

AGENDA

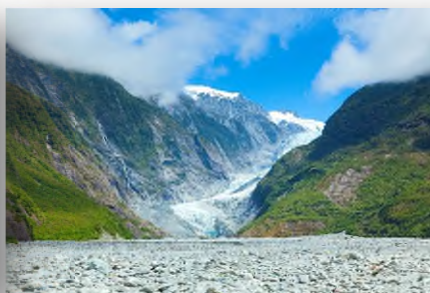
RĀRANGI TAKE

NOTICE OF AN ORDINARY MEETING OF

COUNCIL

to be held on **23 February 2023** commencing at **1.00 pm** held at the Council Chambers, 36 Weld Street, Hokitika and via Zoom

Chairperson	Her Worship the Mayor
Deputy	Cr Gillett
Northern Ward Members:	Cr Neale, Cr Burden, Northern Ward Councillor
Hokitika Ward Members:	Cr Baird, Cr Davidson
Southern Ward Members:	Cr Cassin, Cr Manera
Iwi Representatives:	Kw Madgwick, Kw Tumahai



In accordance with clause 25B of Schedule 7 of the Local Government Act 2002, members may attend the meeting by audio or audio-visual link.

Council Vision

We work with the people of Westland to grow and protect our communities, our economy, and our unique natural environment.

Purpose

The Council is required to give effect to the purpose of local government as prescribed by section 10 of the Local Government Act 2002. That purpose is:

- (a) To enable democratic local decision-making and action by, and on behalf of, communities; and
- (b) To promote the social, economic, environmental, and cultural well-being of communities in the present and for the future.

1. MAKING AND ATTESTATION OF DECLARATION OF A MEMBER

Pages 6-10

2. KARAKIA TĪMATANGA OPENING KARAKIA

<i>Kia hora te marino Kia whakapapa pounamu te moana Hei hurahai mā tātou I te rangi nei Aroha atu, aroha mai Tātou i a tātou katoa Hui e! Tāiki e!</i>	<i>May peace be widespread May the sea be like greenstone A pathway for us all this day Give love, received love Let us show respect for each other Bind us all together!</i>
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3. NGĀ WHAKAPAAHA APOLOGIES

4. WHAKAPUAKITANGA WHAIPĀNGA DECLARATIONS OF INTEREST

Members need to stand aside from decision-making when a conflict arises between their role as a Member of the Council and any private or other external interest they might have. This note is provided as a reminder to Members to review the matters on the agenda and assess and identify where they may have a pecuniary or other conflict of interest, or where there may be a perception of a conflict of interest.

If a member feels they do have a conflict of interest, they should publicly declare that at the start of the meeting or of the relevant item of business and refrain from participating in the discussion or voting on that item. If a member thinks they may have a conflict of interest, they can seek advice from the Chief Executive or the Group Manager: Corporate Services (preferably before the meeting). It is noted that while members can seek advice the final decision as to whether a conflict exists rests with the member.

5. NGĀ TAKE WHAWHATI TATA KĀORE I TE RĀRANGI TAKE URGENT ITEMS NOT ON THE AGENDA

Section 46A of the Local Government Official Information and Meetings Act 1987 states:

- (7) An item that is not on the agenda for a meeting may be dealt with at the meeting if –
 - (a) the local authority by resolution so decides, and
 - (b) the presiding member explains at the meeting at a time when it is open to the public, -

- (i) the reason why the item is not on the agenda; and
 - (ii) the reason why the discussion of the item cannot be delayed until a subsequent meeting.
- (7A) Where an item is not on the agenda for a meeting, -
- (a) that item may be discussed at the meeting if –
 - (i) that item is a minor matter relating to the general business of the local authority; and
 - (ii) the presiding member explains at the beginning of the meeting, at a time when it is open to the public, that the item will be discussed at the meeting; but
 - (b) No resolution, decision, or recommendation may be made in respect of that item except to refer that item to a subsequent meeting of the local authority for further discussion.

6. NGĀ MENETI O TE HUI KAUNIHERA MINUTES OF MEETINGS

Minutes circulated separately via Microsoft Teams:

- **Ordinary Council Meeting Minutes – 8 December 2022** Pages 11-23
- **Extraordinary Council Meeting Minutes – 15 December 2022**

Pages 24-26

COMMITTEE MINUTES TO BE RECEIVED:

- **Hokitika Wastewater Treatment Plant Oversight Sub-Committee Minutes - 14 December 2022**

Pages 27-30

7. ACTION LIST

Chief Executive, Simon Bastion

Page 31

8. NGĀ TĀPAETANGA PRESENTATIONS

- **Okarito Dark Sky Community**
Tash Goodwin, and Pam Birmingham
- **Westland Holdings Ltd:**
Statement of Intent and Westland Holdings Financial Results to 31 December 2022
Directors: Joanne Conroy, Chris Gourley and Chris Rea

Pages 32-53

***** The financial information relating to Westland Holdings Ltd Financial Results to 31 December 2022 was not available at the time the agenda was prepared, and will be circulated separately once the information becomes available*****

- **Hokitika Wastewater Upgrade Project - Update**
Senior Civil Engineer, John Strange, Stantec

9. PŪRONGO KAIMAHI STAFF REPORTS

- **Financial Performance – January 2023** Pages 54-73
Finance Manager, Lynley Truman
- **Westland Creative Community Committee** Pages 74-97
Chief Executive, Simon Bastion
- **Nomination of Resource Management Act (RMA) Commissioner to Represent Westland District** - Chief Executive, Simon Bastion Pages 98-105

- **Triennial West Coast Agreement (4 Local Authorities)** Pages 106-112
Chief Executive, Simon Bastion
- **Council Controlled Organisations (CCO) Review** Pages 113-121
Group Manager, Corporate Services and Risk and Assurance, Lesley Crichton

10. KA MATATAPU TE WHAKATAUNGA I TE TŪMATANUI RESOLUTION TO GO INTO PUBLIC EXCLUDED

(to consider and adopt confidential items)

Resolutions to exclude the public: Section 48, Local Government Official Information and Meetings Act 1987. The general subject of the matters to be considered while the public are excluded, the reason for passing this resolution in relation to each matter and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of the resolution are as follows:

Item No.	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
1.	Confidential Council Minutes – 8 December 2022	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)
2.	Confidential Risk Report	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)
3.	Haast Jackson Bay Road Pavement Rehabilitation – WDC Contract 22-23-10 – Tender Approval	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)

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

Item No.	Interest
1	Protect the privacy of natural persons, including that of deceased natural persons (Schedule (7)(2)(a))
1, 2, 3	Protect information where the making available of the information: (i) would disclose a trade secret; and (ii) would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information (Schedule 7(2)(b)).
1, 2, 3	Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) (Schedule 7(2)(i))
3	Prevent the disclosure or use of official information for improper gain or improper advantage (Schedule 7(2)(j))

**DATE OF NEXT ORDINARY COUNCIL MEETING – 23 MARCH 2023
COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA AND VIA ZOOM**

Report to Council



DATE: 23 February 2023
TO: Mayor and Councillors
FROM: Chief Executive

MAKING AND ATTESTING TO THE DECLARATION OF MEMBER

1. Summary

- 1.1. The purpose of this report is to describe the process for receiving the declaration of a member representing the Northern Ward.
- 1.2. The Inaugural Council meeting after the 2022 elections was held on 27 October 2022. Subsequently, a Councillor-Elect from the Northern Ward resigned which resulted in a by-election being required for the district. It is expected that the results of that by-election will be known by the time of the Ordinary Council meeting on 23 February 2023.
- 1.3. Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by the Council in June 2021, which are set out in the Long-Term Plan 2021 - 31. Refer page 1 of the agenda.
- 1.4. This report concludes by recommending that report be received and that the elected member for the Northern Ward publicly makes their declaration in **Appendix 1**.

2. Background

- 2.1 A by-election was required to fill an extraordinary vacancy for the Northern Ward of the Westland District Council arising from the resignation of a Councillor-elect.
- 2.1. It is expected that the results of the by-election held for Westland District Council will be known by the time of the Ordinary Council meeting on 23 February 2023 and the member will be required to take their declaration.
- 2.2. Schedule 7, Part 1, Clause 14 of the Local Government Act states:

Declaration by member

- (1) A person may not act as a member of a local authority until—
 - (a) that person has at a meeting of the local authority following the election of that person, made an oral declaration in the form set out in subclause (3); and
 - (b) a written version of the declaration has been attested as provided under subclause (2).
- (2) The written declaration must be signed by the member and witnessed by—
 - (a) the chairperson; or

- (b) the mayor; or
- (c) a member of the local authority; or
- (d) the chief executive of the local authority; or
- (e) in the absence of the chief executive, some other officer appointed by the chief executive.

(3) The form of the declaration must consist of the following elements:

Declaration by mayor or chairperson or member

“I, AB, declare that I will faithfully and impartially, and according to the best of my skill and judgment, execute and perform, in the best interests of [*region or district*], the powers, authorities, and duties vested in, or imposed upon, me as [*mayor or chairperson or member*] of the [*local authority*] by virtue of the Local Government Act 2002, the [Local Government Official Information and Meetings Act 1987](#), or any other Act

Dated at: [*place, date*]

Signature:

Signed in the presence of:

CD, [*mayor or chairperson or member or chief executive of local authority*]”.

3. Current Situation

- 3.1. The current situation is that the declaration must be witnessed by the Mayor and Chief Executive made by the elected member to enable them to carry out their duties under the Act.
- 3.2. The elected member may make their declaration in English, Te Reo Māori in **Appendix 2**, or New Zealand Sign Language.

4. Options

- 4.1. Option 1: To receive the report Making and Attesting Declaration of a member.
- 4.2. Option 2: To not receive the report Making and Attesting Declaration of a member.

5. Risk Analysis

- 5.1. Risk has been considered and identified as follows:
 - Reputational – The role of an elected member is one of high trust. If an elected member does not take the declaration, they risk losing the trust of the community.
 - Legal – To fulfil the statutory duties as an elected member of the Council, each member must make the Declaration.

6. Health and Safety

- 6.1. Health and Safety has been considered and no items have been identified.

7. Significance and Engagement

- 7.1. The level of significance has been assessed as being low as the report is administrative in nature.

7.1.1 No public consultation is considered necessary.

8. Assessment of Options (including Financial Considerations)

8.1. Option 1 – To receive the report Making and Attesting Declaration of a member to enable the member to comply with their statutory requirements and enable them to act as a member of Westland District Council.

8.1.1. There are no financial implications to this option.

8.2 Option 2 – To not receive the report Making and Attesting Declaration of a member. Failure to receive this report would result in the elected member not complying with the statutory requirements.

8.2.1 There are no financial implications to this option.

9. Preferred Option(s) and Reasons

9.1. The preferred option is Option 1 to receive the report.

9.2. The reason that Option 1 has been identified as the preferred option is that this will enable the elected member to meet their legislative requirements at the meeting as they may not act as a member of a local authority until the declarations have been completed.

10. Recommendation

10.1. That the report be received.

10.2. That the elected member publicly makes their declaration.

Simon Bastion
Chief Executive

Appendix 1: Declaration by Member

Appendix 2: Declaration in Te Reo Maori



Local Government Act Schedule 7 Part 1 Section 14 (3)

Declaration By Councillor

I, xxxxx declare that I will faithfully and impartially, and according to the best of my skill and judgement, execute and perform, in the best interests of the Westland District, the powers, authorities, and duties vested in, or imposed upon, me as Councillor, of the Westland District Council, by virtue of the Local Government Act 2002, the Local Government Official Information and Meetings Act 1987, and any other Act.

Dated at Hokitika this 23 day of February 2023.

Signature:

Signed in the presence of:

Mayor Helen Lash

Signed in the presence of:

Simon Bastion, Chief Executive



Local Government Act Schedule 7 Part 1 Section 14 (3)

Declaration by Councillor

Ko ahau, ko _____, e oati ana ka whai ahau i te pono me te tōkeke, i runga hoki i te mutunga kē mai nei o āku pūkenga, o āku whakatau hoki kia whakatutuki, kia mahi anō hoki i te mana whakahaere, te mana whakatau me ngā momo mahi kua uhia ki runga i a au kia whiwhi painga mō te takiwā o Te Westland District hei kaikaunihera o te Kaunihera-a-rohe o Te Westland District Council, e ai hoki ki te Ture Kāwanatanga-ā-Taiao 2002, ki te Ture Kāwanatanga-ā-Taiao Whakapae me te Hui 1987, me ētahi Ture anō rānei.

He mea whakaū tēnei i Te Hokitika i tēnei rā rua whitu mā rua o Whiringa-ā-nuku i te tau rua mano tekau mā toru.

Waitohu: _____

Waitohu mai ki mua i a: _____

Waitohu mai ki mua i a: _____

ORDINARY COUNCIL MINUTES

MINUTES OF THE ORDINARY COUNCIL MEETING OF WESTLAND DISTRICT COUNCIL HELD IN THE COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA AND VIA ZOOM ON THURSDAY 8 DECEMBER 2022, COMMENCING AT 11:00 AM

The Council Meeting was live streamed to the Westland District Council YouTube Channel and presentations are made available on the council website.

1. KARAKIA TĪMATANGA OPENING KARAKIA

The opening Karakia was read by Cr Cassin

2. MEMBERS PRESENT AND APOLOGIES

Chairperson	Her Worship the Mayor	
Members	Cr Gillett (Deputy)	
	Cr Neale	Cr Burden
	Cr Baird	Cr Davidson
	Cr Cassin	Cr Manera
	Kw Tumahai (via zoom)	Kw Madgwick

NGĀ WHAKAPAAHA APOLOGIES

STAFF PRESENT

S.R. Bastion, Chief Executive; T. Cook, Planning, Regulatory & Community Services Manager; L. Crichton, Group Manager: Corporate Services; S. Baxendale, Group Manager District Assets; D. Maitland; Executive Assistant, E. Rae, Strategy and Communications Advisor; S. Johnston; Governance Administrator.

3. WHAKAPUAKITANGA WHAIPĀNGA DECLARATIONS OF INTEREST

The Interest Register had been circulated via Microsoft Teams and available on the Council table. There were no changes to the Interest Register noted.

4. NGĀ TAKE WHAWHATI TATA KĀORE I TE RĀRANGI TAKE URGENT ITEMS NOT ON THE AGENDA

There were no urgent items of business not on the Council Agenda.

5. NGĀ MENETI O TE HUI KAUNIHERA MINUTES OF MEETINGS

The Minutes of the previous Meeting were circulated separately via Microsoft Teams.

- **Ordinary Council Meeting Minutes – Thursday 24 November 2022**

Moved Deputy Mayor Gillett, seconded Cr Burden and **Resolved** that the Minutes of the Ordinary Council Meeting held on the 24 November 2022 be confirmed as a true and correct record of the meeting.

The Chair **Approved** that their digital signature be added to the confirmed Council Meeting Minutes of 24 November 2022.

The following items were taken out of order to the agenda:

7. **NGĀ TĀPAETANGA PRESENTATIONS**

- **Hokitika Lions Club Awards Presentations**

Her Worship the Mayor and Cr Burden presented the following awards to recipients:

Young Achiever Awards

The Percy Atkinson Trophy for Sporting Achievement	Marty Rochford
The Ron Wieblitz Trophy in Arts and Culture	Bless Groome
The Brian McCarthy Trophy for Community Involvement	Liam Bell
The George Groufsky Presidential Trophy	Jack Matthews
The Westpac Trophy – Overall Winner	Scott Matthews

Civic Awards

Local Hero	Bruce Hackett
Community Group / Organisation of the Year	Their Voice
Senior Westlander of the Year (Over 60)	Athol Olson
Westlander of the Year	Charles Nightingale

- **Okarito Community – Dark Sky Reserve**

The Mayor advised that this presentation has now been deferred to the February 2023 Council Meeting

- **Heritage New Zealand – Hokitika Government Building, Seddon House Presentation**

Chief Executive, Heritage NZ, Andrew Coleman spoke to this presentation, and gave an overview of where the project is at.

- **Background, Vision & Objectives**

- Sensitively upgrade and seismically strengthen
- Project has been underway for approximately 2 years

- **Project Plan Timing**

- October 2022-end 2025

- **Completed Project Tasks**

- Steering Group set up – working group level
- Project Governance Group established (chaired by CE, Andrew Coleman)

- At concept design phase at the moment
- Set up Temporary Works Plan
- Preliminary Design & QS – looking at options
- **Current Project Tasks**
 - Temporary works completion - February 2023
 - Cultural Narrative – March 2023
 - Conservation Report – watch the buildings history, construction, and future look
 - Enabling Works & Mitigation – will be completed by June 2023. This should water-tight the building and mitigate any hazards.
 - RFP Project Construction Works – in the market for this now, to get to detailed design quicker.
- **Current Concept Design Funding Position**
 - The figure \$22m is based on concept design – not detail design (\$33.5m)
 - Sets up 4 phases of project:
 1. Enabling works
 2. Lock up - Strengthen & Watertight & Critical Services Infrastructure
 3. Services, Finishes, landscaping
 4. Fitout – base build fit out and tenant fit out
 - There are a number of options to close the gap between concept design figure of \$22 million and the complete detailed design of \$33.5 million
- **HGB Health & Safety Briefing**
 - Went through the Health & Safety status of the building
 - Approved access to the site for Councillors to have a walk through

Moved Cr Davidson seconded Cr Baird and **Resolved** that the presentation from the Chief Executive, Andrew Coleman from Heritage New Zealand be received.

Late apology received for meeting:

Kw Tumahai advised that he is unable to join the meeting until later, so has put an apology in for lateness.

Moved Cr Davidson, seconded Cr Burden and resolved that the apology for lateness be received from Kw Tumahai who will join the meeting later.

Council adjourned for lunch at 12:08pm and reconvened the meeting at 12.26pm

- **Our Story – Te Tai Poutini / West Coast / Te Papa Atawhai; Department of Conservation**
Operations Manager, Owen Kilgour and Business Improvement Manager, Karen Jury spoke to this presentation.
- **Introductions**
 - Karen Jury – Business Improvement Manager – Works Regionally
 - Owen Kilgour – Operations Manager in the Hokitika District
- **Session purpose**
 - Affirm relationship with Council
 - Refresh Council by sharing Department of Conservations vision
- **The Western South Island Story – Papatūānuku Thrives!**
- **Our Responsibilities**
- **MOC Priorities**

- **Our Treaty Partnership**
- **Current Partnership Projects**
- **Central and Local Government – Working together**
 - West Coast Wilderness Trail
 - Wadeson Island
 - Hokitika Gorge

The Chief Executive advised that there was an Engineering report done on the Hokitika Gorge Swing Bridge which highlights some deficiencies and therefore Council need to ensure the integrity of swing bridge is still sound. Council is working with Owen Kilgour and team regarding load testing. Potentially the bridge may fail the test – which means it will close indefinitely. Long-term replacement of that bridge is still being looked into

- Kapitia Scientific Reserve
- Emergency Management – supporting Emergency Operating Centres
- Recreational Access
- **Conservation Board**
 - Importance of Department of Conservation’s structure and are independent bodies that empower local communities and iwi to contribute to the management of conservation.
- **Identify how Ecosystems and Species are thriving**
- **Biodiversity Initiatives**
- **Predator Management**
- **Ungulate Management**
- **Plant pests**
- **Freshwater / Marine**
- **Identify how Department of Conservation strives to enrichen people’s lives**
- **Economic, social, and cultural benefits from activity on PCL (Public Conservation Lands)**
- **Heritage and Visitor assets**
- **Jobs for Nature**

Moved Deputy Mayor Gillett seconded Cr Neale and **Resolved** that the presentation from Owen Kilgour and Karen Jury from Department of Conservation be received.

6. ACTION LIST

The Chief Executive, Simon Bastion spoke to the Action List and provided the following updates:

- **Speed Limit Register Review:**
 - The Transportation Manager will summarise this in a presentation to Council later in the meeting.
- **Pakiwaitara Building / Council Building Business Case:**
 - In a business case development stage
 - Council have contracted O’Connor Partners for a review of all 3 facilities
 - Current Council building is an earthquake compromised building
 - Hoping to have this piece of work completed by late February 2023
 - Workshop with Council regarding this business case prior to March Council meeting
- **Racecourse Development Submission:**
 - Successful in \$3.5 million funding

- Started some work with Joseph & Associates Re: Roadmap forward for Council. No physical work to start in this space until workshops start with Council along with a clear 'roadmap' forward. Hope to have this completed by end of January 2023 to come to the February Council meeting.

The Chief Executive advised that the brief for engagement with Joseph and Associates was to look at the buildings in totality in terms of their use, and the ongoing cost commitment – re leases or maintenance costs, and anything around those buildings that may impact – i.e.: parking etc, as well as looking at disposal options and financial implications. The previous Council put everything on hold until the new Council was formed to seek a new direction, which is why Council has engaged Joseph and Associates to pull together a new Business Case for Council.

Funding is approved on condition that Council commits to some infrastructure – so the project is to build roading, footpaths, stormwater upgrades, and to build 30 pensioner housing and 25 affordable houses. Nothing is committed until the full business case is reviewed by Council. There are out-clauses if the project is not commercially viable. The manager who is overseeing all of the developments in New Zealand will be speaking to Council – and he can explain in terms of what it means for our project.

Kw Madgwick asked if the out-clauses can be viewed.

The Mayor summarised the discussion saying that Councillors had overall concerns, with a vast array of questions, as well as the lack of background information on how the situation came about, which brings about concerns moving forward in decision making. Also, we are entering in a complex financial environment with a potential recession, which will impact this project moving forward.

Moved Cr Davidson, seconded Cr Baird and **Resolved** that the updated Action List from the Chief Executive be received.

- **Recreation, Sports, and Leisure Canterbury (RSL) – Hokitika Sports and Recreations Facilities**

Senior Consultant, Kevin Collier from Recreation, Sports, and Leisure Canterbury (RSL) joined the meeting via zoom to review the draft Hokitika Sports and Recreations Facilities plan that had been circulated to the Councillors.

Councillors introduced themselves to Kevin Collier.

Kevin advised that RSL were engaged by Council to undertake a review of sport and recreation facility needs for the Hokitika area. The brief was around sport recreation facilities around the Hokitika and immediate surrounds, around the Cass Sq. and Racecourse potential opportunities.

Regarding RSLs process:

- Met with previous Council who gave the brief
- Identified key documents
- Surveyed sports organisations
- Held a forum in June 2022 with sports organisations to get feedback and followed up one on one with those organisations if needed
- Presented a draft report and received feedback on that report
- Then presented a final report from RSL's perspective
- Currently it is in front of Council for your consideration and to answer any questions Council may have.

Questions	Answers
Page 10 – operational issues & feedback received – it would be helpful to know what those issues were?	Operational issues came through forums and surveys, and happy to collate a succinct summary of the issues and send them through.
No AMP needs were mentioned in this report – are they not part of recreation?	It was not part of the brief.
Consultation on the draft report was undertaken by the steering group, when did this take place?	There were 2 stages that took place – the consultation took place with the groups up front, then the steering group consulted on that and created a draft report. Some were regional bodies, others local clubs or individuals. The scope was Hokitika, but organisations spoken to were far wider.
This plan came about from the Cass Sq. issue, and one option was to have an area developed at the racecourse to leave Cass Sq. as the premium sports field. This report is clear the rugby clubs don't want to move.	With the upgrade of the school turf grounds and existing provision of sports ground, Hokitika is probably well served for sports grounds in the community, assuming the community can get good access to those school grounds. Interestingly, traditional sports are some cases declining in popularity and are being replaced with other active recreation, individual, less structure sports that are taking off and will become more popular in the future. That was the theme if we were looking at developing some of the racecourse for recreational activities – it would've been better than traditional rectangular sports fields sports.
Was consultation had with Development West Coast on this?	Yes absolutely.
Who owns the old tennis club facilities?	The tennis club own that piece of land.

Moved Deputy Mayor Gillett seconded Cr Burden and **Resolved** that the Hokitika Sports and Recreation Facilities plan from Kevin Collier of Recreation, Sport and Leisure Canterbury be received.

- **Westland District Council Transportation Update – December 2022**

Transportation Manager, Karl Jackson spoke to this presentation.

- **Update Topics Covered:**

- **2022 Speed Limit Survey**

- August 2022 survey received 46 responses

- **Works Currently Underway**

- Cauldron Creek Bridge Replacement
 - Resealing of Carriageways
 - Davie Street heavy maintenance prior to reseal
 - Identification of reseal areas for 2023-2024
 - Footpath renewals & maintenance programme
 - Bridge inspection programme being developed
 - 2022 Transport Survey

- **Projects Being Scoped and Prepared for Tender**

- Haast Jackson Bay Road Pavement Rehab (est. \$6550k)

- Waitaha Road Localised Widening (est. \$100k)
- Haast Jackson Bay Road Resilience Improvements (est. \$2m)
- **Recently Awarded Contracts**
 - West Coast Councils Bridge & Structure Asset Management Contract
 - West Coast Councils Regional Asset Management Services Contract
- **Works Being Investigated / Designed**
 - Haast Jackson Bay Resilience Improvements
 - Speed Limits around schools
 - 2023/2024 Reseal Programme
 - Swing gates for repeated flood related road closures on various part of the network
- **Recent / Ongoing Challenges**
 - Waitangitahuna River Erosion
 - River aggradation on McColloch's Creek and Snake Creek
 - Bridge failure on Rotokino Road

Cr Burden asked if the Footpath Program of Works could be made available to Councillors. The Transportation Manager advised that this would be circulated to Councillors.

The Mayor advised that there are residents and bach owners at Lake Kaniere who are keen to have speed bumps installed on the road at the Lake to manage speeding cars and protect pedestrians and that they are also keen to contribute to that as a community.

The Transportation Manager advised he would be in contact with the Mayor regarding this.

Kw Francois joined the meeting at 2:13pm

Moved Cr Neale seconded Cr Baird and **Resolved** that the Transportation update – December 2022 presentation from the Transportation Manager at Westland District Council be received.

Council adjourned for a 10-minute break at 2.25pm and reconvened at 2.35pm

8. PŪRONGO KAIMAHI STAFF REPORTS

- **Chief Executives' Report**

Chief Executive, Simon Bastion spoke to this report and advised the purpose of this report is to provide an update on all the aspects that are happening in the Westland District, and update Council on any matters of significance and priority.

Key activities:

- **3 Waters Reform Continuing on:**
 - Entrenchment clause has been withdrawn
 - National Transition Unit (Group Manager, District Assets Scott Baxendale spoke to this)
 - NTU Governance stream. along with Iwi selects the future interim board.
 - Time and effort going into this from Council is a lot
 - Logistically challenging
 - Significant piece of work that is cutting into staff time considerably – particularly District Assets and Finances
 - Kw Tumahai advised that the 3rd reading has gone through Parliament today.
 - Been advised to still run LTP process even with legislation changes

- **Hokitika Waste Water Treatment Plant Project Oversight Committee:**
 - This project is continuing on. Stantec will be providing an update next week at the first meeting with the new Sub-Committee.
Kw Madgwick asked if the Council could have a committee report back about the specifics of what is being looked at with potential sites.
The Chief Executive advised that this will be an outcome of the committee meeting next week.
- **Fox Glacier Water Treatment Plant:**
 - The project has been taking a long time
 - Partial Funding from Tourism Infrastructure Fund
 - Struggling to get commitment from contractor to get the project completed – more likely to be Sept/October 2024
 - Supply chain issues
- **Hokitika Swimming Pool Project:**
 - Initial funding has come through to complete stage 2 and 2.5
 - Working with stake holders - especially Destination Westland in terms of timing.
 - Hoping to complete all intrusive work this winter and make pool available after winter next year for the usual activities.
- **Carnegie Building:**
 - Highlighted the delay that's occurred regarding plastering on the exterior with the contractor due to delays and covid and the contractor has now left the country. A local contractor can finish this work in late January 2024.
- **Emergency Operations Centre:**
 - Jo Patterson from Westland District Council is leading this work
 - Contacting various parties to see if co-share or co investment is an option and how we can move forward to build this facility. A business case will come to Council to look at this.
 - A report from Peter Bodeker (Bodeker Consultancy) who did a full review on the Westcoast as to the best location for an EOC to be placed can be circulated to Councillors.
- **Finance**
 - The annual audit report is still causing delays due to Covid in the Audit Team.
 - Potentially an Extraordinary Council meeting next year to adopt the annual report.
- **Information Technology:**
 - Council have been doing testing re: malware and infiltration.
 - Councillors are requested to complete the mandatory SMISHING / PHISHING training.

Moved Cr Davidson seconded Cr Baird and **Resolved** that:

1. The Quarterly Report from the Chief Executive dated 8th December 2022, be received.

- **Delegations Manual**

Chief Executive, Simon Bastion spoke to this report and advised the purpose of this report is to request Council approval for updates to the Delegations Manual since it was last approved by Council on 28 November 2019.

Moved Cr Neale seconded Cr Baird and **Resolved** that:

1. The report be received.
2. Council adopt the amended Delegations Manual and publish it on the Council’s website www.westlanddc.govt.nz.

- **Local Government Statement**

Chief Executive, Simon Bastion spoke to this report and advised the purpose of this report is to provide an update on Council’s Local Governance Statement.

Moved Deputy Mayor Gillett seconded Cr Baird and **Resolved** that:

1. That the report be received.
2. That Council adopts the amended Local Governance Statement and publishes it on Council’s website www.westlanddc.govt.nz.

9. ADMINISTRATIVE RESOLUTION

Moved Cr Cassin seconded Cr Burden and **Resolved** that Council confirm its Seal being affixed to the following document:

- **Leon Hume – Building Control Manager**

Aspect	Delegation	Parameters
Building Act,2004	Generally, all of Council’s powers, duties, and functions per the Act	The following are specifically excluded: - The transfer of functions, powers, and duties pursuant to S. 233 - The fixing of fees or charges pursuant to S. 219
	Pursuant to sections 33 - 39 all powers in respect of Project Information Memoranda including but not limited to: <ul style="list-style-type: none"> • Determining the adequacy of information received and require further information • Issuing PIMs (s34) • Determining if errors have been made and reissue PIMs (s34(4)) • Deciding what information should be included in the PIM (s35) • Attaching a development contribution notice if applicable or to impose charges per the Council’s current Schedule of Fees (s36) • Determining if the project requires a resource consent and attach a resource consent certificate to the PIM (s37) • Determining if a copy of the PIM should be supplied to a network utility operator (s38) • Determining whether the application affects a registered historic place, historic area, wahi tapu or wahi tapu area and notify the application to the Historic Places Trust as required (s39) 	

Aspect	Delegation	Parameters
	<p>Pursuant to sections 45, 46, 48, 49, 50, 51, 52, 53, 54, 67, 71-73, 74, 75, 77 and 83, all powers in respect of building consents including, but not limited to:</p> <ul style="list-style-type: none"> • Determining the information which the Building Consent Authority requires as part of a building consent application (s45) • Determining if a copy of the application is to be supplied to the NZ Fire Service (s46) • Processing the consent application, including determining the adequacy of information provided; requiring further information; determining if any warning of ban applies to any building method proposed; assessing the application against the NZ Building Code; determining whether or not to accept a producer statement as establishing compliance with any aspect of the NZ Building Code (s48) • Determining if the provisions of the Building Code would be met if the building work is completed in accordance with the consent application and grant the building consent (s49) • Determining whether to refuse any building consent and give written notice of the refusal and reasons for the refusal (s50) • Issuing building consents (s51) • Determining applications for extension of time to commence building work (s52) • Advising applicants of the amount of levy for a building consent and collect the levy on behalf of the Chief Executive of the Department of Building and Housing f(ss 53-54) • Determining whether a consent is granted subject to a waiver or modification of the NZ Building Code and impose any conditions considered appropriate (s67) • Determining all matters relating to the grant or refusal of a building consent for the construction of a building or for major alterations to a building on land subject to natural hazards, including granting any waiver or modification of the Building Code in respect of the hazard concerned; imposing any conditions considered appropriate and notifying the appropriate authority (ss71-73) • Determining if any entry on a certificate of title relating to the land being subject to a natural hazard is no longer required (s74) • Determining if a building consent involves building work covering two or more allotments and set appropriate conditions, including not issuing the building consent until those conditions have been met (ss 75, 77) • Determining applications to remove conditions issued under s75 	
	<p>Pursuant to sections 93-95, determining all matters relating to whether a code compliance certificate will be issued, including requiring further information, determining applications for</p>	

Aspect	Delegation	Parameters
	extension of time to complete building work and issuing or declining to issue code compliance certificates.	
	<p>Pursuant to sections 96-99, all matters relating to certificates of acceptance, including but not limited to:</p> <ul style="list-style-type: none"> • Requiring further information • Processing the application, including determining whether or not to accept a producer statement as establishing compliance with any aspect of the NZ Building Code • Determining any qualifications which should be made • Issuing or declining to issue the Certificate of Acceptance 	
	<p>Pursuant to sections 102, 103, 106, 107, 109-110, all matters relating to compliance schedules and building warrants of fitness, including but not limited to:</p> <ul style="list-style-type: none"> • Issuing compliance schedules (s102) • Determining the content of a compliance schedule (s103) • Determining whether or not to amend a compliance schedule on application from the owner of the building (s106), recommendation from a licensed building practitioner (s109) or the Council's own initiative (s107) • Requiring production of annual written reports on compliance schedules (s110) 	
	<p>Pursuant to sections 112-113, 115 and 116, all matters relating to alterations of existing buildings and changes of use, including but not limited to:</p> <ul style="list-style-type: none"> • Determining whether or not to grant a building consent for an alteration to an existing building that will not fully comply with the Building Code (s112) • Determining conditions and issuing building consents for buildings with specified intended lives (s113) • Determining whether or not to permit the change of use of a building (s115) • Determining whether or not to permit the extension of life for a building with a specified intended life (s116) • Determining whether or not to give effect to a subdivision that affects a building (s116A) 	
	<p>Pursuant to sections 121-124 and 126, all matters relating to dangerous, earthquake-prone or insanitary buildings, including but not limited to:</p> <ul style="list-style-type: none"> • Determining whether a building is dangerous, including seeking advice from the NZ Fire Service (s121) • Determining whether a building is earthquake-prone (s122) or insanitary (s123) • Determining the appropriate action to be taken where sections 121-123 apply, including issuing a notice to the building owner (s124) 	

Aspect	Delegation	Parameters
	<ul style="list-style-type: none"> Applying to the District Court to carry out work where a notice under s124 is not being complied with in a reasonable period (s126) 	

10. KA MATATAPU TE WHAKATAUNGA I TE TŪMATANUI RESOLUTION TO GO INTO PUBLIC EXCLUDED

(to consider and adopt confidential items)

Moved Cr Neale seconded Cr Davidson and **Resolved** that Council confirm that the public were excluded from the meeting in accordance with Section 48, Local Government Official Information and Meetings Act 1987 at 3:23 pm.

The general subject of the matters to be considered while the public are excluded, the reason for passing this resolution in relation to each matter and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of the resolution are as follows:

Item No.	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
1.	Confidential Minutes – 24 November 2022	Good reasons to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)
2.	Heaney & Partners Update on Legal Matters	Good reasons to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)
3.	Kaniere Water Race Bridge Replacements	Good reasons to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)

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

Item No.	Interest
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1	The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons (Schedule 7(2)(a))
1, 3	The withholding of the information is necessary to protect information where the making available of the information: (i) would disclose a trade secret; and (ii) would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information (Schedule 7(2)(b)).
1	The withholding of the information is necessary to enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) (Schedule 7(2)(i))
2	The withholding of the information is necessary to maintain Legal professional privilege Schedule 7(2)(g)

Moved Deputy Mayor Gillett, seconded Cr Davidson and **Resolved** that the business conducted in the 'Public Excluded Section' be confirmed and accordingly, the meeting went back to the open part of the meeting at 4:25pm.

**DATE OF NEXT ORDINARY COUNCIL MEETING – 23 FEBRUARY 2023
COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA AND VIA ZOOM**

MEETING CLOSED AT 4:25 PM

Confirmed by:

**Mayor, Helen Lash
Chair**

Date:



EXTRAORDINARY COUNCIL MINUTES

MINUTES OF THE EXTRAORDINARY COUNCIL MEETING OF WESTLAND DISTRICT COUNCIL HELD IN THE COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA AND VIA ZOOM ON THURSDAY 15 DECEMBER 2022 COMMENCING AT 3:30 PM

The Council Meeting was live streamed to the Westland District Council YouTube Channel and presentations are made available on the council website.

1. MEMBERS PRESENT AND APOLOGIES

Chairperson	Her Worship the Mayor	
Members	Cr Gillett (Deputy)	
	Cr Neale	Cr Burden
	Cr Baird	Cr Davidson
	Cr Cassin	Cr Manera
	Kw Madgwick	

NGĀ WHAKAPAAHA APOLOGIES

Kw Tumahai

Moved Cr Baird, seconded Cr Neale and **Resolved** that the apology from Kw Tumahai be received and accepted.

STAFF PRESENT

S.R. Bastion, Chief Executive; L. Crichton, Group Manager: Corporate Services; S. Baxendale, Group Manager District Assets; D. Maitland; Executive Assistant, E. Rae, Strategy and Communications Advisor; S. Johnston; Governance Administrator. -needs to say who was on Zoom.

2. WHAKAPUAKITANGA WHAIPĀNGA DECLARATIONS OF INTEREST

The Interest Register had been circulated via Microsoft Teams and available on the Council table. There were no changes to the Interest Register noted.

3. PŪRONGO KAIMAHI STAFF REPORTS

- **Adopt the Draft Annual Report 2021-2022**
Finance Manager, Lynley Truman, and Strategy and Communications Advisor; Emma, spoke to this item and advised that the purpose of this report is to present the Annual Report for the year ended 30 June 2022 for adoption, noting that there are 2 changes:
 - Adding into a note the valuation technique used to value the investment property in the group
 - Adding the date of the royal asset of the 3 waters bill, which will just change the wording on that note

Deputy Mayor Gillett questioned the Service Delivery on page 25 of the report as it seems Council is not meeting target regarding community engagement, and satisfaction seems to be very low.

The Strategy & Communications Advisor agreed that the target is not where Council would like it to be and advised that it is a difficult target to achieve to have the community feel that Council have engaged with them. As a Council we do try to ensure there are as many opportunities as possible for the community to engage. Covid-19 has been an issue Council has had to combat this time around, and community satisfaction went down over this time.

Deputy Mayor Gillett also queried the Council Controlled Organisations (CCO's) on page 28 of the report as it looks like the CCO's did not achieve their Statement of Intent (SOI's).

The Strategy & Communications Advisor informed Council that the CCO's have individual SOIs that are updated each year. The measure indicated in the Annual Report is a general measure. Council did not want every single measure of the CCO's SOI in the Long-Term Plan, as when the CCO's change their measures, it is not reflected in Council's Long Term Plan.

The Chief Executive advised that all CCO's have approximately 10 key performance indicators within their SOI – it only requires 1 to be missed to show that not all SOI's are achieved. The CCO's will be workshopping their SOI with Council in February 2023.

Kw Madgwick also raised the issue regarding the Residents Survey and recalled that there was discussion on how this was to be improved and thought there was supposed to be a meeting or a workshop with Councillors where this could be discussed.

The Chief Executive confirmed that this was correct, and that Council was waiting on the new Councillors to come on board to discuss this further.

Kw Madgwick raised the issue of rates affordability and level of debt on page 88 of the report, and that spending has to stop – being aware that would be a discussion for another time. On a positive note, however, noted the huge lift in external funding, and acknowledged the effort it took to obtain this.

The Mayor also concurred with Kw Madgwick sentiments regarding debt and commented that it is a cold hard reality of what Council is facing this year. She advised that there will be a lot of intensive work on reviewing and potential communications with the wider community regarding this.

Cr Neale queried the Overview of Council Performance on page 18 of the report as to why Council have not achieved many KPI's?

The Strategy & Communications Advisor advised that a lot of the KPIs are based on the Residents Satisfaction Survey – as Council didn't achieve as well in this survey as hoped – it shows that many KPIs' have not been achieved.

The Mayor queried if there was a common thread in the Residents Survey.

The Strategy & Communications Advisor advised that there were common threads – particularly issues stemming from Covid 19 such as; the office being closed, the library and the requirement for vaccine passes, and general dissatisfaction that people in the community were not receiving services they felt they should be for the rates paid. This is a common thread in residents surveys, that we don't serve the community as they would like.

The Mayor asked if Council have asked the Community where they see the shortfalls are.

The Strategy & Communications Advisor said yes – each area does have that open question where people can provide the information and advised that she will circulate the last Residents Survey outcomes to Councillors.

Moved Cr Davidson seconded Deputy Mayor Gillett and **Resolved** that:

1. The report be received
2. Council adopt the Annual Report for the financial year ending 30 June 2022 subject to possible minor administrative changes.

Cr Cassin queried what the administrative changes would be.

The Group Manager, Corporate Services advised that they would be:

- Adding into a note the valuation technique used to value the investment property in the group
- Adding the date of the royal asset of the 3 waters bill, which will just change the wording on that note

There will be no changes to the figures.

**DATE OF NEXT ORDINARY COUNCIL MEETING – 23 FEBRUARY 2023
COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA AND VIA ZOOM**

MEETING CLOSED AT 3:50PM

Confirmed by:

**Her Worship the Mayor
Chair**

Date:



Hokitika Waste Water Treatment Plant Project Oversight Subcommittee Minutes

MINUTES OF THE HOKITIKA WASTEWATER TREATMENT PLANT PROJECT OVERSIGHT SUBCOMMITTEE MEETING OF WESTLAND DISTRICT COUNCIL HELD IN COUNCIL CHAMBERS AND VIA ZOOM ON WEDNESDAY 14 DECEMBER 2022, COMMENCING AT 3.00PM.

The Subcommittee Meeting was live streamed to the Westland District Council YouTube Channel and presentations are made available on the Council website.

1. **KARAKIA TĪMATANGA**
OPENING KARAKIA
The opening Karakia by: James Mason-Russell
2. **NGĀ WHAKAPAAHA**
MEMBERS PRESENT & APOLOGIES

Chairperson	Mayor, Helen Lash	
Members		
	Cr Burden	Cr Cassin
	Cr Neale	E. Weepu, Ngāti Waewae Representative
	B. Wilson, Ngāti Maahaki Representative	James Mason-Russell, Ngāti Waewae Representative
	P. Adams, Ngāti Maahaki Representative	
Speaker	John Strange – Senior Civil Engineer - Stantec	

APOLOGIES

No apologies received

STAFF PRESENT

S. Bastion, Chief Executive; S. Baxendale, Group Manager District Assets, D. Maitland; Executive Assistant, S. Johnston; Governance Administrator.

3. **WHAKAPUAKITANGA WHAIPĀNGA**
DECLARATIONS OF INTEREST

The Interest Register had been circulated via Microsoft Teams, emailed, and was made available on the Council Chambers table.

4. **NGĀ TAKE WHAWHATI TATA KĀORE I TE RĀRANGI TAKE**
URGENT ITEMS NOT ON THE AGENDA

There were no urgent items of business not on the Subcommittee Agenda.

5. MINUTES OF MEETING:

- Hokitika Wastewater Treatment Plant Project Oversight Sub-Committee Extraordinary Minutes – 5 April 2022

Moved Barry Wilson and seconded Cr Burden and **Resolved** that the Minutes from the Extraordinary Hokitika Wastewater Treatment Plant Project Oversight Subcommittee Meeting 5 April 2022 be received and accepted.

6. PROPOSED TERMS OF REFERENCE TO BE ADOPTED

Chief Executive Simon Bastion from Westland District Council spoke to this item and advised that the purpose of this report is for the Subcommittee to adopt the proposed Terms of Reference (ToR) for the Hokitika Wastewater Treatment Plant Project Oversight Subcommittee (WWTP).

Noting the only change in the Terms of Reference is the reporting line – report now goes to the full Council and no longer the Capital Projects and Tenders Committee which has been disestablished.

Moved Cr Cassin, seconded, Ema Weepu and **Resolved** that:

- A) The Hokitika Wastewater Treatment Plant Project Oversight Subcommittee adopt the Proposed Terms of Reference.

7. UPDATE BRIEFING TO THE NEW SUB-COMMITTEE

John Strange, Senior Civil Engineer, spoke to the summary that had been outlined in an email to the Subcommittee as below:

Work To Date:

- Project outcome statement, process, and partner/stakeholder involvement agreed by Oversight Subcommittee in August 2021.
- Problems and benefits of investment defined by Project Working Group at a Workshop #1 in September 2021, and then endorsed by Oversight Subcommittee in October 2021.
- Technical elements of the project defined by Project Working Group (plus West Coast Regional Council staff) at Workshop #2 in October 2021. This included: scope, risks, constraints, and dependencies.
- Draft Strategic Case Report was issued to Westland District Council for review in November 2021 which set out: The purpose, background, strategic context, case for investment, existing arrangements and needs, potential scope and key technical requirements, main benefits and risks, key constraints, and dependencies.

Options Development:

- Potential Options for key elements of the Wastewater Treatment Plant explored by Project Working Group (which included representatives from West Coast Regional Council, Department of Conservation, and Community Public Health) at Workshops in November 2021 and March 2022. Included: locations, discharge, treatment, storage, capacity, funding, and technology.
- Commenced discussions with Silver Fern Farms regarding the project process, activities to date, and consideration of their discharges within the options consideration process in November 2021.
- A Fatal Flaw Assessment of Base Scheme Elements was completed by the Project Working Group at a Fatal Flaw Workshop in May 2022.

- The Project Working Group had a site visit to the Greymouth Wastewater Treatment Plant in June 2022 – which was found to be very helpful and informative.
- A Traffic light assessment of Base Scheme Options Long List was completed by the Project Working Group at Traffic Light Assessment Workshops in both June and July 2022.

Options Development - Next Three Months:

- Hold a Project Working Group Workshop (potentially 18 January 2023) to Complete a Traffic Light Assessment of the Base Scheme Options, incorporating Mana Whenua feedback on potential treatment enhancements, with the intended outcome of identifying a Short List of Potential WWTP Schemes.
- To arrange for the Sub-Committee to undertake an internal tour of the Greymouth Treatment Plant for an informative and visual perspective.
- To arrange for a demonstration to be done (via zoom/teams) on the science of how everything works to also support understanding for the Sub-Committee.
- Present Short List of Potential Wastewater Treatment Plant Schemes to the Oversight Subcommittee (Wednesday 8th February – potential date) and seek endorsement of the shortlisted schemes, which would go forward for detailed assessment. Location for this meeting to be at the Arahura Marae – booking will need to be made.
- Commence Detailed Investigation of the Short List of Potential Wastewater Treatment Plant Schemes. Including: economic, geotechnical, modelling, risk assessment, consenting risks and issues, to guide a Multi Criteria Analysis. This is expected to take up to 12 months to include full season of weather conditions – to be completed by Stantec.

Options Development – Going forward

- Complete Detailed Investigation of the Short List of Potential WWTP Schemes. By: Stantec. Expected to take up to 12 months to include full season of weather.
- Carry out Multi Criteria Analysis of the Short List of Potential WWTP Schemes, to identify a preferred/recommended option. By: Project Working Group.
- Carry out in parallel a Best Practicable Option assessment of the Short List, to provide an RMA lens on the assessment process. By: Stantec.
- Presentation to Oversight Subcommittee - progress update and endorsement of recommended option for community consultation.

Moved Barry Wilson & seconded Cr Jane Neale and **Resolved** that the update briefing from Senior Civil Engineer, John Strange of Stantec be received.

The Chair closed the meeting at 4:10pm



**DATE OF THE NEXT HOKITIKA WASTEWATER TREATMENT PLANT PROJECT OVERSIGHT
SUBCOMMITTEE MEETING TO BE CONFIRMED.
COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA AND VIA ZOOM**

Confirmed by:

**Mayor, Helen Lash
Chair**

Date: 8 February 2023

23.02.23 - Council Meeting - Action List

Item No.	Date of Meeting	COMPLETED IN PROGRESS OVERDUE	Item	Action	Completion Date/Target Date	Officer	Status
1	26.08.21		Pakiwaitara Building /Council Building Business Case	Business case and scope of work to be brought to Council after the structural elements of the work have been identified, costed and timelines finalized.	Mar 23	CE	<p>The CE has engaged O’Connor Partners to evaluate the future strategy in regard to the current council civil assets – Council Building, Pakiwaitara and any other buildings that need to be considered.</p> <p>NZ Heritage (CE Andrew Coleman) spoke at December Council meeting regarding Hokitika Government House & its on-going project. Councillors were invited to a walk-through of Government House 9 December 2022.</p> <p>Workshop to be held early 2023 to review the Business Case from O’Connor Partners.</p>
3	24.03.22		Racecourse Development Submission Bid	Council to be keep abreast of the IAF Application	Sep 22	CE	<p>IAF Application submitted – and confirmed successful (\$3.5million for infrastructure works).</p> <p>The council attended a workshop on the Racecourse project on the 26th January which was supported by Josephs & Associates and O’Conner Partners.</p> <p>The workshop outcomes are based on the following:</p> <ul style="list-style-type: none"> • Master Planning and community engagement – to date is only a scheme plan and civils, the primary focus of the previous workstreams was to secure IAF funding to enable the project. • IAF Deliverables – a delivery plan for 27 April 2023 • Detailed /as built for ‘eligible’ infrastructure. • Ascertain (post community engagement, master planning and updated cost estimates) the best way forward for the Council.

Report to Council



DATE: 23 February 2023
TO: Mayor and Councillors
FROM: Joanne Conroy, Chair, Westland Holdings Limited

Draft Statement of Intent 2023-2026

1. Summary

- 1.1. The purpose of this report is to present the Draft 2023-2026 Statement of Intent (SOI) for any comments or changes and approval by Council.
- 1.2. This issue arises from the statutory requirement for Westland Holdings Limited (WHL) to give Council the option to provide input into the draft SOI so that the final SOI to be presented in June will meet Council's requirements.
- 1.3. Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by the Council in June 2021, which are set out in the Long-Term Plan 2021 - 31. Refer page 1 of the agenda.
- 1.4. This report concludes by recommending that Council provides any feedback to the Statement of Intent so that the draft can be approved.

2. Background

- 2.1. The reason the report has come before the Council is due to the statutory requirement for Council to have input into the draft SOI.

3. Current Situation

- 3.1. The current 2022-2025 SOI was approved by Council in June 2022.

4. Options

- 4.1. Option 1: That Council advise any amendments or additions to the draft 2023-2026 SOI that will be included in the final SOI; or
- 4.2. Option 2: That Council approve the draft SOI as presented.

5. Risk Analysis

- 5.1. Risk has been considered and no risks have been identified.

6. Health and Safety

6.1. Health and Safety has been considered and no health and safety risks have been identified.

7. Significance and Engagement

7.1. The level of significance has been assessed as being medium;
7.1.1.No public consultation is considered necessary.

8. Assessment of Options (including Financial Considerations)

8.1. **Option 1** – That Council advise any amendments of additions to the draft 2023-2026 SOI that will be included in the final SOI – this option allows the draft SOI to be amended to suit Council's initiatives and goals in time to produce the final SOI for adoption in June 2023.
There no financial implications to this option.

8.2. **Option 2** – That Council approve the draft SOI as presented – this does not allow Council to have input into the SOI. There are no implications to this option.

9. Preferred Option(s) and Reasons

9.1. The preferred option is Option 1.

9.2. The reason that Option 1 has been identified as the preferred option is that it allows Council to have input into the draft SOI so that it reflects Council's initiatives and goals for the 2023-206 period.

10. Recommendation(s)

10.1. That the report be received.

10.2. That Council approve the draft Westland Holdings Limited 2023-2026 Statement of Intent subject to amendments and additions provided.

Joanne Conroy
Chair, Westland Holdings Limited

Appendix 1: Draft Westland Holdings Limited 2023-2026 Statement of Intent



Westland HOLDINGS

WESTLAND HOLDINGS LIMITED

**Destination Westland Limited
Westroads Limited**

STATEMENT OF INTENT FOR THE THREE YEARS COMMENCING 1 JULY 2023

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1. INTRODUCTION

This Statement of Intent (“SOI”) for Westland Holdings Limited (“WHL” or “the Company”) is prepared in accordance with Section 64 and Schedule 8 of the Local Government Act 2002.

This SOI specifies the objectives, the nature and scope of the activities to be undertaken, and the performance targets and other measures by which the performance of WHL and its subsidiaries Destination Westland Limited and Westroads Limited (collectively referred to as “the Group”) may be judged in relation to its objectives, amongst other requirements.

The negotiation and determination of an accepted SOI is a public and legally required expression of the accountability relationship between the Company and its sole shareholder, the Westland District Council (“WDC” or “the Council”). The SOI is reviewed annually with the Council and covers a three-year period commencing 1 July 2023.

WHL supports the vision of the Westland District Council, expressed as:

“We work with the people of Westland to grow and protect our communities, our economy and our unique natural environment.”

2. COMPANY MISSION

Westland Holdings Limited primary mission is to support the Council’s Vision for Westland as outlined above.

3 THE OBJECTIVES OF THE COMPANY

In addition to the requirements of section 59 of the Local Government Act 2002, the principal objectives of WHL are to:

- To ensure that the strategic plan of the Company is followed and that the plan is reviewed annually;
- Monitor the performance of each of its subsidiary companies;
- Ensure that each subsidiary company has in place active and effective health and safety policies and procedures which provide a safe operating environment for all employees, contractors and affected parties;
- Ensure that each subsidiary company operates economically and efficiently, in accordance with an agreed SOI, to optimize the returns from each subsidiary as well as the value of each subsidiary within the operating parameters determined by the Council;

- Ensure, within any legal or commercial constraints, that the SOI of each of the subsidiary companies reflect the policies and objectives of the Council;
- Keep the WDC informed of matters of substance affecting WHL and the subsidiary companies and, as much as is considered practical and reasonable in the opinion of the directors of WHL, to provide the WDC an opportunity for comment on such matters prior to taking any action;
- Ensure that there is regular and informative reporting of the financial and non-financial performance and risk exposures of WHL and the subsidiary companies;
- Report to WDC on establishment opportunities for the subsidiary companies, and other investment opportunities that have the potential to enhance the economic well-being of the region and to provide an adequate return;
- Maintain and improve good governance by regularly and constructively appraising the performance of the subsidiary company directorates, maintaining an appropriate monitoring framework, and informing WDC prior to the appointment of new directors and,
- Support the Council in reviewing or creating policies relevant to the Company, or to the Group.

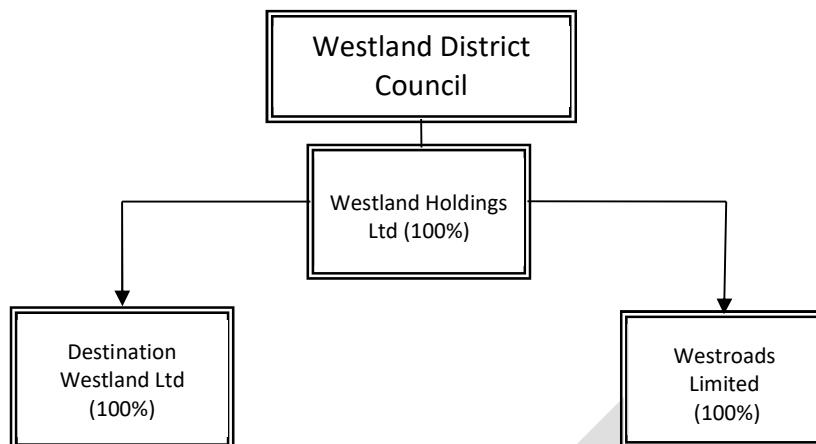
4. GOVERNANCE APPROACH

WHL seeks to govern the Group in a way that will ensure it:

- Achieves the objectives of its shareholder, both commercial and non-commercial, as detailed specifically in Section 3;
- Is a good employer in accordance with S:36(2) of schedule 7 of the Local Government Act 2002;
- Exhibits a sense of social responsibility by having regard to the interests of the community in which it operates; and
- Exhibits a sense of environmental responsibility by having regard to the interests of the community in which it operates.

5. NATURE AND SCOPE OF ACTIVITIES

WHL is a wholly-owned, council-controlled organization (“CCO”) of WDC, which was formed on 24 July 2002. WHL is the controlling entity that provides objective governance of the various operating subsidiaries on behalf of WDC. The Group structure is, as follows:



The current Directors of WDHL are:

- Joanne Conroy (Chair)
- Christopher Gourley
- Christopher Rea

6. SHAREHOLDING

WHL, on behalf of the Council, holds the following investments in the subsidiary companies:

- A shareholding investment in Destination Westland (DWL), representing 100% of DWL share capital; and
- A shareholding investment in Westroads Limited (“WRL”), representing 100% of WRL’s share capital.

Ratio of Shareholders’ funds to total assets.

Shareholders’ funds are defined as the sum of the amount of share capital on issue, retained earnings/accumulated losses, revenue and capital reserves. Total assets are defined as the sum of the net book value of current assets, investments, fixed assets, and intangible assets as disclosed in the Company’s Statement of Financial Position, prepared in accordance with the accounting policies adopted by the Directors.

The target ratio of shareholders’ funds to total assets shall not be less than 50% for the period covered by this SOI. The appropriateness of this target ratio will be reviewed annually by the Directors.

7. ACCOUNTING POLICIES

The financial statements of the Company will be prepared in accordance with the requirements of the Local Government Act 2002, which includes the requirement to comply with New Zealand generally accepted accounting policies to the extent that is practicable without disclosing commercially sensitive

information that, in the view of the Directors, would be of value to competitors. See Appendix A for Accounting Policy details.

8. PERFORMANCE TARGETS

The following performance targets have been set for the 2023/2024 financial year, and the two years following:

Relationship with WDC/Other Governance Issues

Objective	Performance Target
1 To ensure that the financial targets and strategic direction of WHL are in line with WHL's strategic plan, which is developed in conjunction with WDC	<p>A draft SOI for WHL will be submitted for approval to WDC by 1 March each year.</p> <p>A completed SOI will be submitted to WDC by 30 June each year.</p>
2 To ensure that WDC is kept informed of all significant matters relating to its subsidiaries on a "no surprises" basis	<p>Six monthly reporting of performance to WDC.</p> <p>Full year and half year reporting to WDC will be provided within 60 days after 31 December and 30 June of each year.</p> <p>Major matters of urgency are reported to the appropriate Council Committee or the Chief Executive of WDC within three days.</p>
3 To ensure that WHL directors add value to the Company and that their conduct is according to generally accepted standards.	<p>The Chair will initiate an independent formal evaluation of the WHL directorate every 2 years. The next such review will be undertaken in the 2024-2025 year.</p> <p>The Company will review the training needs of individual WHL directors, and ensure training is provided, where required.</p>

- | | | |
|---|---|--|
| 4 | WHL's process for the selection and appointment of directors to the boards of subsidiaries is rigorous and impartial. | The process followed for each appointment to a subsidiary board is transparent, fully documented and reported to WDC. Any appointments will be made in accordance with the WDC's Policy for Director Appointments. |
| 5 | Complete the appointment of independent directors to the board of Destination Westland. | Monitor this transition phase closely ensuring DWs strategic plan is implemented. |

Financial Objectives and Performance Measures

Objective	Performance Target	
6	To ensure that WHL returns a dividend to WDC in accordance with WDC's budgets and meets other financial targets.	WHL will agree with WDC on an achievable distribution for the 2023/24 financial year as part of the Council's requirement to approve the SOI for WHL. This estimated dividend receivable by WHL will be agreed with each CCO on an annual basis prior to finalising WDC's budget.
7	Gross Revenue: Combined revenue for the 22-23 year	Equal to or greater than \$33 million
8	Net Profit before tax: Combined net profit for the 22-23 year	Equal to or greater than \$1 million
9	Return on Shareholder Funds for each of the three years.	At least 6%
10	Return on total assets	At least 3.5%
11	Gearing	Total liabilities do not exceed 60% of the total tangible assets at any time
12	Minimum Shareholder Funds	At all times Shareholder's funds are not less than \$10,000,000

Specific Subsidiary Management and Supervisory Functions

Objective	Performance Target
13 To ensure that WHL's procedure for appointment to subsidiary directorates are open and in accordance with written policy.	That the adopted WDC Directors Policy be followed for any director appointments made.
14 To ensure that the draft subsidiary company SOI's are received on a timely basis for review and comment.	Draft SOI's are to be received by 14 February from the subsidiary companies, and final by 1 June for each year covered by this SOI.
15 To ensure that the final subsidiary company SOI's are appropriate, measurable, attainable, and timely and Connected to their strategic plan.	<p>Comment on the draft SOI's within the statutory timeframe of 30 April each year and ensure specific and measurable targets are included as Performance Objectives.</p> <p>WHL will direct the subsidiary companies to produce commercially focused SOI's that are consistent with their strategic plan, aligned to WDC's strategic direction and achieve better social outcomes for Westland.</p>
16 To ensure that the subsidiary company reporting is relevant and timely.	<p>Subsidiary company SOI's will incorporate specific reporting requirements in accordance with legislation and accepted practice.</p> <p>Subsidiary companies will also be required to provide Monthly Management reports followed by quarterly briefings to WHL in sufficient detail to allow WHL to fulfill its reporting obligations to the WDC.</p> <p>All activity reports and formal reporting will be done through the Chairperson of WHL and the Chief Executive of WDC.</p>

Risk Management Processes

Objective	Performance Target
17 To ensure that there are adequate processes for the identification, assessment and management of the risk exposures of the subsidiary companies.	Subsidiary company SOI's will incorporate specific statements regarding the processes for the management of risk exposures, including health and safety and reputational risk, all companies will also maintain an up to date risk register.
18 To ensure that subsidiary companies do not make decisions that could have significant implications for future Council funding.	Long term investment assessment is carried out for any new projects of a size and nature that requires WHL approval. Significant projects and their sources of funding must also be assessed and approved by Council prior to initiating the projects.

Specific Activities to be Undertaken by WHL

- Negotiation of the individual annual SOIs for the CCOs that it owns on behalf of the Westland District Council (the subsidiary companies).
- Negotiation of the annual SOI between WDC as shareholder and WHL.
- Monitoring the performance of the subsidiary companies that WHL owns.
- Advice to WDC regarding potential CCO establishment, disestablishment, or development opportunities.
- Maintaining a Register of Potential Directors for WHL and the subsidiary companies, including public advertising, as required.
- Appointment and monitoring of the directors of the subsidiary companies.
- Hosting an annual shareholders' meeting.

Specific Activities Not Permitted to WHL

- No subsidiary companies are to be formed by WHL without the prior approval of WDC.
- No shares are to be acquired by WHL or the subsidiaries without the prior approval of WDC.
- No shares held by WHL, or the subsidiaries are to be sold or otherwise disposed of without the prior approval of WDC.

Over time, WDC may form other CCOs within the WHL structure. WHL is an obvious vehicle for holding the shares in these enterprises, however, the directors' approach to the holding of other shares will be determined on a case-by-case basis in consultation with Council. It is anticipated that WHL will assist WDC in the identification and assessment of such future opportunities.

9. DISTRIBUTION POLICY

Profit retention and dividend policy will be determined from year to year by the Directors in accordance with operational results, financial prospects, and the circumstances prevailing, with the objectives of ensuring that:

- The amount of the distribution does not limit WHL’s ability to fund future capital expenditure requirements of subsidiary companies to both maintain and expand current operations, nor to address issues relating to the Company’s debt structure. In determining any distribution, the following must be considered:
 - i. The Directors are satisfied that the requirements of section 4 of the Companies Act (the “solvency test”) have been satisfied;
 - ii. The amount of the distribution does not exceed the amount of the net profit after tax, plus cash held in reserves, in the year to which the distribution relates; and,
 - iii. Total liabilities do not exceed 50% of the total assets.

WHL will endeavor to make distributions as agreed in annual budget discussions with council in the 2023/24 year.

10. REPORTING TO SHAREHOLDERS

WHL will provide the following information in order to enable the WDC, as the shareholder of WHL, to make an informed assessment of the Company’s performance:

- a) An annual Draft SOI in accordance with Schedule 8 of the Local Government Act 2002, delivered by the 1st of March, with WDC comments returned by the 1st of May and a completed SOI after consideration of Shareholders comments delivered by 30 June. The Final Statement of Intent of WHL will be made available to the public one month following delivery to the WDC.
- b) A half-yearly financial and progress report or presentation to Council that details the financial performance and progress of the Company and its subsidiaries. This report shall be delivered to Council no later than 28th February.
- c) An annual report in accordance with Section 67 and 71 of the Local Government Act 2002 and the GAAP reporting requirements prescribed from time to time by the Institute of Chartered Accountant of New Zealand, and any other information that the Directors deem appropriate. The annual report is to be delivered to the WDC by the 30th of September and no later than 20 days prior to the Company’s AGM.
- d) An annual Shareholders meeting is to be held by the 31st of December each year with not less than 10 days’ notice to the WDC.

11 ACQUISITION PROCEDURES

If the Directors believe they should invest in or otherwise acquire any interest in any other organisation, they shall obtain the prior approval of the WDC as shareholder by special resolution unless the total cost is less than \$500,000.

In this case prior approval is not required, but the Shareholder will be advised within 10 working days.

12 COMPENSATION

Currently there are no activities for which compensation will be sought from WDC

13 ESTIMATED COMMERCIAL VALUE OF WHL

The value of WHL has been defined as the estimated value of Shareholders' funds as at 30 June 2022.

This value is estimated to be \$14,500,000.

The value ascribed to shareholders' funds will be that stated in the annual Statement of Financial Position of the Company as at the end of the financial year preceding each SOI.

14 OTHER MATTERS

WHL's directors are appointed by the Shareholders to govern and direct WHL's activities, and to oversee the governance and performance of the WDC's council-controlled organisations. The Shareholders expect this responsibility to include such areas of stewardship as:

- Commercial performance
- Non-commercial performance
- Preparation and review of business plans and budgets
- Corporate policies
- Financial and distribution policies
- Management oversight and development
- Delegations or authority
- Identification and management of business risks
- Identification and management of business opportunities
- Internal control systems
- Integrity of management information systems
- Relationships with stakeholders and external parties
- Compliance with relevant law
- Reports to shareholder

15. FINANCIAL FORECASTS

DRAFT

**WESTLAND HOLDINGS LIMITED
FINANCIAL FORECASTS**



	Group Budget 2023/24 \$	Group Forecast 2024/25 \$	Group Forecast 2025/26 \$
Revenue	33,159,719	34,526,108	35,903,952
Cost of Sales	22,813,283	23,725,815	24,674,847
Gross Profit	10,346,436	10,800,293	11,229,105
Other Income	2,270,661	2,429,928	2,512,685
Administrative (Inc Depn) Expenses	10,831,756	11,308,306	11,730,598
Results from operations	1,785,341	1,921,915	2,011,192
Finance Costs	508,320	552,573	567,396
Net finance costs	508,320	552,573	567,396
Profit before Income Tax	1,277,021	1,369,342	1,443,796
Subvention Payment	100,000	100,000	100,000
Income tax expense	336,246	364,176	385,703
Profit for the period	840,775	905,166	958,093
Total Comprehensive Income for the Year	840,775	905,166	958,093
Other Performance Targets			
Dividends	300,000	300,000	325,000
Earnings Retained	540,775	605,166	633,093
Closing Shareholder's Funds	21,335,550	21,940,716	22,573,809

APPENDIX A

**WESTLAND HOLDINGS LIMITED
STATEMENT OF ACCOUNTING POLICIES**



REPORTING ENTITY

Westland Holdings Limited is registered under the Companies Act 1993 and is domiciled in New Zealand. Westland Holdings Limited is owned by Westland District Council.

The Company is a Council Controlled Trading Organisation as defined in Section 6(1) of the Local Government Act 2002.

The financial statements of the Company have been prepared in accordance with the requirements of the Companies Act 1993, and the Local Government Act 2002.

The Group consists of Westland Holdings Limited, Destination Westland Limited, Westroads Limited. All Group companies are incorporated in New Zealand.

The Company is a Tier 1 for-profit entity and has elected to report in accordance with Tier 1 for-profit Accounting Standards on the basis that it does not have public accountability.

BASIS OF PREPARATION

Statement of Compliance

The Company has designated itself as a profit orientated entity for the purposes of New Zealand Equivalent to International Financial Reporting Standards (NZIFRS). The Financial Statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP") and Tier 1 POE Accounting Standards. They comply with New Zealand equivalents to the International Financial Reporting Standards Reduced Disclosure Regime (NZIFRS RDR) and other applicable Financial Reporting Standards, as appropriate for profit-oriented entities.

Measurement Base

The financial statements have been prepared on a historical cost basis, except for the revaluation of investment properties which are revalued every year.

Functional and presentation currency

These financial statements are presented in New Zealand dollars (\$), which is the Group's functional currency. All financial information presented has been rounded to the nearest thousand.

Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Going Concern

The financial statements will be prepared on a going concern basis.

SIGNIFICANT ACCOUNTING POLICIES

Accounting policies set out below will be applied consistently to all periods presented in the financial statements.

The following particular accounting policies which materially affect the measurement of financial results and financial position will be applied:

PROPERTY, PLANT and EQUIPMENT

Recognition and measurement

Land and buildings, items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the profit or loss as incurred.

Depreciation

Depreciation is recognised in the profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives. Land is not depreciated.

The estimated useful lives for the current and comparative periods are as follows:

buildings	3-50 years
plant and equipment*	1.5-25 years
office furniture and equipment	2-15 years
runway infrastructure	2-50 years

*includes motor vehicles

INVESTMENT PROPERTIES

Properties leased to third parties under operating leases are classified as investment property.

Investment property is measured initially at its cost, including transaction costs. After initial recognition, all investment property is measured at fair value as determined annually by an independent valuer. Gains or losses arising from a change in the fair value of investment property are recognised in the surplus or deficit.

INTANGIBLE ASSETS

Goodwill is allocated to cash generating units for the purposes of impairment testing. The allocation is made to those cash generating units or groups of cash generating units that are expected to benefit from the business combination, in which the goodwill arose. Goodwill is assessed for impairment on an annual basis. Any impairment losses are recognised immediately in the profit or loss.

INVENTORIES

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out principle, and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition.

In the case of metal inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity. Metal inventory cost is calculated on a discounted sale value basis, as an approximation of weighted average cost.

Inventories include development properties that are being developed for sale. These properties are measured at the lower of cost and net realisable value and the cost includes development costs to date.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

CONTRACT ASSETS AND LIABILITIES

The company will report contract asset and liabilities IFRS 15.

IMPAIRMENT

The carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is any objective evidence of impairment.

An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses directly reduce the carrying amounts of assets and are recognised in the profit or loss.

Impairment of Receivables

The Company applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables and contract assets. To measure expected credit losses on a collective basis, trade receivables and contract assets are grouped based on similar credit risk and aging. The contract assets have similar risk characteristics to the trade receivables for similar types of contracts. The expected loss rates are based on the Group's historical credit losses experienced over the three-year period prior to the period end. The historical loss rates are then adjusted for current and forward-looking information on economic factors affecting the Companies customers.

There is no impairment deemed necessary as the company are not expecting any credit losses.

Impairment of Contract assets and Contract liabilities

Contract assets and contract liabilities were previously included within "trade and other receivables" and "trade and other payables" and disclosed separately as Work in Progress. Under IFRS15 these items are now combined and renamed as Contract assets

They arise from contracts enter that can span over the financial year and also reflect retention funds that are held by the client until such time as a certificate of completion has been signed off. It may take a up to 2 years to complete, because cumulative payments received from customers at each balance sheet date do not necessarily equal the amount of revenue recognised on the contracts.

There has been no Impairment of Contract Assets or Contract Liabilities

Impairment of Goodwill

The Company is required to test, on an annual basis, whether goodwill has suffered any impairment. The recoverable amount is determined based on value in use calculations. The use of this method requires the estimation of future cash flows and the determination of a discount rate in order to calculate the present value of the cash flows. During the year, with reference to all the competition in the Christchurch market the total carrying amount of Goodwill was impaired.

This competitive market has had an adverse impact on the projected value in use of the operation concerned and consequently resulted in an impairment to goodwill of \$151,000.

FINANCIAL INSTRUMENTS

The Company categorises its financial assets and its financial liabilities as being at amortised cost.

Financial Assets

The company's financial assets comprise: cash and cash equivalents, and trade and other receivables. These are non-derivative financial assets with fixed or determinable payments that are not quoted on an active market.

Financial assets are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less impairment.

Financial liabilities

Financial liabilities comprise: trade and other payables, borrowings, and advances. Borrowings are initially recognised at their fair value net of transaction costs, and subsequently measured at amortised cost using the effective interest method.

Interest-bearing borrowings

Interest-bearing borrowings are classified as other non-derivative financial instruments.

Trade and other payables

Trade and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

GOODS AND SERVICES TAX (GST)

All items in the financial statements are exclusive of goods and services tax (GST) with the exception of receivables and payables which are stated with GST included. Where GST is irrecoverable as an input tax then it is recognised as part of the related asset or expense.

EMPLOYEE BENEFITS

Defined contribution plans

Obligations for contributions to defined contribution pension plans are recognised as an expense in profit or loss when they are due.

Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits other than pension plans is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted.

Termination benefits

Termination benefits are recognised as an expense when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to terminate employment before the normal retirement date. Termination benefits for voluntary redundancies are recognised if the Company has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A provision is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

LEASED ASSETS

Leases in terms of which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition, the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Other leases are operating leases. The leased assets are not recognised on the Company's balance sheet.

PROVISIONS

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

REVENUE

NZ IFRS 15 Revenue from Contracts with Customers introduced a new revenue recognition model that recognises revenue either at a point in time or over time. It is based on the principle that revenue is recognised when control of goods and services transfers to the customer and is based on the fulfilment of performance obligations.

The company has applied the modified approach on transitioning to NZ IFRS 15 and has applied the standard on initial application being 1 July 2018. No material impact on these financial statements has been recognised as a result of adopting this standard.

As the Company has the right to consider corresponding directly with the value of performance completed to date, customer contract revenue is recognised consistent with the amount that the Company has a right to invoice. The Company is therefore exercising the practical expedient not to explain transaction prices allocated to unsatisfied performance obligations at the end of the reporting period.

Note 8 sets out a numerical disaggregation of revenue in accordance with the disclosure requirements of the new standard.

The standard contains a single model that applies to contracts with customers and two approaches to recognising revenue: at a point in time or over time. The model features a contract-based five step analysis of transaction to determine whether, how much and when revenue is recognised.

Sale of Goods and Services – From 1 July 2018

To determine whether to recognise revenue, the Company follows a 5-step process:

- 1 – Identifying the contract with a customer
- 2 – Identifying the performance obligations
- 3 – Determining the transaction price
- 4 – Allocating the transaction price
- 5 – Recognising revenue when/as performance obligation(s) are satisfied

Revenue is recognised either at a point in time or over time, when (or as) the Company satisfies performance obligations by transferring the promised goods or services to its customers.

If the company satisfies a performance obligation before it received the consideration, the company recognises a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

Sale of Goods

Revenue from the sale of metal stock for the agreed price is recognised when the company transfers the control of the goods to the customers. The goods represent a single performance obligation over which the control is considered to transfer at a point in time.

Sale of Goods – Before 1 July 2018

Revenue from the sale of goods is recognised when the company has transferred to the buyer the significant risks and rewards of ownership and use of the goods. Risks and rewards are considered transferred to the buyer at the time of the delivery of the goods to the customer.

Revenue contracts

As soon as the outcome of a construction contract can be estimated reliably, contract revenue and expenses are recognised in the profit or loss in proportion to the stage of completion of the contract. Contract revenue includes the initial amount agreed in the contract plus any variations in contract work.

The stage of completion is assessed by reference to surveys of work performed. When the outcome of a contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable. An expected loss on a contract is recognised immediately in profit or loss.

LEASE PAYMENTS

Payments made under operating leases are recognised in the profit or loss on a straight-line basis over the term of the lease.

INCOME TAX EXPENSE

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the profit or loss except to the extent that it relates to items recognised directly in other comprehensive income or equity, in which case it is recognised in other comprehensive income or equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that they probably will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

CASH & CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short term-highly liquid investments with original maturities of three months or less, and bank overdrafts.

Bank overdrafts are shown in current liabilities in the statement of financial position.

CONSOLIDATION

The Company has two 100% owned subsidiary companies that are consolidated into the financial statements

The basis of consolidation: The purchase method is used to prepare the consolidated financial statements, which involves adding together like items of assets, liabilities, equity, income and expenses on a line-by-line basis.

The Company consolidates as subsidiaries in the Group financial statements all entities where the Company has the capacity to control their financing and operating policies so as to obtain benefits from the activities of the entity. This power exists where the Company controls the majority voting power on the governing body, or where such policies have been irreversibly predetermined by the Company, or where the determination of such policies is unable to materially impact the level of potential ownership benefits that arise from the activities of the subsidiary.

The Company measures the cost of a business combination as the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, in exchange for control of the subsidiary plus any costs directly attributable to the business combination.

Any excess of the cost of the business combination over the Company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities is recognised as goodwill. If the Company's interest in the net fair value of the identifiable assets, liabilities, contingencies recognised exceeds the cost of the business combination, the difference will be recognised immediately in the profit or loss.

Investments in subsidiaries are carried at cost in the Company's own "parent entity" financial statements.

Intra-group balances, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Report to Council



DATE: 23 February 2023
TO: Mayor and Councillors
FROM: Finance Manager

FINANCIAL PERFORMANCE: JANUARY 2023

1. Summary

- 1.1. The purpose of this report is to provide an indication of Council's financial performance for the month to 31 January 2023.
- 1.2. This issue arises from a requirement for sound financial governance and stewardship with regards to the financial performance and sustainability of a local authority.
- 1.3. Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by the Council in June 2021, which are set out in the Long Term Plan 2021 - 31. Refer to page 2 of the agenda.
- 1.4. This report concludes by recommending that Council receive the financial performance report to 31 January 2023.

2. Background

- 2.1. Council receives monthly financial reporting so that it has current knowledge of its financial performance and position against budgets. A more detailed performance report is presented to the Risk and Assurance Committee (R&A Committee), previously known as the Audit and Risk Committee, on a quarterly basis which includes non-financial information against KPI's adopted through the Long Term Plan.
- 2.2. The R&A Committee received a report to the end of March 2022 and expressed concern about the number Activities for which Statement of Service and Performance Reports were not provided.

3. Current Situation

- 3.1. The information in the report is of a summarised nature, with only permanent variances over \$25,000 having comments. Temporary differences which are mainly budget phasing are not commented on as these will either approximate budget by the end of the financial year, or become a permanent variance which will be noted.

3.2. With the inclusion of the sustainability report, it is not necessary to include such detail to Council in the financial report, as the key business indicators are included in the sustainability report. A number of these indicators make up part of the covenants required to be reported half-yearly to the Local Government Funding Agency.

3.3. The financial performance report to 31 January 2023 is attached as **Appendix 1** and contains the following elements;

- 3.3.1. Sustainability report
- 3.3.2. Statement of Comprehensive Revenue and Expense
- 3.3.3. Notes to the Statement of Comprehensive Revenue and Expense
- 3.3.4. Revenue and Expenditure Graphs
- 3.3.5. Debtors
- 3.3.6. Debt position
- 3.3.7. Capital Report

4. Options

4.1. Option 1: That Council receives the Financial Performance Report to 31 January 2023.

4.2. Option 2: That Council does not receive the Financial Performance Report to 31 January 2023.

5. Risk Analysis

5.1. Risk has been considered and no risks have been identified in receiving the report, however if Council did not receive the report, it could be perceived that there was a lack of financial stewardship leading to reputational risk and conduct risk.

6. Health and Safety

6.1. Health and Safety has been considered and no items have been identified.

7. Significance and Engagement

7.1. The level of significance has been assessed as being low as the report is for information purposes only.

7.2. No public consultation is considered necessary.

8. Assessment of Options (including Financial Considerations)

8.1. Option 1: The Council receives the report. This report is to inform Council on the monthly financial position and to encourage financial stewardship.

8.2. Option 2: If the Council does not receive the report there will be no oversight of the financial position of Council or whether the costs of Council are being managed in line with budgets.

8.3. There are no financial implications to these options.

9. Preferred Option(s) and Reasons

9.1. The preferred option is Option 1.

9.2. The reason that Option 1 has been identified as the preferred option is that the report is administrative in nature and to do nothing could create risks to council. Council would be carrying out its administrative stewardship in receiving the report.

10. Recommendation(s)

10.1. That the Financial Performance Report for 31 January 2023 be received.

Lynley Truman
Finance Manager

Appendix 1: Finance Performance Report for 31 January 2023.

Appendix 1



**Financial Performance
Year to 31 January 2023**

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Sustainability Report

Total revenue	Total expenditure	Total surplus/(deficit)
\$18.44M	\$18.64M	\$-0.2M
Is -5.8% less than the total budget of \$19.57M	Is 7.67% more than the total budget of \$17.31M	Against a budget of \$2.26M

SUSTAINABILITY

Rates to operating revenue **59.39%**

Rates Revenue	\$10.95M
Operating Revenue	\$18.44M

59.39% of operating revenue is derived from rates revenue. Rates revenue includes penalties, water supply by meter and is gross of remissions. Operating revenue excludes vested assets, and asset revaluation gains.

Balanced budget ratio **98.91%**

Operating revenue	\$18.44M
Operating expenditure	\$18.64M

Operating revenue should be equal or more than operating expenditure. Operating revenue excludes vested assets and asset revaluation gains. Operating expenditure includes depreciation and excludes landfill liability and loss on asset revaluations. Year to date revenue is 98.91% of operating expenditure.

Interest to rates revenue (LGFA Cov.) **3.77%**

Net interest and finance costs	\$0.41M
Rates Revenue	\$10.95M

3.77% of rates revenue is paid in interest. Our set limit is 25% of rates revenue. Net interest is interest paid less interest received. Rates revenue includes penalties, water supply by meter and gross of remissions.

Interest to operating revenue	2.24%
Net Interest and finance costs	\$0.41M
Operating revenue	\$18.44M

2.24% of operating revenue is paid in interest. Our set limit is 10% of operating revenue. Net interest is interest paid less interest received.

Liquidity Risk (LGFA Cov.)	169%
Gross debt	\$29.82M
Undrawn committed facilities	\$3.98M
Cash and cash equivalents	\$14.49M

The liquidity risk policy requires us to maintain a minimum ratio of 110% which is also an LGFA covenant. Council's current liquidity risk is 169%. Gross debt includes pre-funding of \$3m invested in term deposit.

Essential services ratio	80.77%
Capital expenditure	\$3.34M
Depreciation	\$4.13M

Capital expenditure should be equal to or more than depreciation for essential services. Year to date capex is 80.77% of depreciation. Essential Services are Water Supply, Wastewater, Stormwater, and Roothing. Adverse ratio in December continues to be a result of the lag in processing capital works invoices. The ratio continues to improve. Forecast depreciation is \$6.9M and forecast essential services capital spend (excluding Hokitika WWTP) is \$13.2M.

Statement of Comprehensive Revenue and Expense

Statement of Comprehensive Revenue and Expense							
	Notes	Full Year Forecast (\$000)	Full Year Budget (\$000)	YTD Budget (\$000)	Actual YTD (\$000)	Variance YTD (\$000)	Var/Bud %
Revenue							
Rates	01	19,152	19,227	11,026	10,950	(75)	-0.68%
Grants and subsidies	02	9,043	11,291	6,587	4,339	(2,248)	-34.13%
Interest Revenue	03	298	7	4	295	291	7872.95%
Fees and Charges	04	2,160	2,112	1,249	1,296	47	3.80%
Other revenue	05	2,043	1,193	709	1,559	850	119.96%
Total operating revenue		32,696	33,831	19,574	18,439	(1,135)	-5.80%
Expenditure							
Employee Benefit expenses	06	5,800	6,079	3,535	3,256	(279)	-7.89%
Finance Costs	07	1,118	987	575	707	132	22.87%
Depreciation	08	8,710	8,515	4,967	5,162	195	3.93%
Other expenses	09	15,151	13,871	8,237	9,517	1,280	15.54%
Total operating expenditure		30,780	29,452	17,315	18,643	1,328	7.67%
Operating Surplus/(Deficit)		1,916	4,379	2,259	(204)	(2,463)	-109.01%

Notes to the Statement of Comprehensive Revenue and Expense

Comments are provided on permanent variances over \$25,000.

Notes to the Statement of Comprehensive Revenue and Expense

01 Rates

Rates income continues to be lower than planned mainly due to metered water usage in Franz Josef and Fox Glacier (down \$42k and \$21k respectively).

02 Grants and subsidies

Grant funding is below budget but this is mainly due to timing of the grant claims which are difficult to forecast. Capital grants are generally subject to meeting specified stages of completion of the project before a claim can be submitted. A core grant received this financial year is \$1.4m for the Hokitika Swimming Pool and the final claim for the 3 waters reform projects was also received. NZTA operational grants are above budget by \$158k, as expected with higher than forecast expenditure at this point in time (noted in Other Expenses) but the capital expenditure claims are \$2.5M behind forecast which is a timing issue in relation to both the capital expenditure and claims made to date (\$400k).

03 Interest Revenue

Unbudgeted interest received from term deposits, mainly from past grant funding receipts and prefunding. Also starting to receive interest on Swaps whereas in the past these have been a finance cost. The positive variance of \$291k more than offsets than the adverse increase of \$132k in finance costs against budget.

04 Fees and charges

The Building department continues to be busy with processing, compliance & inspection fees exceeding budget by \$73k. Refuse fees at Hokitika, Franz Josef and Haast, and the waste levy are collectively above budget by \$50k - an indication of the increasing tourism numbers. However trade waste fees are down against budget by \$56k; and Planning department fees are also down \$27k against budget.

05 Other Revenue

The dividend received from WHL was \$50k above budget. Recreation Contributions exceed budget by \$152k with 15 contributions being received to date. Unbudgeted cost recoveries relating to 3-Waters now total \$94k. The other key contributor is the non-cash gain on swaps which is \$517k.

06 Employee benefit expenses

Actual salary cost is lower than planned due to unfilled roles. The shortages in Planning and Building has resulted in an increase in Contractor costs.

07 Finance Costs

While finance costs are over budget by \$131k due to higher than expected interest rates, these costs are more than offset by interest revenue, as noted above.

08 Depreciation

Depreciation is higher than budget mainly due to higher than expected asset value revaluation gains.

09 Other expenses

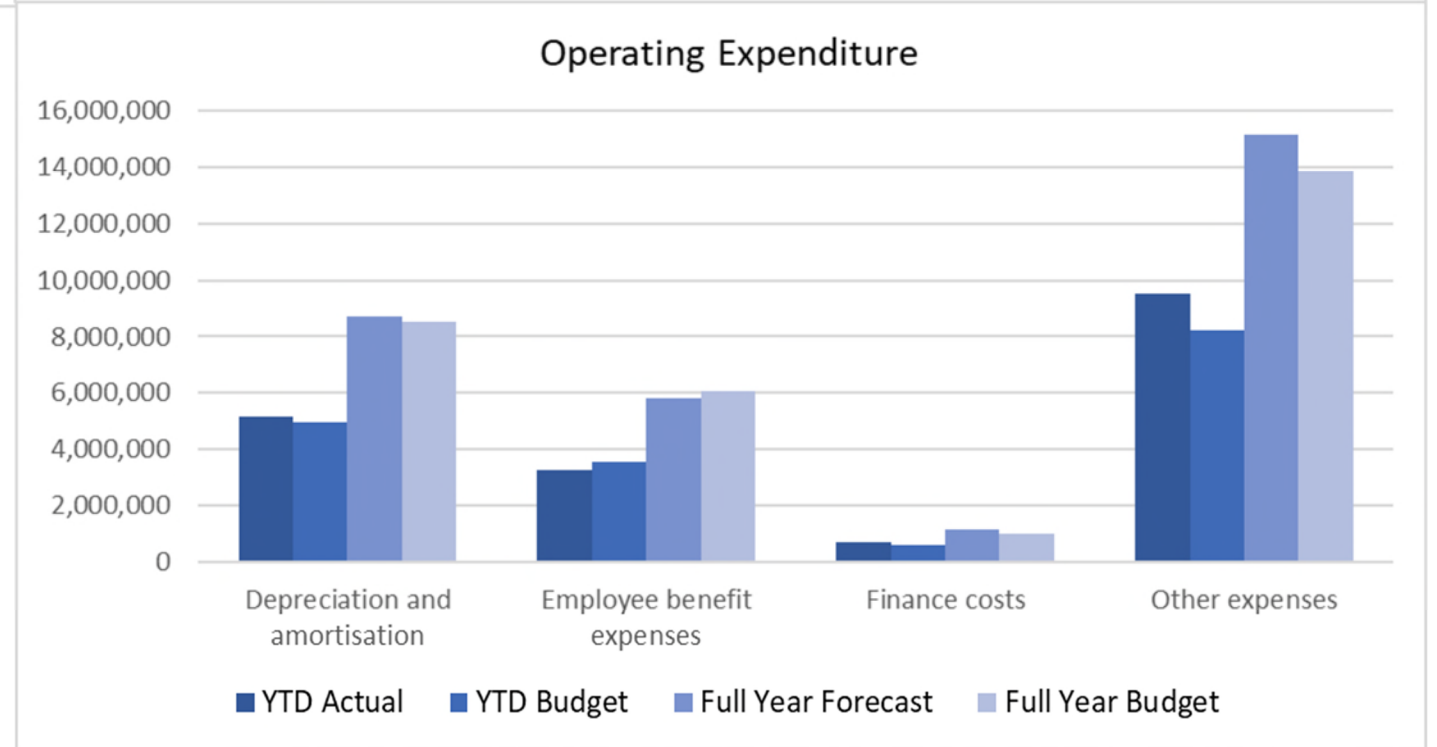
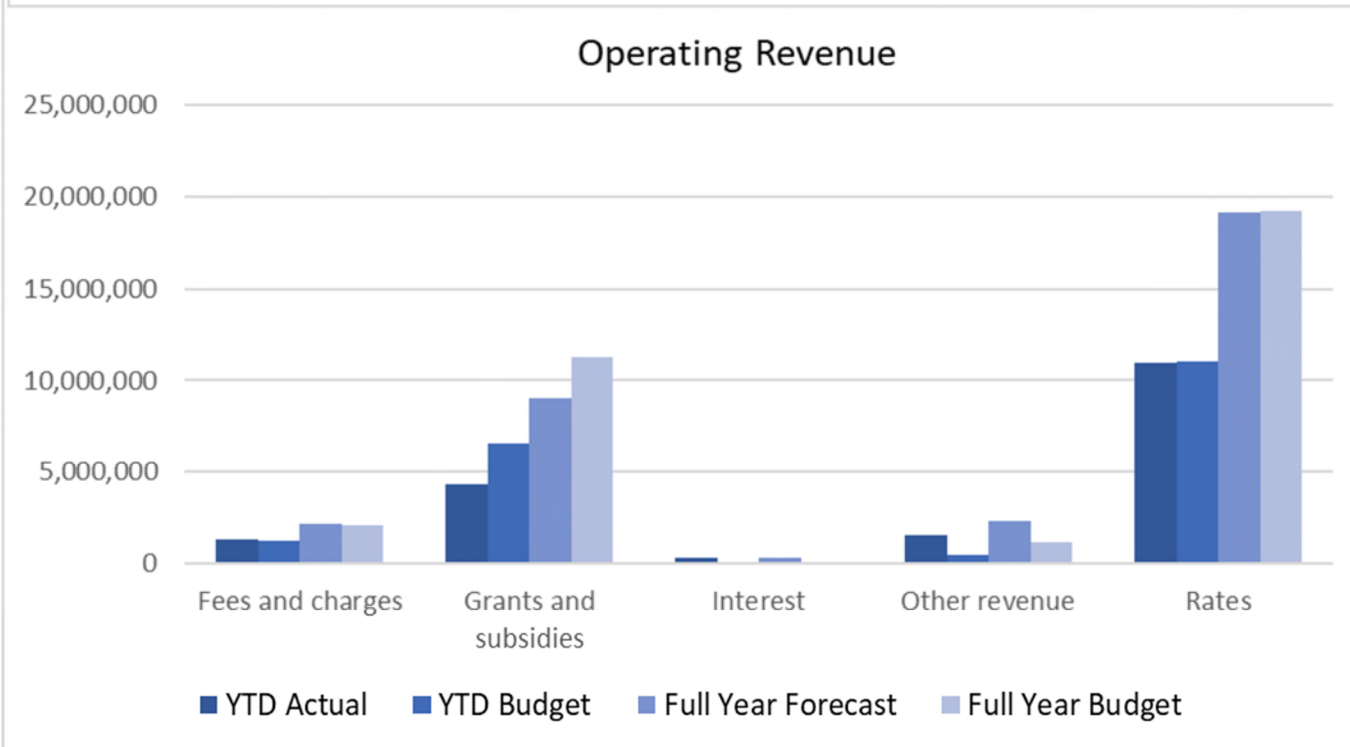
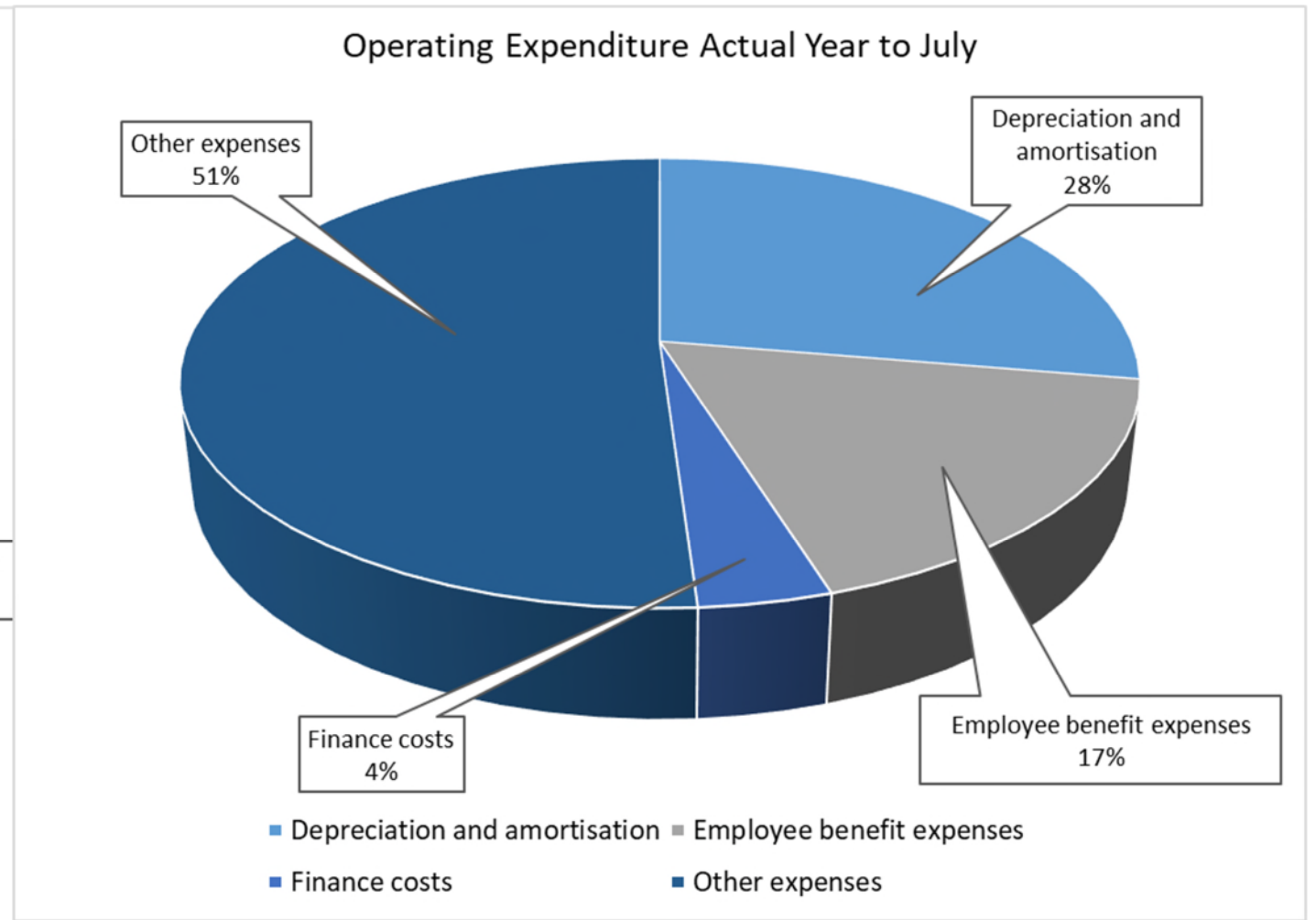
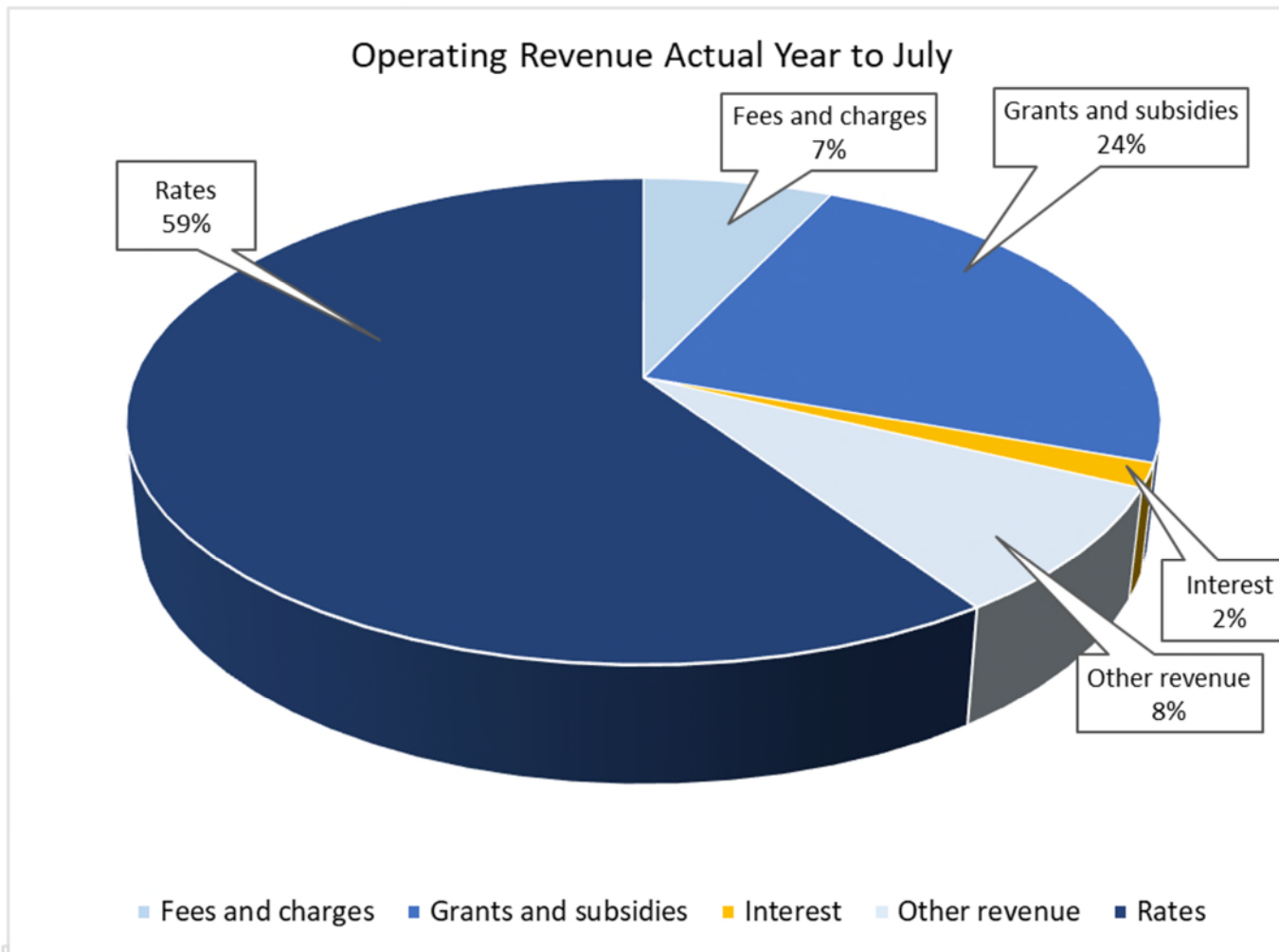
The major over budget cost is non-cash loss on Swaps \$520k (there is an offsetting gain of \$517k noted above). Land Transport expenses are over budget by \$309k (timing). Contractor costs in Planning and Building are over budget by \$202 due to staff shortages. Responsible camping costs are over budget by \$58k but there is unbudgeted grant funding to offset this. Also included in Other Expenses are the MTFJ funded programme costs of \$161k.

Statement of Financial Position

Statement of Financial Position			
	At 31 January 2023 \$000	Annual Plan 2022/23 \$000	Actual 2021/2022 \$000
Assets			
Current assets			
Cash & cash equivalents	11,499	2,436	9,389
Debtors & other receivables	5,218	2,819	5,029
Tax receivable	10	-	10
Derivative financial instruments	18	-	12
Other financial assets	3,048	-	3,048
Total Current Assets	19,793	5,255	17,487
Non-current assets			
Council Controlled Organisation	12,695	12,695	12,695
Deferred Tax	137	-	137
Intangible assets	123	392	136
Assets Under Construction	15,021	737	11,675
Derivative financial instruments	947	235	869
Other Financial Assets	613	825	617
Investment property	-	-	-
Property, Plant and Equipment	489,789	460,329	493,213
Term Inventory	-	-	-
Total Non-current assets	519,325	475,213	519,341
Total Assets	539,118	480,468	536,828
Liabilities			
Current liabilities			
Creditors & other payables	2,779	2,596	2,755
Employee benefit liabilities	541	384	489
Tax payable	-	-	-
Borrowings	3,000	-	3,000
Derivative financial instruments	-	94	-
Other	3,881	1,160	1,450
Total Current Liabilities	10,202	4,235	7,693
Non-current liabilities			
Deferred Tax	-	10	-
Employee benefit liabilities	31	42	35
Provisions	2,821	1,846	2,821
Borrowings	26,818	35,759	26,818
Derivative financial instruments	-	272	-
Total Non-Current Liabilities	29,671	37,928	29,674
Total Liabilities	39,873	42,162	37,367
Net Assets	499,245	438,305	499,461

	At 31 January 2023 \$000	Annual Plan 2022/23 \$000	Actual 2021/2022 \$000
Equity			
Retained Earnings	170,369	182,545	170,583
Restricted Reserves	12,967	6,747	12,968
Revaluation reserves	315,733	248,926	315,733
Other comprehensive revenue and expense reserve	177	87	177
Total Equity	499,245	438,305	499,461

Revenue & Expenditure Graphs



Debtors as at 31 January 2023

31/01/2023

Type	Over 90 Days	60-90 Days	30-60 Days	Current	Total (\$)
Building consents	14,963	12,596	4,265	23,260	55,084
Building Warrants	407	220	622	(423)	826
Resource consents	205	4,135	1,475	(1,200)	4,615
Sundry debtors	84,367	16,810	50,238	557,029	708,445
Grand Total	99,942	33,761	56,600	578,666	768,970

31/01/2022

Type	Over 90 Days	60-90 Days	30-60 Days	Current	Total (\$)
Building Consents	34,045	4,492	6,761	2,364	47,662
Building Warrants	750	1,024	150	160	2,084
Resource Consents	1,160	811	2,131	3,500	7,603
Sundry Debtors	15,514	355,820	27,840	238,804	637,979
Grand Total	51,469	362,148	36,883	244,828	695,327

Rates Debtors as at 31 January 2023

Rates Debtors at 31 December 2022	402,906
Rates instalment	4,855,644.65
Less payments received	(562,187.13)
Paid in advance change	(1,065,822.33)
Previous years write off's	(52,423.37)
Write off's	-
Penalties	29,541.70
Discounts	5.08
Court Cost	-
	3,204,759
Total Rates Debtors at 31 January 2023	3,607,665
Arrears included above at 31 January 2023	3,607,665
Arrears at 31 January 2022	3,600,035
Increase/(decrease) in arrears	7,630

Debt Position

Debt Position 2022/2023 (\$000)

	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23
Actual Debt Position	29,818	29,818	29,818	29,818	29,818	29,818	29,818	29,818	29,818	29,818	29,818	26,818	35,759
Budget	29,818	29,818	29,818	29,818	29,818	29,818	29,818	29,818	29,818	29,818	29,818	26,818	35,759
Forecast									29,818	29,818	29,818	26,818	31,818

Forecast Debt Position for 2021-2022 Financial Year

Forecast as at	Jun-23
Opening Balance	29,818
Loan funded capex forecast	3,150
Forecast repayments 2021-22	-1,150
Forecast balance June 2023 per AP	31,818



Capital Report

Capital Projects 2022/23
As at 31/01/2023

				Under/over budget	Status	Legend - Key
						Stopped
						Deferred
						On track
Project / Activity	YtD Expenses	Carry + Annual Plan	Forecast	Budget Track	Progress / Track	Progress Comments
	\$0	\$0	\$0			
LEADERSHIP						
Furniture Renewals	2,721	5,120	5,120			
Council HQ Earthquake strengthening & upgrade	0	250,000	0			
Council HQ - i-SITE room fitouts	0	60,920	0			
IT Equipment - Disaster Recovery Servers	0	32,768	0			Part of Business Continuity and Disaster Recovery Plan.
Hannahs Clearing Fire Station upgrade	0	71,680	71,680			
IT equipment Renewals	4,441	15,360	15,360			
IT Offsite Replication	0	40,960	0			Deferred to 2023/24
Replacement of vehicles	0	81,920	81,920			
	7,162	558,728	174,080			
Planning & Regulatory Services						
Civil Defence - Satellite Data & Voice	0	4,500	4,500			
Civil Defence - Emergency Operations Centre	0	1,396,398	1,396,398			
Civil Defence – Emergency containers	0	8,357	8,357			
Civil Defence – Emergency communications equipment	0	20,539	25,240			
	0	1,429,794	1,434,495			
LIBRARY & Museum						
Library - Resources	36,470	70,836	70,928			
Library Furniture & Equipment	1,304	9,508	14,354			
Museum – Museum archives	0	533,676	533,676			Part to complete full transferral between collection databases, concept design and 1/3 funding requirement for RCHF and Lotteries
Museum – Museum complex roller doors – H&S	0	2,000	0			
Museum – Packaging material	0	7,600	7,600			
Museum – Scissor lift H&S upgrades	0	8,200	8,200			
Collection Database-Axiell EMu	0	38,828	38,828			Museum Data Base-underway
Digital Interactive Package (pt of Museum fitout)	10,255	505,010	505,010			To be used for Ngā Whakatūrangā Project,
	48,029	1,175,658	1,178,596			

Project / Activity	YtD Expenses	Carry + Annual Plan	Forecast	Budget Track	Progress / Track	Progress Comments
	\$0	\$0	\$0			
WATER SUPPLY						
Kumara - WTP remedial work	0	48,710	48,710			Budget to be used for automation of duty / stand by valves (currently manual)
Kumara Replace Existing Reservoirs-investigation	0	25,000	0			Deferred unitl 24/25
Kumara Monitoring Equipment At WTP	11,342	100,000	100,000			Implementation of compliance equipment to meet new Rules. Report received with modifications being prioritized and programmed
Kumara Assessment reservoir	0	19,219	0			Deferred unitl 24/25
Kumara - Seismic valves	0	27,315	0			Deferred unitl 24/25
Kumara Water Mains Replacement	98,115	218,431	218,431			Pressure test and chlorination of mains completed. Programmed hook in new year.
Arahura Monitoring Equipment at WTP	11,342	100,000	100,000			Implementation of compliance equipment to meet new Rules. Report received with modifications being prioritized and programmed
Arahura Water Treatment Plant upgrade	59,196	123,884	123,884			Practical completion certificate awaiting for final "snag list" completion. Plant running and supplying water to township.
Hokitika Monitoring Equipment at WTP	11,997	100,000	100,000			Implementation of compliance equipment to meet new Rules. Report received with modifications being prioritized and programmed
Hokitika Seismic Valve (main outlet)	71,906	49,345	71,906			Now deferred unitl May / June 2023.
Hokitika Water Mains Replacement	365,258	309,724	365,258			Completed. Final invoices to come in.
Investigate Options for Brickfield Reservoirs	0	92,160	92,160			
Hari Hari Monitoring Equipment at WTP	11,342	100,000	100,000			Implementation of compliance equipment to meet new Rules. Report received with modifications being prioritized and programmed
Hari Hari Water Mains Replacement	178,204	174,942	178,204			Final restoration to be completed before year end.
Ross Monitoring Equipment at WTP	10,930	100,000	100,000			Implementation of compliance equipment to meet new Rules. Report received with modifications being prioritized and programmed
Whataroa Monitoring Equipment at WTP	12,422	100,000	100,000			Implementation of compliance equipment to meet new Rules. Report received with modifications being prioritized and programmed
Franz Josef Monitoring Equipment at WTP	10,930	100,000	100,000			Implementation of compliance equipment to meet new Rules. Report received with modifications being prioritized and programmed
Fox Glacier Monitoring Equipment at WTP	10,930	100,000	100,000			Implementation of compliance equipment to meet new Rules. Report received with modifications being prioritized and programmed
Fox Glacier Plant Upgrade to DWSNZ	241,704	1,068,851	1,068,851			Membranes ordered. ETA Oct 2023. Meeting with contractors to discuss options of forward works.
Franz Josef WTP and Reservoir upgrades	2,500	0	2,500			Completed. To be capitalised.
Haast Monitoring Equipment at WTP	11,447	100,000	100,000			Implementation of compliance equipment to meet new Rules. Report received with modifications being prioritized and programmed
SCADA / Telemetry at WTP's	24,870	21,415	24,870			Budget to be used for SCADA set up on burst control valves.
WTP Chlorination	19,053	125,000	125,000			Deplox units with Filtec. Installation & commissioning early 2023.
	1,163,487	3,203,996	3,219,774			

WASTE WATER						
Hokitika Water Mains Repl+G154:G166acement	0	66,473	66,473			Physical works completed last year. Budget to be used for easement finalization with James Scott.
General Contribution towards new developments	0	10,240	10,240			
General Replacement of Wastewater Treatment Plant	0	20,480	20,480			Replacement of Haast WWTP outflow meter. Works progressing. Budget also used for PLC component at Fitzherbert St PS.
Hokitika WWTP - 3 Waters Funded Projects (100% funded)	160,808	171,294	315,574			3 Waters Funded project completed
Hokitika WWTP Treatment and Disposal	14,371	6,110,487	400,000			Next working group meeting in the new year.
Hokitika -Z-line section replacement	366,160	302,381	405,164			Final pressure testing and hook in, followed by restoration week beginning 19th December.
Hokitika Wastewater Retic CCTV	0	20,000	20,000			Budget to be used for lateral locations / confirmations. Final sheet for CCTV work ETA Feb 2023.
Kaniere Road Catchment - I&I Investigation and Provisions for	17,176	105,627	105,627			Waiting on final invoices
	558,515	6,806,982	1,343,558			

Project / Activity	YtD Expenses	Carry + Annual Plan	Forecast	Budget Track	Progress / Track	Progress Comments
	\$0	\$0	\$0			
SOLID WASTE						
Butlers - Intermediate capping	1,187	82,769	50,000			Underway - Westroads completing
Franz Josef - Landfill final capping	0	2,407	2,407			
Butlers New Cell/Franz Josef Wast Management	64,216	217,383	217,383			
Emmissions Trading - Carbon Credits	0	200,000	200,000			
Hokitika - Glass crusher, waste mimimisation equipment	12,050	100,000	100,000			
Haast Lanfill Capping	1,995	48,280	48,280			Approx March /April
Haast - Develop transfer station	0	100,000	100,000			Starting in new year when Landfill closed
Hokitika - Refuse shed 1 doors & iron replacement	519	12,656	12,656			
Hokitika Refuse Shed 2	23,731	10,000	23,731			Concrete completed 22
Hokitika - Waste minimisation equipment	22,176	81,048	81,048			
	125,874	854,543	835,505			
STORM WATER						
Hokitika Stormwater Mains Replacement	660	228,107	228,107			For town Belt East.
Hokitika - Pump upgrade (Sewell St)	48,167	100,000	105,654			Electrical board being delivered and installed early December
Hokitika - Kaniere Rd network pipeline	0	122,880	122,880			
Livingstone St Pump Upgrade	449,759	1,375,622	1,375,622			Manholes are on site this week. Work to re-commence 10th Jan.
Beach St SW realignment	39,567	370,631	370,631			Remaining budget is to be used to add another soak hole in Beach Street
Jollie St Extension	12,329	252,573	252,573			Contract awarded to Westroads. Work to commence in the new year.
Bealey St Pump Upgrade	0	20,480	20,480			
Contribution towards new developments	0	10,240	10,240			
	550,482	2,480,533	2,486,187			
CEMETERIES						
Cemetery – Hokitika Improvements	(920)	10,434	10,434			Credit relates to the reversal of an accrued Westroads June 22 invoice which has not yet been approved for payment
Cemetery - Hokitika Improvements Ashes Berm	0	20,000	20,000			
Cemetery – Hokitika tractor shed	0	10,363	10,363			Building complete. Issues with Contractor (Westroads)
Cemetery - Hokitika Upgrade and expansion	0	10,363	22,168			Drainage works planned - meeting with contractor
Cemetery - Ross Berm development	1,670	33,090	33,090			
	750	84,250	96,055			
SWIMMING POOLS						
Swimming Pool Hokitika Refurbishment	149,311	1,614,716	149,311			Revised timeline to be developed.
Swimming Pool Ross - EQ strengthening	0	10,000	0			
Swimming Pool Ross - Replace novalite, windows & roof riding	0	14,783	0			
	149,311	1,629,499	149,311			

Project / Activity	YtD Expenses	Carry + Annual Plan	Forecast	Budget Track	Progress / Track	Progress Comments
	\$0	\$0	\$0			
FACILITIES & LEISURE SERVICES - OTHER						
Strengthening Carnegie Building	221,143	0	0			
Buildings - Carnegie building fitout	0	709,390	709,390			Dedicated to the Capital Assets Budget as per Regeneration, Fund Application 50:50 for the Nga Whakaturanga Project.
Buildings - Custom House - repile building	1,881	3,450	3,881			
Buildings - Fox house re-roof	0	26,200	26,200			
Buildings - Haast Community hall	0	26,200	0			Refer other funded hall project
Buildings - Hari Hari house - plumbing work	0	29,169	0			
Buildings - Hari Hari House Insulation	0	15,360	0			
Buildings - Pakiwaitara Earthquake structural works	620	450,000	620			Joseph & Associate are providing a quote. 450k may cover watertight issues
Buildings - Pakiwaitara: Westland Discovery Centre fitout	0	0	0			
Buildings - Whataroa pavilion upgrade	0	2,261	2,261			
Hokitika Heritage Park Infrastructure	0	80,000	0			Credit relates to the reversal of an accrued Westroads June 22 invoice which has not yet been approved for payment
Franz Josef Urban Revitalisation Plan	11,179	200,000	200,000			Underway - Pushing the roading items that need addressing.
Franz Heliport and Carpark	174,029	188,051	211,349			Nearing completion - sealing expected next fine break.
Heritage area lighting	318	57,848	57,848			Hold, due to regional council protection works upgrade
Hokitika Rubbish Bins	0	2,024	2,024			
Hokitika lighting and banners	17,327	117,825	117,825			
Hokitika revitalisation plan	15,215	100,000	100,000			
Jacksons Bay Trailer and Boat Park	0	188,180	0			
Visitor Services - iSite equipment replacements	0	6,072	0			
WCWT Milltown Shelter	50,560	67,398	67,398			
Paringa Conveniences (70% funded)	178,895	239,561	335,734			Toilets are Chch waiting for install end of May 2023 approx.
WCWT Northbank route	13,958	73,564	73,564			Part of WCWT project. Almost complete.
Westland Tourism Marketing Infrastruture	0	75,000	75,000			
	685,125	2,657,553	1,983,093			

Project / Activity	YtD Expenses	Carry + Annual Plan	Forecast	Budget Track	Progress / Track	Progress Comments
	\$0	\$0	\$0			
PARKS & RESERVES						
Cass Square - Rubber matting	0	111,460	111,460			
Cass Square toilets	51,273	23,697	51,273			Expected \$75 - \$100K over expenditure.
Cass Square - Upgrade of Playground equipment	453	1,056,788	453			
Cass Square - new developments	0	166,968	0			
Cass Square - new pavilion	0	76,800	0			
Cass Square Skate Park	25,431	0	25,431			Deferred to next round of Lotteries Community Facilities - waiting on annual plan process
Playground - Ross equipment upgrades to meet standards	0	91,536	0			
Playground - Whataroa equipment upgrades to meet	45,731	56,470	56,470			
Playground - Haast equipment upgrades to meet standards	0	1,536	1,536			
Playground - Kumara equipment upgrades to meet standards	0	1,536	1,536			
Reserves - Hokitika dog park	0	20,250	20,250			Need additional funding before this can progress
Reserves - Waterfront Development: Beach access;	274,777	407,976	477,820			
Cycle Trail - Lake Kaniere Stage 1	12,305	41,303	41,303			
Cycle Trail - Wainihinhi wet weather route bridge	0	320,000	0			
Cycle Trail - Mahinapua viewing platform	0	70,000	70,000			Geotech report done, WSP proposal 80% done
Cycle Trail - Mahinapua Boardwalks & Bridges	0	0	0			Design getting reviewed. Building consent application.
Cycle Trail - Minor infrastructure (shelters etc)	9,800	72,000	72,000			
Cycle Trail - Safety enhancements	0	60,000	60,000			Work to be done on the road crossings
Cycle Trail - Kaniere water race bridges	3,100	278,967	278,967			Mixed project - underway.
Larrikins Road	0	0	0			Design funding approved.
WCWT Storm 2022 Repairs	33,489	0	33,489			Complete
Westland Racing Club Reserve development	148,822	443,012	443,012			
Racecourse Dev-Stormwater	0	896,000	0			
	605,180	4,196,299	1,744,999			

Project / Activity	YtD Expenses	Carry + Annual Plan	Forecast	Budget Track	Progress / Track	Progress Comments
LAND TRANSPORTATION*						
211 Unsealed Road Metalling	54,442	193,241	193,241			
212 Sealed Road Resurfacing	366,897	1,108,910	1,108,910			
213 Drainage Renewals	133,747	182,744	182,744			
214 Sealed Road Pavement Rehabilitation	10,753	400,000	400,000			
215 Structures Component Replacement/216 Bridge & Structures Replacement	24,594	476,052	392,683			
216 Bridge & Structure Renewals	0	500,000	500,000			
222 Traffic Services Renewals	22,951	110,730	110,730			Annual reprint and new signs where necessary
212 SPR Sealed Road Resurfacing	0	300,000	300,000			
213 SPR Drainage Renewals	69,990	(6,828)	(6,828)			
214 SPR Sealed Road Pavement Rehabilitation	40,563	229,393	229,393			
215 SPR Structures Component Replacement/216 SPR Bridge & Structures Replacement	0	198,436	198,436			
216 SPR Bridge & Structure Renewals	0	70,000	70,000			
222 SPR Traffic services renewals	8,134	6,511	7,119			
Low Cost Low Risk - Local	157,649	295,000	295,000			
Low Cost Low Risk - SPR	62,600	2,084,475	2,084,475			Underway, resilience project being investigated
Footpath upgrades	114,593.59	(83,369)	0.00			Westroads working to the agreed programme
Cron Street and Footpath Extensions (100% funded)	(1,192)	40,003	(1,192)			The YTD credit relates to the reversal of an over-accrual of expected costs in June 2022.
Old Christchurch Road (100% funded)	0	83,918	83,918			Application in with MBIE to reallocated some funds from Old CHCH to Cron Street
	1,065,722	6,189,216	6,148,630			
UNBUDGETED CAPITAL EXPENDITURE						
LDHQ Energy Centre	8,529	0	0			
	8,529	0	0			
Total	4,968,164	31,267,051	20,794,283			

Report to Council



DATE: 23 February 2023
TO: Mayor and Councillors
FROM: Community Development Advisor

WESTLAND CREATIVE COMMUNITY COMMITTEE

1. Summary

- 1.1. The purpose of this report is to have Council confirm the nominated members of the Westland Creative Community Committee for the current triennium.
- 1.2. This issue arises from advertising and calling for nominations for Westland Creative Community Committee.
- 1.3. Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by the Council in June 2021, which are set out in the Long-Term Plan 2021 - 31. Refer page 2 of the agenda.
- 1.4. This report concludes by recommending that Council confirm the nominations to the Westland Creative Community Committee for the current triennium.

2. Background

- 2.1. The reason the report has come before the Council is to confirm the nominated members of the Westland Creative Community Committee for the current triennium.
- 2.2. Creative New Zealand sets out guidelines for local Creative Community Committees to allocate funds to applicants to the Creative Community Scheme supporting Local Arts. Creative New Zealand suggest the membership of local Creative Community Committees be advertised to coincide with the Local Government Triennium and allocation of Councillors to this committee. It is suggested that nominated members serve no more than 7 years on the committee.

3. Current Situation

- 3.1. Advertising calling for nominations for Westland Creative Community Committee was carried out late September and extended into November to achieve a suitable number of nominations.
- 3.2. Creative New Zealand criteria has been met with 8 nominations received including a nomination from Te Rūnanga o Makaawhio. Two Councillors have been appointed from Council to the Westland Creative Community Committee. There is an option to have a Youth Member on the committee put forward each year by Westland High School.

4. Options

4.1. Option 1: Confirm the appointment of the following to the Westland Creative Community Committee:

Nominee	Nominated by	Interest areas
Delwyn Alexander	Amelia Myles	Creative fibre, Film, Performance Art
Mary-Anne Bell	Emma Kay	Accessible art experiences for wider community, local craft groups, workshops
Paul Kerridge (2 nd Triennium)	Janice Rhind	Visual arts, film, and performance art, encouraging pathways and experiences to encourage careers in art
Emma Kay	Mary-Anne Bell	Creative art experiences for children, music and performance art
Nikki-Leigh Wilson-Beazley	Te Rūnanga o Makaawhio (Kara Edwards)	Creative NZ ask for a representative of local iwi to encourage workshops, rehearsals, performances, festivals or exhibitions in Māori heritage or contemporary art forms
Sophie Roberts	Mary-Anne Bell	Music, Art experiences for low vision community
Phoebe Wilson	Alana Howard	Music, performance art and alternative art presentation, graphics as an art form.
Tallulah Ngahuia Martin-Naylor	Natasha Morris	Toi Māori, Māori artists, music, and community projects

4.2. Option 2: Vary the appointment of members to the Westland Creative Community Committee.

4.3. That Council do not confirm the appointment of members to the Westland Creative Community Committee and calling for nominations is re-advertised.

5. Risk Analysis

5.1. Risk has been considered and no risks have been identified.

6. Health and Safety

6.1. Health and Safety has been considered and no items have been identified.

7. Significance and Engagement

7.1. The level of significance has been assessed as being of a low level

7.1.1.No public consultation is considered necessary

8. Assessment of Options (including Financial Considerations)

8.1. Option 1 – the advantage of this committee is that it allocates funds into the Westland District for the promotion of Local Arts. Creative New Zealand procedure was followed and 8 nominations from the Westland community were received.

8.1.1. There are no financial implications to this option. Annual funding of \$20,334.00 is received from Creative New Zealand under the current contract 2022-2025. Westland CCS allocation is divided into two funding rounds usually advertised in August and March distributing funds in September and April.

9. Preferred Option(s) and Reasons

9.1. The preferred option is Option 1: Confirm the appointment of the following to the Westland Creative community Committee: Delwyn Alexander, Emma Kay, Mary-Anne Bell, Nikki-Leigh Wilson-Beazley, Paul Kerridge, Phoebe Wilson, Sophie Roberts, and Tallulah Martin-Naylor.

9.2. The reason that Option 1 has been identified as the preferred option is that Creative New Zealand procedure was followed and 8 nominations from the Westland community were received.

10. Recommendation(s)

10.1. That the report be received.

Sarah Brown
Community Development Advisor

Appendix 1 - CCS Assessors Guide 2019-2022 (current)

Creative Communities Scheme

Funding for local arts
Te tono pūtea mō ngā
manahau a te iwi kainga

Assessors Guide

2019 - 2022

Updated July 2020

**This guide outlines the
role and responsibilities of
the Creative Communities
Scheme (CCS) assessment
committees.**

FRONT COVER

NZ Ukulele Festival Trust

New Zealand Ukulele
Festival

The guide includes:

- an introduction to CCS and how the scheme works
- information about assessment committees
- information about the assessment process

As a CCS assessor, you'll need to familiarise yourself with the contents of this guide. You should use it as an ongoing reference.

Your CCS administrator will also provide you with a CCS Application Form and CCS Application Guide. These are the documents that applicants use to make an application.

This is an updated version of the Assessors Guide. It replaces all previous versions.

You can also access the contents of the Assessors Guide on the Creative Communities Online Hub at <http://ccs.creativenz.govt.nz/help>

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1. Introduction to the Creative Communities Scheme

The purpose of the scheme

The Creative Communities Scheme (CCS) provides funding to communities so New Zealanders can be involved in local arts activities.

The scheme supports a wide range of arts¹ projects under the following art forms: craft/object arts, dance, inter-arts, literature, Māori Arts, multi-artform (including film), music, Pacific Arts, theatre and visual arts.

About Creative New Zealand and our partnership with local councils

Creative New Zealand, which is a Crown entity, works with local city and district councils to deliver the Creative Communities Scheme.

Creative New Zealand is New Zealand's national agency for developing the arts. We encourage, support and promote the arts in New Zealand for the benefit of all New Zealanders. Our programmes support participation in the arts, not just by professional artists, but by all New Zealanders.

The Creative Communities Scheme is one of the ways we fund a broad range of arts projects in local communities. The Arts Council of New Zealand Toi Aotearoa Act 2014 allows us to allocate funding to other organisations so that they can administer grants in support of arts projects - this includes local councils that have agreed to become community arts providers. We have a written agreement with your local council to administer CCS.

Some councils, in turn, contract a third party to distribute these funds to local arts projects.

Funds and funding rounds

Each city or district council receives an annual allocation of funds from Creative New Zealand. The total allocation received by each local council consists of:

- > a base grant of \$15,000
- > an allocation of \$0.60 per head of population in the relevant area
- > a GST component.

Each council or third party organisation² holds **at least two and a maximum of four** funding rounds each year. In some districts, where the amount to be allocated is very small, Creative New Zealand allows for just one funding round to be run per year.

Assessment committees

Each council or third party organisation forms an assessment committee to allocate the CCS funding. The assessment committee is made up of councillors and community representatives who are familiar with the broad range of local arts activity. You can read more about the make-up of the assessment committee on page 2 of this guide.

¹ See Glossary for definition of arts

² Some councils choose to run CCS through a third party organisation such as the local arts council. For more information on this speak to your local CCS administrator

2. Assessment committees

Role of assessment committees

Assessment committees are at the heart of the success of the Creative Communities Scheme. Their main role is assessing applications and allocating funding, in line with any specific local priorities that have been set by your council.

The assessors (the members of the assessment committee) should collectively have a broad knowledge of the arts activity in your local area.

Other functions of committee members include:

- discussing and making recommendations for promoting the scheme locally
- receiving reports on funded projects and discussing completed projects
- attending performances, exhibitions and other events funded by the Creative Communities Scheme
- attending meetings organised by Creative New Zealand
- contributing to the Annual Evaluation Report to Creative New Zealand
- electing new community representatives to the committee after a public nomination process

Membership and make-up of assessment committees

Council committee, sub-committee or community committee?

The CCS assessment committee can be established as a committee of council, a sub-committee or a community committee.

Decisions made by this committee do not need to be approved or confirmed by your council.

Whatever form the committee takes, it must meet the following guidelines for membership and decision-making.

Size of the committee

There is no specific requirement for the number of members an assessment committee must have. However, Creative New Zealand strongly recommends that there be at least seven, and not more than 11 members. A committee of nine members works well; having an odd number also assists with voting.

Who sits on the committee

Each assessment committee consists of:

Representation from local councils and community arts councils

- Local councils may appoint up to two representatives to the assessment committee. These may be elected councillors or community board members with an arts and culture focus or knowledge. Elected councillors and local board members must not make up more than half of an assessment committee.
- Each community arts council in the local area has the right to have a representative on the assessment committee. Community arts councils are organisations that have been formally gazetted under the Arts Council of New Zealand Tei Aotearoa Act 2014 or previous versions of this Act.

Community representatives

Community representatives on the assessment committee must be familiar with the range and diversity of local arts activities. Ideally membership of the committee should also reflect the make-up of the local community, eg young people, recent migrants, Asian residents, and local Māori and Pasifika peoples.

At least one member must be of Māori descent and have local knowledge of Māori arts activity. It is recommended that CCS administrators consult with local iwi regarding Māori appointments.

Youth councils, ethnic councils or other community groups do not have an automatic right to be represented on the committee, but they may nominate community representatives for election.

Community representatives can't include elected council members or community board members.

If council staff wish to stand as community representatives they must be there independently of their role in council.

Community representatives must be elected in a public and open way by the existing assessment committee after a public nomination process. Options for doing this include:

- calling for written nominations through newspapers, community noticeboards, direct mail-outs and websites, with representatives being elected by the committee from these nominees
- convening a public meeting where nominations are received from the floor with community representatives then being elected by the committee.

However, if there's a limited response to a call for nominations or a public election process or the committee lacks specific knowledge, the committee (via the CCS administrator) may approach individuals directly and invite them to become members.

Having past members mentor new members can be a great way to support new or younger members as they join the committee.

Term of membership

Community representatives may be appointed or elected for a specified term of up to three years and can serve a maximum of two consecutive terms.

This term limitation does not apply to council or community arts council representatives however we do recommend rotation of council and community arts council representatives to keep the committee fresh.

It's a good idea to have a combination of new and experienced members. To keep this balance we recommend that committee members be replaced over time.

Chairperson

Each year the assessment committee should elect a chairperson.

A person may serve a maximum of three consecutive years as chair.

Management of committee meetings

To be able to make the best funding decisions, committee members must be free to discuss all aspects of an application. For this reason we recommend that assessment committees consider applications in accordance with the public excluded provisions of the Local Government Official Information and Meetings Act 1987 or, if they are a community committee, in private.

Individual councils are responsible for ensuring that meetings of the assessment committees operate in accordance with the relevant council standing orders, including the taking of minutes.

Dealing with conflicts of interest

To maintain the assessment committee's integrity and to guarantee that its decision-making is transparent and impartial, conflicts of interest must be declared and handled appropriately.

Three types of conflict of interest can arise - direct, indirect, and perceived.

These are explained below, along with the procedures that must be followed when these conflicts arise. All members of the committee are responsible for making sure these procedures are followed.

Direct conflicts of interest

A direct conflict of interest can occur if a committee member applies for funding under the Creative Communities Scheme, or is part of a group that applies and stands to benefit financially or materially from a successful application. In this situation the committee member concerned:

- must declare the conflict of interest as soon as he or she becomes aware of it
- must not assess the application
- must not take part in the decision-making process for that application, and
- must leave the room while the committee is assessing the application.

Alternatively, the committee member or the applicant group can withdraw the application.

A direct conflict of interest can also arise when an assessment committee is operated by a third party such as a community arts council, and the third party applies for funding through the Creative Communities Scheme. Third parties must not be involved in any part of assessment or decision-making process for their applications.

Indirect conflicts of interest

An indirect conflict of interest can occur when someone else other than the committee member applies but the committee member would benefit financially or otherwise if the application were granted. In these situations the committee member:

- must declare the conflict of interest as soon as he or she becomes aware of it
- must not assess the application
- must not take part in the decision-making process for that application, and
- must leave the room while the committee is assessing the application

Alternatively, the applicant can withdraw the application.

Perceived conflicts of interest

There is potential for a perceived conflict of interest when a CCS application is made by a family member, friend or associate of a committee member, or by an organisation associated with the committee member. Exactly how this should be dealt with will depend on the particular situation and particular relationship, as explained below:

Immediate family, and governance or commercial relationships

Committee members must declare a conflict of interest if:

- an application is from an immediate family member, or
- the committee member is involved in the governance of an organisation that has applied, or
- the committee member has a commercial relationship with the applicant.

In these cases, as well as declaring the conflict, the committee member must not assess the application and must leave the room while the committee is assessing it.

An "immediate" family member means a parent, spouse, civil union partner, de facto partner, brother or sister, or child (this includes acknowledged "foster" or "whāngai" siblings or children).

Other relationships

Perceived conflicts of interest may also arise when there is an application from:

- friends
- relatives that aren't immediate family, or
- people and organisations with whom the committee member is associated.

In these cases the committee member must declare the conflict, but should use their discretion in deciding whether they should participate in the assessment and decision-making process.

Recording conflicts of interest

All conflicts of interest must be noted at the start of the assessment committee meeting that will be considering the relevant application.

The conflict, and the member's absence during the relevant discussions, must be recorded in the minutes of the meeting.

Creative New Zealand support available to assessors

Meetings and workshops

Creative New Zealand organises regular regional meetings and training workshops for CCS administrators and assessors. These are intended to help administrators and assessors develop the knowledge and skills they need to deliver the scheme locally. The meetings are also a valuable opportunity to exchange information with colleagues in neighbouring local council areas.

Advice

Creative New Zealand staff are available to answer any questions you may have about assessing applications or about administering and delivering the scheme generally. These questions should be directed through your local CCS administrator.

3. Eligibility requirements and funding criteria

To be successful, applications for funding under the Creative Communities Scheme must:

- meet a number of eligibility requirements before the application can be considered by the CCS assessors (the local CCS administrator will check that the application meets these requirements before passing it on to the assessors)
- show that the proposed project meets one or more of the scheme's three funding criteria (access and participation; diversity; young people). When deciding whether to fund the proposal, you will look carefully at whether and to what extent the proposal meets the selected criterion.

Eligibility requirements for CCS

Before an application can be considered by an assessment committee, the CCS administrator will check that it meets all of the following eligibility requirements:

- The applicant
 - if the applicant is an individual they must be a New Zealand citizen or permanent resident; if the application is from a group or organisation, they must be based in New Zealand
 - if the applicant has already received funding from CCS for another project, they must have completed a satisfactory Project Completion Report for the other project before they can make another application, unless the other project is still in progress.
- The application form
 - the application must be on the standard application form provided by Creative New Zealand for the scheme
 - the declaration must be signed.

- The proposed project or proposal
 - must have an arts³ focus
 - must have identified one of the three funding criteria (see below)
 - must take place within the city or district where the application is made
 - must not have begun before any CCS funding is approved⁴
 - must not already have been funded through Creative New Zealand's other funding programmes
 - must be scheduled to be completed within 12 months after funding is approved.

Funding criteria for CCS

Once the administrator has determined that an application is eligible he or she will forward it to the assessment committee to be assessed against the following criteria:

- Access and participation
- Diversity
- Young people.

One of the greatest strengths of CCS is that these funding criteria allow assessment committees to make decisions that take into account the local context. Committees are encouraged to apply the funding criteria according to the arts needs within their own local council's area.

The funding criteria are stated in the application form and all applicants are required to identify the one criterion that their project best relates to.

³ See Glossary for definition of arts

⁴ Note that some aspects of a project may have already started but an applicant can request support for activity which has not already taken place, eg a community musical: rehearsals may have already started but the group may request support for the presentation costs, eg venue hire that have not already been incurred

Access and participation

The project will create opportunities for local communities to engage with and participate in local arts activities, eg:

- performances by community choirs, hip-hop groups, theatre companies or poets
- creation of new tukutuku, whakairo or kōwhaiwhai for a local marae
- workshops on printmaking, writing or dancing
- exhibitions by local craft groups promoting weaving, pottery or carving
- festivals featuring local artists
- creation of a film or public artwork by a community
- artist residencies involving local artists or communities
- seminars for the development of local artists.

Diversity

The project will support the diverse arts and cultural traditions of local communities, enriching and promoting their uniqueness and cultural diversity, eg:

- workshops, rehearsals, performances, festivals or exhibitions in Māori or Pasifika heritage or contemporary artforms
- workshops, rehearsals, performances, festivals or exhibitions by local migrant communities
- arts projects that bring together groups from a range of different communities
- workshops, rehearsals, performances, festivals or exhibitions by groups with experience of disability or mental illness.

Young people

The project will enable and encourage young people (under 18) to engage with and actively participate in the arts, eg:

- a group of young people working with an artist to create a mural or street art
- a group of young people creating a film about an issue that's important to them
- publication of a collection of writings by young people
- music workshops for young people
- an exhibition of visual art work by young people.

Costs that can be funded

The types of costs that can be funded include:

- materials for arts activities or programmes
- venue or equipment hire
- personnel and administrative costs for short-term projects
- promotion and publicity of arts activities.

Projects that can't be funded

Types of projects that can't be funded under the Creative Communities Scheme include:

- **Projects without an arts focus, eg:**
 - puzzles, upholstery, magic, model-making, commercial design, commercial fashion design, fitness-based dance (such as aerobics or gymnastics), and martial arts (such as tai chi or karate)
- **Film festivals presenting films made outside the local area**
- **Fundraising activities eg:**
 - benefit concerts to raise funds to buy a capital item or to pay for another activity.
- **Projects within the scope of other sectors or organisations, eg:**
 - arts projects in schools or other educational institutions that are the core business of that

institution or are normally funded through curriculum or operating budgets (see section below: Creative Communities Scheme and schools)

- projects that mainly deliver outcomes for other sectors, eg health, heritage or the environment

> Council projects - which are any projects developed and run by a council or its subsidiary, The latter includes council controlled organisations (CCOs), libraries, art galleries, museums, performing arts venues, economic development agencies and/or bodies that are 50% or more controlled by a council or group of councils.

This criteria does not prevent a local arts group from applying for a project that will use facilities owned and/or operated by a council or its subsidiary. However, an application can only be for the direct project costs of the applicant such as:

- materials for arts activities or programmes
- venue and equipment hire (including council owned or council controlled venues)
- personnel and administrative costs for short-term projects
- promotion and publicity of arts activities.

This criteria does not prevent a council or council subsidiary from applying to Creative New Zealand for funding via our other funding programmes or initiatives.

A body, eg trust or foundation which has been established to deliver outcomes for a council or its subsidiary is not eligible to apply.

> Facilities, eg:

- projects to develop galleries, marae, theatres and other venues - including the costs of fixed items, whiteware, floor coverings, furnishings, gallery and theatre lights, stage curtains or building restoration

CCS funding is available for new artworks as part of marae projects such as tukutuku, whakairo, whāriki and kōwhaiwhai – however, applications for funding for marae facilities or restoration projects should be made to the Lottery Marae Heritage and Facilities fund, which is administered by the Lottery Grants Board.

Specific costs that can't be funded

- > ongoing administration and service costs (such as salaries) that aren't related to a specific project⁵
- > travel for individuals or groups to attend events, presentations or shows outside the local area
- > buying capital items or equipment, such as cameras, computers, instruments, costumes, lights or uniforms
- > the costs of running fundraising activities
- > entry fees for competitions, contests and exams
- > prize money, awards and judges' fees for competitions
- > payment of royalties
- > the paying off of accumulated debt or debt servicing
- > buying existing artworks for collections held by, for example, councils, museums, galleries, community groups or individuals.

Where any of the above costs are included in a CCS application, the applicant will need to be able to cover these costs from project income other than CCS funding, eg ticket sales or fundraising

Creative Communities Scheme and schools

Every school has its own curriculum and teaching programme aligned to the National Curriculum. All state and integrated schools are obliged to deliver the National Curriculum and all are obliged to have trained

⁵ Note that CCS can support a proportion of a groups' core costs and/or overheads that relates specifically to the project

and registered teachers that deliver that curriculum. Each school decides what they want to focus on and establishes an annual curriculum and teaching programme that identifies the learning outcomes and the activity to deliver the programme.

CCS cannot fund arts activity which is the responsibility of teachers (including itinerant staff) to deliver. This is arts activity already delivered by teachers as defined in a school's annual curriculum and teaching programme.

What schools activity can CCS support?

In addition to the activities identified in the curriculum and teaching programme, a school may undertake *additional* activity to complement and enhance its teaching programme. This activity is often referred to as co-curricula or extra-curricular activity. This activity may be eligible for support via CCS as long as it fits other CCS criteria. This might include performances or workshops by visiting artists taking place inside or outside the school, school productions (as long as they are not a primary vehicle for delivery of the school's curriculum and teaching programme) or community-based arts and cultural activities.

How can you tell if the activity is part of the curriculum and teaching programme?

Applicants need to supply a letter from the school principal verifying that the *activity or project is not part of the school's curriculum and teaching programme, has not been identified by teachers as an activity they would offer students themselves and is not primarily a vehicle for assessment*. If an applicant has not supplied this letter an administrator can request this or an assessment committee could allocate funding but make it conditional upon receipt of this letter.

Test examples for school projects:

Workshops by visiting artists taking place within the school: Yes, as long as this is not part of the curriculum and teaching programme, clearly complements what teachers can offer, and the artists are not replacing the role of the teacher.

School productions: Yes, in some instances, but not if the production is intended to deliver an aspect/s of the school's curriculum and teaching programme and is primarily a vehicle for assessment.

Participation by students in a local performing arts competition: Yes, as long as this is not part of the curriculum and teaching programme, clearly complements what teachers can offer and any additional tutors are not replacing the role of the teacher. Eligible costs might include transport to and from the event, materials for the making of costumes or tutor fees.

NB: Other CCS funding criteria and exclusions also apply to school projects.

Support under other Creative New Zealand funding programmes

If the scale or significance of a proposed arts project goes beyond the local level, the project may be a better fit for one of Creative New Zealand's other funding programmes.

Information about the other funding opportunities we provide is available on our website:

www.creativenz.govt.nz

4. The assessment process

Key guidelines for assessors

To maintain the integrity of the assessment process, all assessment committees must follow these three key guidelines:

1. Apply the Scheme's funding criteria i.e. all projects must meet one of the funding criteria.
2. Use the Assessors Guide and Assessment Scale to govern decisions.
3. Follow the procedures for dealing with conflicts of interest.

Stages of the assessment process

When an application for funding under the Creative Communities Scheme has been received and acknowledged by the local CCS administrator, the application passes through the following stages:

1. Checking eligibility requirements (Administrator) – the CCS administrator checks that the application is eligible to be considered by the assessment committee.
2. Distributing applications to assessors (Administrator) – the CCS administrator distributes all the eligible applications to the individual assessors.
3. Applying the Assessment Scale (Individual assessors) – the assessors mark each application against the Assessment Scale, using the Application Marking Sheet to record a mark out of 20. They then return these marks to the administrator.
4. Creating a ranked list (Administrator) – the CCS administrator collates the assessors' marks and creates a ranked list of all applications, from the highest marked to the lowest.

5. Prioritising applications and allocating funding (Assessment committee) – the assessment committee meets to discuss the applications and decide which should have priority for funding.
6. Notifying the applicants (Administrator) – the CCS administrator notifies each applicant in writing of the assessment committee's decision about their application.

Funding criteria

Funding criteria and examples are given on pages 6 -7 of this guide

Applying the Assessment Scale

Number of assessors per application

Each application should be assessed by all the assessors. However, if this isn't possible because there is a large number of applications, each application must be marked by **at least three** members of the committee who have relevant experience and knowledge of the particular artform.

Assessors must mark applications using the Assessment Scale. This ensures that the assessment process is consistent and objective.

Giving each application a mark against the same scale and same set of questions allows applications to be ranked in priority before the assessment committee meets, and provides a starting point for discussion.

Your administrator will provide you with:

- all the applications you are to assess
- an Assessment Marking Sheet to insert your marks into.

Assessors must complete the Assessment Marking Sheet and return this in time for the administrator to compile a ranked list for the assessment committee meeting.

How the Assessment Scale works

On the basis of the information provided in each application for Creative Communities Scheme funding, the members of the assessment committee give a mark from 1 to 4 for each of the five assessment areas set out below.

The individual marks for each assessment area will provide a total score out of 20. These are then averaged and a ranked list is created listing the applications with the highest scores at the top.

The five assessment areas

Area 1 The idea / Te kaupapa

What is it the applicant wants to do?

Give a mark based on your assessment of how strong and well-developed the idea behind the proposed project is.

-
- 4 The idea / kaupapa is extremely strong and well-developed.

 - 3 The idea / kaupapa is generally strong and has merit.

 - 2 The idea / kaupapa is under-developed.

 - 1 The idea / kaupapa is not developed

Area 2 The process/Te whakatutuki?

How will the applicant carry out the project, and where and when?

Give a mark based on your assessment of the process (creative and/or practical), planning and timeline put forward for the project in the application.

-
- 4 The process, planning and timeline are extremely well-conceived and convincing.

 - 3 The process, planning and timeline are mostly well-conceived and credible.

 - 2 Some aspects of the process, planning or timeline are well-conceived.

 - 1 The process, planning and timeline are poorly conceived and not convincing, and/or key elements of the process, planning and timeline are incomplete.

Area 3 The people/Ngā tāngata

Who is involved?

Give a mark based on your assessment of the relevant experience of the individual or group and their ability to deliver the project.

-
- 4 The ability and experience of the individual or group involved in the delivery of the project is exceptional.

 - 3 The ability and experience of the individual or group involved in the delivery of the project is strong.

 - 2 The ability and experience of the individual or group involved in the delivery of the project is below average or unproven.

 - 1 The ability and experience of the individual or group involved in the delivery of the project is unknown or not credible.

Area 4 The criteria/Ngā paearu

How will the project deliver to the selected criterion?

Give a mark based on how well the proposed project will deliver to the selected criterion.

-
- | | |
|---|--|
| 4 | The project has the potential to deliver exceptional results under the selected criterion. |
| 3 | The project has the potential to deliver strong results under the selected criterion. |
| 2 | The project has the potential to deliver limited results under the selected criterion. |
| 1 | The project has the potential to deliver minimal or no results under the selected criterion. |
-

Area 5 The budget/ Ngā pūtea

How much will the project cost?

Give a mark based on your assessment of how strong the proposed project's financial information is and how reliable its budget is.

-
- | | |
|---|--|
| 4 | The financial information, including the budget, is realistic, complete and accurate. |
| 3 | The financial information, including the budget, is mostly complete, realistic and accurate. |
| 2 | The financial information, including the budget, is incomplete and only partly realistic and accurate. |
| 1 | The financial information, including the budget, is unrealistic and/or incomplete and/or inaccurate. |
-

Prioritising applications and allocating funding

The assessment committee meets to decide which applications should have priority for funding. The committee focuses its discussion on:

- what level of support there is among committee members for those applications that scored highly on the Assessment Scale (a total mark between 16 and 20)
- which "middle ground" applications (a mark between 11 and 15) should be given priority
- strategic funding decisions and local funding priorities that may see applications given priority even though they haven't scored as highly as others.

It's appropriate to support a project if the application is eligible and meets the funding criteria and the assessment committee believes the project should have a high priority.

Grants can be made as general contributions to a project or they can be tagged to a specific aspect of the project.

If an application has stated that the applicant is also asking for funding from other sources, the committee will need to consider how likely it is that the applicant will get that other funding and therefore whether the project will be viable.

Taking a strategic approach to funding decisions

Usually there's pressure on CCS funds and it's not possible to fund all of the creative projects taking place in our communities. Assessment committees will need to take a strategic approach to funding and make decisions that represent the best use of the funds available. It's preferable that the best applications are given adequate support to ensure that they have a good chance of success, rather than spreading funding too thinly over a larger number of applications.

Funding decisions should also be made from a district or city-wide perspective. Rather than considering individual projects in isolation, it's important that assessors are aware of the arts environment in the city or district as a whole and that they aim to fund projects in a way that develops and enhances the arts throughout the local area.

Declined applications

If the committee decides to decline an application they will need to identify the reason for the decline. These are:

- The application is ineligible
- The application is incomplete
- The project is a low priority for funding

Specific factors for the committee to consider

When deciding whether a proposed project should be a priority for funding, the committee should consider and discuss the following questions:

- Is there evidence of demand from the community?
- Will the project provide increased, sustained or long-term benefits for the community?
- Will the project contribute to supporting the local arts priorities identified by the local council?
- Is there potential for the project to develop?
- Has the project received CCS support previously and, if so, has the project developed in any significant way?
- Given that priority should be given to strong projects that are likely to be successful, is the proposed level of funding support adequate to ensure that the project will succeed?
- What does the arts environment look like in the local area, and where is support needed? How will the project contribute to the development of the arts within the district or city?

Deciding the appropriate level of funding for an application

Assessment committees should award the amount and type of assistance that they agree is appropriate, regardless of the amount the applicant has asked for. If the committee decides to grant less than the amount asked for, it must be confident this won't risk making the project unviable.

Local councils or assessment committees must not set an upper limit on how much funding applicants can ask for. However, it's good practice to manage applicants' expectations, and applicants can be given information about the range of funding amounts that have been granted in the past.

Councils and assessment committees also must not specify the level of an applicant's minimum contribution to a project (whether personal or through other funding sources) as a requirement for eligibility under the scheme.

Projects benefiting more than one council area

Projects that benefit more than one council area can be supported. Individual CCS administrators should liaise with the administrator in an adjacent local council where appropriate.

Co-operation and joint support

Assessment committees may co-operate and jointly support projects that take place in adjacent local authority areas. This may be achieved through administrators liaising informally with other administrators and committees.

If your council would like to establish formal processes for co-operation and joint support, or would like to operate a joint assessment committee, this must be agreed in writing with Creative New Zealand.

Whether your process is formal or informal, it is recommended that administrators (and relevant management) of the adjacent council discuss and agree the following:

- The principles and considerations behind recommending that applicants submit applications to both committees, eg:
 - shared audiences
 - projects that sit across both boundaries
 - the funding/infrastructure available in each district for different types of projects
 - impacts for applicants
 - timing of closing dates
 - proportions of requests
 - implications of one committee funding and another not.
- Under what circumstances administrators will or won't recommend that applicants submit to both committees
- How administrators will convey this advice to applicants
- How administrators will ensure your advice is consistent
- How administrators will keep each other in the loop.

5. Promoting the scheme locally

As well as assessing applications, reading reports and attending CCS-funded events, members of the assessment committee have a very important contribution to make in promoting the scheme effectively.

Developing a promotion plan

Promoting the scheme well is key to the success of CCS.

Planning is the first step, and it's good practice for assessment committees to set aside time to develop a promotion plan. The plan should be a work-in-progress that's discussed and reviewed regularly. We suggest that you do this at the end of each assessment meeting.

To develop a plan targeted to your own community it may help to start by addressing the following questions. We encourage all assessment committees and administrators to regularly review how the scheme is being promoted. At least once a year the committee should devote some time to consider ways to improve the scheme's promotion.

Questions that the assessment committee might consider are:

Who needs to hear about the scheme?

Brainstorm ideas, using your knowledge about your community. Look at past applications to help identify particular groups or communities who haven't been applying and may need to be targeted.

Some groups are particularly hard to get to. For them, word-of-mouth is best, but in many cases you'll need to find a connection with the group to help you get access to it. Cultural associations, meeting places, schools and social media may be useful starting points.

In thinking about who you need to reach and how to reach them, consider these specific questions:

- > Who is driving arts activities locally?
- > What's new on the local arts scene?
- > How can we encourage applications from a wide range of groups in our community?
- > How will we reach young people?

How can you support your CCS administrator to promote the scheme?

There are a number of ways you can support your CCS administrator to connect with your community, eg:

- > **Brochures** - Your administrator has CCS brochures and posters. Take some of these with you and pass them on to other artists, arts organisations or community groups. These are also available in pdf format and in a variety of languages
- > **Social media** - Does your council have a Facebook page? Do you or your organisation have a Facebook page? If so, start "liking" and commenting on the council's CCS postings or postings by groups that have been supported
- > **CCS funded events** - Attending CCS funded events and other community events can create good opportunities for promoting the scheme. If you are able to attend these events you might take some copies of the brochures with you in case there are opportunities to share this information.

Note that up to 7.5% of the council's annual CCS allocation can be used for promotion costs. This funding for promotion **cannot** be used to cover administration costs. Some councils have successfully run local promotional events, often based around the opening of an exhibition or a new venue, where they have showcased projects that have been supported through CCS.

Appendix 1. Glossary (explanation of words and phrases)

Arts activities

Craft/Object art: includes traditional and contemporary applied arts practices of all the peoples of Aotearoa/New Zealand, including Māori and Pasifika peoples and the diverse cultures of people living in Aotearoa/New Zealand today. Genres include, but are not limited to, ceramics, furniture, glass, jewellery, object making, studio-based design, raranga, tāniko, tapa making, textiles, tivaevae, typography, weaving and woodwork.

For projects involving a design component, artists can apply for funding to develop and/or make new work and for the public presentation of the work, but not for the commercial manufacture or production of a work.

Dance: includes forms of dance that clearly have an arts and cultural focus (as opposed to aerobics, fitness or martial arts) eg kapa haka, tango, traditional Highland dancing, hip-hop, classical Indian dance, Pacific dance, ballet, tap and jazz.

Inter-arts: Inter-arts projects integrate artforms of any cultural tradition, combining them to create a new and distinct work. The result of this integration is a hybrid or fusion of artforms outside of Creative New Zealand's existing artform categories.

Literature: includes both fiction and non-fiction

- 'Fiction' includes, but isn't limited to, novels, novellas, short stories, poetry, children's fiction, young adult fiction, graphic novels, illustrated picture books, and speculative fiction such as fantasy fiction, science fiction, detective fiction, and historical fiction.
- 'Non-fiction' includes, but isn't limited to, autobiography, biography, essays, social commentary, literary criticism, reviews, analytical

prose, non-fiction written for children, young adult non-fiction, and writing about the physical and natural sciences.

Literary activities may include poetry readings, local storytelling, writers' and readers' events, and creative writing workshops. Creative New Zealand does NOT consider the following to be literature: instruction manuals, guide books, phrase books, and do-it-yourself and how-to books (including travel guides, gardening books, and recipe books); bibliographies, dictionaries, encyclopedias and professional reference works; newsletters; hymn books; and publisher catalogues.

Māori arts: arts activities that can be regarded as strong expressions of Māori identity. They include the following types of arts practice, which can also form the focus of workshops, wānanga and festivals:

- heritage te reo-based artforms, eg whaikōrero, haka, karanga and whakapapa recitation, waiata mōteatea, pao and kōrero paki
- heritage material artforms, eg toi whakairo (carving), tukutuku (wall decoration), kōwhaiwhai (painted rafters), and ngā mahi a te whare pora (weaving, textiles and basketry)
- customary performance arts such taonga puoro, karetao (puppetry), ngā tākaro (string games)
- contemporary Māori arts activities that draw on traditional heritage artforms, fusing them with other elements to create innovative expressions of Māori cultural identity, eg theatre and contemporary dance productions, creative writing, songwriting, and photography.

Multi-artform (including film): projects that combine or feature two or more artforms, eg a youth project that combines music and visual arts, or a festival that features dance, music and theatre. Film: includes animation, dance film, documentary film, experimental film, feature film, short film, and moving-image art projects.

Film festivals presenting work created outside your local area are not eligible for support via CCS.

Music: includes all music genres, eg classical and contemporary music; popular and rock music; rap and hip-hop; orchestral and choral music; brass bands; opera; jazz; 'world' music; and traditional and contemporary Māori and Pacific Island music.

Pacific arts: arts activities that identify with the unique cultural perspectives of individual Pacific nations (such as Samoa, the Cook Islands, Fiji, Tonga, Niue, Tokelau and Tuvalu) as represented by New Zealand's Pasifika communities. Pacific arts activities can include the following types of arts practice, which can also form the focus of workshops, fono and festivals:

- heritage language-based artforms that relate to specific cultural traditions, eg storytelling, chanting and oral history
- heritage material artforms, eg woodcarving, weaving, tivaevae and tapa-making
- traditional dance, theatre and music performance eg Samoan siva (dance) and Cook Island drumming.
- contemporary Pacific arts activities that draw on traditional heritage artforms, fusing them with other elements to create innovative expressions of Pasifika cultural identities, eg theatre and contemporary dance productions, music, creative writing, songwriting and photography.

Project: A self-contained activity that is time bound with an identifiable start and end date.

Theatre: includes all theatre genres, eg comedy, drama, physical theatre, street theatre, musical theatre, pantomime, circus, clowning, puppetry, mask, and theatre by, with and for children.

Visual arts: includes customary and contemporary practices of all the peoples of Aotearoa/New Zealand, including Māori and Pasifika peoples and the diverse cultures of people living in Aotearoa/New Zealand today, eg drawing, painting, installation, kōwhaiwhai, photography, printmaking, sculpture, tā moko, and typography.

General terms

Arts: all forms of creative and interpretative expression (from the Arts Council of New Zealand Toi Aotearoa Act 2014, section 4).

Artform: one of various forms of arts practice.

Community: a community may be based around a place, a cultural tradition, or commonly held interests or experiences.

Ethnicity: an ethnic group is made up of people who have some or all of the following characteristics:

- a common proper name
- one or more elements of common culture, which may include religion, customs or language
- a unique community of interests, feelings and actions
- a shared sense of common origins or ancestry
- a common geographic origin.

Genre: a category of artistic, musical or literary composition characterised by a particular style, form or content; a kind or type of work.

Heritage arts: artistic expressions and forms reflecting a particular cultural tradition or traditions that continue to be celebrated and practised by New Zealand artists and practitioners, and that are appreciated and supported by New Zealand communities.

Masterclasses: classes, workshops, seminars or other training offered by experienced and respected artists and practitioners (see also Wānanga).

Territorial authority: a district or city council.

Wānanga: a Māori term for a forum or workshop.

Report to Council



DATE: 23 February 2023
TO: Mayor and Councillors
FROM: Chief Executive

Nomination of Resource Management Act (RMA) Commissioner to Represent Westland

1. Summary

- 1.1. The purpose of this report is to seek council's endorsement of Paul Rogers to be nominated as an RMA Commissioner to represent the Westland District Council (WDC) in the Hearing of submissions to the Te Tai o Poutini Plan (TTPP).
- 1.2. The Committee are requesting District recommendations to ensure each District is represented on the Hearings Panel. Based on this Westland District Council proposes to nominate an RMA Commissioner to represent them as part of the Hearing stage of the TTPP.
- 1.3. Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by the Council in June 2021, which are set out in the Long-Term Plan 2021 - 31. Refer page 2 of the agenda.
- 1.4. This report concludes by recommending that Paul Roger be nominated as the Westland District Councils RMA Commissioner for the Te Tai o Poutini Plan Hearings.

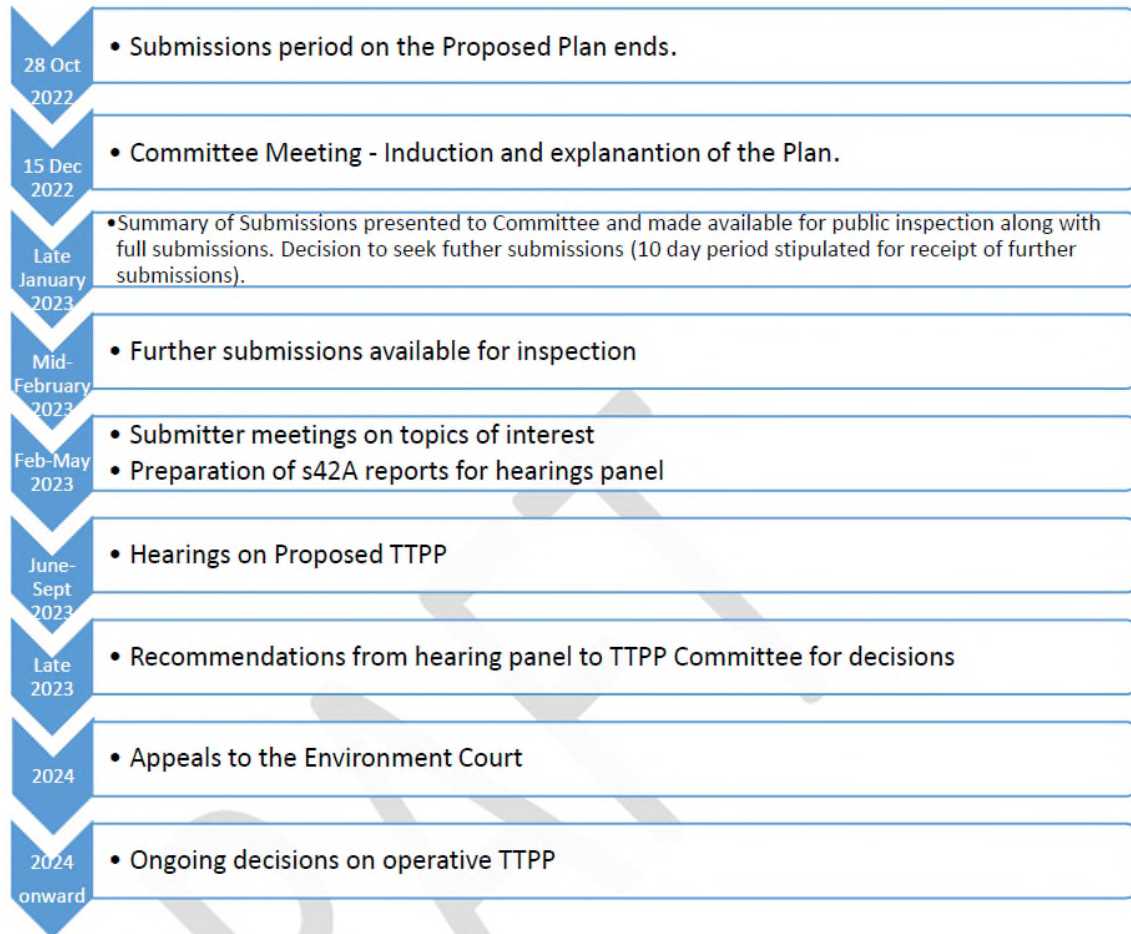
2. Background

- 2.1. An Order in Council detailing the formal reorganisation scheme to align the three district plans of Westland, Greymouth, and Buller District Council District Plans into one district plan was signed by the Governor-General on 17 June 2019, and came into force on 19 July 2019. This means that, rather than each of the Councils preparing individual plans, Te Tai o Poutini Plan Committee became the approved body responsible for preparing and approving a new combined district plan covering the West Coast.
- 2.2. The Te Tai o Poutini Plan Committee was formed and is a Joint Committee between the four West Coast councils and local iwi. It is comprised of the Mayor or Chair and one other councillor from each council, and one representative each from Te Rūnanga o Ngati Waewae and Te Rūnanga o Makaawhio, plus an independent chairperson. The Committee has full decision-making powers. The make-up of the Committee ensures each district has equal input and voting rights in determining what is included within the proposed TTPP.
- 2.3. The project team assigned to lead the program has completed the development of the plan to a proposed form and the Proposed Plan was released to the general public to allow for submissions to be received. This was supported by numerous workshops throughout the West Coast, including the Westland district.
- 2.4. The plan was notified to the public on 14th July 2022. Submissions on the notified plan closed on 11th November 2022.

3. Current Situation

3.1. With the recent closing of the first round of submissions the formal statutory process for hearing of the submissions needs to proceed. Further submissions will be sought prior to these Hearings. This requires a Hearings Panel to be comprised of qualified RMA Commissioners.

3.2. Timeline for Committee:



3.3. It is expected that each district nominates a RMA Commissioner.

3.4. The Hearings Panel will consist of the three district RMA Commissioners, one appointed by Poutini Ngāi Tahu and an Independent Chair who is a RMA Commissioner with Chair experience. The appointment of Commissioners including the Chair will be by consensus of Joint Committee members.

3.5. At the November 2022 meeting of Council. they endorsed putting forward Edith Bretherton as its RMA Commissioner. Prior to the TTPP Joint Committee on the 15th Dec 22 the Chair of the TTPP sought legal advice in regard to potential conflicts of interest in regard to the applicants put forward by councils. It became clear that there was a risk as Edith was heavily involved with the drafting of the TTPP and led some of the key components of the Proposed Draft Plan i.e., Natural Hazards; that the decision of the panel could be seen as compromised. The Mayor withdrew Edith as a nomination.

3.6. The Chief Executive was then tasked with finding another potential RMA Commissioner and reviewed potential candidates. These candidates were interviewed by a panel made up of Mayor Helen Lash, Cr Cassin, CE Simon Bastion & GM Planning, Regulatory and Community Services Te Aroha Cook. Based on the interviews the panel recommended Paul Rogers as the preferred candidate. For reference Paul Rogers CV is attached as **Appendix 1**

4. Options

- 4.1. Option 1: To nominate Paul Rogers as WDC's RMA Commissioner Representative for the TTPP.
- 4.2. Option 2: To not nominate Paul Rogers and seek another applicant.
- 4.3. Option 3: Not to nominate a WDC RMA Commissioner for the TTPP.

5. Risk Analysis

- 5.1. Risk has been considered and Council should consider the risk of not having a RMA Commissioner to represent WDC during the Hearings process of the Draft TTPP. While RMA Commissioners are expected to be independent in the decision-making process, the absence of a WDC nominated RMA Commissioner with knowledge of Westland District and its natural environment, including the hazard scape, may result in the content of submissions received not being fully questioned and understood, particularly any submission that seeks an amendment or deletion to what has been proposed.
- 5.2. There is a risk that the TTPP Committee may not approve the WDC nominee? They are looking for a variety of backgrounds and skills and this will factor in their decision making for the make-up of the panel. This would require council to review other potential applicants.

6. Health and Safety

- 6.1. Health and Safety has been considered and no items have been identified.

7. Significance and Engagement

- 7.1. The level of significance has been assessed as being low and administrative in nature.
 - 7.1.1.No public consultation is considered necessary in relation to the recommendation within this report.

8. Assessment of Options (including Financial Considerations)

- 8.1. Option 1 – To nominate Paul Rogers as WDC's RMA Commissioner Representative for the TTPP.
 - 8.1.1.As outlined in Paul Rogers biography he is an Accredited RMA Commissioner.
 - 8.1.2.Paul provides vast experience across the board in regard to both supporting plan changes but also as panel and on occasions as Chair at hearings.
 - 8.1.3.Paul has been involved in the development of a number of commissioner appointments – refer CV in **appendix 1**
 - 8.1.4.Paul has also worked closely with iwi both as part of hearing panels but also as an appointed Chair by Ngai Tahu for one of their own consents
 - 8.1.5.Paul has historical links to the West Coast through his work practise when working on behalf of Holcim Cement in Westport and supported Resources Consent applications for coal supply companies.
 - 8.1.6.Paul supplied a number of examples during the interview whereby he supports listening directly from affected parties and keen to understand the nuances of each individual localised concern
- 8.2. Option 2 - Not to nominate Paul Rogers and seek another applicant.
 - 8.2.1.There were four applicants that were considered for the position – two of which were interviewed following shortlisting. Council would need to review the applicants again or seek expressions of interest from the market. This will involve a further time delay.

8.2.2.The support for RMA requirements has been factored into the TTPP budget.

8.3. Option 3 – To not nominate an RMA Commissioner. Whilst this is an option it is not supported as the preferred option as WDC has a responsibility to ensure we support the plan and represented as an equal partner.

8.3.1.There are no financial implications to this option.

9. Preferred Option and Reasons

9.1. The preferred option is Option 1.

9.2. The reason that Option 1 has been identified as the preferred option is that Paul Rogers has the following credentials:

- 9.2.1.1. is an accredited RMA Commissioner;
- 9.2.1.2. has the qualifications to support the technical aspects of the plan
- 9.2.1.3. Has vast experience in other panel hearings and also within his work history
- 9.2.1.4. Has experience in chairing panels
- 9.2.1.5. His rates for the work align with expectations

10. Recommendations

10.1. That the Report to Council be received.

10.2. That Council nominate Paul Rogers as Westland District Council's RMA Commissioner for the TTPP.

Simon Bastion
Chief Executive

Appendix 1 – Paul Rogers CV

PAUL ROGERS

021 352 453

paul@paulrogers.co.nz

www.paulrogers.co.nz



SPECIALISATION

- Independent Hearings Commissioner
- Resource consents
- Plan changes
- Residential land development
- Water issues
- Wind farms
- Quarrying and mining issues

QUALIFICATIONS

- LLB University of Canterbury, 1981
- Inaugural Board member of Making Good Decisions Programme (MfE)
- Accredited RMA Commissioner with Chairing Endorsement

PROFESSIONAL EXPERIENCE

Paul is a specialist resource management legal practitioner. He has worked exclusively in this area since approximately 1990. After many years leading the resource management team at Anthony Harper, Paul established and led the specialist environmental law practice Adderley Head from March 2009 to March 2023.

Paul is a certified Independent Hearings Commissioner with Chair's endorsement accreditation. He is frequently appointed chair of independent commissioner panels and councilor panels to help hear and determine the more complex and challenging resource consent applications and plan changes. Paul is very experienced in a wide range of resource consent applications, plan changes, plan review matters and designations.

Paul was appointed by the Ministry for the Environment to the "Making Good Decisions Board" (now disbanded), which was a body overseeing the implementation of the "Making Good Decisions" programme ensuring best practice by commissioners in hearings under the Resource Management Act. Paul is a current presenter in the Making Good Decisions recertification course, which is attended by Commissioners throughout New Zealand.

CAREER HISTORY

- 2009- 2023 Adderley Head Environmental Law Specialists, Senior Partner
- 1985-2009 Anthony Harper Lawyers Senior Partner, Resource Management Team
- 1981-1985 Ferguson, Buller & Scott, Staff Solicitor

APPROACH TO COMMISSIONER APPOINTMENTS

An effective commissioner must understand how to deliver a fair and transparent process when making decisions under the Resource Management Act 1991 (the RMA). This simple statement requires a keen understanding of the principles of natural justice and how those principles guide all hearings and decision-making processes. Local authorities require commissioners who are experienced both in the law and in planning to allow and provide for a fair hearing. As well having skills to identify the critical issues in contention, and deliver in a timely way a robust and defensible decision are critical.

Paul has developed techniques to provide for all of these matters. On appointment, he ensures that he sets aside sufficient time to familiarize himself with the application and all planning reports in order to identify the key issues. Preparation is the key to a successful outcome. Paul frequently issues prehearing directions to deal with evidence timetables, evidence exchange and caucusing and questions from the panel.

These pre hearing steps have a dramatic impact on the delivery of an efficient and fair hearing process. The participants know what the key issues are and focus their effort upon them. This simplifies the hearing process and reduces hearing time. Early identification of issues combined with a focus on them certainly assists in delivering a clear, readable and supportable decision.

Paul is able to quickly identify and deal with conflicts of interest. If such matters are not dealt with early in the hearing process the entire process and, as a consequence, the Council, can have its reputation damaged.

Paul has developed a range of decision-making trees and formats, he utilizes in consultation with other panel members. On hearings of longer duration Paul always ensures his fellow commissioners are up to speed with all of the evidence and are well advanced with their understanding of the evidence and issue identification. Where Councilors form part of the panels, Paul is always willing to provide suggestions or tips and tools for their utilization. Paul is always happy to receive feedback in terms of the service provided and receive suggestions for improvement.

RELEVANT SKILLS

Arising from Paul's experience, both as a lawyer and as a commissioner, Paul has issue identification skills, enquiry and questioning skills, and writing skills. Paul is an excellent communicator. He is adept at ensuring those who are unfamiliar with RMA processes, hearings in particular, have a fair opportunity to have their say.

Early identification of key issues that will win and lose cases is a pivotal element of Paul's problem-solving skill set. Paul's clarity and brevity of expression skills are critical in opinion and decision writing. Skills in resolving disputes through mediation and direct negotiation are one of Paul's strengths. Paul is particularly adept at dealing with a variety of interests groups and balancing competing considerations to determine enduring solutions.

Based on Paul's experience and legal training he has the skill set to consider, test, and weigh expert evidence. Also, he has skills in mediation and negotiation, which enables him to explore solutions with parties who are in conflict.

Paul has a diverse client base, but has particular experience acting for local authorities. Through this work, Paul has developed a strong understanding of how local authorities operate. Local authorities have a number of drivers and considerations that do not exist for others, including the need for transparency and accountability to the public.

RECENT COMMISSIONER APPOINTMENTS

- **Puketoi Windfarm Consent Variation**- Appointed by Tararua District Council, Palmerston North City Council and Horizons Regional Council as Chair of a panel to hear decide a variation to an existing consent.(Current)
- **Silver Fern Farms** - Appointed by Canterbury Regional Council as Chair of a panel to hear decide a discharge consent(Current)
- **Christchurch City Council**- Appointed on a range of matters usually involving complex planning and legal issues to make decisions on notification and the granting of resource consents.(Current)
- **Ravenswood Developments Limited**- Private Plan Change Request to establish a Key Activity Centre and rezone land for Business purposes- Appointed by Waimakariri to chair a hearings panel and make recommendations(Current)
- **Taggart Earthmoving**- Appointed by Environment Canterbury and Waimakariri District Council as Chair of a Panel to hear and decide a range of regional consents relating to discharges to air land and water and land use consent to establish and operate a gravel winning quarry(Current)
- **Oceania Coastal Waste Water Discharge**- Appointed by Canterbury Regional Council as Chair of a panel to hear and decide a range of consents relating to construction of a waste water pipeline and discharge of waste plant water into the sea. Oceania operates a dairy factory. (Decision issues September 2020).
- **Te Ahu a Tūranga Manawatū Tararua Highway** – Appointed by Palmerston North City Council as Chair of a hearing panel to hear and make a recommendation to designate land to accommodate a new state highway connection north of Manawatū Gorge and south of Saddle Road (recommendation issued May 2019).
- **Mercury Turitea Wind Farm** – Jointly appointed by Palmerston North City Council, Tararua District Council and Manawatu-Wanganui (Horizons) Regional Council as Commissioner to hear and decide an application to vary and amend resource consent conditions relating to the Turitea Wind Farm.(decision issues 15 May 2019)
- **Klondyke Storage Facility** – Jointly appointed by the Canterbury Regional Council and Ashburton District Council as Chair of a hearings panel to hear and decide multiple applications by Rangitata Diversion Race Management Limited in relation to the construction, operation and maintenance of Klondyke Storage Facility and associated rotary fish screen (decision issued July 2018).
- **Queenstown District Plan Review** - Appointed to the hearing panel to hear the submissions on Stage 1 of the Proposed District Plan. These submissions relate to Designations and Business Zones (decision for Designations issued April 2018 and decision for Business Zones issued December 2017)
- **Te Rere Hau Wind Farm** – Appointed by Palmerston North City Council as Chair of a hearing panel to hear and determine a review of resource consent conditions for the Te Rere Hau Wind Farm (decision issued November 2017)
- **Waverley Wind Farm** - Appointed as Chair of a hearing panel by South Taranaki District Council to hear and determine a suite of resource consent applications for the construction, operation and maintenance of a 48 turbine wind farm near Waverley, South Taranaki (decision issued July 2017)
- **He Ara Kotahi Project** - Appointed as Chair of a hearing panel by Horizons Regional Council to hear and determine resource consent applications to construct a shared Pedestrian and Cycle Bridge in the flood protection zone and across the Manawatū River (decision issued April 2017)

- **Levin Landfill** - Appointed as Chair of a hearing panel to hear and determine applications to vary and amend resource consents and conditions relating to the Levin Landfill. (decision issued November 2016)
- **Fonterra Milk Processing Factory** – Jointly appointed by Environment Canterbury and Waimate District Council to hear and determine resource consent applications for the proposed expansion of the Fonterra milk processing facility at Studholme (decision issued June 2016)
- **Kakapo Brook** - Appointed as Chair of a hearing panel to hear and determine applications for the taking, diverting, storage, damming and use of surface water for the purposes of hydropower generation and irrigation, and the associated use of land in relation to the irrigation activity, at Kakapo Brook, Hurunui. (decision issued Nov 2015)
- **Waimakariri Irrigation Scheme Storage Ponds** - Appointed as Chair of a hearing panel to hear and determine resource consent applications to construct, use, and maintain a two-pond water storage system and associated infrastructure for the purposes of storing water abstracted from the Waimakariri River for later use in the Waimakariri Irrigation Limited irrigation scheme. (decision issued October 2014)
- **Ngāi Tahu Water Consents & Land Use Consent for Irrigation Purposes in Balmoral Forest** - Appointed as Chair of a hearing panel to hear and determine resource consent applications to divert, take, and use water for irrigation, dairy wash down, and stock drinking-water from the Waiau River. (decision issued July 2014)
- **Retrospective and Resource Consent Applications** - Appointed by Marlborough District Council to hear and determine resource consent applications to carry out earthworks and build structures within a Conservation Zone, together with related applications for discharge of stormwater and wastewater. (decision issued Dec 2013)

Report to Council



DATE: 23 February 2023
TO: Mayor and Councillors
FROM: Chief Executive

2022-2025 WEST COAST TRIENNIAL AGREEMENT

1. Summary

- 1.1. The purpose of this report is to adopt the 2022-2025 West Coast Triennial Agreement.
- 1.2. This issue arises from [Section 15 of the Local Government Act 2002](#) which requires that not later than 1 March after each triennial general election of members, all local authorities within each region must enter into an agreement under this section covering the period until the next triennial general election of members.
- 1.3. Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by the Council in June 2021, which are set out in the Long Term Plan 2021 - 31. Refer page 2 of the agenda.
- 1.4. This report concludes by recommending that Council adopts the 2022-2025 West Coast Triennial Agreement.

2. Background

- 2.1. The reason the report has come before the Council is due to the requirement of Sections [14](#), [15](#) and [16](#) of the Local Government Act 2002 to adopt a West Coast Triennial Agreement. A copy of Section 15 of the Local Government 2002 is attached as **Appendix 1**.
- 2.2. The triennial agreement is built on the principle of the four Councils (Buller District Council, Grey District Council, West Coast Regional Council and the Westland District Council) agreeing to commit to working together for the good governance of their towns, districts and the region, by acting collaboratively and ensuring that issues in common are determined in a manner that is inclusive and avoids unnecessary duplication.
- 2.3. The agreement will also ensure appropriate levels of consultation and coordination are maintained between the local authorities of the West Coast.
- 2.4. The parties agree to work together collaboratively and cooperatively, through the Mayors, Chairs and Iwi Forum, as a means to improve effectiveness and efficiency, and to, in particular:
 - Identify, deliver and fund facilities or services that benefit more than one district;
 - Develop and implement joint governance arrangements and associated terms of reference;

- Maintain this commitment, and in the event of one of the parties making a decision that is inconsistent with this commitment, the party will advise the other parties of the inconsistent decision and the reasons for it.

2.4 The agreement was endorsed unanimously at the Mayors, Chairs and Iwi Forum on the 1 February 2023 with Kw Madgwick and Kw Tumahai present.

3. Current Situation

3.1. The current situation is that each of the Mayors, and the Chair/Acting Chair of the West Coast Regional Council are now seeking the endorsement of the triennial agreement from their respective Councils. Once endorsement has been received from Council, the Mayors and Chair/Acting Chair will sign the agreement.

4. Options

4.1. Option 1: Adopt the triennial agreement in **Appendix 2**.

4.2. Option 2: Not adopt the triennial agreement.

4.3. Option 3: Amend the triennial agreement.

5. Risk Analysis

5.1. Risk has been considered and by signing the agreement by the 1 March will mitigate the risk of not complying with the statutory deadline.

6. Health and Safety

6.1. Health and Safety has been considered and no items have been identified.

7. Significance and Engagement

7.1. The level of significance has been assessed as being low as this matter is one of legislative compliance.

7.1.1.No public consultation is considered necessary.

8. Assessment of Options (including Financial Considerations)

8.1. **Option 1** – The adoption of the Triennial Agreement ensures the four local authorities can continue to work collectively and meet the statutory timeframe of the 1 March 2023. The commitment to working together collaboratively reflects Section 15 of the Local Government Act 2002, and all parties will, through the Mayors, Chairs, and Iwi Forum annually review their compliance with these provisions.

8.1.1. There are no financial implications to this option.

8.2. **Option 2** – To not adopt the Triennial Agreement by 1 March 2023 would lead to Council not meeting the statutory timeframe of 1 March.

8.2.1 There are no financial implications to this option.

8.3 **Option 3** – Amend the Triennial Agreement would lead to Council not meeting the statutory timeframe of 1 March.

8.3.1 There are no financial implications to this option.

9. Preferred Option(s) and Reasons

9.1. The preferred option is Option 1.

9.2. The reason that Option 1 has been identified as the preferred option is that this would ensure that Council meets the statutory timeframe and is ready to participate in discussing regional issues.

10. Recommendation(s)

10.1. That the report be received.

10.2. That Council adopts the 2022-2025 West Coast Triennial Agreement and endorse the Mayor signing the agreement on behalf of Westland District Council.

Simon Bastion
Chief Executive

Appendix 1: 2022-2025 West Coast Triennial Agreement



2022 – 2025 West Coast Triennial Agreement

Our purpose

This triennial agreement has been prepared in accordance with, and to satisfy, the requirements of sections 14, 15 and 16 of the Local Government Act 2002.

The parties to this agreement commit to working together for the good governance of their towns, districts, and the region, by acting collaboratively and ensuring that issues in common are determined in a manner that is inclusive and avoids unnecessary duplication.

This agreement will ensure appropriate levels of consultation and coordination are maintained between the local authorities of the West Coast, and between individual local authorities as might be notified.

The Agreement

The parties:

- Buller District Council;
- Grey District Council;
- Westland District Council; and
- West Coast Regional Council,

agree to work in good faith together for the good governance of their localities and the region.

As signatories to this agreement, each local authority will ensure:

- Early notification to affected local authorities, through the distribution of draft documentation, of major policy discussions which may have implications beyond the boundaries of the decision-making authority;
- The application of a 'no surprises' policy whereby early notice will be given over disagreements between local authorities concerning policy or programmes before key public announcements are made;
- The parties agree to refrain from expressing criticism of each other publicly, through the media or any other form. While it is accepted that disagreements will occur from time to time, it is preferable to deal with the issues by open discussion between the parties rather than via the media;
- Support opportunities for involvement by affected local authorities in the development of policies or plans that have inter-jurisdictional or cross boundary implications, including the identification of outcomes and priorities;
- That where practicable, processes for engaging with communities and agencies in order to identify community outcomes, and prioritise these outcomes, are undertaken jointly or in a collaborative manner which avoids unnecessary duplication; and
- Support opportunities for other local authorities, whether party to this agreement or not, to work jointly on the development of strategies and plans for the achievement of identified outcomes and priorities.

Scope and Issues

The parties agree that, in addition to the general obligations under this agreement to consult, the local authorities will meet together to develop common approaches on the following issues identified as priorities for the region:

- Stewardship Land Review
- Legislation reform, including but not limited to,
 - o Three Water
 - o National Policy Statement on Indigenous Biodiversity
 - o RMA Reform
 - o Local Government Reform
- Climate resilience projects
- Renewable energy opportunities
- Civil Defence & Emergency Management
- Te Whanaketanga 2050 Strategy – in collaboration with DWC

A commitment to working together collaboratively

The parties agree to work together collaboratively and cooperatively, through the Mayors and Chairs forum, as a means to improve effectiveness and efficiency, and to, in particular:

- Identify, deliver, and fund facilities or services that benefit more than one district;
- Develop and implement joint governance arrangements and associated terms of reference;
- Maintain this commitment, and in the event of one of the parties making a decision that is inconsistent with this commitment, the party will advise the other parties of the inconsistent decision and the reasons for it.

This commitment to working together collaboratively reflects section 15 of the Local Government Act and all parties will, through the Mayors and Chairs forum, annually review their compliance with these provisions.

Significant new activities proposed by the West Coast Regional Council

The parties agree that should the West Coast Regional Council, or its Council Controlled Organisations, wish to undertake a significant new activity, or undertake an activity currently undertaken or proposed to be undertaken by one or more of the other parties, the West Coast Regional Council will consult with the other parties as required by section 16 of the Local Government Act.

Form of consultation

Consultation in relation to this agreement will take the following forms:

- A forum comprising the Mayors, Chair of the West Coast Regional Council, Chair of Development West Coast, Chair of Te Rūnanga o Ngāti Waewae and Chair of Te Rūnanga o Makaawhio, and their Chief Executives, will occur at least once every three months to review performance of the agreement and discuss any other topical issues where a collaborative approach may add value.
- Meetings between staff will occur as necessary to achieve communication and coordination on issues identified in the agreement.

Servicing

The parties agree that responsibility for servicing this agreement will be undertaken by the West Coast Regional Council. This includes providing those secretarial services as required, including but not limited to:

- Coordination of meeting dates, agendas, and meeting papers;
- Drafting of communications material including media releases; and,

- Development of strategic documentation.

Chairing of the forum will pass from local authority to local authority following the triennial election.

Delegations

The meeting will act as a collective and no member will have the delegation to act on behalf of the Group unless specifically mandated to do so by the meeting on a case-by-case basis.

Submissions, or other correspondence, will be on the letterhead displaying the logos of the four Councils, and where appropriate, those of Development West Coast, Te Rūnanga o Ngāti Waewae and Te Rūnanga o Makaawhio. They are to be signed by the Mayors and Chairs.

Agreement to review

The parties agree to review the term of this agreement within four (4) weeks of a request by one of the parties made in writing to the local authority delegated responsibility to service this Agreement.

Resolving disagreement

In the event of a disagreement over the terms of this agreement, the parties agree to refer the issue to a mediator appointment by the President of Local Government New Zealand.

Authority

This agreement is signed on this ...28th..... day of February 2023, by the following on behalf of their respective authorities.

Council

Signature

Buller District Council

.....
Jamie Cleine
Mayor

Grey District Council

.....
Tania Gibson
Mayor

Westland District Council

.....
Helen Lash
Mayor

West Coast Regional Council

.....
Peter Haddock
Acting Chair

Section 15 – Local Government Act 2002

By sections | View whole (2.5MB) | Versions and amendments | Secondary legislation

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Subpart 3—Co-ordination of responsibilities of local authorities

15 Triennial agreements

- (1) Not later than 1 March after each triennial general election of members, all local authorities within each region must enter into an agreement under this section covering the period until the next triennial general election of members.
- (2) An agreement under this section must include—
 - (a) protocols for communication and co-ordination among the local authorities; and
 - (b) a statement of the process by which the local authorities will comply with [section 16](#) in respect of proposals for new regional council activities; and
 - (c) processes and protocols through which all local authorities can participate in identifying, delivering, and funding facilities and services of significance to more than 1 district.
- (3) An agreement under this section may also include—
 - (a) commitments by local authorities within the region to establish or continue 1 or more joint committees or other joint governance arrangements to give better effect to 1 or more of the matters referred to in subsection (2); and
 - (b) the matters to be included in the terms of reference for any such committees or arrangements, including any delegations.
- (4) An agreement under this section may be varied by agreement between all the local authorities within the region.
- (5) An agreement under this section remains in force until it is replaced by another agreement.
- (6) If a decision of a local authority is significantly inconsistent with, or is expected to have consequences that will be significantly inconsistent with, the agreement under this section that is currently in force within the region, the local authority must, when making the decision, clearly identify—
 - (a) the inconsistency; and
 - (b) the reasons for the inconsistency; and
 - (c) any intention of the local authority to seek an amendment to the agreement under subsection (4).
- (7) As soon as practicable after making any decision to which subsection (6) applies, the local authority must give to each of the other local authorities within the region notice of the decision and of the matters specified in that subsection.

Section 15: replaced, on 8 August 2014, by [section 9](#) of the Local Government Act 2002 Amendment Act 2014 (2014 No 55).

Report to Council



DATE: 23 February 2023
TO: Mayor and Councillors
FROM: Group Manager, Corporate Services and Risk Assurance

Council Controlled Organisation Review Scope of Services

1. Summary

- 1.1. The purpose of this report is to provide the draft scope of services for the review of Westland District Councils (WDC), Council Controlled Organisations (CCO) review.
- 1.2. This issue arises from the newly elected Councillors appetite to review the structure and the performance of the CCO's.
- 1.3. Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by the Council in June 2021, which are set out in the Long Term Plan 2021 - 31. Refer page 2 of the agenda.
- 1.4. This report concludes by recommending that Council approves to proceed with PriceWaterhouseCoopers draft scope of services for the review of the Council Controlled Organisations.

2. Background

- 2.1. WDC currently has a 100% owned Council Controlled Trading Organisation (CCTO), Westland Holdings Ltd (WHL). WHL has two 100% owned subsidiary companies, Westroads Ltd (WRL) which is a CCTO, and Destination Westland Ltd (DWL) which is a CCO.
- 2.2. For the basis of this report, CCO will be used for both CCTO and CCO.
- 2.3. The reason the report has come before the Council is due to a request from Elected Members to review the CCO's structure and performance to ensure that the current operating structure delivers optimal financial and community outcomes.

3. Current Situation

- 3.1. The review will consider all companies but with a particular emphasis on WHL and DWL.
- 3.2. The review consists of two phases. Phase one as detailed in the scoping document attached as **Appendix 1**, ensuring that current state is fully understood which will then provide options for alternative solutions to be considered.

3.3. Phase two would require further scoping and cost dependant on the number of scenarios Council want to consider for future delivery of community outcomes.

4. Options

4.1. Option 1: Approve to proceed with PriceWaterhouseCoopers (PwC) scope of services for the review of the Council Controlled Organisations structure and performance against community outcomes.

4.2. Option 2: Council can request amendments to the draft scope of services.

4.3. Option 3: Request staff to approach further consultants to scope services for the CCO review.

5. Risk Analysis

5.1. Risk has been considered and the following risks have been identified if Council does not carry out the review;

5.1.1. Conduct Risk.

5.1.2. Reputational Risk.

5.1.3. Financial Risk.

6. Health and Safety

6.1. Health and Safety has been considered and no items have been identified.

7. Significance and Engagement

7.1. The level of significance has been assessed as being high as the performance and financial impact of Council having a CCO structure is a regular topic in the community and local media. WHL is considered a strategic asset under WDC significance and engagement policy and therefore by default the two subsidiary companies of WHL would also be considered strategic assets.

7.2. No public consultation is considered necessary at this stage. Any changes to the structure to be considered on the outcome of this review would be through the Long Term Plan 2024 process, and would be consulted on with the community through that process.

8. Assessment of Options (including Financial Considerations)

8.1. Option 1 – Approve to proceed with the PwC scope of services for the review of the CCO structure and performance against community outcomes.

8.1.1. PwC were approached by staff as they have extensive experience of review of CCO structures and also act as advisors for local government therefore have extensive knowledge of the sector. Two further companies were considered, however due to their sector knowledge only PwC were asked to scope at this time. It is prudent for Council to review the CCO structure and performance, and by doing so is carrying out its duty of stewardship for the community.

8.1.2. The following financial implications have been identified.

8.1.3. The item is unbudgeted expenditure and would be funded from general reserves.

8.1.4. The cost quoted is for phase one only, and is in line with staff estimates.

8.2. Option 2 – Council request amendments to the draft scope of services.

8.2.1. The scope for services will consider the current structure and performance against community outcomes and identify options for future focus, which together are the factors that need to be considered.

8.2.2. Further scoping may incur further unbudgeted cost.

8.3. Option 3 – Request staff to approach further consultants to scope services for the CCO review.

8.3.1. PwC have extensive experience of the sector and of carrying out CCO reviews in the sector. PwC understand the Local Government Act 2002 (LGA), community expectations and Tax. It is likely that there would be no benefit to approaching further consultants. This would also delay the process which in turn could delay the Long Term Plan process.

9. Preferred Option(s) and Reasons

- 9.1. The preferred option is Option 1 – Approve to proceed with the PwC scope of services for the review of the CCO structure and performance.
- 9.2. The reason that Option 1 has been identified as the preferred option is that it would allow elected members to carry out the stewardship over council assets by ensuring that the CCO structure is providing the community outcomes that they were set up to provide. PwC are ideal partners to provide the review due to their sector knowledge.

10. Recommendation(s)

- 10.1. That the report be received.
- 10.2. That Council approve to proceed with the PwC scope of services for the review of the CCO structure and performance against community outcomes.

Lesley Crichton
Group Manager, Corporate Services and Risk Assurance

Appendix 1: Westland District Council – CCO review, draft scope of services.




Westland District Council - CCO review

Draft scope of services

20 January 2023





20 January 2023

Westland District Council - CCO review

Lesley Crichton - Group Manager: Corporate Services

Kia ora Lesley,

Thank you for the opportunity to provide you with a scope to support a potential CCO review for Westland District Council (WDC).

We understand this review is driven by your new governing body, who would like to better understand the performance of its CCO and CCTOs Westland Holdings Limited, Westroads Limited and Destination Westland Limited, and consider whether the current operating structure delivers optimal financial and community outcomes, or whether this could best be delivered under alternative structures.

We have included within a draft scope for your consideration. We would be happy to work through this with you and develop this further in line with your requirements.

Ngā mihi

Antonia Robertson and Natalie McClew

Our understanding of your needs and proposed approach

Following the recent elections, the new Council has requested a review of the current CCO structure.

WDC currently has a CCTO Westland Holdings Limited's (WHL), which in turn has two subsidiaries:

- Westroads Limited (Westroads), a CCTO, which undertakes a range of construction and maintenance services; and
- Destination Westland Limited (Destination Westland), a CCO, which owns and operates a range of assets including Hokitika Airport, Glacier Country Heliport, trail maintenance, swimming pool and property management (including the pensioner housing portfolio).

The Council would like to better understand the performance of its CCO and CCTOs and consider whether the current structure delivers optimal financial and community outcomes, or whether this could best be delivered under alternative structures. You would look to plan any change ahead of the 2024 LTP and have any alternative structure operational from that point (i.e. 1 July 2024).

We proposed a two stage process to ensure that the current state is fully understood before alternative options are considered. It also provides the opportunity to determine availability and quality of information available to inform and deliver the options for the pathway forward.

Current state assessment



Consider a pathway forward

Provides a baseline of current (financial and operational) performance
Considers how this has evolved over time.

Summarised in simply and visual way to ensure baseline level of understanding of performance.

Based on identified opportunities, consider potential changes and identify potential trade-offs of these.

CCO Review: Scope of Services

Current state assessment

1. Review statement of intent (and other governing documents) and recent financial information as well as undertake a small number of interviews with management and directors of WDC, WHL, Westroads and Destination Westland.
2. Based on this information, we will provide a summary of:
 - Recent financial performance of the CCO and CCTOs with a focus on key metrics (revenue, profitability, cash flow, dividends) at a whole of subsidiary and at a key activity level and how this has evolved over the past 3-5 years. This will also identify central cost/overheads including governance costs.
 - Recent level of service performance of the CCO and CCTOs and how this has evolved. Where possible, this will be compared to shareholder/Sol requirements.
3. Provide high level tax and legal implications of transferring assets and / or employees within the Council group.
4. Summarise findings in a short form report in an easy to digest and visual way.

Consider a pathway forward

1. Following delivery of the current state assessment report, we will work closely with the WDC team to agree alternative options to consider. In determining options, consideration will be given to:
 - How WDC CCO's structure and remit could be modified to best meet WDC's long term objectives
 - The strategic assets of each entity and options for ownership/management of these assets to ensure the best economic & social outcomes.

This may include looking at options that bring all or some of the activities back 'in-house' and / or transfer some of the assets between organisations.

2. For each option considered, the analysis will provide:
 - high-level pro-forma financials (and net impact on WDC) including consideration of overhead allocation
 - potential tax or legal considerations
 - other considerations (incl. potential indicative impact on level of service, if any).
3. Summarise key findings in a short form report. The report will provide a summary of each option as well as a side-by-side comparison of the options.

Timing and cost

We estimate that **Phase 1** will take approximately 3-4 weeks to complete. It will depend on the availability and quality of information and availability of key personnel (at CCO and wider council group as needed). From experience on similar reviews before we have assumed that engagement with your team and the CCO teams will be required to understand financial performance and reporting. The estimate below is on this basis.

On a time and materials basis at 65% of our standard rates, we estimate that Phase 1 will cost \$35,000-\$55,000 (excluding GST and disbursements).

Time and cost for **Phase 2** will depend on the number of scenarios you would like to consider, information obtained during Phase 1 and level of detail you would like to go to.

A man in a dark blue shirt and black pants is carrying a young child on his shoulders. They are standing on a grassy hillside, looking out over a vast landscape. In the foreground, there is tall, golden-brown grass. The middle ground shows a large body of water, possibly a lake or a wide river, surrounded by rolling hills and mountains. The background features more distant, hazy mountain ranges under a sky filled with large, white and grey clouds. The overall mood is peaceful and contemplative.

Thank you