

Ashburton District Council

AGENDA

Notice of Meeting:

A meeting of the Ashburton District Council will be held on:

Date: Wednesday 26 June 2024

Time: 1.00pm

Venue: Hine Paaka Council Chamber
Te Whare Whakatere, 2 Baring Square East, Ashburton

Membership

Mayor	Neil Brown
Deputy Mayor	Liz McMillan
Members	Leen Braam
	Carolyn Cameron
	Russell Ellis
	Phill Hooper
	Lynette Lovett
	Rob Mackle
	Tony Todd
	Richard Wilson

Meeting Timetable

Time	Item
1.00pm	Council meeting commences
4pm	Electricity Ashburton (public excluded) – Onno Mulder, Andrew Barlass and Jeanette Maxwell

1 Apologies

2 Extraordinary Business

3 Declarations of Interest

Members are reminded of the need to be vigilant and to stand aside from decision making when a conflict arises between their role as an elected representative and any private or other external interest they might have.

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Business Transacted with the Public Excluded

29	Council – 5/06/24		PE 1
	<ul style="list-style-type: none">• Building claim• Council shareholding	Section 7(2)(h) Commercial activities Section 7(2)(h) Commercial activities	
	[Now in open meeting]		
	<ul style="list-style-type: none">• Community grants & funding 2024/25• Appointment of DLC Commissioner		
30	Library & Civic Centre PCG – 11/06/24	Section 7(2)(h) Commercial activities	PE 3
31	Audit & Risk Committee – 12/06/24		PE 6
	<ul style="list-style-type: none">• Health & Safety report	Section 7(2)(a) Protection of privacy of natural persons	
32	Council shareholding	Section 7(2)(h) Commercial activities	PE 7
33	West Street carpark	Section 7(2)(h) Commercial activities	PE 9
34	Future of old Civic building	Section 7(2)(h) Commercial activities	PE 57
35	Road stopping – Waterton	Section 7(2)(h) Commercial activities	PE 71
36	Land acquisition	Section 7(2)(h) Commercial activities	PE 84
37	Sale of land	Section 7(2)(h) Commercial activities	PE 101
38	EA Networks Ltd	Section 7(2)(h) Commercial activities	PE 145

4. Council Minutes – 6 June 2024

Minutes of the Council meeting held on Wednesday 5 June 2024, commencing at 1pm in the Hine Paaka Council Chamber, Te Whare Whakatere, 2 Baring Square East, Ashburton.

Present

His Worship the Mayor, Neil Brown; Deputy Mayor Liz McMillan and Councillors Leen Braam, Carolyn Cameron, Russell Ellis, Phill Hooper, Lynette Lovett, Tony Todd and Richard Wilson.

In attendance

Hamish Riach (Chief Executive), Toni Durham (GM Democracy & Engagement), Jane Donaldson (GM Strategy & Compliance), Neil McCann (GM Infrastructure & Open Spaces), Sarah Mosley (GM People & Facilities) and Phillipa Clark (Governance Team Leader).

Staff present for the duration of their reports: Mark Chamberlain (Roading Manager), Andrew Guthrie (Assets Manager), Mark Low (Strategy & Policy Manager), Femke van der Valk (Corporate Planner), Ian Hyde (Planning Manager), Simon Worthington (Economic Development Manager) and Erin Register (Finance Manager).

1 Apologies

Nil.

2 Extraordinary Business

Nil.

3 Declarations of Interest

Nil.

Presentation

- Ashburton Police 2.28pm – 2.47pm

4 Confirmation of Minutes – 15/05/24

Record Cr Braam as present.

That the minutes of the Council meeting held on 15 May 2024, as amended, be taken as read and confirmed.

Hooper/Wilson

Carried

5 Audit & Risk Committee – 8/05/24

That Council receives the minutes of the Audit & Risk Committee meeting held on Wednesday 8 May 2024.

Cameron/Ellis

Carried

- **Bancorp Treasury Report**

That Council receives the Bancorp Treasury report for the March 2024 quarter.

McMillan/Ellis

Carried

- **Biennial Building Consent Authority Accreditation**

1. **That** Council receives the Building Consent Authority Audit report.

2. **That** Council be notified when the non-compliances are cleared by IANZ and Council's accreditation is renewed.

Cameron/Wilson

Carried

6 **Biodiversity Advisory Group – 13/05/24**

That Council receives the minutes of the Biodiversity Advisory Group meeting held on 13 May 2024.

Wilson/Lovett

Carried

- **Biodiversity Advisory Group membership**

That Council invites the Upper Rangitata Gorge Landcare Group and the Methven Lions Birdsong Initiative to each nominate a representative to join the Biodiversity Advisory Group.

Braam/Wilson

Carried

7 **Ashburton Public Transport Research Report**

Council agreed it would be useful to invite the researchers to a workshop to provide better understanding of the data and allow time to decide the next steps. At the Roading Manager's suggestion, transport planners will be included.

That Council receives "The viability of and demand for a public transport pilot for the township of Ashburton".

McMillan/Cameron

Carried

8 **Eastfields Investments – Development Contribution Capacity Credits**

That Council approves a 5 year extension for the capacity credits, being 13 HUEs applicable to the Eastfield Investments site, until 21 August 2029.

Cameron/Todd

Carried

9 **Representation Review Initial Proposal**

1. **That** Council receives the report.

2. **That** Council receives the community feedback from the 'Vocal about Local' early engagement held from 22 November to 17 December 2023 (See Appendix 4).

3. **That** Council resolves the following as the Initial Proposal for the representation arrangements for the next triennial election of the Ashburton District Council and Methven Community Board, to be held on 11 October 2025:

a. The Council is made up of 9 members elected from the three wards, plus the Mayor

b. The three wards will reflect the following identified communities of interest:

Ashburton Ward – the areas around and including Ashburton town and the area of Lake Hood which are serviced or have the potential to be serviced in the medium future.

Western Ward – the inland portion of the rural area of Ashburton District.

Eastern Ward – the seaward portion of the rural area of Ashburton District.

The boundaries for the Ashburton Ward and Eastern Ward is proposed to be altered, to remove an area from the Eastern Ward and include it in the Ashburton Ward. The development around Trevors Road will be included in the Ashburton Ward because it is believed that residents in this area have a stronger community of interest with the Ashburton Ward than the Eastern Ward, and therefore should be voting for Ashburton Ward representation. The properties in this area are also receiving similar services and being rated in a similar way to properties in the Ashburton Ward.

- c. The population that each member will represent is as follows:

Ward	Population	Members	Ratio
Ashburton Ward	21,220	5	4,244
Eastern Ward	7,640	2	3,820
Western Ward	7,860	2	3,930
Total	36,720	9	4,080

- d. There will be one Community Board. The Community Board will be the Methven Community Board and will be representative of the services delivered to residential and commercial areas of Methven.

The Methven community will elect four members and have two appointed members. The Council’s appointed members will be the two Western Ward councillors. The number of elected members on the Methven Community Board is proposed to be reduced from five to four. A total membership of six (including two appointed members) is considered to be fair and effective representation for a community of this size, and will promote contested elections.

The boundary for the Methven Community Board is proposed to be extended to include properties on the periphery of the current Methven Community Board Boundary. These properties are considered to be part of the Board’s community of interest and receive a benefit from the Community Board. Therefore, electors within the area should have the right to be represented by the Board and vote for their membership.

Braam/Wilson

Carried

10 LGNZ Remit – Driver Licensing Scheme

- 1. That** Council approves the proposed remit to the LGNZ 2024 conference on issues with wait times in the graduated drivers licensing scheme.
- 2. That** Council approaches Canterbury Councils to support the proposed remit via the Canterbury Mayoral Forum.

McMillan/Lovett

Carried

11 Economic Development – Six Month Report

That Council receives the Economic Development Strategy six monthly progress report.

Cameron/Todd

Carried

12 Road Naming – Wilson Smithfield Ltd

That the roads to vest in Council as part of Subdivision SUB23/0050, known as Wilsons Smithfield Limited and accessed from Smithfield Road, be named Morrison Avenue, Potters Place, Lodge Lane.

Ellis/Lovett

Carried

13 Financial Variance Report

Further explanations have been sought on –

- Rakaia wastewater capex (overspend)
- Cost of STMS training
- Commercial property income amount of \$17M

That Council receives the April 2024 financial variance report.

Todd/Braam

Carried

Ashburton Police – 2.28pm-2.47pm

The Mayor welcomed Area Commander Vicky Walker and Senior Sergeant Janine Bowden who provided an overview of the Police areas of focus in the community.

Welcome to Staff

Katie Perry, People & Capability Manager, introduced new staff – Rachel Hickling (Planner), Mark Cui (Building Official) and Lou Dunstan (Policy Advisor).

Council also acknowledged the long service of Anna Mattson, Youth Librarian (20 years).

Business transacted with the public excluded – 2.50pm

That the public be excluded from the following parts of the proceedings of this meeting, namely – the general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under Section 48 (1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

Item No	General subject of each matter to be considered:	In accordance with Section 48(1) of the Act, the reason for passing this resolution in relation to each matter:	
15	Council – 1/05/24	Section 7(2)(h)	Commercial activities
16	Methven Community Board	Sections 7(2)(a) & (h)	Protection of privacy of natural persons Commercial activities
17	Council Shareholding	Section 7(2)(h)	Commercial activities
18	Community Grants (Round 1)	Section 7(2)(h)	Commercial activities
19	Appointment of DLC Commissioner	Protection of privacy of natural persons	Protection of privacy of natural persons

Mayor/Hooper

Carried

Council adjourned for afternoon tea from 2.50pm to 3.18pm.

Business transacted with the public excluded now in open meeting

- **District Licensing Committee – Appointment of a Commissioner**

That Council recommends to the Chief Executive that Tracy McIlraith be appointed as a commissioner of the District Licensing Committee for a period of four years and six months.

Todd/Cameron

Carried

- **Community Grants & Funding 2024/25**

1. **That** Council allocates **\$287,758** in community grants and funding 2024/25 as per the following categories:

- 1.1 Arts & Culture – Community Libraries Grant - \$15,500
- 1.2 Community Development – Agency Grant - \$77,750
- 1.3 Community Development – Community Projects Grant - \$25,347
- 1.4 Economic Development – Community Events Grant - \$20,780
- 1.5 Natural & Built Environment – Biodiversity Grant - \$25,105
- 1.6 Natural & Built Environment – Community Infrastructure Grant - \$62,400
- 1.7 Natural & Built Environment – Heritage - \$47,676
- 1.8 Sport & Recreation – School Holiday Programme Grant - \$5,200
- 1.9 School Prize-giving - \$1,000
- 2.0 Discretionary Fund - \$2,000
- 2.1 Community Trail Maintenance Fund - \$5,000

2. **That** Council allocates **\$20,300** for the Sport NZ Rural Travel Fund for 2023/24.

Ellis/Hooper

Carried

The meeting concluded at 3.36pm.

Confirmed 26 June 2024

MAYOR

5. Extraordinary Council – 23 May 2024

Minutes of the Extraordinary Council meeting held on Thursday 23 and Wednesday 29 May 2024, commencing at 9.05am in the Hine Paaka Council Chamber, Te Whare Whakaterere, 2 Baring Square East, Ashburton.

Present

His Worship the Mayor, Neil Brown; Deputy Mayor Liz McMillan and Councillors Leen Braam, Carolyn Cameron, Russell Ellis, Phill Hooper, Lynette Lovett, Rob Mackle, Tony Todd and Richard Wilson.

In attendance

Hamish Riach (Chief Executive), Toni Durham (GM Democracy & Engagement), Jane Donaldson (GM Strategy & Compliance), Leanne Macdonald (GM Business Support), Neil McCann (GM Infrastructure & Open Spaces), Sarah Mosley (GM People & Facilities), Mark Low (Strategy & Policy Manager), Femke van der Valk (Corporate Planner), Erin Register (Finance Manager), Richard Wood (Recreational Facilities Manager), Renee Julius (Property Manager), Andrew Guthrie (Assets Manager), Simon Worthington (Economic Development Manager) and Phillipa Clark (Governance Team Leader).

1 Apologies

Nil.

2 Extraordinary Business

That pursuant to Section 46A(7) of the Local Government Official Information and Meetings Act 1987 the following item be introduced as extraordinary business, to be taken with the public excluded:

- Rating impact – schedule of changes to rates from deliberations (tabled)

Ellis/Braam

Carried

3 Declarations of Interest

Cr Lovett, who was on leave during the submission hearings and for most of the deliberations, gave notice that she will participate in discussion but will refrain from voting.

Extraordinary business – Rating impact

Officers tabled a summary of changes to rates from deliberations for Years 1-10. Due to time constraints, information on individual rates and individual classes of ratepayer haven't been provided for today's meeting. Should Council require that information to inform decision-making, officers would recommend that decisions be deferred and reconsidered when the Extraordinary meeting resumes on 29 May. Similarly, information on debt levels across the LTP would be provided for the 29 May meeting.

The Group Manager Democracy & Engagement presented the summary of changes to rates throughout Years 1-10.

4 Key Decision 1: Kerbside green waste collection

1. **That** Council introduces a green waste collection service for all residential users from September 2026 as part of the Long-Term Plan 2024-34.
2. **That** Council considers:
 - a. what bin size options, if any, will be made available to the community in 2024/25; and
 - b. the approach to implementation of a green waste collection service for businesses.

McMillan/Braam

Carried

5 Key Decision 2: Water-based leisure

No funding in LTP for investigation into an alternative option for the Tinwald pool. Would likely be operating cost. Next 12 months will be working with the Reserve Board to determine options that could then be included in the 2025/26 Annual Plan.

The impact of not taking up the \$3M loan has not yet been removed (from the rating impact schedule). Funding in Years 1 and 2 won't impact on rates.

Should Council progress a hydroslide, that loan money would come in. Noted the impact on rates would be from Year 3. Some support for indicating the hydroslide could be an option in the future – from Years 5-6.

Noted the Tinwald Reserve Board is funded 50% general, 50% urban.

1. **That** Council does not invest in water-based leisure at this time and this is revisited in a future Annual Plan or LTP.
2. **That** the proposed funding is removed from the LTP 2024-34 budget.
3. **That**, as a result of this decision, the Tinwald Pool is permanently closed and in conjunction with the Tinwald Reserve Board, an alternative option is investigated for the site.

Wilson/Todd

Carried

Amendment

1. **That** Council makes provision for a hydroslide option in Years 5-6 of the LTP;
2. **That** proposed funding for other water-based leisure be removed from the LTP 2024-34 budget; and
3. **That**, as a result of this decision, the Tinwald Pool is permanently closed and in conjunction with the Tinwald Reserve Board, an alternative option is investigated for the site.

Ellis/Cameron

Lost

A show of hands gave 4 for and 5 against and the amendment failed to pass.

1 abstained

6 Key Decision 3: Balmoral Hall and old Polytech site

Council requested further information to better understand the extent and cost of repairs to the hall, and the implication on rates on all options, including if the hall is unsold and the carpark is unsealed.

That the matter lies on the table, to be uplifted later in the meeting.

Cameron/Ellis

Carried

Council adjourned from 10.26am to 10.47am.

7 Key Decision 4: Stockwater

1. **That** Council exits the stockwater service by 30 June 2027.
2. **That** Council increase the long-term plan budgets for District Water Management by \$45,940 in 2025/26 & \$152,970 in 2026/27 to fund a managed and inclusive exit from Council delivery of the stockwater service.
3. **That** a Stockwater Working Group be established to monitor progress, with two Councillors appointed as members.

Ellis/McMillan

Carried

8 Key Decision 5: EA Networks Stadium

That Council approves up to \$23.7 million for a three-court EA Networks Centre stadium extension providing a minimum of the features identified in option 2, with project preparation and construction in Year 5-7 of the LTP (2029-30 – 2031-32) of the Long Term Plan 2024-34.

Todd/McMillan

Lost

Amendment

That Council approves up to \$23.7 million for a three-court EA Networks Centre stadium extension providing a minimum of the features identified in option 2, with project preparation and construction in Year 9 of the LTP (2029-30 – 2031-32) of the Long Term Plan 2024-34.

Mayor/Braam

Lost

Amendment

That Council approves up to \$23.7 million for a three-court EA Networks Centre stadium extension providing a minimum of the features identified in option 2, with project preparation and construction in Years 7 - 9 of the LTP (2029-30 – 2031-32) of the Long Term Plan 2024-34.

Cameron/Wilson

Carried

A show of hands gave 6 for and 3 against

Cr Lovett abstained

Cr Hooper recorded his vote against the amended motion

Council adjourned for lunch from 12.03pm to 2.00pm

9 Lake Hood – water quality investment

1. **That** Council approves \$200,000 operational funding in Year 1 for water quality projects as a one-off.
2. **That** Council approves \$50,000 of operational funding for ongoing consent compliance and monitoring work from years 1-3 of the LTP 2024-34.

Ellis/Braam

Carried

10 Airport Fees & Charges

1. **That** Council introduces a bulk landing fee of \$200 for annual fee holders for 2024-25.
2. **That** Council introduces a flat \$12.00 fee per landing (to include all landings for up to one hour) for casual airport users for 2024-25.
3. **That** Council amends the Revenue and Financing Policy for the Ashburton Airport from 40-50% fees and charges and 50-60% general rate to 30-40% fees and charges and 60-70% general rate taking effect 1 July 2024.

4. **That** Council directs officers to investigate alternative management and operation models for the Ashburton Airport over 2024-25.

Todd/Braam

Officers have reviewed data from the last two financial years and estimate that revenue will increase but not to the extent that it meets the requirements of Council's funding policy.

Council agreed the Revenue & Financing Policy should remain unchanged, noting that there will be opportunity to review the fees for the next annual plan.

It was further agreed to discuss the proposed fees with the Airport Users Group before making a decision. This will be undertaken at the Airport User Group meeting on 27 May.

That the matter lies on the table until later in the meeting.

Mackle/Cameron Carried

11 Community Funding Requests

That the motion be taken in parts.

Ellis/McMillan Carried

- **Ashburton Event Centre**

1. **That** Council enters into a three-year service level agreement with the Ashburton Event Centre and approves operational funding of \$337,800 in year 1 of the LTP, \$346,245 in year 2 of the LTP and \$353,863 in year 3 of the LTP.

McMillan/Cameron Carried

2. That Council allocates \$40,000 per annum across years 1-10 of the LTP to the Ashburton Event Centre capital reserve, with the Ashburton Event Centre to apply for this funding as needed.

Mayor/Braam

- **Citizens Advice Bureau**

That Council enters into a three-year service level agreement with the Citizens Advice Bureau and approves operational funding of \$15,625 in year 1 of the LTP, \$16,015 in year 2 of the LTP and \$16,368 in year 3 of the LTP.

Cameron/Hooper Carried

- **Safe Communities**

That Council enters into a three-year service level agreement with Safe Communities and approves operational funding of \$54,000 in year 1 of the LTP, \$55,350 in year 2 of the LTP and \$56,568 in year 3 of the LTP.

McMillan/Ellis Carried

- **Safer Mid Canterbury**

That Council enters into a three-year service level agreement with Safer Mid Canterbury and approves operational funding of \$220,500 in year 1 of the LTP, \$226,012 in year 2 of the LTP and \$230,985 in year 3 of the LTP.

Cameron/Todd Carried

- **Sport Canterbury**

That Council approves operational funding of \$67,600 for Sport Canterbury in year 1 of the LTP.

Hooper/Braam Carried

- **Hakatere Multi-Cultural Council**

That Council does not provide funding for Hakatere Multi-Cultural Council through the Long-Term Plan and instead considers the funding request through the contestable grant process being reported to Council on 5 June 2024.

Mayor/Wilson Carried

Cr Cameron recorded her vote against the motion

- **Plains Museum Trust**

That Council approves funding for the Plains Museum Trust (via the Tinwald Reserve Board) of up to \$35,000 in year 1 of the LTP for signage and entranceway upgrades, and \$20,000 in year 2 of the LTP for a site development plan.

Braam/Hooper Carried

- **Base Café**

That Council allocates the Ashburton Youth Council Reserve of \$45,000 to Base Café to support the Youth Advisory Group (to be paid as \$15,000 per annum over years 1, 2 and 3).

Cameron/Wilson Carried

That Council does not allocate funding to Base Café for a Youth Worker in year 1 of the LTP.

Wilson/Braam Carried

- **Methven Swimming Pool**

That Council approves funding of \$25,000 per annum across years 1-10 of the LTP for the Methven Swimming Pool (as part of the Methven Community Board rate).

Cameron/McMillan Carried

- **Ashburton Cadets**

That Council advises the Ashburton Army Cadets that decisions are yet to be made on the future of the portable buildings and that they will be advised as soon as the decision has been made by Council in mid-2024.

Mayor/McMillan Carried

- **Ashburton Aviation Museum**

Council supported managing the Aviation Museum's request for funding assistance through the lease arrangement, rather than granting the \$5,000 tagged for insurance. It was agreed to discuss this with the Aviation Museum, prior to making a decision on Wednesday.

That the matter lies on the table until later in the meeting

McMillan/Mayor Carried

- **Methven Community Board – Birdsong Initiative**

That Council does not approve \$10,000 funding in year 1 of the LTP 2024-34 for Methven Community Board to develop a plan for the Birdsong Initiative project adjacent to the Garden of Harmony.

McMillan/Wilson Carried

- **Upper Rangitata Landcare Group**

That Council approves funding \$5,000 annually for the Upper Rangitata Gorge Landcare Group via the Biodiversity cost centre.

Ellis/Braam Carried

- **Methven lighting project**

That Council approves funding for the Methven Lighting Project from the Methven Amenity Rate at \$5,000 per annum of operational expenditure in years 1 – 10 of the LTP, and capital expenditure of \$51,000 in year 1, \$55,000 in year 3 and \$10,000 in year 4.

Cameron/Hooper Carried

Council adjourned from 3.26pm to 3.43pm.

12 General Summary – LTP Decisions

That the motion be taken in parts.

Mayor/McMillan Carried

- **Roading**

That Council approves aligning the total costs of the Second Ashburton River Bridge to the Canterbury Regional Land Transport Plan project cost of \$130 million.

Cameron/McMillan Carried

That Council approves \$7.5 million of funding for the second Ashburton River bridge.

Hooper/Wilson Carried

- **Additional unsubsidised roading**

Council sought further clarification on what effect an additional \$500,000 funding for the unsealed road network will have on rates.

That the matter lies on the table until later in the meeting.

McMillan/Wilson Carried

Suspension of Standing Order – meeting duration

That Council suspends Standing Order 4.2 to allow meeting to continue beyond 6 hours.

Cameron/Hooper Carried

- **Waste Reduction and Recovery**

That Council includes \$75,000 in year 2 for the investigation of alternative sites for the Methven Recovery Park funded through the Solid Waste Management activity.

Cameron/McMillan Carried

- **Public Conveniences**

That Council does not bring forward to Year 1 the Lake Hood public convenience project in year 10 of the LTP 2024-34 at a cost of \$1.4 million.

Hooper/Cameron Carried

- **Arts, Culture & Heritage Strategy**

That Council includes \$20,000 additional funding in the Strategy & Policy cost centre in year 2 for the development of an Arts, Culture and Heritage Strategy.

Cameron/McMillan Carried

Amendment

That Council does not include \$20,000 additional funding in the Strategy & Policy cost centre in year 2 for the development of an Arts, Culture and Heritage Strategy but still develops the strategy

Mayor/Braam Carried

- **Methven Strategic Plan**

That Council changes the funding mechanism for the Methven Strategic Plan \$20,000 development in year 1 of the LTP from the Methven Community Board cost centre, to the Council cost centre, so it becomes funded via the UAGC, instead of a Methven targeted rate.

Cameron/Wilson Carried

- **Reserve Board & Memorial Hall**

1. **That** Council reduces the budget for Methven Reserve Board mowing costs to \$20,000 from Years 1-10.

2. **That** Council reduces the budget for the Mt Hutt Memorial Hall salaries and wages by \$20,000 from Years 1-10.

McMillan/Hooper Carried

- **District Promotion**

That Council provides \$25,000 in Year 1 for the investigation of the District Biking Trail, funded through the District Promotion activity.

Hooper/Todd Carried

- **Open Spaces**

- **Public conveniences**

Officers sought additional funding to meet the cost of cleaning the Digby Park toilets (omitted from the budget) and at the Tinwald holiday park where Open Spaces have picked up work previously undertaken by the caretaker.

The request wasn't fully supported and it was suggested that funding for the additional work instead be found within the existing budget across the Open Spaces activity.

That Council does not include additional funding of \$26,000 to cover 0.3FTE for cleaning of public conveniences.

Mayor/Wilson Carried

Cr Braam recorded his vote against the motion

- **EA Networks Centre**

That Council extends the opening hours of EA Networks Centre, and offers ‘bespoke’ swimming sessions as required, within the existing funding of \$25,000, resulting in a \$9,000 savings in years 1-10 of the EANC budget.

Ellis/McMillan Carried

That Council alters the EA Networks Centre membership structure to a wet/dry membership, effective 1 July 2024.

Hooper/Ellis Carried.

- **Swim squad**

It was reported that the increase is an interim step and it’s anticipated a further adjustment will be made to the Swim Squad fee from 1 July 2025, after consultation with the wider community.

That Council introduces the swim squad fee increase from 1 January 2025.

Wilson/Braam Carried

That Council directs officers to report back to Council, in early 2024-25, a mini-golf concept proposal, funded from the Reserve Contribution account, with a value of up to \$400,000.

Mayor/Cameron Carried

13 Additional items

1) Stadium scoreboards

Council’s agreement was sought to bring forward the scoreboard replacement budget from Year 4 to Year 1. It was reported that replacement will be required sooner, due to the problems that are starting to show – i.e. lag times and scores not appearing.

Council asked for more detail on depreciation of capital items at EANC. Officers will report back.

That the matter lies on the table until later in the meeting.

McMillan/Cameron Carried

2) Ashburton Welcome Signs

Council agreed to retain the “Ashburton Welcome Signs” project in Year 4 of LTP with budget provision of \$161k.

The meeting was adjourned at 5.01pm, to resume on Wednesday 29 May 2024.

The Extraordinary Council meeting resumed at 9.am on Wednesday 29 May

Present

His Worship the Mayor, Neil Brown; Deputy Mayor Liz McMillan and Councillors Leen Braam, Carolyn Cameron, Russell Ellis, Phill Hooper (*via MS Teams*), Lynette Lovett, Rob Mackle, Tony Todd and Richard Wilson.

In attendance

Hamish Riach (Chief Executive), Toni Durham (GM Democracy & Engagement), Jane Donaldson (GM Strategy & Compliance), Leanne Macdonald (GM Business Support), Neil McCann (GM Infrastructure & Open Spaces), Sarah Mosley (GM People & Facilities), Mark Low (Strategy & Policy Manager, Femke van der Valk (Corporate Planner, Erin Register (Finance Manager), Renee Julius (Property Manager), Janice McKay (Communications Manager), Mark Chamberlain (Roading Manager), Andrew Guthrie (Assets Manager) and Phillipa Clark (Governance Team Leader).

1 Apologies

Nil.

2 Extraordinary Business

Nil.

3 Declarations of Interest

Nil.

4 Financial update

It was reported that the overall rate increase for Year 1 has lifted to 10.6%, based on Council's decisions to date, with potential for further increase depending on the outcome of decisions left for today. Clarification was also provided on the impact that additional spending will have on debt levels over the years of the Plan.

- **Water Meter rates**

That inflation be added to the water meters targeted rate, from year 2.

McMillan/Ellis

Carried

A show of hands gave 7 for and 2 against, 1 abstained
Cr Cameron recorded her vote against the motion.

Council adjourned from 10.33am to 10.55am.

5 Key Decision 3: Balmoral Hall and old Polytech site

That the matter be uplifted for debate.

Cameron/Todd

Carried

In response to Council's request for more information, Officers provided technical reports and cost estimates to enable debate on various options. Council was reminded that actual costs won't be known until the project is tendered. Should Council commit to retaining and repairing the hall, and the final cost exceeds budget expectations, the work could be reconsidered and suspended and further community consultation may be required..

That Council resolves to retain Balmoral Hall, demolish the old Polytech buildings and develop a carpark on the old Polytech site.

Braam/Cameron

Lost

A show of hands gave 4 for and 5 against, 1 abstained

That Council offers the Balmoral Hall and old Polytech buildings for relocation; and if the buildings are unsold, the buildings will be demolished and the site redeveloped.

Ellis/Mackle Lost

A show of hands gave 4 for and 5 against, 1 abstained

That Council retains the Balmoral Hall and the old Polytech site, with an upgrade of the carpark to undertaken within a \$200k budget.

Cameron/Braam Lost

A show of hands gave 4 for and 5 against, 1 abstained

Council adjourned for lunch from 12.14pm to 1.12pm.

That Council sells both the Balmoral Hall and old Polytech site.

Hooper/Mackle Lost

A show of hand gave 2 for and 7 against (1 abstained)

Polytech site

That Council retains the Polytech site, demolishes or sells the buildings and invests in the redevelopment of an unsealed carpark on the site at an estimate of \$1.5m.

McMillan/Braam Carried

Balmoral Hall

That Council sells or demolishes the Balmoral Hall, and retains the site.

Ellis/Mackle Lost

A show of hands gave 4 for and 5 against, 1 abstained

That Council retains the Balmoral Hall and the site for two more years, or until the Hall becomes unusable, whereby the hall is sold or demolished.

Wilson/Mackle Carried

A show of hands gave 6 for and 3 against, 1 abstained

6 Airport Fees & Charges

That Council uplifts this matter for debate.

Braam/Todd Carried

1. **That** Council introduces a bulk landing fee of \$200 for annual fee holders for 2024-25.
2. **That** Council introduces a flat \$12.00 fee per landing (to include all landings for up to one hour) for casual airport users for 2024/25.
3. **That** Council amends the Revenue & Financing Policy for the Ashburton Airport from 40-50% fees and charges and 50-60% general rate to 30-40% fees and charges and 60-70% general rate taking effect 1 July 2024.
4. **That** Council directs officers to investigate alternative management and operation models for the Ashburton Airport over 2024/25.

McMillan/Braam Carried

7 Ashburton Aviation Museum insurance

That Council uplifts this matter for debate.

McMillan/Cameron Carried

It was reported that the proposed action has been discussed with representatives of the Aviation Museum who support this decision.

That the \$5,000 included for Ashburton Aviation Museum insurance is removed from the Long-Term Plan 2024-34.

Ellis/Hooper Carried

8 LTP General Decisions – Roothing (unsubsidised)

That Council uplifts this matter for debate.

Todd/Braam Carried

That Council approves an additional \$500,000 of unsubsidised funding across years 1-10 for maintaining the unsealed roading network.

Wilson/Mayor Carried

9 LTP General Decisions – EA Networks Centre stadium scoreboards

That the matter be uplifted for debate.

McMillan/Cameron Carried

It was reported that scoreboards will be funded through cyclic renewals depreciation. Officers advised that it is now proposed to bring forward the scoreboard replacement to Year 2 and defer the aquatic play improvements.

That Council approves bringing forward the renewal of scoreboard upgrades to year 2 from year 4, and delaying the aquatic play improvements from year 2 until year 4.

Ellis/Todd Carried

10 EA Networks Centre – Fees & charges

That Council uplifts this matter for debate.

Todd/Wilson Carried

- 1. That** all fees and charges, excluding the new Two Tier Membership structure and Squad Swimming, come into effect 1 July 2024.
- 2. That** the new fees relating to the new Two Tier Membership structure come into effect no later than 5 August 2024.

Wilson/Braam Carried

That Council adopts the EA Networks Centre fees and charges for 2024/25 as set out in Appendix 1, with officers adhering to notice provision to members.

Cameron/McMillan Carried

In passing this resolution, Council agreed to change the casual student aquasize class fee (\$8.50) to \$7.50 to align with the senior pricing fee.

2nd Bridge drinking water main

Council's direction was sought on this project which will improve connectivity.

Council agreed to retain funding for the second bridge drinking water main in Years 2-5 of the Long-term Plan 2024-34.

The Extraordinary Council meeting concluded at 2.22pm.

Confirmed 26 June 2024

MAYOR

6. *Methven Community Board – 10 June 2024*

Minutes of the Methven Community Board meeting held on Monday 10 June 2024, commencing at 9.00 am, in the Mt Hutt Memorial Hall Board Room, 160 Main Street, Methven.

Present

Kelvin Holmes (Chair), Robin Jenkinson, Allan Lock, Crs Liz McMillan and Rob Mackle

In attendance

Toni Durham (GM Democracy & Engagement), Linda Clarke (Communications Advisor) and Mary Jenkin (Governance Support).

1 Apologies

Mayor Neil Brown; Megan Fitzgerald and Richie Owen Sustained

2 Extraordinary Business

Nil.

3 Declarations of Interest

Nil.

4 Confirmation of Minutes

That the minutes of the Methven Community Board meeting held on 22 April 2024 be taken as read and confirmed.

Jenkinson/Lock Carried

5 Activity Reports

That the reports be received.

McMillan/Mackle Carried

5.1 Democracy & Engagement

- The LTP key decisions have been noted.
- Biodiversity Advisory Group have requested a representative from the Birdsong Initiative to attend their next meeting. The contact person would be Barry Maister.
- Board members were pleased the Councillors supported the Methven town lighting.
- Query about Hall salaries, change to hours, reducing duplication.
- Biking trail – discussion on connecting trails, there is a plan going forward. Simon Worthington and Phil Hooper are discussing with Kelvin. The Board are pleased with the additional funding of \$500K for road maintenance.
- Stockwater – Alan Lock went to Mt Harding stream to note the biodiversity aspect.

Representation Review

- Proposal to reduce Community Board elected members from five to four. Decreasing the number would give a less-broad community representation. MCB will make a submission. Consultation dates - 13 June to 21 July.

ADC Submission to ECan

- Toni Durham explained the submission on the ECan Representation Review, noting the belief that the district is under-represented.

5.2 Business Support

Customer Request Management

- Finance Report – in order.
- Birdsong initiative – Discussion on how to keep a plan and momentum going forward as it was not approved on Council’s LTP. It was noted it is almost a Council controlled area because of the lease. Council’s expertise would be called on for the planning, it might still happen. Will continue to look at other avenues.
- CRM 1600238/24 Tactician Lane and Racecourse Ave, damaged signed, was not addressed.

5.3 Compliance and Development

- Building Services - consents issued, MCB noting growth in the town.
- Rural Banking Trial, a Reserve Bank initiative – Kelvin Holmes has discussed the trial with Simon Worthington, further work needed to advance, including a suitable location.

5.4 Infrastructure & Open Spaces

- Methven Mall, safety and parking to be assessed.
- Line Road trees boundary, attention required, overdue trim.
- Gutter maintenance on town roads and schedule.
- Garden of Harmony - Lions spray twice a year, what is the role of Council in the maintenance of plants and tracks?
- RDR pipe, Bert Hofmans from ADC currently liaising on this matter.
- Methven Cemetery – MCB complimentary about the standard of work in cemetery.

Business transacted with the public excluded – 9.50am

That the public be excluded from the following parts of the proceedings of this meeting, namely – the general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under Section 48 (1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

Item No	General subject of each matter to be considered:	In accordance with Section 48(1) of the Act, the reason for passing this resolution in relation to each matter:	
6	Minutes – 22/04/24 Lease agreement	Section 7(2)(h)	Commercial activities

Lock/Mackle

Carried

There being no resolutions passed, the Board resumed in open meeting and concluded at 10 am.

Confirmed 29 July 2024

Chairman

7. Road Safety Co-ordinating Committee – 5/06/24

Minutes of the Ashburton District Road Safety Co-ordinating Committee meeting held on Tuesday 4 June 2024, commencing at 9.30am in the Wakanui Room, Te Whare Whakaterere, 2 Baring Square East, Ashburton.

1 Welcome and Apologies

That apologies for absence be received from Mayor Neil Brown, Lucy Mehtens (Road Safety – South Canterbury), Steve Burgerhout (NZ Police) and Shane Cochrane (NZ Police)

Richard Wilson/Neil Simons

Carried

Present:

Liz McMillan	ADC Deputy Mayor (Chair)	Andrae Gold	ACADS
Phill Hooper	ADC Councillor	Lesley Symington	Safer Mid Canterbury
Richard Wilson	ADC Councillor	Steve Ochsner	FENZ
Neil Simons	Principal Association	Ben Grant	NZ Police
James Long	Waka Kotahi	John Skevington	Automobile Association
Jim Crouchley	Ia Ara Aotearoa/Transporting NZ		

In attendance:

Mark Chamberlain	Roading Manager	Carol McAtamney	Governance Support Officer
Georgie Wilson	Road and Safety Technician		

2 Notification of Extraordinary Business

Nil.

3 Confirmation of Minutes

That the minutes of the Ashburton District Road Safety Coordinating Committee meeting held on 5 March 2024, be taken as read and confirmed.

Phill Hooper/Neil Simons

Carried

4 Correspondence

Nil

5 Reports/Agency Updates

5.1 Ashburton District Road Safety

- It was noted that CoDrivr user numbers were low. Suggestions were made to move it around various locations in the district, possibly Salvation Army or Community House to see if it would be better utilised.
- Investigations are to be undertaken as to ways to promote CoDrivr

5.2 Tinwald School Road Safety

The Tinwald School Board of Trustees raised safety concerns with traffic on Graham Street, specifically between Thomson and Harland Streets.

Recommendations are:

- Extend the 30km/hr school speed limit when we are permitted to have a variable speed limit with static signs
- Install pedestrian crossing signs on Graham Street in advance of the crossing
- School to consider running a crossing patrol on Graham Street

The Roding Manager along with Cr Hooper and Road and Safety Technician are to meet with the Board of Trustee representatives to discuss their concerns and recommended improvements.

Automobile Association

- \$6k of funds have been raised for the purchase of more cycle lights to be distributed throughout the country.
- It has been advised that it is expected that road-side drug testing will be introduced by Christmas this year.

Drivers Licensing Testing Issues

- There is currently an issue with excessive wait times for people to sit their practical driving licensing tests. This issue is not limited to the Ashburton district it was reported that Timaru are experiencing the same issues.
- People are travelling to the West Coast to sit their tests
- Some issues discussed were the shortage of assessors, the removal of the re-test fee and the current funding model for the licensing test structure does not work
- James Long is to investigate as to what is causing the delays

FENZ

- 2023/24 year reported 68 motor vehicle collisions for the Ashburton district
- The majority of incidents in the district occur at intersections
- FENZ attend approximately 26 collisions per day in New Zealand

Community Alcohol Action Plan

It was noted that Chris Clark, long term Board member and employee of the Ashburton Community Alcohol and Drug Service (ACADS), was made a Member of the NZ Order of Merit at the recently announced King's Birthday honours. Chris was also a long term member of the Road Safety Committee.

The Chair acknowledged the input and efforts from Chris over the years and passed on the Committees congratulations.

Ia Ara Aotearoa/Transporting NZ

There were concerns raised that when tractors are travelling south the right turn arrow at the State Highway One/Lagmhor Rd traffic signals remains red through several cycles when they are in the lane to turn.

James will follow up with the timings of the loop.

Bike Skills Park – Final Concept Plan

- Currently applying for funding for a project manager
- Rotary and Service clubs are assisting with raising funds for the construction costs which are currently estimated at \$400k

- Intention to take the final concept design to schools to consult with the children

Waka Kotahi/NZTA

- Road Safety Week – motorcycle campaign ‘ride to the conditions’ and undertaking school visits
- LTP has been concluded, funding expected 1 September
- Speed management work - Rakaia has been completed and Methven is still being processed
- Wide centre lines are planned from Christchurch to Ashburton and Timaru to St Andrews
- Rakaia Weigh Station is not yet operation due to calibration issues and testing is yet to be completed

NZ Police

- Currently undertaking a campaign on alcohol impaired drivers, last operation caught nine impaired drivers within a three hour period.
- Police experiencing issues with the amount of works and cones on the State Highway. Also experience difficulties with the traffic management plans being put in place which sometimes do not make sense to drivers.
- Kings Birthday weekend was quieter than in previous years
- Staffing levels are below full strength

6 Next Meeting

The next meeting is scheduled for Tuesday 3 September 2024 at 9.30am.

Meeting closed at 10.50am

8. Audit & Risk Committee – 12 June 2024

Minutes of the Audit & Risk Committee meeting held on Wednesday 12 June 2024, commencing at 1.00pm, in the Hine Paaka Council Chamber, Te Whare Whakaterere, 2 Baring Square East, Ashburton.

Present

Councillors Russell Ellis (Chair), Carolyn Cameron, Liz McMillan, Richard Wilson and Murray Harrington (via MS Teams)

Also present:

Dereck Ollsson (Audit Director), Councillors Phill Hooper, Rob Mackle and Tony Todd

In attendance

Hamish Riach (CE), Leanne Macdonald (GM Business Support), Sarah Mosley (GM People & Facilities) and Carol McAtamney (Governance Support).

Staff present for the duration of their reports: Richard Wood (Sport and Recreation Manager), Katie Perry (People & Capability Manager) and Andrew Malcolm (Safety & Wellness Lead).

1 Apologies

Nil.

2 Extraordinary Business

Nil.

3 Declarations of Interest

Nil.

4 Confirmation of Minutes

That the minutes of the Audit & Risk Committee meeting held on 8 May 2024 be taken as read and confirmed.

Cameron/Wilson

Carried

5 EA Networks Centre Income and Expenditure

That the Audit & Risk Committee receives the EA Networks Centre financial report.

Wilson/McMillan

Carried

Business transacted with the public excluded – 1.05pm

That the public be excluded from the following parts of the proceedings of this meeting, namely – the general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under Section 48 (1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

Item No	General subject of each matter to be considered:	In accordance with Section 48(1) of the Act, the reason for passing this resolution in relation to each matter:	
6	Audit & Risk Committee minutes	Section 7(2)(a)	Protection of privacy of natural persons
7	Health & Safety	Section 7(2)(a)	Protection of privacy of natural persons

McMillan/Cameron

Carried

The meeting concluded at 1.41pm.

9. Heritage Working Group – 12 June 2024

Minutes of the Heritage Mid Canterbury meeting held on Wednesday 12 June 2024, commencing at 3.30pm, in the Hine Paaka Council Chamber, Te Whare Whakaterere, 2 Baring Square East, Ashburton.

Present:

Crs Carolyn Cameron (Chair) and Tony Todd; David Stewart, Julie Luxton and Stuart Wilson.

In attendance:

Shirin Khosraviani (Art Gallery & Museum Director), Connor Lysaght (Archivist) and Phillipa Clark (Governance Team Leader).

1 Apologies

Nil.

2 Extraordinary Business

- Heritage town walk brochure – progress / update.

3 Minutes

That the minutes of the Heritage Mid Canterbury Working Group meeting held on 27 March 2024 be taken as read and confirmed.

Wilson/Stewart

Carried

4 Updates / discussion

• **Granite plaques**

Stuart reported that the Ashburton Museum & Historical Society are not supporting the proposed granite plaques. The Society is pleased with the historical plaques already in place; they give context to the street and recognise historical businesses.

Shirin advised that there are a number of ways to do ‘interpretation’ and agreed that the granite plaque proposal isn’t appropriate. Officers have taken into account the redevelopment of the Ashburton CBD and the potential for ‘visual clutter’ that the plaques would create.

The Working Group discussed whether the support from those businesses who have indicated they would be happy to partner / fund the project could mean they look at an alternative site or a digital solution.

David recorded his disappointment that the proposal hasn’t found support.

Recommendation to Council

That the Working Group recommends that Council does not proceed with the granite plaques project at this stage.

Stewart/Cameron

Carried

- **Ng King Bros. Chinese Market Garden Settlement**

Shirin tabled a sample brochure which is yet to be approved by the Ng King family. Once completed, brochures will be made available at the Te Whare Whakare and Library, and the Art Gallery & Museum. Shirin will check with Council's Heritage Consultant for advice on whether brochures can also be made available from the heritage site. Information will also be provided digitally and via the web.

The Working Group agreed the brochure has been well done and supported the proposal to print and distribute, once the family have given their approval. It was noted that funding has been approved for printing up to a cost of \$1,000.

- **Pioneer Hall historic panel**

Connor spoke about the word count limitation, noting two panels may be needed, or the information provided in another format. He suggested that much of the information could be captured in a QR code with a summary – this would enable the whole story to be told if people want to use the web and know more.

The Working Group discussed a suggestion that the information be displayed on the inside of the Pioneer Hall.

Shirin explained that placing the plaque on the outside of the Hall would mean it would be in keeping with other interpretation panels in the CBD. As there is already a lot of internal signage, and more to go in the Library, space is an issue. Given that the area is for children, Shirin suggested that the Pioneer Hall history panel be placed outside of the building, with QR code information on the inside.

The Working Group supported this direction.

Historic Places Mid Canterbury updates

- **Heritage Town Walk brochure**

Julie tabled the draft brochure which will have photos included and will be shared with the Historic Places Committee for final proofing. Two 'heritage walks' in the town will be promoted (East and West). After this project, there will be further work undertaken on a 'heritage drive' brochure.

The Working Group asked for quotes to be obtained to print 500-1000 copies of the town walk brochures which will then be made available. The cost of printing will be met from Council's Heritage budget.

Fairton panel

The concrete pad is complete and the Fairton interpretive panel is ready to be installed.

Time capsule

The time capsule is nearing completion and Connor is assembling the final items for inclusion. The Working Group noted that a date for the official opening of Te Whare Whakare, and placement of the time capsule, is still to be confirmed.

Next meeting

Scheduled for Wednesday 12 September, 2024.

The meeting concluded at 4.26pm.

10. Policy on Rates Remission including on Māori Freehold Land

Authors	<i>Tayyaba Latif, Policy Advisor</i>
Activity Managers	<i>Erin Register, Finance Manager, Mark Low, Strategy & Policy Manager</i>
Executive Team Members	<i>Leanne Macdonald, GM Business Support, Toni Durham: GM Democracy & Engagement</i>

Summary

- The purpose of this report is to enable Council to make a decision on the Policy on Rates Remission including on Māori Freehold land 2024-27, taking into account community views.
- Public consultation on the draft policy was completed between 27 March -28 April 2024 alongside LTP 2024-34 consultation.
- Council has the following options regarding the policy:
 - Approve the draft Policy on Rates Remission including on Māori Freehold Land as proposed.
 - Make further amendments to draft policy.
 - Rollover the policy with no changes.

Recommendation

- 1. That** Council approves the draft Policy on Rates Remission including on Māori Freehold Land as proposed.

Attachment

- Appendix 1** Draft Policy on Rates Remission including on Māori Freehold Land.
Appendix 2 Draft Rates Remission Policy [Consultation Document](#)
Appendix 3 Summary of Feedback (available separately on Stellar)

Background

The current situation

1. Council consulted on the draft Rates Remission Policy as part of the Five for our Future – LTP 2024-34 consultation, which ran from March 27 to April 28.
2. Council proposed three key changes to the policy.
 - i. Exclude waste collection charges from remissions.
 - ii. Include detailed policy on remissions for Māori freehold land.
 - iii. New procedural clause regarding remissions on water rates.

Community Feedback

3. 6 submissions were received on the draft policy.

Options analysis

Option one – Approve the draft Policy on Rates Remission including on Māori Freehold Land as proposed. (*Recommended option*)

4. This option would see Council adopt the draft policy as proposed.

Advantages: <ul style="list-style-type: none">• Council will adopt policy that is in line with statutory obligations, up-to-date, and fit for purpose.	Disadvantages: <ul style="list-style-type: none">• Unlikely to fully address submitters concerns or views.
Risks: <p>Reputational risk to Council with the community for not fully addressing submitters concerns.</p>	

Option two – Make further amendments to the draft Policy on Rates Remission including on Māori Freehold Land.

5. This option would see Council making further changes to the draft policy before approving it.

Advantages: <ul style="list-style-type: none">• Some improvements may come to light that have been missed by the officers.	Disadvantages: <ul style="list-style-type: none">• Policy review will not complete in legislative timeframe.
Risks: <p>High reputational and legal risk for not completing policy review in legislative timeframe.</p>	

Option three – Rollover the Policy with no change.

6. Under this option, Council decides to rollover the policy without making any changes.

Advantages: <ul style="list-style-type: none">• None identified.	Disadvantages: <p>Council will miss the opportunity to review the policy in a meaningful way.</p>
Risks: <p>Small operational risk as Council retains a policy that is not fit for purpose and may seem outdated.</p>	

Future policy investigations

7. During deliberations Councillors noted a topic for future Rates Remission Policy investigations prior to the next LTP.
8. The topic is:
- A review of the rates remission policy looking at the application of s.20 of the Rating Act, which deals with rating units in common ownership (contiguous units).

Legal/policy implications

Local Government Act 2002

9. Under [Section 102 \(2\) \(e\)](#) of the LGA, it is mandatory for local authorities to have a policy on the remission and postponement of rates on Māori Freehold Land.
10. Under [Section 102 \(3\) \(a\) & \(b\)](#) of the LGA, Council may adopt a remission, and/or postponement policy to remit and/or postpone rates on general land.
11. Under [Section 102 \(3A\)](#), council's rates remission policy must also support the principles set out in the [Preamble](#) to the Te Ture Whenua Māori Act 1993.
12. The draft policy complies with [Section 108](#) and [Schedule 11](#) of the LGA (the requirements for a policy on remission and postponement of rates on Māori Freehold Land).
13. Undertaking public consultation on the draft policy alongside consultation on LTP is consistent with [Section 82](#) of the LGA.

Local Government (Rating) Act 2002

14. The draft policy complies with [Section 8](#) and Part 1 & 2 of [Schedule 1](#) of the Local Government (Rating) Act 2002.

15. The revision in the policy mentioned in paragraph 2 (i) of this report, to exclude waste collection charges from rates remission is in accordance with [Section 9](#) of the Local Government (Rating) Act 2002.

Climate change

16. The rates remission policy for properties protected for natural, historic, or cultural conservation purposes contributes towards building resilience against climate change.

Review of legal / policy implications

Reviewed by In-house Counsel	<i>Tania Paddock; Legal Counsel</i>
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Strategic alignment

Wellbeing		Reasons why the recommended outcome has an effect on this wellbeing
Economic	✓	Supports economic wellbeing by remitting rates on circumstances outside of ratepayers' control.
Environmental		
Cultural	✓	The policy acknowledges Māori cultural values and connection to the land.
Social	✓	Support social wellbeing by enabling rates remission where it is reasonable.

Financial implications

Requirement	Explanation
What is the cost?	None
Is there budget available in LTP / AP?	Yes
Where is the funding coming from?	N/A
Are there any future budget implications?	No
Reviewed by Finance	Leanne Macdonald, Group Manager – Business Support

Significance and engagement assessment

Requirement	Explanation
Is the matter considered significant?	No
Level of significance	Medium
Rationale for selecting level of significance	N/A
Level of engagement selected	3. Consult – formal two-way communication
Rationale for selecting level of engagement	This policy review occurs as part of the review of Long Term Plan. As such, Section 102 of the LGA requires Council to consult on any policy amendments under Section 82 of the LGA. This occurred alongside the LTP 2024-34 consultation in March/April 2024.
Reviewed by Strategy & Policy	Mark Low; Strategy and Policy Manager

Draft Policy

Policy on Rates Remission including on Māori Freehold Land

TEAM:	Finance
RESPONSIBILITY:	Finance Manager
Adopted:	XX June 2024
REVIEW:	Every Three years
CONSULTATION:	Consultation under section 82 of the Local Government Act 2002
RELATED DOCUMENTS:	Section 102, 108, 109 and Schedule 11 of the Local Government Act 2002. Section 8, 9 & Schedule 1 of Local Government (Rating) Act 2002. Te Ture Whenua Māori Act 1993.

Purpose of the Policy

1. The rates remission policy supports Council's objective of prudent financial management and Council's finance, funding, and rating policies. The policy enables Council to address unintended consequences of its rating system. The policy promotes the social, economic, cultural, and environmental wellbeing of the Ashburton District by offering part or full rates remission for the following circumstances:
 - i. Community services and recreational facilities including community and memorial halls.
 - ii. Separately inhabited dwellings for dependent family member.
 - iii. Properties protected for natural, historic, and cultural conservation purposes.
 - iv. Water rates impacted by water leaks.
 - v. Rate penalties.
 - vi. Rates on Māori Freehold land.

General Conditions

2. Applications for the remission of rates must be made, either in writing, via an online form or over the phone. Evidence or additional documents may be required. Applications may require a statutory declaration.
3. Applications received during a rating year will apply to the following rating year commencing 1 July, and such applications will not be backdated.
4. Decisions on the remission of rates will be made by officers with the appropriate delegations.

Applicants will be notified of any decision in writing within 30 days of application. The officer's decision will be final. The applicant may reapply again in the following rating year.

5. For remissions to be considered both general and specific conditions within the policy must be met.

Definitions

Council means Ashburton District Council.

Community facility is a facility which is open to and provided for the benefit of the public.

Recreational Facility is a facility which is open to and provides recreation for the public.

Dependent Family Member Dependent family member is defined as a person who relies on another, (in this case the property owner and/or ratepayer) for the provision of housing and financial support.

Memorial Halls are the halls listed in Appendix 1 to this Policy.

Separately used or inhabited part (SUIP) of a rating unit – means any portion of a rating unit rateable under section 15 (1) (b) of the Local Government (Rating) Act used or inhabited by the ratepayer's dependent family member for private and non-profit use.

Rates Remission for Community and Recreational Facilities, including Memorial and Community Halls.

Objectives

6. The objective of rates remission policy under this category is to facilitate ongoing provision of community and recreational facilities to the community.
7. This policy aims to fulfil statutory obligations by enabling rates remission on non-rateable land under the Local Government (Rating) Act 2002 (*the Act*).
8. The policy includes providing rates remission on properties eligible for 100% remission (fully non-rateable) under Part 1 of Schedule 1 of the Act and properties eligible for 50% remission (50% non-rateable) under Part 2 of Schedule 1 of the Act.
9. The policy enables the Council to take a similar approach on memorial and community halls that do not fall within the definition of non-rateable land under the Act but have identical use and purpose as that of non-rateable land.

Specific Conditions and Criteria for Rates Remission on Memorial and Community Halls

10. Memorial and Community Halls are considered non-rateable land provided they fall within the categories of non-rateable land listed in Schedule 1 of the Act.
11. Some memorial and community halls do not meet this definition. However, Council wishes to treat them on the same basis as other memorial and community halls, because they have similar use and purpose.
12. Council will provide 100% remission of rates for all memorial and community halls (including targeted rates such as water, and wastewater, but excluding waste collection charges, water by meter charges, and stock water rates).

Specific Conditions and Criteria for Rates Remission on Community and Recreational Facilities

13. Council provides for the remission of rates payable by qualifying community organisations if the property is either a Community Facility or Recreational Facility that is used exclusively to provide community services, facilities, or recreational opportunities for the residents of the Ashburton District.
14. To qualify for the remission of rates the property must be owned by one of the following:
 - Ashburton District Council
 - A registered charitable trust or incorporated society.
15. A remission of rates will not be granted to organisations operated for private pecuniary profit.
16. The maximum rate remission for qualifying community and recreational facilities will be 50% of total rates (including targeted rates such as water and wastewater but excluding waste collection charges, water by meter charges, and stock water rates).

Rates Remission for Properties Protected for Natural, Historic or Cultural Conservation Purposes

Objective/s

17. The policy aims to facilitate the protection and preservation of sites significant for natural, historic, or cultural conservation purposes.

Specific Conditions and Criteria

18. Council provides for the remission of rates on land or buildings with cultural, natural, or historic heritage that is recognised in the Ashburton District Plan or legally protected by:
 - Heritage New Zealand Pouhere Taonga Act 2014
 - A heritage order under the Natural and Built Environment Act 2023
 - An open space covenant under the Queen Elizabeth the Second National Trust Act 1977
 - A protected private land agreement or conservation covenant under the Reserves Act 1977
 - Any other covenant or agreement entered into by the owner of the land with a public body for the preservation of existing features of land, or of buildings, where the conditions of the covenant or agreement are registered against the title to the land and are binding on subsequent owners of the land.
19. The maximum rate remission for qualifying properties will be 50% of the rates payable on the protected portion of the land only (including targeted rates such as water, and wastewater, but excluding waste collection charges, water by meter charges and stock water rates).

Rates Remission for Separately Inhabited Dwellings occupied by a dependent family member subject to Private & Non-Profit Use

Objective/s

20. To assist ratepayers who own a separately inhabited dwelling which is rateable under section 15 (1) (b) of the Local Government (Rating) Act and is occupied by a dependent family member.

Specific Conditions and Criteria

21. Council provides for the remission of rates payable on residential rating units which include a separately inhabited part that is occupied by a dependent family member of the owner of the rating unit.
22. The owner of the rating unit must declare that the separately inhabited dwelling/unit is not leased for any period of the previous year and not intended to do so for the next rating year.
23. An application must be submitted on or before 1st May of each year to be considered for the following rating year.
24. The owner of the rating unit must complete and provide to Council an annual statutory declaration outlining the conditions above with their application.
25. The maximum rate remission for qualifying properties will be 100% of the rates payable on maximum of one additional separately inhabited unit only (including targeted rates such as water and wastewater but excluding waste collection charges, water by meter charges, and stock water rates).

Rates Remission on Water Rates

Objective/s

26. This policy aims to assist ratepayers who receive excessive water rates due to any leaks in their internal water reticulation.
27. Rate remissions on excessive water rates will incentivise owners to act promptly towards fixing the fault (leak).

Specific Conditions and Criteria

28. Council may agree to a remission or part remission of water by meter charges in situations where the amount due is clearly the result of a fault (leak) in the internal water reticulation serving the rating unit.
29. The ratepayer will remain liable for the full charge of their normal water consumption based on past water consumption.
30. A remission may be made on excess charges due to leakage for one billing period only. The applicant must provide evidence that the leak has been fixed.
31. Council will only consider one remission on any excess charge due to leakage for one billing period only within a 12-month period.

Rates Remission of Rates Penalties

Objective/s

32. The policy enables the Council to address the situation fairly and reasonably where rates penalties are incurred due to non-payment of rates by the due date, given that the circumstances were outside of ratepayers control.

Specific Conditions and Criteria

33. Council may agree to the remission of rates penalties (excluding annual penalties) where payment has been late due to significant family disruption, death, illness, accident, or genuine mistake.
34. Rates penalties on single rates instalments (excluding annual penalties) may also be remitted as part of an agreed repayment plan for ratepayers with significant arrears because of financial hardship or difficulties.
35. Council will only consider one remission of rates penalties per applicant within a 24-month period, applicable to a single rates instalment (three-monthly).
36. Penalties resulting from Council errors will be remitted.
37. Circumstances under each application will be considered on its individual merit.

Rates Remission Policy for Māori Freehold land¹

Objectives

38. Under Section 102 of the Local Government Act 2002, local authorities are required to have a rates remission policy on Māori Freehold land.
39. The policy supports or give effect to the preamble of Te Ture Whenua Māori Act 1993.
40. This policy seeks to ensure fair and equitable rates collection from all segments of the community while acknowledging that certain Māori freehold land has characteristics or features that may make rates remission reasonable.

Specific Conditions and Criteria

41. Māori freehold land is defined in section 2 of the Local Government (Rating) Act 2002 as land whose beneficial ownership has been determined by a freehold order issued by the Māori Land Court. Only land that is subject to such an order may qualify for remission under this policy.
42. Council will consider 100% rates remission on land that fulfills the following criteria;
 - a) Land that is used for the purpose of a marae, excluding any land used:
 - i. Primarily for commercial or agricultural activity; or
 - ii. As residential accommodation.
 - b) The land is unoccupied, and no income is derived from the land, and/or
 - c) The land is inaccessible, and no income is derived from the land, and/or

¹ The Māori Freehold Land status of a land can change. Meaning a new land can be recognized as a Māori freehold land or a land can lose its Māori Freehold Land status. Such a decision can only be made by Māori Land Court. From a policy perspective it is recommended that at the time of rates remission policy review, Council staff must do a fresh stocktake of Māori Freehold Land in the district. Updated information on Māori Freehold land can be gathered from Māori Land Updates available on Ministry of Justice website, and Council's rating database.

For example, as of now Ashburton District has 4 locations recognized as Māori Freehold Land. Only one (Hakaterere Marae) qualify under specific conditions & criteria mentioned in the policy and receive rates remission. The remaining three locations do not meet any conditions & criteria to be considered for rates remission on Māori Freehold Land and therefore, full payable rates.

d) The land is set aside for non-use (whenua rahui) because of its natural features.

43. The Council may still charge targeted rates for services like water, wastewater, and waste collection including water by meter charges and stock water rates.

44. Applications under this policy must be made annually in writing.

Monitoring and Review

45. This policy will be reviewed at least once every three years as part of the Councils Long Term Plan.

46. Ratepayers receiving rates remission under this policy must notify Council of any changes in their situation that may alter their eligibility for ongoing remission.

47. Council will cancel a remission granted under this policy if it is found a property no longer qualifies for rates remission.

Appendix 1

List of Memorial and Community Halls, and Māori Freehold Land treated as non-rateable under this policy			
	Memorial and Community Halls - Non-Rateable under Schedule 1 of Local Government (Rating) Act 2002	Memorial and Community Halls - Non-Rateable under this Policy due to similar use & purpose	Non-Rateable under Māori Freehold Land Category & Schedule 1 of Local Government (Rating) Act 2002
1.	Lagmhor Westerfield Memorial Hall	Dorie Hall	Hakatere Marae
2.	Mayfield Memorial Hall	Lauriston Hall	
3.	Mt Hutt Memorial Hall	Rokeby Hall	
4.	Mt Somers Memorial Hall	Staveley Hall	
5.	Rakaia Memorial Hall	Ashburton Centennial Sports Hall	
6.	Tinwald Memorial Hall	Carew Hall	
7.	Alford Forest Hall	Chertsey Hall	
8.	Ealing Hall	Eiffleton Hall	
9.	Greenstreet Hall	Hinds Community Centre	
10.	Highbank Hall	Lowcliffe Hall	
11.	Hockey Pavilion Walnut Ave	Pendarves Hall	
12.	Lake Clearwater Hall	Ruapuna Community Hall	
13.	Lyndhurst Reserve	Wakanui Hall	

14.	Lynnford Hall	Willowby Hall	
15.	Maronan Community Hall		
16.	Oval Pavilion		
17.	Seafield Hall		
18.	Winchmore Hall		

11. Policy on Rates Postponement including on Māori Freehold Land 2024-27

Authors	<i>Tayyaba Latif, Policy Advisor</i>
Activity Managers	<i>Erin Register, Finance Manager, Mark Low, Strategy & Policy Manager</i>
Executive Team Members	<i>Leanne Macdonald, GM Business Support, Toni Durham: GM Democracy & Engagement</i>

Summary

- The purpose of this report is to enable Council to make a decision on the Policy on Rates Postponement including on Māori Freehold land 2024-27.
- Public consultation on the draft policy was completed between 27 March -28 April 2024 alongside the LTP 2024-34 consultation.
- Council has the following options regarding the policy:
 - Approve the draft Policy on Rates Postponement including on Māori Freehold Land as proposed.
 - Make further amendments to draft policy.
 - Rollover the policy with no changes.

Recommendation

- 1. That** Council approves draft Policy on Rates Postponement including on Māori Freehold Land as proposed.

Attachment

Appendix 1 Draft Policy on Rates Postponement including on Māori freehold.

Appendix 2 Draft Policy on Rates Postponement including on Māori freehold land [Consultation Document](#).

Background

The current situation

1. Council consulted on the draft Rates Postponement Policy as part of the Five for our Future – LTP 2024-34 consultation, which ran from March 27 to April 28.
2. Council proposed three key changes to the policy.
 - i. New clause regarding rates rebate application.
 - ii. Inclusion of rates postponement policy on Māori freehold land.
 - iii. New procedural clause stating that applicants are responsible for meeting full cost of postponement.

Community Feedback

3. No submissions were received on draft policy.

Options analysis

Option one – Approve draft Policy on Rates Postponement including on Māori Freehold Land as proposed. (*Recommended option*)

4. This option would see Council adopt draft policy as proposed.

Advantages: <ul style="list-style-type: none">• Proposed revisions will make the policy in line with statutory obligations and will enhance council’s financial management.	Disadvantages: <ul style="list-style-type: none">• None identified.
Risks: <p>There is no risk associated with this option.</p>	

Option two – Make further amendments to draft Policy on Rates Remission including on Māori Freehold Land.

5. This option would see Council making further changes to the draft policy before approving it.

<p>Advantages:</p> <ul style="list-style-type: none"> Some improvements may come into light that have been missed by the officers. 	<p>Disadvantages:</p> <ul style="list-style-type: none"> Policy review will not complete in legislative timeframe.
<p>Risks:</p> <p>High reputational and legal risk for not completing policy review in legislative timeframe.</p>	

Option three – Rollover the Policy with no change.

6. Under this option, council decides to rollover the policy without making any changes.

<p>Advantages:</p> <ul style="list-style-type: none"> None identified. 	<p>Disadvantages:</p> <p>Council will miss the opportunity to review the policy in a meaningful way.</p>
<p>Risks:</p> <p>Small operational risk as Council retains a policy that is not fit for purpose and may seem outdated.</p>	

Legal/policy implications

Local Government Act 2002 (LGA)

- Under [Section 102 \(2\) \(e\)](#) of the LGA, it is mandatory for local authorities to have a policy on the remission and postponement of rates on Māori Freehold Land.
- Under [Section 102 \(3\) \(a\) and \(b\)](#) of the LGA, may adopt a remission, and/or postponement policy to remit and/or postpone rates on general land.
- Under [Section 102 \(3A\)](#), council’s rates postponement policy must also support the principles set out in the [Preamble](#) to Te Ture Whenua Maori Act 1993.
- The draft policy complies with [Section 108](#) and [Schedule 11](#) of LGA (the requirements for a policy on postponement of rates on Māori Freehold Land).
- Undertaking public consultation on draft policy alongside consultation on LTP is consistent with [Section 82](#) of the LGA.

Climate change

- There are no obvious linkages between the content of the report and climate change mitigation or adaptation.

Review of legal / policy implications	
Reviewed by In-house Counsel	<i>Tania Paddock; Legal Counsel</i>

Strategic alignment

Wellbeing		Reasons why the recommended outcome has an effect on this wellbeing
Economic	✓	Supports economic wellbeing by an option to postpone rates for some qualifying residential ratepayers.
Environmental		
Cultural	✓	The policy acknowledges Māori cultural values and connection to the land.
Social	✓	Support social wellbeing by enabling rates postponement where its reasonable.

Financial implications

Requirement	Explanation
What is the cost?	Consultation costs covered by existing budgets.
Is there budget available in LTP / AP?	Yes
Where is the funding coming from?	N/A
Are there any future budget implications?	No
Reviewed by Finance	Leanne Macdonald, Group Manager – Business Support

Significance and engagement assessment

Requirement	Explanation
Is the matter considered significant?	No
Level of significance	Low

Rationale for selecting level of significance	N/A
Level of engagement selected	3. Consult – formal two-way communication
Rationale for selecting level of engagement	This policy review occurs as part of the review of Long Term Plan. As such, Section 102 of the LGA requires Council to consult on any policy amendments under Section 82 of the LGA. This occurred alongside the LTP 2024-34 consultation in March/April 2024.
Reviewed by Strategy & Policy	Mark Low; Strategy and Policy Manager

Draft Policy

Policy on Rates Postponement including on Māori Freehold Land

TEAM:	Finance
RESPONSIBILITY:	Finance Manager
ADOPTED:	TBD
REVIEW:	Every three years
CONSULTATION:	Section 82, Local Government Act 2002
RELATED DOCUMENTS:	Sections 102, 108,109, 110 & Schedule 11 of the Local Government Act 2002. Section 114 of Local Government (Rating) Act 2002. Te Ture Whenua Māori Act 1993.

Policy Objective

1. The objective of this policy is to provide qualifying residential ratepayers with the option of postponing payment of rates, subject to the full cost of postponement being met by the ratepayer and a minimal risk of loss to Council.

Definitions

Council means Ashburton District Council.

Maori Freehold Land is defined in the Local Government (Rating) Act 2002 as land whose ownership has been determined by a freehold order issued by the Maori Land Court.

Policy Statement

2. Council will postpone rates for ratepayers who intend to use equity in their home to pay postponed rates at a later date.

Criteria

3. In order to qualify for rates postponement:
 - The applicant must be aged 65 years or over

- The applicant(s) must own the rating unit
- Rating units must be classified as residential and used as the principal place of residence by the applicant
- The rating unit must be insured to its full value at all times.
- Applications for postponement of rates from rate payers under 65 years of age will only be considered on case by case basis and on grounds of extreme financial hardship.

Conditions

4. All financial and administration costs will be added to postponed rates. These costs will be added annually. The financial cost will be the interest Council will incur at the rate of Council's cost of borrowing for funding postponed rates, plus a margin to cover other costs.
5. Interest and fees payable will be added to the amount of postponed rates annually and must be paid at the same time postponed rates are paid.
6. Water by meter charges cannot be postponed.
7. Council will assess applications for home equity rates postponement on a risk model to predict likely future equity. Applications with less than 20% forecast future equity will not be successful.
8. Rates under this provision will be postponed until:
 - The death of the ratepayer(s) (rates fall due within three months after grant of probate or letters of administration); or
 - The ratepayer(s) ceases to be the owner of the rating unit; or
 - The rating unit ceases to be the principal place of residence of the ratepayer(s); or
 - The minimum equity threshold is reached; or
 - An alternative date as agreed with Council.
9. An applicant must obtain independent advice from an appropriately qualified and trained person, as determined by Council. Confirmation that this advice has been sought will be required before postponement can be granted.
10. If there is a mortgage owing on the rating unit, the mortgagor must confirm their agreement in writing before rates postponement will be granted.
11. Where rates are postponed, it is expected that the ratepayer will apply for the government rebate annually if applicable. Council will allocate government rebate to outstanding rates on the rating unit every year.
12. Council reserves the right to specify additional conditions before postponement will be granted.
13. Postponed rates, or any part thereof, may be paid at any time. The applicant may elect to postpone a lesser sum than that which they would be entitled to under this policy.

14. Postponed rates will be registered as a statutory land charge on the record of title for the rating unit. This means that Council will have first call on the proceeds of any revenue from the sale or lease of the rating unit.
15. The applicant shall be responsible for all legal fees, land registration fees or other costs associated with registering, amending or removing the statutory land charge from its record of title.

Rates Postponement on Māori Freehold Land

16. The council has considered its obligation under section 102 and 108 and the matters relating to rates relief on Māori freehold land in Schedule 11 of the Local Government Act 2002.
17. In order to qualify for postponement of rates all criteria and conditions detailed in this policy will apply to residential ratepayers situated on Māori freehold land.

Application

18. Applications for postponement of rates must be made on the appropriate form, prior to the commencement of the rating year. Evidence or additional documents may be required. All applications include a statutory declaration.
19. Applications received during a rating year will apply to the following rating year. Applications will not be backdated.

Decisions

20. Decisions on the postponement of rates will be made by an officer with the appropriate delegation. Applicants will be notified in writing within 30 days of application. The officer's decision will be final. The applicant may reapply again in the following rating year.

12. Community Engagement Policy 2024

Author	<i>Mel Neumann; Policy Advisor</i>
Activity Manager	<i>Mark Low; Strategy & Policy Manager</i>
Executive Team Member	<i>Toni Durham; GM Democracy & Engagement</i>

Summary

- Council’s current Community Engagement Policy has been reviewed as part of the development of the Long Term Plan 2024-34.
- During the review, moderate changes to the policy were suggested for determining the significance of a proposal or decision.
- Consultation with the community on the draft policy occurred alongside the Draft Long Term Plan from 27 March – 28 April, and Council considered submissions received at the deliberations on 21 May.
- The purpose of this report is for Council to adopt the final Community Engagement Policy, to be effective from 1 July 2024.

Recommendation

- 1. That** Council adopts the final Community Engagement Policy 2024 as attached in Appendix 1, to be effective from 1 July 2024.

Attachment

Appendix 1 Community Engagement Policy 2024

Background

The current situation

1. Council is required by section 76AA of the Local Government Act 2002 (LGA) to have a ‘Significance and Engagement Policy’. The purpose of the policy is to set out our approach to determining the significance of a proposal or decision, and to provide clarity on how and when we will engage with the community on proposals.
2. Council’s current policy is titled the ‘Community Engagement Policy’, in order to provide clarity on what the policy is about. It still meets the legal requirements of a Significance and Engagement Policy.
3. Moderate changes have been proposed as part of this review. The proposed changes include the following:

What	Where	Why
Definitions of te reo words updated	Glossary and definition	Updated to be consistent with definitions in other strategic documents (e.g. Biodiversity Strategy), and to reflect Local Dialect
Definitions updated and some added (e.g. ‘participatory democracy’)	Glossary and definition, Section 2.5	To aid clarity of the policy
Section added on how the policy will be implemented	Section 1.2	Added to provide transparency on the implementation of the policy
Consideration of impacts on future communities added	Section 4.5 - significance assessment criteria number 2	This was identified as a gap during the review. Council has a legal requirement to consider future communities and well-being.
Consideration of wider Manawhenua values	Section 4.5 - significance assessment criteria number 4	Updated as suggested by AEC, to better reflect Manawhenua values (other than just land or water bodies)
New significance criterion added - ‘environmental / climate change impact’	Section 4.5 - significance assessment criteria number 8	To ensure impacts on the environment and climate change are considered when making decisions

What	Where	Why
Threshold for assessing significance updated – high significance is now triggered by five criteria, rather than four	Section 4.5	To update significance assessment in line with having an additional criterion
Addition of the following Council facilities to the strategic assets schedule: <ul style="list-style-type: none"> EA Networks Centre Te Whare Whakatare Ashburton Art Gallery & Museum (AAG&M) 	Schedule 1 – Strategic assets	Officers consider these facilities to meet the definition of ‘strategic assets’ – see definition in the draft policy. We consider given their specialist nature, equipment and setup it would be difficult to recreate in another building.

Consultation alongside the draft Long Term Plan 2024-34

4. Consultation on the draft Community Engagement Policy has been undertaken between 27 March – 28 April 2024. In response to consultation, we received two submissions. One submission was largely supportive of the draft policy, and one was mostly not supportive.

Key change	Submitter response
<ul style="list-style-type: none"> Introduce environmental/climate change impact criteria for significance assessment 	<ul style="list-style-type: none"> 1 submitter supported this, 1 did not
<ul style="list-style-type: none"> Introduce a section on implementation of the policy 	<ul style="list-style-type: none"> 1 submitter supported this, 1 did not
<ul style="list-style-type: none"> Include EA Networks Centre as strategic asset 	<ul style="list-style-type: none"> 2 submitters supported this
<ul style="list-style-type: none"> Include Te Whare Whakatare & AAG&M as strategic assets 	<ul style="list-style-type: none"> 1 submitter supported this, 1 did not

5. Council deliberated on 21 May 2024, and indicated no changes to the policy were necessary in response to the submissions received.

Options analysis

Option one – Roll over the current policy ‘status quo’

6. Council may choose not to adopt the policy as proposed, and instead roll over the current policy with no changes.

<p>Advantages:</p> <ul style="list-style-type: none"> • None identified 	<p>Disadvantages:</p> <ul style="list-style-type: none"> • Identified improvements will not be included in the policy
<p>Risks:</p> <ul style="list-style-type: none"> • The purpose of this policy is to ensure we have meaningful conversations with the community, therefore there may be a reputational risk involved with rolling over the current policy when we indicated a number of proposed changes through consultation. 	

Option two – Adopt the attached policy (recommended)

7. This option would see Council adopting the policy as attached.

<p>Advantages:</p> <ul style="list-style-type: none"> • Community feedback will be heard • Identified improvements included in the policy to aid Council in meeting this legislative requirement • In line with what was proposed to the community through consultation 	<p>Disadvantages:</p> <ul style="list-style-type: none"> • None identified
<p>Risks:</p> <ul style="list-style-type: none"> • No significant risks have been identified. 	

Option three – Adopt an amended version of the policy

- 8. This option provides the opportunity to amend the policy further before adoption. It is recognised that Council may wish to remove some proposed changes or make further changes to the policy.
- 9. Depending on the extent of changes Council wishes to make, officers may need to bring the updated policy to Council at a later date.

<p>Advantages:</p> <ul style="list-style-type: none"> • Opportunity to identify further improvements 	<p>Disadvantages:</p> <ul style="list-style-type: none"> • May not take community feedback into account • Identified improvements consulted on may not be included in the policy
<p>Risks:</p> <ul style="list-style-type: none"> • There is the possibility for further significant improvements to be identified after deliberations, and the community may not have the opportunity to comment on these changes unless we undertake a further round of consultation. 	

Legal/policy implications

Local Government Act 2002 (LGA)

10. [Section 76AA](#) of the LGA states that every local authority must adopt a policy setting out:

“(a) that local authority’s general approach to determining the significance of proposals and decisions in relation to issues, assets, and other matters; and

(b) any criteria or procedures that are to be used by the local authority in assessing the extent to which issues, proposals, assets, decisions, or activities are significant or may have significant consequences; and

(c) how the local authority will respond to community preferences about engagement on decisions relating to specific issues, assets, or other matters, including the form of consultation that may be desirable; and

(d) how the local authority will engage with communities on other matters.”

The current Community Engagement Policy and proposed changes meet the requirements of this section.

11. A ‘Significance and Engagement Policy’ under [Section 76AA](#) is required to include a list of assets considered to be strategic assets. A strategic asset, is considered to be an asset or group of assets that the local authority needs to retain if the local authority is to maintain the local authority’s capacity to achieve or promote any outcome that the local authority determines to be important to the current or future well-being of the community. Officers are proposing to include the Ashburton Art Gallery & Museum, EA Networks Centre, and Te Whare Whakatere in schedule 1 of the draft policy as strategic assets. Officers believe these facilities fit the definition of strategic assets, given their specialist nature, equipment and setup that would be difficult to recreate in another building.

12. Council is required to undertake consultation in accordance with [Section 82](#)¹ of the LGA when adopting or amending a policy under Section 76AA, unless it considers on reasonable grounds that it has sufficient information about community interests and preferences to enable the purpose of the policy to be achieved.

Climate change

13. The Community Engagement Policy does not have a direct impact on climate change. However, decisions and proposals assessed under the criteria in the policy may have a significant impact. One of the proposed changes to the draft policy is the inclusion of a new criterion ‘environmental/climate change impact’, which is aimed at assessing the impact of a decision or proposal on the environment and climate change. Proposed factors to consider are:
- the level of impact on the environment (and whether it is positive or negative); and
 - whether the decision or proposal is environmentally sustainable; and
 - the level of impact on climate change (and whether it is positive or negative); and
 - whether the decision or proposal is consistent with Council’s Climate Resilience Plan.
14. The proposed new criteria is in line with objective 2.3 of the Climate Resilience Plan which is to ensure that Council plans, strategies, policies and bylaws are fit for the future when viewed through a climate change lens.

Review of legal / policy implications

Reviewed by In-house Counsel

Tania Paddock; Legal Counsel

Strategic alignment

15. The recommendation relates to Council’s community outcome of ‘residents are included and have a voice’ because the draft policy allows for collaboration and two-way dialogue with our communities in order for them to have the opportunity to influence local outcomes and decisions.
16. The draft Community Engagement Policy as proposed is consistent with Council’s Communications Policy.

¹ Section 82 of the LGA sets out the general principles of consultation.

Wellbeing		Reasons why the recommended outcome has an effect on this wellbeing
Economic	✓	The Community Engagement Policy is relevant to all four well-beings, as all decisions and proposals by Council should be assessed against this policy. The significance assessment criteria included in the draft consider the economic, environmental, cultural and social level of impacts of a proposal or decision.
Environmental	✓	
Cultural	✓	
Social	✓	

Financial implications

Requirement	Explanation
What is the cost?	Costs have been involved with consultation
Is there budget available in LTP / AP?	Yes, covered by existing budgets
Where is the funding coming from?	Funding to come from Strategy & Policy and Communications Team existing budgets
Are there any future budget implications?	The proposed changes to significance assessment criteria may result in more (or less) engagement with the community and therefore may have future budget implications. It is unlikely that these budget implications would be substantial.
Reviewed by Finance	Leanne Macdonald, Group Manager – Business Support

Significance and engagement assessment

Requirement	Explanation
Is the matter considered significant?	No
Level of significance	Low
Rationale for selecting level of significance	A significance assessment has been completed against the proposed changes to the policy. Given there are moderate changes that have low impact on levels of service, financial cost, and risk, this proposed draft is considered to be of low significance. Future decisions or proposals considered under this policy may be of high significance but they will be assessed separately.
Level of engagement selected	3. Consult – formal two-way communication
Rationale for selecting level of engagement	While the proposed changes are not considered to be significant, Council is required to consult with the community on this policy in accordance with the LGA. Consultation was carried out from 27 March – 28 April 2024.

	We have also engaged Te Rūnaka o Arowhenua directly in preparation of the initial draft.
Reviewed by Strategy & Policy	Mark Low; Strategy and Policy Manager

Policy

COMMUNITY ENGAGEMENT POLICY

(This policy meets the legal requirements for a Significance and Engagement Policy)

TEAM:	Strategy and Policy
ADOPTED:	26 June 2024
DATE EFFECTIVE:	1 July 2024
REVIEW:	Every three years, or as required
CONSULTATION:	Section 82, Local Government Act 2002
RELATED DOCUMENTS:	Civil Defence Emergency Management Act 2002 Local Government Act 2002 (LGA) Reserves Act 1977 Resource Management Act 1991 (RMA).

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Glossary and definitions

Arowhenua are Manawhenua of Ashburton District.

Community engagement is any process of involving the community in Council decisions. This will involve providing and seeking information to inform and assist decision making.

Consultation is one form of community engagement. Consultation can involve the exchange of information or views between decision-makers and those affected/interested before a decision is made.

Council means Ashburton District Council.

Engagement Scale is a scale based on the International Association for Public Participation (IAP2) principles of public participation that sets out different types of engagement Council may utilise. This scale is described in section 5.

Kaitiaki means a guardian.

Kaitiakitaka means the exercise of customary custodianship, in a manner that incorporates spiritual matters, by takata whenua who hold Manawhenua status for a particular area or resource.

Manawhenua means those who exercise customary authority or Rakatirataka (Chieftainship, decision making rights).

Mātauranga is Māori knowledge and understanding.

Participatory democracy occurs when citizens are able to influence the policies and political decisions that impact their lives more directly, rather than relying on their elected representatives to make decisions completely on their behalf.

Representative democracy is when citizens elect people to represent their views who then vote on policy initiatives.

Rohe is a boundary, for example a district or a region.

Rūnaka is a local representative group or community system of representation.

Significance has the meaning described in s.5 of the Local Government Act 2002 (LGA).

Explanatory Note

Section 5 of the LGA describes '**significance**' as:

in relation to any issue, proposal, decision, or other matter that concerns or is before a local authority, means the degree of importance of the issue, proposal, decision, or matter, as assessed by the local authority, in terms of its likely impact on, and likely consequences for,—

(a) the current and future social, economic, environmental, or cultural well-being of the district or region:

(b) any persons who are likely to be particularly affected by, or interested in, the issue, proposal, decision, or matter:

(c) the capacity of the local authority to perform its role, and the financial and other costs of doing so

Significance Scale is a scale that identifies the point where an issue may be considered ‘significant’. This scale is shown in section 5.

Significance Tool is a tool that Council officers can use to determine the level of significance for an issue. This tool is described in Appendix 1.

Significant has the meaning described in s.5 of the LGA.

Explanatory Note

Section 5 of the LGA describes ‘**significant**’ as:

in relation to any issue, proposal, decision, or other matter, means that the issue, proposal, decision, or other matter has a high degree of significance.

Strategic Asset has the meaning described in s.5 of the LGA.

Explanatory Note

Section 5 of the LGA describes a ‘**strategic asset**’ as:

an asset or group of assets that the local authority needs to retain if the local authority is to maintain the local authority’s capacity to achieve or promote any outcome that the local authority determines to be important to the current or future well-being of the community; and includes—

- (a) any asset or group of assets listed in accordance with s.76AA(3) by the local authority; and
- (b) any land or building owned by the local authority and required to maintain the local authority’s capacity to provide affordable housing as part of its social policy; and
- (c) any equity securities held by the local authority in—
 - (i) a port company within the meaning of the Port Companies Act 1988;
 - (ii) an airport company within the meaning of the Airport Authorities Act 1966

Takata whenua are the iwi or hapu that holds Manawhenua in a particular area.

Taonka means treasure.

Te Tiriti (o Waitangi) is the Treaty of Waitangi.

Wāhi tapu are places sacred to takata whenua, for example a burial ground or a battle site where sacred objects were placed.

1. Introduction

1.1. Why do we have this policy?

- To help Council make well-informed decisions by having the right conversations, with the right people, about the right issues at the right time;
- To provide clarity around how and when Council will engage with communities;
- To support and promote community involvement in decision-making;
- To build positive relationships with all interested and affected parties, including but not limited to, Ngāi Tahu, stakeholders and the wider community;
- To encourage co-operation, respect and understanding of other points of view;
- To provide clarity about what significance is and how it affects the way we engage with the community;
- To establish a process for determining how significant a decision is and the corresponding level of resource required;
- To ensure that Council meets its legal duties under s.76AA of the LGA to adopt a significance and engagement policy; and
- To identify what Council deems to be 'strategic assets'.

1.2. Implementation

To give effect to this Community Engagement Policy, the Council and Executive Team will:

- Seek to ensure that this policy and its supporting guidelines are understood and given effect to by all who represent the Council by resourcing training
- Provide regular updates to staff/councillors/members on best practice community engagement initiatives and reviews of practice
- Publish this policy on the Council's internal and external websites
- Provide for all significant Council projects subject to decision to include an engagement plan as part of the project plan
- Maintain a regular overview of the proposed timing of impending engagement exercises with a view to spreading the demands on the community over the year, if appropriate
- Maintain guidelines to support implementation of this policy by providing interpretation and practice guidance about the methods most suited to the differing forms of engagement set out in section 5
- Reference community views in every report providing advice to the Council assessing their relevance, indicating how they have been or are planned to be obtained, and summarising and analysing available responses and feedback.

2. Community engagement and consultation

2.1. What do we mean by community?

A community can be defined in many ways. For example, a community can be people within a geographical area (e.g. Tinwald), people with the same interests (e.g. sports groups), people of a particular ethnicity (e.g. Ngai Tahu or other communities), or people of the same economic sector (e.g. construction).

To identify the communities to best engage with, it is important to look through the lens of the issue or issues being considered.

Our aim is to continue to enjoy a strong appreciation of groups that we have a good relationship with; and to grow better relationships with groups that we don't know so well.

2.2. What do we mean by engagement?

Engagement provides an opportunity for the community to present their views on a Council issue, decision or proposal. The aim is to talk with the right people at the right time about the right issues, for the right reasons. The community views expressed through an engagement process will be considered and discussed, along with other information, when decisions are made.

Engagement may not result in consensus between the community and Council. It should allow for an exchange and examination of information and views between the community and decision-makers, before a final decision is made. Engagement ensures that decisions are informed and improved by the community's involvement. It will often be necessary to provide the community with access to information to enable them to bring an informed viewpoint. It will always be necessary for Council to keep an open mind for the different perspectives the community can bring.

2.3. When will Council engage?

Council will engage when any or all of the following apply:

- a matter is deemed significant (as explained in section 4);
- we need community input to ensure we make the right decision for the community;
- we want to build and maintain relationships; and/or
- when there is a statutory requirement (many Acts of Parliament require the Council to consult for specific purposes).

2.4. When might Council not engage?

There is a time and financial cost required to explore options and obtain the views of the community. The level of engagement needs to be appropriate to the decision or action to be taken by Council. There will be rare occasions when a decision is so urgent that it is unreasonable to engage, or where the options are so limited that Council only has one reasonable and practicable option.

Examples of when we won't engage include:

- Organisational decisions that do not reduce level of service
- Emergency management activities during a state of emergency
- Decisions which are:
 - Urgent (managing an urgent issue)
 - Commercially sensitive
 - Made under approved policies
 - Made by delegation/sub-delegation to officers
 - Related to regulatory and enforcement activities
- Decisions where public consultation would cause a privacy breach
- Decisions to act where it is necessary to:
 - Comply with the law;
 - Save or protect life, health or amenity;
 - Prevent serious damage to property;
 - Avoid, remedy or mitigate an adverse effect on the environment.

2.5. How will Council engage with the community?

Council will undertake engagement in a variety of ways, through multiple channels. Identifying the

significance of a proposal or decision via the procedure laid out in section 4.4 of this policy helps Council to determine the type of engagement required. The method of engagement will be dependent on the type of conversation needed, the community who we are engaging with, the time and cost allowed for the engagement, and any legislative requirements.

The type of engagement should correspond with the level of significance of the decision or proposal. Council has developed an engagement scale to clearly set this out (see section 5). Participatory democracy may be used when decisions or proposals of high significance are to be considered.

2.6. What is the Special Consultative Procedure?

The Special Consultative Procedure (SCP) is a formal consultation process that can be triggered when a decision is deemed significant, or at the direction of other legislation, such as the Sale and Supply of Alcohol Act 2012 and the Waste Minimisation Act 2008. The LGA requires councils to use the SCP when:

- adopting and amending a Long-Term Plan;
- adopting and amending an Annual Plan (if it includes significant proposals not included in the Long-Term Plan);
- making, amending or revoking a bylaw of significant interest;
- transferring ownership or control of a significant strategic asset.

When using the Special Consultative Procedure, Council must develop a statement of proposal and summary and make it widely available, allow a minimum feedback period of one month, and hold a hearing to ensure the community is given the opportunity to present their view to elected members.

For more information on the SCP, please refer to the Local Government Act 2002.

2.7. What is section 82?

Section 82 of the LGA, refers to the principles of consultation. The Local Government Act 2002 requires Councils to consult in a manner that gives effect to s.82 when consulting on decisions to adopt certain policies or to make decisions on bylaws that are not considered significant enough to use the SCP. This allows Council to design a consultation process that is fit for purpose without initiating a full SCP.

Council must give effect to s.82 when adopting the following plans, policies or decisions, where the matters are not assessed to be significant:

- an annual plan
- a revenue and financing policy
- a policy on development contributions or financial contributions
- a policy on the remission and postponement of rates on Māori freehold land
- a rates remission policy
- a rates postponement policy
- prescribing fees
- making, amending or revoking bylaws
- allowing bylaws to continue without amendment

For more information on s.82, please refer to the LGA.

Council also notes that the LGA or other Acts may prescribe a minimum process for consultation that is not in proportion to the significance of the matter. Council may exceed, but cannot do less than the minimum.

2.8. What is the difference between consultation and engagement?

Consultation is a form of engagement, and involves obtaining feedback on proposals. Council will use consultation for significant decisions (under the LGA), and can also decide to consult on a decision where it considers appropriate. There are times when we must consult with the community, even if it is not required, as a result of the significance assessment laid out in section 4.5.

Engagement is a broader and ongoing process of sharing information with the community and seeking its feedback in order to involve the community in the process of decision making.

Legislation requires councils to consult and engage with communities on particular matters. Many Council decisions will be made through consultation and decision making procedures that are required by legislation. Key legislation includes (but is not limited to) the Local Government Act 2002, the Resource Management Act 1991, the Reserves Act 1977, and the Civil Defence Emergency Management Act 2002. We will consult when there is a legal requirement, even if there is no other reason.

2.9. What is pre-engagement?

Pre-engagement is another form of engagement that Council may sometimes use before a proposal is prepared. It is a way of engaging with the community before a plan or proposal is written, to ensure that our approach is consistent with the community's priorities. Pre-engagement can be in the form of a survey, an informal conversation with affected stakeholders, or with the whole community. There will generally be a formal engagement process undertaken after the plan or policy has been drafted.

One example of pre-engagement is the survey that we usually undertake before preparing the Long-Term Plan, to make sure that we understand what activities the community would like us to focus on.

2.10. How will Council engage with diverse communities?

Social inclusion enriches the economic, social and civic wellbeing of everyone, and we recognise that it is important all people feel encouraged and welcome to participate in community engagement. Because of this, Council will ensure that all groups within the district are made aware of engagement opportunities.

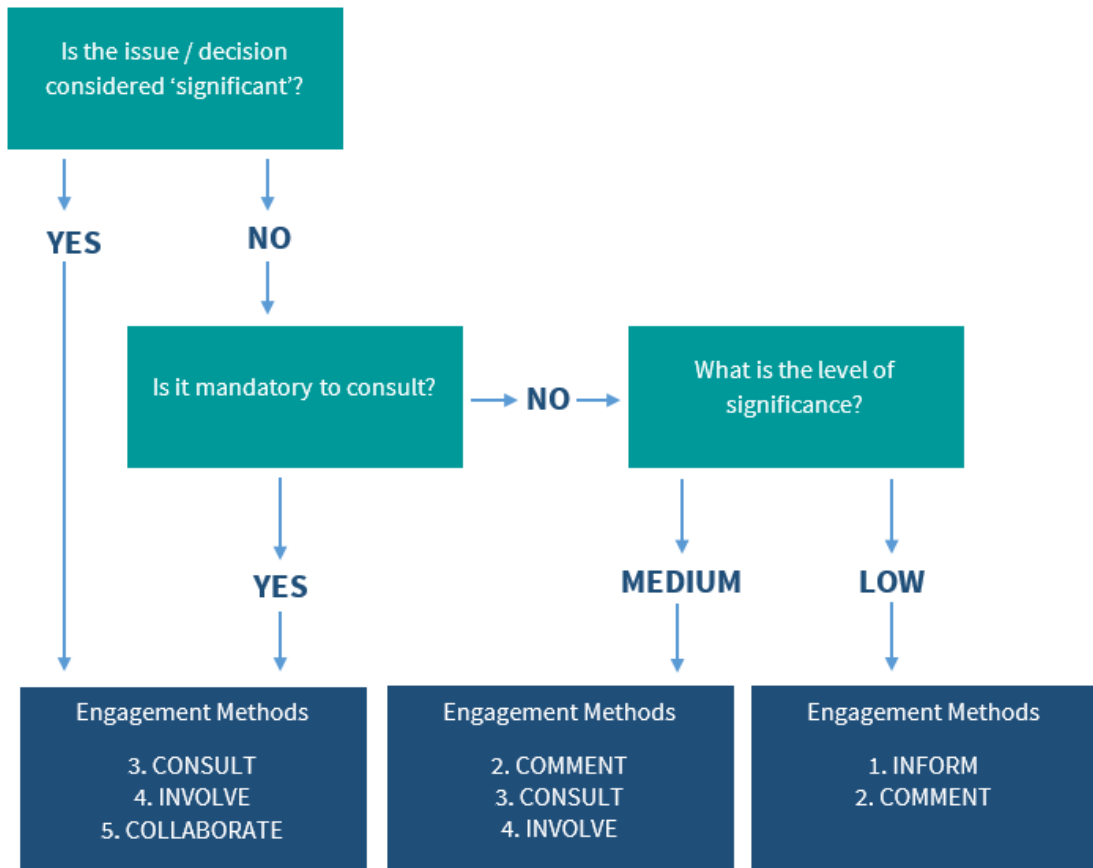
Diversity is about what makes each person unique. This can be along the dimensions of race, ethnicity, gender, socio-economic status, age, physical abilities, religious beliefs and other factors. Because of our growing diversity, we need to constantly improve the ways we engage with our different communities. There may be times where specific engagement processes will be appropriate to recognise and enable different groups within the community to participate in engagement.

Although diversity can mean many different things, it is important to note the likelihood that Ashburton is more ethnically diverse now than at any time in its past. We are an accredited Welcoming Community and our ethnic and cultural diversity is continually growing.

Council will consider how to meet the needs of our communities in respect of language, accessibility and cultural expectations. Council will also ensure that multiple tools are used for engagement, to include those who speak English as a second language, as well as those with specific requirements

and/or visual, hearing or literacy impairments.

Figure one – Selecting the type of engagement



3. How will Council engage with Ngāi Tahu and Manawhenua?

He honoka motuhake tō te iwi o Kāi Tahu ki te Kaunihera hei haumi i ruka i Te Tiriti o Waitangi me ōhona whakaturetaka. E oati nei te Kaunihera ki te whakatinana i ā mātou kaweka i raro i Te Tiriti me ōhona whakaturetaka, kia whai take anō te mahi tahi hai paika mō te Māori.

Kai roto i Te Ture Kāwanatanga ā-Rohe 2002 kā mātāpono me kā hereka mā kā kāwanataka ā-rohe e aro ana ki te whakatinana ki te whakautē hoki i te haepapa ki te Karauna ki te whaiwhakaaro ki kā mātāpono o Te Tiriti o Waitangi, ki te tiaki, ki te whakapakari anō i kā āheitaka e whai wāhi ai te Māori ki kā tukaka whakatau whakaaro. Ahakoa ko te aroka matua o te Ture Kāwanatanga ā-Rohe ko te iwi Māori whānui, kai te takiwā o Waitaha, ko Kāi Tahu ake te takata whenua. Kai te noho te takiwā o Hakatere i te rohe o ēnei papatipu rūnaka o Kāi Tahu – Te Rūnanga o Arowhenua, ko Te Ngāi Tūāhuriri Rūnanga, ko Te Taumutu Rūnanga anō hoki.

Hai āpītitaka ki kā hereka i raro i Te Ture Kāwanatanga ā-Rohe, kai roto i Te Ture Whakatau Kerēme a Ngāi Tahu 1998 he whakapūmautaka o tō Kāi Tahu āheika ki te whakatinana i ōhona honoka tuku iho hai kaitiaki o te taiao.

I raro i Te Ture mō te Whakahaere Rawa 1991 (RMA) ka whai takeka a Kāi Tahu ki kā wāhi tīpuna, kā wai, kā wāhi tapu, kā tipu me kā kararehe, kā taoka atu anō, ka noho aua pāka hai take whakahirahira ki te motu. E tohu hoki ana te RMA kia whai whakaaro nui te Kaunihera ki te kaitiakitaka, ki kā mahere ā-iwi mō te whakahaere taiao, arā ki kā mātāpono o Te Tiriti. Ka aro hoki te RMA ki tā te Māori whai takeka ki kā rawa ōkiko, ki kā rawa taiao, nā, he whakariteka motuhake mō te kōrero tahi me te mahi tahi ki te takata whenua.

Ngāi Tahu has a unique relationship with Council as partners through Te Tiriti o Waitangi (the Treaty of Waitangi) and supporting legislation. Council is committed to meeting our obligations under Te Tiriti and other legislation, and ensuring that engagement is meaningful and leads to positive outcomes for Māori.

The Local Government Act 2002 provides principles and requirements for local authorities that intends to recognise and respect the Crown's responsibility to take appropriate account of the principles of the Treaty of Waitangi, and to maintain and improve opportunities for Māori to participate in decision-making processes. While the LGA relates to all Māori, it is recognized that within the Canterbury region, Ngāi Tahu are the tangata whenua. Ashburton District falls within the rohe of Ngāi Tahu papatipu rūnanga – Te Rūnanga o Arowhenua, Te Ngāi Tūāhuriri Rūnanga and Te Taumutu Rūnanga.

In addition to the Local Government Act obligations, the Ngāi Tahu Claims Settlement Act 1998 includes confirmation of the ability for Ngāi Tahu to express its traditional kaitiaki relationship with the environment.

The Resource Management Act 1991 (RMA) recognises Ngāi Tahu interests in ancestral lands, water sites, wāhi tapu, flora and fauna, and other taonga as matters of national importance. The RMA also requires the Council to have particular regard to kaitiakitanga and iwi environmental management plans and to take into account the principles of Te Tiriti. The RMA further recognises Māori interests in natural and physical resources, and contains specific requirements for consulting and working with tangata whenua.

Council recognises Aoraki Environmental Consultancy (AEC) as the assigned organisation for Arowhenua Rūnaka, for matters relating to the natural environment. Council will engage with AEC in the first instance.

On matters of social wellbeing, the Council also engages with the Hakatere Marae Komiti which is the governing organisation for the maata waka marae located north of the Ashburton town.

Council is committed to having a successful and enduring partnership with Manawhenua as we know that it is important to seek the expertise and wisdom of those with inherited kaitiaki responsibilities and mātauranga.

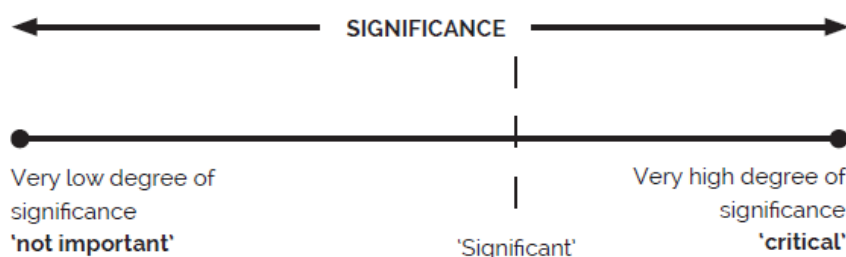
4. Significance

4.1. What do we mean by significance?

Significance is a measure of how important a decision is for the community.

As shown by figure two, *significance* for any decision will be a point on a scale from very low significance to very high significance. *Significant* is any matter at or beyond a point on the scale where there is a high degree of significance.

Figure two: Significance vs significant



The level of significance of the issue, proposal or decision will determine how much resources Council will invest in obtaining the views of the community and studying different options.

This helps Council to make sure we do not waste resources on less important decisions, and that we do not make bad decisions on important matters by failing to consider good alternative options or failing to take community views into account.

4.2. General approach to determining significance and making decisions

Council will comply with its decision-making duties under the LGA.

Council will apply the criteria and thresholds set out in section 4.5 to decide the overall level of significance for every decision.

Council will consider the significance of the issue and methods of engagement from the earliest possible stages of a proposal or process. If necessary, the significance and engagement will be reviewed as the proposal develops and as community views, and reasonably practicable options, become better known.

When making a decision, Council will:

- be clear about the issues involved and why it is making a decision;
- consider all reasonably practicable options for achieving the objective for which the decision is being made;
- invest appropriate time, money and effort into studying the issues and options, in proportion to the significance of the matter;
- have appropriate regard to community views in proportion to the significance of the matter; and
- comply with the LGA, RMA and Ngāi Tahu Claims Settlement Act 1998.

Before making any decision, Council will ensure that it has sufficient information on the issues and options as well as the views of the community, and that these have been given adequate consideration.

The duty to explore options and obtain the views of the community in proportion to the significance of a matter, is not a duty to consult with the community for every decision Council makes.

Council decisions will consider a range of information sources, considerations and perspectives, including existing local, regional or national policy, technical information, legal requirements, financial costs and risks. Council will balance these factors in coming to an overall decision.

4.3. Other uses of significance – Strategic assets

Under s.97 of the LGA, any decision to transfer the ownership or control of a strategic asset to or from Council, requires engagement. Any of these decisions, whether they are provided for in the Long-Term Plan or through an amendment to the Long-Term Plan, require engagement processes that comply with the SCP, at a minimum.

The strategic assets of Ashburton District Council are listed in Schedule 1 of this policy.

4.4. How will Council assess significance?

Where a decision is required, Council officers will use the Significance Tool (Appendix 1), to decide the level of significance.

Council officers will write a report to Council, a Committee, or Subcommittee proposing the decision. These reports will include:

- an outline of how Council has complied with its legal duties as a decision-maker;
- a statement of the overall significance of the matter, including whether the matter is significant; and
- a recommendation of further actions required, if any, to meet its legal duties.

While Council officers are responsible for assessing the significance of an issue, decision or proposal to meet duties under the LGA and this policy, elected members can make their own significance assessment and may resolve that any matter has a higher or lower level of significance.

4.5. Significance assessment criteria

Several criteria will be used to determine the level of significance of the issue, decision or proposal being considered by Council. All criteria are considered. In different circumstances, certain criteria may carry greater or lesser weight in the overall decision.

Where the significance of a proposal or decision is unclear against any of the below criterion, Council will assess the matter as being more rather than less significant.

When considering the significance of an issue, proposal or decision, Council officers will consider the following factors. Each criterion will be assessed by Council officers and will be assigned a significance level of low, medium or high.

Assessment criteria

Criteria	Factors to consider	High significance example	Medium significance example	Low significance example
1. Strategic assets	Does the proposal involve the sale or transfer of a strategic asset that is not covered in an LTP?	Sale or transfer of water supply networks	Transfer or sale of part of a strategic asset; or transfer, sale or purchase of a non-strategic asset of moderate to high value	Sale, transfer or purchase of low value assets that are not strategic
2. Impact on the community	What is the number of people affected? What is the level of impact? What is the impact on future communities?	More than 500 people. Peoples' daily lives are affected or they face a cost that is high relative to their means	Less than 500 people affected. Community is impacted to a medium degree	Less than 100 people. Minor cost, access to an activity or service is temporarily disrupted
3. Community interest	Is there current and / or potential community interest?	High and known community interest. Likely to attract regional or national news media attention. Social media interest is sustained and intense	Medium community interest. Likely to trigger community interest to a medium level. Local news media front page coverage. Short-term social media interest that may be intense	Low / no community interest. Not likely to trigger community interest or be on local news front page. No/low social media interest
4. Impact on Manawhenua	Is the decision of interest to or will have an effect on the values of Manawhenua? If so, what is the level of impact?	Yes /High Issue/proposal will have an effect on Manawhenua values and/or relates to land or a body of water	Of interest but not to a high degree. Issue/proposal does not have an effect on values or relate to land or a body of water	No/Low Issue/proposal does not have an effect on values or relate to land or a body of water
5. Financial cost	What is the unbudgeted cost of proposal? What will the impact on rates, fees and charges, reserves and/or debt be?	High unbudgeted cost, high impact on rates, fees, debts and/or reserves	Medium unbudgeted cost, medium impact on rates, fees, debts and/or reserves	Low unbudgeted cost, low impact on rates, fees, debts and/or reserves
6. Levels of service	What effect will the decision have on Council's levels of service?	High impact on levels of service. New service created or old service removed. High number of customers affected	Medium impact on levels of service. Moderate change to level of service increase or decrease. Medium number of people affected	Little to no impact on levels of service. Minor service level increase or decrease. Low number of customers affected
7. Environmental / climate change impact	Is this environmentally sustainable? Does this have an impact on climate change? Is this proposal consistent with our	Inconsistent with Climate Resilience Plan. High level of impact on the environment or not environmentally sustainable. Has a negative impact on	Largely consistent with Climate Resilience Plan. Has an impact on the environment but to low/medium degree. Has no impact on climate change or negative impact	Consistent with Climate Resilience Plan. Has no/low impact or positive impact on the environment. Considered to be environmentally

Criteria	Factors to consider	High significance example	Medium significance example	Low significance example
	Climate Resilience Plan?	climate change.	to a low degree.	sustainable. Has either no impact or has a positive impact on climate change.
8. Overall risk	What is the overall risk of the proposal? (Including health and safety, reversibility, adverse impacts etc.)	High overall risk. Not reversible, significant effects, high / medium health and safety risk	Medium overall risk. Reversible, medium effects, medium/low health and safety risk	Low overall risk. Easily reversible, low impact / no adverse effects, no / low health and safety risk

Significance thresholds

This is a three-step process.

Step one: For each of the eight assessment criteria, Council officers will determine whether the significance of the proposal or decision is high, medium, or low. Where the issue sits on the cusp of two levels, the default position is to the higher level.

Step two: Council officers will then apply the following formula:

- The significance of decision or proposal will be deemed **high** when five or more criteria are determined to be highly significant;
- The significance of a decision or proposal will be deemed **low** when five or more criteria are determined to be of low significance.
- The overall significance of a decision or proposal will be deemed **medium** when the proposal or decision does not meet the threshold of either high or low significance.

Step three: Council officers should consider the assessment as a whole when determining the significance of the issue, proposal or decision. This consideration will include the matters outlined under s. 79 of the LGA. If, in the judgement of officers, the step two formula produces a result that seems a poor fit with officers' "assessment in the round", officers may submit an alternative assessment and must give reasons for their findings.

5. Significance and engagement scale

Once the level of significance has been determined, this scale can be used to identify which level of engagement is the most appropriate.

Level of engagement	1. Inform	2. Comment	3. Consult	4. Involve	5. Collaborate
What does it involve?	<u>One-way communication</u> to provide the community with balanced, objective information to assist them in understanding problems, alternatives, opportunities and/or solutions.	<u>Informal two-way communication</u> to obtain selected feedback on alternatives. Asking the community for information to seek ideas, opinions and information in the development process.	<u>Formal two-way communication</u> to obtain public feedback on analysis, alternatives and/or decisions.	<u>A participatory process</u> to work with the community to ensure that public concerns and aspirations are consistently understood and considered.	<u>Working together to partner</u> with the community in each aspect of the decision including the development of alternatives and identifying the preferred solution.
When might Council use this?	<ul style="list-style-type: none"> Annual Report Changes to policy or bylaw schedules Low significance policies Decisions to award grants funding. 	<ul style="list-style-type: none"> Development of a timing schedule for a project, e.g. a 'Main Street upgrade' Annual Residents Survey. 	<ul style="list-style-type: none"> Long-Term Plan (LTP) Annual Plan (where there are significant changes from the LTP) New or amended bylaws High significance policies District plan changes Open spaces strategy Waste minimisation plan. 	<ul style="list-style-type: none"> Development of options for policy change for a significant issue Large capital projects (EG – new administration building) Stock water closures. 	<ul style="list-style-type: none"> Large community focussed capital project (EG – new stadium).
How might Council engage?	<ul style="list-style-type: none"> Media release Website Brochure/flyers Public notices Communication to key stakeholders. 	<ul style="list-style-type: none"> Informal meetings with affected groups Informal gatherings Telephone surveys. 	<ul style="list-style-type: none"> Formal submissions and hearings (Special Consultative Procedure, likely to incur cost) Social media Email Focus groups Phone surveys. 	<ul style="list-style-type: none"> Workshops Focus groups Interviews Targeted surveys. 	<ul style="list-style-type: none"> External working groups Open surveys Involving Manawhenua in decision making processes.
When will the community be involved?	When a decision is made.	After the development of options but prior to the final decision by Council.	When a draft decision has been made, or 'adopted for consultation' by Council.	At the refining stage of options.	At the development stage of options.

Schedule 1 – Strategic assets

The strategic assets of Ashburton District Council are listed below. Decisions that involve the transfer of ownership or control of an element of a group strategic asset where the remaining assets of the group still enable the Council to meet its strategic outcome will not on their own be regarded as a strategic asset.

Activity / group of activity	Council assets	Trigger
Investments	<ul style="list-style-type: none"> • Shareholding in Electricity Ashburton • Shareholding in Transwaste Canterbury Ltd • Shareholding in Rangitata Diversion Race Management Ltd • Shareholding in Ashburton Contracting Ltd 	<ul style="list-style-type: none"> • Transfer of any portion of Council’s shareholding
Drinking Water	<ul style="list-style-type: none"> • Council’s water supply and reticulation networks as a whole 	<ul style="list-style-type: none"> • Transfer of control or ownership of the networks as a whole
Wastewater	<ul style="list-style-type: none"> • Council’s wastewater infrastructure as a whole 	<ul style="list-style-type: none"> • Transfer of control or ownership of wastewater infrastructure as a whole
Transportation	<ul style="list-style-type: none"> • Council’s road network as a whole 	<ul style="list-style-type: none"> • Transfer of control or ownership of the road network as a whole
Open Spaces	<ul style="list-style-type: none"> • Council cemeteries • The land comprising the inner of Baring Square Ashburton, including the Ashburton Town Clock and the Cenotaph. • Reserve lands as a whole including land held under the Reserves Act 1977 and land used for parks, gardens, sports field and recreation areas 	<ul style="list-style-type: none"> • Transfer of control or ownership
Community Services	<ul style="list-style-type: none"> • Council’s Elderly Persons Housing stock 	<ul style="list-style-type: none"> • An increase or decrease in ownership or control of 30% or more of elderly persons housing stock
Facilities	<ul style="list-style-type: none"> • Ashburton Airport • Ashburton Art Gallery & Museum • EA Networks Centre • Te Whare Whakatore 	<ul style="list-style-type: none"> • Transfer of control or ownership of the facility

Appendix 1 – Significance tool

Criteria	Factors to consider	High	Medium	Low	Assessment
Strategic assets	Does the proposal involve a strategic asset that is not covered in an LTP?	Sale or transfer of a strategic asset; e.g. water supply networks	Transfer or sale of part of a strategic asset; or transfer, sale or purchase of a non-strategic asset of moderate to high value e.g. sale of non-strategic property asset	Sale, transfer or purchase of low value assets that are not strategic; e.g. road stopping and associated transfer of closed road to adjoining owner	
Impact on the community	What is the number of people affected? What is the level of impact?	More than 500 people. Peoples' daily lives are affected or they face a cost that is high relative to their means; e.g. proposed Methven/Mt Somers/Montalto Water upgrade	Less than 500 people affected. Community is impacted to a medium degree e.g. extensions to the solid waste collection network	Less than 100 people. Minor cost, access to an activity or service is temporarily disrupted e.g. implementation of Smokefree Outdoor Areas Policy	
Community interest	Is there current and/or potential community interest? Is the issue likely to be on the front page of a newspaper? What is the impact on future communities?	High and known community interest. Likely to attract regional or national news media attention. Social media interest is sustained and intense. e.g. resource consents for water bottling	Medium community interest. Likely to trigger community interest to a medium level. Local news media front page coverage. Short-term social media interest that may be intense. E.g. Walking and Cycling Strategy	Low / no community interest. Not likely to trigger community interest or be on local news front page. No/low social media interest. E.g. technical changes to rates remission policy	
Impact on Manawhenua	Is the issue of interest to or will have an effect on the values of Manawhenua? If so, what is the level of impact? Does the issue or proposal relate to land or a body of water?	Yes /High Issue/proposal will have an effect on Manawhenua values and/or relates to land or a body of water e.g. water quality in Lake Clearwater	Of interest/ has an impact but not to a high degree. Issue/proposal does not have an effect on values or relate to land or a body of water e.g. Council policy on climate change	No/Low Issue/proposal does not have an effect on values or relate to land or a body of water e.g. Review of Dog Control Bylaw	
Financial cost	What is the unbudgeted cost of the proposal? What will the impact on rates, fees and charges, reserves, and/or debt be?	High unbudgeted cost, high impact on rates, fees, debts and/or reserves e.g. Library & Civic Centre consultation over extra \$30M in budget (LTP amendment)	Medium unbudgeted cost, medium impact on rates, fees, debts and/or reserves e.g. Review of development contributions policy	Low unbudgeted cost, low impact on rates, fees, debts and/or reserves e.g. any CPI-indexed fee increase	
Levels of service	What effect will the decision have on Council's levels of service?	High impact on levels of service. New service created or old service removed. High number of customers affected. E.g. large scale stockwater race closures	Medium impact on levels of service. Moderate change to level of service increase or decrease. Medium number of people affected. E.g. moderate scale stock water race closures	Little to no impact on levels of service. Minor service level increase or decrease. Low number of customers affected. E.g. 2021 Treasury Management Policy Review	
Environmental / climate change impact	Is this environmentally sustainable? Does this have an impact on climate change? Is this proposal consistent with our Climate Resilience Plan?	Inconsistent with Climate Resilience Plan. High level of impact on the environment or not environmentally sustainable. Has a negative impact on climate change.	Largely consistent with Climate Resilience Plan. Has an impact on the environment but to low/medium degree. Has no impact on climate change or negative impact to a low degree.	Consistent with Climate Resilience Plan. Has no/low impact or positive impact on the environment. Considered to be environmentally sustainable. Has either no impact or has a positive impact on climate change.	
Overall risk	What is the overall risk of the proposal? (Including health and safety, reversibility, adverse impacts etc.)	High overall risk. Not reversible, significant effects, high / medium health and safety risk e.g. Capital works to meet NZ Drinking Water Standards.	Medium overall risk. Reversible, medium effects, medium/low health and safety risk e.g. Ashton Beach donga fencing	Low overall risk. Easily reversible, low impact / no adverse effects, no / low health and safety risk e.g. Review of Pole-Mounted Banners Policy	
THRESHOLDS					
Five or more high = HIGH					
Five or more low = LOW					
Neither threshold met = MEDIUM					
HIGH = significant – consultation is required unless good reason exists under s.79					
MEDIUM = not significant					
LOW = not significant					
					Total HIGH
					Total MEDIUM
					Total LOW
					Overall level of significance
					SIGNIFICANT?

13. Adoption of 2024 Development and Financial Contributions Policy

Author	<i>Richard Mabon, Senior Policy Advisor</i>
Activity Manager	<i>Andrew Guthrie, Assets Manager</i>
Executive Team Member	<i>Neil McCann, Group Manager Infrastructure and Open Spaces</i>

Summary

- The purpose of this report is to present the proposed Development and Financial Contributions Policy “DFC Policy” for adoption by Council after public consultation, hearings and deliberations.
- Four submissions were received. None of the submissions generated changes to the 2024 DFC Policy. One submission highlighted an issue for further attention in 2024/25.

Recommendation

- 1. That** Council adopts the 2024 Development and Financial Contributions Policy.

Attachments

Appendix 1 Proposed 2024 Development and Financial Contributions Policy

Background

The current situation

1. Council has operated a DC Policy since 2004. It is a funding and financial policy under the Local Government Act that enables Council to recover a fair and proportionate share of the costs of growth from persons undertaking development.
2. Council reviews this Policy at least every three years to align with the capital expenditure planned in the long-term Plan.

Primary issues

3. The major matters in this policy are:
 - Changes to the sums charged for DCs.
 - New water DCs at Methven-Springfield and Mount Somers.
 - Changes to introduce greater flexibility and fairness into charging for some kinds of accommodation development.
4. Other matters in this policy are:
 - Changes to water DCs at Fairton.
 - Changes to comply with the Local Government Act 2002.

Outcomes from deliberations

5. Four submissions were received. None of the submissions generated changes to the 2024 DFC Policy. One submission supported the changes to introduce greater flexibility and fairness into charging for some kinds of lower impact residential development.
6. One submission highlighted the issue of taking DCs at subdivision. This is the subject of ongoing work for further attention in 2024/25.
7. During deliberations, Council confirmed that the Second Bridge Watermain project would be included in the 2024-34 Long-term Plan. This impacts the Ashburton Water DC value, increasing it by \$537 (incl GST).
8. Officers also note that the connection of the Ashburton and Fairton water supplies is on target to be completed by 1 July 2024. Officers have revised the schedules to the DFC Policy to remove the provisions made for a transition from Fairton alone to Ashburton & Fairton combined for water supply. The new Water DC will include the provision for the Second Bridge Watermain.

Community	2024 Water DC \$/HUE proposed at Consultation	2024 Water DC \$/HUE proposed for adoption
Ashburton (including Lake Hood)	\$1,938	NA
Fairton	1,911	NA
Ashburton (including Fairton & Lake Hood)	\$1,404	\$1,941

Table 1 – Proposed Water DC changes at Ashburton & Fairton

Options analysis

Option one – Adopt the proposal as the 2024 Policy. (RECOMMENDED)

9. Under this option, the policy enclosed as Appendix 1 is adopted.

<p>Advantages:</p> <ul style="list-style-type: none"> • The policy is up to date for historic, current and planned CAPEX for growth set out in the audited LTP. • The policy is lawful and fit-for-purpose. • The policy addresses an ongoing issue in terms of the fairness and proportionality of DCs for retirement villages. 	<p>Disadvantages:</p> <ul style="list-style-type: none"> • The policy sets some DCs at historically high levels for Ashburton District. Mount Somers is most notable. Council received some feedback on this through public consultation before confirming the Policy at deliberations. • The policy does not address some issues which are on Council’s radar including taking DCs at subdivision and considering a transportation DC. The risks and impacts of these changes are still being worked through.
<p>Risks:</p> <p>Any change to our methodology has the potential to produce unforeseen consequences. This is true of any policy. The revised approach reflects the kinds of evidence which officers typically consider in special assessments and is not unreasonably described as realigning policy with practise and with better practise in the sector. Risk is regarded as low to moderate.</p>	

Option two – Amend the proposal prior to adoption as the 2024 Policy

10. Under this option, the Council may choose to amend the policy enclosed as Appendix 1.

<p>Advantages:</p> <ul style="list-style-type: none"> • The policy is up to date for historic, current and planned CAPEX for growth set out in the audited LTP. Should council amend the Policy then CAPEX for growth in the LTP may need to be amended to align. In such case, adoption of the LTP may need to be deferred pending a revised audit. • The policy is lawful and fit-for-purpose. Any amendment must also be lawful and aligned to the purpose of the Policy. 	<p>Disadvantages:</p> <ul style="list-style-type: none"> • This Option enables Council to amend parts of the policy following deliberations.
<p>Risks:</p> <p>Assessing the risks of unknown amendments is speculative. Officers will give advice on risks should amendments arise.</p>	

Legal/policy implications

Legal implications

11. Officers believe the policy itself and the process for consultation and adoption are legally compliant.

Policy implications

12. These are discussed throughout the report dated 21 February 2024 that presented the draft Policy for public consultation. This material was also presented through the consultation material. The Policy is considered to be generally consistent with Council's policies and strategies.

Climate change

13. This policy is a funding and financial policy. It does not assess any capital work in terms of its implications for climate adaptation or mitigation. It should be noted that economic activity can be a generator of greenhouse gases (GHG). A development contribution that ensures that developments meet their fair and proportionate share of CAPEX for growth will be economically neutral in terms of encouraging development that increases GHG.

Strategic alignment

14. The recommendation relates to Council’s community outcome of a prosperous economy based on innovation and opportunity because it ensures that development activity contributes its fair share to infrastructure required by the community.

Wellbeing		Reasons why the recommended outcome has an effect on this wellbeing
Economic	✓	As per paragraph 15
Environmental	✘	
Cultural	✓	DCs contribute to the funding of infrastructure that supports the cultural well-being of the community such as Te Whare Whakaterere and the Ashburton Art Gallery & Heritage Centre.
Social	✓	DCs contribute to the funding of infrastructure that supports the social well-being of the community such as EA Networks Centre.

Financial implications

Requirement	Explanation
What is the cost?	All costs associated with the development of the policy are covered in operating budgets.
Is there budget available in LTP / AP?	Yes
Where is the funding coming from?	Strategy and policy work and communications are funded by overhead contributions from across the organisation.
Are there any future budget implications?	No.
Reviewed by Finance	Leanne Macdonald, Group Manager – Business Support

Significance and engagement assessment

Requirement	Explanation
Is the matter considered significant?	No
Level of significance	Medium
Rationale for selecting level of significance	N/A
Level of engagement selected	Consult. This was required under the Local Government Act 2002.

Rationale for selecting level of engagement	Development contributions are the basis for charges incurred by many forms of development in the district. It is important that the community and developers can make their views heard. Council consulted using a process that complies with section 82 of the Act. This occurred alongside the LTP 2024-34 consultation in March/April 2024.
Reviewed by Strategy & Policy	Mark Low; Strategy and Policy Manager

Policy

POLICY ON DEVELOPMENT & FINANCIAL CONTRIBUTIONS 2024

TEAM:	Assets
RESPONSIBILITY:	Assets Manager
ADOPTED:	26 June 2024 (effective 1 July 2024)
REVIEW:	Every three years or as required
CONSULTATION:	Council must give effect to Section 82, Local Government Act 2002
RELATED DOCUMENTS:	Ashburton District Council Long-Term Plan 2024-34, Building Act 2004, Local Government Act 2002, Local Government (Rating) Act 2002, and Resource Management Act 1991.

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1. Introduction

1.1 Background

The population of Ashburton District is growing and is expected to continue to grow in the future. Council must plan for this growth by investing in infrastructure that will enable new homes and businesses to connect to Council water and wastewater infrastructure, and provide the opportunity for new residents to use community facilities.

Development contributions enable Council to charge developers of residential and business developments a fair and proportionate share of the cost of providing capacity to cater for growth.

This policy sets out the development contributions payable; how and when these are calculated and paid, and describes the methodology used to calculate contributions.

1.2 Policy Objectives

This policy is intended to assist Council to achieve the following objectives:

- enable Council to plan for and fund infrastructure and facilities provision that meets the anticipated growth requirements of the district,
- provide predictability and certainty regarding the infrastructure required to cater for growth,
- enable a share of the costs Council incurs to provide infrastructure to cater for growth to be fairly and equitably recovered from those directly benefiting from Council infrastructure – i.e. developers,
- provide for the wider ratepayer base to contribute to funding infrastructure provision that raises service standards, and
- to promote understanding and awareness of what Council intends to fund and

how this applies to a particular development.

1.3 Legislative context

Local authorities are required, under section 102 of the Local Government Act 2002, (“the Act”) to adopt funding and financial policies as part of their financial management obligations. As part of the requirements for funding and financial policies, section 102(4)(d) of the Act requires a policy on development contributions or Financial contributions.

The purpose of the development contributions provisions in the Act is to enable territorial authorities to recover from those persons undertaking development a fair, equitable, and proportionate portion of the total cost of capital expenditure necessary to service growth over the long term.

The Act requires any development contributions policy to be prepared taking into account principles detailed in section 197AB. In summary these are:

- development contributions should only be required if the effects or cumulative effects of developments will create or have created a requirement for provision of new or additional assets, or assets of increased capacity,
- development contributions should be determined in a manner that is generally consistent with the capacity life of the assets for which they are intended,
- cost allocations used to establish development contributions should be determined according to, and be proportional to, the persons who will benefit from the assets to be provided (including the community as a whole) as well as those who create the need for those assets,
- development contributions must be used for or towards the purpose of the activity or the group of activities for which the contributions were required, and for the benefit of the district or the part of the district that is identified in the development contributions policy in which the development contributions were required, and
- territorial authorities should make sufficient information available to demonstrate what development contributions are being used for and why they are being used, and
- development contributions should be predictable and be consistent with the methodology and schedules of the policy under sections 106, 201, and 202, and
- when calculating and requiring development contributions, territorial authorities may group together certain developments by geographic area or categories of land use, provided that—
 - the grouping is done in a manner that balances practical and administrative efficiencies with considerations of fairness and equity; and
 - grouping by geographic area avoids grouping across an entire district wherever practical.

1.4 Financial management policies

This policy has been prepared within the wider context of the Council’s overall financial management policies.

This policy is consistent with the provisions of Council’s Revenue and Financing Policy and provides for development contributions and environmental contributions to be used as part of Council’s overall approach to funding capital expenditure.

1.5 Compliance with Section 102(3A) of the Local Government Act 2002.

Section 102(3A) of the Local Government Act 2002 states that the Policy on development contributions and financial contributions must also support the principles set out in the [Preamble of Te Ture Whenua Maori Act 1993](#).

The English text of the Preamble states:

“Whereas the Treaty of Waitangi established the special relationship between the Māori people and the Crown: And whereas it is desirable that the spirit of the exchange of kawanatanga for the protection of rangatiratanga embodied in the Treaty of Waitangi be reaffirmed: And whereas it is desirable to recognise that land is a taonga tuku iho of special significance to Māori people and, for that reason, to promote the retention of that land in the hands of its owners, their whanau, and their hapu, and to protect wahi tapu: and to facilitate the occupation, development, and utilisation of that land for the benefit of its owners, their whanau, and their hapu: And whereas it is desirable to maintain a court and to establish mechanisms to assist the Māori people to achieve the implementation of these principles.”

In support of the principles stated in the Preamble, Council will consider full or partial remissions of development contributions for developments on Māori freehold land.

1.6 Funding to provide for growth

Development contributions and financial contributions are used by Council to fund some of the costs associated with providing infrastructure that caters for demand from growth. Council aims to take a balanced and fair approach to how it raises funding required for new developments. Other sources of funding of capital expenditure may include:

- outside sources such as New Zealand Transport Agency (NZTA) subsidies, grants, regional council or central government funding; and
- borrowing, rates, reserves and sale of assets.

2. Policy on Development Contributions

2.1 Requirement for a development contribution

Under section 198 of the Act, Council may require a development contribution to be made when:

- resource consent is granted under the Resource Management Act 1991 for a development in Ashburton District,
- building consent is granted under the Building Act 2004 for building work situated in Ashburton District,
- authorisation for a service connection is granted without a building consent being issued*, and
- a change in use of a business unit.

*An example of this is where a tap is connected to the piped water system for watering or a temporary connection to the sewer system is made. In both cases the connection can be used without a building consent but requires a development contribution to be made.

Development contributions can only be required where a development as defined by section 197 of the Act is to occur. Under section 197, development means:

- a) any subdivision, building (as defined in section 8 of the Building Act 2004), land use, or work that generates a demand for reserves, network infrastructure, or community infrastructure; but
- b) does not include the pipes or lines of a network utility operator."

On receiving an application for subdivision consent, resource consent, building consent or service connection¹, Council will first:

- a) test that the application represents a development under section 197,
- b) determine whether alone or in combination with other developments the application under consideration will have the effect of requiring new or additional assets or assets of increased capacity and, as a consequence, the council will incur capital expenditure to provide appropriately for this, and
- c) ensure that any development contribution that may be required, is provided for in this policy.

If Council is satisfied that the application meets the legal requirements above, it will assess contributions following the process set out in the Assessment section.

2.1.1 Exceptions: For clarity, development contributions are not required for:

- an addition or alteration to a residential unit that does not result in any additional unit or units
- an addition or alteration to an accommodation unit or non-residential unit that does not result in any additional unit or units and the development does not result in an increase in demand on the water or wastewater schemes servicing the property
- change of use for an accommodation unit or non-residential unit that does not result in an increase in demand on the water or wastewater schemes servicing the property
- a new or replacement out-building or ancillary building servicing an accommodation unit or non-residential unit that does not result in any additional unit or units and the development does not result in an increase in demand on the water or wastewater schemes servicing the property.
- a new residential unit, accommodation unit or non-residential ~~or business~~ unit that is replacing like with like.
- a Crown development - the Crown is exempt from the provisions of this policy by virtue of section 8 of the Local Government Act 2002.

2.2 Activities

Council requires a development contribution for the following infrastructure services:

- **Drinking water** – applies to Council drinking water supplies where Council has

¹ Service connection is defined in clause 2.6 of this policy as “service connection for an existing residential or non-residential unit, which has been added to the network as a consequence of Council approving an extension to the water or wastewater network”

incurred or plans to incur capital expenditure to cater for growth.

- **Wastewater**– applies to Council wastewater schemes where Council has incurred or plans to incur capital expenditure to cater for growth.
- **Community infrastructure** - applies to Council community infrastructure projects where Council has incurred or plans to incur capital expenditure to cater for growth –Ashburton Art Gallery and Heritage Centre, Te Whare Whakatere/ Ashburton Library and Civic Centre and EA Networks Centre

2.3 Catchments

A catchment is the area served by the network infrastructure or community infrastructure asset where common benefits are received. The following are treated as catchments for the purposes of assessing development contributions:

- **Drinking Water** – each of the Council’s drinking water supplies is a separate catchment.
- **Wastewater** – each of the Council’s wastewater schemes is a separate catchment.
- **Community Infrastructure** – the district as a whole is treated as a single catchment.

2.4 Units of demand

Drinking water and wastewater

The calculation of the development contribution required for water and wastewater is based on the average demand of a single residential housing unit using the average household size of 2.5 residents (based on 2018 Census data for Ashburton District). This unit of demand is referred to as a “Household Unit Equivalent” or HUE.

Residential

Each single residential unit (regardless of size or number of occupants) is treated as being 1 HUE for assessing drinking water, and wastewater development contributions.

Accommodation Units

Each accommodation unit will be assessed for the demand it is expected to place on the water and wastewater networks based on the type of accommodation. This assessment will determine demand relative to a residential unit and a HUE derived from that assessment. The assessment uses the information in the Water Consumption Non-residential Properties table in Schedule 4 of this policy as the base line demand for various uses.

Non-residential

Each single non-residential unit will be assessed for the demand it is expected to place on the water and wastewater networks based on the type of business. This assessment will determine demand relative to a residential unit and a HUE derived from that assessment. The assessment uses the information in the Water Consumption Non-residential Properties table in Schedule 4 of this policy as the base line demand for various uses.

Community Infrastructure

Residential and Accommodation Units

For assessing community infrastructure development contribution each household unit is treated as being 1 HUE. Accommodation units and other forms of residential development will be assessed for the demand they are expected to place on the community infrastructure based on the type of business. This assessment will determine demand relative to a household unit and a HUE derived from that assessment.

Non-residential development attracts no HUE for community infrastructure.

2.5 Capacity Credit

Where a new development is replacing an existing residential, accommodation unit or non-residential unit the demand on infrastructure generated by the previous use will be recognised in any assessment of development contributions with units of demand from existing development deducted from the total units of demand assessed to be generated by the new development.

This credit applies to:

- a building which has been inhabited or used for the stated purpose within the last five years, or
- a building which has been used as a place of business within the last five years; or
- a vacant site from which a building meeting either of the above descriptions has been removed or demolished

A credit can be transferred from one property title to another as long as the two properties are regarded as contiguous (effectively operating as a single property) as described in section 20 of the Local Government (Rating) Act 2002.

Requests to extend a capacity credit beyond five years will be considered by Council or a standing committee with appropriate delegated authority.

2.6 Calculation of development contribution

An assessment of requirement to pay development contribution will be made at the time Council receives an application for:

- building consent for a new residential, accommodation unit or non-residential unit;
- building consent or resource consent for an addition, alteration, or change of use for a business unit;
- Service connection for an existing residential, accommodation unit or non-residential unit, which has been added to the network as a consequence of Council approving an extension to the water or wastewater network; or
- Service connection for a new residential, accommodation unit or non-residential unit where the building consent for the development has been issued by a building consent authority other than the Ashburton District Building Consent Authority

If a development meets the requirement for a development contribution detailed in section 2.1 of this policy, Council will undertake a development contribution calculation using the calculations detailed in Schedule 3 of the Policy.

2.7 Limits on Development Contributions

As part of seeking a balanced and fair approach to funding capital expenditure required to cater for growth, Council may decide to limit the level of development contributions for a particular contribution. Any such limit will be detailed in the section of the Policy regarding calculation of development contributions. Where a limit is in place the funding that would normally come from development contributions is instead funded by rates collected under Council's revenue and financing policy.

2.8 Reconsideration of requirement for development contribution

An applicant may request Council to reconsider a requirement to make a development contribution if the applicant has grounds to believe that:

- a) the development contribution was incorrectly calculated or assessed under this policy,
- b) Council incorrectly applied provisions of this policy, or
- c) the information used to assess the applicant's development, or the way Council has recorded or used information when requiring the development contribution, was incomplete or contained errors.

A request for reconsideration must be made within 10 working days after the date on which the applicant receives notice from Council (invoice) of the level of development contribution required.

A reconsideration cannot be requested if an objection under section 199C and Schedule 13A of the Act has already been lodged.

A request for reconsideration must be made in writing to the chief executive and identify the basis on which the reconsideration is sought together with, as appropriate, the legal and evidential grounds supporting the application.

Council may, within 10 working days of receiving the request for reconsideration, request further information from the requester to support the grounds stated in the reconsideration.

Council will proceed to determine the request for reconsideration if:

- a) it has, in its view, received all required information relating to the request; or
- b) the requester refuses to provide any further information requested by Council (as set out above).

In considering the request for reconsideration, Council will make its decision without convening a hearing.

In all cases, Council will give written notice of the outcome of its reconsideration to the applicant within 15 working days after:

- a) the date the application for reconsideration is received, if all required information is provided in that application; or
- b) the date the application for reconsideration is received, if the applicant refuses to provide further information; or
- c) the date the further information is received from the applicant.

An applicant requesting a reconsideration may object to the outcome of that reconsideration by lodging an objection under section 199C of the Act.

2.9 Objection to assessed amount of development contribution

An applicant may object to the assessed amount of development contribution required.

An objection may be made only on the following grounds:

- a) Council has failed to properly take into account features of the development that, on their own or cumulatively with those of other developments, would substantially reduce the impact of the development on requirements for network infrastructure and/or community facilities in the district or parts of the district; or
- b) Council has required a development contribution for network infrastructure and/or community facilities not required by, or related to, the objector's development, whether on its own or cumulatively with other developments; or
- c) Council has required a development contribution in breach of section 200 of the Act; or
- d) Council has incorrectly applied its development contributions policy to the objector's development.

An objection may be lodged irrespective of whether a reconsideration of the requirement for a development contribution has been requested.

The right of objection does not apply to challenges to the content of this policy.

Schedule 13A of the Act details the procedure relating to development contribution objections.

Council may (under section 252 of the Act) recover actual and reasonable costs from an applicant lodging an objection that relate to the following costs it incurs:

- a) the selection, engagement, and employment of the development contributions commissioners; and
- b) the secretarial and administrative support of the objection process; and
- c) preparing for, organising, and holding the hearing

2.10 Postponement of development contribution payment

Postponements may be allowed for substantial developments at the discretion of Council. A request for postponement must be made in writing to the Chief Executive stating the reasons why a postponement is sought. Requests for postponement will be considered on a case by case basis by Council or a standing committee acting under delegated authority.

2.11 Refund of development contribution

A development contribution will be refunded if:

- i. the building consent or resource consent that triggered the requirement for a development contribution lapses or is surrendered
- ii. the development does not proceed
- iii. Council does not provide infrastructure for which a development contribution was required.

An administration fee of \$150 will be charged in the case of (i) and (ii) above.

2.12 Payment of development contribution

Following assessment of the requirement for a development contribution and a calculation of applicable development contribution required an invoice will be issued at the time of:

- a building consent being uplifted
- a resource consent for a change in use deemed to result an increase in demand for service for water or wastewater services being granted
- a service connection being granted for a residential, accommodation unit or non-residential unit, which has been added to the network as a consequence of Council approving an extension to the water or wastewater network
- A service connection being granted for a new residential or non-residential unit where the building consent for the development has been issued by a building consent authority other than the Ashburton District Building Consent Authority

Payment is treated as any Council charge and is due by the 20th of the following month.

Non-payment of development contributions will be treated the same as other Council debt and will result in penalties, debt collection fees and court costs as applicable.

In addition, in situations of non-payment Council may take the following actions:

- Code of Compliance Certificate (section 95 of the Building Act 2004) will not be issued
- Network connections will not be completed
- Statutory Land Charge may be lodged against the property.

2.13 Development contribution for Council development

Development carried out by Council will be subject to any applicable development contribution except for any required for the same activity as the development.

2.14 Private development agreements

Council may enter into private development agreements in circumstances where there is a need to allocate responsibility between developers and Council for the construction and funding of public works associated with a development.

This policy is a funding policy for planned capital expenditure on community facilities. Private development agreements will not be used to reduce the amount of any contribution charge calculated under this policy.

Any private development agreement entered into must show how costs payable to a developer for public works will be funded.

2.15 Financial contributions

The Resource Management Act 1991 (RMA) authorises local authorities to require financial contributions from developers in certain situations.

Council's District Plan provides for developments to be assessed for financial contributions at the resource consent application stage. In particular, Council can require developers to provide cash or land for the provision of open space and recreation areas for the following purposes:

- provision of new neighbourhood parks in areas where there are existing or potential deficiencies in the provision of local parks,
- development of neighbourhood and District parks to a level at which they are usable and enjoyable for children's play, general recreation and visual amenity, and

- provision and development of neighbourhood walking and cycling linkages.

The full provisions relating to financial contribution requirements are contained in section 9 (policy 9.3C) of the Ashburton District Council District Plan.

Council cannot require a development contribution to fund an asset for which a financial contribution has been paid.

Council's District Plan is available for inspection from:

- Council's website www.ashburtondc.govt.nz
- Council offices, 2 Baring Square East, Ashburton.

2.16 Limitations applying to requirement for development contribution

Council must not require a development contribution for a reserve, network infrastructure, or community infrastructure if:

- it has, under section 108(2)(a) of the Resource Management Act 1991, imposed a condition on a resource consent in relation to the same development for the same purpose;
- the developer will fund or otherwise provide for the same reserve, network infrastructure, or community infrastructure;
- Council has already required a development contribution for the same purpose in respect of the same building work, whether on the granting of a building consent or a certificate of acceptance; or
- a third party has funded or provided, or undertaken to fund or provide, the same reserve, network infrastructure, or community infrastructure.

2.17 Public inspection of development contributions policy information

This policy and any supporting information is available on Council's website www.ashburtondc.govt.nz or on request from the Council offices.

2.18 Policy Review

This policy will be adopted in conjunction with Ashburton District Council's Long Term Plan 2024-34.

The policy must be reviewed at least every three years and may be amended at any time if required. Any review of the policy must be undertaken using a consultation process that gives effect to the requirements of section 82 of the Act.

This policy has been prepared to comply with relevant legislation including the requirements of the Local Government Act 2002 and all subsequent amendments

Appendix 1. Definitions

Accommodation unit: means units, apartments, rooms in one or more buildings, or cabins or sites in camping grounds and holiday parks, for the purpose of providing overnight, temporary, or rental accommodation. Accommodation unit includes boarding houses, home stays, recreation lodges and visitor accommodation. . It also includes units, apartments, rooms in one or more buildings or hospital beds in lifestyle resorts, retirement villages, rest homes, care homes and associated hospitals.

Act: means the Local Government Act 2002.

Activity: means a good or service provided by Council (as per section 5 of the Local Government Act 2002), and for which development contributions are collected.

Allotment: has the meaning given to it in section 218(2) of the Resource Management Act.

Authorised Officer: is an officer authorised in accordance with Council’s delegations register to carry out functions under this policy.

Catchment: is a defined area of the district that receives a discrete service subject to development contributions as detailed in this policy.

Business property: a non-residential development using land or buildings for the provision of services in the course of a trade or business.

Community facilities: reserves, network infrastructure, or community infrastructure for which development contributions may be required in accordance with section 199 of the LGA

Community infrastructure: means land, or development assets on land, owned or controlled by the Council for the purpose of providing public amenities; and includes land that the Council will acquire for that purpose.

Development: means any subdivision, building (as defined in section 8 of the Building Act 2004), land use, or work that generates a demand for reserves, network infrastructure, or community infrastructure; but does not include the pipes or lines of a network utility operator

Development agreement: is a voluntary contractual agreement made (under sections 207A to 207F of the LGA) between one or more developers and one or more territorial authorities for the provision, supply, or exchange of infrastructure, land, or money to provide network infrastructure, community infrastructure, or reserves in one or more districts or a part of a district.

Development contribution: a contribution—

- a) provided for in a development contribution policy of a territorial authority; and
- b) calculated in accordance with the methodology; and
- c) comprising—
 - i. money; or
 - ii. land, including a reserve or esplanade reserve (other than in relation to a subdivision consent), but excluding Māori land within the meaning of Te Ture Whenua Maori Act 1993, unless that Act provides otherwise; or
 - iii. both.

Development contribution objection: an objection lodged under clause 1 of Schedule 13A of the LGA against a requirement to make a development contribution.

Development contributions commissioner: a person appointed under section 199F of the LGA.

District Plan: means the Operative Ashburton District Plan including any proposed plan change or variation.

Household unit: is a building or part of a building capable of being used as an independent residence and includes apartments, semi-detached or detached houses, units, town houses, granny flats (or similar), and caravans (where used as a place of residence or occupied for a period of time exceeding six months in a calendar year). For the avoidance of doubt, this definition does not include accommodation within the definition of **Accommodation Units**

Household Unit Equivalent (HUE): is a unit of demand representing one average household unit.

Methodology: is the methodology for calculating development contributions set out in Schedule 13 of the LGA.

Network infrastructure: means the provision of roads and other transport, water, wastewater, and stormwater collection and management.

Network utility operator: has the meaning given to it by section 166 of the Resource Management Act 1991.

Non-residential development: any development that is not for residential or accommodation purposes. This includes:

- all buildings for the provision of sport, recreation or entertainment
- all buildings for the provision of social or cultural pursuits.

Objector: means a person who lodges a development contribution objection.

Residential development use of land and buildings by people for the purpose of permanent living accommodation in a household unit where the majority of occupiers intend to live at the site for a period of one month or more of continuous occupation per annum and will generally refer to the site as their home and permanent address. Residential development includes household units, and worker accommodation.

It includes accessory buildings and leisure activities associated with needs generated principally from living on the site.

Resource consent: has the meaning given to it in section 2(1) of the Resource Management Act 1991 and includes a change to a condition of a resource consent under section 127 of that Act.

Service connection: means a physical connection to a service provided by, or on behalf of, Council.

Appendix 2. Key assumptions

The following assumptions have been used in the preparation of this policy:

Capital expenditure

Future capital expenditure costs are based on the best available knowledge at the time of preparation. These take into account known or likely construction costs and assumed inflation rates.

Population growth

Due to the delay from Statistics New Zealand with the 2023 data, Council has applied population growth forecasts developed by .id and based on the 2018 Census data. Information such as historical trends, resource consent numbers and factors that affect population change such as suburb life cycle were incorporated into the modelling for the projections.

Inflation

All project costs in the Development Contributions Policy are based on current estimates of infrastructure construction prices in 2023/24 dollars with inflation of all capital costs over the period using local government cost adjusters supplied by BERL and Infometrics.

Cost of capital

No cost of capital (including interest) is included in the cost of providing for growth and therefore is not included in development contribution calculations. The cost of capital is carried by the relevant set of ratepayers who fund the rates for that activity under Council's revenue and financing policy.

Residential household size and household demand

Each residential unit is assumed to have the same number of residents living at the property. This is the average household size in Ashburton District from the 2018 Census – 2.5 residents (1 HUE).

Each household is assumed to place the same demand on Council infrastructure.

Appendix 3. Calculation methodology

Development contribution for residential unit for water and wastewater

1. Determine the overall growth capacity of the applicable scheme

Maximum connections (HUEs) - current connections (HUEs)

= Growth Capacity (GC) (HUEs)

GC as a ratio of maximum connections = Scheme Growth Factor (SGF %)

2. Identify capital projects (and the cost of those projects) that include a cost to provide capacity for future growth = Capital Expenditure (CE).

The projects identified will be:

- completed capital projects with identified residual growth capacity and which are not fully paid for – i.e. have an outstanding loan
- current capital projects with identified cost component to provide growth capacity
- planned capital projects included in the Council's Long Term Plan with identified cost component to provide growth capacity and that will be given effect to within the next 10 years

3. Identify the proportion of CE for each project that is provided to cater for growth to get a Project Growth Factor (PGF%)

Scheme Growth Factor (GF%) is used for completed projects and a project growth factor (PGF%) is used for current and future projects.

The lower of the project growth factor or the scheme growth factor is used for calculations – Applied Growth Factor (AGF%).

Cost associated with component capacity over and above current scheme capacity will be recovered when the scheme capacity is increased or will be funded by the scheme as a whole.

4. Multiply capital expenditure identified in step 2 by the Applied Growth Factor = Net Growth Expenditure (NGE \$)

5. Divide Net Growth Expenditure (NGE) by the Excess Capacity in Household equivalents (EC) = Development Contribution to be levied per household equivalent.

- The cost of maintaining or increasing capacity within each scheme for development growth is shared equally among the household equivalents which are able to connect to the scheme.

$CE \times GF\% / EC = \text{development contribution amount.}$

Calculation methodology to determine accommodation units and non-residential development contribution for water and wastewater (HUEs)

The demand impact of a non-residential unit for both water and waste water is determined by assessed water consumption.

1. Determine water consumption per person per day based on the use of the property.

Water consumption is determined by typical water consumption based on the property uses listed in Appendix 6. Council will also consider other relevant evidence such as historic consumption figures from metered accommodation units and non-residential developments of comparable types. Council will also consider data supplied by developers, including but not limited to occupancy rates and typical annual consumption.

If there is no suitable property use listed in Appendix 6 on which to make a fair assessment, the developer will be requested to provide an assessment of water consumption.

If this assessment is not deemed appropriate the assessment will be determined by a Council officer with delegated authority.

2. Determine the expected average occupancy of the property (persons)

This assessment is based on information and design drawings submitted as part of the development approval process i.e. management plans, bed or seating plans or other such plan as agreed by Council, or where not available fire service occupancy rates may be used.

3. Determine total water consumption

$$\begin{aligned} \text{Total Water Consumption (litres per day)} &= \\ &\text{water consumption per person (litres per day)} \\ &\quad \times \\ &\quad \text{average occupancy (persons)} \end{aligned}$$

4. Convert to household unit equivalent (HUEs)

$$\begin{aligned} \text{Demand Impact (HUEs)} &= \\ &\text{Total Water Consumption (litres per day)} / \\ &\quad \text{HUE consumption} \end{aligned}$$

Household Unit Equivalent water consumption is 550 litres per day

- Assumed water demand of 1 person = 220 litres per day
- Assumed household of 2.5 persons

Normal rounding protocols shall be applied to the result to yield a whole number.

5. Determine non-residential development contribution for applied property

$$\begin{aligned} \text{Non-residential development contribution} &= \\ &\text{Demand Impact (HUEs)} \times \text{Development Contribution (per HUE)} \end{aligned}$$

Calculation methodology to determine development contribution for community infrastructure – per HUE

The development contribution for community infrastructure is levied on all new residential and accommodation developments within the district.

Methodology

1. Determine the growth capacity of each asset to be levied that is designed to accommodate future development growth = Growth Factor (GF%).
 - District population for which the asset has been designed minus current district population = Excess Capacity (EC) in household equivalent units
2. Identify capital expenditure which has a growth component = CE.
 - Any capital expenditure which maintains Excess Capacity (EC) has a growth component equal to the Growth Factor. If the capital expenditure results in an increase in Excess Capacity then the Growth Factor will also increase proportionately.
3. Multiply capital spending identified in Step 2 by the Growth Factor = Net Growth Expenditure (NGE).

- The growth-related component of the capital expenditure in dollars is identified
4. Divide Net Growth Capital Expenditure (NGE) by the Excess Capacity in Household equivalents (EC) = Development Contribution to be levied per household equivalent
 - The cost of maintaining or increasing capacity within each scheme for development growth is shared equally among the household equivalents which are able to connect to the scheme.

$$CE \times GF\% EC$$

5. Each residential unit will be levied 1 HUE. Accommodation units will be assessed based on the average occupancy of the development. This assessment is based on information and design drawings submitted as part of the development approval process i.e. management plans, bed or seating plans or other such plan as agreed by Council, or where not available fire service occupancy rates may be used. Convert the maximum total occupancy to household unit equivalents.

A household is 2.5 persons. So, for example, a 16 unit motel development that has average total occupancy of 32 persons attracts a DC of $32/2.5 = 12.8$ HUE which rounds to the nearest full HUE i.e. 13 HUE.

Appendix 4. Development contributions by location

1. Development contributions by location

This table shows the development contributions by location under the proposed policy. Figures shown are inclusive of GST.

Catchment	Water (\$)	Waste Water (\$)	Community Infrastructure (\$)	Total (\$)/HUE Draft 2024-34 LTP
Ashburton	1,941	2,625	6,179	10,745
Fairton	1,941	0	6,179	8,120
Lake Hood	1,941	2,625	6,179	10,745
Hinds	1,260	0	6,179	7,439
Methven	5,105	1,215	6,179	12,499
Methven-Springfield	4,930	0	6,179	11,109
Mount Somers	21,510	0	6,179	27,689
Rakaia	0	0	6,179	6,179
Rest of District	0	0	6,179	6,179

2. Schedule of assets for which a development contribution is required

Details of the network infrastructure and community facility assets for which development contributions are required are included in Appendix 5 of this policy.

Appendix 5. Development contribution by activity and location

Development contribution - Ashburton water supply (including Fairton Township & Lake Hood)

HUE calculation	Maximum connections	10,197	Scheme growth factor	13%
	Current connections	8,909		
	Growth capacity (HUEs)	1,288		

Ashburton water supply development contribution calculation								
Period of CAPEX	Project description	Year incurred / proposed	Amount (\$)	Project growth factor	Applied growth factor	Funding from other sources (\$)	Cost of providing for growth (\$)	Development contribution per HUE (\$)
Recent	Loans	2004/23	5,268,297	13%	13%	4,604,537	664,160	512.47
Current	Filtration & UV disinfection installation	2023/25	7,000,000	31%	13%	6,117,596	882,404	680.87
Future LTP-2024-34	Chalmers Ave trunk watermain renewal (Dobson St to River)	2025/26	288,240	16%	13%	251,905	36,335	28.04
	Second bridge watermain	2025/29	4,997,400	72%	13%	4,347,738	649,662	504.39
Ashburton water supply - development contribution (excl. GST)								1,725.77
GST								215.72
Ashburton water supply - development contribution (incl. GST)								1,941.49

Development contribution - Methven & Methven-Springfield water supply

HUE calculation	Maximum connections	1,136	Scheme growth factor	6.33%
	Current connections	990		
	Growth capacity (HUEs)	67		

Methven & Methven-Springfield water supply development contribution calculation								
Period of CAPEX	Project description	Year incurred / proposed	Amount (\$)	Project growth factor	Applied growth factor	Funding from other sources (\$)	Cost of providing for growth (\$)	Development contribution per HUE (\$)
Recent	Loans	2004/20	12,078,760	12%	12%	10,588,241	1,490,519	*4,052.53
Current	No growth related expenditure			8%	8%	0	0	0
Future - LTP 2024-34	Raw water trunk main renewal - design	2024/26	1,724,731	5%	5%	1,638,494	86,237	*234.47
	Spaxton St watermain renewal (Carr/Alford)	2025/26	226,400	5%	5%	215,080	11,320	30.78
	Cameron St watermain renewal (Alington/South Belt) - design	2026/28	233,393	5%	5%	221,723	11,670	31.73
	Jackson St watermain renewal - design	2027/29	240,562	5%	5%	228,534	12,028	32.70

Methven & Methven-Springfield water supply development contribution calculation								
Period of CAPEX	Project description	Year incurred / proposed	Amount (\$)	Project growth factor	Applied growth factor	Funding from other sources (\$)	Cost of providing for growth (\$)	Development contribution per HUE (\$)
	Spaxton St (Alford/ Blackford) watermain renewal - design	2028/30	208,192	5%	5%	197,782	10,410	28.30
	Spaxton St (Blackford/ Main) watermain renewal - design	2029/31	129,216	5%	5%	122,755	6,461	17.57
	Bank Street (McMillan Street to Main Street)	2031/33	83,194	5%	5%	79,034	4,160	11.31
Methven water supply – development contribution (excl. GST)								4,439.38
GST								665.91
Methven water supply – development contribution (incl. GST)								5,105.29

Methven-Springfield water supply – development contribution (excl. GST)								4,286.99
GST								643.05
Methven-Springfield water supply – development contribution (incl. GST)								4,930.04

Methven-Springfield water supply development contribution includes growth CAPEX for headworks only, marked with an * in the table

Development contribution - Rakaia water supply

HUE calculation	Maximum connections	682	Scheme growth factor	12%
	Current connections	601		
	Growth capacity (HUEs)	81		

Rakaia water supply development contribution calculation								
Period of CAPEX	Project description	Year incurred / proposed	Amount (\$)	Project growth factor	Applied growth factor	Funding from other sources (\$)	Funding from development contributions (\$)	Development contribution per HUE (\$)
Recent	No growth related loans							0.00
Current	No growth related expenditure							0.00
Future LTP- 2024-34	No growth related expenditure							0.00
Rakaia water supply - development contribution (excl. GST)								0.00
GST								0.00
Rakaia water supply - development contribution (incl. GST)								0.00

Development contribution - Hinds water supply

HUE calculation	Maximum connections	147	Scheme growth factor	1%
	Current connections	146		
	Growth capacity (HUEs)	1		

Hinds water supply development contribution calculation								
Period of CAPEX	Project description	Year incurred / proposed	Amount (\$)	Project growth factor	Applied growth factor	Funding from other sources (\$)	Cost of providing for growth (\$)	Development contribution per HUE (\$)
Recent	Loans	2004/23	161,162	17.81%	1%	160,066	1,096	1096.34
Current	No growth related expenditure				0%	0	0	0.00
Future LTP-2024-34	No growth related expenditure				0%	0	0	0.00
Hinds water supply – development contribution (excl. GST)								1,096.34
GST								164.45
Hinds water supply – development contribution (incl. GST)								1,260.79

Development contribution – Mount Somers water supply

HUE calculation	Maximum connections	181	Scheme growth factor	27%
	Current connections	132		
	Growth capacity (HUEs)	49		

Mount Somers water supply development contribution calculation								
Period of CAPEX	Project description	Year incurred / proposed	Amount (\$)	Project growth factor	Applied growth factor	Funding from other sources (\$)	Cost of providing for growth (\$)	Development contribution per HUE (\$)
Recent	No growth related loans				0%	0	0	0.00
Current	Membrane treatment plant	2022/23	3,380,000	30%	27%	2,469,065	910,935	18,705.04
Future LTP-2024-34	No growth related expenditure				0%	0	0	0.00
Mount Somers water supply – development contribution (excl. GST)								18,705.04
GST								2,805.76
Mount Somers water supply – development contribution (incl. GST)								21,510.79

Development contribution - Ashburton wastewater (includes Lake Hood)

HUE calculation	Maximum connections	10,159	Scheme growth factor	11%
	Current connections	9,022		
	Growth capacity (HUEs)	1,137		

Ashburton wastewater development contribution calculation								
Period of CAPEX	Project description	Year incurred / proposed	Amount (\$)	Project growth factor	Applied growth factor	Funding from other ADC sources (\$)	Cost of providing for growth (\$)	Development contribution per HUE (\$)
Recent	Loans	2005/23	20,617,603	11%	11%	18,310,071	2,307,532	2,029.49
Current	William Street sewer main renewal	2023/24	889,757	5%	5%	845,269	44,488	39.13
Future LTP-2024-34	Kermode street sewer main renewal (123 Kermode/Chalmers)	2026/28	460,889	5%	5%	437,845	23,044	20.27
	West Street sewer main renewal (Wills/Havelock)	2026/28	355,498	5%	5%	337,723	17,775	15.63
	Tuarangi Road block - Residential C Zone servicing	2027/29	1,644,720	100%	11%	1,460,642	184,078	161.90
	West Street sewer main renewal (Havelock/Tancred)	2027/29	369,655	5%	5%	351,172	18,483	16.26
Ashburton wastewater - development contribution (excl. GST)								2,282.67
GST								342.40
Ashburton wastewater - development contribution (incl. GST)								2,625.07

Development contribution - Methven wastewater

HUE calculation

Maximum connections 1,454
 Current connections 1,083
 Growth capacity (HUEs) 371

Scheme growth factor 26%

Methven wastewater development contribution calculation								
Period of CAPEX	Project description	Year incurred / proposed	Amount (\$)	Project growth factor	Applied growth factor	Funding from other sources (\$)	Funding from development contributions (\$)	Development contribution per HUE (\$)
Recent	Loans	2005/23	247,114	29%	26%	184,061	63,053	169.95
Current	No growth related expenditure		0				0	0.00
Future LTP- 2024-34	Line Road Trunk sewermain	2024/26	1,258,400	44%	26%	937,309	321,091	865.47
	Cameron Street Rear Sewermain Relining	2025/26	161,894	5%	5%	153,799	8,095	21.82
	Methven Wastewater Scheme - development contribution (excl. GST)							1,057.25
	GST							158.59
	Methven Wastewater Scheme - development contribution (incl. GST)							1,215.83

Development contribution - Rakaia wastewater

HUE calculation	Maximum connections	682	Scheme growth factor 12%
	Current connections	598	
	Growth capacity	84	
	(HUEs)		

Rakaia wastewater development contribution calculation								
Period of CAPEX	Project description	Year incurred / proposed	Amount (\$)	Project growth factor	Applied growth factor	Funding from other sources (\$)	Funding from development contributions (\$)	Development contribution per HUE (\$)
Recent	Loans	2005/23	0				0	0.00
Current	No capital expenditure for growth	2021/24	0				0	0.00
Future LTP- 2021-31	No capital expenditure for growth	2023/25	0	0%	12%	0	0	0.00
Rakaia Wastewater Scheme - development contribution (excl. GST)								0.00
GST								0.00
Rakaia Wastewater Scheme - development contribution (incl. GST)								0.00

Development contribution – Ashburton District community infrastructure

Asset	Year built	Design population (25 years)	Current population	Excess capacity (HUE)
Art Gallery & Heritage Centre	2015	40,060	36,980	1,232
EA Networks Centre	2015	40,060	36,980	1,232
Te Whare Whakaterere	2024	41,560	36,980	1,832

Ashburton District community infrastructure development contribution calculation									
Period of CAPEX	Project description	Year incurred/proposed	Amount (\$)	Project growth factor	Funding from third parties (\$)	Funding from other ADC sources (\$)	Cost of providing for growth (\$)	Excess capacity (HUE)	Development contribution per HUE
Recent	Loan - Ashburton Gallery and Heritage Centre	2015	1,758,737	11.50%	0	1,556,482	202,255	1,232	164.17
	Loan - EA Networks Centre	2015	13,961,031	11.50%	0	12,355,512	1,605,519	1,232	1,303.18
	Loan - Te Whare Whakaterere	2021/23	21,000,000	14.16%	0	18,026,400	2,973,600	1,832	1,623.14
Current	Te Whare Whakaterere - Library & Civic Centre	2022/23	29,933,000	14.16%	9,358,303	17,661,320	2,913,377	1,832	1,590.27
		2023/24	13,038,000	14.16%	4,076,222	7,692,790	1,268,988	1,832	692.68
Future (LTP 2024-34)	No growth related expenditure								0.00
Ashburton District community infrastructure - development contribution (excl. GST)									5,373.44
GST									806.02
Ashburton District community infrastructure - development contribution (incl. GST)									6,179.46

Appendix 6. Water consumption of properties by functional use

Property Use	Water Consumption (Litres / Person / Day)	Property Use	Water Consumption (Litres / Person / Day)
Household (per person)	220	Offices, Shops or Dry Industries	
Boarding Houses / Homestays		• Per staff member	40
• Per bed	220	Public Toilets (incl. hand wash)	
Camping Grounds (Per guest)		• Per person	20
• Fully serviced	130	Restaurants/ Bars/ Cafes (per customer)	
• Recreation areas	65	• Dinner	30
Community Halls (Per person)		• Lunch	25
• With banquet facilities	30	• Bar	20
• Meetings	15	Rest Home (Per bed + per staff member)	
Hospitals (Per bed + per staff member)		• Per bed	250
• Per bed	250	• Per staff member	60
• Per staff member	60	Retirement Home (self-contained units)	
Lunch Bars (Per customer + per staff member)		• Resident	220
• With restroom facilities	25	• Staff	50
• Without restroom facilities	15	School (per pupil + per staff member)	
• Per staff member	40	• No gym, showers or cafeteria	20
Motels / Hotels		• Gym, showers and cafeteria	100
• Guests, resident staff	220	• Boarding	250
• Reception rooms	30	Shopping Centre	
• Restaurant (per customer)	30	• Per customer	25
• Bar (per customer)	20		

Note: Typical water consumption figures based on examples contained in “On-site Wastewater Systems: Design and Management Manual”, Auckland Regional Council technical publication No.58, third edition, August 2004.

14. Rating Areas Map Book 2024 - Adoption

Author	<i>Tayyaba Latif, Policy Advisor</i> <i>Richard Mabon, Senior Policy Advisor</i>
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Summary

- The purpose of this report is to enable Council to:
 - Make decisions on the rating area maps consulted upon alongside the LTP; and
 - Adopt the Rating Area Maps Book 2024 for 2024.
- The book includes changes to rating areas maps that were consulted upon alongside the long-term plan, as well as minor changes that have been notified to councillors, and an upgrade to the standard map template for all those maps plus maps with no material changes.
- The changes have been made as part of a project to bring all rating areas maps into Council's geographic information system (GIS). This will make future changes more efficient.

Recommendation

1. **That** Council approves rating boundary changes as proposed.
2. **That** Council adopt the Rating Areas Map Book 2024, enclosed as Appendix 3.

Attachment

Appendix 1	Boundary Change Review Consultation Document
Appendix 2	General Summary of Feedback (available separately Stellar)
Appendix 3	Rating Areas Map Book 2024 [Supplementary document]

Background

The current situation

1. Historically, the rating maps have been an appendix to the Revenue & Financing Policy. The requirement for consultation to amend this Policy, and Council's practise of reviewing the Policy each triennium either alongside or in advance of the LTP, means that Council consults on all boundary changes once every three years.
2. Administratively, a project commenced about 18 months to two years ago, to review the existing boundaries and ensuring they were accurately recorded inside Council's GIS system. This has involved members of the Finance, GIS, Strategy & Policy, Assets, and Operations Teams.

Towards improved practise

3. Alongside the work to update and improve the mapping information, minor amendments were proposed to the Revenue & Financing Policy to separate the adoption of the rating area maps from the review of the policy itself. This would enable Council to consult at an appropriate level for each change and to make changes annually if needed. This would improve the efficiency and timeliness of boundary changes.

Community Consultation

4. As part of LTP consultation from 27 March 2024 to 28 April 2024, Council consulted on following five maps that would change rates for ratepayers, generally by adding them to a rating area.
 - i. Methven Water Supply (Connected & Serviceable)
 - ii. Methven Waste Collection
 - iii. Methven Urban Amenities Rate
 - iv. Rakaia Waste Collection
 - v. Mount Somers Water Supply (Connected & Serviceable)

Community Feedback

5. One submission was received on time seeking information on the impact on their rates.
6. One submission was received late, opposing the proposed Rakaia Waste Collection rating boundary change. This submission was not supported by Council.

Options analysis

Issue A: Option one – Council approves rating boundary changes to the five maps consulted upon (*Recommended*).

7. This option would see Council approving all rating boundary changes as proposed.

Advantages: <ul style="list-style-type: none">Minimal additional rate increase.	Disadvantages: <ul style="list-style-type: none">Unlikely to address submitters concerns or views.
Risks: <p>Reputational risk to Council with the community for not fully addressing submitters concerns.</p>	

Issue A: Option two – Council makes further changes to the five rating boundary maps consulted upon.

8. This option would see Council making further changes to some or all the boundary map areas.

Advantages: <p>Council would be recognising community sentiment and make further changes which may fully address community concerns.</p>	Disadvantages: <ul style="list-style-type: none">Rating boundary review will not be completed within legislative timeframe.
Risks: <p>Reputational risk and legal risk if not adopting rating maps book before adopting rating resolution.</p>	

Issue B: Option one – Adopt the Rating Areas Map Book. (*Recommended*)

9. Under this Option, Council will adopt the Rating Areas Map Book as set out in Appendix 1. In this case the new maps will apply to the assessment of rates in 2024/25. It is assumed that Council has first adopted Option one under issue A.

Advantages: <ul style="list-style-type: none">The rating maps reflect the best available information about the extent of service provision and alignment of rating boundaries with rating unit boundaries.The rating maps include changes made after consultation.Efficiency and responsiveness gains from the Review process will be locked in.	Disadvantages: <ul style="list-style-type: none">This Option does not take account of any unanticipated points elected members might raise by 19th June.
Risks: <p>There is always operational risk associated with any change or improvement. This is considered LOW risk.</p>	

Issue B: Option two – Amend the Rating Areas Map Book

10. Under this Option, Council would amend the Rating Areas Map Book. In this case, the amended maps (and all unamended maps) will apply to the assessment of rates in 2024/25.

<p>Advantages:</p> <p>The rating maps will take into account issues raised by elected members that give rise to amendments. There is always operational risk associated with any change or improvement. This is considered LOW risk.</p>	<p>Disadvantages:</p> <p>The advantages of Option 1 may be diluted by the amendments.</p>
<p>Risks:</p> <p>The operational risk associated with any change or improvement involving an amendment is difficult to assess. It is considered to be at least LOW and potentially LOW-to-MODERATE.</p>	

Issue B: Option three – Reject the Rating Areas Map Book

11. Under this option, Council would reject the adoption of the Rating Areas Map Book. In this case, the previously existing maps would continue to apply.

<p>Advantages:</p> <p>The rating maps will take into account issues raised by elected members that give rise to rejection of the proposal.</p>	<p>Disadvantages:</p> <ul style="list-style-type: none"> • The rating maps do not reflect the best available information. • The rating maps exclude changes made after consultation. • Efficiency and responsiveness gains from the Review process will be lost, at least in the short term.
<p>Risks:</p> <p>There is always operational risk and reputational risk associated with any decision. This is considered LOW risk.</p>	

Legal/policy implications

12. The proposal is legally compliant with Council’s powers to amend rating boundary maps under the Local Government Act 2002.
13. The proposed Rating Areas Map Book, the process by which it has been developed, and its linkage to the rates setting resolution are legally compliant.

Climate change

14. This decision is administrative in character and has no measurable impact in terms of climate change adaptation or mitigation.

Review of legal / policy implications

Reviewed by In-house Counsel	
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Strategic alignment

15. The recommendation relates to all of Council's community outcomes and all four community well beings because the rating Areas maps support collection of all rates revenue across a broad range of Council activities covering all outcomes and well beings.

Financial implications

Requirement	Explanation
What is the cost?	The cost of the rating Areas Map Book is wholly funded within operating budgets.
Is there budget available in LTP / AP?	Yes. Operating budgets.
Where is the funding coming from?	The officer time involved in the project is funded in terms of council's Revenue & financing Policy. Officer time in Strategy & Policy, Finance & GIS is primarily recovered through overheads.
Are there any future budget implications?	Yes. We expect future changes to be more efficient enabling officer time to be invested in other activities.
Reviewed by Finance	Erin Register, Finance Manager

Significance and engagement assessment

Requirement	Explanation
Is the matter considered significant?	No
Level of significance	Low
Rationale for selecting level of significance	N/A
Level of engagement selected	Maps requiring consultation have been consulted upon. In other cases, the people affected have been or will be informed.

Rationale for selecting level of engagement	Consultation was selected in those cases where rating boundary changes would increase the rates liability of individual ratepayers.
Reviewed by Strategy & Policy	Mark Low, Strategy & Policy Manager

15. Revenue & Financing Policy 2024-27

Authors	<i>Tayyaba Latif, Policy Advisor</i> <i>Richard Mabon, Senior Policy Advisor</i>
Activity Managers	<i>Erin Register, Finance Manager</i>
Executive Team Members	<i>Leanne Macdonald, GM Business Support</i>

Summary

- The purpose of this report is to enable Council to make decisions on the Revenue & Financing Policy 2024-27, taking into account community views.
- The draft Revenue & Financing Policy 2024-34 was presented to the community as part of the LTP consultation during 27 March to 28 April 2024.
- Council received four submissions on the Revenue & Financing Policy consultation and multiple comments on funding of Stockwater Management, Ashburton Airport and Economic Development through the LTP consultation.
- Decisions on stockwater management and adoption of the overall policy are the subject of recommendations.

Recommendation

- 1. That** Council confirms the Revenue & Financing Policy and rating system for stockwater management as follows:
 - Community-wide benefit 10-20% funded from 10-20% General rate
 - Group benefit 80-90% funded from 80-90% targeted rate based on length of water race adjoining or crossing property.
 - Minimum targeted rate of \$700
 - Targeted rates for services using water from the race system will no longer be charged.
- 2.** That Council adopt the Revenue & Financing Policy 2024-34 as documented in Appendix 2.

Attachment

- Appendix 1** Revenue & Financing Policy 2024-34 [consultation document](#)
Appendix 2 Proposed Revenue & Financing Policy 2024-34 document
Appendix 3 General Summary of Feedback (available separately on Stellar)

Background

The current situation

1. Council consulted on the draft Revenue & Financing Policy (draft RFP) alongside the Five for our Future – LTP 2024-34 consultation, which ran from March 27 to April 28.
2. The draft RFP Consultation Document is included in Appendix 1.

Community Feedback

3. 4 submissions were received on draft policy.
4. We have received several comments on funding of Stockwater Management, Ashburton Airport and Economic Development through the LTP consultation.
5. A summary of feedback is attached as Appendix 2.

Changes already made

6. During Extra Council meeting on 23 May 2024, Council resolved to amend the Revenue & Financing Policy for the Ashburton Airport from 40-50% Fees & Charges and 50-60% General Rate to 30-40% Fees & Charges and 60-70% General Rate.

Post-consultation editorial changes.

7. Officers noted during debate that the description of two of the activities does not fully describe what the funding is used for. A consistent effort was made in the earlier stages of the policy development to improve descriptions for all activities. Therefore, activity description of following activities has been updated.
 - Ashburton Water Management Zone Committee: this policy also funds district water management activities like the stockwater exit strategy investigations.
 - Urban Beautification: this policy also funds water quality improvement work for Lake Hood.
8. Some minor changes have been made to clauses 7.1 and 7.2 of the policy to clarify meaning and avoid ambiguity. These clauses relate to the use of contributors to address situations where the revenue from uniform annual general changes and other uniform charges exceeds

the thresholds set out in the Local Government (Rating) Act 2002. There is no change to the meaning or intent of the policy from the consultation version.

9. Additionally, the funding split for the Solid Waste Management activity has been adjusted to a range of 20-40% General Rate, 60-80% Fees and Charges. This excludes internal income transferred from the solid waste collection activity. This transfer reflects there is cost to the Solid Waste Management activity as a result of a portion of the waste collection ending up in the Ashburton Resource Recovery Park. Currently the funding approach falls within this range. With a new contract to be tendered this year, it is considered prudent to retain this range.

Stockwater Management

10. The preferred option for consultation was:
 - Community-wide benefit 10-20% funded from 10-20% General rate
 - Group benefit 80-90% funded from 80-90% targeted rate based on length of water race adjoining or crossing property.
 - Minimum targeted rate of \$700
 - Targeted rates for services using water from the race system will no longer be charged.
11. Officers note that the last of those bullet points relates to charges for each pond service, pipe service, ram service, pump service, water wheel, windmill, dip service or extension pump service using water from the water race system. Council made an early decision to move away from retaining these charges as we are not confident that our records give us an accurate picture of where these services are and whether they are used. They account for around \$30,000 or 3% of stockwater revenue in 2023/24 which will be redistributed by the increase in minimum charge and the per metre rate.

Options analysis – Issue A – Stockwater management

Issue A, Option one – Confirm proposed policy – Differential targeted rate 80-90% and general rate 10-20% with an increased minimum charge of \$700 from 2024/25. (Recommended)

12. This option would see Council adopt its preferred consultation Option, which was affirmed after hearings and deliberations.

Advantages:

- 50% of submitters supported change.
- Aligns with Council’s decision on an exit from stockwater delivery.
- Lawful, efficient approach that takes risks into account.
- Addresses inequity in the system for non-users with longer race lengths.
- Submitters supported use of general rate for public good elements.
- Supported by the evidence of water providers that the status quo costs and funding mask the true costs of the service from small landowners.

Disadvantages:

- Unlikely to address submitters concerns about affordability for smaller landowners.
- 16% of submitters opposed this Option – this is a clear minority.
- Submitters to the LTP supported change, but this Option is not the only change Option.

Risks:

The risks with this Option are reputational and were considered by Council when deciding its preferred Option for consultation and again in deliberations on this Policy decision. Risks are considered LOW.

Issue A, Option two – retain the Status Quo – Differential targeted rate 80-90% and general rate 10-20% with no increased minimum charge.

13. This Option would see Council retain the Status Quo. There would be no increase in the minimum charge. Targeted rates for pump services would be retained.

Advantages:

- 16% of submitters supported Status Quo.
- Addresses submitters concerns about affordability for smaller landowners.
- Lawful, efficient approach that takes risks into account.
- Submitters supported use of general rate for public good elements

Disadvantages:

- 50% of submitters opposed this Option – this is favoured by more submitters.
- Does not align with Council decision to exit stockwater delivery.
- Does not address inequity in the system for non-users with longer race lengths.
- Rating database information on pump services etc means this part of the targeted rate is not considered robust.
- Contradicted by the evidence of water providers that the status quo costs and funding mask the true costs of the service from small landowners.

Risks:

The risks with this Option are reputational. Given the level of public feedback, the strong support for change, and the poor alignment between this Option and the reasons for the proposal, reputational risk is higher than Option one. Risks are considered MODERATE

Issue A, Option three – Amend proposed policy – Differential targeted rate 80-90% and general rate 10-20% with a lower or staged increase in minimum charge.

14. This option would see Council amend the proposed policy by choosing either Option B or C from the consultation document. Option B was to increase the minimum charge to \$500. Option C was to increase the minimum charge to \$700 over two years.

15. If Council were to favour this approach, it would need to decide between Option B or Option C. the assessment of advantages, disadvantages and risks is common to both Options.

<p>Advantages:</p> <ul style="list-style-type: none"> • 50% of submitters supported change. • Aligns with Council’s decision on an exit from stockwater delivery. • Lawful, efficient approach that takes risks into account. • Addresses inequity in the system for non-users with longer race lengths. • Submitters supported use of general rate for public good elements. • Responds in some way to submitters concerns about affordability for smaller landowners. • Supported by the evidence of water providers that the status quo costs and funding mask the true costs of the service from small landowners. 	<p>Disadvantages:</p> <ul style="list-style-type: none"> • Unlikely to address submitters concerns about affordability for smaller landowners. • 16% of submitters opposed this Option – this is a clear minority. • 50% of submitters to the LTP supported change, but this Option is not the only change Option. • Supported by the evidence of water providers that the status quo costs and funding mask the true costs of the service from small landowners, but not to the same extent as Option one.
<p>Risks: The risks with this Option are reputational. Given the level of public feedback, the strong support for change, and the poor alignment between this Option and the reasons for the proposal, reputational risk is higher than Option one. Risks are considered LOW-to-MODERATE</p>	

Options analysis – Issue B – Proposed Other Changes.

16. Other changes we have consulted on in draft policy are mentioned below.
- Separate Campgrounds Activity.
 - Minor changes to funding sources of following activities, Drinking Water, Wastewater, Solid Waste Collection, Commercial Property, Forestry, Cemeteries, Ashburton Library, Ashburton Art Gallery & Museum.
 - Status quo funding approach for following activities, Stormwater, Roding, Footpaths & Cycleways, Solid Waste Management, Community Grants & Funding, Ashburton Water Management Zone Committee, Council, Methven Community Board, Business & Economic Development, District Promotion & Tourism, Elderly Persons Housing, Public Conveniences, Community Safety (CCTV & Security), Memorial Halls & Reserves Boards, Rural Beautification, Urban Beautification (including Ashburton Domain), EA Networks Centre, Alcohol Licensing & Gambling Venue Consenting, Animal Control, Building Regulation, District Planning (including Land Information), District Plan (Policy & Development), Environmental Health – Monitoring & Enforcement, Environmental Health – Licensing, Emergency Management, Parking.
 - Other changes as described in section titled Post-Consultation Minor changes.

Issue B – Option one – Adopt proposed other changes to the policy as listed in paragraph 14. (Recommended)

17. Under this option Council approves proposed policy.

<p>Advantages:</p> <ul style="list-style-type: none"> • Draft policy has been reviewed to make necessary changes to make it robust, up to date, and fit for purpose. • Proposed draft policy is consistent with funding vs benefit principle. 	<p>Disadvantages:</p> <ul style="list-style-type: none"> • Council might wish to propose further amendments in the policy.
<p>Risks: Small reputational risk as community may expect to see further changes in the approach to how council funds its services and activities.</p>	

Issue B – Option two – Make further changes to the draft policy.

18. Under this option Council makes further amendments to the policy.

<p>Advantages:</p> <ul style="list-style-type: none"> • Council may propose further useful amendments. 	<p>Disadvantages:</p> <ul style="list-style-type: none"> • Depending on the nature of the changes the timeline could be affected, which could impact on the review timeframes. A worst-case scenario would be that the review might not be completed within legislative timeframes.
<p>Risks: High reputational and legal risk if proposed changes were substantive.</p>	

Future policy investigations

19. During deliberations Councillors discussed possible topics for future Revenue & Financing Policy investigations prior to the next LTP. These topics include review of policy for urban beautification at Lake Hood.

Legal/policy implications

Compliance

20. The policy content and engagement and consultation process are legally compliant.

Climate change

21. There are no obvious linkages between the content of the report and climate change mitigation or adaptation.

Review of legal / policy implications

Reviewed by In-house Counsel	Tania Paddock; Legal Counsel
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Strategic alignment

22. The recommendation relates to all Council’s community outcome and all four community well-beings as it addresses the funding of all Council’s activities.

Wellbeing		Reasons why the recommended outcome has an effect on this wellbeing
Economic	✓	Prudent financial management enabled through this policy will support economic, environmental, cultural, and social well-being across the district.
Environmental	✓	
Cultural	✓	
Social	✓	

Financial implications

Requirement	Explanation
What is the cost?	Costs covered by existing budgets.
Is there budget available in LTP / AP?	Yes
Where is the funding coming from?	N/A
Are there any future budget implications?	Officers and council will continue to monitor the application of the Policy in Council budgets to identify stress points and potential non-compliance.
Reviewed by Finance	Leanne Macdonald, Group Manager – Business Support

Significance and engagement assessment

Requirement	Explanation
Is the matter considered significant?	No
Level of significance	Medium
Rationale for selecting level of significance	Requires activity wise detailed assessment. A significant amendment to a policy may require audit.
Level of engagement selected	3. Consult – formal two-way communication

Rationale for selecting level of engagement	This policy review occurs as part of the review of Long-Term Plan. As such, Section 102 of the LGA requires Council to consult on any policy amendments under Section 82 of the LGA. This consultation occurred alongside the LTP 2024-34 consultation in March/April 2024.
Reviewed by Strategy & Policy	Mark Low; Strategy and Policy Manager

Appendix 2

Policy

Revenue and Financing Policy

Team	Finance
Responsibility	Finance Manager
Adopted	26 June 2024
Review	Every three years, or as required
Consultation	Section 82 of Local Government Act
Related Documents	Local Government Act 1974, Local Government Act 2002, Local Government (Rating) Act 2002, Ashburton District Council Long-Term Plan 2024-34, and other policies and strategies as detailed in section 3.2 of this document.

1. Introduction and Purpose

This policy details Council's approach to funding its operating and capital expenditure. It determines who pays for Council activities, and on what basis, with a view to achieving the fairest funding mix for the community as a whole. The overall objective is to ensure users and beneficiaries of Council services pay what is fair and equitable.

Rates provide the net funding requirement of the Council's work programme after allowing for budgeted income from other sources such as fees, user charges and subsidies. Rates are levied under the provisions of the Local Government (Rating) Act 2002.

2. Glossary of Terms

These definitions are intended to explain terms used in this policy in plain English. For legal definitions see the Local Government Act 2002, the Local Government (Rating) Act 2002 and the Local Government Act 1974.

Benefit – refers to the positive effect able to be gained as a result of a Council-provided activity or service.

Business (non-residential) – means those rating units where there are any of the following:

- business operations carried out on the property,
- purpose-built buildings or modified premises for the purpose of carrying out business,
- resource consents relating to business activity,
- advertising of business services on the property, or through media identifying the property as a place of business, and/or
- The property has a traffic flow greater than would be expected from a residential dwelling.

Capital expenditure – means expenditure on new assets or on assets that increase the level of service provided or extend the life of an asset - for example replacement of assets (cyclic renewals).

Capital Value (CV) – means the assessed value of a property comprising the value of the land plus the value of improvements (if any) at the time of valuation.

Community-wide benefit – means a benefit that is available to every person or property in the district.

Connected – is a term used in the rating of water and wastewater services. A connected property attracts a full charge of the uniform targeted rate. For water services, a property is considered “connected” when the house or building is connected to the service or when the land is connected to the service by way of a lateral connection to the boundary.

For wastewater services, a property is considered “connected” when the house or building is connected to the service.

See also “Serviceable”

Council - means Ashburton District Council.

Exacerbator pays – where the activity is required due to the actions or inactions of identifiable groups. It is preferable for such costs to be paid for by those groups contributing to the need for the activity.

Existence benefit – means a benefit that arises through the existence of certain facilities, even if the person who values them may never contemplate using them personally.

Fees and charges – see “User Charges”

General rate – is a rate levied on all rateable properties within the local authority jurisdiction, based on:

- capital value of a property/land
- land value of the land
- annual value of the land

Intergenerational equity – is the principle that the cost of an asset or service should be spread over its life, so that both current and future residents who benefit contribute a fair share of the costs.

Operating expenditure – means the costs incurred to provide normal day-to-day services and the maintenance of services and assets.

People benefit – is a benefit that people and residents can enjoy without owning property. Council looks to fund people benefit through uniform annual charges.

Private good – means goods or services that directly benefit an individual rather than the community as a whole. Private goods or services are an indicator that users should pay, either through fees and charges or targeted rates.

Property benefit – is a benefit that accrues to a property or to property owners. This may be a service to a property or an activity that benefits property values. Council looks to fund property benefit through CV rates.

Public good – means goods or services that one individual can consume without reducing the availability to another individual. Public goods are usually both non-rival and non-excludable. An example of a public good is a community park.

Rates – are funds collected by Council through taxes on property within the district.

Rating boundaries – Council may specify the properties where a rate is levied by way of a map. Maps are recorded in a document titled “Ashburton District Council Rating Maps” which is available on Council’s website. Council can resolve to make minor amendments to the map boundaries for matters of low significance (as per Council’s Community Engagement Policy).

Residential – refers to all properties occupied as or used for residential accommodation.

Serviceable – is a term used in the rating of water and wastewater services. A serviceable property attracts a 50% charge of the uniform targeted rate. For water services, a property is considered “serviceable” when a main runs past the property.

For wastewater services, a property is considered “serviceable” when a main runs past the property or when the land is connected to the service by way of a lateral connection to the boundary.

See also “Connected.”

Separately used or inhabited part (SUIP) of a rating unit – means any portion of a rating unit used or inhabited by any person, other than the ratepayer or member of the ratepayer’s household, having a right to use or inhabit that portion by virtue of tenancy, lease, or other agreement.

Targeted rate – a rate charged for a specific service through a tax on each rateable unit or separately used or inhabited portion of a rating unit deemed to benefit from the service. An example is the rate imposed on properties within the Ashburton central business district for additional footpath cleaning in that area.

Targeted rate, based on CV – is a rate charged for a specific service to the rateable units deemed to benefit from that service, and based on the capital value of the property. For example, Roothing Rate, Rural Amenity Rates and Urban Amenity Rates.

Uniform Annual General Charge (UAGC) – a Council charge of an equal amount on each rateable unit or separately used or inhabited portion of a rating unit in the district (this charge does not vary with the capital value of the unit).

User charges – a Council charge or fees paid by those who use specific services provided by Council. An example is the fee payable for processing a resource consent application.

Uniform Targeted Rate – a targeted rate that is charged as an equal amount on each rateable unit or separately used or inhabited portion of a rating unit in the defined area that receives benefit (this charge does not vary with the value of the unit). For example, water rates.

3. Policy Context

3.1. Local Government Act 2002

The Local Government Act 2002 (LGA) requires all councils to adopt a 'Revenue and Financing Policy'. Sections 102 and 103 require the policy to demonstrate how operational expenditure and capital expenditure are funded or financed from:

- a)** general rates (including choice of valuation system, differential rating, uniform annual charges)
- b)** targeted rates
- c)** fees and charges
- d)** interest and dividends from investments
- e)** borrowing
- f)** proceeds from asset sales
- g)** development contributions
- h)** financial contributions
- i)** grants and subsidies
- j)** other sources of income.

Section 101(3)(a) requires that Council has, for each activity funded, shown it has given consideration to the:

- i.** community outcomes to which the activity contributes,
- ii.** distribution of benefits between the community as a whole, any identifiable part of the community, and individual, for the period in or over which those benefits are expected to occur,
- iii.** extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity, and
- iv.** costs and benefits, including the transparency and accountability, of funding the activity distinctly from other activities.

Section 101(3)(b) also requires that Council considers the overall impact of any allocation of liability for revenue needs on the community.

3.2. Related Council Plans, Policies, and Strategies

Council's Revenue and Financing Policy provides a high-level funding framework that links with other Council documents impacting on funding decisions for the wider community and in some cases for individual ratepayers. These include:

Annual Plan – details Council's activities, work programme and budgets for the year to which it relates and shows how Council will account for its performance to the community.

Community Engagement Policy - details Council's approach to determining the level of significance of a particular proposal or decision, and how it will engage with the community based on the level of significance.

Development and Financial Contributions Policy - details the basis on which Council charges development contributions to ensure developers pay a fair and proportionate share of the costs of providing infrastructure required to cater for growth.

Financial Strategy - details Council's approach to delivering its high-level funding requirements including limits on rates and borrowing.

Infrastructure Strategy - details Council's approach to provision of core infrastructure, how much it intends investing over the next 30 years and how this investment will be funded. Activities included in the strategy are: roads, footpaths, drinking water, wastewater, and stormwater.

Long-Term Plan – details Council's activities, work programme and budgets for the ten-year period to which it relates and shows how Council will account for its performance to the community. It also contains key policies and strategies applying to the ten-year plan.

Policy on Rates Remission including on Māori Freehold Land – details the circumstances in which Council will provide for the remission of rates and rates penalties and why.

Policy on Rates Postponement including on Māori Freehold Land – details the circumstances in which Council will provide for the postponement of rates and why.

4. Rating Framework & Funding Sources

There are a variety of approaches which may be used to apply rates. Council applies the following:

4.1. Valuation System

When setting general rates based on property value councils can rate according to land value, capital value or annual value.

Council uses capital value (CV) to decide rateable value. Council believes that CV rating best reflects a property owner's stake in the district and is fairer for property owners whose property value is comprised mostly of the value of the land.

4.2. Unit of Rating – Separately Used or Inhabited Parts (SUIP) of a rating unit

Under the Local Government (Rating) Act 2002 charging separately used or inhabited parts of a rating unit is an option for the UAGC and for targeted rates.

Council defines a separately used or inhabited part of a property in section 2 of this Policy.

For the purpose of this policy, vacant land and vacant premises offered or intended for use or habitation by a person, other than the owner, and generally used as such are defined as 'used'.

Examples of separately used or inhabited parts of a rating unit include:

- a flat attached to a single dwelling,
- two or more houses, flats, or apartments on one certificate of title (rating unit),
- a residential unit attached to business premises,
- separate parts of a single business unit leased to multiple tenants,
- each residential dwelling or unit on a farm property, and
- where part of a rating unit that has the right of exclusive occupation has more than one ratepayer/owner.

4.3. Differential Rating

General rates can be set by applying differential rates meaning councils may choose to set different rates in the dollar of rateable value for different categories of rateable land.

4.4. Non-Rate Revenue Sources

Grants, Sponsorship, and Subsidies - Council expects to continue to receive substantial subsidies from New Zealand Transport Agency (NZTA) for road maintenance and renewal and other expenditure related to transportation. Council can receive grants and sponsorship for projects which are eligible for particular grant or sponsorship schemes.

Investment Income, Dividends, and Interest – Local authorities/councils generate revenue from interest and investments in property, forestry, and Council Controlled Trading Organisations (CCTO's). Revenue generated from such sources can be used to offset the general rate, the UAGC, and the targeted CV rate for roading.

Development Contributions (DC) – A fee charged on new developments that helps recover cost of infrastructure. Capital Expenditure (CAPEX) for growth is the only form of capital spending that can be funded from DC. Revenue from development contributions is used to pay debt outstanding on the proportion of current loans that funded CAPEX for growth.

Financial Contributions (FC) - Charged on subdivisions to address social and environmental impacts. FC are charged on every new lot created and are aimed at ensuring provision of open spaces and recreational facilities.

Proceeds from asset sales - Council may sell assets that are deemed to be surplus to requirements, or that are not providing satisfactory returns. Proceeds are typically invested, or used to fund capital expenditure associated with the activity which held the original asset. Council may choose to use proceeds to fund capital expenditure and pay down debt associated with other activities or operational expenditure of other activities.

Fees and charges - Council charges for some services it provides and this revenue funds all or part of the costs of service delivery for these activities. Examples include consent fees, dog registration fees and charges for some administrative services. Some activities show a range of fees and

charges. Council will aim to maximise fees and charges where possible to ensure a fair funding system, however demand and market affordability also need to be considered.

Bequests - Council occasionally receives bequests that can be used, normally for a specified purpose described in the bequest document.

Borrowing - Council generally borrows to fund capital expenditure as a way of promoting intergenerational equity and as a way to make the significant cost of some capital projects affordable. Borrowing may be internal (Council borrowing from itself) or external. Council does not borrow for operating expenditure unless this is deemed to be prudent and is approved by Council on that basis.

Lump sum contribution - Council may offer the option for ratepayers to pay their share of a capital project through a lump sum payment rather than through rates over a longer period of time. This can be beneficial for all parties as it reduces the interest paid by ratepayers over the life of the loan and Council can retire a portion of debt earlier or reduce the need for borrowing.

4.5. Rate Revenue Sources

The rates charged by Council as sources of funding are:

General rate - charged on all rateable properties in the district on the basis of Capital Value.

UAGC – A uniform amount is charged on every rating unit in the district irrespective of the CV, location, or use of the property (business or residential).

Targeted rate – a rate charged on specific properties in the district on the basis of the property or owner being able to receive benefit from the service provided that is not available to all. Targeted rates may be charged on the basis of CV or as a uniform targeted rate (all properties are charged the same amount).

Differential rate – In some cases Council charges differential rates based on factors like location of land, land use, and availability of the service. In another case council applies differential rate per hectare of land. Council can determine various criteria for setting differential rates.

4.6. Rating Area Boundaries

Council may specify the properties where a rate is levied by way of a map. Maps are recorded in a document titled “Ashburton District Council Rating Maps” which is available on Council’s website.

Council may amend any rating map by resolution. The new boundary will take effect at the commencement of the next rating year. Council will assess the significance of any rating boundary change before making any decision about the extent of consultation.

5. Funding Operating Expenditure

Operating expenditure is the day-to-day costs Council incurs to provide services including the maintenance of existing assets. Council is able to fund operating expenditure from the following sources:

- General rates, including a UAGC

- Targeted rates
- Fees and charges
- Interest and dividends from investments
- Grants and subsidies from central government and contribution from external parties
- Other operating revenue

Council may choose to not fully fund operating expenditure in any activity in any particular year if the deficit can be funded from operating surpluses in the immediately preceding or subsequent years. An operating deficit will only be budgeted when considered prudent to avoid significant fluctuations in rates, fees, or charges. Council will need to consider the requirements of s.100 (Balanced budget requirement) of the Local Government Act 2002.

Council may choose to fund more than is necessary to meet its operating expenditure in any particular year. Council will only budget for an operating surplus to fund an operating deficit in the immediately preceding or following years, to repay debt, and to contribute to capital. Council will have regard to forecast future debt levels when deciding whether it is prudent to budget for an operating surplus for debt repayment.

6. Funding Capital Expenditure

Council is able to fund Capital Expenditure from following sources.

- Borrowing
- Lump sum contributions
- Council reserve funds
- Development contributions (only used to fund CAPEX for growth)
- Financial contributions
- Grants and subsidies from central government and contributions from external parties - such as the NZTA
- Depreciation reserves (funded through operational revenue)
- Proceeds from asset sales
- Operating surpluses
- Bequests

Capital expenditure is the costs Council incurs to provide new assets or the portion of replacement assets that increases the level of service or provides additional capacity to cater for growth in demand for that asset.

Council usually borrows, either internally or from capital markets to fund capital expenditure (unless using one or more sources listed above). Borrowing for capital expenditure enables Council to spread the cost of providing a capital asset over the expected average life of the asset. Council may choose to fund capital expenditure through borrowing and repay the loan over a shorter or longer period if this is considered prudent.

Borrowing for capital expenditure reduces peaks and troughs in the funding required each year and promotes intergenerational equity. Council's borrowing requirement and the cost of servicing loans for capital expenditure may be reduced to the extent that other funding sources can be used.

7. Policies on the Use of Funding Sources

7.1. Funding Depreciation

Depreciation is the process of recognising that an asset is progressively used up over its useful life. By funding depreciation Council is able to provide funding to replace assets at the end of their useful life, or reduce the amount borrowed to replace the assets. Depreciation is funded within each activity as part of the operating revenue each year.

In general, Council will fully fund depreciation unless this is not considered to be in the best interests of the community, in which case it will decide on the appropriate level of depreciation to be funded (which may include not funding any depreciation). If Council decides to not fully fund depreciation of an asset it will provide the community with information on why it has decided not to fully fund depreciation and the likely impact of this decision.

7.2. Maximize Use of 30% Cap

The Local Government (Rating) Act 2002 specifies that revenue from uniform charges (including UAGCs and uniform targeted rates applying across the district but excluding uniform targeted water and wastewater rates) must not exceed 30% of rates revenue.

In the situation where the strict application of the Revenue and Financing Policy would see Council breach the 30% cap, Council will look first to investment income to bring the uniform charges to under 30%. If there is not sufficient investment income, the general rate will be used to bring the uniform charges under 30%.

The allocation of investment income funding is applied first to activities funded wholly by the UAGC to bring the revenue from uniform charges under 30%. The balance is then allocated to the General Rates activities and Targeted Rooding rate to offset rates across the district.

Interest earned on special funds and separate reserves is used only for the purpose of the fund or specific reserve. This allocation may be amended to ensure the UAGC remains within the statutory requirements in Section 21 of the Local Government (Rating) Act 2002.

7.3. Investment Income

Interest and investment returns from Council's forestry and property investments are used to offset the general rate, the UAGC, and the targeted CV rate for roading.

8. Analysis to Decide the Funding of Activities

In preparing this policy, Council has considered each activity (and in some cases discrete items within an activity) to determine the most appropriate funding approach. Council endeavours,

where possible, to allocate cost to the primary beneficiary of any function or activity it provides. The matters considered in the assessment are:

8.1. Distribution of Benefits

The benefits provided by each activity are assessed using three categories: private benefit, group benefit and community-wide benefit. Out-of-district benefit is typically deemed to be community-wide benefit as there is generally no practicable way of allocating the cost of the benefit. Some out-of-district benefit (such as use of swimming pools by visitors) can be recovered from user-charges, but many (such as use of local roads by visitors) cannot.

Private benefit accrues to identifiable individuals. Activities that provide a high level of private benefit will normally be funded from fees and charges.

An example of a Council service that provides a high level of private benefit is the processing and granting of a consent. This enables the applicant applying for a consent to undertake an activity that primarily benefits them.

Group benefit accrues to identifiable groups within the community. Activities that provide a high level of group benefit will normally be funded from a targeted rate or charge on properties able to receive the service.

An example of a Council service that provides a high level of group benefit is the provision of drinking water. Only those able to connect to the drinking water supply are able to benefit.

Community-wide benefit (or a public benefit) accrues to the community or public as a whole.

An example of a Council service that provides a high level of community-wide benefit is the provision of the road network. Everyone has the opportunity to access and use the service, or benefits from its use by others.

Activities providing a community-wide benefit will normally be funded from the community as a whole, through the general rate or the UAGC, or in the case of roading, a targeted capital value rate across the whole district.

Out-of-district benefit accrues to visitors to the district or residents outside this district.

An example of a Council service that provides a level of out-of-district benefit is provision of the road network. Out-of-district residents are able to use our road network but there is no efficient means of charging for this.

Activities that provide out-of-district benefit are normally funded as if they provide district-wide benefit i.e., through the general rate or UAGC.

8.2. Period of Benefit

Council considers the period over which the benefit provided by an activity flows. This provides a rationale for deciding the period over which expenditure should be funded. If the benefit an activity provides relates wholly or largely to the immediate year, then the activity will normally be funded from rates or other income in the year the expense is incurred.

If the benefit is available over a longer period of time Council will normally borrow to fund the activity (or asset) to ensure future ratepayers who will enjoy some of the benefit will pay a fair proportion of the cost.

8.3. Control of Negative Effects (Exacerbator Pays)

Council may incur expenditure to protect the community from actual or potential problems. Council looks to identify the cost to the community of controlling negative effects caused by individual or group actions and to recover any costs directly from those causing the problem. Examples are dog control (funded from dog registration fees) and parking enforcement (funded from parking meter fees and infringement fees).

Where a fee or charge is not practicable or efficient the cost will normally be funded as if it provides district-wide benefit – through the general rate or UAGC.

8.4. Distinct Funding

Transparency and accountability are most evident when an activity is funded separately from other activities. This allows ratepayers or payers of user charges to see how much money is being raised and spent on the activity, and to assess whether or not the cost of the activity represents value for money.

Council must consider the costs and benefits of distinct funding of an activity, including the consequences of the chosen funding method in terms of transparency and accountability. Council will fund activities distinctly where this is practicable and efficient.

8.5. Property versus People Benefit

When deciding on the appropriate funding mechanism, Council will consider whether the benefit provided by an activity flows primarily to the value of the property or to the people who live at the property. In general, Council will look to fund property-related benefit through a rate based on capital value and people-related benefit through a UAGC or a uniform targeted rate. Making decisions on this type of assessment are often not straightforward and can be highly subjective.

8.6. Community Impact

Council must consider the overall impact the allocation of liability for revenue needs has on the community. Elected member judgement plays a key role in this assessment, as benefit distribution assessments and resulting cost allocations can be subjective. In considering community impact and the allocation of costs, Council will have regard to:

- the impact a particular funding approach may have on the achievement of community outcomes,
- fairness and equity issues arising from the allocation of costs, and
- any other impacts on the community such as affordability of rates for some or all ratepayers.

Council may decide to fund an activity in a way other than generally prescribed in this policy if this approach to funding will promote the achievement of community outcomes or will address perceived affordability issues.

8.7. Practicality

Council may choose to make minor variations to the funding approach detailed in this policy for reasons of practicality. This is particularly the case for activities that are partly funded from fees and charges or from external funding sources.

In some cases, the funding from fees and charges and external sources may vary from year to year or may be uncertain at the time of budgeting. In these cases, Council may choose to adjust the funding from rates to accommodate changes or uncertainty.

For activities funded partly from fees and charges, the revenue generated from this source is often dependent on the demand for services at the time. Council may decide to adjust the level of funding from rates to smooth the level of fees and charges from year to year.

A net surplus in an activity will normally be credited to Council's general reserves unless that activity has its own surplus targeted reserve, in which case it will be credited to the appropriate specified purpose reserve fund.

For activities with a specified purpose reserve fund, this fund may be used for rates smoothing purposes (rather than rates) if Council is able to use the fund in this way and deems this a prudent approach.

Council may fund capital grants from operating revenue in the year it is expended. Capital expenditure items may also be funded from reserves or loan funding so as to minimise extreme rate movements and more accurately reflect the inter-generational costs.

8.8. Voluntary Targeted Rates

In some circumstances Council applies a targeted rate on properties that agree to receive and fund services not normally provided by Council. Applications from communities for this funding approach to be used are considered by Council on a case-by-case basis. Council will only agree to apply a rate of this type if this approach is the most cost-effective means of funding the service.

Examples where Council has agreed to this approach are the Lyndhurst water supply and the Barrhill Village water supply where Council supplied loan funding to these schemes. Council will only rate properties where the owner has agreed to participate in the scheme.

Council will not apply availability charges (half rates) on properties able to receive the service that do not take it up. A property is either rated for the service or it is not.

Te Ture Whenua Māori Principles

Our Revenue and Financing Policy supports the principles set out in the Preamble to Te Ture Whenua Māori Act 1993.

9. Consideration of overall impact of allocation of liability for funding on community wellbeing

Section 101(3)b of the LGA enables Council to consider the overall impact of its funding decisions on current and future community wellbeing. One mechanism that Council uses to reduce this impact is the use of contributors. For example, contributors include the application of dividends, other investment income or reserve funds.

In the first instance, Council's policy is to apply these to activities that are funded by the Uniform Annual General Charge (UAGC) or General rate, as these rates impact on all ratepayers. Contributors are applied to these activities at the end of the funding process, after taking into consideration the Council policy to ensure the UAGC does not breach the 30% cap of rates revenue (see 7.2).

The effect of this approach means for some activities, the split of funding sources outlined below may not match at the end of the funding process. How this is applied differs from year to year depending on the decisions that Council makes and the level of contributors that Council chooses to apply.

10. Activity Summary

	UAGC	General Rate (CV)	Targeted Rate (CV)	Uniform Targeted Rate	Fees & Charges	Diff. Targeted Rate	Any Other Source
Local Infrastructure							
District Water Management							
Drinking Water				95-100%	0-5%		
Wastewater				95-100%	0-5%		0-5%
Stormwater		10%	90%				
Stockwater Management		10-20%				80-90%	
Transportation							
Roads			90-100%		0-10%		
Footpaths & Cycleways		30%	70%				
Waste Reduction & Recovery							
Solid Waste Collection				95-100%	0-5%		
Solid Waste Management		20-40%			60-80%		
Public Service							
Community Governance & Decision Making							
Community Grants and Funding	100%						
Ashburton Water Management Zone Committee		100%					
Council	100%						
Methven Community Board				100%			
Economic Development							
Business & Economic Development		100%					
Commercial Property					100%		
Forestry							100%
Ashburton Airport		60-70%			30-40%		
District Promotion & Tourism		50%	50%				

<i>Community Services</i>						
Elderly Persons Housing		0-30%			70-100%	
Public Conveniences	80%		20%			
Community Safety (CCTV & Security)	75%	25%				
Memorial Halls & Reserve Boards			95-100%		0-5%	
Campgrounds		65-75%			25-35%	
<i>Parks and Open Spaces</i>						
Cemeteries		40-50%			50-60%	
Rural Beautification		50%	50%			
Urban Beautification (including Ashburton Domain)		50%	50%			
<i>Recreation Facilities</i>						
Ashburton Library	95-100%				0-5%	
Ashburton Museum	95-100%				0-5%	
EA Networks Centre	50-70%				30-50%	
<i>Regulatory Functions</i>						
Alcohol Licensing & Gambling Venue Consenting		20-25%			75-80%	
Animal Control		5-15%			85-95%	
Building Regulation		10-20%			80-90%	
District Planning (including Land Information)		20-40%			60-80%	
District Plan (policy and development)		100%				
Environmental Health – Monitoring and Enforcement		100%				
Environmental Health – Licensing		10-20%			80-90%	
Emergency Management	50%	50%				
Parking					100%	

1. District Water Management – Drinking Water

Council provides drinking water to homes and businesses through water supplies at Ashburton, Chertsey, Dromore, Fairton, Hakatere, Hinds, Mayfield, Methven, Methven/Springfield, Montalto, Mt Somers and Rakaia.

Council rates for the loan interest and principal costs for two privately owned drinking water supplies – Lyndhurst and Barrhill. This is done through a voluntary rate as provided for under this policy.

The drinking water activity primarily contributes to the following community outcomes.

- A balanced and sustainable environment
- A prosperous economy built on innovation, opportunity and high quality infrastructure.

Who benefits

Group Benefit 100%

(Households and businesses receiving drinking water)

Who creates a need: High users generate a greater need than other users through higher consumption.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- Benefits are primarily to households and businesses receiving a drinking water service. High users are invoiced for metered consumption over a threshold allocation.
- Serviceable properties (which are not connected to a main) pay 50% of the uniform targeted rate as an availability charge.
- Uniform targeted rates and fees and charges apportion costs fairly, efficiently and transparently.

Funding sources of operating expenditure

Targeted rate 95-100%

Fees and charges 0-5%

Group Water Supplies

- Differential targeted rate is charged on a fixed amount per separately used or inhabited part of a rating unit for:
 - Properties that are connected to a group water supply; and
 - Properties in the group water supplies area which serviceable (except for Methven-Springfield Supply).

- Extraordinary Users will pay a fixed amount per 1,000 litres in excess of 90 cubic metres consumed per quarter.
- Residential Extraordinary Users will pay a fixed amount per 1,000 litres of water in excess of 438 cubic metres consumed per annum.
- Extraordinary Users – is defined in clause 7.11.5 of the water bylaw. Residential Extraordinary Users is defined as properties connected to the Council water supply network located in Residential D or Rural A zones of the Ashburton District Plan or the Methven-Springfield supply.

Montalto Water Supply

- A uniform targeted rate per rating unit in the Montalto water supply area; and
- A differential targeted rate based on hectares of land

Lyndhurst and Barrhill Water Supplies

Operational Expenditure is not funded by Council

- A uniform targeted rate per rating unit in the Lyndhurst water supply area; and
- A uniform targeted rate per rating unit in the Barrhill water supply area.

Funding sources of capital expenditure

Group Water Supplies

Any of the following sources may contribute to the funding of capital expenditure:

- Targeted rates
- Fees & Charges
- Borrowing
- Development contributions
- Grants and Subsidies.
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure.

Montalto Water Supply

Any of the following sources may contribute to the funding of capital expenditure:

- Targeted rates
- Borrowing
- Grants and Subsidies.
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure.

Lyndhurst and Barrhill Water Supplies

Any of the following sources may contribute to the funding of capital expenditure:

- Targeted rates
 - A uniform targeted rate per rating unit in the Lyndhurst water supply area; and
 - A uniform targeted rate per rating unit in the Barrhill water supply area.
- Borrowing
- Any other source of funding.

2. District Water Management – Wastewater

Council provides wastewater schemes in Ashburton, Methven and Rakaia for the collection, treatment and disposal of wastewater.

The wastewater activity primarily contributes to the following community outcomes.

- A balanced and sustainable environment
- A prosperous economy built on innovation, opportunity and high quality infrastructure.

Who benefits

Group Benefit 100%

(Households and businesses able to access Council wastewater schemes.)

Who creates a need: Commercial volumes of waste can result in higher costs to run the network, as do industrial waste discharges to the network. Non-complying discharges require monitoring and enforcement.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- Benefits are primarily to households and businesses able to access Council wastewater schemes. This is apportioned fairly, efficiently and transparently with targeted rates. Extra demand is also apportioned through additional targeted rates on a per pan basis.
- Fees and charges apportion the additional costs of demand from commercial volumes of wastewater and industrial discharges.
- Serviceable properties (which are not connected to a main) pay 50% of the uniform targeted rate as an availability charge.

Funding sources of operating expenditure

Targeted rate 95-100%

Fees
and
charges
0-5%

Any
other
sources
0-5%

- Differential targeted rate is charged on a fixed amount per separately used or inhabited part of a rating unit for:
 - Properties that are connected to a group wastewater scheme; and
 - Properties in the group wastewater scheme areas which are serviceable.
- Differential targeted rate to service Rakaia wastewater loan on a fixed amount per separately used or inhabited part of a rating unit for connected and serviceable properties

- Differential targeted rate for wastewater disposal on connected non-residential rating units within the Group wastewater schemes areas on the basis of a fixed amount per urinal or pan in excess of three in each rating unit.
- Businesses that discharge trade wastes will be liable for fees and charges under the Trade Wastes Bylaw. Septic tank cleaning businesses pay septage fees to discharge to the wastewater treatment plant. Properties connecting to wastewater reticulation pay connection fees
- Revenue is received from grazing contracts and sales of standing grass at Ocean Farm

Funding sources of capital expenditure

Any of the following sources may contribute to the funding of capital expenditure:

- Targeted rates
- Fees & Charges
- Borrowing
- Development contributions
- Grants and Subsidies.
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure.

3. District Water Management – Stormwater

Council provides stormwater collection, treatment and disposal networks in Ashburton, Hinds, Methven, Rakaia and some rural communities.

The wastewater activity primarily contributes to the following community outcomes:

- A balanced and sustainable environment
- A prosperous economy built on innovation, opportunity and high quality infrastructure.
- A district of great spaces and places

Who benefits

Group Benefit 90%

(Households and businesses served by Council stormwater infrastructure.)

Community-
wide
Benefit 10%

Who creates a need: Property developments that fail to provide appropriate stormwater collection, treatment and discharge to the stormwater network (if in the area serviced) could result in adverse impacts on the road network and neighbouring or downstream properties.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- Benefits are primarily to households and businesses served by Council stormwater infrastructure. This is apportioned efficiently and transparently with targeted rates on the catchments.
- Community-wide benefits include the protection of public health through sanitary drainage, protection of public infrastructure from flooding, and by enabling safe transit within the scheme area during rainfall events. This is funded efficiently from General Rate

Funding sources of operating expenditure

Targeted rate CV 90%

General
Rate
10%

- Targeted rates for stormwater on the basis of the capital value of each rating unit in the Ashburton, Hinds, Methven and Rakaia townships.
- A general rate based on the capital value of each separately used or inhabited part of a rating unit in the District.

Funding sources of capital expenditure

Any of the following sources may contribute to the funding of capital expenditure:

- General rate
- Targeted rates
- Borrowing

- Grants and Subsidies.
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure.

4. District Water Management – Stockwater

Council owns and operates a stockwater race network that includes 1,567 km of water races.

The stockwater activity primarily contributes to the following community outcomes:

- A prosperous economy built on innovation, opportunity and high quality infrastructure.
- A balanced and sustainable environment

Who benefits

Group Benefit 80-90%

(All rural properties that have a stockwater service available to them)

Community-wide

Benefit 10-20%

Who creates a need: Additional demand is created by property owners that use stockwater for reasons other than agricultural production and communities that discharge stormwater into stockwater races.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- Benefits are primarily to rural properties that have a stockwater service available to them. This is apportioned efficiently and transparently with targeted rates. Targeted rates include a minimum charge and a differential based on race length, as race maintenance is a significant proportion of the overall cost of the activity.
- Community-wide benefits include land drainage functions, cultural and environmental benefits, public health and environmental benefits. This is funded efficiently from General Rate

Funding sources of operating expenditure

Differential Targeted Rate 80-90%

General Rate 10-20%

- The differential targeted rate is charged per metre of water race located on, adjoining or abutting a property. A minimum charge applies for race lengths up to 246m. Urban properties in Ashburton and Methven adjoining a stockwater race are exempt.
- General rate is charged on the capital value of each separately used or inhabited part of a rating unit in the district.

Funding sources of capital expenditure

Any of the following sources may contribute to the funding of capital expenditure:

- General rate
- Targeted rates
- Borrowing
- Grants and Subsidies.

- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure.

5. Transportation – Roads

Council provides and maintains a district wide road network and associated infrastructure (excluding state highways). Much of this work attracts subsidy, from Waka Kotahi NZ Transport Agency at a financial assistance rate of 51%, currently applicable for the Ashburton District. The policy sets at how council funds its share of subsidized and unsubsidized work. The roading activity and network enables efficient travel throughout the district to support economic and social interaction.

The roading activity primarily contributes to following community outcomes.

- A prosperous economy built on innovation, opportunity and high quality infrastructure.
- A district of great spaces and places

Who benefits

Community wide benefit 100%

Who creates a need: All residents and visitors travelling through the district create a need for a reliable roading network.

When benefits occur: The benefits of operational expenditure are enjoyed for short-term once the funds are expended. The benefits of capital expenditure on roading assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- Benefits are primarily district wide as it is a shared network therefore, a targeted rate for roading applicable across the district is appropriate and transparent.

Funding sources of operating expenditure:

Targeted Rate CV 90-100%

**Fees &
Charges
0-10%**

- Targeted Rate on the CV of each SUIP of a rating unit in the district (90-100%).
- Fees and Charges 0-10%.
- Waka Kotahi (NZTA) funding - Council receives funding from NZTA for qualifying road maintenance. The annual level of funding depends on the 'financial assistance rate' currently applicable for Ashburton District and on the work programme.

Funding sources of capital expenditure:

Any of the following sources may contribute to the funding of capital expenditure:

- Targeted rates
- Fees & Charges
- Borrowing - The Council may decide to loan fund specific roads projects on a case by case basis. Projects will be assessed on the following criteria:
 - Expected useful life of the asset – must be over 25 years, and

- Cost – the impact on rates is such that funding the project in the year it is undertaken would increase rates unreasonably if funded only from that year.
- Financial contributions – levied under the Ashburton District Plan
- Private contribution - Council may agree to undertake specified work (additional to planned work programme) at the request of a resident if the resident pays for the work.
- Waka Kotahi (NZTA) funding - Council receives funding from NZTA for qualifying capital projects. The annual level of funding depends on the ‘financial assistance rate’ currently applicable for Ashburton District and on the work programme.
- Grants and Subsidies (Excluding Waka Kotahi (NZTA subsidy).
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure.

6. Transportation – Footpaths and Cycleways

Council provides and maintains footpaths, streetscapes, and cycleways in urban communities in the district. Council receives funding from Waka Kotahi (NZTA) for approved footpath improvements. The level of funding each year depends on the financial assistance rate of 51%, currently applicable for the Ashburton District.

Provision of footpaths & cycleways contributes to following community outcomes.

- A prosperous economy built on innovation, opportunity and high quality infrastructure.
- A district of great spaces and places

Who benefits

Group benefit 70 %

(Residents in urban areas where footpath & cycleways are provided)

Community wide

benefit 30 %

(Attractive & safe footpaths across the district)

Who creates a need: All residents and visitors create a need for safe footpaths and cycleways.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on footpaths and cycleways are enjoyed over the life of the assets.

Reasons for funding arrangement

- Separate funding through targeted CV rate and general rate is appropriate as the degree of benefit differs for those residing in urban areas with footpaths and cycleways.
- A targeted CV rate is applicable because high level of cleaning is provided for footpaths in the Ashburton inner CBD area.

Operating Expenditure

Funding Arrangement – Footpaths & Cycleways

Targeted Rate CV 70%

General Rate 30%

- A number of targeted CV rate (amenity rate) applies on Ashburton, Lake Hood, Methven, and Rakaia.
- Waka Kotahi (NZTA) funding - Council receives funding from NZTA for qualifying road maintenance. The annual level of funding depends on the 'financial assistance rate' currently applicable for Ashburton District and on the work programme.

Capital Expenditure

Any of the following sources may contribute to the funding of capital expenditure:

- Targeted rates
- Borrowing
- Waka Kotahi (NZTA) funding - Council receives funding from NZTA for qualifying road maintenance. The annual level of funding depends on the 'financial assistance rate' currently applicable for Ashburton District and on the work programme.
- Financial contributions – are levied under the Ashburton District Plan
- Grants and Subsidies
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure.

7. Waste Reduction & Recovery – Solid Waste Collection

Council provides a kerbside wheelie bin rubbish and recycling collection service in Ashburton (urban), Ashburton CBD (inner), Chertsey, Fairton, Hinds, Lake Clearwater, Lake Hood, Mayfield, Methven, Mt Somers, Rakaia, Rangitata Huts, Willowby and Winslow.

The solid waste collection activity primarily contributes to following community outcomes.

- A balanced and sustainable environment
- A district of great spaces and places

Who benefits

Group Benefit 100%
(Households and businesses receiving kerbside collection)

Who creates a need: The same parties that enjoy the benefits of solid waste collection.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- Benefits are primarily to households and businesses receiving a kerbside collection service. Some users choose to pay extra through fees and charges for a higher level of service.
- Community-wide benefit comes from the environmental and public health benefits of recycling and sanitary waste collection. People not receiving a kerbside collection service bear the costs of managing their own household waste so a community-wide charge is not supported.
- Uniform targeted rates and fees and charges apportion costs fairly, efficiently and transparently.

Funding sources of operating expenditure

Uniform targeted rate 95-100%

Fees and charges 0-5%

- Uniform targeted rate is set on the basis of a fixed amount per separately used or inhabited part of a rating unit for each area to which the service is provided. (95-100%)
- Fees and charges payable by households and businesses choosing to purchase additional collection services. (0-5%)

Funding sources of capital expenditure

Any of the following sources may contribute to the funding of capital expenditure:

- Targeted rates
- Fees & Charges

- Borrowing
- Grants and Subsidies.
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure.

8. Waste Reduction & Recovery – Solid Waste Management

Council operates resource recovery parks in Ashburton and Rakaia, recycling and green waste drop-off facilities in Methven, and rural recycling drop-off facilities at Carew Peel Forest, Fairton, Hinds, Lauriston, Mayfield, Mt Somers, Pendarves, Rangitata Huts, South Rakaia Huts, Staveley and Willowby. This activity also covers the costs of closed landfills at Ashburton, Hinds, Mayfield, Methven, Mt Somers and Rakaia and community waste education.

The solid waste management activity primarily contributes to the following community outcomes:

- A balanced and sustainable environment
- A district of great spaces and places

Who benefits

Private benefit 60%

(Households, businesses and individuals that use resource recovery parks and drop-off facilities)

Community-wide benefit 40%

Who creates a need: Households, businesses and individuals that generate higher volumes of waste or fail to separate residual waste from recyclables drive the need for these services.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- Benefits are primarily to households, businesses and individuals that use resource recovery parks and drop-off facilities. This is apportioned efficiently and transparently through user charges.
- Community-wide benefits include public health benefits from sanitary disposal of waste and environmental benefits from the effective management and monitoring of Kate Valley landfill and closed landfills in Ashburton District. This is funded efficiently from the General Rate.

Funding sources of operating expenditure

Fees and charges 60-80%

General Rate 20-40%

- Fees and charges are recovered for the drop-off of waste at resource recovery parks and green waste drop-off at the Methven green waste drop-off facility.
- General rate is charged on the capital value of each separately used or inhabited part of a rating unit in the district. Rates funding includes an annual income transfer from the Solid Waste Collection activity.

Funding sources of capital expenditure

Any of the following sources may contribute to the funding of capital expenditure:

- General rate

- Fees and charges
- Borrowing
- Grants and Subsidies.
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure.

9. Community Governance and Decision-making – Community Grants and Funding

Council provides grant funding for community projects, services, facilities, and events. Grants are predominately for ‘not for profit’ community and voluntary groups working for the benefit of Ashburton District communities. The following community grants and funding are covered by this activity:

- **Arts and Culture** – Ashburton Trust Event Centre (ATEC) funding, Community Library Grant.
- **Community Development** – Safer Ashburton Funding, Community Agency Funding, Community Project Grant.
- **Economic Development** – Community Events Grant.
- **Natural & Built Environment** – Biodiversity Grant, Heritage Grant, Community Infrastructure Grant.
- **Sports & Recreation** – Sport Mid Canterbury Funding, School Holiday Programme Grant, Community Pools Health & Safety Grant (Community Pools Grant)
- **Discretionary**

This activity contributes to following community outcomes.

- Residents are well-represented, included and have a voice.
- A district of great spaces and places.

Who benefits

Community wide benefit 100%

(All residents get benefit from Council grants enabling community services, facilities, projects, and events.)

Who creates a need: No groups or individuals drive demand other than the beneficiaries, which is the community as a whole.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on assets are enjoyed over the life of the assets.

Rationale for Funding Arrangement

- General charge is applicable as community as a whole benefits from public based benefit.

Operating Expenditure

Uniform Annual General Charge 100%

- Exception – Methven Pool receive a grant funded through a targeted rate charged for the Methven Community Board activity.

Capital Expenditure

Any of the following sources may contribute to the funding of capital expenditure:

- UAGC
- Borrowing

- Grants and Subsidies
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure.

10. Community Governance and Decision-making – Democracy (Ashburton Water Management Zone Committee)

The Ashburton Water Management Zone Committee (ZC) provides important representation for residents in the district on water management issues. District water management activities such as the stock water exit strategy investigations are funded through this activity.

This activity contributes to the following community outcome.

- Residents are well-represented, included and have a voice.

Who benefits

Group benefit 100%

(provided through representation, advocacy, communication, and engagement for all residents on water management issues)

Who creates a need: No groups or individuals drive demand other than the beneficiaries, which is the community as a whole.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on assets are enjoyed over the life of the assets.

Rationale for Funding Arrangement

- General rate is applicable as community as a whole benefits from this representation.

Operating Expenditure

General Rate 100%

Capital Expenditure

Any of the following sources may contribute to the funding of capital expenditure:

- General Rate
- Borrowing
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure.

11. Community Governance and Decision-Making – Democracy (Council)

Council undertakes a range of policy, planning and decision-making processes associated with its local democratic functions. Council meetings, decision-making, research, monitoring and community engagement provides the community with the opportunity to participate appropriately in Council's decision-making processes.

This activity contributes to the following community outcome.

- Residents are well-represented, included and have a voice.

Who benefits

Community Wide Benefit 100%

(Provided through representation, advocacy, communication, and engagement for all residents.)

Who creates a need: All residents create a need through requiring representation on issues.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on assets are enjoyed over the life of the assets.

Rationale for Funding Arrangement

- A general charge is applicable as the community as a whole benefits through the activity that enables local representation.

Operating Expenditure

Uniform Annual General Charge 100%

Capital Expenditure

Any of the following sources may contribute to the funding of capital expenditure:

- UAGC
- Borrowing
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure.

12. Community Governance and Decision-making – Democracy (Methven Community Board)

The Methven Community Board (MCB) provides a coordinated voice that represents the Methven community's interests in Council decision-making.

This activity contributes to the following community outcome.

- Residents are well-represented, included and have a voice.

Who benefits

Group benefit 100%

(Provided to Methven residents as the Board represents Methven area only and on other part of the district has this level of additional representation.)

Who creates a need: Residents of Methven create a need by requiring representation provided by MCB.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on assets are enjoyed over the life of the assets.

Rationale for Funding Arrangement

- A uniform charge targeted at Methven residents is appropriate as they benefit from additional representation.

Operating Expenditure

Uniform Targeted Rate 100%

- All properties in the Methven Community Board rating area are charged a uniform annual targeted rate.
- This activity also funds grant for Methven Pool.

Capital Expenditure

Council may use any combination of following sources up to 100%

- Targeted Rate
- Borrowing
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure.

13. Economic Development – Business & Economic Development

Council provides funding for business & economic development activity including local training solutions for the Ashburton workforce and employers, upskilling of business owners, lowering barriers for business, encouraging higher foot-traffic into the Ashburton Central Business District, develop resources promoting Ashburton District as a place to invest, supporting the Mayor’s Taskforce for Jobs and growing a calendar of events.

The business & economic development activity primarily contributes to the following community outcome:

- A prosperous economy based on innovation and opportunity

Who benefits

Community-wide benefit 100%

(The benefits of a growing economy are enjoyed across the District as a whole, and by employers, workers and people outside the workforce.)

Who creates a need: No groups or individuals drive demand other than the beneficiaries, which is the community as a whole.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- Benefits of a growing economy and more successful business and events are spread across the community as a whole. General rate is an efficient tool to fund community-wide benefit.

Funding sources of operating expenditure

General Rate 100%

- General rate is charged on the capital value of each separately used or inhabited part of a rating unit in the district.

Funding sources of capital expenditure

Any of the following sources may contribute to the funding of capital expenditure:

- General rate
- Borrowing
- Grants and Subsidies.
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure.

14. Economic Development – Commercial Property

Council owns and manages a portfolio of properties including commercial freehold and leasehold properties and residential properties. Council maintains and develops land and buildings used to house its operations. This activity also includes land sales, purchases and the subdivision of Council land.

The commercial property activity primarily contributes to the following community outcome:

- A prosperous economy built on innovation, opportunity and high quality infrastructure.

Who benefits

Private Benefit 100%

(Tenants receive private benefit from their tenancy of Council properties)

Who creates a need: No groups or individuals drive demand other than the beneficiaries, which are the tenants of the property.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- The primary beneficiaries of commercial property are the tenants who occupy the land and buildings. Fees and charges are a transparent and accountable method to fund those benefits.
- The secondary beneficiary from the activity are ratepayers, as the activity generates a surplus which is used by Council to offset general rates and uniform annual general charges. Where income is generated from properties that are deemed reserves under the Reserves Act 1977, this income must be expended on reserves.

Funding sources of operating expenditure

Fees and charges 100%

- Fees and charges come in the form of licence fees and rentals.

Funding sources of capital expenditure

Any of the following sources may contribute to the funding of capital expenditure:

- General rate
- Fees and charges
- Borrowing
- Development contributions
- Grants and Subsidies.
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure.

15. Economic Development – Forestry

Council owns and manages forests for financial return.

The forestry activity primarily contributes to the following community outcome:

- A prosperous economy built on innovation, opportunity and high quality infrastructure.

Who benefits

Private Benefit 100%

(Forestry profits are generated from the sale of logs at harvest to third parties)

Who creates a need: No groups or individuals drive demand other than the beneficiaries, who buy the harvested logs

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- The primary beneficiaries of forestry are the purchasers of the logs at harvest. Fees paid by purchasers are a transparent and accountable method to fund those benefits.
- The secondary beneficiary from the activity are ratepayers, as the activity generates a surplus which is used by Council to offset general rates and uniform annual general charges.

Funding sources of operating expenditure

Other Source 100%

- Forestry net profit of sale. Operating activity across the life-cycle of forestry investments generates a surplus which council applies to offset increases in general rate and UAGC. In periods of lower return, Council addresses shortfall through forestry reserves.

Funding sources of capital expenditure

Any of the following sources may contribute to the funding of capital expenditure:

- Fees and charges
- Borrowing
- Grants and Subsidies.
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure.

16. Economic Development – Ashburton Airport

Council operates Ashburton Airport, which is located at Seafield Road, Ashburton. The Airport is a facility for recreational and commercial aviation including air shows, and home to the Ashburton Aviation Museum and the Ashburton Speedway.

The Ashburton Airport activity primarily contributes to following community outcomes.

- A prosperous economy built on innovation, opportunity and high quality infrastructure.
- A district of great spaces and places

Who benefits

Community wide benefit 20%	Group Benefit 80% (Airport users)
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Who creates a need: Nearby residential activity creates a need for regulation of aircraft to ensure compliance with noise requirements.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- Benefits are primarily to users of the Airport, some of whom are tenants. All aviators are required to pay landing fees.
- Community-wide benefit comes from the activities and events held at the airport. The Airport is also a potential point of access to the district in times of emergency.
- Funding of private benefits through lease rentals and landing charges is transparent and accountable. General rate is an efficient way to fund community-wide benefit.

Funding sources of operating expenditure

General Rate CV 60-70%	Fees and charges 30-40%
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- General rate is a uniform general rate on the capital value of each separately used or inhabited part of a rating unit in the district. (55-65%)
- Fees and charges are collected through rental and licence fee income from airport tenants and landing charges from aviators. (35-45%)

Funding sources of capital expenditure

Council may use any combination of following sources up to 100%

- General rate
- Fees & Charges
- Borrowing

- Financial contributions
- Grants and Subsidies
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure.

17. Economic Development – District Promotion & Tourism

Council provides district promotion funding to undertake marketing of the district. Council may also invest in the development of tourism product on a case by case basis.

The district promotion & tourism activity primarily contributes to the following community outcome:

- A prosperous economy built on innovation, opportunity and high quality infrastructure.
- A district of great spaces and places.

Who benefits

Community-wide Benefit 50%	Group benefit 50% (Direct and indirect economic benefit to business from tourism visitors)
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Who creates a need: No groups or individuals drive demand other than the beneficiaries.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- The Group benefit from this activity goes to businesses who directly, or indirectly, profit from tourism. A targeted rate is an efficient method to recover these costs from those businesses.
- The community-wide benefit of investing in tourism goes to the economy and the community as a whole. General rate is an efficient method to recover these costs.

Funding sources of operating expenditure

General Rate 50%	Targeted Rate CV 50%
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- General rate is set on the capital value of each separately used or inhabited part of a rating unit.
- Targeted rate CV is set on the capital value of each business rating unit in the Ashburton, Methven and Rakaia business amenity rate areas..

Funding sources of capital expenditure

Any of the following sources may contribute to the funding of capital expenditure:

- General rate
- Targeted rates
- Borrowing
- Grants and Subsidies.
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure.

18. Community Services – Elderly Persons Housing

Council provides elderly housing units in Ashburton, Methven, and Rakaia to enable elderly residents of limited means to live independently in quality accommodation.

The service primarily contributes to following community outcomes.

- Residents are well-represented, included and have a voice.

Who benefits

Private benefit 100%

Tenants receive private benefit from this activity

Who creates a need: Some elderly residents require affordable accommodation to enable them to live independently and safely.

When benefits occur: The benefits of operational expenditure are enjoyed within the year that funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- Benefits are primarily private; it is appropriate and transparent to implement user charge for majority of the cost.
- Due to the age of the units and legislative requirements to bring the units up to standard, Councils have included a general rate component for the activity to alleviate the increase on existing tenants.

Funding sources of operating expenditure:

Fees and Charges 70-100%

General Rate 0-30%

- Fees and charges are collected through rental income. Council is usually able to fully fund the service through fees and charges when units are fully tenanted.
- In the event of a shortfall such as investment in capital upgrades of units, Council will apply general rate to assist with the necessary unit upgrades. An immediate increase in fees and charges to cover these upgrades would be too severe and unsustainable and such increases would likely be phased in over a period of time.

Funding sources of capital expenditure:

Any of the following sources may contribute to the funding of capital expenditure:

- Fees & Charges
- General Rates
- Borrowing
- Grants and Subsidies
- Any other source of funding

Loan repayments will be funded on the same basis as operating expenditure.

19. Community Services – Public Conveniences

Council provides and maintains toilet facilities for public to allow for the health and safety of the community and protect the environment. These facilities are located in areas visited by the public including business areas in Ashburton, Methven & Rakaia.

The service primarily contributes to following community outcomes.

- A prosperous economy built on innovation, opportunity and high quality infrastructure.
- A district of great spaces and places.

Who benefits

Community wide benefit 80% (All residents and visitors are able to use the facilities.)	Group benefit 20% (Businesses in Ashburton, Methven, & Rakaia)
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Who creates a need: All residents and visitors create a need through having access to public conveniences. Businesses within proximity of conveniences receive an additional benefit.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- A general charge applies because the community as a whole benefits and the benefit is people-based.
- Businesses in proximity to the public conveniences get the benefit of facilities that meet the needs of shoppers and funds a group share.

Funding sources of operating expenditure:

UAGC 80%	Targeted CV 20%
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- The uniform annual general charge applies on each separately used or inhabited part of a rating unit in the district.
- The targeted CV rate applies to all business rating units in the Ashburton, Methven, and Rakaia amenity rating area.

Funding sources of capital expenditure:

Any of the following sources may contribute to the funding of capital expenditure:

- Uniform Annual General Charge
- Targeted rates

- Borrowing
- Environment contributions – are levied under the Ashburton District Plan
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure.

20. Community Services – Community Safety (CCTV and Security)

Council operates public community safety initiatives for the community including CCTV monitoring and security patrols. Monitoring key spaces with the community enhances community safety. The key locations include Ashburton & Tinwald Domain, EANC, Friendship Lane, Art Gallery & Museum, refuse sites & public toilets in Ashburton, Methven, & Rakaia, clock tower, and locations in CBD.

The service primarily contributes to the following community outcome.

- A district of great spaces and places.

Who benefits

Community wide benefit 100%

(All residents get benefit from enhanced community safety)

Who creates a need: No groups or individuals drive demand other than the beneficiaries, which is the community as a whole.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- General charge component applicable district wide through UAGC and general rate is considered as appropriate as all residents experience the benefits of community safety.

Funding sources of operating expenditure:

Uniform Annual General Charge (UAGC) 75%

General Rate 25%

Funding sources of capital expenditure:

Any of the following sources may contribute to the funding of capital expenditure:

- Uniform Annual General Charge
- General rates
- Borrowing
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure.

21. Community Services – Memorial Halls and Reserve Boards

There are a number of Memorial Halls and Reserve Boards in the district which provide community facilities and visitor attractions. Reserve Boards are appointed by Council to manage reserves and memorial halls. Council provides funding to assist with the maintenance of those facilities.

The service primarily contributes to the following community outcome.

- A district of great spaces and places.

Who benefits

Group benefit 100%

(Residents in proximity to reserves and memorial halls receive group benefit. For example, Methven have location benefit over & above district-wide access to the Methven Heritage Centre which incorporates the Mt Hutt Memorial Hall.)

Who creates a need: All residents and visitors create a need through being able to access memorial halls and reserves.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- It is appropriate to apply a number of targeted rates based on proximity to reserve boards and memorial halls as it is these ratepayers who benefit above others.
- Fees & charges are collected through renting halls. The proportion of funds collected through fees & charges vary from one hall to another.

Funding sources of operating expenditure:

Targeted CV Rate 95-100%

Fees &
charges
0-5%

The targeted rate is applied as follows:

- Ashburton Urban Amenity Rate funds Tinwald Memorial Hall and Tinwald Reserve.
- Methven Amenity Rate funds Methven Reserve.
- Mt Hutt Memorial Hall Rate funds Heritage Centre & Mt Hutt Memorial Hall.
- Rakaia Amenity Rate funds Rakaia Memorial Hall and Rakaia Reserve.
- Rural Amenity Rate funds all other halls & reserves.

Funding sources of capital expenditure:

Any of the following sources may contribute to the funding of capital expenditure:

- Targeted Rates
- Fees & Charges
- Financial contributions – are levied under Ashburton District Plan.
- Borrowing

- Any other source of funding

Loan repayments will be funded on the same basis as operating expenditure.

22. Community Services – Campgrounds

Council provides campgrounds throughout the district. These include campgrounds at Hakatere, Kowhai Flats, Lake Clearwater, Rakaia Huts and Rangitata.

Where Council leases land for privately-managed camping grounds, funding for this is addressed through the Commercial Property activity.

The service primarily contributes to the following community outcome.

- A district of great spaces and places.

Who benefits

Private benefit 50%

(Users of campgrounds get benefit.)

Community wide benefit 50%

(Residents & visitors are able to access campgrounds.)

Who creates a need: The need for this service is driven by campground users.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- Applying user charge principle is appropriate due to high private benefit.
- Insufficient revenue would be obtained through fees and charges, and it would be unfavorable to increase fees to such a level that the activity could sustain itself. The general rate is therefore required to support and maintain the activity.

Funding sources of operating expenditure:

General Rate 65-75%

Fees & Charges 25-35%

Funding sources of capital expenditure:

Any of the following sources may contribute to the funding of capital expenditure:

- General Rates
- Fees & Charges
- Borrowing
- Financial contributions - are levied under the Ashburton District Plan.
- Any other source of funding

Loan repayments will be funded on the same basis as operating expenditure.

23. Parks and Open Spaces – Cemeteries

Cemeteries are provided and maintained by Council to ensure a safe and healthy community, enable a diverse community to observe culturally appropriate practice and preserve the social history of the district.

The service primarily contributes to the following community outcomes.

- A balanced and sustainable environment.
- A district of great spaces and places.

Who benefits

Private benefit 80%

(Provided to users of cemetery facilities, largely friends & family of deceased.)

Community wide benefit 20%

(Through ensuring the deceased are interred in a sanitary way.)

Who creates a need: All residents create for cemeteries through requiring cemetery service and open spaces. There is a private benefit which Council attempts to recover through fees and charges.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- The user charge principle is appropriate to address the private benefit aspect of the service.
- Insufficient revenue would be obtained through fees and charges, and it would be unacceptable to the community to increase fees to a level that fees fully funded this activity. The general rate is therefore required to support funding.

Funding sources of operating expenditure:

Fees & Charges 50-60%

General Rate 40-50%

Funding sources of capital expenditure:

Any of the following sources may contribute to the funding of capital expenditure:

- Fees & Charges
- General Rates
- Borrowing
- Any other source of as above.

Loan repayments will be funded on the same basis as operating expenditure.

24. Parks and Open Spaces – Rural Beautification

Council undertakes projects and maintenance to enhance the streetscapes, sports grounds, parks and reserves in rural areas of the district. This activity excludes Ashburton, Methven, and Rakaia townships which make up the urban beautification activity.

The service primarily contributes to the following community outcome.

- A district of great spaces and places.

Who benefits

Group benefit 50%

(To rural residents who live in proximity to rural beautification.)

Community-wide benefit 50%

(To all residents who enjoy enhanced rural surroundings across the district.)

Who creates a need: All residents create a need for rural beautification through having access to visit and enjoy these areas. Those in closer proximity drive additional need.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- The targeted CV rate is appropriate as those in close proximity experience the benefit of rural beautification more greatly.
- General rate is applicable as community as a whole experience district-wide rural beautification.

Funding sources of operating expenditure:

Targeted CV Rate 50%

General Rate 50%

- A targeted CV rate (rural amenity rate) is charged on all rating units in the rural area.

Funding sources of capital expenditure:

Any of the following sources may contribute to the funding of capital expenditure:

- Targeted rates
- General rates
- Borrowing
- Financial contributions – are levied under Ashburton District Plan
- Any other source of funding

Loan repayments will be funded on the same basis as operating expenditure.

25. Parks and Open Spaces – Urban Beautification (including Ashburton Domain)

Council undertakes projects and maintenance to enhance the streetscapes, sports grounds, parks and reserves in the Ashburton, Methven, & Rakaia townships. Urban beautification in Ashburton township includes the Ashburton Domain and Lake Hood. Water quality improvement work for Lake Hood is also funded through this activity.

Council also collects and disposes of rubbish from street-side litter bins located in Ashburton, Methven, and Rakaia.

The service primarily contributes to the following community outcome.

- A district of great spaces and places.

Who benefits

Group benefit 50%

(Residents & businesses in Ashburton, Methven, & Rakaia get benefit through these localities being attractive places to live, work, & shop.)

Community-wide benefit 50%

(All residents get benefit through being able to use the recreational facilities provided & from having urban surroundings that are clean throughout the district.)

Who creates a need: All residents create a need for urban beautification through having access to visit and enjoy these areas. Those in closer proximity drive additional need.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- The targeted CV rate is appropriate as those in close proximity experience the benefit of urban beautification more greatly.
- General rate is applicable as community as a whole experience district-wide urban beautification and cleanliness.

Funding sources of operating expenditure:

Targeted CV Rate 50%

General Rate 50%

- A targeted CV rate – Ashburton urban amenity rate applies on Ashburton & Lake Hood
- A targeted CV rate – Methven amenity rate applies on Methven.
- A targeted CV rate – Rakaia amenity rate applies on Rakaia.

Funding sources of capital expenditure:

Any of the following sources may contribute to the funding of capital expenditure:

- Targeted rates
- General rates
- Borrowing

- Financial contributions
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure.

26. Recreation Facilities – Ashburton Public Library

Council operates the Ashburton Public Library which provides educational, informational, and recreational resources for the district’s residents. Council has built Te Whare Whakatore which includes a new library Te Kete Tuhinga.

The service primarily contributes to the following community outcome.

- A district of great spaces and places.

Who benefits

Community wide benefit 100%

(Provided to residents who have access to library service.)

Who creates a need: No groups or individuals drive demand other than the beneficiaries, which is the community as a whole.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- A general charge component application through UAGC is appropriate as all residents can access the library facility.
- A small component of user charge is applicable for instances like use of printers, books rentals and fines. These funds are reflected as fees and charges.

Funding sources of operating expenditure:

Uniform Annual General Charge (UAGC) 95-100%

**Fees &
Charges
0-5%**

Funding sources of capital expenditure:

Any of the following sources may contribute to the funding of capital expenditure:

- UAGC
- Fees & Charges
- Borrowing
- Any other sources.

Loan repayments will be funded on the same basis as operating expenditure. Capital expenditure on the Library Building is part of the Commercial Property activity.

27. Recreation Facilities – Ashburton Art Gallery & Museum

Council operates and maintains the Ashburton Art Gallery and Museum. The facility enables proper care and display of district's history, art and culture and caters for current and future generation requirements.

The service primarily contributes to the following community outcome.

- A district of great spaces and places.

Who benefits

Community wide benefit 100%

(Provided through having cultural & heritage activities accessible to the residents.)

Who creates a need: No groups or individuals drive demand other than the beneficiaries, which is the community as a whole.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- A general charge component applicable through UAGC is appropriate as all residents can access the art gallery and museum.
- A small portion of income is generated through sales in the Art Gallery & Museum shop. These funds are reflected as fees and charges.

Funding sources of operating expenditure:

Uniform Annual General Charge (UAGC) 95-100%

**Fees &
Charges
0-5%**

Funding sources of capital expenditure:

Any of the following sources may contribute to the funding of capital expenditure:

- UAGC
- Fees & Charges
- Borrowing

Loan repayments will be funded on the same basis as operating expenditure. Capital expenditure on the Ashburton Art Gallery & Museum is addressed under Commercial Property activity.

28. Recreation Facilities – EA Network Centre

Council owns and operates the EA Network Centre to encourage and support recreation and leisure activities by providing affordable and accessible quality sports facilities. Council also operates Tinwald Community Pool during the summer months and is consulting on whether this continues under this long-term plan.

The service primarily contributes to the following community outcome.

- A district of great spaces and places.

Who benefits

Private benefit 50%

(Provided to users of recreation facilities)

Community wide benefit 50%

(Provided to residents being able to access and use recreation facilities)

Who creates a need: No groups or individuals drive demand other than the beneficiaries, which is the community as a whole.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- A general charge component applicable through UAGC is appropriate as all residents can access the recreational facilities.
- Council attempts to recover the private benefit of the activity through applying user charge.

Funding sources of operating expenditure:

Uniform Annual General Charge (UAGC) 50-70%

Fees & Charges 30-50%

Funding sources of capital expenditure:

Any of the following sources may contribute to the funding of capital expenditure:

- UAGC
- Fees & Charges
- Borrowing
- Any other sources.

Loan repayments will be funded on the same basis as operating expenditure. Capital expenditure on the EA Network Centre building is addressed under Commercial Property.

29. Regulatory Services – Alcohol Licensing & Gambling Venue Consenting

Council processes, assesses and grants applications for alcohol licenses and managers' certificates under the Sale and Supply of Alcohol Act 2012. Council also monitors and enforces the requirements of licences and certificates.

Council also provides a venue consenting role addressing where new gambling venues may be situated under the Gambling Act 2003 and the Racing Industry Act 2020.

The alcohol licensing & gambling venue consenting activity primarily contributes to the following community outcomes:

- A balanced and sustainable environment.
- A district of great spaces and places.

Who benefits

Private benefit 80%

(Benefits to owners of licensed businesses being able to operate.)

Community-wide benefit 20%

Who creates a need: People who drink or gamble excessively can suffer harm. Legislative requirements and policies are intended to reduce such harm.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- The private benefit from this activity goes to businesses who profit from their licensed activities. Fees and charges are an appropriate funding tool.
- The community-wide benefit goes to the community as a whole who enjoy the public safety and health benefits of appropriately regulated activity. General rate is an efficient method to recover these costs.

Funding sources of operating expenditure

Fees and charges 75-80%

General Rate 20-25%

- Fees and charges for alcohol licensing are set under the Sale and Supply of Alcohol (Fees) Regulations 2013. Gambling venue consent fees are charged under the relevant statute.
- General rate is set on the capital value of each separately used or inhabited part of a rating unit.

Funding sources of capital expenditure

Any of the following sources may contribute to the funding of capital expenditure:

- General rate
- Fees and charges

- Borrowing
- Grants and Subsidies.
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure. It is unusual to incur capital expenditure for this activity.

30. Regulatory Services – Animal Control

Council provides dog and stock control services to protect the community from harm caused by uncontrolled dogs or stock. Dog control activities include dog registration and licensing, operating the dog pound, regular dog patrols including monitoring of dog exercise areas, responding to barking and wandering dog complaints and enforcement of the Dog Control Act 1996 and the Dog Control Bylaw.

Stock control activities include responding to complaints of wandering stock including impounding of stock where necessary.

The animal control activity primarily contributes to the following community outcomes:

- A district of great spaces and places.

Who benefits

Private benefit 95%

(Benefits to dog owners and the owners of wandering stock)

Community-

wide

benefit 5%

(Safety of the general public)

Who creates a need: Irresponsible dog owners create a higher demand as their animals are more likely to wander or pose harm to others.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- The private benefit from this activity goes to dog owners and owners of wandering stock. Fees and charges are an appropriate funding tool to recover costs from these people.
- The community-wide benefit of protection from animal-related harm is enjoyed by the general public. General rate is an efficient method to recover these costs.

Funding sources of operating expenditure

Fees and charges 85-95%

General Rate 5-15%

- Fees and charges include dog license fees, impounding and infringement fees, stock impounding fees and sustenance fees.
- General rate is set on the capital value of each separately used or inhabited part of a rating unit.

Funding sources of capital expenditure

Any of the following sources may contribute to the funding of capital expenditure:

- General rate

- Fees and charges
- Borrowing
- Grants and Subsidies.
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure. It is unusual to incur capital expenditure for this activity.

31. Regulatory Services – Building Regulation

Council is an accredited building control authority, responsible for the roles set out in section 12(1) of the Building Act 2004 as well as the roles of a territorial authority set out under section 12(2) of the Act. As Building Control Authority, Council issues building consents, inspects building work, and issues notes to fix, code compliance certificates and compliance schedules.

As territorial authority, Council issues project information memoranda: grants exemptions, waivers and modifications; issues certificates of acceptance, issues and amend compliance schedules where building consent is not required, administers annual building warrants of fitness, performs functions related to dangerous, insanitary or earthquake-prone buildings, and enforces duties in relation to residential pools.

The building regulation activity primarily contributes to the following community outcomes:

- A prosperous economy based on innovation and opportunity
- A district of great spaces and places.

Who benefits

Private benefit 90%

(Benefits to building owners and construction contractors being able to build in a manner that meets the requirements of the Act and the NZ Building Code.)

Community-

wide benefit 10%
(Safety of the general public)

Who creates a need: No groups or individuals drive demand other than the beneficiaries.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- The private benefit from this activity goes to building owners and builders. Fees and charges are an appropriate funding tool to recover costs from these people.
- The community-wide benefit of protection from unsafe buildings is enjoyed by the general public. General rate is an efficient method to recover these costs.

Funding sources of operating expenditure

Fees and charges 80-90%

General Rate - 10-20%

- Fees and charges include building consent processing fees, inspection fees Code of Compliance certificate fees and a variety of other fees related to the processing of different applications.
- General rate is set on the capital value of each separately used or inhabited part of a rating unit.

Funding sources of capital expenditure

Any of the following sources may contribute to the funding of capital expenditure:

- General rate
- Fees and charges
- Borrowing
- Grants and Subsidies.
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure. It is unusual to incur capital expenditure for this activity.

32. Regulatory Services – District Plan Consents & Land Information

Council issues resource consents for land uses that meet the requirements of the District Plan and the Natural and Built Environment Act 2023 to control the actual and potential adverse effects of land use.. Council maintains property records and makes information available to the public through a land information memorandum.

The district plan consents & land information activity primarily contributes to the following community outcomes:

- A prosperous economy based on innovation and opportunity
- A balanced and sustainable environment
- A district of great spaces and places.

Who benefits

Private benefit 80%

(Benefits to applicants for resource consents and applicants for land information memoranda.)

Community-wide benefit 20%

(Public good aspects of consenting including rights to submit)

Who creates a need: No groups or individuals drive demand other than the beneficiaries.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- The private benefit from this activity goes to applicants for resource consent and land information memoranda. Fees and charges are an appropriate funding tool to recover costs from applicants.
- The community-wide benefits include environmental protection and participation in decision-making processes. General rate is an efficient method to recover these costs.

Funding sources of operating expenditure

Fees and charges 60-80%

General Rate 20-40%

- Fees and charges include resource consent processing fees other applications for planning approvals, and applications for land information memoranda.
- General rate is set on the capital value of each separately used or inhabited part of a rating unit.

Funding sources of capital expenditure

Any of the following sources may contribute to the funding of capital expenditure:

- General rate
- Fees and charges

- Borrowing
- Grants and Subsidies.
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure. It is unusual to incur capital expenditure for this activity.

33. Regulatory Services – District Plan Policy & Development

Council plans for the future growth of the district and aims to control the actual and potential adverse effects of land use. These activities are carried out primarily through the District Plan and includes the processing of District Plan changes and advocacy on land use statutes, national policy statements, national environmental standards, regional plans and regional policy statements.

The district plan policy & development activity primarily contributes to the following community outcomes:

- A prosperous economy based on innovation and opportunity
- A balanced and sustainable environment
- A district of great spaces and places.

Who benefits

Community-wide benefit 100%

(Public good aspects of district plan policy & development including rights to participate in the planning process and the social, economic and environmental benefits of effective planning).

Who creates a need: No groups or individuals drive demand other than the beneficiaries.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- The community-wide benefits include environmental and cultural protection, economic growth and participation in decision-making processes. General rate is an efficient method to recover these costs.

Funding sources of operating expenditure

General Rate 100%

- General rate is set on the capital value of each separately used or inhabited part of a rating unit.

Funding sources of capital expenditure

Any of the following sources may contribute to the funding of capital expenditure:

- General rate
- Borrowing
- Grants and Subsidies.
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure. It is unusual to incur capital expenditure for this activity.

34. Regulatory Services – Environmental Health Monitoring & Enforcement

Council monitors and enforces environmental health functions including registered food premises, investigation of notifiable diseases and responding to noise and other nuisance complaints.

The environmental health monitoring & enforcement activity primarily contributes to the following community outcomes:

- A prosperous economy based on innovation and opportunity
- A district of great spaces and places.

Who benefits

Community-wide benefit 100%

(Public good aspects of district plan policy & development including rights to participate in the planning process and the social, economic and environmental benefits of effective planning).

Who creates a need: Any individuals who are persistently non-compliant drive demand to a greater extent than the beneficiaries.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- The community-wide benefits include assurance that public health standards will be met and upheld. General rate is an efficient method to recover these costs.

Funding sources of operating expenditure

General Rate 100%

- General rate is set on the capital value of each separately used or inhabited part of a rating unit.

Funding sources of capital expenditure

Any of the following sources may contribute to the funding of capital expenditure:

- General rate
- Borrowing
- Grants and Subsidies.
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure. It is unusual to incur capital expenditure for this activity.

36. Regulatory Services – Environmental Health Licensing

Council provides environmental health licensing to businesses and individuals to uphold compliance with legal standards that protect public health. The activity includes licensing of food premises, hairdressers, funeral directors, camping grounds, offensive trades, hawkers, itinerant traders, amusement devices, mobile shops and stalls.

The environmental health licensing activity primarily contributes to the following community outcomes:

- A prosperous economy based on innovation and opportunity
- A district of great spaces and places.

Who benefits

Private benefit 90% (Benefits to individuals and businesses requiring environmental health licensing.)	Community-wide benefit 10% (Safety of the general public)
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Who creates a need: No groups or individuals drive demand other than the beneficiaries.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- The private benefit from this activity goes to individuals and businesses that require licensing. Fees and charges are an appropriate funding tool to recover costs from these people.
- The community-wide benefit of protection from unsafe business activities is enjoyed by the general public. General rate is an efficient method to recover these costs.

Funding sources of operating expenditure

Fees and charges 80-90%	General Rate 10-20%
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- Fees and charges include licensing fees across a range of activities.
- General rate is set on the capital value of each separately used or inhabited part of a rating unit.

Funding sources of capital expenditure

Any of the following sources may contribute to the funding of capital expenditure:

- General rate
- Fees and charges
- Borrowing
- Grants and Subsidies.

- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure. It is unusual to incur capital expenditure for this activity.

37. Regulatory Services – Emergency Management

Council undertakes contingency planning and readiness for natural disasters and provides response and recovery services in the event of a civil defence emergency.

The emergency management activity primarily contributes to the following community outcomes:

- A prosperous economy based on innovation and opportunity
- A district of great spaces and places.

Who benefits

Community-wide benefit 100%

(Community-wide benefits include the protection of people and property.)

Who creates a need: Any individuals who are persistently non-compliant drive demand to a greater extent than the beneficiaries.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- The community-wide benefits include the protection of people and property across the district as a whole.
- Uniform annual general charge is an appropriate method to recover the costs of protecting life, as it is a household-based charge. General rate is an efficient method to recover the costs associated with the protection of property.

Funding sources of operating expenditure

General Rate 50%

Uniform Annual General Charge 50%

- General rate is set on the capital value of each separately used or inhabited part of a rating unit.
- Uniform annual general charge is a uniform charge on each separately used or inhabited part of a rating unit in the district.

Funding sources of capital expenditure

Any of the following sources may contribute to the funding of capital expenditure:

- General rate
- Uniform annual general charge
- Borrowing
- Grants and Subsidies.
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure. It is unusual to incur capital expenditure for this activity.

38. Regulatory Services – Parking

Council provides on and off-street parking in the central business district of Ashburton, the commercial centres of Methven and Rakaia and suburban shopping centres throughout the district. Council also monitors and enforces compliance with parking restrictions and traffic regulations.

The parking activity primarily contributes to the following community outcome:

- A prosperous economy based on innovation and opportunity

Who benefits

Private benefit 100%

(Benefits to users of parking facilities.)

Who creates a need: No groups or individuals drive demand other than the beneficiaries.

When benefits occur: The benefits of operational expenditure are enjoyed in the short-term once the funds are expended. The benefits of capital expenditure on infrastructure assets are enjoyed over the life of the assets.

Reasons for funding arrangement

- The private benefit from this activity goes to individuals and businesses that use parking facilities. Fees and charges are an appropriate funding tool to recover costs from these people.

Funding sources of operating expenditure

Fees and charges 100%

- Fees and charges include meter fees and infringement fines.

Funding sources of capital expenditure

Any of the following sources may contribute to the funding of capital expenditure:

- Fees and charges
- Borrowing
- Grants and Subsidies.
- Any other source of funding.

Loan repayments will be funded on the same basis as operating expenditure.

16. Long Term Plan 2024-34

Author	<i>Femke van der Valk; Corporate Planner</i>
Activity manager	<i>Mark Low; Strategy & Policy Manager</i>
General manager	<i>Toni Durham; Group Manager Democracy & Engagement</i>

Summary

- The purpose of this report is to adopt the Ashburton District Council Long Term Plan 2024-34.
- 1522 submissions were received on the proposed plan, with 88 submitters attending the hearing.
- A series of changes to the proposed plans were made during the deliberations in response to the public's feedback.
- The Long Term Plan 2024-34 includes the following information:
 - LTP Activity Statements
 - Fees & Charges 2024/25
 - Council Financial Statements
 - Significant Forecasting Assumptions
 - Financial Strategy 2024-34
 - Infrastructure Strategy 2024-54
 - Revenue and Financing Policy
 - Development and Financial Contributions Policy
 - Community Engagement Policy (summary)
 - Other relevant information
- The LTP Policies are adopted separately (see individual reports)

Recommendation

- 1. That** Council adopts the Long Term Plan 2024-34, including the:
 - LTP Activity Statements
 - Fees & Charges 2024/25
 - Council Financial Statements
 - Significant Forecasting Assumptions
 - Financial Strategy 2024-34
 - Infrastructure Strategy 2024-54

Attachment

Appendix 1 Final Long Term Plan 2024-34 (separately circulated)

Background

The current situation

1. Under Section 93 of the Local Government Act 2002 (the Act), Council is required to produce a long-term plan (LTP) every three years. The LTP must provide information on what the Council intends to do over the coming ten years and how this will be funded.
2. The LTP is the key Council 10 year planning document, outlining the Council's strategic direction, levels of service, priorities and work programmes, and how services are funded.
3. Schedule 10 of the Act specifies the minimum information and content that must be included in the LTP, such as Community Outcomes, Activity statements (describing levels of service, capital expenditure, and funding impact statements for our activities), Financial strategy, Infrastructure strategy, LTP Policies (e.g. Revenue and Financing) Forecast Financial Statements and Significant Forecasting Assumptions.
4. The LTP must be adopted before the commencement of the first year to which it relates (1 July 2024), and continues in force until the close of the third consecutive year to which it relates. Adoption of the LTP enables Council to set the rates for the 2024/25 rating year.
5. The LTP has been extensively consulted on through the Five for our Future LTP consultation round outlined below.
6. At the 7 February 2024 Council meeting Council agreed that the LTP Consultation Document would not be subject to audit or include an audit opinion.

However, the LTP is still subject to audit and required to include an audit opinion. The LTP Audit process has continued since the draft was prepared. The purpose of the LTP Audit is outlined in the Act as follows:

“The long-term plan must contain a report from the Auditor-General on—

- (a) whether the plan gives effect to the purpose set out in [section 93\(6\)](#)¹; and*
- (b) the quality of the information and assumptions underlying the forecast information provided in the plan.”*

7. At time of writing this report, we have not yet received an audit opinion – but this is expected by 26 June 2024 and will be circulated as soon as possible.

¹ **Section 93(6) Purpose of the long-term plan**

The purpose of a long-term plan is to—

- (a) describe the activities of the local authority; and*
- (b) describe the community outcomes of the local authority's district or region; and*
- (c) provide integrated decision-making and co-ordination of the resources of the local authority; and*
- (d) provide a long-term focus for the decisions and activities of the local authority; and*
- (e) provide a basis for accountability of the local authority to the community.*

Previous Council decisions and direction

Consultation document

8. At the 20 March 2024 Council meeting, the consultation document which formed the basis of community consultation was adopted.
9. Consultation was undertaken from 27 March to 28 April 2024. Led by elected members, 31 engagement events were held over a period of three weeks and over a 1,000 people are estimated to be engaged with in person at the various events, which included:
 - six community meetings (attended by 152 plus online views of the livestreamed meeting)
 - six pop-up events at the New World Ashburton, EA Network Centre, Methven Four Square, Ashburton Library Te Kete Tuhinga and Ashburton CBD.
 - 4x Talk it up Tuesdays
 - 11 Community group and high school visits / presentations
 - three roadshow events, “Saturday Sausage Sizzles”, held at the Tinwald Pool, Te Whare Whakatare/Balmoral Hall and next to the Methven iHub.
 - 4-week radio campaign with 250 + advertisements played (digital ads with a 20,000+ reach)
 - 9 newspaper advertisements + weekly articles
 - DL flyer with intro to the LTP sent to 15,037 mailboxes in the district
 - 18.5k views of the ItsOurPlace consultation website
 - 45 social media posts + campaign (organic reach 153K, sponsored reach 72K)
10. 1,522 submissions were received on the proposed plan, with 88 submitters presenting at the hearings from 13-16 May 2024.
11. Council deliberated on the community feedback from 20 till 22 May 2024.
12. Following Council deliberations on the submissions, a series of changes were identified. These are described in *Section 1 Overview – Engaging with our community* in the LTP and the key decisions are described below.
13. During the 23 & 29 May extraordinary Council meeting, Council passed the following resolutions on the five Key Decisions and other key issues addressed during the Long Term Plan 2024-34:
14. Key Decision 1: Kerbside green waste collection
 - **That** Council introduce a green waste collection service for all residential users from September 2026 as part of the Long-Term Plan 2024-34.
 - **That** Council consider:
 - what bin size options, if any, will be made available to the community in 2024/25; and
 - the approach to implementation of a green waste collection service for businesses.

15. Key Decision 2: Water-based leisure
- **That** Council does not invest in water-based leisure at this time and this is revisited in a future Annual Plan or LTP.
 - **That** the proposed funding is removed from the LTP 2024-34 budget.
 - **That**, as a result of this decision, the Tinwald Pool is permanently closed and in conjunction with the Tinwald Reserve Board, an alternative option is investigated for the site.
16. Key Decision 3: Balmoral Hall and old Polytech site
- **That** Council retains the **Balmoral Hall** and the site for two more years, or until the Hall becomes unusable, whereby the hall is sold or demolished.
 - **That** Council retains the **Polytech site**, demolishes or sells the buildings and invests in the redevelopment of an unsealed carpark on the site at an estimate of \$1.5m.
17. Key Decision 4: Stockwater
- **That** Council exits the stockwater service by 30 June 2027.
 - **That** Council increase the long-term plan budgets for District Water Management by \$45,940 in 2025/26 & \$152,970 in 2026/27 to fund a managed and inclusive exit from Council delivery of the stockwater service.
 - **That** a Stockwater Working Group be established to monitor progress, with two Councillors appointed as members.
18. Key Decision 5: EA Networks Stadium
- **That** Council approves up to \$23.7 million for a three-court EA Networks Centre stadium extension providing a minimum of the features identified in option 2, with project preparation and construction in Years 7-9 of the LTP (2029-30 – 2031-32) of the Long Term Plan 2024-34.
19. Ashburton Airport
- **That** Council amends the Revenue & Financing Policy for the Ashburton Airport from 40-50% fees and charges and 50-60% general rate to 30-40% fees and charges and 60-70% general rate taking effect 1 July 2024.
 - **That** Council directs officers to investigate alternative management and operation models for the Ashburton Airport over 2024/25
20. Roothing (unsubsidised)
- **That** Council approves an additional \$500,000 of unsubsidised funding across years 1-10 for maintaining the unsealed roading network.
21. Changes were also made to the Fees & Charges following consultation. The main changes were:
- Amendment to the Airport Fees & Charges:

- **That** Council introduces a bulk landing fee of \$200 for annual fee holders for 2024-25.
- **That** Council introduces a flat \$12.00 fee per landing (to include all landings for up to one hour) for casual airport users for 2024/25.
- Amendment of the EANC Membership charges:
 - **That** the new fees and charges excluding the Squad Swimming come into effect 1 July 2024 (Squad swimming is 2025).
 - That the new fees relating to the new Two-Tier Membership structure come into effect no later than 5 August 2024.
 - **That** Council adopts the EA Networks Centre fees and charges for 2024/25 as set out in Appendix 1, with officers adhering to notice provision to members.

Minor changes to the Fees & Charges include the updating of wording and for example the removal of the Tinwald Pool fees.

LTP Document changes

22. The LTP 2024-34 document has been developed based on the content of the LTP Consultation Document and supporting information approved by Council on 20 March 2024.
23. Following the LTP consultation, hearings and deliberations and as a result of the Audit process a number of changes have been made to the LTP documents. The main changes throughout the document are:
 - Updates to reflect decisions made as a result of the LTP deliberations
 - Updates to all financial statements and financial information where necessary
 - Updating the front section to summarise key points and information in the LTP document
 - Updates to policies and fees and charges to reflect changes made as a result of deliberations
 - Some adjustments to forecasting assumptions

Options analysis

Option one – adopt the Long Term Plan 2024-34 (recommended option)

24. This will allow Council to meet its statutory deadline of adopting the Long Term Plan by 30 June 2024.
25. The information included within the LTP refers to:
 - LTP Activity Statements
 - Fees & Charges 2024/25
 - Council Financial Statements
 - Significant Forecasting Assumptions
 - Financial Strategy 2024-34
 - Infrastructure Strategy 2024-54
 - Revenue and Financing Policy

- Development and Financial Contributions Policy
- Community Engagement Policy (summary)
- Other relevant information

<p>Advantages:</p> <ul style="list-style-type: none"> • Council will comply with legislative requirements of the timeframe for the adoption of the Long Term Plan. • Council’s work programme can progress for the 24/25 year • Council can set the rates for the 2024/25 year 	<p>Disadvantages:</p> <p>No disadvantages identified for this option</p>
<p>Risks:</p> <p>No risks identified.</p>	

Option two – adopt the Long Term Plan 2024-34 with amendments

26. Any significant changes at this point in time will potentially require sign-off by Audit. We are statutorily required to adopt an LTP by 30 June, therefore, any changes will result in Council not meeting its statutory requirements.

<p>Advantages:</p> <p>No advantages identified for this option</p>	<p>Disadvantages:</p> <ul style="list-style-type: none"> • Council will not comply with legislative requirements of the timeframe for the adoption of the Long Term Plan. • Council will be unable to progress the 24/25 work programme or set the rates
<p>Risks:</p> <p>Depending on the significance of the changes and the work required to process them this could affect the LTP timeframe and potentially risk Council not meeting its legislative deadlines. Depending on any delays, this could have implications on future processes (e.g. striking the rates, annual report).</p>	

Legal/policy implications

Local Government Act 2002 (LGA)

27. Council is required to produce an LTP under [Section 93 of the Local Government Act 2002](#).

Climate change

28. The decision to adopt the Long Term Plan will not impact on climate change. Parts of the LTP do consider the impact of climate change and how this will impact on delivery of Council services and the community generally.

Review of legal / policy implications

Reviewed by In-house Counsel

Tania Paddock; Legal Counsel

Strategic alignment

29. The recommendation relates to Council’s community outcome of ‘residents are included and have a voice’. The LTP contributes to Council’s strategic direction and impacts community wellbeing.

Wellbeing		Reasons why the recommended outcome has an effect on this wellbeing
Economic	✓	The Local Government Act 2002 states that the purpose of local government is to promote the social, economic, environmental and cultural well-being of communities in the present and for the future. The Long Term Plan, which refers to the future of our district, effects all the four wellbeings.
Environmental	✓	
Cultural	✓	
Social	✓	

Financial implications

Requirement	Explanation
What is the cost?	The Long Term Plan is funded within the existing budgets
Is there budget available in LTP / AP?	Yes
Where is the funding coming from?	Within existing budgets
Are there any future budget implications?	Adoption of this LTP sets the budgets for Council’s work programme for the next 10 years (with 3 yearly reviews).
Reviewed by Finance	Leanne Macdonald, Group Manager – Business Support

Significance and engagement assessment

Requirement	Explanation
Is the matter considered significant?	Yes
Level of significance	High
Level of engagement selected	3. Consult – formal two-way communication
Rationale for selecting level of engagement	Adoption of the LTP is significant and consultation has been undertaken in line with the LGA. All submitters will receive communication outlining Council's decisions, and the general community will be notified of adoption through our usual communication channels.
Reviewed by Strategy & Policy	Mark Low; Strategy & Policy Manager

17. *Setting of the Rates 2024/25*

Author *Erin Register; Finance Manager*
Executive Team Member *Leanne Macdonald; Group Manager – Business Support*

Summary

- The purpose of this report is to recommend that the Ashburton District Council resolve to set the 2024/25 Annual Rates, as per the Funding Impact Statement contained in the 2024/34 Long-term Plan.
- The resolution also includes penalty rates for instalments 1-4 in the 2024/25 year.

Recommendation

1. **That** Council sets the following rates under the Local Government (Rating) Act 2002 on rating units in the district for the financial year commencing 1 July 2024 and ending on 30 June 2025.

All section references are to sections in the Local Government (Rating) Act 2002. All amounts are GST inclusive.

- The definition of connected and serviceable is contained in Council’s Funding Impact Statement – Rating Policy and Schedule of Rates.
- The definition of separately used or inhabited part of a rating unit is contained in Council’s Funding Impact Statement – Rating Policy and Schedule of Rates.
- The definition for the amenity rating area is contained within Council’s Funding Impact Statement – Rating Policy and Schedule of Rates.

Uniform Annual General Charge (UAGC)

A uniform annual general charge (UAGC) of \$817.10 per separately used or inhabited part of a rating unit, set under section 15.

The UAGC funds wholly or in part the following activities of Council:

- Public Conveniences
- Community Grants & Funding
- Ashburton Library
- Council
- Community Safety
- Ashburton Art Gallery and Museum
- EA Networks Centre
- Emergency Management

General rate

A general rate set under section 13 of \$0.000321 per dollar of capital value on each separately used or inhabited part of a rating unit in the district.

The general rate will be used to fund either wholly or in part the following activities of Council:

- Footpaths and Cycleways
- Stormwater
- Solid Waste Management
- Emergency Management
- Environmental Health
- Cemeteries
- Stockwater Management
- Reserves and Campgrounds
- Elderly Persons Housing
- Business and Economic Development
- Ashburton Water Management Zone Committee
- District Promotion
- Community Safety
- Rural Beautification
- Urban Beautification
- Alcohol Licensing & Gambling Venue Consenting
- Animal Control
- Building Regulation
- District Planning (including land information)
- District Plan (policy and development)

Roading rate

A targeted rate for road services set under section 16 of \$0.000570 per dollar of capital value on each separately used or inhabited part of a rating unit in the district.

Water supply rates

The following differential targeted rates are set under section 16 for each water supply area listed below. In each case the differential categories are:

- a) Connected rating units
- b) Serviceable rating units

The differential targeted rates are set as a fixed amount per separately used or inhabited part of a rating unit. Rating units outside the defined water supply areas listed below, but which are nonetheless connected to a water supply scheme servicing a particular water supply area, will be charged the connected rate for that water supply area.

Water supply area	Connected	Serviceable
Ashburton urban	\$706.10	\$353.10
Lake Hood	\$706.10	\$353.10
Methven	\$706.10	\$353.10
Rakaia	\$706.10	\$353.10
Fairton	\$706.10	\$353.10
Hakatere	\$706.10	\$353.10
Hinds	\$706.10	\$353.10
Mayfield	\$706.10	\$353.10
Chertsey	\$706.10	\$353.10
Mt Somers	\$706.10	\$353.10
Dromore	\$706.10	\$353.10
Methven -Springfield*	\$706.10	-

*No serviceable charges apply

Water meters – Extraordinary and non-residential supply

In addition to the above targeted rates, a targeted rate for water supply, set under section 19, will apply for:

- a) Rating units which fall outside a defined water supply area, but which are nonetheless connected to a water supply scheme servicing a water supply area (except Montalto, Lyndhurst and Barrhill); or
- b) Rating units which are used for non-residential purposes, and which are connected to a water supply scheme in a water supply area (except Montalto, Lyndhurst and Barrhill).

The rate is \$1.00 per 1,000 litres of water consumed in excess of 90 cubic metres consumed in the quarterly periods during each year. The quarterly periods are 1 July to 30 September, 1 October to 31 December, 1 January to 31 March, and 1 April to 30 June.

Water meters – Residential extraordinary supply

Defined as properties connected to the Council water supply network located in Residential D, or Rural A zones of the Ashburton District Plan; or Methven-Springfield rural water supply.

In addition to the above targeted rates, a targeted rate for water supply, set under section 19, will apply for:

- a) Rating units which fall outside a defined water supply area, but which are nonetheless connected to a water supply scheme servicing a water supply area (except Montalto, Lyndhurst and Barrhill); or
- b) Rating units which are used for non-residential purposes, and which are connected to a water supply scheme in a water supply area (except Montalto, Lyndhurst and Barrhill).

The rate is \$1.00 per 1,000 litres of water consumed in excess of 438 cubic metres per annum. The period is 1 July – 30 June.

Montalto water supply rate

A targeted rate under section 16 of \$2,298.90 per rating unit in the Montalto water supply scheme, plus \$74.70 per hectare of land in the Montalto water supply scheme.

Lyndhurst water supply rate

A targeted rate under section 16 of \$202.20 on all rating units connected to the Lyndhurst water supply.

Barrhill village water supply rate

A targeted rate under section 16 of \$412.50 on all rating units within the proposed scheme boundary for the Barrhill Village water supply.

Residential wastewater disposal rates

The following differential targeted rates are set under section 16 for wastewater (sewage) disposal for the Ashburton urban area, Methven, and Rakaia townships, as listed below. In each case the differential categories are:

- a) Connected rating units
- b) Serviceable rating units

The targeted rates are set as a fixed amount per separately used or inhabited part of a rating unit.

	Connected	Serviceable
Ashburton urban area	\$603.60	\$301.80
Methven township	\$603.60	\$301.80
Rakaia township	\$603.60	\$301.80

The following additional targeted rates are set under section 16 for wastewater disposal on connected rating units within the Ashburton urban area, Methven and Rakaia townships as listed below. These rates are set differentially based on location and the number of urinals / pans in excess of three, in each rating unit, as listed below.

	Urinal / pan charge from 4+
Ashburton urban area	\$201.20
Methven	\$201.20
Rakaia	\$201.20

Solid waste collection rates

The following rates are set under section 16 for waste collection for each area to which the service is provided as listed below. The targeted rates are set as a fixed amount per separately used or inhabited part of a rating unit.

Ashburton urban	\$254.60
Ashburton CBD (inner)	\$428.60
Methven	\$254.60
Rakaia	\$254.60
Hinds	\$254.60
Mayfield	\$254.60
Mt Somers	\$254.60
Chertsey	\$254.60
Fairton	\$254.60
Lake Clearwater	\$156.30
Rangitata Huts	\$198.80
Ashburton District extended	\$254.60

Stockwater rate

A targeted rate under section 16 on all rating units within the general stockwater scheme. The rate is to be determined in accordance with the following factors:

- a) A rate of \$700.00 where the total length of any stockwater races, aqueducts or water channels that pass through, along, or adjacent to, or abuts the rating unit does not exceed 246 metres in length; and
- b) A rate of 58 cents per metre where the total length of any stockwater races, aqueducts or water channels that pass through, along or adjacent to, or abuts the rating unit exceeds 246 metres in length.

Amenity rates

Targeted rates for amenity services under section 16 are as follows:

Ashburton CBD (inner) footpath cleaning rate

\$0.000544 per dollar on the capital value of each business rating unit within the Ashburton CBD (inner) rating area (as more particularly described by reference to the Ashburton District Council Rating Areas Map Book), for footpath services.

Ashburton urban amenity rate

\$0.000961 per dollar of capital value of each rating unit in the Ashburton urban area (as more particularly described by reference to the Ashburton District Council Rating Areas Map Book) to meet the costs of stormwater services, footpaths, and parks and open spaces.

Ashburton business amenity rate

\$0.000329 per dollar of capital value of each business rating unit within the Ashburton urban area (as more particularly described by reference to the Ashburton District Council Rating Areas Map Book) for the provision of public conveniences, and district promotion.

Methven business amenity rate

\$0.000428 per dollar on the capital value of each business rating unit within the Methven township area (as more particularly described by reference to the Ashburton District Council Rating Areas Map Book) for the purposes of public conveniences, and district promotion.

Methven amenity rate

\$0.000665 per dollar on the capital value of each rating unit within the Methven township (as more particularly described by reference to the Ashburton District Council Rating Areas Map Book) to meet the costs of stormwater services, footpaths, parks and open spaces, and reserve boards.

Rakaia business amenity rate

\$0.000332 per dollar on the capital value of each business rating unit within the Rakaia township area (as more particularly described by reference to the Ashburton District Council Rating Areas Map Book) for the provision of public conveniences, and district promotion.

Rakaia amenity rate

\$0.000592 per dollar on the capital value of every rating unit within the Rakaia township (as more particularly described by reference to the Ashburton District Council Rating Areas Map Book) to meet the costs of stormwater services, footpaths, parks and open spaces, and reserve boards.

Hinds stormwater rate

\$0.000137 per dollar on the capital value of every rating unit within the Hinds township area for the provision of stormwater services.

Rural amenity rate

\$0.000041 per dollar on the capital value of every rating unit within the rural area, for the provision of footpaths, and parks and open spaces.

Methven Community Board rate

A targeted rate to fund the Methven Community Board under section 16 of \$114.40 per rating unit within the Methven township (as more particularly described by reference to the Ashburton District Council Rating Areas Map Book).

Mt Hutt Memorial Hall rate

A targeted rate to partially fund the Mt Hutt Memorial Hall under section 16 of \$0.000138 per dollar on the capital value of each rating unit in the Methven township (as more particularly described by reference to the Ashburton District Council Rating Areas Map Book).

Due dates for payment of rates

The rates will be payable in four equal instalments due on:

- 20 August 2024
- 20 November 2024
- 20 February 2025
- 20 May 2025

Where the 20th of a month in which rates are due does not fall on a working day, rate payments will be accepted without penalty up to and including the first working day after the 20th of that month.

Due dates for payment of water meter charges – Extraordinary Supplies

That water meter charges are due on:

Quarterly period	Reading dates completed	Due date
1 July to 30 September 2024	15 October 2024	20 November 2024
1 October to 31 December 2024	15 January 2025	20 February 2025
1 January to 31 March 2025	15 April 2025	20 May 2025
1 April to 30 June 2025	15 July 2025	20 August 2025

Due dates for payment of water meter charges – Extraordinary residential supply

That water meter charges are due on:

Annual period	Reading date completed	Invoice date
1 July 2024 to 30 June 2025	15 July 2025	20 August 2025

Penalties

In accordance with sections 57 and 58, the Council authorises the Finance Manager to add the following penalties on rates unpaid by the due date.

A 10% penalty will be added to instalment balances remaining unpaid as at the following dates:

- 21 August 2024
- 21 November 2024
- 21 February 2025
- 21 May 2025

In addition, unpaid rates and charges levied prior to 30 June 2025 will attract a further 10% penalty if still unpaid as at 31 August 2025 and an additional 10% penalty applied on 28 February 2026 if still unpaid.

Background

1. The Ashburton District Council Rates 2024/25 have been set based on Council's Funding Impact Statement in the 2024/34 Long Term Plan. The setting of rates meets the requirements of the Local Government (Rating) Act 2002.

Options analysis

Option one – set the rates 2024/25 by resolution of Council – recommended

2. Council would set the rates in accordance with the Local Government (Rating) Act 2002. This option would mean the Council would be able to levy rates for the 2024/25 year.

Advantages: Council is able to levy rates for the 2024/25 financial year	Disadvantages: None identified
Risks: This option is considered to have little risk associated with it.	

Option two – do not set the rates 2024/25 by resolution of Council

3. This option would mean Council would be unable to levy rates for the 2024/25 year.

Advantages: None identified.	Disadvantages: Council would be unable to levy rates for the 2024/25 financial year
Risks: This option would not allow Council to be able to levy rates for the 2024/25 financial year.	

Legal/policy implications

4. Council is required, under section 23 of the Local Government Act (rating) 2002, to set rates by a resolution of Council.

Climate change

5. There are no obvious linkages between the content of the report and climate change mitigation or adaption.

Strategic alignment

Wellbeing		Reasons why the recommended outcome has an effect on this wellbeing
Economic	✓	The recommendation allows for Council to be able to levy rates for the 2024/25 financial year.
Environmental		
Cultural		
Social		

Financial implications

Requirement	Explanation
What is the cost?	Up-to-date financial and rating information is included in year 1 of the 24/34 Long Term Plan.
Is there budget available in LTP / AP?	Yes
Where is the funding coming from?	See Year 1 of the 2024/34 Long Term Plan for details
Are there any future budget implications?	This is a key Council resolution to allow rates to be levied to provide for Council's budgeted spending in year 1 of the 2024/34 Long Term Plan.
Reviewed by Finance	Leanne Macdonald, Group Manager – Business Support

6. If rates are not set for the 2024/25 year, Council will be unable to levy rates and, therefore, will not have revenue available to undertake the work programmes outlined in in year 1 of the 2024/34 Long Term Plan.

Significance and engagement assessment

Requirement	Explanation
Is the matter considered significant?	No
Level of significance	Medium
Rationale for selecting level of significance	N/A
Level of engagement selected	1. Inform – one way communication

<p>Rationale for selecting level of engagement</p>	<p>Adopting a rates resolution is the final procedural step in the long term plan and rates setting process to enable Council to conduct its work programme for the 2024/25 year. The LTP has been consulted on during March to April 2024 and decisions leading to these final rates to be set made during April to May.</p> <p>The resolution must be published online within 20 working days of adoption.</p>
<p>Reviewed by Strategy & Policy</p>	<p>Mark Low; Strategy and Policy Manager</p>

18. Canterbury Climate Partnership Plan – Feedback Phase 3

Author	<i>Richard Mabon, Senior Policy Advisor</i>
Activity Manager	<i>Mark Low, Strategy and Policy Manager</i>
Executive Team Member	<i>Toni Durham, Group Manager, Democracy & Engagement</i>

Summary

- The purpose of this report is to:
 - Seek feedback on the narrative and design of the draft Canterbury Climate Partnership Plan “CCPP”; and
 - Seek Council’s support for the draft CCPP; and
 - Explain the remaining steps to formal adoption of the plan.
- All councils are facing fiscal constraints and an increasing cost burden. This plan offers a pragmatic financial advantage. By working together, we can save money in the long run and make an important contribution to climate action in Canterbury.
- Officers recommend that Council confirms its support for the draft Canterbury Climate Partnership Plan.

Recommendation

- 1. That** Council provides feedback on the narrative and design of the draft Canterbury Climate Partnership Plan.
- 2. That** Council confirms its support for the Canterbury Climate Partnership Plan.
- 3. That** Council NOTES that the Canterbury Climate Partnership Plan will be finalised following LTP deliberations at all councils for endorsement and approval by the Chief Executive Forum and the Canterbury Mayoral Forum in July and August respectively.

Attachment

Appendix 1 Canterbury Climate Partnership Plan – Draft for feedback

Background

Previous actions and resolutions

1. Council has twice previously considered and given feedback on components of the draft CCPP, having reviewed the strategic framework and more recently, the action plan.
2. In the LTP process, Council has funded \$50,000 per annum for three years for climate change activities. This is not specifically targeted to the CCPP but covers Council's commitment in year 1 with sufficient funds also available for any local Council initiatives.

The current situation

3. Council is now being asked to confirm its support for the CCPP as a whole. Council is also invited to provide feedback on document narrative and design. Finally Council is being informed about the process for formal adoption of the CCPP from this point forward.
4. The draft CCPP has been endorsed by the Climate Action Plan Reference Group.
5. This plan offers a pragmatic financial advantage. By working together, we can save money in the long run, amplify our impact and achieve meaningful outcomes in Canterbury
6. All councils have helped identify and develop these collaborative climate actions. The actions are to complement, not duplicate, climate efforts of individual councils. The Partnership Plan actions will enable councils to advance their own climate change action.
7. Successful implementation of the Partnership Plan actions will require sustained contributions and collaboration between all councils, appropriate resourcing in terms of budget and staff time, and continued political backing.

Draft designed plan

8. The Climate Change working Group "CCWG" has aimed to ensure that the plan is:
 - Concise and expressed in clear language, with links to relevant technical information.; and
 - Framed around opportunities that climate change presents; and
 - Includes summaries of councils' climate change work to date, to portray the good work already happening in the region.

9. Council is invited to provide feedback on the narrative and design. Officers will take notes of your feedback at the meeting.

Process for formal adoption starting 26 June

10. Council is invited to confirm its support today. See options analysis below for advantages, disadvantages and risks. All councils will be asked to do this during June, along with feedback on the narrative and design of the document. The next steps are:
 - June 2024 – Share document with chairs of papatipu rūnanga and Ngai Tahu
 - June 2024 – Confirm budget through Council’s LTP decisions. Draft Plan shared with Canterbury Policy Forum.
 - July 2024 – CCWG to review and finalise implementation plan based on the overview implementation plan contained in the Draft CCPP (pp 42-45)
 - July 2024 – Seek endorsement from Chief Executives Forum
 - August 2024 – Seek approval from Canterbury Mayoral Forum (30 August)
 - September/October – Publication and launch of the CCPP.

Options analysis

Option one – Council supports the draft CCPP.

11. Under this option Council supports the draft CCPP

<p>Advantages:</p> <ul style="list-style-type: none"> • This is consistent with previous feedback and supports the project objectives. • It supports Council’s climate change policy objectives and climate resilience plan. 	<p>Disadvantages:</p> <p>This effectively commits \$18,620 of the year 1 funding for climate change initiatives (leaving ~\$31,000 for ADC work).</p>
<p>Risks:</p> <p>Normal operational risks apply around delivery of CCPP projects. Overall risk is LOW.</p>	

Option two – Council withholds support for the CCPP.

12. Under this Option, Council withholds support for the draft CCPP.
13. Given the background to date, this outcome would come as a surprise to other Canterbury councils. Council would need to document its reasons for this decision.

<p>Advantages:</p> <p>All the LTP climate change funding is available for local initiatives.</p>	<p>Disadvantages:</p> <ul style="list-style-type: none"> • This is inconsistent with previous feedback and in opposition to the project objectives. • It is inconsistent with Council's climate change policy objectives and climate resilience plan. • The opportunity for collaborative work with other Councils is compromised.
<p>Risks:</p> <p>This decision is HIGH risk in terms of council's reputation with other Canterbury councils.</p>	

Legal/policy implications

14. The Plan is not a statutory plan. The process for its development and adoption is compliant with Local Government Act 2002 decision-making requirements.

Climate change

15. The Plan addresses climate adaptation and mitigation issues at a regional level and in a collaborative way. As noted, it supports Council's Climate Change Policy and Climate Resilience Plan.

Strategic alignment

16. The recommendation relates to all Council's community outcome and all four community well beings because the impacts of climate mitigation and adaptation pose potential benefits and costs across a broad range of infrastructure, services and the natural and built environment, with flow-on effects on the economy and society generally.

Financial implications

Requirement	Explanation
What is the cost?	The cost of Council's funding commitment is \$144,060 spread across years 1-3 of the LTP.
Is there budget available in LTP / AP?	Yes. This budget is not specifically earmarked for the CCPP but is "tagged" for climate change activities.
Where is the funding coming from?	Separate budget funding was approved by Council in the LTP.
Are there any future budget implications?	Yes, if Council allocates all or any of the \$50,000 per annum in years 1-3 for local climate change work. Any shortfall would need to be addressed in an Annual Plan.
Reviewed by Finance	Erin Register, Finance Manager

Significance and engagement assessment

Requirement	Explanation
Is the matter considered significant?	No
Level of significance	Medium
Rationale for selecting level of significance	N/A
Level of engagement selected	Funding from all Councils has been through a consultation process via LTPs. Community engagement events and surveys were held pre-LTP on climate change across Canterbury. The detailed plan has been the subject of engagement with all Councils but not formal public consultation with the people of Canterbury. It is informed by targeted engagement and public surveys.
Rationale for selecting level of engagement	The engagement reflected the overall level of significance and the availability of operational resources to conduct engagement in an LTP year.
Reviewed by Strategy & Policy	Mark Low, Strategy & Policy Manager



It's time, Canterbury!
Kua tae te wā, Waitaha

The Canterbury Climate Partnership Plan
Te Mahere Huringa Āhuarangi o Waitaha



It's time, Canterbury – Let's act now for a liveable prosperous future

***Kua tae te wā, Waitaha - Me whakarite
ināiane ki ora rawa te apōpō!***

Foreword from the Chair of the Canterbury Climate Action Planning Reference Group – Mayor Dan Gordon and Chair of Mayoral Forum – Mayor Nigel Bowen

Climate change is one of the most pressing challenges of our time, and it affects us all. To tackle climate change and its impacts effectively, we know we must work together. By joining forces and taking bold, collective climate action here in Waitaha/Canterbury, we unlock a multitude of benefits for our communities and can even transform risks into opportunities.

All 11 councils in Canterbury have worked together to develop this plan – the Canterbury Climate Partnership Plan – which sets out how we intend to work together and with others to support our transition to a thriving, climate-resilient, low-emissions region. Every council in Canterbury is already involved with climate action in their city, district, or region. The Canterbury Climate Partnership Plan doesn't detract from that work. Instead, this plan joins the dots, enabling us to align our work programmes, create efficiencies, and provide regional solutions to shared problems.

In drafting this plan, we've sought to get the best 'bang for buck' for Canterbury residents while accelerating the scale and pace of climate action for current and future generations. The 10 climate actions in this plan are the key first steps in our journey towards a sustainable future. It's time to work together, Canterbury.



Mayor Dan Gordon
*Chair, Canterbury Climate
Action Planning Reference Group*



Mayor Nigel Bowen
*Chair, Canterbury
Mayoral Forum*

Supplied by: Mackenzie District Council

An aerial photograph of a rocky coastline. On the left, a large rock formation is covered in dark, glistening mussels. To the right, a child's feet are visible, resting in clear, shallow water. The water is crystal clear, revealing a diverse and vibrant underwater ecosystem with various types of coral and seaweed in shades of green, purple, and brown. The overall scene is peaceful and highlights the natural beauty of the coastal environment.

Guiding whakatauki of Ngāi Tahu:

*Mō tātou, ā, mō kā uri ā muri ake nei
– for us and our children after us*



Karakia

*Ko ngā maunga, ko Te
Tiritiri o Te Moana*

Ko Aoraki te Kaihautū

*Ko ngā awa, ngā awa huka
e rere ana ki te moana*

*Ko te whenua, Ngā Pākihi
Whakatekateka o Waitaha
Tihei mauri ora!*

*The mountains are the
Southern Alps,
watched over by Aoraki;*

*The rivers are the snow-fed
rivers whose waters flow out
to the ocean;*

*The land of the Canterbury
Plains is where people walk
proudly.*

*Listen up – our life force
is alive!*

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Canterbury Climate Change Working Group:

Tim Davie (Convener, Environment Canterbury), Isla Hepburn (Climate Partnership Plan Project Lead, Environment Canterbury), Jesse Burgess, Fiona Shanhun (Environment Canterbury), Richard Mabon (Ashburton District Council), Tony Moore, Carey Graydon, Jessica Allison-Batt, (Christchurch City Council), James Smyth, Nicola Kirby (Hurunui District Council), Murray Dickson, Wendy Thompson (Mackenzie District Council), Keith Tallentire, Amit Chauhan (Selwyn District Council), Rhys Taylor, Stephen Doran (Timaru District Council), Veronica Spittal, Sylvia Docherty (Waimakariri District Council), Andrew Oliver, Jonts McKerrow (Waimate District Council), Chelsea Clyde (Waitaki District Council).

Canterbury Climate Action Reference Group:

Mayor Dan Gordon (Chair, Waimakariri District Council), Councillor Craig Pauling (Environment Canterbury), Councillor Kevin Heays (Kaikōura District Council), Councillor Liz McMillan (Ashburton District Council), Councillor Sara Templeton (Christchurch City Council), Councillor David Hislop (Hurunui District Council), Councillor Murray Cox (Mackenzie District Council), Councillor Sophie McInnes (Selwyn District Council), Councillor Elizabeth Mundt (Selwyn District Council), Councillor Michelle Pye (Timaru District Council), Councillor Niki Mealings (Waimakariri District Council), Councillor John Begg (Waimate District Council), Councillor Jim Hopkins (Waitaki District Council), Hamish Dobbie (Chair Canterbury Policy Forum, Chief Executive Hurunui District Council).

Canterbury Climate Change Working Group and Reference Group Secretariat:

Alina Toppler, Sarah Hancock, Carmin Beck (Environment Canterbury).

Environment Canterbury Climate Change and Community Resilience Team:

Morag Butler, Bridget Lange, Kate Williman, Victoria Clare, AnaCapri Mauro.

Te Mana Ora:

Cassie Welch, Rosa Verkasalo, Hebe Gibson, Chantal Lauzon.

It's Time, Canterbury:

Project team and Communications Sub-group

Any key stakeholders or people generous with their time developing and reviewing the document.

Lead Authors:

Isla Hepburn and Alina Toppler, Environment Canterbury Climate Change and Community Resilience Team.



Executive summary

Councils in Canterbury have joined forces to deliver bold climate actions in Canterbury/Waitaha.

All 11 councils in Canterbury have worked together to develop the Canterbury Climate Partnership Plan which sets out how we intend to work together and with others to support our transition to a thriving, climate-resilient, low-emissions region.

The Canterbury Climate Partnership Plan sets out our vision of a thriving, climate resilient, low-emissions Canterbury. These are the 6 key outcomes and objectives we are seeking through delivery of our 10 primary actions and supporting sub-actions. We have developed eight principles which underpin the development and implementation of this plan. These are the values by which we will approach collective climate action in Canterbury.

In June 2024, Councils agreed to fund regional collective climate actions through their Long-Term Plans 2024-34 and a total of \$1.47 million has been confirmed for the first 3 years. Further funding beyond the initial three years will be sought through future annual and long-term plan reviews, and by identifying and taking advantage of co-funding opportunities with key stakeholders.



Strategic Framework

Vision *Our collective purpose and guiding star for climate action in Canterbury*

A thriving, climate resilient, low-emissions Canterbury

Principles *The values by which we will approach climate action in Canterbury*

Treaty based

Solutions focused

Collaborative

Inclusive

Equitable

Informed

Intergenerational

Bold

Outcomes *The desired future state for Canterbury in a changing climate*



A healthy environment

Our healthy environment enables our communities to thrive.



An equitable and inclusive transition

Our communities are empowered through an equitable and inclusive transition to a low-emissions and climate resilient future.



Prosperity

Our environmental, cultural, economic, and social wellbeing is improved by identifying and taking early opportunities to mitigate and adapt to climate change.



Adapted and resilient communities

Our communities are resilient and have the necessary infrastructure, knowledge, and tools they need to adapt to climate change.



Emissions reduction

Greenhouse gas emissions reductions are achieved in line with our national and international commitments at a minimum.



Climate action leadership

Canterbury is a leader in climate change mitigation, adaptation, and inclusive climate action planning promoting the four wellbeings.

Objectives *What we want to achieve through regional joint climate action*

Objective one

To work with science, nature and Mātauranga Māori to reduce climate vulnerability and improve resilience.

Objective two

To enable transformational action in an inclusive and equitable way.

Objective three

To maximise co-benefits and identify opportunities for co-funding and financing climate actions.

Objective four

To inform and empower communities to be prepared, improve their resilience and adapt to climate change.

Objective five

To collaborate with communities to use available solutions and encourage behaviour change to achieve a smart, innovative, low-emissions future.

Objective six

To ensure climate change is prioritised in all local government decision making processes in Canterbury.

Regional climate actions

- 1**

Understanding climate risks and improving resilience

Understand climate hazards and risks in Canterbury to support evidence-based decision making and improve regional resilience.
- 2**

Emissions reduction

Work together across the region to build equitable, inclusive pathways, targets, and key actions to support New Zealand's commitments towards global greenhouse gas emission reduction.
- 3**

Adaptation planning

Support best practise approaches for local adaptation planning with communities.
- 4**

Nature-based solutions

Facilitate the development of a Canterbury blue-green network to increase natural capital, indigenous biodiversity and offer nature-based solutions to climate change effects.
- 5**

Climate change education and advocacy to support communities

Support community understanding about the local impacts of climate change and promote individual and collective climate action.
- 6**

Supporting Papatipu Rūnanga

Support Papatipu Rūnanga with climate action and provide opportunity for their involvement with Canterbury Climate Partnership Plan projects.
- 7**

Integrating climate change considerations into council processes

Work collaboratively to build local government capability and enhance its capacity to adapt in a changing climate.
- 8**

Climate funding and financing

Identify and leverage co-funding and financing opportunities for climate adaptation and resilience.
- 9**

Monitoring and evaluation

Monitor and report on progress towards achieving the actions and outcomes of the Partnership Plan.
- 10**

Implementation

Assemble an implementation team to ensure the successful delivery and implementation of the Canterbury Climate Partnership Plan.

Canterbury Waitaha

Our region, our home

Situated on the eastern coast of New Zealand’s Te Waipounamu South Island, the Canterbury region is renowned for its stunning landscapes, diverse ecosystems, strong economy, and vibrant communities.

From the snowcapped peaks of Kā Tiritiri o Te Moana, the Southern Alps, to Kā Pakihi Whakatekateka o Waitaha, the Canterbury Plains, the region boasts a rich tapestry of natural history and cultural heritage. Canterbury is unique – it is New Zealand’s largest region in area and its coastline is long and diverse, stretching from north of Kaikōura to the Waitaki River; there are more than 4,700 lakes and tarns, and over 78,000 km of rivers and streams. Most of Canterbury’s 599,694 residents¹ live near or on the coast. The population of Canterbury is projected to grow at the same rate of growth as Aotearoa New Zealand’s total population, on average, 0.8% per year between 2018 and 2048.

Ngāi Tahu is the iwi of Waitaha, Canterbury. There are 10 papatipu rūnanga in Canterbury who have kaitiaki status as mana whenua over land and water within their takiwā.

Canterbury is already experiencing the effects of climate change. In recent years, we’ve seen droughts, floods, fires, changing rainfall patterns, extreme weather events and coastal erosion impacting our region. These events are happening with greater frequency and intensity. Our long coastline is also changing with slower onset changes such as sea level rise.

We know that Canterbury’s climate will become warmer, wetter, windier and wilder.

¹ 2018 Census data about Canterbury Region retrieved from <https://www.stats.govt.nz/tools/2018-census-place-summaries/canterbury-region>.

These changes will affect us all and the things we value most: our people (he tangata), the environment (taiao) and biodiversity (rerenga rauropi), our infrastructure (ngā waihanga), our economy and prosperity (ōhanga), our wellbeing (hauora), connection to place and sense of community (whakapapa and hapori). The wellbeing of some communities and individuals are likely to be more affected than others, particularly those who are already vulnerable because of economic, social, health and/or cultural reasons.

Rising temperatures will significantly affect our health (ora), land use, water (wai), energy (hihiri), food (kai) security, natural ecosystems, and recreation.

Canterbury councils see and deal with the impact of a changing climate first hand, including its impact on the environment, infrastructure, businesses, and people’s lives. With commitment, collaboration, and planning, local government can lead and support communities in adapting to climate change, building resilience, and reducing their emissions.

Mayoral Forum Plan for Canterbury 2023-2025

The Canterbury Mayoral Forum is the primary mechanism for local government communication, co-ordination and collaboration in Canterbury. Climate change mitigation and adaptation in Canterbury is one of the three priorities under the *Canterbury Mayoral Forum Plan 2023-2025*. Although the Mayoral Forum continues to advocate for governance and decision-making to be devolved to the level of government closest to affected communities, the challenge of taking effective and sustained climate action requires us to work together more than we ever have before.

For the Mayors of Canterbury, the overarching priorities for climate change are reducing our carbon footprint, working together on climate action planning, building community resilience, and making our infrastructure as strong as it can be. Our Plan for Canterbury also highlights the importance we place on playing our part to ensure water, food, and energy security for the region.



The Canterbury Climate Partnership Plan

All Canterbury councils acknowledge that climate change is a significant, long-term challenge, and that we all share a role in adapting and driving solutions to this challenge. Canterbury councils are at different stages of strategy development and action planning and have varying resources available to implement action.

The Canterbury Climate Partnership Plan is about councils pulling together to help Canterbury thrive and prosper in a changing climate; it's our collective vision for a better future. This Plan is also a testament to councils' long-term commitment to working together to tackle climate change, serve our communities and safeguard our environment and the things we love for generations to come.

Importantly, the actions included in the Canterbury Climate Partnership Plan are intended to complement, not duplicate or detract from, the climate efforts of individual councils. The Partnership Plan actions will enable councils to advance their own climate change knowledge and gain momentum with local action.

The benefits of regional collaboration on climate action

There are many benefits to taking regional climate actions. The challenge of climate change response means that we will only be successful if we strengthen our working relationships and help each other on this journey.

Regional leadership and community focus

Climate change will have significant physical, economic, and socio-cultural impacts on our communities. Partnering on climate action allows for joint leadership to address these issues and collectively improve the four wellbeings for Canterbury communities.

A united voice and enhanced influence

Our united voice carries greater weight in advocating for our region's needs to central government. By presenting a unified front, we can help shape legislation and policy and secure climate action funding and finance that aligns with our shared climate objectives.

Leveraging collective resources, sharing knowledge and expertise

Together, we possess a wealth of expertise, resources, and knowledge. By pooling our strengths, we can learn from each other and achieve far more than any one council could alone. From shared research and funding opportunities to coordinated projects, collaboration amplifies our regional impact.

Maximising efficiency

Reducing duplication of efforts and streamlining processes, collaboration allows us to achieve greater efficiency in implementing climate initiatives across Canterbury. With coordinated efforts, we can achieve results faster and more effectively, delivering tangible benefits to our communities.

Fostering innovation

Collaboration sparks creativity and innovation. By sharing ideas and best practices, we can inspire new approaches to tackling climate challenges. Through collaborative research and pilot projects, we can experiment with cutting-edge solutions and pioneer new, sustainable ways of doing things.

Building resilience

Climate change does not stop at district or regional borders. By collaborating across councils and looking beyond to our neighbouring regions, we can develop comprehensive resilience strategies that protect all our communities from the impacts of extreme weather events, sea-level rise, and other climate-related risks.

Our changing climate

Greenhouse gas emissions

For hundreds of years, human activities have released increasing amounts of greenhouse gases into the atmosphere. These gases trap heat from the sun, causing warming and resulting in a changing climate. Since the 1950s, greenhouse gas emissions have greatly accelerated and are now driving the significant levels of climate change that we are experiencing today.

There are two types of greenhouse gas emissions to consider - long-lived and short-lived gases.

Long-lived gases stay in the atmosphere over very long timescales after they have been produced. Carbon dioxide and nitrous oxide are examples of long-lived gases.

Short-lived gases remain in the atmosphere for less time than long lived gases but have a greater warming impact in the short term. Biogenic methane is an example of a short-lived gas.

Both long- and short-lived greenhouse gases need to be reduced to successfully reach New Zealand’s climate change commitments.

The Canterbury Greenhouse Gas Emissions Inventory (2021) is a key tool in our climate action work that will enable us to track changes to emissions over time, assess different mitigation options, and evaluate the effect of central and local government policies on regional emissions.

The Emissions Inventory (see Figure 1) shows us that agriculture produced around a quarter of the region’s long-lived greenhouse gases and most of the biogenic methane emissions, totalling around 61% of overall gross emissions. Stationary energy and transport each produced around a third of long-lived greenhouse gas emissions in Canterbury. Waste, and industrial processes and product use, each contributed relatively small amounts of greenhouse gases.

The best available scientific advice says that holding the increase in the global average temperature to well below 2°C above pre-industrial levels is necessary to limit the most severe climate change risks.

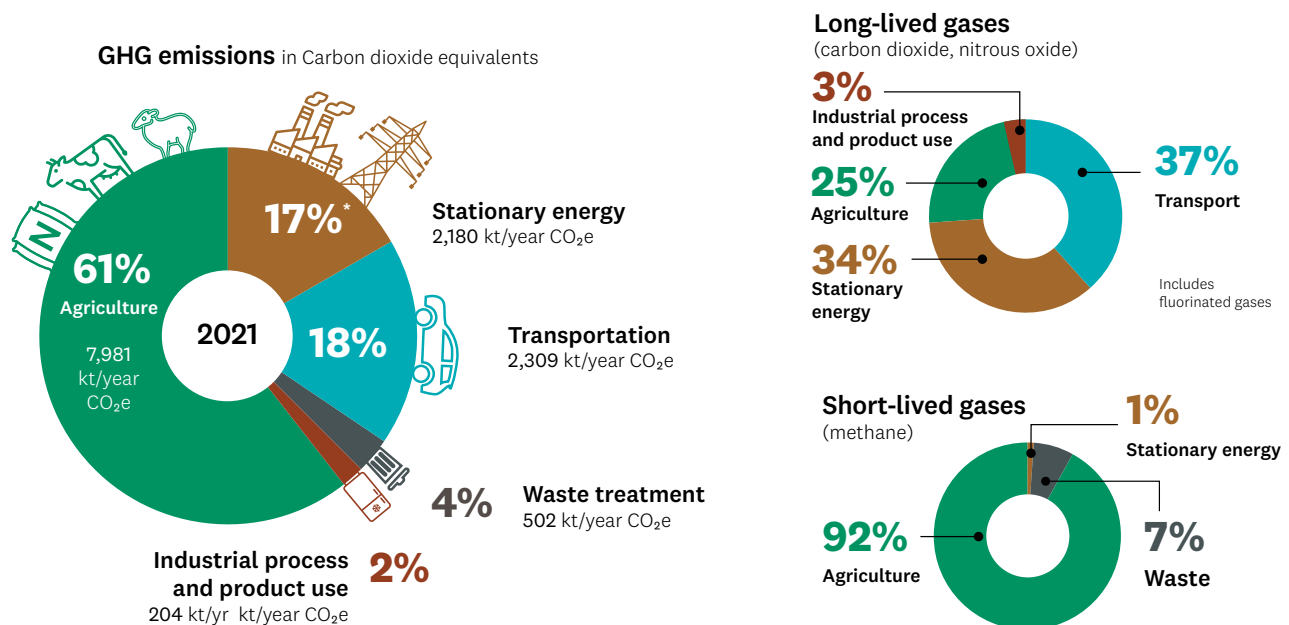


Figure 1: Canterbury’s greenhouse gas emissions, 2021
(NB. Percentages have been rounded to the nearest whole number, so charts do not add to exactly 100%)

New Zealand, along with 195 other members of the United Nations, signed the Paris Agreement in 2015 to ensure that global warming is limited to well below 2 degrees Celsius above pre-industrial levels. This agreement commits signatory countries to mitigate and adapt to the effects of climate change by reducing national greenhouse gas emissions in accordance with Nationally Determined Contributions.

Canterbury has an important role to play in contributing to national and global efforts to reduce greenhouse gas emissions in the atmosphere and we're not too small to make a difference. In fact, Canterbury, blessed with sun, water and wind, is well placed for a successful clean energy transition to a low-emissions future. We can also make big gains with emissions reduction by transitioning to more sustainable transport and agricultural practices.

The best action we can take to help mitigate the effects of global warming is to reduce greenhouse gas emissions at source. In addition to this, we can also help remove carbon from the atmosphere by sequestering or storing carbon. However, even when we do reduce global emissions, some climate change effects, and their consequences, are already locked in due to the time lag between generating the emissions and the impacts being felt. This is why adaptation – taking action to prepare for and adjust to current and projected impacts of climate change – is also important.

New Zealand's emissions reduction targets and plans

Greenhouse gas emissions targets are limits that scientists and policy makers set in their plans to combat climate change. The aim is to halt the increasing emissions and their impact. Aotearoa New Zealand's first emissions reduction plan *Te hau marohi ki anamata (2022)* contains strategies, policies and actions for achieving our first emissions budget and contributing to global efforts to limit warming to 1.5 degrees Celsius above pre-industrial levels.

New Zealand has made commitments to the following international and domestic emissions targets:

Domestic targets under the Climate Change Response Act (2022)²:

- Net zero³ emissions of all greenhouse gas emissions other than biogenic methane by 2050.
- 24 to 47 per cent reduction below 2017 biogenic methane emissions by 2050, including 10 per cent reduction below 2017 biogenic methane emissions by 2030.

Aotearoa New Zealand's emissions budgets set ambitious and achievable short-term targets that will put us on track to meet these commitments, and national emissions reduction plans lay out strategies, goals and actions to meet these budgets.



² www.legislation.govt.nz/act/public/2002/0040/latest/whole.html#DLM158590

³ Net zero emissions are achieved when anthropogenic emissions of greenhouse gases to the atmosphere are balanced by anthropogenic removals over a specified period. (IPCC, www.ipcc.ch/sr15/chapter/glossary/)



Climate risks in Canterbury

Canterbury is a large region, with varied geography and environments. This means that risks and impacts of climate change will occur in different ways across Canterbury, and direct and indirect risks⁴ will increase over time. Some risks will be experienced more often and more intensely in some districts and not in others. The Canterbury Mayoral Forum published the Canterbury Climate Change Risk Assessment in early 2022, which was designed to build a shared understanding of climate change risks across the region and to help us prepare and respond effectively. Figure 2 to the right illustrates some of the key risks which will be felt around the region. In the coming decades, many climate change risks to our region are anticipated to become high or extreme. Detailed information on climate risks and impacts in Canterbury can be found on the [Canterbury Mayoral Forum website](#).

⁴ Direct risks are those where there is a direct link between a hazard and an element at risk that is exposed and vulnerable e.g. droughts leading to crop failure. Indirect risks are risks that are not directly impacted by physical changes in climate e.g. impacts on mental health, disruptions to supply chains, social wellbeing, and cohesion. (MfE, 2021)

● Urban Centres

For all communities, risks from climate hazards generally include damage to infrastructure from flooding, and disruption to transport routes and supply chains. Changing climate conditions also pose a risk to supporting utilities such as landfills and power supply.

Christchurch is our biggest city. It is a major social and economic hub for the Canterbury Region. The low lying, coastal position of much of the city makes it very exposed to flooding and sea level Kaikōura rise. This poses widespread risk to Christchurch’s communities and infrastructure. There is a risk that community cohesion will reduce as a result of increasing climate related damages. People’s physical and mental health may also be impacted by changing markets and job availability.

● Canterbury Plains

The fertile lowlands of Canterbury are highly important to agriculture. An increasing temperature poses risk of increased heat stress in stock, as well as increases in the occurrence of pests and invasive species. Increased drought potential may introduce a range of stresses, including impacting on water availability. Increased storms, wind, and flooding may increase erosion, and damage crops, pasture, stock, and infrastructure.

Figure 2: Climate risks in the Canterbury (source Tonkin & Taylor (2022) Canterbury Climate Change Risk Assessment)

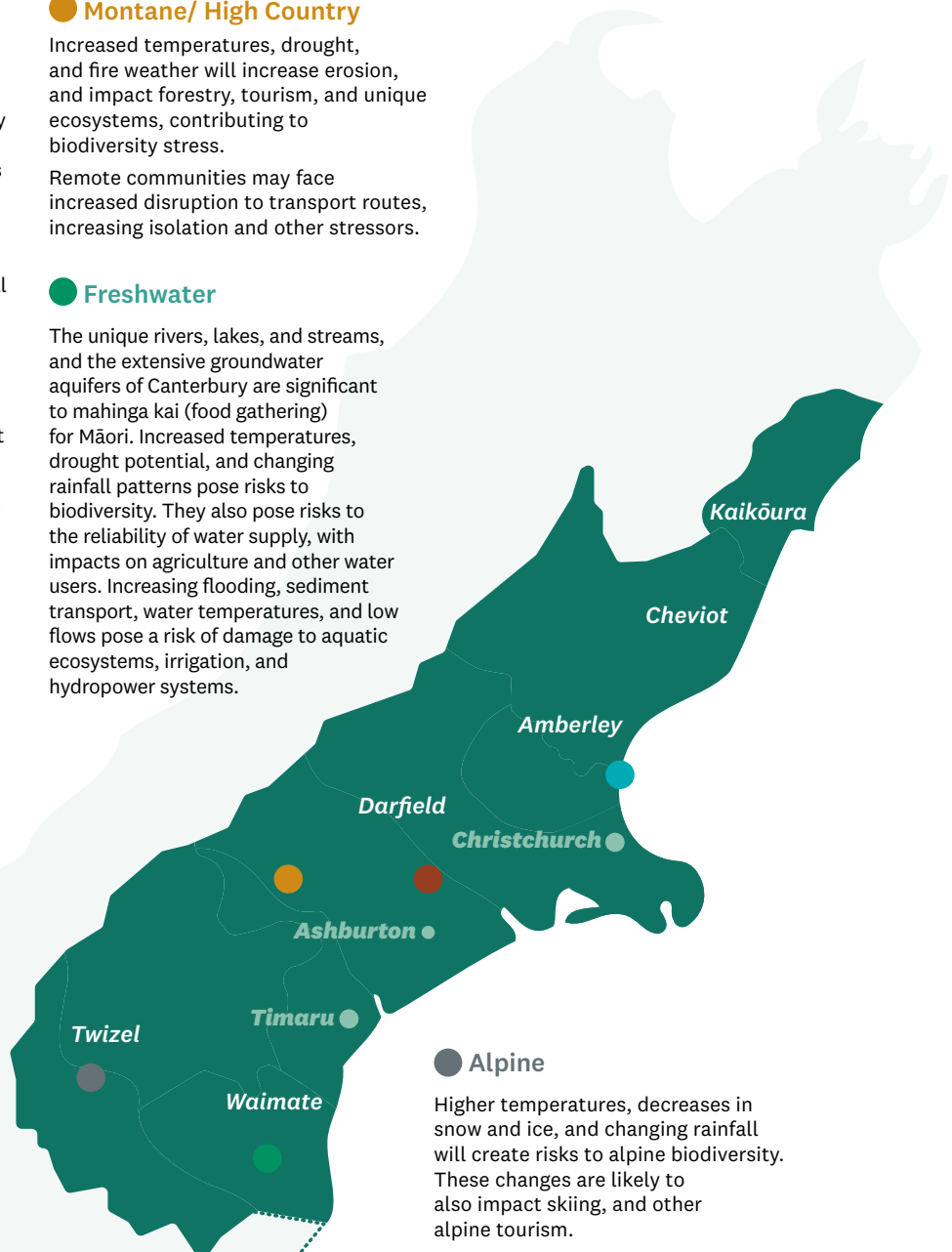
● Montane/ High Country

Increased temperatures, drought, and fire weather will increase erosion, and impact forestry, tourism, and unique ecosystems, contributing to biodiversity stress.

Remote communities may face increased disruption to transport routes, increasing isolation and other stressors.

● Freshwater

The unique rivers, lakes, and streams, and the extensive groundwater aquifers of Canterbury are significant to mahinga kai (food gathering) for Māori. Increased temperatures, drought potential, and changing rainfall patterns pose risks to biodiversity. They also pose risks to the reliability of water supply, with impacts on agriculture and other water users. Increasing flooding, sediment transport, water temperatures, and low flows pose a risk of damage to aquatic ecosystems, irrigation, and hydropower systems.



● Alpine

Higher temperatures, decreases in snow and ice, and changing rainfall will create risks to alpine biodiversity. These changes are likely to also impact skiing, and other alpine tourism.

● Coastal

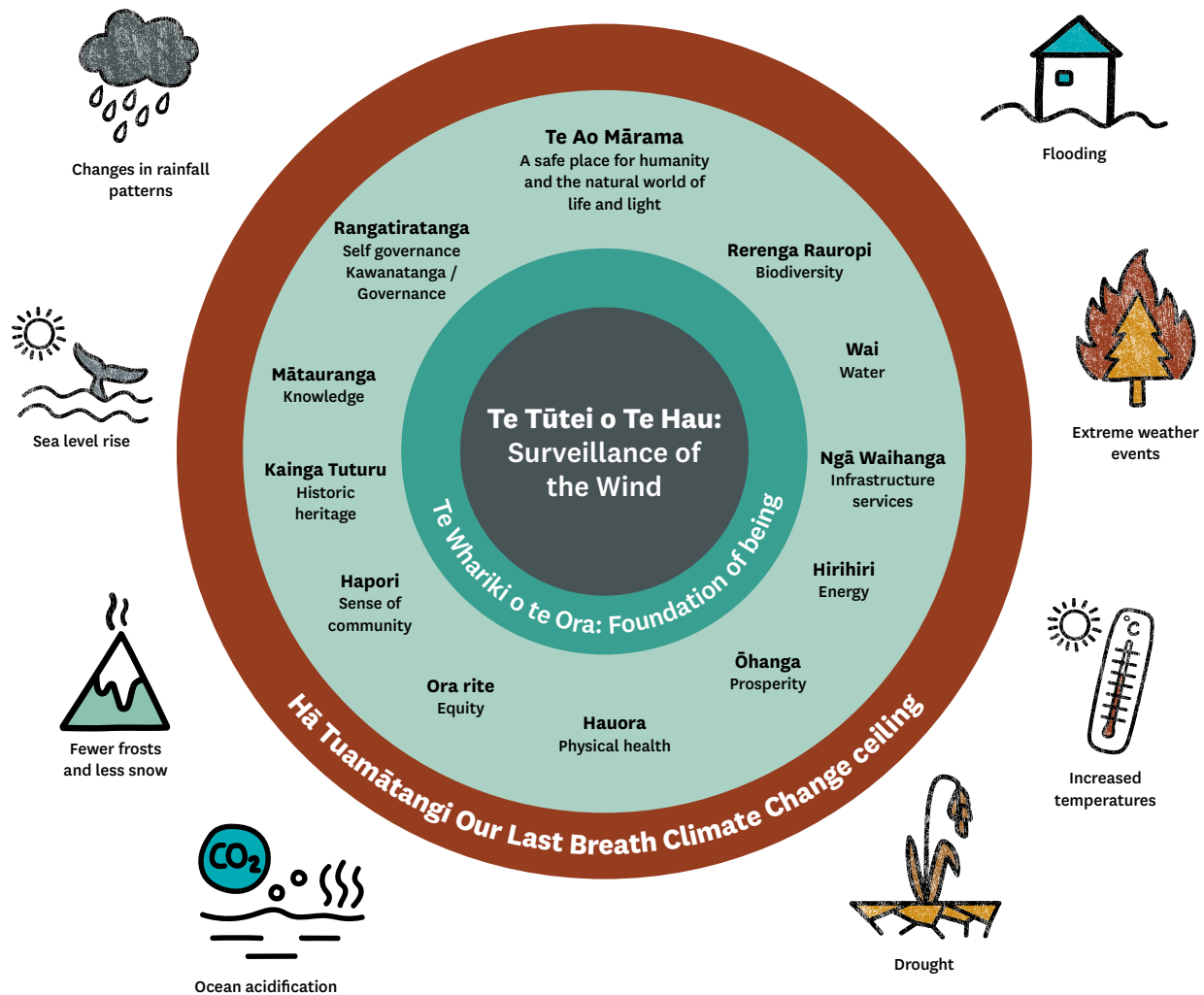
As a result of sea level rise, ports, transport connections, coastal ecosystems, unique wetlands, and communities at the coastal fringe will be exposed to increasing risk of coastal flooding, salinity stress, and erosion. Changes in temperature and ocean chemistry will impact fisheries and marine ecosystems. This will result in increased mortality and changing population of some species, and changes in behaviour patterns such as migration routes.

What matters most - Climate change in Canterbury

During the development of the Canterbury Climate Change Risk Assessment, a Rūnanga Project Steering Group was formed to help develop an integrated risk assessment framework, specific to our region.

The risk assessment centred around a framework that aligns both a Te Ao Māori worldview and the National Climate Change Risk Assessment framework. The name of the framework was gifted as 'Te Tūtei o Te Hau, Surveillance of the Wind'. In Te Ao Māori, the wind named 'Te Tūtei o Te Hau' is a guardian, an alert system, for the environment. When considering the effects of climate change, observations are collated and considered against this framework, our alert system, for understanding climate risk. The framework is presented as a series of circles, reflecting the circular nature of the world in which humans exist. At its core is the name gifted for the framework which draws on the whakapapa above.

Shown outside the rings are the key climate impacts that we face



Te Whāriki o te Ora

The dark green ring represents whakapapa, or genealogical connection, that extends from the spiritual realm to that of the human domain. It recognises that humans cannot exist without basic needs and a social foundation.

Te Ao Mārama

The light green ring represents the area in which humans can exist when we are functioning within the capacity of our ecosystems. Ngā pono (the values) identified within this circle are critical for us to understand and respond to when considering climate risk.

Hā Tuamātangi

The red ring represents the upper limit in which humans, environments and ecosystems can continue to exist. Beyond this boundary, it is no longer possible to respond to risks proactively.

This framework guided our thinking when developing collaborative climate actions in the region.

Working together for climate action in Canterbury

Councils around Canterbury have been ramping up climate action efforts in their districts. Here is a snapshot of progress across the region.



- Kaikōura District Council adopted a zero waste to landfill policy in 1998, followed by the establishment of Innovative Waste Kaikōura Ltd, which received a Ministry for the Environment Green Ribbon Award in 2002.
- A year later, in 1999, the council became part of Green Globe 21 Communities pilot project, supported by the Ministry for the Environment and the Tourism Industry Association. As part of the project, Kaikōura was officially 'benchmarked' in 2002.
- In 2001, the council developed measures to manage a local approach toward carbon neutrality.
- The council established the 'Trees for Travellers' programme in 2002, where overseas visitors, as well as locals, are playing their part to clear weeds and make way for natives in Kaikōura.
- From 2004 to 2016, the council was awarded the EarthCheck Certification (participation in the programme was discontinued after a review in 2019).
- The council undertook a review of natural hazards within the district (excluding coastal hazards) in partnership with Environment Canterbury. Flood modelling considered the effects of climate change.
- In 2009, Council developed the 'A to B Carbon Free' – Kaikōura Walking and Cycling Strategy.
- The council developed a waste management and minimisation plan in 2021 which recognises the need for modification of residents purchasing practices by influencing through community education and advocacy to central government.
- The council has developed a draft climate change policy, which is awaiting adoption following finalisation of the Canterbury Climate Partnership Plan.
- Hurunui District Council tracked its emissions through greenhouse gas emissions inventories from 2018 to 2023.
- The council commissioned a Coastline Hazard and Risk Assessment report in 2020. This was followed by the Coastal Conversations project in 2020 to identify coastal hazards affecting communities in the district and to understand how these hazards will change over the next 100 years.
- Three out of five communities in the Coastal Conversations project have developed Coastal Adaptation Plans (CAPs) outlining approaches for managing risk to the settlement.
- The Council's Waste Management & Minimisation Plan 2023 outlines the goals to improve efficiency in the waste network, influence and encourage waste reduction in the community, and reduce harmful health impacts.
- Work is underway on an asset and infrastructure resilience project plan and risk assessment.
- Work is currently progressing on a climate change strategy and action plan to reduce council emissions, improve resilience in the council assets and infrastructure, and to lead by example within the community.



- Waimakariri District Council adopted a Climate Change Policy in 2020.
- The Council developed the 'Waimakariri District Natural Hazards Interactive Viewer' to show results of the '2020 Jacobs Coastal Inundation Modelling' and other natural hazards. The modelling informs the proposed District Plan natural hazard rules such as avoidance of development in high hazard areas or mitigating flood impacts through establishing minimum floor levels.
- In 2020, the council adopted the Organisational Sustainability Strategy and Action Plan.
- To inform climate change planning, the council adopted the NIWA Waimakariri District Climate Change Scenario Report in 2022.
- The council's '3 Waters Infrastructure Climate Change Impact Assessment' and prioritisation of adaptation actions was completed in 2023.
- Climate change considerations are integrated with the 'Moving Forward: Waimakariri Integrated Transport Strategy 2035+', 'Waimakariri Economic Development Strategy 2024-34' and 'Waimakariri Natural Environment Strategy: Our Environment Our Future 2024-2054'.
- In 2024, Council began the development of the 'Waimakariri Resilience Explorer' risk assessment spatial platform.
- Moving forward, the council's 2024-27 agreed climate resilience programme of works includes completing organisational and district risk assessments, developing a District Climate Resilience Strategy, developing organisational and district sustainability and emissions reduction plans, and working with communities to co-develop area-based climate adaptation plans.
- Christchurch was one of the first cities in New Zealand to declare a climate and ecological emergency in 2019, reflecting the importance of these issues for communities.
- In 2019, the council established the Coastal Hazards Adaptation Planning Programme to undertake planning with communities about the long-term future of coastal areas.
- The council is driving actions to reduce emissions and enhance resilience through the Climate Resilience Strategy (2021), Strengthening Communities Strategy (2022), Resilient Greater Christchurch Plan (2015) and through its urban development, transport, and waste management plans.
- In 2022, a district climate risk assessment was completed and the detailed coastal hazards assessment updated.
- Climate resilience considerations are embedded throughout key corporate processes including decision reports, Long-Term Plans, procurement, and project management.
- The council is working towards its target of being carbon neutral for its operations by 2030.



- Selwyn District Council adopted a Climate Change Policy in 2020.
- Since 2018, the council has been preparing annual organisational carbon emission reports. In 2024, Council completed a three-year work programme and an Emissions Reduction Plan.
- The council commissioned an independent climate impact assessment for council assets. The latest assessment in 2023 incorporates findings from the Canterbury Climate Change Risk Assessment.
- Through strategic partnership funding, the council supports community-based climate action projects (in particular through the Selwyn Community Fund and Selwyn Natural Environment Fund).
- Climate data was incorporated into hazard modelling to inform a review of the Selwyn District Plan, including an interactive viewer for the public to show susceptibility to flooding and/or coastal hazards.
- Climate change considerations are integrated within the overarching district strategy and associated spatial planning and economic development plans.



- Ashburton District's climate change policy was adopted in 2019 and reviewed and updated in 2022.
- Climate change considerations are integrated into Ashburton district strategies including the Open Spaces Strategy 2016-26, Surface Water Strategy 2018-28, Our Natural Place- Biodiversity Strategy 2023-43 & Economic Development Strategy - Rautaki Whanake Ohaoha 2023-33.
- In 2022, the council adopted the Ashburton Climate Resilience Plan.
- A baseline greenhouse gas inventory for the council was completed in 2023.
- Climate change considerations have been integrated into decision reports and business planning processes since 2021. This work is ongoing.
- Environmental and climate change elements are proposed to be improved in Council's community engagement policy.



- Timaru District Council began preparatory work on a Climate Change Strategy in 2022, with independently facilitated community engagement.
- A Climate Change Response Policy was adopted by Council in 2024.
- In the same year, the council added climate change dimensions to procurement- and significance policies to incorporate climate change into policy and decision making.
- On-site work with residents of Milford Huts coastal settlement commenced in 2023.
- In 2022, Council completed a carbon inventory of Council's operational activity, with technical assistance & verification from Toitū.
- Communication material for the public on Household Climate Change Adaptation and Mitigation is currently in development.



- Mackenzie District Council completed a review of climate change data and impacts for the district in 2023, followed by a greenhouse gas emissions inventory for the district and Council in early 2024.
- Engagement on climate change vulnerability in the district is underway, including workshops with community and various sectors (tourism, agriculture, infrastructure and hydro).
- With the above evidence base pieces, the council has now begun work to develop a climate change adaptation and mitigation strategy and plan for the Mackenzie District.



- Waimate District Council completed a greenhouse gas emission inventory for 2018/19.
- To oversee the development of a climate change strategy, the council appointed a part-time climate change officer in 2023.
- An online, district wide-survey was conducted to gain community interest and input into the strategy development.
- The council hosted multiple climate change information evenings in early 2024 focusing on climate science, youth, cultural, and economic perspectives.
- In 2024, seven climate action planning workshops were held to engage the community.
- The creation of a climate change engagement platform on the council's website is underway, including educational material.
- The council is closely working and collaborating with neighbouring councils, particularly Waitaki, Mackenzie, and Timaru, as well as schools.
- The council is currently finalising its second council carbon footprint assessment for 2022/23.
- Canterbury Regional Council established a climate change integration programme in its 2018-28 Long-Term Plan, followed by the integration of climate change into the council's decision making.
- A climate emergency was declared in 2019, followed by regular climate emergency updates to the council.
- Environment Canterbury has convened and provided secretariat support for the Canterbury Climate Change Working Group since the establishment of the Working Group in 2017. This has included leading the Canterbury Climate Change Risk Assessment, the It's time, Canterbury community awareness raising campaign, and the development of the Canterbury Climate Partnership Plan.
- An organisational carbon footprint assessment and decarbonisation plan were completed in 2022, followed by an organisational climate change risk assessment in 2023.
- Environment Canterbury is currently developing a Climate Action Plan and reviewing the Canterbury Regional Policy Statement.



- The council endorsed a climate change declaration in 2019, which includes several commitments, including developing and implementing appropriate action plans that reduce greenhouse gas emissions and support climate resilience in the district.
- Waitaki District Council prepared its first organisational greenhouse gas inventory for 2018/19, with an update commencing in 2024.
- To protect Oamaru Harbour, Waitaki District Council has invested in erosion prevention measures along Oamaru Harbour's breakwater. This has seen many tonnes of rock and concrete pods being placed to prevent erosion.
- In 2023, the council adopted the Waitaki Climate Change Risk Framework.
- The council's Project Reclaim looks to remediate contaminated land sites which are in danger due to coastal erosion.
- The council's Waste Management and Minimisation Plan includes community communication and education to foster knowledge about a sustainable and low-emissions future in the district.
- In 2024, work is commencing on coastal erosion adaptation planning, including the development of a climate change strategy.

How we produced this plan

The Climate Change Working Group, consisting of staff members from each of the 11 councils in Waitaha / Canterbury, developed our 10 key climate actions and supporting sub-actions through a robust series of workshops over 2022-2024, with input from all Canterbury councils.

The Climate Action Planning Reference Group, made up of elected representatives from each of the Canterbury councils, acted as a steering group on the plan.

The Working Group focused on identifying tangible actions for the short term, addressing key gaps in knowledge, priority risks and opportunities.

These actions are intended to gain momentum on collective climate action and to sit alongside and support existing and future climate efforts of individual councils.

Regional climate action planning was based on the international best practice C40 Climate Action Planning Framework. This framework draws on the experiences of 96 cities' climate action planning journeys and guided our approach. Although designed for cities, the framework sets out essential components of climate action planning, which we successfully adapted to suit the needs of our regional process.



Figure 3: C40 Climate Action Planning Framework

What we've heard from engagement with communities and key stakeholders

As part of Environment Canterbury's 'Our Future, Canterbury' themed engagement programme in 2023, the Canterbury Mayoral Forum asked stakeholders and communities for feedback on their climate action priorities, barriers, and perspectives on 'fair' climate action.

Via an online survey, in-person workshops in each district, and community events around the region, participants gave us a range of perspectives on climate action in their local district and in the region. There was broad agreement that councils should take climate action that would:

- regenerate ecosystems through native planting, pest control, and river restoration
- increase renewable energy
- support communities to become more resilient and adaptable
- increase public education and awareness of climate change impacts and solutions
- ensure opportunities for community engagement and empowerment
- streamline regulations and simplify consenting processes
- foster partnerships between government, businesses, non-governmental organisations, and communities
- offer financial support for individuals and businesses to take climate action.

There was broad agreement that the core values of 'fair' climate action include equity, shared responsibility, long-term planning, and science-based solutions.

We have taken stakeholder and community feedback into account during the drafting of the Canterbury Climate Partnership Plan.

Download the *Climate Change Community Reflections and District Summits report*.

Urgency assessment

The Mayoral Forum has historically used three sets of criteria to prioritise joint projects and actions: importance, democratic mandate, and impact.

For the purposes of this plan, we also considered the following questions when assessing urgency and prioritising actions:

- Does the action contribute to current gaps in research and monitoring?
- Does the action have a long lead time to get started?
- Is there is a risk of path dependency, i.e. if we don't act now, are we locked into a future we don't want?
- Are there action dependencies and sequencing considerations?

This process helped us develop a short list of actions, and our implementation approach (Appendix 1).

Health Impact Assessment

Climate change is already impacting the health and wellbeing of our population and these impacts will amplify over time.

Extreme weather events and rising temperatures can impact physical, mental health, and wellbeing and result in changes to the natural environment, damage to housing and infrastructure and disruption to livelihoods. Some population groups and geographic locations are more vulnerable to climate change because of their exposure, sensitivity, and capacity to prepare and adapt to climate hazards. In many cases, the people most vulnerable to climate change will be those who already experience inequitable outcomes, including Māori, people with physical and mental health needs and low-income earners.⁵

Te Mana Ora, Community and Public Health Canterbury, conducted a Health Impact Assessment of the collective actions in the Canterbury Climate Partnership Plan. The assessment identified that the actions have the potential to contribute to the health and wellbeing outcomes of the region depending on how the actions are planned and implemented. The assessment emphasised that climate action should be based on evidence, including information about health and equity, and involve a collaborative approach.

In delivering these actions councils will continue to work on cross-sectorial collaboration with key stakeholders, including in the health sector, to ensure that health, wellbeing and equity are considered in the detailed implementation planning of the actions.

⁵ See the *Climate Change and Health in Waitaha Canterbury for further information about health and wellbeing impacts of climate change*.

Strategic framework for regional climate action planning

Vision of the Canterbury Climate Partnership Plan

A thriving, climate resilient, low-emissions Canterbury

Principles

Eight principles underpin the development and implementation of this Plan. These are the values by which we will approach collective climate action in Canterbury.

We strive to be Treaty based, Collaborative, Bold, Intergenerational, Solutions Focused, Equitable, Informed, Inclusive.

Treaty based/Whakamana i Te Tiriti means:

- Improving our understanding of what is important to our Treaty partners, how this could be impacted by climate change and climate change policy and how we can best support papatipu rūnanga with their own climate actions.

Solutions focused/Whai putanga means:

- Focusing on tangible short-medium term actions that will move us forward and enable councils to progress with transformative local actions with their communities.

Collaborative/Mahi Tahi means:

- Committing to work together, demonstrating respect, trust and open-mindedness for the long haul of the climate action journey, even when times are tough.
- Identifying and working with communities and key stakeholders who are the most impacted by, and/or have the most impact on, climate change risk to find pragmatic and local solutions.
- Working with central government agencies to advocate for solutions appropriate to Canterbury's needs.

Inclusive/Kauawhi means:

- Actively involving and considering the perspectives, needs and contributions of all partners and stakeholders in Canterbury, including marginalised and vulnerable communities in decision making processes and policy development related to climate change.

Equitable/Matatika means:

- The opportunities from climate initiatives and the burdens of climate risks are distributed justly across the region. This means taking action to identify and address both the effects of climate change and social inequity, and the systems that allow for these disparities to exist.

Informed/Whaimōhio means:

- Identifying and filling knowledge gaps and using the best available evidence, including mātauranga Māori, to make good decisions across councils' climate action planning.
- Being clear with each other and communities on what we don't know, and where there are any limitations or uncertainties with our information.
- Balancing the desire for robust evidence and increased certainty to inform decision making with the need to deliver timely impactful action, especially if high-quality evidence isn't available.

Intergenerational/Whakatipuranga means:

- Being good ancestors; working with younger generations to consider the longer-term impacts and consequences of current actions and policies to promote equity, sustainability and opportunity for future generations.

Bold/Pākaha means:

- Matching ambition with action and investment; presenting options for collaborative action that address the size of the challenge, including where this requires tough decisions from communities and our elected members.

Outcomes

We have identified six long-term outcomes we are seeking to achieve through our collective climate action.



A healthy environment

Our healthy environment enables our communities to thrive.



An equitable and inclusive transition

Our communities are empowered through an equitable and inclusive transition to a low-emissions and climate resilient future.



Prosperity

Our environmental, cultural, economic, and social wellbeing is improved by identifying and taking early opportunities to mitigate and adapt to climate change.



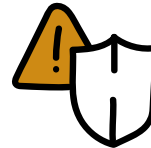
Adapted and resilient communities

Our communities are resilient and have the necessary infrastructure, knowledge, and tools they need to adapt to climate change.



Emissions reduction

Greenhouse gas emissions reductions are achieved in line with our national and international commitments at a minimum.



Climate action leadership

Canterbury is a leader in climate change mitigation, adaptation, and inclusive climate action planning promoting the four wellbeings.

Objectives

Objective one

To work with science, nature and Mātauranga Māori to reduce climate vulnerability and improve resilience.

Objective two

To enable transformational action in an inclusive and equitable way.

Objective three

To maximise co-benefits and identify opportunities for co-funding and financing climate actions.

Objective four

To inform and empower communities to be prepared, improve their resilience and adapt to climate change.

Objective five

To collaborate with communities to use available solutions and encourage behaviour change to achieve a smart innovative, low-emissions future.

Objective six

To ensure climate change is prioritised in all local government decision making processes in Canterbury.

Regional climate actions

There are 10 key actions we will take on our collaborative climate action journey in Canterbury.

1

Understanding climate risks and improving resilience

Understand climate hazards and risks in Canterbury to support evidence-based decision making and improve regional resilience.

2

Emissions reduction

Work together across the region to build equitable, inclusive pathways, targets, and key actions to support New Zealand's commitments towards global greenhouse gas emission reduction.

3

Adaptation planning

Support best practise approaches for local adaptation planning with communities.

4

Nature-based solutions

Facilitate the development of a Canterbury blue-green network to increase natural capital, indigenous biodiversity and offer nature-based solutions to climate change effects.

5

Climate change education and advocacy to support communities

Support community understanding about the local impacts of climate change and promote individual and collective climate action.

6

Supporting Papatipu Rūnanga

Support Papatipu Rūnanga with climate action and provide opportunity for their involvement with Canterbury Climate Partnership Plan projects.

7

Integrating climate change considerations into council processes

Work collaboratively to build local government capability and enhance its capacity to adapt in a changing climate.

8

Climate funding and financing

Identify and leverage co-funding and financing opportunities for climate adaptation and resilience.

9

Monitoring and evaluation

Monitor and report on progress towards achieving the actions and outcomes of the Partnership Plan.

10

Implementation

Assemble an implementation team to ensure the successful delivery and implementation of the Canterbury Climate Partnership Plan.

Action 1: Understanding climate risks and improving resilience

Understand climate hazards and risks in Canterbury to support evidence-based decision making and improve regional resilience.

Action 1.1

Scope and develop a Canterbury-wide visualisation tool for use by councils to support climate adaptation and resilience planning.

Action 1.2

Update the Canterbury climate change risk and urgency assessment to ensure a comprehensive and up-to-date understanding of key risks and opportunities under different climate change scenarios at a regional and district level.



Why we're taking this action

Councils have statutory responsibilities to avoid or mitigate natural hazards and to have regard to the effects of climate change when making decisions. We are also responsible for civil defence and emergency management, as well as improving community resilience.

This action is about furthering our understanding of climate risks in the region so that we can improve resilience. We need to know who and what is at risk, and where, for us to prioritise resources to do something about it.

The first Canterbury Climate Change Risk Assessment gave us a foundational understanding of current and future risks. These will change over time as climate effects intensify, but so too will our sensitivity to hazards and capacity to adapt. Therefore, we need reliable and robust tools to manage data and continually improve our understanding of risks and impacts as climate change unfolds. A tool will help us use consistent and up-to-date information to assess the vulnerabilities of different communities, ecosystems and assets as well as the interdependencies between these. This will enable us to target councils' approaches to addressing potential vulnerabilities, ensuring resources are allocated efficiently.

By increasing our knowledge and understanding of climate hazards and risks we can better support communities to prepare for and adapt to climate change. We want to make this information available to our communities in a consistent, transparent, and easy to understand way.



An equitable and inclusive transition



Adapted and resilient communities



Climate action leadership

Action 2: Emissions reduction

Work together across the region to build equitable, inclusive pathways, targets, and key actions to support New Zealand's commitments towards global greenhouse gas emissions reduction.

Action 2.1

Collate data and develop models to prepare greenhouse gas emissions inventories and identify emissions reduction pathways for Canterbury to support New Zealand's national greenhouse gas commitments.

Action 2.2

Based on the emissions reduction pathways identified for Canterbury, undertake a regional transition risk and opportunities assessment, considering social, cultural, environmental, and economic impacts, to inform an equitable and inclusive transition to a low-emissions region.

Action 2.3

Work with partners, communities, and key stakeholders to build a regional low-emissions transition strategy that supports equitable, inclusive local pathways to a thriving, climate-resilient region meeting emissions reduction targets.



Why we're taking this action

At a global scale, the more we reduce our emissions, the better our ability to adapt to the impacts of climate change. Put simply, if we do not cut our greenhouse gas emissions, we will be left with fewer choices on how to adapt and react to future challenges.

Canterbury has an important role to play in supporting international and national commitments to reduce greenhouse gas emissions and transition to a low-emissions future. We have a unique emissions profile in our region. Our approach is not to blame and shame particular high-emitting sectors; instead we aim to work with partners and key stakeholders to make robust, evidence-informed decisions about how all sectors can reduce their greenhouse gas emissions in a sustainable and timely way. Our aim is to make it possible for everyone to play their part in our collective climate action endeavour.

By working with others, understanding the risks and opportunities that transition to a low-emissions future presents, we can be strategic about mitigating those risks and leveraging opportunities early to provide for a planned and equitable approach to regional greenhouse gas emissions reduction.

A comprehensive transition strategy will lay out a road map individual councils can use to work with residents to most effectively reduce emissions at a local level.



An equitable and inclusive transition



Prosperity



Emissions reduction



Climate action leadership

Action 3: Adaptation planning

Support best practice approaches for local adaptation planning with communities.

Action 3.1

Develop and implement a best practice approach for councils in Canterbury to work effectively and efficiently together with communities on adaptation planning and implementation.



Why we're taking this action

No matter how quickly we reduce emissions around the globe or in New Zealand, some level of climate change is already inevitable and we are already seeing those effects around New Zealand. Adaptation means strengthening our ability to cope with risks from natural events like floods, storms and drought.

The Government is developing an adaptation framework to strengthen how New Zealand prepares for the effects of climate change, focusing on where people live and work. The framework is expected to provide greater clarity on adaptation roles and responsibilities, including that of local government and other key players like central government and insurers.

We will continue to play a pivotal role in working with communities to understand what is happening, what matters most, what we can do about it, and how we can implement and monitor adaptation actions. It is both an absolute necessity and opportunity that we use the knowledge and tools created by some of the other partnership plan actions and all work together to figure out the most appropriate adaptation options for communities at risk across each district.

Some districts are already advancing with coastal adaptation planning, for example in Amberley Beach and Whakaraupō/Lyttelton Harbour. But there are other risks, and many other vulnerable communities who we will also need to work with. We won't need to adapt everywhere all at once, nor will we be able to, but we can start working together now to lay the foundation for long-term adaptation planning in Canterbury to ensure a consistent, coordinated and community-centric approach on the ground, avoiding duplication of effort and sharing learnings.



Adapted and resilient communities



Climate action leadership

Action 4: Nature-based solutions

Facilitate the development of a Canterbury blue-green network to increase natural capital, indigenous biodiversity and offer nature-based solutions to climate change effects.

Action 4.1

Develop a Canterbury-wide natural ecosystem climate change risk and vulnerability assessment.

Action 4.2

Develop a blue-green network plan for Canterbury and accompanying guidance to support locally led implementation.

Action 4.2a

Maximize opportunities to collaborate with key stakeholders to provide guidance on blue-green infrastructure placement and hazard resilience investment⁶.

Action 4.2b

Collaborate and align with Greater Christchurch Partnership and key stakeholders to deliver a blue-green network.

Action 4.2c

Investigate the feasibility of establishing blue-green infrastructure on council-owned land, including identifying priority locations for implementation across Canterbury.



Why we're taking this action

We already have many of the solutions we need to tackle climate change. One of the key things we can do is work with nature to address the climate and biodiversity challenges we face. Nature-based solutions are inspired by, supported by or copied from nature and we can harness these to deliver a multitude of benefits across the four wellbeings⁷.

Nature-based solutions offer a cost-effective and practical approach to both building resilience and capturing and storing carbon. A blue-green network or infrastructure - a series of spaces and corridors that follow and connect blue (e.g. water bodies) and green spaces (e.g. parks, green areas) - provides a nature-based approach to addressing climate change impacts such as flooding and urban heat islands; and reducing emissions through carbon sequestration.

In addition to reducing the effects of climate change, blue-green infrastructure offers various co-benefits. They enhance the liveability of urban and rural areas through better integration of natural and built environments and offer opportunities for place-making and enhanced identity, urban cooling, water management, recreation, landscaping, indigenous ecosystem protection and restoration and habitat creation for indigenous fauna.

⁶ For example, supporting the Nature Code MBIE Endeavour Research Proposal: Nature-based solutions to mitigate climate change-intensified natural hazards

⁷ European Commission, 2015

-  A healthy environment
-  An equitable and inclusive transition
-  Prosperity
-  Emissions reduction
-  Adapted and resilient communities
-  Climate action leadership

Action 5: Climate change education and advocacy

Support community understanding about the local impacts of climate change and promote individual and collective climate action.

Action 5.1

Continue to develop the 'It's Time, Canterbury' initiative into a comprehensive resource hub for climate education and collective action across Canterbury.

Action 5.2

Collaborate with Civil Defence Emergency Management in Canterbury to produce communications materials that integrate climate action and resilience to natural hazards.



Why we're taking this action

Everyone has a part to play in tackling climate change. We've already mentioned the key role councils play in helping communities prepare for and adapt to climate change, and we're acutely aware how important it is that we communicate with communities in a way that's appropriate to them.

These actions build on the work done to date on 'It's time, Canterbury' where councils have pooled resources, knowledge and expertise for a regional approach to climate advocacy and awareness raising. We aim to educate, empower, and engage by building the 'It's time, Canterbury' content and expanding its reach. We will support communities with accurate and up-to-date information about the urgency of climate change, empower them with the knowledge and confidence to act as agents of change, and engage them throughout the journey to a resilient low-emissions future.

Civil Defence Emergency Management has a critical role in ensuring our communities are prepared, and able to respond, to natural hazards, and in the case of climate change where these natural hazards are exacerbated over time.



An equitable and inclusive transition



Emissions reduction



Adapted and resilient communities



Climate action leadership

Action 6: Supporting Papatipu Rūnanga

Support Papatipu Rūnanga with climate action and provide opportunity for their involvement with Canterbury Climate Partnership Plan projects.

Action 6.1

Understand the climate action requirements of papatipu rūnanga and support councils to work with papatipu rūnanga individually and collectively to implement these actions.

Action 6.2

Work with papatipu rūnanga mātarauanga Māori experts to understand and integrate indigenous knowledge into local climate action.



Why we're taking this action

Climate change is affecting Ngāi Tahu in unique and important ways, directly threatening wellbeing of mana whenua, their historic heritage (kainga tuturu), infrastructure (ngā waihanga), ability to undertake cultural practices, and disproportionately impacting future generations. The Canterbury Climate Change Risk Assessment showed there are potential risks to Ngāi Tahu interests across all pono (values) contained within Te Tūteio Te Hau. It also indicated a risk of marginalisation of Ngāi Tahu perspectives in climate action planning.

The Ministry for the Environment has highlighted that empowering Māori is one of the five key principles in Aotearoa's emissions reduction plan and the National Adaptation Plan recognises the importance of embedding Te Tiriti o Waitangi across the climate response.

Te Rūnanga o Ngāi Tahu has developed its Climate Change Strategy Te Tāhū o te Whāriki (Anchoring the Foundations) and Action Plan (Te Kounga Paparangi). These provide direction across a spectrum Canterbury councils have identified these actions so that they can seek to better understand both the requirements of mana whenua and how councils are best placed to support their climate action planning in their takiwā. The actions also provide an open door to future involvement by papatipu rūnanga in the governance and implementation of the Canterbury Climate Partnership Plan.

-  A healthy environment
-  An equitable and inclusive transition
-  Prosperity
-  Emissions reduction
-  Adapted and resilient communities
-  Climate action leadership

Action 7: Integrating climate change considerations into council processes

Work collaboratively to build local government capability and enhance its capacity to adapt in a changing climate.

Action 7.1

Integrate climate change mitigation and adaptation considerations across all council business including decisions, policies, projects, procurement, and infrastructure development.



Why we're taking this action

Not only must communities adapt but councils must too so we are as effective as we can be in a changing climate.

Climate change will impact everything we do and our ability to do things well. To be effective in a changing climate and avoid maladaptation, we must embed climate resilience at our core. This will ensure that climate considerations are not treated as separate or optional but are instead integrated across all aspects of local government operations. This approach helps councils address climate-related challenges effectively by displaying climate leadership, minimising risks, seizing opportunities and helping local communities to adapt appropriately thereby promoting the four wellbeings of current and future generations.



An equitable and inclusive transition



Climate action leadership

Action 8: Climate funding and financing

Identify and leverage co-funding and financing opportunities for climate adaptation and resilience.

Action 8.1

Advocate to central government for funding to be made available to address the gap between current local government funding and what is needed for the comprehensive local government climate action that is required in the future.

Action 8.2

Explore the feasibility of a Canterbury climate commitment that inspires and unites businesses and communities to accelerate climate action.



Why we're taking this action

Climate action comes at a cost and realising the many benefits of climate action also requires some up-front investment. The wide range and scale of climate actions required by councils in the coming years will require funding and financing beyond council's existing methods.

The recently published He piki tūranga, he piki kotuku, Future for Local Government Report (2023) highlights the gap between current local government funding and what is needed for comprehensive climate action. It suggests there should be a large national fund available for the climate-related actions that need to be taken by local government.

This could represent a significant opportunity for local government around New Zealand, however, it is likely that rates will remain the main funding mechanism for councils for the foreseeable future. By working together to identify and leverage alternative funding and financing opportunities, Canterbury councils can implement climate actions and initiatives without putting further pressure on ratepayers.

It is critical that we develop effective funding and financing structures that enable local government in Canterbury to respond to the evolving challenges and opportunities posed by climate change. We need to use our united voice and work together to ensure councils have access to the right amount of capital at the right time.

-  A healthy environment
-  An equitable and inclusive transition
-  Prosperity
-  Emissions reduction
-  Adapted and resilient communities
-  Climate action leadership

Action 9: Monitoring and evaluation

Monitor and report on progress towards achieving the actions and outcomes of the Partnership Plan.

Action 9.1

Develop and implement a monitoring and evaluation plan which includes the co-development of climate-related indicators appropriate to Canterbury.



Why we're taking this action

We need to regularly monitor and evaluate the Canterbury Climate Partnership Plan to ensure that actions are impactful, and our desired outcomes are being met.

The development of baseline data and climate-related indicators offers valuable data for decision-making, helping assess the region's vulnerability to various climate-related risks, and enabling policymakers to assess the effectiveness of policies and interventions.

It also assists in raising public awareness about the importance of climate action and its impacts, and enables efficient allocation of resources by governments, businesses, and communities.

The use of climate-related indicators can inform the development of effective climate policies, regulations, and incentives, and there is an opportunity to learn from the Climate Change Commission's experience in developing indicators and metrics for climate adaptation when implementing this action.

-  A healthy environment
-  An equitable and inclusive transition
-  Prosperity
-  Emissions reduction
-  Adapted and resilient communities
-  Climate action leadership

Action 10: Implementation

Assemble an implementation team to ensure the successful delivery and implementation of the Canterbury Climate Partnership Plan.



Why we're taking this action

To ensure the successful implementation of this plan, we need to coordinate a dedicated group of people from councils who have a key role to play in the delivery of these actions. This will allow for the continuation of a collaborative approach and reduce pressure and demands on individual councils who do not have staff capacity to manage project delivery of individual actions.

An implementation overview is included in Appendix 1.

-  A healthy environment
-  An equitable and inclusive transition
-  Prosperity
-  Emissions reduction
-  Adapted and resilient communities
-  Climate action leadership

Future funding and financing of regional climate actions

Climate action will cost us. However, the cost of inaction is likely to be far greater. Studies by Deloitte and others highlight an impending ‘turning point’ where the increased costs of taking decisive action sooner rather than later begin to outweigh the short-term gains from deferring our response.

Focusing solely on an economic analysis of climate change by 2050 (not the broader impacts across different dimensions of wellbeing), in net present value terms (estimated in 2023):

- Decisive action could add \$64billion to Aotearoa New Zealand’s GDP⁸.
- Inadequate action could take \$4.4billion off Aotearoa New Zealand’s GDP and get exponentially worse beyond 2050.

Opportunities and costs will differ across the range of business sectors specific to each region and to realise benefits arising from new opportunities will require commitment from us all. Nevertheless, it redefines the debate around climate action to one of opportunities for growth and avoided costs and losses rather than a financial burden with limited upsides.

In addition, in recent years the delivery of capital projects (including those associated with increasing resilience through certain climate adaptation measures) has experienced rapid cost escalation pressures with civil infrastructure works showing the biggest changes⁹. Decisions to forestall projects with demonstrable benefits could therefore impact their future affordability and viability.

⁸ Deloitte, 2023.

⁹ <https://www.infometrics.co.nz/article/2023-08-rapid-cost-escalation-makes-for-difficult-choices>

¹⁰ The Auckland Anniversary floods insurance losses provisionally exceed \$1b, over three times the total insurance losses for Auckland in 2022. The 2021 Canterbury floods had provisional insurance losses estimated at \$43.8m (Source: Insurance Council of New Zealand). The total cost of works to the end of December 2023 for flood recovery (including response) is \$20 million, with an estimated total costs expected to be \$22.2 million. \$12.5 of these costs, above the Environment Canterbury threshold of \$4.1 million, are estimated to be eligible for application to the National Emergency Management Agency for a 60% central government contribution fore like-for-like asset replacement. Not all damage arising from these events will be included in these figures, for example local government typically self-insures network infrastructure.

This plan sets out a pragmatic and achievable programme of collaborative climate action for Waitaha Canterbury over the next three years, focused around collecting consistent evidence for both mitigation and adaptation, embedding climate change considerations in local government decision-making and processes, improving capability and capacity to respond effectively and monitoring results. We will, however, need to increase and accelerate our investment in on-the-ground mitigation and adaptation actions thereafter if we are to meet our climate commitments and avoid the magnitude of future costs we would otherwise bear. Investing now will help us minimise the impacts future climate-related weather events¹⁰.

Climate Partnership Plan budget

The impacts of COVID-19, high inflation, the cost-of-living crisis, and the threat of economic recession means that local government and ratepayers are faced with an increasing cost burden. These current financial pressures have been top of mind while developing the plan. Ultimately, the financial constraints and competing demands for funding at local government means funding climate actions at a local or regional level in the short term is challenging.

However, this plan offers a pragmatic financial advantage, particularly for the less resourced councils, by working together and leveraging collective funding to deliver on key projects.

In June 2024, councils agreed to fund regional collective climate actions through their Long-Term Plans 2024-34 and \$1.47 million has been confirmed for the first three years. Further funding will be necessary through future annual and long-term plan reviews for continued collaborative climate action, and by identifying and taking advantage of co-funding opportunities with key stakeholders.

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Canterbury Climate Partnership Plan Implementation Overview

Action ID		Primary action	Sub-actions
1	Understanding climate risks and improving resilience	Understand climate hazards and risks in Canterbury to support evidence-based decision making and improve regional resilience.	1.1 Scope and develop a Canterbury-wide visualisation tool for use by councils to support climate adaptation and resilience planning.
			1.2 Update the Canterbury climate change risk and urgency assessment to ensure a comprehensive and up to date understanding of key risks and opportunities under different climate change scenarios at a district level.
2	Emissions reduction	Work together across the region to build equitable, inclusive pathways, targets, and key actions to support New Zealand's commitments towards global greenhouse gas emissions reduction.	2.1 Collate data and develop models to prepare greenhouse gas emissions inventories and identify emissions reduction pathways for Canterbury to support New Zealand's national greenhouse gas commitments.
			2.2 Based on the transition pathways identified for Canterbury, undertake a regional transition risk and opportunities assessment, including an economic impact assessment, to inform an equitable and inclusive transition to a low emissions region.
			2.3 Work with partners, communities, and key stakeholders to build a regional low emissions transition strategy that supports equitable, inclusive local pathways to a thriving, climate-resilient region meeting emissions reduction targets.
3	Adaptation planning	Support best practice approaches for local adaptation planning with communities.	3.1 Develop and implement a best practice approach for councils in Canterbury to work effectively and efficiently together with communities on adaptation planning and implementation.
4	Nature-Based Solutions	Facilitate the development of a Canterbury blue-green network to increase natural capital, indigenous biodiversity and offer nature-based solutions to climate change effects.	4.1 Develop a Canterbury-wide ecosystem climate change risk and vulnerability assessment.
			4.2 Develop a blue-green network plan for Canterbury and accompanying guidance to support locally-led implementation.
			4.3 Maximise opportunities to collaborate with key stakeholders to provide guidance on blue-green infrastructure placement and hazard resilience investment.
			4.4 Collaborate and align with Greater Christchurch Partnership and key stakeholders to deliver a blue-green network.
			4.5 Investigate the feasibility of establishing blue-green infrastructure on council-owned land, including identifying priority locations for implementation across Canterbury.
5	Climate change education and advocacy	Support community understanding about the local impacts of climate change and promote individual and collective climate action.	5.1 Continue to develop the "It's Time, Canterbury" initiative into a comprehensive resource hub for climate education and collective action across Canterbury.
			5.2 Collaborate with Civil Defence and Emergency Management in Canterbury to produce communications materials that integrate climate action and resilience to natural hazards.

The Implementation overview outlines the sequence of actions for the first three years of Long-Term Plans, prioritising urgent actions (based on an urgency assessment), action interdependencies, and available yearly budget (subject to LTP deliberations).

- Very high urgency
- High urgency
- Medium urgency
- Low urgency

Y1 2024/2025	Y2 2025/2026	Y3 2026/2027		Y4 onwards	Lead Organisation	Resourcing	
initiate	execute and complete	maintenance and licensing	Review CCPP		Waimakariri District Council	\$ for procurement and consultant costs, staff time	
				initiate, execute, complete	Environment Canterbury	\$ for procurement and consultant costs, staff time	
initiate	execute and complete				Environment Canterbury	\$ for procurement and consultant costs, staff time	
	initiate and execute	complete			Environment Canterbury	\$ for procurement and consultant costs, staff time	
	initiate	execute and complete			Environment Canterbury	\$ for procurement and consultant costs, staff time	
initiate	execute	ongoing			Hurunui District Council	staff time	
initiate and execute	complete				Environment Canterbury	\$ for procurement and consultant costs, staff time	
	initiate	execute			complete	Waimakariri & Selwyn District Council	\$ for procurement and consultant costs, staff time
initiate	execute	execute			complete	Waimakariri & Selwyn District Council	\$ for procurement and consultant costs, staff time
initiate	execute	ongoing			ongoing	Waimakariri & Selwyn District Council	staff time
	initiate	execute and complete			ongoing	Waimakariri & Selwyn District Council	\$ for procurement and consultant costs, staff time
initiate	execute	ongoing			ongoing	Environment Canterbury	staff time
	initiate, execute, complete					Environment Canterbury	staff time

Canterbury Climate Partnership Plan Implementation Plan

Action ID		Primary action	Sub-actions
6	Supporting Papatipu Rūnanga	Support papatipu rūnanga with climate action and provide continuing opportunities for their involvement with Canterbury Climate Partnership Plan projects.	6.1 Understand the climate action requirements of papatipu rūnanga and support councils to work with papatipu rūnanga individually and collectively to implement these actions.
			6.2 Work with Papatipu Rūnanga mātarauanga Māori experts to understand and integrate indigenous knowledge into local climate action.
7	Integrating climate change considerations in council processes	Work collaboratively to build local government capability and enhance its capacity to adapt in a changing climate.	7.1 Integrate climate change mitigation and adaptation considerations across all council business including decisions, policies, projects, procurement, and infrastructure development.
8	Climate funding and financing	Identify and leverage co-funding and financing opportunities for climate adaptation and resilience.	8.1 Advocate to central government for funding to be made available to address the gap between current local government funding and what is needed for the comprehensive local government climate action that is required in the future.
			8.2 Explore the feasibility of a Canterbury Climate Commitment that inspires and unites businesses and communities to accelerate climate action.
9	Monitoring and evaluation	Monitor and report on progress towards achieving the actions and outcomes of the Partnership Plan.	9.1 Develop and implement a monitoring and evaluation plan which includes the co-development of climate related indicators appropriate to Canterbury.
10	Implementation	Assemble an implementation team to ensure the successful delivery and implementation of the Canterbury Climate Partnership Plan.	
			Proposed yearly budget (subject to LTP deliberations)



Y1 2024/2025	Y2 2025/2026	Y3 2026/2027		Y4 onwards	Action Lead	Resourcing
initiate	ongoing	ongoing	Review CCPP	ongoing	CMF Secretariat	\$ for papatipu rūnanga participation, staff time
					CMF Secretariat	\$ for papatipu rūnanga participation, staff time
initiate	execute, complete	ongoing		ongoing	Ashburton District Council	staff time
initiate	execute	execute		ongoing	Selwyn District Council	staff time
initiate, execute, complete					CMF Secretariat	staff time
initiate, execute, complete					Environment Canterbury	\$ for procurement and consultant costs, staff time
initiate, execute, complete					Environment Canterbury (with action lead organisations)	staff time
\$190,000	\$740,000	\$540,000				
<p>Total \$ 1,470,000 NZD Through collective contributions from Canterbury councils for Year 1 - Year 3 of 2024-2034 Long Term Plans</p>						

DRAFT

***Mā whero mā pango ka oti ai te mahi.
With red and black the work will be complete.***

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**It's time,
Canterbury**
Our climate change
conversation

CANTERBURY
Mayoral Forum

19. Land Classification Programme – approvals following public notification

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Summary

- This report seeks approval from Council for various proposals to declare land reserve and classify, classify and reclassify land, following public notification, as approved by Council on 17 April 2024.

Recommendation

- 1. That** Council approves the classification of eight parcels of land according to their primary purpose, pursuant to section 14(2) of the Reserves Act 1977, as described in Appendix 2 of this report.
- 2. That** Council approves the classification of one land parcel according to its primary purpose, pursuant to section 16(1) of the Reserves Act 1977, as described in Appendix 3 of this report.
- 3. That** Council approves the reclassification of two parcels of reserve land, pursuant to section 24(2)(b) of the Reserves Act 1977, as described in Appendix 4 of this report.
- 4. That** Council revokes the part of resolution 5 of the Reserve Classification Programme report (Item 8, 17 April 2024) related to Lot 207 DP 520208, Lot 208 DP 520208 and Lot 209 DP 520208 at Lanz Vale Reserve only.
- 5. That** Council approves the classification of Lot 207 DP 520208, Lot 208 DP 520208 and Lot 209 DP 520208 at Lanz Vale Reserve pursuant to section 16(2A) of the RA as Local purpose (drainage) reserve.
- 6. That** Council revokes the part of resolution 5 of the Reserve Classification Programme report (Item 8, 17 April 2024) for Lot 14 DP 42710 at George Glassey Park and Pt RS 30312 SO 2341 at Methven Cemetery, noting that Council is not the administering body for the land.

Cont'd

- 7. That** Council revokes the resolution made for Res 4358 DP 10323 at Miller Avenue Park to correct an administrative error that classified the land under section 16(2A) of the RA and approves classification of Res 4358 DP 10323 at Miller Avenue Park as Recreation Reserve under section 16(1) of the RA, noting that public notification is not required.
- 8. That** Council notes that confirmation of actions for six land parcels will be reported back to Council following surveying of the land parcels. This includes:
- three land parcels that are to be declared reserve and classified (at Ashton and Wakanui Beach)
 - three land parcels that are to be reclassified to better align with their primary purpose of use for fire station (two at Alford Forest Domain, one at Pendarves Domain).

Attachments

Appendix 1 – Options for land held under the LGA and land held under the RA

Appendix 2 – Confirmation to declare land reserve subject to section 14(2) of the RA and classify, following public notification

Appendix 3 - Confirmation to classification of land subject to section 16(1) of the RA, following public notification

Appendix 4 - Confirmation to reclassification of land subject to section 24(2)(b) of the RA, following public notification

Background

1. Ashburton District Council has delegated decision-making responsibility for most¹ parks and reserves in the District.
2. On 3 May 2023, Council resolved to prepare an omnibus reserve management plan (RMP) for all parks and reserves in the Ashburton District. The reserves management plan is a statutory document prepared in accordance with section 41 of the Reserves Act 1977 (RA). It will include all reserve land held under the RA and required to have a RMP and some parkland held under the Local Government Act 2002 (LGA). This is currently being consulted on.
3. Following comprehensive land status investigations during 2022 and 2023, Council confirmed a number of actions for land to be included in the RMP at its meeting on 17 April 2024. This included retaining some land under the LGA, declaring and classifying land to be reserve, classifying and reclassifying land held under the RA, some of which required public notification (see Appendix 1 for an overview of the different actions for land and how those have been applied to land to be in scope of the RMP).
4. This report now seeks final approval from Council for the proposals that required public notification. It also seeks to correct administrative errors made in the classification report from 17 April 2024.
5. Six land parcels which were included in the public notification require surveying prior to confirming recommended actions. This includes:
 - three land parcels that are to be declared reserve and classified (at Ashton and Wakanui Beach)
 - three land parcels that are to be reclassified to better align with their primary purpose of use for fire station (two at Alford Forest Domain, one at Pendarves Domain).
6. For those six land parcels, survey will be progressed as funding allows and proposed actions to be confirmed by Council following surveying. Proposed actions are captured within the relevant chapters of the draft RMP.

Confirmation of classification and reclassifications

7. At Council meeting on 17 April 2024 Ashburton District Council approved public notification of 11 classification and reclassification proposals under various sections of the RA.

¹ Exceptions include land administered by Department of Conservation

8. The proposals were publicly notified on 2 May 2024 in the Ashburton Guardian, in accordance with the requirements outlined in section 119(1)(b) of the RA. The submission period closed on 2 June 2024 and **no objections** were received.
9. This report now seeks confirmation of actions following public notification:
 - **eight** land parcels previously held under the LGA to be declared reserve under section 14(2) of the RA and classified according to its primary purpose, see Appendix 2.
 - classification of **one** land parcel according to section 16(1) of the RA, see Appendix 3.
 - reclassification of **two** land parcels according to section 24(2)(b) of the RA, see Appendix 4.

Correction of classification actions made on 17 April 2024

10. This report seeks to correct actions for six land parcels at Lanz Vale Reserve, Miller Avenue Park, Methven Cemetery and George Glassey Park included in the 17 April 2024 land classification report, based additional research into the land status, and discovery of a transcription error.
11. These six land parcels have been removed from the draft Reserve Management Plan prior to releasing it for community consultation on 4th June 2024.
12. To correct the errors, resolutions passed on 17 April 2024 need to be revoked and, where applicable, correct classifications approved.

Lanz Vale Reserve

13. An error was made when transferring information into Attachment G of the 17 April 2024 report and **three** land parcels at Lanz Vale Reserve (Lot 207 DP 520208, Lot 208 DP 520208 and Lot 209 DP 520208) and as a result land parcels were classified incorrectly as Local purpose (amenity) reserve. Instead, these should have classified as Local purpose (drainage) reserve.
14. Council needs to revoke the resolution passed approve the correct classification. Following this action, the reserve will be **out of scope of the RMP** and is not part of draft RMP as explained in paragraph 19.

George Glassey Park

15. **Lot 14 DP 42710** at George Glassey Park was intended to be vested in Ashburton District Council on subdivision. However, this action was never completed. The land remains in the name of Jonco Joinery. Council is not the administering body and does not have the power to classify the land.

16. As the land is not Council owned, the land parcel is **not included in the scope** of the RMP. As indicated in paragraph 19, the draft RMP document has been updated accordingly.

Methven Cemetery

17. For **Pt RS 30312 SO 2341** at Methven Cemetery, additional land status investigations confirmed that the land is vested in the Crown/ Department of Conservation (DoC) and Council has never formally been appointed as the administering body of the land. Council therefore does not have the power to classify the land. To correct this error, the resolution passed on 17 April 2024 needs to be revoked.
18. The information in the draft RMP document has been **updated**. As indicated in paragraph 19, correct version of draft RMP is out for consultation with community. A **policy** has been **added** to work with the Department of Conservation to **formalise management** of the land parcel by ADC.

Miller Avenue Park

19. Additional research has shown that land at Miller Avenue Park (**Res 4358 DP 10323**) was vested in the Crown and subsequently vested in Ashburton District Council via New Zealand Gazette 1941, page 2019. Therefore, the land should have been classified under section **16(1)** of the RA and not 16(2A). To correct this administrative error, the earlier resolution needs to be revoked and the land correctly classified this under s.16(1) of the RA. No public notification is required.
20. The information for this park in the draft RMP document has been **updated** as mentioned in paragraph 19. No additional actions are required following the passing of recommendations included in this report.

Options analysis

Option one – do nothing

21. Council may choose not to approve the proposed classification and reclassification actions as they were publicly notified or to change those proposals.

<p>Advantages:</p> <ul style="list-style-type: none"> Minimal reduction in cost and resources. 	<p>Disadvantages:</p> <ul style="list-style-type: none"> Non-compliance with the Reserves Act 1977 by not having reserves classified and existing classifications not reflecting current use (e.g. fire stations). Increased risk of legal challenges. Diminished public confidence and credibility and potential impact on future public notification processes. Potential alienation of key stakeholders and community groups.
<p>Risks:</p> <ul style="list-style-type: none"> Risk of judicial review. Potential damage to reputation and trust. Potential negative media coverage and public relations issues. 	

Option two – approve recommendations made in this report including classifications as publicly notified (recommended option)

- 22. Council may choose to approve the recommendations made in this report which includes the proposed classification and reclassification actions as they were publicly notified.
- 23. As there have been no objections and no new information has emerged about the different sites to be classified or reclassified, staff recommend that the Council approves **Option 2** - the classification and reclassification as publicly notified (described in Appendix 2 to 4).

<p>Advantages:</p> <ul style="list-style-type: none"> Ensures compliance with the Reserves Act 1977 and other relevant legislation. Maintains public confidence and trust in the council's decision-making process. Lower likelihood of judicial review or other legal actions from stakeholders. Ensures integrity of future public feedback processes. 	<p>Disadvantages:</p> <ul style="list-style-type: none"> Minimally higher cost than option 1. Covered through operational budgets.
<p>Risks:</p> <ul style="list-style-type: none"> No known risks. 	

Option three – approve alternative classifications

24. Council may choose to change classifications and reclassifications and approve those changed proposals.

<p>Advantages:</p> <ul style="list-style-type: none">• Would enable ability to respond to new information that emerged after public notification.	<p>Disadvantages:</p> <ul style="list-style-type: none">• Increased risk of legal challenges.• Diminished public confidence and credibility and potential impact on future public notification processes.• Potential alienation of key stakeholders and community groups.
<p>Risks:</p> <ul style="list-style-type: none">• Risk of judicial review.• Potential damage to reputation and trust.• Potential negative media coverage and public relations issues.	

Legal/policy implications

Reserves Act 1977

25. Section 40(1) of the Reserves Act provides that Council, as administering body of the reserve, has the duty to administer, manage and control the reserve. Council must manage the reserve in accordance with the appropriate provisions of the Reserves Act so as to ensure the reserve is used, developed and maintained for the purpose for which it is classified.
26. Section 14 of the Reserves Act gives local authorities the right to declare land vested in it to be reserve. Ministerial powers to consider objections as per Section 14(4) of the RA were delegated to local authorities by the Minister of Conservation in June 2013. Therefore Ashburton District Council can consider objections to proposals to declare and classify land.
27. Section 16 of the Reserve Act requires the Minister (of Conservation) to classify each reserve according to its primary purpose, as defined in sections 17 and 23 of the Reserves Act. This power was delegated by the Minister of Conservation to local authorities in 2013 and as such, Ashburton District Council can make decisions on this.
28. Section 24 of the Reserves Act provides powers to change the classification or purpose of a reserve or revoke the reserves status. All powers, with the exception of revocation, have been delegated to local authorities by the Minister of Conservation in 2013. Therefore, Ashburton District Council can make decisions on proposed reclassifications outlined in this report.

29. Sections 119 and 120 of the RA outline requirements for Public Notices and Rights of objection and making a submission.

Risks and Mitigation

30. The following table outlines other relevant risks and mitigations:

Risk	Risk Level	Mitigation
IF land is classified under the RA THEN this constrains what the land can be used for	Low	Each individual parcel proposed to be held under the RA has been assessed based on a set of criteria and the Reserves Act Guide. Recommendations reflect open space values and current and likely future use of each individual parcel and do not add additional restrictions.

Review of legal / policy implications

Reviewed by In-house Counsel

Tania Paddock; Legal Counsel

Strategic alignment

31. The recommendations relate to Council's Community Outcomes of 'a balanced and sustainable environment', 'a district of great spaces and places' and 'residents are included and have a voice'.
32. The Council has adopted an Open Spaces Strategy, updated in 2022. The development of overarching RMPs is defined as an action in the strategy.
33. From an operational perspective, having a complete suite of RMP's enables staff to manage all open spaces and address concerns in a consistent way, with a set of policies that apply across the district. This avoids reactive and inconsistent decision-making.

Wellbeing		Reasons why the recommended outcome has an effect on this wellbeing
Economic	x	No direct impact
Environmental	✓	A balanced & sustainable environment Preparation of RMPs ensures that reserves are administered, managed and controlled in a way to protect, preserve and as appropriate and resources allow develop reserves for public use and enjoyment. The draft plan includes policies that support sustainable management of parks and incorporate considerations to mitigate the impact of climate change.
Cultural	✓	A district of great spaces and places Development of an omnibus RMP provides an opportunity to recognise and celebrate cultural values present in parks and make them more visible for all.
Social	✓	Residents are included and have a voice The development of the RMP involves two rounds of public consultation and opportunities for the public to have a say on the future management of all reserves in the District. The number of people responding to opportunities for engagement can be a good measure of active citizenship and connectedness. Council complying with its legislative requirements and upholding the law builds trust. Council have consulted on the reserve classifications during May 2024.

Financial implications

34. The operational budget of the council's Open Space department will cover the costs for Gazettal.

Requirement	Explanation
What is the cost?	This report has no significant financial implications for the Council. The costs for gazette notices of the classifications will be covered through existing departmental budgets.
Is there budget available in LTP / AP?	Yes, the above noted funding was included in the 2023/24 Annual Plan
Where is the funding coming from?	The funding is sitting in the cc164 account
Are there any future budget implications?	6 classification proposals trigger the need for land surveys to determine a new legal boundary. This applies to land at Ashton Beach, Wakanui Beach, Alford Forest Domain and Pendarves Domain. These surveying costs can be covered through existing department budgets pending resolution from the Council.
Reviewed by Finance	Erin Register; Finance Manager

Significance and engagement assessment

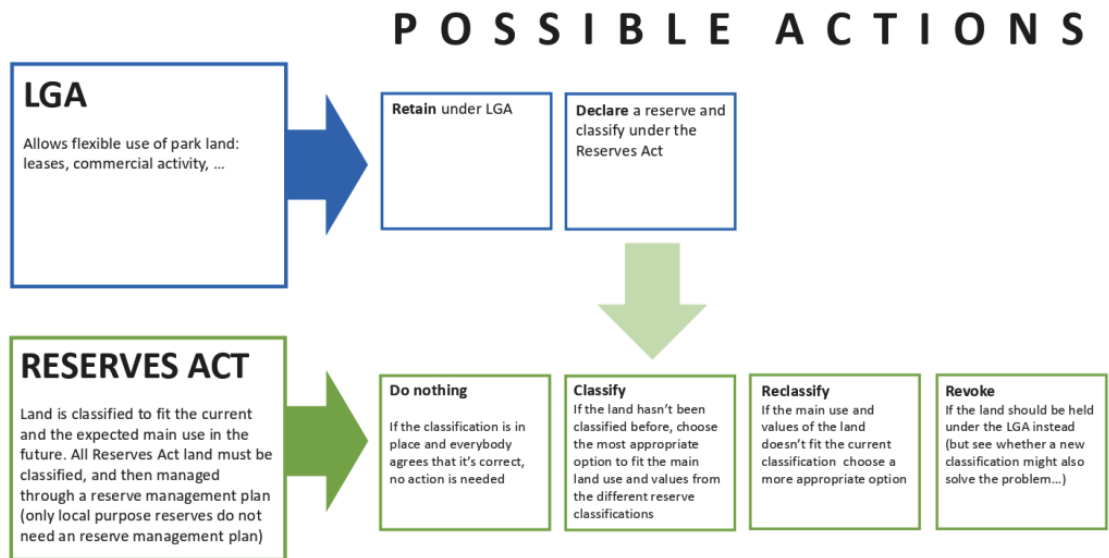
- 35.** The proposal to publicly notify the draft plan has been assessed against Council’s Community Engagement Policy and does not trigger high significance.

Requirement	Explanation
Is the matter considered significant?	No
Level of significance	Medium
Rationale for selecting level of significance	Likely medium interest from tangata whenua and the community.
Level of engagement selected	Consult – formal two way communication. Already undertaken
Rationale for selecting level of engagement	The Reserves Act and Local Government Act requires Council to notify and seek objections to any reserve classification proposals. This report outlines the outcomes from that public notification process which occurred during May 2024.
Reviewed by Strategy & Policy	Mark Low; Strategy and Policy Manager

Next steps

- 36.** If the recommended classifications and reclassifications are approved, the next steps are to:
- a. Arrange gazette notices for approved classifications. The power to approve gazette notices was delegated to local council in June 2013 by the Minister of Conservation and will be undertaken by Council staff with relevant delegations.
 - b. Reflect updates to the classifications in the draft Ashburton RMP.
 - c. Ensure all classifications are correctly recorded on council’s databases.
- 37.** Surveying of land parcels as outlined above will be undertaken as funding allows. Final confirmation of actions will be reported to Council following surveying.

Appendix 1 – Options for land held under the LGA vs the RA



	Proposed Action	No of land parcels	Relevant section of the Reserves Act 1977
	Retain under the LGA	50	Not applicable
	Declare and classify (public notification <u>not</u> required)	17	s.14(1)
Options for land held under the LGA	Declare and classify (public notification required)	8	s.14(2)
	Survey, declare and classify (public notification required)	3	s.14(2)
	Total	78	
Options for land held under the	Classify (public notification <u>not</u> required)	118	s.16 (1), s. 16(2A)

Reserves Act 1977	Classify (public notification required)	1	s.16 (1)
	Survey and classify (public notification <u>not</u> required)	1	s.16 (1)
	Reclassify (public notification required)	2	s.24(2)(b)
	Survey and reclassify part (public notification required)	3	s.24(2)(b)
	Total	125	

Appendix 2 – Confirmation to declare land reserve subject to section 14(2) of the RA and classify, following public notification – eight land parcels

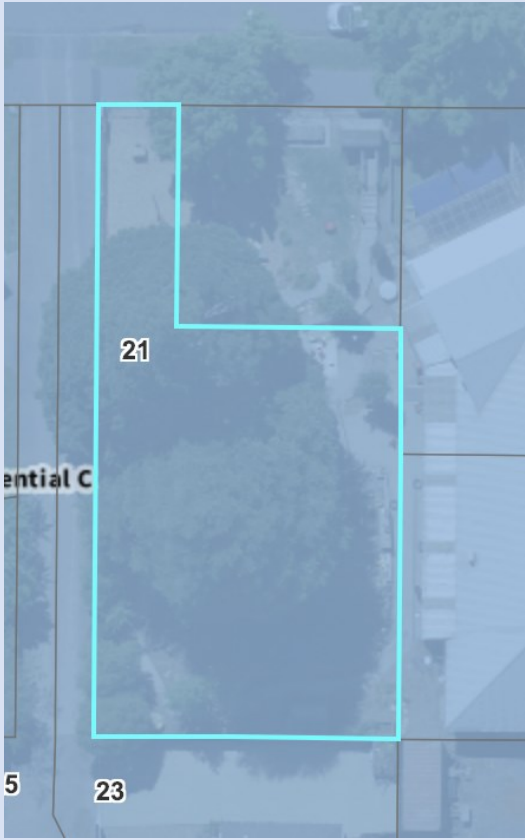
Park Name	Physical Address	Appellation	Survey Area (ha)	Proposed Classification	RA Section	Reason
Ashburton Cemetery (open)	33 Seafield Road, Ashburton	Lot 2 DP 357743	6.7947	Local purpose (cemetery) reserve	14(2)	Better align with current purpose and use as cemetery.
Ashton Beach	Lower Beach Road, Ashton	Part RS 33274	4.6538	Recreation Reserve	14(2)	Align with adjacent land parcels.
Awa Awa Rata Reserve	423 Mclennans Bush Road, Ashburton District	Res 4455 SO 7318	1.3809	Recreation Reserve	14(2)	Align with adjacent land parcels.
Awa Awa Rata Reserve	423 Mclennans Bush Road, Ashburton District	Res 4455 SO 7318	1.6283	Recreation Reserve	14(2)	Align with adjacent land parcels.
Ealing Hall	18 Maronan Ealing Road, Ealing	Lot 1 DP 5389	0.2845	Local purpose (hall) reserve	14(2)	Better align with current purpose and use as hall.
Lake Hood - Huntingdon Ave	Torbay Avenue, Ashburton District	Lot 2 DP 496676	0.9394	Recreation Reserve	14(2)	Primary purpose is for play and recreation

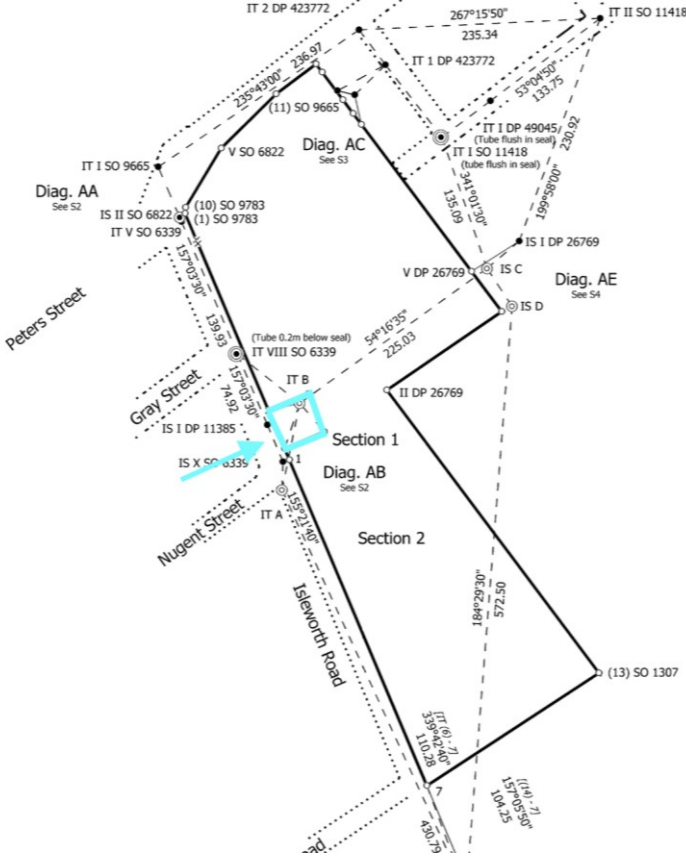
Park Name	Physical Address	Appellation	Survey Area (ha)	Proposed Classification	RA Section	Reason
Playground Reserve						
Lake Hood - Lake Hood Drive Reserves	Lake Hood Drive, Ashburton District	LOT 304 DP 558090	0.9931	Recreation Reserve	14(2)	Primary purpose is for play and recreation
Wakanui Beach	251 Wakanui Beach Road, Ashburton District	Pt RS 846	2.9668	Scenic Reserve 19(1)(b)	14(2)	Enable better protection and management of natural and cultural values.

Appendix 3 – Confirmation to declare land reserve subject to section 16(1) of the RA and classify, following public notification – one land parcel

Park Name	Physical Address	Appellation	Survey Area (ha)	Proposed Classification	RA Section	Reason
Ashburton Motorbike Park (Trevors Road Motorbike Park)	Trevors Road, Ashburton	Res 3540 BM 45	8.0937	Recreation Reserve	16(1)	Classify according to primary purpose; Public notification required, as exceptions in S16(5) of RA do not apply

Appendix 4 – Confirmation of reclassification of land subject to section 24(2)(b) of the RA following public notification – two land parcels

Park Name	Physical Address	Appellation	Survey Area (ha)	Proposed Classification	RA Section	Reason
Parkland at 21 South Belt	21 South Belt, Methven	Lot 1 DP 52983 	0.057	Local purpose (preschool) reserve	24(2)(b)	Reclassify from Recreation reserve to Local purpose to better align with primary purpose and current use as preschool.

<p>Hinds Domain</p>	<p>3 Isleworth Road, Ashburton District</p>	<p>Part RS 41165 SO 15098, defined as Section 1 SO Plan 480632</p> 	<p>0.1680</p>	<p>Local purpose (fire station) reserve</p>	<p>24(2)(b)</p>	<p>Reclassify Section 1 SO Plan 480632 from Recreation reserve to Local purpose (fire station) reserve to better align with primary purpose and current use as fire station.</p> <p>The remainder of area is to be retained as Recreation reserve (11.4940ha).</p>
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20. Appointment of Alternate Local Controllers and Alternate Recovery Managers

Author *Jane Donaldson; GM Compliance and Development*
Executive Team Member *Hamish Riach; Chief Executive*

Summary

- This report recommends additional Civil Defence Emergency Management appointments to supplement the existing pool of personnel.

Recommendation

That Council appoints Richard Wood and Gordon Tupper as Alternate Local Controllers and Alternate Local Recovery Managers.

Background

1. Council currently has one Local Recovery Manager (Toni Durham) and two Alternates (Shirin Khosraviani and Jim Henderson) five Local Controllers (Jim Henderson, Terry O'Neill, Ian Soper, Shirin Khosraviani, and Ian Hyde). It is proposed to strengthen this pool by adding two additional Controllers and Recovery Managers (Gordon Tupper and Richard Wood).
2. Richard is the Manager of Council's EA Network Centre. He has completed CDEM training on CIMS (Co-ordinated Incident Management System) provided by the Emergency Management Training Centre, and training in Emergency Operations Centre and Welfare provided by the same training provider. If appointed Richard will commence the Response and Recovery Leadership Development Programme provided by Response and Recovery Aotearoa NZ. He is well known within the district with very good personal relationships and this will stand him in good stead in a Civil Defence environment.
3. Richard is a strategic thinker and process driven and based on this is recommended for the dual appointment of Alternate Local Controller and Local Recovery Manager.
4. Gordon is the Council's Information Systems Manager and has worked at Council for 17 years delivering ICT services across Council. The scope of these services is significant covering 300 plus connected staff, multiple sites, networked services, communications application management and information management. This scope has included the design and delivery of these services to Emergency Management and its EOC operation. While Gordon has had no formal Emergency Management Training, he has had direct experience of EOC operations through recent floods and roading events.
5. Gordon is a methodical, process driven person and a strategic thinker, who leads a highly functional team. If appointed he will commence on the Response & Recovery Leadership Development Programme provided by Matatu Mataora Aotearoa, Response and Recovery Aotearoa New Zealand.
6. It is proposed that Gordon is appointed as an Alternate Local Controller and Recovery Manager to provide further capability and resilience to Ashburton District CDEM.

Options analysis

Option one – appoint alternate local recovery managers and alternate local controllers

This is the recommended option.

Advantages: The pool of specialist resources available to Ashburton’s CDEM team will be enhanced.	Disadvantages: None identified.
Risks: None identified.	

Option two – do not appoint alternates

Advantages: None identified.	Disadvantages: An opportunity to expand the CDEM pool will not be realised.
Risks: In a prolonged event there will be little back up in the command space for CDEM.	

Option three –appoint different alternates

Advantages: Additional cover may be provided.	Disadvantages: The proposed candidates have the right attributes for these roles and it makes sense to utilise them.
Risks: Other suitable candidates for these roles may not be available.	

Legal/policy implications

- Section 27 of the Civil Defence Emergency Management Act covers the appointment of local controllers. In accordance with section 18 of the Act, the CDEM Group has delegated its authority for the appointment of local controllers to each member authority. Territorial Authorities must consult with the Group Controller when appointing local controllers and local recovery managers. This consultation has been carried out.

Climate change

- The recommended appointments will have no impact on climate change.

Strategic alignment

- The recommendation relates to Council’s community well-being outcomes.

Wellbeing		Reasons why the recommended outcome has an effect on this wellbeing
Economic		
Environmental		
Cultural		
Social	✓	Well-being for residents is enhanced with an effective CDEM response team

Financial implications

Requirement	Explanation
What is the cost?	Training costs only.
Is there budget available in LTP / AP?	Yes
Where is the funding coming from?	Training costs will be met from existing budgets.
Are there any future budget implications?	No.
Reviewed by Finance	Erin Register; Finance Manager.

Significance and engagement assessment

Requirement	Explanation
Is the matter considered significant?	No
Level of significance	Low
Rationale for selecting level of significance	N/A
Level of engagement selected	1. Inform – one way communication
Rationale for selecting level of engagement	The community will be informed of the appointments through the usual channels.
Reviewed by Strategy & Policy	Mark Low; Strategy and Policy Manager

21. Naming of Roads – Strowan Fields

Author *Ian Hyde, District Planning Manager*
Group manager *Jane Donaldson, Group Manager Compliance and Development*

Summary

- The purpose of this report is to name a road to vest in Council under subdivision SUB23/0040. This relates to a subdivision to create a multi-stage residential development off Trevors Road, which is also included as a Structure Plan area in the Ashburton District Plan. Other roads in the development were adopted by Council last year as part of an earlier stage of development.
- A plan identifying the road to be named within this application is included as Appendix 1 to this report.
- As required in the Naming Policy, the applicant has provided three name options with the names as follows. They have not provided a preference within the options proposed:

Road (Access from Nelson Street) options proposed are: *Buxton Place, Abbott Place, Farnham Place*
- The justification for the names proposed by the applicant is that they are historic names of farms in the area or historic personalities. An extract from the naming application which explains the relevance of the names is attached as [Appendix 2](#).
- The names have been checked against the Council’s adopted Naming Policy and the Australian/ New Zealand Addressing Standard.

Recommendation

1. **That** the road to vest in Council as part of Subdivision SUB23/0040, within the subdivision known as Strowan Fields, accessed from Nelson Street, be named Buxton Place.

Attachments

Appendix 1 Road naming application plan
Appendix 2 Applicant’s explanation of names

Background

The current situation

1. The area in question forms part of a wider development contained within the Trevors Road Outline Development Plan for residential development contained within the Ashburton District Plan.
2. There is a requirement for the applicant to supply proposed names as part of the approval of conditions associated with their subdivision application progression.
3. Officers have reviewed the requested names and have vetted them for potential confusion with existing names.
4. Officers concluded that the following name would be appropriate and recommend this to Council. The applicant accepted the following recommendation.
 - Buxton Place
5. It is considered that the preferred name demonstrates a suitable relationship to their environment as expected within the Council's naming policy. Suffixes have been checked with the protocols within the Naming Standards and are acceptable.

Options analysis

Option One - Do nothing

- This is not a practical option as there is currently no adopted name for the road in question.

Option Two - Name the roads – (Preferred option)

- That the recommended name be adopted.

Legal/policy implications

Legislation (Statutes & Regulations)

- The Local Government Act 1974 [Clause 319\(j\)](#) which relates to the powers of councils in respect to roads and includes naming responsibilities.
- Accordingly, there are no statutory implications other than to inform LINZ and other affected stakeholders of the new name.

Council Strategies, Plans, Policies, Bylaws

- Ashburton District Council has adopted a policy on road naming, the relevant sections of this policy can be found [here](#).

Strategic alignment

6. The recommendation relates to Council's community outcome of Social because of the following.

Wellbeing		Reasons why the recommended outcome has an effect on this wellbeing
Economic		
Environmental		
Cultural	✓	The appropriate naming of roads has benefit to the character of the area and the identity of the District
Social	✓	The naming by the developer acknowledges the history of the area.

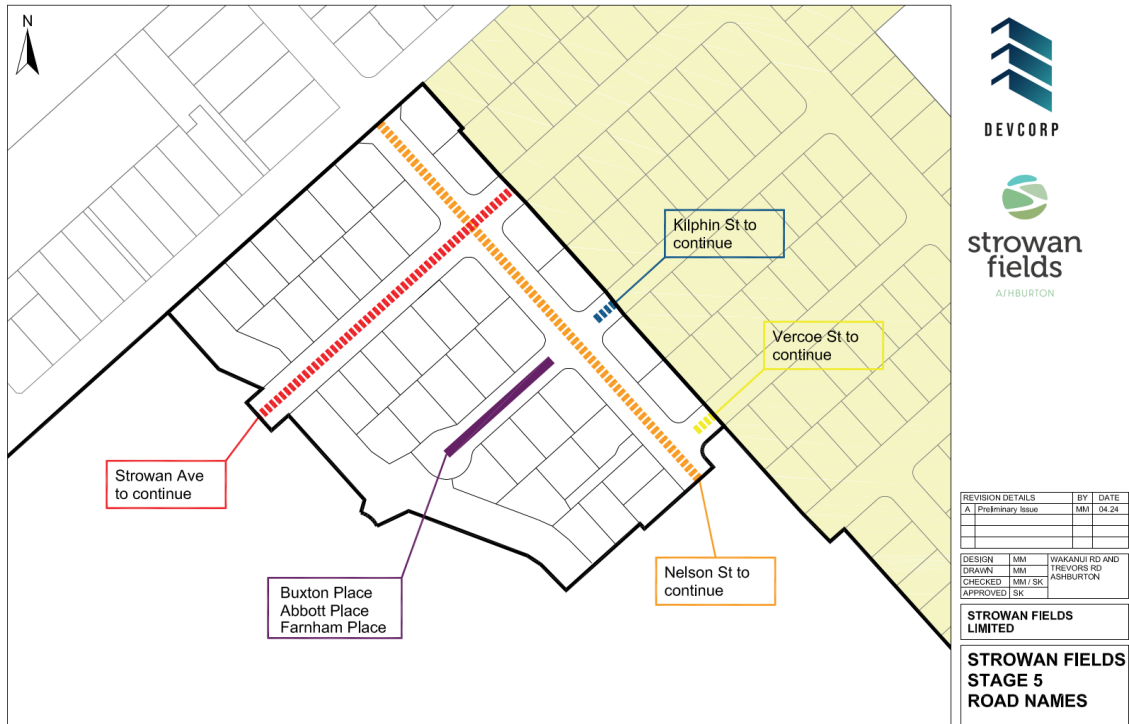
Financial implications

Requirement	Explanation
What is the cost?	N/A
Is there budget available in LTP / AP?	N/A
Where is the funding coming from?	Costs associated with the naming are borne by the applicant/developer.
Are there any future budget implications?	N/A
Reviewed by Finance	Not required.

Significance and engagement assessment

Requirement	Explanation
Is the matter considered significant?	No
Level of significance	Low
Rationale for selecting level of significance	N/A
Level of engagement selected	Inform
Rationale for selecting level of engagement	The recommended option will not require any action to be taken. The applicant will be informed of Council's decision following the Council meeting.
Reviewed by Strategy & Policy	Mark Low: Strategy & Policy Manager

Appendix 1 Subdivision Naming Plan



Appendix 2 Applicant's justification of names

Abbott Place – a leading landscaper in the 1880's in Ashburton District

Buxton Place– Designer/landscaper in Ashburton. Designed the gardens for Akanui

Farnham Place– Historical farmstead onsite

22. Gift to Civic Art Collection

Author	<i>Hannah Herbert-Olsen, Collections and Exhibitions Assistant</i>
Activity Manager	<i>Shirin Khosraviani; Ashburton Art Gallery and Museum Director</i>
Executive Team Member	<i>Sarah Mosley; Group Manager People and Facilities</i>

Summary

- The purpose of this report is to recommend the addition of a new artwork to the Civic Art Collection by way of gift.
- The donor, Alister Argyle from AWF, owns the drawing by Cuthbert Denham. The work depicts the old Borough Council and Public Library building built in 1884.
- Officers have viewed, inspected and examined the merits of the work and recommend its acceptance into the collection.

Recommendation

1. **That** Council accepts the untitled drawing created by Cuthbert Denham into the Civic Art Collection.

Attachment

Appendix 1 Image of artwork

Background

1. Council holds and maintains a permanent collection of art called the Civic Art Collection.
2. Any new acquisitions to the Civic Art Collection is a decision of Council whether these are through purchase, commission or gift.

Previous Council decisions

3. The Civic Art Collection Management Policy (adopted 15 December 2021) entrusts the Ashburton Art Gallery & Museum Director to manage and care for the Council's civic art collection. The policy also provides a framework for the acquisition, display and loan of items within the civic art collection.

The current situation

4. Officers were made aware of the possibility of Alister Argyle gifting a work of art to the Civic Art Collection in February 2024 through contact with the Mayor.
5. Mr Argyle is the legal owner of the artwork.
6. The artist, Cuthbert Denham, was born in Dunedin in 1912 and died in Hakatere Ashburton in 1983. Mr Denham resided in Hakatere Ashburton for his adult life and still has family locally.
7. The artwork is a pen and pastel drawing. Its title and date are unknown. The work is of the old Borough Council and Public Library built in 1884. It measures 700 mm high x 840 mm wide, framed.
8. Mr Denham's daughter believes the work to be one of his later pieces.
9. The artwork meets five of the seven acquisition criteria as set out in the Civic Art Collection Management Policy. These are artworks which:
 - Reflect a variety of images which depict Ashburton District, the Canterbury Region and the South Island,
 - do not over-represent any one artist or duplicate images,
 - represent a unique one-off opportunity to acquire a work of art
 - are of historical significance due to the reason they are in the collection e.g. marking an occasion in Council's history,
 - are works that are able to be appropriately stored, displayed, maintained and insured by Council within reasonable budget and resourcing levels.
10. The artwork is currently stored at Ashburton Art Gallery & Museum.

The artist

11. Mr Denham served in the Second World War, where he suffered a back injury. He went on to work as an accountant but was particularly interested in creating cartoons. As a keen mountaineer he produced watercolours and oils of mountains. Officers were shown a number of his cartoons by his daughter, Mrs Mary Ross.
12. Mr Denham was interested in community service. He served on the Tinwald Town Board as commissioner from 1950 - c. 1954, and he was an Ashburton Borough Councillor from 1956 - 1959.
13. Mr Denham was a member of the Ashburton Society of Arts, where he was a contemporary of Kath von Tunzelmann and other prominent local artists.
14. There are no examples of his work in public collections around the district. His work is mainly held in private collections.

Options analysis

Option one – decline the gift

Advantages: <ul style="list-style-type: none">○ No further staff resource required on this project.	Disadvantages: <ul style="list-style-type: none">○ The civic art collection does not grow.○ Fewer local artists are represented in the collection.○ Our community has fewer opportunities to encounter works by a wide variety of artists.
Risks: <p>Possible offence caused to donor and the family of the late artist.</p>	

Option two – accept the gift (recommended option)

Advantages: <ul style="list-style-type: none">○ The civic art collection grows to include new works of art.○ The stories of our region are celebrated through creative means.	Disadvantages: <ul style="list-style-type: none">○ Some resources will need to be put into the reframing of this work.
Risks: <p>None identified</p>	

Legal/policy implications

Local Government Act 2002

15. There is no legislative requirement to accept artworks into the Civic Art Collection.

Council Strategies, Plans, Policies, Bylaws

16. Council has the [Civic Art Collection Management Policy](#) which sets out the framework for new acquisitions for the collection.

Climate change

17. No direct impact on climate change identified.

Strategic alignment

18. The recommendation relates to Council’s community outcome of ‘a district of great spaces and places’ because art and creativity contribute to community wellbeing as well as to creating spaces that are welcoming and safe. Communities that celebrate visual culture attract more tourism and are inviting places to visit, work and stay.

Wellbeing		Reasons why the recommended outcome has an effect on this wellbeing
Economic		
Environmental		
Cultural	✓	The Civic Art Collection is culturally significant and contains history of the Ashburton District. It celebrates our collective identity. Growing the collection allows for new narratives about our region to be created and promoted for generations to come.
Social	✓	Having art in the collection that depicts important historical scenes helps to preserve the districts’ unique heritage. It supports social well-being by promoting conversations, connections reminiscence.

Financial implications

Requirement	Explanation
What is the cost?	The artwork is being gifted to Council. Costs with reframing the artwork with archival materials is estimated to cost up to \$1,500.
Is there budget available in LTP / AP?	The cost of reframing will be included in the Civic Art Collection management budget.
Where is the funding coming from?	Cost centre 206
Are there any future budget implications?	Once the reframing is completed, future costs are expected to be minimal.
Reviewed by Finance	Leanne Macdonald, Group Manager – Business Support

Significance and engagement assessment

19. This matter has been considered in regards to Council’s Community Engagement Policy and does not trigger a high level of significance.

Requirement	Explanation
Is the matter considered significant?	No
Level of significance	Low
Rationale for selecting level of significance	Although some members of the community may have strong views on Council’s art collection increasing, the level of overall significance to the community is deemed low as it has little to no impact on levels of service.
Level of engagement selected	Inform – one-way communication through normal channels. The donor and family to be communicated with on a one-on-one level once a decision has been made.
Rationale for selecting level of engagement	This level of engagement required is to advise the community of the Council’s decision and ongoing liaison with the donor.
Reviewed by Strategy & Policy	Mark Low; Strategy and Policy Manager

Appendix one – image of artwork

The framed dimension are 700 mm high x 840 mm wide. The artwork alone measures approx. 460 mm high x 620 mm wide.



23. Upper Hakatere Reserve

Author *Phillipa Clark; Governance Team Leader*
GM responsible *Toni Durham; GM Democracy & Engagement*

Summary

- The purpose of this report is to present the findings of the Hakatere Reserve Working Group, established in response to a petition presented to Council on 17 April 2024. The petition asked Council to remove the bollards from the Upper Hakatere reserve (Hakatere Drive) and reinstate the area as a camping ground.
- Council then received correspondence from another Hakatere group with opposing views – they are satisfied with the bollards and don't want to see camping reinstated.
- Council prohibited camping at the Upper Hakatere Reserve in February 2023, after receiving advice from Environment Canterbury that the adjacent cliff was eroding, presenting a potential risk with vehicles parking in this area.
- To reduce cost and risk, bollards were installed to restrict vehicles from the area and campers were advised to use the lower camping ground.
- The Working Group met on 7 May and undertook a site visit on 28 May. To bring the matter to conclusion, the Working Group is recommending that the bollards be re-positioned on the reserve and that camping continues to be prohibited.

Recommendation

1. **That** Council receives the minutes of the Hakatere Reserve Working Group meeting held on 7 May 2024, to be taken as read and confirmed.
2. **That** Council approves the re-positioning of the bollards, as identified on the attached plan.
3. **That** Council confirms that camping is not permitted at the Upper Hakatere reserve.

Attachment

- Appendix 1** Hakatere Reserve Working Group minutes
Appendix 2 Reserve / bollard repositioning
Appendix 3 Correspondence 21/04/24 (Carol Stewart and Tracy Tubman)

The current situation

1. A petition from members of the Hakatere community, presented to Council's Public Forum on 17 April 2024, asked Council to consider removing the bollards from the Upper Hakatere reserve (Hakatere Drive) and for this area to be reinstated as a camping ground.
2. Council resolved to establish a Working Group to look at the issues raised in the petition. The Working Group was tasked with setting a direction for decision-making taking into account the views of the petitioners and the opposing views shared in correspondence from others in the Hakatere community.
3. The Working Group met on 7 May and undertook a site visit on 28 May. Council officers had previously acknowledged that the placement of the bollards would need to be reviewed and the site visit confirmed this. The Working Group agreed that the picnic area should be retained but the bollards re-positioned to improve parking and access.
4. Council prohibited camping at the Upper Hakatere Reserve in February 2023. This decision was made by Council management after receiving advice from Environment Canterbury that the adjacent cliff was eroding, presenting a potential risk with vehicles parking in this area, and with the knowledge that geotechnical reports would need to be sourced on a cyclical basis if the risk was to be reduced.
5. At this time, bollards were installed to restrict vehicles from the area and campers were advised to use the adjacent (lower) campground. This area is within 100m of the upper site with toilets and water (new toilets will be installed at Hakatere lower camping ground in 2024/25).
6. While some adjustments were made to the bollards, to ensure cars could park close to the picnic area, further review identified that they need to be placed further away from the road. The Working Group considers that a good compromise has been found for all parties and the re-positioned bollards will provide safe access for vehicles and picnickers.
7. The Hakatere site will be included in the upcoming, revised Reserve Management Plan. It is not a designated camping site under Council's Open Spaces Bylaw and the Working Group is not looking to change this.
8. Open Spaces will arrange for an additional to be placed at the entrance to Hakatere Drive directing all campers to the lower camping site. This is expected to cost approximately \$160 plus GST. Older signs with outdated Council logos will be removed over the next twelve months.

Options analysis

Option one – That Council receives the Working Group’s proposal to retain the Upper Hakatere reserve as a picnic area where camping is not a permitted activity (recommended)

9. This option would see Council support re-positioning the bollards on the reserve and install signage that directs campers to the lower site.

<p>Advantages:</p> <p>Council is responding to the Hakatere community’s concerns.</p> <p>The recommendation of the group delegated to make the decision is accepted.</p> <p>Council is meeting its responsibilities in respect to managing reserves and camping ground.</p> <p>The reserve and picnic area continues to be accessible to all people.</p>	<p>Disadvantages:</p> <p>The decision may be seen as a compromise that doesn’t address concerns, as there are disparate views in the Hakatere community.</p> <p>Demand for camping space may increase at the Lower Hakatere site.</p>
<p>Risks:</p> <p>Nil</p>	

Option two – That Council does not accept the Working Group’s proposal, and that the bollards remain in their current location

10. This option would not address the parking and access safety concerns, nor would it change the status of the reserve that does not permit camping.

<p>Advantages:</p> <p>There are no advantages to this option.</p>	<p>Disadvantages:</p> <p>Council would not be meeting its reserve management responsibilities and would fail to address known concern from some of the district’s residents.</p>
<p>Risks:</p> <p>Rejecting the recommendation would undermine delegated responsibility that Council has given the Working Group.</p>	

Legal/policy implications

Local Government Act 2002

11. Council has a responsibility to promote social, economic, environmental and cultural well-being of current and future communities (s.10).

Climate change

12. Re-positioning the bollards will not increase any climate change impact on the reserve.

Strategic alignment

13. The Working Group was formed in response to community petition.
The recommendation relates to Council's community outcome of residents are included and have a voice.

Wellbeing		Reasons why the recommended outcome has an effect on this wellbeing
Economic		
Environmental		
Cultural		
Social	✓	Residents have a democratic right to lobby and petition elected members on matters of interest to them.

Financial implications

Requirement	Explanation
What is the cost?	The estimated cost to re-position the bollards is \$1,410.00 plus GST
Is there budget available in LTP / AP?	Yes
Where is the funding coming from?	Hakaterere repairs and maintenance budget
Are there any future budget implications?	As part of future years outdated signs may be replaced as needed. Minimal cost
Reviewed by Finance	Erin Register; Finance Manager.

Significance and engagement assessment

Requirement	Explanation
Is the matter considered significant?	No
Level of significance	Low
Rationale for selecting level of significance	N/A
Level of engagement selected	1. Inform
Rationale for selecting level of engagement	Receipt of the Hakaterere Reserve Working Group's recommendation is procedural in nature. Council has responded to community concerns and interest with a decision that will address the need for improved access to the reserve. There is no intention to permit camping on this site and Council will keep the community informed of future development and improvements at Hakaterere.
Reviewed by Strategy & Policy	Toni Durham: GM Democracy & Engagement

APPENDIX 1

Hakaterere Working Group

7 May 2024



Hakaterere Working Group

Minutes of a meeting of the Hakaterere Working Group held on Tuesday 7 May 2024, commencing at 10am, in the Banded Dotterel Room, Te Whare Whakaterere, 2 Baring Square East, Ashburton.

Present:

Crs Russell Ellis (Chair); Tony Todd and Richard Wilson.

Hakaterere representatives: Gary Clancy, Tialling (TJ) Jonker and Sheryl Hendriksen.

In attendance:

Leanne Macdonald (GM Business Support) and Phillipa Clark (Governance Team Leader).

1 Apologies

Neil McCann (GM Infrastructure & Open Spaces)

2 Purpose of meeting

Discussion on the information and petition presented to Council on 17 April.

The Working Group will set a direction for decision-making and arrange a site visit. Following the site visit, the Working Group will consider comments from members of the Hakaterere community who have shared their opposing views in a letter to Council.

A report and recommendation will be prepared by the Group Managers for Council's consideration on 26 June.

3 Discussion

• Upper Hakaterere reserve

The Hakaterere representatives group (the Group) want Council to remove the bollards completely, allowing vehicle access and include camping as a permitted activity on the Upper Hakaterere reserve. TJ noted that Council is looking to formalise the status of this land and asked that this work be paused until the Working Group has reached a resolution.

Cr Ellis advised this process is part of a wider review of all reserve land in the district which Council will be consulting on.

Gary referred to the petition which has been signed by the majority of Hakaterere residents – this indicates strong community will. He acknowledged that there are residents with opposing views but they are a small number and disproportionate to the number asking for camping to be reinstated.

Group members disagree that the picnic area is frequently used. They also believe erosion risk is low and questioned why Council has taken steps to prevent vehicles on the grass. They suggested that signage to explain restrictions could be sufficient, noting there would need to be some reliance on voluntary compliance, given that enforcement can't always be achieved in these areas.

Leanne explained the intention of the bollards is to provide some protection from vehicles for people using the picnic tables. Council has acknowledged that the placement of the bollards (around 2 metres from the road) needs to be reviewed and that a distance of 5 metres may be better.

- **Toilets**

Leanne reported that Council has budgeted for new toilets to be installed in the Lower Hakatere area in the coming financial year (2024-25). The toilet facilities on the Upper Hakatere area are not scheduled for replacement.

- **Complaints**

The Group questioned whether Council can substantiate the number of complaints it has reportedly received about campers and misuse of the reserve.

Leanne advised that Council is required to maintain the confidentiality of persons who lodge complaints. In the past, caretakers at Hakatere would have taken complaints which may or may not have been shared with Council. There is no longer a caretaker at Hakatere and it is not financially feasible to reinstate this role.

- **Camping**

Sheryl spoke about her experience as a motor home camper who subsequently bought a property at Hakatere. Her observations are that self-contained vehicles are not the problem – it's the people who camp in their cars. She suggested that Council put "Camping permitted" signs directing people to the lower level, and making it clear if camping isn't permitted on the upper level.

The Working Group considered the possibility of allowing limited camping on the upper level with the knowledge that most only stay up to 2-3 nights; but this option was discounted due to the likely confusion it would cause.

- **Next steps**

Councillors agreed that the Working Group needs to look at finding a good compromise for everyone, taking on board the need for appropriate signage and safe access for vehicles and picnickers.

Leanne noted the concerns that some old Council signage and material provided to past caretakers may still be in circulation and confirmed that officers will undertake to retrieve this.

A site visit was scheduled for Tuesday 28 May – 10am at the Upper Hakatere reserve. The Hakatere Hall will be reserved for the Working Group's use, if required.

Post meeting note:

To clarify a question raised by Gary, the Property Team have investigated the history of the other area where bollards have been placed (in a semi-circle). These bollards are protecting a septic tank – part of a dual septic tank system with one located behind the bollards, and the other by the public toilets. A pump system pushes the material between the tanks.

The meeting concluded at 11.02am.

APPENDIX 2 Map showing bollard placement



Upper Hakatere Huts:

- Existing bollard location
- Proposed new bollard location

(Please note the dots are indicative bollard locations only, not actual)

APPENDIX 3

Correspondence (Carol Stewart & Tracy Tubman)

Neil Brown + Hamish Riach

Upper Hakatere Reserve Residents
C/- 6 Hakatere Drive
Hakatere 7777

21/04/2024

Ashburton District Council
2 Baring Square
East Ashburton 7700

To the Councillors

Most of the directly impacted ratepayers of Upper Hakatere Reserve are writing this letter in response to a submission that was made to the Ashburton District Council on 17 April 2024 regarding the installation of bollards and closure of the Upper Hakatere campsite.

One of the issues raised in the submission to council was lack of consultation by Council. As directly impacted ratepayers we only heard that other residents (not directly overlooking the reserve) of the issues raised in this submission regarding bollards and camping after a meeting had been held with Council in the hall, and we feel that we haven't had our views heard by the other residents. We were invited to a meeting at the Hakatere Hall, but this was to have residents sign the petition and "our voice" was largely dismissed. Some residents have felt pressurised into signing the petition which was taken door to door to drum up support. We understand Council's original decision was an operational decision.

We would like to thank Council for the time, resources, and funding they have put into the Upper Hakatere Reserve in recent years. It is good to see the area cared for, modernised with new tables and a clear plan of what the area is to be used for, a picnic area. The bollards are now weathering which is helping them to fit in with the environment and we understand they will continue to weather with time.

Below are some reasons why "we" as impacted Upper Hakatere Residents would like to see the Upper Hakatere Reserve remain as a picnic area:

1. We support Council's plan to keep all camping in Hakatere in one location. This location in Lower Hakatere is not directly overlooked by rate payer's homes. It is also in line with the Council's plans for a new toilet block in this lower Hakatere area. There is more space and a closer proximity to the Hall.
2. To reduce further erosion of the Upper Hakatere Reserve, the original fence that is discussed in the submission has already been moved back once to stop it from falling over the hill and in places the fence is now close to going over the hill again. Sadly, with global warming and changing weather patterns it will be only a matter of time until the impact is more visible.
3. Times have changed with the new NZMCA (NZ Motor Caravan Association) has opening a purpose built new gated camp for their members at the opposite end of the Ashburton Bike Track.

4. Safety – Hakatere has had recent incidents of Vandalism (as noted in February 2024 Newsletter, emailed to all residents). Over the years there were such concerns about safety in the community that a meeting was held with Sue Abel, Safer Ashburton regarding installation of a security camera at the entrance to Hakatere. This security camera was later installed with a mixture of community funding. Examples of issues in and around the Upper Hakatere camping area:
 - a. Theft of a locked Electric Bike off the back of a campervan while the residents slept, this incident was reported to police and the campervan residents were shaken. The Woman and her young Daughter were lucky they did not wake to the thieves in the night.
 - b. Intimidation of young foreign campers in tents by groups of Hoons at night. The young campers were so concerned for their safety that they camped on a resident's front lawn for the evening.
 - c. Confrontations around parking spots by campers
 - d. Drug use and drug paraphilia found.

5. The submission mentions the million-dollar views from the campsite, we believe these views are better shared with daytime picnickers than some campers that disrespected the area by:
 - a. Leaving toilet paper, used condoms and human waste in the area.
 - b. Spitting toothpaste onto the ground rather than in the Council provided sink.
 - c. Arriving after 10.30pm and leaving from 5am in the morning in an attempt to avoid paying fees.
 - d. Knocking on resident's doors to request directions to Camp area, Caretaker, or assistance.
 - e. Parking directly in ratepayer's views and in the area that was designated for picnics.

6. With the removal of camping in the Upper Hakatere Reserve area it is notably more peaceful without the comings and goings of motorhomes which were at times far too large for the area and struggled to manoeuvre in the limited space available.

We believe there is sufficient parking for the picnicking with three road parks provided by the bollards and there is also parking on the old picnicking area where picnickers can drive right up next to the tables. We have attached a photo of recent picnickers enjoying this area including a visitor with mobility issues.

Should further consultation be held regarding the bollards and reinstating camping at the Upper Hakatere Reserve site we would like a representative from the directly impacted rate payer properties to be in attendance. Carol Stewart of number 6 Hakatere Drive has volunteered to be this representative and to present the views of the directly impacted residents of Upper Hakatere Reserve. Please include Carol in any further correspondence relating to this matter by email at crystalcove555@gmail.com

Yours Faithfully

Carol Stewart – 6 Hakatere Drive

Tracey Tubman - 11 Hakatere Drive

24. Ashburton Contracting Limited's 2024/25 Statement of Intent

Author *Leanne Macdonald, Group Manager – Business Support*
Executive Team Member *Hamish Riach, Chief Executive*

Summary

- The purpose of this report is for Council to agree to Ashburton Contracting Limited (ACL) 2024-25 Statement of Intent (SOI).
- Council, through the Audit & Risk Committee's 27 March 2024 meeting, reviewed ACL's draft 2024-25 SOI and formally notified ACL that they agreed with their draft SOI.
- ACL have subsequently sent back their final SOI for 2024-25 with no further changes. Council now has to formally agree to the Statement of Intent (Local Government Act 2002, S 65, (2)(a)).

Recommendation

- 1. That** Council agree to Ashburton Contracting Limited 2024-25 Statement of Intent.

Attachment

Appendix 1 Ashburton Contracting Limited 2024/25 Statement of Intent

Background

1. Audit and Risk reviewed ACL's draft Statement of Intent at their March 2024 committee meeting and referred the SOI to Council to advise ACL if they had any comments to add.
2. Under the Local Government Act 2002 Council, as the shareholder, Council must notify ACL before 1 May 2024 of any comments they wish ACL to consider. Council notified ACL on 18 April and did not request any changes to the draft SOI.

The current situation

3. ACL have subsequently submitted their final 2024/25 Statement of Intent (Appendix 1) for Council to agree, as per the requirement of the Local Government Act 2002, S 65, (2)(a).
65 Performance Monitoring ...
(2) A Local Authority must, as soon as practicable after a Statement of Intent of a Council Controlled Organisation is delivered to it, -
(a) agree to the Statement of Intent; or
(b) if it does not agree, take all practicable steps under clause 5 of Schedule 8 to require the intents of the Statement of Intent to be modified.

Options analysis

Option one – Agree to the Statement of Intent (Recommended)

4. Council is required to agree to the Statement of Intent (Section 65 (2)(a) Local Government Act (2002)), or if it doesn't agree, must take all practical steps to require the Statement of Intent to be modified.

<p>Advantages:</p> <ul style="list-style-type: none">• ACL can action their Statement of Intent with Councils agreement.• Council remain consistent with Audit and Risk recommendation and also with their communication to ACL that they approved the draft SOI.	<p>Disadvantages:</p> <ul style="list-style-type: none">• There are no disadvantages.
<p>Risks:</p> <ul style="list-style-type: none">• There are no apparent risks.	

Option two – Do not agree to the Statement of Intent (Not recommended)

5. Council as the shareholder of ACL can choose to not agree to their final SOI and request modifications.

<p>Advantages:</p> <ul style="list-style-type: none"> • There are no advantages. 	<p>Disadvantages:</p> <ul style="list-style-type: none"> • The decision would be inconsistent with earlier communication to ACL.
<p>Risks:</p> <ul style="list-style-type: none"> • Reputational, as Council did not submit any comments for ACL to consider from their draft SOI. 	

Legal/policy implications

6. Council responsibilities to their Council Controlled Organisation are detailed in Part 5 of the Local Government Act 2002.

Review of legal / policy implications	
Reviewed by In-house Counsel	<i>Tania Paddock; Legal Counsel</i>

Climate change

7. There is no impact.

Strategic alignment

8. The recommendation relates to Council’s community outcome of “a prosperous economy based on innovation and opportunity” as Council encourages local economic development for all.

Wellbeing		Reasons why the recommended outcome has an effect on this wellbeing
Economic	✓	Shareholding in ACL. Council’s investments provide a return to the community and contributes to economic development
Environmental		
Cultural		
Social		

Financial implications

Council receives dividends from ACL, which benefits the community as these dividends subsidise the cost of rates.

Requirement	Explanation
What is the cost?	There is no cost
Is there budget available in LTP / AP?	Not applicable
Where is the funding coming from?	Not applicable
Are there any future budget implications?	Yes, Council will receive dividends in the 2024/25 financial year from ACL's activities which are detailed on their SOI.
Reviewed by Finance	<i>Name; Position to be entered by the reviewer</i>

Significance and engagement assessment

9. This is not deemed significant.

Requirement	Explanation
Is the matter considered significant?	No
Level of significance	Low
Rationale for selecting level of significance	The Statement of Intent is for Information only.
Level of engagement selected	Inform, One way communication
Rationale for selecting level of engagement	Council consulted with the community prior to becoming a shareholder. This report is simply meeting the obligations of the Local Government Act 2002. The final Statement of Intent will be placed on Council's website so that it is publicly available to the community as per Section 64(9) of the Local Government Act 2002.
Reviewed by Strategy & Policy	Mark Low; Strategy and Policy Manager



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ASHBURTON CONTRACTING LIMITED

STATEMENT OF INTENT FROM 1 JULY 2024

(covering the Financial Year ending 30 June 2025)

ASHBURTON CONTRACTING LIMITED

STATEMENT OF INTENT FROM 1 JULY 2024 (Covering the Financial Year Ended 30 June 2025)

1. PREAMBLE

This Statement of Intent (SOI) is required by section 64 of the Local Government Act 2002.

The Board of a Council Controlled Trading Organisation must deliver to the Council a draft Statement of Intent on or before 1 March each year. The Board must;

- a) consider any comments on the draft Statement of Intent that are made to it within two months of 1 March by the Council, and
- b) deliver the completed Statement of Intent to the shareholders on or before 30 June each year.

2. GOVERNANCE

Role of the Board

The collective responsibility of the Directors is to direct the management of the Company.

The Board carries out its responsibilities by setting the Company's strategic direction, providing leadership to put this into effect, appointing the Chief Executive Officer (CEO), agreeing targets and objectives and monitoring performance. The CEO has been delegated responsibility for the day-to-day management of the Company. He has an executive team to assist him.

Board Composition

The Company's Constitution provides the Board will consist of not more than five directors of whom not more than one shall be a member or employee of any Local Authority. Directors of the Company are appointed by the shareholder by notice in writing to the Company. The term of appointment shall be for a maximum period of three years, but may be for a lesser period as specified by Council at the time of appointment. Retiring directors are eligible for re-election.

Board Meetings

Each year there are a minimum of eleven scheduled directors' meetings. The Board is able to meet at other times if there is business to be conducted. Any two directors have the power to summon a meeting of the Board.

Remuneration of Directors

The Shareholder by ordinary resolution from time to time sets a total maximum amount payable for annual directors' fees divided among the directors as they consider appropriate.

Director's Fees may be reviewed on an annual basis with a maximum review interval of two years. The Directors shall engage an independent consultant to provide a recommendation to the Shareholder.

Board Interaction with Management

Board policy is to make site visits to view Company operations and to familiarise directors with issues associated with the business. These visits usually involve interaction between directors and management and direct access to employees when their particular area of expertise is required. Most contact is with the CEO whom the Directors hold accountable for the operational performance of the Company.

Directors Obligations

Directors' Interests

A Directors' Interests Register is maintained and records particulars of notices given by Directors in regard to positions and shareholdings held in other companies and entities. The Register is reviewed annually as part of the Company's annual reporting process. All Board Meetings contain an agenda item addressing any changes to Directors Interests or Conflicts of Interest.

Officers Interests

A Register of interests of senior management is maintained.

Directors' and Officers' Insurance and Indemnity

The Company has arranged Directors' and Officers' Liability Insurance which ensure directors and officers will incur no monetary loss as a result of actions undertaken by them as directors and officers. Certain actions are specifically excluded, for example, criminal acts and the incurring of penalties and fines which may be imposed in respect of breaches of law.

Financial Results

Management prepare monthly accounts which are provided to the Directors as part of the Board Report for review.

Unaudited half yearly summary reports are prepared for the Ashburton District Council.

The Company prepares Annual Accounts which are audited by Audit New Zealand. The directors review and sign the Annual Accounts which are incorporated in the Annual Report.

External Auditor

Section 70 of the Local Government Act 2002 requires that the Auditor General is the auditor of Council Controlled Organisations.

3. OBJECTIVES

The principal objectives of Ashburton Contracting Ltd are in accordance with section 59 of the Local Government Act 2002 to:

- a) be a successful business; and
- b) be a good employer; and
- c) exhibit a sense of social and environmental responsibility by having regard to the interests of the community in which it operates and by endeavouring to accommodate or encourage these when able to do so; and
- d) conduct its affairs in accordance with sound business practice.

4. NATURE AND SCOPE OF ACTIVITIES

The nature of the Company's activities are that of civil and roading contracting and associated sectors. Its activities include excavation, transport, construction, drainage, civil works, pipeline installation and surfacing (chip sealing/hotmix).

The company manufactures hotmix and readymix concrete.

The company has vehicle repair workshops which service internal and external customers.

The company carries out quarrying and the supply of aggregates and landscaping products.

The company maintains water, sewer and wastewater facilities.

The company is a partner in the Lake Hood Extension Project (LHEP) joint venture.

The company supplies goods, materials, services and equipment for sale or hire.

The company engages in any other relevant activity as determined by the directors in consultation with the Shareholder from time to time.

5. RATIONALE AND OBJECTIVES FOR ASHBURTON DISTRICT COUNCIL OWNERSHIP

The rationale for the ongoing ownership of the Company in terms of contributing to the Ashburton District Council Long Term Plan is;

- a) To ensure local capacity and capability to undertake civil works, particularly focused on infrastructure.
- b) To promote competition in the district for civil construction and maintenance activities.

- c) To form part of a balanced portfolio of Council investments.
- d) To provide a commercial rate of return on the Council's investment.
- e) Assist Ashburton District Council in civil emergencies.

6. **PERFORMANCE MEASURES**

- a) Budgeted profit before tax for ACL Parent is achieved. ACL Parent excludes LHEP.
- b) The annual rate of return on ACL Parent average shareholder's funds will be a *target* of 10% before tax based on the rolling average of the last 5 years (excluding any subvention payments and the before tax profit or loss relating to the LHEP).
- c) The Company will achieve its annual budgeted external revenue.
- d) Health & Safety:
 - i. The Company will maintain its ISO 45000 Health and Safety certification.
 - ii. The Company will strive to reduce its lost time injury (LTI) frequency rate year upon year.
 - iii. The Company will strive to reduce its medical treatment injury (MTI) rate year upon year.
- e) Environmental: The Company will maintain its ISO 14001 Environmental certification.
- f) Quality Systems: The Company will maintain its ISO 9001 Quality certification.
- g) The Company will comply with the Resource Management Act.
- h) The Company will ensure business management procedures and practices meet with the requirements of the Auditor such that the Company receives an unqualified audit report of its annual Financial Statements.
- i) Environmental Sustainability: The Company will monitor and work to reduce its carbon outputs.

7. **LAKE HOOD EXTENSION PROJECT (LHEP) POLICY**

The Company will actively participate in and manage the performance of its investment in the Lake Hood Extension Project and report on its progress in the Notes to the Financial Statements of the Annual Report.

8. **FINANCIAL FORECASTS**

The budget projection for the year ending 30 June **2025** and forecast projections for each of the years ending 30 June **2026** and 30 June **2027** will be disclosed to the shareholder, on a confidential basis, in a timely manner to enable the Council to incorporate this information in its Annual Plan.

9. **RATIO OF EQUITY TO TOTAL ASSETS**

- a) Equity is defined as the paid-up capital, plus any tax paid profits earned and less any dividends distributed to shareholders. They include undistributed profits which have been accumulated in accounts known as either "Revenue Reserves" or "Capital Reserves".
- b) Total Assets are defined as the sum of all current assets, investment assets and fixed assets of the Company.
- c) The ratio of Equity to Total Assets will be no less than 50%.

10. **DIRECTORS' ESTIMATE OF THE COMPANY VALUE**

The Directors estimate that the commercial value of the shareholder's investment in Ashburton Contracting Ltd will be represented by the opening balance of Equity.

11. **REPORTING TO SHAREHOLDER**

The Company will report to the Shareholder on both a regular basis and as and when necessary. The following information will be available to the shareholder based on an annual balance date of 30 June:

11.1 **Draft Statement of Intent**

The Directors shall deliver to the shareholder a Draft Statement of Intent on or before 1 March each year which fulfils the requirements of section 64 of the Local Government Act 2002.

11.2 **Completed Statement of Intent**

The Directors shall deliver to the shareholder a completed Statement of Intent on or before 30 June each year, which fulfils the requirements of section 64 of the Local Government Act 2002.

11.3 **Reporting**

Within two months after the end of the first half and the second half of each financial year, the Directors will meet with the shareholder and deliver to the Shareholder, a report

containing the following unaudited information as a minimum in respect of the period year under review:

- a) An Income Statement disclosing actual and budgeted revenue and expenditure and comparative figures for the same period in the previous financial year.
- b) A Statement of Changes in Equity with comparative figures for the same period in the previous financial year.
- c) A Balance Sheet period with comparative figures for the same period in the previous financial year.
- d) An abbreviated Statement of Cash Flows with comparative figures for the same period in the previous financial year.
- e) A commentary on the results for the period under review. Where the Report is in respect of the first six months, the report will contain an outlook for the second six months with reference to any significant factors that are likely to have an effect on the Company's performance, including an estimate of the financial result for the year based on that outlook.
- f) Commentary on the Company's performance with regard to Health and Safety including appropriate graphical information on the Company's performance and KPIs.

11.4 Quarterly Reports

In addition, an abbreviated report, content to be agreed between the Board and the Ashburton District Council to maintain an overview on the Company and its operations, be provided at quarterly intervals between the half yearly report and the annual report.

11.5 Annual Report

Within three months of the end of each financial year, the Directors shall deliver to the Shareholder, an Annual Report which shall contain audited Financial Statements in respect of the financial year, containing the following information as a minimum:

- a) A Directors' Report including a summary of the financial results, a review of operations, a comparison of performance in relation to objectives and any recommendation as to dividend.
- b) An Income Statement disclosing actual and budgeted revenue and expenditure with comparative figures from the previous Annual Report.
- c) A Statement of Changes in Equity at the end of the year with comparative figures from the previous Annual Report.
- d) A Balance Sheet at the end of the year with comparative figures from the previous Annual Report.
- e) A Statement of Cash Flows with comparative figures from the previous Annual Report.

- f) An auditor's report on the above statements and the measurement of performance in relation to objectives.

12. ACCOUNTING POLICIES

The accounting policies adopted for Ashburton Contracting Limited are documented in Appendix 1. The Company will report at 30 June 2024 under NZ IFRS Tier 1 of the New Zealand Accounting Standards Framework as a large, for-profit entity that has annual expenses exceeding \$30m.

13. DIVIDEND POLICY

- 13.1 ACL is committed to maximising the long-term sustainable distribution flow to the shareholder and maintain a distribution intent of paying 50% of any net after-tax return to the shareholder, subject to capital requirements of the Company. Any distribution needs to be prudent in the circumstances and meet Solvency Tests.
- 13.2 The ACL Parent Profit after Tax excludes any realised capital gains/losses, revaluation movements, any material one-off non-cash items, and any after tax profits/losses arising from the Lake Hood Extension Project.
- 13.3 Some, or all, of the distributions to the Shareholder may be made, with agreement of the Shareholder, by subvention payment or other mutually agreed method after taking account of all tax considerations.

14. CHARITABLE GIFTS POLICY

- 14.1 The Company may make charitable gifts to qualifying entities in terms of the 2007 Income Tax Act. Qualifying entities are those entities which are not carried on for private pecuniary profit and whose funds are wholly applied to charitable, benevolent, philanthropic or cultural purposes within New Zealand. The limit of the gifts is the level of taxable income for the Company. Charitable gifts for less than \$20,000 in total in any one financial year will not require prior formal approval of the Ashburton District Council.
- 14.2 Any charitable gift in excess of \$20,000 must have the formal agreement of the Company Directors and the Ashburton District Council regarding the recipient qualifying entity, the project and the amount of the gift.

15. PROCEDURES FOR ACQUISITION OF INTERESTS IN OTHER COMPANIES OR ORGANISATIONS

- 15.1 As a general policy, any proposed investment by the Company in other companies or organisations will be required to meet the weighted average cost of capital (WACC) of the proposed investment(s).
- 15.2 If the directors believe that the Company should invest in, or otherwise acquire, an interest in another company or organisation, the directors will obtain prior approval of the shareholder by special resolution.

16. SALES OF GOODS/ SERVICES TO LOCAL AUTHORITIES

- 16.1 The Company will provide goods and services to the Ashburton District Council as part of its normal business activities. These goods and services shall be charged for on a commercial basis.
- 16.2 Ashburton Contracting Limited, under any contract with Ashburton District Council, will be required to meet levels of service determined by the Council.

Appendix I

ACCOUNTING POLICIES

Significant Accounting Policies

Ashburton Contracting Limited (the "Company") is a company domiciled in New Zealand.

The Company is a Council Controlled Trading Organisation as defined in Section 6 (1) of the Local Government Act 2002, wholly owned by the Ashburton District Council and is a profit-orientated entity for financial reporting purposes.

The Company's business includes contracting for physical works, both maintenance and construction, offering goods and services for sale and plant and equipment for hire. These activities occur predominantly in the Ashburton district and immediate surrounding areas and may be undertaken in other geographical areas.

Statement of Compliance

The financial statements have been prepared in accordance with the Companies Act 1993, Generally Accepted Accounting Practice in New Zealand (NZ GAAP), the pronouncements of the Chartered Accountants of Australia and New Zealand (CAANZ) and they comply with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS).

The Company is a Tier 1 for-profit reporting entity under the New Zealand Accounting Standards Framework on the basis that it is a large, for-profit entity that has annual expenditure over \$30 million. The Company has in previous years elected to report under the reduced Tier 2 disclosure regime. The Company has in some cases chosen to include information within its accounts used for the financial reporting requirements of its parent.

Basis of Preparation

The financial statements are presented in New Zealand dollars, rounded to the nearest thousand. They are prepared on the historical cost basis except for Land and Buildings, Investment Properties, and certain other investments, which are stated at fair value.

Non-current assets held for sale are stated at the lower of carrying amount and fair value less costs to sell.

The preparation of financial statements in conformity with NZ IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expense. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources.

The 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, except where otherwise stated.

Changes in Accounting policies and disclosures

New and amended standards and interpretations

The Company has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

Property, Plant and Equipment

Owned Assets

Items of property, plant and equipment are stated at cost or deemed cost less accumulated depreciation and impairment losses, except for Land and Buildings which are valued annually by a registered valuer and are stated at fair value.

The cost of self-constructed assets includes the cost of materials, direct labour and an appropriate proportion of production overheads.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Subsequent Costs

Further expenditures are added to cost only if it is probable that the future economic benefits embodied with the item will flow to the Company and the cost of the item can be measured reliably. All other costs are recognised in the profit or loss as an expense when incurred.

Depreciation

Depreciation is charged to profit or loss on either straight-line or diminishing value basis over the estimated useful lives of each part of an item of property, plant and equipment. Lower value assets (cost less than \$50,000) are depreciated at the current maximum rates allowed by the Inland Revenue Department as these rates approximate the useful lives and residual values associated with these assets. Land is not depreciated.

The estimated useful lives are as follows:

- Buildings 30- 50 years
- Plant and Equipment 3-38 years
- Office Equipment & Fixtures 3-10 years
- Land Improvements 20 years

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year-end.

Intangible Assets

Intangible assets acquired by the Company are stated at cost less accumulated amortisation and impairment losses.

Amortisation of intangible assets with a finite life is charged to profit or loss on a straight-line basis over the estimated useful lives of the intangible assets. The estimated useful life of software is three to ten years.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating-unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis. An intangible asset is derecognised upon disposal (i.e. at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

Inventories

Inventories are stated at the lower of cost or net realisable value using weighted average. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services is transferred to the customer, at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has concluded that it is the principal in its revenue arrangements, because it controls the goods or services before transferring them to the customer.

Civil construction and contracting

Civil construction and contracting services include drainage, sealing, asphalt laying, utilities and rural contracting.

Construction services within a contract are deemed to represent a single performance obligation, which is satisfied progressively over the construction period. Performance is measured using an output method, by reference to regular progress claims and assessments by client contract engineers.

Any expected loss on construction contracts is recognised immediately as an expense in profit or loss.

Any variable consideration, such as liquidated damages, included in the Company's revenue contracts is included in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Payment is due as specified in the payment schedules.

Rendering of services

Contracts for workshop and transport services are comprised of one performance obligation, with revenue being recognised over time. Payment is generally due upon completion and acceptance by the customer. An input method (cost incurred) is used as a measure of progress.

Production and sale of goods

The Company earns revenue from the sale of goods, including ready-mix concrete and aggregates. Revenue from the sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery. Payment is generally due based on standard 30-day trading terms.

Contract assets, contract liabilities and trade receivables

When a performance obligation is satisfied by transferring a promised good or service to the customer before the customer pays consideration or before payment is due, the Company presents the contract as a contract asset, unless the Company's rights to that amount of consideration are unconditional, in which case the Company recognises a receivable. Trade receivables are measured at the transaction price determined under NZ IFRS 15.

When an amount of consideration is received from a customer prior to the Company transferring a good or service to the customer, the Company recognises a contract liability.

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

For trade receivables and contract assets, the Company applies the simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

Warranties

The Company provides for defects liability periods in accordance with NZ IAS 37.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash balances and call deposits with original maturities of less than 3 months. Bank overdrafts that are repayable on demand form an integral part of the Company's cash management and are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Investments

Other Investments

Investments in equity securities held by the Company are recorded at fair value through profit or loss.

Advances and other financial assets at amortised cost

If there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months. If there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the instrument.

Joint Venture

The Joint Venture has been incorporated into the financial statements using the equity method.

Impairment of non-financial assets

The carrying amount of the Company's assets other than inventories are reviewed at each balance date to determine whether there is any objective evidence of the indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

If the estimated recoverable amount of an asset is less than its carrying amount, the asset is written down to its estimated recoverable amount and an impairment loss is recognised in profit or loss. For revalued assets the impairment loss is recognised in other comprehensive income for that asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in profit or loss.

Reversal of Impairment

Impairment losses are reversed when there is a change in the estimates used to determine the recoverable amount. For revalued assets the reversal of an impairment loss is recognised in other comprehensive income and credited to the revaluation reserve. However, to the extent that an impairment loss for that asset was previously recognised in profit or loss, a reversal of the impairment loss is also recognised in profit or loss.

Income Tax

Income tax on the profit or loss for the year comprises current and deferred tax. 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 provided 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. The amount of any deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities using tax rates or substantively enacted at the balance date.

Current tax and deferred tax is charged or credited to profit or loss, except when it relates to items recognised in other comprehensive income, in which case the tax is dealt with in other comprehensive income.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

Employee Entitlements

The Company has made provision in respect of entitlements for annual leave, long service leave and retirement gratuities. The provision is calculated on an actual entitlement basis at current rates of pay.

The Company recognises a liability for sick leave to the extent that compensated absences in the coming year are expected to be greater than sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent the Company anticipates it will be used by staff to cover those future absences.

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

Expenses

Net Financing Costs

Net financing costs comprise interest payable on borrowings, interest receivable on funds invested and dividend income. Interest income is recognised in profit or loss as it accrues. Dividend income is recognised in profit or loss on the date the Company's right to receive payment is established.

Trade and Other Payables

Trade and Other Payables are stated at amortised cost. Due to their short-term nature, they are not discounted.

Provisions

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Loans

Subsequent to initial recognition, loans are measured at amortised cost using the effective interest method.

Goodwill

All business combinations are accounted for by applying the purchase method. Goodwill represents the difference between the cost of the acquisition and the fair value of the net identifiable assets acquired.

Goodwill is stated at cost less any accumulated impairment losses. Goodwill is allocated to cash generating units and is tested annually for impairment.

The impact of Covid-19 has been considered in the impairment assessment. The impact on the company was not significant and has not resulted in any impairment of goodwill.

Impairment of Goodwill

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The amount of the impairment loss is measured as the difference between the assets carrying amount and the recoverable amount.

An impairment loss in respect of goodwill is not reversed.

Calculation of recoverable amount

The recoverable amount of assets is the greater of their market value less cost to sell and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the assets. For an asset that does not generate largely independent cashflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversal of impairment

An impairment loss in respect of an asset carried at amortised cost is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised.

An impairment loss in respect of goodwill is not reversed.

In respect of other assets, an impairment loss is reversed if there has been a change in the estimated use to determine the recoverable amount.

An impairment loss is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if not impairment loss had been recognised.

Leases

Right-of use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term or the estimated useful life of the asset.

Lease liabilities

At commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. These lease payments include fixed payments (including in-substance fixed payments) less any lease incentive receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of an option reasonably certain to be exercised by the Company and penalties for terminating the lease if the lease term reflects the Company's exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses a borrowing rate at the lease commencement that best represents the term of the lease. For plant and vehicle leases the company uses the Bank fixed interest rate for the term of the lease and for property, an appropriate market yield is used. After the commencement date, the amount of the lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if

there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases i.e. those with a lease term of 12 months or less from the commencement date with no purchase option.

The Company also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Management has defined this as assets which are, when new, valued at \$7,000 or less.

Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

Goods and Services Tax (GST)

All amounts are shown exclusive of GST, except for trade receivables and payables that are stated inclusive of GST.

New Accounting Standards

Not applicable.

Council

26 June 2024



25. Financial Reports

Author *Erin Register, Finance Manager*
GM responsible *Leanne Macdonald, GM Business Support*

Recommendation

That Council receives the financial variance report for May 2024.

Attached pages 326-364

***Ashburton
District Council
Financial Variance Report
For the period ending
31 May 2024***

Variances greater than \$100,000 are highlighted in **red bold**. If the variance is permanent an explanation is provided.

F (favourable variance) means that either actual revenue is greater than budget or actual expenditure is less than budget.

U (unfavourable variance) is **when** actual revenue is less than budget or actual expenditure is greater than budget.

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Income and Expenditure – Overview

For period ending 31 May 2024

\$81.22 M Actual YTD Operating Income	\$90.96 M Forecast Full Year Operating Income	(\$9.74) M Variance Operating Income	89% % of Forecast Operating Income
\$74.95 M Actual YTD Operating Expenditure	\$83.47 M Forecast Full Year Operating Expenditure	(\$8.52) M Variance Operating Expenditure	90% % of Forecast Operating Expenditure
\$10.26 M Actual YTD Capital Income	\$55.97 M Forecast Full Year Capital Income	(\$45.70) M Variance Capital Income	18% % of Forecast Capital Income
\$53.72 M Actual YTD Capital Expenditure	\$72.66 M Forecast Full Year Capital Expenditure	(\$18.94) M Variance Capital Expenditure	74% % of Forecast Capital Expenditure
\$5.00 M Actual YTD Loans Repaid	\$7.02 M Forecast Full Year Loans Repaid	(\$2.02) M Variance Loans Repaid	71% % of Forecast Loans Repaid

Deferred Capital Expenditure

Activity	Forecast	Projected Spend	Variance	Carryover	Reason
<u>Drinking Water</u>					
Group Water Supplies	18,397,791	12,897,791	3,500,000	Yes	\$3.5M Carryover - re installation delays of UV equipment x 6 locations
			2,000,000	No	\$2M budgeted in LTP re installation delays of UV equipment x 6 locations
Montalto Water Supply	870,999	120,999	750,000	No	The proposed intake upgrades are included in draft LTP
<u>Waste Water</u>					
Ashburton Wastewater	9,352,911	7,352,911	2,000,000	No	Accounted for in the draft LTP - Grit Chamber and Rakaia Sludge Drying Beds
<u>Stormwater</u>					
Ashburton Stormwater	224,140	-	224,140	Yes	West St Treatment & Attenuation (Design Phase)
<u>Recreation Facilities and Services</u>					
Ashburton Museum and Art Gallery	681,094	101,094	580,000	Yes	Renewal of Exhibition Lighting
Library	236,427	156,427	80,000	Yes	Library team resourcing limitations
<u>Recreation & Community Services</u>					
Elderly Persons Housing	1,021,560	221,560	800,000	Yes	Construction of replacement units will start 2024/2025 Financial Year
Reserves and Camping Grounds	100,000	-	100,000	Yes	\$100k Rakaia Memorial Hall Earthquake Strengthening \$1.5M West Street Car Park not progressing and has been removed from the forecast
<u>Economic Development</u>					
Commercial Property	20,665,701	8,131,701	11,984,000	Yes	\$300k Oval Pavilion / \$150k Walnut Pavilion / \$1.9M Art Gallery / \$150k Methven Medical Centre / \$2M Te Whare Whakatere
			550,000	No	Rakaia Medical Centre \$484k Balmoral Hall not progressing and has been removed from the forecast
<u>Parks & Open Spaces</u>					
Parks and Recreation	4,622,270	4,522,270	100,000	Yes	\$100k Gardens re pond edging
			212,000	No	Projected underspend on Baring Square East Redevelopment not required
<u>Miscellaneous</u>					
Information Systems	783,210	556,610	226,600	Yes	Delays due to the timing of Te Whakatere Whare
			23,106,740		
			4,750,000		Budgeted in the LTP
			762,000		Not carried forward
			17,594,740		Expected Carry Forwards
			23,106,740		

Income and Expenditure – Summary

For period ending 31 May 2024

	Actual YTD	Full Year Forecast	Variance	Percentage of Forecast
Revenue				
Rates	43,738,548	46,905,992	(3,167,445)	93%
Fees and Charges	10,492,696	10,644,099	(151,403)	99%
Subsidies and Grants	17,265,337	10,903,866	6,361,470	158%
Finance Income	1,136,043	417,200	718,843	272%
Other Revenue	6,608,923	5,394,060	1,214,863	123%
Other Sales	1,342,262	1,139,074	203,188	118%
Development / Financial Contributions	611,267	632,800	(21,533)	97%
Gain on Sale of Assets	24,842	12,107,828	(12,082,985)	0%
Vested Assets	0	2,816,100	(2,816,100)	0%
Total Revenue	81,219,917	90,961,020	(9,741,103)	89%
Operating Expenditure				
Payments to Staff and Suppliers	53,905,996	61,651,384	(7,745,388)	87%
Finance Costs	5,257,102	4,576,131	680,971	115%
Other Expenses	175,747	205,155	(29,409)	86%
Depreciation	15,608,459	17,034,370	(1,425,911)	92%
Total Expenditure	74,947,304	83,467,041	(8,519,737)	90%
Net operating surplus (deficit)	6,272,614	7,493,979	(1,221,366)	84%
Capital Income				
Loans Raised	4,226,473	51,065,713	(46,839,239)	8%
Land Sales	5,896,683	4,797,800	1,098,883	123%
Other Asset Sales & Disposals	140,326	104,300	36,026	135%
Total Capital Income	10,263,483	55,967,813	(45,704,330)	18%
Capital Expenditure				
Infrastructural Assets	15,502,920	9,921,429	5,581,491	156%
Cyclic Renewals	19,365,297	23,482,158	(4,116,861)	82%
Plant	627,855	902,634	(274,779)	70%
Additions/Alterations	16,062,835	30,325,482	(14,262,648)	53%
Other Assets	2,163,204	8,030,352	(5,867,148)	27%
Total capital expenditure	53,722,111	72,662,056	(18,939,945)	74%
Loan Repayments	5,000,000	7,024,840	(2,024,840)	71%
Total capital to be funded	48,458,628	23,719,083	24,739,545	204%

Transportation – Income & Expenditure Report

For period ending 31 May 2024

	Actual YTD	Forecast Full Year	Variance	Percentage of Forecast	Permanent Variance
Operating Income					
Footpaths	1,494,542	1,451,336	43,205	103%	
Roading	17,321,347	15,805,183	1,516,164	110%	Yes
	<u>18,815,889</u>	<u>17,256,519</u>	<u>1,559,369</u>	<u>109%</u>	
Operating Expenditure					
Footpaths	1,337,916	1,451,336	(113,419)	92%	No
Roading	16,072,807	15,805,184	267,623	102%	Yes
	<u>17,410,723</u>	<u>17,256,520</u>	<u>154,204</u>	<u>101%</u>	
Capital Income					
Footpaths	0	11,053	(11,053)	0%	
Roading	0	2,342,897	(2,342,897)	0%	No
	<u>0</u>	<u>2,353,950</u>	<u>(2,353,950)</u>	<u>0%</u>	
Capital Expenditure					
Footpaths	338,843	521,500	(182,657)	65%	Yes
Roading	10,815,643	9,378,039	1,437,604	115%	Yes
	<u>11,154,486</u>	<u>9,899,539</u>	<u>1,254,947</u>	<u>113%</u>	
Loan Repayments					
Footpaths	20,379	60,728	(40,349)	34%	
Roading	201,385	254,177	(52,792)	79%	
	<u>221,764</u>	<u>314,905</u>	<u>(93,141)</u>	<u>70%</u>	

The above financials include the following:

Development Contributions	0	0	0	0%
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The above financials do not include the following:

Vested Assets	0	0	0	0%
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The above financials do not include appropriations - to and from activities

Transportation – Operating Income

Roading **\$1,516,164F**

Reason for variance

There will be additional subsidy resulting from the additional \$1,000,000 for sealed pavement rehabilitation and \$1,044,790 for emergency works approved by NZTA Waka Kotahi.

Transportation – Operating Expenditure

Roading **\$267,623U**

Reason for variance

The cost of emergency works of \$1,044,790 from the July 2023 heavy rain event and sealed pavement maintenance expenditure over budget will result in an overspend at the end of the 2023/24 year.

Transportation – Capital Expenditure

Footpaths **\$182,657F**

Reason for variance

All programmed footpath renewals have been completed for the year. The cost of footpath renewal as part of the Baring Square East upgrade on East St and Cameron St was costed to footpath renewals but a portion of that work relating to replacement of the kerb and channel has since been journalled to drainage renewals.

The footpath upgrades on Baring Square East outside Te Whare Whakatere had also been costed to footpath renewals as part of the upgrade. This cost has been journalled to the Baring Square East budget.

The corrections will now result in an underspend for footpaths.

Roading **\$1,437,604U**

Reason for variance

NZTA Waka Kotahi has approved an additional \$1,000,000 for sealed pavement rehabilitation as mentioned above under operating income.

The final actual cost of the pavement rehabilitation is higher than the increased budget along with over expenditure on local road improvements as low cost low risk projects with the upgrade of signage at rural crossroad intersections the main area of increased cost.

Drinking Water – Income & Expenditure Report

For period ending 31 May 2024

	Actual YTD	Forecast Full Year	Variance	Percentage of Forecast	Permanent Variance
Operating Income					
Group Water Supplies	6,322,945	6,492,235	(169,290)	97%	No
Montalto Water Supply	355,328	383,282	(27,954)	93%	
Lyndhurst Water Supply	15,056	17,974	(2,918)	84%	
Barhill Water Supply	4,497	4,830	(333)	93%	
	<u>6,697,826</u>	<u>6,898,321</u>	<u>(200,495)</u>	<u>97%</u>	
Operating Expenditure					
Group Water Supplies	5,521,511	6,349,738	(828,227)	87%	No
Montalto Water Supply	309,510	386,087	(76,577)	80%	
Lyndhurst Water Supply	6,686	4,926	1,760	136%	
Barhill Water Supply	1,926	1,405	521	137%	
	<u>5,839,633</u>	<u>6,742,156</u>	<u>(902,523)</u>	<u>87%</u>	
Capital Income					
Group Water Supplies	0	17,623,432	(17,623,432)	0%	No
Montalto Water Supply	0	744,636	(744,636)	0%	No
	<u>0</u>	<u>18,368,068</u>	<u>(18,368,068)</u>	<u>0%</u>	
Capital Expenditure					
Group Water Supplies	11,922,580	18,397,791	(6,475,211)	65%	Yes
Montalto Water Supply	32,748	870,999	(838,251)	4%	Yes
	<u>11,955,328</u>	<u>19,268,790</u>	<u>(7,313,462)</u>	<u>62%</u>	
Loan Repayments					
Group Water Supplies	609,690	780,829	(171,139)	78%	No
Montalto Water Supply	0	12,859	(12,859)	0%	
Lyndhurst Water Supply	13,048	13,048	0	100%	
Barhill Water Supply	3,425	3,425	0	100%	
	<u>626,163</u>	<u>810,161</u>	<u>(183,998)</u>	<u>77%</u>	
<i>The above financials include the following:</i>					
Development Contributions	147,067	178,232	(31,165)	83%	
<i>The above financials do not include the following:</i>					
Vested Assets	0	1,189,020	(1,189,020)	0%	

The above financials do not include appropriations - to and from activities

Drinking Water – Capital Expenditure

Group Water Supplies

\$6,475,211F

Reason for variance

A forecast favourable variance of ~\$5,500,000 is expected at year end. This budget includes (amongst other projects) the installation of UV equipment on six¹ supplies. Due to the increased complexity of this project, the design phase is taking longer than originally envisaged. As a consequence, the timing of some physical works (and incurred costs) will extend into the next financial year. Note:- \$2.0M of the forecast above is already accounted for in the 2024-34 Draft LTP, and any favourable variance beyond this amount will be subject to a request for carryover funding.

Affected projects include:

- Filtration and/or UV Treatment Upgrades – Ashburton; Rakaia; Mayfield, Dromore, Hinds and Chertsey

Montalto Water Supply

\$838,251F

Reason for variance

A revised forecast favourable variance of ~\$750,000 is expected at year end. This budget covers the ongoing investigations into upgrading the treatment plant for the scheme which have been put on hold as the associated capital project has been deferred until Year 4 of the draft LTP.

It also includes another project covering repairs to be undertaken at the intake. This project is being advanced through the O&M contractor. Because of the proposed intake upgrades now programmed in the draft LTP (Y4), the scope of these repair works will be less than originally envisaged.

Affected projects include:

- Montalto Treatment Plant Upgrade (Design phase)
- Montalto Intake Repairs

¹ This was originally seven supplies, but Fairton has been removed in favour of connecting the township via a new pipeline to the Ashburton supply. This pipeline is expected to be completed by 30 June 2024.

Wastewater – Income & Expenditure Report

For period ending 31 May 2024

	Actual YTD	Forecast Full Year	Variance	Percentage of Forecast	Permanent Variance
Operating Income					
Ashburton Wastewater	4,760,686	5,041,400	(280,714)	94%	No
Methven Wastewater	538,366	479,331	59,035	112%	
Rakaia Wastewater	335,123	424,516	(89,393)	79%	
	5,634,175	5,945,247	(311,072)	95%	
Operating Expenditure					
Ashburton Wastewater	4,487,140	4,699,136	(211,996)	95%	Yes
Methven Wastewater	448,505	479,480	(30,974)	94%	
Rakaia Wastewater	382,281	426,096	(43,814)	90%	
	5,317,926	5,604,712	(286,785)	95%	
Capital Income					
Ashburton Wastewater	0	8,706,061	(8,706,061)	0%	No
Rakaia Wastewater	0	105,769	(105,769)	0%	No
	0	8,811,830	(8,811,830)	0%	
Capital Expenditure					
Ashburton Wastewater	7,471,409	9,352,911	(1,881,502)	80%	Yes
Methven Wastewater	227,914	165,082	62,832	138%	
Rakaia Wastewater	204,877	105,769	99,108	194%	
	7,904,200	9,623,762	(1,719,562)	82%	
Loan Repayments					
Ashburton Wastewater	955,600	1,456,620	(501,020)	66%	No
Methven Wastewater	16,277	16,277	0	100%	
Rakaia Wastewater	47,192	54,326	(7,134)	87%	
	1,019,069	1,527,223	(508,154)	67%	

The above financials include the following:

Capital Services Contribution	436,470	383,791	52,678	114%
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The above financials do not include the following:

Vested Assets	0	1,397,620	(1,397,620)	0%
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The above financials do not include appropriations - to and from activities

Wastewater – Operational Expenditure

Ashburton Wastewater

\$211,996F

Reason for variance

This area is currently favourable overall but is trending to be unfavourable at year end. This is being driven by additional expenditure in the **Maintenance Contracts** and **Electricity** line items which combined are \$266k over their YTD budgets.

Wastewater – Capital Expenditure

Ashburton Wastewater

\$1,881,502F

Reason for variance

A revised forecast favourable variance of ~\$1,400,000 is expected at year end. This budget area includes (amongst other projects) the grit chamber pipeline renewal funding now reallocated to the Rakaia Sludge Drying Beds project. There was a delay associated with securing approval of the sludge beds project and funding reallocation. As a consequence, the timing of physical works (and incurred costs) will extend into the next financial year.

The Grit Chamber Pipeline Renewal project has been rebudgeted at \$4.0M as part of the 2024-34 LTP, and scheduled to be completed in year 1.

Affected projects include:

- Grit Chamber Pipeline Renewal
- Rakaia² Sludge Drying Beds (New Project – added to programme Dec 2023)

² Rakaia project funding is sitting under the Ashburton cost centre.

Stormwater – Income & Expenditure Report

For period ending 31 May 2024

	Actual YTD	Forecast Full Year	Variance	Percentage of Forecast	Permanent Variance
Operating Income					
Ashburton Stormwater	1,282,759	1,373,843	(91,084)	93%	
Methven Stormwater	86,063	89,916	(3,853)	96%	
Rakaia Stormwater	44,763	46,794	(2,031)	96%	
Hinds Stormwater	10,895	11,728	(833)	93%	
Rural Stormwater	51,527	53,535	(2,008)	96%	
	<u>1,476,008</u>	<u>1,575,816</u>	<u>(99,809)</u>	<u>94%</u>	
Operating Expenditure					
Ashburton Stormwater	1,042,743	1,521,860	(479,117)	69%	No
Methven Stormwater	78,835	90,869	(12,035)	87%	
Rakaia Stormwater	26,286	47,418	(21,132)	55%	
Hinds Stormwater	7,155	11,729	(4,574)	61%	
Rural Stormwater	56,628	53,535	3,093	106%	
	<u>1,211,646</u>	<u>1,725,411</u>	<u>(513,765)</u>	<u>70%</u>	
Capital Expenditure					
Ashburton Stormwater	13,120	224,140	(211,021)	6%	Yes
	<u>13,120</u>	<u>224,140</u>	<u>(211,021)</u>	<u>6%</u>	
Loan Repayments					
Ashburton Stormwater	273,939	273,939	0	100%	
Methven Stormwater	7,539	7,539	0	100%	
	<u>281,478</u>	<u>281,478</u>	<u>0</u>	<u>100%</u>	
<i>The above financials include the following:</i>					
Development Contributions	0	0	0	0%	
<i>The above financials do not include the following:</i>					
Vested Assets	0	229,460	(229,460)	0%	

The above financials do not include appropriations - to and from activities

Stormwater – Capital Expenditure

Ashburton Stormwater

\$211,021F

Reason for variance

There will be a forecast favourable variance of ~\$200,000 from the budget for the design phase of West Street Treatment & Attenuation project. This is no longer expected to be significantly advanced in this financial year. This will be the subject of a carryover request.

Affected projects include:

- West Street Treatment & Attenuation (Design phase)

Stockwater – Income & Expenditure Report

For period ending 31 May 2024

	Actual YTD	Forecast Full Year	Variance	Percentage of Forecast	Permanent Variance
Operating Income					
Stockwater	1,002,391	1,140,681	(138,290)	88%	No
	<u>1,002,391</u>	<u>1,140,681</u>	<u>(138,290)</u>	<u>88%</u>	
Operating Expenditure					
Stockwater	1,252,808	1,141,752	111,056	110%	Yes
	<u>1,252,808</u>	<u>1,141,752</u>	<u>111,056</u>	<u>110%</u>	
Capital Expenditure					
Stockwater	28,481	127,171	(98,691)	22%	
	<u>28,481</u>	<u>127,171</u>	<u>(98,691)</u>	<u>22%</u>	
Loan Repayments					
Stockwater	17,674	17,674	0	100%	
	<u>17,674</u>	<u>17,674</u>	<u>0</u>	<u>100%</u>	

The above financials include the following:

0	0	0	0%
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The above financials do not include the following:

0	0	0	0%
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The above financials do not include appropriations - to and from activities

Stockwater – Operating Expenditure

Stockwater

\$111,056U

Reason for variance

There will be a forecast **unfavourable** variance of ~\$200,000 in the maintenance area. This is due to impacts arising from flood events in the Ashburton River system affecting the intakes in particular the Methven Auxiliary intake where significant rivers works were required. Also, the very dry period and reduced supply availability has necessitated additional mains cleaning to ensure the lower flows are getting through the network.

Affected Projects / Activities Include:

- BAU - Planned and unplanned network maintenance

Waste Reduction & Recycling – Income & Expenditure Report

For period ending 31 May 2024

	Actual YTD	Forecast Full Year	Variance	Percentage of Forecast	Permanent Variance
Operating Income					
Refuse Collection	2,839,745	2,966,392	(126,647)	96%	No
Refuse Management	5,216,201	5,332,623	(116,422)	98%	No
	<u>8,055,946</u>	<u>8,299,016</u>	<u>(243,069)</u>	<u>97%</u>	
Operating Expenditure					
Refuse Collection	2,437,522	2,966,390	(528,868)	82%	No
Refuse Management	5,122,783	5,463,623	(340,840)	94%	No
	<u>7,560,305</u>	<u>8,430,013</u>	<u>(869,708)</u>	<u>90%</u>	
Capital Income					
Refuse Management	0	256,707	(256,707)	0%	No
	<u>0</u>	<u>256,707</u>	<u>(256,707)</u>	<u>0%</u>	
Capital Expenditure					
Refuse Management	303,885	240,525	63,360	126%	
	<u>305,354</u>	<u>240,525</u>	<u>64,829</u>	<u>127%</u>	
Loan Repayments					
Refuse Collection	4,462	4,462	0	100%	
Refuse Management	27,171	27,710	(539)	98%	
	<u>31,633</u>	<u>32,172</u>	<u>(539)</u>	<u>98%</u>	

The above financials include the following:

Development Contributions	0	0	0	0%
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The above financials do not include the following:

Vested Assets	0	0	0	0%
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The above financials do not include appropriations - to and from activities

Recreation Facilities – Income & Expenditure Report

For period ending 31 May 2024

	Actual YTD	Forecast Full Year	Variance	Percentage of Forecast	Permanent Variance
Operating Income					
Ashburton Museum and Art Gallery	2,158,017	2,292,530	(134,513)	94%	No
Library	1,653,899	1,770,933	(117,034)	93%	No
Recreation Facilities and Services	6,273,764	6,638,217	(364,453)	95%	Yes
	<u>10,085,680</u>	<u>10,701,679</u>	<u>(615,999)</u>	<u>94%</u>	
Operating Expenditure					
Ashburton Museum and Art Gallery	2,098,464	2,353,305	(254,841)	89%	Yes
Library	1,643,620	1,802,933	(159,314)	91%	No
Recreation Facilities and Services	6,307,467	7,177,017	(869,550)	88%	No
	<u>10,049,551</u>	<u>11,333,255</u>	<u>(1,283,705)</u>	<u>89%</u>	
Capital Income					
Library	0	157,309	(157,309)	0%	No
	<u>0</u>	<u>182,246</u>	<u>(182,246)</u>	<u>0%</u>	
Capital Expenditure					
Ashburton Museum and Art Gallery	56,461	681,094	(624,633)	8%	Yes
Library	139,618	236,427	(96,809)	59%	Yes
Recreation Facilities and Services	546,033	466,024	80,009	117%	Yes
	<u>742,112</u>	<u>1,383,545</u>	<u>(641,432)</u>	<u>54%</u>	
Loan Repayments					
Library	0	7,104	(7,104)	0%	
Recreation Facilities and Services	10,822	10,822	0	100%	
	<u>10,822</u>	<u>17,926</u>	<u>(7,104)</u>	<u>60%</u>	

The above financials include the following:

Development Contributions	0	0	0	0%
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The above financials do not include the following:

Vested Assets	0	0	0	0%
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The above financials do not include appropriations - to and from activities

Recreation Facilities – Operating Income

Recreation Facilities and Services

\$364,453U

Reason for variance

There will be a permanent favourable variance relating to unbudgeted income from Better Off Funding and other grants.

Recreation Facilities – Operating Expenditure

Ashburton Museum & Art Gallery

\$254,841F

There will be a permanent variance of \$65,000 in consultancy costs for website and branding redevelopment. There will likely be a request to carry forward this sum to complete the project.

Recreation Facilities – Capital Expenditure

Ashburton Museum & Art Gallery

\$624,633F

Reason for variance

There will be a permanent variance resulting in the allocation of the Arts and Culture Reserve fund for the renewal of exhibition lighting. Current delays in procurement will likely result in a carry forward request of \$580,000.

Library

\$96,809F

Reason for variance

There will be permanent variance of approximately \$80,000 of capital not spent on new books. Primarily, this is due to the library team being resource poor with the relocation to Te Whare Whakatere, however, more recently our contracted book supplier has not been able to process our order requests. The amount that remains unspent at the end of the year will form part of a carry forward request.

Recreation Facilities and Services

\$80,009U

Reason for variance

There will be a permanent variance due to approved unbudgeted capital expenditure. This includes Better Off Funding projects, other grant funded projects and the heat pump replacement for which we expect to receive some insurance proceeds.

There will be a carry forward request for the Sand Court project (\$30,000) as previously noted to Council due to delays in material procurement.

Recreation & Community Services – Income & Expenditure Report

For period ending 31 May 2024

	Actual YTD	Forecast Full Year	Variance	Percentage of Forecast	Permanent Variance
Operating Income					
Public Conveniences	1,248,077	811,059	437,018	154%	Yes
Elderly Persons Housing	661,543	751,567	(90,025)	88%	Yes
Memorial Halls	374,410	306,558	67,852	122%	
Reserves and Camping Grounds	1,048,125	1,041,109	7,016	101%	
Reserve Boards	959,934	596,951	362,983	161%	Yes
Community Safety	57,833	57,826	7	100%	
	4,349,922	3,565,071	784,851	122%	
Operating Expenditure					
Public Conveniences	435,223	614,271	(179,048)	71%	Yes
Elderly Persons Housing	707,924	798,942	(91,018)	89%	
Memorial Halls	682,990	595,145	87,845	115%	
Reserves and Camping Grounds	1,005,162	1,145,509	(140,347)	88%	No
Reserve Boards	700,106	581,370	118,736	120%	Yes
Community Safety	60,720	57,826	2,893	105%	
	3,592,125	3,793,063	(200,939)	95%	
Capital Income					
Elderly Persons Housing	0	971,920	(971,920)	0%	No
Memorial Halls	0	16,000	(16,000)	0%	
Reserves and Camping Grounds	0	100,000	(100,000)	0%	No
Reserve Boards	0	149,218	(149,218)	0%	No
	0	2,030,992	(2,030,992)	0%	
Capital Expenditure					
Public Conveniences	1,057,049	793,854	263,195	133%	Yes
Elderly Persons Housing	213,859	1,021,560	(807,701)	21%	Yes
Memorial Halls	51,168	20,172	30,996	254%	
Reserves and Camping Grounds	10,140	100,000	(89,860)	10%	Yes
Reserve Boards	323,621	169,035	154,587	191%	Yes
	1,655,837	2,104,621	(448,784)	79%	
Loan Repayments					
Public Conveniences	210,171	251,946	(41,775)	83%	
Elderly Persons Housing	3,640	9,929	(6,289)	37%	
Reserves and Camping Grounds	452	2,252	(1,800)	20%	
Reserve Boards	18,250	14,587	3,663	125%	
	232,513	278,714	(46,201)	83%	
<i>The above financials include the following:</i>					
Development Contributions	300	0	300	0%	
<i>The above financials do not include the following:</i>					
Vested Assets	0	0	0	0%	

The above financials do not include appropriations - to and from activities

Recreation & Community Services – Operating Income

Public Conveniences

\$437,018F

Reason for variance

Council has received \$184,000 unbudgeted TIF funding for the Rakaia Gorge new facilities. This will be a permanent variance.

There will also be a permanent variance relating to unbudgeted Better Off Funding of \$250,000 from the DIA assigned to the new Digby Park public convenience.

Elderly Persons Housing

\$90,025U

Reason for variance

There will be a permanent reduction in income due to tenants moving out of the Friendship Lane units. These units are unable to be re-tenanted as any new tenancy would require compliance with the Healthy Homes Standards within 90 days, and these units are scheduled to be demolished in the near future.

Reserve Boards

\$362,983F

Reason for variance

There will be a permanent positive variance in income due to Better Off Funding for water treatment and changing rooms for local reserve pools.

Recreation & Community Services – Operating Expenditure

Public Conveniences

\$179,048F

Reason for variance

The activity spend is tracking towards an underspend spread over various areas.

Reserve Boards

\$118,736U

Reason for variance

There will be a permanent variance due to expenditure for Prelim Designs funded by Better Off Funding and unexpected repairs and maintenance.

Recreation & Community Services – Capital Expenditure

Public Conveniences

\$263,195U

Reason for variance

There will be a permanent variance of \$250,000 for the construction of the new Digby Park public convenience which was funded by Better Off Funding.

Elderly Persons Housing

\$807,701F

Reason for variance

There will be a delay in the construction of replacement units, a carryover of up to \$800,000 is likely to be requested.

Reserves and Camping Grounds

\$89,860F

Reason for variance

\$100,000 for the Rakaia Memorial Hall earthquake strengthening will be subject to a carryover request.

Reserve Boards

\$154,587U

Reason for variance

There will be permanent variance due to expenditure on Hinds Reserve Board for water treatment and changing rooms at the swimming pool \$60,000 and Rakaia water treatment and changing rooms at the swimming pool \$72,000. Both of these projects are funded by Better Off Funding.

Economic Development – Income & Expenditure Report

For period ending 31 May 2024

	Actual YTD	Forecast Full Year	Variance	Percentage of Forecast	Permanent Variance
Operating Income					
Commercial Property	10,923,556	19,924,084	(9,000,528)	55%	Yes
Business & Economic Development	1,134,860	863,518	271,342	131%	Yes
District Promotion	245,578	262,423	(16,845)	94%	
Forestry	688,440	604,619	83,821	114%	
	<u>12,992,433</u>	<u>21,654,643</u>	<u>(8,662,210)</u>	<u>60%</u>	
Operating Expenditure					
Commercial Property	8,182,342	6,797,575	1,384,767	120%	Yes
Business & Economic Development	936,415	948,517	(12,102)	99%	Yes
District Promotion	127,596	177,423	(49,827)	72%	
Forestry	386,369	474,897	(88,528)	81%	
	<u>9,632,723</u>	<u>8,398,413</u>	<u>1,234,310</u>	<u>115%</u>	
Capital Income					
Commercial Property	10,123,156	18,436,271	(8,313,115)	55%	No
	<u>10,123,156</u>	<u>18,436,271</u>	<u>(8,313,115)</u>	<u>55%</u>	
Capital Expenditure					
Commercial Property	14,676,079	20,665,749	(5,989,670)	71%	Yes
	<u>14,676,079</u>	<u>20,665,749</u>	<u>(5,989,670)</u>	<u>71%</u>	
Loan Repayments					
Commercial Property	2,228,896	3,254,184	(1,025,288)	68%	No
	<u>2,228,896</u>	<u>3,254,184</u>	<u>(1,025,288)</u>	<u>68%</u>	

The above financials include the following:

Development Contributions	0	0	0	0%
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The above financials do not include the following:

Vested Assets	0	0	0	0%
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The above financials do not include appropriations - to and from activities

Economic Development – Operating Income

Commercial Property

\$9,000,528U

Reason for variance

There will be a permanent difference relating to unbudgeted Better Off Funding from the DIA of \$2,300,000 for the Fairfield Freight Hub and \$150,000 for the Boer War Memorial Relocation.

Offsetting this increase in income is the decrease in income from the planned sale of land and buildings. There will be a significant permanent difference in income relating to timing of the sale of these.

Business & Economic Development

\$271,342F

Reason for variance

There will be a permanent positive difference relating to funding received from the Mayor's Taskforce for Jobs of approximately \$325,000.

Economic Development – Operating Expenditure

Commercial Property

\$1,384,767U

Reason for variance

There will be a \$2,300,000 permanent difference relating to expenditure for the Fairfield Freight Hub. There will also be a permanent variance of \$150,000 for the Boer War Memorial relocation. Both will be offset by the Better Off Funding mentioned in operating income above.

Business & Economic Development

\$12,102F

Reason for variance

There will be a permanent difference relating to the expenditure of the funding received from the Mayor's Taskforce for Jobs as mentioned under Operating Income.

Economic Development – Capital Expenditure

Commercial Property

\$5,989,670F

Reason for variance

The Oval Pavilion \$300,000 and Walnut Pavilion \$150,000 refurbishments may begin in this current year, but the majority of the project will be completed in next financial year and subject a carry-over request. The Art Gallery air conditioning upgrade \$1,900,000 will be delayed until 2025 and is also subject to a carry-over request.

Other permanent variances includes expenditure on the Rakaia Medical Centre of \$550,000 which will not be going ahead and the Boer War Memorial relocation of \$150,000 which was funded by Better Off Funding.

Final costs for Te Whare Whakaterere may not all be in by the end of June, possibly July (new financial year). A projected \$2M carryover will be subject to a carryover request.

Parks & Open Spaces – Income & Expenditure Report

For period ending 31 May 2024

	Actual YTD	Forecast Full Year	Variance	Percentage of Forecast	Permanent Variance
Operating Income					
Cemeteries	706,976	732,549	(25,573)	97%	
Parks and Recreation	5,001,773	5,209,116	(207,343)	96%	No
	<u>5,708,749</u>	<u>5,941,665</u>	<u>(232,916)</u>	<u>96%</u>	
Operating Expenditure					
Cemeteries	455,449	732,549	(277,100)	62%	Yes
Parks and Recreation	4,565,965	4,485,613	80,352	102%	No
	<u>5,021,414</u>	<u>5,218,162</u>	<u>(196,748)</u>	<u>96%</u>	
Capital Income					
Parks and Recreation	0	4,357,478	(4,357,478)	0%	No
	<u>0</u>	<u>4,357,478</u>	<u>(4,357,478)</u>	<u>0%</u>	
Capital Expenditure					
Cemeteries	66,922	0	66,922	0%	Yes
Parks and Recreation	4,086,060	4,622,270	(536,210)	88%	Yes
	<u>4,152,982</u>	<u>4,622,270</u>	<u>(469,288)</u>	<u>90%</u>	
Loan Repayments					
Cemeteries	5,023	14,587	(9,564)	34%	
Parks and Recreation	58,168	199,248	(141,080)	29%	No
	<u>63,191</u>	<u>213,835</u>	<u>(150,644)</u>	<u>30%</u>	

The above financials include the following:

Development Contributions	300	0	300	0%
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The above financials do not include the following:

Vested Assets	0	0	0	0%
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The above financials do not include appropriations - to and from activities

Parks and Open Spaces – Operational Expenditure

Cemeteries

\$277,100F

Reason for variance

Current expenditure for Cemeteries is underspent which will be a permanent variance at year end. This relates to maintenance work on trees and hedges and areas of turf maintenance reinstatement which was weather dependant and the window of opportunity was missed.

Parks and Open Spaces – Capital Expenditure

Cemeteries

\$66,922U

Reason for variance

There has been unbudgeted capital expenditure of \$21,186 for a new berm that was required to be installed at Methven Cemetery. There has also been a final claim of \$45,736 come through for the Ashburton Cemetery new driveway which was budgeted for in last financial year.

Parks and Recreation

\$536,210F

Reason for variance

It is projected that there will be a \$100k in Gardens for pond edge reinstatement that will be subject to a carryover request at year end. There will be a \$212k underspend on the Baring Square East redevelopment which will not be subject to a carryover request.

Community Governance & Decision Making – Income & Expenditure Report

For period ending 31 May 2024

	Actual YTD	Forecast Full Year	Variance	Percentage of Forecast	Permanent Variance
Operating Income					
Council	3,279,083	3,481,421	(202,338)	94%	No
Methven Community Board	141,773	148,349	(6,576)	96%	
Youth Council	13,633	13,702	(69)	99%	
Community Grants Funding	2,007,874	1,886,162	121,712	106%	Yes
Water Zone Committee	171,073	172,890	(1,817)	99%	
	<u>5,613,435</u>	<u>5,702,524</u>	<u>(89,089)</u>	<u>98%</u>	
Operating Expenditure					
Council	3,168,916	3,490,296	(321,380)	91%	No
Methven Community Board	135,458	158,551	(23,093)	85%	
Youth Council	6,152	13,702	(7,550)	45%	
Community Grants Funding	1,233,606	1,318,320	(84,715)	94%	
Water Zone Committee**	96,991	382,595	(285,603)	25%	Yes
	<u>4,641,123</u>	<u>5,363,465</u>	<u>(722,341)</u>	<u>87%</u>	
Loan Repayments					
Community Grants Funding	99,000	99,000	0	100%	
Water Zone Committee	18,000	18,000	0	100%	
	<u>117,000</u>	<u>117,000</u>	<u>0</u>	<u>100%</u>	

The above financials include the following:

Development Contributions	722,860	561,984	160,876	129%
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The above financials do not include the following:

Vested Assets	0	0	0	0%
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The above financials do not include appropriations - to and from activities

**Water Zone Committee Operating Expenditure Forecast includes \$227,705 of carry forwards for Investigations.

Community Governance & Decision Making – Operational Income

Community Grants Funding

\$121,712F

Reason for variance

Additional funding has been received from MBIE for the Meaningful Refugee Participation Project of \$30k and higher than budgeted Capital Service Contribution from Building Consents.

Community Governance & Decision Making – Operational Expenditure

Water Zone Committee (AKA District Water Mgmt)

\$285,603F

Reason for variance

There will be a forecast favourable variance of ~\$260,000 from the **Investigations** line item. This budget was funding the intake closure (and supply alternatives) investigations on Pudding Hill and potentially Methven Auxiliary, however with the new direction signalled as part of the draft 2024-34 LTP, this work has been largely suspended. Some work may still be progressed around ecological assessments of the systems, but total expenditure is expected to be limited. Any favourable variance will be the subject of a carryover request.

Affected projects include:

- BAU – Stockwater network rationalisation activities

Compliance & Development – Income & Expenditure Report

For period ending 31 May 2024

	Actual YTD	Forecast Full Year	Variance	Percentage of Forecast	Permanent Variance
Operating Income					
Environmental Health	191,263	218,077	(26,814)	88%	
Building Regulation	2,089,851	2,685,147	(595,295)	78%	Yes
Emergency Management	115,363	124,657	(9,294)	93%	
Liquor Licensing	194,765	190,185	4,580	102%	
Land Information Memorandum	111,815	104,343	7,472	107%	
Parking	348,187	240,625	107,562	145%	Yes
Animal Control	514,425	585,146	(70,721)	88%	
Resource Consents	697,325	770,783	(73,458)	90%	
Monitoring and Enforcement	406,840	439,293	(32,453)	93%	
Planning	570,136	626,353	(56,217)	91%	
	5,239,970	5,984,608	(744,638)	88%	
Operating Expenditure					
Environmental Health	276,123	218,077	58,046	127%	
Building Regulation	2,433,743	2,685,147	(251,404)	91%	Yes
Emergency Management	76,159	105,112	(28,953)	72%	
Liquor Licensing	206,381	190,185	16,196	109%	
Land Information Memorandum	95,852	104,343	(8,492)	92%	
Parking	246,329	240,625	5,704	102%	
Animal Control	467,256	585,146	(117,890)	80%	No
Resource Consents	903,990	770,783	133,207	117%	Yes
Monitoring and Enforcement	413,193	439,293	(26,100)	94%	
Planning	339,305	570,052	(230,747)	60%	Yes
	5,458,331	5,908,763	(450,432)	92%	
Loan Repayments					
Animal Control	4,400	4,400	0	100%	
Planning	144,302	144,302	0	100%	
	148,702	148,702	0	100%	

The above financials include the following:

Development Contributions	0	0	0	0%
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The above financials do not include the following:

Vested Assets	0	0	0	0%
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The above financials do not include appropriations - to and from activities

Compliance & Development – Operating Income

Building Regulation

\$595,295U

Reason for variance

Several large, proposed projects have been delayed in coming for building consents due to the current economic climate and are now forecast for the next financial year.

Parking

\$107,562F

Reason for variance

Non-compliance of vehicle licensing and WoF requirements is currently high, hence higher revenue through infringements.

Compliance & Development – Operating Expenditure

Building Regulation

\$251,404F

Reason for variance

Operating expenditure is lower than expected due to the direct correlation to levies collected as part of operating income which is then paid out less administration fees.

Resource Consents

\$133,207U

Reason for variance

Whilst income is on track, costs associated with applications are higher than anticipated. This includes time spent on appeals, staff costs and consultancy costs.

Planning

\$230,747F

Reason for variance

Following changes to legislation, staff are anticipating future changes to the District Plan or its equivalent in coming years. It is intended that unspent funds will be carried over to be used in this process.

Miscellaneous, Dividends & Internal Overheads – Income & Expenditure Report

For period ending 31 May 2024

	Actual YTD	Forecast Full Year	Variance	Percentage of Forecast	Permanent Variance
Operating Income					
Dividends and Interest	2,881,543	1,329,981	1,551,562	217%	Yes
Te Whare Whakaterere	391,588	416,958	(25,370)	94%	Yes
Executive Team	1,604,500	1,781,255	(176,755)	90%	No
People & Capability	998,993	1,273,939	(274,946)	78%	No
Information Systems	4,055,807	3,765,936	289,871	108%	No
Customer Services	671,900	747,023	(75,123)	90%	
Treasury	1,704,819	1,932,986	(228,167)	88%	No
Rates	677,508	825,430	(147,922)	82%	No
Community Relations	932,335	1,038,306	(105,971)	90%	No
Communications	884,671	990,062	(105,391)	89%	No
Property Administration	1,544,805	1,693,906	(149,101)	91%	No
Service Delivery	4,284,965	4,051,793	233,172	106%	No
Parks Administration	3,699,327	4,330,434	(631,107)	85%	No
Plant Operations	801,361	963,206	(161,845)	83%	No
	25,134,123	25,141,215	(7,093)	100%	
Operating Expenditure					
Dividends and Interest	50,000	55,003	(5,003)	91%	
Te Whare Whakaterere	393,750	510,273	(116,523)	77%	No
Executive Team	1,604,501	1,781,256	(176,755)	90%	No
People & Capability	998,993	1,707,339	(708,347)	59%	Yes
Information Systems	4,056,353	4,281,764	(225,411)	95%	Yes
Customer Services	671,900	746,909	(75,009)	90%	
Treasury	1,704,819	2,087,856	(383,037)	82%	No
Rates	744,511	825,430	(80,919)	90%	
Community Relations	932,335	1,038,305	(105,970)	90%	No
Communications	884,672	990,062	(105,390)	89%	No
Property Administration	1,541,440	1,865,673	(324,234)	83%	No
Service Delivery	4,238,449	4,051,793	186,656	105%	No
Parks Administration	3,651,603	4,256,295	(604,692)	86%	Yes
Plant Operations	875,340	923,573	(48,233)	95%	
	22,348,666	25,121,532	(2,772,865)	89%	
Capital Income					
Information Systems	0	293,000	(293,000)	0%	No
Plant Operations	140,326	550,100	(409,774)	26%	No
	140,326	843,100	(702,774)	17%	
Capital Expenditure					
Te Whare Whakaterere	115,091	0	115,091	0%	Yes
Information Systems	391,196	783,210	(392,014)	50%	Yes
Plant Operations	627,847	902,634	(274,787)	70%	No
	1,134,133	1,685,844	(551,711)	67%	
<i>The above financials include the following:</i>					
Development Contributions	0	0	0	0%	
<i>The above financials do not include the following:</i>					
Vested Assets	0	0	0	0%	
<i>The above financials do not include appropriations - to and from activities</i>					

Miscellaneous, Dividends & Internal Overheads – Operating Income

Dividends and Interest **\$1,551,562F**

Reason for variance

Dividends and Interest includes dividends received from Transwaste of \$361,500 and ACL of \$1,384,000 as at the end of May. The remaining balance relates to interest received. The ACL dividend received is \$684,000 above the estimate budgeted dividend.

Te Whare Whakaterere **\$25,370U**

Reason for variance

There will be a permanent positive variance of \$110,000 due to unbudgeted Better Off funding for enhancements to the Ashburton Library. Absorbing some of this increase, is the income budgeted to be received from an additional tenant in the building; this has yet to happen.

Miscellaneous, Dividends & Internal Overheads – Operating Expenditure

People & Capability **\$708,347F**

Reason for variance

Disbursement of funding for the Strategic Pay Job Sizing Review Project has not yet occurred to other cost centres. This, in addition to other personnel cost underspends, has resulted in a favourable variance at end of May.

Information Systems **\$225,411F**

Reason for variance

A permanent variance is forecast driven by lower than budgeted personnel expenditure due to unpaid absences or vacancies throughout the year. With recently confirmed staff absence in the year 24/25 we would seek a carryover of upsent personnel budget to cover the required additional personnel costs.

Parks Administration **\$604,692F**

Reason for variance

Current expenditure for staff training is overbudget and will be a permanent variance at year end of approximately \$120,000. This is attributed to the costs associated with temporary traffic management training.

Miscellaneous, Dividends & Internal Overheads – Capital Expenditure

Te Whare Whaketerere

\$115,091U

Reason for variance

There will be a permanent variance of \$110,000 due to expenditure of Better Off funding for enhancements of the Ashburton Library.

Information Systems

\$392,014F

Reason for variance

Capital Budget

For 23/24 we have a capital budget, excluding carryover of \$490,210. The spend to date is \$237,983. There is \$80,614 of commitments. This would result in an estimated favourable balance of \$171,613K year end.

Carryover

22/23 Capital carryover amounts to \$293K which is for expenditure on aerial renewals and server storage works.

On the aerials, a commitment has been made for \$66,478 to eCan, who hold the contract and our responsible for payment to the provider.

Hardware for our server renewal project has come in lower than budgeted at this time, resulting in a favourable forecast of \$55,000 year end from carryover.

We have a planned capital expenditure programme for the upcoming LTP and would submit a request for the unspent capital in 23/24 to be carried forward to support future works where there is shortfall in allocated budget.

Loan Repayments

For period ending 31 May 2024

	Actual YTD	Forecast Full Year	Variance	Percentage of Forecast	Permanent Variance
Loan Repayments	5,000,000	7,024,840	(2,024,840)	71%	No

Balance Sheet

As at 31 May 2024

	YTD Actual	2023 Actual
Public Equity		
Ratepayers Equity	537,429,382	521,389,000
Revaluation Reserves	360,123,000	360,123,000
Funds and Reserves	73,543,130	68,460,000
	971,095,513	949,972,000
Non-Current Liabilities		
External Loans	120,600,000	85,600,000
Other Term Liabilities	327,626	303,588
	120,927,626	85,903,588
Current Liabilities		
Trade Creditors	1,284,826	7,820,977
Deposits & Bonds	1,838,922	1,287,724
Other Current Liabilities	2,642,238	804,558
Accrued Liabilities	3,797,866	10,116,153
	9,563,852	20,029,412
Total Equity & Liabilities	1,101,586,991	1,055,905,000
Fixed Assets	145,701,296	148,301,389
Infrastructural Assets	791,730,666	804,643,197
Work in Progress	122,969,227	67,254,000
Advances	358,878	390,958
Shares	10,233,455	9,188,455
Current Assets		
Cash & Bank	7,341,497	7,681,523
Cash Investments	10,000,000	3,100,000
GST	780,497	2,185,113
Receivables	5,476,161	3,059,151
Provision for Doubtful Debts	(35,424)	(58,933)
Stock	87,452	86,767
Accruals	5,246,834	5,327,882
Other Current Assets	1,696,453	4,745,498
	30,593,469	26,127,000
Total Assets	1,101,586,991	1,055,905,000

Net Debt and Borrowings

As at 31 May 2024

Net Debt



External Borrowing

Local Government Funding	Amount	Rate		Maturity
LGFA 2024	7,000,000	5.78%	Floating	15-Aug-24
LGFA 2023	5,000,000	6.05%	Floating	15-Apr-25
LGFA 2022	5,000,000	5.99%	Floating	15-Apr-25
LGFA 2022	3,000,000	5.93%	Floating	15-Apr-25
LGFA 2021	7,000,000	6.01%	Floating	15-Apr-25
LGFA 2024	5,000,000	6.10%	Floating	15-Apr-26
LGFA 2023	5,000,000	6.24%	Floating	15-Apr-26
LGFA 2023	5,000,000	6.02%	Floating	15-Apr-26
LGFA 2020	10,000,000	6.27%	Floating	15-Apr-26
LGFA 2024	3,000,000	5.19%	Fixed	15-Apr-27
LGFA 2023	5,000,000	6.38%	Floating	15-Apr-27
LGFA 2023	5,000,000	6.19%	Floating	15-Apr-27
LGFA 2020	5,000,000	0.97%	Fixed	15-Apr-27
LGFA 2020	5,000,000	1.23%	Fixed	15-Apr-27
LGFA 2024	7,000,000	6.42%	Floating	15-May-28
LGFA 2021	16,600,000	2.01%	Fixed	15-May-28
LGFA 2024	7,000,000	6.39%	Floating	20-Apr-29
LGFA 2023	5,000,000	5.08%	Fixed	20-Apr-29
LGFA 2022	10,000,000	6.25%	Floating	20-Apr-29
Total External Funding	120,600,000			

Borrowing by Activity

As at 31 May 2024

	External Borrowing	Internal Borrowing
Commercial Property	61,214,122	-
Elderly Person Housing	55,090	-
Wastewater	19,898,411	-
Drinking Water	19,706,055	-
Compliance & Development	684,304	-
Stormwater	2,635,319	-
Cemeteries	1,802,202	-
Water Resources	325,360	-
Arts & Culture	2,047,004	-
Refuse and Recycling	639,430	-
Stockwater	315,620	-
Roading	6,980,030	-
Footpaths	663,949	-
Recreation Facilities	182,368	-
Civic Building	42,699	-
Parks	2,450,012	-
Camping	16,421	-
Public Conveniences	269,856	-
Reserve Boards	671,750	-
Total	120,600,000	-

Council Investments

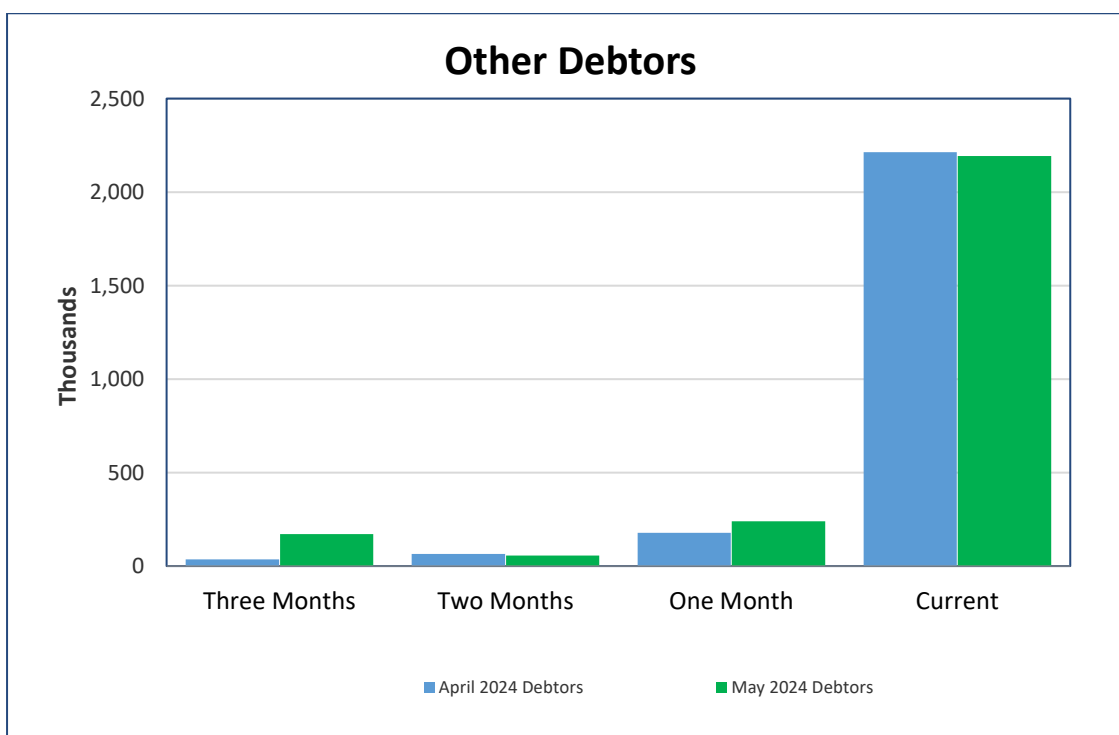
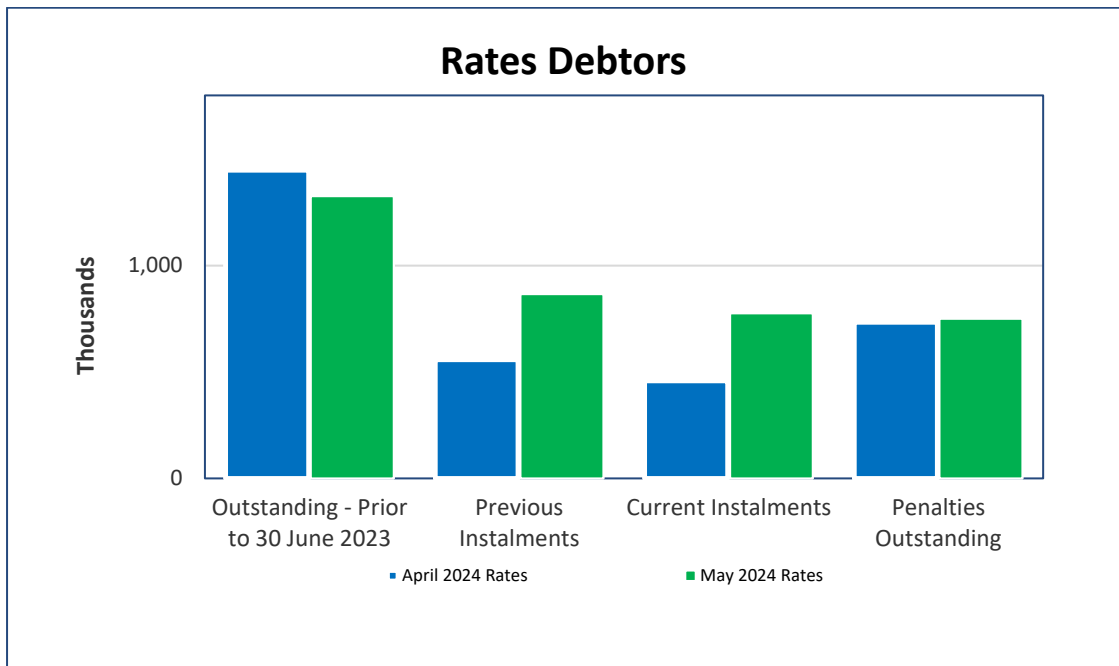
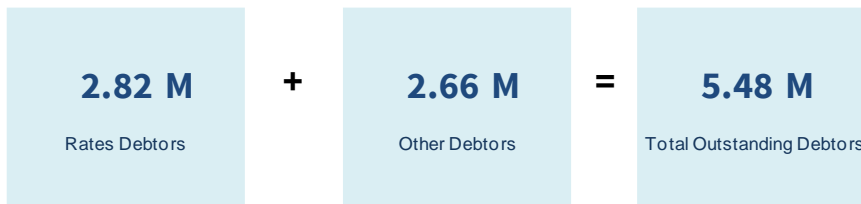
As at 31 May 2024

Listed below are the current significant investments held by Council.

Term Deposit	Principal	Interest	Term	Maturity
Westpac	6,000,000	5.05%	1 Month	21-Jun-24
	6,000,000			
Local Authority Stock and Bonds	Principal	Interest	Yield	Maturity
Bonds				
ANZ	1,000,000	2.99%	6.04%	17-Sep-26
Westpac	1,100,000	6.19%	5.79%	16-Sep-27
Kiwibank	1,000,000	5.73%	4.95%	19-Oct-27
Westpac	900,000	6.73%	5.95%	14-Feb-28
	4,000,000			
Advances				
Eastfield Investments	358,878			
	358,878			
Shares				
Ashburton Contracting Ltd	4,500,000			
Civic Financial Services Ltd	52,655			
RDR Management	30,000			
Transwaste Canterbury Ltd	1,044,000			
ATS	500			
Electricity Ashburton Rebates	1,300			
LGFA Equity	2,840,000			
Eastfield Investments	1,765,000			
	10,233,455			

Receivables Summary (Including Prior Month Comparative)

As at 31 May 2024



Receivables Summary continued

Outstanding Debtors over 90 days	
>\$100,000	0
\$50,000 - \$100,000	1
\$30,000 - \$50,000	3
\$10,000 - \$30,000	8

The above debtors are being actively managed or under a resolution process.

26. *Universal Metering Pilot Trial – Methven Water Supply*

Author *Andrew Guthrie; Assets Manager*
Executive Team Member *Neil McCann; GM Infrastructure and Open Spaces*

Summary

- The purpose of this report is to update Council on the results of the Universal Metering Pilot Trial in Methven.
- The findings from the trial are contained in the report titled *Universal Metering Pilot Trial – Methven Water Supply, June 2024*.
- Key findings from this work are:
 - Methven demand is increasing at 2-3% per year.
 - Minimum nighttime flow has increased significantly over last decade.
 - Of the current 60% total unaccounted for water, 75% may be attributed to the public network.
 - Metering leak data analysis showed that 39 meters (3.5% of meters considered) accounted for 198m³/day, or 19.9% of the total demand.
 - Residential meters with usage above 1m³/day represented 8.1% of the total residential meters yet accounted for 40% of average daily demand.
 - The median demand for a Methven property is 0.473 m³/day.
 - The report confirms the need for ongoing acoustic leak detection surveys.
 - Pipeline renewal programmes need to be reprioritised to accelerate pipeline replacement in Methven.
 - The presence of universal metering allows greater analysis of scheme demand which in turn helps focus our asset management efforts.

Recommendation

- **That** Council receives the report titled *Universal Metering Pilot Trial – Methven Water Supply, June 2024*.
- **That** Council approves the reprioritisation within existing capital programmes in order to accelerate pipeline renewals on the Methven water supply.

Attachment

Appendix 1 Report - *Universal Metering Pilot Trial – Methven Water Supply, June 2024*

Background

1. In the 2021-24 Long Term Plan (LTP) Council approved the installation of water meters on every connection in Methven as a pilot trial.
2. The total assigned budget for the project was \$1.00M. The total cost of the project was ~\$0.85M.
3. The trial aimed to demonstrate the benefits of universal water metering from an asset management and demand management perspective, in anticipation of a future rollout of universal metering in Ashburton and Rakaia.
4. There was no intention to move to volumetric charging as part of the trial or as part of any future metering project at this time.
5. The findings from the trial are contained in the report titled *Universal Metering Pilot Trial – Methven Water Supply, June 2024*.
6. The report considers the data from the meters and draws some early conclusions and makes some recommendations for further investigations.

Period of Reporting & Data Confidence

7. The report considers data over the period from May 2023 to Feb 2024.
8. There was some interpolation required to address the period when the Methven WTP plant meters were out of action due to the Methven reservoir & membrane projects. This not considered material to the final conclusions in the report.

Legal/policy implications

Local Government Act 2002

9. The Universal Metering Pilot Trial and universal metering in general is considered to be consistent with the Principles of Local Government linked [here](#) and reproduced below:

14 Principles relating to local authorities

(1) In performing its role, a local authority must act in accordance with the following principles:

...

(g) a local authority should ensure prudent stewardship and the efficient and effective use of its resources in the interests of its district or region, including by planning effectively for the future management of its assets; and ...

Climate change

10. Universal metering is ultimately likely to contribute to Council's Climate Change Policy Goals.

...3.2 Council will respond to climate change in ways that:

a. Ensure the sustainability of Council assets and services for the present and future well-being of the Ashburton District; and...

Strategic alignment

11. The recommendation relates to Council's community outcome of *a balanced and sustainable environment He taiao toitū* because universal water metering assists Council and our customers in the careful management of precious water resources.

Wellbeing		Reasons why the recommended outcome has an effect on this wellbeing
Economic	✓	Universal water metering will ultimately contribute to leak identification, reductions in consumption and operating cost. Extra-ordinary customers may benefit through the identification of leakage on property that they otherwise might have to pay for.
Environmental	✓	Any reductions in water demand arising from universal metering will reduce the impact of the water supplies on the environment.
Cultural	✓	Culturally, the importance of water is expressed through Te Mana o te Wai which refers to the vital importance of water. When managing freshwater, it ensures the health and well-being of the water is protected first and human health needs are provided for before enabling other uses of water.
Social		

Financial implications

Requirement	Explanation
What is the cost?	No additional funding sought.
Is there budget available in LTP / AP?	N/A.
Where is the funding coming from?	N/A.
Are there any future budget implications?	Any future work will be managed under existing budget provisions within the 2024-34 Long Term Plan ¹ . The only changes may be a reprioritisation of projects within the overall pipeline renewal programme.
Reviewed by Finance	Leanne Macdonald, Group Manager – Business support

Significance and engagement assessment

Requirement	Explanation
-------------	-------------

¹ Council did not support inclusion of the Ashburton & Rakaia universal metering projects in the 24-34 Long Term Plan due to the pilot trial reporting delays. These projects can now only be reintroduced to the programme as part of an annual plan cycle (an LTP amendment being required) or as part of the next LTP (2027-37).

Is the matter considered significant?	No.
Level of significance	Low.
Rationale for selecting level of significance	N/A.
Level of engagement selected	1. Inform – One way communication.
Rationale for selecting level of engagement	This report is only receiving an information report and does not seek any other decisions of Council.
Reviewed by Strategy & Policy	Mark Low; Strategy and Policy Manager

***Universal Metering
Pilot Trial
Methven Water Supply***

Document Control

Revision	Name	Author	Reviewed by	Date
0.1	Draft in Development	Chris Stanley	Andrew Guthrie	May 2024
0.2	For internal circulation	Chris Stanley	Andrew Guthrie	12 June 2024
1.0	For Council report	Chris Stanley		

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Executive Summary

In the 2021-24 Long Term Plan (LTP) Council approved the installation of water meters on every connection in Methven as a trial. The trial aimed to determine the benefits of universal water metering from an asset management and demand management perspective.

Demand trends over time, based on water supplied from the treatment plant into the Methven reticulated network from 2013 to present, show a modest rising trend of, on average, 27.6-43.3 m³ per year (2-3% per year).

In the absence of meters, our standard way of estimating and reporting water loss is minimum night flow (MNF) analysis. Our MNF analysis shows that there has been a significant increase in minimum night flow and reported percent loss over the last decade. This suggests that there has been a significant increase in leaks. However, this simple analysis has some critical limitations. In particular it does not distinguish between loss on the public network or on private property, so any inferences about the balance of public vs private leaks are only based on guesswork.

With the meters in place, a water balance has been carried out. This compares the water supplied from the treatment plant with the water measured passing through the water meters, with the remainder assumed to be loss in the public network.

Over the study period, the public network loss is fairly consistent at around 43-49%. The MNF analysis suggested a total water loss of around 60% of all water supplied. While caution is due when comparing these numbers, this suggests that if network loss is around 45% of all water supplied, private loss accounts for approximately 15% of all water supplied.

As well as flow volumes the meters can also identify other problems, such as leaks, and raise 'flags' when read, alerting us to these problems. Across the study period, 39 meters had leak flags, and none of those had consumption below 1.5m³/day. 11 of the 25 meters above 5m³/day had leak flags and 28 of the 63 meters above 2m³/day had leak flags. This shows that having a leak can have a disproportionate impact on water demand. Adding up the demand from the meters with leaks, 39 meters (3.5% of the non-zero meters) accounted for 198m³/day (19.9% of the total demand).

Preliminary analysis by Beca on only residential meters found that 8.1% of the residential meters, those above 1m³/day, accounted for 40% of average daily consumption. Again, this finds a potential disproportionate impact from meters with leaks.

With a relatively high loss indicated in the public network, ADC needs to proactively seek out and fix leaks. Leak detection was carried out in November 2023 by Detection Services, covering the whole of the Methven scheme (as well as Tinwald, Rakaia and Hinds). In Methven, 28 leaks on the public network and 58 private leaks were identified. The estimated sizes of the leaks ranged from 0.1L/minute to 60 L/minute (0.144m³/day to 96.4 m³/day).

The purpose of this work was to evaluate the merits of universal metering. Without accurate data on water use on the public and private reticulation, it is difficult to determine where the bulk of the water loss occurs. This knowledge will allow us to focus our programmes to better manage the Methven water supply.

Firstly, continuing a regular programme of leak detection to find and fix leaks in the public network is essential. Secondly, the planned installation of water meters on the trunk mains will identify existing and future leaks on pipes that are difficult to reach with acoustic leak detection techniques. Finally, renewal priorities should be adjusted to increase the rate of renewals in Methven.

The conclusions reached in this report have only been possible through the universal metering project. The ability to understand how much water is being used by our customers is fundamental to improving management of the water supply. *"You can't manage what you don't measure"*.

1. Introduction

In the 2021-24 Long Term Plan (LTP) Council approved the installation of water meters on every connection in Methven as a trial. The trial aimed to determine the benefits of universal water metering from an asset management and demand management perspective. No changes to billing were included as part of the trial.

This report considers the data from the meters and draws some early conclusions and makes some recommendations for further investigations.

First, demand over time is considered to look for trends. Then a water balance compares water supplied vs water consumed to estimate water loss in the public network. This is compared to minimum night flow, which estimates total water loss, and can indicate the level of water loss on private property.

Finally, some possible factors are considered, such as renewals, repairs and network faults.

2. Background and Project History

The project was initially planned for the 2021-22 financial year. However, due largely to COVID-19-related delays in shipping, the meters and manifolds arrived later than planned. The installation of 1138 meters was finally substantially completed by late 2022, leaving around 75 still to be installed over the subsequent months. A small project was undertaken over the 2022-23 summer period, and then regular routine readings began to be taken from May 2023.

3. Demand Trends

The long-term trend of water supplied from the water treatment plant (WTP) is shown in

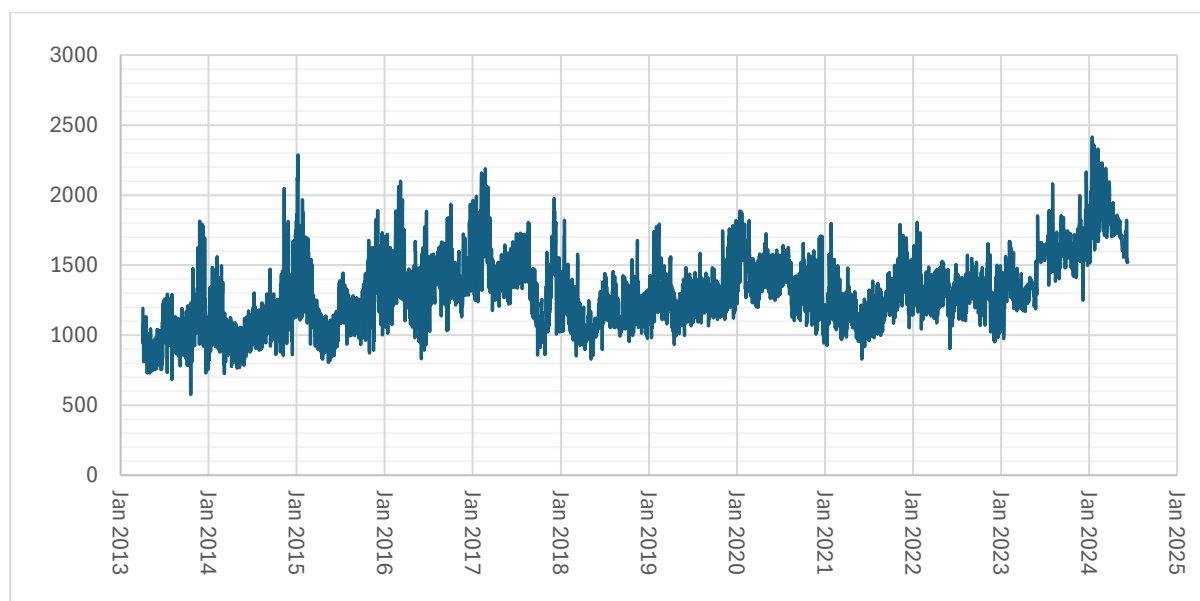


Figure 1 and Figure 2.

Figure 1 is the 'raw' data, where the data points represent the total water supplied for each day. This graph shows clearly the summer peaks and inter-year variations.

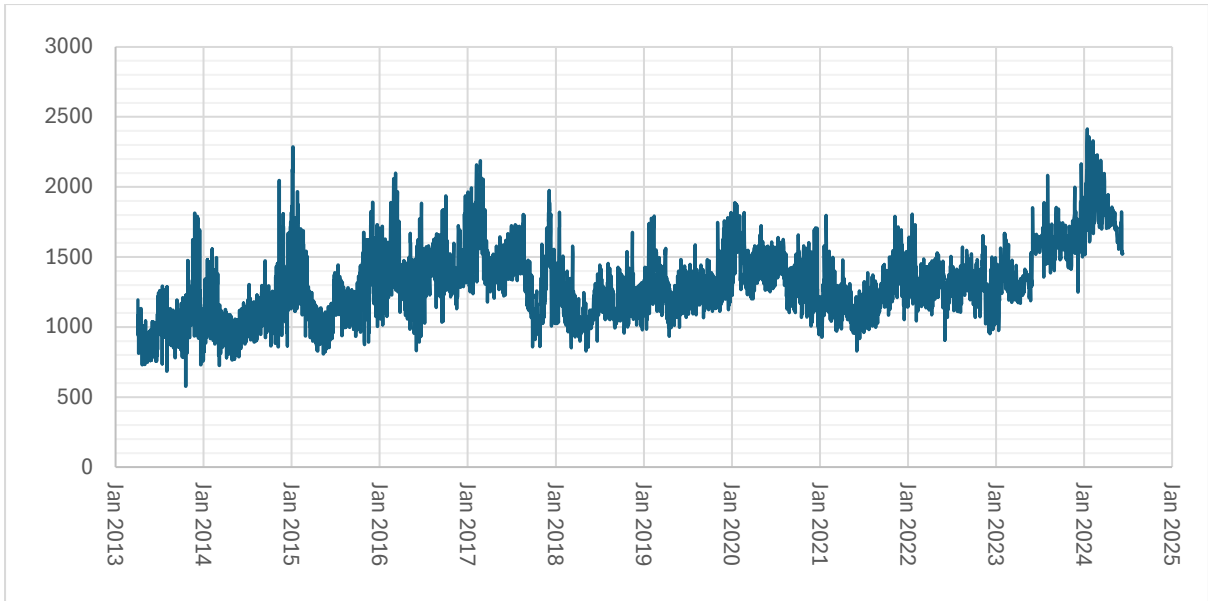


Figure 1 - Water supplied from the Methven WTP to the Methven urban scheme (2013-2024)

Figure 2 shows the average daily demand for each calendar year, and shows (in grey) the 1% and 99% percentile bands for each year. This illustrates the range of daily demand with the top and bottom 1% excluded to remove outliers and extremes.

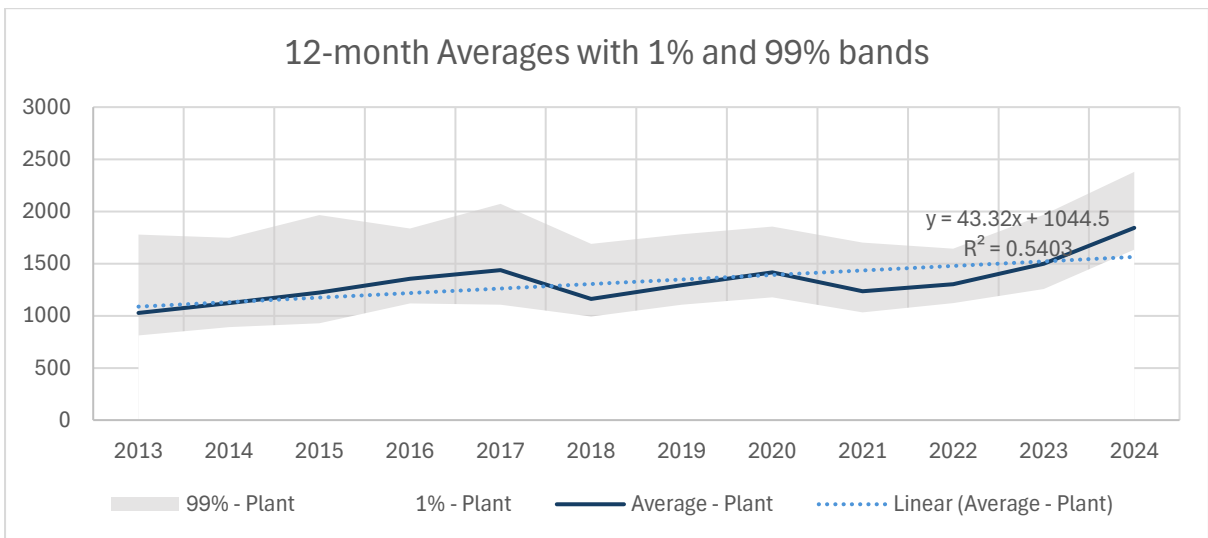


Figure 2 - 12-month average water supplied (m³/day) and 1%-99% percentile band

Together, these graphs show a modest rising trend of, on average, 43.3 m³ per year, close to 3% per year. Excluding 2024, where there is an unusually high increase in demand, the trend is 27.6m³ per year, which is around 2% per year. This is generally consistent with population growth in the town, which was around 1.8% between 2013 and 2023¹, and is possibly higher now as there has been a notable increase in new development in the last few years.

¹ 1719 people in 2013, 2037 people estimated in 2023 (Stats NZ)

4. Minimum Night Flow – Reported Loss

As part of ADC’s Annual Report, we report water loss. While we report water loss at aggregate district level, we do calculate this at scheme level. Methven is one of our schemes with the highest reported water loss.

We calculate our reported water loss using Minimum Night Flow (MNF) analysis. The principle is that, in the early hours of the morning in winter when irrigation systems should be turned off, the only water use is leaks. In practice this is not entirely correct, so an allowance is subtracted to account for some legitimate overnight use.

In practice this works as follows:

- Look at the instantaneous flow in the early hours of the morning across an entire year.
- Find the lowest flow. Convert it to Litres/hour.
- Divide this by the number of properties to obtain a figure in L/property/hour.
- Subtract an allowance of 2.5 L/property/hour for average legitimate overnight consumption. This gives a Real Loss (RL) in L/property/hour.
- Calculate % loss by dividing the annualised loss (RL x hours in a year) by total water supplied.

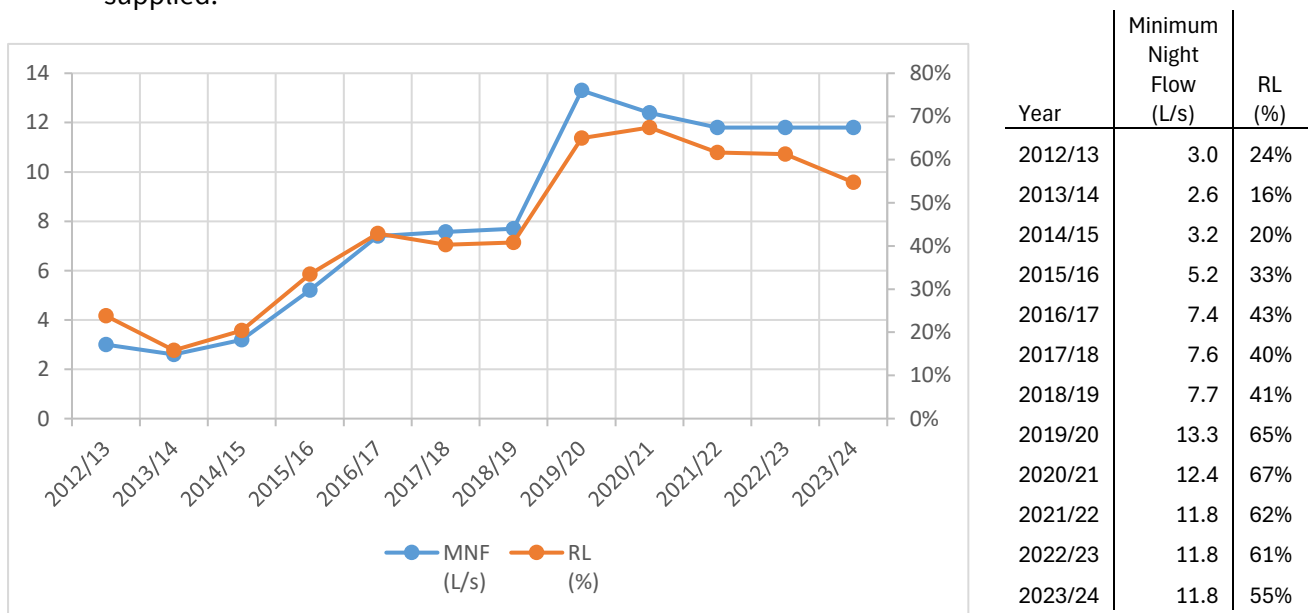


Figure 3 - Minimum Night Flow and % Real Loss by year, 2012-2024. (2024 is a partial year)

Minimum Night Flow and % loss generally go hand-in-hand in this analysis. As property numbers increase there is expected to be a small rise in both MNF and legitimate water consumption. This is best illustrated by considering 2021/22, 2022/23 and 2023/24, which have the same MNF but lower % loss as the number of properties is increasing.

The data show that there has been a significant increase in minimum night flow and % loss over the last decade. This suggests that there has been a significant increase in leaks.

However, this simple analysis has some critical limitations. It does not distinguish between loss on the public reticulated network or on private property, so any inferences about the balance of public vs private leaks are only based on guesswork. This figure can also be influenced by higher than typical legitimate overnight usage, such as 24-hour industry, filling of storage tanks, or a high

prevalence of irrigation even in winter, for example. To address these, a water balance is needed (see Section 5).

There are some large jumps in minimum night flow, especially in 2019/20 and also between 2014/15 and 2016/17, which point to either the development of clusters of leaks or a few large leaks. Alternatively, unaccounted-for customers taking water 24 hours a day could explain some of this.

5. Water Balance

A water balance is a calculation which attempts to track aggregate water flows through the system and assign them to an end result. It relies on having meters at key locations in the network to measure the volume of water reaching each point.

A simple water balance, as carried out here, is shown in Figure 4. The numbers are based on a daily average for the period between 29 May and 26 June 2023. Of 1607m³/day supplied by the plant into the reticulated network, 914m³/day was recorded passing through the property meters. The remainder is assumed to be losses in the network on the way to the customer². This has been carried out for each of the reading periods for which data were available (May 2023 – February 2024), and the results are shown in Figure 5.

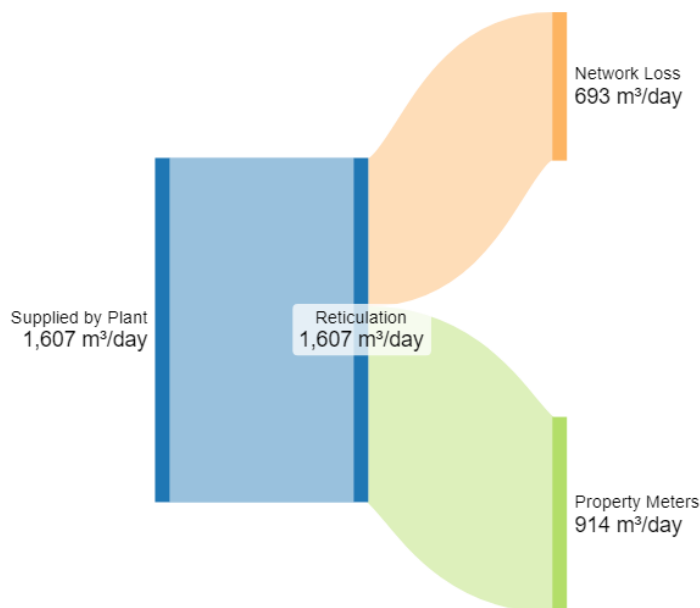


Figure 4 - Illustration of a simple water balance

² Note that any missing meters or unknown connections will also look like Network Loss

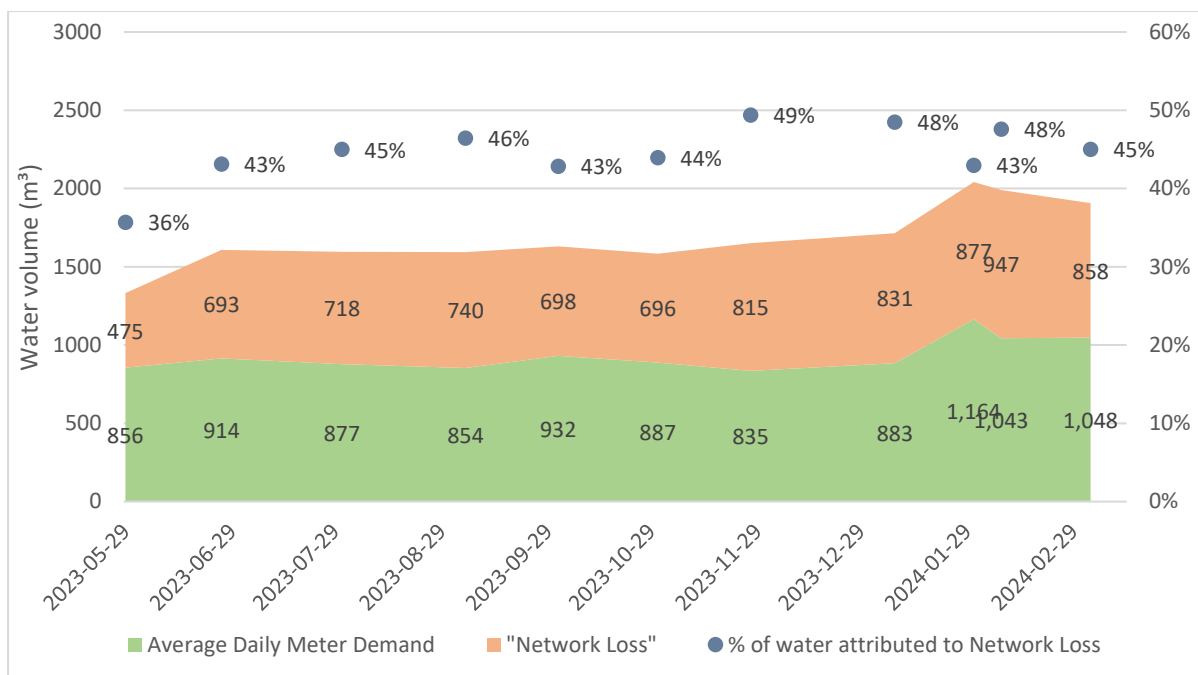


Figure 5 - Simple water balance for each reading period

This graph shows that the volume assigned to Network Loss is fairly consistent over the study period at around 43-49%. There is a jump in water supplied in January and February, but this is matched by an increase in the volume measured through the property meters, indicating that this is either legitimate demand or private leaks. Given the long dry summer, it is most likely to be legitimate demand from people watering gardens overnight.

There is another clear step up at the start of the graph in June 2023. This overall increase also appears in Figure 5. As this is not reflected in the metered flow; this strongly suggests an increase in network leakage at that time.

The Minimum Night Flow analysis suggested a total water loss of around 60% of all water supplied. While it is not strictly an apples-to-apples comparison, this suggests broadly that if network loss is around 45% of all water supplied, private loss accounts for approximately 15% of all water supplied.

Over the 2022/23 summer, a preliminary investigation was carried out by a summer student. Not all water meters were included and some of the meters were missed on some reading dates, so data needed to be interpolated. This makes this analysis less reliable, but it is useful to compare the two as an independent check.

This analysis showed a percentage of water assigned to network loss between 26% and 43%, with an average of 35%. This agrees with the May 2023 figure of 36% obtained in this analysis.

This water balance analysis spreadsheet can be added to in order to repeat and extend this analysis in the future.

6. Meter Readings

Analysis of the meter readings allows some understanding of the ways that customers are using water. Figure 6 plots the daily average consumption for each meter in Methven for the study period, and has a line at 1m³/day as a reference, indicating where 'high consumption' could be considered to start. Orange dots indicate the 39 meters which had leak flags.

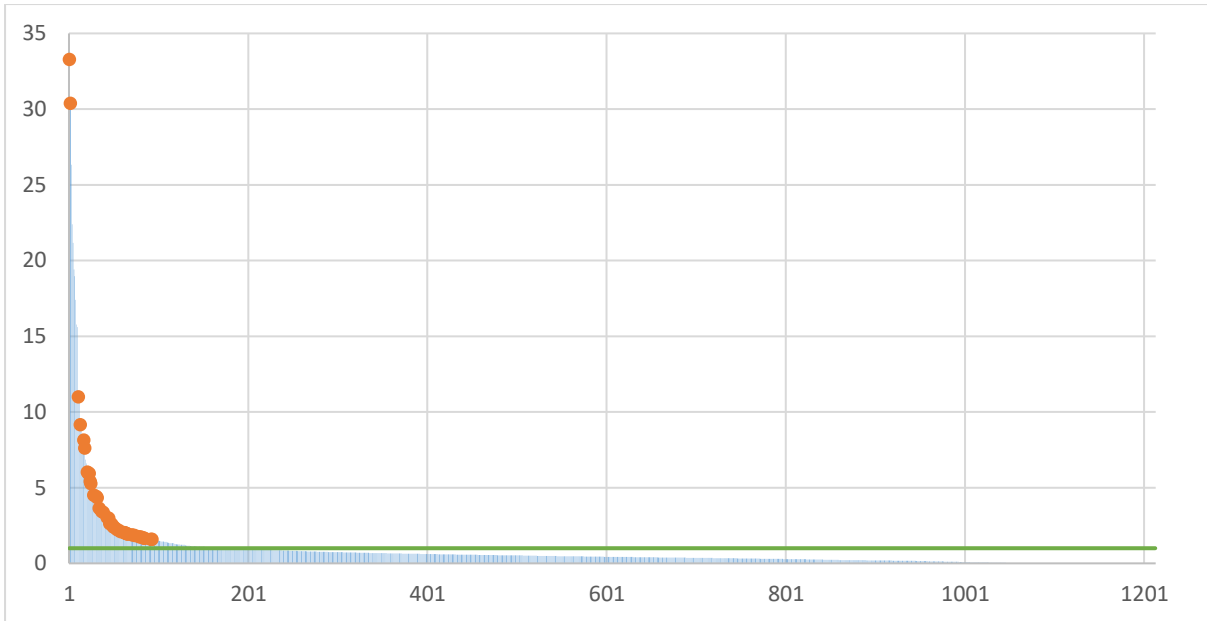


Figure 6 - Average daily consumption by meter, May 2023 - March 2024

Daily Demand

Of 1213 total meters, all but 175 are below $1\text{m}^3/\text{day}$. The 175 meters above 1m^3 have daily demand up to a maximum of $33.3\text{m}^3/\text{day}$. Note that these include commercial customers, paying for that water demand, and this may be legitimate use.

113 meters had zero daily demand. These are likely to be empty properties or empty sections in new subdivisions. These have been shown in Figure 6 but not included when calculating averages.

Excluding zero meters, the mean demand is $0.91\text{ m}^3/\text{day}$, and the median demand is $0.473\text{ m}^3/\text{day}$. While both statistics have their merits, the median is a more useful representation of the typical residential customer. Assuming a typical demand of around $200\text{L}/\text{person}/\text{day}$, this is in keeping with a typical 2.5 person household.

Leaks

As well as flow volumes the meters can identify other problems, such as leaks, and raise an alarm or “flag” when the meter is read. More detailed information about flags is in Section 7.

Of the 39 meters reporting leaks, none were below $1.5\text{m}^3/\text{day}$. Considering the highest users, 11 of the 25 meters above $5\text{m}^3/\text{day}$ had leak flags and 28 of the 63 meters above $2\text{m}^3/\text{day}$ had leak flags. This suggests that having a leak can lead to a disproportionate impact on water demand.

Adding up the demand from the meters with leaks, 39 meters (3.5% of the non-zero meters) accounted for $198\text{m}^3/\text{day}$ (19.9% of the total water demand).

These estimates are conservative, because many leaks will have been fixed and not sustained throughout the entire study period, so they will have an outsized impact until fixed. This has effectively been averaged out in the analysis.

By usage type

Earlier work carried out by Beca, looking at a subset of this data between March 2023 and November 2023, looked at the distribution of demand based on meter classification and zoning.

Percentage Consumption by Usage (after 1st of May) Percentage Consumption by District Plan Zone (after 1st of May)

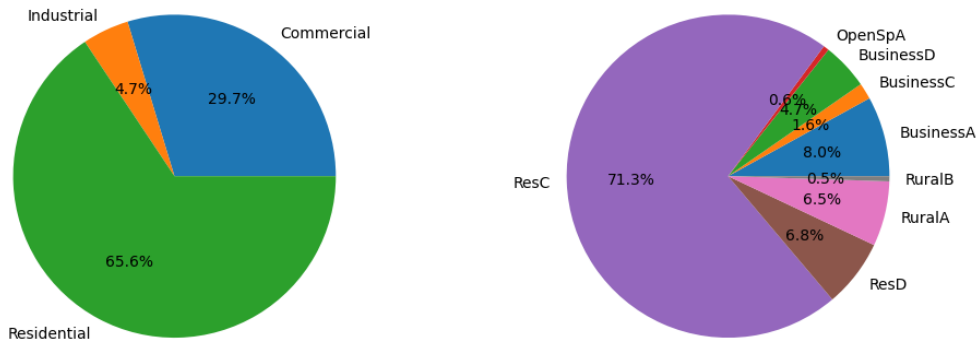


Figure 7 - Breakdowns of average demand by usage type and zoning (Beca 2023)

The proportion of residential usage (65.6%) is lower than the proportion of residential zoned properties (78.1-84.6%, depending on how much of Rural A is included as ‘residential’), which implies that residential use is, on average, lower than commercial and industrial use. This is not an unexpected result, but helpful to have confirmation.

Beca also looked at the consumption of only residential meters and found that 8.1% of the residential meters, those above 1m³/day, accounted for 40% of average daily consumption. This is in alignment with the earlier findings about the disproportionate impact that meters with leaks can have.

7. Other Information from Meters

As well as total volume, water meters also transmit status codes (“flags”). These include leaks, burst pipes (large leaks), backflow, and empty pipes (which might indicate a faulty lateral. A trend of meters with alarm flags is shown in Figure 8. This is drawn from both the recent series of readings and the previous series from the 2022-23 summer.

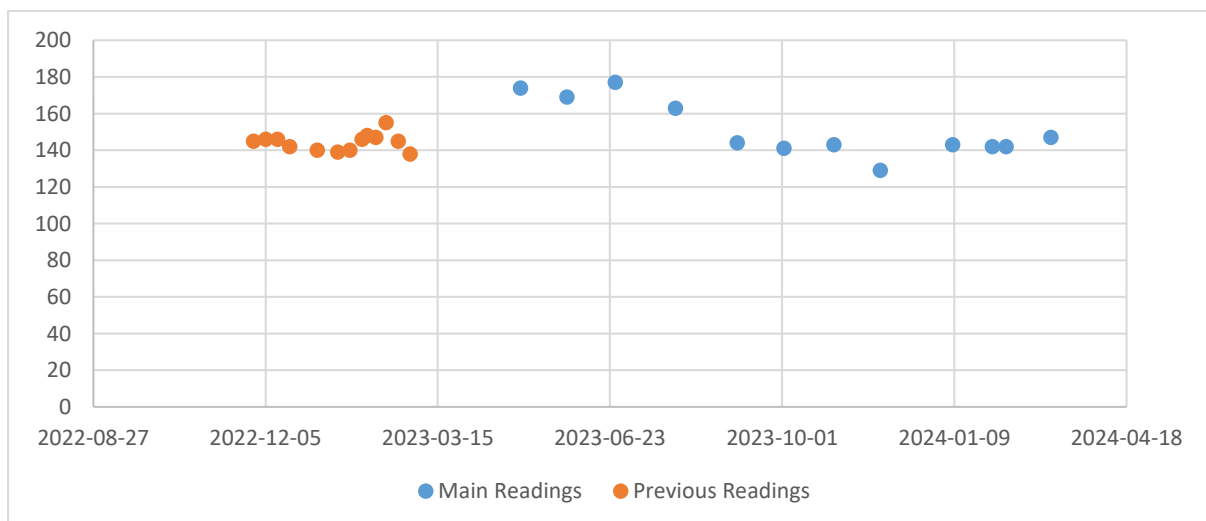


Figure 8 - Meters with alarm flags

This indicates that there is a core of around 140 meters with issues. However, this data does not indicate the size of the leak. The meters will indicate a leak if the minimum flow does not fall below 0.00125m³/hr at any point in a 14 day period. This is the equivalent of 30 L/day. This means the meters are sensitive to fairly small leaks.

When significant leaks are detected on meters, as determined by average daily volume, the property owners are contacted and given advice on locating leaks and warned of the potential impact on their property. There have been some very positive responses from the public, some of whom have appreciated the risk of damage to driveways, foundations or houses that leaks pose and have taken great effort to find and fix leaks.

Although it is difficult to attribute effects to specific interventions and there is a lag between notification and action, there is a notable dip in leaks after our main reading series began, and another towards the end of the earlier series after flag numbers started to rise.

As well as leaks, the meters can also detect backflow. Backflow is flow going from the property back into the network. In rare cases this can lead to contamination of the public reticulation. Our connections are usually protected by (at least) a check valve in the manifold, so a backflow flag could indicate that the check valve is faulty. Initially in May 2023 there were 3 backflow flags, which were reduced to zero by August.

8. Faults

Maintenance requests (CRMs) were extracted for Methven the period 2020-2024 and analysed to see if increased demand or water loss could be explained by an increase in faults, which might indicate that the network needs additional attention in the form of leak detection or renewal.

CRMs are difficult to analyse, so some data cleansing and manual categorisation checks were carried out to filter down to only those referring to leaks. The results are included in **Error! Reference source not found.**, and show that there was a surprisingly consistent number of CRMs across the years.

2020*	2021	2022	2023	2024†
62	65	66	62	32

Table 1 - CRMs in Methven for leaks.

*2020 was a half year, so this figure has been scaled up to a full year for comparison

† 2024 was a partial year. This has not been scaled up

Note that these relate only to leaks spotted by staff or the public and reported in on an *ad hoc* basis. When formal leak detection is carried out, leak repairs arising are carried out by the O&M contractor under a different work instruction process and therefore do not skew these results.

For a comparison between schemes, Ashburton, Methven and Rakaia's raw CRMs were compared (not specifically filtered for leaks in this case) to see if Methven had a higher rate of reported faults than other schemes. This comparison, shown in Table 2, suggests that Methven does have a higher rate of reported faults than the other two large schemes. This may be due to more vigilant citizens making more reports, but the relatively high water loss on the Methven scheme suggests a network in relatively poorer condition.

Ashburton	Methven	Rakaia
231	280	199

Table 2 - CRMs per 1000 properties, for the period July 2020 - March 2024

9. Ongoing Work and Improvements

Leak detection

With a relatively high loss indicated in the public network, ADC needs to proactively seek out and fix leaks. Leak detection was carried out in November 2023 by Detection Services, covering the whole of the Methven scheme (as well as Tinwald, Rakaia and Hinds).

In Methven, 28 leaks on the public network and 58 private leaks were identified. The estimated sizes of the leaks ranged from 0.1L/minute to 60 L/minute (0.144m³/day to 96.4 m³/day).

In total the estimates of the size of the public leaks came to 177 L/minute or 255 m³/day. Figure 5 showed an estimate of around 700m³/day of network loss, so not all of the loss has been found here. Leak detection is only a snapshot in time, and repeating the survey regularly is important to catch new leaks that arise, and to find leaks that may have been masked by other nearby leaks.

Methven is a difficult place to find leaks, due to the very good drainage characteristics of the ground so water disappears into the ground and often do not show on the surface.

Taken from the recent leak detection survey, Figure 9 and Figure 10 show two large leaks estimated at 35 L/minute and 15 L/minute respectively. No sign of either leak is apparent at the surface. These two leaks alone account for an estimated 72 m³/day and could only have been found through deliberate leak detection.



Figure 9 - 35L/minute leak. Surface view and actual fault (leaking joint)



Figure 10 - 15L/minute leak. Surface view and actual fault (leaking fitting)

Individual CRMs were sent directly to the O&M contractor for all public leaks above 10L/minute, and the remainder of the public leak list was sent to the O&M contractor as a work order for them to fix over time.

Properties with suspected private leaks were sent letters warning them of the possible leak and requesting that they fix them. The responses we have received to this have been generally positive, although not many responses have been noted. These will be followed up with reminder letters.

As well as leak detection, every fire hydrant is also tested on a 5-yearly basis. This provides another opportunity to identify leaking fittings.

Bulk flow meters

The Methven water treatment plant (WTP) is connected to the Methven township through two large trunk mains, one a 200mm AC pipe from 1967 and the other a 250mm uPVC pipe from 2005, each approximately 3km long.

These are a critical point where leaks could be very impactful, and because they are long and have few fittings traditional acoustic leak detection techniques are not effective. In the 2024-25 financial year we will be installing new flowmeters on these trunk mains at the Methven town end. Any discrepancies between the flow entering the pipe at the treatment plant and the flow arriving at Methven indicate leaks. These meters will also provide quick warning of any leaks or damage to these critical mains.

Having a second set of meters will also help improve the quality and reliability of the water balance; the water balance relies on the measurement of water being supplied, so having increased confidence in that figure improves the value of the water balance.

Water meter in-depth investigations

This analysis has focused on water consumption and water balance in aggregate. However the individual meters can be used in more depth.

If a meter indicates a leak flag, logged data can be downloaded to estimate the size of the leak. This helps to quantify the scale of private leakage. Earlier this was estimated by subtracting public network loss from the water loss inferred from minimum night flow, but measuring actual leakage is more accurate.

Another way to improve the understanding of leaks is to remove significant legitimate use that might look like leaks, such as irrigation systems or storage tanks that trickle fill constantly. These would trigger a leak flag if they continue for 3 continuous days. The meters can be configured to only regard constant use above this level as a leak instead.

Armed with this more detailed information, we will be able to have more useful conversations with the community and individual property owners, and target our interventions more carefully.

The meters are being read fortnightly and use a 'drive-by' system. This provides the advantage that a meter reader is physically driving around the town regularly, but means that there is a lag between a change in water demand and detection; potentially 2 reading cycles may be needed to spot a change in individual demand.

Automated reading systems are available that can receive the readings and flags and transmit them to the cloud much more regularly. This could reduce the detection time. This is not planned at the moment, but could be investigated and progressed relatively quickly.

Renewals

Newer infrastructure and materials are less likely to have faults and leaks, so renewal is a key part of reducing water loss.

Methven has had a regular renewal programme in the past and this is planned to continue into the future as well. In the 2024-34 Long Term Plan renewals are planned in:

- The older raw water trunkmain from River Road to the WTP
- Spaxton St (Carr St to Main St)
- Cameron St (Alington St to South Belt)
- Jackson St (Alington St to South Belt)
- Farquhar Place & Talbot Place
- Bank Street (McMillan Street to Main Street)

The treated water trunk main may need to be added to the list if the meters indicate a large leakage and this is either spread across many smaller faults or recurs after being fixed.

However, renewal is not the whole solution and other measures such as leak detection will still be needed to catch and fix new leaks as they develop.

10. Conclusions

The clear finding from this report and other work done in the same area is that the majority of the water loss is in the public network. It is important for us to find and resolve this leakage.

A regular programme of leak detection to find and fix leaks in the public network is essential. Fixing large private leaks will also help, and may prevent property damage as an added community benefit.

Focusing on critical points such as monitoring the trunk mains with network meters should provide good value, and will target an area which is difficult to reach with acoustic leak detection techniques.

A secondary finding is that Methven's network may be in relatively poor condition, based on the high water loss and high numbers of CRMs per property. This may suggest that Methven's network should be renewed at a faster rate than presently planned. Approximately 16% of the pipe is AC, steel or iron. 42% of the network is older than 1980 and 26% older than 1970, and these oldest pipes would be the primary candidates for renewal.

These conclusions have only been possible through the universal metering project. The ability to understand how much water is being used by our customers is fundamental to improving management of the water supply. *"You can't manage what you don't measure"*.

Appendix A – Beca Preliminary Analysis

The following slides were produced by Beca in December 2023. The aim was to investigate the quality of the available data, to carry out some statistical analysis and draw some preliminary conclusions.

Beca recommended some next steps, and this full report is the result of ADC starting to take those next steps and gaining a deeper understanding of our water balance and water loss.



ADC Water Meter Data Analysis

Methven Region

Methven

**make
everyday
better.**

Contents

01 Overview/Key Challenges

02 Preliminary Findings

03 Next Steps

Overview – Initial Data Analysis

- Basic QA and data cleaning/review
- Develop understanding of the data available and present insights
- Suggest next steps

Data Cleaning Approach

- Manual adjustments in Excel (e.g. consistent column names)
- Import Excel into Python
- Filter down on Scheme = 'Methven Water Supply'
- Cleaning of dates into same format
- Removing Reading values = '0'
- Small number of missing Dates in some tabs -> set to equal most common date
- Outlier correction

Outlier Correction Method

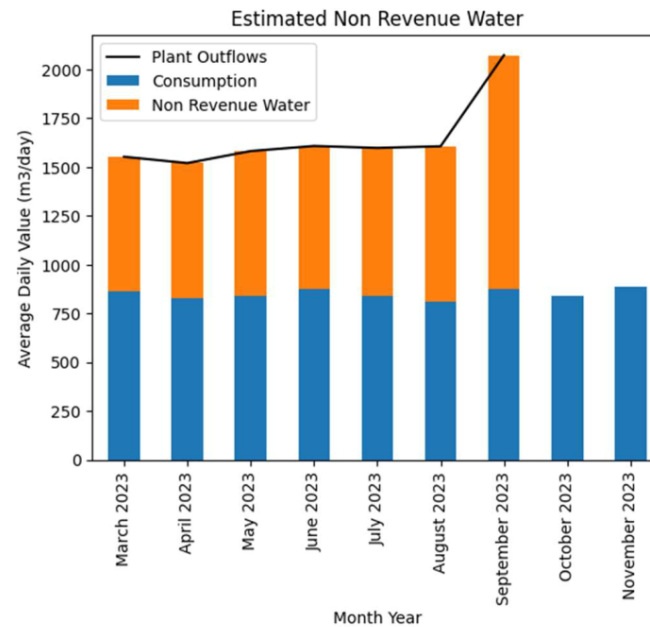
- Automated outlier scaling for some outliers (123 total).
- Manually adjusted outliers, e.g. for first/last readings (harder to determine appropriate treatment automatically). Found by manually reviewing consumption outliers.

Meter Serial Number	Previous Reading	Reading	Next (Future) Reading	Scaling Factor x	Outlier Adjusted Reading
8SEN0130604345	N/A	2045.627	2600.974		2045.627
8SEN0311649491	45.231	46.975	50.714		46.975
8SEN0310815591	17.277	18275	19.209	-3	18.275
8SEN0311649417	86.9	0.933	106.168	2	93.3

*Scaling Factor column shows the scaling factor x . This is found by multiplying the reading value by $\times 10^x$ where x is an integer between -10 and 10, not equal to 0 to create an outlier adjusted value that is in between the previous and future readings.



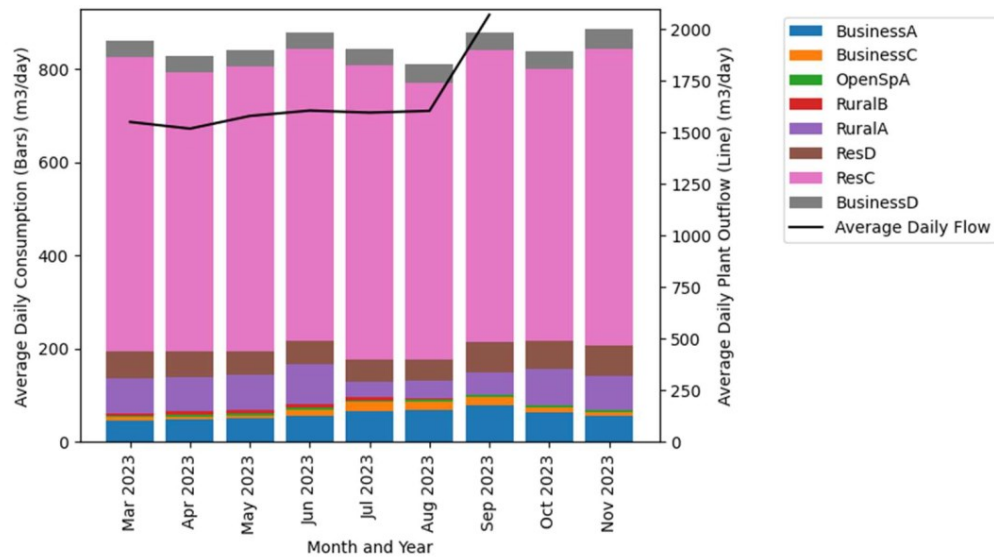
Average Daily Non-Revenue Water



- Note: September outflows from treatment plant appear to be an outlier. Suspected due to treatment plant commissioning. Treatment plant flows to be corrected once Methven Springfield provided (to be subtracted from flows shown).



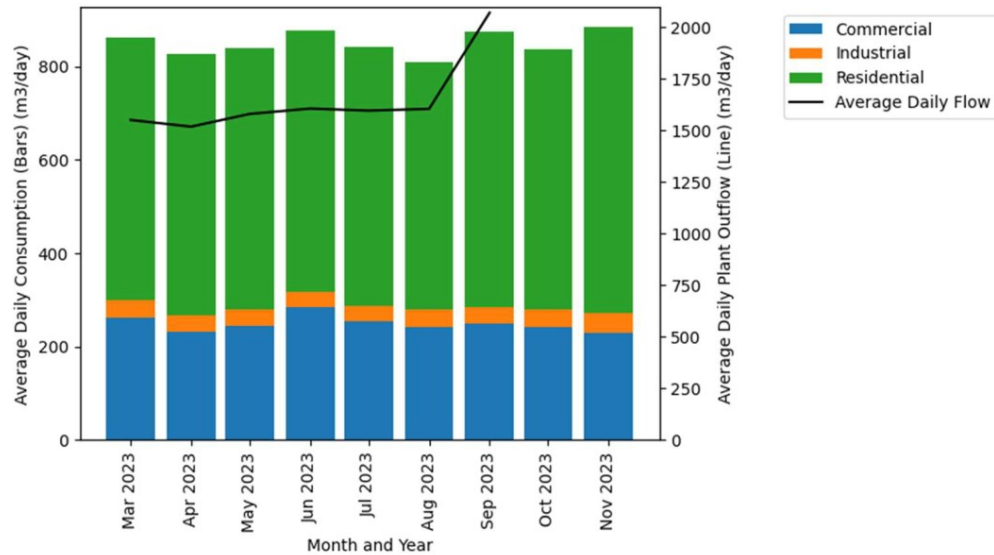
Average Daily Consumption vs Plant Outflow



- Note: September outflows from treatment plant appear to be an outlier. Suspected due to treatment plant commissioning. Treatment plant flows to be corrected once Methven Springfield provided (to be subtracted from flows shown).



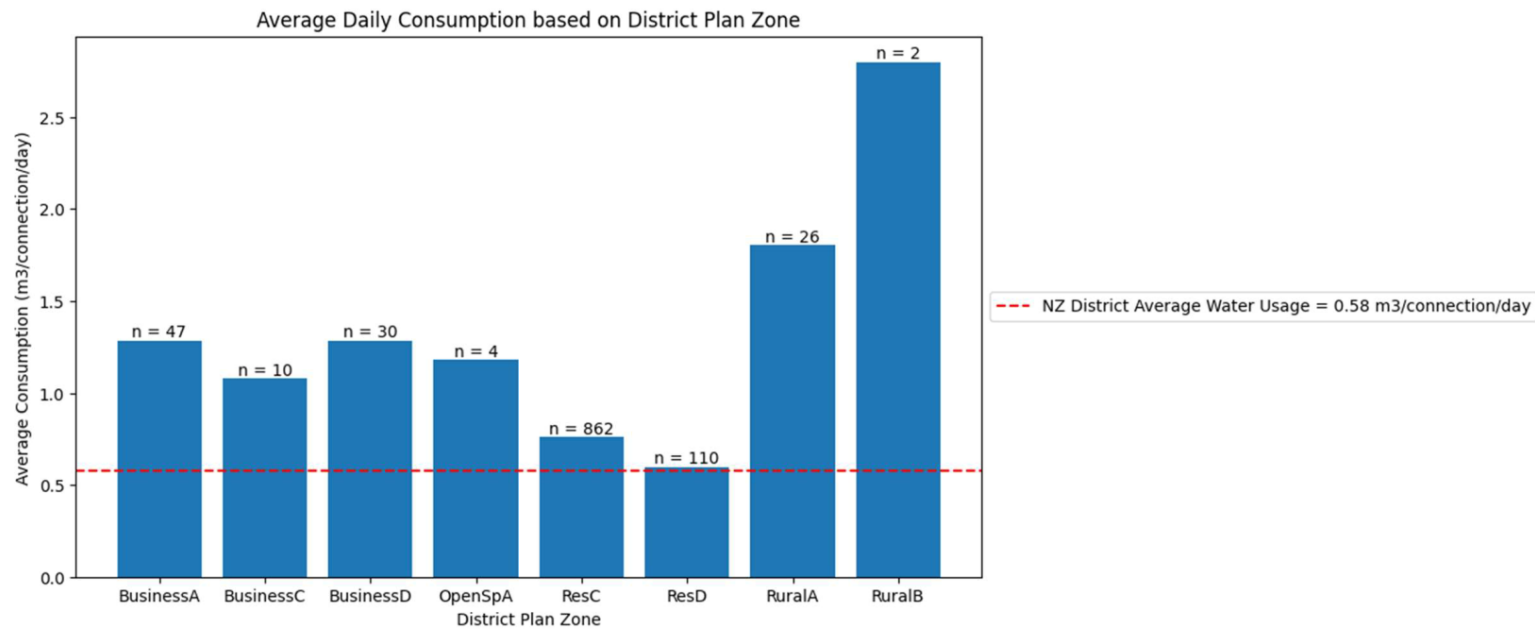
Average Daily Consumption vs Plant Outflow



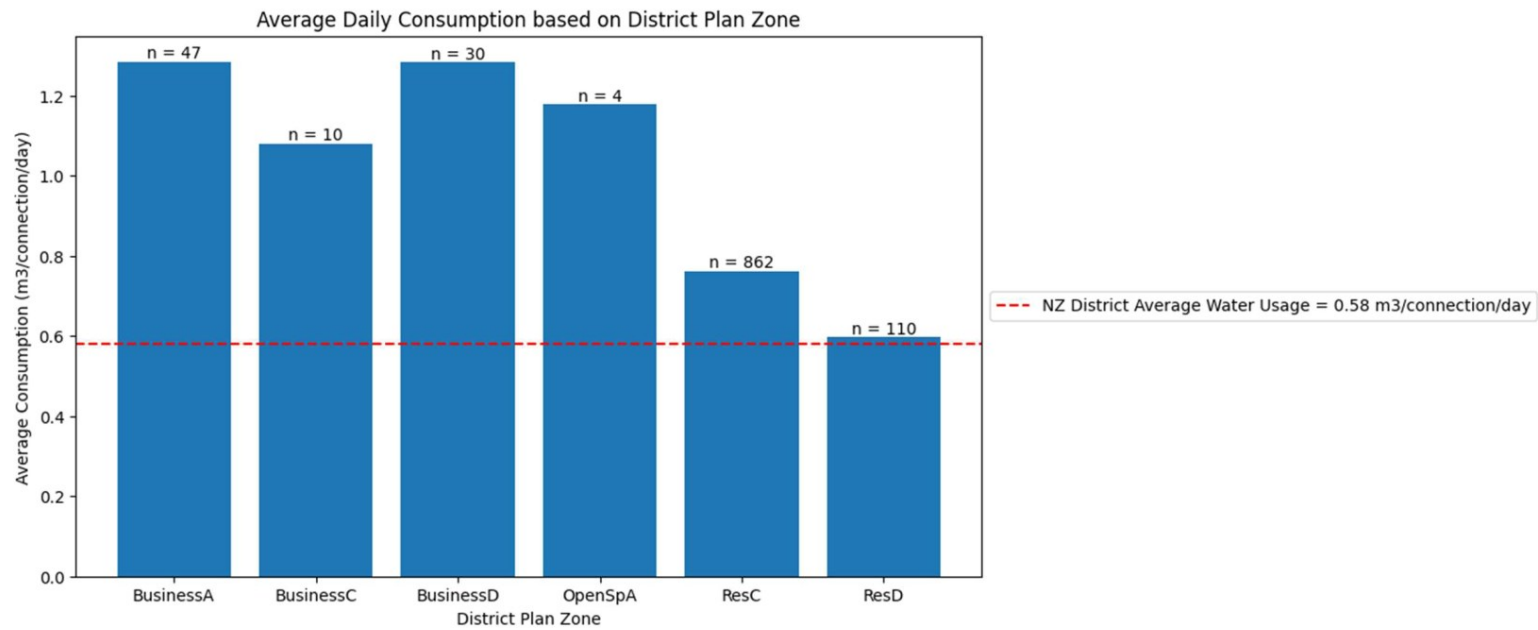
- Note: September outflows from treatment plant appear to be an outlier. Suspected due to treatment plant commissioning. Treatment plant flows to be corrected once Methven Springfield provided (to be subtracted from flows shown).



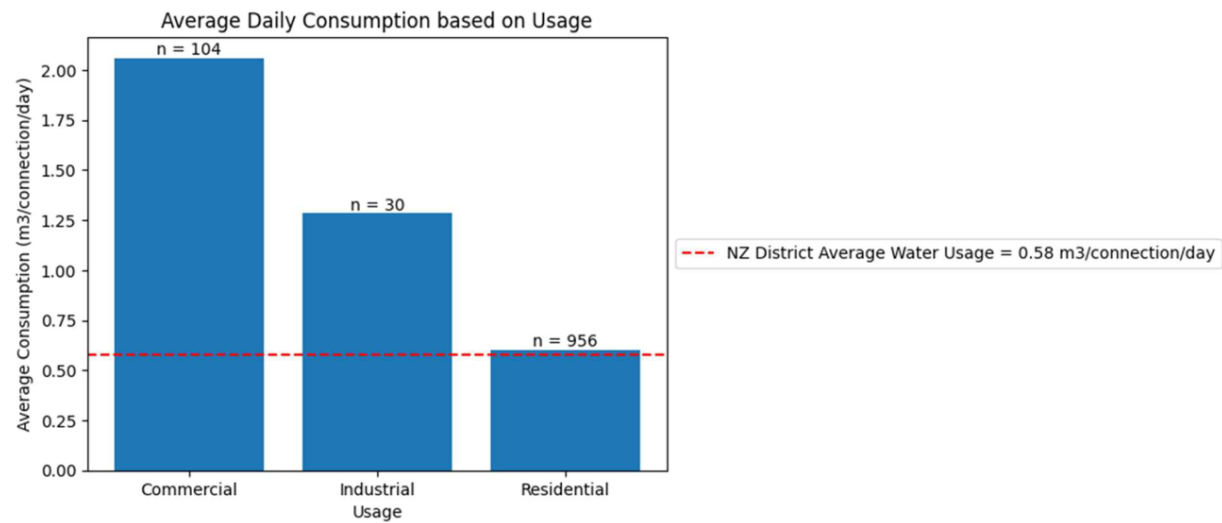
Average Daily Consumption by 'District Plan Zone'



Average Daily Consumption for Residential/Commercial 'District Plan Zone'

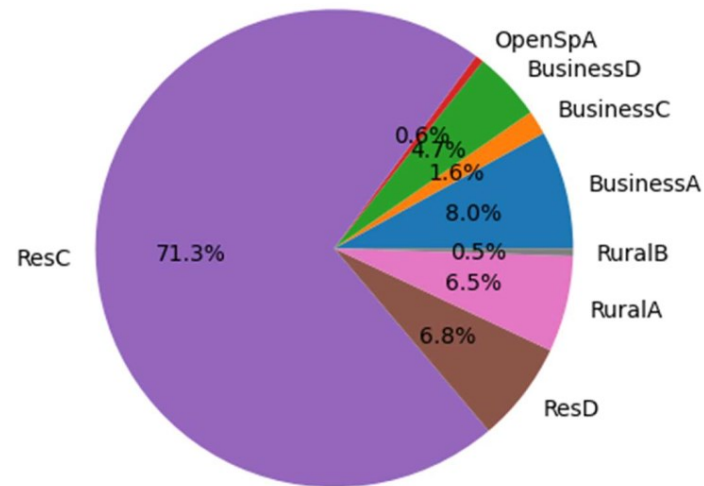


Average Daily Consumption by 'Usage'



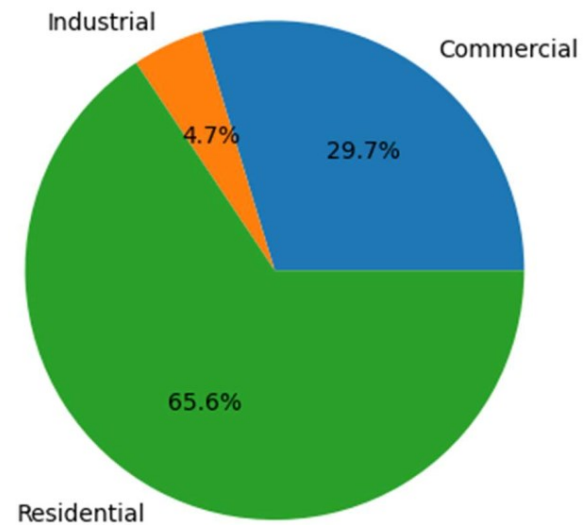
Percentage Consumption by District Plan Zone

Percentage Consumption by District Plan Zone (after 1st of May)

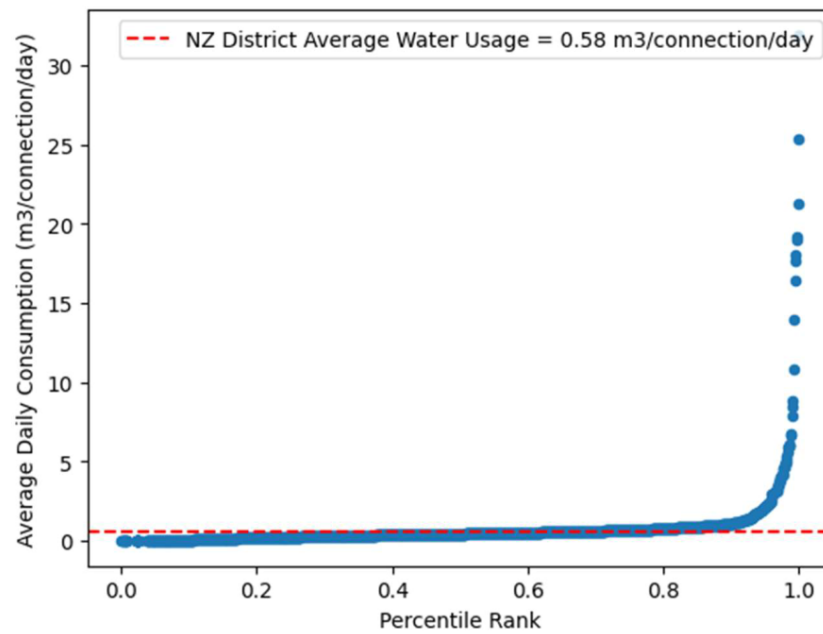


Percentage Consumption by 'Usage'

Percentage Consumption by Usage (after 1st of May)

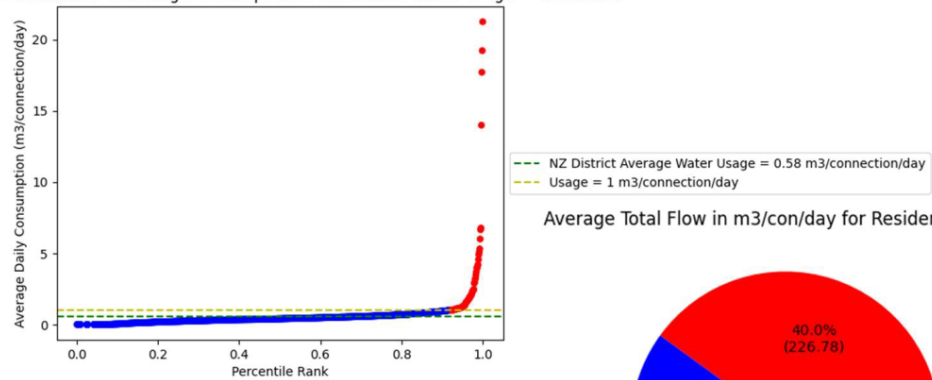


Percentile Distribution of Average Consumption for each Meter

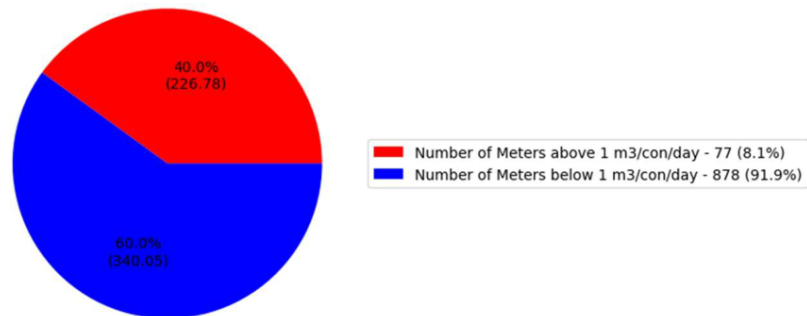


Average Consumption for each Meter where 'Usage' = Residential

Percentile Distribution of Average Consumption for each Meter where 'Usage' = Residential



Average Total Flow in m3/con/day for Residential Usage



Key takeaway: 8.1% of residential meters account for 40% of average daily residential consumption





Suggested Next Steps

Water Balance

- Water balance and real losses
 - Obtain system parameters (number of conns, length of mains, system pressure, population) and prepare a water balance using the approach shown in the 2023 waterloss guidelines (see snip below)
 - Prepare estimate of real losses and KPIs (l/conn/day and total volume)
 - Compare real losses against other similar regions
- Segment customer demand and develop outputs showing
 - Distribution of demand (low to high and identification of outliers)
 - Any annual profile data and high-level climate considerations (i.e. was it a particularly wet/dry or warm/cold year or quarter)* No longer required
 - Benchmark customer data against other similar water supplies
- Workshop 2 to review the analysis
- Reporting in the form of a short report or similar for water balance/real losses
- Spreadsheet and process/tools to make this process repeatable

27. Councillor Reports

Cr Richard Wilson

27.1 LGNZ Infrastructure Symposium

This was held in Wellington on 14 June, with a selection of informative speakers.

A. Infrastructure Minister Chris Bishop

He confirmed toll roads are an option for roads of national significance and that all options for funding infrastructure will be considered. These include public money, user pays, private loans, congestion charges and public private partnerships.

One area to address our infrastructure deficit is also through changing the way we pay for assets and services to better manage demand – i.e. water meters and congestion charges. The government has an extremely ambitious programme going forward.

B. Peter Nuns NZ Infrastructure

NZ has spent 5.8% of our GDP on infrastructure. Some of this infrastructure will need to be renewed and built new. New funding ideas will be required i.e. tolls, value capture and other avenues for debt funding. Population changes must be recognised. Our immigration policy and age structure influence this.

What we should do

- 1 Asset management and investment plans
- 2 Good infrastructure pricing practices
- 3 Strong transparency, disclosure, and review processes

C. LTSA

There is pressure on the national roading budget and more user pays may be needed. Discussions on the proposed reduction in the emergency roading subsidy from 20% to 10% and an increase in level from a 1 in 10 year event to a 1 in 20-year event. This has the potential to put a larger burden on or ratepayers following a weather event.

D. Sir Bill English

His key points

New Zealand has over-regulated and needs to change. There has been no account taken into the dollar cost and the reduction it is having on productivity.

- Focus on the problem at hand - do not get lost in the ‘word fog’
- Action - not more nice words
- Pay for skill – get the best people involved
- Relationships – find the person who makes the decision not the middle messenger
- Transparency and honesty – it is always the best way forward

Overall, the symposium was highly informative, demonstrating how our Council will have to think in order to gain the best results for our community.

28. Mayor's Report

28.1 Stockwater Working Group

As part of the LTP Council is proposing to exit stockwater races and in doing so has recommended the establishment of a working group to work with stakeholders and farmers to monitor progress, two Councillors are to be appointed as members.

28.2 LGNZ Annual General Meeting

Local Government NZ's 36th AGM will be held at 1.00pm on Wednesday 21 August 2024 at Tākina in Wellington. This year ADC will be represented by the Mayor, Crs Carolyn Cameron and Richard Wilson, and the Chief Executive

Under LGNZ's constitution, Ashburton District Council can be represented by up to three delegates and is entitled to five votes at the AGM. Council is required to appoint one presiding delegate who will vote on Council's behalf with express authority (by way of delegation). Should the Mayor be absent from the AGM for any reason, another delegate may vote on Council's behalf. All delegates and observers are to be registered by 26 July.

Recommendation

That the Mayor be authorised to vote on behalf of Council at the Local Government New Zealand AGM 2023, and (in the Mayor's absence) Cr Richard Wilson be the alternate presiding delegate.

28.3 LGNZ Four-monthly report

Local Government NZ have released their latest four-monthly report for member councils, which covers the period March-June. The report is appended for your information and discussion.

Pages 409-432

28.4 Dog Control Hearing Panel

I have been advised by the GM Compliance and Development that a hearing panel will need to be appointed to consider an objection to a Menacing Dog classification. The dog in question was seized and impounded after two recent incidents when the dog left the owner's property and rushed at a person walking past, then on the second occasion attacked that person, biting their leg.

Section 33A of the Dog Control Act 1996 enables Territorial Authorities to classify dogs as menacing or dangerous. In this instance the dog owner has exercised their right to object to the menacing classification under section 33B of the Act. This necessitates a hearing.

As the dog's owner has been co-operative, it is considered that the case could be dealt with by menacing classification and a fine, rather than dangerous dog classification / prosecution. The owner agreed with the neutering and fencing requirements that would be imposed but has since applied for the menacing classification to be revoked because of the additional requirement for muzzling.

Officers are unable to partially revoke a classification – hence a hearing is needed to determine if full classification and requirements should be applied.

Recommendation

That Council appoints Cr _____ as Chairperson and Crs _____ and _____ as members of the hearing panel to consider the objection to the Menacing Dog classification.

28.5 Electricity Ashburton Shareholder Committee

Council appoints three community representatives onto the EA Shareholder Committee for three year terms. The terms of two representatives, Anne Marrett and Tony Potts, will expire at the Company's AGM in August. The other representative is David Ward and his term expires in 2025.

Council will be seeking expressions of interest from people in the community with the necessary governance experience to fill the two vacancies. Both incumbents will be able to apply to have their terms extended.

The recruitment process is about to commence with public notice from 1 July and applications closing on 29 July. It's my intention to appoint a selection panel, which will include the EA Shareholder Committee Chairman, to review applications in early August. A report and recommendation on the appointments will go to Council on 20 August.

Recommendation

That the selection panel to consider applications for appointment to the EA Shareholders Committee consist of the Mayor, Deputy Mayor and Cr _____, and the EA Shareholders Committee Chairman.

28.6 The Ministry of Transport – Draft Land Transport Rule: Setting of Speed Limits Rule 2024 (the draft speed rule)

The current Land Transport Rule: Setting of Speed Limits 2022 (the 2022 rule) was adopted as part of the previous government's Road to Zero Strategy. The 2022 rule takes a long term, whole of network approach to speed management, and sets the regulatory framework for Road Controlling Authorities (RCAs) to plan for, consult on, and implement speed management changes.

A critical aspect of the 2022 rule is a blanket speed reduction approach to high-risk areas such as outside of schools, arterial roads, and state highways. The rule currently requires RCAs to set a speed limit for a road outside of a category 1 school of 30km/h and a speed

limit outside of a category 2 school of 60km/h, either of which can be a permanent or variable speed limit.

The Ministry of Transport is now proposing a new rule to replace the 2022 rule which will alter the administrative requirements of RCAs, moving away from the mandatory production of speed management plans on a regular cycle. Instead, making plans voluntary for RCAs with the introduction of a cost-benefit analysis to be undertaken as part of a proposed speed limit change. The proposed draft speed rule will revert from a whole-of-network approach back to a road-by-road approach to speed management. The speed limits around schools will remain the same but will be imposed as a variable speed limit during designated times. The proposal will also seek to reverse the speed limit reductions around local streets, arterial roads, and rural state highways, introducing speed limit classifications which will act as a binding schedule specifying speed limits for each type of road.

Other proposed changes under the draft speed rule include;

- Strengthening consultation requirements
- The introduction of a Ministerial Speed Objective
- Updates to the Director's criteria for assessing speed management plans for certification.
- Potential removal of the Speed Management Committee
- Enabling speed limits of up to 120km/h on roads that are built and maintained and will be managed to safely accommodate that speed.

As part of the development of our Interim Speed Management Plan, Council consulted on, and subsequently adopted, a permanent 30km/h speed limit change to roads outside of category 1 schools. This decision was largely made due to the current requirements under Traffic Control Devices 2004 (TCD rule) which requires electronic variable speed limit signs to be installed on main roads. Due to the large expense of these signs, Council opted to impose permanent speed reductions with the use of static signs.

The proposed changes under the draft rule will have implications for our district and may require altering some of the current speed limits imposed on our roads. The proposed rule will still require reduced speed limits outside of school gates; however, this will be a variable speed limit of 30km/h for category 1 schools and a variable speed limit of 40-60km/h for category 2 schools that can be imposed with the use of static signage on main roads. There are also proposed changes around the area of road in which the speed limit applies and the time of day the variable speed limit is imposed.

A council workshop has been scheduled for Wednesday 26 June, in which Council should consider the direction of feedback we want to provide regarding the proposed changes. In particular, the proposed changes regarding;

- The requirement of variable speed limits outside school gates, including;
 - The definition of the area where a variable speed limit will be imposed.
 - The definition of school travel periods.
 - The proposed speed limits for category 1 and 2 schools.
 - The use of static signs on main roads.
- The proposed changes to speed limit classifications, including.
 - The move back to more standardised speed limits in urban areas and interregional connectors.

- The intent to make it easier to set 110km/h speed limits on expressways.
- Higher speed limits on certain roads, enabling some roads to have a speed limit of up to 120km/h.

Further information on this consultation can be found [here](#).

Officers have been instructed to prepare a submission to meet the 11 July deadline. As there won't be a Council meeting before that, Council's approval is sought for the submission to be signed and approved by the deputy Mayor and Chief Executive following the workshop scheduled for 26 June.

Recommendation

That the Deputy Mayor and Chief Executive be authorised to approve Council's submission on the Draft Land Transport Rule: Setting of Speed Limits Rule 2024.

28.7 Meetings

● **Mayoral calendar**

May 2024

- 15 May: Business Canterbury (formerly Chamber of Commerce) After 5 Business Connect
- 16 May: LTP Submissions
- 17 May: HHWET meeting
- 17 May: Dereck Ollsson, Audit NZ with CE Hamish Riach (via MS Teams)
- 17 May: Opening night of Les Miserable show
- 20 May: LTP Deliberations (including Balmoral hall site visit)
- 21 May: LTP Deliberations
- 21 May: Ashburton River Rating district meeting
- 22 May: LTP Deliberations
- 23 May: Extraordinary Council meeting (adjourned)
- 23 May: Akona – Engaging with the Media
- 25 May: Menz Shed 10th anniversary dinner
- 27 May: Ashburton Petanque Club representatives with CE Hamish Riach
- 27 May: Ashburton Aviation Museum representatives with CE Hamish Riach
- 27 May: Kia car yard official opening
- 27 May: Advance Ashburton
- 27 May: Airport User Group meeting
- 28 May: Canterbury CDEM C10 cohort training
- 28 May: David Douglas, Unitary Authority
- 29 May: Extraordinary Council meeting (resumed from 23 May)
- 30 May: Civil Defence Emergency management
- 30 May: Canterbury Regional Transport committee
- 31 May: Canterbury Mayoral Forum

June 2024

- 5 June: Citizenship ceremony

- 5 June: Council meeting
- 6 June: EA Network Centre 30 year masterplan hearings and deliberations
- 7 June: The Breeze radio interview
- 7 June: Civil Defence Emergency Management group managers presentation (via MS Teams)
- 7 June: Chris Robertson, Ashburton Golf Club with CE Hamish Riach
- 11 June: Hokonui radio interview
- 11 June: Te Whare Whakatere, Library and Civic Centre PCG meeting
- 12 June: CDEM Ex Ru Whenua State of Emergency discussion (via MS Teams)
- 12 June: Activity Briefings
- 12 June: Audit and Risk Committee
- 13 June: Canterbury Mayoral Forum meeting with Hon. Mark Mitchell
- 13 June: LGNZ networking function
- 14 June: LGNZ Infrastructure Symposium
- 17 June: Advance Ashburton donor function
- 17 June: Ruth Kibble, Te Whatu Ora with Deputy Mayor Liz McMillan, Cr Carolyn Cameron and CE Hamish Riach
- 17 June: Retiring Tinwald Hall Committee representatives (John Harris and Maureen Colville) function
- 19 June: Environment Canterbury, briefing on Canterbury RPS review
- 19 June: Council workshop, Art Gallery and Museum
- 21 June: Methven Primary School book day
- 24 June: Ashburton Hospital opening of new Energy Source Centre
- 24 June: Kelvin Holmes, Methven Community Board Chair with CE Hamish Riach
- 24 June: Advance Ashburton
- 25 June: Hokonui radio interview
- 25 June: Water Zone Committee
- 26 June: Council meeting

Recommendation

<p>That Council receives the Mayor's report.</p>

Neil Brown
Mayor



LGNZ four-monthly report for member councils

// March-June 2024



Ko Tātou LGNZ.

This report summarises LGNZ’s work on behalf of member councils and is produced three times a year. It’s structured around LGNZ’s purpose: to serve local government by **championing**, **connecting** and **supporting** members.

Many councils have found it useful to put this report on the agenda for their next council meeting so that all councillors have the opportunity to review it and provide feedback. Sam and Susan are also happy to join council meetings online to discuss the report or any aspect of it, on request.

This report complements our regular communication channels, including *Keeping it Local* (our fortnightly e-newsletter), providing a more in-depth look at what we do.

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Introduction

National Council reset LGNZ's strategy at our 1 March 2024 meeting. LGNZ's purpose is now to serve members by championing, connecting and supporting local government.

Champion means we advocate for local government on critical issues, build relationships with ministers and officials, and use media to amplify member voices and stories.

Connect means we bring members together at zone, sector and conference events or via networks like Te Maruata, Young Elected Members and our community boards network, and that we create strong feedback loops between members and LGNZ's work.

Support means we provide professional development uniquely tailored to local government, support councils and elected members when they are stuck, and support elected members to deal with pressure and harassment.

Everything LGNZ does comes under these pillars – and that's why they form the structure of this report. I hope reading this report stresses the breadth and depth of LGNZ's work. Our small team is dedicated to delivering for members and this period has been both intense and rewarding.

This four-monthly period has also included LGNZ's annual membership invoicing. We never take members for granted, and during this time there's been really constructive conversations with councils considering their membership. Grey and Westland have chosen not to stay members, and we're sorry to see them go.

As always, we welcome your feedback. The purpose of sharing this detailed report is to give you an opportunity to share your views, and we look forward to hearing them, whether that's in person, via email or a phone conversation. We're always keen to hear from you.

Ngā mihi
Sam and Susan

Champion

Advocacy work programme

In March we shared [a document outlining our next steps on our Future by Local Government work](#) with members. It sets out the things we'll advocate for now, the work that local government can collectively start doing to shift towards a new future, and the things that will be longer-term advocacy priorities. This has been the foundation for National Council's work to confirm LGNZ's broad and targeted advocated priorities.

At the Combined Sector meeting in April, we asked members to rank our five broad advocacy areas in terms of priority. These were the resulting rankings:

1. Funding and financing
2. Water (including freshwater)
3. Resource Management Reform
4. Transport
5. Climate change

We also asked members to rank targeted advocacy priorities, with the results as follows:

1. Toolbox approach to funding and financing
2. Four-year term for local government
3. Development of a framework around city/regional deals
4. Changes to Regulatory Impact Statements to consider the impact of decisions on local government
5. Opposing changes to Māori ward/constituency referendum requirements.

Off the back of this ranking exercise, we have finalised our advocacy work programme. This has been shared with members and added as a third page to our 2024 [LGNZ A3](#).

We are now in the process of developing more detailed work plans for each of the five broad advocacy areas, setting out what we're trying to achieve under each area and the work we'll do. We plan to share these work plans with members soon.

Rates rise conversation

LGNZ has generated hundreds of stories and op-eds via all major media outlets this year on rates rises, the cost pressures facing councils and what's driving them. We generated 52 media items alone on the Infometrics report we launched in mid-March, which analysed increases in local government infrastructure costs that are driving rates rises.

Our March rates rise toolkit included:

- [Key messages](#)
- [Powerpoint](#)

- [Infometrics report](#)

We had overwhelmingly positive feedback on this toolkit and how useful members found it. Councils have been using the data we've provided on increasing cost pressures in their own engagement with media and in their LTP consultation documents. Regional journalists have made good use of the research LGNZ commissioned in their pieces, giving a national perspective on local rates rises.

We launched our second rates rise toolkit at the Combined Sector meeting on 11 April. This covered tax vs rates, how rates compare to other bills, and how we fund infrastructure:

- [Key messages](#)
- [Powerpoint](#)
- [Social assets](#)

Again we have had a very positive response to this work and it was well used by members. For example, our social media posts and assets are being repurposed in councils' own accounts, and attracting some positive engagement from the public, and the information we've shared has been used in some councils' LTP consultation documents.

Our third toolkit will launch in late June and feature research we've commissioned by NZIER on the costs of central government reforms on local government. It looks at a basket of primary and secondary legislation (introduced by different governments) to quantify the cost impact of unfunded mandates on councils and communities. The specific areas (National Policy Statement for Freshwater Management, National Policy Statement on Urban Development and Medium Density Residential Standards, Local Alcohol Policies, improving recycling and food scrap collections) have been chosen to be representative of reforms with a range of impacts on councils.

Our social media rates rise series highlighting the difference between central government income and local government income has had strong engagement. This campaign aims to explain why rates rises occur, especially in the face of rising living costs, and to highlight that this is a widespread systemic issue. Through this series, we've explored how councils are financed, the services they offer, and the benefits residents receive from their investment in rates. The series overall has received over 60,000 impressions across platforms.

City and regional deals

The Government has strongly signalled interest in long-term city and regional deals as a way to partner with local government to create pipelines of regional projects.

We have released a proposal that sets out the key things councils need to see reflected in city and regional deals, and how these will support better alignment between central and local government. This proposal has supported our ongoing engagement with DIA and Ministers on the development of the Government's city and regional deals framework, which we expect to be released around August.

We shared [the proposal](#), as well as a [factsheet](#) and [range of international examples](#), with members in late May.

Our Policy Team is meeting with DIA officials to discuss our proposals in more detail, and we have been approached by the New Zealand Initiative to speak about our work on their podcast. The Initiative's view is that our proposals are worth promoting as a way forward.

Local government funding and financing

We are in the process of developing a local government funding and financing policy and advocacy work plan to be shared with members. This will be a high-level plan setting out key policy, media and government relations actions and objectives. We have also begun work on a 'long list' of funding and financing tools that could form part of a funding and financing toolbox, which will include policy analysis of options. We plan to engage members on that as our work progresses.

Mayor Campbell Barry and Policy Manager Simon Randall recently met with the Local Government Business Forum (which contains representatives from organisations like Federated Farmers, the New Zealand Initiative, Hospitality New Zealand and Business New Zealand) to talk about local government's funding and financing challenges. We are pleased to be having ongoing engagement with the Forum.

Māori wards

In May we released a toolkit to support media engagement on this topic – based on our position that councils should make these decisions as they do on other wards and constituencies.

On 24 May, the Government introduced legislation to the House on reforms to Māori wards and constituencies. Submissions on this legislation were due by 29 May. Our submission was developed with input from Te Maruata Rōpū Whakahaere and was consistent with LGNZ's position that decisions on whether a community has Māori wards or constituencies should be made in the same way as other ward/constituency decisions – by councils with community and iwi consultation.

Thanks to a suggestion from Mayor Grant Smith, we developed a letter that Mayors and Chairs could choose to sign, opposing the Government's changes for the reason set out above. The letter reflected LGNZ's consistent position on this issue since 2018. Fifty-three Mayors/Chairs have now signed the letter, plus our Te Maruata Co-Chairs, and many spoke up in the media.

Budget 24

We were inside the Budget lockup on 30 May and produced [analysis for members](#) that was shared that evening, as well as media engagement that highlighted the Budget's impact on local government.

Government relations

We are continuing our work to develop a strong partnership with the Government and other politicians building on our regular formal meetings with the Prime Minister, Ministers and key officials with additional informal meetings. We have made changes to our approach to political engagement which has seen us:

- Be part of political events such as Waitangi Commemorations, where it's possible to speak to a broader range of Ministers in formal and informal settings;
- Host a localism briefing with National Party MPs and provide follow up support to showcase examples of localism in action in their rohe; and
- Host a pizza and drinks night for Members of Parliament who were previously local government elected members or staff.

These types of engagements help build a broader cohort of central government politicians who understand and can advocate for local government from within.

On 3 April we had one of our regular quarterly meetings with Local Government Minister Simeon Brown. We discussed our desire to see changes to the rates rebate scheme, our work to support councils with the rates rises conversation, and the need for a broader range of funding and financing tools.

Mayor Neil Holdom (in his capacity as Chair of the LGNZ Transport Forum) and Mayor Campbell Barry were invited to meet with Transport Minister Simeon Brown in late March and provided feedback on the draft GPS, including signalling ways in which they thought it could be adjusted to provide councils with greater flexibility.

We have also secured quarterly meetings with Infrastructure Minister Chris Bishop. We had our first regular meeting with Minister Bishop on 16 April, and covered a wide range of topics including infrastructure, housing, local government funding and financing, resource management reform and how the Minister engages with local government.

The Minister agreed with our request for local government representation on his expert ministerial advisory group that is being set up to support phase 3 of the resource management reform programme, and we have put forward names for consideration.

Toby Adams, Mike Theelen and Nigel Corry (supported by Grace) have also recently met with Minister Bishop to discuss how he might engage with the Local Government Steering Group (LGSG) and/or a variation of this going forward. There are positive indications that the Minister is prepared to engage with a smaller, nimble group, so the larger LGSG has been put on hold and a smaller local government reference group formed for this purpose. Thanks to everyone who's contributed energy and expertise to this group over the past three years.

During May we met with Minister Shane Jones to discuss regional economic development and city/regional deals; Max Baxter, MTFJ Chair and the MTFJ team has met with Social Development Minister Louise Upston; and Susan attended a pre-Budget lunch event with the Prime Minister in Auckland.

In late May, we were invited to present to the Governance and Administration Select Committee on LGNZ's work, with Sam and Susan spending a productive hour explaining what LGNZ does on behalf of members and fielding questions.

In June we have regular meetings with Infrastructure and RMA Reform Minister Chris Bishop (our focus will be on housing and the discussion will involve Mayor Sandra Hazlehurst and Nigel Bickle, CE Hastings District Council), Local Government Minister Simeon Brown, and Regional Development Minister Shane Jones.

Media

Our most visible media work during this period has been the rates rise conversation discussed above, and we have overall had a significant lift in engagement and profile.

To support the toolkit work discussed above, in early May, Infometrics crunched the numbers on GST from rates being returned to councils and we arranged a joint press conference. Sam and Infometrics CE Brad Olsen spoke to media on Parliament's steps, and Mayors across the motu have used the figures in their own discussions. This was covered extensively, and Sam also spoke about the research and rates rises on [Nine to Noon](#). NBR also ran a feature piece on key issues facing local government, including funding and financing and the expected city/regional deals.

Another major piece of advocacy through media is four-year-terms for local government. Sam has used every opportunity to talk about the efficiencies we'd gain by implementing longer electoral terms. This has led to stories in local papers as well as in-depth coverage by RNZ's political reporter, Russell Palmer. We have kept this conversation alive, having publicly launched the LGNZ Electoral Reform Group on 4 June and supported Chair Nick Smith with media engagement, including [1News](#) and breakfast media.

Leveraging the discussions at the Combined Sector meeting in April, we put the spotlight on city/regional deals, featuring in [pieces by Newsroom](#) and [The Spinoff](#). We had coverage by NBR on the link between tourism and local government in Minister Doocey's session. This media furthers our advocacy priority for new funding and financing tools.

We've been working in with some local papers on stories – including in Ashburton Guardian about how [constant Government reforms cause headaches for councils](#), and in ODT on the power of localism – featuring some of our members highlighting why localism matters.

Earlier this year, LGNZ ran a session for Mayors Taskforce for Jobs supporting individual council programmes to better tell their story of localism and council delivery. Since March, this has spurred an uptick in local media coverage positively highlighting the programme. A highlight was a [Seven Sharp](#) piece brokered by LGNZ on the only Windmill in the Southern Hemisphere, which aired in March.

Our city/regional deals proposal was [previewed by Newsroom](#), with Sam also appearing on the AM Show and [Mike Hosking's Breakfast](#).

The Māori wards/constituencies letter received strong coverage on [OneNews](#) and in [Stuff](#). The day before the Budget, we had an [op ed by Sam](#) published in Stuff's The Post and The Press, and our Budget comments gained good traction.

Water services reform

The repeal of the previous government's water services legislation gave councils an additional three months to adopt their LTPs, an ability to forgo the audit of the consultation document, and to reduce consultation requirements on subsequent amendments. Alternatively, councils have been able to defer development of their LTP for 12 months if they produce an enhanced Annual Plan. We advocated for this relief and were pleased to see the Government make it available.

The replacement approach for water services will be rolled out in two parts. A first bill, the Local Government (Water Services Preliminary Arrangements) Bill, was introduced to the House in late May and LGNZ will be submitting on it to highlight councils' commonly held concerns with the bill and suggestions for improvement. This bill will be passed by the middle of the year and will require the development of service delivery plans (which will be the vehicle to self-determine future service delivery arrangements). This bill also puts in place transitional economic regulation and provides a streamlined process for establishing joint water services CCOs.

A second bill will be introduced at the end of the year and will set out provisions relating to long-term requirements for financial sustainability, provide for a complete economic regulation regime, and introduce a new range of structural and financing tools, including a new type of financially independent council-controlled organisation.

A technical advisory group has been formed to support the development of the legislation and related policy. We recommended two names for this technical group – one of them was selected (Mark Reese, Chapman Tripp).

LGNZ has been advocating for updates to the mandatory performance measures for water so that councils don't have to report against both the Taumata Arowai Drinking Water Standards and the now-replaced Ministry of Health Drinking Water Standards. We've been successful in securing this change, which has gone to councils for your feedback. Final changes should be in place by mid-June.

Taumata Arowai is starting to develop regulations for storm water and wastewater, and attended recent sector meetings. We are also engaging with Taumata Arowai on new wastewater and stormwater standards.

Resource management reform

The Government repealed the Natural and Built Environments and Spatial Planning Acts prior to Christmas. It then worked at pace to develop a new fast-track consenting regime. We made a joint submission on the new legislation with Taituarā and on 4 June we will appear before the

Environment Committee with Taituarā in support of our submission. Our submission acknowledged the need for a fast-track process but identified a number of improvements that our members want to see including better alignment with councils' planning documents and processes, more time for engagement with councils and more of a focus on sustainable development. Our submission was informed by workshops that we held at each of our April sector meetings.

The new Government is working quickly to make a number of changes to national direction, including the NPS-Freshwater Management. We're monitoring these changes closely along with Taituarā and Te Uru Kahika.

Grace and Susan meet regularly with the MfE leadership team. These meetings are constructive and positive.

As noted above, we've worked closely with Mayor Toby Adams, in his role as Co-Chair of the Resource Management Reform Local Government Steering Group, to support him to engage with Minister Bishop on options for engaging with local government on changes to the resource management system. And we've recommended local government representatives to sit on an expert ministerial working group that Minister Bishop is planning to establish to support his reform programme.

Transport

The LGNZ Transport Forum, chaired by Mayor Neil Holdom, worked closely with our policy team to pull together our submission on the draft Land Transport GPS. We had good engagement with our draft submission, with 18 councils providing constructive feedback.

The Transport Forum had its second meeting of the year on 23 May, which covered off a range of key issues including the NZTA emergency works review, the Road Efficiency Group's (REG) ongoing efforts to improve the collection and presentation of transport data, and progress on the Government Policy Statement on Transport and National Land Transport Programme.

Our Transport Forum is continuing to progress its work programme and engage with members. Immediate priorities for LGNZ in the transport space include considering the impacts of the upcoming Budget, completing our submission on the emergency works review, and reviewing the finalised GPS when it is completed (the draft of which we submitted on earlier this year).

Climate change

We welcomed the Government's announcement that the Finance and Expenditure Committee will be continuing the inquiry into climate change adaptation that was started by the previous government. We're pleased that the Government's announcement has received cross-party support and in our press release emphasised the importance of engagement with local government given its role in adaptation, the urgent need to address adaptation funding arrangements and the need for thought to be given to the framework for managed retreat.

The submission that we made to the earlier inquiry will be considered by the Finance and Expenditure Committee and we're planning to provide the Committee with some additional comments.

We were pleased to be able to suggest Aileen Lawrie, CE of Thames-Coromandel District Council, as local government representative on the expert reference group that the Ministry for the Environment has established to support its climate adaptation work.

Support for Cyclone-affected councils

The Policy Team has met with the secretariat of the Cyclone Gabrielle Recovery Taskforce to support development of their insights framework, which seeks to capture the lessons learned from their work. We have also started engagement with the Department of Prime Minister and Cabinet on their next steps on their critical infrastructure framework and minimum standards.

The report on the Government Inquiry into the Response to the North Island Severe Weather Events was released in April. We understand that consideration of the Emergency Management Bill (which we submitted on in October 2023) is on hold until the release of this report, so the Select Committee can consider it and any changes needed to the Bill. This may involve further submissions or engagement.

We worked with Mayor Rehette Stoltz, CE Nedine Thatcher-Swann and the team at Gisborne District Council to write a letter to Ministers and officials raising concerns with the process that was adopted for the Ministerial Inquiry into Land Use that Gisborne District Council was subject to last year. The purpose of the letter was to highlight that we don't want similar process issues repeated in any future inquiries that local government may be subject to.

Localism

We are developing our Choose Localism toolkit, which will be released at our SuperLocal Conference. The toolkit sets out a wide range of tools and approaches councils can use to make a localist future a reality and apply a localism lens across their day-to-day work. The toolkit has four broad headings: collaboration and input; place-based empowerment and devolution; planning, budgeting and resource allocation; and growing and developing local economic and social success.

We have also worked with Curia to poll members of the public on local government issues. The data will look at perceptions around the effectiveness of councils, how councils could improve their effectiveness and who is best placed to make certain decisions/deliver certain services out of central and local government or a combination of both. We are planning to release the findings and supporting work and recommendations at SuperLocal.

Electoral Reform Working Group

As part of our broader work on Choose Localism, we are looking at ways to tackle the issue of mandate for local government. There have been several reviews and numerous calls for local government electoral reform over the years, with no progress being made. Only four out of ten eligible voters have their say in local elections, compared with eight out of ten for central government.

Mayor Hon Dr Nick Smith, who has been part of a number of Justice Select Committees looking into this, will be leading an LGNZ working group to get some traction on the issue. The working group will have a very clear purpose: to drive LGNZ's advocacy work to strengthen the democratic mandate for local government to advocate for and meet the needs of communities, with a particular focus on increasing participation.

As well as Mayor Nick, other members of the group are Mayors Rehette Stoltz, Susan O'Regan and Campbell Barry, and Toni Boynton (Te Maruata Co-Chair). The group is meeting shortly to finalise its Terms of Reference and confirm its work programme. We'll keep members informed as this work progresses.

Measuring councils' collective scale and impact

We are holding a zoom on 6 June to support this data-gathering project, initiated by National Council member Mayor Neil Holdom, which aims to consolidate key local government expenditure into a collective national database. The purpose of this is to enable easy comparison between councils and to have data to support key conversations with central government on infrastructure and investment.

Freedom camping

The Policy Team have released updated guidance and a model bylaw that reflect recent amendments to legislation and case law, to support councils to develop, review, and administer bylaws relating to the Freedom Camping Act 2011 (FCA). Amendments to the FCA came into force on 7 June 2023, but there is a transitional period before the new certification for self-contained motor vehicles and related provisions come into force.

The Ministry of Business, Innovation and Employment and the New Zealand Motor Caravan Association part funded this work, and we worked with them and Taituarā to develop it.

Rates rebates

The Minister for Local Government announced an increase to the rates rebate scheme, shortly after we met Ministers Brown and Costello in early April and talked about the need for these changes to

support low-income households. We've advocated strongly on this issue for several years off the back of remits put forward by Whanganui District Council (2020 AGM) and Horowhenua District Council (2023 AGM). However, the increases are only in line with inflation, not the Local Government Cost Index, which is the core ask of the remit put forward by Horowhenua District Council in 2020. We'll continue to advocate for increases to be in line with the LGCI.

Remits

We're continuing to make progress on remits where we can – though as is always the case following a General Election, progress slowed while the new government bedded in and we developed an understanding of how our remits relate to its priorities.

Remit	Progress update
Allocation of risk and liability in the building sector	We're yet to start substantive work to progress this remit. However, we did raise the issues that this remit addresses through our involvement in a working group that was reviewing the building consent system in 2023.
Rates rebates	As noted above, the Minister for Local Government announced an increase to the rates rebate scheme, shortly after we met Ministers Brown and Costello in early April and talked about the need for these changes to support low-income households.
Roading/transport maintenance funding	Our Transport Forum is leading work on this remit. Our submission to the draft Government Policy Statement advocated for increased investment in road maintenance.
Local election accessibility	We're yet to start substantive work to progress this remit.
Ability for co-chairs at formal meetings	Guidance on how to introduce co-chairs, which has been informed by legal advice, has been incorporated into our revised Guide to the LGNZ Standing Orders Template, which was published in early February 2024.
Parking infringement penalties	We're yet to start substantive work to progress this remit.
Rural and regional public transport	This remit is being progressed through the work that our Transport Forum is leading. Our submission to the draft GPS Land Transport advocated for increased investment in rural and regional public transport.
Establishing resolution service	We have built work on developing a resolution service into the refreshed LGNZ strategy.
Earthquake prone buildings	As championed by Manawatū District Council (the mover of this remit), a review of the current earthquake strengthening requirements has been announced. Our Policy Team has been working with Manawatū District Council and officials at MBIE to ensure the review meets the needs of local government, and that

	there is strong local government input into it. There has been good media coverage of this review, and the role Manawatū District Council has played in pushing for it.
KiwiSaver contributions for elected members	We have engaged with Minister Brown on this issue, and he expressed some interest in it. We have engaged Simpson Grierson to provide detailed advice on options for providing KiwiSaver contributions for elected members – including drafting of relevant legislative clauses, so that we’re able to present a package of options for reform to the Government.
Scope of audits and audit fees	Part of the approach to reduce fees is to ensure that the legislative requirements and scope (and resulting repetition and complexity) of Long-term Plans and Annual Plans and reports are reduced to be better aligned with needs and cost less to audit. A workshop with Audit NZ, Taituarā and the Office of the Auditor General has been organised for July to review the current requirements of long-term planning and associated reporting.

Remit applications for the 2024 AGM close on Tuesday 18 June. Currently no remits have been received, although we know of at least three in development. The remit committee (President, Vice-President, CEO, and Director Policy & Advocacy) will consider these on 1 July, with the approved remits being circulated to members on 3 July.

Connect

Member visits

Rates rises are top of mind for all councils so our work on this issue has been front and centre in our discussions with councils over the past four months.

As well as Sam, Campbell and representatives from LGNZ's leadership team being at zones 2, 1, 3 and 5-6, Sam and Susan visited councils in Otago and Southland, the wider Wellington region and Northland in March/April. We then visited the West Coast councils on 17-18 April and attended a WCRC meeting on 9 April after conversations about the value they derived from regional sector meetings. Since the start of May, we've visited councils in Manawatū, Whanganui, Upper Hutt, Horowhenua and Canterbury (including Christchurch). All these visits are incredibly valuable in terms of connecting councils with our work and receiving feedback. We are now planning visits over the next few months and post-conference towards the goal of visiting or scheduling visits with all members in Sam's first year as President.

Combined Sector meeting

Our Combined Sector meeting on Thursday 11 April featured a strong range of speakers, with a focus on rates rises, the cost of infrastructure and the fast-track consenting legislation. Speakers included Mayor of Greater Manchester Andy Burnham, Brad Olsen (Infometrics), Dr Eric Crampton (NZ Initiative), Philippa Fourie (Fonterra), Jade Wikaira (Wikaira Consulting Ltd), Richard Capie (Forest & Bird), Geoff Cooper (New Zealand Infrastructure Commission, Te Waihangā) and the team from Simpson Grierson who talked about fast-track consenting.

We've had very positive feedback on the day, with an average rating overall by survey respondents of 4.5/5, with the programme getting 4.6/5 and the overall organisation 4.8/5. Comments included:

- *Really happy with the new direction of LGNZ and the consultative approach - enjoy the interactive sessions (using SLIDO)*
- *Very worthwhile day. Stakeholder event was excellent*
- *In my opinion, this was one of the best LGNZ events I have ever attended. Topics were spot on, plenty of time to network (which is a huge benefit that comes from these events), great speakers, kicking off with the Manchester Mayor really set the scene. Well done to the organisers!*

Sector meetings the following day also ran well.

Te Uru Kahika and Regional Sector

The Regional Sector and Te Uru Kahika's priorities – climate resilience, resource management system, Te Ao Māori, the Government's reform agenda in freshwater, water services regulation, and transport – align closely with LGNZ's advocacy priorities, providing a wide range of opportunities for collaboration. This includes our recent participation in Te Uru Kahika's Climate Workshop.

Our team is meeting regularly with Te Uru Kahika to ensure we are joined up in our support for the Regional Sector. We continue to work together closely on submissions and engagement on central government reforms.

Infrastructure Symposium

We're looking forward to this Combined Sector event on 13/14 June and have secured another strong line-up of speakers, with the [finalised programme available here](#). Infrastructure Minister Chris Bishop will speak at the networking event on the Thursday night, and Sir Bill English is one of our keynote speakers on 14 June. Other speakers include Opposition Local Government spokesperson Hon Kieran McAnulty, Peter Nunns (Director Economics, Te Waihanga Infrastructure Commission), Simon Dyne (COO, Fulton Hogan), Councillor Linda Scott (via zoom, President, Australian Local Government Association), Malcolm Smith (Australasian Cities Leader, Arup) plus expert panels and more. Registrations are tracking well.

Conference and Awards update

Planning is well advanced for both SuperLocal 2024 and the Community Boards conference, along with additional events for Te Maruata and Young Elected Members, LGNZ's Annual General Meeting, the Mayors for Taskforce breakfast and numerous networking events across the three days.

In early April we launched SuperLocal24 to members and opened registrations. This followed the earlier launch of the SuperLocal 24 Awards.

We will exceed our sponsorship target for SuperLocal, which is a real achievement in the current climate.

We have finalised the programme, which has a dynamic line up of speakers, and registrations are on track.

Women in local government

Following on from our 13 February zoom for women in local government, we are planning a lunch immediately before the SuperLocal conference, which will feature Finance Minister Nicola Willis as the opening speaker.

Te Maruata update

Te Maruata held its first whānui hui online on 14 March to reset priorities for the remainder of the triennium. The hui included a kōrero with MP Marama Davidson, the election of new members for the Roopu Whakahaere as well as opportunity to meet with Mereana Taungapeau, LGNZ's recently appointed Kaitohutohu Matua Māori. Aubrey Ria was elected as the Rural & Provincial representative, and Keri Brown was elected as the at-large representative.

Te Maruata held its monthly online wānanga on 24 April. Te Whatu Ora provided updates on the Sale and Supply of Alcohol Amendment Act – specifically around the incorporation of Tikanga Māori into licensing hearings. There was also broad discussion about Māori wards and the Fast-Track Amendment Bill.

A key issue for Te Maruata is strong advocacy on retaining current arrangements for the establishment of Māori wards and constituencies.

At the Te Maruata Rōpū Whakahaere hui on 9-10 May, kaupapa included Māori wards, Te Maruata membership, the programme for the Te Maruata Hui at conference and the Hutia te Rito strategy – the LGNZ Te Ao Māori approach. The in-person hui included the member now representing Community Boards, Jock Martin (who represents the Lawrence/Tuapeka ward for Clutha District Council).

The Rōpū Whakahaere have been conscious of ensuring Te Maruata members are supported during the debates around Māori wards, which has been a difficult time for many. Regular comms, information sharing and opportunities for kōrerō have been activated so that Te Maruata members feel supported and connected. Equally it's important that the voices of Māori ward councillors and Māori elected members are uplifted. Te Maruata Rōpū Whakahaere made a submission on the Bill in support of LGNZ's submission that also spoke to personal experiences and the critical role Māori councillors play at decision-making tables across Aotearoa.

Hutia te Rito: LGNZ Māori Strategy

Our Kaitohutohu Matua Māori Mereana Taungapeau led the organisation of a staff wānanga at Raukawa Marae in Ōtaki on 1-2 May. Its purpose was to introduce staff to Hutia te Rito and the Te Ao Māori work programme for LGNZ which is currently in development.

Young Elected Members

The YEM Committee are keen to continue holding annual YEM Hui, and are well underway with planning for this year's event. The Committee has confirmed dates for this year's Hui (16-18 October) and will be holding it in Christchurch. In response to member feedback, we've brought the Hui forward and shared the dates early so people can get it in their diaries.

The YEM Committee met online in March and in person at the end of May. As well as discussing the next Hui and their pre-SuperLocal gathering, the Committee has refined the YEM Strategy and Kaupapa based on feedback received from the network at the end of last year.

Petone Community Board member Kaz Yung has been elected to the YEM Committee as the community boards representative, and the Committee has also welcomed new member Councillor Deon Swiggs (Environment Canterbury), who has replaced Deputy Mayor of Westland Ash Cassin, following Westland's decision to withdraw from LGNZ membership.

Community Boards Executive Committee

Over the last few months CBEC has been actively involved in a number of initiatives:

- **Satisfaction survey of community boards and mayors:** CBEC commissioned FrankAdvice to undertake a survey of community boards and mayors to better understand the mood of community boards, and relationships between councils and community boards, as well as identify areas for improvement, with particular emphasis on roles, remuneration and relationships with councils. The final report, with recommendations, was released in late February. The findings will be used for ongoing advocacy by CBEC and to inform updates to the Governance Guide for Community Boards.
- **Community Boards Conference:** CBEC is well underway with planning for the 2024 Community Boards Conference, which is being held as part of SuperLocal. CBEC members have been working hard with the LGNZ team to pull together a programme, and seek speakers and sponsorship.
- **Declarations:** the Committee has discovered that some councils do not require appointed board members to make a community board declaration – creating a potential risk to councils should a board decision be challenged on the basis that some members were ineligible to vote. CBEC sought legal advice, which confirmed that all appointed members should make a community board declaration as well as their council declaration. That advice has been sent to all councils with community boards.
- **Remuneration:** CBEC is working with the Remuneration Authority to improve the basis on which community board remuneration is set. The Authority has not been able to resolve how to remunerate boards with additional responsibilities (member pay is based on population without any consideration of the level of responsibility). The Committee has been engaging regularly with the Remuneration Authority on options. It's meeting in June to develop a work programme to deliver on recommendations resulting from its survey of community board members and Mayors.

Kaz Yung (who was elected to the Young Elected Members Committee) has joined our Community Boards Executive Committee. Jock Martin has also been elected to CBEC and Te Maruata, as noted above.

CBEC held a zoom for all community board members in late March, where they discussed the results of the survey of community board members and mayors, and options for remunerating community board members. The zoom was attended by around 40 members.

Support

Ākona

On 3 April, we gave all elected members access to Ākona, following National Council's decision that subscription should be rolled into the member fee.

The number of logins continues to grow, with 50-60 learners being added each week. Engagement with Ako hours already exceeds expectations, and registrations for next month's Climate Change Adaptation Ako hour are climbing quickly.

Sector engagement with Ākona has also significantly increased. Last week's bi-monthly hui with Council L&D staff (which would previously attract 10 or less participants) had almost 30 participants. There were also multiple requests for the hui to be recorded and sent to those who could not attend. Hui participants expressed their support of the system, including the new skills analysis tool. There was also keen interest in working with LGNZ to build elected member engagement through coaching sessions, to develop learning programmes, and to develop learning policy based on Ākona content.

The Induction 2025 Project has commenced with the development of a triennial calendar of learning linked to key sector milestones. This calendar will be tested by a group of sector representatives over the next few weeks, with a view to complete induction design by the end of October. The purpose and approach to Induction hui is being refined based on member input and feedback from the 2022 events.

Discussions have begun with Taituarā to develop an induction pack that will include pre-elected learning resources, (as per the framework). A pre-candidacy package of learning will also soon be developed to support the promotion of local governance participation in our communities.

There are new courses recently released or nearing release include:

- Climate Change
- Te Reo
- Decision Making
- The CE Relationship
- Leading diverse communities

In addition, the tīma worked with PD Training to contextualise a Critical Thinking workshop which was delivered at Napier District Council in late February. A targeted workshop focused on Chairing Meetings/Standing Orders has also been developed. Both options will become a permanent part of Ākona offerings.

Guidance and advisory for members

We've updated our [Guide to the LGNZ Standing Orders Templates](#). The updates provide councils with guidance on how to amend their standing orders to incorporate changes to the definition of a quorum (for those joining by audio visual means). They also provide guidance on the Ombudsman's recent report on public access to workshops.

We're working with the Taituarā Democracy and Participation Working Group to fine tune our Standing Orders Template, with a focus on readability. The updated version will be available to councils in early 2025, giving plenty of time to be prepared ahead of the 2025 local body elections. The new template will also reflect legislative changes made since mid-2022 when the current template was drafted.

Elected member safety and security

We held a zoom on safety and security on 18 April, with 60 people attending. Panel members Mayor Dan Gordon, Deputy Mayor Angela O'Leary and Mayor Len Salt spoke eloquently about the difficult and disturbing experiences they had had, followed by representatives from NZ Police and Netsafe. This was the start of a conversation and there's clearly more LGNZ can do to support members experiencing this harassment, which is also a threat to local democracy.

At the Combined Sector meeting, we asked attendees about their experiences and the results were:

- 74% had face aggressive, abusive or offensive behaviour as an EM in public meetings
- 65% had faced it online
- 39% had faced it at community events
- 33% had faced in doing every day activities like shopping or collecting children from school

In terms of the levels of behaviour:

- 53% thought it was worse than a year ago
- 41% thought it was similar
- 9% thought it was better.

Our second zoom in this series will be in mid-June, to focus on "sovereign citizens" and vexatious requests, and we've secured a range of panellists/speakers. This topic was suggested in the first zoom, and the third zoom will focus on physical security for EMs. All these zooms are recorded and available to elected members in Ākona, along with related resources. [You can log into Ākona here.](#)

Te Korowai

Our continuous improvement programme, previously known as CouncilMARK, has undergone significant evolution over the past year in response to feedback from the sector. These changes aim to increase programme participation and deliver greater value to participating councils.

Renamed 'Te Korowai', the programme has extended its focus beyond independent assessments to support councils throughout their continuous improvement journey, both before and after assessment.

Te Korowai emphasises a wraparound support for councils, the establishment of development benchmarks and aligning council performance with priorities. The introduction of additional development pathways facilitates the translation of assessment findings into actionable plans, enabling councils to optimise their performance.

We have collaborated closely with Waikato Regional Council, which served as the pilot for the new programme. Following their successful on-site assessment, they have transitioned into the development phase. Initial feedback from Waikato Regional Council has been overwhelmingly positive, highlighting how the programme provided valuable insights and confidence to progress along their development journey.

We are currently engaged with several other councils, including as Central Hawkes Bay District Council, Ōtorohanga District Council, and Otago Regional Council, as they prepare to join the revamped programme. Additionally, efforts are underway to align the programme's performance assessment framework with Ākōna, fostering continuous improvement through a culture of learning and development.

Mayors' Taskforce for Jobs

Mayors' Taskforce for Jobs (MTFJ) core group has signed off a refreshed five-year strategic plan. The plan reconfirms the focus of the MTFJ kaupapa firmly on rangatahi, particularly those youth who are NEET (Not in Employment, Education or Training).

LGNZ supported Mayor Max Baxter, MTFJ Chair, to secure a meeting with the Social Development Minister Louise Upston, which the MTFJ team of Maree and Tammie attended, along with Scott.

Max also met with Minister Upston while attending a joint visit to Waimate to hear firsthand how the programme has delivered better employment outcomes there. The Minister is joining MTFJ for their annual breakfast meeting at SuperLocal.

The MTFJ Governance Group, which oversees MTFJ's strategy and delivery, met in April and May and the Core Group is meeting on 7 June.

Huge credit to the MTFJ council teams who nationally have exceeded their MSD-contracted CEP outcomes, achieving 1,111 employment outcomes for year one well ahead of the due date. This positions the MTFJ MSD employment contract for continued success as it rolls over into year 2, although with reduced contracted funding from (\$10 million to \$8 million).

LGNZ ran an impactful session for MTFJ in February supporting individual council programmes to better tell their story of localism and council delivery, as discussed in the media section above, and reflected in the uptick of media around MTFJ in recent weeks.

Road Efficiency Group (REG)

LGNZ has been a long-standing partner and supporter of REG and we are pleased to see REG feature in the draft Transport GPS. This includes direction from the Minister that REG, as part of a wider expectation for improved sector performance and efficiency, is to focus on ensuring that all investment in maintaining and improving resilience on the state highway, local and rural road networks is spent in the most efficient manner.

Key focus areas for REG include:

- Finding efficiency in road maintenance spend to deliver more for road users and taxpayers' investment;
- Standardising maintenance protocols and processes to find efficiency where efficiencies can be found;
- Reducing expenditure on temporary traffic management (TTM), which is adding significant cost to road maintenance and reducing efficiency of spend;
- Reviewing Network Outcomes Contracts (NOC) with a focus on achieving long-term maintenance outcomes of 2 percent rehabilitation and 9 percent resurfacing per year, ensuring a proactive approach to road maintenance.

REG is currently reviewing its term of reference and governance arrangements, which will see two independent appointments by the Minister to the REG governance group.

Moata Carbon Portal

Recently we've provided a demo of the portal and had conversations on carbon accounting with Central Otago District Council. We have also supported Mott MacDonald to attend zone meetings to provide an overview of the carbon portal as well as some findings from the carbon baseline completed on Queenstown Lakes LTP in 2023.

The findings from this baseline were that water projects accounted for 55% of QLDC's total capital carbon, with transport accounting for 24% and built environment 21%. Over the course of their LTP, their highest carbon peaks were predicted for 2023 and 2030, with recommendations provided on integrating carbon assessments into their approval and delivery processes.

Ratepayer Assistance Scheme (RAS)

With Auckland and Tauranga confirming support to establish the RAS, we have secured \$1.2 million of the estimated \$3 million required to complete the development work to establish the RAS. On establishment, we would need circa \$23 million establishment capital.

As a reminder, the RAS is a special purpose tool that would provide support to ratepayers to finance any local authority charge. With balance sheet separation, and proximity to both local and central

government, it would have a very high credit rating and therefore be able to provide the cheapest possible financing terms to ratepayers.

The Ratepayer Financing Scheme's flexibility would enable it to support:

- Development contributions to enable housing development.
- Home improvement policy to meet healthy homes, earthquake strengthening, home insulation and solar panel installation, water separation and storage etc.
- Rates postponement to provide relief to ratepayer experiencing affordability pressures.

A detailed business case supporting the RAS's viability has been completed with the support of Auckland, Hamilton, Tauranga, Wellington, Christchurch councils alongside the LGFA and LGNZ. We have had recent positive engagement the new governments policy advisors. The RAS could provide financing for future water charges which would assist with affordability.

The Steering Group have engaged with the Government's water Technical Advisory Group to discuss funding and financing more broadly, including the possible role the RAS could play supporting ratepayers and funding infrastructure.

Scott and selected members of the Steering Group met Simon Court (Parliamentary Under-Secretary to the Minister for Infrastructure and the Minister Responsible for RMA Reform) on 3 April and Minister Simeon Brown has expressed interest in learning more about it.

Libraries partnership

Our Libraries Advisor is continuing to deliver the work programme that has been agreed to with DIA and the New Zealand Libraries Partnership Programme, and will be with LGNZ until the end of June 2024, when the project funding comes to an end. This was a Covid-19 recovery initiative so there isn't ongoing funding for this role.

At the end of the project, we'll receive a report that will outline all the key trends identified and findings made across the three years of the project.

Despite local government funding challenges, a large number of councils have supported the removal of fines to improve access to their library resources. Over 60% of councils are fully fines free and 92% are fines free for children and young people.