

Ashburton District Council

AGENDA

Notice of Meeting:

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

Date: Wednesday 5 May 2021

Time: 1.00pm

Venue: Council Chamber

Membership

Mayor	Neil Brown
Deputy Mayor	Liz McMillan
Members	Leen Braam Carolyn Cameron John Falloon Rodger Letham Lynette Lovett Angus McKay Diane Rawlinson Stuart Wilson

Meeting Timetable

Time	Item
1pm	Meeting commences
1.15pm	SPARK – presentation on technology changes - Leela Gantman (Corporate Relations Manager) – via Microsoft Teams
2.30pm	Bancorp Treasury - Miles O'Connor (Manager Corporate Services)
3.30pm	Ashburton Contracting Ltd – quarterly report

1 Apologies

2 Extraordinary Business

3 Declarations of Interest

Members are reminded of the need to be vigilant 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.

Minutes

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Business Transacted with the Public Excluded

13	Council – 21/04/21 • Library & Civic Centre PCG 13/04/21 Section 7(2)(h) Commercial activities [Now in open meeting] • Contract REFU 0026 – Ash RRP storage bunker roof • Ashburton streetscapes renewal project (Cl 2, (i)-(iii)) • Ashburton Library & Civic Centre probity role	PE 1
14	Contract ROAD0205 – Sealed Road Rehabilitation Procurement Section 7(2)(h) Commercial activities	PE 3
15	Freeholding of Glasgow Lease Section 7(2)(h) Commercial activities	PE 35
16	Sale of Forestry Land Section 7(2)(h) Commercial activities	PE 40
17	Electricity Ashburton Shareholders Committee Appointments Section 7(2)(a) Protection of privacy of natural persons	PE 49
18	CE 6 Month Performance Report Section 7(2)(a) Protection of privacy of natural persons	PE 53

4. Council Minutes – 21 April 2021

Minutes of the Council meeting held on Wednesday 21 April, commencing at 1.00pm, in the Council Chamber, 137 Havelock Street, Ashburton.

Present

Deputy Mayor Liz McMillan (Chair); Councillors Leen Braam, Carolyn Cameron, John Falloon, Lynette Lovett, Angus McKay, Diane Rawlinson and Stuart Wilson.

In attendance

Hamish Riach (Chief Executive), Paul Brake (GM Business Support), Steve Fabish (GM Community Services), Jane Donaldson (GM Strategy & Compliance), Neil McCann (GM Infrastructure Services), Sarah Mosley (Manager People & Capability) and Phillipa Clark (Governance Team Leader).

Staff present for the duration of their reports: Ruben Garcia (Communications Manager), Brian Fauth (Roading Manager), Ian Hyde (District Planning Manager), Toni Durham (Strategy & Policy Manager) and Craig Goodwin (Waste Recovery Manager).

Presentations

Public Forum – 1.05pm to 1.17pm

ECan Climate Change Campaign – 1.48pm to 2.20pm

Ashburton Water Zone Committee – 2.24pm to 2.33pm

1 Apologies

His Worship the Mayor, Neil Brown (absent on Council business)

Cr Letham (lateness – 2.32pm) and Cr Wilson (early departure – 2.33pm)

Sustained

2 Extraordinary Business

Nil.

3 Declarations of Interest

Nil.

Public Forum

Bev and Lindsay Bagrie, Drumblade Farm, 2017 Boundary Road. *(Presentation tabled)*

Mr & Mrs Bagrie (the applicants) presented their concerns at the delay in resolving their stockwater race closure application. The application relates to a private drain (Moffats Drain) which runs through the middle of their property and carries surplus water from the stockwater race system. The drain used to be spring fed and was dry between 2010 and 2015. After Council diverted water races into a neighbouring irrigation race the drain started to run again.

The applicants have asked for a list of property owners supplied by this race and for the results of the closure survey. To date this information hasn't been provided. They further requested clarification on who administers the drain (ADC or ECan) including whether Council has a resource consent authorising use of the drain for stockwater run-off.

ECan have suggested leaving the drain as a swale. The applicants would accept this but require the diversion of water to be stopped to enable them to put a pivot on for effluent and fertiliser dispersal.

In conclusion the applicants advised that the proposed diversion has cost them \$4,000 to date. They commented that the work on their property is close to the road and can be observed, but they believe that (unapproved) diversions go unseen on some other properties.

The Group Manager Infrastructure Services acknowledged their comments. He advised that the closure is complex and discussions are ongoing with property owners to verify information, including identifying biodiversity and wetland features. Council officers are following policy and will provide progress reports to Council and a response to the Bagries.

Mr & Mrs Bagrie were thanked for their attendance and left the meeting at 1.17pm.

4 Confirmation of Minutes – 7/04/21

Public forum: Note Richard Wilson was present.

That the minutes of the Council meeting held on 7 April 2021, as amended, be taken as read and confirmed.

Wilson/Cameron

Carried

5 Sealing Accessways

That Council continues with the current method of sealing accessways, where Council shares the local cost component of reconstruction and sealing of vehicle accessways, when agreed by the property owner.

Falloon/Braam

Carried

6 Naming of Road – Camrose Estate Subdivision (Stage 6)

Council noted that only one name option was provided for each road. To avoid a precedent being set, Officers were asked to ensure that future road naming applications provide three options, in accordance with policy.

That the two roads to vest in Council as part of the development of the Camrose Estate subdivision approved under Subdivision SUBA20/0012 and as identified on the attached site plan shall be named Arrowsmith Drive and Burbank Place.

Braam/Rawlinson

Carried

7 Naming of Road – Lake Hood Aquatic Park (Stage 14)

That Road 2 to vest in Council in Stage 14 of the Lake Hood Aquatic Park development, approved under Subdivision SUB20/0045, be named Kennedy Quay.

Wilson/Lovett

Carried

8 Appointment of Recovery Manager

That Council appoint Toni Durham as the Local Recovery Manager.

McKay/Braam

Carried

10 Transwaste Canterbury Limited Dividends

That Council receives the Transwaste dividends report.

Lovett/Falloon

Carried

12 Rangitata Awa Restoration Group

The Chief Executive gave assurance that Council's caution around extractor cap levels and a desire for farming/landowner representation on the Steering Group will be relayed to the Steering and Working Groups.

1. That Council's representation on the Rangitata Awa Restoration Governance Group be confirmed as follows:

- i) Steering Group – CE, Hamish Riach
- ii) Working Group – District Planning Manager, Ian Hyde.

Falloon/Braam

Carried

9 Regional Climate Change Engagement Campaign

Fiona Shanahun and Tafflyn Bradford-James presented on the ECan-led campaign, to be launched at the Mayoral Forum on 28 May. They spoke about this being a community campaign and the importance of it being relevant to local people who will be encouraged to contribute questions. Initially, questions will be responded to by ECan but local based questions will also be shared with Council.

The campaign team have started a conversation with Runanga but would be interested in Council contributing with its Runanga partners as well. The team will also be speaking with MfE to see how the campaign could fit into the national climate change response.

A powerpoint presentation showed data on emissions and warming projections based on current and other scenarios. Dr Shanahun responded to the suggestion that the temperatures shown in the presentation were misrepresentative of local average temperatures and explained that the data shows global temperatures and comparison of averages since 1909 (NZ's average has increased by at least 1.1° since 1909). In her view, the data used is robust and is in keeping with Council's Climate Change policy, but consultation will be undertaken with the ADC team to verify this.

The proposal to participate in the joint campaign wasn't fully supported by Councillors who commented on a lack of regional understanding, particularly in the city, about work that has been done in this district on stopbanks and coastal erosion.

- 1. That** Council agrees to participate as a partner in the regional climate change campaign, led by Environment Canterbury.
- 2. That** Council approves the use of the Ashburton District Council logo on the campaign website and social media channels.

Cameron/Braam

Carried

Cr McKay recorded his vote against the motion.

11 Ashburton Zone Water Management Committee Progress Report

Bill Thomas presented the Zone Committee's progress report for the 2020 year, acknowledging the retirements of Karl Russell (Te Runanga o Arowhenua) and John Waugh (Fish & Game), both of whom were significant contributors to the Zone. He noted that the process has commenced to fill the two vacancies, with possibly a third to be added.

The Zone Committee sees the need for 'good news' and 'success' stories to be shared and made public, e.g. the nitrate level close to the coast which is below the proposed NPS standards. The Zone Committee would like to see contribution to the MAR rate from the wider community to reflect the number of beneficiaries from this project – i.e. there are high levels of nitrates in Tinwald water – they will benefit from MAR but won't be rated.

Cr Letham attended at 2.32pm.

That Council receives the Ashburton Water Zone Committee progress report 2020.

Cameron/Rawlinson

Carried

Cr Wilson left the meeting at 2.33pm.

13 Mayor's Report

That the Mayor's report be received.

McKay/Cameron

Carried

14 Councillor Reports

That the report be received.

Lovett/Braam

Carried

Welcome to new staff (2.43pm)

Sarah Mosely, Manager People & Capability, introduced new staff – Sikandar Hirani (Planning Administration Officer), Lucas de Souza (Monitoring Enforcement Officer) and Ian Soper (Open Spaces Manager).

Council adjourned for afternoon tea from 2.45pm to 3.10pm.

Business transacted with the public excluded – 3.10pm

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 7/04/21 <ul style="list-style-type: none">Contract REFU0026 – RRP storage bunkerLibrary & Civic Centre contract	Section 7(2)(h) Section 7(2)(h)	Commercial activities Commercial activities
16	Library & Civic Centre PCG 13/04/21	Section 7(2)(h)	Commercial activities
17	Library & Civic Centre PCG Probity Role	Section 7(2)(h)	Commercial activities

Falloon/Rawlinson

Carried

Business transacted with the public excluded now in open meeting

• Contract REFU0026 Ashburton RRP 2021 – storage bunker roof

That Council awards the tender for the submitted price of One Hundred and Seventy Five Thousand and Two Hundred and Seventy Nine Dollars and Thirty Five cents excluding GST (\$175,279.35 ex GST) to Joseph Builders Ltd.

Braam/Letham

Carried

• Ashburton Streetscape Renewal Project

That from the approved contingency, the following expenditure items be approved:

- (i) \$489,560 to install new traffic signal infrastructure at the East Street/Havelock Street and East Street/Moore Street intersections;
- (ii) \$85,572 for the extension of the shared footpath on East Street between Moore and Kermodie Streets; and
- (iii) \$181,240 to avoid total closure of the four East Street intersections during construction.

Falloon/Letham

Carried

- **Library & Civic Centre Probity Officer Role**

That Council disestablishes the probity officer's role on the Ashburton Library and Civic Centre Project Control Group.

Braam/Lovett

Carried

The meeting concluded at 3.33pm.

Confirmed 5 May 2021

MAYOR



5. Youth Council Minutes – 10 March 2021

Minutes (unconfirmed) of a meeting of the **Ashburton Youth Council** held on Wednesday 7th April 2021, commencing at 4.03pm Council Chambers, Ashburton District Council, 5 Baring Square

Present:

Henry Goodes

Maddie Page Beatrice Bernarte

Sophia Aguila John Magyaya

Easterlin Faamausili Alex Cojocar

Anna Tu'amoheloa

Cr Lynette Lovett

Cr Diane Rawlinson

Verity Jackson – ADC Event Coordinator

Richard Fitzgerald – ADC Acting ED Manager

Visitors:

Janice Mckay – ADC Welcoming Communities Advisor

Steve Fabish – ADC Group Manager Community Services

Ian Soper - ADC Open Spaces Manager

1

Apologies

Janre Lim

Georgia Blundell

Lara Sheirlaw

Michael Baker

2

Team Building with Janice and Verity

Rebus puzzles – aimed at helping us work together and problem solved

Toilet paper squares – share interesting facts about yourself based on the number of square of toilet paper you had – aimed at improving our communication with each other and helps us get to know each other better

3

Guest Speaker

Neil Alombro – past AYC member

Neil had idea to start an Environment Subcommittee and proposed his idea to us.

Proposal attached as **appendix 1**.

He wants us to be able to go around schools and educate them on the environment.

AYC decided that we would like to focus on the following areas:

- Run clean up days
- Interact with farms
- Have an education station at Skate Jam

	<ul style="list-style-type: none"> - Do an Envirowaste tour - Go to schools <p>John will make posters to propose the idea of joining to Ashburton College</p> <p>Zoom meetings can be our main way of communicating.</p>
4	<p>Guest visitor Introduction</p> <p>Ian Soper – Open Spaces Manger</p> <p>Ian introduced himself to AYC members and is keen to see how we can have involvement with Open Spaces</p>
5	<p>Youth Audit Training</p> <p>AYC member Henry Goodes attended YVC Youth Audit Training in Christchurch.</p> <p>The training began with doing team activities and with meeting people from other youth groups in the region.</p> <p>A Youth Audit is an assessment of a space that youth use to find out if there could be or needs to be improvements to benefit its use and is it being used correctly.</p> <p>AYC decided that we want to start doing Youth Audits and report the findings back to Council. The spaces we are going to audit this year will be done as part of our events:</p> <ul style="list-style-type: none"> - Ashburton Skate park at Skate Jam - EA Networks Centre at Bite Nite Reimagined - Other areas discussed include Ashburton Domain
6	<p>Janice McKay – ADC Welcoming Communities Advisor</p> <p>Workshops will be run as part of the Global Ambassadors programme for 2021. Topics will cover:</p> <ul style="list-style-type: none"> - Cultural Competence – tolerance, open-mindedness, diversity, inclusion by Kathy Harrington-Watt - Civic Participation by the Electoral Commission - Knowledge – how to get knowledge, ambassadorship, local issues, global issues, trend monitoring by UN Youth Canterbury - Leadership – opportunities, confidence, self-esteem, resilience, time management, persistence, supporting others by Shannon Goldsmith of Asia New Zealand Foundation - Personal Communication – public speaking, interpersonal, listening, promotion by Canterbury Employers Chamber of Commerce <p>AYC members who attend all training (except Civic Participation) will receive a certificate acknowledging them as Global Ambassadors.</p> <p>The training will be delivered during AYC meetings throughout the year.</p>
7	<p>Steve Fabish – ADC Group Manager Community Services</p> <p>Inspiring the Future programme</p> <p>This programme is based in schools where students listen to stories from people about what inspired them to do what they do and why.</p> <p>They want you to understand that you do not need qualifications or to have been to university to be successful.</p> <p>AYC members were asked if they wanted to support the programme – AYC member Anna Tu’amoheloa advised that it was being run at Mt Hutt College and Easterlin Faamausili would talk to Ashburton College if the programme was going to be run there.</p>
8	<p>General Business</p> <ul style="list-style-type: none"> - Five members attending YVC Activate to work on their presentation, remainder of members brainstormed questions for Skate Jam youth audit - Congratulations to Beatrice Bernarte who has been awarded a Berwick Outdoor Adventure Scholarship!

<p>9</p>	<p>Wrap Up Actions:</p> <ul style="list-style-type: none"> - Articles due Monday 19 April – Maddie Page, meeting wrap – Henry Goodes and Olivia Fox, youth audit – Anna Tu’amoheloa, environmental subcommittee - Youth Audit – to be done at Skate Jam <p>Easterlin Faamausili to talk to Ashburton College principal about Inspiring the Future programme</p>
<p>10</p>	<p>Next Meeting Wednesday 12 May 2021, 4:00pm to 6.00pm, Ashburton District Council, Council Chambers</p> <p>Any apologies to be sent to Verity or AYC Secretary prior to the meeting commencing.</p>
<p>The meeting closed at 5.40pm.</p>	
<p>Approved and adopted as a true and correct record on (date)</p> <p>..... Chairperson</p>	

Ashburton Youth Council - Environmental Sub Committee

Action Plan by Neil Alombro

Introduction

This document is to inform the 2021 Ashburton Youth Council of a proposed Environmental Sub-Committee. Such a new structure to the youth council, I feel, would help branch the council to do more in the community, as well as specify the interests of the councillors and be more efficient in carrying out tasks.

Purpose

With Ashburton District being a rural area and heavily dependent on the environment, I feel it would be largely impactful if there were to be a group connected with the Ashburton District Council and the primary, intermediate, and secondary schools in the area.

Ideas

This section is primarily to give the current councillors a brief overview of some ideas that I had come up with for the subcommittee and the whole Youth Council. I would definitely take these with a grain of salt and make sure to do what works for you as a council.

Structure

Having a monthly physical meeting for a subcommittee, I feel, would be too much of an ask, especially for some councillors who are already finding transport for one monthly meeting to be a real hassle.

Zoom meetings for sub-committees to get together and ideate and build up events I think would be the wisest decision and making sure those meetings have some structure as to what is to be covered and talked about.

Resources

An amazing local trust called Kanuka Trust has worked with Ashburton Youth Council before and would be an organization worth keeping in contact with and ideating with.

The Ashburton District Council would also be great people to talk to about ideas, financing, and anything else that the councillors would like to start an initiative on.

The Sir Peter Blake Trust allowed me to go on this trip that inspired me to make this action plan so if any resources or help is needed, I can help the Youth Council contact people within the trust for advice and help.

Events

For events, I have listed some ideas and some possible timeline as to the goal for when these could be implemented or trialled:

Goal: School Outreach in the Ashburton District (Planning in 2021, Carry out in 2022)

As a Youth Council, we primarily look at trying to engage the youth within our community. With this sub-committee, I would love for this purpose to show within the events we prioritise.

School outreach could mean workshops that target the single-use plastic in our every day lunch.

This could go from primary, intermediate, and even to secondary schools in the district. Since this would require a bit of financing, this could even be turned to an amazing opportunity for schools to send in a video submission for a competition to win a workshop at their school run by the youth councillors on "How to Make Reusable Beeswax Wraps" with resources provided (or any other topic that would be useful and knowledgeable).

Taking 2021 as a year to ideate and ready the sub-committee to make sure the plan is well thought out would be ideal and going full steam ahead next year.

Goal: General Clean Up Days (Throughout 2021 and onwards)

There is the 'Keep New Zealand Beautiful' event every year that gets people in local communities out and about to clean up rubbish and make sure we look out for the environment. However, I feel it would be an even better move to try to facilitate and rotate around towns or areas of our native environment to clean up.

This would require some financing from Kanuka Trust or the Ashburton District Council with compostable rubbish bags, gloves, and so on. This could also be advertised to the youth as an amazing volunteering activity to boost numbers and also as a family activity for a Saturday.

The places you choose to do this in would be entirely up to the sub-committee and could be a discussion worth having with the District Council every few months and one of the main ongoing tasks of the sub-committee.

Goal: Interacting with Farms around Ashburton District (Far into the Future)

A large part of Ashburton District and New Zealand's identity revolves around the farming industry. We have all learnt that this then contributes into a large part of our carbon emissions as a country. At Blake Inspire, we visited a farm in Waikato that had a sustainability plan and showed us their commitment to being an efficient business as well as committing to being carbon-neutral and, in the future, carbon-positive.

This will take even more planning and thinking compared to the other two but I feel it would give the sub-committee something special to think and report back on with their findings and possibly helping the community out to a large extent that goes further than complying with laws and committing to being carbon-neutral or carbon-positive.

Conclusion

With Ashburton District being rural and heavily dependent on the environment, I feel it is key to have a group that is explicitly targeting keeping our youth informed about the environmental topics that are covered in the news these days. Being able to make change and educate is the basis of the previous ideas so anything that fulfils that idea would be a success. However, this is your Youth Council. This document is only to start the conversation and for you to build on, deconstruct, and do anything your heart desires from this document. I would love to be a part of growing this Youth Council to higher and higher heights so I hope this can inspire you all to do the same.

6. Council appointment to Refugee Resettlement Steering Group

Author *Janice McKay, Welcoming Communities Advisor*
Activity manager *Richard Fitzgerald, Agriculture Portfolio Advisor (Interim ED Manager)*
General manager *Steve Fabish, Community Services Group Manager*

Summary

- The purpose of this report is to invite appointment of a Council elected member as Chair to the Ashburton Refugee Resettlement Steering Group.

Recommendation

- 1. That** Council appoints Cr _____ to chair the Ashburton Refugee Resettlement Steering Group.

Attachment

Appendix 1 Ashburton Refugee Steering Group terms of reference

Background

The current situation

1. The first intake from the United Nations Refugee Agency (UNHCR) quota refugee programme is set to arrive in Ashburton late in May, with another intake due to arrive by July 31.
2. The former refugees (or New Settlers) are from the Hazara region of Afghanistan.
3. There are two agencies that hold government contracts to deliver refugee resettlement services. The lead agency is Safer Mid Canterbury and the supporting agency is Red Cross (Pathways to Employment).
4. Several other government agencies have a mandate to deliver specific services to assist in refugee resettlement.
5. Informed by experiences in other resettlement locations, the Ministry of Business Innovation and Employment (MBIE) recommends that Council lead a Refugee Resettlement Steering Group that reviews district progress benchmarked against the national [Refugee Resettlement Strategy](#).
6. MBIE recommends that an elected member of Council chair the quarterly meetings, to facilitate democratic decision-making.

Māori and Tangata Whenua participation

7. Tangata Whenua will be invited to participate on the Steering Group.

Interested and affected parties

8. Members of the proposed Steering Group are as follows:
 - Council elected member – Group Chair
 - Council officer from Community Services group
 - Tangata Whenua
 - Ministry of Social Development
 - Kāinga Ora
 - Ministry of Education
 - New Zealand Police
 - Canterbury District Health Board
 - Organisations contracted by central government to support resettlement within Ashburton District
 - New settler representatives.

What do others do?

9. Below is a selection of councils showing a range of years involved in refugee resettlement. The approach of Dunedin City Council’s Steering Group is recommended by MBIE for new settlement locations, to proactively provide a structure of governance before issues arise.

COUNCIL	COUNCIL’S ROLE
Hamilton City Council	HCC’s role as leader across all resettlement activity was important in the early 1990’s while establishing as a resettlement location. Council now sits as a participant in group meetings which are hosted by Red Cross. Council’s focus now is more on civic welcoming activities. They have recently signed on as a Welcoming Community.
Dunedin City Council	DCC became a resettlement location in 2015. A Councillor chairs the Refugee Resettlement Steering Group which meets quarterly. Steering Group was formed in response to issues arising between various agencies and stakeholders including the former refugees.
Timaru City Council	Timaru District became a resettlement location in 2020 but doesn’t play an operational or oversight role in refugee resettlement. They are currently exploring how they could support this and the possibility of joining the Welcoming Communities programme.

Options analysis

COUNCIL	ADVANTAGES	DISADVANTAGES
Option 1 (Status quo) – ‘Council not as Chair’ Council decides not to appoint an elected member as Chair of the Refugee Resettlement Steering Group	Work capacity of Council members is not increased.	May lead to all issues falling to the primary resettlement agency by default. This can add undue pressure or siloed approaches between agencies, and poor/unresolved settlement outcomes.

<p>Option 2</p> <p>(Recommended) – ‘Council as Chair’</p> <p>Council appoints an elected member as Chair of the Refugee Resettlement Steering Group</p>	<p>Council supports a district-wide, democratic and collaborative approach between all agencies, potentially leading to strong settlement outcomes and the social, cultural and economic wellbeing of all residents.</p>	<p>Could cause relationships between Council and mandated agencies to become strained as issues arise.</p>
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Legal/policy implications

Legislation

10. **Local Government Act 2002.** Subpart 1. [Purpose of local government](#) - to enable democratic local decision-making and action by, and on behalf of, communities.
11. **Local Government (Community Well-being) Amendment Act 2018.** Section 3 amended (Purpose) - provides for local authorities to play a broad role in promoting the social, economic, environmental, and cultural well-being of their communities, taking a sustainable development approach.

Council strategies, plans, policies, bylaws

12. [Ashburton District’s Welcoming Plan](#) acknowledges that when newcomers, refugees and migrants are welcomed and feel they belong, it fosters positive social, cultural and economic outcomes for the whole community.

Financial implications

Requirement	Explanation
What is the cost?	No additional costs
Is there budget available in LTP / AP?	Yes
Where is the funding coming from?	To be met within existing Economic Development budgets
Are there any future budget implications?	No
Reviewed by Finance	Not required as no additional funding is sought

Significance and engagement assessment

Requirement	Explanation
Is the matter considered significant?	No
Level of significance	Low; Not significant
Level of engagement selected	1 Inform the community
Rationale for selecting level of engagement	The community will be informed of Council's decision to appoint a Chair through the usual media channels if Council supports the recommended option.
Reviewed by Strategy & Policy	Toni Durham; Strategy & Policy Manager

Appendix 1

Ashburton Refugee Steering Group

Terms of Reference

Purpose of the Ashburton Refugee Steering Group

To provide oversight, advice and solutions that support positive resettlement and integration of Ashburton District residents who are former UNHCR quota refugees in alignment with the national [Refugee Resettlement Strategy](#).

Partner members will be accountable for:

- Providing advice on strategic direction and identifying priorities and solutions that take a district-wide perspective on refugee resettlement and integration.
- Communication and engagement – working with the Ashburton District Council, government agencies, stakeholders and the community to achieve high quality outcomes for former refugees living in Ashburton District.
- Working with Council to maintain or improve links with Ashburton District communities to promote positive refugee resettlement and integration.
- Reviewing progress of all agencies and organisations with a mandate to provide services within the Ashburton District to refugees, with regard the [Refugee Resettlement Strategic Priorities](#).
- Areas and focus for review will be determined jointly between members of the Ashburton Refugee Steering Group, Council staff and other key stakeholders.

Membership

Ashburton Refugee Steering Group membership is by Council approval. The Ashburton Refugee Steering Group includes membership as follows;

- Council elected member – Group Chair (1)
- Council officer from Community Services group (1)
- Tangata Whenua (1)
- Ministry of Social Development (1)
- Housing New Zealand (1)
- Ministry of Education (1)
- New Zealand Police (1)
- Canterbury District Health Board (1)
- Organisations contracted by central government to support resettlement within Ashburton District (1 representative from each organisation)
- New Settler representatives (2) who have lived experience as a refugee and are not employed by another organisation represented on the Steering Group

Group members can be co-opted by the Group Chair for a specific time period and to provide expertise on specific issues of relevance. Membership will be reviewed as needs arise.

Governance

The Council will nominate an Elected Member to chair the Ashburton Refugee Steering Group.

Reporting

The Ashburton Refugee Steering Group, with Council staff support, will provide an update on a quarterly basis to the Council.

Meetings

Scheduled meetings will take place four times per annum. Additional meetings can be scheduled if required and agreed by a vote of the Ashburton Refugee Steering Group. The quorum for meetings is a majority of members.

Voting

Items of business will be decided by majority vote of meeting attendees.

Term of appointment

The term of the Chair will commence on appointment, and end on the last day of the Ashburton District Council triennium.

New Settler representatives will be nominated following an expressions of interest process. The Steering Group will appoint the independent members and will determine the term of independent member's appointment.

The terms will be between one and three years to allow retirement dates to be staggered to avoid concurrent loss of skills and knowledge. The term of independent members may be extended through to a maximum period of three years.

The Terms of Reference of the Ashburton Refugee Steering Group will be reconfirmed following each triennial election.

Remuneration

The members of the Ashburton Refugee Steering Group will not receive remuneration.

7. Proposed Consent Conditions – Cracroft Stockwater Consent

Author	<i>Andrew Guthrie, Assets Manager</i>
Activity Manager	<i>Andrew Guthrie, Assets Manager</i>
GM Responsible	<i>Neil McCann, Group Manager Infrastructure Services</i>

Summary

- The purpose of this report is to seek Council direction on consent conditions proposed for a new resource consent that will replace the Cracroft stockwater resource consent.
- The proposed consent conditions limit how much the maximum abstraction can be during periods when the source river experiences low flows.
- These so named ‘low flow’ conditions have been proposed by the consenting agency in order to meet their responsibilities under the National Policy Statement for Freshwater Management (NPSFM) 2020, which came into force on 3 September 2020.
- If granted as proposed, this will be the first consent held by ADC for stockwater that is subject to low flow conditions.
- This report recommends that the proposed conditions are accepted, on the basis that in real terms they will have no impact on the operation of the activity under this consent.

Recommendation

- 1. That** Council accepts the inclusion of ‘low flow’ conditions in CRC212909, as described in Option 1 of this report.

Attachment

Appendix 1 Te Rununga o Arowhenua correspondence

Background

How we got here

1. In December 2019, heavy rainfall caused extensive flooding of the Rangitata River, and significant damage to the Cracroft stockwater intake.
2. Emergency temporary supplies were established via the RDR/MHV infrastructure while intake reinstatement work progressed.
3. Initial reinstatement works were also destroyed during subsequent further high river flows. The two high river flow events had significantly compromised the existing intake. To reinstate the intake properly was expected to be expensive and the intake and main race would remain extremely vulnerable to further damage regardless.
4. Ultimately, this led to the decision to abandon the Cracroft Intake and look to formalise the temporary arrangement as the new alternate supply. A new intake constructed off the MHV main race at Cracroft Maronan Road was commissioned around June 2020.

Consenting

5. The ongoing supply arrangement has been authorised by ECan in recognition of the initial emergency nature of the situation, and the intention by Council to formalise the alternate supply arrangement through a consenting change.
6. The consent, which in effect transfers the consented take originally at Cracroft up to the RDR intake and then via the MHV main race, was lodged on 13 October 2020.
7. This application was returned to Council on 23 October, with advice that it was incomplete and required to be considered as an entirely new application with a new assessment of environmental effects. The primary guidance in this regard was how Council would give effect to the concept of Te Mana o Te Wai. The application was effectively captured by the requirements of the recently released NPSFM.
8. The revised application was subsequently lodged prior to Christmas, on 16 December. On 21 December we were advised that the new application had to be lodged through a different email address which was duly done on 12 January 2021.
9. On 2 February we were advised that it had finally been accepted as complete. The consent is being processed under CRC212909 (previously CRC169499).

Conditions

10. There were minor matters of clarification sought during the processing period, but eventually we were presented with draft conditions. The majority of these are benign and reflect the conditions of the original consent.
11. The matter of principle concern is the appearance of conditions that limit how much the maximum abstraction can be during periods when the source river experiences low flows.
12. The conditions in question are set out in the following table.

No:	Condition
5.	<p><i>Whenever the mean flow (expressed in cubic metres per second) in the Rangitata River main stem, as estimated by the Canterbury Regional Council:</i></p> <ol style="list-style-type: none"> a. during the period from 15 September to 14 May in the following year, for the 24 hour period ending at noon on any one day is at or below the minimum flow of 20 cubic metres per second, there shall be no taking of water in terms of this permit during the next succeeding day: b. <i>for the 24 hour period ending at noon on any one day falls below the flows shown in the horizontal axis on graph CRC212909A, then the rates of abstraction permitted in terms of this permit for the next succeeding day shall not exceed those shown as corresponding, by reference to the diagonal line A-B in the horizontal axis of graph CRC212909A.</i> c. <i>Canterbury Regional Council, in consultation with a Water User Committee representing water users who are subject to the same restrictions, has determined a water sharing regime that restricts the taking of water to that available to those consent holders who are members of the same Water User Committee above the minimum flow in clause (a), then the taking of water in accordance with that determination shall be deemed to be in compliance with clause (b).</i>
6.	<p><i>Whenever the mean flow (expressed in cubic metres per second) in the Rangitata River main stem, as estimated by the Canterbury Regional Council:</i></p> <ol style="list-style-type: none"> a. during the period from 15 May to 14 September each year, for the 24 hour period ending at noon on any one day is at or below the minimum flow of 15 cubic metres per second, there shall be no taking of water in terms of this permit during the next succeeding day: b. <i>for the 24 hour period ending at noon on any one day falls below the flows shown in the horizontal axis on graph CRC212909B, then the rates of abstraction permitted in terms of this permit for the next succeeding day shall not exceed those shown as corresponding, by reference to the diagonal line A-B in the horizontal axis of graph CRC212909B.</i> c. <i>Canterbury Regional Council, in consultation with a Water User Committee representing water users who are subject to the same restrictions, has determined a water sharing regime that restricts the taking of water to that available to those consent holders who are members of the same Water User Committee above the minimum flow in clause (a), then the taking of water in accordance with that determination shall be deemed to be in compliance with clause (b).</i>

7.	<i>The flow referred to in condition 5 and condition 6 shall be the flow estimated by the Canterbury Regional Council in the Rangitata River at the Klondyke recorder site at map reference NZTM 2000 1456741mE, 5153180mN.</i>
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13. The graphs referenced in the conditions extract above are standard partial/full restriction graphs common in irrigation consents from hydraulically connected groundwater and river abstractions. Partial restrictions would commence at 40 cumecs (Sept-May) and 30 cumecs (May-Sept).
14. The proposed low flow conditions mirror the requirements set out in the Rangitata Water Conservation Order (Section 9).
15. If the conditions are accepted, this will be the first stockwater consent with a low flow condition applied to it. Officers were naturally cautious and sought clarification as to why the consent was being treated differently when compared to when they were issued in 2012.
16. The fundamental change and reason for the difference in approach stems from the NPSFM, which introduced the concept of Te Mana o te Wai. Regional Councils are required to give effect to the NPSFM in policies and plans "...as promptly as is reasonable in the circumstances..."
17. Te Mana o te Wai is a concept that refers to the fundamental importance of water and recognises that protecting the health of freshwater protects the health and well-being of the wider environment. It protects the mauri of the wai. Te Mana o te Wai is about restoring and preserving the balance between the water, the wider environment, and the community.
18. There is a hierarchy of obligations in Te Mana o te Wai that prioritises:
 - (a) first, the health and well-being of water bodies and freshwater ecosystems
 - (b) second, the health needs of people (such as drinking water)
 - (c) third, the ability of people and communities to provide for their social, economic, and cultural well-being, now and in the future.
19. Previously, under the RMA, stockwater enjoyed a higher priority status and therefore wasn't typically constrained by seasonal flow restrictions within resource consents.

Māori and tangata whenua participation

20. In matters pertaining to land or bodies of water Council is required under the Local Government Act to consult with mana whenua. Tē Rūnanga o Arowhenua is the representative body of tangata whenua and hold mana whenua status for the takiwā which includes our district. Officers contacted Aoraki Environmental Consultancy Ltd for comment on this matter on 19 April. A response was received on the same day. This response is attached (refer appendix 1).

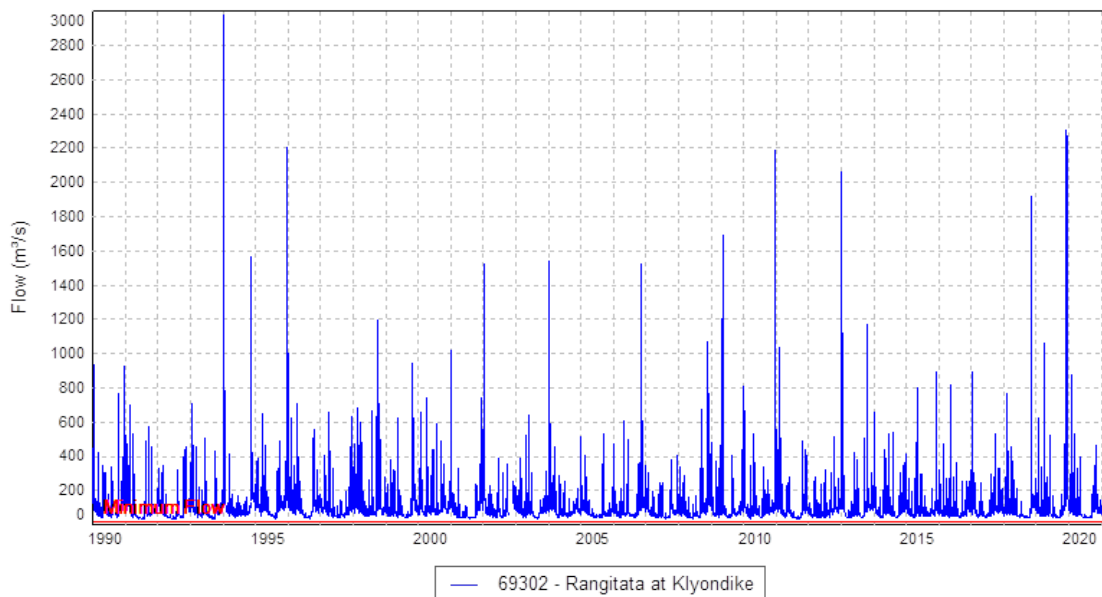
21. It should be noted that Arowhenua were aware, and supportive of, the formalisation of the alternate method of supply via the RDR & MHV infrastructure.
22. Arowhenua state that they “...support the inclusion of limits...” in resource consents. *(Emphasis added).*

Options analysis

23. There are two options available for Council.

Option 1 – Accept the proposed low flow conditions [Recommended Option]

24. Under this option, Officers will finalise the conditions as proposed, subject to minor corrections where necessary.
25. Analysis of Rangitata River flows (last 30yrs) indicate that the river hasn’t been low enough to trigger full restriction in terms of the proposed condition (red line at bottom of graph).



26. There may be periods when a partial restriction would apply, but in the case of Cracroft, we operate below our consented maximums and therefore the real impact is expected to negligible to none.

Risks	Comment
<ul style="list-style-type: none"> • May set precedent for future consent variations relating to the stockwater network. 	<p>The NPS-FM is the overarching driver for this change and will largely dictate how future consents are considered.</p>

Option 2 – Do not Accept Low Flow Condition

27. Under this option, Officers would seek to have the low flow conditions removed.
28. It is likely that Environment Canterbury would have no alternative but to publicly notify the consent.
29. Public notification would almost certainly result in a hearing with the associated redirection of staff time, additional external costs, and no real prospect that our position would prevail.

Risks	Comment
<ul style="list-style-type: none">• Public notification of the consent application may result in submissions from numerous river stakeholders.	
<ul style="list-style-type: none">• Further delays to consenting may drive Environment Canterbury to suspend approval of the current supply arrangement.	If this approval was withdrawn, our supply partners (i.e. RDRML & MHV) would (in all likelihood) cease supplying water to ADC.
<ul style="list-style-type: none">• Rejection of the low flow condition may be interpreted as a rejection of the principle of Te Mana o te Wai, and jeopardise our relationship with Arowhenua.	

Legal/policy implications

NPS-FM

30. The primary driver that has forced the change is the National Policy Statement for Freshwater Management (NPS-FM).
31. The NPS-FM came into force on 3 September 2020. The full text is available [here](#).

Water Conservation Order

32. The proposed low flow conditions have been formulated to deliver the requirements of the Water Conservation (Rangitata River) Order 2006. In particular, section 9 provides for restrictions. Relevant text is available [here](#).

Financial implications

33. There are no budget implications arising from the recommendation in this report.
34. If Council chooses the alternate option, then additional costs will be incurred to defend the chosen position. This will include the cost of a hearing if that were required. The consenting agency is also able to recover cost of consent processing.

Requirement	Explanation
What is the cost?	Nil (for the recommended option)
Is there budget available in LTP / AP?	Not applicable.
Where is the funding coming from?	Not applicable.
Are there any future budget implications?	Not applicable.
Finance review required?	No.

Significance and engagement assessment

Requirement	Explanation
Is the matter considered <i>significant</i> ?	No.
Level of significance	Low.
Level of <i>engagement</i> selected	Engagement with the community is not considered necessary on this matter. It would be proposed that the level is: <ol style="list-style-type: none"> 1. Inform – one way communication
Rationale for selecting level of engagement	This is primarily an operational matter. It is acknowledged that it may have precedential implications but not it is not considered to be at a level that requires significant engagement with the community.
Reviewed by Strategy & Policy	Toni Durham; Strategy and Policy Manager



Te Runanga O Arowhenua Society Inc.



AORAKI
ENVIRONMENTAL
CONSULTANCY LTD

19 April 2021

Andrew Guthrie
Assets Manager
Ashburton District Council
PO Box 94
ASHBURTON 7740
[delivered to: andrew.guthrie@dc.govt.nz]

Tēnā koe Andrew,

CRACROFT RESOURCE CONSENT CRC212909 – DRAFT CONDITIONS

Te Rūnanga o Arowhenua (Arowhenua) and Aoraki Environmental Consultancy Limited (AEC) thank you for the opportunity to discuss the draft resource consent conditions Environment Canterbury (ECan) have proposed for resource consent CRC212909. We recognise that the draft consent conditions arise from the consent application that we supported that sought to move ADC's water take from the Cracroft intake site which is no longer viable to the Rangitata Diversion Management Limited take site at Klondyke.

AEC have reviewed the proposed draft conditions (Conditions 5 and 6) you provided. We note the restriction in flow proposed by ECan is derived from Clauses 9(4) and 9(5) of the Water Conservation (Rangitata River) Order 2006 (WCO). AEC have spoken with the ECan Consents Planner processing this consent who confirmed this was the case.

AEC note the wording of proposed Conditions 5 and 6 refers to the mean flow in the Rangitata River main stem. The wording in the WCO refers to the minimum flow in the Rangitata River main stem, not the mean. We considered this to be an error and questioned the ECan Consents Planner confirmed this was an error and the wording should specify minimum flow and a revised copy will be forwarded to Council as soon as possible.

Arowhenua and AEC support the inclusion of limits such as the minimum flow in resource consents as this helps to ensure water levels are at least at the minimum level necessary to provide for the health of the water and the species which live within the water. We also recognise that Conditions 5 and 6 in CRC212909 with the amended wording as it is in line with the WCO.

Please contact the writer if you have any questions.

Ngā mihi,

Kylie Hall
Principal Planner (MNZPI)
Aoraki Environmental Consultancy Limited
Mobile: 027 622 3460 | Office: 03 684 8723

8. Local Government (Rating of Whenua Maori) Amendment Act

Author *Paul Brake; Group Manager Business Support*
GM Responsible *Hamish Riach; Chief Executive*

Summary

- The purpose of this report is to update the Council on changes to the administration and rating of Māori owned land. These changes result from the enacting of the Local Government (Rating of Whenua Māori) Amendment Act.

Recommendation

- 1. That** Council receives the Local Government (Rating of Whenua Maori) Amendment Act report.

Background

1. On 12 April 2021, the Local Government (Rating of Whenua Māori) Amendment Act (the Act) was enacted. The Act applies from 1 July 2021.
2. The Act amends the Local Government (Rating) Act 2002. It sets out how Māori land will be rated and administered in the future.
3. There are two principal types of Māori land, being Māori freehold land and Māori customary land.
4. Māori customary land is land that is held by Māori in accordance with tikanga Māori, and that was never converted to Māori freehold land by the Land Courts, so that Māori have the same title to it as they had in 1840. Little Māori customary land exists today, and therefore in practical terms, “Māori land” means only Māori freehold land.
5. Māori freehold land is land where Māori customary interests have been converted to freehold title by the Māori Land Court or its predecessors by a freehold order. This land has, therefore, never been out of Māori ownership. The Land Courts created most Māori freehold land in the 19th and early 20th centuries to convert communal ownership to individual title. Māori freehold land continues to be Māori land until the Māori Land Court changes its status.
6. Today almost all Māori land is Māori freehold land. There are about 1.47 million hectares of Māori freehold land, which makes up roughly five percent of all land in New Zealand.
7. The Council has identified twenty four parcels of Māori Freehold land in the District. These consist of five rural properties, one urban section in the Rakaia Township and the Ashburton Golf Course and the Hakatere Marae.
8. The rural properties are being farmed, and rates are being paid on these properties. The Golf Course is rateable (but gets a 50% rates remission under Council’s policy) and the Marae is non-rateable (other than for services). No rates are being paid on the Rakaia township urban section.
9. Key changes include:
 - Powers to Chief Executive (which can be delegated) to write off rates on land where rates cannot reasonably be recovered. If the Chief Executive is satisfied that this test is satisfied, the rates must be written off. This power applies to all land, not just Māori land.
 - The second power to write off rates is limited to Māori land. It applies to a situation where a property has accrued rates arrears after the owner has died, a member of the whanau inherits the land and is interested in developing the block, and is willing to pay the rates in the future. This recognises that the rate arrears could act as a disincentive to the development of the land.

- From 1 July 2021, unused Māori land is non-rateable and would be noted as such in the Council’s Rating Information Database (RID). However, these properties would still be liable for assessed water and wastewater charges. Once made non-rateable, all arrears must be written off.
10. The effect of the above is that the unused Rakaia urban section will be made non-rateable, and arrears will be written off.
11. A further change is making land subject to a Nga Whenua Rahui kawenata non-rateable. This is Māori land where a covenant (a 25-year deed) has been entered into under s77A Reserves Act 1997. This land will become non-rateable. If this covenant does not cover the whole property, then the property will need to be split between the non-rateable portion and the rateable portion. We are currently not aware that the Ashburton District has any property in this category but will be undertaking work to confirm this.

Options analysis

Option 1 – Receive the report

12. The report is for information only.

Legal/policy implications

13. The results of the change in legislation are outlined in the body of the report.

Financial implications

14. The section in Rakaia has historical arrears at \$12,800. Under the legislation, this property will be made non-rateable, and the arrears will be written off.

Requirement	Explanation
What is the cost?	No cost; the arrears will be written off as they are not able to be collected
Is there budget available in LTP / AP?	Not applicable
Where is the funding coming from?	No funding required
Are there any future budget implications?	A minor change to the level of rates struck
Finance review required?	No

Significance and engagement assessment

15. Given there are only four identified properties with a change in rating status to only one of those properties, the level of significance and engagement is low.

Requirement	Explanation
Is the matter considered <i>significant</i> ?	No
Level of significance	Low
Level of <i>engagement</i> selected	Inform only
Rationale for selecting level of engagement	The properties affected by the report will be directly communicated with by Council. The wider community will be informed of the legislative changes via usual media channels.
Reviewed by Strategy & Policy	Toni Durham: Strategy and Policy Manager

9. Proposed LGNZ Remit – Fireworks

Author *Phillipa Clark;*
General Manager *Hamish Riach; Chief Executive*

Summary

- A remit proposed by Waimakariri District Council requires preliminary support from other local authorities before it can be submitted to Local Government New Zealand (LGNZ) for consideration at the annual general meeting in July.
- The remit will recommend that the private use of fireworks be prohibited during a total fire ban (prohibited fire season) and that a permit be required for the safe use of private fireworks during a restricted fire season.

Recommendation

- 1. That** Council supports the remit proposal from Waimakariri District Council and recommends that it be submitted to Local Government New Zealand for consideration at the Annual General Meeting on 17 July 2021.

Attachment

Appendix 1 Waimakariri DC Remit

Background

1. LGNZ is currently inviting member authorities to prepare remits for consideration at the Annual General Meeting on 17 July 2021. A remit is an issue or topic that local government nominates to LGNZ for inclusion on its work programme for the year.
2. Remits should be of national interest or concern and have formal support from at least one zone or sector group meeting, or five councils, prior to being submitted.
3. Waimakariri District Council, through Councillor Philip Redmond, has proposed a remit seeking sensible use of private fireworks by restricting their use during periods when a restricted fire season or a total fire ban is in place.
4. Cr Redmond has been authorised by his Council to obtain support from other local authorities for this remit to be considered at the LGNZ annual general meeting. Waimakariri District Council have asked for ADC's decision by 10 May, in order to meet the LGNZ deadline.
5. Fire and Emergency New Zealand (FENZ) is responsible for declaring fire seasons and issuing fire permits for all urban and rural locations. Seasonal fire restriction start and finish dates will be dictated by factors such as weather conditions, fuel loading and topography.
6. FENZ consider fireworks to be an "open air fire". If there is a fire ban in place, persons wanting to use fireworks would require a fire permit. Banning of fireworks during a fire ban is an option for FENZ (to date, this has only been done once in the Mid-South Canterbury area when a permit was issued in the Mackenzie basin); however this approach has not been agreed to by other fire regions.
7. Given the inconsistency between fire regions, and the limited ability for FENZ and territorial authorities to control the use of fireworks, it would appear that a remit to promote discussion by the wider local government sector will be of benefit.

Options analysis

Option 1 – approve the proposed remit (recommended)

8. This is the recommended option. Council will be showing support for a remit that, if successful, will create sector discussion at a national level.
9. Supporting the proposal demonstrates that Council is mindful of the potential devastation that fireworks pose when ground conditions are dry and temperatures peak.

Option 2 –support the proposed remit, with amendments

10. Council may want to suggest amendments to the proposed remit, however these would need to be agreed by the other parties supporting the remit. This option may not be able to be achieved within the deadline date for remits to be submitted (14 May).

Option 3– do not support the proposed remit (not recommended)

11. There appears to be no reason for Council to decline Waimakariri’s request. Supporting the proposal will assist the remit process. The final decision on whether the matter is going to be addressed at the AGM will depend on the outcome of the LGNZ analysis.

Legal/policy implications

12. The [Fire and Emergency NZ Act 2017](#) (s52-59) sets out the circumstances around prohibitions and restrictions for fire control and fire seasons.

Financial implications

13. There are no financial implications associated with submitting a remit.

Significance and engagement assessment

Requirement	Explanation
Is the matter considered <i>significant</i> ?	No
Level of significance	Low, not significant
Level of <i>engagement</i> selected	Comment – informal 2-way communication
Rationale for selecting level of engagement	The remit proposal is subject to further analysis before it can be accepted at the AGM. If adopted, the outcome and actions to be taken will be notified by LGNZ.
Reviewed by Strategy & Policy	Toni Durham; Strategy & Policy Manager

REMIT PROPOSAL FROM COUNCILLOR PHILIP REDMOND – FOR COUNCIL DISCUSSION

That LGNZ recommends to the government that the private use of fireworks be prohibited during a total fire ban (Prohibited Fire Season), and in a Restricted Fire Season a permit be required for the safe use of private fireworks.

THE ISSUE

Community concern about the fire risk created by the ad hoc use of fireworks during a total fire ban (Prohibited Fire Season) or Restricted Fire Season.

The absence of regulatory powers for FENZ and territorial authorities to control the use of fireworks.

CONTEXT

A Restricted Fire Season was introduced in Canterbury on 13 December 2019. A total fire ban (Prohibited Fire Season) was imposed on 24 January 2020, both covering Hurunui, Waimakariri and Selwyn Districts plus Christchurch City. Waimakariri and Hurunui Districts reverted back to a Restricted Fire Season on 12 March 2020.

The use of fireworks is not banned during any of the 3 fire seasons. FENZ jurisdiction relates to open air fires and not fireworks.

In early February 2020 fireworks were observed being used in Kaiapoi. For example on 3rd February at 4am in strong hot windy conditions, during the prohibited fire season. Further residents complaints were made on 7 and 28 February in different parts of the town.

Fireworks fall under a hazardous material category and are not classed as an open air fire. FENZ accordingly does not have jurisdiction to ban the use of fireworks in any fire season.

TERRITORIAL PERSPECTIVE

A territorial authority's regulatory powers in relation to fireworks use is limited to:

- Prohibiting fireworks from being set off on or from a public place
- Addressing nuisance and safety issues that may arise from the use of fireworks on private property affecting people in a public place
- Addressing noise issues relating to the use of fireworks

These powers will be under by-laws.

It is difficult to catch people in the act and issues of nuisance and noise difficult to enforce.

LGNZ proposed a ban on the sale of fireworks in 2019.

LEGISLATION

Hazardous Substances (Fireworks) Regulations 2001

- Fireworks may be displayed for retail sale between 2 and 5 November in each year
- A person must be over 18 years of age to purchase fireworks

Worksafe

- Regulates health and safety in a workplace and regulations for storing fireworks in a workplace

NZ Police

- Enforce regulations around sale of fireworks
- Investigate complaints about dangerous use of fireworks

Fire and Emergency New Zealand

- Controls over open air fires
- Declares fire seasons and issues fire permits in all urban and rural areas in NZ in restricted fire season. Imposes total fire ban.

Also minor roles by Environmental Protection Agency and New Zealand Transport Agency.

10. Mayor's Report

10.1 State Memorial Service

I attended the state memorial service in Wellington on Wednesday for HRH The Prince Philip Duke of Edinburgh. It was a humbling experience to be there along with approximately 1,000 guests some of those being current politicians, ex politicians, Ambassadors from around the world stationed in NZ, military, navy and police personnel and other Mayors from around the country.

10.2 Local Government Review

It was announced in a recent media release by the Minister of Local Government Hon. Nanaia Mahuta that a review is to be undertaken into the Future of Local Government. The review is expected to take up to two years and Council will be involved with the discussions going forward.

10.3 Meetings

- **Mayoral calendar**

April 2021

- 22 April: Irrigation and the Environment Seminar
- 22 April: Naylor Love Contract Signing
- 23 April: Hekeao Hinds Water Enhancement Trust
- 23 April: Chris Luxon – NZ National Party
- 25 April: ANZAC Services – Dawn Service, Hakatere Marae and Cenotaph Service
- 27 April: Sam Broughton – Selwyn District Mayor
- 27 April: Luisetti Seeds – Opening of seed cleaning plant
- 28 April: Mandy Casey and Carly McDowell – Smokefree Ashburton
- 28 April: Council Workshop – 3Waters Presentation by Rob Kerr with CE Hamish Riach
- 28 April: Covid Economic Recovery Group (via Zoom)
- 29 April: M. Bovis Advisory Group
- 29 April: Kāinga Ora
- 29 April: Library & Civic Centre
- 30 April: Hokonui Radio Interview
- 30 April: South Island Three Waters Service Delivery reform meeting

May 2021

- 4 May: Library and Civic Centre PCG meeting
- 4 May: ECan LTP hearings
- 5 May: Dan McLaughlin – Methven Community Board with CE Hamish Riach

Recommendation

That Council receives the Mayor's report.

Neil Brown
Mayor

11. Deputy Mayor Liz McMillan

11.1 Meetings attended

Monday 12 April

- Canterbury Regional Landfill Joint Committee – report from Transwaste.
- Regional Event Funding Panel meeting
 - Elected Chair of the panel and discussed applications.

Tuesday 13 April

- Library & Civic Centre PCG meeting
- Pasifica meeting
- Barrhill community meeting.
 - Presentation by Arlene Baird on the history of the village and discussion on forming a community committee.

Wednesday 14 April

- Tourism mega meet at Terrace Downs.
 - Organised by ChristchurchNZ with over 40 tourism operators from the Selwyn and Ashburton Districts in attendance with the aim to collaborate together and encourage visitors to the area.

Thursday 15 April

- Mt Somers District Citizens Association meeting.

Friday 16 April

- Hoops on Air interview.
- Age Concern AGM
 - have requested a visit from Council to explain about the rates rebate scheme and also an update on the Civic and Library building at some stage.

Tuesday 20 April

- Caring for Communities
 - A new social/emergency housing working group has been formed and will meet in a few weeks
 - Presentation by Jane Riach and Rebecca Skansie on the new library services available.

- Regional Event Funding
 - Final decisions made for the funding. Next round will be in September for events Jan-Jun 2022.

Wednesday 21 April

- Council workshop and Council meeting

Thursday 22 April

- Naylor Love contract signing

Tuesday 27 April

- Sam Broughton / Luisettis opening

Wednesday 28 April

- Council workshop

Monday 3 May

- Methven Community Board
- Mt Hutt Memorial Hall Board

Tuesday 4 May

- Library & Civic Centre PCG
- Ashburton District Road Safety Co-ordinating Committee
- Presentation of ADC submission to ECan's LTP (with the Mayor).

Recommendation

That Council receives the Deputy Mayor's report.

TREASURY REPORT

FOR



AS AT 31 MARCH 2021



AUCKLAND • WELLINGTON • CHRISTCHURCH

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1. MARKET OVERVIEW

1.1 GLOBAL MARKETS OVERVIEW (FOR THE MARCH 2021 QUARTER)

Interest rates have been the centre of attention for much of the March quarter as the successful vaccine rollout in the US has refocused attention on economic re-openings, enhanced growth and an increase in inflationary expectations. This drove international interest rates back to pre-COVID-19 levels, and steepened bond and interest rate curves, as market participants attempted to front-run the data. Meanwhile, the Dow Jones and the S&P500 equity indexes reached record highs yet again at the end of the quarter, and the Nasdaq even closed the month in positive territory as fund managers re-balanced portfolios away from tech and towards those stocks that will ultimately benefit from a re-opening of the US economy.

In March, the Federal Reserve (“Fed”) sharply ramped up its expectations for economic growth stating, *“following a moderation in the pace of the recovery, indicators of economic activity and employment have turned up recently,”* although they maintained there will be no change in rates until 2024 as per Fed Chairman, Jerome Powell’s, statement that *“inflation may rise this year on base effects/demand, but the impact on inflation won’t be very large or persistent.”* With US GDP expected to grow 6.0-8.0% in 2021, it will be interesting to see if the Fed maintains this narrative.

The Fed, the Reserve Bank of Australia (“RBA”), and the Reserve Bank of New Zealand (“RBNZ”), essentially all sung the same tune. Simply put, all three central banks highlighted the risks to their respective recoveries and, as such, they retained all of their stimulatory options. They all emphasised that they are prepared to let inflation overshoot for an extended period of time, although they do not anticipate hitting their inflation and employment targets until 2024.

With the successful implementation of the US vaccine roll-out heightening the expectations of reopening of the US economy, bond markets have spent 2021 solely focusing their attention on the reflation trade. This has seen the US curve become the lead driver for interest rate curves globally, forcing yields higher and curves steeper, regardless of the likelihood of central bank hikes. The 10 year US bond yield finished the March quarter at 1.72%, up sharply from the December quarter closing level of 0.93%.

In China, the National People's Congress announced an annual GDP growth target of *“above 6.0%,”* and pledged to keep the unemployment rate below 5.5%, while the Chinese Premier, Li Keqiang, reiterated that *“we need to seek a balance between growth, income, and employment, and we cannot pursue economic growth based on high energy consumption and heavy pollution.”* Interestingly, the World Bank predicted that China would outperform the US again this year with its forecast suggesting the Chinese economy will expand by 8.1% in 2021, which fits in with the PBoC’s forecast that China will grow between 5.0% and 5.7% over the next five years.

1.2 NEW ZEALAND MARKET OVERVIEW (FOR THE MARCH 2021 QUARTER)

	OCR	90 day	2 years	3 years	5 years	7 years	10 years
31 Dec 2020	0.25%	0.27%	0.28%	0.36%	0.54%	0.74%	0.99%
31 Mar 2021	0.25%	0.35%	0.48%	0.66%	1.10%	1.54%	1.91%
Change	0 bps	+8bps	+20bps	+30bps	+56bps	+80bps	+92bps

The RBNZ's February *Monetary Policy Statement* ("MPS") was broadly in line with market expectations, but not dovish enough to reverse the trends we have seen in interest rate and FX markets. The RBNZ expect a short term unsustainable period of rising inflation before the stimulatory sugar rush wears off in 2021, with inflation underperforming until 2024. Therefore, the positive numbers we have seen in the employment and inflation space recently have been 'looked through' by the RBNZ, and they will wait for sustainable levels in its mandate before changing its stance on interest rates.

The February MPS implied that short term rates are not going anywhere until sustainable levels of inflation and employment are reached, which is, based off the RBNZ forecasts, sometime in 2024. However, the long end of the yield curve is at the mercy of international bond market and has continued its strong upwards rally as the 10 year swap rate reached 2.19%, a level not seen since June 2019.

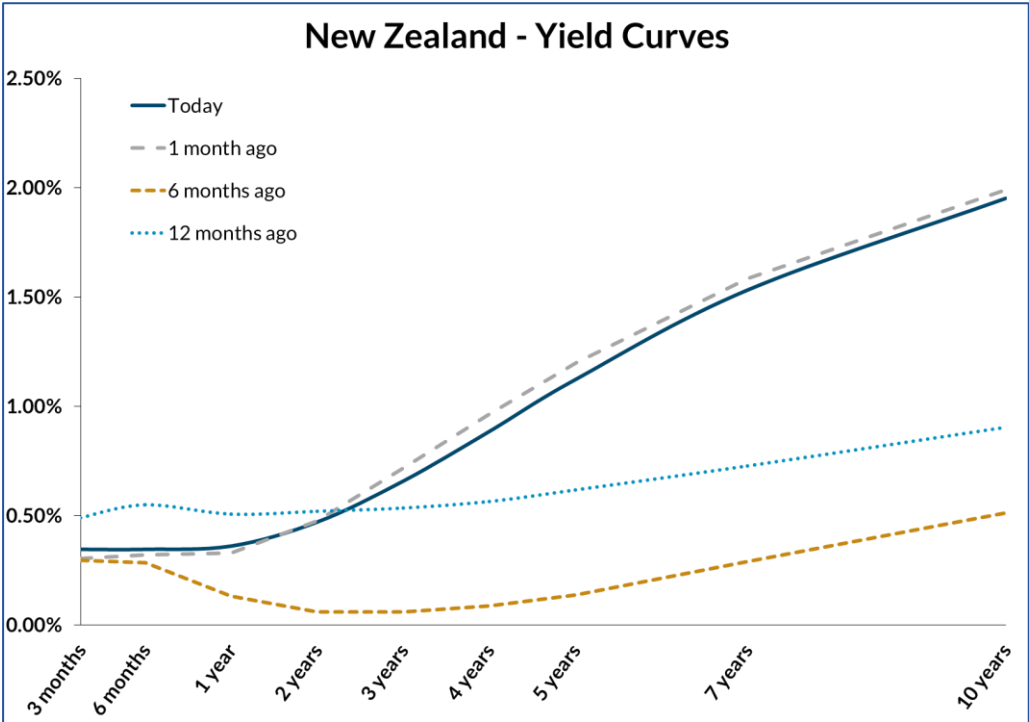
Ultimately, central banks are not playing into the markets hands and are happy to let the market, in our opinion, get carried away. At some stage, central banks will start to upgrade their CPI and interest rate expectations, or bond markets will have to self-correct. It is interesting to note that, while the Fed, RBA and RBNZ are expecting an uplift in inflation in the coming months, all of them are expecting a correction later in the year. From the RBNZ's perspective, even at its most aggressive, they only anticipate inflation reaching 2.5%, which is hardly overshooting its 1.0%-3.0% band.

The December quarter GDP showed a surprising 1.0% drop in economic activity during the quarter to give an annual fall of 0.9%. At the industry level, seven out of sixteen industries declined. The two largest contributors to the drop were construction, retail trade and accommodation. Both industries saw strong September 2020 quarter results. Falls in construction services, commercial building, and infrastructure were partially offset by continued growth in residential building activity.

Markets were ignited when the Government announced a series of measures aimed at diluting the housing market squeeze by targeting investors. These included the extension of the Bright-line test from 5 to 10 years, and the 4-year phase out of interest deductibility on investment properties. However, while investors are just one contributing factor, the domestic market remains short 80,000 houses, and this is the issue that will ultimately need to be resolved.

These changes knocked the fixed income and currency markets, with the perception that a reduction in investor activity in the housing market will ultimately reduce the need for the RBNZ to lift interest rates. This saw the futures market reduce the pricing of a 25 bps hike in July 2022 from 100% to 60%, while the belly of the swaps curve, the 4 and 5 year rates, immediately fell 8 points. The 10-year swap rate, which topped out at 2.19% at the end of February, fell to a low of 1.72%, but has since climbed and finished the quarter at 1.91%. In amongst this, with long-end yields starting to grind higher, and the domestic financial system awash with cash, it has been a little surprising to see 3-month BKBM firm to 0.35%.

The following chart shows the changes in the shape of the yield curve over the past year, with the change most pronounced over the last six months.



1.3 LOCAL AUTHORITY SECTOR

Listed on the following page are the credit spreads and applicable interest rates for Commercial Paper (“CP”), Floating Rate Notes (“FRN”) and Fixed Rate Bonds (“FRB”), at which Ashburton District Council (“ADC”) could source debt from the Local Government Funding Agency (“LGFA”).

Maturity	Margin	FRN (or CP) Rate	FRB
3 month CP	0.20%	0.55%	N/A
6 month CP	0.20%	0.55%	N/A
May 2021	0.22%	0.57%	0.53%
April 2022	0.28%	0.63%	0.63%
April 2023	0.30%	0.65%	0.74%
April 2024	0.36%	0.71%	0.99%
April 2025	0.41%	0.76%	1.26%
April 2026	0.46%	0.81%	1.56%
April 2027	0.54%	0.89%	1.79%
April 2029	0.55%	0.90%	2.25%
April 2033	0.70%	1.05%	2.76%
April 2037	0.74%	1.09%	3.15%

Margins for LGFA debt decreased over the March quarter with markets awash with cash. The decrease in floating rate debt has been offset by an increase in the 3 month BKBM rate to 0.35%. However, there have been sharp increases in the yields for fixed rate bonds, especially at the longer end of the curve with the 2029 yield up from 1.49% to 2.25%, the 2033 up from 1.92% to 2.76% and the 2037 up from 2.35% to 3.15%.

2. FIXED INTEREST AND TERM DEPOSIT PORTFOLIOS

2.1 FIXED INTEREST PORTFOLIO

As at 31 March, ADC's Fixed Interest Portfolio ("FIP") had a nominal value of \$2,000,000 and a market value of \$2,105,636. The FIP consisted of two separate FRBs, each with a nominal value of \$1,000,000. During the March quarter, there were no maturities in the FIP. The makeup of the FIP as at 31 March, including its valuation, is shown in the following table.

Ashburton District Council				31-Mar-21		
Security	Rating	Maturity Date	Coupon (%)	Nominal	Yield (%)	Value
ASB	AA-	26-May-21	4.25	\$1,000,000	0.36	\$1,020,686
BNZ	AA-	15-Jun-23	4.10	\$1,000,000	0.76	\$1,084,950
				<u>\$2,000,000</u>		<u>\$2,105,636</u>

2.2 TERM DEPOSITS

As at 31 March, ADC had one Term Deposit with Westpac for \$15.0 million for 269 days maturing on 17 May 2021 at a rate of 1.46%. This TD relates to the pre-funding of the \$15.0 million of LGFA May 2021 debt. The funding and associated investing transactions will produce a gain of approximately \$59,000.

The table below details the yields as at 31 March for various corporate bonds rated 'BBB+' or better by S&P Global Ratings, in which ADC would be able to invest under its existing Investment Policy.

Security	Maturity	Coupon	Rating	Yield
Chch Airport	04-Oct-21	6.25%	BBB +	0.95%
Spark Finance	25-Mar-22	4.50%	A-	0.64%
Bank of China (NZ)	17-Oct-22	4.09%	A	0.91%
Genesis	08/-Mar-23	5.81%	BBB +	1.09%
BNZ	16-Nov-23	3.65%	AA-	0.85%
Chch City Holdings	27-Nov-24	3.58%	AA-	1.26%
Auckland Council	24-Mar-25	4.18%	AA	1.19%
Fonterra	14-Nov-25	4.13%	A-	1.75%
Housing NZ	05-Oct-26	2.25%	AA+	1.50%

Only two of the bonds in the above table have higher yields than the current TD at 1.46%, however this TD was invested in a previous quarter when TD rates were higher. During the March quarter TD rates for terms around 270 days to 365 days were circa 1.00%, which is lower than a number of the bonds in the table. However, investing in bonds during the quarter would have exposed ADC to revaluation losses. This is evidenced by the negative performance of the S&P/NZX Investment Grade Corporate Bond Index which returned minus 1.95% for the quarter.

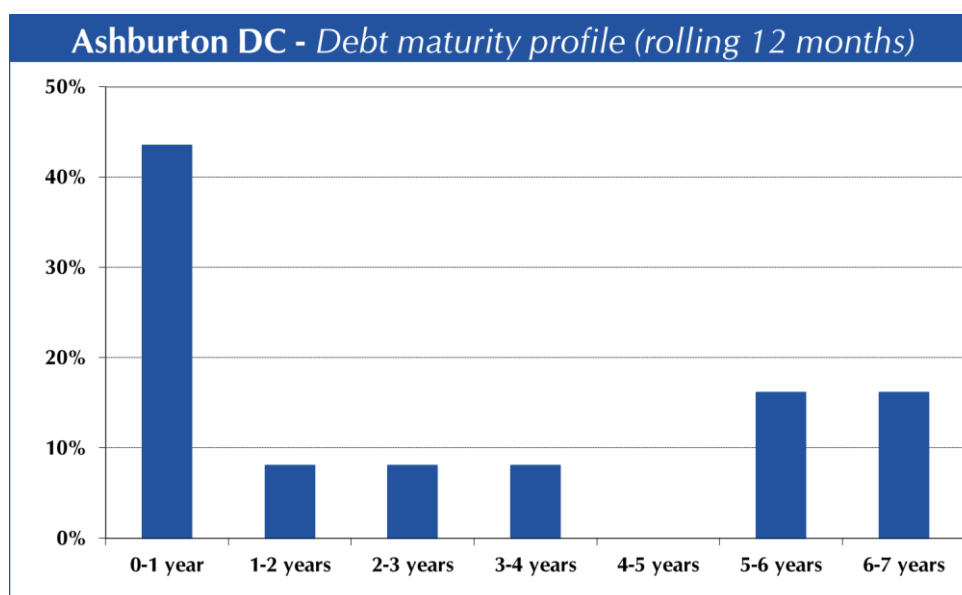
3. DEBT AND HEDGING PROFILES

As at 31 March, ADC had total external debt of \$62.0 million. The debt, all of which was sourced from the LGFA, is detailed in the table below.

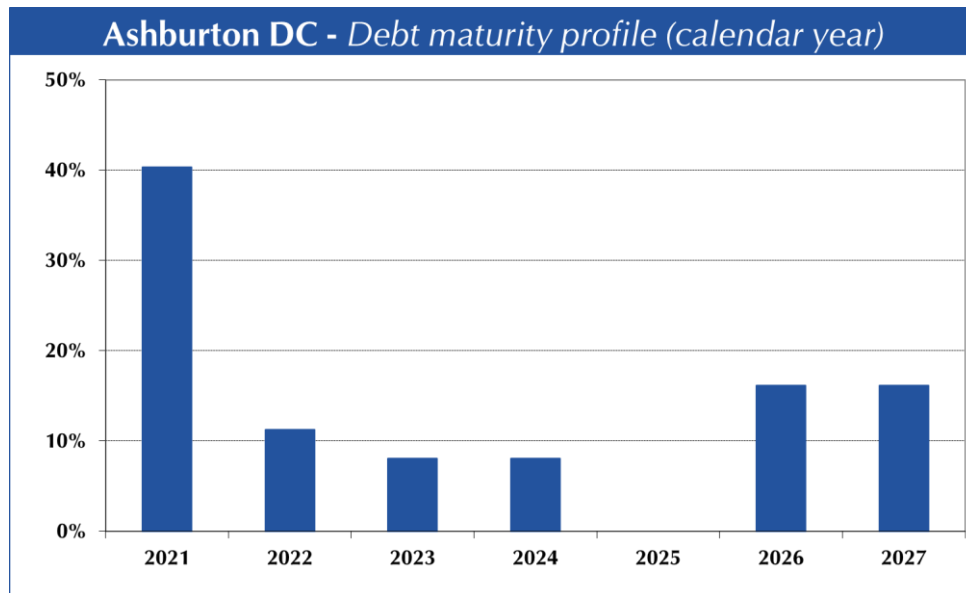
Instrument	Maturity	Rate	Margin	Amount
LGFA CP	19-Apr-21	0.4967%	20 bps	\$10,000,000
LGFA FRB	15-May-21	4.56%	78 bps	\$10,000,000
LGFA FRB	15-May-21	5.60%	75 bps	\$5,000,000
LGFA FRN	17-Jan-22	0.8050%	52 bps	\$2,000,000
LGFA FRN	14-Apr-22	0.8650%	59 bps	\$5,000,000
LGFA FRN	15-Apr-23	0.92%	64 bps	\$5,000,000
LGFA FRN	15-Apr-24	0.83%	55 bps	\$5,000,000
LGFA FRN	15-Apr-26	0.91%	63 bps	\$10,000,000
LGFA FRB	15-Apr-27	1.23%	76 bps	\$5,000,000
LGFA FRB	15-Apr-27	0.97%	69 bps	\$5,000,000
			TOTAL	\$62,000,000

ADC has a committed bank facility from Westpac Bank ("Westpac") for \$2.0 million, with a line fee of 0.30%, a margin of 1.15% and a maturity of 30 June 2021. As at 31 March, ADC had no drawings under the Westpac facility.

ADC's debt maturity profile incorporating all its debt (excluding the bank facility) is depicted in the following graph. ADC's funding maturity profile complies with the guideline in the Liability Management Policy ("LMP"), that states "To avoid a concentration of debt maturity dates, where practicable no more than 50% of total debt can be refinanced in any rolling 12 month period." As at 31 March ADC was complying with this guideline. The spread of maturities will be increased in the June quarter when additional debt is acquired.



The debt maturity profile based on calendar years is depicted in the following graph. The graph shows a spread of maturities between 2021 and 2027.



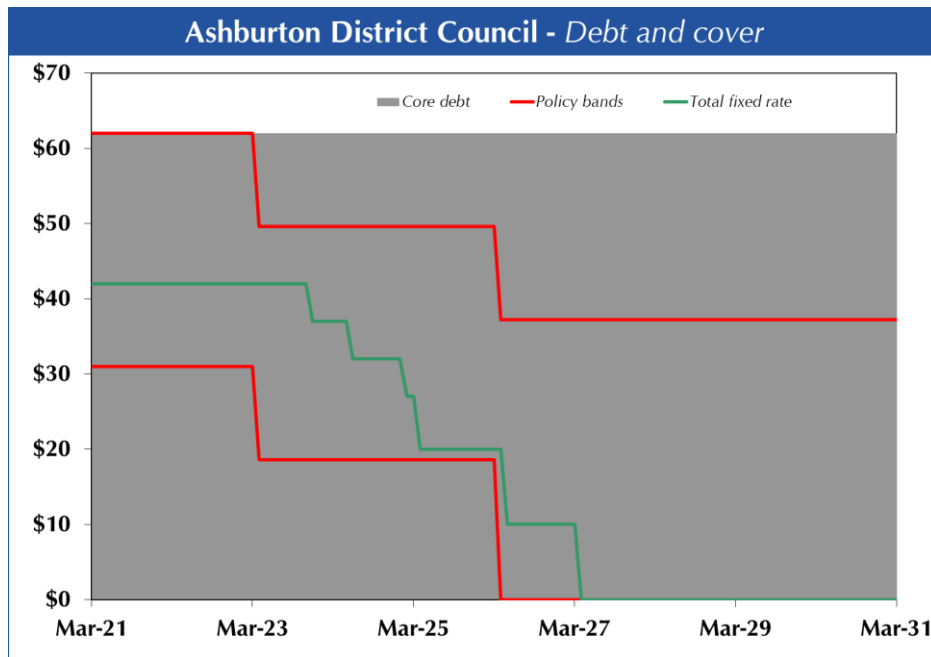
As at 31 March, ADC had four interest rate swaps, two of which are current and two forward starting, details as follows:

Start Date	Maturity Date	Rate	Amount
28-Jun-16	28-Dec-23	3.495%	\$5,000,000
30-Jun-15	28-Jun-24	4.305%	\$5,000,000
17-May-21	15-Feb-25	3.83%	\$5,000,000
17-May-21	15-May-26	2.85%	\$10,000,000
		TOTAL	\$25,000,000

To manage its interest rate exposures, ADC's LMP incorporates fixed rate hedging percentages that specify the minimum and maximum amount of fixed rate cover to which ADC shall adhere. These parameters are as follows:

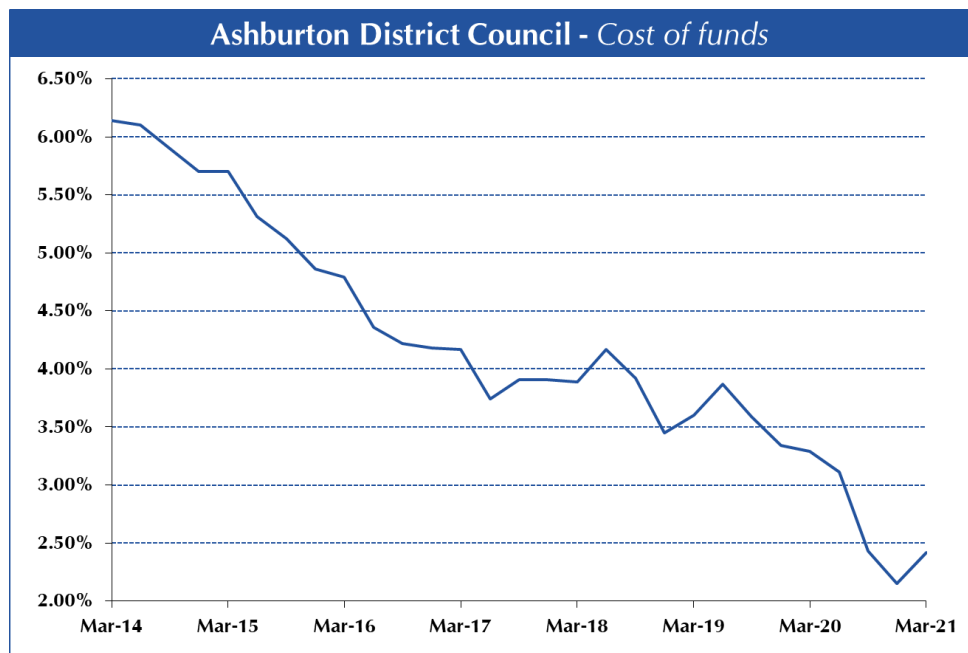
Fixed Rate Hedging Percentages		
	Minimum Fixed Rate	Maximum Fixed Rate
0–2 years	50%	100%
2–5 years	30%	80%
5–10 years	0%	50%

ADC's hedging profile as at 31 March, incorporating the swaps and the FRBs on issue, is depicted in the graph on the following page. The graph shows that as at 31 March, ADC was policy compliant.



As at 31 March, ADC's weighted average cost of funds, including the line fee on the \$2.0 million Westpac facility, was 2.42%, up from 2.15% as at 31 December. The reason for the increase in the cost of funds was due to the decline in the debt level to \$62.0 million, with a \$10.0 million tranche of CP at 0.45% not being refinanced. The cost of funds will decline when additional funding is acquired during the June 2021 quarter.

ADC's cost of funds remains lower than a large majority of its peers in the local government sector, which indicates the success of its funding and interest rate risk management programme over the last several years. The cost of funds going back to March 2014 is depicted in the following graph.



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