

Ashburton District Council

AGENDA

Notice of Meeting:

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

Date: Thursday 24 September 2020

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
1.20pm	Waitaha PHO – Georgie McLeod
1.50pm	Experience Mid Canterbury - Board Member Gary Lee ChChNZ - Loren Heaphy (GM Destination & Attractions) and Bruce Moffat (Marketing Manager, Mid Canterbury)
2.50pm	Welcome to new and long-serving staff

1 Apologies

- Cr John Falloon

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

4	Council – 13/08/20	4
5	Council (Extraordinary) – 27/08/20	10
6	Council (Extraordinary) – 10/09/20	13
7	Community Services Committee – 27/08/20	15
	- <i>Recommendation – Ashburton Domain vehicle access</i>	
	- <i>Recommendation – Festive lighting</i>	
8	Environmental Services Committee – 27/08/20	17
9	Infrastructure Services Committee – 27/08/20	19
	- <i>Recommendation – Wastewater pipeline, Main St, Methven</i>	
	- <i>Recommendation – Lower Hakatere Huts water servicing</i>	
10	Audit, Risk & Finance Committee – 3/09/20	21
	- <i>Recommendations – Development contribution postponement requests</i>	
	- <i>Recommendation – Carry-over of funding from 2019/20 to 2020/21</i>	
11	Town Centre Subcommittee – 17/09/20	23
12	Creative Communities Grants Assessment – 13/09/20	25
13	Methven Community Board – 17/08/20	27

Reports

14	Experience Mid Canterbury Quarterly Report	29
15	Development & Financial Contributions Policy 2020	36
16	Revenue & Funding Policy 2020	77
17	Section 17A Review of Open Spaces	121
18	Ashburton Zone Water Management Committee	133

19	Three Waters Stimulus Funding – delivery plan	140
20	Hekeao/Hinds Water Enhancement Trust –managed aquifer recharge project	152
21	Offer to acquire Ealing Hall	168
22	Reserve and Hall Boards – triennial meetings	178
23	Ashburton East-West Connectivity – Draft detailed business case (2 nd urban bridge)]	181
24	Ashton Beach Motorbike Track Feasibility	186
25	Community Grants and Funding (Round 2)	193
26	Mayor’s Report	196

Business Transacted with the Public Excluded

27	Council – 13/08/20	203
	<ul style="list-style-type: none"> Ashburton Housing Support Trust Reserve revocation & land disposal Leasing options on Council land Museum operations 	<p>Section 7(2)(h) Commercial activities</p> <p>Section 7(2)(h) Commercial activities</p> <p>Section 7(2)(h) Commercial activities</p> <p>Sections 7(2)(h) & (a) Commercial activities and Protection of privacy of natural persons</p>
	[Now in open meeting]	
	<ul style="list-style-type: none"> Waireka Croquet Club loan Internal/external borrowing Tender for removal of ex-i-Site building Reserve revocation (cl.1) Leasing options on Council land 	
28	Council (extraordinary) – 27/08/20	207
	<ul style="list-style-type: none"> People & Capability annual report 	Section 7(2)(a) Protection of privacy of natural persons
29	Council (extraordinary) – 10/09/20	208
	[Now in open meeting]	
	<ul style="list-style-type: none"> Contract ROAD0144 - road network maintenance & operations 2020-25 Contract ROAD 0145 – road resurfacing, Ashburton district 2020-22 	
30	Community Services Committee – 27/08/20	209
	<ul style="list-style-type: none"> C-19 Economic Recovery Advisory Group 	Section 7(2)(h) Commercial activities
31	Environmental Services Committee – 27/08/20	210
	Enforcement action	Section 7(2)(g) Maintain legal professional privilege
32	Audit, Risk & Finance Committee – 3/09/20	211
	<ul style="list-style-type: none"> Cyber security Health & Safety report Eastfelds Precinct joint venture 	
33	Contract WWAT0176 Standing Grass Removal – Ocean Farm	212
	Section 7(2)(h) Commercial activities	
34	Request to Purchase Glasgow Lease Improvements	216
	Section 7(2)(h) Commercial activities	
35	Ashburton Contracting Ltd Director Appointment	224
	Section 7(2)(a) Protection of privacy of natural persons	
36	Executive Committee – 2/09/20	228
	Section 7(2)(a) Protection privacy natural persons	

18 September 2020

4. Council Minutes – 13 August 2020

Minutes of the Council meeting held on Thursday 13 August 2020, commencing at 1.00pm, in the Council Chamber, 137 Havelock Street, Ashburton.

Present

His Worship the Mayor, Neil Brown; Councillors Leen Braam, Carolyn Cameron, John Falloon, Rodger Letham, Lynette Lovett, Angus McKay, Liz McMillan (via Zoom), Diane Rawlinson and Stuart Wilson.

In attendance

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

Staff present for the duration of their reports: Andrew Guthrie (Assets Manager), Brian Fauth (Roading Manager), Martin Lo (Graduate Engineer), Richard Mabon (Senior Policy Advisor), Bevan Rickerby (Economic Development Manager), Colin Windleborn (Commercial Manager), Tania Paddock (Legal Counsel).

MCB Chairman, Dan McLaughlin attended.

Presentations

- Key Research – 1.30pm
- Ashburton Housing & Support Trust – 3.30pm

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 (supplementary to item 9):

- Rates remission policy – results of consultation

Lovett/Braam

Carried

3 Declarations of Interest

Nil.

4 Confirmation of Minutes – 25/06/20

That the minutes of the Council meeting held on 25 June 2020, be taken as read and confirmed.

Cameron/Lovett

Carried

5 Confirmation of Minutes – 30/07/20

That the minutes of the Extraordinary Council meeting held on 30 July 2020, be taken as read and confirmed.

Braam/Cameron

Carried

6 Environmental Services Committee – 9/07/20

That the minutes of the Environmental Services Committee meeting held on 9 July 2020, be received.

Braam/Rawlinson

Carried

7 Community Services Committee – 9/07/20

That the minutes of the Community Services Committee meeting held on 9 July 2020, be received.

Cameron/Braam

Carried

8 Infrastructure Services Committee – 9/07/20

That the minutes of the Infrastructure Services Committee meeting held on 9 July 2020, be received.

Wilson/Rawlinson

Carried

- **District speed review**

1. **That** Council adopts the speed limit changes as shown in the appended speed limit maps (Appendix 1).
2. **That** Council amends the Transportation Bylaw, as per the maps contained within Appendix 1, and this is publically notified.

Wilson/Lovett

Carried

The Roding Manager reported that central government have indicated they want a 30km/hour restriction past urban schools and 60km/hour past rural schools. This direction is yet to be confirmed by NZTA and would be the subject of a further report to Council. There is still discussion to be had with the schools on where signs will go, and whether variable signs will be used.

Council agreed that with uncertainty around the central government timeline, Council's recommendation to set a 40km/hour limit past urban schools should proceed.

That Council develops the placement of the school zone speed limits with schools and stakeholders, with speed limits outside rural schools set at 60 km/h, and 40 km/h outside urban schools.

Cameron/Braam

Carried

That Council installs variable speed limit signs outside schools.

Falloon/Lovett

Carried

That Council retains the speed limit along the Arundel Rakaia Gorge Road at Mount Somers, between Hoods Road and Ashburton Gorge Road, at 100 kilometres per hour; and that officers be directed to investigate road treatment options with the Mount Somers Citizen Association.

Falloon/Rawlinson

Carried

9 Audit, Risk & Finance Committee – 9/07/20

That the minutes of the Audit, Risk & Finance Committee meeting held on 9 July 2020, be received.

Braam/Falloon

Carried

- **Ashburton hospital helipad**

That the item of business being discussed be adjourned to the Extraordinary Council meeting on 27 August 2020.

Cameron/Braam

Carried

Extraordinary Business

- **Rates remission policy – supplementary report**

The Strategy & Policy Manager reported that targeted consultation has been undertaken with 27 stakeholder organisations and the wider community. There were no responses and the recommendation to amend the Rates Remission Policy remains.

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

2. **That** Council amends the criteria and process in the Rates Remission Policy for 2020-21 only, for penalty write-offs for instalment 1-4 of the 2020-21 rates, specifically;

2.1 **That** Council waives the restriction to allow for penalty waivers to be applied if applicants have already received a waiver in the past 24 months, with the maximum number of write-offs available being for the rates instalments 1-4 in the 2020-21 rating year.

McKay/Lovett

Carried

10 Methven Community Board

That the minutes of the Methven Community Board meeting held on 29 June 2020, be received.

McMillan/Letham

Carried

- **Discretionary grant applications**

That the Methven Community Board's unspent discretionary funds be carried over in the 2020/21 financial year.

Letham/Falloon

Carried

11 Annual Residents' Survey 2019-20

Michael Hooker from Key Research presented the results of the annual residents' survey.

- 950 responses (23% response rate which is fairly standard)
- Data collected in four separate periods – Sept / Dec 2019 and Mar / Jun 2020
- Overall satisfaction has dropped to about where it was in 2018
- Top performing areas – cemeteries, public library, emergency management, grants and funding, domain
- Improvements over past 12 months - advocacy, arts and culture, economic development, museum and social services
- Roading is the most significant area of dissatisfaction
- Satisfaction with rates spend is right on target
- Satisfaction with EA Networks Centre is above target
- Overall performance measure has declined potentially due to low levels of satisfaction with roading network
- Possibly a more engaged/considered sample (a more critical audience)
- 15 of 18 LTP measures are met or exceeded – good news
- Importantly residents are saying that Ashburton is a good place to live.

That Council receives the 2019/20 Annual Residents' Survey report.

McKay/Falloon

Carried

12 EA Networks Centre electric vehicle (EV) charging stations

1. **That** Council approves the granting of a right to convey electricity easement in favour of Electricity Ashburton Limited (trading as EA Networks) over Lot 2 Deposited Plan 2894 (as contained within Record of Title CB257/195) for the purposes of an electric vehicle charging station and associated infrastructure, subject to section 48 of the Reserves Act 1977 ("the Methven Easement").

2. **That** Council agrees that notification of the intention to grant the Methven Easement is not required, as the statutory test in section 48(3) of the Reserves Act 1977 is met, for reasons set out in the report.
3. **That** Council exercises the authority delegated to administering bodies by the Minister of Conservation for the granting of the Methven Easement over reserve land.
4. **That** Council approves the granting of a right to convey electricity easement in favour of Electricity Ashburton Limited (trading as EA Networks) over Lot 3 Deposited Plan 55869 (as contained within Record of Title CB33B/384) for the purposes of an electric vehicle charging station and associated infrastructure.

Braam/Falloon

Carried

13 Ashburton Car Club – Standing Quarter Mile Sprint

That Council permits Winslow Willowby Road to be closed from 9.00am until 5.00pm on Saturday 29 August 2020 to allow the Standing Quarter Mile Sprint to be held:

Winslow Willowby Road, from Longbeach Road intersection to approximately 500 metres from the intersection with State Highway 1.

McKay/Wilson

Carried

14 Mayor's Report

That Council receives the Mayor's report.

Mayor/Braam

Carried

- **Mayor's diary**

The event scheduled on 12 August in Timaru was cancelled, due to the unavailability of the Prime Minister.

Business transacted with the public excluded – 2.16pm

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 25/06/20	Section 7(2)(h)	Commercial activities
16	Extraordinary Council 30/06/20	Section 7(2)(h)	Commercial activities
17	Community Services Committee 9/07/20	Section 7(2)(h)	Commercial activities
18	Infrastructure Services Committee 9/07/20	Section 7(2)(h)	Commercial activities
19	Audit, Risk & Finance Committee 3/09/20	Section 7(2)(h)	Commercial activities
21	Award tender for removal of exi-Site building	Section 7(2)(h)	Commercial activities

Falloon/McKay

Carried

Welcome to new and long-serving staff

The Manager People & Capability introduced new staff – Mel Neumann (Graduate Policy Advisor), Angelica McCormick (Aquatics Manager) and Angus Heard (Gym Instructor).

Council acknowledged the long service of Nicky Farrell (Senior Librarian – 40 years), Robyn Brake (Customer Services Officer – 10 years), Amanda Watson (Customer Services Team Leader – 5 years), Bert Hofmans (Open Spaces Planner – 5 years) and Rhonda Stirling (Customer Services Officer) who is retiring after 14 years).

Council adjourned for afternoon tea from 3pm to 3.18pm.

Business transacted with the public excluded – 3.18pm

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:	
20	Elderly Persons Housing & Ashburton Housing Support Trust	Section 7(2)(h)	Commercial activities
22	Reserve revocation and land disposal	Section 7(2)(h)	Commercial activities
23	Leasing options on Council land	Section 7(2)(h)	Commercial activities
24	Museum operations	Sections 7(2)(a) & (h)	Commercial activities, and protection of privacy of natural persons

That representatives of the Ashburton Housing Support Trust be in attendance for the duration of their presentation (3.30pm-3.57pm).

Mayor/Wilson

Carried

Business transacted with the public excluded now in open meeting

- **Waireka Croquet Club loan**

That Council grants the Waireka Croquet Club a one-off discretionary grant of \$10,000 towards the purchase of the second-hand lawn mower, construction of the shed and installation of the security cameras. This funding is conditional on the Club receiving approval for the location of the building with Council's Commercial Property, Open Spaces and Building teams.

McKay/Lovett

Carried

- **Internal/External Borrowing**

1. **That** Council confirms the conversion of internal debt to external debt subject to being able to borrow from the Local Government Funding Agency.
2. **That** Council uplifts the 2020/21 debt requirement ahead of the project funding requirements.
3. **That** Council replaces long term debt level number two "Net interest costs to be less than 25% of total rates revenue" with "net interest costs to be less than 30% of total rates revenue."
4. **That** Council removes long term debt level limit number three being "Net debt shall not exceed 175% of total revenue".

Falloon/Mayor

Carried

- **Tender for removal of ex i-Site building**

That Council accepts the offer for the purchase and removal of the former i-Site building from Mid Canterbury Aero Club of \$1,000 and provide a loan to the Club for the removal of the building of up to \$150,000 to be repaid on terms to be agreed upon.

McKay/Braam

Carried

A show of hands gave 8 for and 2 against the motion

- **Reserve revocation**

That in exercise of the powers conferred on it by Section 24 of the Reserves Act 1977, Council resolves that the land held by Council as a recreation reserve described in the Schedule is surplus to requirements as it is no longer being used for its classification as recreation reserve and as the land serves no other reserve purpose and further that the Council requests that the Minister of Conservation revokes the reservation over the land.

Falloon/Cameron

Carried

- **Options for leasing Council land**

That any lease of Council's South Street property includes a restraint of trade prohibiting the maintenance or compliance testing of vehicles at that property.

Falloon/McKay

Carried

The meeting concluded at 4.20pm.

Confirmed 24 September 2020

MAYOR

Council – Extraordinary Meeting

27 August 2020



5. Extraordinary Council Meeting – 27/08/20

Minutes of the Extraordinary Council meeting held on Thursday 27 August 2020, commencing at 12.02pm, in the Council Chamber, 137 Havelock Street, Ashburton.

Present

His Worship the Mayor, Neil Brown; Councillors Leen Braam, Carolyn Cameron, John Falloon, Rodger Letham, Lynette Lovett, Angus McKay, Liz McMillan, Diane Rawlinson and Stuart Wilson.

In attendance

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

Presentation

Athfield Architects and The Logic Group (12pm–1.06pm)

1 Apologies

Nil.

2 Extraordinary Business

Nil.

3 Declarations of Interest

Nil.

4 Ashburton Library & Civic Centre – approval of final design

The Mayor reported that the Library & Civic Centre Project Control Group met this morning where Trevor Watt (Athfields) and Shaun Pont (The Logic Group) presented the detailed design of the new Library & Civic Centre project.

The PCG is recommending that Council adopts the final detailed design.

Information on the design, and the fly-throughs will be included on Council's website, subject to approval being reached today.

That Council adopts the detailed design and recommends this design as the basis on which to proceed to the construction tender phase of the Ashburton Library and Civic Centre project.

McMillan/Brown

Carried

Trevor and Shaun left the meeting at 1.06pm.

5 Three Waters service delivery reform / stimulus programme

1. That Council notes that:

- a) in July 2020, the Government announced an initial funding package of \$761 million to provide a post COVID-19 stimulus to maintain and improve water networks infrastructure, and to support a three-year programme of reform of local government water services delivery arrangements; and
- b) initial funding will be made available to those councils that agree to participate in the initial stage of the reform programme, through a Memorandum of Understanding (MoU), Funding Agreement, and approved Delivery Plan.
- c) this initial funding will be provided in two parts: a direct allocation to individual territorial authorities, and a regional allocation. The participating individual authorities in each region will need to agree an approach to distributing the regional allocation
- d) the Steering Committee has recommended a preferred approach to the allocation of regional funding, being the same formula as was used to determine the direct allocations to territorial authorities.

2. That Council agrees to sign the MoU at **Appendix A** and Funding Agreement at **Appendix B**.

3. That Council agrees to nominate Hamish Riach, the Chief Executive of the Council, as the primary point of communication for the purposes of the MoU and reform programme – as referred to on page 6 of the MoU.

4. That Council notes that participation by two-thirds of territorial authorities within the Canterbury region is required to access the regional allocation

5. That Council notes that the MoU and Funding Agreement cannot be amended or modified by either party, and doing so would void these documents.

6. That Council notes that participation in this initial stage is to be undertaken in good faith, but this is a non-binding approach, and the Council can opt out of the reform process at the end of the term of the agreement (as provided for on page 5 of the MoU).

7. That Council notes that the Ashburton District Council has been allocated \$4 million of funding, which will be received as a grant as soon as practicable once the signed MoU and Funding Agreement are returned to the Department of Internal Affairs, and a Delivery Plan has been supplied and approved (as described on page 5 of the MoU).

8. That Council notes that the Delivery Plan must show that the funding is to be applied to operating and/or capital expenditure relating to three waters infrastructure and service delivery, and which:

- a) supports economic recovery through job creation; and
- b) maintains, increases, and/or accelerates investment in core water infrastructure renewal and maintenance.

Falloon/Braam

Carried

6 Ashburton Hospital helipad – additional information

That Council uplifts the matter adjourned on 13 August 2020.

Mayor/McMillan

Carried

Council received a supplementary report and maps identifying the flight restricted and ‘no-fly’ zones in the vicinity of the Ashburton hospital helipad.

The helipad is within the CAA 4km flight restriction area and further restrictions exist within the vicinity of the Ashburton Domain.

That Council:

1. Grants approval for GCH Aviation and Helicopters Otago to implement Instrumental Flight Rules (IFR) approach operations to Ashburton Hospital Helipad; and
2. Authorises the helipad be published in the New Zealand Aeronautical Information Publication (NZ AIP) as an established pad.
3. Adopts and promotes a 'no fly zone' on the Ashburton Domain sports field area west of the tree belt (identified in red in Map 2) with flights only possible with specific approval from the helipad operator (CDHB and GCH Aviation).

Braam/Cameron

Carried

Business transacted with the public excluded – 1.31pm

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	People & Capability annual report	Section 7(2)(a)	Protection of privacy of natural persons

McMillan/Rawlinson

Carried

Council adjourned from 1.31pm to 1.55pm.

The meeting concluded at 2.12pm.

Confirmed 24 September 2020

MAYOR

Council – Extraordinary Meeting

10 September 2020



6. Extraordinary Council Meeting – 10/09/20

Minutes of the Extraordinary Council meeting held on Thursday 10 September 2020, commencing at 11.45am, in the Council Chamber, 137 Havelock Street, Ashburton.

Present

His Worship the Mayor, Neil Brown; Councillors Leen Braam, Carolyn Cameron, John Falloon, Rodger Letham, Lynette Lovett, Angus McKay, Liz McMillan, Diane Rawlinson and Stuart Wilson.

In attendance

Hamish Riach (Chief Executive), Paul Brake (GM Business Support), Neil McCann (GM Infrastructure Services), Brian Fauth, Hernando Marilla (Roading Engineer-North), Jeremy Lambert (Roading Engineer-South) and Phillipa Clark (Governance Team Leader).

1 Apologies

Nil.

2 Extraordinary Business

Nil.

3 Declarations of Interest

Nil.

Business transacted with the public excluded – 11.45am

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:	
4	Contract ROAD0144 – road network maintenance & operations 2020-25	Section 7(2)(h)	Commercial activities
5	Contract ROAD0145 – road resurfacing, Ashburton district 2020-22	Section 7(2)(h)	Commercial activities

Braam/Lovett

Carried

Business transacted with the public excluded now in open meeting

- Contract ROAD0144 – Road Network Maintenance and Operations 2020-2025**

That Council accepts the tender from HEB Construction for the contract ROAD0144 Road Network Maintenance and Operations 2020-2025 and awards the contract for \$29,932,508.44.

Wilson/McMillan

Carried

Cr McKay recorded his abstention.

Cr Cameron recorded her vote against the motion

Contract ROAD0145 – Road Resurfacing Ashburton District 2020-2022 tender award

That Council accepts the tender from Ashburton Contracting Limited for the contract ROAD0145 Road Resurfacing Ashburton District 2020-2022 and awards the contract for \$6,033,404.40.

Cameron/Rawlinson

Carried

The meeting concluded at 12.34pm.

Confirmed 24 September 2020

MAYOR

7. Community Services Committee 27/08/20

Minutes of the Community Services Committee meeting held on Thursday 27 August 2020, commencing at 2:17pm, in the Council Chamber, 137 Havelock Street, Ashburton.

Present

His Worship the Mayor, Neil Brown; Councillors Angus McKay (Chair), Carolyn Cameron, Leen Braam, Lynette Lovett and Diane Rawlinson.

Also present:

Councillors Liz McMillan, and Stuart Wilson.

In attendance

Hamish Riach (Chief Executive), Steve Fabish (GM Community Services), Jane Donaldson (GM Strategy & Compliance), Rick Catchpole (Environmental Monitoring Manager), Paul Wilson (Acting Open Spaces Manager), Bevan Rickerby (Economic Development Manager) and Aisling O'Reilly (Governance Officer).

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:

- Kiwi Rail Land

McKay/Rawlinson

Carried

3 Declarations of Interest

Nil.

4 Confirmation of Minutes

That the minutes of the Community Services Committee meeting held on 9 July 2020, be taken as read and confirmed.

Rawlinson/Cameron

Carried

5 Biodiversity Advisory Group

Cr Lovett requested that officers' full names are written in the minutes in future.

That the minutes of the Biodiversity Advisory Group meeting held on 4 August 2020, be received.

Lovett/Rawlinson

Carried

6 Ashburton Youth Council

That minutes of the Ashburton Youth Council meeting held on 5 August and 1 July 2020, be received.

Rawlinson/Lovett

Carried

7 Covid-19 Pandemic Plan and Welfare Recovery

That the Covid-19 Pandemic Recovery Plan and welfare recovery update be received.

Cameron/Rawlinson

Carried

It was noted that a report would be brought to the Committee on how much Council are spending locally since level 4 lockdown.

8 Ashburton Domain vehicle access

Recommendation to Council

That the Ashburton Domain entrance at 337 West Street be closed to vehicles from 11pm to 6am year round.

Cameron/Braam

Carried

9 Festive lighting

Recommendation to Council

1. **That** Council agrees the fairy lights shall remain in the trees along the west side of East Street, from Cameron Street to Moore Street, on a permanent basis with an annual "health check"; and
2. **That** if turned on for every night of the year, it be for a 12 month trial period, after which staff report back to Council on the cost, impact on the trees and community feedback. At that stage Council will provide direction on the future arrangements for this activity.

Cameron/Rawlinson

Carried

10 Community Services end of year performance report

That the Community Services end of year non-financial performance report be received.

McKay/Rawlinson

Carried

Extraordinary Business

Kiwi Rail Land

In response to Councillors' concern about the state of railway land, Paul Wilson reported that he has been in discussion with Kiwi Rail. Costs have been identified for maintenance and improvements per year. A report will be brought to the Committee.

Business transacted with the public excluded 2:53pm

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:	
11	Minutes 9/07/20	Section 7(2)(h)	Commercial activities
12	Covid-19 Economic Recovery Advisory Group 5/08/20	Section 7(2)(h)	Commercial activities

McKay/Rawlinson

Carried

The meeting concluded at 2:56pm.

8. Environmental Services Committee 27/08/20

Minutes of the Environmental Services Committee meeting held on Thursday 27 August 2020, commencing at 3.00pm, in the Council Chamber, 137 Havelock Street, Ashburton.

Present

His Worship the Mayor, Neil Brown; Councillors Diane Rawlinson (Chair), Carolyn Cameron, Rodger Letham, Lynette Lovett and Angus McKay.

Also present:

Councillors Liz McMillan, Stuart Wilson and Leen Braam.

In attendance

Hamish Riach (Chief Executive), Jane Donaldson (GM Strategy & Compliance), Ruben Garcia (Communications Manager) and Carol McAtamney (Governance Officer).

Officers in attendance for the duration of their reports: Ian Hyde (Planning Manager), Rick Catchpole (Environmental Monitoring Manager), Michael Wong (Building Services Manager) and Craig Goodwin (Waste Recovery Manager).

1 Apologies

Nil.

2 Extraordinary Business

Nil.

3 Declarations of Interest

Nil.

4 Confirmation of Minutes

That the minutes of the Environmental Services Committee meeting held on 9 July 2020, be taken as read and confirmed.

Letham/Cameron

Carried

5 Dog Control Policy and Practices Report

1. That the report be received

2. That the report be notified in a prominent local paper

3. That the report be sent to the Secretary for Local Government within one month of adoption.

Letham/Cameron

Carried

6 District Licensing Committee Annual Report – 1 July 2019 to 30 June 2020

- 1. That** the report be received.
- 2. That** the report be posted on the Ashburton District Council website.
- 3. That** the report be sent to the Secretary for the Alcohol Regulatory and Licensing Authority within one month of adoption.

Brown/Lovett

Carried

7 End of Year Performance Report

That the Committee receives the Environmental Services end of year non-financial performance report

Letham/Cameron

Carried

Business transacted with the public excluded - 3.14pm

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:	
8	Enforcement Action	Section 7(2)(g)	Maintain legal professional privilege

Cameron/Lovett

Carried

The meeting concluded at 3.40pm.

9. Infrastructure Services Committee 27/08/20

Minutes of the Infrastructure Services Committee meeting held on Thursday 27 August 2020, commencing at 4.00pm, in the Council Chamber, 137 Havelock Street, Ashburton.

Present

His Worship the Mayor, Neil Brown; Councillors Stuart Wilson (Chair), Leen Braam, Rodger Letham, Lynette Lovett and Diane Rawlinson.

Also present:

Councillors Carolyn Cameron, Angus McKay and Liz McMillan.

In attendance

Hamish Riach (Chief Executive), Neil McCann (GM Service Delivery), Brian Fauth (Contracts Manager), Andy Guthrie (Assets Manager) and Carol McAtamney (Governance Officer).

1 Apologies

Nil.

2 Extraordinary Business

Nil.

3 Declarations of Interest

Nil.

4 Confirmation of Minutes

That the minutes of the Infrastructure Services Committee meeting held on 9 July 2020, be taken as read and confirmed.

Lovett/Rawlinson

Carried

5 Confirmation of Minutes

That the minutes of the Road Safety Co-ordinating Committee meeting held on 4 August 2020, be taken as read and confirmed.

Lovett/Rawlinson

Carried

Acton Road – report said safety measure had been put in place – there has been a further accident – when will this work happen? To be investigated.

6 Main Street Wastewater Pipeline – Request for Contribution

Recommendation to Council

1) That Council approves making a financial contribution toward the construction of the Main Street wastewater pipeline subject to the following:

- a)** The contribution shall be limited to 28% of the pipeline construction cost only of the section of pipeline located between Allen Street and Forest Drive, Methven (being approximately 360 metres);

- b) No contribution shall be made toward the cost of construction of manholes, connections to existing network, modifications to other infrastructure, or construction variations;
- c) Payment of the contribution shall only fall due upon vestment of the pipeline

Braam/Lovett

Carried

7 Lower Hakatere Huts Water Servicing

Recommendation to Council

1. **That** Council approves supplying the Hakatere Hutholders Society Incorporated through the public water supply at Hakatere subject to the following:
 - a) Transfer of all existing water supply assets owned by the Hakatere Hutholders Society Incorporated to Ashburton District Council, including tanks, treatment equipment and pumps;
 - b) Payment of the prevailing water supply rate for each and every separately habitable dwelling unit on the Hakatere Hutholders Society Incorporated's title (Lot 2 DP 47727), being 50 units;
 - c) First year payment for the service shall be on a pro-rata basis (of annual water rates) from the date the new supply arrangement is commissioned, and invoiced separately;
 - d) Council will construct and commission at its cost the new supply main from the existing water treatment plant to the private schemes main pipeline, and all associated appurtenances;
 - e) From commissioning, Council will assume responsibility for all existing pipework up to the point of supply to each dwelling and undertake to programme the replacement and upgrade of the pipe network as part of its future renewals planning.

Letham/Lovett

Carried

8 Road Efficiency Group's Road Controlling Authority Reports

That the Road Efficiency Group's road controlling reports be received.

Braam/Rawlinson

Carried

9 End-of-year Performance Report

That the end-of-year non-financial performance report be received.

Rawlinson/Braam

Carried

Business transacted with the public excluded - 4.46pm

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:	
10	Land Purchase	Section 7(2)(h)	Commercial activities

Braam/Lovett

Carried

There being no resolutions passed the Committee resumed in open meeting and concluded at 4.48pm.

Audit, Risk & Finance Committee

3 September 2020



10. Audit Risk & Finance Committee

Minutes of the Audit, Risk & Finance Committee meeting held on Thursday 3 September 2020, commencing at 1.31pm, in the Council Chamber, 137 Havelock Street, Ashburton.

Present

His Worship the Mayor, Neil Brown; Councillors Leen Braam (Chair), John Falloon, Carolyn Cameron, Liz McMillan and Stuart Wilson; Murray Harrington (external appointee).

Also present:

Councillor Diane Rawlinson.

In attendance

Hamish Riach (Chief Executive), Paul Brake (GM Business Support), Jane Donaldson (GM Strategy & Compliance), Neil McCann (GM Infrastructure Services), Sarah Mosely (GM People & Capability), Steve Fabish (GM Community Services), Rachel Sparks (Finance Manager), Ruben Garcia (Communications Manager) and Aisling O'Reilly (Governance Support).

Staff present for the duration of their reports: Toni Durham (Strategy & Policy Manager), Gordon Tupper (Information Systems Manager) and Tania Paddock (Legal Counsel).

1 Apologies

Nil.

2 Extraordinary Business

Nil.

3 Declarations of Interest

Nil.

4 Confirmation of Minutes 9/07/20

That the minutes of the Audit, Risk & Finance Committee meeting held on 9 July 2020, be taken as read and confirmed.

McMillan/Wilson

Carried

5 Insurance 2020/21

It was queried if Council have the right level of cover for cyber insurance given current circumstances. It was advised that Council have cover but will be looking at what our level of security actually is.

That the Audit, Risk & Finance Committee receives the Insurance 2020/21 report.

Brown/Cameron

Carried

6 Development contribution postponement request – SCMT Holdings Ltd

Recommendation to Council

That Council declines the postponement of the development contribution of \$11,392.17 (GST exclusive) payable by SCMT Holdings Limited on the development at 39 Tancred Street.

Falloon/Wilson

Carried

7 Development contribution postponement – Sheppard/Spittal

Recommendation to Council

That Council declines the postponement of the development contribution of \$6,929 (GST inclusive) payable by Liam Sheppard and Lily Spittal on the residential development at 25 Memorial Crescent, Methven.

Falloon/Cameron

Carried

8 End of Year Performance report

That the Audit, Risk & Finance Committee receives the end-of-year non-financial performance report.

McMillan/Wilson

Carried

9 Carry-over of funding from 2019/20 to 2020/21

Recommendation to Council

That the Council approves the request to carry over the unspent funds from the 2019-2020 year into the 2020-2021 Annual Plan, as detailed in this report.

Falloon/McMillan

Carried

10 Financial Variance Reports – June 2020

It was noted that the fair value of EMC assets needs to be reviewed.

That the Audit, Risk & Finance Committee receives the Financial Variance Report – June 2020.

Cameron/Falloon

Carried

Business transacted with the public excluded – 2.24pm

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:	
11	Minutes 9/07/20	Sections 7(2)(h) & 7(2)(a)	Commercial activities Protection of privacy of natural persons
12	Cyber Security	Section 7(2)(h)	Commercial activities
13	Health & Safety Report	Section 7(2)(a)	Protection of privacy of natural persons
14	Eastfields Precinct Joint Venture	Section 7(2)(h)	Commercial activities

Cameron/Falloon

Carried

The Mayor and Cr Rawlinson left the meeting at 2.24pm.

The Committee resumed in open meeting at 3.16pm.

11. Town Centre Subcommittee

Minutes of the Town Centre Subcommittee meeting held on Thursday 17 September 2020, commencing at 3.30pm, in the Council Chamber, 137 Havelock Street, Ashburton.

Present

His Worship the Mayor, Neil Brown; Councillors Carolyn Cameron (Chair), Leen Braam, John Falloon and Angus McKay.

Also present

Crs Rodger Letham, Lynette Lovett, Liz McMillan and Stuart Wilson.

In attendance

Steve Fabish (GM Community Services), Jane Donaldson (GM Strategy & Compliance), Verity Jackson (Events Co-ordinator) and Phillipa Clark (Governance Team Leader).

1 Apologies

Cr Diane Rawlinson

Sustained

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:

- 'Welcome to Ashburton' signs

McKay/Falloon

Carried

3 Declarations of Interest

Nil.

4 Confirmation of Minutes – 4/02/20

That the minutes of the Town Centre Subcommittee meeting held on 4 February 2020, be taken as read and confirmed.

McKay/Falloon

Carried

5 Christmas Tree

Cr Cameron spoke in support of the CBD retailers' desire to have the Christmas tree relocated from Baring Square East to the chessboard. There's concern that the removal of the former i-Site building from The Green will make the town centre appear empty and having the Christmas tree in that area would create a more festive ambience for shoppers.

Cr McKay agreed that the chessboard would be an appropriate alternative to Baring Square East and that this location will likely attract a greater number of people to shop in the CBD.

The Subcommittee heard that there would be additional cost to relocate the tree. The chessboard site isn't connected to the circuit to run the lights and the necessary infrastructure hasn't been budgeted.

The Events Co-ordinator advised that the road closure arrangements for Baring Square East are already in place and a number of events are planned in the Square as part of the “Nights of Lights” event which officially begins on 20 November and runs until 15 January. This will see the fairy lights continue to be switched on with the addition of art installations around the trees on The Green. ‘Light up the Night’ will be held in Baring Square East on 27 November, the Buskers night on 3 December and a family movie night on 11 December. Christmas flags will be installed on the poles in November.

Councillors speaking in support of the recommendation commented on the impracticalities of relocating the tree this year and agreed that there will be further opportunity to review this before Christmas 2021. It was further noted that the upgrading of Baring Square East is likely to be underway by that time and the site wouldn’t be available for the Christmas tree and associated events.

1. **That** Council agree the giant Christmas tree and Light up the Night should remain in Baring Square East for 2020.

and

2. **That** a review is undertaken in January 2021, after which staff report back to Council on the cost, impact on the CBD retailers, community feedback and options for relocating in late 2021.
Braam/Falloon (lost)

A show of hands gave 2 for and 2 against the motion and, on the Chair’s casting vote, the motion was lost.

The Chair advised that Council will have the opportunity to reconsider this when the Subcommittee minutes are received on 24 September.

Extraordinary Business

- Signage at entrances to Ashburton

That the Town Centre Subcommittee looks forward to receiving a report from staff on the provision of ‘Welcome to Ashburton’ signs at the northern and southern entries to Ashburton town.

McKay/Falloon

Carried

Post meeting note: Council’s Communications Team is exploring the design of ‘welcome’ signs with the intention they be installed as suggested. This information was provided to Council at the 10 September Activity Briefings and an update will be sought for the October activity briefings.

The meeting concluded at 4pm.

14 September 2020

12. Creative Communities Grants Assessment – Round 1, 2020-21

Minutes of a meeting of the Creative Communities Fund Assessment Committee, held in the Mayors Reception Room, 5 Baring Square West, Ashburton, on Monday 14 September 2020, commencing at 10.00am.

Present

Femke de Sitter - van der Valk (Chair), Peter Muir, Kay Begg, Kate Beaumont-Smith, Dianne Favel, Cr Leen Braam, Cr John Falloon.

In attendance

Clare Harden (Community Administration Officer).

1 Apologies

N/A

2. Conflict of interest

- Peter Muir – Ashburton Operatic Society Incorporated
- Dianne Favel - Ashburton Operatic Society Incorporated

3. Extraordinary business

No extraordinary business.

5. Election of Chair

Femke de Sitter - van der Valk was elected as Chair.

6. Creative Communities Scheme grant applications

The merits of each application were discussed and the following funding decisions were made.

Funding

A total of five applications were received for funding, totalling \$20,290

There was \$17,940 available for distribution.

The Committee agreed that the funding be distributed as follows:

No.	Applicants	Amount requested	Amount granted
1	Robert Fugah	\$2468	\$0
2	Ashburton Indian Multicultural Charitable Trust	\$5050	\$1200
3	Ashburton Baptist Preschool	\$2,050	\$1500
4	Ashburton Festival of Pipe Band Music	\$130	\$130
5	Ashburton Multi Cultural Trust	\$2000	\$2000

6	Ashburton Operatic Society Incorporated	\$730	\$730
7	Ashburton Performing Arts Theatre Trust	\$1,350	\$1,350
8	Connecting Mid Canterbury Charitable Trust	\$2,597	\$2,597
9	Zonta Club Of Ashburton Charitable Trust	\$3,460	\$3,460
Total		\$20,290	\$12,967

The balance of funds available in Round 2 (March 2021) will be \$4,973.

Communication to Grant Recipients

7.

Letters will be sent to the groups to inform them of the outcome of their application and inviting successful groups to attend a function in November to report on their project. This is in lieu of a presentation evening as the committee and recipients have indicated a more interactive session where the success of the projects and the way the Creative Communities funding has helped would be of more interest.

The Mayor and the Councillors will be invited to attend the function at that time.

Recommendation to Council

That Council receives the minutes of the Creative Community Fund Assessment Committee meeting held on 14 September 2020.

The meeting concluded at 11.25pm.

13. Methven Community Board

Minutes of the Methven Community Board meeting held on Monday 17 August 2020, commencing at 10.30am, in the Mt Hutt Memorial Hall Boardroom, 160 Main Street, Methven.

Present

Dan McLaughlin (Chairman), Kelvin Holmes, Ron Smith, Cr Liz McMillan, Sonia McAlpine, and Cr Rodger Letham.

Also present

Mayor Neil Brown

In attendance

Neil McCann (Group Manager Infrastructure Services), Bevan Rickerby (Economic Development Manager), and Clare Harden (Community Administration Officer).

Two members of the public - Kari Mohoao (Fluoridation) and Jess Wilson (Wellbeing Ōpuke)

1 Apologies

Nil.

2 Extraordinary Business

Nil.

3 Declarations of Interest

Nil.

4 Public Forum

- Kari Mohoao (fluoridation)

Kari is in holistic health and has resided in Methven for 6 months. He notified the Board of his intention to instigate a petition for an alternative source of water for the town that is free of fluoridation.

- Jess Wilson (Wellbeing Ōpuke)

Wellbeing Ōpuke's mission is to make it as easy as possible for community members to connect and create a culture of wellness that embraces the five ways to wellbeing. Jess has been in the role of paid administrator for 3 months funded by a local funder. Wellbeing Ōpuke is a team of 12-15 volunteers and Safer Communities are providing payroll support.

5 Confirmation of Minutes

That the minutes of the Methven Community Board meeting held on 29 June 2020, be taken as read and confirmed.

Smith/Holmes

Carried

Correspondence

Nil.

6 Activity Reports

That the reports be received.

McAlpine/Holmes

Carried

- The Board would like to see Thyme Stream and the Ōpuke Hot Pools included in the Methven township boundary area.
- Dan McLaughlin and Kelvin Holmes are to present the Methven Community Board's submission at the Council's Revenue and Financing Policy hearing on 18 August 2020.
- Footpath Expenditure - \$33,000 has been allocated in the budget for cyclic renewals and there is a budget of \$16,000 remaining for footpath upgrades.
- Community fund grant expenditure - \$2,000 was allocated to purchase rhododendrons for planting at the Methven cemetery, there is a total of \$1,880 left in this fund.

Upcoming dates

- 5 September – cemetery planting day
- 7 September – Methven Community Board workshop

6.4.5 Discretionary Grant

That the Methven Historical Society be allocated funding of \$590 to enable the history of houses in Methven booklet to be published in colour.

Holmes/McAlpine

Carried

The meeting concluded at 12.05pm.

The next meeting is scheduled for Monday 28 September

----- Chairman

Quarterly Update – September 2020

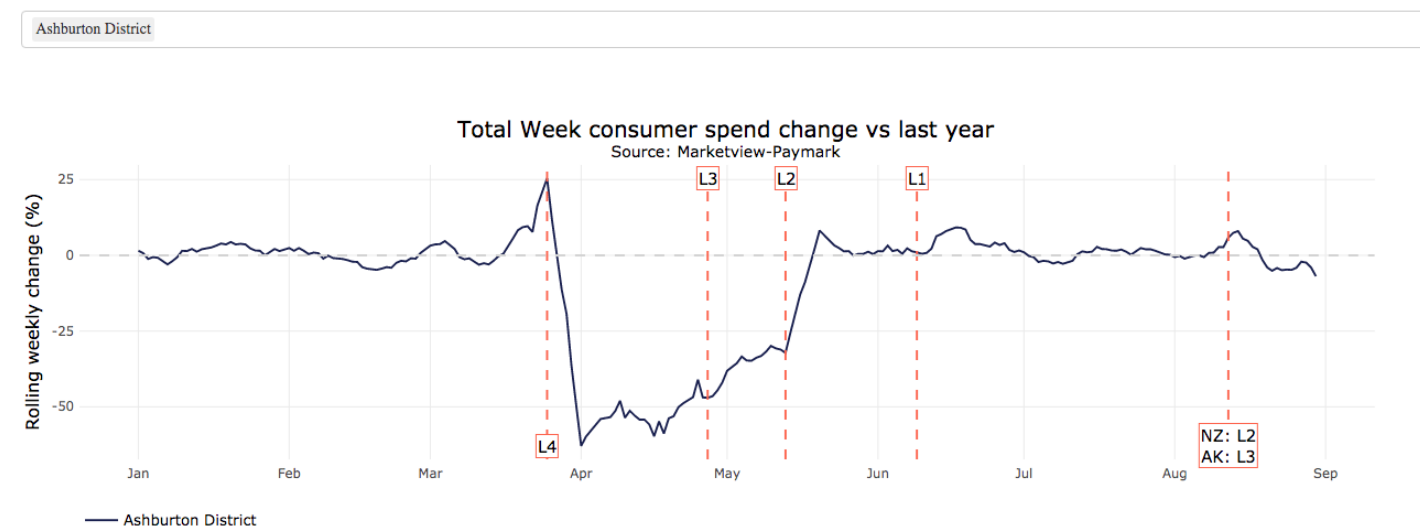
The COVID19 effect

The COVID19 has been very challenging for our district's tourism businesses; however, some careful promotional work over the July school holidays has paid off. To date, the consumer spend by electronic transactions are in line with spend pre-COVID.

The Marketview graph shows consumer spend in the Ashburton District to 30 August 2020

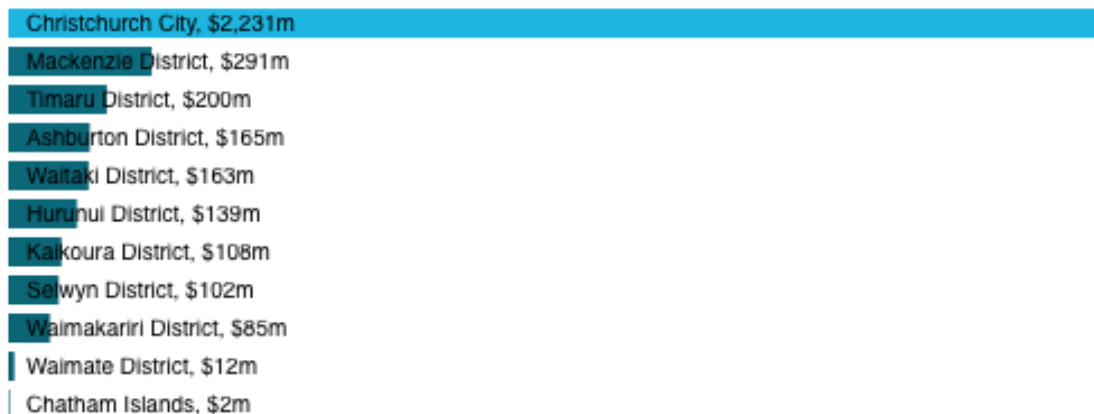
Some clear spikes are going into the Covid19 level 4 periods and then out into the level two environment.

June, July and parts of August has peaked above last years spend



Estimated annual Tourism Spend to July 2020 shows a deep decline in overall spend. MBIE is forecasting general tourism spend at \$165m vs \$191m previous year a \$26m drop. Best performing visitor sectors Retail \$50m, Fuel and automotive services \$30m Accommodation & Activities \$25m, Food & Beverage (restaurants, cafes, takeaways) \$20m.

Overall Mid Canterbury is performing well against other neighbouring districts racking 4th of the ten districts in Canterbury.



These figures do not include, Airbnb or any booking type made online before visiting the district. This data is from direct transactions at the EFTPOS, ATMs within the community only.

Final Audit Opinion:

EMC is still awaiting the final audit opinion from Audit New Zealand, during the initial Audit, Audit New Zealand found that EMC had been paying too much tax and was due to refund. EMC's accountant Croy's worked with the IRD over 12 weeks to obtain a return of the overpaid taxes, which we received late December. Audit New Zealand's Technical team in Auckland is still investigating to ensure we have received all monies owed. As of 08 September 2020, we are still awaiting sign off by Audit NZ. They have confirmed all other aspects of the EMC Audit are completed.

The 2019/20 audit is scheduled for 09 November, we are yet to understand the cost of the Audit, but it's likely to be similar to 2018/19 \$30,000.00 +GST

Marketing & Promotion:

YouTube Campaign

We launched the previously mentioned YouTube Campaign in May, as New Zealand was released into Level 2 Covid19 Status, the overall results have been excellent. As of 03 September, our district video has been shown 1.12m times across New Zealand. 181,161 (16%) users stopped and viewed the video for 30 seconds or more. 2,422 clicks on the ad and into the EMC website.

This has been one of the best performing social media campaigns conducted by EMC

The below table shows the success of the campaign by Month

 **HISTORICAL TABLE**
1 MAY 2020 - 3 SEP 2020: EXPERIENCE MID CANTERBURY

Month	Impr.	Views	View rate	Avg.CPV	Clicks	CTR	Cost
September 2020	39,545	7,304	18.47%	\$0.03	124	0.31%	\$224.46
August 2020	356,846	60,119	16.85%	\$0.04	1,178	0.33%	\$2,129.85
July 2020	362,659	56,501	15.58%	\$0.04	605	0.17%	\$2,164.32
June 2020	248,377	41,638	16.76%	\$0.04	353	0.14%	\$1,750.82
May 2020	120,227	15,599	12.97%	\$0.07	162	0.13%	\$1,127.28
	1,127,654	181,161	16.07%	\$0.04	2,422	0.21%	\$7,396.73

AVG.CPV – Cost per view

CTR – Click-through rate (percentage of time the ad is clicked. Calculated by ad clicks divided by ad impressions).

ExploreCHC Campaign

On 07 September, we launched our hero campaign ExploreCHC for domestic New Zealand and Australian markets (when the borders open). We have launched with a 90 second McKenzie / Mid Canterbury collaborative video. View the video on this YouTube link. <https://youtu.be/FS29NSBp34U>

This campaign will be in the New Zealand and Australian market place off and on over the next 2-3 years, we will switch out content as seasons change etc.

The campaign is screening on TV1 in Auckland, Waikato and Wellington from 07 September – 18 October. Here in the South Island, you can view the ad via Sky TV's TV1 channel and TV1+1 as these ads are Auckland based. Along with TV, the content can be seen in print, digital and billboards.

In a very cluttered market, we have had to find a point of difference, and you will note that video is screened in reverse, which will hopefully capture the viewer's hearts and minds.

This is a \$500K+ collaborative campaign with Christchurchnz, Timaru, McKenzie, Selwyn, Hurunui and Kaikoura. Experience Mid Canterbury has contributed \$50K to this campaign

Figure 1 & 2 - Mid Canterbury print content examples and digital billboard signs that light up across Auckland and Wellington.



Mid Canterbury Tourism Community Advisory Group:

One of the KPI's in the ChristchurchNZ marketing agreement is to establish a Mid Canterbury Tourism Advisory Group. I'm pleased to advise that the following people have agreed to join the group:

- Jen Parkes – Social Influencer, owner of Backyard Travel family
- Bevan Rickerby – Economic Development Manager, Ashburton District Council
- Karyn Herald Robertson – Marketing Manager of Methven Pubs Limited and owner of Norwestarch.co.nz
- Kevin Boekholt – Director, Methven Heliski
- Richie Owen – Marketing Manager, Mt Hutt Ski Area and Member of the Methven Community Board
- Tracey Green – Director, Directional Travel

In the first meeting scheduled for 6th October

Freedom Camping Performance:

Overnight stays in the Ashburton District of travellers using a Geozone website:

	Total Overnight Stays	Ashburton Area	Methven Area	Rakaia Area	South East Area	Other Areas
Jan-19	2931	1847	528	322	264	29
Feb-19	2973	2022	446	268	208	30
Mar-19	2954	1950	502	295	207	0
Apr-19	1791	1290	251	143	107	0
May-19	1860	1246	353	130	112	19
Jun-19	1457	947	248	189	73	0
Jul-19	1741	1114	296	226	87	17
Aug-19	2038	1223	469	224	122	0
Sep-19	1971	1222	453	158	138	0
Oct-19	1907	1182	381	267	76	0
Nov-19	1371	836	260	151	110	14
Dec-19	2032	1361	366	203	102	0
Jan-20	1962	1354	314	235	59	0
Feb-20	1660	1245	83	183	149	0
Mar-20	1865	1399	93	205	168	0
Apr-20	644	483	32	71	58	0
May-20	1313	688	190	105	72	258
Jun-20	1666	873	241	142	121	389
Jul-20	1795	940	260	152	131	312

Overnight stay by location

Total views of Camp Sites in the Ashburton District (**Non-Commercial sites only**)

	Rakaia Huts Reserve	Taylors Stream Area Closed	Bowyers Stream	Hinds River	
Jan-19	2210	467	1838	1526	
Feb-19	1887	450	1854	1505	
Mar-19	1748	1388	1850	1598	
Apr-19	1047	1408	1252	1208	
May-19	761	1090	809	749	
Jun-19	405	450	415	356	
Jul-19	407	180	645	378	
Aug-19	542	168	676	429	
Sep-19	692	234	870	712	
Oct-19	1094	298	959	814	
Nov-19	1616	192	1214	1152	
Dec-19	2045	2514	1989	2046	
Jan-20	2104	1751	1362	1358	
Feb-20	1991	1883	1435	1356	
Mar-20	1178	1151	845	797	
Apr-20	0	0	0	0	Closed
May-20	0	0	0	0	Closed
Jun-20	2	4	6	3	Closed
Jul-20	28	52	68	37	Closed

Method: Geozone capture the amount of times users viewed a profile page (information on the freedom campsites). This gives a good sense of popularity. They use this data to determine what freedom campsites in our region are getting the most views and therefore are the most popular.

Source: National Freedom Camping Report



Ashburton Library Information Centre:

We continue to monitor the brochure stock weekly and answer tourism questions from the Ashburton Library staff.

Below is the matrix of visitors attending the library from the information centre's inception:

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2017											23	75
2018	129	99	105	78	79	39	54	63	50	74	62	32
2019	53	62	91	68	60	20	49	35	26	29	41	90
2020	53	55	42	0	3	22	18	21				

Appendix:

Covid19 Marketing strategy aligned to the alert levels:

Below is EMC strategy and marketing plan which we have aligned to the government COVID alert levels. Many of these actions are already in place at the time this report was drafted.

Alert Level 4 - Eliminate: Contain pandemic, full country lockdown. The central government advises **No visitor promotional activity permitted** EMC' focus is instead on supporting the local industry, operator training and advocacy. (Currently in place)

Alert Level 3 - Restrict: Contain pandemic, partial lockdown, minimal movement allowed, Retail and hospitality possibly still closed, EMC will promote and encourage local online shopping, some social media of inspirational imagery to the local market only, e.g. Selwyn, Timaru District. "Explore our backyard" Travel is still highly restricted.

Alert Level 2 - Reduce: Heavy Border restrictions and events and more than 500 people at an event not permitted, internal movement within the country is allowed. Retail and hospitality allowed.- EMC to restart promotions to local and South Island active considers only. We will be releasing a collaborative campaign "Explore CHC" which is designed to get people to travel to Christchurch & Canterbury to explore our backyards. Maintain South Island visitors, plan for the next level for domestic visitors and possibly a Trans – Tasman bubble. We will also be engaging at this point with Tourism New Zealand who will be launching a national campaign to drive domestic travel.

Alert Level 1 - Prepare: Some border restrictions and mass events more than 500 not permitted, but internal movement with the county allowed. Retail and hospitality allowed. – EMC will focus on Domestic, VFR (Visiting friends and relatives) and maybe the Trans-Tasman. If the public health policy allows, EMC will reinstate the events calendar to increase community well-being and drive domestic visitation. Continued content creation and digital engagement with our offshore travel trade partners and NZ based Inbound tour operators. We will continue the campaigns with the Canterbury collaborative which will sit under the national Tourism New Zealand campaign. At Alert level 1 – Air New Zealand will be able to start domestic operations, but the process will be slow. (2-3 Months)

Alert Level 0 – There are two scenarios at Alert Level 0. (12 – 15 Months away)

- **Limited International markets and economies still at risk:** some border protection may always be in place, but mostly COVID 19 has been eradicated through a vaccine. Global impact is now more economical than health. EMC to focus still on Domestic and Trans-Tasman and buoyant economies, such as China and the USA.
- **International markets stable and travelling:** Business As Usual - when a vaccine is in place. Probable shift in what key visitor markets look like, possible reduced flights and cruise connectivity – Industry rebounds. Timing, type and level of activity may vary by sector and market. (Premium and backpacker). Diversification of markets critical for long-term success.

Below is a graph that will help understand the Alert Levels and EMC's Phase Plans as above;

Alert Level and global economy status	EMC Strategic Response	Potential Visitor Markets, Audiences and timeframes	Tactical Activity	Phase Planning
Alert Level 4	Eliminate: Contain pandemic, full country lockdown. No promotional activity permitted	None. Full country lockdown minimum 4 weeks to end of April possibly into May 2020	Inappropriate to market / promote Mid Canterbury. Focus instead on supporting the local industry, operator training and advocacy	Emergency Support – Limited communication
Alert Level 3	Restrict: Contain pandemic, partial lockdown, minimal movement allowed, Retail and hospitality possibly still open	Local	Encourage online shopping, some social media of inspirational imagery and 'Dream Phase' of travel.	• Dream
Alert Level 2	Reduce: Border restrictions and events <500 events not permitted, but internal movement with the country allowed. Retail and hospitality allowed.	Local and South Island Only	Develop new product for local and domestic audiences. Development of more localized itineraries which require less planning and allow for safer, socially distant travel.	• Dream - Trans Tasman • Plan – Domestic • Book - South Island
Alert Level 1	Prepare: Some boarder restrictions and mass events >500 not permitted, but internal movement with the county allowed. Retail and hospitality allowed.	Domestic VFR – Visiting friends and relatives Trans Tasman?	In public health allows, reinstate EMC events calendar to increase community well-being and drive domestic visitation. Continued content creation and digital engagement with our offshore travel trade partners and NZ based inbound tour operators.	• Dream – International • Plan – Trans Tasman • Book – Domestic • Book – South Island
Alert 0 - International markets and economies still at risk	Some border protection may still be in place, but mostly COVID 19 has been eradicated through a vaccine. Global impact is now more economic than health.	Possible scenario in 12 – 15 months time. Probable focus still on Domestic and Trans-Tasman and buoyant economies, such as China and USA.		• Dream – International • Plan – Trans Tasman • Book – Domestic • Book – South Island
Alert Level 0 – International markets stable and travelling	BAU when vaccine is in place. Probable shift in what key visitor markets look like, possible reduced flights, cruise connectivity – Industry rebounds	Possible scenario in 18-24 months. Rebuild phase. Continued Domestic, Tasman focus followed by China, USA, Singapore, Malaysia, Indonesia	Timing, type and level of activity may vary by sector and market. (Premium and backpacker). Diversification of markets critical and long-term success.	

Governance:

Trustee Service Matrix – 01 July 2020 – 30 June 2021

EMC Trust deed was re-drafted July 2014 to align all trustees to an October expiry date.

2018 / 19	Position	Start	End	Status
James Urquhart	Chair	14 July 2014	01 October 2020	3 years – Term 2
Gary Lee	Trustee	26 August 2016	01 October 2019	3 years – Term 1
Gareth Reed	Trustee	01 July 2018	01 October 2021	3 years – Term 1
Graham Russell	Trustee	01 October 2019	01 October 2022	3 years – Term 1
Chris Gourley	Trustee	01 October 2019	01 October 2022	3 years – Term 1

Quorum – 4 Trustees

End of report

15. Adoption of Development and Financial Contributions Policy 2020

Author	<i>Richard Mabon, Senior Policy Advisor</i>
Activity manager	<i>Toni Durham, Strategy and Policy Manager</i>
Group manager	<i>Jane Donaldson, GM Strategy and Compliance</i> <i>Paul Brake, GM Business Support</i>

Summary

- The purpose of this report is to adopt the draft Development and Financial Contributions (DFC) Policy after consultation and confirm the outcomes of public submissions. The report also presents information on new issues raised by submitters.
- Council must review this policy every three years. The consultation addressed the overall quantum of contributions, capacity credits and network extensions.
- In each case, Council endorsed its draft proposal. The reasons include:
 - Striking the balance between fair funding and enabling development
 - Managing legal risk
 - Providing clarity and certainty for the community
 - Community support for the proposals
- Council considered more information on lower DCs for retirement villages and opposes change as it believes the existing basis for calculation provides fair assessment and relativity between different developments.
- Officers support more work on the definition of non-residential development to improve the causal nexus between non-residential development and community infrastructure contributions.

Recommendation

- 1. That** Council adopts the Development and Financial Contributions Policy 2020, attached as Appendix 1.
- 2. That** Council declines to do further work on a discounted DC for retirement villages, for the reasons noted in this report.
- 3. That** Council agrees to do further work on the definition of non-residential development, for the reasons noted in the report.

Background

Background Documents

1. For detailed background please refer to:
 - The draft Development and Financial Policy 2020 (Appendix 1)
 - The summary of feedback on submissions and supplementary information
 - The consultation statement of proposal
 - The report initiating consultation
 - Links are provided for all documents which can also be found with agendas at www.ashburtondc.govt.nz

The current situation

2. Council consulted on a draft Policy and received nine submissions, including two submitters who appeared in person at hearings on 18 August. Council deliberated on submissions on 19 August.

Result of deliberations

3. Council resolved to:
 - Support a quantum of overall development contributions set at a maximum increase of \$2,500
 - Support the change in policy on capacity credits
 - Support the alignment of the policy with our practice on network extensions.
4. Council asked for further information on:
 - Discounted development contributions for retirement villages
 - The definition of non-residential development
 - Further information is provided under Legal/policy implications.

Effective Date

5. This policy will become effective from 1 July 2021. Changes to capital expenditure schedules will likely arise from LTP budgets, and will have some effect on DC calculations. This timing also means that more policy work, if required, can be made effective at the same time.

Options analysis

Option one – Adopt the proposal (NOT RECOMMENDED)

6. This Option adopts the draft proposal and takes no further action on either of the policy issues raised by submitters.

Option two – Adopt the proposal and refer further policy work on one or both issues to the LTP consultation (RECOMMENDED)

7. This issue adopts the draft proposal and directs that further work be done on either or both of the policy issues raised by submitters. For reasons set out later in the report, Officers support further work being done on the definition of non-residential development to produce fairer policy outcomes.

Option three – Amend the proposal (NOT RECOMMENDED)

8. This issues adopts the draft proposal with amendments triggered by the either or both of the policy issues raised by submitters.
9. The risks, advantages and disadvantages of each option are described in the following tables.

Option	1 - Adopt the proposal
Risks	Possible minor operational risks from not addressing one or both of the submitter issues. Insignificant reputational risk from the same cause. Overall risk rating LOW .
Advantages	This brings the pre-LTP consultation to a close, and minimises the extent of further policy work during the period leading up to the adoption. It reduces the call on staff resources during the period leading up to the LTP adoption.
Disadvantages	This Option carries the operational and reputation risks noted above. It also disregards the policy issues raised by submitters. Officers believe that the issues related to non-residential development deserve closer examination.
Conclusion	This Option carries less risk than Option 3 and the same level of risk as Option 2. The risks associated with this Option are less easily mitigated than the risks in this option. This also ignores the policy issues raised by submitters on non-residential development. NOT RECOMMENDED

Option	2 – Adopt the proposal and refer further policy work on non-residential development to the LTP consultation
Risks	Possible minor operational risks from workloads for staff during the period leading up to LTP adoption. Overall risk rating LOW .
Advantages	Better understanding of the operational risks associated with the submitter issues. This reduces the operational and reputation risks noted for option 1. This risk may be easier to mitigate than the risks noted for option 1.
Disadvantages	This option carries the operational risk noted above.

Option	2 – Adopt the proposal and refer further policy work on non-residential development to the LTP consultation
Conclusion	This Option carries less risk than Option 3 and the same level of risk as Option 1. The risks associated with this Option are more easily mitigated than the risks in option 1. It does not ignore the valid policy issues raised by submitters regarding non-residential development. RECOMMENDED

Option	3 – Amend the proposal now in response to non-residential development issues raised by submitters
Risks	Possible minor operational risks from implementing submitter suggestions without a fuller understanding of the implications. Legal and financial risk from changing policy and definition of non-residential development without reflection on the cost and legal risk implications is difficult to quantify. Overall risk rating LOW- MEDIUM but could be higher.
Advantages	This option does not create ongoing workload issues in regard to this policy in the period leading up to LTP adoption.
Disadvantages	This Option carries the operational, legal and financial risks noted above. It is difficult to quantify the ongoing financial and legal risk associated with the submitter proposals without further work on alternative policy phrasing.
Conclusion	This option carries the most risk of the three Options presented. It involves policy-making “on-the-hoof” without a fuller understanding of the legal and financial risks. NOT RECOMMENDED

Legal/policy implications

Retirement village water consumption

10. Council asked for data outlining the comparison of actual water consumption with the development contribution assessment on retirement villages. This followed submissions from the Retirement Village Association that actual retirement village occupancy is about half the maximum occupancy (based on beds) and that each occupant consumes less water on a per capita basis than a person in a residential household.
11. Figures are presented in the graph on Appendix 2. The graph shows two sites, which are labelled sites 1 and 2.
12. Both sites are registered retirement villages. Please note that the data is the best of what is available as these locations are metered but not for billing purposes. We have

two years of data and there are gaps as the meters are difficult to access (one is locked away; the other is on private property).

13. The data shows that:

- Average daily consumption is generally lower than the peak assessment used for DCs. This is what we would expect.
- In the quarter ending 01/01/2020 the consumption at Site 1 was slightly higher than the peak demand used for DC calculations. This is higher than we would expect, but illustrates that our peak demand assessments are appropriate.
- This also illustrates why we design for peak demand and not average demand, as a system designed to meet average demand would not have been able to meet the demand shown by the two most recent readings at these retirement villages.
- The site 2 figures show similar trends across both sites, with both the 01/01/2020 and the 01/07/2020 readings coming in well above the previous trends and above the average demand level proposed by the Retirement Village Association.

14. Assessing DCs for retirement villages on average demand brings the following risks, advantages and disadvantages.

Proposal	Assessing development contributions for retirement villages on average demand
Risks	<p>Reputational risk: Calculating retirement village DCs on average demand while calculating DCs for other developments on maximum demand will be viewed as unfair by people proposing other developments.</p> <p>Financial risk: Basing a DC assessment on average demand does not adequately fund the capacity to meet peak demand. This will transfer the cost of growth from the developers of new housing and businesses to existing ratepayers.</p> <p>Operational risk: A decision to base DC assessment for one type of development on average demand will invite advocates for other types of development to come forward. In the aggregate, such requests will weaken the internal relativities of the current policy and the capacity to fund CAPEX for growth. Each request will tie up resources assessing the merits of individual cases. Council may be forced to review calculation methodology to ensure that infrastructure capacity to meet maximum demand is fully funded from development contributions.</p> <p>It is difficult to quantify these risks but over time they could increase from Minor to Moderate</p>
Advantages	Lowering the cost for retirement villages may act as a small incentive for that sector. Other non-residential types of development could also benefit in future. However, the “zero sum” nature of funding means that if some

Proposal	Assessing development contributions for retirement villages on average demand
	people pay less, others will pay more, so these advantages may have equal and opposite disadvantages.
Disadvantages	The evidence that is available suggests the current methodology has provided a fair assessment of peak demand, and that a DC based on average demand will not fund CAPEX for growth in a fair and sustainable way. The alternative proposed will under-fund these assets and transfer costs in a way that is inconsistent with Council's revenue and financing policy.

15. For these reasons, and having considered the water consumption evidence, Officers conclude that council should continue to base DCs for retirement villages (and all other kinds of development) on peak demand (not average demand). We see this as under-estimating need at peak times, encouraging other sectors to advance their own argument based on the average demand premise, and results in existing ratepayers subsidising new developments. At this stage, officers do not recommend taking this matter any further.
16. If Council disagrees with these conclusions and wishes to further the matter, Officers consider that addressing all forms of non-residential development together rather than addressing retirement villages in isolation is a better and fairer approach.
17. The current approach starts from a single source of independent information as a basis for calculation. Some councils use their local consumption data to develop activity benchmarks based on actual use. It is not a small task to gather and analyse this information. Some sectors (like retirement villages) may have relatively short periods of data on which to base assessments, and this work seems likely to pose a significant demand on resources for uncertain gains. Those resources might well be better assigned to other work of higher value.

Definition of non-residential development

18. Officers note that this submission addresses one issue directly and also throws light on another, larger issue.
19. The direct issue is that some pole sheds in rural areas are charged DCs for community infrastructure and others are not. Officers treat the use of a pole shed for calf raising as a "*fundamental place of work*" which attracts a DC. A pole shed use for a hay barn or as storage is not treated as a fundamental place of work and does not attract a DC. You can appreciate that, from a layperson's perspective, this may appear inconsistent and unfair.

20. Pole sheds for calf raising are typically built in rural zones and are unlikely to be connected to a council drinking water supply or wastewater system. They will only attract a community infrastructure DC.
21. This issue is also complicated by the exemptions to the building code which came into effect on 31 August 2020. The exemptions mean that single-storey pole sheds and hay barns in rural zones do not require a building consent provided that:
- Design wind speed does not exceed 44 metres per second or is not in a wind zone greater than high;
 - Shed is located in a rural zone;
 - Building is less than 110 square metres in floor area;
 - The maximum unsupported roof span does not exceed six metres;
 - The building is not accessible by the public;
 - The building is not used to store hazardous substances;
 - The building is closer than the measure of its own height to any residential building, public road, railway or legal boundary;
 - A chartered professional engineer has designed or reviewed the structure; and
 - A licensed building practitioner has carried out or supervised construction
22. Full details are available on the *Building Performance* website at www.building.govt.nz
23. These requirements may increase the potential for unfair or inconsistent outcomes noted in paragraph 18. For example, two identical sheds are built for identical purposes but one is built too close to a boundary and attracts a DC when its identical counterpart slightly further from the boundary does not.
24. The other, larger issue is around causal nexus. Causal nexus is a legal term that in Latin means “to bind”. Legally it means to link a cause and effect. A causal nexus exists if the result is a natural and reasonable outcome or consequence of the activity. Causal nexus is a key legal principle in regard to development contributions.
25. If a family build a pole shed on their farm, is there a causal nexus between building that shed and creating more demand for community infrastructure? It may improve farm income, giving the family more disposable income to use at facilities like EA Networks Centre. This is not necessarily a strong causal nexus, as additional income could be spent in a variety of ways other than increased demand for libraries and swimming pools.
26. However, the building of the pole shed may contribute to growing the economy, providing jobs and triggering more demand for workers who need housing. A development contribution for community infrastructure that is linked to the building of new housing (or other forms of accommodation such as flats) has a stronger causal nexus. A wider definition of accommodation to include motels and hotels could be justified as visitors to the district or people attending events held at venues like EA Networks Centre may stay in motels and hotels.

27. Officers support doing more work on the definition of non-residential development to strengthen the causal nexus between such development and the charging of development contributions, and to reduce the potential inconsistency in charging community infrastructure DCs for some forms of non-residential development, like farm sheds for calf-raising.

Financial implications

Requirement	Explanation
What is the cost?	<p>The cost of adopting the Development and Financial Contributions Policy is not quantified. The policy provides access to a source of revenue that has averaged around \$880,000 in recent years.</p> <p>The cost of changes to the policy is difficult to quantify, especially the cumulative effective of further requests for discounted DCs based on average demand. The financial and legal risks associated with an “off the cuff” rewriting of the policy on non-residential development are also difficult to quantify.</p>
Is there budget available in LTP / AP?	Yes
Where is the funding coming from?	Policy work is funded under the Revenue & Financing Policy for Democracy which is 100% funded from uniform annual general charge.
Are there any future budget implications?	Yes, although these are unlikely to be greater than the status quo. Policy changes may affect future revenues. DC revenues may be volatile in normal economic circumstances and DCs that are not well-related to a causal nexus may be vulnerable to legal challenge.
Reviewed by Finance	Not required, as no action generating financial consequences is recommended at this point.

Significance and engagement assessment

Requirement	Explanation
Is the matter considered significant?	Yes
Level of significance	High.
Level of engagement selected	4. Involve – participatory process
Rationale for selecting level of engagement	Consultation is required under the Local Government Act in a manner that meets the requirements of S. 82 of the Act. Council has met these requirements to get the policy to this point. If Council supports the officer recommendations for additional work on the definition of non-residential, then depending on the outcome, additional consultation may be required.
Reviewed by Strategy & Policy	Toni Durham, Strategy and Policy Manager

Next steps

28. Based on the recommendations in this report, the draft policy will be confirmed now as the basis for funding capital expenditure for growth. This will give certainty for planning and budgeting for the LTP.
29. Further work will be done on the issue of non-residential development. Council will consider this work before Christmas 2020 and may propose changes to the Policy. If this is the case, then this will be consulted upon in parallel to the LTP consultation in 2021.

Policy

DEVELOPMENT & FINANCIAL CONTRIBUTIONS 2020

TEAM:	Assets
RESPONSIBILITY:	Assets Manager
ADOPTED:	24 September 2020 (effective 1 July 2021)
REVIEW:	Every three years or as required
CONSULTATION:	Special Consultative Procedure undertaken
RELATED DOCUMENTS:	Ashburton District Council Long-Term Plan 2018-28, 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 new residential and business units a 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 includes a summary of 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.

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 (which is being consulted on at the same time) and provides for development contributions and financial contributions to be used as part of Council's overall approach to funding capital expenditure.

1.5 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:

- 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."

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

- test that the application represents a development under section 197,
- 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
- 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 a 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 a 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 a 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

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"

the property.

- a new 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 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 – EA Networks Centre and Ashburton Art Gallery and Heritage 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

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, wastewater and community infrastructure development contributions.

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.

For assessing community infrastructure development contribution each non-residential unit is treated as being 1 HUE.

2.5 Capacity Credit

Where a new development is replacing an existing residential 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 or non-residential unit, or
- building consent or resource consent for an addition, alteration, or change of use for a business unit.
- 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.

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 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

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, 5 Baring Square West, Ashburton.

Please note – Council will no longer be able to require financial contributions to be paid under the Resource Management Act from 18 April 2022. Government has introduced the Resource Management Amendment Bill to repeal this provision, and the Bill is part way through parliamentary process. If it does not pass into law, Council will need to review whether it introduces a development contribution for Open Spaces.

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 its 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 2021-31.

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.

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).

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 purposes. This includes:

- all buildings that are considered a fundamental place of work such as dairy milking sheds, shearing sheds and indoor farming facilities such as for chickens or pigs
- 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.

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

Council has prepared population growth forecasts based on Statistics NZ medium population projections.

Inflation

All project costs in the Development Contributions Policy are based on current estimates of infrastructure construction prices in 2020 dollars with inflation of all capital costs over the period using local government cost adjusters supplied by BERL.

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.

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

Calculation methodology to determine 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 IV.

If there is no suitable property use listed in Appendix IV 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 maximum 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

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

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 developments within the district at a uniform rate per property unit.

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.

$$CE \times GF\% EC$$

Important Note: The above methodology has been applied to establish the maximum development contribution for community infrastructure.

Council has decided that the community infrastructure development contribution will be capped at \$4,841 (including GST) per HUE and at 1 HUE per development. This limit has been introduced to ensure the level of development contributions does not inhibit development, therefore promoting the economic well-being of the district.

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 2021/22
Ashburton *	1,226.00	3,750.00	4,841.00	9,817.00
Methven	\$3,983.00	392.00	4,841.00	9,216.00
Rakaia	\$256.00	0	4,841.00	5,097.00
Hinds	\$934.00	0	4,841.00	5,775.00
Fairton	\$2,366.00	0	4,841.00	7,207.00
All Other	0	0	4,841.00	4,841.00

*Ashburton includes Lake Hood.

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

Details of the 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

HUE calculation

Maximum connections 10,197
Current connections 8,894
Growth capacity 1,302
(HUEs)

Scheme growth factor 12.77%

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	Internal loan	2004/17	4,753,076	22.22%	12.77%	4,145,997	607,079	466.18
	External loan	2004/17	1,340,000	22.22%	12.77%	1,168,851	171,149	131.43
	Tarbottons Road Extension	2017/18	560,000	47.00%	12.77%	488,475	71,525	54.92
Current	Chalmers Ave	2018/19	355,800	15.59%	12.77%	310,356	45,444	34.90
Future LTP- 2018-28	Chalmers Ave	2022-24	228,400	15.59%	12.77%	199,228	29,172	22.40
	New Bore Development	2023/24	550,000	100.00%	12.77%	479,752	70,248	53.94
	North East Water Servicing	2026-27	3,083,000		12.77%	2,689,301	393,699	302.38
Ashburton water supply – development contribution (excl GST)								1,066.16
GST								159.82
Ashburton water supply – development contribution (inc GST)								1,226.00

Development contribution - Methven water supply

HUE calculation	Maximum connections	1,057
	Current connections	965
	Growth capacity (HUEs)	92

Scheme growth factor 8.70%

Methven 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	Internal loan	2004/17	1,515,074	12.34%	8.70%	1,383,289	131,785	1,432.73
	External loan	2004/17	65,000	12.34%	8.70%	59,346	5,654	61.47
	Chapman Street Renewal	2017/18	97,199	5.00%	5.00%	92,239	4,860	52.84
	Patton Street Renewal	2017/18	5,102	5.00%	5.00%	4,847	255	2.77
	Patton Street Renewal	2018/19	171,114	25.00%	8.70%	156,230	14,884	161.81
Current	Reservoir Upgrade	2018/20	794,000	7.51%	7.51%	734,371	59,629	648.37
	Trunkmain Renewal (WTP End)	2018/20	550,620	5.00%	5.00%	523,089	27,531	299.35
	McDonald St Renewal	2019/20	117,620	5.00%	5.00%	111,739	5,881	63.95
	Main St Renewal	2019/20	68,950	5.00%	5.00%	65,503	3,448	37.49

Future LTP- 2018-28	McKerrow St Renewal	2020/22	164,000	5.00%	5.00%	155,800	8,200	89.13
	Mackie St Renewal	2021/23	130,080	5.00%	5.00%	123,576	6,504	70.70
	Spaxton Street Renewal	2022/24	136,800	5.00%	5.00%	129,960	6,840	74.35
	Cameron St Renewal	2024/26	145,870	5.00%	5.00%	138,577	7,294	79.28
	Jackson St Renewal	2025/27	150,350	5.00%	5.00%	142,833	7,518	81.71
	Spaxton Street Renewal	2026/28	130,480	5.00%	5.00%	123,956	6,524	70.91
	Year 8 Renewal Project	2027/28	142,900	5.00%	5.00%	3,836	7,145	77.66
	Year 9 Renewal Project	2027/28	142,900	5.00%	5.00%	3,836	7,145	77.66
	Year 10 Renewal Project	2027/28	142,900	5.00%	5.00%	3,836	7,145	77.66
	Year 11 Renewal Project - Design	2027/28	7,145	5.00%	5.00%	3,836	357	3.88
Methven water supply – development contribution (excl GST)								3,463.73
GST								519.56
Methven water supply – development contribution (inc GST)								3,983.00

Development contribution - Rakaia water supply

HUE calculation

Maximum connections 682
 Current connections 571
 Growth capacity 111
 (HUEs)

Scheme growth factor 16.33%

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	Internal loan							0.00
								0.00
Current	Watermain extension	2018/19	151,800	50.00%	16.33%	127,012	24,789	223.32
Future LTP- 2018-28	No growth related expenditure							
Rakaia water supply – development contribution (excl GST)								223.32
GST								33.50
Rakaia water supply – development contribution (inc GST)								256.00

Development contribution - Hinds water supply

HUE calculation

Maximum connections 147
 Current connections 139
 Growth capacity 8
 (HUEs)

Scheme growth factor 5.53%

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 (\$)	Funding from development contributions (\$)	Development contribution per HUE (\$)
Recent	Internal loan	2003/17	117,537	17.81%	5.53%	111,037	6,500	812.47
Current	No growth related expenditure							0.00
								0.00
Future LTP- 2018-28	No growth related expenditure							
Hinds water supply – development contribution (excl GST)								812.47
GST								121.87
Hinds water supply – development contribution (inc GST)								934.00

Development contribution - Fairton water supply

HUE calculation

Maximum connections 84
 Current connections 77
 Growth capacity 7
 (HUEs)

Scheme growth factor 8.62%

Fairton 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	Internal loan	2008/17	145,510	13.25%	8.62%	132,960	12,550	1,735.77
	External loan	2008/17	27,000	13.25%	8.62%	24,671	2,329	322.08
Current	No growth related expenditure							0.00
Future LTP- 2021-31	No growth related expenditure							0.00
Fairton water supply - development contribution (excl GST)								2,057.85
GST								308.68
Fairton water supply - development contribution (inc GST)								2,366.00

Development contribution - Ashburton wastewater (Includes Lake Hood)

HUE calculation	Maximum connections	9,534	Scheme growth factor	6.00%
	Current connections	8,962		
	Growth capacity (HUEs)	572		

Ashburton 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	Internal loan	2005/17	7,714,981	11.08%	6.00%	7,252,082	462,899	809.26
	External loan	2005/17	6,120,000	25.00%	6.00%	5,752,800	367,200	641.96
	ARS & River Crossing	2017/18	3,000,000	25.00%	6.00%	2,820,121	179,879	314.47
	Walnut Ave Renewal (Creek to West)	2018/19	423,444	4.74%	4.74%	403,373	20,071	35.09
	Chalmers Ave Renewal (Victoria/Walnut)	2018/19	462,726	4.74%	4.74%	440,793	21,933	38.34
Current	ARS & River Crossing	2018/20	6,300,000	25.00%	6.00%	5,922,254	377,746	660.81
	Farm, Allens & Carters Road Sewer main Extensions + Pump Station	2018/22	1,897,000	100.00%	6.00%	1,783,180	113,820	198.99

	Chalmers Ave Renewal (Cameron/ Victoria)	2018/20	541,770	4.74%	4.74%	516,090	25,680	44.89
	Cameron St (William/ Chalmers)	2018/20	277,090	4.74%	4.74%	263,956	13,134	22.96
	William St Renewal (Dobson/Burnett)	2019/21	771,630	4.74%	4.74%	735,055	36,575	63.94
	Grit Chamber Pipeline Renewal (Chamber/River Crossing)	2019/21	3,143,600	4.74%	4.74%	2,994,593	149,007	260.50
	William St Renewal (Burnett/ Cameron)	2020/22	307,720	4.74%	4.74%	293,134	14,586	25.50
Future LTP- 2018-28	Tuarangi Road servicing	2026-28	1,380,000		4.74%	1,297,200	82,800	144.76
Ashburton Wastewater Scheme – development contribution (excl GST)								3,261.51
GST								489.23
Ashburton Wastewater Scheme – development contribution (inc GST)								3,750.00

Development contribution - Methven wastewater

HUE calculation

Maximum connections 1,454
 Current connections 1,058
 Growth capacity 396
 (HUEs)

Scheme growth factor 27.25%

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	Internal loan	2005/17	309,493	29.09%	27.25%	225,156	84,337	212.97
	External loan							0.00
	Barkers Rd Renewal	2016/18	90,725	5.00%	5.00%	86,189	4,536	11.46
	Dolma St Renewal	2018/19	179,284	5.00%	5.00%	170,320	8,964	22.64
Current	No growth related expenditure							0.00
Future LTP- 2018-28	Mt Hutt College Main Renewal (Entrance/ Courts)	2020/22	121,450	5.00%	5.00%	115,378	6,073	15.33

	Mt Hutt College Main Renewal (Courts/20 Main)	2021/23	125,270	5.00%	5.00%	119,007	6,264	15.82
	Cameron Street Rear Sewer main Renewal (29 to 7)	2023/25	106,510	5.00%	5.00%	101,185	5,326	13.45
	McDonald St Rear Main Renewal	2027/28	142,500	5.00%	5.00%	135,375	7,125	17.99
	Year Nine sewer main renewal	2028/30	123,900	5.00%	5.00%	117,705	6,195	15.64
	Year Ten sewer main renewal	2029/31	123,900	5.00%	5.00%	117,705	6,195	15.64
	Year Eleven sewer main renewal - design	2030/31	6,195	5.00%	5.00%	5,885	310	0.78
	Methven Wastewater Scheme – development contribution (excl GST)							341.73
	GST							51.26
	Methven Wastewater Scheme – development contribution (inc GST)							392.00

Development contribution – Ashburton District community infrastructure

HUE calculation	Projected population	38,620 ²	Persons per household	2.5	Projected households	15,448
	Less current population	35,779 ³			Less current households	14,312
	Growth capacity (residents)	2,841			Growth capacity (HUEs)	1,136
					District growth factor	7.35%

Ashburton District community infrastructure development contribution calculation									
Period of CAPEX	Project description	Years incurred / proposed	Amount (\$)	Project growth factor	Applied growth factor	Funding from third parties (\$)	Funding from other ADC sources (\$)	Funding from development contributions (\$)	DC per HUE (\$)
Recent	Ashburton Art Gallery and Heritage Centre	2012-15	10,200,000	11.50%	11.50%	0	9,200,400	999,600	675.41
	EA Networks Centre	2009-2015	34,500,000	11.50%	11.50%	0	31,119,000	3,381,000	2,284.46
Current	Ashburton Library & Civic Centre	2019/20	873,000	14.16%	7.35%	362,976	472,537	37,487	25.33
		2020/21	6,097,000	14.16%	7.35%	2,535,011	3,300,183	261,806	176.90
Future	Library & Civic Centre	2021/22	38,295,000	14.16%	7.35%	15,922,295	20,728,311	1,644,394	1,111.08
	Library & Civic Centre	2022/23	6,335,000	14.16%	7.35%	2,633,966	3,429,008	272,026	183.80

² Source: Statistics New Zealand Population Projections for 2028 (2013 Census as a base – medium population projection)

³ Source: Statistics New Zealand Population Estimates for 30 June 2017

LTP- 2021-31	EANC - Stadium Extension	2024-25	4,500,000	5.25%%	5.25%%	0	4,263,750	236,250	159.63
	EA Network Centre - Climbing Wall	2025/26	307,000	5.25%	5.25%	0	290,883	16,118	185.17
	EANC - Swim school extension and interactive splash zone	2030/31	5,220,000	5.25%	5.25%	0	4,945,950	274,050	185.17
Community Infrastructure - development contribution (excluding GST)									\$4,986.93
Community Infrastructure development contribution payable capped per HUE (excluding GST)									\$4,209.56
(GST)									\$631.43
Development contribution payable (including GST)									\$4841.00

Notes:

- With a cap on the amount of development contributions able to be charged set at \$4,841 (including GST) the amount of funding coming from development contributions for the projects captured is 15% less than it would otherwise be.

Appendix 6 – Water consumption of non-residential properties by functional use

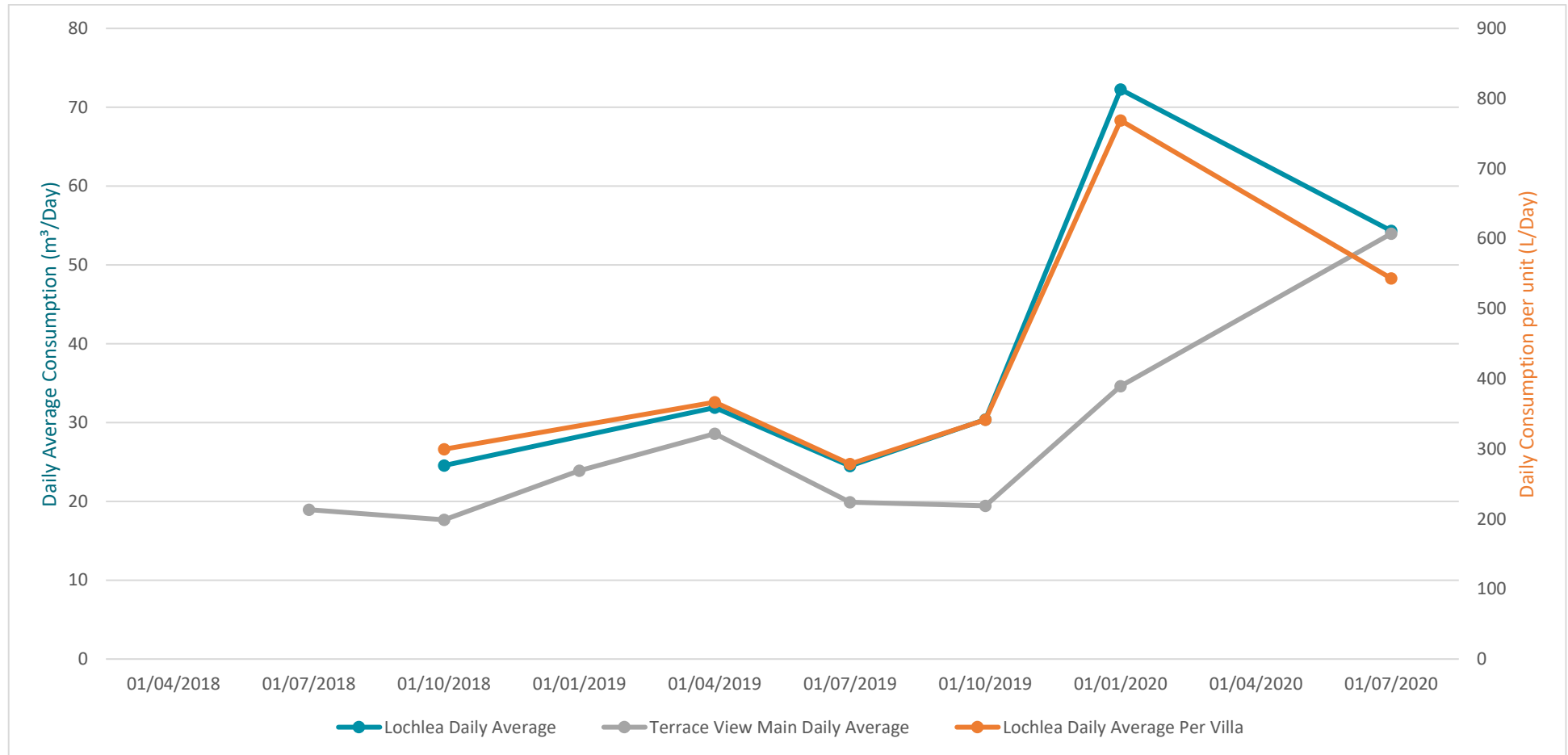
Property Use	Water Consumption (Litres / Person / Day)	Property Use	Water Consumption (Litres / Person / Day)
Household (per person)	220	Offices, Shops or Dry Industries	
Boarding Houses / Homestays		• Per staff member	40
• Per bed	220	Public Toilets (incl. hand wash)	
Camping Grounds (Per guest)		• 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		
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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.

Final for adoption

Appendix 2 – Retirement village water consumption 01 July 2018 to 01 July 2020



NB – Peak demand assessment for DCs is about 65m³ per day for Site 1. Site 2 is smaller but shows similar trends over time. The proposal from the Retirement Village Association would equate to 32.5m³.

16. Revenue and Financing Policy

Author	<i>Mel Neumann; Graduate Policy Advisor</i>
Activity managers	<i>Toni Durham; Strategy and Policy Manager</i> <i>Rachel Sparks; Finance Manager</i>
Group managers	<i>Jane Donaldson; Group Manager Strategy and Compliance</i> <i>Paul Brake; Group Manager Business Support</i>

Summary

- The purpose of this report is to recommend Council adopts the final Revenue and Financing Policy 2021, following a period of public consultation.

Recommendation

- 1. That** Council adopts the Revenue and Financing Policy to take effect 1 July 2021.

Background

Current situation

1. The Local Government Act 2002 requires all councils to adopt a Revenue and Financing Policy. The policy outlines Ashburton District Council's approach to funding particular services and activities. This is normally reviewed once every three years as part of Council's Long Term Plan process.
2. The specific changes to the Revenue and Financing Policy were detailed in a report to Council on 25 June 2020, and the draft was adopted for consultation.
3. In total, 138 submissions were received on the policy. Council deliberated on these submissions on 19 August 2020 and determined changes to the policy were required.
4. These changes include:
 - Stockwater Management - implement a funding split of 10-20% general rate, 80-90% targeted rate, as well as an increase of \$50 per annum on the minimum charge for the next three years;
 - Solid Waste Collection - assume collection from all proposed areas, excluding Acton Road, Rakaia;
 - EA Networks Centre - adopt a funding split of 50-70% UAGC and 30-50% fees and charges.

Options analysis

Option one – adopt the policy (recommended)

5. The recommended and only feasible option is to adopt the policy. The policy in draft form has already been adopted by Council. Deliberations were held on the submissions received and the appropriate changes were made to the policy. The policy will take effect on 1 July 2021.

Option two – do not adopt the policy

6. It would not be considered best practice to not adopt the policy at this stage. Council made changes based on community feedback to the draft policy 19 August 2020 when the deliberations were held.

Legal/policy implications

Local Government Act 2002 and Local Government (Rating) Act 2002

7. The Revenue and Financing Policy meets the requirements detailed in the relevant sections of the Local Government Act 2002 and Local Government (Rating) Act 2002.

Financial implications

Requirement	Explanation
What is the cost?	Adopting the final policy has no cost
Is there budget available in LTP / AP?	The cost of implementing this policy is met from within existing budgets
Where is the funding coming from?	None required
Are there any future budget implications?	Financial implications have been detailed in activity specific reports
Reviewed by Finance	Not required

Significance and engagement assessment

Requirement	Explanation
Is the matter considered significant?	Yes
Level of significance	High - significant
Level of engagement selected	Involve – participatory process (consultation process already completed)
Rationale for selecting level of engagement	Council has undertaken a Special Consultative Procedure for this policy review.
Reviewed by Strategy & Policy	Toni Durham: Strategy & Policy Manager

Policy

REVENUE AND FINANCING POLICY

TEAM:	Finance
RESPONSIBILITY:	Finance Manager
ADOPTED:	24 September 2020 (effective 1 July 2021)
REVIEW:	Every <i>three</i> years, or as required
CONSULTATION:	Special Consultative Procedure undertaken (s.83, Local Government Act 2002).
RELATED DOCUMENTS:	Local Government Act 1974, Local Government Act 2002, Local Government (Rating) Act 2002, Ashburton District Council Long-Term Plan 2018-28, and other policies and strategies as detailed in section 3.2 of this document.

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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 income from other sources such as fees, user charges and subsidies. Rates are levied under the statutory 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, regardless of whether this is taken up or not.

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

- business operations are 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 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 level of service - for example replacement of assets (cyclic renewals).

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

Community-wide benefit – means a benefit that applies to the whole community, irrespective of property location or value.

Council – means Ashburton District Council.

Exacerbator - those who contribute to the need for a Council facility or service should contribute to the cost of the facility or service.

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

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

- capital value of a property
- how the property is used
- whether the property's location is urban or rural.

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, and not just current residents.

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 are an indicator that users should pay.

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 - boundary maps for rating areas have been included as an appendix to the Revenue and Financing Policy. Council can resolve to make minor amendments to the map boundaries for matters of low significance (as per Council's Significance and Engagement Policy).

Residential – refers to all properties that are not zoned business (non-residential) as per the Ashburton District Plan.

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 a Uniform Annual Charge (UAC) – 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).

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.

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 value of the unit).

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

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:

- a) community outcomes to which the activity contributes,
- b) 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,
- c) extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity, and
- d) 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:

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

District Plan - details Council's approach to charging Financial Contributions for new developments under the Resource Management Act 1991.

Significance and 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.

Rates Remission Policy - details the circumstances in which Council will provide for the remission of rates and rates penalties and why.

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, stormwater and stockwater.

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

4. Rating framework

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

4.1 Valuation system

When applying rates based on property value councils can rate according to land value, capital value or annual value. Council uses the CV rating system. 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 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. A separately used or inhabited part of a property or building includes any part of a rating unit inhabited or used by a person other than the owner, and who has the right to use or inhabit that portion by virtue of a tenancy, lease, license, or other agreement.

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.

5. Funding sources available

Council has a range of funding sources available which are often suited to a particular type of funding requirement. While rates are often the most appropriate source of funding for a particular requirement, Council's preference is to use other sources of funding, if appropriate.

5.1 Non-rate revenue sources

Grants, sponsorship and subsidies - Council expects to continue to receive substantial subsidies from 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 - 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.

The allocation of investment income funding to each of the rates is proportionate to the ratio of each rate in terms of the requirement. For example, if the general requirement is \$6 million and the UAGC requirement is \$3 million then the investment income is allocated 66.6% to the general rate and 33.3% to the UAGC.

Interest earned on special funds and separate reserves is used only for the purpose of the fund or 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.

Development contributions - Charged on new developments where Council has or plans to incur capital expenditure specifically to cater for demand associated with growth. Revenue from development contributions is used to pay debt outstanding on current loans.

Financial contributions - Charged on new developments to provide for recreation and open space land and 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 may be invested, used to fund capital expenditure or operating expenditure associated with the activity which held the original asset.

Council may, in exceptional circumstances, choose to use proceeds for operational expenditure in another 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 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 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.

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.

5.2 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 CV, the location of the property and what the property is used for.

UAGC - charged on all separately inhabited or used portions of a rating unit on a uniform (equal) basis. 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 water and wastewater rates) must not exceed 30% of rates revenue. In the situation where Council breaches the 30% cap, the general rate will be used to bring the uniform charges to under 30%.

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 UAC (all properties are charged the same amount).

6. 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 other external sources
- 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, or to repay debt. Council will have regard to forecast future debt levels when deciding whether it is prudent to budget for an operating surplus for debt repayment.

7. Funding capital expenditure

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. 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. Other funding sources include:

- Lump sum contributions
- Council reserve funds
- Development contributions
- Financial contributions
- Contributions from external parties - such as the NZTA
- Depreciation (funded through operational revenue)
- Proceeds from asset sales
- Operating surpluses
- Bequests.

Minor capital expenditure is normally funded from rates in the year the expenditure is incurred. Borrowing is undertaken in accordance with Council's Financial Strategy.

8. 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 against 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.

9. 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:

9.1 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 deemed to be community-wide benefit as there is generally no practicable way of allocating the cost of the benefit.

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.

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.

9.2 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.

9.3 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.

9.4 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.

9.5 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 UAC rate (all properties being charged the same amount). Making decisions on this type of assessment are often not straightforward and can be highly subjective.

9.6 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.

9.7 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 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 expenditure 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.

9.8 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.

10. Activity summary

Local Infrastructure

	UAGC	General Rate	Targeted Rate (CV)	Targeted Rate (UAC)	Fees & Charges
DISTRICT WATER MANAGEMENT					
Drinking Water				100%	
Wastewater				100%	
Stormwater		10%	90%		
Stockwater Management		10-20%		80-90%	
TRANSPORTATION					
Roads			90-100%		0-10%
Footpaths and Cycleways		30%	70%		

	UAGC	General Rate	Targeted Rate (CV)	Targeted Rate (UAC)	Fees & Charges
WASTE REDUCTION & RECOVERY					
Solid Waste Collection				100%	
Solid Waste Management		40%			60%

Public Services

	UAGC	General Rate	Targeted Rate (CV)	Targeted Rate (UAC)	Fees & Charges
COMMUNITY GOVERNANCE & DECISION-MAKING					
Community Grants and Funding	100%				
Ashburton Water Management Zone Committee		100%			
Ashburton Youth Council	100%				
Council	100%				
Methven Community Board				100%	

	UAGC	General Rate	Targeted Rate (CV)	Targeted Rate (UAC)	Fees & Charges
ECONOMIC DEVELOPMENT					
Business & Economic Development		100%			
Commercial Property and Forestry	Contribution to general rate and UAGC	Contribution to general rate and UAGC			
District Promotion (Tourism)		50%	50%		

	UAGC	General Rate	Targeted Rate (CV)	Targeted Rate (UAC)	Fees & Charges
COMMUNITY SERVICES					
Elderly Persons Housing		0-30%			70-100%
Public Conveniences	80%		20%		
Community Safety (CCTV and security)	75%	25%			
Memorial Halls and Reserve Boards			100%		
Reserves and Campgrounds		65-75%			25-35%

	UAGC	General Rate	Targeted Rate (CV)	Targeted Rate (UAC)	Fees & Charges
PARKS AND OPEN SPACES					
Cemeteries		20-40%			60-80%
Rural Beautification		50%	50%		
Urban Beautification (including Ashburton Domain)		50%	50%		

	UAGC	General Rate	Targeted Rate (CV)	Targeted Rate (UAC)	Fees & Charges
RECREATION FACILITIES					
Ashburton Library	100%				
Ashburton Museum	100%				
EA Networks Centre	50-70%				30-50%

Regulatory Functions

	UAGC	General Rate	Targeted Rate (CV)	Targeted Rate (UAC)	Fees & Charges
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 (new)		100%			
Environmental Health – Licensing (new)		10-15%			85-90%
Emergency Management	50%	50%			
Parking					100%

11. Activity details

Local Infrastructure

11.1 District Water Management – Drinking Water

Activity description	Council provides drinking water to homes and businesses through 12 potable water schemes which service over 70% of residents. Council is responsible for sourcing, treating, reticulating and monitoring the water supplied. Council rates for the loan interest and principal costs for two non-Council drinking water supplies – Lyndhurst and Barrhill. This is done through a voluntary rate as provided for under this policy.
Community outcome(s)	<p>A balanced and sustainable environment - the sustainable use and management of water is of central importance to all residents and promotes environmental well-being.</p> <p>A prosperous economy based on innovation and opportunity - access to safe quality drinking water is important for economic well-being.</p>
Who benefits and when?	Group benefit 100% - provided to residents able to connect to Council water schemes and access water on a daily basis.
Whose acts create a need?	High users can place extra burden on the supply necessitating greater storage capacity etc. Such users should pay for their supply on a volumetric basis. Vacant sections and unconnected rating units benefit from the provision of firefighting capacity and should be

	charged an availability charge.
Separate funding	The benefits of this activity are primarily private therefore separate funding through a targeted rate is considered appropriate. Non-residential and extra-ordinary residential connections are considered 'high users' therefore are charged for any excess of their allocation.
Funding source(s)	<p>Operating expenditure – targeted rate UAC 100% Rated as a fixed rate on all connected properties to promote affordability. The exceptions are:</p> <ul style="list-style-type: none"> • Lyndhurst and Barrhill (fully funded within each scheme) • Methven/Springfield and Montalto (rate is based on water used and property size), non-residential and residential extra-ordinary properties (targeted fixed rate for a set amount of water with excess water charged per cubic metre) • Serviceable but not connected properties (charged half the fixed rate). <p>Capital expenditure</p> <ul style="list-style-type: none"> • Sourced from operating expenditure, reserves or loan funding. • Development contributions are levied under Council's Development and Financial Contributions policy • Government subsidies may be provided for some expenditure. Council rate contribution is net of any subsidies.

11.2 District Water Management – Wastewater

Activity description	Council provides wastewater schemes in Ashburton, Methven and Rakaia for the collection, treatment and disposal of wastewater.
Community outcome(s)	<p><i>A balanced and sustainable environment</i> - the safe collection, treatment and disposal of wastewater is important to maintain environmental well-being.</p> <p><i>A prosperous economy based on innovation and opportunity</i> – the safe collection, treatment and disposal of wastewater is important for the overall economic well-being of the district.</p> <p><i>A district of great spaces and places</i> - the safe collection, treatment and disposal of wastewater assists with making the district a great place to live, work and play.</p>
Who benefits and when?	Group benefit 100% - provided to residents able to connect to Council wastewater schemes.
Whose acts create 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.
Separate funding	The benefits of this activity are primarily private therefore, separate funding through a targeted rate is appropriate.
Funding source(s)	<p>Operating expenditure – targeted UAC rate 100%</p> <ul style="list-style-type: none"> • Residential rated as a UAC on properties able to connect to a Council wastewater scheme. Note – Rakaia ratepayers connected to Wastewater will pay the standard group rate, and the ratepayers who still owe a portion of the Wastewater loan will have an additional loan rate on top of the group rate. • Non-residential rated as a targeted fixed rate as for residential for up to three toilet pans. If more than three pans exist then a pan charge of 33% of the residential rate per additional pan is applied. • Serviceable properties (able to be serviced by a wastewater scheme but not connected are

	<p>charged half the applicable fixed rate).</p> <p>Capital expenditure</p> <ul style="list-style-type: none"> • Sourced from operating expenditure, reserves or loan funding. • Rates are set net of contributions from development contributions, trade waste fees, revenue from operations associated with wastewater operations and Government subsidies. • Development Contributions are levied under Council's Development and Financial Contributions Policy • Trade waste fees - non-residential properties connected to a wastewater scheme are assessed for a requirement to pay trade waste levies under the Council's Trade Waste Bylaw. Net revenue from levies is applied to the relevant wastewater scheme. • Ocean Farm net revenue offsets the targeted fixed rate for the group scheme. • Government subsidies may be provided for some expenditure.
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11.3 District Water Management – Stormwater

Activity description	Council provides stormwater collection, treatment and disposal networks in Ashburton, Methven, Rakaia and some rural communities.
Community outcome(s)	<p><i>A balanced and sustainable environment</i> - the safe collection, treatment and disposal of stormwater helps maintain environmental well-being.</p> <p><i>A prosperous economy based on innovation and opportunity</i> - the safe collection, treatment and disposal of stormwater protects property and enables transport networks to function in rain events, contributing to economic well-being.</p> <p><i>A district of great spaces and places</i> - the safe collection, treatment and disposal of stormwater assists with making the district a great place to live, work and play.</p>
Who benefits and when?	<p>Group benefit 90% - provided to residents who are served by stormwater collection, treatment and disposal infrastructure.</p> <p>Community-wide benefit 10% - accrues through protection of assets, such as roads, and by enabling safe transit within the scheme area during rainfall events.</p>
Whose acts create 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 neighbouring or downstream properties.
Separate funding	The benefits of Stormwater are experienced specific to location therefore separate funding through a targeted rate is considered appropriate. Funding the community-wide benefit separately through the general rate reflects the protection provided to public health, asset protection and safe transit of stormwater.
Funding source(s)	<p>Operating expenditure – targeted CV rate 90%, general rate 10%</p> <ul style="list-style-type: none"> • Rated on properties in the catchment of a Council Stormwater scheme with a separate rate for each scheme. <p>Capital expenditure</p> <ul style="list-style-type: none"> • Sourced from operating expenditure, reserves or loan funding.

11.4 District Water Management – Stockwater Management

Activity description	Council owns and operates a stockwater network that includes over 2,058 km of water races.
Community outcome(s)	<p><i>A balanced and sustainable environment</i> - the management of the stockwater network is important to maintain, and improve, environmental well-being.</p> <p><i>A prosperous economy based on innovation and opportunity</i> - the stockwater service enables economic well-being and efficient farming of stock in the district.</p> <p><i>A district of great spaces and places</i> - the use of the stockwater network assists with enhancing the district's spaces and places.</p>
Who benefits and when?	<p>Group benefit 80-90% - is provided to properties able to use the stockwater service.</p> <p>Community-wide benefit 10-20% - is provided through the flood protection function, firefighting capability provided by the water races, and the processing of race closure applications.</p>
Whose acts create a need?	Properties with some length of stockwater race create a need for the service through access to water. The entire community creates a need through the protection provided by the water races, and the ecological value of many of the races.
Separate funding	As there is a clear private benefit from access to stockwater, it is considered appropriate to charge these properties separately for the service.
Funding source(s)	<p>Operating expenditure – targeted UAC rate 80-90%, general rate 10-20%</p> <ul style="list-style-type: none"> The targeted UAC is charged per metre of water race on a property. The charge is detailed in the Council's Long-Term Plan. Exemption – Urban properties in Ashburton and Methven with a stockwater race running past the boundary are exempt from stockwater charges. <p>Capital expenditure</p> <ul style="list-style-type: none"> Sourced from operating expenditure, reserves or loan funding.

11.5 Transportation – Roads

Activity description	Council provides and maintains the district's road network and associated infrastructure (excluding the state highways).
Community outcome(s)	<p><i>A prosperous economy based on innovation and opportunity</i> - supports economic well-being through enabling the distribution of goods, which supports local, regional and national economies.</p> <p><i>A district of great spaces and places</i> - roads support social well-being by enabling the community to carry out social activities in a safe and reliable way.</p>
Who benefits and when?	Community-wide benefit 100% - provided to all residents and visitors to the district as all are able to use the road network.
Whose acts create a need?	All residents, as well as those travelling through the district, create a need for a reliable roading network.
Separate	Benefits are primarily district-wide therefore applying separate funding to different ratepayer

funding	groups, or charging visitors to the district, is not appropriate.
Funding source(s)	<p>Operating expenditure – fees and charges 0-10%, targeted CV rate 90-100% (not including NZTA funding and Petroleum Tax revenue)</p> <ul style="list-style-type: none"> The targeted rate is charged on all separately used or inhabited properties in the district. This is to transparently identify the rates paid for roads by each ratepayer. It is levied on the same basis as the general rate. <p>Capital expenditure</p> <ul style="list-style-type: none"> As for operating expenditure (not including NZTA funding). Council may decide to loan fund specific roads projects on a case by case basis. Projects will be assessed on the following criteria: <ul style="list-style-type: none"> 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. NZTA funding - Council receives funding from NZTA for qualifying road maintenance and capital projects. 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. Private contribution - Council may agree to undertake specified work in addition to its planned work programme at the request of a resident if the resident pays for the work.

11.6 Transportation – Footpaths and Cycleways

Activity description	Council provides and maintains footpaths, streetscapes and cycleways in urban communities in the district.
Community outcome(s)	<p><i>A prosperous economy based on innovation and opportunity</i> - footpaths help promote economic well-being, particularly in the central business areas of the district.</p> <p><i>A district of great spaces and places</i> - footpaths and cycleways support social well-being and enable the community to connect through safe and smooth travel.</p>
Who benefits and when?	<p>Group benefit 70% - is provided to residents of towns where footpaths and cycleways are provided.</p> <p>Community-wide benefit 30% - is provided to all residents through having attractive and safe footpaths, cycleways and streetscapes throughout the district.</p>
Whose acts create a need?	All residents, as well as those visiting the district, create a need for safe footpaths and cycleways.
Separate funding	The degree of benefit experienced by those residing or working in areas with footpaths and cycleways determine separate funding is appropriate.
Funding source(s)	<p>Operating expenditure – targeted CV rate 70%, general rate 30% (not including NZTA funding)</p> <ul style="list-style-type: none"> Rate is targeted to identified communities. <p>Capital expenditure</p> <ul style="list-style-type: none"> As for operating expenditure with loan funding undertaken as required. Council receives funding from NZTA for approved footpath improvements. The level of funding each year depends on the ‘financial assistance rate’ currently applicable for Council and on the work programme approved by NZTA.

	<ul style="list-style-type: none"> • Financial contributions – are levied under the Ashburton District Plan • Exception - properties in the Ashburton inner CBD rating area pay a CV targeted rate for additional footpath cleaning.
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11.7 Waste Reduction and Recovery – Solid Waste Collection

Activity description	Council provides a kerbside wheelie bin rubbish and recycling collection service in Ashburton, Willowby, Lake Hood, Winslow, Fairton, Methven, Rakaia, Hinds, Mayfield and Mt Somers.
Community outcome(s)	<p><i>A balanced and sustainable environment</i> - the recycling of suitable material and the appropriate disposal of residual waste helps minimise the negative effects of waste on our community</p> <p><i>A district of great spaces and places</i> - the correct management of waste assists with making the district a great place to live, work and play.</p>
Who benefits and when?	Group benefit 100% - provided to owners of properties receiving Solid Waste Collection.
Whose acts create a need?	Users of the service create an immediate and an ongoing need.
Separate funding	It is appropriate to recover the private benefit via a funding mechanism applied to users.
Funding source(s)	<p>Operating expenditure – targeted UAC rate 100%</p> <ul style="list-style-type: none"> • Charged to all properties able to receive the Council rubbish and recycling wheelie bin collection service. <p>Capital expenditure</p> <ul style="list-style-type: none"> • Sourced from operating expenditure, reserves or loan funding.

11.8 Waste Reduction and Recovery – Solid Waste Management

Activity description	Council operates resource recovery parks in Ashburton and Rakaia, and satellite recycling facilities in smaller communities throughout the district. Recyclable material is diverted from the waste stream for re-use and residual waste is transported to the regional landfill at Kate Valley for disposal.
Community outcome(s)	<p><i>A balanced and sustainable environment</i> - the recycling of suitable material and the appropriate disposal of residual waste promotes environmental well-being and helps minimise the negative effects of waste on our community.</p> <p><i>A district of great spaces and places</i> - the correct management of waste assists with making the district a great place to live, work and play.</p>
Who benefits and when?	<p>Private benefit 60% - provided through having facilities to recycle or dispose of unwanted waste and recyclable materials.</p> <p>Community-wide benefit 40% - from having refuse disposed of safely.</p>
Whose acts create a need?	Individuals using this service create a need through the requirement to manage solid waste. The entire community create a need through requiring protection of the environment from

	adverse impacts.
Separate funding	It is appropriate to recover the private benefit through applying separate user charges funding.
Funding source(s)	<p>Operating expenditure – fees and charges 60%, general rate 40%</p> <p>Capital expenditure</p> <ul style="list-style-type: none"> Sourced from operating expenditure, reserves or loan funding.

Public Services

11.9 Community Governance and Decision-making – Community Grants and Funding

Activity description	<p>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:</p> <ul style="list-style-type: none"> Arts & Culture – Ashburton Trust Event Centre (ATEC) Funding, Ashburton Art Gallery 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 Sport & Recreation - Sport Mid Canterbury Funding, School Holiday Programme Grant, Community Pools Health & Safety Grant (the Community Pools Grant) Discretionary
Community outcome(s)	<p>Residents are included and have a voice - community groups and organisations can access Council funding to provide a range of initiatives that contribute to residents’ quality of life.</p> <p>A district of great spaces and places - many community organisations funded by Council look after important community facilities.</p>
Who benefits and when?	Community-wide benefit 100% - provided through residents being able to access community services, facilities, projects and events grant funded by Council grants.
Whose acts create a need?	All ratepayers create a need through benefitting from being able to apply from community grants and funding.
Separate funding	It would not be appropriate to charge individual groups of ratepayers given the strong community-wide public benefit.
Funding source(s)	<p>Operating expenditure – UAGC 100%</p> <ul style="list-style-type: none"> Exception – Methven Pool receive a grant funded as a targeted rate under the Methven Community Board activity. <p>Capital expenditure</p> <ul style="list-style-type: none"> Sourced from operating expenditure, reserves or loan funding.

11.10 Community Governance and Decision-making – Democracy (Ashburton Water Management Zone Committee)

Activity description	The Ashburton Water Management Zone Committee (ZC) provide important representation for residents in the district on water management issues.
Community outcome(s)	Residents are included and have a voice – The ZC provide a framework for democratic decision-making at the local level.
Who benefits and when?	Group benefit 100% - provided through representation, advocacy, communication and engagement for all residents on water management issues.
Whose acts create a need?	All residents create a need through requiring representation.
Separate funding	It would not be appropriate to apply separate funding as all ratepayers benefit from this representation.
Funding source(s)	Operating expenditure – general rate 100% Capital expenditure <ul style="list-style-type: none"> Sourced from operating expenditure, reserves or loan funding.

11.11 Community Governance and Decision-making – Democracy (Ashburton Youth Council)

Activity description	The Ashburton Youth Council (AYC) provide important representation for the younger residents in the district.
Community outcome(s)	Residents are included and have a voice – AYC provides a framework for democratic decision-making at the local level.
Who benefits and when?	Group benefit 100% - provided through representation, advocacy, communication and engagement for youth residents.
Whose acts create a need?	All residents create a need through requiring youth representation.
Separate funding	It would not be appropriate to apply separate funding as all ratepayers benefit from this representation.
Funding source(s)	Operating expenditure – UAGC 100% Capital expenditure <ul style="list-style-type: none"> Sourced from operating expenditure, reserves or loan funding.

11.12 Community Governance and Decision-making – Democracy (Council)

Activity description	Council undertakes a range of 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
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	appropriately in Council's decision-making processes.
Community outcome(s)	Residents are included and have a voice - Council provides a framework for democratic decision-making at the local level.
Who benefits and when?	Group benefit 100% - provided through representation, advocacy, communication and engagement for all residents.
Whose acts create a need?	All residents create a need through requiring representation on issues.
Separate funding	It would not be appropriate to apply separate funding as all ratepayers benefit from this representation.
Funding source(s)	Operating expenditure – UAGC 100% Capital expenditure <ul style="list-style-type: none"> Sourced from operating expenditure, reserves or loan funding.

11.13 Community Governance and Decision-making – Democracy (Methven Community Board)

Activity description	The Methven Community Board (MCB) provides a co-ordinated voice that represents the Methven community's interests in Council decision-making.
Community outcome(s)	Residents are included and have a voice - MCB provides a framework for democratic decision-making at the local level.
Who benefits and when?	Community-wide benefit 100% - provided to Methven residents as the Board represents the Methven area only and no other part of the district has this level of additional representation.
Whose acts create a need?	All residents of Methven create a need for the representation provided by MCB.
Separate funding	It is appropriate to charge Methven ratepayers separately as they receive the benefit of additional representation.
Funding source(s)	Operating expenditure – targeted rate UAC 100% <ul style="list-style-type: none"> All properties in the Methven Community Board rating area are charged this rate. This activity includes a grant for Methven Pool, charged through the same method.

11.14 Economic Development – Business and Economic Development

Activity description	Council provides funding for business and economic development in the district.
Community outcome(s)	<p>A prosperous economy based on innovation and opportunity - encouraging new and supporting existing economic activity in the district strengthens our local economy.</p> <p>A district of great spaces and places - economic growth and prosperity enables our community to fund services and facilities that contribute to quality of life.</p>
Who benefits	Community-wide benefit 100% - provided through the economic growth and development of

and when?	the district.
Whose acts create a need?	The need for business and economic development is experienced by the district as a whole through encouraging new, and supporting existing, economic activity to strengthen the local economy.
Separate funding	Separate funding would not be appropriate given the clear community-wide benefit.
Funding source(s)	Operating expenditure – general rate 100% Capital expenditure <ul style="list-style-type: none"> Sourced from operating expenditure, reserves or loan funding.

11.15 Economic Development – Commercial Property

Activity description	Council holds commercial property as part of its investment portfolio.
Community outcome(s)	<i>A prosperous economy based on innovation and opportunity</i> - much of Council's property portfolio is held primarily to gain a return however, it also contributes to economic development through providing properties for business use in the district.
Who benefits and when?	Community-wide benefit 100% - provided through net property income being used to offset Council's rate requirement.
Whose acts create a need?	All ratepayers create a need for this activity through the offset provided to rates.
Separate funding	Separate funding is not appropriate as this activity is used to offset rates.
Funding source(s)	<p>Net operating revenue is applied to offset the general rate, and the UAGC in proportion to the requirement for each.</p> <p>Funds from property sales are not used to offset rates but can be used to meet interest costs on loans associated with property (such as for the Ashburton Business Estate). Otherwise they are held in the Property reserve account or used to repay Property related debt.</p> <p>Capital expenditure</p> <ul style="list-style-type: none"> Sourced from operating expenditure, reserves or loan funding. Exception - Council has decided to repay loans for capital expenditure for the construction of the EA Networks Centre over 40 years rather than the normal 25 years or less. This is to promote community outcomes through making the loan repayments more affordable for ratepayers. It is likely that the period of the loan will be reviewed in future with a view to reducing the term towards the more usual 25 year duration. Development contributions – are charged for community infrastructure under the Development and Financial Contributions Policy.

11.16 Economic Development – Forestry

Activity description	Council has forestry investments as part of its investment portfolio.
Community	<i>A prosperous economy based on innovation and opportunity</i> - Council's forestry portfolio is

outcome(s)	held primarily to gain a financial return. It also contributes to the districts economy.
Who benefits and when?	Community-wide benefit 100% - provided through net forestry income being used to offset the rate requirement.
Whose acts create a need?	Council's forestry portfolio is held primarily to gain a return therefore all ratepayers create a need.
Separate funding	Separate funding is not appropriate as this activity is used to offset rates.
Funding source(s)	<p>Net revenue and any reserve funds can be used by Council to offset the general rate and UAGC in proportion to the respective requirement. Council may also choose to use forestry reserve funds to offset the general rate and UAGC if there is no surplus.</p> <p>Council is currently reviewing its future approach to its forestry holdings and may look to sell some land held for that purpose. The proceeds of any sales of forestry land will be credited to the Property reserve fund.</p>

11.17 Economic Development – District Promotion (Tourism)

Activity description	Council provides district promotion funding to undertake marketing of the district.
Community outcome(s)	<p><i>A prosperous economy based on innovation and opportunity</i> – district promotion contributes to the diversity and strength of the local economy, and enhances social and economic well-being.</p> <p><i>A district of great spaces and places</i> - tourism development creates spaces and places for local residents and visitors to enjoy.</p>
Who benefits and when?	<p>Group benefit 50% - provided to businesses through the direct and indirect economic gain from visitors to the district.</p> <p>Community-wide benefit 50% - provided through enhancing economic, social and cultural well-being in attracting visitors to the district.</p>
Whose acts create a need?	Tourism contributes to the strength of the local economy therefore businesses create a need for this activity. All ratepayers create a need through enjoying the benefits of tourism development.
Separate funding	Tourism provides a benefit both to businesses in urban areas of Ashburton, Methven and Rakaia, and all ratepayers in the district. Separate funding is therefore appropriate.
Funding source(s)	<p>Operating expenditure – targeted CV rate 50%, general rate 50%</p> <ul style="list-style-type: none"> Pro rata allocation based on the capital value of businesses in the Ashburton, Methven and Rakaia urban areas. <p>Capital expenditure</p> <ul style="list-style-type: none"> Sourced from operating expenditure, reserves or loan funding.

11.18 Community Services – Elderly Persons Housing

Activity description	Council provides elderly housing units in Ashburton, Methven and Rakaia to enable elderly residents of limited means to live independently in quality accommodation.
Community outcome(s)	Residents are included and have a voice - affordable accommodation for older residents enables them to live independently and safely.
Who benefits and when?	Private benefit 100% - tenants receive private benefit from this service.
Whose acts create a need?	Some older residents require affordable accommodation to enable them to live independently and safely.
Separate funding	Given the high private benefit, it is appropriate to implement user charges for the majority of the cost. However, due to the age of the units and legislative requirements to bring the units up to standard, Council has introduced a general rate component for the activity in the short-term to alleviate the increase on existing tenants.
Funding source(s)	<p>Operating expenditure – fees and charges 70-100%, general rate 0-30%</p> <ul style="list-style-type: none"> Fees and charges are collected through rental income The general rate component is included to assist with necessary unit upgrades. An increase in fees and charges to cover these upgrades would be too severe and unsustainable. <p>Capital expenditure</p> <ul style="list-style-type: none"> Sourced from operating expenditure, reserves or loan funding.

11.19 Community Services – Public Conveniences

Activity description	Council operates public convenience facilities to allow for the health and safety of the community and to protect the environment.
Community outcome(s)	<p>A prosperous economy based on innovation and opportunity - providing public conveniences in the business areas of the district makes these areas more amenable for residents and visitors</p> <p>A district of great spaces and places - the provision of public conveniences supports the spaces and places of local communities.</p>
Who benefits and when?	<p>Group benefit 20% - provided to business properties in the Ashburton, Methven and Rakaia business districts as these businesses don't need to provide facilities for shoppers themselves.</p> <p>Community-wide benefit 80% - provided to all residents and visitors able to use facilities.</p>
Whose acts create a need?	All ratepayers create a need through having access to public conveniences. Businesses within proximity of conveniences receive an additional benefit.
Separate funding	Separate funding is appropriate as both businesses and the community as a whole experience benefits.

Funding source(s)	<p>Operating expenditure – targeted CV rate 20%, UAGC 80%</p> <ul style="list-style-type: none"> The targeted rate applies to all business (non-residential) properties in Ashburton, Methven and Rakaia urban rating areas (pro rata on capital value of these businesses in the area). <p>Capital expenditure</p> <ul style="list-style-type: none"> Sourced from operating expenditure, reserves or loan funding. Financial contributions – are levied under the Ashburton District Plan
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11.20 Community Services – Community Safety (CCTV and security)

Activity description	Council provides community safety initiatives for the community including CCTV monitoring and security patrols.
Community outcome(s)	A district of great spaces and places - monitoring key spaces within the community enhances community safety.
Who benefits and when?	Community-wide benefit 100% - accrues through the monitoring of key locations.
Whose acts create a need?	All residents create a need through having access to key spaces in the district.
Separate funding	It would not be appropriate to apply separate funding as all residents experience the benefits of Community Safety.
Funding source(s)	<p>Operating expenditure – UAGC 75%, general rate 25%</p> <p>Capital expenditure</p> <ul style="list-style-type: none"> Sourced from operating expenditure, reserves or loan funding.

11.21 Community Services – Memorial Halls and Reserve Boards

Activity description	There are a number of Memorial Halls and Reserve Boards in the district which provide community facilities and visitor attractions. Council provides funding to assist with maintenance of those facilities.
Community outcome(s)	A district of great spaces and places - reserves, memorial and other community halls provide important recreation and social facilities for local communities.
Who benefits and when?	<p>Community-wide benefit 100% - provided through having the halls and reserves available for use by residents.</p> <p>Group benefit - provided to residents in proximity to reserves and memorial halls. As an example, Methven have location benefit over and above district-wide access to the Methven Heritage Centre (which incorporates the Mt Hutt Memorial Hall).</p>
Whose acts create a need?	All ratepayers create a need through being able to access memorial halls and reserves.
Separate funding	It is appropriate to apply a number of targeted rates based on the proximity to memorial halls and reserve boards as it is these ratepayers who benefit above others.

Funding source(s)	<p>Operating expenditure – targeted CV rate 100% The targeted rate is applied as follows:</p> <ul style="list-style-type: none"> • Methven – including the Mt Hutt Memorial Hall and Heritage Centre, Methven Recreation Reserve • Rakaia – including the Rakaia Memorial Hall and Rakaia Recreation Reserve • Ashburton Urban Amenity rate – including Tinwald Memorial Hall and Tinwald Recreation Reserve • Rural amenity rate – all other halls and recreation reserves.
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11.22 Community Services – Reserves and Campgrounds

Activity description	Council provides a range of formal and informal campgrounds throughout the district. There are a number of special purpose reserves vested in Council which are held for specified purposes such as gravel extraction or recreation
Community outcome(s)	A district of great spaces and places - reserves and campgrounds provide recreation and social facilities for local residents and visitors.
Who benefits and when?	<p>Private benefit 50% - provided to users of campgrounds and other facilities available through this activity.</p> <p>Community-wide benefit 50% - provided through the use of the reserves, camp grounds, the Ashburton skate-park and other facilities. Tourism resulting from facilities provided brings economic benefit to the district.</p>
Whose acts create a need?	Local residents and visitors create a need through having access to reserves and campgrounds.
Separate funding	Given the high private benefit, it is appropriate to apply separate funding through the user pays principle. Insufficient revenue would be obtained through fees and charges and it would be unfavourable to increase fees to such a level that the activity could sustain itself. The general rate is therefore required to support funding.
Funding source(s)	<p>Operating expenditure – fees and charges 25-35%, general rate 65-75%</p> <p>Capital expenditure</p> <ul style="list-style-type: none"> • Sourced from operating expenditure, reserves or loan funding. • Financial contributions – are levied under the Ashburton District Plan.

11.23 Parks and Open Spaces – Cemeteries

Activity description	Cemeteries are important for Council to ensure a safe and healthy community, and to preserve the social history of the district.
Community outcome(s)	<p>A balanced and sustainable environment - Council ensures interments are undertaken in ways that minimise the impact on the environment.</p> <p>A district of great spaces and places - Council provides cemeteries that have a park-like setting.</p>
Who benefits and when?	Private benefit 80% - provided to users of cemetery facilities, largely friends and family of

	<p>deceased.</p> <p>Community-wide benefit 20% - provided through ensuring the deceased are interred in a sanitary way.</p>
Whose acts create a need?	All ratepayers create a need for cemeteries through requiring cemetery services and open spaces. There is a strong private benefit which Council attempts to recover through fees and charges.
Separate funding	As much as possible, Council attempts to recover the private good aspect of this activity through fees and charges therefore separate funding is appropriate.
Funding source(s)	<p>Operating expenditure – fees and charges 60-80%, general rate 20-40%</p> <p>Capital expenditure</p> <ul style="list-style-type: none"> Sourced from operating expenditure, reserves or loan funding.

11.24 Parks and Open Spaces – Rural Beautification

Activity description	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 which make up the 'Township beautification' activity.
Community outcome(s)	A district of great spaces and places - Council provides open spaces that are attractive for residents and visitors.
Who benefits and when?	<p>Group benefit 50% - is provided to rural residents who benefit directly from this activity by having attractive places to live.</p> <p>Community-wide benefit 50% - provided through having enhanced rural surroundings which are attractive places to live and visit.</p>
Whose acts create a need?	All ratepayers create a need for rural beautification through having access to visit and enjoy these areas. Those in close proximity create an additional need.
Separate funding	Separate funding is appropriate as those in close proximity experience the need for rural beautification more greatly. It would not be appropriate to apply user charges given the community-wide benefit.
Funding source(s)	<p>Operating expenditure – targeted CV rate 50%, general rate 50%</p> <ul style="list-style-type: none"> The targeted CV rate is charged to all properties except those in the Ashburton, Methven and Rakaia urban rating areas. <p>Capital expenditure</p> <ul style="list-style-type: none"> Sourced from operating expenditure, reserves or loan funding. Financial contributions - Council charges financial contributions for the acquisition and development of recreation and open space under provisions of the District Plan. This funding source may be used in some instances to fund qualifying capital expenditure.

11.25 Parks and Open Spaces – Urban Beautification (including Ashburton Domain)

Activity description	Council undertakes projects and maintenance to enhance the streetscapes, sports grounds, parks and reserves and the Ashburton Domain in the towns of the district, including Lake Hood. Council also collects and disposes of rubbish from street-side litter bins located in Ashburton, Methven and Rakaia.
Community outcome(s)	A district of great spaces and places - Council provides open spaces that are attractive for residents and visitors.
Who benefits and when?	<p>Group benefit 50% - provided to residents and businesses in Ashburton, Methven and Rakaia through these localities being more attractive places to live, work and shop.</p> <p>Community-wide benefit 50% - provided through residents being able to use the recreational facilities provided and from having attractive towns that are clean throughout the district.</p>
Whose acts create a need?	All ratepayers create a need for urban beautification through having access to visit and enjoy these areas. Those in close proximity create an additional need.
Separate funding	Separate funding is appropriate as those in close proximity experience the need for urban beautification more greatly. It would not be appropriate to apply user charges given the community-wide benefit.
Funding source(s)	<p>Operating expenditure – targeted CV rate 50%, general rate 50% The targeted CV rate is applied based on the cost of services relative to each area:</p> <ul style="list-style-type: none"> Ashburton (Ashburton urban amenity rating area, including Lake Hood) Methven (Methven urban rating area) Rakaia (Rakaia urban rating area). <p>Capital expenditure</p> <ul style="list-style-type: none"> Sourced from operating expenditure, reserves or loan funding. Financial contributions - Council charges financial contributions for the acquisition and development of recreation and open space under provisions of the District Plan. This funding source may be used in some instances to fund qualifying capital expenditure.

11.26 Recreation Facilities – Ashburton Public Library

Activity description	Council operates the Ashburton Public Library which provides educational, informational and recreational resources for the district's residents.
Community outcome(s)	A district of great spaces and places - libraries are an important community resource for education and recreation and also provide opportunities for social engagement in the community (social well-being).
Who benefits and when?	Community-wide benefit 100% - provided to residents who use the library services.
Whose acts create a need?	All ratepayers create a need as libraries have a strong public benefit which can be enjoyed by all. Visitors to the district also create a need.
Separate funding	It is appropriate to charge all ratepayers given the high public benefit. Separate funding, for example through a full user pays system, would not be appropriate as insufficient revenue

	would be obtained. Charging for general book issues at a level that would generate substantial income would result in significant declines in usage and issues.
Funding source(s)	<p>Operating expenditure – UAGC 100%</p> <p>Capital expenditure</p> <ul style="list-style-type: none"> • Sourced from operating expenditure, reserves or loan funding. • Council considers that allocating costs only to users of the service would be an unreasonable disincentive to those residents use of the library services. Funding is therefore allocated district-wide. • User charges from book rentals, fines and chargeable services such as printing currently contribute a small (less than 10%) portion of the costs of providing this service. The funding allocation in this policy excludes these sources. • Capital expenditure on the Ashburton library building is addressed under Commercial Property.

11.27 Recreation Facilities – Ashburton Museum

Activity description	Council operates the Ashburton Museum and aims to be the leading cultural heritage destination for Ashburton District.
Community outcome(s)	<i>A district of great spaces and places</i> - Council cares for and shares collections related to the Ashburton District and New Zealand, to enable residents to enjoy social, cultural and heritage experiences that showcase our unique identity.
Who benefits and when?	Community-wide benefit 100% - is provided through having cultural and heritage activities accessible to residents
Whose acts create a need?	All ratepayers create a need as museums have a strong public benefit which can be enjoyed by all. Visitors to the district also create a need.
Separate funding	It is appropriate to charge all ratepayers given the high public benefit. Separate funding, for example through a full user pays system, would not be appropriate as insufficient revenue would be obtained. Charging for museum entrance at a level that would generate substantial income would result in a significant decline in usage.
Funding source(s)	<p>Operating expenditure – UAGC 100%</p> <p>Capital expenditure</p> <ul style="list-style-type: none"> • Sourced from operating expenditure, reserves or loan funding. • Capital expenditure on the Ashburton Museum building is addressed under Commercial Property

11.28 Recreation Facilities – EA Networks Centre

Activity description	Council owns and operates the EA Networks Centre to encourage and support recreation and leisure by providing affordable accessible and quality sports facilities. Council also operates the Tinwald Community Pool during the summer months.
Community outcome(s)	<i>A district of great spaces and places</i> - Council provides quality recreation facilities that are accessible and affordable to residents and visitors.

Who benefits and when?	<p>Private benefit 50% - provided to users of recreation facilities and services.</p> <p>Community-wide benefit 50% - provided to residents through being able to use facilities and services provided or funded by Council.</p>
Whose acts create a need?	Both the entire community and individual ratepayers create a need for the EANC. There is a strong private good aspect where individuals can access and use the facility, and a public good aspect where the district benefits from hosting events.
Separate funding	As much as possible, Council attempts to recover the private good aspect of this activity through fees and charges therefore separate funding is appropriate.
Funding source(s)	<p>Operating expenditure – fees and charges 30-50%, UAGC 50-70%</p> <p>Capital expenditure</p> <ul style="list-style-type: none"> • Sourced from operating expenditure, reserves or loan funding. • Capital expenditure on the EA Networks Centre building is addressed under Commercial Property.

Regulatory Functions

11.29 Alcohol Licensing and Gambling Venue Consenting

Activity description	Council manages the sale and supply of alcohol and gambling licensing by way of processing applications, monitoring and enforcement requirements.
Community outcome(s)	<p>A balanced and sustainable environment - Council administers alcohol licensing in accordance with Council's Local Alcohol Policy and gambling licensing in accordance with Council's Class 4 Gambling Venue Policy.</p> <p>A district of great spaces and places - Council ensures that licensing supports great spaces and places for the community to visit (social well-being)</p>
Who benefits and when?	<p>Private benefit 80% - provided to owners of licensed businesses meeting legislative requirements and be able to operate.</p> <p>Community-wide benefit 20% - provided through standards and controls applied in the areas of alcohol and gambling venue licensing.</p>
Whose acts create a need?	This activity has a strong private good aspect but the community as a whole also benefit from having standards and controls in place to protect public health and safety.
Separate funding	As much as possible, Council attempts to recover the private good aspect of this activity through fees and charges therefore separate funding is appropriate.
Funding source(s)	<p>Operating expenditure – fees and charges 75-80%, general rate 20-25%</p> <p>Capital expenditure</p> <ul style="list-style-type: none"> • Sourced from operating expenditure, reserves or loan funding.

11.30 Animal Control

Activity description	Council provides dog and stock control services to ensure the community is not endangered by uncontrolled dogs or stock.
Community outcome(s)	<i>A district of great spaces and places</i> - Council ensures that animal control supports great spaces and places for the community.
Who benefits and when?	<p>Private benefit 95% - provided to dog owners, through provision of dog control services that would not be required if there were no dogs – dog owners create the need to provide the service (exacerbator pays principle).</p> <p>Community-wide benefit 5% - provided through Council being able to respond to and deal with dog and wandering stock issues in a timely manner.</p>
Whose acts create a need?	The benefits of animal control are mainly private through providing administration and licensing services for dog owners. All ratepayers create a need through benefitting from public safety.
Separate funding	As much as possible, Council attempts to recover the private good aspect of this activity through fees and charges therefore separate funding is appropriate. A small amount is funded through the general rate to reflect those costs that are a public good.
Funding source(s)	<p>Operating expenditure – fees and charges 85-95%, general rate 5-15%</p> <ul style="list-style-type: none"> Fees and charges include dog license fees, impounding fees and infringement fees, stock impounding fees, and sustenance fees. <p>Capital expenditure</p> <ul style="list-style-type: none"> Sourced from operating expenditure, reserves or loan funding.

11.31 Building Regulation

Activity description	Council is an accredited building control authority, responsible for enforcing the requirements of the Building Act 2004 and NZ Building Code to ensure all buildings are structurally sound and safe for occupancy.
Community outcome(s)	<p><i>A prosperous economy based on innovation and opportunity</i> - building regulation supports the economic well-being and growth of the district.</p> <p><i>A district of great spaces and places</i> - Council ensures that building control supports great spaces and places for the community (social well-being).</p>
Who benefits and when?	<p>Private benefit 90% - provided to building owners and construction contractors through ensuring they meet legislative requirements when applying for building consents.</p> <p>Community-wide benefit 10% - provided through Council providing information regarding building regulation requirements free of charge to property owners and residents looking at building development.</p>
Whose acts create a need?	The community create a need through requiring safety and health protection of buildings over time. There is a strong private benefit evident in individuals or organisations requiring building consents.

Separate funding	As much as possible, Council attempts to recover the private good aspect of this activity through fees and charges therefore separate funding is appropriate. Some costs associated with accreditation and general advice have a public good aspect therefore it is appropriate to apply separate funding using the general rate and fees and charges.
Funding source(s)	<p>Operating expenditure – fees and charges 80-90%, general rate 10-20%</p> <p>Capital expenditure</p> <ul style="list-style-type: none"> Sourced from operating expenditure, reserves or loan funding.

11.32 District Planning (including Land Information)

Activity description	Council plans for the future growth of the district and aims to control the actual and potential adverse effects of land use. Council maintains records of all properties in the district. Information on any property is available to the public through a Land Information Memorandum (LIM).
Community outcome(s)	<p><i>A prosperous economy based on innovation and opportunity</i> - a well-planned community is likely to be efficient and effective in delivering services. Land information supports the economic well-being and growth of the district.</p> <p><i>A district of great spaces and places</i> - the District Plan sets rules and guides Council decisions to ensure our environment is preserved. Council ensures that land information services supports great spaces and places for the community.</p>
Who benefits and when?	<p>Private benefit 80% - provided to resource consent applicants through their being able to undertake activities not provided for under the District Plan.</p> <p>Community-wide benefit 20% - provided through the environmental protection provided by the District Planning activity.</p>
Whose acts create a need?	There is a strong private good aspect in that individuals create a direct need for District Planning and Land Information services. There is also a public good aspect in that the monitoring and review of the District Plan is required.
Separate funding	As much as possible, Council attempts to recover the private good aspect of this activity through fees and charges therefore separate funding is appropriate.
Funding source(s)	<p>Operating expenditure – fees and charges 60-80%, general rate 20-40%</p> <p>Capital expenditure</p> <ul style="list-style-type: none"> Sourced from operating expenditure, reserves or loan funding. Exception - privately requested plan changes are subject to fees and charges 100%.

11.33 District Plan (policy and development)

Activity description	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. The policy and development activity includes the District Plan and advocacy e.g. CBD revitalisation).
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Community outcome(s)	<p><i>A prosperous economy based on innovation and opportunity</i> - a well-planned community is likely to be efficient and effective in delivering services (economic well-being).</p> <p><i>A district of great spaces and places</i> - the District Plan sets rules and guides Council decisions to ensure our environment is preserved (social well-being).</p>
Who benefits and when?	Community-wide benefit 100% - provided through the environmental protection provided by the District Planning activity.
Whose acts create a need?	All ratepayers create a need through benefiting from the policy and development of the District Plan.
Separate funding	This activity is funded separately to the District Planning activity as there is a strong public good aspect to policy and development function. It is appropriate to charge all ratepayers given this community-wide benefit
Funding source(s)	<p>Operating expenditure – general rate 100%</p> <p>Capital expenditure</p> <ul style="list-style-type: none"> Sourced from operating expenditure, reserves or loan funding.

11.34 Environmental Health – Monitoring and Enforcement

Activity description	Council undertakes environmental health monitoring and enforcement functions regarding food premises, investigation of notifiable diseases, and responding to nuisance complaints.
Community outcome(s)	<p><i>A prosperous economy based on innovation and opportunity</i> - Council supports the local economy by ensuring that environmental health concerns are monitored and addressed.</p> <p><i>A district of great spaces and places</i> - Council provides environmental health monitoring and enforcement to assist great spaces and places for the community.</p>
Who benefits and when?	Community-wide benefit – is evident through the expectation that public health legislative standards of operation are being met and assurance of a safe and healthy environment.
Whose acts create a need?	All ratepayers create a need through requiring environmental health monitoring and enforcement.
Separate funding	Given the strong public good aspect, it is appropriate to charge this activity separate to Environmental Health licensing (which has a strong private good aspect).
Funding source(s)	<p>Operating expenditure – general rate 100%</p> <p>Capital expenditure</p> <ul style="list-style-type: none"> Sourced from operating expenditure, reserves or loan funding.

11.35 Environmental Health – Licensing

Activity description	Council provides environmental health licensing to businesses and individuals to ensure compliance with legal standards.
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Community outcome(s)	<p><i>A prosperous economy based on innovation and opportunity</i> - Council contributed to the local economy by ensuring that individuals and businesses are supported to apply for environmental health licenses as required (economic well-being).</p> <p><i>A district of great spaces and places</i> - Council provides environmental health licensing to assist great spaces and places for the community (social well-being).</p>
Who benefits and when?	<p>Private benefit 90% - provided to individuals and businesses requiring environmental health licensing.</p> <p>Community-wide benefit 10% - is evident through assurance that minimum health standards have been applied to businesses.</p>
Whose acts create a need?	Businesses and individuals requiring environmental health licenses create a need for licensing.
Separate funding	As much as possible, Council attempts to recover the private good aspect of this activity through fees and charges therefore separate funding is appropriate.
Funding source(s)	<p>Operating expenditure – fees and charges 85-90%, general rate 10-15%</p> <p>Capital expenditure</p> <ul style="list-style-type: none"> Sourced from operating expenditure, reserves or loan funding.

11.36 Emergency Management

Activity description	Council undertakes contingency planning and readiness for natural disasters and provides emergency response and recovery services in the event of a natural disaster.
Community outcome(s)	<p><i>A prosperous economy based on innovation and opportunity</i> - Council supports the local economy by being preparing for and responding to civil defence emergencies.</p> <p><i>A district of great spaces and places</i> - Council provides Civil defence capability to contribute to a reduction in the loss of property in a civil emergency event.</p>
Who benefits and when?	<p>Community-wide benefit (people) 50% - provided through the ability for the district to recover from a civil defence emergency event.</p> <p>Community-wide benefit (property) 50% - provided to residents and businesses affected by a civil defence emergency event and their ability to recover from a civil defence emergency event.</p>
Whose acts create a need?	All ratepayers create a need through requiring emergency preparedness.
Separate funding	As the benefits are entirely for the public good, it is not appropriate to apply separate charges.
Funding source(s)	<p>Operating expenditure – UAGC 50%, general rate 50%</p> <p>Capital expenditure</p> <ul style="list-style-type: none"> Sourced from operating expenditure, reserves or loan funding.

11.37 Parking

Activity description	Council provides on and off-street car parking in the central business district of Ashburton, the commercial districts of Methven and Rakaia and suburban shopping areas throughout the district.
Community outcome(s)	<i>A prosperous economy based on innovation and opportunity</i> - parking supports the economic well-being and growth of the district.
Who benefits and when?	Private benefit 100% - provided to users of parking facilities. Business owners in areas with parking receive private benefit through the regular turnover of parking spaces allowing more customers to access shops.
Whose acts create a need?	All residents and visitors to the district create a need through requiring parking spaces.
Separate funding	Council recovers the private good aspect of this activity through fees and charges therefore separate funding is not required.
Funding source(s)	<p><i>Operating expenditure – fees and charges 100%</i></p> <ul style="list-style-type: none"> Obtained through meter fees and infringement fines. <p><i>Capital expenditure</i></p> <ul style="list-style-type: none"> Sourced from operating expenditure, reserves or loan funding.

12. Appendix 1 - Rating boundary maps

Boundary maps for rating areas have been included as part of the Revenue and Financing Policy. The following rating areas apply:

Area	Map	Appendix Page Number	Rate
District-wide	ADC General / Road / UAGC Boundary	1	UAGC General Rate Roading Rate
	ADC Rural Amenities Boundary	2	Rural Amenities Rate
	ADC Stockwater Race Services / Connected	3	Stockwater Rate
	ADC Group Water Connected / Serviceable	4	Group Water Supply Rate
Ashburton Township	Ashburton CBD Refuse Collection	5	Ashburton Refuse Collection Rate
	Ashburton CBD (Inner) Footpath Cleaning	6	Ashburton CBD (Inner) Footpath Cleaning Rate
	Ashburton Refuse Collection Boundary	7	Ashburton Refuse Collection Rate
	Ashburton Urban / Residential and Business Amenities	8	Ashburton Business Amenity Rate
			Ashburton Urban Amenity Rate
			Ashburton Residential Amenity Rate
Barrhill Village	Ashburton Water Supply and Wastewater Connected / Serviceable and Wastewater Pans	9	Ashburton Water Supply Rate
			Ashburton Wastewater Rate (including Pans charge)
Barrhill Village	Barrhill Village Water Loan Repayment Connected	10	Barrhill Village Water Supply Rate
Chertsey	Chertsey Refuse Collection	11	Chertsey Refuse Collection Rate
	Chertsey Water Supply / Serviceable Boundary	12	Chertsey Water Supply Rate
Dromore	Dromore Water Supply Connected / Serviceable	13	Dromore Water Supply Rate
Fairton	Fairton Water Supply Connected / Serviceable	14	Fairton Water Supply Rate
	Fairton Refuse Collection	15	Fairton Refuse Collection Rate
Hakatere	Hakatere Water Supply Connected / Serviceable	16	Hakatere Water Supply Rate
Hinds	Hinds Amenity Rates Boundary	17	Hinds Amenity Rate
	Hinds Refuse Collection Boundary	18	Hinds Refuse Collection Rate (including Winslow)
	Hinds Water Supply Connected / Serviceable Boundary	19	Hinds Water Supply Rate
Lake Clearwater	Lake Clearwater Refuse Collection Boundary	20	Lake Clearwater Refuse Collection Rate
Lake Hood	Lake Hood Water Supply Connected Serviceable	3	Lake Hood Water Supply Rate
	Lake Hood Refuse Collection	22	Lake Hood Refuse Collection Rate

Lyndhurst	Lyndhurst Water Supply Loan Repayment	23	Lyndhurst Water Supply Rate
Mayfield	Mayfield Water Supply Connected / Serviceable and Refuse Collection Area	24	Mayfield Water Supply Rate
			Mayfield Refuse Collection Rate
Methven	Methven Urban / Residential & Commercial Amenities	25	Methven Urban Amenity Rate
			Methven Residential Amenity Rate
			Methven Commercial Amenity Rate
	Methven Community Board Area	26	Methven Community Board Rate
	Methven Community Pool Boundary	27	Methven Community Pool Rate
	Methven Refuse Collection	28	Methven Refuse Collection Rate
	Methven Wastewater Connected / Serviceable and Pans	29	Methven Wastewater Rate
	Methven Water Supply Connected / Serviceable	30	Methven Water Supply Rate
Methven / Springfield	Methven / Springfield Rural Agricultural Water supply Connected / Serviceable	31	Methven-Springfield Rural Agricultural Water supply Rate
Montalto	Montalto Rural Agricultural Water supply Connected	32	Montalto Rural Agricultural Water supply Rate
Mt Somers	Mt Somers Water Supply Connected / Serviceable and Waste Collection	33	Mt Somers Water Supply Rate
Rakaia	Rakaia Urban Residential & Commercial Amenities Rates Boundary	34	Rakaia Urban Amenity Rate
			Rakaia Residential Amenity Rate
			Rakaia Commercial Amenity Rate
	Rakaia Refuse Collection	35	Rakaia Refuse Collection Rate
	Rakaia Wastewater Connected Serviceable, Pans and Loan	36	Rakaia Wastewater Rate (including Pans charge)
			Rakaia Wastewater Loan Repayment Rate
Rakaia Water Supply Connected / Serviceable	37	Rakaia Water Supply Rate	
Rangitata Huts	Rangitata Huts Waste Collection Boundary	38	Rangitata Huts Refuse Collection Rate
Winslow	Winslow Refuse Collection	39	Winslow Refuse Collection Rate

Notes:**Amenity Boundaries**

Boundaries for the residential and urban amenity rates have been aligned as much as possible with the Ashburton District Plan. Properties zoned Residential C have been aligned to the residential and urban amenity boundaries in Ashburton, Methven, Rakaia and Hinds, where possible.

Properties in Methven currently rated for residential amenities will continue to be charged this rate.

Water Supply and Wastewater Rating Boundaries

All properties within the boundary connected to the wastewater and/or water supply will be charged the appropriate serviced water supply and/or wastewater connected rates. Properties within the boundary that are able to be connected will be charged the appropriate serviceable water supply and/or wastewater rates. Properties that are not able to be connected will not be charged a wastewater and/or water supply rate.

Refuse Collection Rates

Properties within the appropriate rating boundaries that receive or are able to receive the service will be charged the refuse collection rate.

Stockwater Rate

Properties within the appropriate rating boundaries connected to the stockwater scheme will be charged the relevant stockwater rate.

Pans (including urinals) Charges

Commercial properties connected to the Ashburton, Methven or Rakaia wastewater schemes, that have more than three pans, will be subject to an additional pan charge (above the wastewater rate). Each additional pan will be charged 1/3 of the applicable wastewater rate.

17. S17A Review – Open Spaces

Author *Steve Fabish, Group Manager Community Services*
General Manager *Hamish Riach, Chief Executive*

Summary

- The purpose of this report is provide Council with the results and recommendations of a Section 17A of the Local Government Act 2002 review of the Open Spaces activity of Council's Community Services.
- The delivery of Open Spaces is currently delivered by an in-house team, who deliver the range of cemetery services, parks and recreation, public conveniences for Ashburton District Council. This service is highly regarded by the Ashburton community as evidenced by the very high levels of resident satisfaction.
- This review of the service delivery options available to the Council, under the legislative requirements of Section 17A of the Local Government Act 2002, concludes that the preferred option for service delivery is to deliver the services in-house as the most cost effective and lowest risk option available to Council based on the information provided to the reviewer.
- It is recommended that the current option of delivering the services with increased resourcing and focus on implementing a programme of business improvement be aimed at reducing risk and improving efficiency and effectiveness.
- It is recommended that Council consider staff resourcing be increased in public conveniences by one part-time position, cemeteries/open spaces by two full-time positions. Total of 2.5 new positions be considered as part of 2021-31 Long Term Plan

Recommendations

1. **That** Council under the legislative requirements of Section 17A of the Local Government Act 2002, concludes that the preferred option for service delivery is to deliver the Open Spaces services in-house as the most cost effective and lowest risk option available to Council, and
2. **That** Council, as part of the LTP process, consider staff resourcing be increased in public conveniences by one part-time position, cemeteries/open spaces by two full-time positions.

Background

The current situation

1. A service delivery review is a process of determining whether the existing means for delivering a service remains the most efficient, effective and appropriate means for delivering that service. Section 17A of the Local Government Act 2002 requires that a service delivery review should periodically assess “the cost-effectiveness of current arrangements for meeting the needs of communities within its district or region for good quality local infrastructure, local public services, and performance of regulatory functions”.
2. In 2017 the Council undertook a “first-pass” desktop service delivery review as it had been more than six years since the service was last reviewed. This review signalled the need for more detailed work to be undertaken around levels of service and costs.
3. In 2020 the Council’s Finance and Business Support Committee passed a resolution directing staff to “*undertake a full and independent review of the levels of service and associated costs for the Open Spaces activity (excluding Stock water races)*”.
4. This review has considered the costs of providing open space activities of public conveniences, cemeteries and open space at present at a high level and has compared these costs with other territorial authorities who provide services via a Council Controlled Organisation (CCO) or outsourced model. These are explained in greater detail below:

In-House Service Delivery

5. Delivering services through an in-house option (LGA, 2002 S17A (4a)) means that Ashburton District Council (ADC) is responsible for the governance, funding and delivery of the service.
6. In many instances there are obvious reasons for delivering internally, including providing customer-focused service, understanding local needs and issues and maintaining local autonomy with governance and decision-making.
7. Service delivery in-house requires staff recruitment, retention and training costs, which can be challenging in high-skilled positions where retention is often an issue for smaller provincial local authorities. For activities with small teams, covering staff absences can be a concern, particularly in compliance-based activities with legislative timeframes.

Outsourcing

8. Outsourcing the service delivery of an activity to another person or agency (LGA, 2002 S17 (A) (4) (b) (iii); S17 (A) (4) (b) (iv)) also requires a clear understanding of the governance, funding and delivery structure.

9. Benefits of outsourcing an activity can include greater effectiveness as the contractor is generally considered a 'specialist' in their field with the skills and processes to get the work done efficiently, minimising organisational risk, and a reduction in capital, operational and staff costs (including recruitment, training and retention).
10. Disadvantages of outsourcing can include a reduced customer-focused service with not having staff based in-house, less understanding of local needs and issues and, depending on the governance structure chosen, challenges with maintaining local autonomy in governance and decision making. Outsourcing also requires contract management including regular procurement, processing claims, reviewing and auditing performance and resolving disputes in the event that the outcomes of outsourcing do not deliver as promised.

Delivery by CCO wholly owned by ADC

11. Delivery by a CCO would entail governance and funding by ADC with delivery by a CCO wholly owned by ADC. (LGA, 2002 S17A(4)(b)(i)). Ashburton Contracting Limited (ACL) is a CCTO and under this model the open space functions could be transferred to ACL, or a separate CCO /CCTO wholly owned by the ADC could be established.
12. A CCO model provides a level of independence which encourages the CCO to operate in a more business-like manner including engaging in competitive tendering for work across other councils and the private sector.
13. Sector experience of CCO models in the open space area is that there is considerable duplication of governance and overhead costs with the existing governance and support structures (such as finance, HR, IT) that exist in councils. We have also noted a tendency for council open space management to feel they are not getting best value from the CCO compared to the value that they might achieve on the open market.

Shared Services Model

14. The delivery of a service through a shared model (LGA, 2002 S17 (A) (4) (b) (ii,); S17 (A) (4) (c)), can be through a joint committee, CCO or merger with another council,
15. Shared services models, when they work effectively, can deliver a range of benefits to local councils and their communities. The key benefits can include:
 - cost-efficiencies through economies of scale
 - access to specialist expertise
 - improvements in service
 - improved compliance with regulations and standards
16. The realisation of these benefits is challenging, and can be constrained by:
 - lack of political or managerial commitment
 - uncertain benefits

- conflicting objectives
- process complexities

Options analysis

17. The service delivery review for open spaces includes the three activities of public conveniences, cemeteries and parks and recreation.

Initial Options Analysis for Open Spaces

	Option 1 – In-House (Status Quo)	Option 2 – Outsource	Option 3 – CCO/CCTO wholly owned by ADC	Option 4 –Shared Services
Public Conveniences	✓	✓	✗	✗
Cemeteries	✓	✓	✗	✗
Open Spaces	✓	✓	✗	✗

Public Conveniences

18. While the Council may be able to provide this service at a lower cost by outsourcing the service we do not consider that the cost will be significantly lower and could possibly be higher than the current cost.
19. The service currently being delivered by the in-house staff is to a very high standard and is clearly well regarded by the residents of the district.
20. In our experience, contracting this service out is likely to see a drop in standards which may damage the reputation of the Council. Contracting out the service will also require an increase in the level of performance monitoring and auditing by the Council which may erode some of the potential cost savings from contracting the service out.
21. We consider that the current in-house arrangement is delivering a high level of service at reasonable value and it is recommended that option 1 (status quo) continue.

Issue 1 - Public Conveniences - Option Analysis		
Option 1 – Continue to deliver the public conveniences activity in-house.	Advantages	Disadvantages
	<ul style="list-style-type: none"> • Very high levels of satisfaction with existing level of service • Known Cost-\$430,943 • Responsive service • Competitive cost compared to other Councils 	<ul style="list-style-type: none"> • Lower incentive to look for more cost efficient operational methods • Current staffing levels may not be sufficient to maintain high levels of satisfaction
	Risks <ul style="list-style-type: none"> • Operational funding is not provided for new facilities • Attraction of suitable staff 	
Option 2 – Outsource the delivery of the public conveniences activity.	Advantages	Disadvantages
	<ul style="list-style-type: none"> • Set annual cost • Local staff may be engaged by contractor to deliver service 	<ul style="list-style-type: none"> • Likely risk of lower level of satisfaction with service levels. • Potential cost band of \$257,000 to \$585,900 per annum excluding building maintenance costs. • Can be slow to respond to issues • Higher level of performance monitoring and auditing.
	Risks <ul style="list-style-type: none"> • High risk that service may cost more or be underpriced resulting in service risk 	
Option 3 – Deliver the public conveniences activity through a CCO/CCTO	Advantages	Disadvantages
	<ul style="list-style-type: none"> • Set annual cost • Existing staff engaged by entity to deliver service 	<ul style="list-style-type: none"> • Likely risk of lower level of satisfaction with service levels. • Duplication of governance and overhead costs • Potential cost band of \$257,000 to \$585,900 per annum excluding building maintenance costs. • Can be slow to respond to issues • Higher level of performance monitoring and auditing.
	Risks <ul style="list-style-type: none"> • Risk that service may cost more or be underpriced resulting in service risk 	
	Advantages	Disadvantages

Option 4 – Deliver the public conveniences activity through a shared service arrangement	<ul style="list-style-type: none"> • Potential cost efficiencies through economies of scale • Improvements in service, although minor 	<ul style="list-style-type: none"> • Uncertain benefits • Conflicting objectives • Higher level of performance monitoring and auditing. • This activity on its own may struggle to get a shared service arrangement
	Risks <ul style="list-style-type: none"> • Risk of lower level of satisfaction with service levels. • Neighbouring Council's willingness to take on a shared service 	

Cemeteries

22. The service currently being delivered by the in-house staff is to a high standard and is very well regarded by the residents of the district.
23. While contracting out cemetery services relieves Council of the some of the issues associated overtime and staff management, the loss of direct control of staff carries with it some risks if a contractor is unable to deliver the service to the required standards within the required timeframes.
24. Contracting out the service will also require an increase in the level of performance monitoring and auditing by the Council and carries with it a higher risk of service failure in this critical area of Council's work.
25. We consider that the current in-house arrangement is delivering a high level of service and represents good value. It is recommended that option 1 (status quo) continues.

Issue 2 - Cemeteries – Option Analysis		
Option 1 – Continue to deliver the cemeteries activity in-house (status quo).	Advantages	Disadvantages
	<ul style="list-style-type: none"> • Very high levels of satisfaction with existing level of service • Known Cost-\$311,000 (direct cost) • Responsive service and knowledgeable staff • Competitive cost compared to other Councils 	<ul style="list-style-type: none"> • Lower incentive to look for more cost efficient operational methods • Current staffing levels may not be sufficient to maintain high levels of satisfaction
	Risks <ul style="list-style-type: none"> • The current level of staffing is such that there is little or no experienced cover to replace a staff member when on leave. 	
Option 2 – Outsource the delivery of the cemeteries activity.	Advantages	Disadvantages
	<ul style="list-style-type: none"> • Set annual cost • Local staff may be engaged by contractor to deliver service 	<ul style="list-style-type: none"> • Stand-alone cemetery operations contract would not be desirable or viable • Difficult to recruit and retain suitably qualified staff • Lack of in house knowledge and continuity • Potential cost increase of \$100,000
	Risks <ul style="list-style-type: none"> • Likely risk of lower level of satisfaction with service levels. • High risk that service may cost more or be underpriced resulting in service risk • Limited competitive bids for contract • Risk of service failure during start-up phase 	
Option 3 – Deliver the cemeteries activity through a CCO/CCTO	Advantages	Disadvantages
	<ul style="list-style-type: none"> • Set annual cost • Existing staff engaged by entity to deliver service 	<ul style="list-style-type: none"> • Likely risk of lower level of satisfaction with service levels. • Duplication of governance and overhead costs • Potential cost increase • Can be slow to respond to issues • Higher level of performance monitoring and auditing.
	Risks <ul style="list-style-type: none"> • Risk that service may cost more or be underpriced resulting in service risk • Risk of service failure during start-up phase 	
	Advantages	Disadvantages

Option 4 – Deliver the cemeteries activity through a shared service arrangement	<ul style="list-style-type: none"> • Potential cost efficiencies through economies of scale • Retain staff expertise 	<ul style="list-style-type: none"> • Uncertain benefits • Conflicting objectives • Higher level of performance monitoring and auditing. • This activity on its own may struggle to get a shared service arrangement
	Risks <ul style="list-style-type: none"> • Risk of lower level of satisfaction with service levels. • Neighbouring Council's willingness to take on a shared service 	

Open Spaces

26. The service currently being delivered by the in-house staff is to a high standard and is exceptionally well regarded by the residents of the district.
27. While contracting out the service delivery of open spaces would relieve Council of some of the issues associated over time and staff management, the loss of direct control of staff carries with it some risks if a contractor is unable to deliver the service to the required standards within the required timeframes.
28. Contracting out the service will also require an increase in the level of performance monitoring and auditing by the Council and carries with it a higher risk of service failure.
29. We consider that the current in-house arrangement is delivering a high level of service and represents good value, however we do not consider that it is sustainable in its current form.
30. The team is currently at capacity at an operational level and has been unable to progress planning and business improvement projects in any tangible way over the last six years as it deals with the day-to-day transactional issues of open space management.

Issue 3 – Open Spaces – Option Analysis		
Option 1 – Continue to deliver the open spaces activity in-house (status quo).	Advantages	Disadvantages
	<ul style="list-style-type: none"> • Very high levels of satisfaction with existing level of service • Known Cost-\$2,728,000 • Responsive service and knowledgeable staff • Competitive cost compared to other Councils 	<ul style="list-style-type: none"> • Lower incentive to look for more cost efficient operational methods • Current staffing levels may not be sufficient to maintain high levels of satisfaction and increasing workload • Low level current asset management
	Risks <ul style="list-style-type: none"> • Increased workload without sufficient funding • Ability to attract and retain skilled staff • Funding of up to date equipment to drive efficiencies 	
Option 2 – Outsource the delivery of the open spaces activity.	Advantages	Disadvantages
	<ul style="list-style-type: none"> • Single contract for the delivery of all open space maintenance services • Range of suitable contracting companies available 	<ul style="list-style-type: none"> • Potential cost increase of \$1,588,000 • Likely risk of lower level of satisfaction with service levels. • Can be slow to respond to issues • Higher level of performance monitoring and auditing.
	Risks <ul style="list-style-type: none"> • Expense to return to in-house delivery if decision is reversed in the future • High risk that service may cost more or be underpriced resulting in service risk 	
Option 3 – Deliver the open spaces activity through a CCO/CCTO	Advantages	Disadvantages
	<ul style="list-style-type: none"> • Set annual cost • Existing staff engaged by entity to deliver service 	<ul style="list-style-type: none"> • Likely risk of lower level of satisfaction with service levels. • Duplication of governance and overhead costs • Potential cost increase • Can be slow to respond to issues • Higher level of performance monitoring and auditing.
	Risks <ul style="list-style-type: none"> • Risk that service may cost more or be underpriced resulting in service risk 	
	Advantages	Disadvantages

Option 4 – Deliver the open spaces activity through a shared service arrangement	<ul style="list-style-type: none"> • Potential cost efficiencies through economies of scale • Retain staff expertise 	<ul style="list-style-type: none"> • Uncertain benefits • Conflicting objectives • Higher level of performance monitoring and auditing.
	Risks <ul style="list-style-type: none"> • Risk of lower level of satisfaction with service levels. • Neighbouring Council's willingness to take on a shared service 	

Legal/policy implications

Open Spaces Legislation

31. **Section 17A of the Local Government Act 2002** requires that a service delivery review should periodically assess “the cost-effectiveness of current arrangements for meeting the needs of communities within its district or region for good quality local infrastructure, local public services, and performance of regulatory functions”.
32. **Local Government Act 2002 (LGA):** For open spaces it provides for local authorities to assume a broad role in meeting the current and future needs of their communities for good-quality local infrastructure, local public services, and performance of regulatory functions.
33. **Burial and Cremation Act 1964:** The Burial and Cremation Act 1964 sets out the broad range of statutory roles and responsibilities that territorial authorities have in relation to burial and cremation activities.
34. **Civil Defence Emergency Management Act 2002:** This Act covers the role and responsibilities of local government and other government agencies such as the police in the event of a civil defence emergency
35. **Heritage NZ Pouhere Taonga Act 2014:** Graves, tombs, urupa, church yards, cemeteries or private burial grounds, which have been associated with human activity for more than 100 years, are considered to be archaeological sites in terms of the Historic Places Act 1993.
36. **Health and Safety at Work Act 2015:** This Act is intended to reduce and minimise harm to both people working in and those moving around places of work.
37. **Reserves Act 1977:** This sets out the management and administration requirements for all land in the district held under this Act.
38. **Resource Management Act (RMA) 1991 and Amendments:** Provides a statutory framework for Local and Regional Authorities to administer and balance land development with sustainable management of natural resources.

Future Staff Resourcing

39. This review has, in addition to the previous review, identified a number of high risk areas where the Council needs to apply additional resources and improve processes and efficiencies.
40. It is recommended that Council consider staff resourcing be increased in public conveniences by one part-time position, cemeteries/open spaces by two full-time positions. Total of 2.5 new positions be considered as part of 2021-31 Long Term Plan
41. The estimated additional costs of these positions are \$114,000

Financial implications

Requirement	Explanation
What is the cost?	If the open spaces activity remain as an in house delivered activity there is no additional expenditure required, Additional funding will be required for an increased staffing level.
Is there budget available in LTP / AP?	Yes for existing in house delivery
Where is the funding coming from?	Various activity budgets
Are there any future budget implications?	Yes - For additional staffing there is no existing budget in the 2020/21 budget. It would need to be a consideration as part of the 2021-31 LTP at an estimated cost of \$114,000
Reviewed by Finance	Not required.

Significance and engagement assessment

Requirement	Explanation
Is the matter considered significant?	No
Level of significance	Low; not significant
Level of engagement selected	1 Inform
Rationale for selecting level of engagement	As the recommended option is to continue to deliver the open spaces group of activities in-house, then informing the community is the appropriate level of engagement. Should Council to seek the delivery arrangements for any of the specific activities, then the engagement approach would need to be re-considered following a significance assessment.
Reviewed by Strategy & Policy	Toni Durham; Strategy & Policy Manager

Next steps

Date	Action / milestone	Comments
24 September 2020	Council Meeting and decision	
25 September 2020	Staff informed of decision	

18. Ashburton Zone Committee – Joint Letter

Author *Toni Durham; Strategy & Policy Manager*
Group manager *Jane Donaldson; GM Strategy & Compliance*

Summary

- The purpose of this report is for Council to approve the proposed letter of shared priorities from ADC and Environment Canterbury to the Ashburton Zone Committee.
Through the Fit for Future project the Mayoral Forum reaffirmed their support for zone committees and then asked Environment Canterbury to lead further advice on how to help zone committees focus more on implementation.
- The shared letter is a step in the process to assisting the zone committees on this renewed focus.

Recommendation

1. **That** Council receives the report.
2. **That** Council approves the letter of shared priorities with Environment Canterbury to the Ashburton Zone Committee, as attached in Appendix 1.

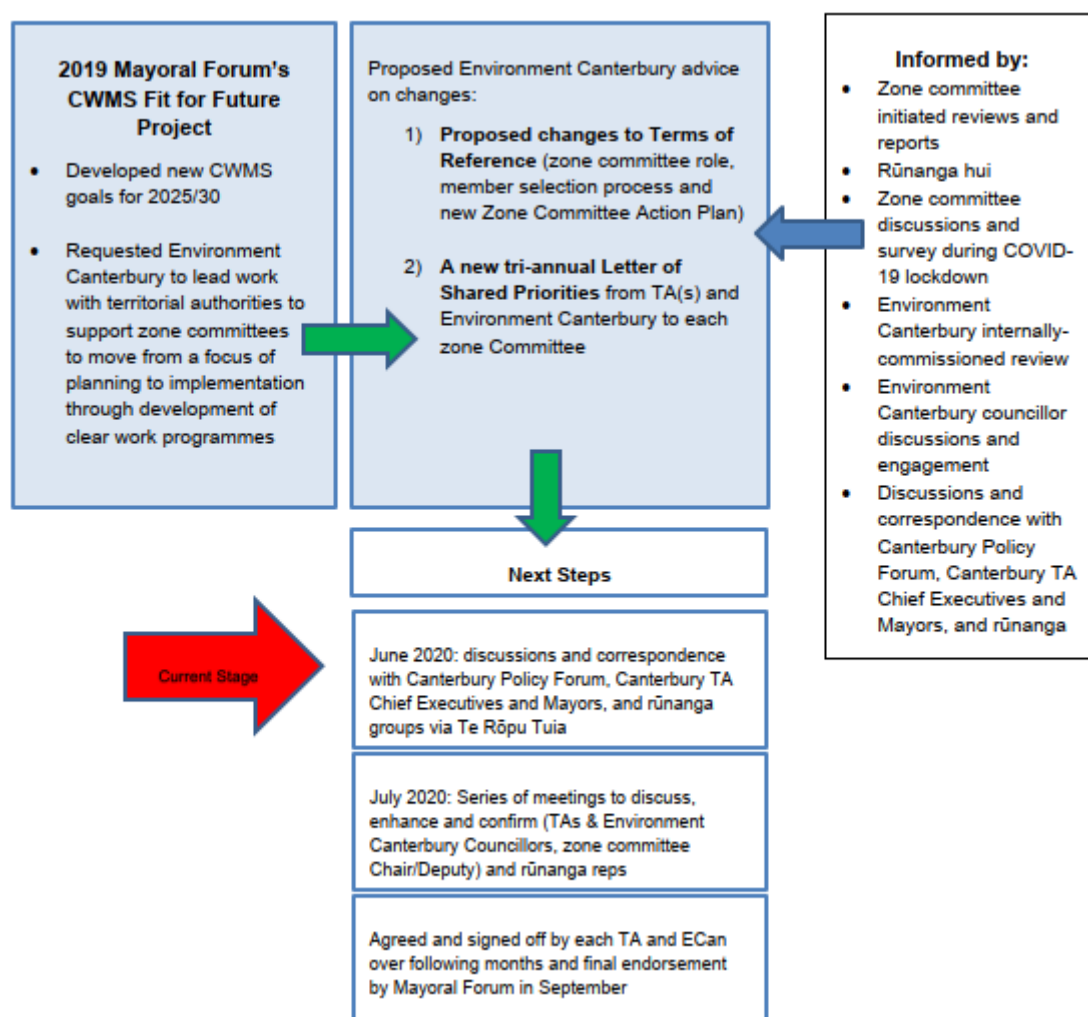
Attachment

Appendix 1 Proposed draft letter of shared priorities

Background

The current situation

1. As part of the recent Fit for Future project (populating the CWMS with 2025 and 2030 targets) the Mayoral Forum reaffirmed their support for zone committees and then asked Environment Canterbury to lead further advice on how to help zone committees focus more on implementation. Environment Canterbury recently reviewed the Canterbury Water Management Strategy, called the 'Fit for Future' project.
2. The review process is shown diagrammatically below. Environment Canterbury staff have developed a series of suggestions for changes to the role and function of zone committees, informed by many different processes and groups. The proposed changes have been tested and discussed with Environment Canterbury councillors and are now at a stage to be discussed and worked on with territorial authorities and with rūnanga and zone committees.



3. The purpose of the review is to help develop strong well-connected zone committees that are focused on implementation through facilitating local action on the ground.

This will ensure continued progress with the Canterbury Water Management Strategy, ensure that Canterbury is ready to respond to expected national direction on freshwater management, and support the COVID-19 regional recovery.

4. Explicit focus has been on acknowledging the good work the CWMS partners and zone committees have achieved through the first ten years of the CWMS and identifying how zone committees can transition from a focus on planning to implementation.
5. The key changes fall into two categories:
 - a) Changes to the Terms of Reference for Zone Committee
 - b) A new tri-annual joint letter of shared priorities sent to each zone committee from the territorial authority(ies) associated with the committee and the regional council. It is this letter that is the focus of this report.

New Letter of Shared Priorities

6. The new Letter of Shared Priorities aims to provide committees with some specific regional and zone priorities and direction to help committees develop their action plan. The letter will be sent to zone committees jointly from the regional council and territorial authority(ies) associated with each zone soon after local body elections every three years. The regional council and each TA will develop a set of priorities they'd like the zone committee to focus on for the next three years.
7. Environment Canterbury held a workshop with the Ashburton Zone Committee on 20 July to discuss the role of zone committees going forward and the degree of comfort with the proposed changes to the terms of reference and the letter of shared priorities.
8. The draft shared letter of priorities attached in appendix 1 reflect the three key priority projects that AZC are looking to focus on as they develop their three –year action plan.
9. Council's elected representative on the Ashburton Zone Committee is Councillor Stuart Wilson. Council officers that attend the AZC are Neil McCann and Andrew Guthrie.

Options analysis

Option 1 – Do nothing

10. This is not the recommended option. Council may decide to not take the opportunity to contribute to the shared letter. This could jeopardise the relationship between Council and the Ashburton Zone Committee and Environment Canterbury, given that this is a joint committee.

Option 2 – Approve the shared letter as attached in Appendix One (recommended option)

11. This option would see the Mayor sign the shared letter of agreement with Jenny Hughey; Chair of Environment Canterbury.

Legal/policy implications

12. The shared letter does not breach or trigger any statutory or legal duty of the Council.

Financial implications

Requirement	Explanation
What is the cost?	Officer resource in preparing the letter. This has been met from within existing operating budgets.
Is there budget available in LTP / AP?	Yes
Where is the funding coming from?	Strategy & Policy
Are there any future budget implications?	No
Finance review required?	No

Significance and engagement assessment

Requirement	Explanation
Is the matter considered significant?	No
Level of significance	Low, not significant
Level of engagement selected	1. Inform
Rationale for selecting level of engagement	The community will be informed of the joint letter through appropriate media channels.
Reviewed by Strategy & Policy	Toni Durham; Strategy & Policy Manager

Proposed draft of Letter of shared priorities

Date

Chair: Bill Thomas

Canterbury Water Management Strategy (CWMS) - Ashburton Zone Committee

Dear Bill

Ashburton District Council and Environment Canterbury Priorities for the period July 2020 – December 2022

We would like to take this opportunity as Mayor of Ashburton District Council and Chair of Environment Canterbury to convey our Councils' priorities as they relate to water management in Canterbury, and identify the areas where our Councils would like the assistance of Ashburton Zone Committee over the period July 2020 – December 2022.

Firstly, we wish to thank your Zone Committee for its contribution to the CWMS over the last ten years. We'd particularly like to thank you for your efforts to engage communities to develop your Zone Implementation Programme (ZIP) in the early years and for the achievements to date of the Ashburton Zone Committee.

Context

Since 2009 when councils throughout Canterbury and Ngāi Tahu decided there needed to be a better way to manage our freshwater than the previous 20 years of litigation, much has changed. We now have a clear planning framework, investment in action is being taken across all sectors and the Government has set clear direction in a National Policy Statement and standards for freshwater. We are still recovering from two significant earthquakes, mycoplasma-bovis and now Covid-19 that has and will continue to have a huge impact on communities in the region.

A fundamental principle of the CWMS is that we need to work together in order to achieve our shared outcomes and targets.

Our councils are committed to working alongside communities for better freshwater outcomes through this difficult period. We felt it timely to clearly set out the priorities of our councils, and to seek your assistance to support the implementation of the CWMS.

We recognise the Government also wishes to see greater progress in the way we manage freshwater. We expect the Government will finalise its "Action for Healthy Waterways" in the near future and when they do we will review and amend our current priorities if required.

Ashburton District Council

As a part of our Long-Term Plan 2021-31 we are focusing on the vision of making Ashburton the district of choice for lifestyle and opportunity. We plan on doing this by ensuring that our residents are included and have a voice, that we have great spaces and places, a balanced and sustainable environment and that we encourage a prosperous and sustainable economy.

Ashburton District Council is committed to continuing to support the Ashburton Zone Committee. Our Surface Water Strategy focuses on the sustainable management of the district's surface water resources and has a specific goal of continuing to support the implementation of the Canterbury Water Management Strategy.

Looking ahead, we would like the Ashburton Zone Committee to focus on the following actions/priorities within our District:

- Ashburton Lakes water quality and future preservation
- Carters Creek enhancement project
- Wakanui hapua project

Environment Canterbury

Environment Canterbury is committed to playing its part to implement the CWMS.

In our term of Council, we wish to see greater progress being made to achieve freshwater outcomes that promote resilient and sustainable community priorities.

We have therefore set the following priorities where we believe zone committees can make the greatest difference over the balance of the term. These priorities are in line with the Environment Canterbury Strategic Direction and the functions of a regional council;

- **Kaitiakitanga Wāhi Toanga and mahinga kai Targets**

In particular, working alongside landowners, Rūnanga, communities, Councils and others to inspire and grow support and resources to achieve the 2025 mahinga kai goal of five mahinga kai projects in each zone.

- **Ecosystem Health and Biodiversity Targets**

In particular, working alongside landowners, Rūnanga, communities, Councils and others to inspire and grow support and resources to achieve the 2025 target goal covering all freshwater ecosystems through;

- i. increased riparian management to protect aquatic ecosystems;
- ii. reducing the number of fish barriers in the zone
- iii. protection and enhancement of named wetlands

- **Recreation and Amenity Targets**

In particular, the water based recreational opportunity through working alongside landowners, Rūnanga, communities, Councils and others to support and grow resources to achieve the 2025 target to restore priority freshwater recreation opportunities in each zone that do not meet contact recreation standards, and developing plans and actions to achieve and show measurable progress.

Ashburton District Council and Environment Canterbury look forward to receiving your Action Plan specific to your zone for the period July 2020 – December 2022 and to continue to work alongside you and your communities to deliver the CWMS.

Yours sincerely

Neil Brown; Mayor
Ashburton District Council

Jenny Hughey; Chair
Environment Canterbury

Proposed components of Zone Committee Action Plans

Why have a Zone Committee Action Plan (purpose)?

- Help committees **prioritise and focus** on practical work for the year (1-2-or-3 years) [Practical and realistic not aspirational]
- **Communicate** the Zone Committee priorities and actions more clearly
- Enable zone committees to clearly identify where they can **add value**
- Enable annual **planning and scheduling**
- **Measure** committee's progress and achievements in a practical way
- Enable **communities to see** what Zone Committee are currently working on – and see their worth
- Break down complex issues into **achievable** sub-sections/goals

How an Action Plan would be done

- Zone committees will seek strong collaboration, trust and values as a group before doing their Action Plan

Who are the key players are and their roles

- **Action Plan owner:** Zone Committee. Councils will need to decide if it requires their sighting, approval or sign-off.
- **Action Plan compiler/updater:** Zone Committee Chair/Deputy with assistance from Zone Facilitators.
- **Action Plan implementer:** Zone Committee, with help from Zone Facilitator and Zone Manager and Territorial Authority Manager. Action Plan will be worded as actions for the zone committee, not councils or other agencies.
- **Other agencies in the zone:** Influence, and their own work programmes are influenced by Zone Committee Action Plan.

When an Action Plan would be done

- Action Plan would be developed for three year period, reviewed annually, confirmed by March each year.

What would be in an Action Plan

Action-focused tasks **bound** by:

- Zone Committee Terms of Reference
- Expectations from Councils (Letters of Partnership)
- CWMS Targets

Action-focused tasks **guided** by:

- ZIPs and ZIPAs
- Community engagement and liaison
- Realistic timeframes

E.g. Mock examples for Banks Peninsular zone committee

Sediment reduction for Wairewa - **Source more funding by [date] to complement existing funding for bank stabilisation work;**

Reporting

- **Zone Committee** – Reporting of Zone Committee Action Plan achievements to Councils every 18 months
- **Territorial Authority(s) and Environment Canterbury** – staff developed Quarterly Reporting on aligned work programmes for zone committee information only
- Reports of other agencies in the zone will be provided to zone committee quarterly, for information only. E.g. Te Hapū o Ngāti Wheke, Banks Peninsula Conservation Trust, Community Boards, Department of Conservation, Industry organisations

Look & Feel

- Key aspects of CCC Community Board template <http://www.ccc.govt.nz/assets/Documents/The-Council/Community-Boards/Spreydon-Cashmere-Board-Plan-2017-19.pdf>
- Could include message from the chair, 'what is a zone committee, area overview, demographics, key outcomes and strategic priorities (what is the priority, why we want this, what the zone committee will do and how success will be measured)

19. Three Water Stimulus Funding – Delivery Plan

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 for Council to consider how it wishes to spend the \$7.8M in stimulus funding allocated by central government. Once a direction is confirmed, a draft Delivery Plan will be developed and submitted to the Department of Internal Affairs for consideration.
- In July 2020, the Government announced a \$761 million funding package to provide post COVID-19 stimulus to maintain, improve three waters infrastructure, support a three-year programme of reform of local government water service delivery arrangements (reform programme), and support the establishment of Taumata Arowai, the new Waters Services Regulator.
- A Joint Central/Local Government Three Waters Steering Committee has been established to provide oversight and guidance to support progress towards reform, and to assist in engaging with local government, iwi/Māori, and other water sector stakeholders on options and proposals.
- The reform programme is designed to support economic recovery, and address persistent systemic issues facing the three waters sector, through a combination of:
 - stimulating investment, to assist economic recovery through job creation, and maintain investment in water infrastructure renewals and maintenance; and
 - reforming current water service delivery, into larger scale providers, to realise perceived significant economic, public health, environmental, and other benefits over the medium to long term.
- Initial funding from the stimulus package will be made available to those councils that agree to participate in the first stage of the reform programme, through a Memorandum of Understanding (MoU), Funding Agreement, and approved Delivery Plan. The MoU had to be signed by the end of August, and a draft Delivery Plan submitted by the end of September 2020. Funding Agreement and final Delivery Plan have to be signed by 30 October 2020.
- This report asks Council to:
 - Confirm the project best suited for inclusion in a delivery plan for eventual lodgement with Department of Internal Affairs (DIA); and

- Authorise the Chief Executive to approve the draft and any subsequent amendments to the delivery plan necessary (post lodgement) in order to obtain approval from DIA.

Recommendation

That Council,

- 1.** approves the Ashburton Relief Sewer Pipeline project to be the primary subject of the ADC Delivery Plan (with the second IL4 reservoir at Methven as a contingency project); and
- 2.** Authorises the Chief Executive to approve the draft Delivery Plan, and subsequent minor amendments to the draft Delivery Plan post lodgement as necessary to finalise the Delivery Plan and secure approval.

Background

1. On 27 August 2020, Council considered a report titled *Three waters service delivery reform/stimulus programme*. This report outlined the government direction in relation to three water service delivery reform and the associated stimulus programme.
2. In summary, Territorial Authorities were being asked to sign up to a memorandum of understanding (MOU) to participate in the reform programme in exchange for access to the first tranche of funding.
3. For ADC this comprised \$3.9M of direct funding, and access to additional regional funding. The regional funding only became available if 2/3 of Canterbury Councils signed up to the MOU.
4. Council resolved to sign the MOU. Because all of the Canterbury Councils signed the MOU, the additional regional funding also became available. It was agreed by the Canterbury Mayoral Forum that the regional allocation be allocated on the same formula as the direct funding, i.e. for ADC, an additional \$3.9M.
5. Therefore, Council's total funding available is \$7.8M.
6. The programme is intended to be used for three waters projects with a strong preference for water or wastewater projects. Because it is intended to stimulate the economy, the projects have to be well advanced and ready to be progressed.
7. The obvious candidates are two of the projects put forward as 'Shovel Ready', being the Methven Water Supply upgrade project \$6.6M, and the Ashburton Relief Sewer Pipeline project (\$9.4M).
8. Another option may be to develop a programme of work comprising a number of different small projects at different locations across the water and wastewater networks.
9. The criteria for the funding requires that the project/programme has to be ready to commence no later than 31 March 2021 and completed no later than 31 March 2022.
Note:- It is understood that expenditure for project/programme works beyond 31 March 2022 has to be met by Council.

Methven Upgrade

10. This project was described as the design and construction of a membrane treatment facility sized to provide treated water for the Methven and Methven Springfield schemes. The project also included and enhanced the previously proposed reservoir upgrading.
11. There are a number of complexities to this project which mean that it is no longer considered a viable candidate for this funding.

- This project was not specifically identified in the Long Term Plan and therefore may trigger a consultation requirement under the Local Government Act.
- Because the project has not been formally before Council, and is only conceptual at present, no work has commenced on detailed design.
- It has been determined that additional land will be required. Negotiations of this nature can take a number of weeks, and this can lead to delays in work being commenced.
- The membrane equipment is most likely required to be imported which may have long lead in periods for delivery.
- The treatment system requires a discharge consent from Environment Canterbury for the disposal of backwash water to ground.

Programme of Works

12. There may be desire to “spread the money around” to provide a benefit as widely as possible but within the bounds of the aims of the 3 Waters Reform programme.
13. In preparation for the updating the LTP there are a number of projects identified that would make a significant contribution to increasing asset resilience, asset performance, legislative compliance, system redundancy, and customer levels of service.
14. These projects could be proposed a part of a programme of works. The list of works currently identified includes projects such as second IL4 reservoir at Methven (\$0.5M), extensive pipeline renewals in Hinds, Chertsey and Dromore (\$1.8M), Water Safety Plan development (\$0.25M), leak detection (\$0.25M), acceleration of wastewater pipe relining (\$2.0M), and bore duplication at Rakaia (\$0.3M).
15. Of the examples noted above the only project that has been through detailed design is the second IL4 reservoir at Methven. This has effectively been designed as part of the reservoir project being advanced at present, and would have otherwise been proposed as a year 5 project in the 2021-31 LTP.
16. There are a number of complexities to the programme approach which mean that it is not considered a viable candidate for this funding.
 - Many of the projects were not specifically identified in the current Long Term Plan and therefore may trigger a consultation requirement under the Local Government Act.
 - Because some of the projects have not been formally before Council, and are only conceptual at present, in most cases no work has commenced on detailed design.

Ashburton Relief Sewer Pipeline

17. This project is described as a new pipeline commencing from the Ashburton River crossing pipeline along Milton Road South to Wakanui Road, along Wakanui Road to Albert Street, along Albert Street to no: 64, then via private property to Bridge Street.

18. Officers believe this project is the **sole viable candidate** for the funding:

- The project has been included in current and previous LTPs and therefore does not trigger a consultation requirement.
- It does pass through private land but no land purchase is required. Initially, only land entry agreements need to be formalised (currently underway). Easements are only formally executed once the project is complete.
- The detailed design is nearing completion, expected in a matter of weeks.
- The project has relatively routine consenting requirements. Applications are being prepared at present.
- The project is large but relatively straight-forward and while there is time for a competitive tendering process, procurement could be expedited by electing to negotiate with incumbent contractors under existing contracts.

19. Note:- If this project was selected, there is the sub-option to include the second IL4 reservoir at Methven as a contingency project.

Options analysis

20. The following options have been identified.

Option 1a – Approve the Ashburton relief sewer pipeline project for inclusion in the ADC Delivery Plan

21. The draft delivery plan will be prepared with this project as its basis.
22. The Chief Executive will need to approve the draft delivery plan prior to it being submitted to the Department of Internal Affairs (and Crown Infrastructure Partners) by 30 September.
23. The Chief executive needs to be authorised to approve the draft delivery plan, and minor alterations and amendments post lodgement, in order to finalise the document to DIA satisfaction by 30 October.

Option 1b – Approve the Ashburton relief sewer pipeline project for inclusion in the ADC Delivery Plan (plus second IL4 reservoir at Methven as a contingency project) [Recommended Option]

24. The draft delivery plan will be prepared with this Ashburton Relief sewer pipeline project as its primary basis, but include the Methven second IL4 reservoir as a contingency project.
25. The rationale for including a back-up project, is to provide another use for the funding should the primary project is delayed (considered unlikely), or costs for the primary project are less than currently estimated. Noting that the current project estimate is \$9.4M of which \$1.6M is estimating contingency.

26. The Chief Executive will need to approve the draft delivery plan prior to it being submitted to the Department of Internal Affairs (and Crown Infrastructure Partners) by 30 September.
27. The Chief executive needs to be authorised to approve the draft delivery plan, and minor alterations and amendments post lodgement, in order to finalise the document to DIA satisfaction by 30 October.

Option 2 – Approve the Methven water upgrade project for inclusion in the ADC Delivery Plan

28. The draft delivery plan will be prepared with this project as its basis. Noting that the Methven project is estimated at \$6.6M, it would be necessary to identify other projects suitable for inclusion in the delivery plan to ensure that all available funding \$7.8M is utilised.
29. This adds additional complexity to the development of the draft delivery plan, poses the extreme risk that a plan cannot be finalised in time for submission by 30 September, and therefore places the funding opportunity in jeopardy.
30. The Chief Executive will approve the draft delivery plan prior to it being submitted to the Department of Internal Affairs (and Crown Infrastructure Partners) by 30 September.
31. The Chief executive needs to be authorised to approve the draft delivery plan, and minor alterations and amendments post lodgement, in order to finalise the document to DIA satisfaction by 30 October.

Option 3 – Approve the programme of works approach for inclusion in the ADC Delivery Plan

32. The draft delivery plan will be prepared with programme of work as its basis. Noting that the programme currently noted is estimated at \$5.1M, it would be necessary to identify other projects suitable for inclusion in the delivery plan to ensure that all available funding \$7.8M is utilised.
33. This adds even further complexity to the development of the draft delivery plan, poses the extreme risk that a plan cannot be finalised in time for submission by 30 September, and therefore places the funding opportunity in jeopardy.
34. The Chief Executive will need to approve the draft delivery plan prior to it being submitted to the Department of Internal Affairs (and Crown Infrastructure Partners) by 30 September.
35. The Chief executive needs to be authorised to approve the draft delivery plan, and minor alterations and amendments post lodgement, in order to finalise the document to DIA satisfaction by 30 October.

Option Comparison		
	Advantages	Disadvantages
Option 1a – Approve the Ashburton relief sewer pipeline project for inclusion in the ADC Delivery Plan	<ul style="list-style-type: none"> The draft Delivery Plan is substantially complete. The subject project is well advanced, and has the best chance of commencement. Project duration fits within the funding timeframe e.g. March 2021 – March 2022. 	<ul style="list-style-type: none"> Does not advance a key drinking water project. Requires funding commitment from ADC for balance of project cost.
	Risks <ul style="list-style-type: none"> Draft Delivery Plan may require further minor amendment to satisfy the requirements of DIA prior to approval. If project is delayed for any reason, or project cost is less than estimated, there is no back up project identified to redirect funding to. 	
Option 1b – Approve the Ashburton relief sewer pipeline project for inclusion in the ADC Delivery Plan (plus second IL4 reservoir at Methven as back up project) [Recommended Option]	<ul style="list-style-type: none"> The draft Delivery Plan is substantially complete. The subject projects are well advanced, and have the best chance of commencement. Projects duration fits within the funding timeframe e.g. March 2021 – March 2022. May advance a key drinking water project if back-up project proceeds. 	<ul style="list-style-type: none"> Requires funding commitment from ADC for balance of project cost.
	Risks <ul style="list-style-type: none"> Draft Delivery Plan may require further minor amendment to satisfy the requirements of DIA prior to approval. 	
Option 2 – Approve the Methven water upgrade project for inclusion in the ADC Delivery Plan	<ul style="list-style-type: none"> Advances a key drinking water project. 	<ul style="list-style-type: none"> Selected project may prove impossible to progress by stated timeframes.
	Risks <ul style="list-style-type: none"> May not be possible to complete a draft Delivery Plan for the Methven Upgrade project prior to 30 September. Failure to submit a draft Delivery Plan by the deadline may place the funding in jeopardy. 	
	<ul style="list-style-type: none"> Advances a key drinking water project. 	<ul style="list-style-type: none"> Selected project may prove impossible to progress by stated timeframes.

Option 3 – Approve a programme of works approach for inclusion in the ADC Delivery Plan	Risks <ul style="list-style-type: none"> • May not be possible to complete a draft Delivery Plan for the Methven Upgrade project prior to 30 September. • Failure to submit a draft Delivery Plan by the deadline may place the funding in jeopardy.
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Legal/policy implications

36. The MoU has been developed by the Steering Group, for each council to enter into with the Crown. This is a standardised document, which cannot be amended or modified by either party. Signing the MoU commits councils to:
- engage in the first stage of the reform programme – including a willingness to accept the reform objectives and the core design features set out in the MoU;
 - the principles of working together with central government and the Steering Committee;
 - work with neighbouring councils to consider the creation of multi-regional entities;
 - share information and analysis on their three waters assets and service delivery arrangements.
37. At this point, this is a voluntary, non-binding commitment. It does not require councils to commit to future phases of the reform programme, to transfer their assets and/or liabilities, or establish new water entities.
38. Council resolved to sign the MOU and funding agreement on 27 August 2020. The MOU was signed by the Mayor Neil Brown and Chief Executive Hamish Riach.
39. The Funding Agreement guides the release and use of funding. It sets out:
- the funding amount allocated to the Council;
 - funding conditions;
 - public accountability requirements, including the Public Finance Act; and
 - reporting milestones.
40. The draft Delivery Plan has to be submitted prior to 30 September, and finalised by 30 October at which point Council will be required to sign the funding agreement. The delivery plan is ultimately appended to the funding agreement.

Financial implications

Requirement	Explanation												
What is the cost?	The total cost of the project proposed for inclusion in the delivery plan is \$9.4M												
Is there budget available in LTP / AP?	No. The budgets that were originally identified for the Ashburton relief sewer pipeline project were redirected to the Ashburton River Crossing and Pump Station project at the time of tender award of that project. The intention was to put forward the ARS project for consideration by Council as a year 1 project for the draft 2021-31 LTP.												
Where is the funding coming from?	The project is currently estimated at \$9.4M With the government funding of \$7.8M, Council would need to fund \$1.6M. The Council share would be loan funded from the Ashburton wastewater capital area.												
Are there any future budget implications?	Yes, there will be operational increases arising from increased borrowing – see below for the impact the additional borrowing would have on the Ashburton wastewater rate. Loan repayments on \$1.6m over 25 years = \$64,000 per year. Interest in the first year = \$61,440. The interest will decrease each year as the principal reduces. Assuming the funding should come from the Group Wastewater Rate, the increases to the rate are: <table><tr><td>2021/22</td><td>2022/23</td><td>2023/24</td></tr><tr><td>\$13.00 / 3.16%</td><td>\$12.80 / 3.11%</td><td>\$12.50 / 3.04%</td></tr></table> After the 2023/24 year the \$ / % increase in the rate will steadily drop (as the loan is paid off, less interest is charged each year). The following would be the rates impact if the \$7.8m was not received for the project: Loan repayments on \$9.4m over 25 years = \$376,000 per year. Interest in the first year = \$360,960. The interest will decrease each year as the principal reduces. Assuming the funding should come from the Group Wastewater Rate, the increases to the rate are: <table><tr><td>2021/22</td><td>2022/23</td><td>2023/24</td></tr><tr><td>\$76.50 / 18.59%</td><td>\$75.00 / 18.23%</td><td>\$73.40 / 17.84%</td></tr></table> After the 2023/24 year the \$ / % increase in the rate will steadily drop (as the loan is paid off, less interest is charged each year). There would also be a marginal increase on depreciation costs as result of the new assets once capitalised.	2021/22	2022/23	2023/24	\$13.00 / 3.16%	\$12.80 / 3.11%	\$12.50 / 3.04%	2021/22	2022/23	2023/24	\$76.50 / 18.59%	\$75.00 / 18.23%	\$73.40 / 17.84%
2021/22	2022/23	2023/24											
\$13.00 / 3.16%	\$12.80 / 3.11%	\$12.50 / 3.04%											
2021/22	2022/23	2023/24											
\$76.50 / 18.59%	\$75.00 / 18.23%	\$73.40 / 17.84%											
Finance review required?	Rachel Sparks, Finance Manager												

Significance and engagement assessment

Requirement	Explanation
Is the matter considered significant?	Yes Based on the scope and value of the underlying project.
Level of significance	Low
Level of engagement selected	2. Inform – One way communication
Rationale for selecting level of engagement	<p>If Council approves the recommended option the community will be informed of Council's decision to approve the Ashburton Relief Sewer Pipeline project for inclusion in the draft delivery plan, which is expected to "unlock" up to \$7.8M of government funding, through the usual media channels.</p> <p>If Council decides to prioritise a different project, a separate significance and engagement assessment would be needed to determine if the work is significant and determine the level of significance.</p>
Reviewed by Strategy & Policy	Toni Durham, Strategy and Policy Manager

Appendix one: Significance and engagement assessment tool

Criteria	Explanation		Assessment Rating (L, M or H)
1. Strategic asset?	LOW	No	L
	MEDIUM	No	
	HIGH	Yes	
2. Number of people affected	LOW	Less than 100	H
	MEDIUM	Less than 500	
	HIGH	Greater than 500	
3. Level of impact on people affected	<p>Criteria 3-9 require qualitative assessment. Refer to 'Suggested thresholds for determining significance' (Appendix 2).</p> <p>Remember:</p> <ul style="list-style-type: none"> - Front page newspaper test - Impact on individuals and group - Potential benefits versus risks - Financial cost of the outcome - Potential precedent set - Related to land or water? - Of political interest? 		L
4. Level of <i>current</i> community interest			M
5. Level of <i>potential</i> community interest			M
6. Of political interest to Te Runanga o Arowhenua as mana whenua?			L
7. Cost of proposal			H
8. Impact on rates			L
9. Impact on levels of service			L
10. Overall assessment of risk	Risk level to be determined by Risk Management Policy as L, M or H		M
11. Overall assessment of health and safety considerations	Assessment to be determined by considering health and safety implications		L
TOTAL	LOW		6
	MEDIUM		3
	HIGH		2
Significant issue?	If the score for 'HIGH' is one or more then the issue is 'significant'		Yes
Level of significance	LOW	Score of 33% or below	32%
	MEDIUM	Score between 34% and 67%	
	HIGH	Score of 68% or above	

Appendix two: Risk assessment

Risk		Probability of occurrence (high, medium, low)	Impact / importance of risk if it occurs (high, medium, low)	Response / action to mitigate risk	Risk owner
Community safety	No risk identified	N/A	N/A	N/A	N/A
Operational	No risk identified	N/A	N/A	N/A	N/A
Reputational	Failure to access all funding on offer may result in criticism from community.	Medium	Low	Project recommended for the Delivery Plan has highest likelihood of completion by 31 March 2022.	Assets Manager
Financial	Failure to complete project by 31 March 2022 means potential reduced access to funding and all expenditure after that date is Council responsibility.	Low	High	Project recommended for the Delivery Plan has highest likelihood of completion by 31 March 2022.	Assets Manager
Environmental	No risk identified	N/A	N/A	N/A	N/A
Our people	No risk identified	N/A	N/A	N/A	N/A
Legal	No risk identified	N/A	N/A	N/A	N/A

20. Hekeao / Hinds Water Enhancement Trust – access to stockwater and land for managed aquifer recharge project

Author *Andrew Guthrie; Assets Manager*
Activity Manager *Andrew Guthrie; Assets Manager*
GM Responsible *Neil McCann; Group Manager Infrastructure Services*

Summary

- The purpose of this report is to present to Council correspondence received from the Hekeao Hinds Water Enhancement Trust (HHWET).
- The first letter (refer appendix 1) sets out the groups' appreciation of ongoing access to 500 litres/second of consented unused stockwater from the Rangitata River. This access was previously approved for the managed aquifer recharge (MAR) project by Council through to 25 February 2021.
 - HHWET indicate they would like access to this water to continue beyond this date, as well as wanting to initiate discussions with staff in regard to access to further amounts of unrequired stockwater, in particular Rangitata water.
- The second letter (refer appendix 2) sets out the group's appreciation for access to ADC Reserve 1959. This access was previously approved by lease, at a modest rental, and which concludes on 1 October 2020.
 - HHWET indicate a desire to extend this lease beyond this date.
- Officers are seeking guidance from Council on their views on these requests, before commencing any discussions with HHWET representatives.

Recommendation

- 1. That**, in accordance with Options A3, and B3 of this report, Council confirms its ongoing support for Managed Aquifer Recharge and **agrees in principle** to:
 - a. providing access to up to the current allocation of 500 litres/second of consented unused stockwater associated with the Cracroft Intake beyond 25 February 2021;
 - b. consideration of access to other volumes of consented unused stockwater where identified in conjunction with officers;
 - c. extending access to the land parcel RES 1959 BLK XI WESTERFIELD SD beyond 1 October 2020; and
 - d. consideration of access to other land parcels owned by Council where identified in conjunction with officers

Background

1. The Ashburton Water Zone Implementation Programme (ZIP) was released circa 2011, and more relevantly the Ashburton ZIP Addendum, Hinds Plains Area (ZIPA) was released in March 2014.
2. This latter document promulgated **Managed Aquifer Recharge** as part of a “solutions package” for the Hinds Plains area of the Ashburton Zone.
3. As such it has fallen under the auspices of the Ashburton Zone Committee (AZC) which is a subcommittee of Environment Canterbury and Ashburton District Council, and an integral part of the overall Canterbury Water Management Strategy (CWMS).
4. The AZC looked at a range of options to help manage declining levels of water quality and quantity in the Hinds Plain catchment. The ZIPA included the use of water augmentation as a key catchment-level mitigation.
5. In this case the water augmentation was evaluated as the use of MAR to target the groundwater system. In the ZIPA, a MAR pilot was enabled through AZC recommendations #7.8 (Managed Aquifer Recharge) and #8.7 (Flow Augmentation), which provided the basis by which pilot testing of MAR proceeded.
6. In keeping with the consultation and collaboration approach of the CWMS, the development of the MAR pilot project was guided initially by the Hinds Drains Working Party (HDWP), with input from the AZC, ADC, Te Rūnanga O Arowhenua and other catchment stakeholders.
7. The HDWP was established by the AZC in part to specifically oversee the development of the MAR pilot project and ensure that it was in keeping with the local communities’ knowledge and concerns. In order for the MAR project to proceed a MAR Pilot Working Group was formed with the first meeting held 13 January 2015.
8. The working party structure evolved into a MAR Governance Group (MAR GG) which provided overall leadership and maintained financial oversight of budgets, and a MAR Technical Group which dealt with direct operational and practical matters.
9. Regular reporting back to the Ashburton Zone Committee has been maintained throughout this time along with periodic reporting to Council. The terms of reference for the MAR GG tasked it to develop a proposal for the investigation and implementation of Managed Aquifer Recharge (MAR) and Targeted Stream Augmentation (TSA) in the Hinds Plains.
10. The trial commenced at the first site located on Council land at the corner of Frasers Road and Timaru Track in 2016. Since that time, the MAR trial has expanded beyond this site to also include a site near the Hinds River immediately below the RDR

(commissioned in September 2018), and twelve other smaller scale sites around the Hinds catchment.

11. After two and a half years of successful operations of the pilot sites, the feasibility and benefits of MAR had become well-understood, and the continuation of the trial through to its full five year term (February 2021) was to further enhance the understanding of MAR.
12. This is where the project was to potentially transition from a concept under trial to a full-scale operational scheme. The volumes of water required are substantial, infrastructure will need to be constructed and maintained, and consents obtained and held.
13. In order to progress a catchment-scale groundwater replenishment scheme (GRS), the MAR GG believed in the need to establish a charitable trust. Consequently the Hekeao / Hinds Water Enhancement Trust (HHWET) was established.
14. The HHWET has overseen the MAR project since its establishment in mid-2019. The Mayor is Council's appointed representative on the Trust.
15. The HHWET is seeking approval to initiate discussions with Council officers. Officers are seeking guidance from Council as to their general position on the request before commencing those discussions.
16. Further information on MAR, including monitoring results, reports etc is available at <https://apps.canterburymaps.govt.nz/hindsMAR/>.

Consultation with Arowhenua

17. It is noted also that Te Rūnanga O Arowhenua are represented on the HHWET and have had a long involvement in the MAR pilot project.
18. A draft of this report was circulated to Aoraki Environmental Consultancy Ltd (AECL) seeking their views on the matter.
19. Their response is appended to the report (refer appendix 3).
20. In summary, Arowhenua and AECL are satisfied with the discussions continuing and would welcome the opportunity to work collaboratively with the parties prior to any decisions being made by Council.
21. There is an acknowledgement of the significant merits in the MAR process, but they would not be comfortable with any additional water being supplied to HHWET by Council.

Options analysis

A. ACCESS TO WATER

22. The water required for a catchment-wide groundwater replenishment scheme (GRS) is understood to be in the order of 4,000 L/s.
23. Consented but unused stockwater has been identified as the lowest cost water to access for scheme purposes as all other water sources have an associated opportunity cost e.g. value as irrigation water, or value as water for power generation.
24. The term “consented but unused stockwater” is effectively the volumes of water that we do not otherwise take e.g. we may be consented for 1,000L/s and only routinely take 600L/s, this means there is 400L/s of consented but unused stockwater available.
25. HHWET would like the existing allocation from the Rangitata River to continue and have also noted a preference for even more water from the Rangitata River.
26. Officers consider Rangitata water to be strategically important for Council, as a potential substitute water source to lessen our reliance on the Ashburton River.
27. Some sections of the community believe that consented unused stockwater should be surrendered and thereby remain in the source river.
28. It is also noted that ECan have upheld the ongoing reductions in abstraction of stockwater as a potential mitigation against the impacts from the new minimum flow regime to be applied in the Ashburton (Hakatere) River.
29. Before commencing any discussions with HHWET representatives on access to water, officers are seeking guidance from Council on the matter. At this stage, that guidance is described in the following options:

Option A1 – Confirm support for MAR, but signal no water beyond February 2021

30. Under Option 1, Council would confirm its ongoing support the MAR projects, but would signal that the currently approved allocation (500 L/s) of unrequired stockwater from the Rangitata River will not be available to the project beyond February 2021.
31. Selection of this option would effectively add an additional 500 L/s to the total water required for a catchment-wide GRS.

Option A2 – Confirm support for MAR, and agreement in principle for existing allocated water beyond February 2021 only

- 32. Under Option 2, Council would confirm its ongoing support for MAR, and agree in principle to extending access only to the currently approved allocation (500 L/s) of unused stockwater from the Rangitata River beyond February 2021.
- 33. This option provides some certainty for the established operational sites, but does not address the water requirements for a catchment-wide GRS.

Option A3 – Confirm support for MAR, and agreement in principle for existing, and more unused stockwater [RECOMMENDED OPTION]

- 34. Under Option 3, Council would confirm its ongoing support for MAR, and agree in principle to extending access to the currently approved allocation (500 L/s) of unused stockwater from the Rangitata River beyond February 2021. It would also agree in principle to allowing access to additional quantities of unrequired stockwater where identified by officers.
- 35. This option effectively “leaves the door open” for further discussions on providing additional unused stockwater for a catchment-wide GRS. This will allow officers to examine the merits of specific proposals.

B. ACCESS TO LAND

- 36. The existing MAR pilot site is situated at the corner of Frasers Road and Back Track. The legal description for the land parcel is RES 1959 BLK XI WESTERFIELD SD.
- 37. The lease was to Environment Canterbury for a 5 year period commencing 1 October 2015, in exchange for \$1.00 exc GST (annually in advance if demanded).
- 38. Prior to the current use of the site, the land was unused and unoccupied.
- 39. Before commencing any discussions with HHWET representatives on access to land, officers are seeking guidance from Council on the matter. At this stage, that guidance is described in the following options:

Option B1 – Do not support access to existing site beyond 1 Oct 2020

- 40. Under this officers will advise HHWET that Environment Canterbury’s access to the site will cease at the end date of the lease period.

Option B2 – Agreement in principle to extend access to existing site only

- 41. Under this option, officers will progress discussions for ongoing access to RES 1959 only. These discussions may include options other than leased access.

**Option B3 – Agreement in principle to provide access to existing and other sites
[RECOMMENDED OPTION]**

42. Under this option, officers will progress discussion with HHWET representatives regarding access to the existing site beyond 1 Oct 2020 (including other access options), and access to other ADC land parcels on a case-by-case basis.
43. Decisions on access to individual sites will be made in accordance with officer delegations, or where necessary / appropriate, referred to Council.

A. ACCESS TO WATER			
	Advantages	Disadvantages	Risks
Option A1	<ul style="list-style-type: none"> Retains unused consented water for ADC purposes. Rangitata water may provide options to reduce ADC reliance on Ashburton River. 	<ul style="list-style-type: none"> Increases the amount of water required for a catchment-wide GRS by 500L/s. Inconsistent with ADC Surface Water Strategy 	<ul style="list-style-type: none"> This option may be seen as “anti-MAR”. May be considered inconsistent with the goals of the ZIP/A.
Option A2	<ul style="list-style-type: none"> Provides some certainty for MAR at current sites. Retains access to Rangitata water for ADC use. Aligned with position expressed by Arowhenua. 	<ul style="list-style-type: none"> Does not address the additional water requirements for a catchment-wide GRS. 	<ul style="list-style-type: none"> Council may receive criticism for allowing use of consented unused stockwater. Council may receive criticism for not fully supporting the project.
Option A3 [Recommended Option]	<ul style="list-style-type: none"> Consistent with SWS. Provides greater certainty towards establishment of catchment wide GRS. 	<ul style="list-style-type: none"> May be pressure on officers and Council to provide access to additional volumes of Rangitata water. 	<ul style="list-style-type: none"> Council may receive criticism for allowing use of consented unused stockwater.
B. ACCESS TO LAND			
	Advantages	Disadvantages	Risks
Option B1	<ul style="list-style-type: none"> Land is retained for future Council use. 	<ul style="list-style-type: none"> Does not demonstrate ongoing support for the MAR project. Inconsistent with ADC Surface Water Strategy 	<ul style="list-style-type: none"> May jeopardise the establishment of a catchment wide groundwater replenishment scheme.

Option B2	<ul style="list-style-type: none"> • Demonstrates support for MAR. • Ensures that MAR can continue on existing site. 	<ul style="list-style-type: none"> • Does not address HHWET's need for access to additional land. • May impede progress on a catchment wide groundwater replenishment scheme. • May increase costs of a catchment wide groundwater replenishment scheme. 	<ul style="list-style-type: none"> • May delay the establishment of a catchment wide groundwater replenishment scheme.
Option B3 [Recommended Option]	<ul style="list-style-type: none"> • Demonstrates strong support for MAR. • Consistent with SWS. 	<ul style="list-style-type: none"> • Land identified for use by MAR may have competing uses / values. 	<ul style="list-style-type: none"> • May set precedent for approaches by other groups for access to council land holdings.

Legal/policy implications

Resource Management Act

44. Consents to abstract water from the environment are issued by Environmental Canterbury under the Resource Management Act (RMA).
45. Council holds a number of resource consents covering the abstraction of water for the stockwater network, including one covering the abstraction of water from the Rangitata River at our Cracroft Intake.
46. The accessing of water from the Rangitata River for managed aquifer recharge is covered by consents held by Environment Canterbury.
47. The MAR abstraction is subservient to Council's consented abstraction at Cracroft, such that we can always access the water needed for the stockwater network, and the MAR abstraction has to reduce accordingly to ensure the combined total amount taken remains below the consented maximum.

Surface Water Strategy

48. The matters raised in this report are relevant to Council's Surface Water Strategy, which was adopted 13 December 2018.
49. One of the goals of the strategy is to continue to support the implementation of the Canterbury Water Management Strategy. Objective 4.2 states "Continue to make

unrequired stock water available to CWMS related projects such as Managed Aquifer Recharge (MAR).”

Financial implications

50. There are no financial implications arising from the matters contained in this report.
51. This report is limited to providing direction to officers and does not commit Council to any expenditure.
52. Once discussions have been suitably advanced with HHWET representatives any matters with cost (or resource) implications will be the subject a separate requests for Council decision.

Requirement	Explanation
What is the cost?	Nil
Is there budget available in LTP / AP?	N/A
Where is the funding coming from?	N/A
Are there any future budget implications?	Yes, there may be but these will be the subject of separate decision-making at that time.
Finance review required?	No.

Significance and engagement assessment

Requirement	Explanation
Is the matter considered significant?	No
Level of significance	Low Note-: Level of significance was assessed in accordance with Council Significance and Engagement Policy and yielded a result of 14%.
Level of engagement selected	Inform – One way communication
Rationale for selecting level of engagement	The decisions being sought are simply providing guidance to officers and allowing discussions with MAR representatives to proceed.
Reviewed by Strategy & Policy	Toni Durham, Strategy and Policy Manager

53. This report is merely providing direction for officers to inform future discussions with a key stakeholder (HHWET). As such, wider engagement with the community is considered unnecessary at this stage.

Appendix one: Significance and engagement assessment tool

To be attached to reports that have triggered 'high' significance. Otherwise, delete.

Criteria	Explanation		Assessment Rating (L, M or H)
1. Strategic asset?	LOW	No	L
	MEDIUM	No	
	HIGH	Yes	
2. Number of people affected	LOW	Less than 100	L
	MEDIUM	Less than 500	
	HIGH	Greater than 500	
3. Level of impact on people affected	<p>Criteria 3-9 require qualitative assessment. Refer to 'Suggested thresholds for determining significance' (Appendix 2).</p> <p>Remember:</p> <ul style="list-style-type: none"> - Front page newspaper test - Impact on individuals and group - Potential benefits versus risks - Financial cost of the outcome - Potential precedent set - Related to land or water? - Of political interest? 		L
4. Level of current community interest			M
5. Level of potential community interest			M
6. Of political interest to Te Runanga o Arowhenua as mana whenua?			M
7. Cost of proposal			L
8. Impact on rates			L
9. Impact on levels of service			L
10. Overall assessment of risk	Risk level to be determined by Risk Management Policy as L, M or H		L
11. Overall assessment of health and safety considerations	Assessment to be determined by considering health and safety implications		L
TOTAL	LOW		8
	MEDIUM		3
	HIGH		0
Significant issue?	If the score for 'HIGH' is one or more then the issue is 'significant'		No
Level of significance	LOW	Score of 33% or below	14%
	MEDIUM	Score between 34% and 67%	
	HIGH	Score of 68% or above	

Appendix two: Risk assessment

To be attached to reports that have triggered 'high' significance, otherwise delete.

Risk		Probability of occurrence (high, medium, low)	Impact / importance of risk if it occurs (high, medium, low)	Response / action to mitigate risk	Risk owner
Community safety	No risk identified	N/A	N/A	N/A	N/A
Operational	No risk identified	N/A	N/A	N/A	N/A
Reputational	A perceived lack of support for MAR may be regarded negatively in the community. Use of unused stockwater for MAR (instead of leaving in river) may be regarded negatively in the community.	Med	Low	Risk is articulated to elected representatives within report. Need to ensure rationale for decision-making is well understood and communicated.	Assets Manager Comms Manager
Financial	No risk identified	N/A	N/A	N/A	N/A
Environmental	No risk identified	N/A	N/A	N/A	N/A
Our people	No risk identified	N/A	N/A	N/A	N/A
Legal	No risk identified	N/A	N/A	N/A	N/A



24 March 2020

Neil Brown

Mayor of Ashburton
Ashburton District Council
P.O. Box 94
Ashburton 7740

Dear Neil

Provision of unrequired ADC stock water for Hekeao Hinds MAR Project

The Hekeao Hinds Plains community, through Plan Change 2 to Canterbury's Land and Water Regional Plan have a bold objective of significantly reducing groundwater nitrate-nitrogen concentrations by 2035, utilising a combination of reduced nutrient leaching from landuse activities, controlling irrigated area and by recharging specifically clean water via Managed Aquifer Recharge (MAR).

The Hekeao Hinds Water Enhancement Trust - HHWET (and previous project governance entities) have been leading the Managed Aquifer Recharge component of this objective since 2015. This project is supported by funding and in-kind from central government, local government, the local community, and Canterbury Water Management Strategy stakeholders.

Further Ashburton District Council (ADC) support for the Hekeao Hinds MAR Project is provided in the ADC Surface Water Strategy 2018-2028 through Goal 4 "*Supporting and implementing the Zone Implementation Programme through projects such as Managed Aquifer Recharge (MAR)*" and Objective 4.2 "*Continue to make unrequired stock water available for CWMS related projects such as Managed Aquifer Recharge (MAR)*".

HHWET greatly appreciate the continued use of up to 500 litres/second of unused consented stockwater from the Rangitata River through to 25 February 2021, via Resolution 6.8 of the Council meeting held on Thursday 28 June 2018. HHWET will be applying for long term consents this year and will request a further extension from ADC at the appropriate time.

In addition, HHWET wish to discuss with ADC staff the possibilities regarding access to further unrequired stock water, in particular other stock water supplies (just in the non-irrigation season)

as well as additional Rangitata River stock water. Plan Change 2 assessed MAR requirements at 4000 l/s, an eight-fold increase on the currently available 500 l/s. Current MAR discharge consents enable supply of up to 2010 l/s.

We look forward to your support for this request.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'PS Lowe', is positioned above the printed name.

Peter Lowe
Chair
Hekeao Hinds Water Enhancement Trust



24 March 2020

Neil Brown

Mayor of Ashburton
Ashburton District Council
P.O. Box 94
Ashburton 7740

Dear Neil

Consideration of unrequired ADC land for Hekeao Hinds MAR Project

The Hekeao Hinds Plains community, through Plan Change 2 to Canterbury's Land and Water Regional Plan have a bold objective of significantly reducing groundwater nitrate-nitrogen concentrations by 2035, utilising a combination of reduced nutrient leaching from landuse activities, controlling irrigated area and by recharging specifically clean water via Managed Aquifer Recharge (MAR).

The Hekeao Hinds Water Enhancement Trust - HHWET (and previous project governance entities) have been leading the Managed Aquifer Recharge component of this objective since 2015. This project is supported by funding and in-kind from central government, local government, the local community, and Canterbury Water Management Strategy stakeholders.

As part of the MAR Trial HHWET have greatly appreciated access to ADC Reserve 1959 for the MAR Pilot Site. This lease concludes on 1 October 2020 and HHWET request the opportunity to discuss a lease extension for this site with ADC staff.

HHWET have recently entered into a Development Phase funding agreement with MBIE through the Provincial Growth Fund. This phase requires the expansion of individual site MAR trials up to a catchment scale MAR Scheme, and the presentation of a Business Case for this scheme to the Hinds community and local government for consideration. To enable this expansion, HHWET have conducted an assessment of potential new MAR sites and identified a number of additional ADC reserves and water races that show MAR potential. To assess these sites further, HHWET request the opportunity to discuss access to these sites with ADC staff.

We look forward to your support for these requests.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'PS Lowe', is positioned below the closing 'Yours sincerely,'.

Peter Lowe
Chair
Hekeao Hinds Water Enhancement Trust



Te Runanga O Arowhenua Society Inc.



AORAKI
ENVIRONMENTAL
CONSULTANCY LTD

25 August 2020

Toni Durham
Strategy and Policy Manager
Ashburton District Council
PO Box 94
ASHBURTON 7740
[delivered to: toni.durham@adc.govt.nz]

Tēnā koe Toni,

**HEKEAO HINDS WATER ENHANCEMENT TRUST – ACCESS TO STOCKWATER AND LAND FOR
MANAGED AQUIFER RECHARGE**

Te Rūnanga o Arowhenua (Arowhenua) and Aoraki Environmental Consultancy Limited (AEC) thank you for the opportunity to comment on the project put forward by Hekeao / Hinds Water Enhancement Trust (HHWET) to access stockwater and land for managed aquifer recharge (MAR) for the Hinds Plains area of the Ashburton Zone.

Arowhenua and AEC understand HHWET will be discussing future MAR water requirements with Ashburton District Council staff over the next few months, and this matter has been outlined in a report submitted to Council Councillors for review.

Arowhenua and AEC are satisfied with Council staff communicating with HHWET and appreciate that any requests for additional water by HHWET will be worked through collaboratively with AEC before any decisions are made by Council. To ensure a transparent process, AEC request that a copy of the final report is provided for review.

Whilst AEC appreciate there are significant merits in the MAR process, AEC would not be comfortable with any additional water being supplied to HHWET by Council.

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

21. Offer to Acquire Ealing Hall

Author *Tania Paddock; Legal Counsel*

GM Responsible *Paul Brake; Group Manager – Business Support*
Steve Fabish; Group Manager – Community Services

Summary

- Ashburton District Council has received a letter from the Ealing Library Hall Society Incorporated with an offer to gift the assets of the Ealing Library Hall Society to Council. These assets include the Ealing Hall and the remaining funds in the Hall Society's bank accounts.
- The purpose of this report is for Council to consider the Ealing Library Hall Society's offer.

Recommendation

1. **That** Council accepts the gift of the Ealing Library Hall Society Incorporated's assets to Council, including the transfer to Council of the land and buildings contained within Record of Title CB325/145 (being Lot 1 Deposited Plan 5389).

Appendices:

- **Appendix One:** Letter from Ealing Library Hall Society
- **Appendix Two:** Letter from Ealing Reserve Board
- **Appendix Three:** Ealing Hall photos

Background

Ealing Library Hall Society Incorporated

1. The Ealing Library Hall Society Incorporated (the “Hall Society”) own a 2845m² freehold record of title, CB325/145, at 18 Maronan Ealing Road, Ealing. This land contains the Ealing Hall.
2. At a special meeting of the Hall Society on 30 August 2020, the Hall Society unanimously resolved that the Council would be approached to see if it would consider the following:

“The proposed gifting of Ealing Library Hall Society assets including all land, buildings and funds to the Ashburton District Council, this in turn would then be administered by the Ealing Reserve Board which would become responsible for all upkeep and maintenance of the Ealing Hall.”

3. The Hall Society subsequently wrote to Council on 4 September 2020 with the above offer to gift the Hall Society’s assets to Council (see **Appendix One**).
4. Once gifted, the Hall Society wishes for its assets to be managed by the Ealing Reserve Board, on behalf of Council. The Hall Society would then be formally wound up. Under the Hall Society rules, if the Hall Society is wound up, the members must discharge all liabilities of the Hall Society and can then distribute the Society’s assets as its wishes in accordance with a dissolution resolution of the Hall Society.
5. The Hall Society’s assets comprise of the Ealing Hall (land and buildings) and its bank accounts. The Hall Society generates modest revenue from renting out the Hall (for example, \$906.70 in the year ending 31 March 2020).

Ealing Reserve Board

6. The Ealing Reserve Board has also written to Council, in a letter dated 5 September 2020, confirming the Reserve Board agrees (subject to Council approval) to take on the upkeep and maintenance of the Ealing Hall (see **Appendix Two**).
7. The Ealing Reserve Board manage Reserve 4840 on behalf of Council. Reserve 4840 is a 3.86 hectare parcel of land on the corner of State Highway One and Ealing Road.
8. This reserve is currently occupied for grazing by an adjacent landowner under a licence to occupy agreement. This licence to occupy currently generates an income for the Reserve Board of \$1,652.17 plus GST per annum.
9. As this land is the only asset managed by the Reserve Board, and the Reserve Board otherwise has no expenses, the Reserve Board has accumulated cash reserves of \$28,490.24 in its accounts as at 30 June 2020. Under the Reserves Act 1977, this money

can only be applied by the Reserve Board for the purposes of the Act – that is, for the Reserve Board to administer reserve land in accordance with the Reserves Act.

Acquisition of Hall Society Assets

10. The Reserve Board and the Hall Society have been in discussions about how the Reserve Board's accumulated cash reserves could be utilised, including whether these funds could be utilised for the benefit of the Ealing Hall. As the Hall Society is independent of Council, and due to the restriction under the Reserves Act on how the Reserve Board's funds can be used, currently there is no legal ability for the Reserve Board's funds to be used for the Ealing Hall.
11. The Reserve Board and the Hall Society believe the best way to enable the sharing of funds would be for the Hall Society to gift its assets to Council. The Ealing Hall land and buildings, and the Reserve Board's Reserve 4840, would then both be managed by the Ealing Reserve Board.
12. This gifting and transfer of assets to Council does however require Council approval, which is the purpose of this report.
13. If Council approval was given, the following steps will need to occur:
 - a. The Hall Society and the Council would enter into an Agreement for Sale and Purchase to transfer the Hall Society's assets to Council. In either this Agreement, or a separate side agreement, it would be beneficial for the Hall Society and Council (in conjunction with the Reserve Board) to set out the parties' expectations on how the Ealing Hall should be maintained and managed long term.
 - b. The Hall Society will then need to follow its Incorporated Society Rules, in order to give effect to the winding up of the Hall Society and the distribution of its assets.
 - c. Finally, Council would use the necessary Reserves Act process to classify the Ealing Hall land as a recreation reserve under the Reserves Act. This classification enables the Reserve Board to manage the Ealing Hall site in accordance with the Reserves Act, in conjunction with Reserve 4840.

Assessment of Ealing Hall

14. The original main hall, supper room and side room is 100 years old this year. However, an addition to the hall for a new ladies cloak room, male and female toilets and kitchen was approved in 1965.
15. On 3 September 2020, a visual condition assessment of the Hall was undertaken by a Council Building Inspector and Council's Facilities Management Officer. Their assessment of the building was:

- a. Structurally the building appears very sound.
- b. The floor appears to be very sound with timber floor boards.
- c. The roof cladding is colour coated corrugated long run iron and flashings, which are in very good condition.
- d. The walls are timber framed with “rough cast” plaster and paint over existing bevel backed weather board. Several areas to the south west and south elevations have plaster missing and require minor repair and painting to seal from weather.
- e. The exterior joinery is timber framed and in general, very well maintained with several areas which will require repair at some stage. However, this is expected maintenance for a building of this age and construction.
- f. The interior of the building is very well maintained and currently does not show any indications that there is any water penetrating from the exterior.
- g. Finally, with the usual on-going maintenance to it, the building should continue to perform well into the future.

16. Photos of the Ealing Hall are attached in **Appendix Three**.

Options analysis

Option 1 – Accept the Hall Society’s offer to gift its assets to Council

Advantages

- 17. Under this option, Council will be gifted a community asset which is in a good condition. The Ealing Hall will however be managed by the Reserve Board. This is example of a local community wanting to find a way to ensure a community asset can be maintained in the long term for the benefit of its local community.
- 18. The Reserve Board and the Hall Society members are largely the same members of the local community. Therefore, acquiring the Hall Society’s assets and having the Reserve Board manage both the Hall and Reserve 4840 will enable these volunteers to more efficiently manage both assets.
- 19. Council benefits significantly from the hours of volunteer time put in by Reserve Board members around the District. Council should therefore be seen to support approaches such this where the Reserve Board is willing to take on more responsibility for the benefit of its community.

20. This option also allows the Reserve Board to utilise its significant cash reserves for the benefit of its local community, within the controls of the Reserves Act and within the powers conferred on the Reserve Board under its Constitution.

Disadvantages

21. If the Reserve Board decided to disestablish in the future, Council would either need to find another Reserve Board to take over management of the Ealing Hall, or Council would have to take over management of the Hall.
22. This decision may be seen as setting a precedent for future Council decision-making, should Council receive similar offers from other independent community halls. However, for the reasons discussed in the 'Legal/Policy Implications' section of this report, it is not considered that this accepting this option would set a precedent for Council.

Option 2 – Decline the Hall Society's offer to gift its assets to Council

Advantages

23. If the Hall Society's gift was declined, Council (and the Reserve Board) would not take on ownership of an old Hall and would not be responsible for the ongoing maintenance and upkeep of the Hall.

Disadvantages

24. This option will not resolve the Reserve Board's ongoing issue that it has accumulated significant cash reserves which it cannot use due to the legislative restrictions of the Reserves Act.
25. Further, this option would also not assist the members of the Ealing community to more efficiently manage and operate a community asset.

Legal/policy implications

Reserves Act

26. If the Council accepts the offer of acquiring the Hall Society's land, Council will follow the Reserves Act process to classify the property as a recreation reserve.

Precedent Effect

27. There are a number of similar halls located within the Ashburton District that are run independent of Council. It could be considered that if Council accepted the Hall Society's offer, Council's decision would set a precedent which obligated Council to take on any other halls if their owners wished to gift them to Council.

28. However, for the reasons set out below, it is not considered the Officer's recommendation in this report will set a precedent, should further offers come into Council.
29. Under section 77 of the Local Government Act 2002, in the course of its decision-making process, Council must identify all reasonably practicable options and assess these options in terms of their advantages and disadvantages. Each decision must then be made on its merits, based on the advantages and disadvantages of the available options.
30. Section 78 of the Local Government Act also requires Council, in the course of its decision-making, to give consideration to the views and preferences of those likely to be affected by, or have an interest in the matter. The Council is not necessarily required by this section to undertake a public consultation, but must take all relevant views into account.
31. In this case, two different groups with two different issues have come up with a pragmatic solution which they consider will resolve both parties' issues and benefit the local community. Further, the Reserve Board is willing to take on management of the Ealing Hall. These are two significant advantages to be weighed up in the Council's overall decision on this matter.
32. Ultimately, the Officer's recommendation to Council has been made following an assessment of the advantages and disadvantages of both accepting or declining the proposed gift, taking into account how this decision will affect both Council and the local community.
33. Should there be any offers in the future from other parties to gift a community hall to Council, such offer must similarly be assessed on its merits. If, after assessing the advantages and disadvantages of the proposed options, Council is not satisfied that accepting a community hall is the best option, Council is not obligated to accept the gift.

Financial implications

Requirement	Explanation
What is the cost?	As the Hall Society's assets are being gifted to Council, there is no cost to acquire these assets. Going forward, the Reserve Board will be able to use its cash reserves and income generated from the grazing licence to occupy for the upkeep of the Ealing Hall.
Is there budget available in LTP / AP?	Not applicable.
Where is the funding coming from?	Future funding for the upkeep of the Hall will either need to come from the Reserve Board's cash reserves, or from Council grants.
Are there any future budget implications?	Nothing currently identified.
Finance review required?	Reviewed by Rachel Sparks, Finance Manager

Significance and engagement assessment

Requirement	Explanation
Is the matter considered significant?	No
Level of significance	Low; not significant.
Level of engagement selected	2. Comment – Informal two-way communication
Rationale for selecting level of engagement	<p>Informal communication with affected parties has already taken place between Council, the Hall Society and the Reserve Board.</p> <p>Council officers attended a special meeting of the Ealing Hall Society on 30 August 2020 to discuss the options available to the Hall Society and the process, should the Hall Society wish to gift its assets. If the recommended option in this report is approved by Council, the Hall Society must still go through another special meeting process to resolve to distribute its assets to Council. The Hall Society advised it will advertise that special meeting through the media/social media to ensure members of the local community can attend that Hall Society meeting to offer their opinion on the Hall Society's proposal.</p> <p>Further, Officers have also discussed the recommendation in this report with the Ealing Reserve Board, who are in favour of the recommended option.</p>
Reviewed by Strategy & Policy	Toni Durham; Strategy & Policy Manager

Appendix one: Letter from Ealing Library Hall Society Incorporated

4/9/2020

Ealing Library Hall Society
126 Ealing Montalto Road
RD 3
Ashburton

Ashburton District Council
PO Box 94
Ashburton

TO WHOM IT MAY CONCERN

I am writing on behalf of the Ealing Library Hall Society Committee. The ELHS committee members held a Special Meeting on 30/9/2020 to discuss the future of our hall here at Ealing. After general discussion it was decided unanimously by all present that the Ashburton District Council be formally approached to see if they would consider the following:

- The proposed gifting of Ealing Library Hall Society assets including all land, buildings and funds to the Ashburton District Council, this in turn would then be administered by the Ealing Reserve Board which would become responsible for all upkeep and maintenance of the Ealing Hall.

Should you agree in principle to this we would then inform the community via media advertising and hold a Special Meeting to discuss and explain the reasoning behind the proposal and a vote would then be held requiring a 75% majority?

Thank you for your consideration and we hope you will consider this favourably and look forward to hearing from you in regards to the above.

Yours Sincerely,



Jane Reith (Chairperson)
Rachele Morris (Sec Treasurer)

Appendix two: Letter from Ealing Reserve Board

05/09/2020

Ealing Reserve Board
1077 Rangitata Highway 1
RD 3
ASHBURTON

Ashburton District Council
PO Box 94
Ashburton

To Whom it may Concern

On behalf of the Ealing Reserve Board I am writing to inform you that we have been notified by The Ealing Library Hall Society of their proposed gifting of Assets to the Ashburton District Council.

For us this would be mean that we would be the administered and would become responsible for all upkeep and maintenance of the Ealing Hall and Reserve.

We the Ealing Reserve Board are more than happy for this to go ahead and happen and look forward to making this work.

Yours Sincerely



Nigel Reith
Chairperson

Appendix Three: Ealing Hall photos



22. Reserve and Hall Boards Triennial Meetings

<i>Author</i>	<i>Clare Harden; Community Administration Officer</i>
<i>Activity Manager</i>	<i>Phillipa Clark; Governance Team Leader</i>
<i>General Manager responsible</i>	<i>Hamish Riach, Chief Executive</i>

Summary

- The purpose of this report is to update Council on the 2020 triennial meetings of reserve boards and memorial hall boards. The previous update was provided to Council on 9 April 2020.
- Since the October 2019 elections, 18 of the 20 reserve boards and memorial hall boards administered by Council have now held their triennial meetings and elected their new boards for the 2019-22 term.

Recommendation

- 1. That** Council receives the report.
- 2. That** Council approves the appointments submitted by the Ealing, Ruapuna and Chertsey Reserve Boards, as detailed in this report.

Background

1. Council administers 16 reserves boards and 5 memorial hall boards. With the exception of Lynnford Reserve Board, which is in the process of being wound up, each Board is required to hold a public election within three months of Council's triennial elections in order to elect a new Board.
2. It is acknowledged that the three month timeframe has not been met by some of the boards. Historically this has been a challenge for a number of board members due to seasonal work demands over the summer period (eg harvesting).
3. Triennial meetings are publicly notified and Council's appointee chairs the public meeting. The Council appointee, or a retiring Chairperson will convene a Board meeting immediately after the public meeting to elect the officers for the new term.
4. Board members nominated at the public meeting must be eligible and also consent to stand for election.
5. Following their meetings Boards are required to submit nominations to Council for approval. In the event that any member is not approved by Council, the matter will be referred back to the Board with an explanation and a request for further nomination.
6. Since April 2020, the following boards have held their triennial meetings and elected their members:

Board	Date	Members
Ruapuna Reserve Board <i>Council appointee: Cr Letham</i> <i>NB the Ruapuna meeting on 22/02/20 didn't achieve a quorum and appointments weren't able to be made</i>	15/04/2020	Rebecca Whillans (Chair) Abby Homer (Sec/Tres) Mary Poad Duncan King Peter Waller Mark Roberts Matt Sinton Frazer Tasker Richard Scott
Ealing Reserve Board <i>Council appointee: Cr Wilson</i>	21/06/2020	Nigel Reith (Chair) Jane Reith (Sec/Tres) Andrew Morris Graeme Tarbotton Mark Slee Ben Naylor Derek Wilson
Chertsey Reserve Board <i>Council appointee: Cr Rawlinson</i>	12/08/2020	Philip Vanderweg (Chair) Craig Rodgers (Sec/Tres) Deirdre Lourie Marion Harrison Bob Lourie Tim Jellyman Brian McGuigan

Scheduled meetings

7. There are two Boards still to meet. They are aware of their meeting requirements and dates will be confirmed in due course.
8. The Community Administration Officer will continue to liaise with the boards and provide administrative and meeting support.

Financial implications

Requirement	Explanation
What is the cost?	Officer support and advertising of meetings.
Is there budget available in LTP / AP?	Yes – met from existing budgets
Where is the funding coming from?	No funding required
Are there any future budget implications?	No
Reviewed by Finance	Not required – no financial implications

Significance and engagement assessment

Requirement	Explanation
Is the matter considered significant?	No
Level of significance	Low
Level of engagement selected	Collaborative – working together and partnering with the community.
Rationale for selecting level of engagement	This level of engagement is appropriate given the significance assessment. Participation on reserve and memorial hall boards is open to the public.
Reviewed by Strategy & Policy	Toni Durham; Strategy & Policy Manager

23. Ashburton - Tinwald Connectivity Business Case Strategic Case

Activity manager *Brian Fauth, Roading Manager*

Group manager *Neil McCann, Infrastructure Services Group Manager*

Summary

- The purpose of the Ashburton - Tinwald Connectivity business case is to demonstrate the need for wider investment across the Ashburton and Tinwald transport network. The focus is around achieving a local transport system solution that will improve connectivity across the Hakatere (Ashburton) River.
- The strategic case (appendix one) outlines the benefits of investing in improving connectivity, examining available evidence for the problems and identifies key performance indicators (KPIs) to measure the success of investment over time.
- If approved by the Ashburton District Council and Waka Kotahi / NZTA this strategic case will form Part A of a Detailed Business Case.
- Part B of the Detailed Business Case will review and identify any possible new options, assess these options and recommend a short list to be evaluated at a Multi Criteria Analysis workshop. The outcome will be an “Identified Preferred Programme”.
- This strategic case has been prepared in accordance with the principles outlined in the Waka Kotahi Business Case guidelines.

Recommendation

- 1. That** Council approves the Ashburton – Tinwald Connectivity Business Case Strategic Case and supports it being forwarded for review and approval by Waka Kotahi NZ Transport Agency.

Appendix One: Ashburton – Tinwald Connectivity Business Case Strategic Case (circulated with agenda as a separate document)

Background

Previous Investigations

1. The transport network in both Ashburton and Tinwald has been the subject of several studies with the most recent summarised below:

Ashburton Transportation Study 2006

2. A joint study commissioned by NZTA and ADC to identify the present and future transportation demands within the Ashburton urban area for the 20 year period through to 2026. This study identified that:
 - A second river crossing would be more beneficial for local traffic than inter-district traffic
 - There is a significant traffic pressure point at the SH1 Bridge during peak hours which will worsen as the town continues to grow.

Ashburton Second Bridge Issues and Options 2010

3. This study was undertaken to better understand the opportunities and risks associated with introducing a second bridge across the Hakatere River. It evaluated 12 alternative options for a second river crossing using a multi-criteria analysis (MCA) process.

Ashburton Second Bridge Additional Investigations 2011

4. In anticipation of ADC lodging an application for a Notice of Requirement additional investigations for various bridge options were undertaken in 2011. This focused on eight options and included a comparative assessment of the options on a wide range of criteria. This study also examined the option of installing signals in Tinwald which would improve access to SH1 from the local roads but did not address the capacity issues along SH1.

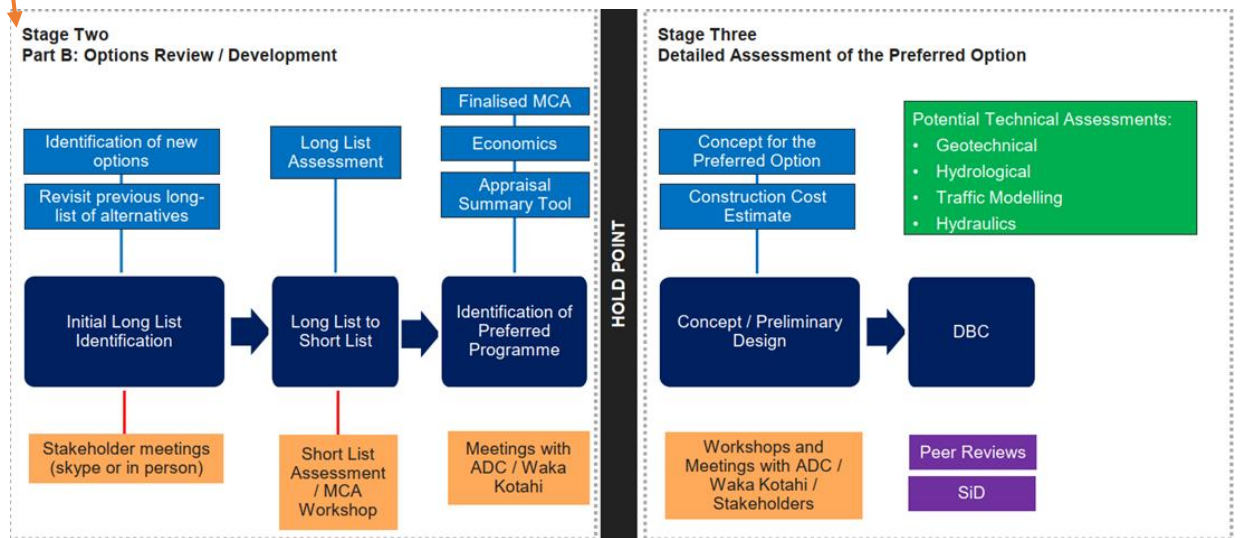
Ashburton Second Bridge Social Impact assessment 2013

5. The conclusion of the social impact assessment was that the second bridge and proposed access road would provide a positive contribution to the social wellbeing of the Ashburton and Tinwald communities. A second bridge would provide a practical alternative route and improve access to a wide range of activities and facilities in Ashburton.
6. Aspects of this report helped to inform the evidence base for this strategic case.

The current situation

7. In 2018 Council secured \$94,000 in funding from the Provincial Growth Fund for the development of the strategic case and detailed business case. NZTA have partnered with this work and have contributed \$156,871.
8. The process is necessary to meet NZTA and ideally the Provincial Growth Fund requirements. Without undertaking this detailed level of work, Council is highly unlikely to attract the 80% funding that was targeted in the 2018-28 Long-Term Plan.

9. Stantec are undertaking this work on behalf of Council and NZTA. The diagram below shows the entire process, with the arrow indicating where we currently are (about to start Stage 2), if approved by WK/NZTA.



10. Following Council approval, Stantec will forward the Strategic Case to Waka Kotahi NZ Transport Agency for their review and approval/rejection.
11. If approved then Stantec will continue with Stage 2 of the Detailed Business Case. The hold point is to meet with Waka Kotahi to determine the likelihood of the project obtaining NZTA support before progressing to Stage 3 the “Detailed assessment of the Preferred Option”.
12. The need for investment to improve connectivity between Ashburton and Tinwald is being driven by:
- The need to support population growth
 - The need to ensure people can move safely and easily across the river
 - The need to ensure that inter-regional freight is moved efficiently
 - The need to provide locals with alternative travel modes to motor vehicles.

Options analysis

Option one – Do nothing.

13. This option will continue to put significant pressure on the SH1 Bridge as the population of Ashburton and Tinwald grows. Access to the SH corridor will become more difficult, especially if locals continue to rely on their car for even short journeys, and other remedies will need to be investigated. Council does have the Ashburton second urban bridge in the Long-Term Plan 2018-28, with construction to begin in year 8 (2025/26), therefore, doing nothing is not a viable option.

Option two – Approve the Strategic Case and forward to Waka Kotahi NZ Transport Agency for their review and approval

14. This is the officers recommended option. The strategic case has been prepared, and, once approved by Council, it will be forwarded onto Waka Kotahi NZ Transport Agency for their review and approval. This is another step along the process to maximise Council's chance to gain government funding for the second urban Ashburton bridge.

Legal/policy implications

15. **Government Policy Statement** The Government's recently released National Policy Statement on Urban Development directs that councils need to ensure a well-functioning urban environment for all people, communities and future generations. This means
 - Enabling all people and communities to provide for their social, economic, cultural wellbeing, and health and safety now and into the future
 - Providing sufficient development capacity to meet the different needs of people and communities
16. As such, new development needs to be integrated with the transport network.

Draft Government Policy Statement for Land Transport

17. A key priority of the Draft GPS for Land Transport is "providing people with better travel options to access social and economic opportunities". The current active mode facilities provided on the SH1 Bridge and generally across the local road network provide people with poor travel choice. Along with these poor active mode provisions there is also no public transport service (apart from school buses) in Ashburton.
18. There is a need to provide better travel choice to enable ADC to meet overarching mode objectives.

Financial implications

Requirement	Explanation
What is the cost?	\$125,400 for stages 1 and 2 of the Detailed Business case by Stantec \$48,893 expended up to 30 th June 2020.
Is there budget available in LTP / AP?	Yes – Original budget in 2019/20 \$307,590
Where is the funding coming from?	PGF, NLTP and Rates
Are there any future budget implications?	Yes – If strategic case approved then move to Detailed Business Case Funding is secured for the Detailed Business Case If project approved then funding for Second Bridge construction will need to be budgeted. Estimated total cost of \$35m.
Reviewed by Finance	Not required – Funding for Detailed Business Case has been determined.

Significance and engagement assessment

Requirement	Explanation
Is the matter considered significant?	No – the report itself is not significant, although officers note the high degree of community interest in the project.
Level of significance	Not significant
Level of engagement selected	Inform
Rationale for selecting level of engagement	The second Ashburton Urban Bridge is already in the Long Term Plan 2018-28, therefore this report is another step along a process to keep the project moving. The report will provide an update for the community on the second Ashburton urban bridge which has attracted a high level of community interest in the past.
Reviewed by Strategy & Policy	Toni Durham; Strategy & Policy Manager

Next steps

See paragraph 9 above.

24. Ashton Beach Enhancement Project

Author *James Henderson; People & Capability Advisor*
Bert Hofmans, Open Spaces Planner
Activity Manager *Sarah Mosley; Manager: People & Capability Manager*

Summary

- The purpose of this report is to provide elected members with a update on the consultation that has been undertaken with key stakeholders and seek direction on whether or not to proceed with the resource consent and associated processes to enable a motorbike track to be formed on Ocean Farm land adjacent to Ashton Beach

Recommendation

1. **That** Council supports further work to enable the establishment of an alternative area for recreational motorbike riding on Council owned land within the Ashton Beach area.
2. **That** Council funds up to a maximum of \$27,000 for the biodiversity requirements of this project from the rural beautification reserve should alternative funding sources not be successful.

Background

The current situation

1. In 2019, Council officers became aware of a health and safety issue on an unfenced portion of Ocean Beach Farm which is being used for recreational activities by motorbikes and four wheel drive enthusiasts.
2. These areas have now been fenced off and an alternative area for motorbike riding was identified through community consultation.
3. On the 18 June 2020, Council resolved:

That Council supports further work and consultation to enable the establishment of an alternative area for recreational motorbike riding on Council owned land within the Ashton Beach area.

That Crs Leen Braam and Lynette Lovett be appointed to the Ashton Beach project stakeholder group.

4. Preliminary consultation has been undertaken with officers from Department of Conservation, Environment Canterbury and the Royal Forest and Bird Society.
5. While acknowledging Council efforts to provide an alternative motorbike riding area, all parties are concerned that the proposed motorbike park will attract more motorcyclists to the beach area and therefore a greater negative impact on the area's biodiversity values.
6. To address this concern, ECan staff requested that Council introduce a bylaw prohibiting the use of motorcycles on the beach foreshore north to the river mouth. Both DOC and Forest and Bird also recognised this risk, but Forest and Bird considered that on the whole, the work undertaken by ADC and ECan in recent times represents a significant improvement to the management of the biodiversity values to the areas. Forest and Bird have also indicated they would like to assist in managing the biodiversity values of the area through activities such as native seed collection and planting.
7. In summary, the parties had some concerns about the proposal but were not firmly opposed to the development of a motorcycle park in this area.

Options analysis

Option one – Do nothing

This option would limit motorbike riding on the flatter parts of Ashton Beach, including the foreshore and spit areas, as no alternative area for riding on undulating terrain has been provided for members of the community. Riding options within the flat areas is also likely to reduce as ECAN's enhancement project progresses.

This option is likely to meet some community opposition and there is a greater risk of vandalism to the new fencing, which was recently erected to eliminate the risk of riding on the donga's steep and eroding terrain, to once again ride in an area more challenging than the flat surrounds.

Although over time less motorbike riders may come to the Ashton Beach area, those that do may cause greater damage to the foreshore and spit areas, therefore ECAN will continue to have concerns about the damage caused.

Option two - Providing alternative hill riding area- preferred

8. This option arose out of public feedback and provides an alternative area adjacent to the donga on an unused part of Ocean Farm for motorbike riding. It has less risk due to a professionally designed track and the involvement of the Ashburton Motorcycle Club overseeing the area in conjunction with Council. The planned track will provide riders diverse and undulating topography providing enthusiasts a safe place to go with the family, and caters for all ages and broad skills levels.
9. As this would become a council- community project it is anticipated that there will be increased goodwill and buy in from motorcycle club and local riders. The track will be audited and the group have offered to take care of signage and public liability insurance so it is not a burden on ratepayers. They also propose to work with ADC to quickly remedy any vandalism.
10. There is a risk that that due to its popularity the park will attract more riders to the wider area and the negative impact this has on its biodiversity values.
11. In order to develop this land for the purpose of providing a motorbike riding area, additional work and expenditure would be required. The work and associated costs have been reviewed and are summarised below:

Tasks	Cost
Phase 1 – Approvals <ul style="list-style-type: none"> • DoC Wildlife Permit and Lizard Management Plan • ADC Resource Consent 	\$10,000 (available from existing biodiversity budget 2020-21)
Phase 2 – Habitat Construction <ul style="list-style-type: none"> • Fencing (\$2,500)* • Lizard Habitat Enhancement*and Lizard Survey and Relocation (\$20,000) 	\$22,500**
Phase 3 - Motorbike Track Formation	\$2,000** (+\$8,000 grant already approved for Motorbike Club)
Project Management	\$10,000

	(carry over funding already approved)
Contingency	\$2,500**
Total Project	\$55,000
Currently Unfunded Portion	\$27,000**

*Eligible for Lottery Environment and Heritage Fund

12. A number of funding options were explored by Council officers, with the majority not accepting applications from local authorities. The exception is the Lottery Environment & Heritage Fund which has provided funding to local authorities and there is precedence for a similar project in Otago region (relocating a lizard habitat). Applications open 6 January 2021.
13. The criteria for the fund means there may be a small grant available for the construction of a new skink habitat but would not extend to the costs of relocating the skinks. Council must have funded a minimum of one third of the overall project costs. This criteria should be achieved given Council's existing and anticipated spend on the project. For an application to be considered it needs to have obtained the necessary approvals i.e. resource consent, and wildlife permit.
14. In addition to the costs, there will be a period of 12-15 months where recreational riders will be restricted to the flat area while the development of the alternative riding area is progressed.

Legal/policy implications

Resource Management Act 1991

15. This Council has statutory obligations for biodiversity under the Resource Management Act. Protecting areas of significant indigenous vegetation and significant habitats of indigenous fauna is listed as a matter of national importance in section 6 of the Act.
16. Section 31 of the Resource Management Act directs district councils to control actual or potential effects of land use and development to maintain indigenous biological diversity.
17. The proposal requires resource consent and as the landowner and applicant, Council will be required to demonstrate that, among other things, the proposed motorbike track will not have an adverse effect on the indigenous flora and fauna, or alternatively that the effects will be remedied or mitigated.

General Duty of Care to Eliminate and Mitigate Risks

18. As a landowner who allows public access to this land, Council owes a general duty of care to those that access the land for recreation. In particular, Council has a duty to take all reasonable steps to remove or reduce any risks or hazards where it is reasonably foreseeable that they could cause harm or loss to others.
19. Motorbike riding, like many other recreational activities involve a degree of danger. However, by working with the Motorcycle Club and including their safety specialists on the track design and adopting their operational procedures, Council is mitigating the risks to the extent they can. Riders too are responsible for their own safety through following all operational rules and riding in areas within their skill level.

Health and Safety at Work Act 2015

20. HSWA places a positive duty on elected members – as officers in relation to a PCBU – to exercise due diligence to ensure that the organisation complies with its health and safety duties and obligations (section 44).
21. It is important to note that unless recreational use or access to the land is affected by a person conducting a business or undertaking (PCBU) work activities or it is part of a workplace, Council is not generally liable for any injuries or incidents that happen as a result of a member of the public undertaking a recreational activity on Council land. Practically, this means a PCBU whose land is being accessed for recreation:
 - a. is only responsible for eliminating and mitigating the risks arising from the work or workplace (should there be work undertaken on the land); and
 - b. is not responsible for the risks associated with the recreational activities.
22. Council must ensure, for example, that the motorbike riding area, or areas, are appropriately fenced off from the Council's adjacent Ocean Farm workplace.

Financial implications

23. The rural reserve beautification separate reserve (Cost centre 173) has a reserve balance of \$244,000. This could be used to fund the \$27,000 if required.

Requirement	Explanation
What is the cost?	Refer to the table within bullet point 11.
Is there budget available in LTP / AP?	Partial funding (refer to the table within bullet point 11)
Where is the funding coming from?	<p>The Ashton Beach Motorbike track project applied, and been successful, in receiving a Council Community Infrastructure Grant of \$8,000 in 2020-21. This funding is ring-fenced for track development in the area. Volunteer labour and discounted plant rates are proposed to be through the Motorcycle Club and other interested parties.</p> <p>The 2020-21 Biodiversity budget has approximately \$10,000 available for this project.</p> <p>Grant applications for Lottery's Environment and Heritage Fund will be submitted to fund some lizard management costs. Council are requested to underwrite this funding to ensure the project proceeds.</p> <p>Additional staff resource will be required to coordinate this project with the other partners and manage the biodiversity commitments. This is estimated at \$10,000 and will be funded by an approved carry forward.</p> <p>The rural reserve beautification reserve has been identified as the source to fund up to \$27,000, if required.</p>
Are there any future budget implications?	Yes – some ongoing maintenance of the fencing and habitat are possible
Reviewed by Finance	Paul Brake, Group Manager Business Support

Significance and engagement assessment

Requirement	Explanation
Is the matter considered significant?	No
Level of significance	Medium
Level of engagement selected	Comment
Rationale for selecting level of engagement	Community engagement commenced in early 2020 and resulted in this project (creating an alternative motorbike track) being identified. This project will be of high interest to some members within our community and Council will continue to work with affected stakeholder groups. The community will be kept informed of progress on the project through usual communication channels.
Reviewed by Strategy & Policy	Toni Durham; Strategy & Policy Manager

Next steps

Date	Action / milestone	Comments
October 2020	Identify resource to manage this project, who in turn will develop a project plan and timeline. Engage specialist consultants to undertake preparatory work ahead of lodging the resource consent	
During the project	Council and the community kept informed of project milestones through Activity Briefings.	

25. Grants & funding 2020/21

Author *Clare Harden; Community Administration Officer*
General Manager *Steve Fabish Group Manager - Community Services*

Summary

- The purpose of this report is to allocate the community grants and funding for Round 2 2020/21.
- All officer recommendations on the allocation of the grants have been made based on the application's eligibility and the funds available in each grant budget.

Recommendation

1. That Council allocates **\$21,340** in community grants and funding for 2020/21 as per the following categories:

1.1 Economic Development – Community Events Grant - \$11,340

1.2 Natural & Built Environment – Heritage Grant, round 1 - \$1,000

Attachments *(circulated with agenda)*

Round 2 Community grants assessment (events) 2020-21

Round 2 Community grants assessment (heritage) 2020-21

Background

Grant applications

1. A total of 7 applications were received across the grant and funding areas, seeking funding of \$21,340. The following table outlines for each of the grant areas the amount the applicants requested, and how much is available in each budget. When recommending grant amounts, we have ensured that the total allocated is within the 2020/21 Round 2 budget.
2. For a full summary of each application, please see the appendices circulated with the agenda.

Area	# applications	Amount requested	2020/21 budget	Total recommended
Economic Development				
Community Events	5	\$24,082	\$11,340	\$11,340
Natural & Built Environments				
Heritage (round 2)	2	\$11,500	\$10,000	\$0
Total	7	\$35,582	\$21,640	\$11,340

Options analysis

Option one

3. To allocate the community grants and funding for 2020/21 as per the recommendations made above.

Option two

4. Council may choose to allocate the funds differently to that recommended by officers.

Legal/policy implications

5. Officers have assessed the grants against the Community Grants and Funding Policy and relevant criteria for each grant category. Commentary on the eligibility of each applicant is noted in the appended document.

Financial implications

Requirement	Explanation
What is the cost?	See costs previously noted for each grant category.
Is there budget available in LTP / AP?	Yes, all grants are allocated within the budget available in the 2020/21 Annual Plan.
Where is the funding coming from?	UAGC and general rates
Are there any future budget implications?	No
Reviewed by Finance	Not required.

Significance and engagement assessment

Requirement	Explanation
Is the matter considered significant?	No
Level of significance	Low
Level of engagement selected	Inform – one way communication.
Rationale for selecting level of engagement	No changes are being made to the available budgets, and therefore, only communication with the applicants is required. The community will be notified through a press release of the successful applicants, once the applicants have been advised of Council's decision.
Reviewed by Strategy & Policy	Toni Durham; Strategy & Policy Manager

26. Mayor's Report

1. Local Government New Zealand

- **AGM – 21 August 2020**

Deputy Mayor Liz McMillan and CE Hamish Riach attended the Local Government NZ AGM on Friday 21 August 2020 via Zoom.

A total of nine remits were made official Local Government New Zealand (LGNZ) policy at the meeting, from a total of ten remits that were voted on. Details of the remits and the results are attached to the report. [Appendix 1](#)

2. Canterbury Mayoral Forum

On 4 September CE Hamish Riach and I attended the Canterbury Mayoral Forum in Christchurch.

- **Plan for Canterbury**

The Plan for Canterbury has been signed off and work will now commence to achieve the outcomes. There are five priority areas:

- Sustainable environment management
- Shared economic prosperity
- Improved freight transport options
- Climate change mitigation and adaption
- 3Water services

- **3Water Resources**

A resource is being established to review and guide Councils on the way forward for the 3Waters review. Each Council is funded a share proportionate to the size of their district. Ashburton's allocation is \$54,540.

- **Mayoral Forum Agendas**

The Mayoral Forum has recently received feedback that some Councillors do not feel fully informed on the work undertaken by the Forum. Copies of agendas can be made available to Councillors should they wish to view them.

3. Civil Defence Emergency Management

Hospitals throughout the district have advised they are prepared for a Covid outbreak should it happen in the future.

A Mayoral briefing from the New Zealand Police is to be scheduled to outline contingency plans to establish road checkpoints at short notice, should the Canterbury region or part thereof be placed in regional isolation due to an increased Covid alert level or increased alert status.

4. Road Transport Committee

The Road Transport Committee are preparing a Regional Land Transport Plan (RLTP) to seek feedback and decisions.

Vision:

To provide all transport users with sustainable options that move people and freight around and through our region in a safe and efficient way that enables us to be responsive to future changes.

Objectives:

- A network that facilitates and shares prosperity across our region (economic, social, environmental and cultural)
- Better freight transport options leading to fewer trucks on our roads
- Fewer deaths and serious injuries on our roads
- Improved national advocacy for regional transport needs
- A transport network with options that facilitate reliable and consistent journey times
- Sustainable transport choices (mode shift) with reduced negative environmental and health impacts
- A resilient transport network that can better cope with unknown stresses, natural disasters and climate change impacts

Priorities

- Safer systems implemented (road to zero)
- Manage demand sustainably
- Invest in a sustainable transport network that is integrated with land use
- Mitigate risk of exposure to extreme events

Waka Kotahi and Territorial Authorities will also be consulted to submit their transport projects for prioritisation in the draft RLTP.

The Ministry of Transport are currently seeking feedback on the proposed approach to speed management.

A priority of NZTA is to reroute trucks off local roads and onto State Highways as soon as possible as the highways can manage the heavier weights.

5. Right Hon. Jacinda Ardern

The Deputy Mayor and I attended a luncheon with the Right Hon. Jacinda Ardern on Tuesday 15 September in Timaru. Prime Minister Ardern outlined Labour's five point plan:

- Health reforms
- Investing in people (wage subsidies)
- Build back better (an economy fit for the future)
- Back our exporters (trade on our brand – 'carbon neutral' and 'clean green')
- Support small business (loan scheme)

6. RDR Management Ltd – Annual General Meeting

• Annual General Meeting

The Annual General Meeting of RDR Management Limited will be held at 2pm on Tuesday 6 October 2020 at the Hotel Ashburton. The Annual Report and Financial Statements have been circulated to Councillors.

Recommendation

That Council appoints the Deputy Mayor as proxy to vote on Council's behalf at the RDR Management Limited AGM on 6 October 2020, with the Chief Executive as the alternative representative.

- **Remuneration Committee**

The Terms of Reference for the RDRML Remuneration Committee require a Council representative to be appointed.

Recommendation

That Council appoints the Deputy Mayor as Council's representative on the RDRML Remuneration Committee.

7. Burnham Military Camp – Limited Service Volunteer Training Course

The Burnham Military camp, in conjunction with the Ministry of Social Development, the Ministry of Education and the New Zealand Police, coordinates a Limited Serviced Volunteers course. The aim of the course is to increase the number of young New Zealander's entering employment or further training. I was invited to become a Patron for the six week course held 3 August to 12 September.

This was a very rewarding experience watching the participants grow over duration of the course. I had the opportunity to speak with many of the students at the graduation dinner, including two Ashburtonians, and was impressed with how they had positive direction in their lives and had developed plans and goals for their futures.

Should Council be offered the opportunity to be a Patron again in the future I would encourage Councillors to be part of this programme.

8. Ashburton Seniors Centre

The Ashburton Seniors Centre Trust Deed states that one member of the Board shall be the Mayor of Ashburton or a Councillor nominee. Cr Rawlinson has agreed to be the Council representative on this Board.

9. National Policy Statement for Indigenous Biodiversity

The proposed National Policy Statement for Indigenous Biodiversity (NPSIB) is expected to be finalised in April 2021 and will provide direction on how Councils must manage biodiversity under the Resource Management Act 1991 (RMA) going forward.

Environment Canterbury are in the process of establishing a Canterbury Biodiversity Strategy group consisting of representation from each Canterbury Council to discuss, shape and co-ordinate biodiversity commitments.

Recommendation

That the Councillor _____ be appointed as Council's representative on the Canterbury Biodiversity Strategy group.

10. Russell Anstiss

It is with sadness that we acknowledge the passing of Russell, a former Borough Councillor and stalwart of the Ashburton district. This district has benefited greatly from his dedication and passion. Our thoughts are with the Anstiss family at this difficult time.

11. Meetings

Below is the Mayoral Calendar, since the last Mayor's report:

August 2020

- 14 August: Canterbury Mayoral Forum – Three Waters discussion (via Zoom)
- 14 August: Civil Defence Emergency Management Joint Committee
- 17 August: Methven Community Board
- 17 August: Bernice Marra – Manager, Ashburton Health Services
- 17 August: Senior Sergeant Leigh Jenkins
- 17 August: Advance Ashburton
- 18/19 August: Revenue and Finance Policy and Development Contributions Policy hearings and deliberations
- 20 August: Otago Medical Students (via Zoom)
- 20 August: CBD Plan Change Workshop
- 21 August: LGNZ AGM – Deputy Mayor Liz McMillan deputised with CE Hamish Riach
- 24 August: Hinds Reserve Board representatives
- 24 August: Waka Kotahi NZ Transport Agency's Annual Stakeholder meeting with CE Hamish Riach
- 24 August: Ashburton Horticultural Society AGM – Cr Rawlinson deputised
- 25 August: Debbie Mackle – Hospice Mid Canterbury
- 25 August: Ashburton Water Management Zone Committee
- 26 August: Long Term Plan promotional video filming
- 26 August: Southern Parallel Sports Campus Project update
- 27 August: Library and Civic Centre Project Control Group
- 27 August: Extraordinary Council meeting
- 27 August: Community Services, Environmental Services and Infrastructure Services
- 28 August: RMA training
- 31 August: Canterbury Mayoral Forum meeting with Sir John Hansen – CDHB Chair (via Zoom)

September 2020

- 1 September: Covid Economic Recovery Advisory Group
- 2 September: Chief Executive's Annual Review
- 2 September: Racecourse Road Structure Plan Workshop
- 3 September: EA Networks
- 3 September: Audit Risk and Finance Committee
- 3 September: Regional Transport Committee
- 4 September: Hokonui radio interview
- 4 September: Canterbury Mayoral Forum
- 4 September: Civil Defence Emergency Management Joint Committee
- 4 September: Matt Surman – Environment Canterbury
- 7 September: Nigel Reith – The Hub, Rakaia
- 8 September: Library and Civic Centre – tender evaluation

- 8 September: Ashburton Trust/Lion Foundation
- 9 September: Rangitata Diversion Race
- 9 September: Long Term Plan Workshop
- 9 September: Alan Piper – Kiwirail
- 10 September: Council activity briefings
- 10 September: Extraordinary Council meeting
- 10 September: Council Workshop – low pressure sewer system
- 10 September: Burnham Army Camp LSV course patron – Graduation Dinner
- 11 September: Professor Ian Town – Chief Science Advisor Ministry of Health – Covid update with CE Hamish Riach
- 12 September: Burnham Army Camp LSV course patron – Graduation Parade
- 14 September: Advance Ashburton
- 15 September: Prime Minister Jacinda Arden luncheon in Timaru – with Deputy Mayor Liz McMillan
- 16 September: Covid briefing from NZ Police – with CE Hamish Riach (via MS Teams)
- 17 September: Memorial Hall and Reserve Board Workshop
- 17 September: CBD Workshop
- 17 September: Community House 25th Birthday Celebrations
- 17 September: Art Gallery AGM
- 18 September: Hokonui Radio Interview
- 18 September: Leftfield Innovation presentation – with Crs Lovett and Rawlinson
- 19 September: Ashburton Bowling Club – opening day
- 21 September: Ashburton Community Water Trust
- 22 September: NZ Landcare - Trust Mid Canterbury Demonstration Sites field day
- 23 September: EA Network AGM
- 24 September: Council Agencies 6 month reports
- 24 September: Council meeting

Recommendation

That Council receives the Mayor's report.
--

Neil Brown

Mayor

Appendix 1: Local government votes on remits

Local Government New Zealand's (LGNZ) member councils have today passed 9 remits to direct LGNZ's policy advocacy.

LGNZ is the peak body representing New Zealand's 78 local councils, providing a unified voice for the sector and a pathway for continuous improvement through CouncilMARK™.

A brief summary of each remit, and the voting results, can be found below:

1. Public transport support

Proposed by Greater Wellington Regional Council, the remit calls for LGNZ to advocate that the Government work with councils to maintain the financial viability of public transport during the recovery phase of Covid-19.

The remit was passed with 99 per cent support of the sector.

2. Housing affordability

Proposed by Hamilton City Council and Christchurch City Council, the remit calls for LGNZ to advocate for the Government to assist councils in delivering affordable housing through introduce legislation that would fully enable councils to address housing affordability in their communities through a range of value uplift and capture tools, establishing a working group on affordable housing, and developing an affordable housing National Policy Statement.

The remit was passed with 85 per cent support of the sector.

3. Returning GST on rates

Proposed by Hamilton City Council and New Plymouth District Council, the remit calls for LGNZ to advocate for the Government to use the appropriate mechanisms to enable the 15 per cent Goods and Services

Tax (GST) charged on rates be returned to councils to spend on local or regional infrastructure projects.

The remit was passed with 92 per cent support of the sector.

4. Natural hazards and climate change adaptation

Proposed by Hauraki District Council, the remit calls for LGNZ to advocate for the Government to undertake, in collaboration with all of local government, a comprehensive review of the current law relating to natural hazards and climate change adaptation along New Zealand's coastlines, and coordinates the development of a coastline strategy for the whole of New Zealand.

The remit was passed with 98 per cent support of the sector.

5. Annual regional balance of transfers

Proposed by New Plymouth District Council, the remit calls for LGNZ to work with Treasury, Statistics New Zealand and other government agencies to develop an annual regional balance of transfers to show how much each region contributes in taxes and how much each region receives in government funding.

The remit failed with 71 per cent of the sector against.

6. Local Government Electoral cycle

Proposed by Northland Regional Council, Rotorua Lakes Council, Whanganui District Council and Hamilton City Council, the remit calls for LGNZ to advocate for central government to conduct a referendum on a proposal that the electoral terms of both central and local government be extended from three to four years.

The remit was passed with 87 per cent support of the sector.

7. Water bottling

Proposed by Queenstown Lakes-District Council, the remit contains four parts, and calls for LGNZ to work with the Government to:

- A. Place a moratorium on applications to take and/or use water for water bottling or bulk export.

The remit was passed with 76 per cent support of the sector.

- B. Enable regional councils and unitary authorities to review inactive water bottling consents, with a view to withdraw the consent and discourage consent 'banking'.

The remit was passed with 86 per cent support of the sector.

- C. Undertake an holistic assessment of the potential effects of the current industry, its future growth and the legislative settings that enable councils to effectively manage those effects.

The remit was passed with 92 per cent support of the sector.

- D. Initiate a comprehensive nationwide discussion on the issue of water bottling (within the wider basis of water use) and implement any changes to the legislation and policy settings as required.

The remit was passed with 89 per cent support of the sector.

8. Quorum when attending local authority meetings

Proposed by Waikato District Council, the remit calls for LGNZ to advocate for an amendment of legislation to enable elected or appointed members, connecting remotely to a public council meeting, be included in the quorum. This would provide an option for local authority meetings to be held completely remotely, if required.

The remit was passed with 93 per cent support of the sector.

9. Use of macrons by local authorities

Proposed by Waipa District Council, the remit calls for LGNZ to put in place a simplified process for the addition of macrons to council names, if requested by that council or its community.

The remit was passed with 96 per cent support of the sector.

10. Rates rebates for low income property owners

Proposed by Whanganui District Council, the remit calls for LGNZ to work with Government to lift the level of rates rebates available for low and fixed income property owners – with yearly increases taking into account the cost for inputs into local government services.

The remit was passed with 100 per cent support of the sector.

Ends