction with the product or experience.

Financial projections for the Company

Year Ending 30 June 2022

Shareholder's Equity \$500,000

Ratio of Consolidated Shareholders' Funds to Total Assets

The ratio of consolidated shareholders' funds to total assets will continue to exceed 5%.

'Shareholders' Funds' (Equity) are defined as the paid-up capital plus any retained tax paid profits earned and less any dividends distributed to shareholders. They include accumulated surpluses – revaluation reserves, trust funds and any other reserves or funds which have been accumulated in accounts known as either "Revenue Reserves" or "Capital Reserves."

'Total Assets' are defined as the sum of all current and non-current assets plus investments of the Company.

Directors Estimate of the Company Value

The Estimate of the Commercial value of the shareholders' investment shall be the opening balance of shareholders' funds. The directors will advise the shareholders on an annual basis if they differ materially from this state.

GOVERNANCE, POLICIES AND PROCEDURES

Corporate Governance Statement

Role of the Board of Directors

The Directors' role is defined in section 58 of the Local Government Act 2002. This section states that all decisions relating to the operation of the Council Controlled Organization shall be made pursuant to the authority of the directorate of the Organization and its Statement of Intent. The Board consults with the Company's shareholder in preparing and reviewing the Statement of Intent.

The Board will meet a minimum of six times a year and more frequently as required. Meetings may be in person or by teleconference. The Board is responsible for the proper direction and control of the Company's activities. This responsibility includes such areas of stewardship as the identification and control of the Company's business risks, the integrity of management information systems and reporting to shareholders. While the Board acknowledges that it is responsible for the overall framework of the Company, it recognizes that cost effective internal control systems will preclude errors and irregularities.

The board shall ensure that suitable governance policies are in place to give effective and efficient direction of the company.

The Role of the Shareholder

- a) The Board aims to ensure that the shareholder is informed of all major developments affecting the Group's state of affairs. The shareholder is consulted with on the review of the Company's Statement of Intent and is responsible for the appointment of directors. Information is communicated to shareholder in the Annual Report, the Half-year Report and Shareholder meetings or special meetings where required.

Board Appointments

- b) Directors are appointed by the shareholder in accordance with Council policy. The Board is subject to the shareholder's director rotation policy requiring all the directors to retire over any three-year period. Retiring Directors shall be eligible to apply for reappointment.

Director and Board Performance

The Board formally reviews its performance, and the performance and contribution of individual directors on an annual basis, taking into account the current and future needs of the Company, and performance improvement processes are implemented as required. The annual review also provides information to the shareholder on the mix of skills needed to assist with the identification of new directors. The Board shall review the role of the Chair annually.

Company Management Structure

All operations and management of the Company and its business units are delegated to the General Manager, Tourism Waitaki Limited who appoints and relies on key personnel for support.

Code of Conduct

The Board has adopted policies for its members, executive and staff, specifying the business standards and ethical considerations in conducting its business with stakeholders.

Treasury Policy

There is no exposure to foreign exchange. Interest rate risk, sensitive spending and delegated financial authority is managed in accordance with the Delegation Policy Manual. No speculative investments are authorized. Investments are held with a registered bank and require Board approval.

Audit

External auditors are used to evaluate the quality and reliability of information provided to the shareholders.

Rebate

Any rebate paid by the company during the course of this agreement will be in the form of a reduction in grant funding from the Shareholder.

Accounting Policies

The accounting policies recognized by the Institute of Chartered Accountants Australia and New Zealand for the measurement and reporting of financial performance and financial position will be adopted by the Company.

A full statement of Accounting Policies will be presented in the Company's Annual Report.

All financial statements, reports, and information will be consistent with Council reporting styles and standards where both possible and practicable.

Procedures for Acquisition of Other Interests

The acquisition of shares or interest in other companies or organizations will only be considered by the Directors where such acquisition is consistent with the long-term commercial objectives of the Company.

If the directors believe that the Company should invest in, or otherwise acquire, any interest in another company or organization, they will obtain the prior approval of the shareholders.

Activities for Which the Company Seeks Compensation from any Local Authority

There are no activities for which the Company seeks compensation from any local authority.

The Council is not permitted to provide any guarantee, indemnity, or security in respects of the assets, liabilities, or trading activities of the Company.

Sales of Goods/Services to the Shareholder

The Company provides goods and services to the Waitaki District Council as part of its normal business activities. These goods and services shall be charged for on a commercial basis.

Signed by Director:

Date: 22 June 22

R D Ramsay

A handwritten signature in black ink, appearing to read 'R D Ramsay', with a large, stylized loop at the end.



STATEMENT OF INTENT 2022/23

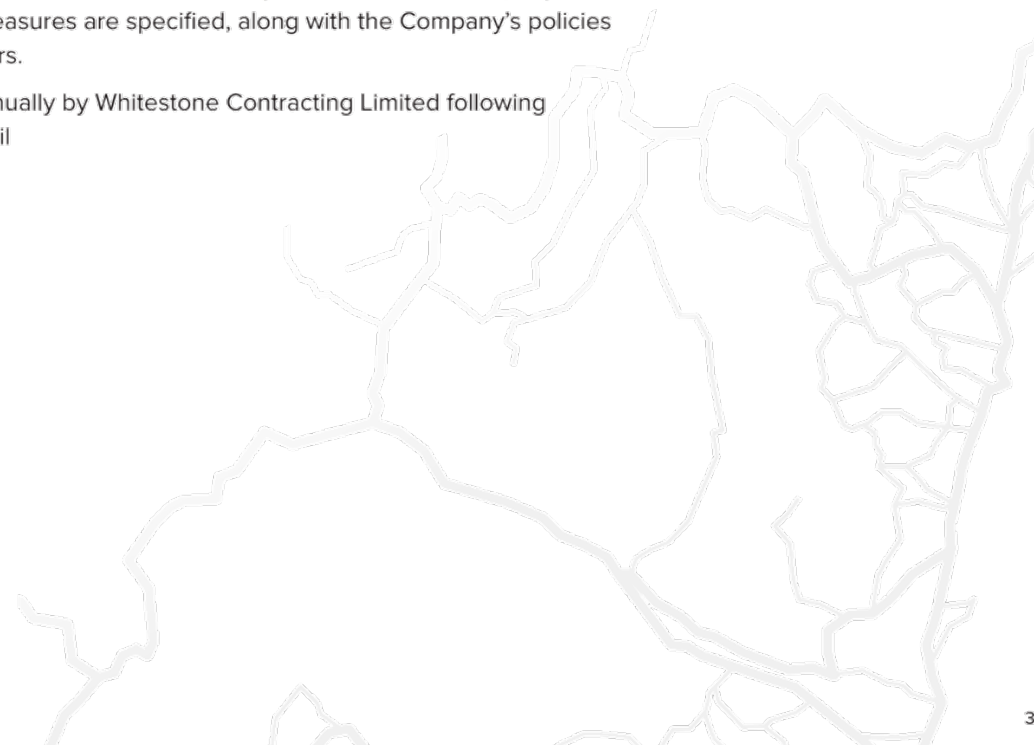


Introduction

This Statement of Intent has been prepared in accordance with Section 64 of the Local Government Act 2002.

It outlines the activities and intentions of Whitestone Contracting Limited and the company's objectives. Performance targets and measures are specified, along with the Company's policies relating to governance and other matters.

The Statement of Intent is reviewed annually by Whitestone Contracting Limited following consultation with Waitaki District Council



The Company

BACKGROUND

Whitestone Contracting Limited (WCL) was established in 1992 and is 100% owned by the Waitaki District Council (Shareholder).

Under the provisions of the Local Government Act 2002, it is deemed to be a Council-Controlled Trading Organisation.

The principal goal of council-controlled organisations (CCTO) is to operate as a successful long-term business with the prime objective of managing the company's assets on an economic, environmental and socially sustainable basis.

Shareholder objectives for continued ownership and control include:

- Stimulating a competitive contracting sector in our district
- Supporting local opportunities for a diverse labour market
- Obtaining a good return on investment commensurate with the business risks of WCL and the risk appetite of the Shareholder
- Supporting the overall wellbeing of the Waitaki District through promoting a prosperous district, strong communities, quality services and valuing the environment.

NATURE AND SCOPE OF ACTIVITIES

The nature of WCL's activities will include those of a contractor and those activities of a trading organisation that the directors consider are profitable, appropriate and in the best long term interests of WCL and the Shareholder.

The scope of activities undertaken by WCL includes, but is not limited to, physical works for maintenance and construction including roading works, reticulation construction and maintenance, landscaping services, private sector contracting including mechanics workshop, quarry and landfill operations and equipment hire.

OBJECTIVES

The principal objective of WCL is to operate as a successful business and grow shareholder wealth. WCL has a vision to be an excellent tier 2 contractor.

In general, WCL is focused on continual improvement of its systems and processes to improve operations. It also seeks to support local employment, the environment and the community, while at the same time maximising profit and performance in a sustainable way. As a company it recognises its Shareholder's objectives for ownership, including providing cost-effective delivery of local services and assisting in the maintenance and improvement of good quality local infrastructure.

The company is committed to partnering with the shareholder and other entities where possible to further the interests of the district, secure economies of scale, secure skills required for the districts essential services, and share resources where advantageous to do so.

The company is also committed to supporting the shareholder in delivering its works programme through processes that ensure best value for the ratepayer at a reasonable return for the company.

In pursuing the principal objective WCL and directors shall:

- Manage WCL's business activities in an efficient, effective and safe manner
- Ensure governance, structures, leadership and processes are in place and operating effectively across WCL to deliver a Zero Harm culture and achieve strategic safety goals
- Grow Shareholder wealth
- Ensure assets and liabilities are prudently managed consistent with the nature of a contracting business
- Maximise the long term viability and profitability consistent with the Shareholder's objectives for ownership
- Manage the business with the objective of achieving agreed business growth
- Consolidate, and when financially advantageous, expand the Company operations into the private and public sectors using the skill, abilities and management techniques that are available within WCL

- Maintain a diversified portfolio of work and clients to ensure continuity of returns to the Shareholder
- Continue to review WCL structure to ensure the most efficient structure is in place to enhance profitability
- Be customer-focused and ensure good customer contract results as measured against contract specifications
- Ensure that the Company is disciplined with expenditure and seeks to maximise revenue
- Achieve the most efficient use of staff resources, capital assets and working capital through innovative management and sound business practises
- Develop and get agreement from the shareholder on a significant asset acquisition/disposal process and to engage proactively on this mutually-agreed approval process
- Provide a work environment that recruits, fosters and maintains safe, competent, motivated, committed and productive employees and developing its people to their potential
- Recognise and reward excellent performance by staff
- Act in an environmentally and socially responsible manner and implement sustainable business practices
- Ensure transparent and informed relationships are maintained with the Shareholder within the spirit of 'no surprises'.

Reporting and Performance Measures

REPORTING FREQUENCY AND CONTENT

A Director of WCL shall attend any meeting at which the Annual Report or Half Yearly Report is presented to the Shareholder. The following information will be available to the Shareholder based on an annual balance date of 30th June.

DRAFT STATEMENT OF INTENT

Each year, the Directors shall (for so long as the Company remains a council-controlled trading organisation), deliver to the Shareholder a Draft Statement of Intent for the following year which fulfils the requirements of Schedule 8 of the Local Government Act 2002.

COMPLETED STATEMENT OF INTENT

The board will consider comments on the draft Statement of Intent made on or before 1st May. By the commencement of the financial year to which the Statement of Intent relates, the Directors (for so long as WCL remains a CCTO) will deliver to the Shareholder a Statement of Intent for the following year which fulfils the requirements of Schedule 8 of the Local Government Act 2002.

MODIFICATIONS TO STATEMENT OF INTENT

The Shareholders may by resolution require the board to modify the Statement of Intent in the manner specified in the resolution. Every modification required by a resolution must be consistent with the objectives of the constitution, and lawful. The Board is required to prepare and adopt a modified Statement of Intent that incorporates the modifications in the resolution and deliver it to each Shareholder within one month of the date of its adoption, and make the modified Statement of Intent publicly available within one month of its adoption.

QUARTERLY REPORT

WCL will report to the Shareholder committee quarterly on performance against the following six strategic categories: Operational, Shareholder Engagement, Safety, People, Financial and Risk.

HALF YEARLY REPORT

Within two months after the end of the first half of each financial year, the Directors shall deliver to the Shareholder an un-audited report containing the information required by the Financial Reporting Act 2013 and a commentary on the results for the first six months together with a report on the outlook for the second six months with reference to any significant factors that are likely to have an effect on the Company's performance, including an estimate of the financial result for the year based on that outlook.

ANNUAL REPORT

Within two months after the end of each financial year, the Directors shall deliver to the Shareholder an annual report and audited financial statements in respect of the financial year, containing the following information as a minimum:

- A report on the operations of WCL to enable an informed assessment of the Company's performance including:
- Performance against targets in this Statement of Intent
- Performance against the Corporate Governance Statement
- Audited financial statements as required under the Financial Reporting Act 1993
- A report on compliance with WCL's Tendering Policy.

PERFORMANCE TARGETS AND MEASURES

Over the next three years, WCL's performance targets are to:

FINANCIAL

- Achieve a before-income tax return (prior to donations, sponsorships and subvention payments) on opening shareholders funds that exceeds 8%
- Grow turnover to between \$30-\$35 million over the next three years
- Ensure the rate of shareholder's funds to total assets is >40%

QUALITY SERVICES

- Maintain ISO 9001 registration and related quality assurance programmes

HEALTH AND SAFETY

- Maintain a high standard of health and safety in relation to WCL's employees, customers, suppliers, subcontractors and the public, as measured by maintaining ISO 45001 safety management systems accreditation
- Maintain a total injury frequency rate of no greater than 2 per 200,000 hours worked or 10 per million hours worked.

ENVIRONMENTAL

- Maintain ISO 14001 standard to ensure the company has systems in place to environmental and legislative and regulatory requirements
- Maintain Toitū Envirocare Carbon reduce certification
- Full compliance with Resource Management Act – no breaches.

COMMUNITY

- Support community initiatives with a minimum of \$50,000 of sponsorship per annum to local community organisations and wellbeing initiatives where this aligns with the business objectives.

RATIO OF CONSOLIDATED SHAREHOLDERS' FUNDS TO TOTAL ASSETS

'Shareholders' Funds' (Equity) are defined as the paid-up capital plus any retained tax-paid profits earned and less any dividends distributed to Shareholders. They include accumulated surpluses, revaluation reserves, trust funds and any other reserves or funds which have been accumulated in accounts known as either 'Revenue Reserves' or 'Capital Reserves'.

'Total Assets' are defined as the sum of all current and non-current assets plus investments of WCL.

The ratio of consolidated Shareholder funds to total assets will be in the range of 60% - 80% (and in accordance with WCL's business plan).

DIRECTORS ESTIMATE OF WCL VALUE

The estimated value of WDC's investment in WCL is greater than the paid-up capital and retained earnings. The directors will advise the Shareholder on an annual basis if they believe the value to differ materially from this state.



Governance, Policy and Procedures

CORPORATE GOVERNANCE STATEMENT

ROLE OF THE BOARD OF DIRECTORS

The Directors' role is defined in Section 58 of the Local Government Act 2002. This section states that it is the role of a Director of a Council-Controlled Trading Organisation to assist the organisation to meet its objectives and any other requirements in its Statement of Intent. This does not limit the other duties a director to the Council-Controlled Trading Organisation may have. The Board consults with WCL's Shareholder in preparing and reviewing the Statement of Intent.

The Board meets on a regular basis and is responsible for the proper direction and control of WCL's activities. This responsibility includes such areas of stewardship as the identification and control of WCL's business risks, the integrity of management information systems and reporting to Shareholders. While the Board acknowledges that it is responsible for the overall control framework of WCL, it recognises that no cost effective internal control system will preclude all error and irregularities. The system is based upon written procedure, policies and guidelines, organisational structures that provide an appropriate division of responsibility, a total quality management audit system, and the careful selection and training of qualified personnel.

The Board recognises that the ultimate shareholder is a territorial local authority and that this imposes additional legislative and compliance demands on the company and that its actions have an impact on the council.

To achieve this governance the Directors will:

- Conduct regular briefings with the designated Shareholder representatives to discuss emerging risk and opportunities of the business, the general forecast performance expectations and to learn of relevant changes in Shareholder policies, expectations or risk appetite
- Act on an informed basis, in good faith with due diligence and care and in the best interests of the Shareholder and WCL
- Act in accordance with the constitution and Statement of Intent
- Ensure compliance with applicable legislation and regulation.
- Review and guide corporate strategy, major plans of action, risk policy, annual budgets and annual plans, set performance objectives, monitor implementation and corporate performance, and oversee major capital investment expenditures, acquisitions and divestments

- Monitor and manage potential conflicts of interest of management, board members and Shareholder
- Ensure WCL's financial management is consistent with good business practice
- In the spirit of no surprises, keep the Shareholder informed on significant events and issues, including those sensitive to publicity that may arise from the Shareholder being a political organisation
- Promote a culture which requires all employees to adhere to high levels of ethical behaviour
- Ensure WCL continues to develop a Zero Harm health and safety culture that manages risk, behaviour and outcomes to a high standard to avoid harm to people so that all staff return home safely every day
- Provide a healthy and safe environment and ensure all Health and Safety Act obligations are met by the Company
- Monitor the effectiveness of overall governance and make changes as needed
- Maintain the company's economic sustainability through the mitigation of business risk and to develop and maintain a comprehensive risk management strategy
- Keep the shareholder informed of matters of substance affecting the Company.

THE ROLE OF THE SHAREHOLDER

The Board aims to ensure that the Shareholder is informed in a timely manner of all major developments affecting the Group's state of affairs. The Shareholder is consulted on the review of WCL's Statement of Intent and is responsible for the appointment of directors. Information is communicated to the Shareholder in the Annual Report, the Interim Report and special meetings where required.

The Shareholder is expected to:

- Deal with issues raised by WCL in a prompt, expedient and professional manner
- Maintain a high level of communication with WCL on relevant matters
- Ensure transparent and collaborative relationships are maintained with WCL.

BOARD APPOINTMENTS

Directors are appointed by the Shareholder in accordance with Shareholder policy. The Board is subject to the Shareholder's director rotation policy requiring all of the directors retire over any three-year period. Directors are appointed for up to a maximum period of three years. Ideally directors are rotated on regular basis. Retiring Directors shall be eligible to apply for reappointment.

DIRECTOR AND BOARD PERFORMANCE

The Board formally reviews its performance, and the performance and contribution of individual directors on an annual basis, taking into account the current and future needs of WCL, and performance improvement, processes are implemented as required. The Chairman of the Board will report to the Shareholder on any particular mix of skills the board requires of any new Director.

BOARD COMMITTEES

The Board maintains a number of standing committees that focus on particular areas of the Board's responsibilities. These include:

AUDIT/FINANCE AND RISK:

The committee:

- Monitors the audit function and reviews the adequacy and quality of the annual audit process
- Ensures WCL maintains property accounting records and complies with all relevant legislation
- Monitors changing business risk analysis and mitigation strategies.

Remuneration:

The committee reviews the remuneration and performance of the Chief Executive Officer.

COMPANY MANAGEMENT STRUCTURE

The Management of WCL is delegated to the Chief Executive, who will manage WCL in accordance with the directives of the Board and good business practice.

TREASURY POLICY

There is no exposure to foreign exchange and interest rate risk is managed in accordance with the Group's Policy Manual that sets limits of management authority. No speculative investments are approved and investments not with a registered bank require board approval.

CODE OF CONDUCT

The Board has adopted policies for its members, executives and staff, specifying the business standards and ethical considerations in conducting its business with stakeholders. The policy includes:

- Corporate governance matters (as described)
- Relationships with employees and customers (ethics, health and safety)
- Confidentiality of company information
- Environmental responsibilities.

DIVIDEND POLICY

WCL is committed to maximising the long-term sustainable distribution flow to the shareholder and maintain a distribution intent of paying a minimum annual dividend equal to the higher of \$200,000 or 50% of the surplus after tax.

Any distribution needs to be prudent in the circumstances and meet the solvency test.

Where it is anticipated that the minimum cash payment may impact negatively on the company's viability or growth strategy the Directors will discuss this with the Shareholder.

Some, or all, of the distributions to the Shareholder may be made, with agreement of the Shareholder, by subvention payment, or other mutually agreed method after taking account of all tax considerations.

WCL will declare dividends and make subvention payments, or other distributions, consistent with the amounts recommended by the Directors as suited to sustain the viability of the business.

ACCOUNTING POLICIES

WCL's accounting policies will comply with the legal requirements of the Companies Act 1993, the Financial Reporting Act 1993 and Local Government Act 2002 and be consistent with generally accepted accounting principles. A full statement of Accounting Policies will be presented in WCL's Annual Report.

SIGNIFICANT DECISIONS AFFECTING LAND OR WATER

Before the company makes a decision that may significantly affect land or a body of water, it will take into account the relationship of Maori and their culture and traditions with their ancestral land, water, sites, Wāhi Tapu, valued flora and fauna and other taonga.

PROCEDURES FOR ACQUISITION OF OTHER INTERESTS

The procedure to be followed for share acquisitions will be at the discretion of the Directors unless the acquisition qualifies as a significant acquisition or a major transaction.

A significant acquisition is defined as an acquisition with a value more than 20% of WCL's total value.

The Directors will consult the Shareholder prior to completing a significant acquisition.

A major transaction is defined as an acquisition involving more than 50% of the total assets of the Company or when a new CCO is established. Such a transaction requires a special resolution of the Shareholder.

PROCEDURES FOR DIVESTMENT OF ASSETS OR INTERESTS

A significant divestment is defined as a divestment with a value more than 20% of WCL's total value.

The Directors will consult the Shareholder prior to completing a significant divestment.

A major transaction is defined as a divestment involving more than 50% of the total assets of the Company. Such a transaction requires a special resolution of the Shareholder

Activities for Which WCL Seeks Compensation from any Local Authority.

WCL undertakes work on a contractual basis for several local authorities, including the Shareholder. On occasions, WCL seeks compensation for breach of contract. Should compensation be sought or obtained from the Shareholder, the details shall be recorded in the annual report of WCL and the Shareholder.

Currently WCL does not provide facilities or amenities, make grants or perform regulatory or other government functions.

The Shareholder is not permitted to provide any guarantee, indemnity or security in respects of the assets, liabilities or trading activities of WCL.

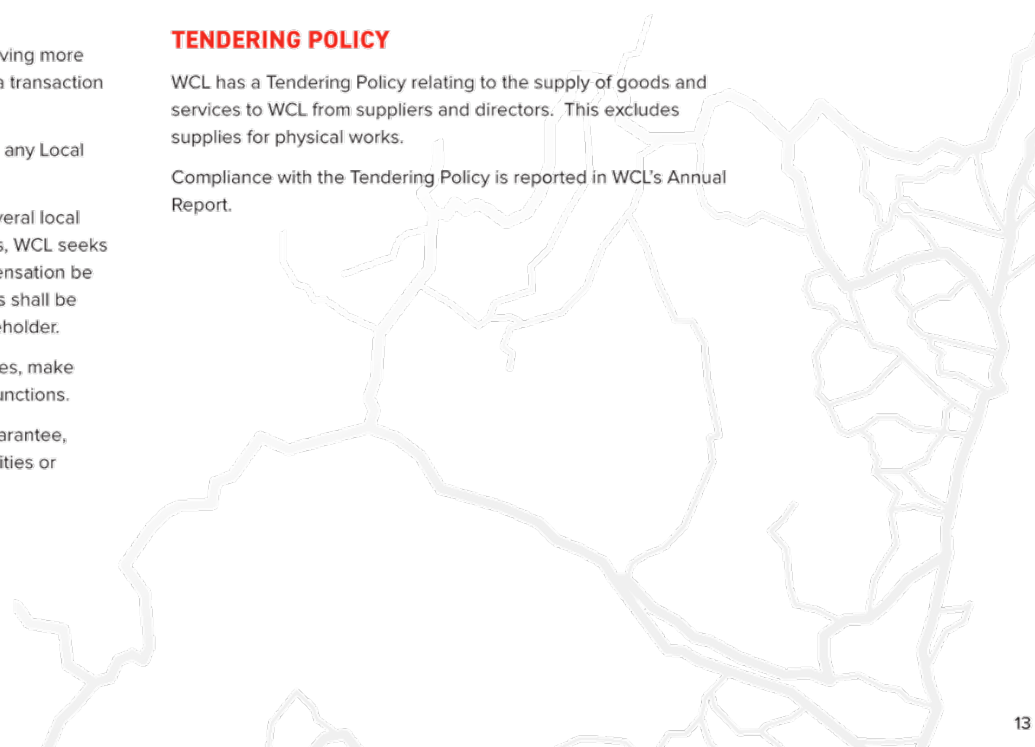
SALES OF GOODS/SERVICES TO THE SHAREHOLDER.

WCL provides goods and services to the Shareholder as part of its normal business activities. These goods and services shall be charged for on a commercial basis.

TENDERING POLICY

WCL has a Tendering Policy relating to the supply of goods and services to WCL from suppliers and directors. This excludes supplies for physical works.

Compliance with the Tendering Policy is reported in WCL's Annual Report.



Omarama Airfield Limited Statement of Intent For the 2022 – 2023 Year

1. Introduction

This Statement of Intent has been prepared in accordance with Clauses 9 and 10 in Schedule 8 of the Local Government Act 2002.

It identifies for the 2022-23 financial year the activities and intentions of Omarama Airfield Limited and the objectives to which those activities will contribute. Performance targets and measures are specified, along with the Company's policies relating to governance and other matters.

The Statement of Intent is compiled annually in consultation with the two equal shareholders being the Waitaki District Council and the Omarama Soaring Centre Incorporated.

2. The Company

2.1 Background

Omarama Airfield Limited was formed in 1993 to develop and operate the Omarama Airfield. The Waitaki District Council and Omarama Soaring Centre Inc. each own 50% of the shares issued by the Company. The Local Government Act 2002 defines the company as a Council Controlled Organisation.

Council's primary objective for continued ownership is to maintain public access to the transport and recreational facilities of the airfield whilst encouraging the gliding activities which use the world class soaring environment of the Omarama area.

2.2 Nature and Scope of Activities

Omarama Airfield Limited owns the airfield land, infrastructure and common facilities and is responsible for the operation and ongoing development of the facility.

2.3 Objectives

The principal objective of the Company is to provide airfield facilities, and if necessary the equipment, that supports flying activities and encourages aviation opportunities in Omarama.

The principal objective is advanced through:

- Enhancing the airfield infrastructure;
- Providing public access to airfield facilities;
- Supporting commercial operations;
- Hosting gliding courses, events and competitions;
- Hosting general aviation events;

- Hosting non-aviation events that are complementary to the airfield;
- Supporting model flying operations and events;
- Supporting aviation club activities;
- Encouraging and supporting new aviation activity;
- Supporting where appropriate the local community;
- Managing the airfield in compliance with New Zealand aviation law;
- Investigating and pursuing non-aviation revenue enhancing opportunities.
- Marketing the aviation and recreational opportunities provided by the airfield.
- The ownership of the equipment essential to secure the operation of the airfield.
- The delivery of the shareholder expectations.

2.4 Shareholder Expectations

The shareholders expect that in conducting the affairs of the Company the directors shall ensure:

- Business activities are conducted in an efficient and effective manner and where feasible local supply chains and business services are utilised.
- Assets and liabilities are prudently managed.
- The asset is managed with due regard for the environment with a commitment to reducing the environmental impact of maintenance and operational activities.
- The overall performance supports shareholder reasons for continued ownership.
- The decisions made enhance the achievement of the Company's long term objectives.
- The Company acts as a good employer with a strong emphasis on employee safety, welfare and co-operation.
- That a transparent and collaborative relationship is maintained with the shareholders.
- The facility is managed and operated in compliance with the regulations that govern aviation and airfields.

3. Reporting and Performance Measures

3.1 Reporting Frequency and Content

A Director of the Company shall attend the meeting of Council and the Omarama Soaring Centre Inc. at which the Annual Report is presented and may attend when the Half Yearly report is presented.

Based on an annual balance date of 30th June the company will, in accordance with the provisions of Clauses 8 and 9 of Schedule 8 and Section 64 of the Local Government Act 2002, provide to the shareholders the following reports:

(a) Draft Statement of Intent

By 1 March each year, the Directors shall deliver to the shareholders a Draft Statement of Intent for the following year.

(b) Completed Statement of Intent

By 30th June of each year, the Directors will deliver to the shareholders a Statement of Intent for the following year.

(c) Half Yearly Report

Within two months after the end of the first half of each financial year, the Directors shall deliver to the shareholders an un-audited report containing the information required by the Financial Reporting Act 1993. The report shall include a commentary on the first six months results and the outlook for the second six months with reference to any significant factors that are likely to have an effect on the Company's performance.

(d) Annual Report

Within three months of the end of the financial year, the Directors shall deliver to the shareholders the Annual Report that will include:

- A report on the operations of the Company to enable an informed assessment of the Company's performance, including variations from the business plan and achievements against performance targets.
- Audited financial statements as required under the Financial Reporting Act 1993.
- A report on performance against the Corporate Governance Statement.

3.2 Performance Targets and Measures

Over the next three years the Company's performance targets are to :

- Maintain, operate and provide planned services within budgeted income.
- Achieve a break even or better financial result after prudent provision for asset replacement, depreciation and future trading requirements.
- Update the Company's business plan on an annual basis.
- Enhance the economic benefits to the Omarama and Ahuriri community arising from the operation and development of the airfield as measured by increased patronage of facilities and participation in events.
- Establish through the subdivision and sale of residential land on Nimbus Drive a cash reserve to be used, if required, to secure the airfields amenity and operation.

3.3 Ratio of Consolidated Shareholders' Funds to Total Assets

'Shareholders Funds' are defined as the paid-up capital plus any retained tax paid profits earned less any dividends distributed to shareholders. They include accumulated surpluses, revaluation reserves, trust funds and any other reserves or funds which have been accumulated in accounts known as either "Revenue Reserves" or "Capital Reserves".

'Total Assets' are defined as the sum of all current and non-current assets plus the investments of the Company.

The projected target for the ratio of shareholders' funds to total assets is at least 90%.

3.4 Directors Estimate of the Company Value

The Company's commercial value is estimated in all material respects to be equivalent to the paid up share capital. The directors will advise the shareholders on an annual basis if they believe the value to differ materially from this.

4. Governance, Policy and Procedures

4.1 Corporate Governance Statement

(a) Role of the Board of Directors

The Directors' role is defined in Section 58 of the Local Government Act 2002. This section states 'the role of a director of a council-controlled organisation is to assist the organisation to meet its objectives and any other requirements in its statement of intent' without limitation on 'the other duties that a director of a council-controlled organisation has.' The Board consults with the Company's shareholders in preparing and reviewing the Statement of Intent.

The Board meets on a regular basis and is responsible for the proper direction and control of the Company's activities as required by the Local Government Act 2002 and the Companies Act 1993

The Board acknowledges that it is responsible for the overall control framework of the Company but it recognises that no cost effective internal control system will preclude all errors and irregularities.

(b) The Role of the Shareholders

The Board will ensure that the shareholders are informed of all major developments affecting the Company. The shareholders are provided with a draft Statement of Intent and information is communicated to them via the Half Yearly and Annual Reports or if required special meetings.

The shareholders appoint the directors.

(c) Board Appointments

The board comprises four directors and in accordance with the constitution two are appointed by each shareholder.

The Council's director rotation policy requires its directors to retire over any three year period. Retiring Directors shall be eligible to apply for reappointment.

(d) Board Committees

There are no Board Committees.

(e) Company Management Structure

The four directors' are involved on a day to day basis in the management of the airfield with administration and maintenance services contracted as required.

4.2 Dividend Policy

It is not intended that the Company will pay a dividend

4.3 Accounting Policies

The Company's accounting policies will comply with the legal requirements of the Companies Act 1993, the Financial Reporting Act 1993 and Local Government Act 2002.

A full statement of Accounting Policies will be presented in the Company's Annual Report.

4.4 Procedures for Acquisition of Other Interests

The acquisition of shares or interest in other companies or organisations will only be considered by the Directors where such acquisition is consistent with the long term commercial objectives of the Company.

The approval of the shareholders will be obtained prior to any such transaction.

4.5 Activities for Which the Company Seeks Compensation from any Local Authority

There are no activities contemplated for which the company seeks local authority compensation.

The Council is not permitted to provide any guarantee, indemnity or security in respects of the assets, liabilities or trading activities of the Company.

4.6 Tendering Policy

The Company has a tendering policy for the supply of goods and services to the Company.

Compliance with the tendering policy is recorded in the Company's Annual Report.

To: Mayor Gary Kircher
From: Keith Marshall, Chief Executive, WDHSL
Date: 22nd June 2022

Subject: **WDHSL: SOI for FY 2022/23**

Gary,

Please accept our apologies for the delay in getting this final version SOI submitted to you, however staffing resources continue to remain at a premium and we are struggling with workloads on every front.

We have taken the chance to make some amendments to the draft SOI previously submitted.

In saying that, we recognise that the changes we have made do not necessarily do justice to the full breadth of the Letter Of Expectation. Notwithstanding that, you will note from our SOI that WDHSL fully support and endorse the wider intent to ensure we are embedded into emerging opportunities arising from the current health sector and local government reforms namely through:

- Engagement with the ongoing and emerging process for establishing a Locality Network in Waitaki in conjunction with other partners.
- Seeking out opportunities to further integration with other health services.
- Extend our working relationships across the health sector locally and with Health New Zealand and the Māori Health Authority.

Even so, as identified in the Letter Of Expectation, the crucial and most pressing issue facing WDHSL, by far, is the need for us to focus on and complete a financial turnaround exercise to ensure our ongoing economic viability. Some of that turnaround will undoubtedly rest on our ability to participate in the appropriate opportunities that will most certainly come our way over the year ahead. Ongoing cashflow support for FY22/23 will be needed from Council.

Equally, though, our real challenge will lie in having the staffing resources necessary to be able to implement our turnaround.

Likewise, it must be acknowledged that our resourcing pressure is acute and is having a major impact right across our activities especially as that relates to nursing and medical staffing shortages. We are deeply conscious of the need to address that situation as our highest priority. Quite apart from the ongoing impacts on service delivery, there is a substantial financial impact on our operations caused by the necessary additional penal and overtime rates being incurred.

In that regard, it is probably worth highlighting the lack of inclusion of any financials into this SOI.

WDHSL will provide a presentation to Council covering the full outcomes of a detailed financial review which we have only just completed. We expect to be in a position to make that presentation to Council at the next full Council meeting.

In the meantime, WDHSL would like to flag to Council that there will be a need for cashflow support for the coming financial year as the necessary financial turnaround is worked through. It is our hope that cashflow support might be affected in the form of a cash advance via a loan mechanism to enable WDHSL to convert a portion of existing shareholder equity into cash. By taking that pragmatic approach to cashflow support, we believe that Council will not be unduly nor adversely affected and yet will better enable company operations.

We also note that shareholders equity has benefited from the repatriation of past loan funding to Observatory Village (OV) even after addressing past debts and other financial obligations; however, while increased shareholder equity improves the overall financial position of WDHSL, that does not directly address the cashflow pressures we will see in the coming financial year. We will include consideration of cashflow support, and the possible magnitude of that, into our upcoming financial presentation to Council.

WDHSL will post a surplus for the year ended 30 June 2022 due to the OV loan repatriation.

Lastly, we would like to bring to your attention, as signalled in our draft SOI, that this SOI makes no inclusion of any Observatory Village (OV) aspects whatsoever. As you are aware, all three of us (yourselves, Observatory Village and WDHSL) have made a formal representation to the Office Of The Auditor General (OAG) to disentangle the current inefficient and ineffective "Group" arrangements made purely for auditing purposes in a situation where no legal control exists. As things currently stand, the Board of WDHSL feel that it cannot provide an attestation, nor representation, in respect to OV matters in such circumstances. We will appraise you of the outcome of our joint request to the OAG in due course.

Once again, we would like to thank Council for the comprehensive direction and guidance provided to us in your Letter of Expectation. In many years of working within the local government and wider public sector, this is by far the best example of clarity that I have encountered around both the shareholder's strategic context, and your wider intent, as well as for the outcomes being sought.

Nāku noa nā,

Keith

Keith Marshall

Tumu Whakarae | Chief Executive

Waitaki District Health Services Limited

Private Bag 50059

Oamaru 9444



WAITAKI DISTRICT HEALTH SERVICES LIMITED

2022/2023

STATEMENT OF INTENT

(Pursuant to Section 64 of the Local Government Act 2002)

<NB: no financials are included.>

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Waitaki District Health Services Limited

Draft Statement of Intent

Period from 1 July 2022 – 30 June 2023

1. Introduction

This Statement of Intent has been prepared in accordance with Section 64 of the Local Government Act 2002.

It outlines the activities and intentions of Waitaki District Health Services Limited (the Company) for the next three years and the objectives to which those activities will contribute. Performance targets and measures are specified, along with the Company's relevant policies relating to governance and other matters.

The Statement of Intent is reviewed annually by the Company in consultation with Waitaki District Council.

Where relevant, subsidiary / related entities of the Company, are highlighted.

Due to staffing and resource constraints, financials were unable to be compiled for inclusion.

It is expected that WDHSL will show a financial surplus for FY21/22, and an attendant increase in shareholder equity, resulting from the repatriation of Observatory Village loans, thereby resulting in a lift in shareholders equity as at 30 June 2022. As a result of using a portion of those repatriated funds to clear existing debt advances, WDHSL will need to seek cashflow support for its ongoing operations for FY22/23.

A separate presentation will be made to Council covering the ongoing financial management aspects of WDHSL.

The activities of Waitaki District Health Services Trust (WDHST) are also covered however this has no material effect on the content of this SOI as the Trust activities are currently in abeyance awaiting consideration of the place that the Trust holds going forwards.

2. The Company

2.1 Background

Waitaki District Health Services Limited was established in 1997 for the charitable purpose of providing health services to the community and is 100% owned by the Waitaki District Council. Under the provisions of the Local Government Act 2002, it is deemed to be a Council Controlled Organisation.

Council's primary objective for continued ownership and control is to ensure the healthcare needs and interests of the District are met through the delivery of our core purpose:

To champion, provide, and enable sustainable, trusted, quality health services for our community (the Waitaki District).

WDHST was established under a trust deed for the charitable purpose of providing health services within the Waitaki District of New Zealand. Its trustees are the directors of the Company. Discussions have been had regarding the dissolution of the Trust but at this stage it is felt that until the future pathway under the current health reforms is known, the Trust is best held as is for now; namely, extant but largely inactive.

The Company is currently required by the Office of the Auditor General to provide audited consolidated financial accounts including the Company, WDHST and Observatory Village Charitable Trust. That grouping adds cost, time and other pressures that do not appear beneficial to anyone. All parties involved, Council, WDHL, WDHST, and Observatory Village do not believe that the entities should be grouped together as WDHL has no legal ability to direct or control the activities of Observatory Village. A representation has been made by WDHL, supported by the other parties, to the Auditor General to have that decision reconsidered. We are currently awaiting an outcome of that reconsideration. Accordingly, this SOI makes no provision for any matters relating to Observatory Village.

2.2 Nature and Scope of Activities

The activities undertaken by WDHL, the Company, include, but are not limited to:

- The operation of Oamaru Hospital
- The District-wide provision of health services including:
 - Inpatient care including (assessment, treatment and rehabilitation);
 - Acute care services such as Emergency Department, Stabilisation and Observation;
 - Maternity including ante- and post-natal care;
 - Diagnostics such as Radiology (CT Scans, Plain Film, and Ultrasound);
 - Outpatient specialist and nurse-led clinics;
 - Mobile Surgical Bus;
 - Te Waka Wahine Hauroa (The Woman's Health Bus);
 - Chemotherapy;
 - District Nursing;
 - Allied Health, including Occupational Therapy, Clinical Needs Assessment, Physiotherapy and Social Work
- Maintaining and operating Health New Zealand and Māori Health Authority service contracts for the Waitaki District
- Maintaining and operating the ACC service contract for Rural GP services
- Providing contract health and rehabilitation services for other organisations requiring local services such as ACC Non-Acute Rehabilitation contract.
- Acquiring, maintaining and operating all buildings and other resources needed for the business of the Company.
- Developing a sustainable business plan to ensure long-term clinical and financial viability.
- Overseeing subsidiary / related companies for the benefit of the Group.

2.3 Objectives

The principal objective of the Company is to operate a successful healthcare business by providing services to meet the healthcare needs of the Waitaki District community.

2.4 Shareholder Expectations

Council expects that in conducting the affairs of the Company, WDHSL shall ensure:

- That the Company returns to operating in a financially sustainable manner.
- The Company delivers services that are clinically excellent and safe for both staff and those accessing services.
- Delivery of clinical services are of excellent quality and meets the needs of our community.
- That the Company buildings, infrastructure, clinical equipment, and information technology systems are in good condition, fit for purpose and well maintained.
- That the Company ensures that the delivery of contracted services is within the provided funding.
- Business activities are conducted in an efficient and effective manner with assets and liabilities being prudently managed.
- Overall performance supports Council's reasons for continued ownership, including engagement with the Council around the wider local government reforms opportunities as appropriate.
- The Company acts as a good employer and as an environmentally conscious and responsible citizen.
- Transparent and collaborative relations are maintained with the shareholder.
- That the Company pursue all avenues of funding that may be available from time to time for Waitaki District Health Services funding.
- That the Company engages with the upcoming health reforms process to ensure that both itself and the wider the community make the most of the opportunities being presented.
- That the Company seek out opportunities to further integration with other health services.
- That the Company extend its working relationships across the health sector locally and with Health New Zealand and the Māori Health Authority, and especially that the Company engages with the ongoing and emerging process for establishing a Locality Network in Waitaki in conjunction with other partners.

3. Reporting and Performance Measures

3.1 Reporting Frequency and Content

The Chair, or their nominated delegate, of the Company shall attend any meeting at which the Annual Report or Half Yearly Report is presented to Council as shareholder.

The following information will be available to the shareholder based on an annual balance date of 30th June:

Draft Statement of Intent

By 1 March each year, the Directors shall deliver to the shareholder a Draft Statement of Intent for the following year which fulfils the requirements of Section 64 of the Local Government Act 2002.

Completed Statement of Intent

By 30th June of each year, the Directors will deliver to the shareholder a Statement of Intent for the following year which fulfils the requirements of Section 64 of the Local Government Act 2002.

Half Yearly Report

Within two months after the end of the first half of each financial year, the Directors shall deliver to the shareholder an un-audited report containing the information required by the Financial Reporting Act 1993 and a commentary on the results for the first six months together with a report on the outlook for

the second six months with reference to any significant factors that are likely to have an effect on the Company's performance.

Annual Report

Within three months after the end of each financial year, the Directors shall deliver to the shareholder an annual report and audited financial statements in respect of the financial year, containing the following information as a minimum:

- A report on the operations of the Company to enable an informed assessment of the Group's performance, including variations from the business plan and achievements against performance targets.
- Performance against the Corporate Governance Statement.
- Audited Financial statements as required under the Financial Reporting Act 1993,
(It is noted that time constraints of the company's auditors may delay timely completion of audits and that any such delays are not within the control of the company).
- A report on compliance with the Company's Tendering Policies.
- Activity statistics, with comparable figures for previous year.
- A report on service delivery issues and achievements.

3.2 Performance Objectives and Measures

WDHSL – The Company

Over the next three years the Company's performance objectives are to:

- (i) Ensure services are clinically excellent, financially sustainable and delivered by an engaged workforce, operating in safe working environments.
- (ii) Actively engage with the upcoming health reforms processes to ensure opportunities for improved health outcomes for the community are maximised.
- (iii) Operate and provide planned services within budgeted income, including services contract income with Health New Zealand and Māori Health Authority and income from other contracted sources.
- (iv) Achieve a break even or better result after prudent provision for assets, depreciation and replacement, and for future trading requirements.
- (v) Update the Company's business plan on an annual basis.
- (vi) Meet service standards required under Health New Zealand and Māori Health Authority contractual arrangements with the Company, by maintaining the following certifications:
 - a. Health & Disability Sector Standards Certification for the hospital;
 - b. Baby Friendly Hospital Initiative Certification for Maternity;
 - c. International Accreditation New Zealand (IANZ) Certification for Radiology;
 - d. Building Warrant of Fitness certification;
 - e. Building Act 2004 Compliance Schedule;
 - f. Compliance with Food Act 2014, Food Regulations 2015, FSANZ Food Standards Code through a National Programme Level 3 for the hospital kitchen;
 - g. Stationary Container System Test Certificate;
 - h. Hazardous Substances Location Test Certificate;
 - i. Approved Handlers Test Certificate;
 - j. Cold Chain Accreditation.
- (vii) Meet and observe adequate professional and technical standards in the delivery of Waitaki District Health Services by ensuring all employed regulated health professionals hold current Annual Practising Certificates.

- (viii) Maintain a Quality Assurance Programme to ensure adequate standards of care and services are maintained to the Company's patients.
- (ix) Establish, where appropriate, strategic alliances with business partners and community groups in order to achieve desired outcomes for health services.
- (x) Report to the Council at half yearly and yearly interval as required.
- (xi) Communicate to staff and to the wider community as and when necessary. The Board have agreed to a minimum of two health forums annually.
- (xii) Work with parties such as Stronger Waitaki, the Emergency Services Coordinating Committee (ESCC), the Emergency Care Coordination Team (ECCT), the Electives Operational Meeting, Stroke Governance Group and/or others that have a professional or business interest in health care in the Waitaki District to maintain and improve the range and quality of health care services in the District.
- (xiii) The Board commit to ongoing reviews of the Company governance policies.

Notes:

- A detailed financial review is currently underway to validate the wider financial management approaches that have been used by WDHSL in the past. The outcomes arising from this review may lead to adjustments being required in due course.

Ratio of Consolidated Shareholders' Funds to Total Assets

'Shareholders' Funds' (Equity) are defined as the paid-up capital plus any retained tax paid profits earned and less any dividends distributed to shareholders. They include accumulated surpluses, revaluation reserves, trust funds and any other reserves or funds which have been accumulated in accounts known as either "Revenue Reserves" or "Capital Reserves".

'Total Assets' are defined as the sum of all current and non-current assets plus investments of the consolidated accounts.

The ratio of consolidated shareholders' funds to total assets will be in the range of 60% to 90%.

No asset will be represented by the Waitaki District Council's shareholding in the Company that could involve the Council or community in loss of value in such asset which is nominal only, the Company being wholly funded by Government and private suspensory and commercial loan arrangements.

The estimated capital structure for the next three years will be shown in financial projections for WDHSL. NB: financial projections will be provided to Council in due course.

4. Governance Policy and Procedures

4.1 Corporate Governance Statement

(a) Role of the Board of Directors

The Directors' role is defined in Section 58 of the Local Government Act 2002. This section states that all decisions relating to the operation of the Council Controlled Organisation shall be made pursuant to the authority of the directorate of the Organisation and its Statement of Intent. The Board consults with the Company's shareholder in preparing and reviewing the Statement of Intent.

The Board meets on a regular basis and is responsible for the proper direction and control of the Company's activities. This responsibility of the Company Directors includes such areas of stewardship as the identification and control of the Company's business risks, the integrity of management information systems and reporting to shareholders. While the Board acknowledge that it is responsible for the overall control framework of the Company respectively, it recognises that no cost effective internal control system will preclude all error and irregularities.

(b) The Role of the Shareholder

The Company Board aims to ensure that the shareholder is informed of all major developments affecting the Company's state of affairs. The shareholder is consulted with on the review of the Waitaki District Health Services Limited's Statement of Intent and is responsible for the appointment of directors. Information is communicated to shareholder in the Annual Report, the Interim Report and special meetings where required.

(c) Company Board Appointments

Company Directors are appointed by the shareholder in accordance with Council policy. The Company Board is subject to the shareholder's director rotation policy requiring all of the directors retire over any three year period. Retiring Directors shall be eligible to apply for reappointment.

(d) Director, Board and Trustee Performance

The Board Evaluation policies require the Board review their performance, and the performance and contribution of individual directors on an annual basis, taking into account the current and future needs of the Company, and performance improvement processes are implemented as required. Annual reviews also provides information to the shareholder on the mix of skills needed to assist with the identification of new directors.

(e) Board Committees

There is one Company Board Committee, namely, Finance, Audit and Risk. Ad hoc Committees are constituted as may be required for particular Board tasks.

(f) Company Management Structure

The Management of WDHS is delegated to the Chief Executive Officer, who will manage WDHS in accordance with the directives of the Board and good business practice. There is no separate management structure in place for WDHS.

(g) Audit

External auditors are used to evaluate the quality and reliability of information provided to the shareholders.

4.2 Dividend Policy

It is not intended for the Company to pay a dividend.

4.3 Accounting Policies

The Company's accounting policies will comply with the legal requirements of the Companies Act 1993, the Financial Reporting Act 1993 and Local Government Act 2002 and be consistent with generally accepted accounting principles.

A full statement of Accounting Policies will be presented in the Company's Annual Reports.

4.4 Tendering Policy

The Company have tendering policies relating to the supply of goods and services to the Company from suppliers and directors.

Compliance with the Tendering Policy is reported in the Company's Annual Reports.

4.5 Procedures for Acquisition of Other Interests

The acquisition of shares or interest in other companies or organisations will only be considered independently by the Company Directors where such acquisition is consistent with the long term objectives of the Company respectively.

If the Company Directors believe that the Company should invest in, or otherwise acquire, any interest in another company or organisation, they will independently obtain the prior approval of the shareholder.

4.6 Activities for Which the Company Seeks Compensation from any Local Authority

There are no activities contemplated for which the Directors seek compensation from the Council as shareholder.

The Council is not permitted, nor required, to provide any guarantee, indemnity, or security in respects of the assets, liabilities, or trading activities of the Company.

6.10 GOVERNANCE PROCESSES REVIEW - APPROVAL OF TRIAL

Author: Ainslee Hooper, Governance and Policy Advisor

Authoriser: Alex Parmley, Chief Executive

RECOMMENDATIONS

That Council, pursuant to recommended outcomes of the recent review of governance processes:

1. Agrees to conduct a trial from 9 August 2022 to Friday 7 October 2022 (being the end of the current triennium – the day before the scheduled Local Elections on 8 October 2022) of an amended approach to meetings, briefings, and workshops, by way of:
 - a) cancelling all Assets Committee meetings, Community, Culture and Regulatory Committee Meetings and Additional Council Meetings scheduled to be held during the trial period; and
 - b) scheduling full meetings of Council every fortnight from 9 August 2022 for the duration of the trial period on either of Council's dedicated meeting days (being Tuesdays, or alternatively on Mondays) and for a duration of approximately four hours; and
 - c) directing all decision reports that would have gone to Assets Committee meetings or Community, Culture and Regulatory Committee meetings during the trial period to the full Council for a decision; and
 - d) directing all information reports that would have gone to the Assets Committee and the Community, Culture and Regulatory Committee meetings during the trial period to the new Council Activity Updates event recommended in point (g) below; and
 - e) removing Economic Development Updates from the Executive Committee and directing them to the new Council Activity Updates events;
 - f) removing Information Services Updates from the Performance, Audit and Risk Committee and directing them to the new Council Activity Updates events; and
 - g) creating a new Council Activity Updates event, starting from 30 August 2022, to be held approximately every second month (but not during a week where a Council meeting is being held), at which group activity reports for Assets; People and Culture; Heritage, Environment and Regulatory; and Information Services, and any other information updates including but not limited to Economic Development, the District Licensing Committee, and community grants funding, will be presented for questions and discussion (but not substantive deliberations or decisions), and which will be recorded and livestreamed for transparency purposes but not minuted; and
 - h) in an effort to reduce the current number of workshops, creating a new Councillor Workshop, on a commencement date to be agreed, to be held once each month (but not during a week where a Council meeting is being held) for a duration of approximately two hours, at which officers will provide briefings for elected members on current issues for questions and discussion (but not substantive deliberations or decisions) and vice versa; and
2. Agrees that the trial does not affect:
 - (a) the Performance, Audit and Risk Committee, which will retain its existing status (as a formal Committee of Council), membership and responsibilities, and continue to hold meetings on a monthly basis, separate to the Council's meetings; and
 - (b) any other existing committee of Council, being the Executive Committee, the Harbour Area Committee, the Grants and Awards Committee and the various funds which it oversees; the Development Contributions Committee, the Hearings Committee; and

- the District Licensing Committee, and any portfolio or working groups currently in place; and
- (c) the existing external and joint committees where Council is represented and/or which use Waitaki District Council Standing Orders to govern their meetings; and
- (d) meetings of the Waihemo Community Board and Ahuriri Community Board;
- all of which will continue to meet as required or as currently scheduled during the trial period; and
3. Directs the Chief Executive to:
- (a) amend the 2022 Schedule of Meetings in line with resolution 1(a), 1(b) and 1(c) above, and to give the required notice of all new meetings and Council Activity Updates to elected members and members of the public; and
- (b) hold Councillor Workshops in line with resolution 1(f) above, and to give reasonable notice of them to elected members; and
4. Agrees to continue to hold Councillor briefings as often as required;
5. Agrees an intention to conclude all meetings, Council Activity Updates, and Councillor Workshops by 3.00pm on the day they are held; and
6. Agrees to continue to pay the Mayor and Councillors in accordance with the revised Determination issued by the Remuneration Authority that will take effect from 1 July 2022; and
7. Agrees to cancel all meetings in the 2022 Schedule of Meetings from 8 October 2022 until the end of the calendar year, with the expectation that the new Council will adopt a schedule of meetings at its inaugural meeting (in accordance with clause 21(5)(d), Schedule 7 of the Local Government Act 2002) taking into account the experiences gained from the trial.

DECISION OBJECTIVE

To seek Council's approval to proceed with the trial of changes to meetings, workshops and briefings as recommended in the recent review of governance processes.

SUMMARY

Council has expressed a desire to develop new governance arrangements for meetings, briefings, and workshops to further this by holding a trial of alternative approaches. Advice has been sought on the simplest way to implement the trial in advance of the Local Elections on 8 October 2022. The content of and recommendations in this report propose trial parameters that meet the requirements of existing legislation and the proposed trial period, for Council's consideration.

DECISION-MAKING EXPECTATIONS

Governance Decision-Making:	Approval for the trial
Operational Decision-Making:	Changes to operational processes to facilitate and implement the trial decisions of Council
Communications	Media Releases – contributed to by officers and Elected Members

Media/public enquiries regarding governance decision-making topics above can be addressed by governance

Media/public enquiries regarding operational decision-making topics above can be addressed by officers

SUMMARY OF DECISION-MAKING CRITERIA

	No/Moderate/Key		No/Moderate/Key
Policy/Plan	No	Environmental Considerations	No
Legal	Key	Cultural Considerations	No
Significance	No	Social Considerations	No
Financial Criteria	No	Economic Considerations	No
Community Views	No	Community Board Views	No
Consultation	No	Publicity and Communication	Key

BACKGROUND

In December 2021, Elected Members, the Executive Leadership Team and the Governance and Policy Advisor participated in a review of governance processes facilitated by Meeting and Governance Solutions Limited (MAGS). The purpose of the review was to determine whether governance processes were working as they should and to consider where changes or improvements could or should be made. Among the key concerns identified as part of the review survey were there was too many meetings and workshops, there was too much reading and not enough time to do it, the operation and structure of committees needs changing, operational items needed to be removed from meeting agendas to avoid clutter; the content of agenda reports and minutes needs to better reflect elected member priorities, needs and time, and training in certain aspects (eg chairing) would be beneficial.

The review identified key recommendations for change, some of which were suggested for implementation before the local elections, and some for after the elections to give the new Council an opportunity to consider its requirements for forward planning, committee structures, and meetings arrangements for the duration of the new triennium from 2022-2024.

Status Update on Review Recommendations

The review of the agenda report template is already underway and a test report using the new format is expected to be included in the agenda papers for the 9 August Council Meeting. Reductions to the contents of minutes is already in progress in consultation with Chairs and additional changes will be made once the agreed level has been advised by elected members. The continuation of assessments for elected member training needs and individual training plans, a forward plan for the Committee structure, a review of Council Standing Orders, and a revised agenda timetable and process will all be completed as soon as practicable after the elections because they are more appropriately undertaken by the incoming Council. The complete review of the structure, membership, and terms of reference for all Council Committees is something that usually occurs after each election, most often at the new Council's first strategic session following inauguration, under the leadership of the Mayor.

The Trial

Other review recommendations focused on holding a trial of new approaches to meetings and workshops that would address the other key concerns identified in the review survey. The suggested trial period was for 1-2 months before the Local Elections on 8 October 2022. This report now seeks

Council's approval to proceed with such a trial, for the period from 9 August 2022 to Friday 7 October 2022. Trial components are as discussed below.

In order to reduce the number of meetings, it is proposed that meetings for two of the Committees that usually meet on a Committees Day (namely Assets; and Community, Culture and Regulatory (CCR)) are cancelled during the trial period, and instead their decision reports are referred directly to a Council meeting and information reports to a new event – Council Activity Updates (refer below for details).

Alternative options to the cancellation of these two Committee meetings were investigated. These included "suspending" the Committees, or "discharging" them. Neither is being recommended, for the following reasons. First, the Local Government Act 2002 (the LGA) (clause 30(5)(a), Schedule 7) does not expressly permit "suspension" of any committee and Council has been advised not to take that action. Second, discharging the two Committees on 9 August (instead of leaving them in place until the automatic discharging of all committees that occurs immediately prior to any local elections) would require a revised Remuneration Determination to be developed and approved by the Remuneration Authority, because it would change the structure upon which the current and incoming Determinations are based. There is insufficient time to develop and have approved a revised Determination ahead of the Local Elections on 8 October 2022. Furthermore, discharging the CCR Committee from 9 August 2022 would also mean that the existing delegation to the Chair of the CCR Committee to sign submissions to various central government entities on Council's behalf would need to be rescinded and another resolved since the dissolution of the committee would render the chair's role equally null and void. Given that there are a number of submissions currently in progress and relying on that delegated authority for the Chair of the CCR Committee, this could potentially disrupt those processes until such time as another decision report could be written and approved at a full Council Meeting for a new delegation.

All other committees (internal or external), community boards, and entities which use Waitaki District Council Standing Orders to govern their meetings are to be excluded from the trial. This will keep the number of trial committees to a manageable level, but also ensures that the committees involved are those that previously met more frequently and for longer timeframes so that the impact of their removal from the meeting schedule during the trial will likely deliver the desired outcomes of less time for elected members to spend in meetings. The Committees and entities that will continue to operate outside of the trial will be discharged at the end of the triennium, on Friday 7 October 2022, as required under the Act. (This matter will be addressed in a separate decision report to the final Council meeting of the triennium, scheduled for Tuesday 4 October 2022.)

With meetings of the trial committees cancelled, the proposal is then to hold full Council Meetings each fortnight from 9 August throughout the trial period. Selwyn District Council has successfully adopted this model and has found it to streamline decision-making where it is accompanied by other key conditions. These are set out below and are also being proposed for the Waitaki trial:

- a) Council Meetings will only be for half a day (ie approximately four hours' each time)
- b) The Mayor's report and the Chief Executive's report will go to different Council Meetings
- c) A Performance, Audit and Risk Committee will be retained and will continue to meet monthly and separately to fortnightly Council Meetings
- d) Portfolios / Working Groups – these may be brought together (see also comments in the following paragraph) for short-term purposes (task and finish), eg for the District Plan, Representation Review, Strategy Development, and the like, and they will report back to Council meetings for any decisions.
- e) Partnership Groups around wellbeing – there will be increased elected member engagement in wellbeing partnership bodies as part of the Future for Local Government greater focus on wellbeing and the enabling role of councils (eg Economic Development Agency, Stronger Waitaki etc).

With respect to Portfolios / Working Groups in point (d) above, it will be necessary that these are formed on an informal basis only during the trial period, so that the remuneration structure in both the current and incoming Remuneration Authority Determinations are not compromised by any changes to roles and responsibilities that are reflected in them. Council already has some portfolios/working groups in place (eg communications portfolio, risk working group, economic development strategy governance group).

With regard to Partnership Groups around wellbeing in point (e) above, this is something that Council can also do informally.

For the reasons explained above, points (d) and (e) are not specifically discussed as part of the trial in this report.

In addition to the points discussed above, a further two elements from the Selwyn District Council model are also proposed for the trial at Waitaki:

f) **Councillor briefings (Selwyn title)**

Selwyn holds these monthly for around two hours (Waitaki currently holds these after each Council/Committee meeting session (usually fortnightly, for an hour at a time). Based on feedback from Selwyn District Council, they use Councillor briefings to provide an opportunity for invited staff to bring elected members up to date on things they are developing for consideration and vice versa; they are not public. Waitaki uses Councillor briefings for a different purpose.

g) **Workshops (Selwyn title)** (very rarely held at Selwyn). As noted above, Waitaki holds workshops more frequently, and predominantly for a similar purpose to Selwyn's "Councillor briefings".

For the Waitaki trial, some alternative options to how Selwyn approaches Councillor briefings and workshops were discussed at the elected member workshop. There was support for the following to be included in our trial instead:

f) **Council Activity Updates** – These events are proposed to be bi-monthly and will be where all group activity reports and any information-only updates which might previously have gone to a Committee meeting will now be directed. This will include the removal of Economic Development updates from the Executive Committee and the removal of Information Services Updates from the Performance, Audit and Risk Committee and the redirection of those reports to Council Activity Updates events.

All Council Activity Updates will be recorded and livestreamed in a similar way to how the public sessions of the Committee meetings were, but there will not be a report recommendation requiring a decision and they will not be minuted. Instead, they will provide a platform for discussion and questions and answers but without any decision-making functions. These "Updates" events may be broadened in future to allow other briefings or updates that need to be given to a wider public, stakeholder, or community group audience – for example, on some of the many government reform outcomes. Having the option to make these Update events interactive with the public or specific target groups was also mooted at the workshop (eg on the application of district plan changes). Given that such interactivity would require further discussion and organisation, it is not proposed that these Update events are made interactive for the duration of the trial. Instead, it could be something that the incoming Council considers after the elections.

g) Rather than use the Selwyn title of Councillor briefings as in (g) above, Waitaki's trial will hold a monthly, two-hour "**Councillor Workshop**" where discussions between elected members and officers will take place on matters that are being developed, and vice versa. These will not be open to the public, or formally minuted.

h) **Councillor briefings** – these will continue to be held as often as required.

The recommendation to shorten meeting or workshop days in the Council Chamber to no later than 3.00pm was a common elected member response in the review survey. If adopted for the trial, it will assist the future assessment of whether shorter days for elected members can be realistic. A 9.00am – 3.00pm timeframe for elected members to be engaged in the formal business of Council in meetings and workshops has the potential to attract a wider base of potential candidates to elected member positions in future elections because of its sympathetic alignment to some of life's other commitments (eg school timetables).

Changes to meetings schedules will need to be publicly notified on Council's website and in printed media in accordance with legislative requirements.

If the trial is approved to proceed, then a number of key steps (as listed below) will be taken to implement the trial decisions and ensure all arrangements and new processes are in place by the 9 August 2022 trial commencement date.

Next Steps

Committee Meetings during the trial period will be cancelled in elected member and officer diaries, in the Meeting Calendar, and on the website.

A revised Meetings Schedule will be developed and published to elected members, officers and on the website.

Meetings will be rescheduled and notified to elected members, officers, and the public in accordance with agreed trial parameters.

Revised documentation, governance timelines and processes, and instructions for report-writers will be developed and published; and additional training to officers will be provided as required during July.

SUMMARY OF OPTIONS CONSIDERED

Option 1 – To proceed with the trial as proposed (recommended)

Option 2 – To proceed with the trial with different conditions

Option 3 – To not proceed with the trial and instead continue with the existing committees' structure and approach to meetings, workshops, and briefings through to the end of the current triennium on Friday 7 October 2022

ASSESSMENT OF PREFERRED OPTION

Option 1 is the preferred option, as it reflects the recommendations of the review of governance processes and provides the opportunity for Council to trial alternative ways of conducting meetings, workshops, and activity updates so that they can be reflected upon by the incoming Council for consideration.

Option 2 could be considered by Council if it wanted to expand the scope of the trial to include other committees, or to change any of the trial conditions or arrangements as proposed.

Option 3 is not recommended as it will not achieve the outcomes requested by elected members as part of the review, to be able to attend fewer meetings and workshops, to have shorter days in the Council Chamber, and to trial a new approach in advance of the elections so that the experiences can be used to guide the future approach to meetings, workshops, and briefings by the incoming Council.

CONCLUSION

Elected members have expressed a desire to trial new governance arrangements for meetings, workshops, and briefings in order to assess alternative ways of working that better suit their priorities an available time. Advice has been sought and is reflected in the contents and recommendations proposed in this report as providing the simplest and most effective way to achieve the desired trial parameters within the confines of existing legislation and available time ahead of the Local Elections on 8 October 2022. The already scheduled break time in the existing Meetings Schedule (for the three weeks in July 2022) will be used to make the necessary changes to schedules, calendars, and governance processes in accordance with legislative requirements to ensure that the new arrangements can commence on the proposed start date for the trial of 9 August 2022.

ADDITIONAL DECISION-MAKING CONSIDERATIONS

Outcomes

We keep our district affordable

We enable opportunities for new and existing business

We provide and enable services and facilities, so people want to stay and move here

We understand the diverse needs of our community

Waitaki's distinctive environment is valued and protected

We maintain the safest community we can

Legal Considerations

Legal advice has been sought and provided, and has been reflected in the various components of the report's contents and officer recommendations.

Publicity and Community Considerations

Publicity for communicate the changes to Meeting Schedules and Council and Committee Meetings is recommended in advance of the trial commencement date, including on all of Council's social media channels as well as in the printed media and on Council's website.

7 MEMORANDUM REPORTS

7.1 MAYORS TASKFORCE FOR JOBS UPDATE

Author: Helen Algar QSM, Community Development Manager

Authoriser: Paul Hope, Finance and Corporate Development Group Manager

RECOMMENDATION

That Council receives and notes the information.

PURPOSE

To officially inform the Mayor and Councillors of what the Mayors Taskforce for Jobs (MTFJ) initiative has achieved over the last 12 months and the strategies used to achieve outcomes.

BACKGROUND

The Mayors Taskforce for Jobs (MTFJ) is a nationwide network of New Zealand's Mayors, working together towards the vision of all young people under 25 being engaged in appropriate education, training, work, or other positive activity in their communities.

Waitaki joined the initiative in March 2021 and became a full member of the network in July 2021. Being a full member meant Waitaki had contracts for delivery of outcomes through two tranches of funding over the 12 months from 1 July 2021 to 30 June 2022.

As a mechanism to fully utilise existing local relationships and expertise, and as a way of ensuring agreed outcomes were met, a memorandum of understanding with Workbridge was entered into, along with the appointment of a locally-based pastoral care team with experience in education and youth development. Overall project management and oversight is provided by the Community Development Manager. This configuration has worked well, with contract outcomes exceeded and a high rate of recruitment and retention of young people seeking employment. The initiative has been welcomed by employers, with no shortage of willing employers providing opportunities. Some employers have engaged multiple MTFJ candidates.

WHY WAS IT IMPORTANT TO PARTICIPATE?

Waitaki had a NEET rate of 15.6% in 2020 (up from 2019: 14.5%) for the 15-24 age group compared to 11.9% nationally (Source: Infometrics). We also had the second highest benefit recipients among 18-24-year-olds in Otago of 214 (Source: MSD September 2020).

There was an increasing level of mental health and deprivation within our youth population. The total of excluded and disadvantaged young people in Waitaki in the 12-25 age group, increased 3% from 22% in 2018, to 25% in 2020 (Source: Vodafone Foundation NZ Thriving Rangatahi Population Explorer).

It is also known through research that it can take up to 13 months of pastoral support for a NEET to achieve sustainable employment. At that time, there was no mechanism for us to provide that support.

THE APPROACH

The approach used was an individualised wrap around approach.

A young person would be referred to MTFJ, then they were met and interviewed by someone from the team.

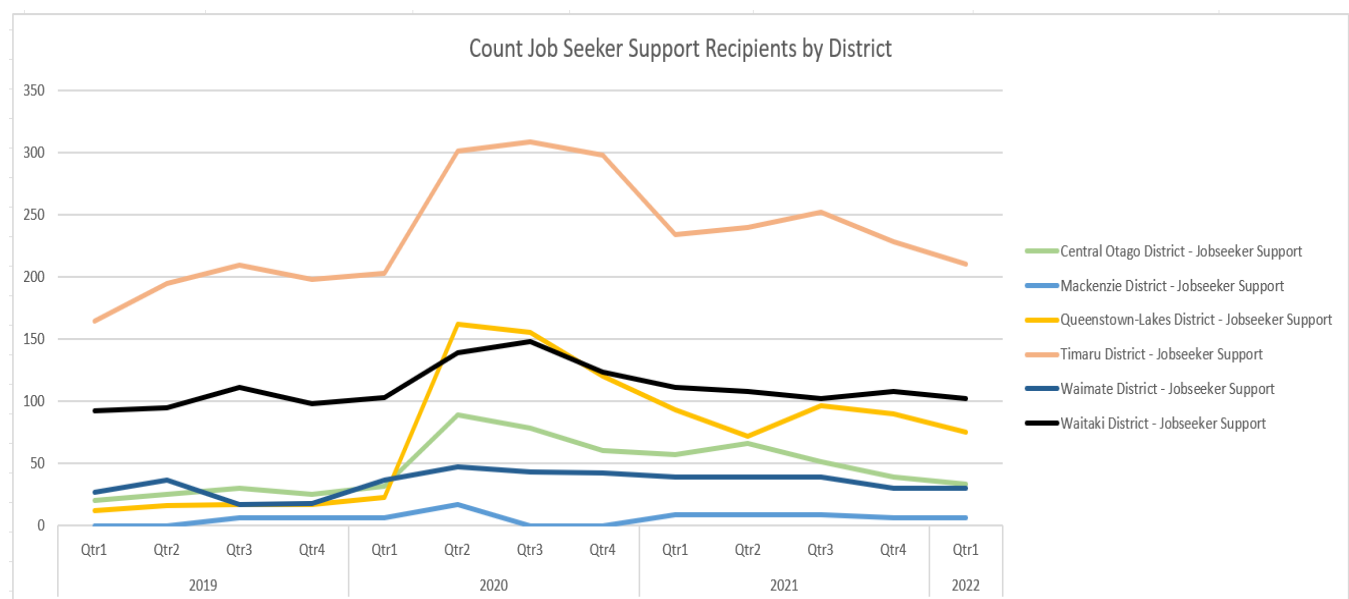
From that interview, an individualised plan for each young person was created. This plan included pastoral support so any impacting issues were noted, and support was provided.

Young people were matched to suitable jobs with no one size fits all approach. There is a wide range of industries that young people have been placed in.

Ongoing pastoral support has been catered to the individual with some requiring more than others to ensure that the young person and the employer have enough support to enable continued and beneficial employment.

OUTCOMES

Over a period of 15 months, 70 young people have been successfully placed into employment. There are 46 employers actively participating in the initiative covering 25 different industries including hospitality, farming, education, food, retail, roading, agriculture, engineering, vehicle maintenance, stables, building, butchery, manufacturing, processing, aluminum joinery, brick-laying, refrigeration, electrical, dentistry, product supplies, cheese-making, administration, and plastering. This has resulted in 38 young people in full time employment, 24 apprenticeships, and eight (8) in part-time employment.



The graph is showing the count of Job Seeker support.

The line shows Waitaki district had a better outcome than most, fewer spikes, a smooth transition to pre-COVID, and it looks likely to keep trending down.

It is our view that the MTFJ initiative has contributed to this downward trend.

8 RESOLUTION TO EXCLUDE THE PUBLIC

RECOMMENDATION

That the public be excluded from the following parts of the proceedings of this meeting.

The general subject matter 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 of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
9.1 - Public Excluded Minutes of the Council Meeting held on 29 March 2022	s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	s48(1)(a)(i) - 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 would exist under section 6 or section 7
9.2 - Public Excluded Minutes of the Council Meeting held on 10 May 2022	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	s48(1)(a)(i) - 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 would exist under section 6 or section 7
9.3 - Public Excluded Minutes of the Additional Council Meeting held on 7 June 2022	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	s48(1)(a)(i) - 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 would exist under section 6 or section 7

9 PUBLIC EXCLUDED SECTION

10 RESOLUTION TO RETURN TO THE PUBLIC MEETING

RECOMMENDATION

That Council resumes in open meeting and decisions made in public excluded session are confirmed and made public as and when required and considered.

11 RELEASE OF PUBLIC EXCLUDED INFORMATION

In accordance with Waitaki District Council Standing Orders, and pursuant to resolutions in the public excluded session of the meeting, any previously public excluded information that Council decides to release will be included under this agenda item in the Public Minutes of this meeting.

12 MEETING CLOSE