



507TH MEETING

Notice is given of an Ordinary Meeting of Council to be held on:

Date: Tuesday, 22 September 2020

Time: 9.30am

Location: Council Chambers

Fairlie

AGENDA

Ordinary Council Meeting

22 September 2020

Note: This meeting may be digitally recorded by the minute-taker.

Council Membership:

Graham Smith (Chair)

James Leslie

Anne Munro

Stuart Barwood

Murray Cox

Emily Bradbury

Matt Murphy

The purpose of local government:

(1) The purpose of local government is—

- (a) to enable democratic local decision-making and action by, and on behalf of, communities; and
- (b) to meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses.

(2) In this Act, good-quality, in relation to local infrastructure, local public services, and performance of regulatory functions, means infrastructure, services, and performance that are—

- (a) efficient; and
- (b) effective; and
- (c) appropriate to present and anticipated future circumstances.

(Local Government Act 2002)

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- 1 OPENING AND APOLOGIES**
- 2 VISITORS**
- 3 DECLARATIONS OF INTEREST**
- 4 BEREAVEMENTS**

5 MAYOR'S REPORT

5.1 MAYORAL ACTIVITIES REPORT

Attachments: Nil

RECOMMENDATIONS

That the report be received.

MAYORAL FORUM NOTES

Canterbury Story Vision and Values

- Use our natural resources wisely and secure future opportunities.
- Shared economic prosperity.
- Standing strong together to withstand and adapt to challenges and change.
- Celebrate our diverse identities and take pride as Cantabrians.

We have identified 5 priorities:

- Sustainable environmental management.
- Shared economic prosperity.
- Sustainable value-added production.
- Better freight options, leading to fewer trucks on road.
- Climate change mitigation and adaption.
- 3 waters services.

It is interesting to note that Canterbury has 21% of the highest value soils, 19% of the total farmed area in NZ, 70% of the country's ground water, 64% of the country's irrigation, 4,700 lakes and 78,000km of rivers and streams.

Other matters

Visitor Destination management and freedom camping – the forum endorses the responsible camping group, including a review of self-contained vehicles with NZTA. We need a standardised approach to maps, signage, and enforcement. We advocate for full collaboration with DOC, LINZ and NZTA.

Support a review of the Freedom Camping Act to reverse the rule that freedom camping is permissible except where prohibited by local bylaw.

3 Waters delivery review. The forum looked at the steering group terms reference. Study to cost \$600,000. Mackenzie share of that will be \$12,120.

Canterbury oversight group formed. Readiness, recovery, renewal.

Regional biodiversity management and implications. Noted that local authorities need resource to collectively review the Canterbury Biodiversity Strategy.

Anticipated new requirements in NPS for indigenous biodiversity are likely to require additional council resourcing and that needs to be included in 2021 long term plans.

Minister Eugenie Sage spoke on Jobs for Nature. This is about looking after nature to look after ourselves. Spoke about collaboration in Mackenzie between landowners and community. Minister Spoke on waste levy rising to \$60 and investment in Timaru with the new Ecodrop and green waste system.

CIVIL DEFENCE EMERGENCY MEETING

Symon Leggett, Timaru appointed local group controller, spoke.

Budget was overspent by \$390,000, on top of an overspent budget last year, now \$721,000.

Agreed to increase levy to bring budget into line. Building rentals, GIS for project management.

Office 365 licences were extra costs.

Canterbury DHB, South Canterbury DHB, MSD, NEMA updated the group on their roles with covid recovery and resurgence planning.

I updated the group on the Pukaki Fire. Full debrief will come to the next meeting. Peter Cameron congratulated MDC for having a Mayoral fund policy in place to be able to deal with emergencies.

MEETINGS

14th August - Mayoral forum on 3 waters, Zoom.

18th August - Council workshop.

20th August - Meeting with SCDHB board and chief executive. Port testing and isolation re Covid.

21st August - OJ breakfast, Zoom LGNZ AGM Stuart Crosby National President, MTFJ AGM, Consider report Destination Mackenzie.

24th August - Update from Phill/Suzette, Destination Mackenzie governance meeting and agreed procurement supplier.

25th August - Extraordinary Council Meeting, Audit and Risk meeting, Council workshop on growth predictions.

26th August - Treaty of Waitangi training.

27th August - Treaty of Waitangi training.

1st September – Meeting with Minister Henare, Steffen Weir, Civil Defence, Peter Cameron NEMA. Meeting in Twizel and viewing Pukaki Fire. TV and radio interviews.

2nd September - SCCC meeting. Twizel Community meeting. Mt Cook Village meeting.

3rd September - RLT meeting in Christchurch. Raised questions around FARR rate calculations. Shingle supplies. Canterbury Mayoral forum dinner, Joanna Noris.

4th September - Mayoral forum. Meeting Mayors Mentoring program, Tikou.

7th September – Update from Suzette/Phill. Twizel business network and MTFJ meeting.

8th September - Governance meeting with ECAN and management. Business network meeting, Fairlie.


9th September - 3 waters workshop with Runanga, MDC, ECAN, Beca.

14th September – Update from Phill/Suzette.

15th September – Lunch with Prime Minister Ardern.

6 REPORTS

6.1 CHIEF EXECUTIVE OFFICER'S ACTIVITIES REPORT

- Attachments:**
- 1. People and Culture/Health and Safety Report** [↓](#) 
 - 2. Employee of the Month Leaflet** [↓](#) 

RECOMMENDATIONS

That the report be received.

PEOPLE AND CULTURE UPDATE

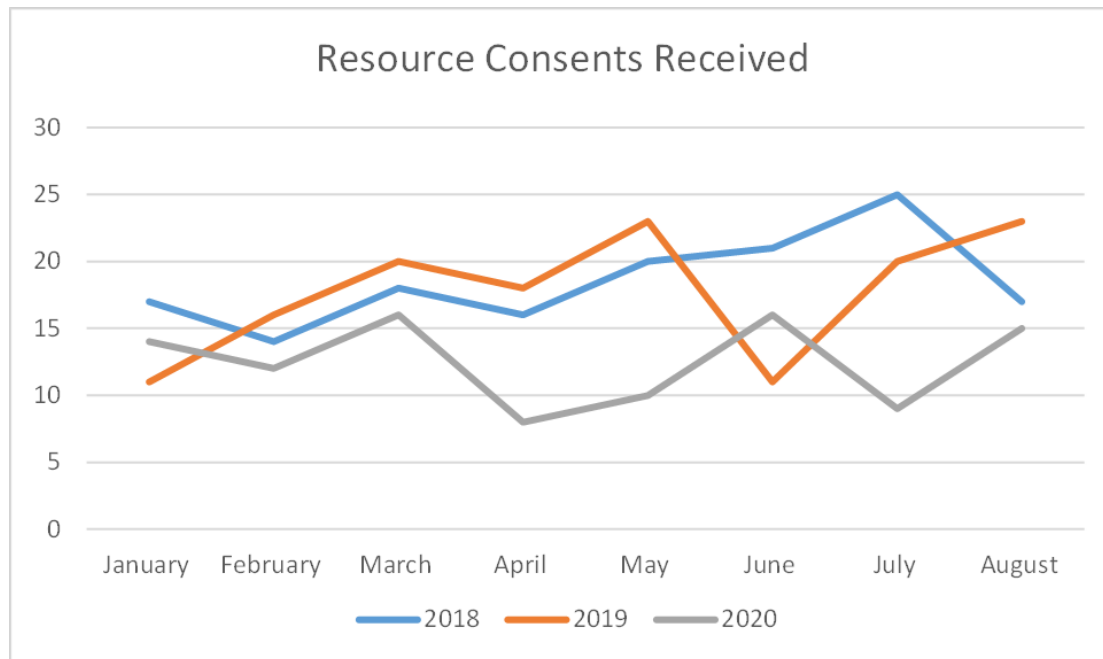
See attached report.

OPERATIONS UPDATE

Building Consent Numbers

- For the period 1-30 April 2020, 21 building consents applications were received. We granted 15 consents under Delegated Authority.
- For the period 1-31 May 2020, 28 building consents applications were received. We granted 18 consents under Delegated Authority.
- For the period 1-30 June 2020, 29 building consents applications were received. We granted 32 consents under Delegated Authority.
- For the period 1-31 July 2020, 26 building consents were received and 21 were granted.
- For the period 1-31 August 2020, 19 building consents were received and 17 were granted.

Resource Consents applications received



CORPORATE UPDATE

LGOIMAs received

Date Received	Who From	Subject	Forwarded	Due	Completed	Result
31.08.2020	Neil Miller, Taxpayers Union	Expenditure on Iwi engagement	03.08.2020	28.08.2020	28.08.2020	Supplied
31.08.2020	Forest & Bird	Vegetation Clearance	03.08.2020	28.08.2020	28.08.2020	Supplied
31.08.2020	Voyagers	Codes of Conduct	03.08.2020	28.08.2020	03.08.2020	Supplied
14.08.2020	Claudia Cooper, NZ Taxpayers' Union	Rates Revenue Draft 2020/2021	17.08.2020	11.09.2020	07.09.2020	Refused
24.08.2020	Mike Dobson	Plantation Maps	24.08.2020	21.09.2020	07.09.2020	Supplied
31.08.2020	Monique Poirier, NZ Taxpayer's Union	Financial Info for 2018/2019 (Part 1)	07.09.2020	28.09.2020		
07.09.2020	Monique Poirier, NZ Taxpayer's Union	Financial Info for 2018/2019 (Part 2)	07.09.2020	05.10.2020		
07.09.2020	Michael Dobson	Forestry insurance	07.09.2020	05.10.2020		

Complaints received

Three formal complaints were received during August:

- Operations – Misinformation regarding sewer connection Eversley Reserve – Stage Two Resolved.
- Building – Designation of building in Glen Lyon Road – Withdrawn – Stage One Resolved.
- Building – Criticism of Building Consent costs – Under investigation.

Community Centre Bookings

Fairlie Community Centre – total bookings 59 hours (includes 1.5 hours used by Mackenzie District Council)

Lake Tekapo Community Hall – total bookings 42.5 hours (includes 30.5 hours used by Mackenzie District Council)

Twizel Events Centre – total bookings 192 hours (includes 52.75 hours were used by Twizel Area School, 5 hours used by Mackenzie District Council and 60 by Mackenzie Performing Arts).

Twizel Information Centre Visitor Numbers

Visitor numbers recorded for August 2020 = 2,583.

Information Centre is now operating Winter hours (Monday to Saturday).

Customer Calls

Aug-20				
Group	Agent	Total	Unanswered	Busy
600	780 Twizel Reception	21	11	1
	790 Twizel Reception	0	0	0
601	800 Fairlie Reception	421	47	0
	752 Fairlie Reception	217	25	2
611	781 Building	371	130	0
612	751 Planning	67	0	0
613	721 Finance	19	16	0
614	925 Roding	42	19	0
615	719 Rates	0	0	0
TOTAL		1158	248	3

NOTE Unanswered call numbers include calls transferred to another extension to be answered. These transferred calls are not then recorded as "answered" calls.

Service Requests

48 Requests Received from 01/08/20 to 31/08/20

District: Albury	Total	Completed	In Time
Asset Management	1	1	1
Total for Albury	1	1	1
District: Allendale	Total	Completed	In Time
Asset Management	3	3	3
Total for Allendale	3	3	3
District: Burkes Pass	Total	Completed	In Time
Community Facilities	1	0	0
Total for Burkes Pass	1	0	0
District: Fairlie	Total	Completed	In Time
Asset Management	5	5	5
Community Facilities	5	3	3
Total for Fairlie	10	8	8
District: Kimbell	Total	Completed	In Time
Asset Management	3	2	2
Total for Kimbell	3	2	2
District: Lake Tekapo	Total	Completed	In Time
Asset Management	1	1	1
Community Facilities	2	2	1
Total for Lake Tekapo	3	3	2
District: Twizel	Total	Completed	In Time
Asset Management	18	17	17
Community Facilities	9	6	6
Total for Twizel	27	23	23
Grand Total:	48	40	39

MEETINGS

Key meetings attended since last Council meeting

12 August – Destination Mackenzie contract evaluation meeting.

13 August – Executive Team Strategy Day.

14 August – Mayoral Forum, 3 Waters Discussion.

14 August - Civil Defence Emergency Management Joint Committee & Co-ordinating Executive Group (CE) - update on COVID-19 Resurgence.

17 August - Meeting with Justin McLauchlan, Ecan.

17 August - Water Reforms Webinar.

18-19 August – Destination Mackenzie interviews.

21 August – Destination Mackenzie evaluation meeting.

24 August - Te Manahuna Ki Uta/Destination Mackenzie Project - Governance Group meeting

25 August – Extraordinary Council Meeting and Audit and Risk Meeting.

26-27 August – Treaty of Waitangi Training.

27 August – Alpine Energy AGM.

28 August – Destination Mackenzie meeting with preferred supplier.

31 August – Debrief meetings with unsuccessful applicants, Destination Mackenzie.

1 September – Council workshop.

3 September – Monthly staff forum.

3 September – Whitestone Board Meeting.

4 September – Canterbury Mayoral Forum and CDEM Joint Committee meeting.

7 September – Visit fire scene at Twizel.

7 September – Business network function, Twizel.

8 September - Governance to Governance meeting between ECan and Mackenzie District Council.

8 September – Business network function, Fairlie.

9 September – Executive Team meeting.

9 September - Destination Mackenzie - Working Group fortnightly meeting.

10 September - Virtual 2020 SOLGM AGM.

10 September - Lake Tekapo Judicial Review - Legal Submissions.

11 September - Zui with MoH, NEMA and DIA on Covid response.

14 September - PwC Chief Executives Forum Christchurch.

16 September - Call to Lead. A Leadership Journey (MDC Leadership Programme - Part 1).

16 September – MDC Executive Team catch up with Waitaki District Council's Executive Team.

18 September – Mackenzie Basin Alignment CEO meeting.

21 September – South Canterbury Chamber of Commerce Board Meeting.

22 September – Council meeting.

PEOPLE AND CULTURE MONTHLY REPORT

August 2020

1. RECRUITMENT

Recruitment activity has been steady during the month of August with three key roles being advertised – Economic Development Officer, Fixed term part time Administration Support Officer (Finance) and a Records Advisor role.

2. HEALTH, SAFETY AND WELLBEING

The new online health and safety system has been implemented and rolled out to all employees. We now have the ability to report any hazards or incidents and the system can be accessed via desktop or via mobile phone. There has been positive feedback and use of the system.

3. EMPLOYEE OF THE MONTH

The Employee of the Month initiative was implemented and communicated to all MDC employees during August. This initiative is about recognising our employees who consistently contribute and display our core values and behaviours. See attached leaflet outlining the initiative.

People and Culture Key Metrics

Full Time Employee (FTE) Headcount for MDC

FTE includes all permanent full / part time employee and fixed termers. Casuals and Contractors are reported outside FTE.

MONTH	CASUALS	FULL TIMERS	PART TIMERS	TOTAL MDC FTE
January 2020	1	42	11.24	53.24
February 2020	0	42	8.94	50.94
March 2020	0	38	6.09	44.09
April 2020	0	38	6.09	44.09
May 2020	0	36	6.03 (12)	42.03
June 2020	0	39	7.16 (13)	46.16
July 2020	0	41	6.92 (12)	47.92
August 2020	0	41	6.31 (10)	47.31

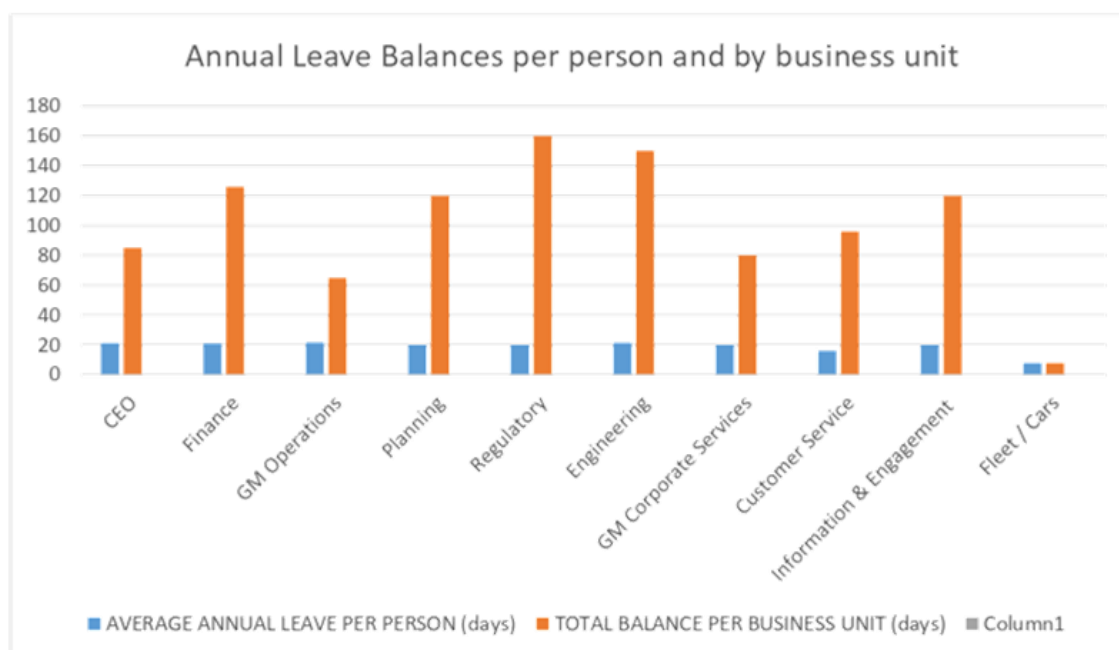
Full Time Employee (FTE) Headcount by Business Unit – August 2020

BUSINESS UNIT	CASUALS	FULL TIMERS	PART TIMERS	TOTAL BU FTE
CEO		4		4
Finance		3	3 (2.3)	5.3
GM Operations		2	1 (0.86)	2.86
Planning		6		6
Regulatory		8		8
Engineering		7		7
GM Corporate Services		4		4
Customer Service		2	4 (2.5)	4.5
Information & Engagement		5	1 (0.6)	5.6
Fleet / Cars			1 (0.05)	0.05
TOTAL		41 Full timers	10 Part timers (6.31)	47.31 Total FTE

Annual Leave by Business Unit

Includes current and advancing annual leave. Annual Leave liability includes all permanent and fixed term staff by Business Unit.

BUSINESS UNIT	AVERAGE ANNUAL LEAVE PER PERSON (days)	TOTAL BALANCE PER BUSINESS UNIT (days)
CEO	21.3	85
Finance	21	126
GM Operations	21.7	65
Planning	20	120
Regulatory	20	160
Engineering	21.4	150
GM Corporate Services	20	80
Customer Service	16	96
Information & Engagement	20	120
Fleet / Cars	8	8
TOTAL:	167	1035

Accrued Annual Leave Balances in Graph Format**Total annual leave liability in dollars and hours per business unit**

BUSINESS UNIT	TOTAL ANNUAL LEAVE LIABILITY \$	TOTAL ANNUAL LEAVE LIABILITY HOURS
CEO	\$33,710.48	437.00
Finance	\$25,625.22	594.55
GM Operations	\$16,713.91	382.58
Planning	\$24,612.23	603.52
Regulatory	\$23,385.36	545.37
Engineering	\$48,191.35	937.10
GM Corporate Services	\$34,082.56	468.81
Customer Service	\$24,300.10	641.26
Information & Engagement	\$19,509.03	427.07
Fleet / Cars	\$501.54	27.77

Recruitment Activity and New Hire Failures by Business Unit

New Hire Failure rate is the total number of permanent staff who resigned within the first 12 months of being employed. It is calculated over the last 12 months and excludes casual and fixed term employees.

BUSINESS UNIT	TOTAL EXITS (1 July 2019 – 30 June 2020)	EXITS UNDER 12 MONTHS OF EMPLOYMENT	NEW HIRE FAILURE RATE
CEO	1	1	100%
Finance	1		
GM Operations			
Planning	1	1	100%
Regulatory	5	5	100%
Engineering			
GM Corporate Services			
Customer Service	4	1	25%
Information & Engagement	2	1	50%
Fleet / Cars			
TOTAL	14	9	64.3%

**Total Hires for the same period i.e. past 12 months (March 2019 – March 2020)*

Employee Movement for August 2020

Includes permanent full-time, part-time and fixed term employees. Excludes casual employees.

BUSINESS UNIT	EXITS	SALARY VALUE (\$)	STARTS	\$ VALUE
CEO				
Finance				
GM Operations				
Planning				
Regulatory				
Engineering				
GM Corporate Services				
Customer Service	2	\$31,000		
Information & Engagement				
TOTAL	2	\$31,000		

Termination Reasons – August 2020

Redundancy	
Resignation	
Dismissal	
Transfer to another BU	
Abandonment	
Fixed Term Expiry	2
Retirement	
Other	

Employee Status of New Employees - August 2020

Permanent, Full Time	0
Permanent, Part Time	0
Fixed Term	0
Casual	0

Annual Voluntary Attrition

Total number of permanent staff who resigned over the past 12 months divided by FTE for current month. Excludes casual and fixed-term employees.



MONTH	EXITS (1 July – 30 June)	TOTAL FTE	% ATTRITION
January 2020	1	53.24	1.9%
February 2020	1	50.94	2%
March 2020	2	44.09	4.5%
April 2020	1	44.09	2.3%
May 2020	1	42.09	2.3%
June 2020	1	46.16	2.2%
July 2020	1	47.92	2.1%
August 2020	0	47.3	0%

REVISED SENSITIVE EXPENDITURE AND NEW PURCHASE CARDS POLICIES

File Reference: na

Author: Tim Mulcock, Transition Manager Tim Mulcock

Authoriser: Suzette van Aswegen, Chief Executive Officer

Attachments: 1. **Purchase Cards Policy DRAFT 20200814**  
2. **Sensitive Expenditure Policy DRAFT 20200814**  

PURPOSE OF REPORT

As part of implementing recommendations in the Audit New Zealand Interim Audit Report and the process of annual revision, an updated policy has been developed for Sensitive Expenditure and a new Purchase Cards policy drafted. These policies are presented to Council for adoption.

STAFF RECOMMENDATIONS

1. That the report be received.
2. That the revised Sensitive Expenditure Policy and the new Purchase Cards Policy are approved.

BACKGROUND

Following recommendations arising from the internal audit a review of the Sensitive Expenditure Policy has been completed and several improvements have been considered and incorporated.

It was also recognised that we needed clearer guidelines around our use of Council-issued credit cards (known as Purchase cards) to protect staff and the Council from the possibility of improper use and a new policy to address this has been drafted.

POLICY STATUS

These policies are in draft, submitted to Council for adoption.

CONSIDERATIONS

As a result of the Audit New Zealand interim audit the auditors have recommended improvements to our guidelines for ensuring the boundaries between personal, private, expenditure and Council expenditure are explicit.

1. Clearer definition of private expenditure is now included within sensitive expenditure policy:
 - a. Section 1. Definitions: Private Expenditure: This is an expense that is paid for by an individual for their private benefit. The expense does not give a benefit to the Council.
2. Clarification now added to the Sensitive Expenditure policy that all private expenditure incurred is prohibited and the revised policy now specifies that any debts are to be paid to the District Council before it is due to make payment to the “credit card” provider.

- a. This is now addressed in Section 4.1: The use of Council Purchase Cards for private expenditure or credit (cash advance) is prohibited. This section has been extensively edited and now refers to the Purchase Cards Policy guidelines for Purchase Card use.
3. A new Purchase Cards Policy has been drafted to establish guidelines, responsibilities and procedures responsible for authorising card issue, managing the acquisition of cards, and monitoring and reporting on their use.
4. Specific procedures have been included in the Purchase Cards policy to clarify the procedures for applying/issuing cards to employees.
5. The Purchase Cards policy sets out the credit limits necessary to enable the card holder to undertake their duties.
6. The Purchase Cards policy card limits now align with the Delegations Manual for all cardholders.
7. The Sensitive Expenditure Policy now provides clarification of approved expense limits in cases where travel, meals, and accommodation expenditure when staff members stay with a friend or relative rather than in commercial accommodation.
8. The revised Sensitive Expenditure Policy now provides clearer guidance regarding acceptable entertainment and hospitality expenditure.

CONCLUSION

It is recommended that the Council adopts the policies.



The Mackenzie District Council

Purchase Cards Policy

STATUS:	Draft
VERSION:	20200814
POLICY OWNER:	GM Corporate Services
POLICY APPROVER / S:	Chief Executive Officer, The Mackenzie District Council
DATE:	2020-08-14

“Fostering Our Community”

PURCHASE CARDS POLICY

Purpose	<p>The purpose of this policy is to define the rules and procedures governing the use of Purchase Cards.</p> <p>The purpose of the Purchase Card is to provide an effective means of paying for everyday purchases, and purchases that can only be effected by this means, and to reduce the reliance on petty cash floats, staff expense reimbursements, and the number of small payment transactions processed through the Accounts Payable office.</p>
Key Points	<p>A Purchase Card, (also known as a Commercial Card or 'P-Card'), is a bank credit card used by organisations for the payment of goods and services.</p> <p>Mackenzie District Council has implemented Purchase Cards to authorised cardholders for purchasing low value goods and services on behalf of the Council.</p> <p>The object is to make it quicker and easier to purchase goods and services, as cardholders can complete transactions directly with suppliers, (no requisition process), reducing transaction costs and improving the way transactions are monitored and reported.</p> <p>A further objective is to reduce the time and cost of acquiring goods and services and reconciling payments.</p>
Date of Issue	XXX xx, 2020
File Retention	The Mackenzie District Council Laserfiche – Financial Policies section
Review	Every two years at the anniversary date

RELATED DOCUMENTS / WEBSITES

Related Mackenzie District Council policies and documents include:

- Fraud Prevention Policy
- Sensitive Expenditure Policy
- Risk Appetite Statement
- Risk Management Policy
- Delegations Manual

Relevant legislation and other resources include (but are not limited to):

- Local Government Act 2002 and the Local Government Act Amendment Act 2014

1. Definitions

Cardholder: The individual, whether Council employee or elected member, issued with a Mackenzie District Council Purchase Card.

Purchase Card: A bank issued credit card.

Purchase Card Administrator: The person in the Mackenzie District Council Finance Business Unit with administration responsibilities for Purchase Cards. Currently this rests with the Accounts Payable Officer.

The Mackenzie District Council Purchase Cards Policy DRAFT 2020-08-14

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2. Principles

The Mackenzie District Council is accountable for the use of public money through all purchases and must be able to give complete and accurate accounts of how public funds have been used. The Council periodically gets LGOIMA requests regarding credit card expenditure.

The general principles are:

- When using Purchase Cards, Council employees must comply with all other relevant Council policies, including but not limited to the Council's Procurement Policy, Sensitive Expenditure Policy, catering and entertainment guidelines, and the Employee Code of Conduct.
- Purchase Cards will only be issued to employees of the Council who are on a permanent employment contract.
- Purchase Cards may be issued to elected members of Mackenzie District Council. If this is the case this policy applies in full to those people as well as Council employees.
- Overall responsibility for authorising the issue of a Purchase Card resides with the Chief Executive Officer.
- Purchase Cards must only be used to pay for goods and services where the expenditure is business related and is incurred on behalf of the Council.
- Card holders are accountable for all transactions on their Purchase Card regardless of the circumstances and are to ensure that all reasonable measures of security are taken when using the card.
- Purchase Cards may include a cash advance facility.
- Where the Purchase Card is unavoidably used for personal purchases the value of those purchases must be repaid to the Council in full at the earliest opportunity, and no later than the date of the affected month's Purchase Card statement.
- Expenditure must be supported by appropriate and relevant documentation.
- The use of Purchase Cards must always be in accordance with the requirements of the issuing bank.
- Expenditure on the Purchase Card must not exceed the monthly credit limit.
- The Purchase Card is a means of payment only and the use of the Purchase Card does not reduce the requirement for appropriate purchase decision making and compliance with authorisation processes for entering into a commitment on behalf of the Council, including ensuring that a budget has been approved for at least the value of the purchase.
- Purchase Cards that have not been used for a period of six months will be cancelled.
- Purchase Cards may be issued for a specified period of time or for a specific purpose and once that time has elapsed, or the purpose has been completed the Purchase card will be cancelled.
- Any breach of purchasing policies or procedures may result in the cancellation of the Purchase Card and possible disciplinary action.
- All Purchase Card transactions must be approved by an employee's line manager, or designated approver. Purchase Card transactions from cards issued to elected members will be approved by the Chief Executive Officer and subject to quarterly review by the Audit and Risk Committee.
- When two or more Council representatives benefit from the use of a Purchase card (for example at a social function, or booking a conference), payment must be made using the Purchase card of the most senior person involved in order to avoid self-approvals.
- Cardholders may not claim any personal benefits or rewards through the use of Purchase Cards. This includes personal insurance or reward points of any description including FlyBuys.

3. Appropriate Use of the Purchase Card

Cardholders must comply with the above principles, and may use Purchase Cards for the purchase of goods and services where:

- The purchase is for valid business purposes
- The purchase is fit for purpose and represents value for money
- No Council contract exists for the supply of the goods and services
- The cardholder is the budget-holder and is authorised to incur expense against that budget

Cardholders must also acknowledge and adhere to the following:

- No claims for alcohol, including for reward and recognition and celebrations, are to be made through the Purchase Card.
- No claims for lunches, morning teas and afternoon teas (including for meetings) will be funded by Council where only Council staff are in attendance
- No claims for flowers are to be charged to a Council Purchase Card except in the case of a family bereavement or hospital stay exceeding three days in duration and where prior approval has been obtained directly from a line manager.

4. Credit Limits

The standard credit limit for cardholders is \$5,000 per month. Cardholders cannot spend over this monthly limit during each monthly billing and payment cycle. General Managers may request a higher credit limit.

Exceptions to these limits will be considered at the time of application for a Purchase Card on approval from a General Manager. An increase in limits of an existing card may be requested by completing a new Purchase Card request form.

5. Security

Care must be taken when using the internet to make a Purchase Card purchase. Cardholders must use all reasonable care to prevent fraudulent use of council Purchase Cards.

Cardholders must:

- Ensure any website used for purchasing is secure (https) and from a reputable source
- Not disclose the Purchase Card number and expiry dates via email

By accepting and using a Purchase Card, card holders are deemed to have agreed implicitly to abide by all of the terms of issue of the card of the issuing bank, including those terms that relate to the selection of a PIN, including (but not limited to):

- Cardholders must choose a PIN that cannot be readily associated with the card holder, including birth dates, months and years in any form or combination, addresses, parts of telephone numbers, car registrations or sequential numbers.
- Cardholders must not keep a written record of their PIN.
- Cardholders must not give their PIN to any other person.
- Cardholders must prevent others from seeing their PIN being entered when using EFTPOS.

Lost or stolen cards must be reported immediately to the issuing bank and the Purchase Card Administrator.

4. Administration and Approvals

4.1 General

Each Cardholder is responsible for coding and verifying their own Purchase card transactions within one week of the statement period end date. This includes scanning images of all tax invoices and receipts.

4.2 Receipts

Consistent with any purchase on behalf of the Council, expenditure must be supported by appropriate documentation. Invoices and/or receipts must be originals. Tax invoices or receipts must be supplied for all purchases.

4.3 Reconciliation

At the start of each month, Cardholders will be emailed a statement of the previous month's Purchase card transactions. This statement should be reviewed and signed by the cardholder, declaring that "the information contained on this form is correct and the expenses incurred were for business purposes in accordance with the Mackenzie District Council Purchase Card Policy".

Under no circumstances should a Purchase Card statement be signed on behalf of the Cardholder – only the Cardholder should make the above declaration.

The Purchase Card Statement must be authorised by the Cardholder's supervisor. The supervisor should record their name and position on the statement.

If a Purchase Card Statement contains expenditure relating to the supervisor, then it should be referred to a higher authority for approval. The statement along with all original supporting documentation should be forwarded to the person responsible for payment of accounts within the one-week timeframe.

The process includes identifying any applicable New Zealand GST, the inclusion of suitable comments supporting each transaction and a summarised narration for transfer to the general/project ledgers. Note that both the comments and ledger narrations must include sufficient detail to corroborate each transaction.

5. Termination of Employment

If a Cardholder leaves the employment of the Mackenzie District Council, or a Cardholder who is an elected member completes their elected term and is not re-elected, it is their responsibility to:

- Reconcile all Purchase Card expenditure since the last statement and provide the necessary supporting documentation for this expenditure
- Advise the Purchase Card Administrator so the card can be cancelled
- Surrender the Purchase Card to their immediate supervisor or the Purchase Card Administrator.

6. Misuse of Purchase Card

Misuse of a Purchase Card could include, but is not limited to:

- Inappropriate expenditure
- Personal expenditure
- Inappropriate or inadequate supporting documentation

- Inappropriate use of a cash advance facility
- Use of a Purchase Card by someone other than the cardholder
- Failure to provide a correctly authorised monthly statement
- Failure to comply with any other Council policy or procedure related to the use of Purchase Cards

Misuse of the Purchase Card by the cardholder will lead to:

- Cancellation of the Purchase Card
- A request for immediate reimbursement of the inappropriate expenditure if repayment has not been made
- Possible internal disciplinary action

Intentional misuse of a Purchase Card for personal gain is fraudulent behaviour under the Council's Fraud Prevention Policy and will be referred to the relevant authorities for the purposes of investigation and possible prosecution.

7. Clarification and Breaches

This policy represents the formal policy and expected standards of the Mackenzie District Council. Appropriate approvals need to be obtained prior to any deviation from the policy.

Elected Members and employees are reminded of their obligations under the Mackenzie District Council Code of Conduct to give full effect to the lawful policies, decisions and practices of the Mackenzie District Council.

7.1 Clarification

Clarification regarding this policy can be sought from the Mackenzie District Council General Manager Corporate Services.

7.2 Breaches

The Mackenzie District Council General Manager Corporate Services is responsible for monitoring compliance with this policy. All identified breaches will be escalated to the Chief Executive Officer and the Manager People and Culture and will be treated as misconduct which may result in disciplinary action.

7.3 Exceptions

The Mackenzie District Council General Manager Corporate Services (being the policy owner) will need to authorise any deviations from this policy.

8. Appendix A – Purchase Card Application Form

Purchase Card Application Form			
Sections 1 & 2 must be completed in full. This information is collected for the purposes of approving, issuing and administration of the Purchase Card. (*) Denotes a required field.			
1. Personal Details			
The information in this section is required by Westpac for the purposes of issuing the Purchase Card.			
Title*	Mr	Ms	Other:
Name (as it will appear on card):			
Date of Birth*:			Mother's Maiden Name*:
Job Title/Position*:			
Phone Number*:			Mobile Phone Number*:
Email Address*:			
Required Purchase Card Limit*	\$2,500	\$5,000	\$10,000
Cash Advance facility required*	Yes	No	
IMPORTANT NOTE: You MUST provide a certified copy of your photo ID. Certified ID = a photocopy of the front AND back of your driver's license, passport or firearms license that is signed by a Trusted Referee such as a Justice of the Peace, Chartered Accountant, Solicitor, or Westpac bank officer. Please refer to www.westpac.co.nz/AML for further information about Trusted Referees			
2. Work Details			
The information in this section is required by Mackenzie District Council.			
MDC Username*:			MDC Employee Number*:
Cost Centre*:			Business Unit*:
Reason for Card*:			

Purchase Card Terms and Conditions of Use

A Mackenzie District Council Purchase Card will be issued on the express condition that the Cardholder will, at all times, take personal responsibility for the security and use of the Purchase Card.

- If the Purchase Card is lost or stolen it should be reported immediately to Westpac on 0800 888 111, the Mackenzie District Council Purchase Card Administrator and the Cardholder's Manager.
- Prior to ceasing employment with the Mackenzie District Council, the Cardholder must ensure all purchases are coded and approved before returning the Purchase Card to the Purchase Card Administrator.
- Purchase Cards are to be used to pay for goods and services, where expenditure is incurred on behalf of the Mackenzie District Council.
- Expenditure must be reasonable, appropriate and in accordance with the policies and procedures attached to all Mackenzie District Council-related expenditure.
- Expenditure must be supported by appropriate documentation.
- The use of Purchase Cards must be in accordance with Westpac's MasterCard Business Card/Purchasing Card Conditions of Use.
- Expenditure on the PCard must not exceed the monthly card limit.

The Purchase Card is a means of payment only. The use of a Purchase Card in no way substitutes for appropriate purchase decision making and authorisation processes for entering into a commitment on behalf of the Mackenzie District Council.

Any breach of Purchase policies or procedures may result in the cancellation of the Purchase Card and possible disciplinary action.

Confirmation of Identity

Westpac is, or may be, required to verify the identity of the new cardholder and certain other information provided in this form. Please refer to Westpac's list of acceptable verification documentation available at www.westpac.co.nz/AML.

Acknowledgement

I acknowledge that I have read, understood and agree to adhere to the conditions set out above and in the Mackenzie District Council's Purchase Card Policy, which govern the issue of a Purchase Card in my name.

I also understand that by completing this application I am providing personal information ('this information') about me which will be held securely by Westpac and its related companies. I certify that all this information supplied is true, correct and complete in every respect and understand that if it is not true, correct and complete, this application may be declined. I agree to be bound by the conditions in this application in addition to any other conditions of use that may be imposed by Westpac from time to time. By using MasterCard Business Card ('the card'), I

<p>agree to be bound by the conditions of use accompanying the card. I have the right to access and correct this information subject to the provisions of the Privacy Act 1993.</p>	
<p>Signature of Applicant</p> <p>Full name:</p> <p>Date:</p>	<p>Signature of Manager</p> <p>Full name:</p> <p>Date:</p>
<p>Signature of Chief Executive Officer</p> <p>Full name:</p> <p>Date:</p>	<p>Signature of Purchase Card Administrator</p> <p>Full name:</p> <p>Date:</p>
<p>Next Steps</p>	
<p>Once this form has been completed and signed, it and your certified ID need to be returned to the Purchase Card Administrator, Finance Business Unit.</p> <p>Scan and email the completed and signed form and certified ID to: creditors@mackenzie.govt.nz</p>	

9. Appendix B – Purchase Cards IssuedLast Updated: 10th August 2020

Issued to:	Position:	Authorised by:	Monthly limit:
Graham Smith	Mayor	CEO	\$7,000
Suzette van Aswegen	Chief Executive Officer	CEO	\$10,000
Julie Hadfield	Accounts Payable Officer	CEO	\$10,000



Mackenzie District Council

Sensitive Expenditure Policy

STATUS:	DRAFT
VERSION:	20200814
POLICY OWNER:	GM Corporate Services
POLICY APPROVER / S:	Chief Executive Officer, Mackenzie District Council
DATE:	2020-08-14

“Fostering Our Community”

SENSITIVE EXPENDITURE POLICY

Purpose	The purpose of this policy is to ensure 'sensitive expenditure' is appropriately controlled. It addresses issues referred to in the Controller & Auditor-General's good practice guide, "Controlling sensitive expenditure: Guideline for public entities" (February 2007). The policy has also been revised to align against the guidelines published on https://www.oag.govt.nz/good-practice/sensitive-expenditure
Key Points	The Mackenzie District Council spends public money and, as a consequence, all expenditure should be subject to a standard of probity and financial prudence expected of a local authority and be capable of withstanding public scrutiny.
Scope	This policy applies to all Mackenzie District Council employees and elected members whether they are on a casual, fixed term, permanent or a collective employment agreement except for those items of sensitive expenditure specifically provided for by employment agreements.
Date of Issue	Previous version adopted 12 May 2020 This version adopted xxx
File Retention	Mackenzie District Council Laserfiche, Policies.
Review	October 2022

RELATED DOCUMENTS / WEBSITES

Related Council policies and strategies include:

- Asset Disposal Policy
- Fraud Policy
- Code of Conduct
- Delegations Manual
- Risk Management Policy
- Conflict of Interest Policy
- Protected Disclosures Policy
- Procurement Policy
- Purchase Cards Policy
- Reimbursement of Expenses by Elected Members Policy

Relevant legislation and other resources include (but are not limited to):

- Local Authorities (Members' Interests) Act 1968
- Local Government Act 2002 (s.100 and 101)

1. Definitions

Approving Manager: An employee's line manager or a manager higher in the financial delegation approval hierarchy.

Credit Card: Includes vehicle fleet cards, purchase cards and equivalent cards used to obtain goods and services before a payment is made.

Conflict of Interest: Any situation in which a private interest or personal considerations may affect, or could be perceived to affect, an employee or elected member's judgement and/or ability to act in the best interest of the Mackenzie District Council.

Entertainment Expenses: Expenditure on food, beverages, tickets for events, and related supplies for events, involving one or more Council employee(s)/or one or more guests, and the purpose of the expenditure is to represent the Council or provide reciprocity of hospitality or build business relationships in pursuit of Council goals.

Official Function: Social functions, entertainment events, ceremonies, meetings, special events and conferences that can be demonstrated to provide clear benefit to the Council. Such functions must be sanctioned by the Chief Executive, or the relevant Executive Team member.

Private Expenditure: This is an expense that is paid for by an individual for their private benefit. It does not give a benefit to the Council.

Purchase Card: A bank issued credit card.

Purchase Card Administrator: The person in the Mackenzie District Council Finance Business Unit with administration responsibilities for Purchase Cards. Currently this rests with the Accounts Payable Officer.

Sensitive expenditure: Any council expenditure by Council that provides, has the potential to provide, or has the perceived potential to provide a private benefit to an individual Council officer that is additional to the business benefit to Council of the expenditure. It also includes expenditure by Council that could be considered unusual for Council's purpose and/or functions. In plain English, this is any expenditure that could be perceived as wasteful or extravagant use of ratepayer funds.

Supplier: Means a current or potential provider of goods or services to Council.

2. Principles

The Controller & Auditor-General's guide states because councils are dealing with "public money" expenditure should be subject to the standards of probity and financial prudence expected of a public entity. These expectations are higher than those that exist in the private sector.

The Mackenzie District Council (Council) is obliged to safeguard and use its resources in a responsible manner. Furthermore, elected members and employees must guard against actual or perceived conflicts of interest in regard to the use of those resources. Due to the risk of perceived or actual personal benefit to the elected member or employee arising from certain expenditure categories, such as travel, accommodation, gifts and hospitality, the Controller and Auditor-General defines them as 'sensitive' expenditure.

Approval of sensitive expenditure should be:

- given only when the person approving the expenditure is satisfied that a justified business purpose and other principles have been adequately met
- given before the expenditure is incurred, wherever practical
- made within any statutory limits on Council's delegations
- made only when budgetary provision and delegated authority exist
- given by a person senior to the person who will benefit or who might be perceived to benefit from the sensitive expenditure, wherever possible. Where this is not possible, this fact should be recorded, and any such expenditure should be subject to some form of monitoring.

General principles for expenditure decisions are that the expenditure must:

- be cost-effective
- preserve impartiality
- be made with integrity
- be moderate and conservative, having regard to the circumstances
- be transparent
- be appropriate

All expenditure must be in accordance with the Mackenzie District Council Procurement Policy to ensure purchasing decisions are consistent, fair, transparent, lawful, and deliver value for money.

All expenditure must be in accordance with the Delegations Manual to ensure employees of the Mackenzie District Council and elected members act within delegated authority.

Authorised staff members will make decisions on and/or payment for each item of sensitive expenditure.

They will need to exercise careful judgement in accordance with these principles and this policy. This will always be about balance in the particular context.

Expenditure must not be motivated by the potential for individual benefit.

Health and safety will be a consideration when cost-effective options for expenditure are being evaluated. For example, ensuring that staff and elected members are able to travel safely during winter months may incur additional expenditure.

2.2 Exercising Judgement

The responsibilities of the Mayor, Councillors and Executive Team include being accountable for the proper and prudent spending of public money. This includes sensitive expenditure and the supporting internal controls, such as adherence to this policy.

In the absence of a specific rule, Council employees and elected members must exercise good judgement by taking into account the principles of this policy and the context of a given situation.

3. Policy

3.1 Deciding when sensitive expenditure is appropriate

In deciding what appropriate sensitive expenditure is, elected members and employees need to take account of both individual transactions and the total value of sensitive expenditure.

Even when sensitive expenditure decisions can be justified at the item level, the combined amount spent on a category of expenditure may be such that, when viewed in total, the Mackenzie District Council could be considered extravagant or wasteful.

3.2 Responsibilities of the Mayor, Councillors and General Managers

Overall responsibility for this policy rests with the Mayor, Councillors and the Executive Team. This group must make it clear to employees what is and is not 'acceptable sensitive expenditure' and model those behaviours to the highest standard.

3.3 Controls and judgement

In the absence of a specific rule for a given situation, the Mayor, Councillors and Executive Team are expected to exercise good judgement by taking the principles in this policy into account in the context of the given situation.

The Mayor, Councillors and Executive Team are required to ensure transparency in both sensitive expenditure and remuneration systems, to avoid any trade-off between the two. Items of expenditure that may not be justified under the principles of this policy should not be included as part of an employee's remuneration for the purposes of avoiding scrutiny against sensitive expenditure principles.

3.4 General controls

All expense claims must be submitted promptly after the expenditure is incurred. Except in exceptional circumstances, this means within one month. Sensitive expenditure will only be reimbursed if it is deemed to be reasonable, actual and has been incurred directly in relation to Council business.

Valid, original GST compliant invoices/receipts and other supporting documentation must be maintained/submitted for all sensitive expenditure. Credit card statements and EFTPOS receipts do not constitute adequate documentation for reimbursement.

All expense claims must clearly state the business purpose of the expenditure where it is not clear from the supplier documentation supporting the claim. All expense claims for minor expenditure (under \$50) must document the date, amount, description, and purpose when receipts are not available.

3.5 Approval of Sensitive Expenditure

Approval of sensitive expenditure must:

- only be given where the person approving the expenditure is satisfied that a justified business purpose and other principles have been adequately met as outlined in the Principles section above
- be given before the expenditure is incurred, wherever practical
- be made strictly within delegated authority
- be given by a person senior to the person who will benefit or might be perceived to benefit from the expenditure, wherever practical

Expenditure which is incurred (but not explicitly approved by Council) by elected members will be reviewed by the General Manager Corporate Services for compliance with this policy. Expenditure by the Mayor which is incurred (but not explicitly approved by Council) will be reviewed by the Audit and Risk Committee Chair for compliance with this policy.

In the case of the Executive Team, the "one up" principle must be applied to the maximum extent possible. In the case of the Chief Executive, approval is required from the Mayor or chair of the Audit and Risk Committee.

3.6 Review of sensitive expenditure

Sensitive expenditure is a standing agenda item for the Audit, Finance and Risk Committee. The General Manager Corporate Services will review sensitive expenditure and will report any instances of non-compliance with this policy to the Audit, Finance and Risk Committee.

4. Specific Areas of Expenditure

In general, reasonable expenses will be met for unexpected events, e.g. overnight expenses due to a cancelled plane flight. However discretionary entertainment expenses such as movies or personal internet access will not be reimbursed by Council.

All charges for Council business-related telephone calls, faxes, email and internet access made by an employee or elected member while travelling on Council business will be reimbursed.

Where travel arrangements are extended to accommodate an employee's or member's personal arrangements, all costs in addition to those that would be expected for the business component of the trip are the responsibility of the staff member or elected member.

4.1 Use of Credit Cards

The use of personal credit cards (referred to as Purchase Card when issued to staff by Council) is not in itself a form of sensitive expenditure. However, credit cards are a common method of payment for such expenditure. Legitimate expenditure paid by personal credit card may be claimed for personal reimbursement via the Expense Claim process (see Expense Claims section below).

The use of Council Purchase Cards for private expenditure or credit (cash advance) is prohibited.

This policy is designed to minimise the risks associated with the use of credit cards, namely:

- inappropriate business-related expenditure (in both quantity and type)
- obtaining cash for a business purpose (with subsequent expenditure being poorly documented or justified)
- for personal benefit, by obtaining cash or paying for personal items.

Please note that guidance for Council-issued Purchase Cards is clarified in the associated Purchase Cards Policy.

4.2 Employee Personal Discount Cards

If an employee has been issued a personal purchase card under the Mackenzie District Council Employee Benefits Plan they may use the card at stores, over the phone and over the internet to purchase items within the specified monthly limit and terms of the card provider.

The use of the card is restricted to the employee assigned to its use and the balance on the card at the end of each month must be paid in full by the 20th of the following month.

Failure to comply may cause the card to be withdrawn and/or payment of any outstanding balance to be deducted from the employee's wages.

4.3 Travel and accommodation expenditure

Elected members and Council staff may incur travel and accommodation costs while conducting Council business elsewhere in New Zealand or overseas. The principles of a justified business purpose, moderate and conservative expenditure, are particularly relevant for travel and accommodation expenditure.

Travel and accommodation expenditure for elected members must be in accordance with Council's Policy for the Reimbursement of Expenses by Elected Members.

4.4 Air Travel

To the extent practicable, air travel is to be booked well ahead of the travel date, so the expenditure is cost-effective.

- Air travel is to be booked by the authorised person within each business unit.
- Flights may be booked to leave the night before an event if it is considered reasonable to do so.
- Discounted economy or economy class and/or a discount airline must be the first choice provided that they meet business objectives, unless the need for flexibility can be justified.
- Council payment for membership of airline travel clubs e.g. Koru Club requires the approval of the Chief Executive. Membership must be supported by a clear business purpose and reviewed annually.
- Air points - Provided the use of carriers supplying air points does not result in Council incurring additional costs, air point rewards accruing to an employee of the Mackenzie District Council and elected members carrying out their official duties may be kept by the employee or elected member.

4.5 Accommodation

To the extent practicable, accommodation is to be booked well ahead of the actual travel date, so the expenditure is the most cost-effective possible. This must take into account the location of the accommodation relative to the event, the standard of the accommodation and security issues.

- Accommodation is only to be booked by authorised employees.
- The maximum amount to be spent on accommodation is \$250 (including GST) per night. This amount is a maximum and those booking accommodation are expected to look for the most cost-effective option.
- Where accommodation is greater than \$250 per night, one-up approval is required before booking the accommodation.
- Accommodation check-out times are to be observed. In the absence of extenuating circumstances, any additional costs as a result of failing to check out in time are the responsibility of the employee or elected member.
- Where an Elected Member or Council staff elects to arrange private accommodation (for example with a friend, or relative), this will be reimbursed at a set nightly rate of \$55.00 that is all inclusive of accommodation, transport to and from the private residence and meals. No

other expenditure shall be claimed by the elected member and no receipts are required for reimbursement to occur.

4.6 Food and beverage

Council will pay for a maximum of one beverage per meal (non-alcoholic, with the exception of a single beverage with an evening meal which may be alcoholic or non-alcoholic), which must be clearly identifiable on receipts supporting the expenditure. Minibar costs will not be reimbursed by Council.

Reasonable meal costs will be met. In general, the total cost (including beverages) is not expected to exceed:

- Breakfast - \$30.00
- Lunch - \$30.00
- Dinner - \$60.00

Separate meal expenses will not be met where a meal has been provided as part of the meeting, conference, training, etc.

4.7 Motor Vehicles and Taxis

4.7.1 Council Pool Cars

Where possible, employees and elected members are to use Council pool cars for reasonable distances of travel within the South Island. Council vehicles (except those provided under a remuneration arrangement) are not available for private use. Fuel cards are provided in each Council-owned/leased vehicle only for the purpose of refuelling the fleet vehicle. The person in the Corporate Services team responsible for fleet management is to check monthly invoices for compliance.

Any fines (parking or traffic offences) incurred while using a Council vehicle are the responsibility of the driver (unless the fines relate to an aspect of the condition of the vehicle outside the driver's control).

Council employees and elected members should endeavour to return Council vehicles as soon as possible following the completion of use. However, where an employee takes a vehicle home for the night, the employee must inform the Finance Team that Fringe Benefit Tax applies.

4.7.2 Rental Cars

Employees and elected members must use the most economical type and size of rental car, consistent with the requirements of the trip. Rental cars are only available for business conducted outside the district.

Any fines (parking or traffic offences) incurred while using a rental vehicle are the responsibility of the driver.

Private use of a rental car is only permitted in exceptional circumstances and requires the approval of the Chief Executive. All additional costs as a result of private use are the responsibility of the employee or elected member.

4.7.3 Taxis

Taxis, in relation to this policy, includes any alternative form of 'taxi' available, such as Uber and Take Me. Council will pay for travel by taxi for employees and elected members away on Council business. Council expects the use of taxis to be cost effective relative to other transport options.

Where possible, shuttles should be utilised for transport to and from airports for reasonable distances where time permits (i.e. for shuttling from a hotel or event to the airport).

4.7.4 Private Vehicles

Pre-approval is required in order for employees to be reimbursed for the use of a private motor vehicle. Council will not normally pay for travel by private motor vehicle when travel by other means is more practical and cost effective. Employees are always expected to use a Council vehicle for Council business, if there is one available. Circumstances where the use of private vehicles may be considered appropriate include:

- the employee will be absent for a period of longer than 2 days;
- no pool cars are available (it is the responsibility of the employee to ensure pool cars are booked as soon as possible to avoid this circumstance).

The vehicle owner must ensure that they have appropriate insurance cover for the vehicle while it is being used on Council business. Any fines (parking or traffic offences) incurred while using a private vehicle on Council business are the responsibility of the driver.

All reimbursement claims for use of a private motor vehicle must be made on the appropriate form. Reimbursement will be made in accordance with the current mileage rates for employee reimbursement recommended by IRD.

Elected members will be reimbursed for mileage and travel time in accordance with the Policy for the Reimbursement of Expenses by Elected Members.

4.8 Parking

Employees/elected members may utilise airport parking options. The most time- and cost- effective parking option must be utilised. The cost of parking will be reimbursed provided the purpose of the trip is for approved Council business.

4.9 Tipping

Council will not reimburse employees or elected members for tipping while they are on business in New Zealand. Council will reimburse employees and elected members for appropriate tipping during international travel only in places where tipping is local practice.

4.10 Private arrangements and stopovers

Employees and elected members may undertake private travel before, during or at the end of Council travel, provided there is no additional cost to the entity and the private travel is only incidental to the business purpose of the travel. If there are additional costs incurred (such as a difference in the cost of flights) these must be covered by the employee/elected member.

Any costs such as travel or accommodation for accompanying spouses, partners or other family members are a personal expense and will not be reimbursed by Council.

The cost of stopovers will only be reimbursed by Council when they are pre-approved and have a clear business purpose.

4.11 Entertainment and hospitality expenditure

Entertainment and hospitality can cover a range of items from tea, coffee and biscuits to catering, such as meals and alcohol. It also includes non-catering related items, such as entry to sporting or cultural events. For business purposes of entertainment and hospitality have been identified.

- building relationships
- representing the organisation
- reciprocity of hospitality where this has a clear business purpose and is within normal bounds – acceptance of hospitality is expected to be consistent with the principles and guidance for provision of hospitality
- building revenue

Supporting the Council's internal organisational development may, in occasional circumstances, also be a legitimate business purpose for moderate expenditure. This requires the approval of the Chief Executive Officer. The principles of a justified business purpose, moderate and conservative expenditure are particularly relevant to Council. Council requires tight control of expenditure and transparent reporting.

4.11.1 Catering for meetings held internally

Where meetings are hosted internally by Council employees, external catering should only be provided where:

- external parties will be in attendance
- the meeting extends over the lunch time period
- approval has been obtained by an Executive Team member
- elected members are present, such as for a workshop, working group, or Council meeting

Supporting the Council's internal organisational development may, in occasional circumstances, also be a legitimate business purpose for moderate expenditure. This might include expenditure that promotes the health and wellbeing of employees.

All entertainment and hospitality expenditure must be pre-approved where possible and always supported by clear documentation. This documentation must identify the date, venue, costs, recipients and benefits derived and/or reasons for the event. If the expenditure is not pre-approved the most senior person present should approve and confirm the expenditure as being appropriate.

4.11.2 Reimbursement for alcohol

The principles of moderate and conservative expenditure and appropriateness are particularly relevant and, accordingly, Council shall reimburse entertainment expenses incurred, including for the provision of alcohol, only where these principles and the integrity of the organisation remain uncompromised.

Expenses for entertainment of a personal nature are ineligible for reimbursement.

4.12 Disposal of surplus assets

Council will, from time to time, dispose of assets. Typically, this is when the assets have become obsolete, worn out or surplus to requirements. Council's disposals must be both transparent and fair.

Council will not dispose of assets to an employee or elected members or related parties at a discounted rate if a greater net value is likely to be realised by an alternative method of sale.

For further guidance regarding the disposal of assets please refer to the Asset Disposal Policy.

4.13 Goods and services expenditure – loyalty reward scheme benefits

Loyalty rewards associated with transactions required to carry out Council duties are the property of Council. Individual employees are not permitted to accrue loyalty rewards to their personal accounts. This excludes Air-Points schemes, which are covered under the "Air Travel" section of this policy.

In situations where receiving a prize or loyalty reward could be perceived as inappropriate, prize or rewards must be declined.

4.14 Use of Council & Private Assets

Any physical item owned, leased or borrowed by Council is considered an asset for the purpose of this policy. This includes photocopiers, telephones, cell phones, cameras, means of accessing the Internet, and stationery. The costs to Council of private use will be recovered, unless it is impractical or uneconomic to separately identify those costs.

The use of Council assets in any private business that any employee or elected member may operate is not permitted.

The main issue associated with Council's use of private assets is the risk of the Council paying or reimbursing amounts that inappropriately benefit the staff member or elected member. Therefore, pre-approval by an Executive Team member is required.

Council may decide that reimbursing employees for use of private assets is appropriate for reasons such as cost, convenience or availability. Council may also decide to do this in circumstances where it would not fully use an asset of the same type if it acquired it directly. Examples include private motor vehicles, private cell phones and private computers.

Employees of the Mackenzie District Council must not approve or administer payments to themselves for the Council's use of their private assets.

4.15 Use of Council Suppliers

As employees may have access to some Council suppliers on the same basis as Council, they may receive preferential access to goods or services, and potentially at a preferential price, which is not available to the public. The risk is that the availability of the discount to employees will influence the choice of Council suppliers.

The selection of suppliers must be in the interest of Council. The availability or possibility of employees purchasing privileges must not factor into this selection.

Employees may make use of any preferential access to goods or services through Council's suppliers under the following conditions:

- The discount offered must be the same discount offered to all Council staff and not be particular to individual staff members.
- Discounted fuel is available to employees by way of Fuel cards which are issued to Council employees. The individual purchases are charged to the employee on account and subject to normal credit terms and conditions.

In rare circumstances a Council order may include expenditure with a personal component, such as a travel or accommodation booking. In this case payment to Council for the personal component must be made on confirmation of the cost or the receipt of the invoice from the supplier, whichever occurs first.

Elected members may have preferential access to goods or services through Council suppliers on the same basis as staff, provided there is no real or perceived conflict of interest.

4.16 Donations & koha

A donation or a koha is a payment (in money or by way of goods or services) made voluntarily and without the expectation of receiving goods or services in return. Mackenzie District Council requires donations to be:

- Lawful in all respects
- Made to a recognised organisation by normal commercial means (not to an individual);
- Not in cash (except as a koha and with the express approval of the Chief Executive or a General Manager)
- Non-political (i.e. politically neutral)

The amount given on behalf of Council should reflect the occasion and the prestige of Mackenzie District Council in its relations with Tangata Whenua and be approved by the Chief Executive Officer or relevant General Manager.

4.17 Gifts

Employees and elected members' impartiality and integrity must be maintained when receiving gifts. In all instances staff must inform their manager or supervisor that they have received a gift for service or appreciation.

The acceptance of any gift with a monetary value exceeding \$50 must have the express approval of the relevant General Manager for staff to retain it.

All gifts received with a monetary value exceeding \$50 shall be reported to the Executive Assistant/Advisor and recorded on a register to be held by the Chief Executive Officer. This includes tickets to events.

4.18 Employee support, wellbeing and welfare expenditure

4.18.1 Clothing

Other than official uniforms and health and safety related clothing, elected members or employees will not be clothed at Council's expense when they are engaged in a normal business activity.

4.18.2 Care of dependants

The Chief Executive Officer or a General Manager may authorise in exceptional circumstances the reimbursement of actual and reasonable costs in relation to the care of dependants. Some possible examples are when the employee is unexpectedly required to perform additional duties at very short notice, or a dependant unexpectedly requires additional care that the employee cannot provide because of the essential nature of their duties at the time. In all other instances care of dependants is to be treated as a personal and private expense of the employee.

4.18.3 Financing staff engagement activities dependants

Council may make a prudent and reasonable monetary contribution to an employee events or social club. The contribution may be in the form of an all-purpose grant towards the annual budget, or it may be a grant or subsidy for a specific event or item.

4.18.4 Farewells, long service and retirements

Expenditure on farewells, long service and retirements includes spending on functions, gifts and other items and should not be extravagant or inappropriate to the occasion.

4.18.5 Professional memberships

Membership to a professional body is sensitive expenditure due to its personal nature. Payment of professional fees by Council on behalf of an employee must be:

- approved by the General Manager or Chief Executive Officer in the case of employees. In the case of the Chief Executive or elected members, the General Manager Corporate Services is required to give approval
- clearly relevant to the performance of the employee's duties and responsibilities
- for the employee alone and is not to cover members of their family or other persons
- for no longer than one-year in duration unless significant discounts are available, and it is reasonable to expect a two-year membership to be an advantage to the Mackenzie District Council
- for the benefit of Council and not intended to be a personal benefit to employees, and accordingly not liable for Fringe Benefit Tax
- in accordance with the employee's employment agreement
- cancelled or transferred to an appropriate employee if the employee's employment with Council is terminated, via resignation or otherwise
- refunded directly to Council if the membership is cancelled

5. Expense Claims

Any expenses to be reimbursed must be on an actual and reasonable basis and in line with Council policy.

Costs for expenses must have a justifiable business purpose, be moderate and conservative having regard to the circumstances and must be appropriate in all respects.

Reimbursements and the use of Council-supplied resources only apply to elected members personally, and only while they are acting in their official capacity as elected members. Please see the Reimbursement of Expenses by Elected Members Policy for further guidance.

All expenditure that falls under this policy is approved on the condition that it can be met within relevant budget provisions.

5.1 Authentication of expenses and reimbursements

Full original receipts are required for reimbursement claims. These must be provided with the fully completed Expense Claim Form.

- Expense claims are approved by the employee's line manager.
- Cost reimbursements are made via Council's payroll system.

5.2 Audit of expense claims and allowances

Council has an internal audit work programme which may include sampling and testing expense claims and allowances paid to elected members and employees.

In addition, payments to elected members may be audited as part of Council's Annual Report auditing undertaken by Audit New Zealand.

5.3 Submitting an Expense Claim

A claim for personal expense reimbursement must be requested by an employee who incurred the cost using the Expense Claim Form and process.

- All information required must be included on the form
- All receipts must be attached
- The completed form must be submitted to the employees line manager for approval
- Once approved the completed form and receipts must be provided to Accounts Payable
- Payment will be made in the next convenient payment cycle

6. Policy Management**6.1 Clarification**

Clarification regarding this policy can be sought from the Mackenzie District Council General Manager Corporate Services.

6.2 Breaches

The Mackenzie District Council Chief Executive Officer and General Manager Corporate Services are responsible for monitoring compliance with this policy. All identified breaches will be escalated to the Chief Executive Officer and General Manager Corporate Services and will be treated as misconduct which may result in disciplinary action including and up to dismissal.

6.3 Exceptions

The Mackenzie District Council General Manager Corporate Services (being the policy owner) or the Chief Executive Officer (being the policy approver) will need to authorise any deviations from this policy.

6.3 SOUTH CANTERBURY CHAMBER OF COMMERCE - MONTHLY REPORTING AND QUARTERLY ECONOMIC MONITORING

Author: Leaine Rush, Finance Admin

Authoriser: Mark Samways, Property and Commercial Manager

Attachments:

1. **SCCC - Monthly Report - August 2020** [↓](#) 
2. **Quarterly Economic Monitor - June 2020** [↓](#) 
3. **Mackenzie Business Reference Group Members** [↓](#) 

STAFF RECOMMENDATIONS

That the information be noted.

BACKGROUND

As per the Mackenzie District Economic Support Services Agreement 2020/21 between Mackenzie District Council and South Canterbury Chamber of Commerce, SCCC have submitted the monthly report outlining business support due to COVID-19, advocacy, an update on the Mackenzie Business Reference group, training and events and general business. A Quarterly Economic Monitor compiled by Infometrics was also submitted.

CONCLUSION

The Chamber have presented all information as per the KPI's set in the service agreement. An adjustment to the information provided is the MSD figures should read 48 people are receiving the Job Seeker Support– Work Ready payment and 28 people are receiving the Jobseeker Support – Health Condition and Disability payment. This defines the type of payments being made rather than adding them together.



Economic & Business Support Services Report to Mackenzie District Council. August 2020

Introduction: As identified below, support sought by and provided to Mackenzie businesses continues at a high rate. Similar scale to previous month, however significant upturn in businesses seeking guidance/access to NZTE Regional Business Partner funding, and advice/support sought by businesses as Level 2 further changes their circumstances and ability to plan for the future.

A noticeable shift to businesses developing and repositioning product/services to meet domestic market and/or as result of their key customers doing this. Savvy businesses have assessed their situation, taken advantage of cashflow/financial planning support e.g. received RBP funding for expert advice, wage subsidy, Small Business Cashflow Loan Scheme, negotiated lease extensions, engaged with others to share costs etc. Focus on strategic marketing and digital enablement to reach new markets/customer demographic. There are also some new (smaller) businesses opening or expanding, which is encouraging.

On the flipside, there is evidence of business closures. In one case, 28 jobs lost with minimal notice. SCCC was contacted and arranged for MSD and INZ to meet with staff.

Mackenzie District Services 76 businesses supported one-on-one in August

Industry Sector	Fairlie	Mt Cook	Pukaki	Tekapo	Twizel	Grand Total
A: AGRICULTURE, FORESTRY AND FISHING	2			1	1	4
C: MANUFACTURING					2	2
D: ELECTRICITY, GAS, WATER AND WASTE SERVICES					2	2
E: CONSTRUCTION	1				1	2
G: RETAIL TRADE	2					2
H: ACCOMMODATION AND FOOD SERVICES	2		2	4	1	9
I: TRANSPORT, POSTAL AND WAREHOUSING	2					2
L: RENTAL, HIRING AND REAL ESTATE SERVICES	1					1
M: PROFESSIONAL, SCIENTIFIC AND TECHNICAL SERVICES				1	2	3
P: EDUCATION AND TRAINING					1	1
R: ARTS AND RECREATION SERVICES		1	1	3	1	6
Grand Total	10	1	3	9	11	34

- **34 businesses as per above graph. Key Topics:** business recovery & continuity; cashflow and financial planning; RBP funding advice; new product/markets development; strategic and digital marketing; wage subsidy/consequences on business/staff; immigration/Visa support; Health & Safety to meet 'new normal'; business start-up; R&D innovative new products, business mentors plus:
- **42 businesses assessed and/or funding issued** [Regional Business Partner](#) COVID-19, TOURISM TRANSITION or CAPABILITY funds. 4 referrals to Callaghan Innovation R&D, Business Mentors NZ or NZTE Export Advice. **Funding issued to 25 businesses; value \$71,175 + GST** (compared to \$27k previous month). Split as follows:
 - **Towns:** 8 x Fairlie; 6 x Tekapo; 5 x Pukaki; 4 x Twizel; 2 x Mt Cook
 - **Sectors:** 6 x Accom & Food; 9 x Art & Recreation; 2 x Retail; 2 x Transport; 1 x Manufacturing, 1 x Rental, 1 x Profess; 1 x Construction, 1 x Ag; 1 x Education

Example comments received from funding recipients:

"Woo hoo thank you ... this is fabulous and a game changer I am sure for our businesses here in the Mackenzie"

"This funding could be what supports us through this crisis to remain here..., so thank you so very much"

Infometrics Quarterly Economic Monitor - June 2020 Quarter.

Consumer spending in the district was down 4.8% over the year to June 2020, and down 43.2% in the June 2020 quarter compared to June 2019 reflecting the loss of international tourists since March and loss of domestic tourists during lockdown. Pivoting to attract domestic tourists will be essential for the district in the coming years, and data for the month of July is showing promising signs. MBIE's COVID Response Dashboard shows that spending in Mackenzie during the July school holidays was more than 20% higher than the same week last year.

Summary:

- GDP in Mackenzie District was down 2.3% for the year to June 2020
- GDP was \$347m for the year to June 2020
- Total tourism expenditure fell by 16.9% in the year to June 2020 (compared to 12.3% in NZ)
- Total tourism expenditure was approx.\$286m, down from \$344m a year ago
- Building Consents for new dwellings dropped to 23 in the June 2020 quarter, compared with 36 in the same quarter last year
- In the month of June 2020, there were 76 Jobseeker Support recipients and 24 COVID Income Relief recipients in the district.

Full report [here](#) and attached. Provided to MDC on 21st August

Advocacy: Matters remain the same as last month.

- SCCC advocated on behalf of two significant Mackenzie tourism businesses, both receiving \$500k from Strategic Tourism Assets Protection Programme (STAPP) to assist strategically important businesses that significantly contribute to the local region and tourism in NZ. This will assist with operational costs and survival through the disruption caused by COVID19. This can also be seen as a \$1m multiplier to Mackenzie District economy.
- SCCC has commenced advocacy work with regards to the proposed merger of DHB's. Data has been requested from the SCDHB to enable effective communications to the Minister to be undertaken.
- SCCC has prepared a Statement of evidence to challenge some of the proposed changes in Plan Change 7, with a focus on the economic impact for the Mackenzie District and the increased importance of agricultural production in the Covid-19 era.

SCCC Mackenzie Business Reference Group. Refer attached Terms of Reference. MBRG members below. First meeting scheduled 15th September in Tekapo.

- Franz Lieber, Fairlie Bakehouse **Hospitality, Food production & processing** (Fairlie)
- Brian Blanchard, Mt Cook Alpine Salmon **Aquaculture & processing** – (Twizel)
- Helen Ivey, Glentanner Park & Station **Tourism Activities/Hospitality/Ag.**(Pukaki/Mt Cook)
- Jason Grant **Federated Farmers**
- Sharron Binns, Binns Property Maintenance & Tekapo Auto– **Property maintenance, Trades, Automotive** (Tekapo)
- Gordon Handy. Overarching business & community. Large scale retail/ Ag/Community Mackenzie Show and resident. **SCCC President**
- Andrew Simpson. Lake Tekapo Enterprises, The Cairns, Balmoral Station **Accommodation, Property Development, Tourism Activities, Ag** (Tekapo)

We feel privileged to have these strong business leaders to help inform and validate Mackenzie business community needs and enable SCCC to provide MDC with valuable feedback.

Training & Events

The free business workshops in Fairlie and Twizel end of July were a huge success. Multiple businesses have reached out for support/assistance and funding as necessary. Working through.

Several training workshops and events were postponed in August, due to return to Level 2.

3 training workshops held: Supervisory Skills & Managing Staff (live); Developing & Enhancing your website (live); Health & Safety from a Management Perspective (webinar).

Mackenzie Business Connection x 3 in August. Total 723 opens. 13 new database subscribers, total 236. Strong increased engagement and feedback. Most viewed: Operating in Level 2; Immigration & wage subsidy changes; RBP funding; Small Business Cashflow Loan Scheme

Promotions opportunity: For awareness and reinforce SCCC business support services and pathway to COVID funding available to every Mackenzie business, we suggest publicising this in MDC 'Mackenzie Messenger' newsletter to ratepayers. A two-fold opportunity for MDC - to let ratepayers know of the investment with SCCC to provide economic development/business support, and enable businesses to seek assistance.

South Canterbury Market Place on www.southcanterbury.org.nz :

Encourage Mackenzie businesses to promote their product/services for FREE with a listing on The South Canterbury Market Place. As this high profile, proven website has a 'local' focus, it is the perfect platform for businesses leverage off and to be seen to attract domestic customers.



Quarterly Economic Monitor

Mackenzie District June 2020

Overview of Mackenzie District

Mackenzie District's economy has been devastated by the loss of international visitors due to COVID-19. Infometrics provisional estimates show that the district's economy contracted by 2.3% over the year to June 2020, compared to a national decline of 2.1%. The situation for Mackenzie is worse on a quarterly basis, with activity in the June 2020 quarter 20.2% lower than June 2019.

Consumer spending in the district was down 4.8% over the year to June 2020, and down 43.2% in the June 2020 quarter compared to June 2019. This reflects the loss of international tourists since March and loss of domestic tourists during lockdown. Pivoting to attract domestic tourists will be essential for the district in the coming years, and data for the month of July is showing promising signs. MBIE's COVID Response Dashboard shows that spending in Mackenzie during the July school holidays was more than 20% higher than the same week last year.

The number of Jobseeker Support recipients has shot up by 82.2% in Mackenzie, compared to 19.0% nationally, over the year to June 2020. Infometrics Local Economic Insights Dashboard (LEI) shows that in the month of June 2020, there were 76 Jobseeker Support recipients and 24 COVID Income Relief Payment recipients in the district.

Mackenzie's construction sector has been a key driver of growth in recent years; however, both residential and non-residential consent issuance were weak in the June quarter. The number of residential consents was up by 5.3% over the year to June 2020, and the value of non-residential consents was down by 36.6%.

A strong dairy pay-out will bring an additional \$6 million to Mackenzie's dairy farmers in the 2019/20 season, compared to the 2018/19 season. New Zealand's food exports held up well throughout lockdown and will be a pillar of strength in coming years.

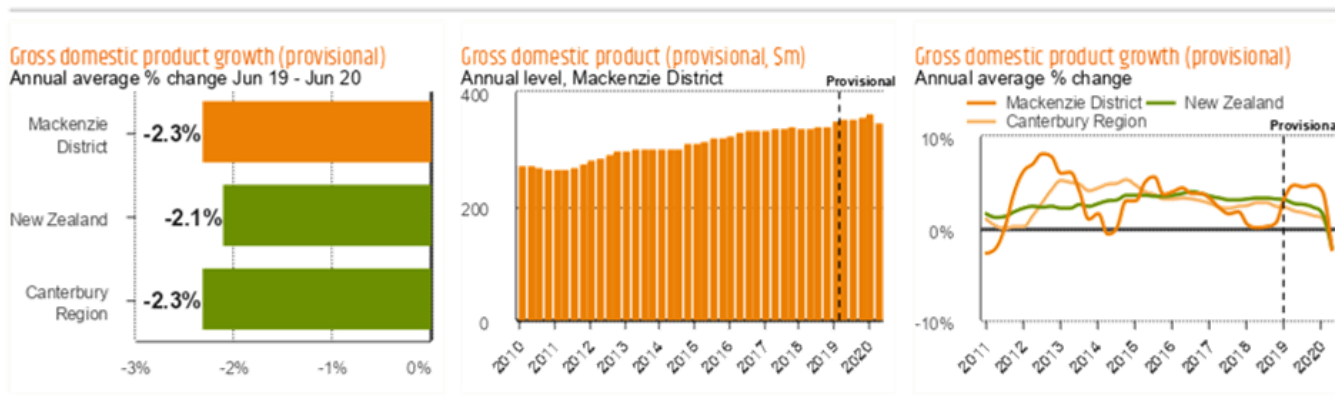
Indicator	Mackenzie District	Canterbury Region	New Zealand
Annual average % change			
Gross domestic product	↓ -2.3%	↓ -2.3%	↓ -2.1%
Traffic flow	↓ -8.6%	↓ -10.8%	↓ -9.4%
Health Enrolments	↑ 5.7%	↑ 2.0%	↑ 2.5%
Consumer spending	↓ -4.9%	↓ -4.0%	↓ -2.8%
Residential consents	↑ 5.3%	↑ 16.4%	↑ 8.1%
Non-residential consents	↓ -36.6%	↓ -36.6%	↓ -8.8%
House prices*	↑ 8.3%	↑ 3.9%	↑ 7.5%
House sales	↓ -16.2%	↓ -3.9%	↓ -6.0%
Tourism expenditure	↓ -16.9%	↓ -12.1%	↓ -12.3%
Car registrations	↓ -11.1%	↓ -41.7%	↓ -19.3%
Commercial vehicle registrations	↑ 1.4%	↓ -41.5%	↓ -24.6%
Jobseeker Support recipients	↑ 82.2%	↑ 23.3%	↑ 19.0%
Level			
Unemployment rate	1.1%	3.7%	4.1%

* Annual percentage change (latest quarter compared to a year earlier)

Overview of national economy

The New Zealand economy took a severe hit during the June 2020 quarter, as the COVID-19 pandemic saw the country locked down at home for around four weeks at Alert Level 4, before a rapid move down the Alert Levels to Level 1 in early June. The economy has endured a dramatic shift in focus, from life support at Level 4 to an adrenaline rush at Level 1. Yet the immediate economic ramifications are clear to see – economic activity has fallen, nearly 50,000 Kiwis lost their jobs, businesses struggled to cope with lower earnings, and incomes were reduced. The June quarter likely represents the largest single hit to the economy, but the economic scarring and restructuring will continue to occur over the coming years. New Zealand is not out of the woods yet.

Gross domestic product (provisional)



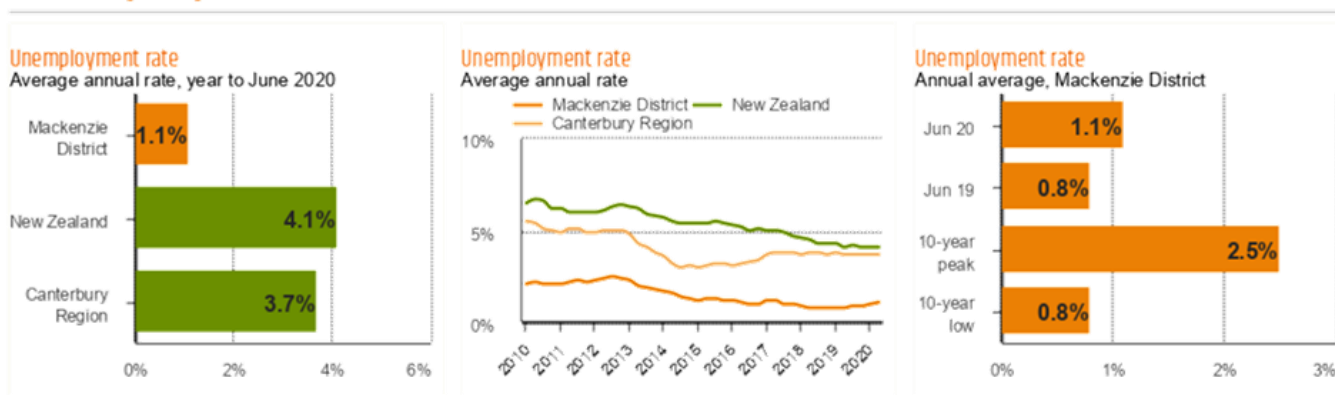
Highlights for Mackenzie District

- GDP (provisional) in Mackenzie District was down 2.3% for the year to June 2020 compared to a year earlier. Growth was lower than in New Zealand (-2.1%) and the same as in Canterbury Region (-2.3%).
- GDP (provisional) was \$347 million in Mackenzie District for the year to June 2020 (2019 prices).
- Annual GDP growth in Mackenzie District peaked at 8.1% in the year to September 2012.

National overview

Infometrics estimates that economic activity across New Zealand fell 12.6%pa in the June quarter, with year-end economic growth sitting at -2.1%pa. A substantial proportion of the economy was closed or operating at a significantly reduced level, with transport, accommodation, hospitality, retail, tourism, and construction activity taking the greatest hit. This steep fall also accounts for the rapid evolution of the economy back down the Alert Levels, with pent-up demand in the economy, and a rebuilding of economic momentum, helping to temper the four-and-a-half-week collapse in economic activity. Primary sector operations continued on broadly unchanged, helping to keep a base level of economic momentum.

Unemployment rate



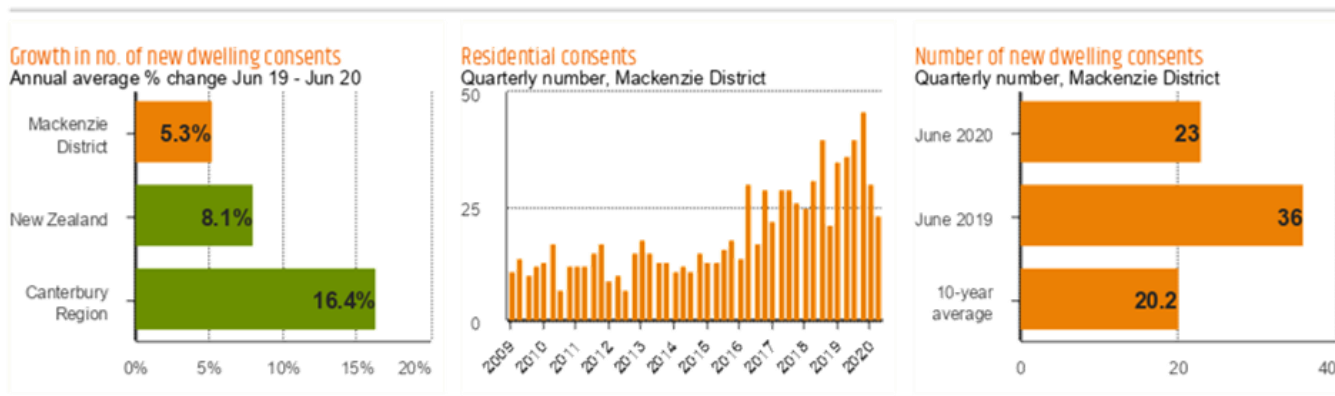
Highlights for Mackenzie District

- The annual average unemployment rate in Mackenzie District was 1.1% in June 2020, up from 0.8% a year earlier.
- The unemployment rate in Mackenzie District was lower than in New Zealand, where the unemployment rate averaged 4.1% over the year to June 2020.
- Over the last ten years the unemployment rate reached a peak of 2.5% in September 2012;

National overview

The June 2020 Household Labour Force Survey showed an incredulous drop in the unemployment rate to 4.0%, although this outcome is driven by definitions rather than a surprisingly rosier labour market. With many unable to be "actively" looking for work due to the Alert Level restrictions, those who lost jobs were counted in the 3.1% rise in the "Not in Labour Force" category as they didn't fit the definition of unemployed. The underutilisation rate, a broader measure of spare capacity in the labour market, also rose from 10.4% to 12.0%. The weekly unemployment rate increased to 6.2% at the end of the quarter.

Residential consents



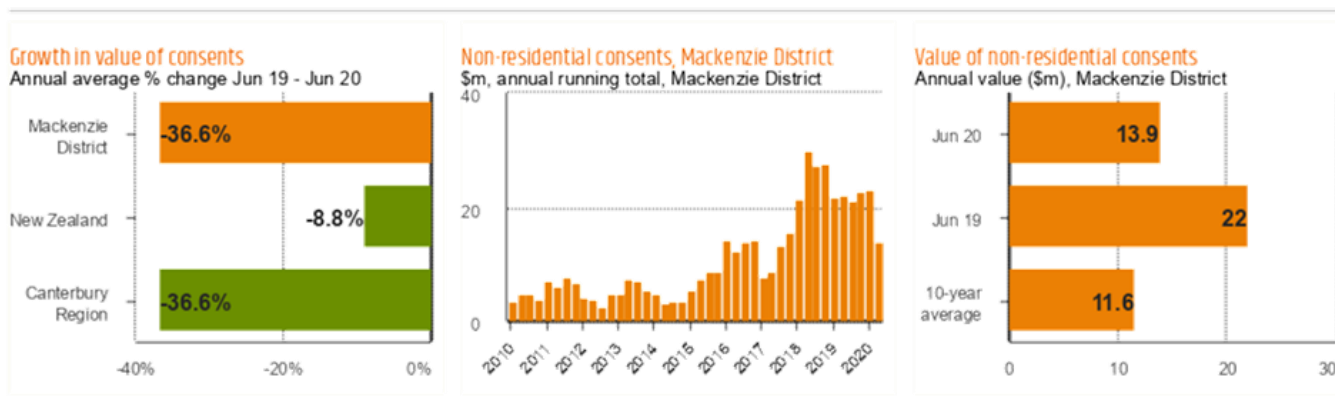
Highlights for Mackenzie District

- A total of 23 new residential building consents were issued in Mackenzie District in the June 2020 quarter, compared with 36 in the same quarter last year.
- On an annual basis the number of consents in Mackenzie District increased by 5.3% compared with the same 12-month period a year ago. The number of consents in New Zealand increased by 8.1% over the same period.

National overview

Consents for new dwellings grew by 8.1% over the year to June 2020. Despite soft consent issuance through April due to the Level 4 lockdown, a strong rebound in May and June meant that consents for the June 2020 quarter were unchanged from June 2019. This strong level of consenting will keep builders busy for the rest of the year, but consents are likely to ease as we approach Christmas, leading to soft workloads in 2021.

Non-residential consents



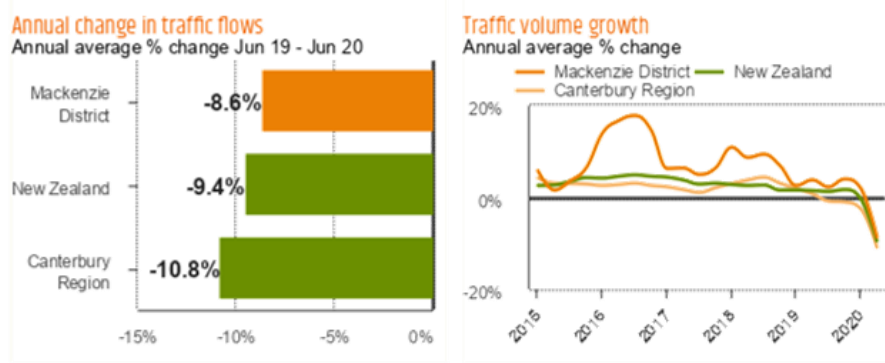
Highlights for Mackenzie District

- Non-residential building consents to the value of \$14 million were issued in Mackenzie District during the year to June 2020.
- The value of consents decreased by -36.6% over the year to June 2020. By comparison the value of consents in New Zealand decreased by -8.8% over the same period.
- Over the last 10 years, consents in Mackenzie District reached a peak of \$30 million in the year to June 2018.

National overview

Non-residential building consents eased by 8.8% over the year to June 2020, following a peak in June 2019. Consents dipped through April and May due to the Level 4 lockdown but recovered strongly in the month of June. The June resurgence likely represents a catchup for projects which were delayed due to lockdown. With weak growth prospects across the economy, consents are likely to ease in coming quarters.

Traffic flow



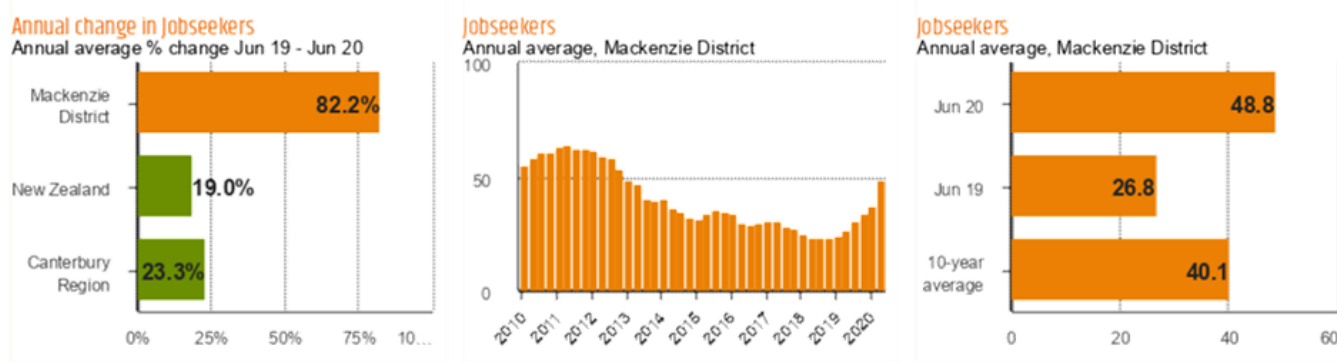
Highlights for Mackenzie District

- Traffic flows in Mackenzie District decreased by -8.6% over the year to June 2020. This compares with an decrease of -9.4% in New Zealand.

National overview

Traffic flows across New Zealand hit the brakes in the June quarter, with usually bustling roads left deserted at the start of the quarter as the lockdown was enforced. Freight continued to move across the country, but at reduced levels, with only essential goods ordered and delivered. Transport activity recovered as New Zealand moved down the Alert Levels, with Kiwi road trips bolstering domestic tourism activity, and a dash to online retailing seeing package delivery delays. Traffic levels during Level 4 dropped to 15% of usual in the depths of Level 4, before increasing to just over 80% towards the end of the quarter.

Jobseekers



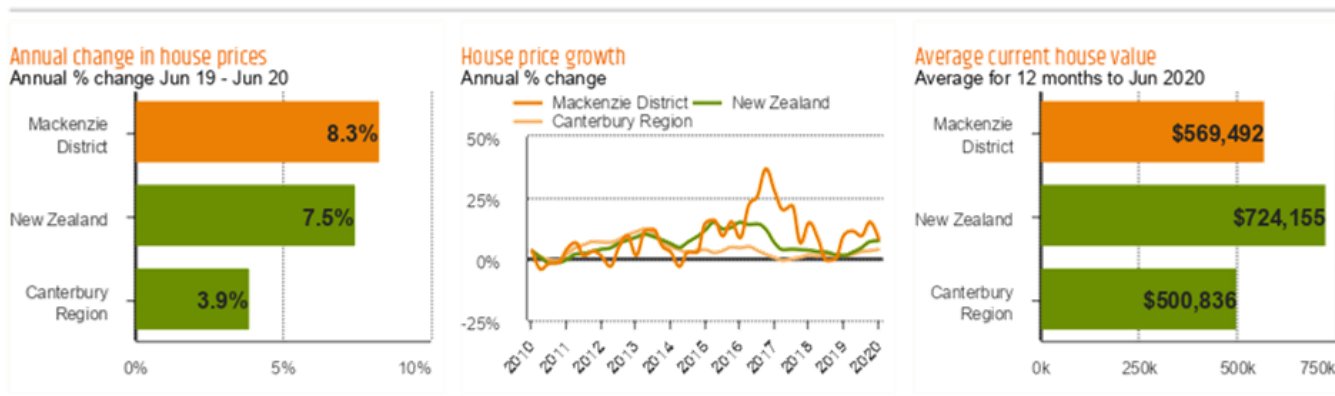
Highlights for Mackenzie District

- Working age Jobseeker Support recipients in Mackenzie District in the year to June 2020 increased by 82.2% compared with the previous year. Growth was higher relative to New Zealand, where the number of Jobseeker Support recipients increased by 19.0%.
- An average of 49 people were receiving a Jobseeker Support benefit in Mackenzie District in the 12 months ended June 2020. This compares with an average of 40 since the start of the series in 2010.

National overview

In total, nearly 50,000 New Zealanders were added to government unemployment support over the June 2020 quarter, taking the total number of people supported to over 200,000. On average over the last year, Jobseeker Support recipients are up 19%pa. This rise doesn't include the COVID-19 Income Relief Payment which was supporting nearly 11,000 more people at the end of June 2020. This rise in government support of Jobseeker Support recipients occurred even as the government spent over \$12.3b to support 1.7m workers (61% of the labour force) through the Wage Subsidy and extension.

House prices



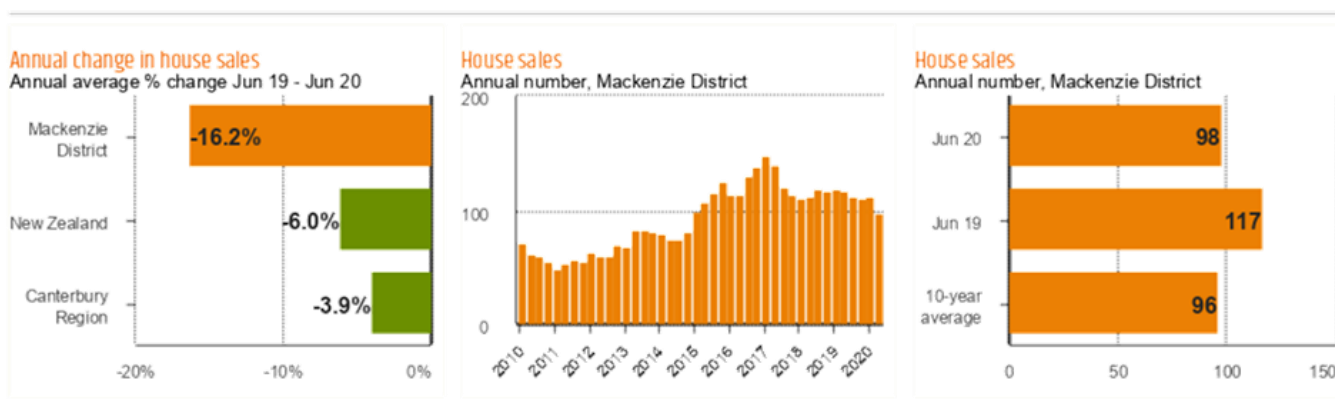
Highlights for Mackenzie District

- The average current house value in Mackenzie District was up 8.3% in June 2020 compared with a year earlier. Growth outperformed relative to New Zealand, where prices increased by 7.5%.
- The average current house value was \$569,492 in Mackenzie District over the June 2020 year. This compares with \$724,155 in New Zealand.

National overview

House values have grown strongly in the year to June 2020, up by 7.5% compared to the year to June 2019. Interest rate cuts throughout 2019 spurred on late-cycle growth in the property market, particularly in Auckland. Values have bounced back relatively strongly post-lockdown, but the impending removal of the wage subsidy and mortgage holiday schemes will likely bring softness to the housing market.

House sales



Highlights for Mackenzie District

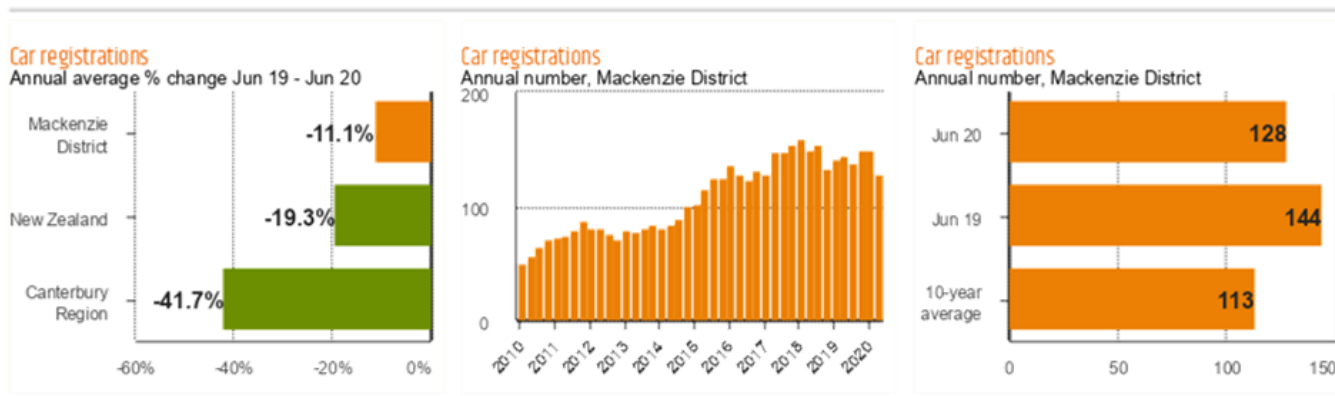
- House sales in Mackenzie District in the year to June 2020 decreased by 16.2% compared with the previous year. Growth underperformed relative to New Zealand, where sales decreased by 6.0%.
- A total of 98 houses were sold in Mackenzie District in the 12 months ended June 2020. This compares with the ten year average of 96.

National overview

House sale volumes fell sharply in the June quarter, as the Level 4 lockdown period impeded sales taking place. The weak June quarter lead to a 6.0% decline in sales over the year to June 2020.

Surprisingly strong house prices at present may encourage more listings to come to market in the coming months but with an overall deterioration in economic conditions, households are more likely to stay put, keeping sales volumes low.

Car registrations



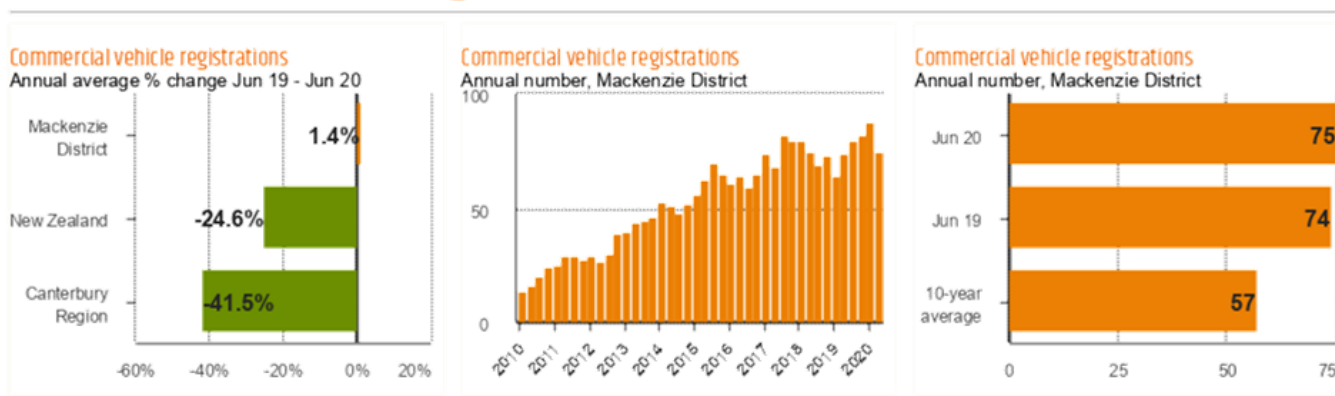
Highlights for Mackenzie District

- The number of cars registered in Mackenzie District decreased by -11.1% in the year to June 2020 compared with the previous 12 months. Growth was higher than in New Zealand, where car sales decreased by -19.3%.
- A total of 128 cars were registered in Mackenzie District in the year to June 2020. This compares with the ten year average of 113.

National overview

The decline in car registrations has accelerated, falling 43%pa in the June 2020 quarter, which contributed to a 19% fall in the June 2019 year. Car registrations have been on a downward path since the middle of last year, but constraints on trading during lockdown were a major contributor to the June quarter's result, with registration numbers toppling across the board in both new and used, large and small cars. There are signs that money saved by households during lockdown is being spent on new cars, but this spending may only be temporary. As job losses begin to accumulate, consumers' and businesses' willingness to make major purchases could well dry up. The additional impact of New Zealand's closed borders on demand for rental cars from the tourism industry and the outlook for the car market is far from rosy.

Commercial vehicle registrations



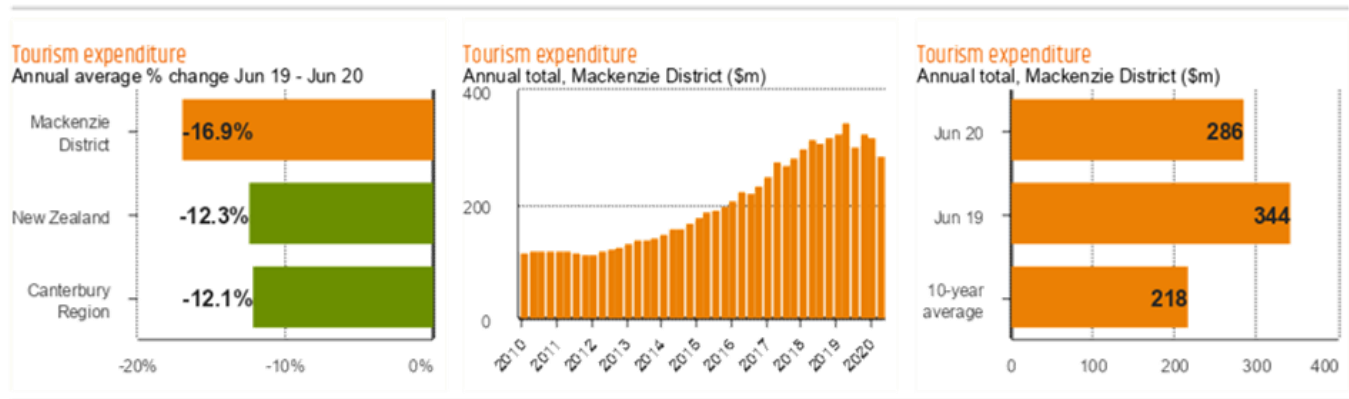
Highlights for Mackenzie District

- The number of commercial vehicles registered in Mackenzie District increased by 1.4% in the year to June 2020 compared with the previous 12 months. Growth was higher than in New Zealand, where commercial vehicle sales decreased by -24.6%.
- A total of 75 commercial vehicles were registered in Mackenzie District in the year to June 2020. This is higher than the ten year annual average of 57.

National overview

Commercial vehicle registrations fell 48%pa in the June 2020 quarter, which contributed to a 25% fall in the June 2020 year. Commercial vehicle registrations have been weakening since the middle of last year but, at just over 9,000 registrations, the June 2020 quarter result was comparable to levels last seen in the aftermath of the GFC. The June 2020 quarter saw falls in light, medium and very-heavy commercials. However, there are early signs of a recovery in light commercials on the back of a primary sector that is seeing continued demand for New Zealand's food exports, a better than expected pipeline of construction work in the near-term, and households' willingness to spend money saved during lockdown.

Tourism Spending



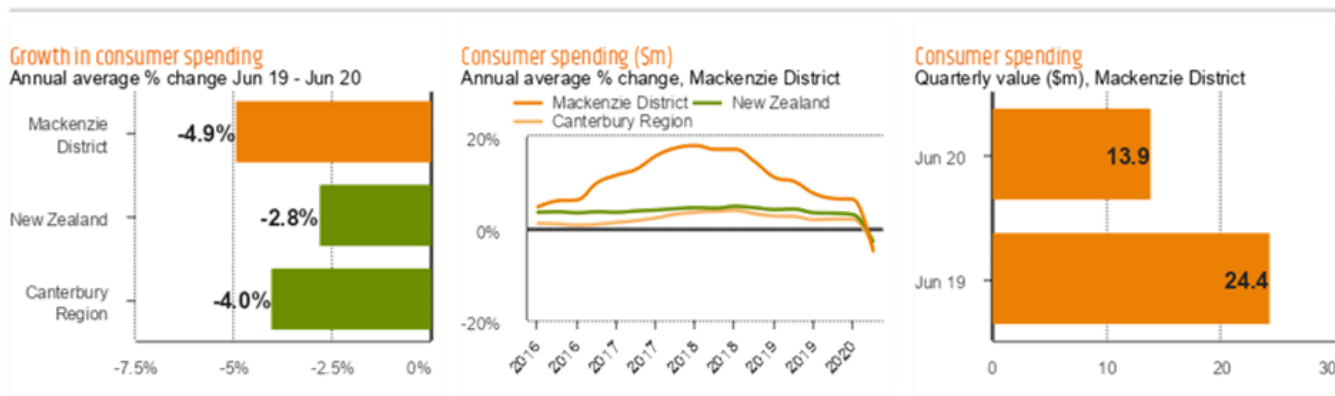
Highlights for Mackenzie District

- Total tourism expenditure in Mackenzie District decreased by 16.9% in the year to June 2020. This compares with a decrease of 12.3% in New Zealand.
- Total tourism expenditure was approximately \$286m in Mackenzie District during the year to June 2020, which was down from \$344m a year ago.

National overview

Tourism spending fell 12.3%pa over the year to June 2020, as the border closure and domestic restrictions hit visitor activity. Total tourism spending over the last 12 months totalled \$26b, with spending of \$3.6b lost compared to the June 2019 year. The West Coast recorded the hardest hit, with tourism spending down just over 20%pa, followed by Southland (-16%), Otago (-15%) and Wellington (-14%). Domestic travel has helped bolster tourism activity in recent months but won't be enough to outweigh the loss of international tourism activity.

Consumer Spending



Highlights for Mackenzie District

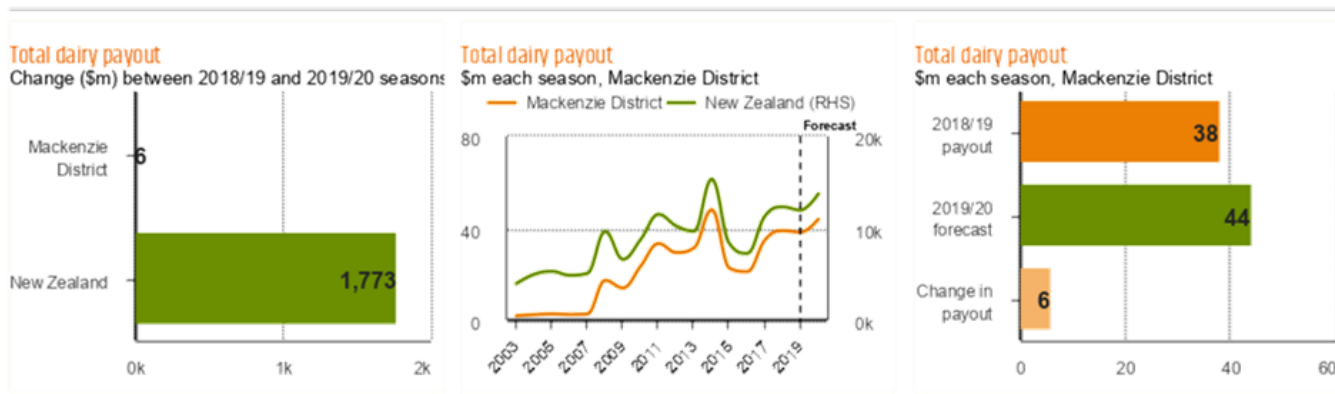
- Electronic card consumer spending in Mackenzie District, as measured by Marketview, decreased by -4.9% over the year to June 2020 compared to the previous year. This compares with an decrease of -2.8% in New Zealand.

National overview

Consumer spending fell off a cliff in the June 2020 quarter, with spending down 20% compared to June 2019, as households held onto their wallets during the lockdown period. Spending over the year to June 2020 was down 2.8% compared to the June 2019 year.

Consumer spending has been surprisingly resilient since the Level 4 lockdown, but we expect it to soften in the coming quarter as post-lockdown surge ends and the end of the wage subsidy extension brings about a second wave of redundancies.

Total dairy payout



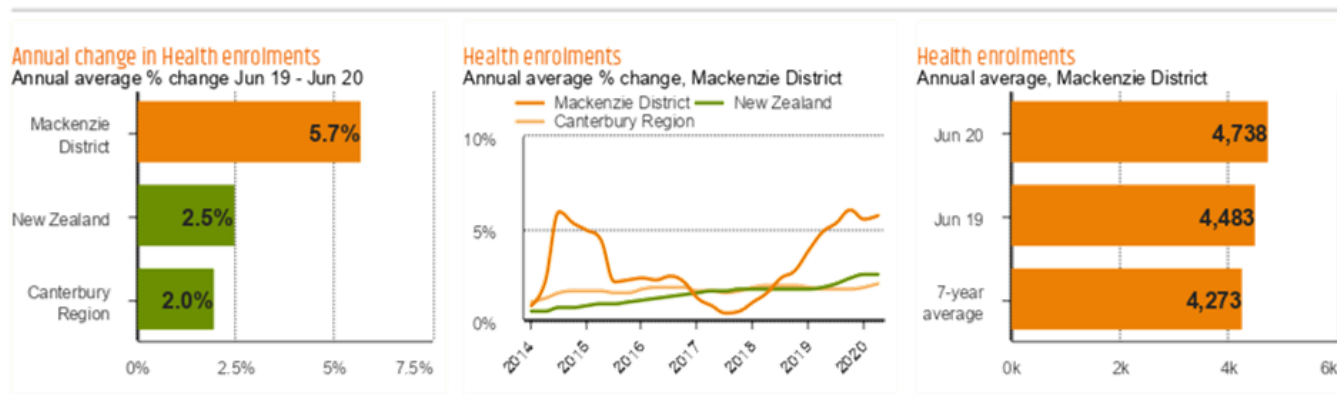
Highlights for Mackenzie District

- Mackenzie District's total dairy payout for the 2018/19 season is estimated to have been approximately \$38.2m.
- Mackenzie District's dairy payout for the 2019/20 season is expected to be approximately \$43.9m, \$5.66m higher than last season, assuming that production levels from last season are maintained.
- The total dairy payout for New Zealand is estimated to have been approximately \$11,964m in the 2018/19 season, and is expected to be \$1,773m higher in the 2019/20 season.

National overview

Near-term expectations for the dairy sector are holding up, with global demand still present for New Zealand's (now again) largest export. As expected, the dairy pay-out has settled towards the lower end of previous expectations, with Fonterra's pay-out for the season just finished sitting at \$7.15/kgms. The drought has hurt farmers in the North Island, with higher feed costs and other issues biting. Considerable uncertainty remains around the dairy outlook, with Fonterra's opening pay-out for the current season ranging between \$5.90-\$6.90/kgms – with a mid-point of \$6.40/kgms – reflecting expected issues. Dairy exports were up 13%pa in the June 2020 quarter, highlighting the current resilience in primary sector activity.

Health Enrolments



Highlights for Mackenzie District

- The number of people enrolled with a primary health organisation in Mackenzie District in the year to June 2020 increased by 5.7% compared with the previous year. Growth was higher relative to New Zealand, where the number of enrolments increased by 2.5%.
- An average of 4,738 people were enrolled with primary healthcare providers in Mackenzie District in the 12 months ended June 2020. This compares with an average of 4,273 since the start of the series in 2013.

National overview

The number of people enrolled at a health provider remained strong in the June 2020 year, with a 2.5%pa rise – in line with the March 2020 year. Net migration has increased in recent months, driven by an influx of returning New Zealanders, with national population growth of 2.1%pa in June 2020. The health and contact tracing focus of the COVID-19 pandemic is likely seeing an increase in the number and accuracy of health enrolment details, meaning that the strength of health enrolments might not be driven purely by an increasing population.

Technical notes

Building Consents

Building consents data is sourced from Statistics New Zealand. The number of residential consents issued for new dwellings is the measure for residential consents. For non-residential consents, the measure is the value of both new buildings and alterations.

Consumer Spending

The consumer spending data is sourced from Marketview. It measures total electronic card spending using spending through the Paymark network and adding to it an estimate of non-Paymark network spending using the pattern of BNZ card holder spending at non-Paymark retailers. For further breakdown of the data by storetype and other variables contact Marketview.

Dairy

Dairy data has been sourced from the "New Zealand Dairy Statistics", a publication co-owned by DairyNZ and LIC, as well as calculations made by Infometrics. The data accords to dairy seasons, which run from June to May. Total dairy payouts in each territorial authority have been calculated by Infometrics by utilising milk solids production in conjunction with Fonterra's farmgate milk price (excluding dividends) from the dairy season in question. For the current season, Infometrics calculates a payout forecast using our own expectation of the farmgate milk price and the assumption that milk solids production continues running at the same level from the previous season.

Earnings

The earnings data comes from the quarterly Linked Employer Employee Data (LEED) published by Statistics New Zealand. LEED publishes the mean earnings of full quarter jobs for each quarter. Full quarter jobs may include full time and part time jobs. Earnings include overtime and lump sum payments. We sum the mean earnings for the four quarters making up the year to arrive at an estimate of average annual earnings. Infometrics projects average annual earnings to the current quarter using growth rates in industry earnings measured in the Labour Cost Index.

Gross Domestic Product

Gross Domestic Product is estimated by Infometrics. A top down approach breaks national industrial production (sourced from production based GDP measures published by Statistics New Zealand) is broken down to TA level by applying TA shares to the national total. Each TA's share of industry output is based on earnings data from LEED. GDP growth in recent quarters is based on a model which uses the various partial economic indicators presented in this report as inputs. Estimates of GDP for these most recent quarters are provisional until Infometrics updates its annual GDP series in the Regional Economic Profile at the beginning of each year. Gross domestic product is measured in 2019 dollar terms.

Health Enrolments

Health enrolments are sourced from the Ministry of Health. They record the number of people in each area who are enrolled with a Primary Health Organisation (PHO). Enrolment is voluntary, but most New Zealanders enrol at a general practice for health reasons and for the benefits of enrolment, such as cheaper doctors' visits and reduced costs of prescription medicines. Changes to how the Ministry of Health recorded this data led to Infometrics revising our approach to health enrolment figures for the March 2019 Quarterly Economic Monitor onwards. Our new approach completely revises our timeseries of health enrolments, so care should be taken when comparing the March 2019 report with previously downloaded reports.

Previously, the data provided was only for those people whose addresses are able to be accurately recorded by the Ministry of Health. We have now switched to breaking down TA-level health enrolments based on trends in stated health enrolments by area, to ensure that the total number of enrolees published in the Monitor align with the national-level figures published by the Ministry of Health. A new system for classifying and recording health enrolment addresses from March 2019 onwards by the Ministry means significantly higher numbers of unallocated enrolees, resulting in the need to review our model.

House Sales

The number of house sales is sourced from REINZ. The indicator measures the number of house sales at the point when the sale becomes unconditional. The unconditional date is the date when all the terms of an agreement have been satisfied and the sale and purchase can proceed to settlement.

House Values

House value (dollar value) are sourced from QVNZ. The levels quoted in the report are average current values over the past 12 months. An average current value is the average (mean) value of all developed residential properties in the area based on the latest house value index from QVNZ. It is not an average or median sales price, as both of those figures only measure what happens to have sold in the period. These average current values are affected by the underlying value of houses (including those not on the market) and are quality adjusted based on the growth in each house's price between sales.

Jobseekers Support

In July 2013 the New Zealand's welfare system changed to better recognise and support people's work potential. As part of this the Jobseekers Support benefit was introduced. This benefit is for people who can usually look or prepare for work but also includes people who can only work part-time or can't work at the moment, for example, because they have a health condition, injury or disability.

Tourism Expenditure

Tourism expenditure data is sourced from the Ministry of Business, Innovation and Employment's (MBIE) Monthly Regional Tourism Estimates. These are estimated values for tourism spending that approximate values found in the International Visitor Survey (IVS) and Tourism Satellite Account (TSA), using modelling of a sample of electronic card spending throughout New Zealand from domestic and international accounts.

Traffic Flow

Traffic flow growth rates are calculated from the number of vehicles passing approximately 110 sites monitored by New Zealand Transport Agency. Each of the sites has been mapped to a territorial authority.

Unemployment

Regional level unemployment rates are sourced from Statistics New Zealand's Household Labour Force Survey. Trends in the number of Jobseekers are used to break down regional unemployment rates to TA levels. The TA level unemployment rates are benchmarked on census following the release of each census. To reduce volatility the unemployment rate is presented as an average for the last four quarters.

Vehicle Sales

Car and commercial vehicle sales data are sourced from New Zealand Transport Authority. Sales are based on new registrations which include the first time registration of new vehicles and used vehicles imported from overseas.



Mackenzie Business Reference Group

Meaning: A reference group is one that influences our opinions, beliefs, attitudes, and behaviours. A group that we compare ourselves to and use as a base.

Terms of Reference:

Vision: To provide reference to the SCCC for the delivery of the SCCC agreement with MDC, to assist with “the enhancement and development of a strong Mackenzie District Business community and economy.”

Purpose:

1. To provide information and intelligence to help support economic drivers ultimately leading to economic and business growth.
2. To assist in identifying opportunities and support to assist in business growth across the district and to minimise barriers to growth.
3. To provide Mackenzie business-based references for the SCCC.
4. To identify any key areas for advocacy. (E.g. Plan Change 7, Proposed reduction of DHB's)
5. To identify projects, initiatives and funding that may be accessed to support the wider business community.
6. To monitor and identify trends in the economy.

Reference Group Members:

Suggested representation: a small well connected and influential membership. Cross sector expertise with a level of geographical representation.

Operational activity:

Three/four meetings per annum either remote connections or face to face.

6.4 DISPOSAL OF WOODCHIPPER

Author: Charlotte Borrell, Community Facilities and Services Officer

Authoriser: Tim Harty, General Manager Operations

Attachments: 1. Twizel Community Board Wood Chipper Report [↓](#) 

PURPOSE OF REPORT

For Council to approve the Twizel Community Boards recommendation to dispose of the wood chipper in accordance with the Retention and Disposal Policy.

STAFF RECOMMENDATIONS

1. That the report be received.
2. The Council resolve to dispose of the wood chipper in accordance with the Retention and Disposal Policy, and that
3. the proceeds be returned to the Twizel Community Board grant budget in support of other community initiatives.

BACKGROUND

The attached report was presented to the Twizel Community Board (the Board) at the meeting on 3 August 2020.

The Board received the report and voted in favour of disposing of the chipper, as recommend, on the basis of the health and safety risk it posed requesting that the funds from the sale where returned to the Community, via the Board grant budget.

The unconfirmed minutes from the report will be endorsed by Council at its meeting of 22nd September.

POLICY STATUS

The Community Board report outlines the policy status in this matter.

SIGNIFICANCE OF DECISION

This decision is not significant, as measured by Councils Significance and Engagement Policy.

OPTIONS

There are two possible options for Council to consider:

1. Support the Twizel Community Board recommendation to dispose of the chipper
2. Do not support the Twizel Community Board recommendation to dispose of the chipper

The disposal of the chipper has been supported by the Twizel Community Board and, once endorsed by Council, staff will organise the sale of the chipper through Trade Me in accordance with the Retention and Disposal Policy. This means of sale will be advertised to the public via local media.

CONSIDERATIONS**Legal**

As per attached Board report.

Financial

As per attached Board report.

CONCLUSION

As stated in the Twizel Community Board report, the woodchipper does not add value nor efficiency to council operations and presents a significant health and safety risks to council. It is for these reasons it is recommended that Council dispose of this equipment in accordance with the Retention and Disposal Policy.

5.5 WOODCHIPPER

Author: Charlotte Borrell, Community Facilities and Services Officer

Authoriser: Tim Harty, General Manager Operations

Attachments:

1. Asset Disposal Policy
2. Significance and Engagement Policy

PURPOSE OF REPORT

Recommendation for disposal of the Twizel Community Boards woodchipper for Health and Safety reasons.

STAFF RECOMMENDATIONS

1. That the report be received, and that
2. the Twizel Community Board recommend to Council to dispose of the woodchipper in accordance with the Retention and Disposal Policy, and that
3. the proceeds be returned to the Twizel Community Board grant budget in support of other community initiatives.

BACKGROUND

In June 2009 the Twizel Community Board purchased a woodchipper (the chipper) for \$23,000 (excl GST).

Since that time, the Twizel Community Board (the board) has allowed members of the public to hire the woodchipper, which is accompanied with a fuel card, to undertake work either on private or public property.

Hireage of the chipper is recorded in a "Mulcher Book" which indicated the person using the chipper, when it is taken and when returned. There is no record of safety or maintenance history on the machine nor safety briefings for the hirer. There is also no record of hireage rates, nor how these are set. Council is required to set out its Fees and Charges through the Annual Plan process and there is no record of a charge out rate for the chipper in this schedule.

Council staff ensure that only qualified contractors are engaged to undertake district maintenance work under the Township Maintenance Contract and do not own nor maintain equipment of this nature.

Disposal of the wood chipper will remove risk to council for any health and safety or public liability incidents.

POLICY STATUS

Whilst the Board purchased the chipper, the disposal of this item is covered by Councils Retention and Disposal Policy, which is attached.

SIGNIFICANCE OF DECISION

This decision is not significant, as measured by Councils Significance and Engagement Policy, which is attached.

OPTIONS

There are two possible options for the Board to Consider:

1. Do nothing, under this option the Health and Safety risks associated with the chipper remain;
2. Support the disposal of the chipper, as outlined within this report
3. Propose an alternative recommendation

CONSIDERATIONS**Legal**

Councils operations are governed by Health and Safety at Work Act 2015 (the act). The act was introduced following the Pike River tragedy. Broadly under the act, Council has a duty of care to ensure that workers (whether or not they are employees) undertaking activities related to Council, within Council facilities or with Council equipment, do so in a safe and competent manner and manage risk accordingly.

Use of the machinery such as the chipper represent a significant health and safety risk to Council.

Financial

The woodchipper was purchased in 2009 for \$23,000 (excl GST) and is now fully depreciated and now has a book value of nil.

Registration and WOF has been up-kept by Councils maintenance contractor at general ratepayer cost.


The hire record book states potential hirers must contact Pat Shuker for the hire rate. It is unknown what the hireage rate is, where the hire funds are recorded or what account they are receipted into.

As Twizel Community Board funds originally paid for the woodchipper it is recommended that the proceeds of the sale are returned to the board grant budget.

CONCLUSION

The woodchipper does not add value nor efficiency to council operations and presents a significant health and safety risks to council. It is for these reasons it is recommended that Council dispose of this equipment in accordance with the Retention and Disposal Policy.

6.5 UPDATE ON PROGRESS OF THE WATER AND WASTEWATER CAPITAL WORKS PROGRAM

Author: Tim Harty, General Manager Operations
Authoriser: Suzette van Aswegen, Chief Executive Officer
Attachments: 1. Program Report August 2020 [↓](#) 

STAFF RECOMMENDATIONS

That the information be noted.

BACKGROUND

This report is to provide Council with an update on the 2020/21 Water, Wastewater and footpaths Capital works projects that were fast tracked through the 2020/21 Annual Plan process.

At the Extraordinary Council meeting of the 25th August, Council approved the engagement of consultants Beca Limited (Beca) to support staff in the delivery of \$10m Capex program. At that meeting Council requested regular reports on progress be made.

To date, good progress on the works program has been made and from next month, a more structure and interactive program report will be available to Councillors.

Attached to this report is a summary of progress to date on the works program. Mr Peter Dawson from Beca will be in attendance at the meeting to talk to, and answer any questions Council may have on the attached report, or the program of works as a whole.

CONCLUSION

Good progress has been made to date on the delivery of the \$10m program of works for water, wastewater and footpaths. The appointment of Beca to support staff has allowed focus on scoping of the works program and preparation for delivery.



ANZ Centre, 267 High Street,
PO Box 13960, Christchurch,
8141, New Zealand
T: +64 3 366 3521 // F: +64 3 366 3188
E: info@beca.com // www.beca.com

11 September 2020

Mackenzie District Council
PO Box 52
Fairlie 7949
New Zealand

Attention: Tim Harty

Dear Tim

MDC Capital Works Projects – Progress Report #1

Please see below an update on progress undertaken since starting the project on the 27th August 2020.

The main progress has been identified below:

- Coordination with the Mackenzie District Council (MDC) team to understand the scope of the works, the design status, cost estimates, specific Council requirements and identify risks to achieving the key objectives
- Preparing scope and engaging a design team to start the design for the water main renewals, shared use path, water treatment plant and reservoirs (including the proposed new water resource). The design plans will then form part of the tender documentation and community consultation
- Development of an initial draft programme (to be provide next month once completion of procurement plans etc.)
- Sit down meeting with NZTA procurement manager to give confidence of delivery of the shared path this financial year
- Communication strategy developed with the MDC Communications Advisor
- Understanding the MDC procurement plan policies and what is required to deliver the work and a high level strategy to deliver

Design

The following table shows the design stages for each discipline and what has been started:

Design Gates	Water treatment plant	Reservoirs	Water Supply (to be modelled)	Water Supply	Roading
Concept Design	Started		N/A	N/A	N/A
Detailed Design	TBD	TBD	Started	Started	Started
Tender Documents	TBD	TBD	TBD	TBD	TBD

Procurement plans

The procurement plans will be developed next month with the current high level strategy as follows:

- Early communication with the preferred MDC contractors
- Issue an open Expression of Interest (EOI) to understand local contractor resource, availability, experience etc.
- Put the work into packages of work based on the feedback provided in the EOI and informal communication with the preferred MDC contractors
- Programme less critical works later in the programme as a contingency if the budget is exceeded
- Direct appoint some small packages of work to local contractors for the shared use path (following the MDC Procurement Strategy for Land Transport Programme)
- Stage the water main renewals and package up into large packages to be tendered
- Include some provisional items in the packages of work such that these can be included based on contractor performance and budget constraints
- All other works to be open tendered (following the MDC Procurement Policy)
-

Risks

Initial key risks identified to meet the propose programme to deliver within this financial year to 30 June 2021 have been itemised in the table below. Risk registers will be produced for each package of work during the next month.

Risk	Consequence	Mitigations to be undertaken	Status
Contractor availability	Unable to deliver to programme within the financial year	Initial discussions with the preferred Contractors Expression of Interest (EOI) to better understand Contractor availability, resource, experience etc.	High risk
Water treatment plant, reservoir and new water source design	Unable to deliver to programme within the financial year	Concept design started however it is likely that detailed design will be completed by the end of the year, which reduces the construction timeframes	At risk of meeting programme
Cost overrun	Not all work can be undertaken	Work packaged up with less critical work undertaken later in the programme Cost estimates provided as part of some of the design	Water treatment plant, reservoir and new water source design likely higher cost than budgeted (cost estimate to be undertaken in design) Other works not assessed at this stage

Design impacting the programme	Unable to deliver to programme with the financial year	Design work started and streamlined to reduce the impact to the programme	Low risk
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Next Steps

Over the next month the main steps to complete with the MDC team are as follows:

- Develop a draft programme
- Initial communications with the public on proposed works
- Initial communication with key stakeholders (Iwi, ECan etc.)
- Continue to progress with design and undertake workshops with the MDC Engineering Team
- Prepare procurement plans for the water main renewals and shared use path
- Issue an Expression of Interest (EOI) for the watermain renewals and the shared use path to understand the current Contractor availability and understand if the some of the shared use path work can be direct appointed to local contractors that meet the procurement plan requirements
- Start to split the work into packages based on feedback from the contractors in the Expression of Interest (EOI)

Future reporting will be using our CAPEX Insights project status tool, that will show progress on each discipline, cost spent, risks etc. Customisation of these reports can be undertaken and agreed with yourself.

Yours sincerely



Pete Dawson

Senior Project Manager





on behalf of

Beca Limited

Phone Number: 0275871273

Email: pete.dawson@beca.com

6.6 COUNCIL SWIMMING FACILITIES OPERATIONS 2020/21 SEASON

Author: Tim Harty, General Manager Operations
Authoriser: Suzette van Aswegen, Chief Executive Officer
Attachments: 1. CLM Proposal  
2. Risk Matrix  

Council Role:

- ☐ **Advocacy** When Council or Committee advocates on its own behalf or on behalf of its community to another level of government/body/agency.
- ☐ **Executive** The substantial direction setting and oversight role of the Council or Committee e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.
- ☐ **Legislative** Includes adopting District Plans and plan changes, bylaws and policies.
- ☐ **Review** When Council or Committee reviews decisions made by officers.
- ☐ **Quasi-judicial** When Council determines an application/matter that directly affects a person's rights and interests. The judicial character arises from the obligation to abide by the principles of natural justice, e.g. resource consent or planning applications or objections, consents or other permits/licences (e.g. under Health Act, Dog Control Act) and other decisions that may be appealable to the Court including the Environment Court.
- ☐ **Not applicable** (Not applicable to Community Boards).

PURPOSE OF REPORT

The purpose of this report is to update Council on the status of the districts aquatic facilities and determine an operational methodology for the 2020/21 season.

STAFF RECOMMENDATIONS

1. That the report be received, and that
2. Council endorse option 3, as articulated within this report, for the Management of the Operation of the Twizel and Fairlie Pools for the 2020/21 year, and further that
3. Council enter into a one year contract with Community Leisure Management for a sum of \$210,000 for the operation of Council pools for the 2020/21 year; and further that
4. Council delegate to the Chief Executive authority to sign off the contract with Community Leisure Management, and further that

5. Staff investigate the long-term operations of Council aquatic facilities and report back to Council as soon as practical with potential options, and further that,
6. The shortfall in funding, as outlined within this report, be sourced from Operational Reserves, as appropriate.

BACKGROUND

Council owns and operates 2 seasonal public aquatic facilities across the district, an indoor 25 meter pool in Fairlie and an outdoor 50 meter pool in Twizel. Both pools also have associated with them smaller toddler type pools and associated water play facilities. Recently a significant upgrade to the Twizel pool has been completed which included:

- Replace inground pipework to pools, including separating learn to swim (small pool) and toddlers pool from the main pool and balance tank
- Re-line pools with PVC membrane
- Build new plant room to house new filtration and treatment plant for the learn to swim pool and splash pad
- Change toddlers pool to a zero-depth splash pad
- Replacement on main pool thermal pool blankets and new under bench reels
- New learn to swim pool thermal blankets and reels
- New HAZNO compliant bunded chlorine storage tank
- Install air sourced heat pump for learn to swim pool and splash pad

Both pools had some form of external heating to extend the swim season however the Twizel pool system is now out of service due to age and lack of ongoing maintenance.

Typically, Council has operated the pools using internal resources, recruiting pool staff seasonally and relying on one or two senior and experienced staff to provide overall supervision during the season. Council, as a pool operator, is not Pool Safe accredited although the process has been commenced (Pool Safe is a nationally run pool accreditation system) and none of the current staff have experience in the day to day running of a public swimming pool.

Both the Fairlie and Twizel schools are reliant on the operation of the facilities to enable children to have water education. Fairlie also has an active swim club and a Walk'n'Talk Aqua class that uses the facility regularly, in season.

Early this year a significant incident occurred at the Twizel pool, where a large volume of pool chemical (600l chlorine) leaked from storage and entered the stormwater system. This highlights the risks when managing pools and the need to have structure and processes in place.

DISCUSSION

Overview

In July 2020 staff commissioned a District wide review and risk assessment (the review) focused on Councils Community Facilities portfolio. Staff have scheduled a discussion with Council via a workshop in early October, to discuss the findings of the review, however one area of high risk that could not wait for the discussion with Council, relates to the operation of Councils Aquatic Facilities.

Reviews Findings

The review was commissioned as a high-level assessment and risk review of the Districts Community Facilities, primarily due to the age and outwardly appearance of many of the Assets.

With respect to Councils aquatic facilities, the review¹ noted:

“The aquatic facilities are an area of significant risk”

“The seasonal manager does present with experience, however, given the Council officers have limited experience and knowledge, the risk and consequences of lapses in judgement are so significant that the current approach is not tenable”

1 - Community Facilities and Parks Risks – Forward Approach, Xyst Limited July 2020

This risk was immediately articulated through internal processes and Councils Organisational Risk Assessment was updated (see risk section of this report).

Status of the Activity

The operation of the pools via Council recruited and appointed staff is the traditional approach to the activity. It is understood that the pools have been operated in this fashion for many years.

The process for mobilisation and commencement of the season is for Council staff to recruit both seasonal managers and pool lifeguards, provide the training required and manage the overall operation of the facility. The seasonal managers are members of the respective local communities that have some skills and background in aquatic facilities, but are not full time Council staff nor is the operation of the pools their only employment.

Council has over the years adopted a “hands off approach” to the operation of the pools when community groups such as schools and swimming clubs are using the facilities. At this time the pools have been unstaffed by paid lifeguards. Schools are expected to provide an appropriate level of supervision through their own resources. This presents a risk to both the School and Council and is not an acceptable practice in terms of risk to Council.

Public and large pools, by their nature, are sophisticated pieces of equipment and have associated with them a large number of both water quality management needs and pool pump and dosing equipment management requirements. The filter rooms and pump equipment at both sites has not been assessed recently and further work is needed in this area. Overall, the general condition of the sites appears to be average and there are areas at both facilities that are in need of investment to bring up to an acceptable condition. The heating system at Twizel is not operating and as such the length of the season will be impacted.

Current council staff have had some exposure to aquatic facility management, with either a year of operation of the local facilities, or overall management of other Councils assets, via operational contracts. There is, however, no hands-on aquatic facility management experience within Council staff.

Usage of the pools is mixed with no real measure of overall patronage. Fairlie pool has a strong mix of usages and the Twizel pool is closed school hours during the term for sole access for the school.

Operational Approaches

Management of municipal aquatic facilities across the country is mixed with some operated in house and others contracted out.

There are pro's and con's for each approach, however, in general it is the size and scale of the operation that tends to dictate the operational methodology, with smaller pools for smaller local authorities tending to be contracted out. Whilst this will not always be the case, the risk profile with these facilities is too high for many councils to consider in house operations.

The table below outlines a high-level pro and cons of internal vs. external operation of aquatic facilities:

Operational Method	Pro's	Cons
In House	<ul style="list-style-type: none"> • Council remains in control of activity • Community view may be more positive • All costs and income direct to Council 	<ul style="list-style-type: none"> • Health and Safety risks • Investment in training and time • Staff time commitments • Councils exposure to risk not managed as well as can be • Users will expect the same level of casual operation
Outsourced	<ul style="list-style-type: none"> • Ability to access aquatic professionals • Risks reduced (but not eliminated) • Aquatic Health and Safety understood and managed • Enhanced pool user experience • Broader experience in promotion and marketing of pool activities • Review of existing plant over summer to enable informative feedback around any future investment 	<ul style="list-style-type: none"> • Costs • Public perception

SIGNIFICANCE OF DECISION

Councils significant and engagement policy covers a range of matters and is focused primarily on whether a proposal increases the cost of an activity and whether or not it has been signalled in an Annual or Long Term Plan.

There are a number of other, lesser matters, that the policy reflects on, and the level of interest in an activity, or change in activity, is one of those.

Whilst no formal assessment of the policy has been undertaken, it is proposed that any change in the way this activity may be run for the 2020/21 season will trigger a need to communicate with the public in a meaningful way.

How and when this occurs will be a direct result of Councils decision on this matter.

OPTIONS

Given the issues articulated within this paper, the following options are available to Council

Option 1: Status Quo

Under this option, Council staff will continue to operate the aquatic facilities for this financial year. Given the issues raised by the independent audit, if this option were selected by Council, it would be prudent to invest in staff training and development with some urgency, alongside additional support from experienced aquatic experts.

Council will remain exposed to significant risk both reputationally as well as in terms of health and safety of pool users.

This option is not preferred by staff

Option 2: Close the pools for the 2020/21 Season

Given the nature of the concerns raised by the audit and the general experience that staff have in pool operations, one option is to not open the pools for this summer season.

This approach doesn't assist in addressing the issues for the longer term which will still have to be faced again for the summer of 2021/22.

Given the importance to the community of these facilities, staff do not consider this a viable option.

Option 3: Enter into a Short-Term Operational Contract

Under this option, Council would enter into a short term, one season contract with an aquatic facilities operator. By bringing an external experienced public pool operations company on board the risks of managing the facilities will be addressed and councils exposure minimised significantly. The short-term nature of the contract allows staff to focus on the longer term operations of the facilities and report back to Council prior to the Long Term Plan process so that any changes can be catered for and the community can be engaged.

Given the timeliness of the need, staff have engaged with Community Leisure Management (CLM) in this regard and have an offer of service from them to undertake this activity. This is outlined below.

This option is preferred by staff

CLM PROPOSAL

As noted above, staff have been in direct discussions with CLM, a company that specialises in public aquatic facility operations. CLM has provided, on request, a proposal to operate both the Fairlie and Twizel pools for the 2020/21 season. Key CLM staff have visited both sites and spent time with key Council staff.

In summary the CLM offer encompasses:

- Provision of an experienced CLM Seasonal Manager domiciled in the District for the season
- Recruitment and employment of all required pool staff and management of them over the season (including all HR services related)
- Provision of training and health and safety systems and processes for all staff and public
- Management of all pool systems, provision of pool chemicals and consumables

- Management of entrance fees and shop sales, using Councils Fees and Charges, passing on of income to Council
- Organising opening and closing events at both sites, advertising and promotion of the sites
- Pool water quality testing and reporting as required
- Provision of an end of season report outlining any maintenance required to plant for the longer term
- Greater access for public use during the school week as pools will be staffed and where possible public access will be combined with school use

Coupled with this, CLM are Pool Safe accredited and have a commitment to comply with all the requirements of pool safe and industry best practise and relevant legislation.

The CLM proposal is attached for information (excluding price breakdown).

The proposal will still require council direct oversight of operations and funding any maintenance requirements that arise throughout the season.

CONSIDERATIONS

Legal

Council has a responsibility to comply with all legal requirements in the operation of its facilities. Given the nature of the pools and the multiple legislative areas in which they operate over (Hazardous Substances, Health and Safety to name a few) it is unclear as to whether there is full compliance with all requirements.

The preferred solution allows staff to take a break from the day to day operation of the facilities for this season and focus on developing a better understanding of the issues and ensure full compliance (if not already) into the future.

Financial

Pool facility	2020/21 Budget ²	CLM Proposal Cost	Shortfall
Fairlie	\$61,226.00	\$104,797.00	\$43,571.00
Twizel ³	\$69,799.00	\$101,778.00	\$31,979.00
Total	\$131,025.00	\$206,575.00	\$75,550.00

2 – This number includes income from user charges and shop revenue

3 – Based on a shortened season as pool heating system is no longer functional

There are several matters to be aware of when considering the shortfall:

- Council staff costs are not factored into the costs of operations. As an example, HR and payroll spend significant time and effort in recruiting, training, and paying the temporary staff that are recruited to run the pools. Significant effort from Councils 2 Community Services Officers is also focused on pools over the summer period.
- Income via a CLM managed pool may increase to offset some of the increased cost. This is due to CLM's proposed marketing and promotional activities.
- The CLM cost includes the provision of lifeguards at all times when the pool is open including school use. Irrespective of who operates the pool this additional cost is a necessary cost of operation.

It is also recommended that an extra \$5,000 be secured to support the review of facilities and allow external expertise to be brought in to support staff.

This results in a total budget shortfall for the 2020/21 season of \$80,000.

Discussions with Councils Finance Team has identified that the shortfall for the operation, should Council support this proposal, can be funded from Operating Reserves.

Health and Safety

Swimming pools are inherently unsafe, and the larger public pools present even more hazards. Even with the safe and efficient operations on these facilities incidents occur and operators need to be well trained and vigilant.

Pool Safe accreditation, whilst not mandatory, is seen nationally as a benchmark for public aquatic facilities and at this stage, Council facilities do not meet the criteria. In saying that, the past seasonal manager has worked hard on a process to get this complete and this effort needs to be commended.

Council is considered at risk in this area without Pool Safe and the appropriate systems in place to manage health and safety at the pools. As mentioned earlier, this year saw an event where a large volume of chlorine leaked into the stormwater network in Twizel, which had the potential to be much more of a significant issue that ensued. There are also other, more anecdotal, stories of near misses at the facilities that are of concern.

One area of high risk is Councils customary practise of allowing schools unsupervised access to the pools during school hours. Whilst the school children are supervised by teachers when using the facility, the overall health and safety responsibility still sits with Council and the risks associated with unsupervised use is considered significant.

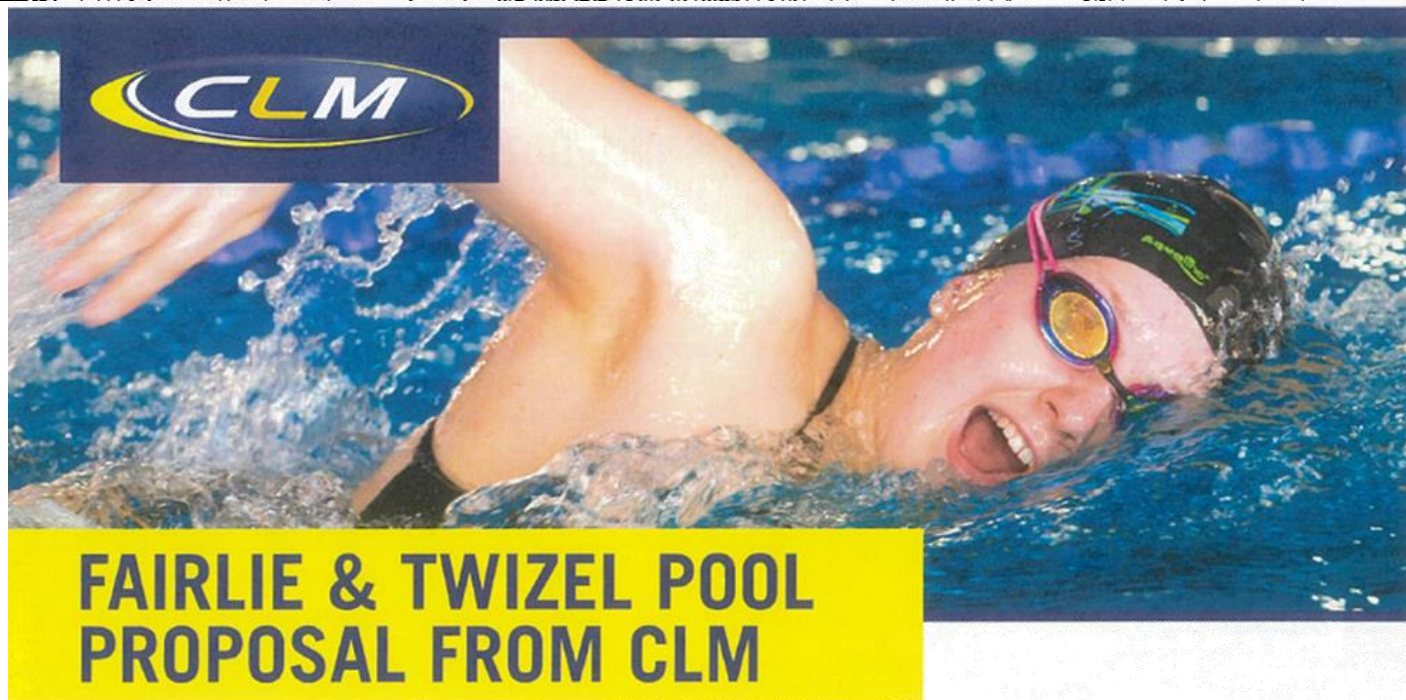
Risk

The risks associated with the operations of the Aquatic facilities are outlined within Councils Risk Register (see attachment 2). This risk is one of Councils top 10 risks and as such is reported through the Audit and Risk Committee.

To manage this risk, mitigation measures are articulated within the risk matrix. It is considered that the implementation of CLM contract will mitigate these risks for the 2020/21 year and allow staff time to consider more fully a longer term solution.

CONCLUSION

The operation of aquatic facilities is a specialist activity which presents a high risk of serious consequence when things go wrong. If Council wishes to continue to provide seasonal pools the operation must be provided in keeping with best practice using appropriate qualified and experienced staff. Shortcuts and inadequate operation and supervision of the pools exposes the Council to a level of risk that is not tenable.



Community Leisure Limited (CLM) warmly welcomes this opportunity for the management of the Twizel and Fairlie swimming pools.

CLM is a New Zealand company with over 25 years of successful facility management experience with a proven track record in the recreation and swimming pool industry across numerous sites in New Zealand. Our approach has always been to operate facilities to an outstanding level of compliance with standards, statutes and regulations, but at the same time to be creative and innovative in finding new ways for local people to participate in activities at local centres. We work to significantly enhance the return on each local community's investment in their venues and facilities.

CLM manages a range of different sized facilities including large, regional, multi-pool facilities as well as others such as Te Kuiti, South Wairarapa, Ruapehu district and Dargaville which are single pools or seasonal outdoor pools.

Our achievements have been widely recognised across the industry. We currently hold the Recreation Aotearoa Awards for Outstanding Pool, having won it three previous times (Whangarei – 2011, Glen Innes – 2012, Richmond – 2016, LIDO – 2019), and Outstanding Facility for the Papakura Recreation and Fitness Centre. We have achieved NZ Lifeguard of the Year in Nelson and also Massey Park Pool in Papakura, and the CLM team have won the National Lifeguard Competition for the last three years. In addition, CLM is the only swimming pool operator in New Zealand to have achieved the highest level (Tertiary) accreditation with ACC in Workplace Safety Management practices. All of our pools are PoolSafe accredited.

Our approach is driven by our Mission Statement: We put leisure in your life, and life in your leisure – Ka awhina mai, ka awhina atu, nga mahi a te rehia. Our core values are Respect, Quality, Continuous Improvement, Innovation and Fun.

The CLM support office team works closely with all facilities offering expertise in a range of areas including programme support, (including the backing of a Business Unit Manager for each core programme), Human Resources, Health and Safety, Pool Operations (including water treatment), Marketing and Strategy. This specialised support is reinforced by a network of centres around the country with experienced staff which provide training, inspiration and competition for each of our facilities.

We believe strongly in developing close, collaborative relationships with our clients (Councils) especially with regard to effective maintenance of assets, achieving community goals and outcomes, and providing customer and ratepayer satisfaction.

For the purpose of pricing and transparency we have based our calculations on the planned Council opening times for each pool. To operate the pool safely we would require our own CLM qualified staff onsite while schools use the pools during the day and recommend opening to the public at these times to maximise usage. This has been factored in to our price as a separate line so Council can see the cost of this change to what's been done in the past. Allowing schools to use the pool without staff onsite opens the door for risk in health and safety but also creates confusion on who is responsible for the facility. Opening times are set out below which include CLM qualified staff during all opening hours for public, schools and clubs. We will report to Council regarding usage numbers on all users, i.e. locals, visitors, schools, clubs, groups, etc.

MACKENZIE DC TRADITIONAL OPENING DATES AND TIMES

FAIRLIE POOL:

School term:

6.30 – 8.30am Mon – Fri

3.00 – 6.30pm Mon, Wed, Fri

12.00 – 5.00pm Sat, Sun

Swim Club 5.00 – 8.30pm Tues, Thurs (closed to public)

Walk 'n Talk/Aqua 8.00am – 9am Tues, Thurs (open to public as 2 lifeguards on duty)

*school access from 9.00am Mon, Wed, Fri and from 9.30am Tues, Thurs.

School holidays:

12.00 – 6.30pm (except Tues, Thurs)

12.00 – 5.00pm Tues, Thurs (close at 5pm for swim club)

TWIZEL POOL:

School term:

6.30 – 8.30am Mon, Wed, Fri

3.00 – 6.30pm Mon – Fri

12.00 – 5.00pm Sat, Sun

Twizel school holidays:

12.00 – 6.30pm Mon – Sun

CLM SUGGESTED OPENING TIMES FOR CONSIDERATION

FAIRLIE POOL:

School term:

6.30am – 3.00pm Public use with schools booking lanes between 9am & 3pm Tues & Thurs

6.30am – 6.30pm Public use with schools booking lanes between 9am & 3pm Mon, Wed, Fri

12.00pm – 5.00pm Public use Sat & Sun

Swim Club 5.00pm – 8.30pm Tues & Thurs (closed to public but staffed by CLM Staff)

Walk 'n Talk/Aqua 8.00am – 9am Tues, Thurs while open to public

School holidays:

12.00pm – 6.30pm Mon, Wed & Fri

12.00pm – 5.00pm Tues & Thurs (close at 5pm to 8:45pm for swim club staffed by CLM staff)

TWIZEL POOL:

School term:

6.30 – 6.30pm Mon to Fri

12.00 – 5.00pm Sat, Sun

Twizel school holidays:

12.00 – 6.30pm Mon – Sun

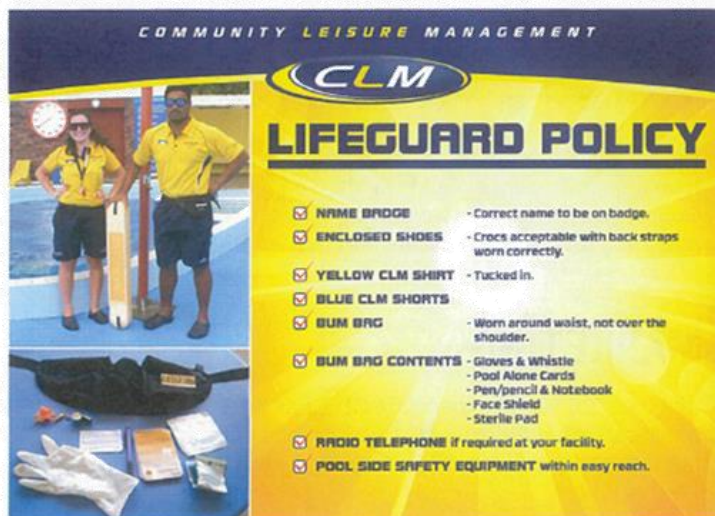


STAFF STRUCTURE

We would like to interview all current staff with the intention of providing employment to them dependant on passing our internal checks and requirements.

Staff recruitment will be completed by Vaughan Hope however CLM's General Managers of HR and Operations will support and oversee this process. Where further recruitment is required this will be completed by advertising internally and externally using mediums like social media, company website, Seek and TradeMe Jobs. There is a CLM Recruitment Policy which is attached and outlines the process and responsibilities.

To ensure CLM best practice is delivered we plan to send at least one experienced full time staff member to be based at the facilities for the duration of the season. The cost of this has been factored in to our price.



TRAINING

CLM have factored in training costs and have in house life guard assessors who will train, induct and qualify our staff. CLM have a member of staff qualified and capable of providing first aid certificates as well as arrangements with external first aid providers. CLM will ensure staff are fully inducted and trained into company systems and hold the necessary qualifications to operate the facilities safely and adhere to all industry standards

CLM has a full seasonal staff training matrix which covers aquatics, customer service, pool operations and water treatment. Every month training is held which all staff are required to attend. The training matrix is also designed to comply and keep staff up to date with their PLPC qualification.

HEALTH AND SAFETY AND ASSOCIATED MANUALS

CLM is committed to ensuring a safe workplace for our staff, contractors and customers. We aim to create a culture where Health and Safety is held in the highest importance and everyone is encouraged to participate.

In all businesses CLM operate we have a comprehensive health and safety manual in place which details procedures such as incident reporting and investigation, risks/hazards, staff engagement, chemical handling, emergency actions plans and normal operating procedures to name a few. This information is all stored and accessed on our online health and safety management system, ecoPortal. We are happy to take Council through this online system and provide access if required.

In recent years CLM has been audited to Tertiary Level in ACC's Workplace Safety Management Practices Scheme (WSMP) which has highlighted our commitment to operating in a safe manner. ACC have now discontinued this accreditation and as such CLM are working through the process to become compliant to the new international Health and Safety Standard ISO 45,001.

CLM will create and tailor a full health and safety system for each pool. All staff will be inducted into this system which is based on ecoPortal and will be completed in the week prior to opening.

Our H&S manual is specific to each facility and will comply with the requirements set out in the management contract with Council. The manual comprises of detailed instructions for operational staff so they know how to carry out tasks and what is expected of them. The manual is easy to follow and understand and is also available on CLM's online health and safety portal.

REPORTING

Vaughan Hope will be CLM's management representative and will be available to the Council's Contract Manager every month. A management report will be provided to Council on a monthly basis which will include but not be limited to: user numbers, water treatment, health and safety, financial performance, marketing, asset management, etc. The monthly report can be tailored to include any specific information that Council requires. An end of season report will be provided to Council as a summary of the overall operation of the season. It will also include observations and suggestions for future management so Council can evaluate this information prior to considering longer term management options. CLM will do a condition report of the plant and facility offering direction and advice as to help Council best move forward with future development of the facilities and assets. CLM have vast experience of operating facilities and assets and this will be valuable experience to draw on for Council decision making.

MARKETING

With over 25 years' experience CLM has built a brand and reputation that has become synonymous with quality in the aquatics management industry. CLM prides itself on building a brand and reputation at each of its facilities that both the Council and the local community can be proud of.

As with all CLM-managed facilities we envisage doing this through a collaborative approach, working directly with the Council to ensure any required branding elements are incorporated. The CLM Marketing team, working with local stakeholders will ensure that every opportunity to reach potential users will be capitalised on and effectively leveraged.

Within the CLM Support Office there is a marketing team that works closely with all facilities to ensuring the planning and strategic marketing is planned and delivered correctly.

- CLM actively uses a range of traditional and non-traditional media to market the facilities it currently operates, and would do the same for the Twizel and Fairlee Pools. We aim to use innovative and cost-effective marketing to create cut through, and attain measurable results at each facility. Digital/Social marketing is heavily used owing to its cost effectiveness and the tangible results it delivers.

- CLM has a strong belief that facilities are marketing themselves to the public every time they are used. Good quality, safe experiences for the user groups are the best possible marketing.

- CLM believes in targeting a broad range of demographics within the community, and will continue to work hard to ensure there are services and programmes available for all members of the community.

- A website and social media pages on platforms such as Facebook and Instagram would be setup to actively engage and communicate with the community about the programmes and services that would be on offer. CLM would also look to meet with community groups, schools and other education providers to work closely to encourage as many as possible to utilise the services and features of the pools.

- CLM will ensure the current Council inflatables are available to the public regularly and will manage the transportation between pools. CLM also have a network of inflatables and where possible will draw on these to add variety to the community for open days, etc.



EVENTS

With extensive experience in running events CLM recognises the great value these can add to a community. CLM would run the following events to increase community engagement with the pools and in turn increase visits to the sites: We propose to do four events at each pool over the season. These would consist of:

- Opening Day - Featuring CLM bouncy castles, aqua run, games and prizes – a great family event to celebrate the pools opening
- Pool Parties x 2 - These events would be based on our Day Raves which have been popular at our other sites. The team host a series of games and activities in and around the pools aimed to cater for all age groups.
- Closing Day - Featuring CLM bouncy castles, aqua run, games and prizes – a great family event to end the season prior to the pools closing.

OUR POOLS

Pool Type	Temperature	Fee
LANE POOL	22.90°C	FREE
LEISURE POOL	24.90°C	FREE
BOMBING POOL	24.60°C	FREE
TODDLERS POOL	21.40°C	FREE
SWIMMAGIC POOL	25.00°C	FREE
SPA POOL	27.90°C	FREE

FITNESS CLASSES

GROUP FITNESS TIMETABLE

Day	Time
MONDAY TO FRIDAY	6am - 9pm
WEEKEND	7am - 6pm

ENTRY CONTROL AND FEES

CLM ensures the Customer Service team are appropriately trained in the range of entry fees on offer at the induction phase to ensure our team apply the appropriate charges for each user. Access to the different fees and definitions is readily available to our team and customers. Each entry fee type has a separate button or membership type on the till to ensure accurate reporting is available for the different user types. We propose CLM take all income and pass on to Council by banking all income into Councils bank account. CLM staff will count and record all users to the pools including school and club participation. We will work with schools, groups and clubs to ensure they book in for planned use and records will be kept of all entry to the facility. We would recommend the Council review pricing that schools, groups and clubs have been offered in the past. It would be simpler for the Council to charge an hourly lane or pool space rate. In this option schools could have up to 100 participants and then pay an hourly rate for additional lifeguards which would be passed on to CLM to cover costs. If Council chooses to make this change CLM can provide examples of what other similar pools charge their users and help Council decide on an appropriate charge for the community and schools.

POOLSIDE SUPERVISION

Pool supervision will be conducted by trained and qualified staff and the facilities will operate and comply with the Recreation Aotearoa Guidelines for Aquatic Facilities and Recreation Aotearoa PoolSafe standards at all times. Supervision and emergency procedures are all set out in each site's Operations Manual. **During all opening hours for public, schools, groups and clubs we have planned into our price to have two staff on at all times. This way Council can be assured that CLM qualified staff are onsite to control all aspects of the operation of the pools.** We would expect staff to be in CLM uniforms however are happy to include Council branding/logo.

POOL TESTING AND WATER QUALITY

Water testing and treatment will be maintained as per methods within NZ Swimming pool water quality standards 5826:2010. The standard will be followed as per testing frequency and pools will be balanced using the Saturation Index for optimum swimmer comfort. All tests results and actions are recorded using our online testing website where alerts are given if the results are nearing the outside of standards. All bodies of water will be Microbiological monitored with samples sent to an approved laboratory monthly. Results will be provided to Council and any failed results will be reported immediately. All staff testing swimming water will be provided training on the standards.

Time	Status	Temp	F AC	T AC	C AC	pH	Alk	Balanced
04:00 PM	Pass	29.00	3.00			7.80	90	0
04:00 PM	Pass	29.00	3.00			7.80	90	0
01:29 PM	Pass	29.00	3.10			7.80	90	0
10:08 AM	Pass	26.00	3.00	4.00	1.00	7.80	90	0
06:50 AM	Warning	27.30	3.00			7.80	90	0

CLEANING

Cleaning will be completed by the staff prior to opening each facility for the days use and once the facility closes each day. During opening hours changing rooms will be checked on a minimum of a two hourly basis following the changing room checklist. All required cleaning is detailed on facility checklists and must be signed off by the Supervisor on duty. This checklist is then audited by the Facility Manager to ensure cleaning standards are maintained. All staff will be trained in the use of cleaning chemicals and appropriate personal protective equipment that must be worn.

SWIMMING POOL ACCREDITATION

CLM will ensure the facilities comply with all industry and government best practice and legislation at all times and will work towards getting both pools PoolSafe accredited.

MANAGEMENT STRUCTURE AND RESPONSIBILITIES

CLM's Support Office staff are all available at any time for the pools and can guide and give support. This is including but not limited to staffing, marketing, events, customer service, swim school, aquatics, water treatment, health and safety and financial performance.

At the pools we would have a Seasonal Manager to oversee the daily operations and responsibility for the pools. This includes financials, managing staff, cleanliness, health and safety processes and taking care of maintenance and liaising with the Council team. This person is responsible for the marketing and promotion of the pool and will report through to Vaughan Hope the appointed CLM Senior Management team member who will also be a main contact for Council. Vaughan Hope will visit each site once per month as mentioned previously and be available for the site managers for direct support.

Our Lifeguard staff play a major part providing a quality experience for our customers. Lifeguards not only ensure customers are safe in the water and around the facility but they also contribute hugely to our customers' experience. The Lifeguards will generally report to a Lifeguard Supervisor who will report to the Facility Manager. The Supervisor will manage the staff and rotations, cleaning schedules, health and safety procedures and manage the water.

ANNUAL POOL COMMISSIONING AND DECOMMISSIONING

Council are to complete these tasks however CLM is available to assist if needed and provide advice where necessary.

Attachment 2: Pool Risk from Councils Risk Register

Risk #	Risk	Cause	Context	Category	Initial Risk Assessment				Controls (any existing policy, procedures etc.)	Mitigation Strategies	Residual Risk Re-Assessment					Explanatory Notes	Risk Monitoring		
					Likelihood	Impact	Score	Risk Assessment			Control Effectiveness	Likelihood	Impact	Score	Risk Assessment		Business Unit	Owner	Action
44	Swimming pools are a health and safety hazard and could cause injury or harm	insufficient focus over time	Operational	Legal compliance; Health & Safety; Council reputation	Possible	Major	12	Significant Risk		1. get Poolsafe accredited 2. need experienced pool management mentor 3. Remove homemade slide 4. Improve chemical management 5. Review equipment and maintenance 6. Review roof conditions		Possible	Major	12	Significant Risk	20200805: Process underway to review outsourcing pool management	Community Services	Tim Harty	Process underway to identify options

7 COMMUNITY BOARD RECOMMENDATIONS

7.1 MINUTES OF TWIZEL COMMUNITY BOARD MEETING - 3 AUGUST 2020

Author: Arlene Goss, Governance Advisor

Authoriser:

Attachments: 1. Minutes of Twizel Community Board (under separate cover) 

RECOMMENDATION

That the Minutes of the Twizel Community Board Meeting held on Monday 3 August 2020 be received.

That Council notes the following resolutions passed by the Twizel Community Board:

1. That the Twizel Community Board recommend to Council to dispose of the woodchipper in accordance with the Retention and Disposal Policy, and that the proceeds be returned to the Twizel Community Board grant budget in support of other community initiatives.
2. That the Twizel Community Board recommend to Council that affected persons approval be provided for land use consent RM020063 with a reduced setback from the eastern boundary that is owned by Council and zoned Recreation Passive.
3. That the Twizel Community Board grants the request for of \$41 including GST from the Twizel Cavalcade for hireage of the Twizel Events Centre.
4. That the Twizel Community Board considers the grant request for of \$500 including GST from IncuHub Twizel.

7.2 MINUTES OF TEKAPO COMMUNITY BOARD MEETING - 5 AUGUST 2020

Author: Arlene Goss, Governance Advisor

Authoriser:

Attachments: 1. Minutes of Tekapo Community Board (under separate cover) 

RECOMMENDATION

That the Minutes of the Tekapo Community Board Meeting held on Wednesday 5 August 2020 be received.

7.3 MINUTES OF FAIRLIE COMMUNITY BOARD MEETING - 6 AUGUST 2020

Author: Arlene Goss, Governance Advisor

Authoriser:

Attachments: 1. Minutes of the Fairlie Community Board (under separate cover) 

RECOMMENDATION

That the Minutes of the Fairlie Community Board Meeting held on Thursday 6 August 2020 be received.

That Council notes the following resolution passed by the Fairlie Community Board:

1. The Fairlie Community Board requests engagement with the community on township-wide projects with a report back to the community board as soon as practicable.

8 CONFIRM COUNCIL MINUTES

8.1 MINUTES OF COUNCIL MEETING - 11 AUGUST 2020

Author: Arlene Goss, Governance Advisor

Authoriser:

Attachments: 1. Minutes of Council Meeting August 11 2020 (under separate cover) 

RECOMMENDATION

That the Minutes of the Council Meeting held on Tuesday 11 August 2020 be received and confirmed as an accurate record of the meeting.

8.2 MINUTES OF COUNCIL MEETING - 25 AUGUST 2020

Author: Arlene Goss, Governance Advisor

Authoriser:

Attachments: 1. Minutes of Extraordinary Council Meeting 25 August 2020 (under separate cover) 


RECOMMENDATION

That the Minutes of the Extraordinary Council Meeting held on Tuesday 25 August 2020 be received and confirmed as an accurate record of the meeting.

8.3 MINUTES OF COMMERCIAL AND ECONOMIC DEVELOPMENT COMMITTEE MEETING - 11 AUGUST 2020

Author: Arlene Goss, Governance Advisor

Authoriser:

Attachments: 1. Minutes of Commercial and Economic Development Committee August 11 (under separate cover) 

RECOMMENDATION

That the Minutes of the Commercial and Economic Development Committee Meeting held on Tuesday 11 August 2020 be received.

8.4 MINUTES OF ENGINEERING AND SERVICES COMMITTEE MEETING - 11 AUGUST 2020

Author: Arlene Goss, Governance Advisor

Authoriser:

Attachments: 1. Minutes of Engineering and Services Committee meeting 11 August (under separate cover) 

RECOMMENDATION

That the Minutes of the Engineering and Services Committee Meeting held on Tuesday 11 August 2020 be received.

8.5 MINUTES OF PLANNING AND REGULATIONS COMMITTEE MEETING - 11 AUGUST 2020

Author: Arlene Goss, Governance Advisor

Authoriser:

Attachments: 1. Minutes of Planning and Regulations Committee Meeting on 11 August 2020 (under separate cover) 

RECOMMENDATION

That the Minutes of the Planning and Regulations Committee Meeting held on Tuesday 11 August 2020 be received.

8.6 MINUTES OF AUDIT AND RISK COMMITTEE MEETING - 25 AUGUST 2020

Author: Arlene Goss, Governance Advisor

Authoriser:

Attachments: 1. Minutes of Audit and Risk Committee meeting on 25 August 2020
(under separate cover) 

RECOMMENDATION

That the Minutes of the Audit and Risk Committee Meeting held on Tuesday 25 August 2020 be received.

6 ADJOURNMENTS

7 PUBLIC EXCLUDED**RESOLUTION TO EXCLUDE THE PUBLIC****RECOMMENDATION**

That the public be excluded from the following parts of the proceedings of this meeting.

The general subject matter 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 of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
17.1 - Minutes of Public Excluded Council Meeting - 11 August 2020	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
18.2 - Minutes of Public Excluded Council Meeting - 25 August 2020	s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
19.3 - Minutes of Public Excluded Commercial and Economic Development Committee Meeting - 11 August 2020	s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
20.4 - Minutes of Public Excluded Audit and Risk Committee Meeting - 25 August 2020	s7(2)(c)(i) - the withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for

	has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied	which good reason for withholding would exist under section 6 or section 7
21.5 - Council and Committee Matters Under Action	s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7