

Ashburton District Council

AGENDA

Notice of Meeting:

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

Date: Wednesday 3 May 2023

Time: 1.00pm

Venue: Council Chamber

Membership

Mayor	Neil Brown
Deputy Mayor	Liz McMillan
Members	Leen Braam
	Carolyn Cameron
	Russell Ellis
	Phill Hooper
	Lynette Lovett
	Tony Todd
	Richard Wilson
	<i>[Vacancy – Western Ward]</i>

Meeting Timetable

Time	Item
1.00pm	Council meeting commences
3.45pm	Ashburton Contracting Ltd quarterly report

1 Apologies

2 Extraordinary Business

3 Declarations of Interest

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

Minutes

4	Council – 19/04/23	3
5	Heritage Mid Canterbury Working Group – 23/03/23	7

Reports

6	Time Capsule Finalisation	9
7	Naming Conventions & Charging for Meeting Rooms	17
8	Reserve Management Plans – Approval to consult	29
9	Economic Development quarterly report (Jan-Mar 2023)	39
10	Ashburton Car Club Street Sprint Event – temporary road closure	45
11	Bancorp Treasury report March 2023	51
12	Financial Variance report March 2023	61
13	Proposed Remit to LGNZ	98
14	Mayor’s Report	105

Business Transacted with the Public Excluded

15	Council 19/04/23 [Now in open meeting] • West St carpark		PE 1
16	Tender Award WATE02899 Watermain renewals	Sections 7(2)(h) Commercial activities	PE 2
17	Executive Committee – 15/03/23 CE 6 month review (<i>deferred from 19/04/23</i>)	Section 7(2)(a) Protection privacy of natural persons	PE 9
18	Ashburton Contracting Ltd	Sections 7(2)(h) Commercial activities	Verbal

4. Council Minutes – 19 April 2023

Minutes of the Council meeting held on Wednesday 19 April 2023, commencing at 9.00am in the Council Chamber, 137 Havelock Street, Ashburton.

Present

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

In attendance

Hamish Riach (Chief Executive), Jane Donaldson (GM Compliance & Development), Toni Durham (GM Democracy & Engagement), Leanne Macdonald (GM Business Support), Neil McCann (GM Infrastructure & Open Spaces), Janice McKay (Communications Manager) and Phillipa Clark (Governance Team Leader).

Staff present for the duration of their reports: Rick Catchpowle (Environmental Monitoring Manager) and Tania Paddock (Legal Counsel).

Presentations

Ashburton A&P Association – 9.20am to 10am

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 with the public excluded:

- Three Waters Reforms announcement

McMillan/Braam

Carried

3 Declarations of Interest

Nil.

4 Confirmation of Minutes – 5/04/23

That the minutes of the Council meeting held on 5 April 2023, be taken as read and confirmed.

Lovett/Braam

Carried

5 Executive Committee – 8/03/23

That Council receives the minutes of the Executive Committee meeting held on 8 March 2023.

McMillan/Hooper

Carried

The Mayor recorded his thanks to the people of the Ashburton community for their contributions to the Cyclone Gabrielle flood relief appeal.

6 **Dog Control Fees & Charges – 1 July 2023 to 30 June 2024**

It was reported that a new type of dog tag is being introduced this year. A sample will be shown to Council at the May activity briefings.

1. **That** Council adopts the dog registration and control fees and charges for 2023/24 as set out in Appendix 1.
2. **That** the dog registration and control fees and charges for 2023/24 are publicly notified.

Ellis/Lovett

Carried

7 **Deputy Mayor's report**

• **Councillor Chats**

The first of a series of "Councillor Chat" sessions was held yesterday at the Library, attended by the Deputy Mayor and Councillor Wilson. Relevant matters raised at these sessions will be relayed through the usual communication processes, as requests for service or with relevant group managers.

That Council receives the Deputy Mayor's report.

McMillan/Wilson

Carried

9 **Ashburton A&P Association**

The Mayor welcomed Ashburton A&P Association representatives, Richard Lemon and Tim Lovett who presented their proposal and concept plans for a major upgrade of the showgrounds. This has been driven by the need to accommodate the specific requirements of various user groups and sporting codes.

Council heard that the freehold grounds are vested in the Ashburton Agricultural & Pastoral Association. If the Association goes out of existence the grounds will revert to the Crown. The Association has consulted with its stakeholders and the response to the proposed upgrade is predominantly positive.

The Association is seeking Council's support for the concept plan, for some financial contribution, and for approval to lease a block of land (currently flagged for future cemetery development) that would be used as parking. It is envisaged that the grounds could be used as part of an overall events space for the Ashburton District – e.g. concerts would be a good use for the grounds/grandstand. The Association has an income of around \$250k/annum and holds some investments.

The proposal, in summary, would see ground development, fencing and planting at a cost of around \$600k (Stage 1), pavilions and toilet facilities in the new area (Stage 2) and undergrounding of power / installation of lighting poles (Stage 3). The Association would then work in conjunction with the MCRFU to repurpose the grounds and improve the grandstand.

- Mid Canterbury Rugby Union
 - Licence to occupy for seven months of the year
 - Under-utilised. The Association pays \$25k/annum to insure the grandstand and there's a need to encourage greater use to generate more revenue
 - Combined use (people / horses) is a potential health issue, especially on the main playing field.
 - Gender neutral changing facilities are required and the option of developing facilities under the grandstand needs to be considered
 - Have some funding to contribute to lighting
- Events
 - Annual A&P Show
 - Horse and dog events bring people into Ashburton District Council
 - Caravan / motorhome show – another big event

- YFC competition (this year’s regional finals held at the weekend)
 - Mid Canterbury Vintage Machinery meeting room is utilised by a number of groups
 - SI Seeds facilities also used by multiple groups
 - A survey 10 years ago showed the grounds are used around 40 weekends out of 52.
- Proposal
 - Repurposing grounds – enhance dog training area and develop three new horse rings. Will shorten the oval, leaving side walls / fences for multi-purpose use
 - Easement granted to Ashmark Holdings Group to run their sewer line across the top boundary and join in line at Brucefield Ave (with A&P reserving the right to connect to that line in the future).

Council generally supported the proposal and agreed that the Ashburton A&P Association grounds are a community asset that need to be retained and enhanced. The presenters were thanked for bringing forward a positive plan that has already received a high level of support from stakeholders.

In conclusion, the Mayor advised that Council will require funding details in order for this proposal to be considered as part of the Long-term Plan 2023-33.

8 Mayor’s report

- **LGNZ Remits**

At the waste management workshop on 12 April, Council heard that disposing of large amounts of polystyrene continues to be an issue and is increasingly costly. It was agreed that Council should advocate for legislative change.

That Council submits a remit to the 2023 annual general meeting of Local Government NZ, and encourages LGNZ to advocate on a national approach for dealing with polystyrene disposal.

Ellis/Cameron

Carried

- **Extraordinary Business – Three Waters Reform**

The Mayor referred to the Minister of Local Government’s announcement of “*Affordable Waters*” and changes to the Three Waters Reform process that would see four entities become 10, and the second tranche of “better-off funding” withdrawn.

Councillors each had the opportunity to comment and there was consensus that Ashburton District Council does not support the “*Affordable Waters*” proposal. It was further agreed that Council will continue supporting Communities for Local Democracy (C4LD).

The Chief Executive advised that another part of the reform is a two year delay, effective from 1 July 2026 (or an earlier date if agreed). He explained the implications of this for staff working in 3Waters and the ongoing uncertainty this creates.

That Council receives the Mayor’s report.

Mayor/Cameron

Carried

Business transacted with the public excluded – 10.22am

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	Council – 5/04/23	Section 7(2)(h)	Commercial activities

11	West Street carpark	Section 7(2)(h)	Commercial activities
----	---------------------	-----------------	-----------------------

Braam/Lovett

Carried

Business transacted with the public excluded now in open meeting

1. **That** Council approves the proposed design of the West Street car park as contained in Appendix 1 and agrees, in principle, to proceed with development of this car park, subject to agreeing lease terms with KiwiRail Limited.
2. **That** Council approves the request to carry over the unspent funds of \$1.5million from the 2021-2022 year into the 2022-2023 year to contribute towards the design and construction of the West Street car park.

Mayor/Braam

Carried

A show of hands gave 5 for and 4 against
 Crs Ellis and Cameron recorded their votes against the motion.

The meeting concluded at 11.10am.

Confirmed 3 May 2023

 MAYOR

5. *Heritage Mid Canterbury Working Group*

Meeting of the Heritage Mid Canterbury Working Group held on Wednesday 23 March 2023, commencing at 5:00pm, in the Council Chamber, 137 Havelock Street, Ashburton.

Present:

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

In attendance:

Sarah Mosley (GM People & Facilities), Jill Watson (Library Manager), Danielle Campbell (AAGM Deputy Director), Connor Lysaght (Archivist), and Mary Wilson (Governance Support).

1 Apologies

Nil

2 Extraordinary Business

Nil

3 Declarations of Interest

Nil

4 Minutes

That the minutes of the Heritage Mid Canterbury Working Group meeting held on 6 October 2022 be taken as read.

Luxton/Vallender

Carried

5 Interpretation panels

Working party: Carolyn, Connor and David

• **Turton's Accommodation House**

The Menz Shed have built a stand to display the Turton's Accommodation House interpretation panel. If 3-4 were made at once the price per unit would be less than the recently commissioned single unit.

When reviewing the panel proof, the Working Group discussed the icon in the top right corner, and agreed it's not necessary and could be removed. A suggested change to enhance the photo was made, along with including a QR code which will link to a webpage with further information available.

It was agreed that Connor will liaise with Council's Communications Team to coordinate the changes, remove the icon (top right) and update the photo.

That the changes to the proposed Turton's Accommodation House interpretation panel are agreed.

Vallender/Stewart

Carried

A QR code will be added to the Turton's Accommodation House interpretation panel, which will be a link to a webpage with further information about the panel.

The Working Group agreed that the panels already installed in the CBD won't be rotated six-monthly, as initially intended. Further panels will be created and installed in their own frames in other areas.

Sarah, Danielle and Connor are to report back to next meeting with suggested areas for additional interpretation panels to be installed.

6 Civic Centre Time Capsule *(previous working party: Julie, Glenn, Jill and Danielle)*

A mock-up of the Time Capsule box was presented in cardboard, with a list of suggestions presented to the meeting discussed and agreed.

That a report be prepared for Council to consider the contents of the Time Capsule, as recommended by the Working Group, for Te Pātaka o kā Tuhihi and Te Waharoa a Hine Paaka, the new Library and Civic Centre building.

Cameron/Todd

Carried

7 Railway Overbridge *(proposed working party: Julie, Glenn and Nigel Gilkison)*

Council recently adopted a Conservation Management Plan report which documented the current condition of the rail overbridge, and the funding required to meet the plan.

It was noted that the Conservation Management Plan mentions the overbridge as an item of national significance, therefore the Group hopes this assists with external funding.

A letter of support from the Heritage Mid Canterbury Working Group will be provided to Council in support of funding applications when this would be most advantageous.

8 Future Projects *(working party: Julie and Diane)*

• **Granite ground plaques** *(previous working party: David, Carolyn and Steve)*

An example of the granite plaques was produced. It was suggested that they are laid on the 'Green' in the CBD and would be self-funding. Fourteen businesses approached, all interested in contributing to the project. If not self-funding, there is no budget for this project.

Sarah will discuss laying the ground plaques on the 'Green' in the CBD with the GM Infrastructure and Open Spaces.

• **Heritage/culture walking trail** *(previous working party: Julie and Diane)*

Some work progressing on this project when time allows. Aiming to have at least half of the walking trail agreed before the new Library/Civic Centre building opens.

• **Proposed Council funding for 2023-24**

The 2023-24 annual budget available for the committee is \$8,000.

• **Terms of Reference (HMCWG Resolution 6 October 2022)**

As per a resolution of the group made on 6 October 2022, Terms of Reference are to be developed.

Governance staff will be asked to help prepare draft terms of reference for review and feedback.

9. Next meeting

The next meeting is to be held ideally in six weeks, then to be held 8-weekly, at 4pm on Wednesday when there is no Council meeting scheduled. If that is not possible, during the day on Thursdays is the alternative.

The meeting concluded at 6.38pm.

6. Time Capsule Finalisation

Author *Jill Watson, Library Manager*
Executive Team Member *Sarah Mosley, GM People & Facilities*

Summary

- The purpose of this report is to share and seek approval from Council as to the final items to be included within the time capsule.
- A sub group of the Heritage Mid Canterbury Working Group predominately focused on this project, with wider group providing input with the final selection of items.

1. That Council adopts the final selection of items (listed within points 9-13) for inclusion within the Ashburton Library and Civic Centre Te Pātaka o ka Tuhituhi – Te Waharoa a Hine Paaka time capsule.

Attachment

Appendix 1 Plan of Time Capsule location within the Ashburton Library and Civic Centre

Background

Previous Decisions

1. On 10 February 2022 the PCG resolved to recommend to Council that the time capsule project continue and the Heritage Mid Canterbury Working Group be tasked with selecting items to place into the time capsule. Appended to this report was a specification sheet which identified standard conservation practice across the heritage sector and ideas of what to include and not include within a time capsule.
2. The report detailed that:
 5. *The time capsule itself will be comprised of a functionally correct sealed container (aluminium or equivalent) as outlined in the specifications sheet. The capsule will then be placed in a more suitable decorative timber constructed box, to remain consistent with the Library and Civic Centre's building materials.*
 6. *The decorative wooden housing will be made locally by a community group.*
 23. *The time capsule costs (still to be finalised) will be included in the overall new Library & Civic Centre construction budget.*

3. At the Council meeting on 16 February 2022 the following recommendations were adopted:

Library & Civic Centre PCG – 10/02/22

- ***Time Capsule***

1. ***That*** plans to include a time capsule in the Ashburton Library and Civic Centre, Te Pātaka o Kā Tuhituhi – Te Waharoa a Hine Paaka continue to be developed.
2. ***That*** the Heritage Mid Canterbury Working Group be tasked with selecting items to place into the time capsule and to report back to Council with recommendations.

Rawlinson/Cameron

Carried

4. Subsequently, a subgroup of the Heritage Mid Canterbury Working Group and staff, consisting of Cr Carolyn Cameron, Glenn Vallender (Ashburton Museum and Historical Society), Julie Luxton (Historic Places Mid Canterbury), Danielle Campbell (Deputy Director Art Gallery and Museum) and Jill Watson (Library Manager) were tasked with deciding what themes and sub themes time capsule items can fall within.
5. At the Council meeting on 7 September 2022 the following recommendations were adopted:

Library & Civic Centre PCG – 16/08/22

- ***Time Capsule***

1. ***That***, subject to final confirmation by Council, the items within the report be included in the Ashburton Library & Civic Centre Te Pātaka o ka Tuhituhi – Te Waharoa a Hine Paaka time capsule, categorised under the following themes:
Formal Background, Ashburton the Built Environment, Ashburton the Natural Environment, Ashburton the People, Objects.

2. **That** the time capsule be placed at the official opening of the new building, noting items relating to the official opening may be added before the capsule is sealed.

Cameron/Rawlinson

Carried

Cr McKay recorded his vote against the motion.

6. The working group wanted to include items that were unique to our district, were representative of today and in some cases were likely not to exist in 50 years.

The current situation

7. Roger Paterson remains willing to make the time capsule [outer] box, with the actual items first placed in an inner box with appropriate archival packaging separating object items from the paper items. The dimensions are:

- CAVITY (approx.) 565mm wide, 428mm deep, 300mm high.
- OUTER BOX (wooden ornate, external dimensions) 555mm wide, 418mm deep, 290mm high.
- INNER BOX (stainless steel capsule, external dimensions) 500mm wide, 370mm deep, 240mm high.

8. On 23 March 2023 the Heritage Mid Canterbury Working Group met to discuss and decide which of the proposed items should be recommended to Council as the final list of items.

The selected items

9. **Formal Background:**

- a) All resolutions of Council regarding the design and construction of the new building.
- b) Photographs taken during the official building opening ceremony, including a group photo of all councillors within the current and 2019-2022 term who governed the process.
- c) Floor plans and elevations plans of the building.

10. **Ashburton The Built Environment**

- a) Large district map containing all road names.
- b) Aerial photographs of Ashburton (including Tinwald), Methven, Rakaia, Hinds, Mayfield, Mt Somers, Barrhill, Chertsey, Hakatere Huts, Wakanui Huts (including beach), Lake Clearwater, Fairton and Lake Hood
- c) Photographs with captions of current recreational activities, Ashburton streetscape, significant facilities and places, district landmarks and significant events (estimate 40-50).

Ashburton The Natural Environment

- a) Photographs with captions of nature reserves, flora and fauna, coastal dongas, Whakanui, limestone quarries, Lakes.
- b) Environmental reports:
 - Freshwater Nitrate 2.4 and Economic Impact Report -Ashburton District;*
 - Ashburton District Land Use and the Environment,*
 - Support Land Use Adaptation for a Climate Changed Future.*

11. Ashburton The People

- a) Infographic report profiling the district's population.
- b) List of clubs, organisations, churches, health and other facilities and services.
- c) Applications for Ashburton District Business of the 2022 Year award categories:
 - Excellence in Export,*
 - Tourism,*
 - Not for Profit,*
 - Primary Industries,*
 - Technology & Innovation,*
 - Manufacturing*
 - Future Business Leader.*
- d) Yearbooks from Ashburton College, Mt Hutt College and if provided Ashburton Christian School.
- e) An item selected by Arowhenua rūnanga.
- f) Each completed form from the promotion within each Council facility which asks "What's the best thing about living in the Ashburton District", the participants name and age. This two month promotion is scheduled to start following the adoption of this report and run until the end of June 2023.

12. Objects

- a) Facemask. Vaccine pass. Possibly a vaccine vial.
- b) Current monetary tender. Sample credit and eftpos cards
- c) Supermarket and petrol receipts.
- d) Council fees and charges list
- e) Book: Hakatere Home and Heritage, showing the growing ethnic diversity of Ashburton society,
- f) Examples of district manufactured goods e.g. socks, spinning wool.
- g) A test tube sample of seeds grown within the district and quantity facts.
- h) The most current Guardian and Courier newspapers.
- i) Printed copies of electronic community newsletters: Snowfed (Methven), Rakaia News, Norwester (Mayfield) community newsletters.
- j) A newspaper special feature regarding the official opening.

Options analysis

Option one – The list of recommended items be accepted.

<p>Advantages:</p> <ul style="list-style-type: none">• Council has been informed throughout the process of selecting themes and sub themes.• All elected members had the opportunity to suggest final items for the Heritage Mid Canterbury Working Group to consider.• All items will fit within the box dimensions.• All interested community members can participate in the “what’s best about the Ashburton District” promotion.• All paper based documents will print on archivally safe paper.• The theme of ‘object items’ will be archivally separated from the printed items within the time capsule, so the likely deterioration of the objects over 50 years is contained.	<p>Disadvantages:</p> <ul style="list-style-type: none">• None are identified
<p>Risks:</p> <ul style="list-style-type: none">• Some members of the community may believe additional or different items should be included.	

Option two –The list of recommended items be amended.

<p>Advantages:</p> <ul style="list-style-type: none">• Some elected members or members of the community may believe additional or different items should be included.	<p>Disadvantages:</p> <ul style="list-style-type: none">• Significant working group resource has been involved in the final selections of items. The themes have been approved by Council and direct advice from our Archivist as to how best to maintain the quality of each item has been followed.
<p>Risks:</p> <ul style="list-style-type: none">• The working group may feel their effort to date is undervalued and or may not want to participate going forward.	

Legal/policy implications

Council strategies, plans, policies, bylaws

13. The time capsule project will compliment the existing features within the Ashburton Library and Civic Centre Te Pātaka o ka Tuhituhi – Te Waharoa a Hine Paaka. It is being situated near the Havelock Street entrance within the wall (see Appendix 1).

Legislation

14. All imagery/text/documents provided will be scrutinised so as to not breach the Copyright Act 1994.

Strategic alignment

15. The proposed time capsule relates to Council’s community outcome of ‘residents are included and have a voice’ by striving to include contributions across our whole community. This will make everyone feel included in the heritage of our district.

Wellbeing		Reasons why the recommended outcome has an effect on this wellbeing
Economic		
Environmental		
Cultural	✓	The time capsule will promote a sense of shared heritage within our district by representing a cross-section of our cultural landscape at this point in time. This will impact future cultural considerations upon the capsule’s opening, allowing future residents to compare and contrast.
Social	✓	The time capsule will have social impact by generating conversation throughout the community, in-person and through our social media channels. A chance to preserve the current social landscape of Ashburton for future people to discover will be an exciting social event.

Financial implications

Requirement	Explanation
What is the cost?	The cost of the time capsule, excluding staff time are estimated to be \$1300. This includes costs for the currency, the inner stainless steel box, the archival paper and photo printing.
Is there budget available in LTP / AP?	Yes
Where is the funding coming from?	At the time of project commencement no funding source was identified, so the cost of the time capsule will be included in the FF&E budget within the Library Civic Centre project.
Are there any future budget implications?	No
Reviewed by Finance	Erin Register; Finance Manager.

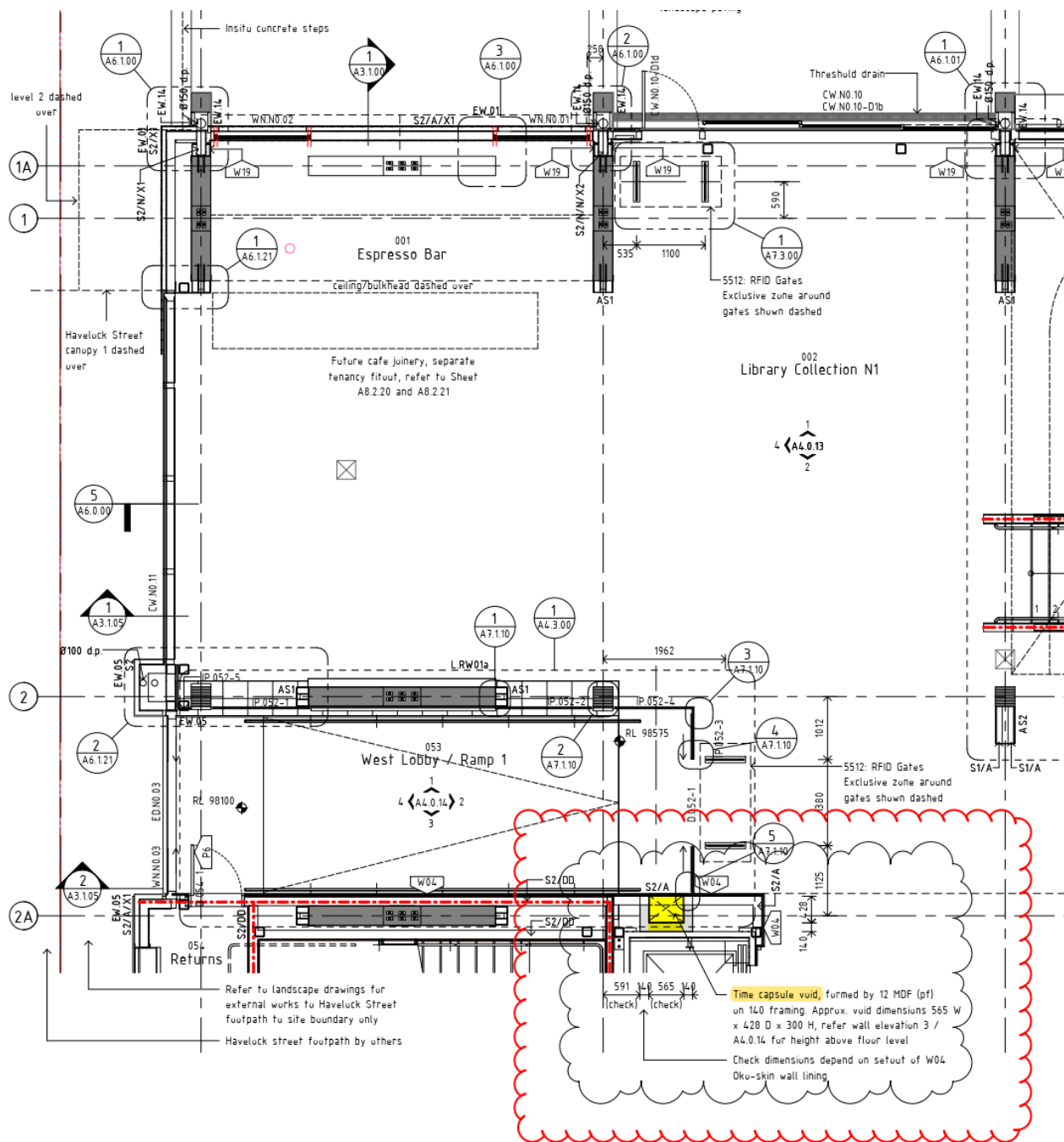
Significance and engagement assessment

Requirement	Explanation
Is the matter considered significant?	No
Level of significance	Low
Rationale for selecting level of significance (if different from assessment)	Not applicable
Level of engagement selected	3. Comment
Rationale for selecting level of engagement	Time capsules are not an uncommon practice, therefore the item selection is likely to attract a modest level of community interest. The opportunity for the community to provide their input into the time capsule via the forthcoming promotion will enable a modest degree of community input into the time capsule.
Reviewed by Strategy & Policy	Toni Durham; GM Democracy & Engagement

Next steps

Date	Action / milestone	Comments
May – June	The Best thing about the Ashburton District Promotion	
July - September	Collate and collect final items. Pack items utilising best archival practice.	

Appendix 1 Time Capsule location



7. Naming Conventions & Charging for Meeting Rooms

Author	<i>Jill Watson, Library Manager</i> <i>Renee Julius, Property Manager</i>
Executive Team Member	<i>Sarah Mosley, GM People & Facilities</i>

Summary

- The purpose of this report is to outline officer recommendations as to the naming conventions and tiered charging rates within Te Pātaka o kā Tuhituhi and Te Waharoa a Hine Paaka, the new Library and Civic Centre.

Recommendation

- 1. That** Council adopts the alpha/numeric naming convention and that all bookable/meeting spaces within Te Pātaka o kā Tuhituhi and Te Waharoa a Hine Paaka, the new Library & Civic Centre, have both English and Te Reo Māori names (wherever possible).
- 2. That** Council adopts a tiered charging structure (free, half rates, full rates) for meeting rooms hire for external users based on their purpose and or community benefit.
- 3. That** Council delegates to the Chief Executive all future operational matters and changes to meeting room users or availability (Appendix 1), ensuring Council activities are prioritised over external bookings.

Attachment

- Appendix 1** Meeting Room List
Appendix 2 Locations & Users of Meeting Rooms

Background

The current situation

1. In preparation for the opening of Te Pātaka o kā Tuhituhi and Te Waharoa a Hine Paaka, our new Library and Civic Centre, officers are seeking direction from Council as to:
 - The naming themes and convention of 27 bookable/meeting spaces (Options 1-3).
 - Tiered fee structure for user group advance bookings/use (Options A-B)
2. This report is based on officers' current thinking. Once the new building is operational, officers believe changes may need to occur to ensure the correct balance between library related activities, Council service needs and external users' desires for meeting spaces. Therefore, officers propose that any future operational decisions regarding the availability of meeting rooms are delegated to the Chief Executive. Future charges will continue to be set by Council as part annual plan processes.
3. Noting point 2 above and the location and purpose of the 27 bookable/meeting spaces, officers propose a varying degree of public book-ability. Appendix 1 details which meeting rooms/spaces will be available for members of the public to use/book (including some outside of Council operating hours) and those that will only be available for civic and staff purposes.

The proposed naming convention

4. The naming convention (for options 1-3) will first include an alpha numerical component, which will signify what level or building the meeting room is located on. Given the blended use of the building we have retained the same naming convention for all bookable rooms/spaces regardless of user groups.

Alpha &/or Numeric	Definition
G	Ground Floor
1	First Floor
2	Second Floor
E	Emergency Operations Centre

5. Where the meeting rooms/spaces do not have a specific purpose, officers recommend that the rooms are named after various landmarks across the district based on three key themes, distinguishing the different levels within the building.
 - a. That the Ground floor meeting room could all be **rivers and lakes** within the district. This links nicely into the cultural narrative of the awa (water) leading people into the building.

- b. That the only Level One meeting room could be named after our **largest mountain**, Mt Hutt, Ōpuke.
 - c. That the Level Two meeting room theme could be **local flora and or fauna**, however, staff feedback will be sought regarding this idea or whether another theme resonates more.
6. In addition to naming the public meeting rooms, it is intended, wherever possible, that either a current or historic image of the landmark be included in the room.
7. Should option 2 or 3 be approved by Council, officers will then engage with Arowhenua as to a list of names that we could use for the public meeting rooms. This conversation will occur concurrently with our request for approval for other suggested internal signage in Te Reo Māori.

Options analysis for Meeting Room/Space Names

Option one –Only English names for meeting rooms

<p>Advantages:</p> <ul style="list-style-type: none"> • Members of the community will be aware of the selected names. • Name signs will contain fewer characters. 	<p>Disadvantages:</p> <ul style="list-style-type: none"> • Meeting room signage will not match other internal library signage, as officers intend to continue to use both English and Te Reo Māori names, as in the current library. • Council perceived as not acknowledging the place of mana whenua and commitments under Te Tiriti.
<p>Risks:</p> <ul style="list-style-type: none"> • Missed opportunity to make connections between the English and Te Reo Māori names, where available. • Opportunity missed to further the cultural narrative by naming the ground floor meetings rooms after significant rivers and lakes within the district. • Some members of the current community and future generations may not agree with this decision. 	

Option two – Both English & Te Reo Māori names (where possible) for meeting rooms – *recommended option*

<p>Advantages:</p> <ul style="list-style-type: none"> • Council acknowledges the place of mana whenua and commitments under Te Tiriti. • Members of the community will be aware of the selected English names and have the opportunity to learn and use the Te Reo Māori name. • The expectations of younger (and future) generations will be met as usage of both languages is very common. • This is a natural extension of the dual building name and internal library signage. 	<p>Disadvantages:</p> <ul style="list-style-type: none"> • Name signs will contain more characters.
<p>Risks:</p> <ul style="list-style-type: none"> • Some members of the community may not agree with this decision. 	

Option three – Only Te Reo Māori names for meeting rooms

<p>Advantages:</p> <ul style="list-style-type: none"> • Council acknowledges the place of mana whenua and commitments under Te Tiriti. • Members of the community have the opportunity to learn and use the Te Reo Māori name. • The expectations of younger (and future) generations will be met as usage of Te Reo Māori is becoming more common. • Name signs will contain fewer characters and may cause less confusion than having dual names. 	<p>Disadvantages:</p> <ul style="list-style-type: none"> • Further names will need to be determined, due to some locations not having a translation. • Name signs will contain more characters.
<p>Risks:</p> <ul style="list-style-type: none"> • Some members of the community may not agree with this decision. 	

Different User Groups and applicable fees

8. In addition to Library, Civic and Council Administration activities utilising the building's meeting rooms for core business activities, it is envisaged that there will be four key groups of other users who may book rooms in advance:
 - a) Programmes and events hosted in partnership with Ashburton Library within library hours. Current examples include Art and Creativity in the Community, and Dementia Canterbury's Cognitive Stimulation Group. Such partners currently use spaces within the current library free of charge, with officers recommending this continues.

- b) Individuals or community groups whose focus is social wellbeing or providing learning opportunities at no cost to attendees within library hours. Such groups currently use spaces within the current library free of charge, with officers recommending this continues. Previous user examples that meet this definition would be Fale Pasifika o Aoraki, The Listening Post provider, Mid Canterbury Learning Exchange and Anglican Advocacy.
- c) Individuals or community groups where the activity incurs an attendance charge, or service providers meeting a community need, for example a visiting speaker event to which a service club has sold tickets, or a counsellor holding a client meeting. Officers propose half rate charges and that this is an addition to the fees and charges schedule within the 2023-24 Annual Plan.
- d) Private bookings by commercial, corporate, government agencies, or individuals are proposed to be charge the full rates as stated within the fees and charges schedule within the 2023-24 Draft Annual Plan.
9. Adhoc bookings completed on the day, directly into the meeting room entrance booking panels of ground floor meeting rooms within the Library by individuals or groups of individuals are also welcomed. These will be for a maximum of two hours in duration and provided free of charge.
10. A definition of Community group (*sourced from Auckland City Council's website*) is:
- a non-profit organisation or association of persons who have the primary aim of working to provide services and benefits to the community;
 - any funds generated are used to maintain and develop the organisation to support community services and activities;
 - having open membership criteria; and
 - restrictions are not imposed, such as setting membership or participation fees at a level that excludes most people who might want to participate.
11. Additional charges will occur for all external bookings (b, c or d users) for a security presence and or lock up fees if the usage is outside of library hours, if additional cleaning is required, or staff resource is required either for technology support or activity supervision, such as a child's birthday party.
12. Operational 'Terms of Use' will be drafted by the library team and approved by the Executive Team. This will include but not be limited to cost recovery for materials of specialist activities, room setup and pack down expectations, the types of food and drink able to be consumed within the meeting rooms, limits on future bookings, and should the EOC be required for emergency purposes, all bookings are cancelled.

Options analysis for Fee Structure

Option A –Adopted recommend tiered fee structure - *recommended option*

<p>Advantages:</p> <ul style="list-style-type: none">• Continuity of practices for community groups who currently book and use the library as a venue.• Officers want to create a community hub and maximise usage of our meeting rooms, yet not be in competition with other venue hire facilities. Future booking limits and numbers, along with availability/hire times should create sufficient differences.	<p>Disadvantages:</p> <ul style="list-style-type: none">• Currently there are 1-2 mental health service providers who are not currently charged any rental, however, given they a private business, officers believe a half change is appropriate.
<p>Risks:</p> <ul style="list-style-type: none">• If usage estimates and external group definitions are incorrect, this can be addressed ahead of the 2024-25 year.	

Option B–Charge full rates for all user groups except library partnership programme providers (8a).

<p>Advantages:</p> <ul style="list-style-type: none">• Subject to all anticipated user groups continuing to use the new library as estimated, greater income will be achieved.	<p>Disadvantages:</p> <ul style="list-style-type: none">• Less user groups might book rooms than previously expected due to cost. Therefore the community hub goal might not be achieved.
<p>Risks:</p> <ul style="list-style-type: none">• If usage estimates are incorrect, this can be addressed ahead of the 2024-25 year to more accurately reflect the rental income.	

Legal/policy implications

13. Not applicable.

Strategic alignment

14. The recommendation relates to Council’s cultural and social community outcomes:

Wellbeing		Reasons why the recommended outcome has an effect on this wellbeing
Economic	✓	All identifiable costs associated with meeting room hire (extra cleaning or additional security) will be recovered from the hirer. Rental received from meeting room hire will lower the rates requirement for the library activity, which will pay for a portion of the general fixed cost (eg – heating/cooling) regardless of if meeting rooms are booked by external groups or not.
Environmental	✓	Recognises the importance of the natural environment by using the names of local lakes, rivers, mountains and flora and fauna.
Cultural	✓	Opportunity for Council perceived to honouring its commitment to biculturalism as per the treaty.
Social	✓	Providing a community hub which provides a place for community members to connect and learn is the library activities desired outcome. Displaying related art imagery links the social history of the locations. It either connects people to the past or includes imagery that captures today.

Financial implications

Requirement	Explanation
What is the cost?	There are minimal additional costs for the recommended option. Within the 2023-24 financial year the library estimated they would receive circa \$20k for rental based on 28 weeks operation. Charges were based from other libraries hire rates and officer estimated usage.
Is there budget available in LTP / AP?	Signage design and manufacturing costs are included within the budget of the new Library & Civic Centre.
Where is the funding coming from?	Project budget.
Are there any future budget implications?	No
Reviewed by Finance	Erin Register; Finance Manager.

Significance and engagement assessment

Requirement	Explanation
Is the matter considered significant?	No
Level of significance	Low
Rationale for selecting level of significance (if different from assessment)	Not applicable
Level of engagement selected	1. Inform – one way communication

Rationale for selecting level of engagement	The community will have a moderate degree of interest in the naming, availability and cost of meeting rooms. However, as this is largely an operational matter, informing the community is an appropriate engagement level.
Reviewed by Strategy & Policy	<i>Toni Durham: GM Democracy & Engagement</i>

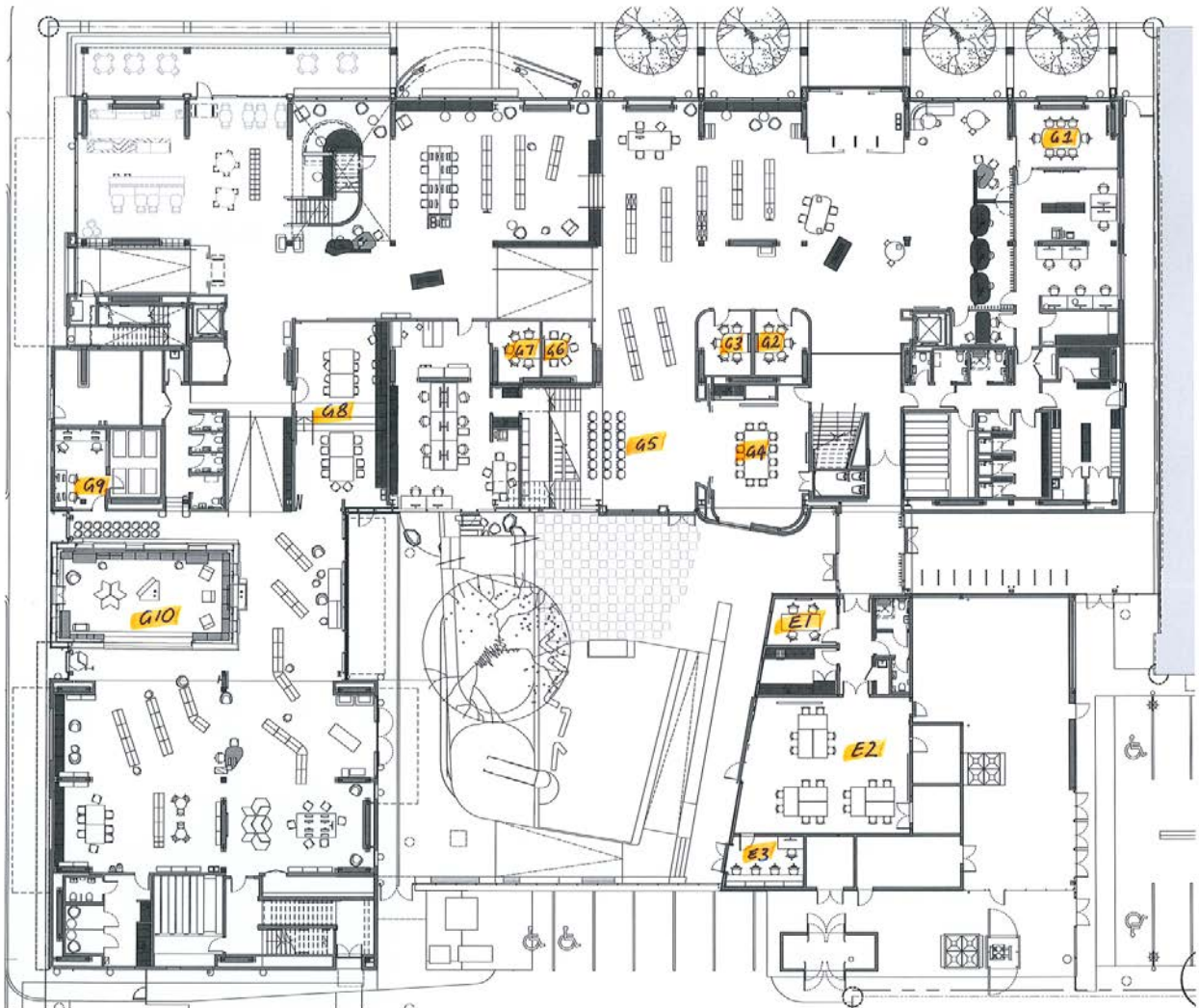
Appendix 1

Alpha &/or Numeric	Size & Description	Users via booking
G 1	Medium Meeting Room, Ground Floor	Public & Staff
G 2	Small Meeting Room, Ground Floor	Public After 5.30pm
G 3	Small Meeting Room, Ground Floor	Public
G 4	Medium Meeting Room with Kitchenette, Ground Floor adjacent to Event Space	Public & Staff
G 5	Events Space, Ground Floor	Public & Staff
G 6	Small Meeting Room, Ground Floor	Public
G 7	Small Staff Meeting Room, Ground Floor	Staff – part of library workroom
G 8	Make a Space (Specialist Area), Ground Floor	Public (Group bookings possible)
G 9	Sound Studio (Specialist Area), Ground Floor	Public (Operating hours to be confirmed based technical expert availability)
G 10	Pioneer Hall (Specialist Area), Ground Floor	Public (Group bookings possible)
E 1	Small Meeting Room, within Emergency Operation Centre, access to Kitchen	Public & Staff (subject to no emergency need)
E 2	Large Meeting Room, within Emergency Operation Centre, access to Kitchen	Public & Staff (subject to no emergency need)
E 3	Radio Room (Specialist Area), Emergency Operations Centre	Staff (not bookable)
1.1	Medium Meeting Room, Level 1	Staff

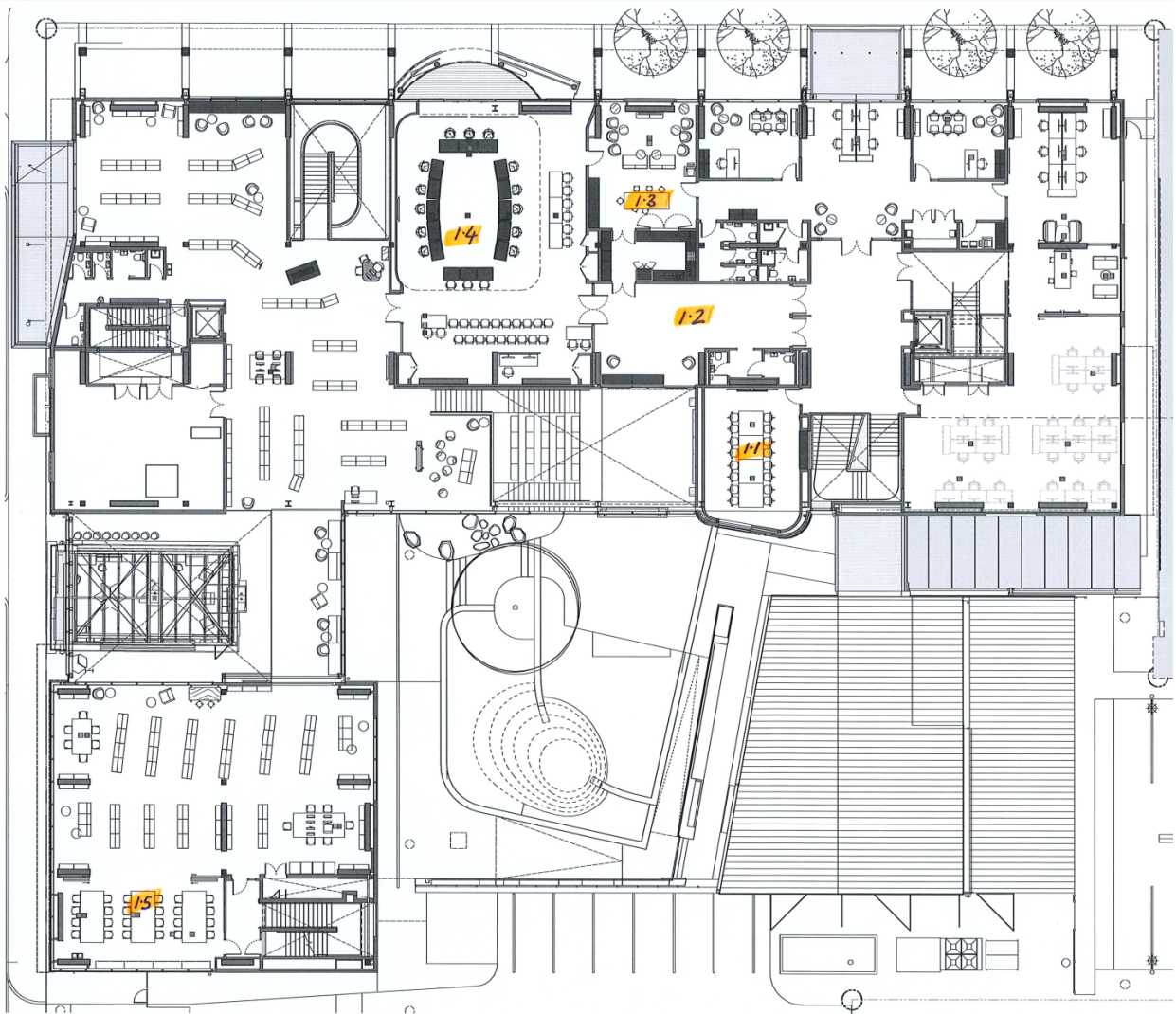
1.2	Governance Lobby, Public area prior to Chamber, Level 1	Councillors
1.3	Councillors Lounge, Level 1 <i>Proposed Name; Letham Lounge</i>	Councillors
1.4	Council Chambers, Level 1	Councillors & Staff
1.5	Learning Lab (Specialist Area) Medium Room, 1/3 permanent PC's setup, 2/3 pack up/down PC's.	Public & Staff
2.1	Social Kitchen, Specialist area, Level 2	Staff (not bookable)
2.2	Small Meeting Room, Level 2	Staff
2.3	Wellness Room, Specialist area, Level 2	Staff
2.4	Medium Meeting Room, Level 2	Staff
2.5	Small Meeting Room, Level 2	Staff
2.6	Small Meeting Room, Level 2	Staff
2.7	Small Meeting Room, Level 2	Staff
2.8	Small Meeting Room, Level 2	Staff
2.9	Small Meeting Room, Level 2	Staff

Appendix 2 – Floor Plans

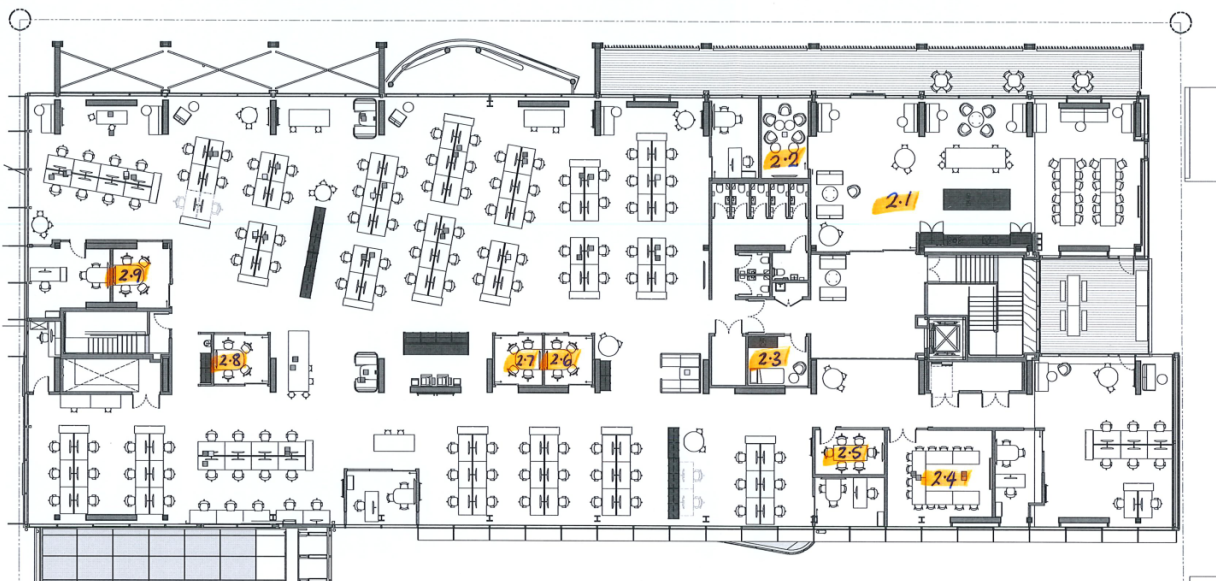
Ground:



Level 1:



Level 2:



8. Reserve Management Plans (RMP) – approval to consult

Author	Nicki Malone, Xyst
Activity Manager	<i>Ian Soper; Open Spaces Manager</i>
Executive Team Member	<i>Neil McCann, General Manager Infrastructure and Open Spaces</i>

Summary

- The purpose of this report is to seek Council approval for public notification of the intention to prepare a combined (omnibus) reserve management plan (RMP) for all reserves in the Ashburton District. This is the first step in the development of RMPs.
- Council, as the administering body for reserves held under the Reserves Act, has the duty to prepare, and keep under continuous review, reserve management plans for most land held under the Reserves Act.
- Currently only seven of approximately 125 reserves in the district have an RMP.
- Staff recommend the preparation of an omnibus RMP, as the most cost-effective and efficient way to develop RMPs and comply with the requirements of the Reserves Act.

Recommendation

That Council

1. approves public notification of its intention to prepare a combined (omnibus) Reserve Management Plan for all parks and reserves in the Ashburton District and invite written suggestions on the proposed plan in accordance with the Reserves Act 1977; and
2. notes that in preparing the reserve management plan, full consideration needs to be given to any comments received during public notification.

Attachment

Appendix 1 Process for the development of the RMP

Background

The current situation

1. There are approximately 125 parks and reserves in the Ashburton District, most of which are held under the Reserves Act 1977 (the Reserves Act). Ashburton District Council (the Council) is the administering body under the Reserves Act 1977 (the Reserves Act) for the majority of those reserves.
2. As administering body, Council is required to prepare RMPs for most reserves held under the Reserves Act within 5 years of being appointed as administering body of a reserve. Existing RMPs are to be kept under continuous review.
3. RMPs are developed to ensure reserves are managed for public use and enjoyment, and maintained, protected, preserved and as appropriate, and as resources allow, developed, in accordance with a reserve's classification (primary purpose) and the principles of the Reserves Act.
4. RMPs are an important tool to protect the values of reserve while providing for appropriate activities. They provide a framework for consistent, transparent decision-making for managing and developing park land that guides the Council and other organisations, such as Reserve Boards, and the wider community.
5. Currently seven of the 125 parks and reserves in the Ashburton District have existing RMPs (Hinds, Mayfield, Mt Somers, Methven, Rakaia, Tinwald, Ashburton). Most RMPs are more than 10 years old. For some RMPs it is unclear if they have formally been adopted by Council. The new RMPs will replace all existing RMPs.
6. To be compliant with the Reserves Act most types of reserves held under the Act should have current reserve management plans adopted.

The process to develop an RMP

7. Section 41 of the Reserves Act outlines the requirements and process for the preparation of RMPs. An overview of this process is shown in Appendix 1.
8. The process includes two formal rounds of public consultation.
9. The purpose of the **first round** is to seek feedback to inform the development of a draft plan. With this report, staff are seeking approval from Council to publicly notify the intention to prepare an RMP as per section 41(5) of the Reserves Act.
10. Public notification of the intention to prepare the RMP will invite written suggestions on the proposal to prepare a plan.
11. Public notices are anticipated to be published in May 2023. The deadline for written suggestions will be one month after the notification date.

12. The **second round** of public notification, inviting submissions and objections on the draft RMP, is likely to take place within a six to nine months of the notification of the intention to prepare an RMP. The required public notification period for the draft RMP is a minimum of two months.
13. It should, be noted that timeframes for the development of the RMP and second round of public notification are dependent on the number and complexity of submissions received in the first round of consultation and management issues to be worked through as part of the development of the draft RMP.

Land status review is in progress

14. One of the most critical, and frequently overlooked, stages in reserve management planning is the development of an accurate schedule of land administered by a local authority. This includes establishing whether land is held under the Reserves Act (classified or unclassified) and therefore whether the provision of the Reserves Act apply.
15. Section 16 of the Reserves Act outlines the process used to then assign an appropriate purpose (a classification) to each land parcel held under the Reserves Act.
16. The review of the land status of council-owned land commenced in late 2022 (see Appendix two for an overview of the process) and is expected to be completed prior to the first round of public notification for the RMP.
17. The preliminary land status review shows that a large number of reserves in the district are held as unclassified reserves under the Reserves Act and have not been assigned an appropriate purpose.
18. The classification process for all land included in an RMP will be undertaken in parallel with the development of the RMP. Ideally this process will be completed prior to the second round of public consultation on the draft RMP.
19. A schedule of land held under the Reserves Act will be completed prior to the first round of public notification and made available to the public.

Māori and tangata whenua participation

20. The Reserves Act is one of the Acts in the First Schedule to the Conservation Act 1987. Section 4 of the Conservation Act contains an obligation to give effect to the principles of te Tiriti o Waitangi.
21. As such, in performing functions and duties under the Reserves Act, like developing a reserve management plan, the administering body must give effect to the principles of te Tiriti.
22. The principles of te Tiriti likely to be most relevant in making decisions on the Ashburton RMP and associated land classification work are partnership (mutual good faith and reasonableness), informed decision making (being well-informed of the mana whenua

interests and views) and active protection (this involves the active protection of Māori interests retained under te Tiriti.

23. Staff have informed Aoraki Environmental Consultancy¹ that the development of the RMP for the Ashburton District is commencing. We will continue to engage with Māori as this project progresses and seek feedback and input into the development of the RMP.

Options analysis

24. Whilst the process to develop RMPs is prescribed in the Reserves Act, the format and content to include in an RMP is not.
25. Outlined below are common options for the development of RMPs. The recommended option is to develop a combined (omnibus) RMP that include all reserves in the Ashburton District.

Option one – Develop a combined (omnibus) RMP that covers all reserve in the district (recommended option)

26. This option involves Council progressing the development of a single, combined (omnibus) RMP that covers all reserves in the district, within three to five separate volumes of a document. This approach has been successfully implemented at other Council's throughout the country.
27. Volume 1 would cover general policies that apply to all reserves and open space in the district. Additional volumes would contain park specific information. This can be developed for different geographic areas and / or individual reserves or topics.
28. The following structure is proposed for the Ashburton District Council RMP. However, this structure can be reviewed based on community feedback during public notification:
 - **Volume 1 – General Policies:** policies that apply to all reserves and open space in the District.
 - **Volume 2 – Ashburton Domain:** is specific to the Ashburton Domain.
 - **Volume 3 - Domains managed by Reserve Boards:** contains information and policies specific to the reserves managed by Reserve Boards.
 - **Volume 4 – Ashburton Reserves:** includes reserves in Ashburton, Tinwald and Lake Hood.
 - **Volume 5 - Methven, Rakaia and rural area reserves:** includes reserves in the rural areas of the District.

¹ Aoraki Environmental Consultancy is a business arm of Arowhenua Runanga and our first point of contact for consultation with Māori and Tangata Whenua to obtain Treaty Partner input.

29. Public notification will be undertaken for all parks and reserves at the same time. This will provide saving in cost and resourcing.

<p>Advantages: Cost savings as public notification is undertaken for all reserves at the same time. Staff will be able to work more efficiently, considering and incorporating overarching suggestions into general policies, rather than repeating them for individual plan.</p>	<p>Disadvantages: The public may find a single document more challenging to navigate. This can be mitigated by using a clear structure in the plan and a 'how to use this document' guide.</p>
<p>Risks: None identified</p>	

Option two – Develop individual RMPs for all reserves

30. This option would involve the development of individual reserve management plans for each reserve within the district.
31. This would mean that public notification would be undertaken for each reserve individually, leading to increased cost and resourcing needs.

<p>Advantages: Allows the development of more tailored and detailed RMPs for each individual reserve.</p>	<p>Disadvantages: To develop individual RMPs that are compliant with the Reserves Act, can be a time-consuming, resource-hungry and costly process. Duplication and/ or contradiction and inconsistencies of policies within individual RMPs is likely.</p>
<p>Risks: May result in reputational risk to council.</p>	

Option three – Retain existing RMPs (keep status quo)

32. This option includes retaining the existing RMPs for seven reserves only and no further RMPs are developed.

<p>Advantages: No additional costs for development of RMPs.</p>	<p>Disadvantages: This option is not compliant with the requirements of the Reserves Act for all reserves to have a current RMP.</p>
<p>Risks: This option would mean a reputational risk to Council as it would be seen to be ignoring legislative requirements.</p>	

Legal/policy implications

Reserves Act 1977

33. Section 40(1) of the Reserves Act provides that Council, as administering body of the reserve, has the duty to administer, manage and control the reserve. Council must manage the reserve in accordance with the appropriate provisions of the Reserves Act so as to ensure the reserve is used, developed and maintained for the purpose for which it is classified.
34. As outlined above, under section 41 of the Reserves Act 1977, administering bodies are required to prepare a reserve management plan for each reserve held under the Reserves Act, within 5 years of being appointed as administering body. Reserve management plans are to be kept under continuous review.
35. Section 41(5) outlines the process an administering body needs to follow before preparing a management plan. Section 41(6) outlines the process once a draft plan has been developed. This includes requirement under section 119 for public notification of the draft plan.
36. In addition, section 16 of the Reserve Act requires the Minister (of Conservation) to classify each reserve according to its primary purpose, as defined in sections 17 and 23 of the Reserves Act. The power to classify reserves was delegated by the Minister to local authorities in 2014 and as such, Ashburton District Council can make decisions on this.
37. It should be noted that for certain types of reserves and reclassifications of land (changing the primary purpose) approval from the Minister is still required.

Climate change

38. The decisions in this report are largely administrative with low likelihood of direct impact on greenhouse gas emissions. However, the management direction set in the future RMP, could emphasise the role of parks in climate change mitigation and adaptation. This aspect aligns well with the Council adopted Resilience Plan 2022.

Review of legal / policy implications

Reviewed by In-house Counsel

Tania Paddock; Legal Counsel

Strategic alignment

39. The recommendation relates to Council's community outcome of 'a balanced & sustainable environment', 'a district of great spaces and places' and 'residents are included and have a voice'.

40. The Council has an adopted Open Spaces Strategy, updated in 2022. The development of overarching RMP's is defined as an action in the strategy.
41. From an operational perspective, having a complete suite of RMP's enables staff to manage all Open Spaces and address concerns on a level playing field, using common policies that are consistent District wide. This avoids reactive and inconsistent decision-making by Council Officers.

Wellbeing		Reasons why the recommended outcome has an effect on this wellbeing
Economic	✓	Destination play ground can attract visitors to an area.
Environmental	✓	Preparation of RMPs ensures that reserves are administered, managed and controlled in a way to protect and preserve for public use and enjoyment.
Cultural	✓	Development of an omnibus RMP provides an opportunity to recognise and celebrate cultural values present in parks and make them more visible for all.
Social	✓	Parks and open spaces are valuable for social interaction, education and wellbeing.

Financial implications

Requirement	Explanation
What is the cost?	There is a cost of approximately \$50,000 allocated to develop the suite of RMP's. Additionally, there is a sum of \$35,000 for Land Status and Classification works – initial stages.
Is there budget available in LTP / AP?	Yes, the above noted funding was included in the 2021-31 LTP
Where is the funding coming from?	The funding is sitting in the cc164 account
Are there any future budget implications?	The final RMP outcomes, following public consultation will encapsulate the future actions required. Those actions requiring further funding will be present in the upcoming AMP and 2024-34 LTP.
Reviewed by Finance	Erin Register; Finance Manager.

Significance and engagement assessment

42. The recommended option (development of an omnibus RMP) has been assessed against Council's Community Engagement Policy and does not trigger high significance.

Requirement	Explanation
Is the matter considered significant?	No

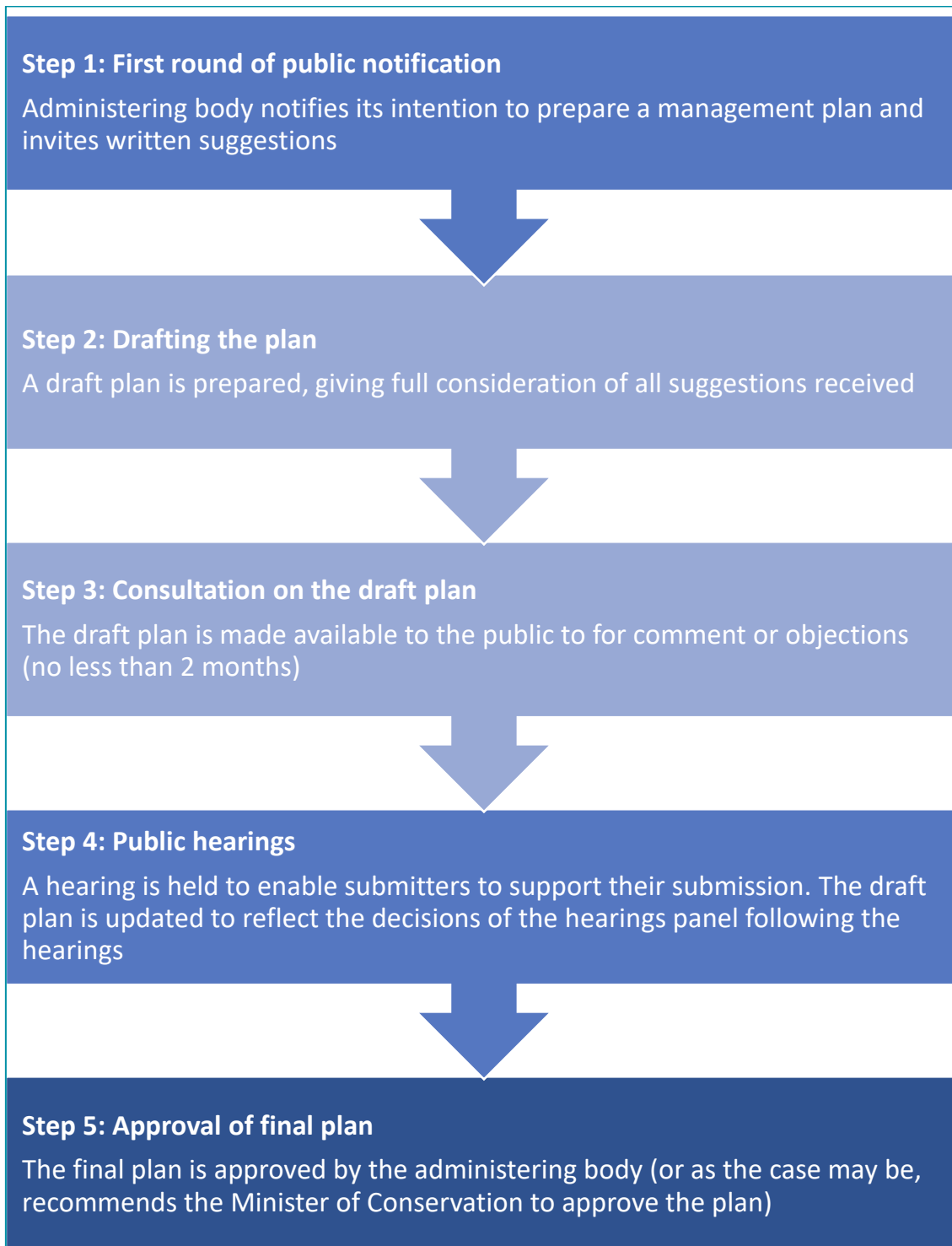
Level of significance	Medium
Rationale for selecting level of significance (if different from assessment)	Not applicable
Level of engagement selected	Consult – formal two way communication
Rationale for selecting level of engagement	The Reserves Act requires two rounds of formal consultation and involves public hearings processes. The process is likely to be of high interest for our Reserve Boards and of medium interest with tangata whenua and the wider community. Engagement will be led from within Council to ensure that we have consistent and well-timed conversations with our community.
Reviewed by Strategy & Policy	Toni Durham: GM Democracy & Engagement

Next steps

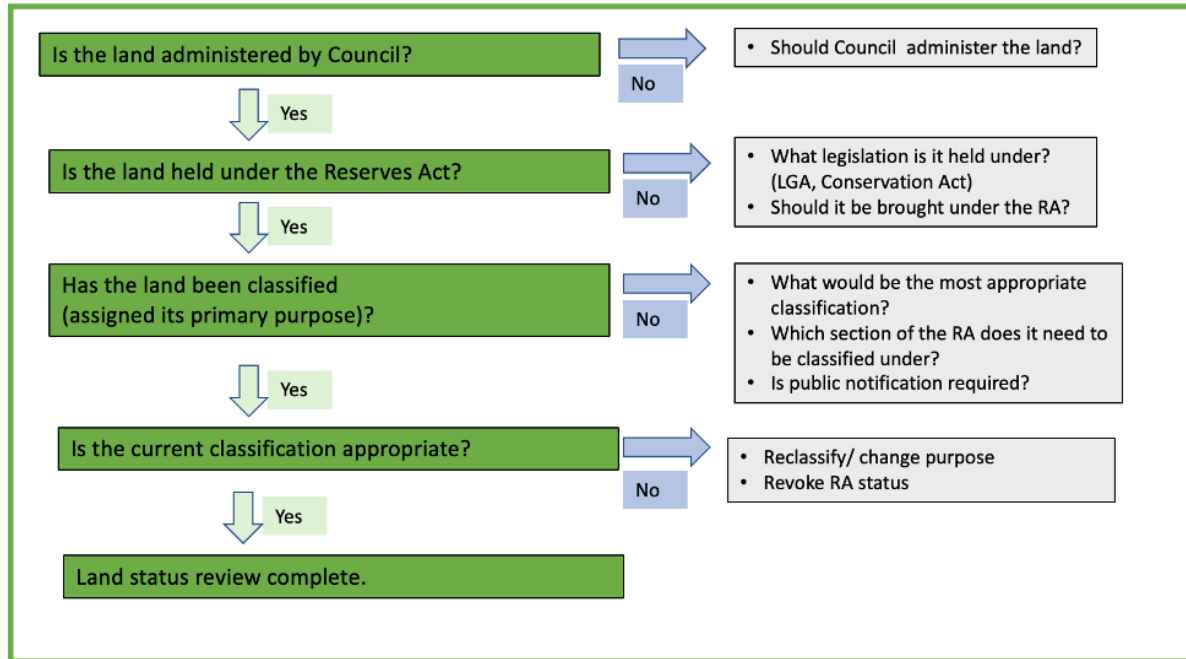
43. The table below gives indicative timeframes for the development of the recommended option, the development of an omnibus RMP that includes all reserves in the Ashburton District.

Date	Action / milestone	Comments
May 2023	Public notification of intention to prepare an omnibus reserve management plan (RMP)	Timeframes for the development of the plan are indicative, as they are highly dependent on the number and complexity of submissions received in the first and second round of consultation and the potential management issues to be addressed.
June 2023 to January 2024	Consideration of feedback and drafting of the RMP	
February to April 2024	Council to approve public notification of draft RMP and invite comments and objections	
June/ July 2024	Public hearings	
August/ September 2024	Council to approve final RMP following hearings process	

Appendix 1 – Process for the development of the RMP



Appendix 2 – Overview of the land status review process



9. *Economic Development quarterly report – January, February, March 2023*

Author *Simon Worthington; Economic Development Manager*
Executive Team Member *Jane Donaldson; GM Compliance and Development*

Summary

- The purpose of this report is to provide Council with a high-level update on Economic Development activity and progress from January to March 2023.
- The report is framed around the seven pillars included in Council’s adopted Economic Development Strategy and Action Plan.
- These seven pillars are now under review as part of the Economic Development Strategy refresh.

Recommendation

- 1. That** Council receives the January, February & March 2023 Economic Development quarterly update.

Background

1. Work is ongoing on a range of projects that seek to develop the Economic Environment in the Ashburton District.
2. Work is underway with a number of investors / developers to bring new businesses and expand businesses in the Ashburton District.
3. The team is looking at projects that Council can facilitate that will make a material difference to economic outcomes for the district.
4. Alongside this the Economic Development Team are working with the community and community organisations to welcome new residents to the district and explore opportunities to better connect people with employment opportunities.

Reporting Against Strategic Framework

Pillar 1: Signalling Council is Open for Business

This pillar relates to Council setting up, establishing its position, and delivering its services in a way that supports economic development. With the outbreak of COVID 19 having a dramatic effect on all of New Zealand it has been key for Council to work with industry to ensure positive outcomes. Action was required to lead the district community as they navigated their way through the COVID 19 lockdown and the subsequent commencement of recovery.

Update

5. Event Process
 - 5.1. Officers are working to develop a systemised approach to events on Council land. The current event sign off process requires lots of manual intervention and a more automated approach will result in better efficiency and an improved user experience for members of the community wanting to run events.
 - 5.2. Existing Council software tools are being considered to minimise the costs.
6. Section 17A Review
 - 6.1. As part of the Local Government Act a local authority must review the cost-effectiveness of current arrangements at least every six years. Economic Development was reviewed in 2017 and is therefore being reviewed currently. A separate paper will be provided to Council with the findings of the review.

Pillar 2: Placemaking and Branding

Placemaking is about creating the space(s) where people want to live, work and play – places where people and business want to be.

Update

7. The Events Advisor is currently approaching local businesses to secure sponsorship for GLOW in the Park 2023. This event is unbudgeted, some event funding has been made available from reducing the spend on other events, however a high degree of community sponsorship is required to deliver this event.
8. The Regional Event Fund has received five applications for funding in this period:
 - 8.1. Car Club – Street Sprints
 - 8.2. Mid Canterbury Netball
 - 8.3. Methven Fete
 - 8.4. Mid Canterbury Basketball
 - 8.5. Cultural Fashion Show
9. Officers from the Economic Development, Planning, Building and Property teams have been working with developers in the triangle precinct in Ashburton to assist in the development and attraction of new and expanded businesses. The first stage involved the development of the Triangle Café which has proved to be a huge success. The recent developments will see Smoke Restaurant and Butchery established as well as a sister restaurant to Formosa that specialises in deserts and cocktails called The Rabbit. Other future developments include possible craft breweries and boutique shopping experiences.
10. ChristchurchNZ are developing a Destination Management Plan (DMP) for Christchurch, Waimakariri, Selwyn, Banks Peninsula and Ashburton. A draft of this DMP will be presented to Councillors in May.
11. The Visitor Promotion contract with ChristchurchNZ ended in February 2023, following ChristchurchNZ giving notice to the Council. The workstream has been integrated into the Council’s Economic Development team and will focus on the following key delivery areas up to the end of the 2022/23 financial year:
 - 11.1. TRENZ - is New Zealand’s largest international tourism business event. TRENZ brings hundreds of international travel Buyers together to meet with New Zealand’s leading tourism operators over four days to build or renew relationships and negotiate business for upcoming seasons.

- 11.2. Social Media – weekly posting of social media content that promotes the District and connection of potential visitors to local operators.
- 11.3. Operator Development – working with the operators to develop their trade readiness.
- 11.4. Website – a focus has been and continues to be on ensuring the information on the website is current and that operators are still trading.

Pillar 3: Unlocking Latent Potential

Developing a mechanism to deal with projects that come to Council.

Update

12. No activity undertaken in this reporting period.

Pillar 4: Agriculture and Technology

Assisting the agriculture and technology sectors' existing industry bodies to assimilate technology into the sector.

Update

13. Officers continued working with Distinguished Professor Caroline Saunders and Professor Paul Dalziel from the Agribusiness Economic Research Unit at Lincoln University for project that measures the true (integrated) effects of land use change.
14. The model will forecast the economic impact of land use change across the district and the Officers are providing feedback on the assumptions and the function of the model to improve its usefulness and effectiveness.
15. **Supporting Land Use Adaption for a Climate Changed Future Project:**

- 15.1. Ongoing enquiry about the report is occurring, with further copies of the report supplied to industry parties and follow up discussions about effectively engaging with farmers about a changing climate and rural resilience.

16. **Resilient Business Project:**

- 16.1. The proposal was submitted to MPI as detailed in the previous quarterly report. MPI have since provided feedback on the proposal and are seeking further changes, with a tighter focus on climate change adaption and greater certainty about the co-funding approach.

- 16.2. The changes proposed by MPI may substantively change the proposed project and Officers are re-engaging with industry as to whether a re-scoped project will deliver the outcomes sought or not.
- 16.3. Alternative funding approaches are also being explored, should MPI decide not to progress with the project.
- 16.4. This project will deliver to pillar 5 & 6.

Pillar 5: Natural Resource Management

Protecting and enhancing the district's natural capital, particularly recognising water as a crucial resource.

17. Officers are reviewing the amendments to the National Environmental Standards and the National Policy Statement for Freshwater Management to identify the effects on Mid Canterbury farming and if there are implications for Ashburton District Council.

Pillar 6: Start-up, SME's and Business Support

Lobbying, advocacy and influencing policy settings important to business.

Update

18. Labour force
 - 18.1. Officers presented to the Regional Skills Leadership Group (RSLG) on the needs of industry sectors in the Ashburton District.
 - 18.2. Officers have been lobbying for the inclusion of the Primary Sector in the Canterbury Workforce Plan. This has been agreed and will feature in the upcoming revision of the plan.
 - 18.3. Work is underway with the Mayoral Forum's Economic Development Forum to develop evidence based solutions to the current labour and skills constraints being experienced by our local businesses and businesses across Canterbury. Officers are working with their counterparts across the region to reduce competition and lobby government for initiatives that promote skills development and enhance access to skills and labour through effective immigration policy.
19. Mayor's Taskforce for Jobs (MTFJ)
 - 19.1. Employment placement of a Youth Coach for Mayors Taskforce for Jobs Rural Resilience Programme was made 27 February 2023 for a fixed 6-month contract ending in August 2023.

- 19.2. The newly appointed Officer has been working within the community to develop relationships with employers, job seekers and stakeholders. The goal is to work alongside stakeholders to gain referrals of persons disadvantaged in the labour market, employers to find the right employee, and jobseekers to find the right employment to ensure sustainable outcomes.
- 19.3. To date there are 42 employers engaged in the programme and 29 Job Seekers registered.
- 19.4. Outcomes so far are there has been the following outcomes:
 - 19.4.1. 6 young persons placed into full time employment
 - 19.4.2. 3 placed into pre trades training with part time work
 - 19.4.3. 1 learner licence gained for a NEET (Not in Employment Training or Education)
 - 19.4.4. Two more young people referred to licence training and awaiting a place.
 - 19.4.5. 1 young person taken up further education and is studying a level 4 certificate online while seeking full time employment.
- 19.5. The objective is to have 12 young people in the labour market by the end of the program 30 June 2023 which is the end date of the six-month pilot period.

Pillar 7: Connecting and Supporting Infrastructure

Acknowledging Ashburton District's reliance on key infrastructure like roading and telecommunications.

Update

20. No activities undertaken in this period for this pillar.

10. Ashburton Car Club Street Sprint Event – temporary road closure

Author *Mark Smith; Corridor Manager-Roading*
Activity Manager *Mark Chamberlain; Roading Manager*
Executive Team Member *Neil McCann; Group Manager – Infrastructure Services*

Summary

- This report considers an application from the Ashburton Car Club for temporary road closures of sections of Smallbone Drive, Robinson Street, Watson Street and McNally Street from 12 May 2023 to 14 May 2023 to hold the Street Sprint Event.
- This report outlines the benefits and risks to be taken into consideration on whether to approve or decline the road closure.
- The Ashburton Car Club has run car racing events safely and successfully for over 18 years. Their events are well organised and every risk and precaution is taken by the organisers to ensure that the highest levels of safety are maintained. Their events are highly supported by the local community and are a valued attraction to the District.
- Council is not obliged to approve any road closures. Our practice has been to approve such requests, subject to being confident that the event organisers can manage the event safely, and that the road will be restored to pre-race condition.
- Officers are satisfied that the Ashburton Car Club can meet these expectations, as they have repeatedly done so for many years. This event requires a detour and two of the roads concerned do experience high traffic volumes. Full detour signage will be in place and this event will be well advertised for these reasons. Officers recommend the request be approved.
- Objections closed on 14 April 2023 and no objections were received.

Recommendation

- 1. That** Council permits the temporary road closure of Smallbone Drive, Robinson Street, Watson Street and McNally Street from 7.00 pm on Friday 12 May 2023 until 6.00 pm on Sunday 14 May 2023 to allow the Street Sprint Meeting to be held.

Attachment

Appendix 1 Overview of road closure

Background

1. The Ashburton Car Club has applied to Council for temporary road closure to allow it to hold the Street Sprint Event.
2. The event has been advertised with the objections period closing on Friday 14 April 2023. No objections had been received at time of writing.
3. The required insurance and traffic management plan have been received.
4. This application must be considered by Council under clause 11(e) of the Tenth Schedule of the Local Government Act 1974, because New Zealand Motorsport, of which the Ashburton Car Club is a member, requires roads to be closed for motorsport events under the Local Government Act, as event participants may be under 18 years of age.
5. The Ashburton Car Club has applied for a Road Closure at Smallbone Drive, Robinson Street, Watson Street and McNally Street to hold the Street Sprint Meeting from 7.00 pm Friday 12 May 2023 to 6.00 pm Sunday 14 May 2023.

The affected road sections are:

- SMALLBONE DRIVE from River Terrace to Robinson Street.
- ROBINSON STREET from Smallbone Drive to McNally Street.
- WATSON STREET from - Range Street to Robinson Street.
- McNALLY STREET from Range Street to the end of the street.

Options analysis

Option one – Approve road closure (Recommended)

6. Our practice has been to approve such requests, subject to being confident that the event organisers can manage the event safely, and that the road will be restored to pre-race condition.
7. Ashburton Car Club has a strong record of safe and successful management of these events in the district for over 18 years.
8. The responsibility for risk-free operation lies with the organisers and all contingencies are covered in the conditions of closure.
9. The road condition will be inspected by Roding staff before and after the event. Staff are confident that the asset will be returned to its pre-existing condition after the event.
10. For these reasons, Officers recommend Option 1.

<p>Advantages: Well-run /well organised; these events have been held for a number of years without incident and are well supported by the local community.</p>	<p>Disadvantages If an incident occurs this could prevent access to the road for a period of time.</p>
<p>Risks:</p> <ul style="list-style-type: none"> • Potential safety issues. • Travel impact on residents, road users, spectators, and local businesses • The impact on the condition of the road. <p>These risks are considered LOW overall as they can all be successfully managed.</p>	

Option two – Decline road closure

11. As per option 1 our practice has been to approve such requests, subject to being confident that the event organisers can manage the event safely, and that the road will be restored to pre-race condition.
12. Ashburton Car Club has proven they can run this event with no issues so declining the temporary closure is not recommended by officers.

<p>Advantages: Any safety, travel delay or road condition impacts are avoided.</p>	<p>Disadvantages: Many people look forward to these types of events and they provide a positive attraction to the District.</p>
<p>Risks: Reputational risk to Council to hold Motorsport Events within the District</p>	

Legal/policy implications

13. Clause 11 of the Tenth Schedule of the Local Government Act 1974 provides –

“That Council may, subject to such conditions as it thinks fit... close any road or part of a road to all traffic (e)... for any exhibition, fair, market, concert, film making, race or other sporting event or public function.”

14. As noted previously, our practice is to enable these events to proceed subject to ensuring the safety of road users, residents, and spectators

Review of legal / policy implications

Reviewed by In-house Counsel

Tania Paddock

Strategic alignment

Wellbeing		Reasons why the recommended outcome has an effect on this wellbeing
Economic	✓	Events attract visitors from outside the District.
Environmental		
Cultural		
Social	✓	Connect communities to enable business, leisure and social activities (social, cultural wellbeing).

Financial implications

Requirement	Explanation
What is the cost?	No costs to Council incurred
Is there a budget available in LTP / AP?	N/A
Where is the funding coming from?	All costs associated with this event are being paid by the organisers (Ashburton Car Club)
Are there any future budget implications?	No
Reviewed by Finance	Erin Register; Finance Manager.

Significance and engagement assessment

Requirement	Explanation
Is the matter considered significant?	No
Level of significance	Medium
Rationale for selecting level of significance	N/A
Level of engagement selected	Level 3 – Consult. Council must advertise the closure and consider objections if any are received.
Rationale for selecting the level of engagement	This level of engagement is required to meet statutory requirements.
Reviewed by Strategy & Policy	Richard Mabon

Next steps

Date	Action / milestone	Comments
3 rd May 2023	Council makes a decision to approve or decline road closure	If approved and there are no objections after 28 April 2023 the event will proceed as planned

11. Bancorp Treasury Report – March 2023

Author *Erin Register: Finance Manager*
General Manager responsible *Leanne Macdonald; Group Manager: Business Support*

Summary

- The Bancorp Treasury Services Ltd provide a quarterly report as part of the contractual treasury services.
- Attached is the third report for the 2022-23 financial year, being for the period ending March 2023.
- This report is presented for Council’s information, and is made up of four sections –
 - 1 Economic Commentary
 - 2 Liquidity, Funding and Hedging Bands
 - 3 Interest Rate Risk Management
 - 4 Investment Portfolio.
- Page 4 confirms that Council remains policy compliant.
- Page 4 also notes that Council’s average cost of funds has increased from 3.45% to 3.77% reflecting the current trend of rising interest rates.

Recommendation

- | |
|---|
| <ol style="list-style-type: none">1. That Council receives the Bancorp Treasury report for the March 2023 quarter. |
|---|

Attachment

Appendix 1 Treasury report as at 31 March 2023

Background

1. Bancorp Treasury Services Ltd (Bancorp) provide a service to Ashburton District Council to support Council in managing their treasury - Investment and Liability Policy.
2. Bancorp provide quarterly treasury reports that covers global and NZ market updates, along with Ashburton District Council specific updates on our investment and liability portfolios.

Legal/policy implications

3. There are no legal implications.

Financial implications

4. There are no financial implications as this report forms part of Bancorp's contractual services.

Requirement	Explanation
What is the cost?	This is part of the annual contractual fee of \$33,000 plus GST.
Is there budget available in LTP / AP?	Yes
Where is the funding coming from?	Treasury Consultancy - 132.30308.0000.
Are there any future budget implications?	No
Finance review required?	Erin Register; Finance Manager.

Significance and engagement assessment

Requirement	Explanation
Is the matter considered <i>significant</i> ?	No
Level of significance	Low
Level of engagement selected	Inform - one way
Rationale for selecting level of engagement	The community will be informed of the Bancorp Report through the usual media channels.
Reviewed by Strategy & Policy	Toni Durham: Strategy & Policy Manager



Treasury Reporting Dashboard

31 March 2023

STRICTLY PRIVATE AND CONFIDENTIAL



Global (for the March 2023 quarter)

The confidence that permeated financial markets at the start of the year has well and truly dissipated with the collapse of Silicon Valley Bank (“SVB”) in the US, and the forced merger of Credit Suisse with UBS. This has moved the market’s focus from higher interest rates which are aimed at fighting inflation, to concerns about financial contagion and recession. Expectations around the quantum of rate hikes still required, and the scale and timing of the subsequent cutting cycle, have changed dramatically. This has seen the US 10-year yield retest support around the 3.30% area, after testing the 4.10% area at the start of March. In early March, the Overnight Index Swap (“OIS”) curve was implying a cash rate peak in the US of 5.50% to 5.75% by June 2023, with the first rate cut in early 2024. This was circa 0.50% higher than the peak priced in late January. However, by the end of March the OIS curve was implying no more hikes in the US with the first cut of 0.25% by September and a rate of 3.75% to 4.00% by March 2024.

As was widely expected, despite the volatility in the banking sector, the Fed increased its cash rate target range to 4.75%-5.00% in late March. However, the dot plot (forward projections from committee members) saw a slightly lower peak of 5.10% that was implied from its November 2022 update. US Federal Reserve (“Fed”) Chairman Jerome Powell expressed confidence in the US banking system, but did note that the recent turbulence in the banking sector could lead to a tightening of credit and this would in turn, tighten monetary settings. As outlined above, markets saw the statement as ‘dovish’ and priced in aggressive rate cuts over the next 12-months, despite Powell making it clear that rate cuts in 2023 were not the Fed’s current base case scenario.

The recent banking sector issues has highlighted that a sole focus on getting inflation under control through higher interest rates could have unintended consequences on financial system stability. This is because banks around the globe have significant unrealised losses on the ‘risk free’ (if held to maturity) liquidity held via Government bonds. As the SVB collapse demonstrated, if there is a run on a bank, the forced selling of these bonds will crystallise these mark-to-market losses and, as in SVB’s case, wipe out its equity.

While central banks had made it clear they are prepared to risk a recession to get, in their view, the more serious evil of imbedded inflation under control, markets are guessing that they will be much less sanguine around the risk of financial market contagion. This is causing almost unprecedented volatility in short-term interest rate markets. The US 2-year bond yield traded in a 1.20% range over a few weeks and indeed in a three day period fell by approximately 1.0%.

In comparison to other central banks the Reserve Bank of Australia took a more restrained approach to monetary policy over the March quarter, increasing the cash rate by 25 basis points in both February and March to take it to 3.6%. The markets are viewing the tightening cycle as now being finished with the first cut priced in by February 2024.

New Zealand (for the March 2023 quarter)

	OCR	90 day	2 years	3 years	5 years	7 years	10 years
31 December 2022	4.25%	4.82%	5.38%	5.13%	4.86%	4.80%	4.80%
31 March 2023	4.75%	5.24%	5.03%	4.72%	4.40%	4.31%	4.27%
Change	+0.50%	+0.42%	-0.35%	-0.41%	-0.46%	-0.49%	-0.53%

During the March quarter, two important data releases highlighted the fragility of the New Zealand economy. Firstly, GDP data for the December 2022 quarter (released at the end of March) came in as a real outlier. GDP plummeted to -0.6% against market forecasts at -0.2%, and the RBNZ’s projection of +0.7%. Annual GDP eased from 6.4% to 2.2%. If the negative print for the December 2022 is followed by another negative number in the March quarter (which many are predicting), then the country is officially in recession, something the Reserve Bank of New Zealand (“RBNZ”) has signalled as being necessary to quell inflation.

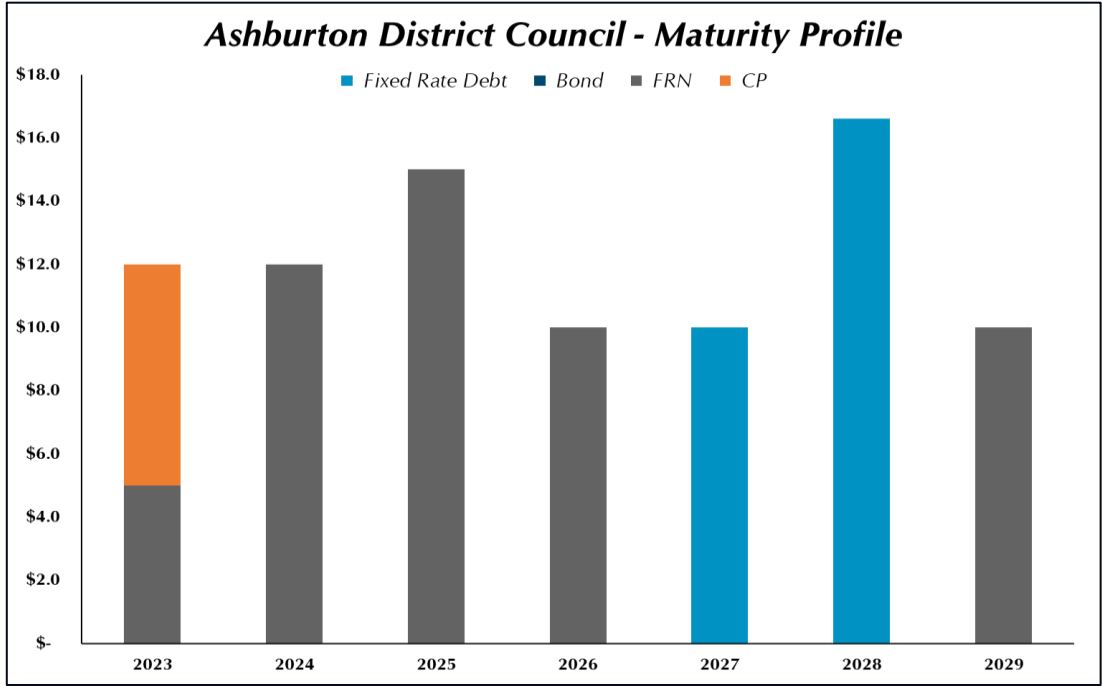
Secondly, the current account deficit widened by NZD9.46 billion to a record NZD33.8 billion in the December 2022 quarter, this represents 8.9% of GDP. This exceeded the 7.8% deficit recorded during the global financial crisis in 2008. This led S&P Global Ratings warning that NZ’s ‘AAA’ rating could come under pressure as the current account deficit “is at an extremely high level at the moment. It is much wider than we were expecting it to be.” The current account gives an indication of whether an economy is ‘living within its means’ and the wide deficit suggests New Zealand has not been. Encouragingly though, the outlook is for the deficit to narrow as domestic demand softens and international tourism and the education sectors continue to recover.

In late February, in the *Monetary Policy Statement* (“MPS”) the RBNZ raised the Official Cash Rate (“OCR”) by 50 basis points to 4.75% and left the projected peak unchanged at 5.50%. The RBNZ stated that the decision about the extent of the increase was whether it should be 50 or 75 basis points and not 25 or 50 basis points. Obviously the RBNZ is still worried about inflation, stating in the MPS that “higher interest rates are still needed to meet our inflation and employment objectives, to the same extent as in the November Statement.”

Interest rates had a very volatile quarter, driven largely by swings in offshore markets. The 2-year and 10-year swap rates reached lows of 4.65% and 4.02% respectively in early February, then climbed to 5.56% and 4.79% respectively by early March as markets refocused on inflation and the need for central banks to tighten monetary policy to quell inflation. However, by the end of the March the 2-year rate was at 5.03% and the 10-year at 4.27% as inflation worries subsided a little and more importantly the banking crisis in the US and Europe lead to a pattern of risk aversion trading where investors sought the safety of the bond markets.

Market pricing for the OCR also reacted to the global banking woes. In early March, markets were pricing the OCR to be at 5.49% in August 2023 and then to fall to 5.06% by July 2024. By the end of March pricing was at 5.20% for August 2023 and 4.54% for July 2024. This compares with the RBNZ’s forecasts of the OCR peaking at 5.50% in December 2023 and to be only down to 5.4% by September 2024. In the past the RBNZ have made it very clear that its priority is to get the inflation rate down, even if it pushes the country into recession.

Liquidity, Funding and Hedging Bands



Debt
\$85.6m
 External Council Drawn Debt

LGFA Debt
\$85.6m
 Funds Drawn from LGFA

Headroom = cash in bank, term deposits and fixed rate bonds
\$14.1m

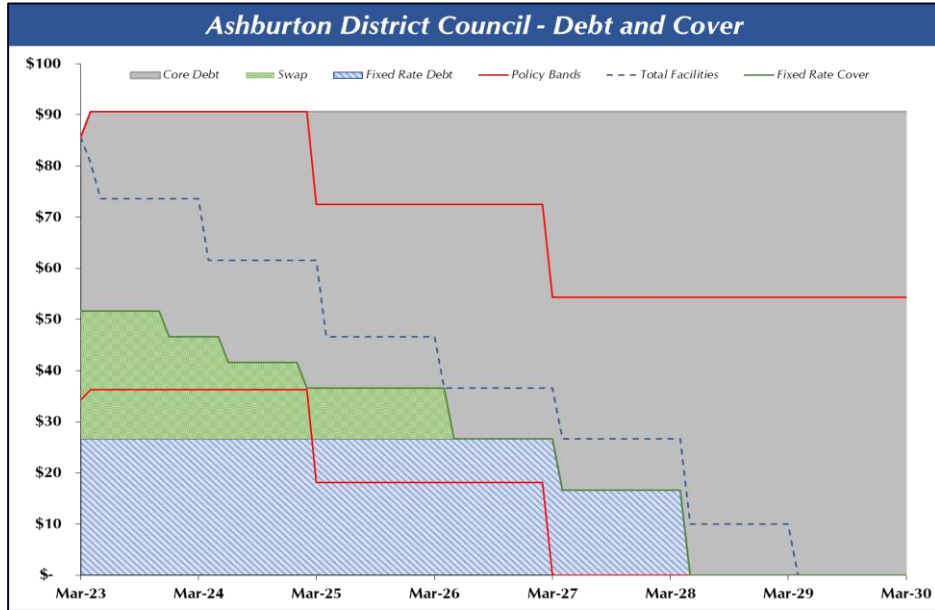
Liquidity Ratio
116.4%
 Definition: (Cash Reserves + Lines of Credit + Drawn Debt)/Drawn Debt

Cost of Funds as at 31 March
3.77%

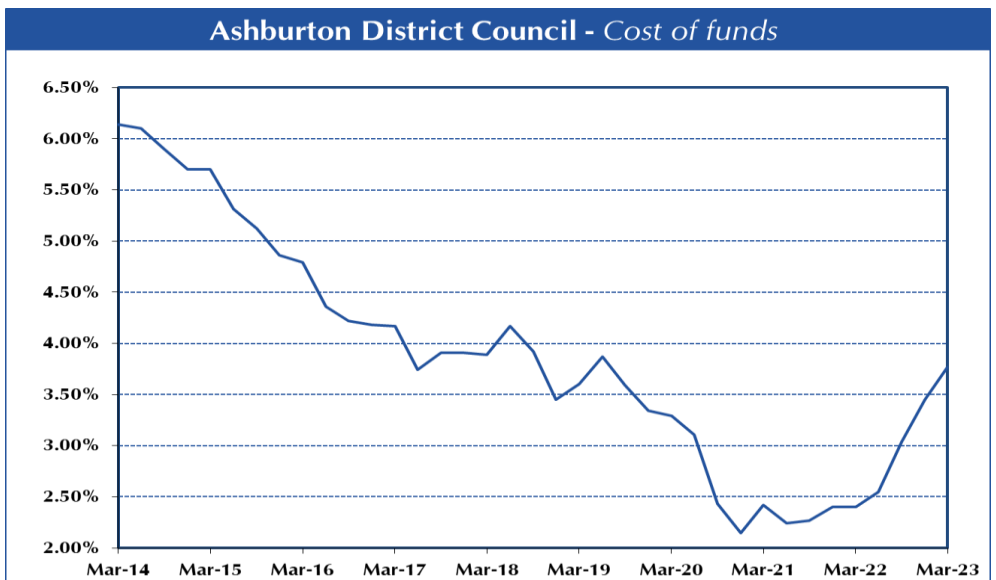
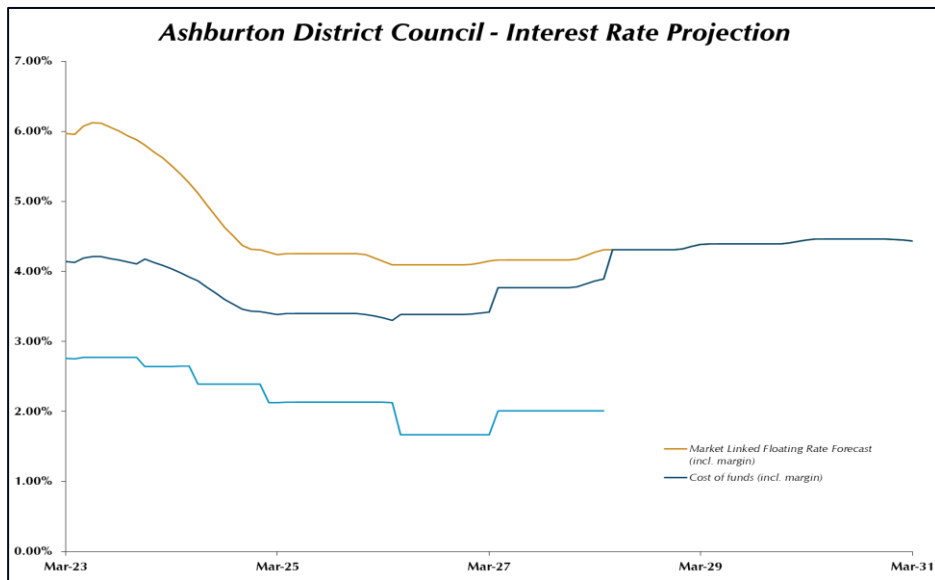
Policy Compliance	Compliant
Have all transactions been transacted in compliance with policy?	Yes
Is fixed interest rate cover within policy control limits?	Yes
Is the funding maturity profile within policy control limits?	Yes
Is liquidity within policy control limits?	Yes
Are counterparty exposures within policy control limits?	Yes

Fixed Rate Hedging Bands			
	Minimum	Maximum	Policy
0 - 2 years	40%	100%	Compliant
2 - 4 years	20%	80%	Compliant
4 - 8 years	0%	60%	Compliant

Interest Rate Risk Management



Current % of Debt Fixed	60.3%
Current % of Debt Floating	39.7%
Value of Fixed Rate (m)	\$51.6
Weighted Average Cost of Fixed Rate Instruments	2.54%
Value of Forward Starting Cover	\$0.0
Value of Floating Rate (m)	\$34.0
Current Floating Rate	5.52%
Current Floating Rate (incl margin)	5.97%
Total Facilities In Place	\$85.6



LGFA Borrowing Rates

As at 31 March

Listed below are the credit spreads and applicable interest rates as at 31 March for Commercial Paper (“CP”), Floating Rate Notes (“FRN”) and Fixed Rate Bonds (“FRB”), at which Ashburton District Council could source debt from the Local Government Funding Agency (“LGFA”).

Maturity	Margin	FRN (or CP) Rate	Fixed Rate Bonds
3-month CP	0.15%	5.32%	N/A
6-month CP	0.15%	5.48%	N/A
April 2024	0.30%	5.47%	5.53%
April 2025	0.38%	5.55%	5.26%
April 2026	0.48%	5.65%	5.06%
April 2027	0.56%	5.73%	4.98%
May 2028	0.62%	5.79%	5.00%
April 2029	0.72%	5.89%	5.06%
May 2031	0.77%	5.94%	5.08%
April 2033	0.87%	6.04%	5.15%
May 2035	0.92%	6.09%	5.29%
April 2037	0.93%	6.10%	5.35%

Investment Portfolio

As at 31 March

7

As at 31 March, ADC's Fixed Interest Portfolio ("FIP") had a nominal value of \$3,100,000 and a market value of \$3,013,413. The makeup of the FIP as at 31 March, including its valuation, is shown in the following table.

Ashburton District Council				31-Mar-23		
<u>Security</u>	<u>Rating</u>	<u>Maturity Date</u>	<u>Coupon (%)</u>	<u>Nominal</u>	<u>Yield (%)</u>	<u>Value</u>
BNZ	AA-	15-Jun-23	4.10	\$1,000,000	5.28	\$1,009,402
ANZ sub	A-	17-Sep-26	2.999	\$1,000,000	6.31	\$899,581
Westpac	A-	16-Sep-27	6.19	<u>\$1,100,000</u>	6.15	<u>\$1,104,430</u>
				\$3,100,000		\$3,013,413



Disclaimer

IMPORTANT NOTICE

Statements and opinions contained in this report are given in good faith, but in its presentation, Bancorp has relied on primary sources for the information's accuracy and completeness. Bancorp does not imply, and it should not be construed, that it warrants the validity of the information. Moreover, our investigations have not been designed to verify the accuracy or reliability of any information supplied to us.

It should be clearly understood that any financial projections given are illustrative only. The projections should not be taken as a promise or guarantee on the part of Bancorp.

Bancorp accepts no liability for any actions taken or not taken on the basis of this information and it is not intended to provide the sole basis of any financial and/or business evaluation. Recipients of the information are required to rely on their own knowledge, investigations and judgements in any assessment of this information. Neither the whole nor any part of this information, nor any reference thereto, may be included in, with or attached to any document, circular, resolution, letter or statement without the prior written consent of Bancorp as to the form and content in which it appears.

CONFIDENTIALITY

The information provided herein is provided for your private use and on the condition that the contents remain confidential and will not be disclosed to any third party without the consent in writing of Bancorp first being obtained.

GET IN TOUCH

Bancorp New Zealand Ltd
Head Office, Level 3, 30 Customs Street, Auckland
09 912 7600

www.bancorp.co.nz

12. Financial Reports

Author *Erin Register, Finance Manager*
GM responsible *Leanne Macdonald, GM Business Support*

Attachments

Financial variance report March 2023

EA Networks Centre income & expenditure report – March 2023

***Ashburton District Council
Financial Variance Report
For the period ending
31 March 2023***

Variances greater than \$100,000 are highlighted in **red bold**. If the variance is permanent an explanation is provided.

F (favourable variance) means that either actual revenue is greater than budget or actual expenditure is less than budget.

U (unfavourable variance) is **when** actual revenue is less than budget or actual expenditure is greater than budget.

Please note: The Balance Sheet is draft in this report as we are yet to enter opening balances. This is something that is processed after the audit is complete.

Contents

Income and Expenditure – Overview.....	3
Income and Expenditure – Summary.....	4
Transportation – Income & Expenditure Report.....	5
Drinking Water – Income & Expenditure Report.....	7
Wastewater – Income & Expenditure Report.....	9
Stormwater – Income & Expenditure Report.....	11
Stockwater – Income & Expenditure Report.....	13
Waste Reduction & Recycling – Income & Expenditure Report.....	15
Recreation Facilities – Income & Expenditure Report.....	16
Recreation & Community Services – Income & Expenditure Report.....	17
Economic Development – Income & Expenditure Report.....	20
Parks & Open Spaces – Income & Expenditure Report.....	22
Community Governance & Decision Making – Income & Expenditure Report.....	24
Environmental Services – Income & Expenditure Report.....	26
Miscellaneous, Dividends & Internal Overheads – Income & Expenditure Report.....	28
Balance Sheet.....	31
Net Debt and Borrowings.....	32
Council Investments.....	34
Receivables Summary (Including Prior Month Comparative).....	35

Income and Expenditure – Overview

For period ending 31 March 2023

<p>\$67.01 M</p> <p>Actual YTD Operating Income</p>	<p>\$88.00 M</p> <p>Forecast Full Year Operating Income</p>	<p>-\$20.99 M</p> <p>Variance Operating Income</p>	<p>76%</p> <p>% of Forecast Operating Income</p>
<p>\$55.98 M</p> <p>Actual YTD Operating Expenditure</p>	<p>\$75.89 M</p> <p>Forecast Full Year Operating Expenditure</p>	<p>-\$19.91 M</p> <p>Variance Operating Expenditure</p>	<p>74%</p> <p>% of Forecast Operating Expenditure</p>
<p>\$2.20 M</p> <p>Actual YTD Capital Income</p>	<p>\$72.38 M</p> <p>Forecast Full Year Capital Income</p>	<p>-\$70.18 M</p> <p>Variance Capital Income</p>	<p>3%</p> <p>% of Forecast Capital Income</p>
<p>\$34.63 M</p> <p>Actual YTD Capital Expenditure</p>	<p>\$94.10 M</p> <p>Forecast Full Year Capital Expenditure</p>	<p>-\$59.46 M</p> <p>Variance Capital Expenditure</p>	<p>37%</p> <p>% of Forecast Capital Expenditure</p>
<p>\$5.00 M</p> <p>Actual YTD Loans Repaid</p>	<p>\$8.50 M</p> <p>Forecast Full Year Loans Repaid</p>	<p>-\$3.50 M</p> <p>Variance Loans Repaid</p>	<p>59%</p> <p>% of Forecast Loans Repaid</p>

Income and Expenditure – Summary

For period ending 31 March 2023

	Actual YTD	Full Year Budget	Variance	Percentage of Budget
Revenue				
Rates	33,181,883	44,264,172	(11,082,289)	75%
Fees and Charges	8,291,094	9,341,051	(1,049,957)	89%
Subsidies and Grants	14,705,348	18,512,632	(3,807,284)	79%
Finance Income	612,022	351,450	260,572	174%
Other Revenue	5,502,906	6,773,806	(1,270,901)	81%
Other Sales	1,054,717	1,588,199	(533,482)	66%
Development / Financial Contributions	2,220,756	617,400	1,603,356	360%
Gain on Sale of Assets	1,440,961	3,975,542	(2,534,581)	36%
Vested Assets	0	2,571,498	(2,571,498)	0%
Total Revenue	67,009,686	87,995,750	(20,986,064)	76%
Operating Expenditure				
Payments to Staff and Suppliers	40,280,255	55,870,322	(15,590,068)	72%
Finance Costs	2,412,933	2,482,221	(69,289)	97%
Other Expenses	159,854	190,717	(30,863)	84%
Depreciation	13,123,553	17,343,722	(4,220,169)	76%
Total Expenditure	55,976,595	75,886,983	(19,910,388)	74%
Net operating surplus (deficit)	11,033,091	12,108,767	(1,075,676)	91%
Capital Income				
Loans Raised	0	66,595,213	(66,595,213)	0%
Land Sales	1,998,680	5,680,000	(3,681,320)	35%
Other Asset Sales & Disposals	196,913	103,000	93,913	191%
Total Capital Income	2,195,593	72,378,213	(70,182,620)	3%
Capital Expenditure				
Infrastructural Assets	8,735,779	26,021,010	(17,285,231)	34%
Cyclic Renewals	10,972,179	22,512,977	(11,540,798)	49%
Plant	156,789	631,515	(474,726)	25%
Additions/Alterations	13,923,480	34,433,335	(20,509,856)	40%
Other Assets	844,902	10,496,872	(9,651,970)	8%
Total capital expenditure	34,633,129	94,095,709	(59,462,581)	37%
Loan Repayments	5,000,000	8,503,149	(3,503,149)	59%
Total capital to be funded	37,437,535	30,220,645	7,216,890	124%

Note: \$5m of Loan Repayments relates to last years budgeted loan repayments which were actioned in this financial year due to the timing of loans maturing. This repayment will be in addition to the budgeted repayments for the current year ending June 2023

Transportation – Income & Expenditure Report

For period ending 31 March 2023

	Actual YTD	Budget Full Year	Variance	Percentage of Budget	Permanent Variance
Operating Income					
Footpaths	840,906	1,368,219	(527,313)	61%	No
Roading	13,596,870	14,837,479	(1,240,609)	92%	Yes
	14,437,776	16,205,698	(1,767,922)	89%	
Operating Expenditure					
Footpaths	997,131	1,391,426	(394,295)	72%	No
Roading	13,593,186	13,984,340	(391,154)	97%	Yes
	14,590,317	15,375,766	(785,449)	95%	
Capital Income					
Footpaths	0	763,732	(763,732)	0%	No
Roading	0	1,319,813	(1,319,813)	0%	No
	0	2,083,545	(2,083,545)	0%	
Capital Expenditure					
Footpaths	159,256	1,449,620	(1,290,364)	11%	Yes
Roading	7,629,290	10,775,211	(3,145,921)	71%	No
	7,788,546	12,224,831	(4,436,285)	64%	
Loan Repayments					
Footpaths	59,922	20,379	39,543	294%	
Roading	105,804	201,385	(95,581)	53%	
	165,726	221,764	(56,038)	75%	

The above financials include the following:

Development Contributions	0	0	0	0%
---------------------------	---	---	---	----

The above financials do not include the following:

Vested Assets	0	950,690	(950,690)	0%
---------------	---	---------	-----------	----

The above financials do not include appropriations - to and from activities

Note: Loan Repayments include a portion relating to last years budgeted loan repayments due to timing of loans maturing.

Transportation – Operating Income

Roading **\$1,240,609U**

Reason for variance

This variance is mainly because of the additional subsidy of \$1.376m received from Waka Kotahi for the Emergency Works for the July 2022 heavy rain event.

Transportation – Operating Expenditure

Roading **\$391,154F**

Reason for variance

Operating expenditure is sitting at 97% of full year budget mainly due to the cost of the repairs from the July rain events but also the completed reseals and subsidised rehabilitations.

The cost of emergency works for the July heavy rain event is currently at \$2.453m. Following review by Waka Kotahi staff some of the repair work will be a cost to routine maintenance. The adjusted funding request of \$2.308m has been approved by Waka Kotahi and the full subsidy claimed and paid.

Subsidy is 51% for \$1.316m and 71% for \$0.992m of the approved emergency works funding. Council's share is \$0.932m and a report will be presented to Council with options on how to fund this.

With the unbudgeted cost of emergency works there will be an overspend for operating expenditure at the end of the 2022/23 year.

Transportation – Capital Expenditure

Footpaths **\$1,290,364F**

Reason for variance

Contracts are let for footpath renewals and new footpaths with construction in progress at several sites. Most of the construction is to be completed by 30 June 2023.

Drinking Water – Income & Expenditure Report

For period ending 31 March 2023

	Actual YTD	Budget Full Year	Variance	Percentage of Budget	Permanent Variance
Operating Income					
Group Water Supplies	4,452,013	5,748,179	(1,296,167)	77%	No
Methven/Springfield Water Supply	225,714	293,032	(67,318)	77%	
Montalto Water Supply	241,751	319,018	(77,267)	76%	
Lyndhurst Water Supply	12,666	16,619	(3,953)	76%	
Barhill Water Supply	3,415	4,488	(1,073)	76%	
	4,935,559	6,381,336	(1,445,778)	77%	
Operating Expenditure					
Group Water Supplies	4,043,802	5,653,888	(1,610,087)	72%	No
Methven/Springfield Water Supply	179,289	296,606	(117,318)	60%	No
Montalto Water Supply	219,410	321,864	(102,455)	68%	No
Lyndhurst Water Supply	4,069	3,571	498	114%	
Barhill Water Supply	1,187	1,063	124	112%	
	4,447,755	6,276,993	(1,829,237)	71%	
Capital Income					
Group Water Supplies	0	17,251,156	(17,251,156)	0%	No
Methven/Springfield Water Supply	0	1,189,786	(1,189,786)	0%	No
Montalto Water Supply	0	321,472	(321,472)	0%	No
	0	18,762,414	(18,762,414)	0%	
Capital Expenditure					
Group Water Supplies	5,339,671	18,606,532	(13,266,861)	29%	Yes
Methven/Springfield Water Supply	293,713	1,298,498	(1,004,786)	23%	Yes
Montalto Water Supply	40,836	431,032	(390,196)	9%	Yes
	5,674,219	20,336,062	(14,661,843)	28%	
Loan Repayments					
Group Water Supplies	470,896	593,375	(122,479)	79%	No
Methven/Springfield Water Supply	6,937	16,315	(9,378)	43%	
Lyndhurst Water Supply	13,048	13,048	0	100%	
Barhill Water Supply	3,425	3,425	0	100%	
	494,306	626,163	(131,857)	79%	
<i>The above financials include the following:</i>					
Development Contributions	212,211	129,168	83,043	164%	
<i>The above financials do not include the following:</i>					
Vested Assets	0	381,100	(381,100)	0%	

The above financials do not include appropriations - to and from activities

Note: Loan Repayments include a portion relating to last years budgeted loan repayments due to timing of loans maturing.

Drinking Water – Capital Expenditure

Group Water Supplies

\$13,266,861F

Reason for variance

The % of budget expended is low, but the majority of this budget relates to the Methven water treatment plant upgrade project. The physical works relating to this project has commenced and is being accelerated so budgets are expected to be drawn on at pace. Due to revised timing of this project (commissioning now indicated for July) there will be some level of favourable variance expected at 30 June 2023.

Another key project is the Ashburton treatment upgrades. This is a two-year project with detailed design being progressed at present. There is a capital budget of \$2.0M allocated in the current year budget (with a similar figure next year). It was envisaged that critical equipment purchases would be made, and capital construction commenced prior to 30 June. However, pre-purchase of equipment is no longer preferred due contractual complexity this approach imposes later. The design is also proving to be more complex that originally envisaged by officers.

For other projects the design phase is substantially complete and will be awarded soon. As such will not draw on budgets significantly until the related physical works gets underway.

Methven Springfield

\$1,004,786F

Reason for variance

The % of budget expended is low, but the majority of this budget relates to the Methven water treatment plant upgrade project of which this scheme is part. As noted above, the physical works relating to this project has commenced and is being accelerated so budgets are expected to be drawn on at pace. Due to revised timing of this project (commissioning now indicated for July) there will be some level of favourable variance expected at 30 June 2023.

Montalto

\$390,196F

Reason for variance

The % of budget expended is low. This is the design phase budget for a treatment solution for the Montalto scheme. Officers are currently reviewing an issues and options report on upgrades options for the scheme. Less progress has been made on this project as the focus of resources is currently on the larger scheme projects.

Wastewater – Income & Expenditure Report

For period ending 31 March 2023

	Actual YTD	Budget Full Year	Variance	Percentage of Budget	Permanent Variance
Operating Income					
Ashburton Wastewater	4,141,098	4,807,546	(666,448)	86%	Yes
Methven Wastewater	402,568	412,983	(10,415)	97%	
Rakaia Wastewater	253,399	359,289	(105,889)	71%	No
	4,797,066	5,579,818	(782,752)	86%	
Operating Expenditure					
Ashburton Wastewater	3,398,389	4,464,082	(1,065,693)	76%	No
Methven Wastewater	317,910	412,904	(94,994)	77%	
Rakaia Wastewater	288,983	360,751	(71,768)	80%	
	4,005,282	5,237,738	(1,232,455)	76%	
Capital Income					
Ashburton Wastewater	0	12,640,324	(12,640,324)	0%	No
Rakaia Wastewater	0	178,356	(178,356)	0%	No
	0	12,818,680	(12,818,680)	0%	
Capital Expenditure					
Ashburton Wastewater	5,639,873	13,944,000	(8,304,127)	40%	Yes
Methven Wastewater	108,634	110,267	(1,632)	99%	
Rakaia Wastewater	171,704	274,228	(102,524)	63%	No
	5,920,211	14,328,495	(8,408,284)	41%	
Loan Repayments					
Ashburton Wastewater	911,137	1,126,249	(215,112)	81%	No
Methven Wastewater	12,443	16,277	(3,834)	76%	
Rakaia Wastewater	45,818	47,192	(1,374)	97%	
	969,398	1,189,718	(220,320)	81%	

The above financials include the following:

Capital Services Contribution	422,002	383,791	38,210	110%
-------------------------------	---------	---------	--------	------

The above financials do not include the following:

Vested Assets	0	612,850	(612,850)	0%
---------------	---	---------	-----------	----

The above financials do not include appropriations - to and from activities

Note: Loan Repayments include a portion relating to last years budgeted loan repayments due to timing of loans maturing.

Wastewater – Operational Income

Ashburton

\$666,448F

Reason for variance

There is a favourable variance forecast in operational income. This is a result of income from development contributions being higher than projected at budget time. This item is currently sitting at ~\$130,000 above the year-to-date budget. There is also \$80,000 of unbudgeted grant income. This is the final payment of government funding for the Ashburton Relief Sewer main project. Assuming income continues on trend, the total favourable variance is expected to be around \$200,000.

Wastewater – Capital Expenditure

Ashburton

\$8,304,127F

Reason for variance

The % of budget expended is low, but the majority of this budget relates to the North-west Ashburton wastewater servicing project. The new pipelines are now complete, and work is soon to commence on the pump station.

A key renewal, the wastewater pipeline below the Trevors Rd grit chamber is being progressed with design alignment options being considered at present. There has been some delays associated with engineering resources and getting an arborist to the site to provide guidance on the existing trees in the area. The arborist advice is necessary before the final alignment can be confirmed. Once confirmed, the designed can be completed and finalised. It is now envisaged that this work will be tendered in August.

The majority of all other renewal projects are designed and will be tendered in April. These won't draw on budget significantly until the related physical works gets underway. There may be some level of favourable variance at year end, but it is too early to forecast the scale of this at this time.

Stormwater – Income & Expenditure Report

For period ending 31 March 2023

	Actual YTD	Budget Full Year	Variance	Percentage of Budget	Permanent Variance
Operating Income					
Ashburton Stormwater	916,557	1,199,732	(283,175)	76%	No
Methven Stormwater	78,863	103,739	(24,876)	76%	
Rakaia Stormwater	40,432	53,394	(12,962)	76%	
Hinds Stormwater	8,341	11,161	(2,820)	75%	
Rural Stormwater	39,891	52,151	(12,260)	76%	
	1,084,084	1,420,176	(336,092)	76%	
Operating Expenditure					
Ashburton Stormwater	857,306	1,318,452	(461,145)	65%	No
Methven Stormwater	85,713	119,906	(34,193)	71%	
Rakaia Stormwater	42,062	68,905	(26,843)	61%	
Hinds Stormwater	4,674	11,182	(6,508)	42%	
Rural Stormwater	4,619	52,735	(48,116)	9%	
	994,375	1,571,180	(576,805)	63%	
Capital Expenditure					
Ashburton Stormwater	8,644	284,840	(276,196)	3%	Yes
	8,644	284,840	(276,196)	3%	
Loan Repayments					
Ashburton Stormwater	263,647	273,939	(10,292)	96%	
Methven Stormwater	7,539	7,539	0	100%	
	271,186	281,478	(10,292)	96%	

The above financials include the following:

Development Contributions	0	0	0	0%
---------------------------	---	---	---	----

The above financials do not include the following:

Vested Assets	0	626,858	(626,858)	0%
---------------	---	---------	-----------	----

The above financials do not include appropriations - to and from activities

Note: Loan Repayments include a portion relating to last years budgeted loan repayments due to timing of loans maturing.

Stormwater – Capital Expenditure

Ashburton

\$276,196F

Reason for variance

The % of budget expended is low. Budget relates to the detailed design phase of the West Street Attenuation and Treatment facility. Due to competing demands on design services, this work wasn't scheduled to commence until later in the financial year.

Stockwater – Income & Expenditure Report

For period ending 31 March 2023

	Actual YTD	Budget Full Year	Variance	Percentage of Budget	Permanent Variance
Operating Income					
Stockwater	680,119	1,032,155	(352,036)	66%	No
	680,119	1,032,155	(352,036)	66%	
Operating Expenditure					
Stockwater	908,216	1,042,341	(134,126)	87%	Yes
	908,216	1,042,341	(134,126)	87%	
Capital Income					
Stockwater	0	148,473	(148,473)	0%	No
	0	148,473	(148,473)	0%	
Capital Expenditure					
Stockwater	242	148,473	(148,231)	0%	Yes
	242	148,473	(148,231)	0%	
Loan Repayments					
Stockwater	9,174	17,674	(8,500)	52%	
	9,174	17,674	(8,500)	52%	

The above financials include the following:

0	0	0	0%
---	---	---	----

The above financials do not include the following:

0	0	0	0%
---	---	---	----

The above financials do not include appropriations - to and from activities

Note: Loan Repayments include a portion relating to last years budgeted loan repayments due to timing of loans maturing.

Stockwater – Operating Expenditure

Stockwater

\$134,126F

Reason for variance

Operating expenditure is sitting at 87% of the full year budget mainly due to the cost of reinstating river intakes as a result of the July and ongoing rain events. The Methven Axillary intake required major repairs to prevent the river washing away the intake gate and associated infrastructure. The intake continues to require greater than usual maintenance.

Mains race cleaning was expected to ease with the lead into autumn but due to growth some mains have required to be cleaned for a third time. As stated previously, traffic management requirements are adding to the cost of some main race cleaning.

It is therefore trending to exceed the available budget provision within the next few months. Officers continue to monitor maintenance activity and will progress only urgent and essential maintenance.

Stockwater – Capital Expenditure

Stockwater

\$148,231F

Reason for variance

The % of budget expended is low as no costs have come through at this point. The budget relates to the detailed design phase of fish screens at the Brothers and Methven Auxiliary intakes. Beca consultants have commenced work on this project. Site visits and survey have been completed.

Waste Reduction & Recycling – Income & Expenditure Report

For period ending 31 March 2023

	Actual YTD	Budget Full Year	Variance	Percentage of Budget	Permanent Variance
Operating Income					
Refuse Collection	1,948,449	2,518,797	(570,348)	77%	No
Refuse Management	3,464,809	4,717,076	(1,252,267)	73%	No
	<u>5,413,258</u>	<u>7,235,873</u>	<u>(1,822,615)</u>	<u>75%</u>	
Operating Expenditure					
Refuse Collection	1,946,076	2,525,103	(579,027)	77%	No
Refuse Management	3,809,486	4,796,389	(986,904)	79%	No
	<u>5,755,562</u>	<u>7,321,493</u>	<u>(1,565,930)</u>	<u>79%</u>	
Capital Income					
Refuse Management	0	94,465	(94,465)	0%	
	<u>0</u>	<u>94,465</u>	<u>(94,465)</u>	<u>0%</u>	
Capital Expenditure					
Refuse Collection	8,217	0	8,217	0%	
Refuse Management	153,247	204,512	(51,266)	75%	
	<u>161,464</u>	<u>204,512</u>	<u>(43,049)</u>	<u>79%</u>	
Loan Repayments					
Refuse Collection	1,511	4,462	(2,951)	34%	
Refuse Management	36,103	27,171	8,932	133%	
	<u>37,614</u>	<u>31,633</u>	<u>5,981</u>	<u>119%</u>	

The above financials include the following:

Development Contributions	0	0	0	0%
---------------------------	---	---	---	----

The above financials do not include the following:

Vested Assets	0	0	0	0%
---------------	---	---	---	----

The above financials do not include appropriations - to and from activities

Note: Loan Repayments include a portion relating to last years budgeted loan repayments due to timing of loans maturing.

Recreation Facilities – Income & Expenditure Report

For period ending 31 March 2023

	Actual YTD	Budget Full Year	Variance	Percentage of Budget	Permanent Variance
Operating Income					
Ashburton Museum and Art Gallery	1,269,659	1,669,455	(399,796)	76%	No
Library	1,019,379	1,326,781	(307,402)	77%	No
Recreation Facilities and Services	4,319,453	5,760,613	(1,441,161)	75%	No
	6,608,491	8,756,849	(2,148,358)	75%	
Operating Expenditure					
Ashburton Museum and Art Gallery	1,471,292	2,161,032	(689,740)	68%	No
Library	1,148,890	1,630,441	(481,551)	70%	No
Recreation Facilities and Services	4,708,949	6,940,797	(2,231,848)	68%	No
	7,329,131	10,732,270	(3,403,139)	68%	
Capital Income					
Library	0	177,598	(177,598)	0%	No
Recreation Facilities and Services	2,895	33,000	(30,105)	9%	
	2,895	210,598	(207,703)	1%	
Capital Expenditure					
Ashburton Museum and Art Gallery	6,891	114,546	(107,655)	6%	No
Library	138,931	265,917	(126,987)	52%	No
Recreation Facilities and Services	112,004	281,947	(169,943)	40%	No
	257,825	662,410	(404,584)	39%	
Loan Repayments					
Recreation Facilities and Services	6,846	10,822	(3,976)	63%	
	6,846	10,822	(3,976)	63%	

The above financials include the following:

Development Contributions	0	0	0	0%
---------------------------	---	---	---	----

The above financials do not include the following:

Vested Assets	0	0	0	0%
---------------	---	---	---	----

The above financials do not include appropriations - to and from activities

Note: Loan Repayments include a portion relating to last years budgeted loan repayments due to timing of loans maturing.

Recreation & Community Services – Income & Expenditure Report

For period ending 31 March 2023

	Actual YTD	Budget Full Year	Variance	Percentage of Budget	Permanent Variance
Operating Income					
Public Conveniences	488,782	494,633	(5,851)	99%	
Elderly Persons Housing	461,653	743,756	(282,103)	62%	Yes
Memorial Halls	312,524	312,755	(231)	100%	
Reserves and Camping Grounds	599,152	860,563	(261,411)	70%	No
Reserve Boards	558,276	676,777	(118,501)	82%	No
Community Safety	39,075	47,296	(8,221)	83%	
	<u>2,459,462</u>	<u>3,135,781</u>	<u>(676,318)</u>	<u>78%</u>	
Operating Expenditure					
Public Conveniences	532,897	578,289	(45,392)	92%	
Elderly Persons Housing	558,000	662,429	(104,429)	84%	Yes
Memorial Halls	474,176	636,788	(162,612)	74%	No
Reserves and Camping Grounds	734,311	1,024,143	(289,833)	72%	No
Reserve Boards	468,725	699,263	(230,538)	67%	No
Community Safety	40,558	57,803	(17,245)	70%	
	<u>2,808,667</u>	<u>3,658,715</u>	<u>(850,048)</u>	<u>77%</u>	
Capital Income					
Public Conveniences	0	1,281,771	(1,281,771)	0%	No
Elderly Persons Housing	0	157,234	(157,234)	0%	No
Reserves and Camping Grounds	0	45,000	(45,000)	0%	
Reserve Boards	0	97,084	(97,084)	0%	
	<u>0</u>	<u>1,581,089</u>	<u>(1,581,089)</u>	<u>0%</u>	
Capital Expenditure					
Public Conveniences	439,831	1,196,979	(757,149)	37%	Yes
Elderly Persons Housing	12,713	216,531	(203,818)	6%	Yes
Memorial Halls	0	20,169	(20,169)	0%	
Reserves and Camping Grounds	8,702	145,000	(136,298)	6%	Yes
Reserve Boards	10,000	167,623	(157,623)	6%	No
	<u>471,246</u>	<u>1,746,302</u>	<u>(1,275,056)</u>	<u>27%</u>	
Loan Repayments					
Public Conveniences	6,942	210,171	(203,229)	3%	No
Elderly Persons Housing	0	3,640	(3,640)	0%	
Reserves and Camping Grounds	1,200	37,508	(36,308)	3%	
Reserve Boards	40,000	18,250	21,750	219%	
	<u>48,142</u>	<u>269,569</u>	<u>(221,427)</u>	<u>18%</u>	
<i>The above financials include the following:</i>					
Development Contributions	300	0	300	0%	
<i>The above financials do not include the following:</i>					
Vested Assets	0	0	0	0%	

The above financials do not include appropriations - to and from activities

Note: Loan Repayments include a portion relating to last years budgeted loan repayments due to timing of loans maturing.

Recreation & Community Services – Operating Income

Elderly Persons Housing **\$282,103U**

Reason for variance

EPH rental income will be permanently down on budget due to 6 units being empty in preparation for their demolition/rebuild.

Recreation & Community Services – Operating Expenditure

Elderly Persons Housing **\$104,429F**

Reason for variance

Expenditure is above budget for the upgrading of units. The majority of this work has been budgeted under capital expenditure so it is likely there will be a permanent difference.

Recreation & Community Services – Capital Expenditure

Public Conveniences **\$757,149F**

Reason for variance

Replacement facilities at Rakaia Gorge with Matariki viewing platform (\$466,000) and Rakaia Domain (\$195,000) are possibly going to require carry forward at this financial year's end due to project timing issues.

Replacement facilities at the West End of Lake Camp (\$170,000) were scheduled for delivery this financial year. The Council has been advised of some production line delays at the Permaloo factory, which may compromise this timeline.

Elderly Persons Housing **\$203,818F**

Reason for variance

The upgrading of units has been budgeted as capital expenditure but due to the nature of the improvements it has been classed as operational expenditure so it is likely there will be a permanent difference.

Reserves and Camping Grounds

\$136,298F

Reason for variance

\$100k budgeted for earthquake strengthening of Rakaia Memorial Hall will not be completed by the end of June and will subject to a carryover request.

Economic Development – Income & Expenditure Report

For period ending 31 March 2023

	Actual YTD	Budget Full Year	Variance	Percentage of Budget	Permanent Variance
Operating Income					
Commercial Property	10,892,751	19,945,300	(9,052,549)	55%	Yes
Business & Economic Development	591,007	626,637	(35,630)	94%	
District Promotion	206,326	270,465	(64,139)	76%	
Forestry	259,678	966,643	(706,964)	27%	Yes
	<u>11,949,762</u>	<u>21,809,045</u>	<u>(9,859,282)</u>	<u>55%</u>	
Operating Expenditure					
Commercial Property	4,317,955	5,232,004	(914,050)	83%	No
Business & Economic Development	645,659	801,554	(155,895)	81%	No
District Promotion	163,387	252,177	(88,790)	65%	
Forestry	329,989	540,373	(210,384)	61%	No
	<u>5,456,990</u>	<u>6,826,108</u>	<u>(1,369,118)</u>	<u>80%</u>	
Capital Income					
Commercial Property	1,998,680	28,530,280	(26,531,600)	7%	No
Business & Economic Development	0	3,000,000	(3,000,000)	0%	No
	<u>1,998,680</u>	<u>31,530,280</u>	<u>(29,531,600)</u>	<u>6%</u>	
Capital Expenditure					
Commercial Property	13,409,364	34,582,010	(21,172,646)	39%	Yes
	<u>13,409,364</u>	<u>34,582,010</u>	<u>(21,172,646)</u>	<u>39%</u>	
Loan Repayments					
Commercial Property	2,660,897	2,519,965	140,932	106%	No
Business & Economic Development	0	3,000,000	(3,000,000)	0%	No
	<u>2,660,897</u>	<u>5,519,965</u>	<u>(2,859,068)</u>	<u>48%</u>	

The above financials include the following:

Development Contributions	0	0	0	0%
---------------------------	---	---	---	----

The above financials do not include the following:

Vested Assets	0	0	0	0%
---------------	---	---	---	----

The above financials do not include appropriations - to and from activities

Note: Loan Repayments include a portion relating to last years budgeted loan repayments due to timing of loans maturing.

Economic Development – Operating Income

Commercial Property **\$9,052,549U**

Reason for variance

There is a permanent favourable difference compared to budget of \$295k for the gain on sale of two Glasgow lease properties.

The Te Pataka o ka Tuhituhi and Te Waharoa a Hine Paaka met the 70% complete milestone at the end of March. As the completion date is later in the 2023 calendar year, some of this budgeted funding will be received in the 23/24 financial year.

Forestry **\$706,964U**

Reason for variance

The log market has now stabilised with log prices lifting and following marketing proposals being submitted by significant Canterbury log buyers a marketing arrangement from Forest Management Ltd has been accepted. Harvesting commenced in April and most of the block should be harvested prior to the conclusion of the financial year. Estimates of log sale value suggest that forestry will finish with a favourable variance.

Economic Development – Capital Expenditure

Commercial Property **\$21,172,646F**

Reason for variance

\$1,923,800 budgeted for the Art Gallery and Heritage Centre for the progressive upgrade of air-conditioning and building work to stabilise the interior environment will remain unspent at year end. The expected completion date for this project is June 2026 and will continue to be a carry-over request as agreed in the 2022/2023 carryover request.

It is likely the Rakaia Medical Centre project will no longer use the majority of the capital funds as they plan to manage and fund much of the renovations themselves. However, Methven Medical Centre is still exploring their requirements, so there will likely be a request for some of this funding to be carried forward into 2023/24 financial year.

There will be a permanent difference on the Te Pataka o Ka Tuhituhi and Te Waharoa a Hine Paaka new build due to timing. Any unspent funds will be subject to a carryover request.

Parks & Open Spaces – Income & Expenditure Report

For period ending 31 March 2023

	Actual YTD	Budget Full Year	Variance	Percentage of Budget	Permanent Variance
Operating Income					
Cemeteries	490,189	560,624	(70,435)	87%	
Parks and Recreation	5,002,321	4,262,102	740,219	117%	Yes
	<u>5,492,510</u>	<u>4,822,726</u>	<u>669,784</u>	<u>114%</u>	
Operating Expenditure					
Cemeteries	350,523	589,110	(238,587)	60%	No
Parks and Recreation	3,225,836	3,855,385	(629,548)	84%	No
	<u>3,576,360</u>	<u>4,444,494</u>	<u>(868,135)</u>	<u>80%</u>	
Capital Income					
Cemeteries	0	244,379	(244,379)	0%	No
Parks and Recreation	0	4,666,397	(4,666,397)	0%	No
	<u>0</u>	<u>4,910,776</u>	<u>(4,910,776)</u>	<u>0%</u>	
Capital Expenditure					
Cemeteries	5,235	285,906	(280,671)	2%	No
Parks and Recreation	519,913	5,469,751	(4,949,838)	10%	Yes
	<u>525,148</u>	<u>5,755,656</u>	<u>(5,230,509)</u>	<u>9%</u>	
Loan Repayments					
Cemeteries	2,121	5,023	(2,902)	42%	
Parks and Recreation	80,681	58,168	22,513	139%	
	<u>82,802</u>	<u>63,191</u>	<u>19,611</u>	<u>131%</u>	

The above financials include the following:

Development Contributions	300	0	300	0%
---------------------------	-----	---	-----	----

The above financials do not include the following:

Vested Assets	0	0	0	0%
---------------	---	---	---	----

The above financials do not include appropriations - to and from activities

Note: Loan Repayments include a portion relating to last years budgeted loan repayments due to timing of loans maturing.

Parks and Open Spaces – Operating Income

Parks and Recreation

\$740,219F

Reason for variance

As at March Reserve Contributions are \$1,717,000 above full year budget. This is due to the larger number of subdivisions happening around the district than originally budget for. This will be a permanent difference.

Parks and Open Spaces – Capital Expenditure

Parks and Recreation

\$4,949,838F

Reason for variance

There will be a permanent variance of \$420,000 in expenditure of capital compared to budget in relation to the Domain Promenade Project. It has been put on hold due to insufficient funding being available to complete the project once the project scope was finalised and costs assessed by a quantity surveyor.

A contract has been awarded for the Ashburton Baring Square East Re-development totalling \$2,449,903. It is expected that approximately 50% of the contract amount will be spent by 30 June 2023. Contract works is expected to be completed in September 2023.

Ashburton Domain Pond Edging \$305,000 - Contractors are now forecasting a delivery timeline of mid-year. Therefore, staff expect this will most likely roll over the year's end date and require a component of carry forward.

Ashburton Domain Lighting upgrade \$123,000 - Work has commenced however, contractors have flagged some component delivery timeline pressures. So, a component of this funded allocation may need to be rolled over at year's end and require of carry forward.

Ashburton Domain New Pathway \$100,000 - Contractors forecasting a delivery timeline of mid-year. Staff are still hopeful of completion before 30 June, but there is a possibility it may be after that date and require a component of carry forward.

Community Governance & Decision Making – Income & Expenditure Report

For period ending 31 March 2023

	Actual YTD	Budget Full Year	Variance	Percentage of Budget	Permanent Variance
Operating Income					
Council	1,959,409	2,613,197	(653,788)	75%	No
Methven Community Board	114,436	145,179	(30,744)	79%	
Youth Council	8,729	10,485	(1,757)	83%	
Community Grants Funding	1,595,640	1,471,781	123,859	108%	Yes
Water Zone Committee	179,469	244,427	(64,958)	73%	
	<u>3,857,682</u>	<u>4,485,070</u>	<u>(627,388)</u>	<u>86%</u>	
Operating Expenditure					
Council	2,053,990	3,456,427	(1,402,437)	59%	No
Methven Community Board	85,254	150,495	(65,241)	57%	
Youth Council	4,412	14,664	(10,252)	30%	
Community Grants Funding	900,659	1,150,462	(249,802)	78%	No
Water Zone Committee	104,106	472,580	(368,474)	22%	Yes
	<u>3,148,421</u>	<u>5,244,628</u>	<u>(2,096,207)</u>	<u>60%</u>	
Loan Repayments					
Community Grants Funding	99,000	99,000	0	100%	
Water Zone Committee	18,000	18,000	0	100%	
	<u>117,000</u>	<u>117,000</u>	<u>0</u>	<u>100%</u>	

The above financials include the following:

Development Contributions	852,269	512,560	339,709	166%
---------------------------	---------	---------	---------	------

The above financials do not include the following:

Vested Assets	0	0	0	0%
---------------	---	---	---	----

The above financials do not include appropriations - to and from activities

Note: Loan Repayments include a portion relating to last years budgeted loan repayments due to timing of loans maturing.

Community Governance & Decision Making – Operating Income

Community Grants Funding

\$123,859F***Reason for variance***

As at March Capital Service Contributions are \$340,000 above full year budget. This is due to the larger number of subdivisions happening around the district than originally budget for. This will be a permanent difference.

Community Governance & Decision Making – Operating Expenditure

Water Zone Committee

\$368,474F***Reason for variance***

This activity contains the district water management investigations budget, ~\$270,000. This was to cover various actions within the Ashburton Surface Water Strategy. This includes strategic closures (e.g. Pudding Hill Intake), and District-wide flood modelling – the first stage of which is complete and being peer reviewed by ECan prior to being finalised. Many of these projects are ongoing but may not be fully completed (or cost incurred) by year end.

Environmental Services – Income & Expenditure Report

For period ending 31 March 2023

	Actual YTD	Budget Full Year	Variance	Percentage of Budget	Permanent Variance
Operating Income					
Environmental Health	92,099	110,471	(18,372)	83%	
Building Regulation	2,038,872	2,334,311	(295,439)	87%	Yes
Emergency Management	138,931	185,148	(46,217)	75%	
Liquor Licensing	187,127	191,294	(4,167)	98%	
Land Information Memorandum	72,699	104,593	(31,894)	70%	
Parking	180,314	249,083	(68,769)	72%	
Animal Control	413,774	509,177	(95,403)	81%	
Resource Consents	512,363	699,119	(186,757)	73%	No
Monitoring and Enforcement	241,757	333,114	(91,357)	73%	
Planning	388,979	509,871	(120,892)	76%	No
	<u>4,266,915</u>	<u>5,226,182</u>	<u>(959,267)</u>	<u>82%</u>	
Operating Expenditure					
Environmental Health	183,156	214,123	(30,966)	86%	
Building Regulation	1,905,385	2,409,734	(504,349)	79%	No
Emergency Management	65,173	119,216	(54,042)	55%	
Liquor Licensing	136,089	219,393	(83,305)	62%	
Land Information Memorandum	75,811	104,593	(28,782)	72%	
Parking	178,325	260,544	(82,219)	68%	
Animal Control	362,607	546,645	(184,038)	66%	No
Resource Consents	499,650	763,266	(263,616)	65%	No
Monitoring and Enforcement	236,930	430,058	(193,128)	55%	No
Planning	334,342	517,523	(183,181)	65%	No
	<u>3,977,469</u>	<u>5,585,096</u>	<u>(1,607,626)</u>	<u>71%</u>	
Loan Repayments					
Animal Control	8,800	4,400	4,400	200%	
Planning	128,109	144,302	(16,193)	89%	
	<u>136,909</u>	<u>148,702</u>	<u>(11,793)</u>	<u>92%</u>	

The above financials include the following:

Development Contributions	0	0	0	0%
---------------------------	---	---	---	----

The above financials do not include the following:

Vested Assets	0	0	0	0%
---------------	---	---	---	----

The above financials do not include appropriations - to and from activities

Note: Loan Repayments include a portion relating to last years budgeted loan repayments due to timing of loans maturing.

Environment Services – Operating Income

Building Regulation

\$295,439U

Reason for variance

Building consent activity so far has not been affected by high interest rates or the talk of a recession. There is a change in insulation regulations which takes affect in May, which in turn should see the continuation of new house consents being received at a higher-than-normal number throughout April to beat the increased costs associated with the change. Therefore, we are predicting that our variance at the end of the financial year will be greater than \$100,000.

Miscellaneous, Dividends & Internal Overheads – Income & Expenditure Report

For period ending 31 March 2023

	Actual YTD	Budget Full Year	Variance	Percentage of Budget	Permanent Variance
Operating Income					
Dividends and Interest	2,504,500	2,151,450	353,050	116%	Yes
Library and Civic Centre	239,689	485,873	(246,184)	49%	No
Leadership Team	1,178,190	1,698,806	(520,616)	69%	No
People & Capability	719,071	1,199,319	(480,248)	60%	No
Information Systems	2,548,105	3,745,331	(1,197,226)	68%	No
Customer Services	496,520	736,471	(239,951)	67%	No
Treasury	854,778	1,508,289	(653,511)	57%	No
Rates	506,227	812,446	(306,219)	62%	No
Community Relations	578,481	969,454	(390,973)	60%	No
Communications	595,341	952,570	(357,229)	62%	No
Property Administration	1,109,730	1,611,079	(501,349)	69%	No
Service Delivery	3,128,315	4,035,272	(906,957)	78%	No
Parks Administration	2,439,661	3,736,098	(1,296,437)	65%	No
Plant Operations	944,837	869,489	75,348	109%	
	17,843,445	24,511,947	(6,668,502)	73%	
Operating Expenditure					
Dividends and Interest	219	52,556	(52,337)	0%	
Library and Civic Centre	247,325	485,873	(238,548)	51%	No
Leadership Team	1,178,190	1,698,806	(520,616)	69%	No
People & Capability	719,071	1,421,819	(702,748)	51%	No
Information Systems	2,588,183	3,745,329	(1,157,146)	69%	Yes
Customer Services	496,541	736,471	(239,929)	67%	No
Treasury	855,322	1,548,289	(692,968)	55%	No
Rates	558,746	812,446	(253,701)	69%	No
Community Relations	578,509	989,449	(410,941)	58%	No
Communications	595,341	805,636	(210,295)	74%	No
Property Administration	1,109,734	1,701,019	(591,284)	65%	No
Service Delivery	3,128,315	4,035,534	(907,219)	78%	No
Parks Administration	2,439,661	3,739,251	(1,299,590)	65%	No
Plant Operations	783,857	869,489	(85,632)	90%	No
	15,279,013	22,641,966	(7,362,954)	67%	
Capital Income					
Information Systems	0	134,893	(134,893)	0%	No
Plant Operations	194,018	103,000	91,018	188%	
	194,018	237,893	(43,875)	82%	
Capital Expenditure					
Information Systems	256,653	619,104	(362,451)	41%	Yes
Plant Operations	156,789	631,515	(474,726)	25%	Yes
	413,443	1,250,619	(837,177)	33%	

The above financials include the following:

Development Contributions	0	0	0	0%
---------------------------	---	---	---	----

The above financials do not include the following:

Vested Assets	0	0	0	0%
---------------	---	---	---	----

The above financials do not include appropriations - to and from activities

Note: Loan Repayments include a portion relating to last years budgeted loan repayments due to timing of loans maturing.

Miscellaneous, Dividends & Internal Overheads – Operating Income

Dividends and Interest **\$353,050F**

Reason for variance

Dividends for the year have been received from Transwaste of \$549,000 and ACL of \$1,343,478. Interest income for the period ending March is already well above the full year budgeted amount and will be a permanent difference. This is due to general interest rate increases which have been actively taken advantage of.

Miscellaneous, Dividends & Internal Overheads – Operating Expenditure

Information Systems **\$1,157,146F**

Reason for variance

Due to unfilled positions, lower than forecast expenditure for Salary & Wages, and related personnel costs exist has contributed to the current underspend.

Miscellaneous, Dividends & Internal Overheads – Capital Expenditure

Information Systems **\$362,451F**

Reason for variance

Planned expenditure of \$70,000 for aerial imagery will not occur this financial year due to incomplete capture of the identified rural areas. Commitments of \$108,000 exist for planned works that are on-going. Other future works related to the renewal of core server infrastructure, and desktop infrastructure are planned, but are yet to commence or incur cost. While work is expected to commence before the end of the financial year, these are unlikely to be completed by 30 June and so will be subject to a carry forward request.

Plant Operations **\$474,726F**

Reason for variance

We are currently in the process of replacing fleet vehicles. There is a high chance there will be a carry forward request due to the timing of procuring these vehicles.

Loan Repayments

For period ending 31 March 2023

	Actual YTD	Budget Full Year	Variance	Percentage of Budget	Permanent Variance
Loan Repayments	5,000,000	8,503,149	(3,503,149)	59%	No

\$5m of Loan Repayments relates to last years budgeted loan repayments which were actioned in this financial year due to the timing of loans maturing. This repayment will be in addition to the budgeted repayments for the current year ending June 2023.

Balance Sheet

As at 31 March 2023

	YTD Actual	2022 Actual
Public Equity		
Ratepayers Equity	509,261,325	496,053,000
Revaluation Reserves	359,380,997	359,381,082
Funds and Reserves	66,007,498	66,002,918
	934,649,820	921,437,000
Non-Current Liabilities		
External Loans	85,600,000	90,600,000
Other Term Liabilities	339,151	696,000
	85,939,151	91,296,000
Current Liabilities		
Trade Creditors	1,260,713	3,529,670
GST	(125,047)	(1,358,019)
Deposits & Bonds	1,494,537	809,081
Other Current Liabilities	908,387	1,194,190
Accrued Liabilities	5,101,044	9,592,078
	8,639,633	13,767,000
Total Equity & Liabilities	1,029,228,604	1,026,500,000
Fixed Assets	147,228,662	149,578,997
Infrastructural Assets	778,908,812	789,688,225
Work in Progress	68,187,209	34,493,430
Advances	576,402	608,482
Shares	10,471,686	10,471,686
Current Assets		
Cash & Bank	11,391,019	11,432,424
Cash Investments	4,100,859	20,000,000
Receivables	6,143,480	(1,476,327)
Provision for Doubtful Debts	(58,933)	(58,939)
Stock	76,705	75,824
Accruals	1,532,697	10,998,784
Other Current Assets	670,008	687,414
	23,855,836	41,659,180
Total Assets	1,029,228,604	1,026,500,000

Net Debt and Borrowings

As at 31 March 2023

Net Debt

85.60 M	-	15.49 M	=	70.11 M
External Loans		Liquid Assets		Net Debt

External Borrowing

Local Government Funding	Amount	Rate		Maturity
LGFA 2023	7,000,000	5.15%	Floating	15-May-23
LGFA 2017	5,000,000	4.65%	Floating	15-Apr-23
LGFA 2018	2,000,000	4.23%	Floating	15-Apr-24
LGFA 2020 Coupon	5,000,000	4.56%	Floating	15-Apr-24
LGFA 2022	5,000,000	4.29%	Floating	15-Apr-24
LGFA 2022	3,000,000	4.30%	Floating	15-Apr-25
LGFA 2022	5,000,000	4.36%	Floating	15-Apr-25
LGFA 2021	7,000,000	4.38%	Floating	15-Apr-25
LGFA 2020	10,000,000	4.64%	Floating	15-Apr-26
LGFA 2020 Coupon	5,000,000	1.99%	Fixed	15-Apr-27
LGFA 2020 Coupon	5,000,000	1.66%	Fixed	15-Apr-27
LGFA 2021 Coupon	16,600,000	2.61%	Fixed	15-May-28
LGFA 2022	10,000,000	4.75%	Floating	20-Apr-29
Total External Funding	85,600,000			

Borrowing by Activity

As at 31 March 2023

Activity	External Borrowing	Internal Borrowing
Commercial Property	42,369,238	4,962,685
Wastewater	18,310,980	708,879
Drinking Water	10,404,987	1,938,505
Environmental Services	833,006	-
Stormwater	2,916,797	-
Cemeteries	1,650,960	85,490
Water Resources	343,360	-
Arts & Culture	2,146,004	-
Refuse and Recycling	676,735	138,412
Stockwater	219,567	113,727
Roading	3,013,289	4,168,126
Footpaths	684,328	-
Recreation Facilities	49,106	-
Civic Building	43,794	-
Parks	1,046,865	709,194
Camping	16,873	-
Public Conveniences	184,112	-
Reserve Boards	690,000	-
Total	85,600,000	12,825,019

Council Investments

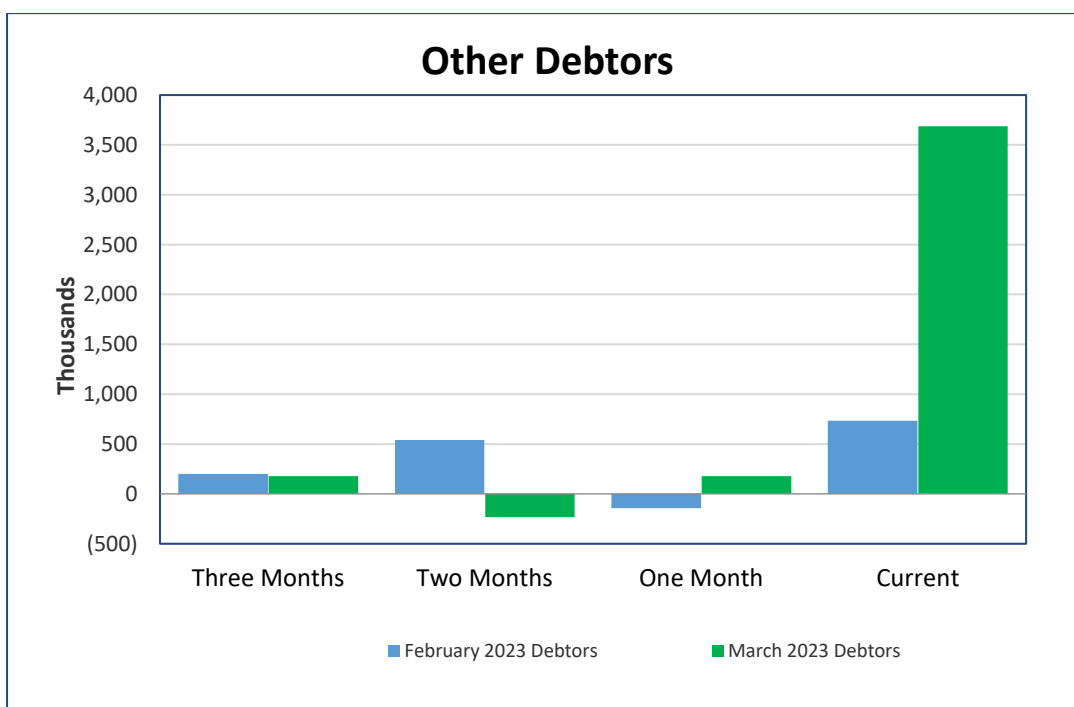
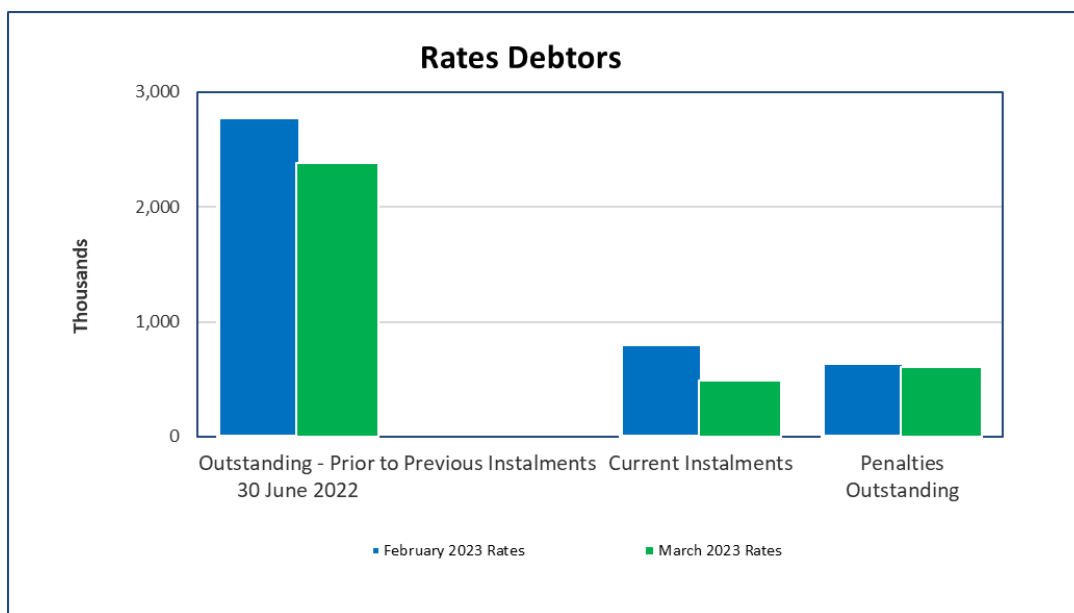
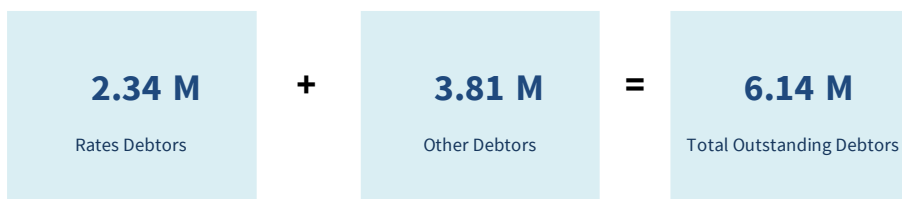
As at 31 March 2023

Listed below are the current significant investments held by Council.

Term deposits	Principal	Interest	Term	Maturity
Kiwibank	1,000,859	5.72%	5 Years	19-Oct-27
	1,000,859			
Local Authority Stock and Bonds	Principal	Coupon	Yield	Maturity
Bonds				
BNZ	1,000,000	4.10%	4.51%	15-Jun-23
ANZ	1,000,000	3.00%	6.07%	17-Sep-26
Westpac	1,100,000	6.19%	6.05%	16-Sep-27
	3,100,000			
	4,100,859			
Advances				
Eastfield Investments	576,402			
	576,402			
Shares				
Ashburton Contracting Ltd	4,500,000			
NZ Local Govt Co-op Shares	55,456			
RDR Management	1,146,430			
Transwaste Canterbury Ltd	1,128,000			
ATS	500			
Electricity Ashburton Rebates	1,300			
LGFA Equity	1,875,000			
Eastfield Investments	1,765,000			
	10,471,686			

Receivables Summary (Including Prior Month Comparative)

As at 31 March 2023



Ashburton District Council
EA Networks Centre - Income & Expenditure Report
for period ending 31 March 2023

	Transfers	Default	Retail	Room Rental/Events				Aquatic				Fitness				Grand Total		Variance	Percentage of Budget
	Transfers	Default	Retail	Meeting Rooms	Stadium	Events	Total	Pool	Tinwald Pool	Learn to Swim	Total	Gymnasium	Aquasize	Group Fitness	Total	Total			
	Actual YTD	Actual YTD	Actual YTD	Actual YTD	Actual YTD	Actual YTD	Actual YTD	Actual YTD	Actual YTD	Actual YTD	Actual YTD	Actual YTD	Actual YTD	Actual YTD	Actual YTD	Actual YTD	Budget Full Year		
Operating Income																			
Fees	1,021	-	-	-	108,888	52,856	161,745	339,772	-	335,295	675,066	257,786	15,374	108,843	382,003	1,219,835	1,743,197	523,362	70%
Grants	16,937	-	-	-	2,492	-	2,492	6,352	-	-	6,352	-	-	-	-	25,781	82,320	56,539	31%
Rental	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	432	432	0%
Sales	-	-	90,166	-	-	-	-	-	-	-	-	-	-	-	-	90,166	72,030	(18,136)	125%
Sundry Income	-	-	-	-	-	190	190	-	-	-	-	-	-	-	-	190	-	(190)	0%
Treasury Internal Recoveries	-	45,348	-	-	-	-	-	-	-	-	-	-	-	-	-	45,348	-	(45,348)	0%
Rates	-	2,917,170	-	-	-	-	-	-	-	-	-	-	-	-	-	2,917,170	3,862,635	945,465	76%
Other Income	-	-	-	-	-	-	-	9,243	-	2,636	11,879	5,250	-	3,834	9,084	20,963	-	(20,963)	0%
	17,958	2,962,518	90,166	-	111,380	53,046	164,427	355,367	-	337,931	693,297	263,036	15,374	112,677	391,087	4,319,453	5,760,613	1,441,161	75%
Operating Expenses																			
Variable costs																			
Personnel Costs	-	-	-	-	30,509	35,202	65,711	-	-	292,062	292,062	-	-	106,385	106,385	464,158	648,332	184,174	72%
Financial / Professional Costs	66,983	-	-	-	-	-	-	9,125	-	-	9,125	7,135	4,272	7,135	18,543	94,651	104,285	9,634	91%
Promotional Costs	6,549	1,982	-	-	234	2,463	2,697	1,938	255	402	2,596	104	-	-	104	13,908	47,925	34,017	29%
General Costs	58,205	9,100	-	-	520	17	538	35,370	7,453	-	42,822	2,916	-	1,217	4,134	114,799	143,879	29,080	80%
Purchases	5,201	121	64,098	-	1,627	19	1,646	7,483	2,397	3,837	13,716	989	722	1,380	3,090	87,872	100,902	13,030	87%
Property / Plant Costs	75,080	830	-	-	720	-	720	1,633	-	93	1,725	817	-	20	837	79,193	161,058	81,865	49%
Energy Costs	(73,333)	-	9,424	5,770	36,927	-	42,697	280,885	4,855	-	285,740	13,925	-	8,001	21,926	286,454	513,555	227,101	56%
Centre Maintenance	83,148	-	-	-	1,716	-	1,716	21,420	-	-	21,420	1,750	376	-	2,125	108,410	144,735	36,325	75%
	221,832	12,013	73,522	5,770	72,254	37,701	115,724	357,854	14,960	296,394	669,208	27,637	5,370	124,138	157,145	1,249,443	1,864,671	615,228	67%
Contribution Margin	(203,874)	2,950,505	16,644	(5,770)	39,127	15,346	48,703	(2,487)	(14,960)	41,537	24,090	235,399	10,004	(11,461)	233,942	3,070,010	3,895,943	825,933	79%
Fixed costs																			
Salaries	413,563	17,509	-	-	-	-	-	484,684	-	-	484,684	239,194	2,539	-	241,733	1,157,489	1,683,370	525,881	69%
Office Costs	63,695	-	-	-	535	658	1,193	4,260	90	545	4,895	6,483	70	13,329	19,882	89,664	118,095	28,430	76%
Registrations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,627	2,627	0%
Security	9,283	-	-	-	177	-	177	-	-	-	-	-	-	-	-	9,460	3,408	(6,052)	278%
Fire Protection	-	-	-	-	32	-	32	706	-	-	706	-	-	-	-	739	-	(739)	0%
Interest	4,566	564	-	-	-	-	-	-	-	-	-	-	-	206	206	5,335	6,304	969	85%
Internal Rental	-	-	8,034	13,116	629,551	-	642,667	454,129	-	-	454,129	59,349	-	34,100	93,450	1,198,279	1,597,706	399,426	75%
Centre Overhead	(606,873)	-	49,921	10,256	117,856	-	128,113	161,849	4,563	70,430	236,843	138,276	-	53,720	191,996	-	-	0	0%
	(115,766)	18,073	57,955	23,372	748,150	658	772,181	1,105,630	4,653	70,975	1,181,258	443,302	2,609	101,355	547,266	2,460,967	3,411,510	950,542	72%
Surplus (Loss) before Council Overhead	(88,108)	2,932,432	(41,311)	(29,142)	(709,024)	14,688	(723,478)	(1,108,117)	(19,613)	(29,438)	(1,157,168)	(207,903)	7,395	(112,816)	(313,323)	609,043	484,433	(124,609)	126%
Council Overhead	-	370,692	-	-	-	-	-	-	-	-	-	-	-	-	-	370,692	1,163,898	793,206	32%
Operating Profit / (Loss)	(88,108)	2,561,740	(41,311)	(29,142)	(709,024)	14,688	(723,478)	(1,108,117)	(19,613)	(29,438)	(1,157,168)	(207,903)	7,395	(112,816)	(313,323)	238,351	(679,465)	(917,815)	(35%)
Depreciation Costs																			
Depreciation - Office Equipment	1,466	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,466	500,719	499,253	0%
Depreciation - Furniture & Fittings	11,139	120	-	-	-	-	-	-	-	-	-	-	-	-	-	11,258	-	(11,258)	0%
Depreciation - Computer Equipment	4,069	-	-	-	-	-	-	90	-	-	90	-	-	-	-	4,159	-	(4,159)	0%
Depreciation - Buildings	77,311	-	-	-	33,411	-	33,411	270	-	-	270	-	-	-	-	110,992	-	(110,992)	0%
Depreciation - Light Plant	833	-	-	-	21,370	-	21,370	33,288	394	-	33,682	54,590	-	-	54,590	110,475	-	(110,475)	0%
	94,818	120	-	-	54,781	-	54,781	33,648	394	-	34,043	54,590	-	-	54,590	238,351	500,719	262,368	48%
Capital Expenditure																			
Loan Principal Repayment	-	6,846	-	-	-	-	-	-	-	-	-	-	-	-	-	6,846	10,822	3,976	63%
Additions / Alterations	-	-	-	-	-	-	-	4,624	-	-	4,624	-	-	-	-	4,624	10,000	5,376	46%
Other Asset Purchases	1,081	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,081	22,074	20,993	5%
Cyclic Renewals	-	-	-	-	-	-	-	96,648	-	-	96,648	4,452	-	2,948	7,400	104,048	216,873	112,825	48%
Cyclic Renewals Carryovers	2,251	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,251	33,000	30,749	7%
	3,332	6,846	-	-	-	-	-	101,272	-	-	101,272	4,452	-	2,948	7,400	118,850	292,768	173,919	41%

13. Proposed remit to LGNZ

Author *Toni Durham; GM Democracy & Engagement*
Activity Manager *Neil McCann; GM Infrastructure & Open Spaces*
Executive Team Member *Hamish Riach; Chief Executive*

Summary

- The purpose of this report is for Council to consider proposing a remit for LGNZ to consider at the annual conference in July 2023.

Recommendation

1. **That** Council approves the proposed remit to the LGNZ 2023 conference on expanded polystyrene from the construction industry.
2. **That** Council approaches Canterbury Councils to support the proposed remit via the Canterbury Mayoral Forum.

Attachment

Appendix 1 Proposed LGNZ remit

Background

The current situation

1. Council recently discussed the burgeoning issue of expanded polystyrene (ESP) at the Resource Recovery Parks in the district.
2. As a result of this, a new fee is being introduced via the Annual Plan 2023/24 for the disposal of expanded polystyrene of \$7,027 / tonne, reflecting the fact that the product is light and bulky to dispose of.
3. The discussion shone a light on the disposal of ESP from the construction industry and the need for a national-led approach.
4. Council will be attending the LGNZ national conference in July 2023, where remits of national importance are considered at the LGNZ AGM held before the conference begins. Council requested that officers prepare a draft remit on establishing an accredited product stewardship scheme for expanded polystyrene.
5. The requirements for a remit making it to the LGNZ conference are as follows:
 - Remits must be relevant to local government as a whole rather than exclusively relevant to a single zone or sector group or an individual council;
 - Remits should be of a major policy nature (constitutional and substantive policy) rather than matters that can be dealt with by administrative action;
 - Remits must have formal support from at least one zone or sector group meeting, or five councils, prior to their being submitted, in order for the proposer to assess support and achieve clarity about the ambit of the proposal;
 - Remits defeated at the AGM in two successive years will not be permitted to go forward;
 - Remits should not involve matters that can be actioned by equally valid means other than the AGM;
 - Remits should not deal with issues or matters that are “in-hand” and currently being actioned by LGNZ (including through work programmes addressing the critical issues set out in LGNZ’s strategy, being three waters reform, resource management reform, the Future for Local Government Review, transport, climate change and housing), unless the issue is not currently being addressed; and
 - Remits must be accompanied by background information and research to show that the matter warrants consideration by delegates.

Options Analysis

Option one – Do not make a remit to LGNZ

6. This is not the recommended option. Council may decide to stay silent and not make a remit on the issue of ESP.

Advantages: Nil	Disadvantages: Council voice may not be listened to by LGNZ members
Risks: Reputational - This would result in Council missing an opportunity to advocate on behalf of the district on an issue of national importance.	

Option two – Approve the proposed remit as attached in Appendix One

7. This option would see Council officers lodge the appended remit with the LGNZ Remit Screening Committee.

Advantages: The proposed remit is draft and ready to be lodged, meaning it will meet deadlines	Disadvantages: Current draft may not accurately reflect elected members position
Risks: Nil	

Option three – Approve an amended remit

8. This option would see Council approve an amended version of the proposed remit currently appended, and submit that remit with the LGNZ Remit Screening Committee.

Advantages: Officers recognise that useful points of improvement often arise from elected member input and this option may be preferred for those reasons.	Disadvantages: Fundamental amendments will require a re-write of the draft submission
Risks: Fundamental amendment would mean the remit is unlikely to be lodged on-time.	

Legal/policy implications

9. The lodging of a remit does not breach or trigger any statutory or legal duty of the Council.

Strategic alignment

10. The recommendation relates to Council’s community outcome of a balanced and sustainable environment.

Wellbeing		Reasons why the recommended outcome has an effect on this wellbeing
Economic	✓	The Remit may have an impact on the national and local economy and environment
Environmental	✓	
Cultural		
Social		

Financial implications

11. There are no immediate financial implications in making this submission.

Requirement	Explanation
What is the cost?	Officer resource in preparing the remit. 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
Reviewed by Finance	Erin Register; Finance Manager

Significance and engagement assessment

12. The approval of this remit is not considered to be significant.

Requirement	Explanation
Is the matter considered significant?	No
Level of significance	Low, not significant
Rationale for selecting level of significance	Not applicable
Level of engagement selected	1. Inform
Rationale for selecting level of engagement	The community will be informed of Council's submission through usual channels.
Reviewed by Strategy & Policy	Toni Durham: GM Democracy & Engagement

LGNZ Remit – Expanded polystyrene

WHY IS THIS REMIT IMPORTANT?

Polystyrene entering the waste stream as landfill is an ever-increasing problem for our communities and environment. EPS is being used in greater quantities in the construction industry meaning that larger quantities are likely to be received by local government operating resource recovery parks and/or landfills.

The purpose of this remit is for LGNZ to work alongside central government and industry to establish an accredited product stewardship scheme for expanded polystyrene (EPS) used in the construction industry.

BACKGROUND AND CONTEXT:

Polystyrene (also known as Styrofoam) was developed/discovered in the late 1930's by the Dow Chemical Company. The product is a lightweight, durable, moisture resistant and easy to shape solution for business that is relatively cheap to produce. Polystyrene can be found in packaging, building materials and even coffee cups. However, polystyrene is not easily recyclable or biodegradable and styrene, a chemical building block of polystyrene, has been listed as a probable carcinogen by the World Health Organisation¹.

In 2020, the New Zealand Government made a Declaration of Priority Products², under Section 9(1) of the Waste Minimisation Act, 2008. This means that the government has declared six products for regulated product stewardship as part of a wider plan to reduce the amount of rubbish ending up in landfill or polluting the environment. Included in the list of six products, is plastic packaging, which includes some polystyrene based products. By 2025, a range of plastic single-use food and drink packaging will be phased out of use in New Zealand, including polystyrene food and drink packaging.

While the steps taken by Government to date are commendable, and herald the beginning of change for New Zealand, the commercial and construction-based expanded polystyrene (EPS) waste continues to be an issue. Through our Annual Plan 2023-24, we have introduced a new fee for the disposal of expanded polystyrene at our resource recovery park of \$7,027/tonne to recover the cost of transporting material to a recycling centre in Christchurch. We believe that with the introduction of a fee for commercial quantities, there is potential for polystyrene to be broken down and disposed of with general waste. There is clearly a cost benefit to do so, and it is extremely difficult for councils to restrict or prevent this behaviour to avoid disposal to landfills.

There are a number of providers providing recycling opportunities for EPS by turning the product into new products such as underfloor insulation, picture frames and construction materials. To enable this recycling, the EPS must be clean, meaning that there is still an element of EPS that is unrecyclable and therefore will end up in landfill. As such, we consider that a product stewardship scheme for construction EPS is necessary so that the responsibility for the end-of-life management of the product does not lie with entirely local government.

¹ World Health Organisation <https://pirg.org/edfund/media-center/world-health-organization-finds-increased-cancer-risk-for-chemical-found-in-plastics/>

² Gazette Notice <https://gazette.govt.nz/notice/id/2020-go3343>

Product stewardship is the term used to define a long-term solution to manage waste products by minimising the environmental impact throughout its lifecycle. It is a way in which New Zealand is shifting to a circular economy, where waste products are returned to the system through reuse, repair, repurposing or recycling.

In Australia, an expanded polystyrene organisation ³ has been established to develop product stewardship initiatives including industry working collectively to mitigate the issues of using EPS by introducing Industry Codes of Practice for the various sectors reliant on expanded polystyrene and establishing a national collection network to drive the collection and recycling of EPS materials.

HOW DOES THIS REMIT RELATE TO LGNZ'S CURRENT WORK PROGRAMME?

LGNZ focuses its policy priorities on six key areas, one of which is environmental. The issue of product stewardship for expanded polystyrene is a national issue that has generational impact given the low biodegradability of the product. Without an agreed approach with industry and business, the end of life costs for disposing of ESP will land squarely with local authorities and their communities. The long-term environmental and health impacts of ESP are known and understood and internationally, improvements in this space have been made. We believe this is a worthy project for LGNZ to drive on behalf of the sector.

HOW WILL YOUR COUNCIL HELP LGNZ TO MAKE PROGRESS ON THIS REMIT?

The Ashburton District Council is willing to trial/pilot the practical applications of a product stewardship scheme.

³ EPSA Australia <https://epsa.org.au/about-us/epsa-organisation/>

14. Mayor's Report

14.1 Local Government New Zealand Members

The Council's annual subscription for members of Local Government New Zealand for the 2023/24 year is \$44,790.37 plus GST. The subscription funds LGNZ's work programme and advocacy work on behalf of the local government sector.

After a 3% increase from last year following zero fee increases for the two years before that, the 2023/24 year sees a 6% increase, which is below the rate of inflation.

A paper outlining the membership benefits is attached.

Appendix 1

14.2 Meetings

- **Mayoral calendar**

April 2023

- 19 April: Council Meeting
- 20/21 April: LGNZ Zone 5&6 meeting with Councillors Ellis, Hooper and Lovett and CE Hamish Riach
- 25 April: ANZAC Day ceremony
- 27 April: Economic Development workshop
- 27 April: Ākona Wellbeing workshop
- 27 April: Reserve Management Plans workshop
- 28 April: Environment Canterbury Annual Plan hearings with CE Hamish Riach
- 28 April: RDR budget review
- 28 April: Southern Parallel Sport Campus

May 2023

- 1 May: Leadership Course Participants presentation
- 2 May: Ashburton District Road Safety Coordinating Committee
- 2 May: Ākona Wellbeing workshop
- 2 May: Library and Civic Centre PCG
- 3 May: Local Alcohol Policy workshop
- 3 May: Regional Skills Leadership Group for Canterbury interview
- 3 May: Council Meeting

Recommendation

That Council receives the Mayor's report.

Neil Brown
Mayor

Local democracy's vision and voice.

OUR STRATEGY >

Our vision: To create the most active and inclusive local democracy in the world.

Our goals:

- / 01** More people value and participate in local government.
- / 02** Central government sees local government as a valued partner.
- / 03** Stronger Te Tiriti-based partnerships between local government and Māori.

Our priorities:

- / 01** Resetting the relationship with Central Government.
- / 02** Establishing stronger Te Tiriti-based partnerships with Iwi Māori.
- / 03** Campaigning for greater local decision-making and localism.
- / 04** Ramping up our work on climate change.
- / 05** Delivering and building on our core work.

We'll succeed through:



Advocacy
We champion the things that matter.



Inclusion
Everyone feels heard and valued.



Development
We build confidence and expertise.



Connection
We connect the best minds and ideas.

? WHY BELONG?

Make meaningful connections across local government

Our networks sector and zone gatherings and must-attend conference connect you with peers who can offer advice and support – as well as advancing collective policy and advocacy work.

An impartial listening ear

Elected members call us when it gets tough and there's no one you can talk to internally. We're a confidential, listening ear – we've heard it all before and can help you find a way forward.

Tailored professional development

We run induction and courses designed specifically for elected members and the unique local government landscape. Whether you're newly elected or very experienced, you'll learn from our workshops and resources, which are tailored to your career journey.

Free counselling for elected members

All elected members can access free counselling and digital wellbeing resources through our confidential Clearhead portal.

Supporting diversity and inclusion

Networks like the Young Elected Members and Te Maruata (for Māori in local government) provide much-needed support and help people develop in their roles.

The local government glue

We bring everyone in local government together, whether you're a regional, unitary, metro, provincial or rural council – and whether you're an elected member or council staff.

Direct line to central government

LGNZ builds relationships with Ministers and officials that supports councils' own engagement at a political level. We're resolutely nonpartisan.

Louder together when it matters

When local government is united, central government listens. For example, when safety concerns were raised, LGNZ's advocacy resulted in the removal of residential addresses from campaign material.

Policy expertise on tap

We decode policy so that councils can quickly understand what it means for you. We share draft submissions and policy so you don't have to start from scratch.

Stronger together under pressure

LGNZ can galvanise and coordinate councils to support each other when you need it most. More than 35 councils signed up for our Adopt a Community initiative to help councils whose communities are suffering from the effects of Cyclone Gabrielle.

Collective policy feed into central government

We broker working groups that bring together elected members with the right expertise to feed into central government policy as it's developed.

Telling local government stories

LGNZ generates positive media that showcases the best of local government. We can also mediate potential media issues so they don't become news.

Jobs for young people

Mayors Task Force for Jobs has placed thousands of young people into work and training.

Supporting CE recruitment

We can lead and support recruitment of council chief executives.

Looking at the big picture

Our thought leadership pieces pull together expertise from all of local government to tackle the real issues. And we develop real solutions, including ideas like the Local Government Risk Agency (to pool resources to reduce risks and costs of disasters) or the Ratepayer Financing scheme (to support financially distressed ratepayers).

Scale benefits for councils

Members receive benefits from initiatives we develop. For example, our Street Lighting Profiles initiative, which means councils can be billed less for electricity if they are dimming their LED street lights. Or the Moata carbon portal, which allows embedded carbon to be measured and monitored across any capital works programme.

Templates and guides you can use

We develop documents that you can adopt or adapt: from standing orders to code of conduct templates. Experts like Dr Mike Reid are on hand for your tricky questions.

Campaigns that support local government

From Vote22 to mobilise votes for the local government elections last year, to localism and more, our national campaigns speak out on our behalf.

\$ WHERE OUR DOLLARS GO >

