



# **Mackenzie**

## **DISTRICT COUNCIL**

*119TH MEETING*

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

**Date: Tuesday, 12 April 2022**

**Time: 9.30am**

**Location: On Zoom**

# **AGENDA**

## **Ordinary Council Meeting**

**12 April 2022**

Note: This meeting will be digitally recorded by the minute-taker and then uploaded to the council's YouTube channel.

**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**

At **10.30am** Lydia Stoddart and Kath Low from ChristchurchNZ will present their report to Council, on the agenda as item 6.3.

At **11.00am** Wendy Smith and Raewyn Bell from the South Canterbury Chamber of Commerce will present their report to Council, on the agenda as item 6.4.

At **11.45am** Miles O'Connor from Bancorp will join the meeting to discuss item 6.8: LGFA Joint and Several Guarantee Report.

**3 DECLARATIONS OF INTEREST****4 BEREAVEMENTS**

## **5 MAYOR'S REPORT**

### **5.1 MAYORAL ACTIVITIES REPORT**

**Attachments:** Nil

#### **RECOMMENDATIONS**

That the report be received.

#### **SUMMARY OF ACTIVITY**

##### **MEETINGS**

###### 9<sup>th</sup> March 2022

###### Sector meeting

- Doug Martin, the leader of the Working Government Group for Three Waters discussed the findings. Iwi don't want to own infrastructure. They put forward that the regional shareholding will be 1 share per 50,000 people. Regional group represents up to 14 members.

###### Kāinga Ora – Homes and Communities Meeting

- MSD concerns over housing in Mackenzie for the elderly. Discussed support structures, retirement housing and our current aged care working group.

###### Te Manahuna Ki Uta Working Group Meeting

###### Tekapo Community board

###### 10<sup>th</sup> March 2022

###### Canterbury Regional Leadership Meeting

###### Immigration Update - Chamber

###### Fairlie Community Board

###### 11<sup>th</sup> March 2022

###### Department of Internal Affairs Meeting

- Paul Barker - Relationship Manager discussed community resilience, climate change, risks etc. We expressed our concerns over the current reforms and their implications on Local Government and our communities.

South Canterbury District Health Board Meeting

- Met with Ruth Kibble and discussed the Covid situation in the Mackenzie and how to manage Rats distribution for our rural communities.

Plenary Group

- Not impressed with the Ministerial Working Group recommendations. Fell well short of our expectations.
- Shareholding not linked to value and has no voting rights unless selling. This does not address the value of the assets or accountability to communities and customers. Regional sub-committees only adds another layer of complexities. Not proven its economies scale, nor rural water, storm water or affordability.

13<sup>th</sup> March 2022

Opihi Lions Bridge Opening Ceremony

14<sup>th</sup> March 2022

Zone 5/6 Committee Meeting

- Stuart Crosby, President, discussed the fact that 2022 is a year of significant reforms.
- Elections are going to be a big challenge to us all.
- Concerns over transparency around NZTA Road to Zero campaign. Need to be mindful of some big policy changes coming around climate change. LGNZ needs to be future focused.

Meeting with Mayor Sam Broughton

- Discussed the Future of Local Government Reform. Health, education, and housing. Sustainable funding streams and the terms of councillors being lengthened. We need to decide which areas should get larger, and which should get smaller. Need to maximize the way we work together. Liz Monicraft of the Ministry for the Environment around receiving local submissions and RMA reform. Council resources are fully stretched but we need to ensure local voices are heard. Maori need a greater role and a general greater use of standards. Government in need to give further guidance as to how they will manage these transitions.

15<sup>th</sup> March 2022

Council Workshop

17<sup>th</sup> March 2022

South Canterbury District Health Board Meeting

- Regular catch up with Ruth Kibble and the state of the world as far as Covid's concerned in the region. Receiving regular stats and updates as to how the communities are coping and the trends in the omicron movement.

18<sup>th</sup> March 2022

## Te Manahuna Ki Uta - Preferred Scenario Workshop

- Critical workshop with agencies to select and define the preferred scenario which will be taken out to the community for our final engagement before the DMP is produced.

21<sup>st</sup> March 2022

## South Canterbury District Health Board Meeting

- Discussed the need for RAT tests to be distributed out for delivery in rural, remote areas.
- Community care hub managing 85 people and the hospital managing staff levels at present
- Seeing more incidences amongst younger people and a slowing rate of vaccination amongst children. Highest infections are in schools. Need to turn focus towards winter flus and roll out an immunisation program.
- Of real concern is a tidal wave of mental health coming and it needing to be managed by an already stretched system.

22<sup>nd</sup> March 2022

## Council Workshop

23<sup>rd</sup> March 2022

## Future Local Government - Panel Discussion Meeting

- Challenges in maintaining well beings.
- Retaining youth
- Underfunding mandates
- Councils are not an agent of the Government
- Show cased why LG is good and the system is not broken
- Boundary issues
- Adequate remuneration for Councillors

24<sup>th</sup> March 2022

## Te Manahuna Ki Uta project workshop

## Meeting with Waitaki District Council

- Updated Mayor Gary Kircher and CE, Alex Parmley on Te Manahuna Ki Uta and potential synergies with their DMP
- Also briefly discussed shared services ahead of the meeting the following week.

26<sup>th</sup> March 2022

## Wilding Tree Trust - Voluntary day at Lilly bank

28<sup>th</sup> March 2022

South Canterbury District Health Board Covid Meeting

- Regular updates and communications regarding the Omicron outbreak.

29<sup>th</sup> March 2022

CE, Angela and myself meet with multiple Twizel business owners.

30<sup>th</sup> March 2022

Alps 2 Ocean Joint Committee Meeting

- New Trail manager Robyn Hyde chaired the meeting
- Need to continue to improve trails
- Need to tell local stories of areas and connections.

Te Manahuna Ki Uta Governance Group Meeting

31<sup>st</sup> March 2022

CMF Blackspot Survey

- Need to not only look at major highways but also regional roads
- Towers being upgraded and good progress in Mackenzie
- Vodafone, Spark and 2 Degrees working together and sharing sites to spread cost
- Canterbury flats and trees issues that affect much of the plains
- Cellular over Wifi and wifi extenders becoming more popular
- Graham Mitchell of Crown Infrastructure pleased with the way spending on Three Waters has taken place.

OJ on the Breeze – Radio Slot

- Maadi Cup 2022
- Te Manahuna Ki Uta – Destination Management Plan  
Community Drop In sessions next week. Final round before we draft our DMP
- Covid - From Monday 4<sup>th</sup> of April, MDC will be removing the need for Vaccine Passports at Council Facilities in line with Central Government
- Alps 2 Ocean – Mayor attended a Governance Meeting this week and with the borders looking to open it's a great time to check it out

RTC Road User Charges

- Scott Mackenzie, Manager of Roading, joined me at the Regional Land Transport Meeting. The road to zero campaign was a point of discussion. Speed continues to be number 1 issue as far as road users are concerned. More enforcement, harsher penalties are being developed. Doubling the number of hidden speed cameras. We are years behind in driver behaviour compared to other countries and need to get away from speed is productive
- Fonterra has very good information around speed. Slower and less accidents, fuel emissions, road and tyre wear
- RUC was introduced 1978. No changes have been made to original proposal
- Need to raise more revenue and spend charges on the roads



*Please see attached submission at the bottom of this report.*

#### 4<sup>th</sup> April 2022

##### Meeting Minister Nanaia Mahuta

The Mayors who are involved with the Communities for Democracy Group as part of the Three Waters Reform issue met with Minister Nanaia Mahuta in Wellington to discuss our concerns regarding the process to date. Below is a “Compromise Proposal: 10 Point Plan” which we presented to her.

*Please see Compromise Proposal: 10 Point Plan on the following page*

## COMPROMISE PROPOSAL: 10 POINT PLAN

1. Foundation principle- community property rights in Three Waters assets are to be both respected and meaningful
2. The Government agree to pause its reform process to allow time for the revised approach to be refined
3. With respect to investment decisionmaking, asset owners should actively seek to initiate authentic discussions with mana whenua at a local level that consider co-design and partnership arrangements that acknowledge and enable Te Tiriti based pathways at a local and regional level.
4. Asset owners agree to commit to meeting health and environmental standards, once known, within an appropriate time frame
5. The regulatory framework should specify a “backstop” provision that identifies a set of circumstances which would justify future Crown intervention if an asset owner was not making acceptable progress towards meeting those regulatory requirements
6. Progress should be reported on annually by asset owners and be benchmarked across the sector
7. To further incentivise sector progress, a formal process might be established that requires an asset owner to prepare a plan that would map out the steps it proposes to take to meet the required standards in a financially viable and sustainable manner
8. A process to finance and allocate funds to areas that will require financial assistance be designed that is national in application and independently administered accordingly to objective and transparent criteria
9. This subsidy scheme will be designed to meet investment shortfalls until such time as sufficient progress has been made. At which point the scheme will cease and asset owners will finance matters on a business-as-usual approach
10. A sector-wide sector bestpractice improvement process be created and membership made compulsory

#### 5<sup>th</sup> April 2022

##### Council Workshop

##### Audit & Risk Committee Meeting

#### 6<sup>th</sup> April 2022

##### RLG Meeting

##### Te Manahuna Ki Uta – Community Engagement Drop-In Session - Fairlie

#### 7<sup>th</sup> April 2022

##### Te Manahuna Ki Uta – Community Engagement Drop-In Session - Takapo

8<sup>th</sup> April 2022

Te Manahuna Ki Uta – Community Engagement Drop-In Session - Twizel

11<sup>th</sup> April 2022

Meeting ECAN

Twizel Community board

12<sup>th</sup> April 2022

Council Meeting

**SUBMISSION ON ROAD USER CHARGES.**

Road User Charges Consultation  
Ministry of Transport  
PO Box 3175  
Wellington 6140

By email: [RUCconsultation22@transport.govt.nz](mailto:RUCconsultation22@transport.govt.nz)

Canterbury Regional Transport Committee submission on Road User Charges

The Canterbury Regional Transport Committee (RTC) thanks the Ministry for the opportunity to make a submission on the funding of the transport system and Road User Charging.

**Background and context**

The RTC comprises the authorised organisations who plan transport activities in the region. The members are representatives of the nine territorial local authorities in Canterbury, the Canterbury Regional Council (Environment Canterbury), and Waka Kotahi. The purpose of the committee is to set the direction for transport investment in the region in the Regional Land Transport Plan and monitor the implementation of the Plan to meet the needs of Canterbury's communities.

All members actively participate in the committee: Kaikōura, Hurunui, Waimakariri, Selwyn, Ashburton, Timaru, Mackenzie, and Waimate District Councils, Christchurch City Council, Canterbury Regional Council (Environment Canterbury) and Waka Kotahi.

We note that member organisations may also make individual submissions. We support careful consideration of these submissions.

## **The Committee's Regional Land Transport Plan**

The RTC approved the Canterbury Regional Land Transport Plan (RLTP) in June 2021, which sets out the RTC's four key priorities for the next ten years.

One of the key objectives of the Plan is:

- *Improved advocacy for investment in the Canterbury Transport Network.*

This is monitored through the investment in Maintenance, Operations and Renewals.

Road User Charges are a critical source of income for investment in the network. Our main interest is Section 2 of the discussion document "*Using the RUC Act to do more than recover road costs*". We welcome this opportunity to provide Canterbury's view on the matters in the discussion document.

### **General Comment**

#### **Setting of Road User Charges based on actual and reasonable costs**

**We agree** that Road User Charges should be set based on the actual and reasonable costs to build, operate and maintain a road network, and charged per kilometre travelled per vehicle. This includes cost related to:

- road surface maintenance
- managing demand
- emergency repairs and recovery

**We also support** an increase in RUC to consider and cover direct environmental damage, such as pollution from particulate matter, copper and zinc deposited by vehicles.

Canterbury has the largest road network in New Zealand. Maintenance spending on the network has almost doubled over the last 10 years, due to changes in land use, population, freight movement, and tourism. These changes in network use are expected to continue. It's imperative to ensure the Cost Allocation Model is sufficiently set to cover all these costs. Continually increasing rates is not the appropriate mechanism. Local rates shouldn't be expected to cover gaps in funding and investment.

We consider all the costs to manage road use should be borne by road users, such as

- curbing and channelling to manage road run off
- putting in intersection controls to manage demand
- repairing potholes and treating dust on unsealed roads

The road charges should cover these real and actual costs from road use and ensure the roads are fit for purpose for all users. We appreciate that the Cost Allocation Model is set using best economic practice, however factoring in direct environmental damage is the emerging best practice to transition to a sustainable future.



Emergency repairs and recovery is a key part of providing the road network for users. The Canterbury network is exposed to a number of risks such as flooding, earthquakes and coastal inundation. It is imperative that the cost of managing and recovering from events, can be funded appropriately. For example, Canterbury regularly experiences flooding, including river flooding, surface flooding and coastal inundation. With over 1,000 bridges in Canterbury, these events can cause issues for freight operators and those travelling on the roading network. A single bridge being out across State Highway 1 can mean daily intra/inter-regional trips are not possible.

Pollutants from tyres and brake pads, such as particulate matter, copper and zinc, directly accumulate on road surfaces because of road use and can end up in the air and water if not managed. This needs to be managed through road design and infrastructure, so these pollutants do not become environmental issues. For example, run off from the road surface into nearby waterways can harm aquatic ecosystems and affect mahinga kai. Road run off needs to be channelled into the appropriate stormwater systems. This would align the transport sector approach with the resource management sector, where the polluter pays. Road users who pollute the road environment pay the cost of managing that.

**We do not agree** that Road User Charges should cover the cost of step change initiatives, such as emissions reduction. We need the appropriate funding mechanisms that support large scale improvements. We recognise that emissions reduction within a short timeframe is essential. These interventions need to be funded from sources such as Fuel Excise Duty (FED), the Emissions Trading Scheme or other sources of government financing. We support the Ministry seeking climate emergency funding to enable this transition.

We see a review of FED as key to behaviour change regarding fossil fuel consumption. For example, as much as 40 per cent of road transport greenhouse gas (GHG) emissions in Canterbury can be attributed to the movement of freight. Diesel consumption is correlated with transport freight GHG emissions.

### **Collecting Road User Charges**

**We agree** that all vehicle users should begin to pay road user charges, irrespective of fuel; electric, hydrogen etc. Using fuel type is no longer a fit for purpose factor for road user charging. As energy technology changes, and we transition to a low emissions transport system, no or low emission vehicle users will quickly become the core road users. Use of these vehicles will still create costs in relation to

- road surface maintenance
- managing road run off
- managing demand
- emergency repairs and recovery

It is essential that sufficient funds are recovered from these users to invest in building, maintaining and operating the transport network. We do not support any approach that would lead to less funding being available than what there is now.

**We do not agree** that the GPS should set exemptions for RUC as RUC is required from all network users to maintain the network, with equity and accessibility being the exceptions. As the GPS is reviewed frequently it could destabilise the revenue stream if exemptions also changed frequently. Transport investment takes a long time to plan and revenue models need to be stable to give assurance around income.

**We agree** that exemptions should be provided through RUC and take an equity lens, based on accessibility. At minimum the exemption should include all public transport vehicles, including community vehicles<sup>1</sup>, due to the significant public benefit it provides. Other options include school buses, or Community Services Card holders who live in remote locations from essential services like hospitals and schools. This is especially important as we transition to a low emissions future for households that cannot access essential services by low emission modes such as walking, cycling or public transport.

We recognise Public Transport (PT) is under significant funding pressure to support the transition to a low emissions future. We support the current RUC exemption to remain in place for public transport services until a permanent public benefit and equity based exemption for public transport is in place, possibly extending past the current exemption end date at the end of 2025. This will undoubtedly assist in reducing barriers to transition to zero emission buses for Public Transport services in Canterbury.

Given the minor level of expenditure on PT RUC in Canterbury, compared with the level of investment outlined in the RLTP, we consider an exemption for PT is potentially affordable within the period of the plan, but recognise an exemption for PT may be less affordable in the subsequent years. By that time the PT transition should be well established and PT usage in a low emissions future network should be clearer too. This will make the future funding system for transport clearer. We see this as suitable for PT to be exempt from RUC under an equity-based exemption policy.

### **Expenditure and Distribution of Road User Charges**

**We agree** that the expenditure of Road User Charges should be broader than the maintenance of the network. A proportion of the revenue should be invested in transitioning the system to a future state that is more efficient and effective. For example, improving public transport uptake which reduces cars on the road and lowers maintenance costs.

We are aware that in transitioning to a low emission future there may be a need to permanently provide electric vehicle infrastructure in locations that are not commercially viable. The cost of building, operating and maintaining public EV infrastructure should be funded by Road User Charges as a future permanent aspect of the network.

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<sup>1</sup> Community Vehicles are rural and provincial public transport services in Canterbury  
[www.communityvehicletrust.org.nz](http://www.communityvehicletrust.org.nz)

There are also public health impacts from road use that could be acknowledged through the expenditure of Road User Charges. This is not only from tail pipe emissions but also particulate matter due to tyres and brake use. In Canterbury, premature mortality due to transport emissions is higher than the road toll<sup>2</sup>. A proportion of Road User Charges could be passed to the District Health Boards to acknowledge the cost of caring for affecting communities.

While we do seek greater alignment of funding investment with regional priorities, we support enabling a flexible approach to the distribution of RUC revenue by Waka Kotahi. While regional or local alignment of the distribution of RUC is important, there are potential disbenefits of completely restricting the revenue to council boundaries. For example, Department of Conservation roads and for nationally led work like the Road Efficiency Group.

### **The Funding System**

**We agree** that the RUC system needs to be very simple, easy and low cost to use and administer. The use of technology is paramount in doing this, in reducing the overheads to administer, and improving ease for road users.

The current funding model is complicated by the Cost Allocation Model, which offsets the final RUC levels by using revenue from FED and Waka Kotahi Fees and Charges. This has left Waka Kotahi underfunded. Revenue from FED and Fees and Charges should not be used in the RUC Cost Allocation Model, as this obscures true costs and complicates the funding system.

We support FED being used to fund significant improvements and transitions, rather than offsetting Road User Charges. That may be dependent on Fuel Excise Duty being reviewed and may need to be proportionally adjusted or phased in to allow users to adjust to the RUC cost increases.

We support Fees and Charges revenue to be used to pay for the costs of providing driver's licencing, WOF and registrations etc. Currently these services are underfunded<sup>3</sup> and need supporting to ensure our transport network is safe.

We support an integrated, simple system to collect funding to support the transport network. Overall, the funding system for transport needs to be fully reviewed together. This includes road pricing, fuel excise duty, as well as road user charges and Waka Kotahi's fees and charges. It also needs to consider the role of developer creating more growth and the transport costs they need to cover e.g. new subdivisions and intensification of existing areas.

Until an integrated, holistic review is undertaken the challenges facing the future of transport funding will not be adequately resolved.

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<sup>2</sup> <https://environment.govt.nz/publications/updated-health-and-air-pollution-in-new-zealand-study-2012-summary-report/>

<sup>3</sup> <https://www.nzta.govt.nz/media-releases/waka-kotahi-begins-consultation-on-changes-to-regulatory-fees-and-charges/>

**Conclusion**

Thank you once again for the opportunity to make a submission on the discussion document. Our secretariat is available to provide any further information or answer any question the Ministry may have about our submission. Contact details are Clare Pattison, Senior Strategy Advisor, [clare.pattison@ecan.govt.nz](mailto:clare.pattison@ecan.govt.nz) 027 236 9827.

Yours faithfully

**Cr Peter Scott**

**Deputy Chair, Environment Canterbury**

**Chair, Regional Transport Committee**

## **6 REPORTS**

### **6.1 CHIEF EXECUTIVE'S REPORT**

**Attachments:** Nil

#### **RECOMMENDATIONS**

That the report be received.

#### **STRATEGIC PROJECTS**

##### **Annual Reports**

The 2020/.21 Annual Report and audit has been finalised and the document will be adopted in this meeting. This month a great deal of work has gone into finalising audit queries and feedback from the auditors has indicated that the project management of this statutory deliverable was vastly improved.

Planning has started for the 2021/22 Annual Report and this is important as a full Infrastructure Revaluation will need to be completed for the financial year end.

##### **Annual Plan**

A final workshop with the Council is scheduled for the 19 April and the intention is to adopt the Plan by the 10 May 2022. There are no material changes of service and increases are in line with increases signalled in the Long Term Plan 2021 to 2031. Final preparation of the narrative and financial statements are being undertaken by the Finance Manager.

##### **Pre-election Report**

Financials have been completed for this report.

##### **Te Manahuna Ki Uta**

During March a great deal of work occurred to finalise and refine the various scenarios for tourism for the Mackenzie and the agencies worked to select a preferred scenario. Workshops were held to identify and consider the projects to take the Mackenzie District forward. Preparation occurred to develop the engagement material for the planned engagement with operators and the community in April. An online webinar with the Key Stakeholder reference Group to bring our key stakeholders up to speed on our progress to-date.

#### **COVID RESPONSE AND RECOVERY**

The EMO, Mayor and CEO have met with the South Canterbury DHB and MSD on a fortnightly basis to monitor the transmission of COVID within the community. We were pleased with the management of the rowing events and the Maadi Cup In Twizel over the past few months. The

event was managed in strict accordance with the CPF setting and it provided some financial respite to local operators and accommodation providers.

COVID had spread across the Mackenzie and with advocacy from our Mayor the DHB has made over 2000 RATS tests available through rural post to the rural community. In addition MSD has been active and is actively working with our community support agencies on the provision of welfare and outreach support. Thanks go to Heartlands in both Fairlie and Twizel for their work in supporting our foodbank and the elderly in this time.

Council relaxed its requirements for a vaccine passport with effect from 5 April in line with Central government changes for access to the Council offices and facilities.

We are currently reviewing our internal vaccination policy and we will be consulting with our staff over any changes. We are however continuing to work on a roster system with a planned return to the office for all staff on 2 May 2022.

## **LEGISLATIVE REFORMS**

### **Water Reform**

The Three Waters Reform Programme has been working at pace, and the DIA is actively progressing the Three Waters Reform proposals. This will see the Water Services Entities Bill introduced to Parliament and go to Select Committee in the middle of this year. The Minister of Local Government recently received a report from the Working Group on Representation, Governance and Accountability. We are disappointed with the Three Waters working party findings and recommendations to Government as they fail to address fundamental issues for the Mackenzie District Council. We are not opposed to change or authentic co-governance – our relationships with manawhenua are strong..

We understand that improvement in water infrastructure are required and have attempted to put forward alternative models and have continued over the past two years to make sizeable capital investments into improving our water infrastructure. The Government is committed to the unpopular set of reforms, taking assets and responsibilities from local government and handing over control to four big entities.

The highest profile recommendation of giving “shares” to local government, gives the appearance of ownership but does not mean much in real terms. Small Councils will not have any real say in three waters for our community and manawhenua.

The ownership of the Three Waters Infrastructure has been funded by our community and as such we must have a representative voice in investment, design and delivery of services. Mackenzie should not be paying for larger council’s problems. Rural concerns were not even mentioned and there are complex issues that need to be understood, before they can be resolved.

Unfortunately very little work have been undertaken on improving our current systems and the underlying funding model. Scale is cited as the driver. But bigger is not necessarily better or more efficient - and worse still may through the loss of local voice result in small communities not

achieving the capital investment to improve the quality of their Drinking Water at affordable costs to their community

The Water Services Entities Bill is planned to be introduced in mid-2022, providing the legislative basis to establish the four new water services entities. The bill sets out the ownership, governance, accountability, and other arrangements relating to these entities. The bill will also provide for transitional arrangements relating to the establishment of the new entities; strategic direction, planning and reporting; employment; and the oversight powers of the Department of Internal Affairs during the establishment period.

Further legalisation is planned to be introduced in late-2022, following consideration of the findings of the Planning Interface and Rural Supplies Technical Working Groups.

This will include :

- settings around functions and powers relating to service delivery;
- implementation of the new arrangements;
- any changes to preserve Treaty settlements or other arrangements between mana whenua and councils;
- establish economic regulation and consumer protection regimes;
- and make detailed, technical changes to other legislation (for example, the Local Government Act 2002).

The Three Waters National Transition Unit continues to work to implement the transition to the new water services delivery model. Requests for information will be made to local councils. This will add workload and cost to Councils to meet these requests.

The NTU have put out two requests for information to date – the first on people and workforce, and the second data and digital.

### **Future for Local Government**

Council met with the panel on the interim report and provide our concerns and thoughts to the following questions.

**Priority questions**

In designing the most effective system of local governance for New Zealand's future, several key questions will need to be considered:

- 1** How should the system of local governance be reshaped so it can adapt to future challenges and enable communities to thrive?
- 2** What are the future functions, roles and essential features of New Zealand's system of local government?
- 3** How might a system of local governance embody authentic partnership under Te Tiriti o Waitangi, creating conditions for shared prosperity and wellbeing?
- 4** What needs to change so local government and its leaders can best reflect and respond to the communities they serve?
- 5** What should change in local governance funding and financing to ensure viability and sustainability, fairness and equity, and maximum wellbeing?

Council expressed concerns over:

- Unprecedented extent of reform across LG sector in last two years (more than the last 30 years) in critical LG areas.
- Fast pace and lack of detail which makes it difficult for Councils with limited resources to have meaningful input
- Concerns that the reforms are disparate and “siloed”
- Lack of detail provided around the reforms especially with regard to local voice and representation of communities of interest
- Most of these reforms are targeted at centralised or regional approaches
- Reforms are being “done to” not in a collaborative manner to communities
- All of these reform result in a loss of local voice for communities so the question remains how do we as a small rural Council make sure our voice is heard and we can successfully represent our community of interest

We expressed concerns about our relationship with Central Government (CG):

- Relationship with central government is that of Master – slave with CG introducing change without considering the local impacts
- Unfunded mandates from central government to Local government (e.g. EQ strengthening, increased building compliance requirements, increased DWS )



- There are overlapping and conflicting responsibilities (LG and CG) (community wellbeing, welfare & outreach)
- We strongly believe one model / approach from CG to LG does not fit all of LG (Urban cities, larger regional centres and sm all rural Councils)

We presented ideas as to how local government (LG) could be reshaped to improve community wellbeing:

- Decision as close to community of interest as possible (subsidiarity/localism principle)
- Empowerment of community boards – Mackenzie is doing well in this place with active community boards in all townships
- CG be considerate of LG when making decisions – impact statements to spell out the local impact of legislation and policy decisions on communities and LG
- CG Funding for Iwi to address Iwi capacity issues for engagement
- Bring LG in at the beginning of LG reform and being active in the development of this
- Greater collaboration with other CG agencies. The wider our network the stronger we will be because we have capability

We believe there are natural areas of strength where the function of LGF could be expanded:

LG have detailed knowledge and relationships to successfully deliver on:

- ✓ Expanded role in supporting Community, Economic Long-term Recovery from events and COVID
- ✓ Mental Health
- ✓ Expanded role in supporting community welfare
- ✓ Child and Youth Wellbeing
- ✓ Elderly care and wellbeing
- ✓ Expanded role in supporting and facilitating Community Development eg community led projects, supporting fund raising by community groups

We also spoke about adequate remuneration for rural Councillors and an extended term for Councillors from 3 to 5 years.

This panel's engagement with the local government sector will lead to a further report with draft recommendations in 2022. The Review will report to the Minister on this matter.

- 30 September 2022: Draft report and recommendations to be issued for public consultation;
- 30 April 2023: Review presents final report to the Minister and Local Government New Zealand.

The DIA have appointed Janine Dowding as the new Executive Director of the Review. Her role will be a year-long secondment, during which time she will help to guide the panel in its release of the draft and final reports.

## PEOPLE AND CULTURE MONTHLY REPORT

### March 2022

#### 1. RECRUITMENT UPDATE (INCLUDING APPOINTMENTS TO KEY ROLES):

- Recruitment in March was steady with the Financial Accountant, Corporate Planner and Communications Advisor roles being advertised. Offers of employment were made for the Corporate Planner and Communications Advisor roles.
- Corporate Planner – Wendy Thompson has accepted and will start with Team Mack on 20<sup>th</sup> April 2022.
- Communications Advisor – Sue Wilkins has accepted and will start with Team Mack on 4<sup>th</sup> May 2022.
- Recruitment for the Financial Accountant continues.

#### 2. PEOPLE AND CULTURE POLICIES:

- March focused on COVID-19 related policies such as the development of a COVID-19 Testing and Self Isolation Guide, COVID-19 Special Leave Form as well as undertaking a review of our current Vaccination Policy for both employees and contractors. These policies are to ensure that we remain in line with central government changes.

#### 3. PSA / MDC QUARTERLY CATCH UP

- a. The main points of discussion were around employees working from home due to COVID-19, Pay Equity, current collective agreement review i.e. currently these are reviewed annually, Finance Team review and concerns raised from the team about the process, Flexible Working for our employees i.e. working from home and flexibility around hours of work, COVID-19 and CPI / REM increases for this year.

## People and Culture Key Metrics

### Full Time Employee (FTE) information for MDC – March 2022

*FTE stands for full time equivalent and refers to the number of hours considered full time. For example, an employee working full-time equals 1 FTE while an employee working 60% of full-time hours equals 0.6 of an FTE. The FTE values of all employees are added up to give the total number of FTE employees in an organisation. For the headcount metric, each employee is counted as one. However FTE excludes Casuals and Contractors.*

MONTH	TOTAL MDC HEADCOUNT (FTE)
March 2021	41.7
April 2021	43.8
May 2021	43.9
June 2021	41.5
July 2021	38.9
August 2021	36.7
September 2021	35.7
October 2021	35.9
November 2021	35.8
December 2021	35.8
January 2022	42.2
February 2022	41.7
March 2022	38.7

### Headcount by Business Unit – March 2022

*Headcount refers to the number of employees working at MDC (with headcount, each individual counts as 'one' regardless of the number of hours worked) Includes Casuals.*

BUSINESS UNIT	TOTAL HEADCOUNT BY BUSINESS UNIT
CEO	3
Finance	6
GM Operations	3
Planning	5
Regulatory	3
Engineering	7
GM Corporate Services	5
Customer Service	5
Information & Engagement	5
Fleet / Cars	1
<b>TOTAL</b>	<b>43</b>

**Turnover rates by Business Unit and Termination reasons****Monthly Voluntary Attrition**

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

MONTH	EXITS	TOTAL FTE	% ATTRITION
March 2021	0	41.7	0.0%
April 2021	1	43.8	2.28%
May 2021	0	43.9	0.0%
June 2021	1	41.5	2.4%
July 2021	1	39.3	2.5%
August 2021	2	36.7	5.4%
September 2021	1	35.7	2.8%
October 2021	2	35.9	5.6%
November 2021	1	35.1	2.8%
December 2021	1	35.8	2.8%
January 2022	0	42.2	0.0%
February 2022	0	41.7	0.0%
March 2022	1	38.7	2.6%

**Annual Voluntary Attrition**

*Annual voluntary attrition (turnover) is a ratio of the number of employees that have left MDC over a 12 month period (March 2021 – March 2022 – based on the above) compared with the average number of FTE over that same period.*

*Average FTE is calculated by the total number of exits divided by the average FTE (adding the FTE at the beginning of the period and the FTE at the end of the period, dividing it by two) x 100%. Excludes casual and fixed-term employees.*

<b>Total exits (March 2021 – March 2022):</b>	11
<b>Average FTE (March 2021 – March 2022)</b>	40.2
<b>Annual Voluntary Attrition:</b>	27%

**Termination Reasons – March 2022**

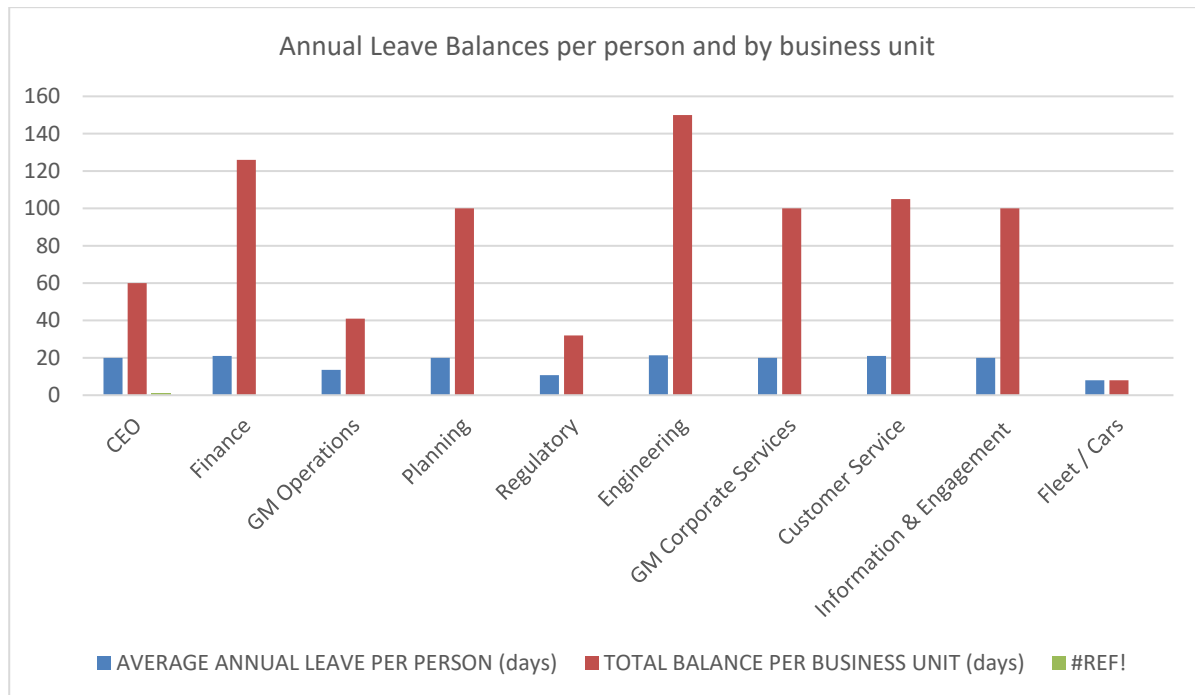
*This information includes all termination reasons (voluntary and involuntary) including end of fixed term.*

<b>Redundancy</b>	
<b>Resignation</b>	1
<b>Dismissal</b>	
<b>Transfer to another BU</b>	
<b>Abandonment</b>	
<b>Fixed Term Expiry</b>	
<b>Retirement</b>	
<b>Other</b>	

**Annual Leave by Business Unit**

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

<b>BUSINESS UNIT</b>	<b>AVERAGE ANNUAL LEAVE PER PERSON (days)</b>	<b>TOTAL BALANCE PER BUSINESS UNIT (days)</b>
<b>CEO</b>	20	60
<b>Finance</b>	21	126
<b>GM Operations</b>	13.6	41
<b>Planning</b>	20	100
<b>Regulatory</b>	10.7	32
<b>Engineering</b>	21.4	150
<b>GM Corporate Services</b>	20	100
<b>Customer Service</b>	21	105
<b>Information &amp; Engagement</b>	20	100
<b>Fleet / Cars</b>	8	8
<b>TOTAL:</b>	<b>175.7</b>	<b>822</b>

**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	\$14,379.87	228.81
Finance	\$17,377.61	403.48
GM Operations	\$14,591.66	308.88
Planning	\$21,175.43	461.40
Regulatory	\$9,099.18	320.17
Engineering	\$48,969.89	1,057.38
GM Corporate Services	\$34,293.46	648.25
Customer Service	\$31,436.25	943.20
Information & Engagement	\$22,091.57	540.67
Fleet / Cars	\$175.72	9.76
<b>TOTAL</b>	<b>\$203,590.64</b>	<b>4,922</b>

## CUSTOMER SERVICES MONTHLY REPORT

### March 2022

#### 1. Staffing

No changes to either Twizel or Fairlie staffing.

Team outstanding annual leave balance as at 22 March 2022 - 943.20 hours.

Team members used 59 hours sick leave and 14 hours annual leave during March.

#### 2. Twizel Office Customer Numbers

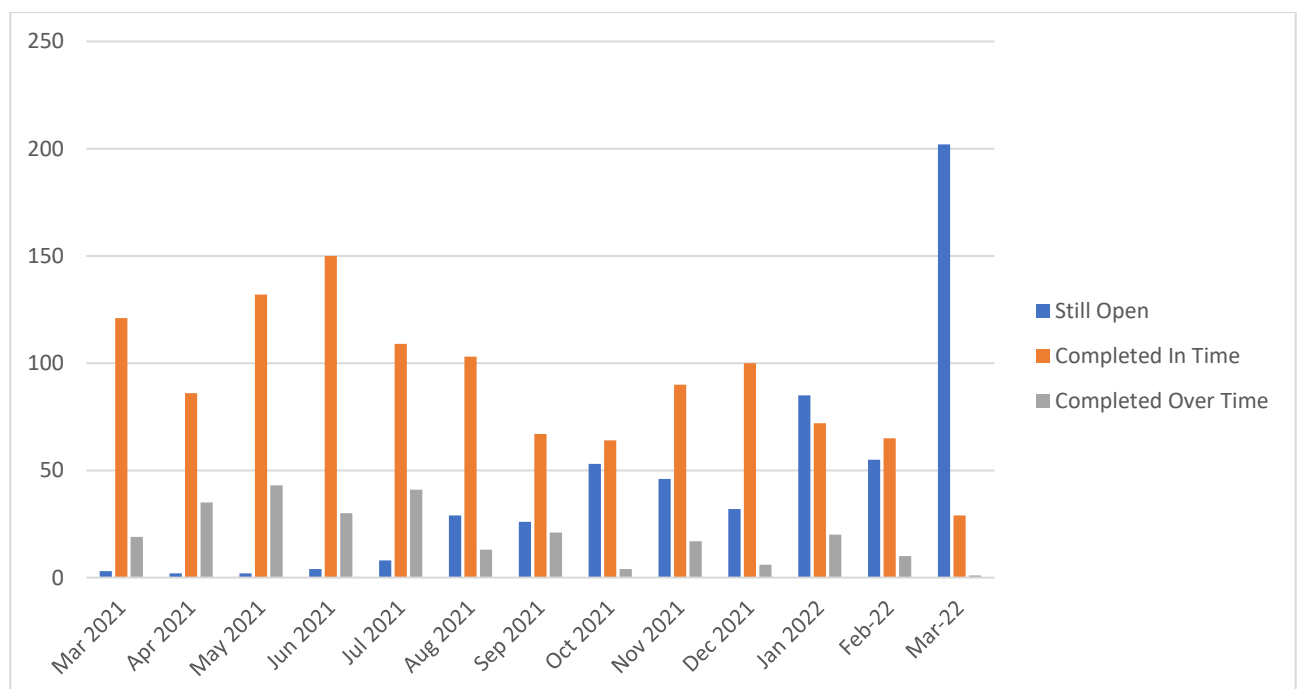
Customer numbers recorded for March 2022 = 1847. This compares with 2517 for the same period in 2021.

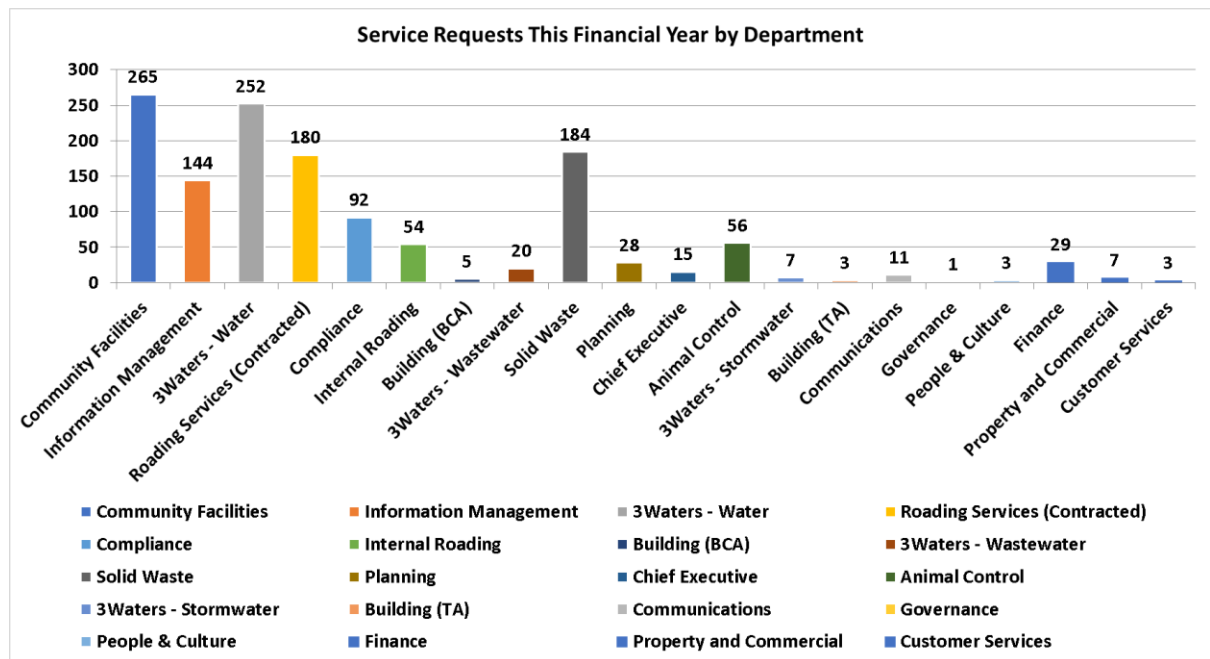
Twizel Office opening hours reduced to 6.5 per day on 24 January in response to the COVID Red Traffic Light status. The office is closed between 1:00pm – 2:00pm daily to allow the customer services officer on duty to take a break. We have received little feedback on the changes to opening hours with most customers fully supportive of Council's response.

#### 3. NZ Post Scorecard

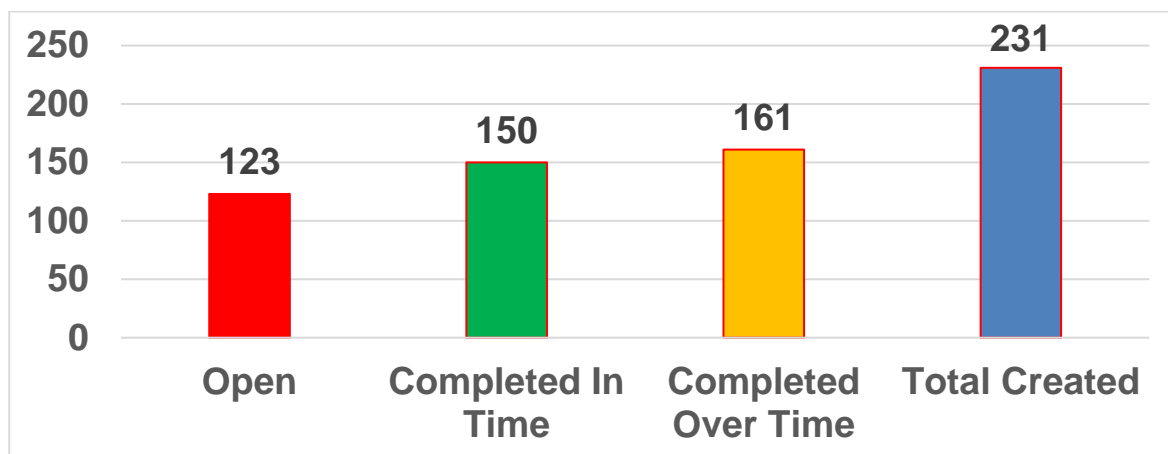
The latest NZ Post Scorecard is attached. The relationship between NZ Post and Council remains positive. Feedback from NZ Post on the altered opening hours also remains positive.

#### Service Requests Received Open/Closed Per Month

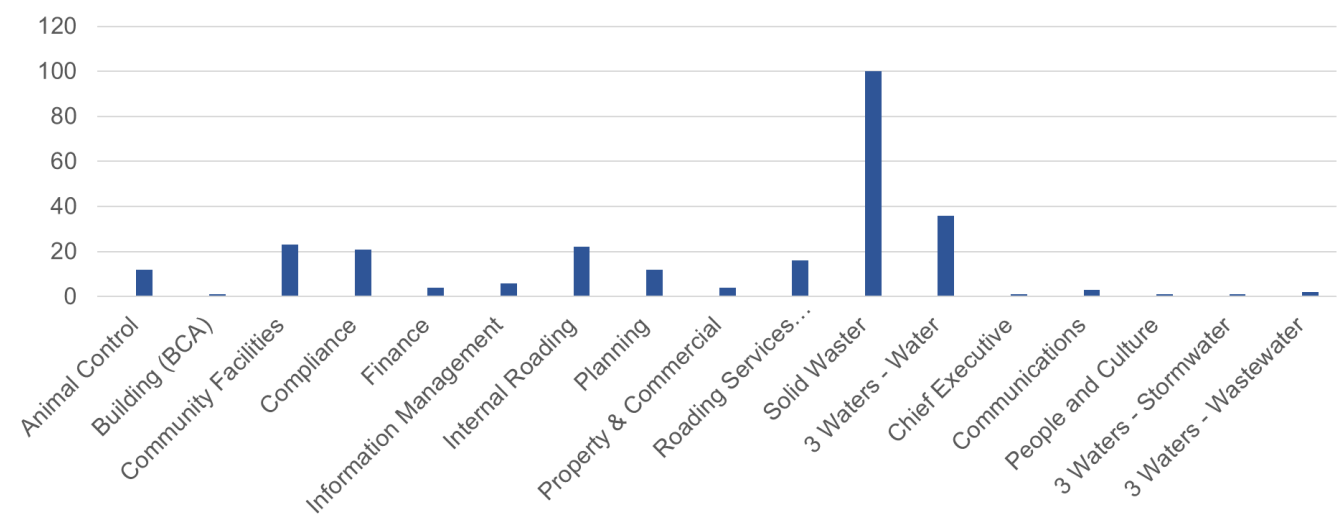





### Service Requests – March 2022

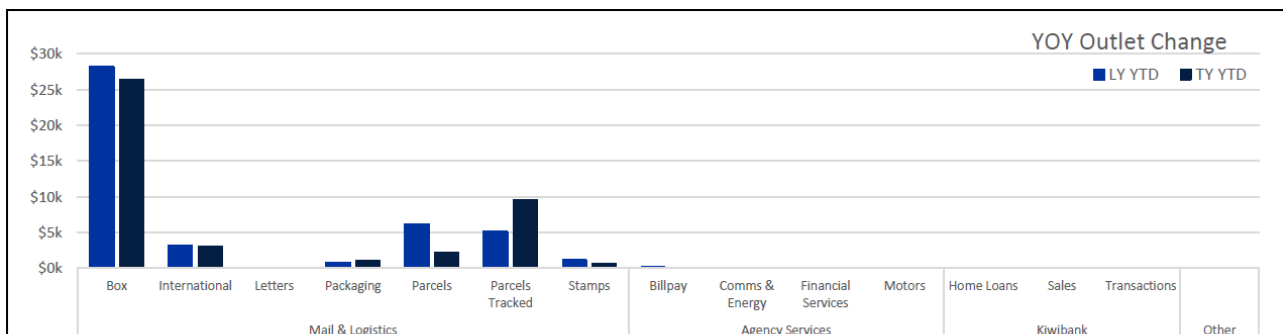


### Open Service Requests by Department (March 2022)





Twizel PostCentre		 <b>NZPost</b>							
Partner Scorecard Feb-2022		Current	QTD	LY QTD		Var	YTD	LY YTD	Var
Mail & Logistics	Box	\$2,322	\$6,936	\$6,402		8%	\$26,330	\$28,192	-7%
	International	\$281	\$958	\$1,142		-16%	\$3,009	\$3,209	-6%
	Letters						\$35	\$87	-59%
	Packaging	\$104	\$370	\$252		47%	\$947	\$806	17%
	Parcels	\$34	\$101	\$1,716		-94%	\$2,192	\$6,137	-64%
	Parcels Tracked	\$523	\$2,495	\$1,251		99%	\$9,470	\$5,113	85%
	Stamps	\$28	\$193	\$257		-25%	\$635	\$1,110	-43%
	<b>Sub Total</b>	<b>\$3.3k</b>	<b>\$11.1k</b>	<b>\$11.0k</b>		<b>0%</b>	<b>\$42.6k</b>	<b>\$44.7k</b>	<b>-5%</b>
Agency Services	Billpay							\$150	-100%
	<b>Sub Total</b>	<b>\$0.0k</b>	<b>\$0.0k</b>	<b>\$0.0k</b>			<b>\$0.0k</b>	<b>\$0.2k</b>	<b>-100%</b>
Other	Other							\$13	-100%
	<b>Sub Total</b>	<b>\$0.0k</b>	<b>\$0.0k</b>	<b>\$0.0k</b>			<b>\$0.0k</b>	<b>\$0.0k</b>	<b>-100%</b>




Figures supplied are for coaching conversations and should not be used for accounting/tax purposes. Sending figures assume stock purchased within a month is sold in the same month.

**6.2 COUNCIL MONTHLY FINANCIAL REPORT - FEBRUARY 2022**

**Author:** Jo Hurst, Management Accountant  
Sandy Hogg, Manager - Finance

**Authoriser:** Paul Numan, General Manager Corporate Services

**Attachments:** 1. Financial Performance - February 2022 [↓](#) 

**STAFF RECOMMENDATIONS**

That the monthly financial report for February 2022, for Mackenzie District Council be received.

**Highlights**

Operating Revenue is tracking at 58% received to the full year budget which equates to \$1,996,000 below the year to date budget. Contributing factors to this shortfall are the following:

- Subsidies and grants – Waka Kotahi for roading
- Financial contributions for water, wastewater and stormwater
- Other income – timber sales from harvesting of forestry plantations

Operating expenditure is tracking close to the year to date budget with savings showing in personnel costs but which are offset by increased consultancy and contractors to provide cover for staff vacancies. By the end of the financial year there will be a net overspend of approximately \$150,000 with the majority of this overspend a result of the LTP and Annual Report projects.

Capital expenditure is sitting at 22% spent of the full year budget. Actual expenditure is \$5,216,000 compared to a year to date budget of \$16,043,000. The large variance is a result in the delay of adopting the 2021-31 Long Term Plan with a number of projects not being able to be started until this adoption. Work has now started on some of these projects and it is intended that these will be completed by financial year end.

The Council's balance sheet is tracking closely to the net assets and equity as at 30 June 2021. At this stage Council has not yet taken up any external borrowings and has been able to utilise cash balances to fund operations year to date. With the capital programme now starting to ramp up Council will take advantage of borrowing from the LGFA (Local Government Funding Agency) in the next few months. This borrowing has been budgeted.

# Financial Performance

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**February 2022**

# Financial Performance

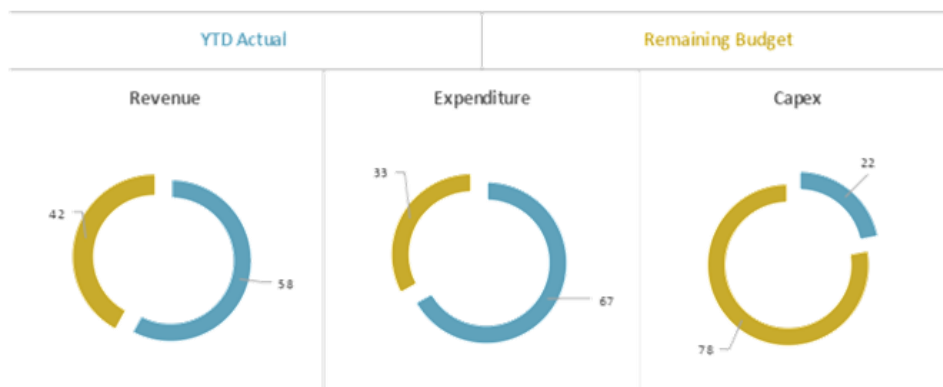
## REVISION HISTORY

<b>Date Created:</b>	March 2022
<b>Department:</b>	Finance
<b>Sponsor:</b>	General Manager – Corporate Services
<b>Approved by:</b>	Chief Executive Officer
<b>New Review Date:</b>	April 2022

## 1. Financial Summary – as at 28 February 2022



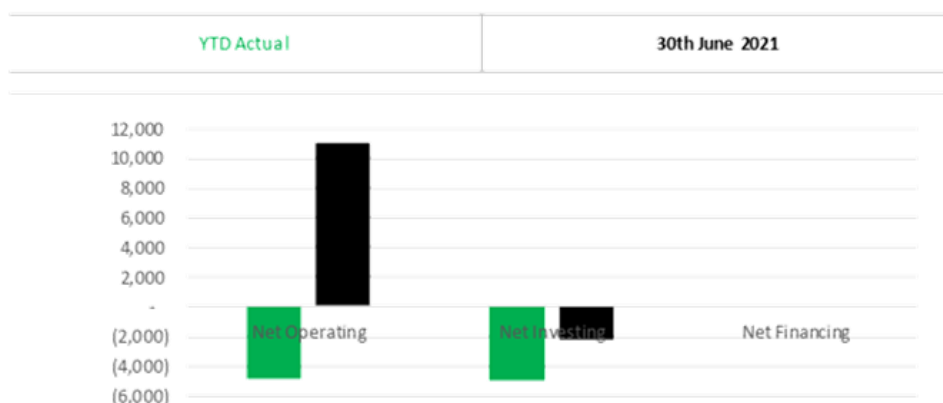
### YTD Actual % of FY Budget



### Financial Position - Balances



### Cashflow - Movements



## 2. Council Performance – as at 28 February 2022

2

	Year to Date			Full year	YTD Actual % of
	Actual	Budget	Variance	Budget	FY Budget
	\$000's	\$000's	\$000's	\$000's	
Operating Revenue					
Rates	8,183	8,197	(14)	12,295	67%
Subsidies and Grants	1,416	2,165	(749)	3,247	44%
Development and Financial Contributions	581	1,123	(542)	1,684	35%
Fees and Charges	1,265	1,318	(53)	1,942	65%
Interest Revenue	113	45	68	67	169%
Other Revenue	673	1,379	(706)	2,016	33%
Total Operating Revenue	12,231	14,227	(1,996)	21,251	58%
Operating Expenditure					
Personnel Costs	2,862	3,402	540	5,104	56%
Depreciation and amortisation expense	2,952	2,952	-	4,429	67%
Other Expenses	10,554	10,215	(339)	15,063	70%
Total Operating Expenditure	16,368	16,569	201	24,596	67%
Operating Surplus/(Deficit)	(4,137)	(2,342)	(1,795)	(3,345)	
Capital Expenditure					
Community and Township Services	696	2,867	2,171	4,300	16%
Governance and Corporate Services	182	877	695	1,316	14%
Planning and Regulation	3	33	30	50	6%
Roading	875	2,734	1,859	4,102	21%
Stormwater	12	273	261	410	3%
Tourism, Economic Development and Commercial	26	91	65	137	19%
Wastewater	231	1,571	1,340	2,356	10%
Water Supplies	3,191	7,597	4,406	11,395	28%
Total Capital Expenditure	5,216	16,043	10,827	24,066	22%

*Note: The full year budget for the Capital Expenditure does not include vested assets.*

## Council Performance – Variance Analysis



Variances of more than \$100,000 are explained.

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

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

## Operating Revenue

### Subsidies and grants - \$749,000 U

#### *Reason for variance*

Unbudgeted income of \$500,000 has been received for the Mayors Taskforce for Jobs funding.

Subsidies from Waka Kotahi for roading were budgeted at \$1,845,536 year to date. Actual income received is \$751,066. Subsidies are lower than budgeted due to lower capital expenditure to date.

Grant funding for Destination Mackenzie was budgeted at \$307,332 year to date. \$146,106 has been carried over from the previous year to cover the expenses incurred to date. No monies have been received this year.

### Development and financial contributions - \$542,000 U

#### *Reason for variance*

Subdivision reserve contributions were budgeted at \$166,668 year to date. Actual subdivision contributions received is \$337,069.

Income from financial contributions for water, wastewater and stormwater were budgeted to be \$956,246 year to date. Actual income received from financial contributions is \$243,979.

Income from contributions is dependent on subdivision development in the district.

### Other revenue - \$706,000 U

#### *Reason for variance*

Income from timber sales was budgeted to be \$692,232 year to date. Actual income received is \$147,892.

Timber sales are significantly less than budgeted due to a delay in harvesting one of the plantations.

Harvesting is due to start at the end of March with income expected to be received in the final quarter of the year.

Income from cost recoveries in the Planning and Asset management areas were budgeted at \$140,000, however these have yet to occur.

## Operating Expenditure



### Personnel costs - \$540,000 F

#### *Reason for variance*

There are a number of vacancies throughout the Council. This variance will reduce as recruitment progresses throughout the year. The favourable variance is offset by increased costs over budget in consultancy and contractors, specifically Corporate Services, Water and Regulatory.

### Other Expenses - \$339,000 U

#### *Reason for variance*

There are a number of areas which have contributed to this unfavourable variance and further detail and explanations provided within the activity performance variance analysis. Contributing factors include the following:

- District Plan Review – consultants – under budget
- Building Control -contract inspection and processing – under budget
- Commercial – Destination Mackenzie consultancy – under budget
- Commercial – Forestry operations – over budget
- Corporate Services – consultants – over budget
- Information and Engagement – corporate planning support – over budget
- Roading – operational and maintenance – over budget
- 3 Waters reform projects – operational and maintenance – over budget



### 3. Activity Performance – as at 28 February 2022

5

	Actual \$000's	Year to Date Budget \$000's	Variance Budget \$000's	Full year Budget \$000's	YTD Actual % of FY Budget
<b>Operating Revenue</b>					
Community and Township Services	2,669	2,731	(62)	4,044	66%
Governance and Corporate Services	3,734	4,037	(303)	6,055	62%
Planning and Regulation	1,868	1,674	194	2,476	75%
Roading	1,551	2,640	(1,089)	3,959	39%
Stormwater	75	187	(112)	280	27%
Tourism, Economic Development and Commerce	457	530	(73)	795	57%
Wastewater	701	972	(271)	1,458	48%
Water Supplies	1,176	1,456	(280)	2,184	54%
<b>Total Operating Revenue</b>	<b>12,231</b>	<b>14,227</b>	<b>(1,996)</b>	<b>21,251</b>	<b>58%</b>
<b>Operating Expenditure</b>					
Community and Township Services	2,641	2,890	249	4,203	63%
Governance and Corporate Services	4,564	4,059	(505)	6,043	76%
Planning and Regulation	1,796	2,691	895	4,036	44%
Roading	2,979	2,876	(103)	4,310	69%
Stormwater	89	82	(7)	122	73%
Tourism, Economic Development and Commerce	1,209	842	(367)	1,231	98%
Wastewater	1,884	1,756	(128)	2,613	72%
Water Supplies	1,206	1,373	167	2,035	59%
<b>Total Operating Expenditure</b>	<b>16,368</b>	<b>16,569</b>	<b>201</b>	<b>24,593</b>	<b>67%</b>
<b>Operating Surplus/(Deficit)</b>	<b>(4,137)</b>	<b>(2,342)</b>	<b>(1,795)</b>	<b>(3,342)</b>	
<b>Capital Expenditure</b>					
Community and Township Services	696	2,867	2,171	4,300	16%
Governance and Corporate Services	182	877	695	1,316	14%
Planning and Regulation	3	33	30	50	6%
Roading	875	2,734	1,859	4,102	21%
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Wastewater	231	1,571	1,340	2,356	10%
Water Supplies	3,191	7,597	4,406	11,395	28%
<b>Total Capital Expenditure</b>	<b>5,216</b>	<b>16,043</b>	<b>10,827</b>	<b>24,066</b>	<b>22%</b>

## Activity Performance – Variance Analysis



Variances of more than \$100,000 are explained.

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

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

## Operating Revenue

### Governance and Corporate Services - \$303,000 U

#### *Reason for variance*

Income from overhead cost recoveries have not yet been processed for Operations (\$83,332) and Asset Management (\$123,000) and Customer Services (\$51,923).

Income from LIMS (\$40,000) had been budgeted for under Customer Services, while actual income is currently showing under the Planning area.

### Planning and Regulation - \$194,000 F

#### *Reason for variance*

Subdivision reserve financial contributions were budgeted at \$166,668 year to date. Actual income received is \$337,069. Contributions are dependent on developer activity.

Income from building consents was budgeted at \$520,000 year to date. Actual income received is \$547,436.

### Roading - \$1,089,000 U

#### *Reason for variance*

Subsidies from Waka Kotahi for roading were budgeted at \$1,845,536 year to date. Actual income received is \$751,066. Subsidies are lower than budgeted due to lower capital expenditure to date, and the timing of invoicing. It is projected that all works will be completed by year end and the full subsidy income budget will be received.

### Stormwater - \$112,000 U

#### *Reason for variance*

Financial contributions were budgeted at \$104,949 year to date. Actual income received is \$3,411. Financial contributions are dependent on developer activity.

### Wastewater - \$271,000 U

#### *Reason for variance*

Financial contributions were budgeted at \$372,363 year to date. Actual income received is \$90,522. Financial contributions are dependent on developer activity.

Income from waste disposal fees were budgeted at \$13,332 year to date. Actual income received is \$24,467.

**Water Supplies - \$280,000 U***Reason for variance*

Financial contributions were budgeted at \$471,236 year to date. Actual income received is \$150,046. Financial contributions are dependent on developer activity.

Unbudgeted income of \$18,139 was received from connection fees.

**Operating Expenditure****Community and Township Services - \$249,000 F***Reason for variance*

Operational and maintenance costs were budgeted at \$2,265,077 year to date. Actual expenditure incurred is \$2,042,526. The favourable variance is made up of several underspends but specifically in unplanned maintenance, township projects and refuse collection costs due to Covid19.

The employment expense budget within Solid Waste is \$27,390 under budget currently, due to a full-time equivalent being budgeted for.

**Governance and Corporate Services \$505,000 U***Reason for variance*

Consultancy expenditure was budgeted at \$239,577 year to date. Actual expenditure incurred is \$1,118,188 and relates to additional resource required due to vacant positions in the Engineering, Operations and Community Facilities Manager positions, to progress and complete the Annual Report and the LTP, as well as additional costs incurred for an unbudgeted review undertaken by LGNZ. A favourable variance in employment expenses of \$385,877 due to vacant positions, offsets some of this variance. By the end of the financial year it is forecast that the variance will be reduced down to being approximately \$150,000 unfavourable.

Unbudgeted township strategic studies have been undertaken for parks, trails and playgrounds at a cost of \$59,552 and unbudgeted building assessments have been completed across the district for \$74,831.

Costs for the Upper Waitaki Water Management Zone Committee members were budgeted at \$58,664. Actual expenditure incurred to date has been \$21,528.

Cost of sales for the Postal operation had been budgeted for of \$24,668 in the Customer Services area. The actual expenditure is showing under the Tourism area, while the budget for audit fees within the Finance has yet to be incurred.

Vehicle costs were budgeted to be \$108,490. Actual costs incurred were \$61,000, due to Covid 19 and the reduction in travel.

The Council Donations and Grants budget is \$13,332 year to date. Actual grants to date have only been \$1,000.

**Planning and Regulation \$895,000 F***Reason for variance*

Planning operational and consultancy expenditure was budgeted to be \$1,194,921 year to date. Actual expenditure incurred is \$643,940. Expenditure on the District Plan Review was less than anticipated year to date, while costs have been incurred for Plan Change 18 appeal costs, technical planning support and work on the water services bill submission.

Regulatory operational and consultancy expenditure was budgeted to be \$1,499,660 year to date. Actual expenditure incurred is \$1,151,840. The budget includes costs for contract inspection and processing and is reliant on building activity in the district, which has been slowed due to Covid19.

**Roading - \$103,000 U***Reason for variance*

Operational and maintenance costs were budgeted to be \$933,174 year to date. Actual costs incurred are \$1,098,681 and relate to unbudgeted emergency reinstatement requirements from the May 2021 flooding event.

Employment expenses are currently \$35,000 under budget due to budget timing issues and the budget including an allowance for road safety.

Motor vehicle charges are currently \$12,000 under budget as covid impacts and rules around travel have resulted in less travel to meetings.

**Tourism, Economic Development and Commercial - \$367,000 U***Reason for variance*

Operational and maintenance costs were budgeted to be \$333,637 year to date. Actual costs incurred are \$732,498.

- Within Forestry there are overspends of \$109,041 due to tree purchase and the replanting of the Woodburn and Burkes Pass plantations, earthworks in the Strathallan and Woodburn plantations and fencing was also carried out in the Hamilton Road plantation.
- Contributions to the Alps to Ocean trail is approximately \$37,000 higher than budgeted, this being our contribution to the Interim Trail Manager.
- Contributions to the South Canterbury Chamber of Commerce were budgeted at \$20,000. Actual expenditure to date of the Economic Business Support Services contract is \$42,000.
- Unbudgeted expenditure of \$160,369 has been paid out of the Mayors Taskforce for Jobs funding received.

Unbudgeted employment expenses were \$64,967 as forestry measurers were employed to complete the 5 yearly tree measuring process; this task was brought forward from the 2023 financial year. Costs were also included here for the Business Liaison Officer's time in regards the Mayors Taskforce for Jobs, these will be offset by the funding received.

Administration and consultancy expenses were budgeted to be \$460,039. Actual costs incurred are \$363,165 to date. The favourable variance is due in part to the delay in the Destination Mackenzie project (although by year end it is expected to be \$80,000 overspent), but offsetting the favourable variance was increased costs for rates on council owned properties and unbudgeted expenditure for the Pukaki Airport contamination review.



**Wastewater - \$128,000 U***Reason for variance*

Wastewater operational and consultancy expenditure was budgeted to be \$1,756,068 year to date. Actual expenditure incurred is \$1,883,535 and is a result of increased expenditure on the three waters reform projects, increased consent monitoring fees and contractor costs to deer fence the sewerage pond in Twizel.

**Water Supplies - \$167,000 F***Reason for variance*

Water supply operational and consultancy expenditure was budgeted to be \$1,398,461 year to date. Actual expenditure incurred is \$1,205,846. Expenditure on the three waters reform projects was not included in the budget and there has been increased quality monitoring costs due to bacterial testing and additional water sampling.

Internal interest costs of \$22,639 was budgeted but due to loan funding not yet required has not been incurred.

**Capital Expenditure****Community and Township Services - \$2,171,000 F***Reason for variance*

Expenditure on the Twizel community hall was budgeted at \$229,359 year to date. \$60,458 has been incurred.

Expenditure on public toilets was budgeted at \$1,346,000 year to date. Actual costs incurred are \$263,295. The budget includes projects for Fairlie and Lake Pukaki which are funded from a government grant.

Expenditure on the implementation of the Tekapo Township development plan was budgeted to be \$349,250 year to date. Actual expenditure incurred is \$161,768 and includes expenditure on the Barbara Hay and D'Archiac reserves upgrades as well as costs for the formation and surfacing of the path and landscaping around the Church of the Good Shepherd. These projects will be funded from the Land Subdivision Reserve.

Expenditure on the Strathconan swimming pool supplementary heating and upgrades were budgeted at \$226,000 year to date. \$7,991 of costs have been incurred.

Expenditure on the Twizel swimming pool supplementary heating and upgrades were budgeted at \$170,000 year to date. Actual expenditure incurred is \$9,634.

Expenditure on the implementation of the Twizel Township development plan was budgeted to be \$281,836 year to date. Actual expenditure incurred is \$61,680 which includes a shared use path which will be funded from the Land Subdivision Reserve and other landscaping work.

Expenditure on the Lake Ruataniwha Reserve management plan was budgeted at \$63,498 year to date. Actual costs incurred are \$87,607, which will be funded from the Land Subdivision Reserve.

Expenditure on Twizel community public amenity assets were budgeted at \$90,212 year to date. Actual costs incurred are \$15,485 and relates to design work for the ramp and steps to be installed in Twizel Market Place and project management costs.

Expenditure on the Mackenzie Community Centre upgrades were budgeted at \$74,522 year to date. No actual costs have been incurred.

Expenditure on plant and equipment purchases for Solid Waste Management were budgeted at \$85,664 year to date. \$2,800 has been incurred.

**Governance and Corporate Services - \$695,000 F***Reason for variance*

Building renovations on the Fairlie Council building were budgeted at \$666,668 year to date. \$6,557 has been incurred on the installation of an air conditioning curtain over the front door. This will be paid from reserves.

Expenditure within Information and Engagement for IT replacements, software, and communications projects was budgeted at \$109,006 year to date. Actual expenditure incurred to date is \$51,883.

Expenditure on vehicle replacements was budgeted at \$80,000 year to date. Actual costs incurred are \$109,146. Vehicles are purchased when available with suppliers so often are not in line with the budget. After the receipt of the clean car rebate and a vehicle sale, expenditure is back within the full year budget.

**Roading - \$1,859,000 F***Reason for variance*

Expenditure on unsealed road metalling and sealed road resurfacing and rehabilitation and drainage renewal was budgeted at \$946,668 year to date. Actual expenditure incurred is \$246,350.

Footpath and cyclepath renewals were budgeted at \$450,332 year to date. Actual expenditure incurred is \$17,941.

Expenditure on the streetlight LED upgrade was budgeted to be \$484,443 year to date. Actual costs incurred are \$11,678. This project has been carried over from the previous financial year.

Minor improvement expenditure was budgeted at \$701,956 year to date. \$404,767 worth of work has been completed.

Structures and environmental renewals were budgeted at \$71,000. Actual expenditure incurred is \$7,452.

Signage renewals were budgeted at \$58,668. Actual costs incurred are \$20,858.

Unbudgeted car parking renewal of \$165,751 has been spent relating to the Twizel long vehicle car park. This was part of the Tourism infrastructure funding to asphalt surface the carpark and cater for the stormwater.

With the Long Term Plan 2021-31 now adopted and a new maintenance contractor in place, planning of work has now been completed and renewals work is now proceeding forward.

**Stormwater - \$261,000 F***Reason for variance*

Expenditure on stormwater reticulation was budgeted at \$233,332 year to date. Actual expenditure incurred is \$11,703.

Budget of \$39,782 has been allowed for two Fairlie stormwater projects as part of the Three water reform, these projects have yet to commence.

**Wastewater - \$1,340,000 F***Reason for variance*

Expenditure on treatment and reticulation upgrades was budgeted at \$1,385,901 year to date. Actual expenditure incurred is \$231,295 and includes three water projects funded from a government grant.

Expenditure on pump station renewals was budgeted at \$200,000 year to date. No costs have been incurred to date.

**Water Supplies - \$4,406,000 F***Reason for variance*

Expenditure on reticulation upgrades and renewals was budgeted at \$5,584,392 year to date. Actual expenditure incurred is \$3,064,495. Work is continuing on Twizel watermain renewals.

Expenditure on treatment upgrades was budgeted at \$1,614,052 year to date. Actual expenditure incurred is \$118,557, of which \$50,506 related to design and consultancy for Fairlie which was budgeted for in the prior year.

Expenditure on the Twizel water metering project, which is funded from a government grant, was budgeted to be \$215,169 year to date. This project has just started with \$2,013 spent to date. It is intended that this project will be completed in the next financial year and has been rebudgeted in the 2022/23 budget.

Expenditure on the installation of potable water to remote properties, also funded from a government grant, was budgeted to be \$116,668 year to date. No actual costs have been incurred.

## 4. Statement of Financial Position – as at 28 February 2022

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YTD  
Actual  
\$000's

### ASSETS

#### Current assets

Cash & Cash Equivalents	1,716
Receivables	2,612
Prepayments	4
Inventory	28
Financial assets current	12,886

<b>Total current assets</b>	<b>17,246</b>
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#### Non-current assets

Inventory term	558
Forestry investment	8,063
Intangible assets	882
Property plant & equipment	252,160
Financial assets Term	11,194
Investment Property	4,319

<b>Total non-current assets</b>	<b>277,176</b>
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<b>Total assets</b>	<b>294,422</b>
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**LIABILITIES****Current liabilities**

Creditors and deferred revenue	5,995
Provisions current	5
Employee entitlements current	251

<b>Total current liabilities</b>	<b>6,251</b>
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**Non-current liabilities**

Provisions term	58
Employee entitlements term	31

<b>Total non-current liabilities</b>	<b>89</b>
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<b>Total liabilities</b>	<b>6,340</b>
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<b>Net Assets</b>	<b>288,082</b>
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**EQUITY**

RatePayers Equity	123,157
Reserves	164,925

<b>Total equity</b>	<b>288,082</b>
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## 5. Statement of Cash Flows – as at 28 February 2022

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	YTD Actual \$000's	30th June 2021 Actual \$000's
<b>OPERATING ACTIVITIES</b>		
Revenue from Rates	6,299	11,158
Grants & Subsidies	1,416	4,164
Other Operating Funding	4,291	5,310
Financial & Development Contributions	581	1,006
Interest revenue	174	549
Suppliers, Services and Employees	(17,629)	(11,206)
Finance Costs	-	(2)
<b>Net operating activities</b>	<b>(4,868)</b>	<b>10,979</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of Assets	(5,171)	(7,010)
Purchase of Investments	-	1,714
Proceeds Asset Sales	148	3,028
<b>Net investing activities</b>	<b>(5,023)</b>	<b>(2,268)</b>
<b>FINANCING ACTIVITIES</b>		
<b>Net financing activities</b>	<b>-</b>	<b>-</b>
Cash movement	(9,891)	8,711
Opening Balance 1st July	11,607	2,896
<b>Closing Bank Balance</b>	<b>1,716</b>	<b>11,607</b>

## 6. Detailed Capital Projects – as at 28 February 2022

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Account	2021/22 YTD Actuals	2021/22 Full Year Budget	Variance to Full Year Budget
<b>Grand Total</b>	<b>5,216,540</b>	<b>26,948,044</b>	<b>21,731,504</b>
<b>Community and Township Services</b>			
353420. Resource Consent	2,800	10,000	7,200
353422. Plant and Equipment	0	118,500	118,500
361420. District Wide Projects	0	567	567
3614201. Pukaki Lookout Project	19,818	0	(19,818)
3654221. Fairlie Dump Station	5,113	95,000	89,887
366420. Implement of Development Plan	48,572	523,878	475,306
366440. Barbara Hay Reserve Upgrade	15,583	0	(15,583)
366442. D'Archiac Reserve Upgrade	92,361	0	(92,361)
366444. Church of the Good Shepherd Reserve Upgrade	5,252	0	(5,252)
367420. Implement of Development Plan	61,680	422,756	361,076
367421. Community Assets - Public Amnt	15,485	135,316	119,831
3674211. Lake Ruataniwha project	87,607	95,250	7,643
379421. Community Assets - Buildings	0	38,842	38,842
379424. Furniture & Fittings - Other	0	72,940	72,940
381421. Community Assets - Buildings	0	20,000	20,000
381424. Furniture & Fittings	0	5,000	5,000
382421. Community Assets - Buildings	57,457	294,885	237,428
382424. Furniture & Fittings - Other	3,001	49,154	46,153
384422. Plant and Equipment	7,991	226,000	218,009
385421. Comm Asset - Public Amenities	9,195	250,000	240,805
385422. Plant and Equipment	439	5,000	4,561
386421. Buildings	11,413	212,000	200,587
3864211. Fairlie Public Toilets	125,889	736,000	610,111
3864212. Lake Pukaki Public Toilets	109,386	966,000	856,614
3864213. TIF Project Management	16,607	0	(16,607)
389420. Land Improvements	780	16,000	15,220
391421. Buildings - Housing	0	7,378	7,378
	<b>696,429</b>	<b>4,300,466</b>	<b>3,604,037</b>

<b>Governance and Corporate Services</b>			
318428. Comms Projects	7,431	76,000	68,570
319400. Network Infrastructure	18,778	47,400	28,622
319402. Software	6,443	0	(6,443)
319422. Plant & Equipment	838	0	(838)
319428. Projects	18,394	40,110	21,716
320422. Plant & Equipment	0	30,300	30,300
368421. Building Renovations	831	1,000,000	999,169
368424. Furniture & Fittings - Other	6,557	0	(6,557)
369421. Building Renovations	13,607	0	(13,607)
369424. Furniture & Fittings - Other	397	2,108	1,711
408423. Vehicles	109,146	120,000	10,854
	<b>182,421</b>	<b>1,315,918</b>	<b>1,133,497</b>
<b>Planning and Regulation</b>			
334422. Plant & Equipment	2,694	50,000	47,306
	<b>2,694</b>	<b>50,000</b>	<b>47,306</b>
<b>Roading</b>			
Unsealed Road Metalling	188,224	700,000	511,776
Sealed Road Resurfacing	33,470	500,000	466,530
Drainage Renewal	11,393	90,000	78,607
Sealed Road Pavement Rehabilitation	13,262	130,000	116,738
Structures Component Replacements Bridges	4,294	30,000	25,706
Traffic Services Renewals	20,858	88,000	67,142
Footpaths - Surfacing	13,262	210,000	196,738
Minor Improvements	404,767	1,052,936	648,169
Sealing Past Houses	0	12,000	12,000
Plant & Equipment	0	20,000	20,000
Streetlight LED Upgrade	11,678	726,667	714,990
Cycle Path Renewal	4,680	465,500	460,820
Environmental Renewals	3,158	24,500	21,342
Bridge & Structures Renewals	0	52,000	52,000
Car Parking Renewal	165,751	0	-165,751
	<b>874,796</b>	<b>4,101,603</b>	<b>3,226,807</b>
<b>Stormwater</b>			
352404. Stormwater Reticulation	11,703	350,000	338,297
413442. Stormwater Mgmt Control (Flooding) - Alloway, Fairlie	0	25,000	25,000
413445. Realign/Replace Sbane St SW timber box culvert	0	34,670	34,670
	<b>11,703</b>	<b>409,670</b>	<b>397,967</b>

<b>Tourism, Economic Development and Commercial</b>			
403420. Land - Admin & Operating	21,045	25,000	3,955
404422. Plant & Equipment	2,435	0	(2,435)
405422. Plant and Equipment	2,695	0	(2,695)
407400. Computer Equipment	0	112,220	112,220
	<b>26,175</b>	<b>137,220</b>	<b>111,045</b>
<b>Wastewater</b>			
350418. Sewer Reticulation - New	265	400,000	399,735
350419. Sewer Treatment - New	10,714	200,000	189,286
350427. Pump Station Renewal	0	300,000	300,000
411444. Upsize foul sewer - Fairlie Golf Course	0	35,000	35,000
411446. Rising Main Mackenzie Park to Twizel WWTP - Design	45,529	14,690	(30,839)
411447. Rising Main Mackenzie Park to Twizel WWTP - Construct	108,917	990,000	881,083
411448. Lakeside WW pump station - Design/Construct	0	48,598	48,598
4114492. Deer Fence ponds - Tek, Fle	0	15,000	15,000
411452. Burkes Pass WWTP upgrade - install outlet flow meter	33,326	25,540	(7,786)
411453. Burkes Pass WWTP upgrade - baffles	3,564	50,000	46,436
411458. WWTP monitoring equip - design & install	1,535	210,000	208,465
411461. WWTP Influent Screens Design - 3 Sites	27,446	22,525	(4,921)
4114611. Connect Allandale Rd WW to Fairlie WW Network	0	45,000	45,000
	<b>231,295</b>	<b>2,356,353</b>	<b>2,125,058</b>
<b>Water Supplies</b>			
342404. Reticulation Extension	0	54,660	54,660
342427. Water Pump Stations	5,963	0	(5,963)
349404. Reticulation	2,607,990	8,321,928	5,713,938
349405. Water Head Works	50,506	0	(50,506)
349406. Treatment - New	68,051	2,421,080	2,353,029
349407. Service Connections - Renewal	0	100,000	100,000
412441. Water Supply Mains Renewals	456,505	0	-456,505
412464. Water Metering Trial - Twizel (part) Install	2,013	322,753	320,740
412467. Potable Water Supply to remote properties - installation	0	175,000	175,000
	<b>3,191,027</b>	<b>11,395,421</b>	<b>8,204,394</b>
<b>Vested Assets</b>			
3554193. Vested Assets	0	697,698	697,698
352403. Vested Assets	0	402,667	402,667
350403. Vested Assets	0	1,071,198	1,071,198
349403. Vested Assets	0	709,830	709,830
	<b>0</b>	<b>2,881,393</b>	<b>2,881,393</b>

## 7. Investments – as at 28 February 2022

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Institution	Category	Start Date	Days	Maturity	Rate	Amount
<b>Term Deposits</b>						
BNZ	General	07-Sep-2021	212	07-Apr-2022	1.37%	2,000,000
BNZ	Pukaki Airport	21-Dec-2021	212	21-Jul-2022	1.53%	2,418,756
BNZ	General	18-Jan-2022	213	19-Aug-2022	1.60%	2,000,000
Westpac	General	26-Aug-2021	273	26-May-2022	1.40%	2,000,000
Westpac	General	18-Jan-2022	181	18-Jul-2022	1.60%	2,000,000
						<b>10,418,756</b>
<b>Bonds</b>						
Genesis				18-Mar-2022	4.140%	275,000
China Construction Bank (NZ)				19-Jun-2023	4.005%	500,000
						<b>775,000</b>



**Mackenzie**  
DISTRICT COUNCIL

**6.3 CHRISTCHURCHNZ QUARTERLY REPORT - Q3**

**Author:** Leaine Rush, Business Liaison Officer

**Authoriser:** Fiona McQuade, Manager - Property & Commercial

**Attachments:** 1. ChristchurchNZ Report - Q3 [↓](#) 

**STAFF RECOMMENDATIONS**

That the information be received.

**BACKGROUND**

ChristchurchNZ are engaged by Mackenzie District Council to provide the marketing of the tourism aspect of Mackenzie District Council's tourism programme . This is the third quarter report for the 2021/22 year.

Lydia Stoddart will be present in the Council meeting to speak to the report.





## Quarterly Update to Mackenzie District Council

<b>Reporting Period</b>	January – March 2022
<b>Report Prepared</b>	March 2022

### Introduction & Insights

#### Overview

The January – March 2022 quarter has possibly been the toughest yet for many of our operators. Low travel consumer confidence (health and economic), increased cost of doing business, other challenges created by Omicron (eg. staff isolating) and limited financial support from the government created the perfect storm.

Most events in the region were cancelled over this period, and stimulating any form of travel has been almost impossible as kiwis hunker down as Omicron surges within our communities. On that note, we commend Mackenzie District Council and Twizel community for rallying together to bring NZ Rowing Nationals to Lake Ruataniwha at short notice. That, along with Maadi Cup, has been of immense benefit to businesses in Twizel and surrounding areas. It was also great to see Summer Challenge take place in Tekapo in late March.

Thankfully, there is a renewed optimism in our industry thanks to the government announcing mid March that the border will be reopening to Australian (without isolation requirements) from 17 April. Travel to/from visa-waiving countries will commence from 2 May. In addition, vaccine mandates will go – and outdoor events will no longer have capacity restrictions. There is light at the end of a tunnel, and finally a sense of optimism amongst industry. Anecdotal feedback suggests operators are already seeing strong offshore forward bookings for January onwards.

The announcement allows us to plan our own offshore activity, whilst keeping focused on domestic to maximise the winter opportunity. Having the Australian market for winter is positive however our bread and butter remains domestic – with a focus on growing awareness and preference amongst our fly markets (Auckland, Tauranga, Hamilton, Wellington), and leveraging Queenstown in-market demand over the winter period (July-September).

The build back certainly presents challenges - particularly around labour and scaling up. On 1 April 2022, applications for the Kick-start grant open for eligible Mackenzie businesses. The central government fund is a targeted initiative for the five most impacted regions, to support businesses to prepare for the return of visitors.

#### ChristchurchNZ™

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On 1 April we also launch our second contestable funding round for the Regional Events Fund, a Covid-19 response initiative that aims to stimulate domestic visitation via events and support the event economy. We look forward to seeing applications to grow existing events, and seed new ones. We have been supporting prospective applicants over the last couple of months with guidance, and our Events Executive will be in the region early April meeting face to face with event organisers.

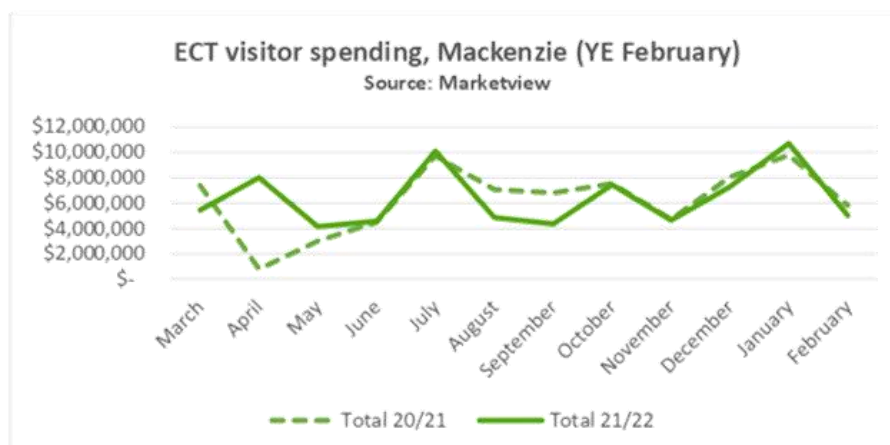
One of the events to be part funded from the Regional Events Fund is Matariki Mackenzie – a new multi-day event that celebrate the Māori New Year authentically, appropriately and inclusively. In February we received news from MBIE's NZ Major Events that our application to the Cultural and Creative Events Incubator was successful, and the festival would receive the full \$100,000 requested for year one, with the opportunity to receive further \$100,000 for years 2 and 3 should KPIs and milestones be achieved. This is a significant undertaking, but an exciting legacy project for the region that supports the Mackenzie's greater aspirations and dark sky positioning.

### Visitor Spend

Please note: At time of writing, only data for January and February 2022 is available. March data will be available end of April.

Visitor spending data is sourced from MarketView, which captures electronic card transaction (ECT) data on the Paymark network. This does not include cash spending, online pre-purchases (eg. majority of accommodation bookings) or payments outside of the Paymark network. Figures should be treated as an indicator of trends in ECT spending only, and not as a proxy for total tourism spending.

- January 2022 ECT spend was down -33% or \$5.3m from January 2020 and up 9% or \$924k from January 2021. Domestic spend was up 44% or \$3.2m from January 2020.
- February 2022 ECT spend was down -57% or \$6.6m from February 2020 and down 14% or \$812k from February 2021. Domestic spend was up 6% or \$267k from February 2020.



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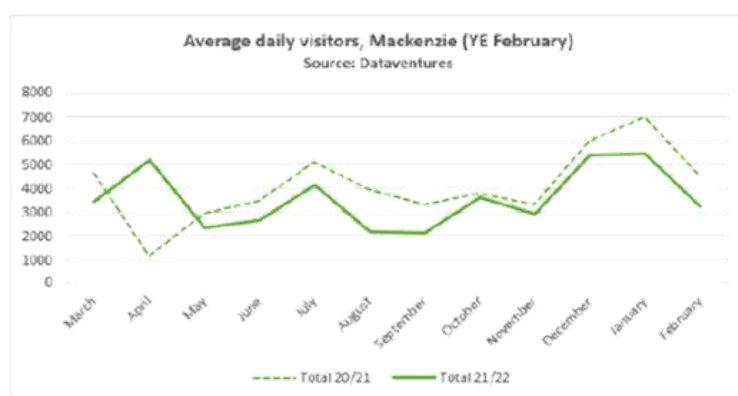
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### Visitor Numbers

Dataventures figures measure the number of daily visitors in the Mackenzie region using phone data, which records the average number of visitors in an area every day at midday. 2019 visitor number data is not available. March 2022 is not available at time of writing report.

- January visitor numbers saw a reduction of 24% (the equivalent of 97 less daily visitors) from 2020 and a reduction of 23% (the equivalent of 1,599 less daily visitor from 2021.
- February visitor numbers saw a reduction of 47% (equivalent to 1,637 less daily visitors) from 2020 and a reduction of 28% (equivalent to 1,272 less daily visitors).



### Forward Outlook

With borders reopening to Australia and beyond, there is a much more optimistic outlook for the industry:

- Domestic will remain our key focus and opportunity for winter – with some trade and consumer activity focused on Australia.
- There are positive signals that suggest US and UK/Europe are key opportunities for summer and beyond – airline connectivity, buoyant economies and pent up demand (from US in particular) are positive indicators. The evolving Ukraine situation may have a negative impact on Europe.
- Australia uptake may be slower than hoped due to the testing requirements and the very competitive and cluttered environment. The Australian government has invested \$60m to stimulate domestic tourism and are supported by compelling domestic deals, and there's fierce competition from the likes of Bali and Hawaii.
- There are no signs of China opening up soon – we expect calendar Q4 earliest after their elections. Early indications suggest that China outbound travel is unlikely to return to the same way (less group series) and volume as pre-Covid. It is early days and a changing landscape, so we will continue to provide updates.

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- The macro environment key indicators show less of a positive picture, and we're yet to see the full impact of the Ukraine/Russia situation:
  - CPI close to 6.3% in early 2022; rent (new tenancies) has increased 5.8%; food has increased 4.5%; interest rates up 1.5%
  - Credit hardship has increased 12%
  - Disposable income down \$150 / week meaning discretionary spend (inc travel) will become highly competitive
  - Consumer and business confidence down
- Labour shortages remain a key challenge for the region and will intensify as we start to build markets back. Hopefully Kick-start grant and Immigration NZ leavers will support the industry here.
- Public transport connectivity remains a key challenge for the Mackenzie. Entra Group (Intercity) has the government subsidy to continue reduced Christchurch-Queenstown services until June, and have not yet committed beyond despite borders reopening. Cheeky Kiwi Travels will provide CHC-ZQN coach services via Aoraki/Mount from winter.

Mackenzie Tourism is committed to maximizing the domestic winter opportunity for the region. The main focus will remain on growing domestic consideration and appeal – particularly amongst North Island (fly) markets. The previous two seasons have shown great promise and the Mackenzie is undoubtedly being seen as an emerging winter destination. The three phase approach will see activity in fly markets from April, drive markets from May and leveraging the strong Queenstown ski traffic by having in-market activity July-September.

In addition, a partnership with central South Island partners will heighten our domestic activity as well as into Australia. We have invested at the highest level into both domestic winter and Australia campaign. The trans-Tasman activity is a partnership with our central South Island partners via ChristchurchNZ and Tourism NZ. The campaign takes a content-led approach driving consideration and preference via key channels recommended by the Tourism NZ in market Australia team.

Mackenzie Tourism will be represented at the Tourism New Zealand North America and UK/Europe Kiwi Link events in July and August via ChristchurchNZ. In addition we expect to have a presence by operators as well.

Mackenzie Tourism will be in Australia in early May for the Tourism NZ Australia Showcase – a chance to reconnect with Australian trade partners. Christchurch Airport will be hosting three dedicated events with ski wholesalers in Sydney, Melbourne and Brisbane which Mackenzie will have attendance at to encourage contracting relationships with our boutique skifields and sell in the concept of New Zealand's "Powder Highway" (Queenstown to Christchurch, spending time in the Mackenzie). In addition, Mackenzie will have presence at the Melbourne and Sydney consumer ski shows through ChristchurchNZ.

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## Consumer and Trade Marketing

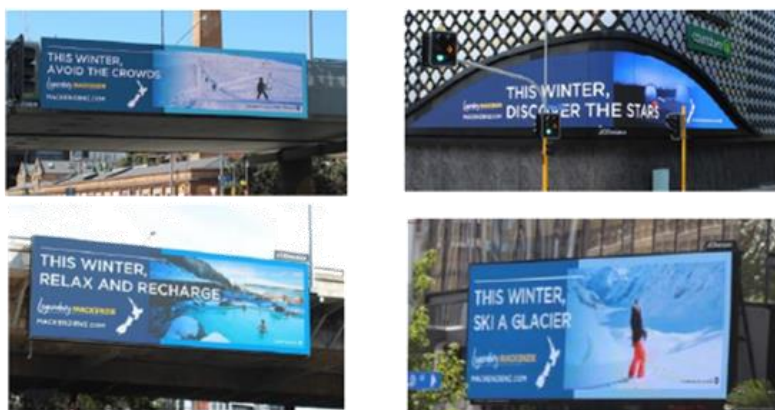
The following trade and consumer marketing activity was implemented January - March 2022. Please note activity was paired back due to the red Covid-19 settings, Omicron surge and low consumer confidence around travel. The below activity balanced maintaining some presence whilst reserving budget to be in market when we are more likely to see conversion.

### Campaign Activity

- Off-winter ('the best is in your backyard')**: a predominantly digital campaign to drive awareness and preference of the Mackenzie over spring, summer and autumn. The key campaign message 'the best is in your backyard' celebrates the Mackenzie's many "bests": highest peak, largest glacier, world's purest night skies, abundance of trails, lakes, scenery and other activities. The campaign will be in market until mid April. in market and includes 6 new videos, written content pieces and billboards in Christchurch, Wellington and Auckland. Given the low consumer travel confidence with Omicron in the community, budget has been paired back and will be reallocated to when we are more likely to see conversion.



- Winter**: winter campaign preparations are well underway, with assets being updated with content taken last winter and media booked from April onwards for the fly (North Island) markets. In late March the Mackenzie was kindly gifted free Auckland outdoor media from Christchurch Airport. The content had to be turned around quickly so the 2021 winter creative was re-sized and is in market for 3 weeks (total media value \$177, 500):



### ChristchurchNZ™

BNZ centre, level 3 (West), 101 Cashel St  
PO Box 2962, Christchurch 8140  
Christchurch 8011, New Zealand  
[www.christchurchnz.org.nz](http://www.christchurchnz.org.nz)

[info@christchurchnz.com](mailto:info@christchurchnz.com)  
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Fax: +64 3 353 5990



- **Central South Island – Domestic and Australia:** preparations are underway for our central South Island domestic and Australia campaigns, which Mackenzie is an invested partner in. Both campaigns are facilitated by ChristchurchNZ. The Australia campaign is in partnership with Tourism New Zealand, and there will be additional ski-focused activity including the Melbourne and Sydney consumer ski shows.

#### Other:

- **Neat Places:** the Neat Places printed toolkit has been printed and sitting within key points in the region. This is above our contracted digital partnership with Neat Places.
- **Dr Arthur Chin youtube project:** The region hosted Dr Arthur Chin in February as part of a youtube project that Youtube and Facebook are behind. A minimum of 4 episodes are in development, with Youtube and Facebook committed to supporting the reach.
- **Trail Towns:** filming for the popular Australian television series took place in March and is expected to air later this year in Australia, with syndication opportunities in New Zealand and other markets. Mackenzie Tourism partnered with Tourism Waitaki to showcase the Alp2Ocean trail and the great towns and experiences on offer – including glacier (heli hike), UC Mt John, High Country Salmon and the great landscapes. We are pleased to report we had great weather for the shoot days and were able to carry out all activities!
- **ChristchurchNZ and Christchurch Airport Trade Managers:** in preparation for off-shore activities, Mackenzie Tourism hosted ChristchurchNZ and Christchurch Airport trade representatives in the region so they could upskill on product, connect with our operators and really understand the stories. They will both be representing central South Island offshore in the coming months.
- **Other:** over this period we continued to utilise all Tourism New Zealand media and campaign leverage opportunities to generate exposure for Mackenzie operators, and continued with the extensive social media organic programme

### Industry Engagement

Coordinating and delivering in-person events was challenging over this period due to the Covid settings, the uncertainty and sentiment around public get-togethers.

In mid March we held our quarterly Mackenzie Tourism Advisory Group (MTAG) with industry, which was followed by a wider industry get-together at The Hermitage. Coincidentally the timing was on the eve of the official announcement of border reopening – the perfect opportunity to celebrate such a significant milestone with industry. Thank you to Mayor Graham, Angela and the Council team for supporting the industry by attending such events.

In addition, we continue to work with South Canterbury DHB to facilitate connections with industry and provide input into their wellbeing calendar of activities.

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## Events

### Regional Events Fund:

The second round for the Mackenzie Regional Contestable Events Fund will be held in April. The Marketing Event Development Executive has been supporting potential applicants with the application process and eligibility criteria.

### Matariki Mackenzie:

Work is quickly underway to progress Matariki Mackenzie, which received \$100,000 from the NZ Major Events Cultural and Events Incubator late February. KPIs and milestones for this inaugural year are based on establishing robust governance and operational frameworks, to set us up for future success. That being said, there is still a requirement to deliver a community based festival – and we are engaging Victoria Campbell to help us to bring this to life. Victoria has been given the blessing from the three rūnanga to fulfill this duty this year. There will be a full review by the governance group following the event to determine the contract going forward. We are in regular contact with mana whenua and Ngāi Tahu on the festival. We will be looking to contract external help to ensure we have the capability and resource to meet the MBIE KPIs and milestones to ensure the best chance of future funding.

## Business Support Update

### Kick-start Fund:

On the back of the government border announcement, details of the Kick-start Fund was announced late March, and applications open 1 April. Eligible businesses will have the chance to apply for between \$10,000 - \$50,000 support to help to prepare for the return of international visitors. The Fund is administered by ChristchurchNZ and can be used for a range of activities including recruitment and wages for staff, training, operating expenditure, fixed overheads (leases etc), marketing, repairs and maintenance. It's important to note there is strict criteria around eligibility – including a drop in annual revenue of at least 50% compared to 2019/20 financial year. Communications have been sent out to all businesses and we will continue to keep you across.

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**6.4 SOUTH CANTERBURY CHAMBER OF COMMERCE - QUARTERLY REPORT - JAN - MARCH 2022**

**Author:** Leaine Rush, Business Liaison Officer

**Authoriser:** Fiona McQuade, Manager - Property & Commercial

**Attachments:** 1. SCCC - Quarterly Report - Jan-Mar 2022 [↓](#) 

**STAFF RECOMMENDATIONS**

That the report be received.

**BACKGROUND**

South Canterbury Chamber of Commerce (SCCC) is now reporting directly to Mackenzie District Council every quarter as per the new Contract signed December 2021.

SCCC will either appear in person at the Council meeting or via videolink, depending on COVID restrictions at the time.

**CONCLUSION**

Attached is the full quarterly report (Q1 2022) from South Canterbury Chamber of Commerce under the service deliver contract between the parties, for Council information and receipt.





### Quarterly Report: January -March 2022

## **Economic & Business Support Services Contract 2022/24 Mackenzie District Council and SC Chamber of Commerce.**

### **Introduction:**

This is the first report under new quarterly format and service agreement commencing January 2022. Key Objective: To facilitate and support smart sustainable economic and business development in the Mackenzie District, that contributes to the well-being and quality of life for the community by creating and/or retaining jobs and supporting or growing incomes through individual business, and district wide recovery and growth.

### **1. Key Objective - Business Support Services**

#### **a) Economic Recovery and Mackenzie District Council connection**

**KPI 1: Annual survey each April (not applicable to this report)** Question: SCCC undertook a comprehensive survey in December 2021. Recommendation: SCCC survey is changed to June 2022 as settings for businesses will have changed, allowing time for more meaningful data to be collected.

**KPI 2: Meet with MDC Economic Development Officer**

Regular communication with Martin Homisan and Leaine Rush. Exchange of information, referrals and agreed action is frequent and ongoing. There is also ongoing collaboration with ChristchurchNZ/MackenzieNZ, MTIA and SCDHB with a goal to share information in the best interests of the Mackenzie business and wider community.

The Mackenzie Business Reference Group met 23<sup>rd</sup> March in Tekapo. Topics discussed: INZ Updates – borders reopening, employer accreditation clarification, median wage increases to \$27.76 (vs minimum wage \$21.20) unsustainable, severe labour shortage – exacerbated by workers exiting as borders open; Covid Support Payment anomalies; Tourism Kick-Start fund; MDC's Mackenzie Business Support Package Round 2 welcomed.

#### **b) Business Support Service**

**KPI 3: Number, industry type of businesses received on-one-one support and type of support**

89 businesses supported one-on-one in this period. Refer chart identifying industry and town spread.

Industry Sector	Mt					Grand Total
	Fairlie	Pukaki	Tekapo	Twizel	Cook	
A: AGRICULTURE, FORESTRY AND FISHING	5			5		10
C: MANUFACTURING	1			2		3
E: CONSTRUCTION	1		2	4		7
G: RETAIL TRADE	1		1	1		3
H: ACCOMMODATION AND FOOD SERVICES	11	2	9	3	2	27
I: TRANSPORT, POSTAL AND WAREHOUSING			1			1
L: RENTAL, HIRING AND REAL ESTATE SERVICES			2	2		4
M: PROFESSIONAL, SCIENTIFIC AND	1		1	2		4

## TECHNICAL SERVICES

N: ADMINISTRATIVE AND SUPPORT SERVICES	1		1	4		6
P: EDUCATION AND TRAINING				2		2
Q: HEALTH CARE AND SOCIAL ASSISTANCE	3		1	1		5
R: ARTS AND RECREATION SERVICES	3	2	8			13
S: OTHER SERVICES			3		1	4
<b>Grand Total</b>	<b>27</b>	<b>4</b>	<b>29</b>	<b>26</b>	<b>3</b>	<b>89</b>

**Key topics:** COVID framework & vaccine clarity, effect on business; HR & workplace employment issues; mental health & wellbeing; financial support; skilled labour shortage; in-house training; start-up validation and business diversification; INZ policy clarity and referrals; leadership and business development upskilling; advocacy requested around government financial assistance and clarity border reopening.

**An additional 28 Mackenzie businesses** were 'generally' engaged with. Examples: query answered, general conversation or email response requiring no further action.

**KPI 4: Number of engagements with new businesses**

14 of these engagements were new businesses.

**c) Training and Webinar Delivery**

**KPI 5: minimum of 1 training event per quarter in Mackenzie**

**KPI 6: Number of participants**

10<sup>th</sup> March: INZ Update for Mackenzie – originally a workshop in Tekapo, changed to webinar due to COVID restrictions. 48 attendees, 23 questions answered online.

Training workshops in this period: Supervisory Skills & Managing Staff; Health & Safety Stage 1; Stepping Up to Management-Essential Skills; Leadership Academy.  
15 Mackenzie attendees

**KPI 7: Feedback as provided by attendees**

INZ webinar Poll "Did you find the information useful?" – 89% Yes 11% Moderately

Training workshops feedback examples:

*"I have attended many training sessions however this is the most competent and knowledgeable, makes training enjoyable and easy to absorb"*

*"Very well informed, practical and related to our workplace"*

*"Content was relevant and informative, good use of interactive activities to keep learners well engaged"*

General:

Enquiries from Mackenzie businesses for SCCC to provide specific in-house training is ongoing. Sourcing appropriate presenters/coaches, organising schedules and delivering packages to suit individual needs.

Upcoming Mackenzie Events: As a result of feedback from Mackenzie businesses and community organisations, SCCC will deliver 2 x Managing Conflict sessions in Twizel and Fairlie in April and May. MDC's contribution of \$5k from CRAG fund towards costs is welcomed, enabling higher attendance.

**d) Enhanced advice and facilitation for access to Government initiatives**

SCCC has a contract with MBIE to deliver [Regional Business Partner Network](#) in South Canterbury. This includes govt (RBP) funding, [Business Mentors NZ](#), [Callaghan Innovation](#), and referrals to NZTE Export, Te Puni Kokiri and others. All Mackenzie businesses have access to these various areas of expertise and assistance, assessed and introduced by SCCC.

SCCC continues to work with ChristchurchNZ counterparts providing guidance and information to assist them deliver the RBP [Tourism Communities Initiatives](#) advisory support and grants to Mackenzie tourism sector, including the Kick-Start fund opening 1<sup>st</sup> April. SCCC is taking an active role in referring businesses to access this funding to help ensure effectiveness of this programme.

The **Mackenzie Business Support Package** (MBSP) has been delivered by SCCC on behalf of MDC. This pilot initiative ending 31<sup>st</sup> March 2022 has enabled Mackenzie businesses to undertake targeted business topics. 40 businesses including some community organisations across all sectors received co-funding towards specific business development to accelerate their business and practices. A full report on this successful project will be provided in April.

MBSP Feedback example:

*"Thanks for your time and ongoing support! For small businesses it really is great to know there is a variety of support from the Chamber and also the Council"*

#### e) Monthly visits and regular connections

**KPI 8: minimum 1 monthly visit. Number of visits**

5 visits in this period –

- 27<sup>th</sup> January: Fairlie
- 23/24<sup>th</sup> Feb: Twizel (Tekapo, Fairlie)
- 9<sup>th</sup> March: Fairlie
- 15/16<sup>th</sup> March: Aoraki/Mt Cook (Tekapo, Fairlie)
- 23<sup>rd</sup> March: Tekapo

#### f) Pop-Up Business Support Service

**KPI 9: hold pop-up in either Twizel, Tekapo or Fairlie every quarter. No. of participants and topics**

Although two pop-ups were undertaken in this period, attendance was low due to COVID restraints.

23<sup>rd</sup> Feb: Twizel – 4 attendees. Topics: Business Excellence Awards, labour shortage, business diversification, INZ- Visa queries, working holiday schemes, border clarity

24<sup>th</sup> Feb: Tekapo – 3 attendees. Topics: Business Excellence Awards, MTIA new chair/committee, govt tourism funding

In both instances, meetings were also held at 5 individual business premises on same days to maximise visit. Similar topics to above, plus: govt financial assistance, support frontline staff with conflict/managing challenging situations, TPDA 30<sup>th</sup> anniversary promotion, adjusting open hours – either no staff or quieter.

#### g) Mackenzie Business Connection e-newsletter

**KPI 10: number of businesses subscribed, openings and engagements**

Total 305 subscribers. 12 x e-newsletters issued in this quarter. 4,300 (rounded) opens.

Very strong engagement and evidence of being shared well beyond the subscriber database.

Main topics opened:

- Omicron Updates– effects on your business
- Covid Support Payment introduced
- Immigration NZ Updates – Mackenzie
- COVID Vaccination & testing information (SCDHB/Twizel Med Centre)

This is the trusted, effective platform for Mackenzie businesses across all sectors to receive current relevant business information. Feedback from Tekapo business:

*“.... the communication that has come from Chamber over the past few weeks has been outstanding. You and your team have provided relevant information for all levels of businesses that is informative, non-evasive, informed, and resourceful. I applaud you and your team during what is a most trying time for everyone”*

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## 2. Key Objective – Advocacy

***KPI 11: report on new and ongoing advocacy engagements and topics***

- Covid Support Payment - Significant pressure placed on government for financial support for businesses – actioned at local, regional and national level by the Chamber network, leading to the Covid Support Payment. Also achieving a new comparative 2021 period, and seasonal variations.
- Immigration matters relevant to Mackenzie District, and INZ development of Mackenzie Engagement Plan with SCCC to improve communication between operational INZ and Mackenzie employers is ongoing. This includes holding INZ workshops in Mackenzie (refer Training)

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## 3. Key Objective – Sponsorship of annual Business Excellence Awards

***KPI 12: Mackenzie Businesses entered (not applicable to this report)***

***KPI 13: Mackenzie businesses successful (not applicable to this report)***

The [2022 Ara Business Excellence Awards](#) are underway. Entries opened 14<sup>th</sup> February. Entries close Thurs 14th April. Gala Events 20th June culminating in presentation of Supreme Award at a Grammy style cocktail event at Movie Max Theatre. Mackenzie District Council's sponsorship covers pre event workshops to assist those considering entering the awards, and post event finalists & winners' workshop on how to gain maximum leverage from their success.

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## 4. Key Objective – Economic Development and Identification/Support of potential growth projects

***KPI 14: Report on the nature and number of project related referrals and interactions***

Although no specific projects to report in this period, SCCC and MDC work together to strategically align with key future economic development and destination management projects.

## 5. Key Objective – Quarterly Reporting

***KPI 15: SCCC prepare and present report to Council April, July, October, and January each year.***



**6.5 QUARTERLY INFOMETICS REPORT - DECEMBER 2021**

**Author:** Leaine Rush, Business Liaison Officer

**Authoriser:** Fiona McQuade, Manager - Property & Commercial

**Attachments:** 1. Infometrics Quarterly Report - December 2021 [↓](#) 

**STAFF RECOMMENDATIONS**

That the Infometrics Quarterly Economic Report for the Mackenzie District be received.

**BACKGROUND**

The quarterly report from Infometrics dated December 2021 is attached.

Mackenzie District Community and Economic Data: MDC is making Infometrics data accessible to all businesses, ratepayers, residents and the general public on the Council's website and Facebook free of charge. An online tool from Infometrics provides access to up-to-date information on the Mackenzie District's community and economy.

**CONCLUSION**

Highlights for Mackenzie District from Infometrics December 2021 Quarterly Report;

- Provisional GDP was \$369 million in Mackenzie District for the year to December 2021 (2021 prices).
- Economic activity in Mackenzie grew 3.4% over the year to December 2021, according to Infometrics provisional estimates. This lags national growth of 5.5% and reflects the ongoing hole in the district's economy without international tourists.
- Employment of Mackenzie residents is down 0.6% on an annual basis, however, the level of employment stabilised towards the end of 2021. Employment in construction and education has grown, however, accommodation and food services have continued to decline as international tourists remain elusive. The number of Jobseeker Support recipients in Mackenzie has eased 1.5% over the past year but remains elevated on pre-COVID levels.
- Consumer spending in Mackenzie was down 9.5% over the year to December 2021, reflecting the lack of international tourists and weakening domestic tourism. December 2021 domestic tourist electronic spending in the Mackenzie was down 6% on December 2020, reflecting a weakening domestic tourism surge and the effect of Aucklanders being locked down for 120 days.
- Continued strength in global dairy prices means Mackenzie farmers are expected to net \$9m more this dairy season, compared to 2020/21. Much of this is likely to go towards debt repayment or environmental upgrades, so any flow-on effect is likely to be limited.

Considering the downwards trend for the district economy it is becoming more and more important for Council to take action to reverse this trend. This action includes considering how to create new quality jobs, new diversified economic and business activity (industry) in the Mackenzie District. Council plays a role incentivising new opportunities across the district. For example, Council may be well advised to accelerate its attempts to stimulate the Mackenzie district economy in a 2022-2025 horizon by supporting new project opportunities and investment.



# Quarterly Economic Monitor

## Mackenzie District December 2021

### Overview of Mackenzie District

Economic activity in Mackenzie grew 3.4% over the year to December 2021, according to Infometrics provisional estimates. This lags national growth of 5.5%, and reflects the ongoing hole in the district's economy without international tourists. Employment of Mackenzie residents is down 0.6% on an annual basis, however the level of employment stabilised towards the end of 2021. Employment in construction and education has grown, however, accommodation and food services has continued to decline as international tourists remain elusive. The number of Jobseeker Support recipients in Mackenzie has eased 1.5% over the past year, but remains elevated on pre-COVID levels.

Consumer spending in Mackenzie was down 9.5% over the year to December 2021, reflecting the lack of international tourists and weakening domestic tourism. December 2021 domestic tourist electronic spending in the Mackenzie was down 6% on December 2020, reflecting a weakening domestic tourism surge and the effect of Aucklanders being locked down for 120 days.

Continued strength in global dairy prices mean Mackenzie farmers are expected to net \$9m more this dairy season, compared to 2020/21. Much of this is likely to go towards debt repayment or environmental upgrades, so any flow-on effect is likely to be limited.

Mackenzie's housing market has been soft overall, with house values growing 17.4%pa in the December 2021 quarter, nearly half the Canterbury average of 29.5%. Sales volumes in the Mackenzie fell 15.3% in the December 2021 year, counter to a regional and national trend of rising sales. Consents for new dwellings have eased slightly over the past year, with 21 consents issued in the December 2021 quarter, well down on pre-COVID highs.

Non-residential building activity remains at moderate levels, with \$9.6m consented in the year to December 2021, beneath the district's long-term average of \$12.0m.

Indicator	Mackenzie District	Canterbury Region	New Zealand
<b>Annual Average % change</b>			
Gross domestic product (provisional)	3.4 % ▲	7.2 % ▲	5.5 % ▲
Traffic flow	-3.1 % ▼	12.0 % ▲	3.5 % ▲
Consumer spending	-9.5 % ▼	8.1 % ▲	5.0 % ▲
Employment (place of residence)	-0.6 % ▼	1.3 % ▲	1.7 % ▲
Jobseeker Support recipients	-1.5 % ▼	2.5 % ▲	1.9 % ▲
Tourism expenditure	-13.5 % ▼	8.6 % ▲	3.9 % ▲
Health enrolments	2.3 % ▲	2.3 % ▲	0.9 % ▲
Residential consents	-1.0 % ▼	30.8 % ▲	24.0 % ▲
Non-residential consents	26.3 % ▲	48.0 % ▲	16.2 % ▲
House values *	17.4 % ▲	29.5 % ▲	27.3 % ▲
House sales	-15.3 % ▼	8.1 % ▲	3.5 % ▲
Car registrations	20.8 % ▲	25.6 % ▲	20.2 % ▲
Commercial vehicle registrations	46.2 % ▲	34.5 % ▲	25.4 % ▲
<b>Level</b>			
Unemployment rate	1.7 %	3.8 %	3.8 %

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

## Gross domestic product



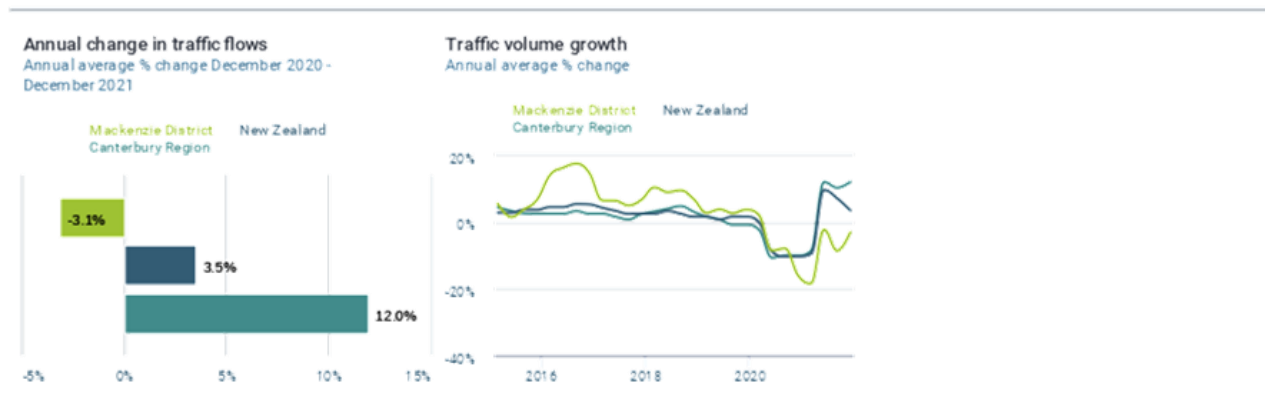
### Highlights for Mackenzie District

- GDP in Mackenzie District was provisionally up 3.4% for the year to December 2021 compared to a year earlier. Growth was lower than in New Zealand (5.5%) and Canterbury Region (7.2%).
- Provisional GDP was \$369 million in Mackenzie District for the year to December 2021 (2021 prices).
- Annual GDP growth in Mackenzie District peaked at 8.2% in the year to September 2012.

### National overview

The New Zealand economy saw a determined but short-lived rebound in economic activity in the December 2021 quarter, as restrictions were relaxed across the country over the course of the quarter. Provisional estimates from Infometrics show a 2.8% rise in economic activity, leaving annual activity over the 2021 calendar year sitting 5.5% above the 2020 total, and 3.6% above pre-pandemic levels. There was substantial regional variation, with a longer period of Alert Level and Traffic Light restrictions keeping upper North Island activity lower than last summer. Other areas saw a rush back to building, manufacturing, and primary sector activities in December, alongside strong summer holiday spending boosts in many areas. Expectations remain for the Omicron outbreak to disrupt this rebound and economic activity over the early stages of 2022.

## Traffic flow



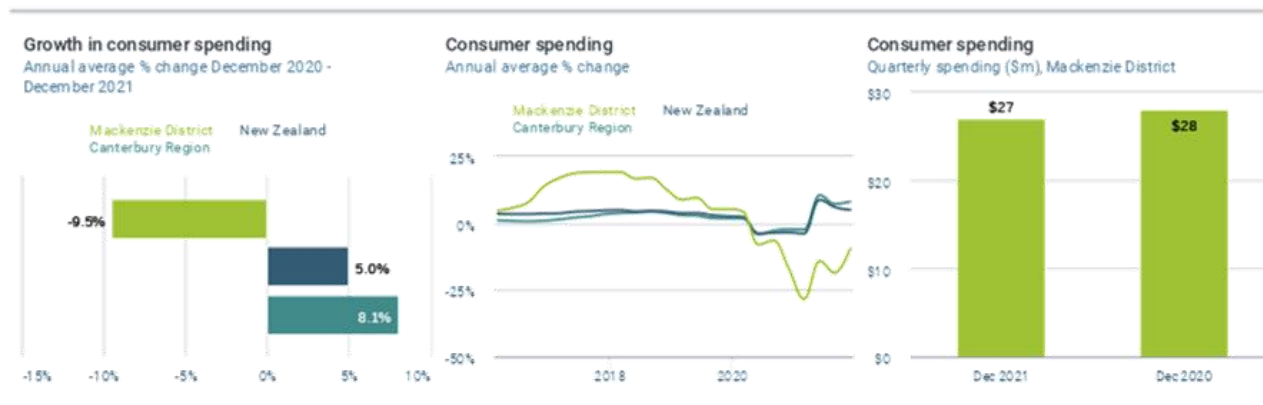
### Highlights for Mackenzie District

- Traffic flows in Mackenzie District decreased by 3.1% over the year to December 2021. This compares with increases of 12.0% in Canterbury Region and 3.5% in New Zealand.

### National overview

Traffic activity remained subdued in the December 2021 quarter, driven by considerably lower movement in the upper North Island. Auckland's third of the national population weren't able to move outside the Super City boundaries for most of the quarter, with a 31%pa drop in traffic from a year earlier. Northland's traffic volumes were sitting nearly 40% below last summer's levels, due to the lack of Auckland traffic, and Red setting over the key summer period. Rising fuel prices over the December quarter will also have contributed to traffic activity, with a 30%pa increase in prices at the pump. A more expensive trip, combined with uncertainty over possible Covid restrictions over summer, appears to have kept New Zealanders home more throughout the December quarter.

## Consumer spending



### Highlights for Mackenzie District

- Electronic card consumer spending in Mackenzie District as measured by Marketview, decreased by 9.5% over the year to December 2021 compared to the previous year. This compares with an increase of 8.1% in Canterbury Region and 5.0% in New Zealand.

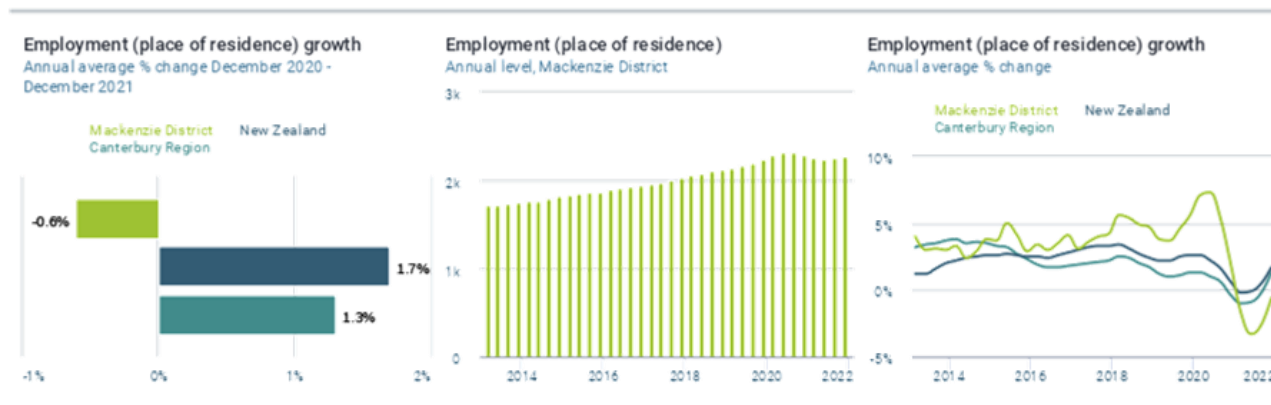
### National overview

National spending activity was still slightly down on a year earlier, as the sustained lockdown restrictions in the upper North Island for part of the quarter limited activity. Marketview card spending data shows a 0.4%pa drop in national spending over the December quarter, representing a further \$68m drop in spending. However, excluding Auckland, spending rose 4.4% from a year earlier as the rebound in activity occurred and savings from the Delta lockdown were spent. Higher inflation means that underlying spending growth wasn't as impressive, with the consumers price index rising 5.9%pa in the December quarter as supply chain disruptions and a stretched economy hit household wallets.

Note that we have now switched our reporting basis to align with Marketview's Council Tool spending definitions, resulting in a revision in the consumer spending timeseries.



## Employment (place of residence)



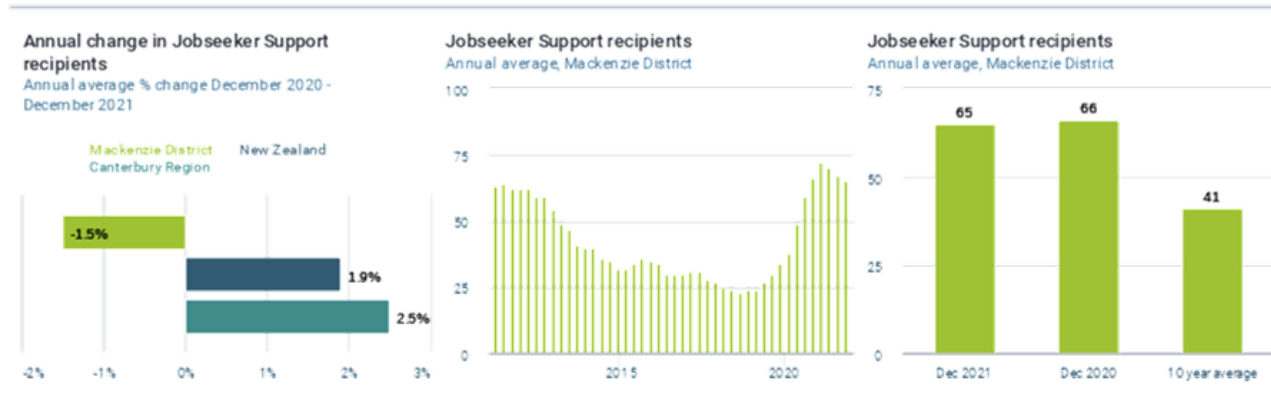
### Highlights for Mackenzie District

- Employment for residents living in Mackenzie District was down 0.6% for the year to December 2021 compared to a year earlier. Growth was lower than in Canterbury Region (1.3%) and New Zealand (1.7%).
- An average of 2,269 people living in Mackenzie District were employed in the year to December 2021.
- Annual employment growth for Mackenzie District residents peaked at 7.3% in the year to June 2020.

### National overview

Labour market pressures remain intense, with more people still getting into jobs. December quarter filled jobs are estimated to have risen 3.7%pa, with construction and professional service employment leading the way. However, jobs growth slowed or fell in tourism-related industries, and the primary sector remains smaller than usual due to the difficulty finding staff. Wage pressures are rising, with an average 7.2% increase in earnings per filled job in 2021. High inflation, higher levels of staff turnover, and continued economic demand are set to see workers demand higher wages in 2022, particularly with a further rise in the minimum wage to match inflation.

## Jobseeker Support recipients



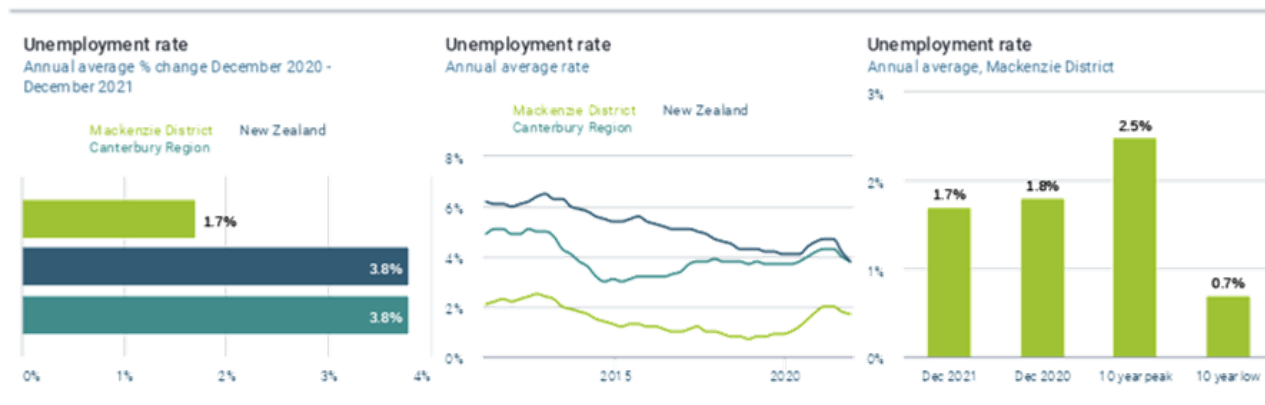
### Highlights for Mackenzie District

- Jobseeker Support recipients in Mackenzie District in the year to December 2021 decreased by 1.5% compared with previous year. Growth was lower relative to New Zealand (1.9%) and Canterbury Region (2.5%).
- An average of 65 people were receiving a Jobseeker Support benefit in Mackenzie District in the 12 months ended December 2021. This compares with an average of 41 since the start of the series in 2012.

### National overview

Jobseeker Support recipient levels resumed their downward path in the December 2021 quarter, to sit nearly 12% below December 2020 levels. Around a fifth (18%) of the fall in Jobseekers is due to policy changes reclassifying some benefit recipients. On an annual average basis, Jobseeker figures are now just 1.9% higher than in the 2020 year. Jobseeker numbers remain around 40,000 (28%) higher than pre-pandemic levels, indicating that despite the tight labour market there remain some discouraged potential workers available. Additionally, there remain some with more complex support needs which need to be addressed to get them into sustainable employment.

## Unemployment rate



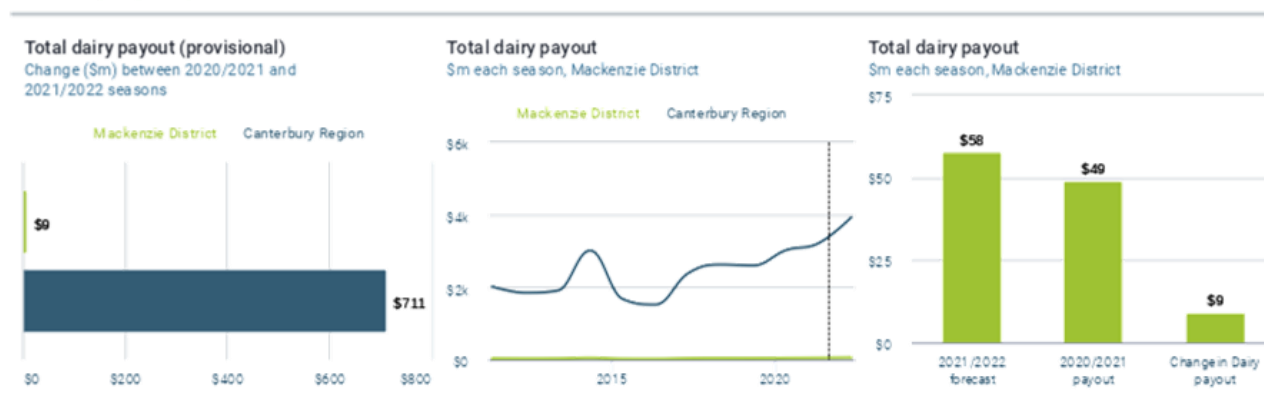
### Highlights for Mackenzie District

- The annual average unemployment rate in Mackenzie District was 1.7% in December 2021, down from 1.8% 12 months earlier.
- The unemployment rate in Mackenzie District was lower than in Canterbury Region (3.8%) and New Zealand (3.8%) in December 2021.
- Over the last ten years the unemployment rate in Mackenzie District reached a peak of 2.5% in September 2012.

### National overview

The labour market tightened even further in December 2021, with the unemployment rate hitting a new record low of 3.2%, just below our (and the market's) pick of 3.3%. The underutilisation rate was steady at 9.2%, as part-time employment growth (5.6%pa) outpaced full-time employment (3.2%pa). The labour market is at its tightest since the Household Labour Force Survey began in the mid-1980s, with employment struggling to grow in the face of worker shortages. The pressure across the labour market suggests that wage growth will have to pick up during 2022, as firms compete more for talent.

## Dairy payout



### Highlights for Mackenzie District

- Mackenzie District total dairy payout for the 2020/2021 season is estimated to have been approximately \$45 million.
- Mackenzie District's dairy payout for the 2021/2022 season is expected to be approximately \$49 million, \$4 million 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 \$13,537 million in the 2020/2021 season, and is expected to be \$1,147 million higher in the 2021/2022 season.
- The total dairy payout for Canterbury Region is estimated to have been approximately \$3,021 million in the 2020/2021 season, and is expected to be \$193 million higher in the 2021/2022 season.

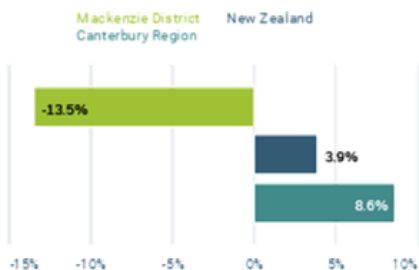
### National overview

Milk prices continue to rise aggressively as demand remains strong, but milk supplies shrink. Fonterra has further increased the farmgate milk price for the 2021/22 season to between \$8.90 and \$9.50, with a midpoint of \$9.20/kgms. The estimated pay-out has risen to \$17.6b, around \$2.2b higher than seen in the 2013/14 season. New Zealand milk volumes have been falling for five straight months now and are down 3.2%pa for the season to date. However, substantial cost rises will skim some of this cream off the top. Global feed prices were up 40%pa in 2021, and domestic fertilizer costs were up 58%pa rise in the December quarter. Our estimates suggest that the milk price could well rise further, towards the top end of the pay-out range.

## Tourism expenditure

### Tourism expenditure

Annual average % change December 2020 - December 2021



### Tourism expenditure

Annual total, Mackenzie District (\$m)



### Highlights for Mackenzie District

- Total tourism expenditure in Mackenzie District decreased by 13.5% in the year to December 2021. This compares with increases of 8.6% in Canterbury Region and 3.9% in New Zealand.
- Total tourism expenditure was approximately \$77 million in Mackenzie District during the year to December 2021, which was down \$89 million a year ago.

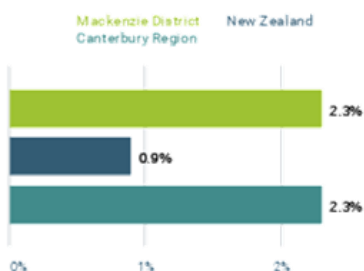
### National overview

Visitor spending over the 12 months to December 2021 slowed back further in the December 2021 quarter, up 3.9% from a year earlier. Tourism card spending growth has fallen from above 5%pa in June to 4.2% in the September quarter, and then fallen further as last summer's strong run is replaced with lower tourism spending since August 2021. Domestic tourism card spending was down 14%pa nationally over the December 2021 quarter, reinforcing the softer level of travel undertaken by Kiwis this summer. Activity in the lower South Island showed the strongest boost in the December quarter, alongside a sustained increase in the Wairarapa.

## Health enrolments

### Annual change in health enrolments

Annual average % change December 2020 - December 2021



### Health enrolments

Annual average % change



### Health enrolments

Annual average, Mackenzie District



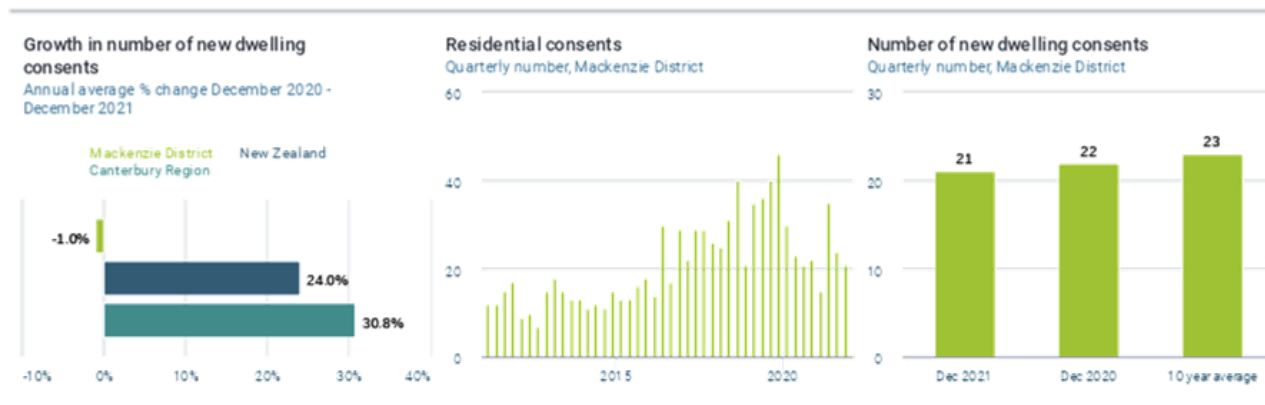
### Highlights for Mackenzie District

- The number of people enrolled with a primary health organisation in Mackenzie District in the year to December 2021 increased by 2.3% compared with previous year. Growth was the same as in Canterbury Region (2.3%) and higher relative to New Zealand (0.9%).
- An average of 5,000 people were enrolled with primary healthcare providers in Mackenzie District in the 12 months ended December 2021. This compares with an average of 4,433 since the start of the series in 2014.

### National overview

Population growth remained low in the December quarter, as the population ages and the workforce remains limited. Health enrolments, which provide insight into local populations, rose 0.7%pa in the December quarter, the slowest rate in eight years. This low growth took annual average growth to below 1.0% for the first time since late 2015. Provisional net migration data shows a net loss of around 4,000 over the year to December 2021 – the first drain of talent in a decade. Some regional economies are showing slower or negative growth, as the labour market and regional migration becomes the driver of local population changes.

## Residential consents



### Highlights for Mackenzie District

- A total of 21 new residential building consents were issued in Mackenzie District in the December 2021 quarter, compared with 22 in the same quarter last year.
- On an annual basis the number of consents in Mackenzie District decreased by 1% compared with the same 12-month period a year ago. This compares with increases of 30.8% in Canterbury Region and 24.0% in New Zealand over the same period.

### National overview

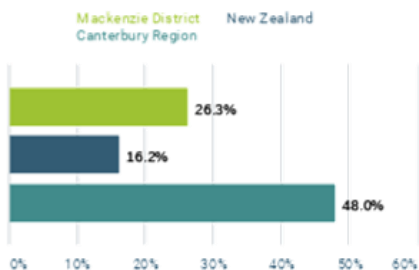
Residential consents have climbed even higher to 48,899 consents approved over the year to December 2021, sitting up 24% higher than throughout 2020. Townhouses remain the driving factor of growth, with 16,327 in 2021, up 41% compared to 2020. However, we are starting to see momentum wane, with quarterly growth in December sitting at 14%pa, compared to 30%pa in September. New Zealand has had an undersupply of housing for many years, and as a result house prices have been pushed incredibly high as supply has been unable to match strong demand. The record number of consents over the past year will help making some headway into alleviating some of the supply issues.



## Non-residential consents

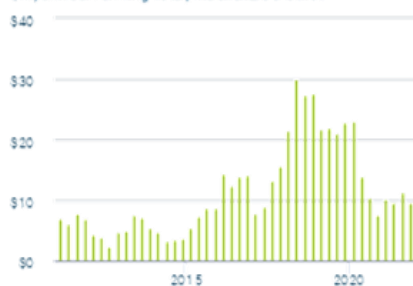
### Growth in value of consents

Annual average % change December 2020 - December 2021



### Non-residential consents, Mackenzie District

\$m, annual running total, Mackenzie District



### Non-residential consents

Annual value (\$m), Mackenzie District



## Highlights for Mackenzie District

- Non-residential building consents to the value of \$9.6 million were issued in Mackenzie District during the year to December 2021.
- The value of consents increased by 26.3% over the year to December 2021. By comparison the value of consents increased by 48.0% in Canterbury Region and 16.2% in New Zealand over the same period.
- Over the last 10 years, consents in Mackenzie District reached a peak of \$30.0 million in the year to June 2018.

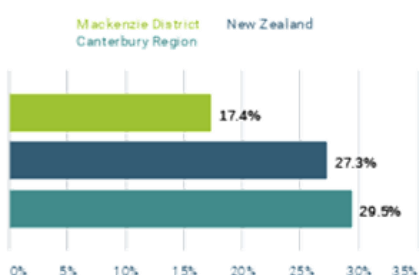
## National overview

The value of non-residential consents was \$8.2b in the year to December 2021, sitting 16% higher than in the 2020 year. Public consents drove growth over 2021, with the value of public consents sitting up 42%. Hospitals were responsible for a large share of this growth, with over a billion dollars of hospital consents approved in 2021. Factory and education consents were also strong, sitting up 63% and 22% respectively. Although non-residential consents were very strong over 2021, there was massive difference across building types, with those most impacted by COVID restrictions, such as accommodation, offices, and retail being notably weaker than others.

## House values

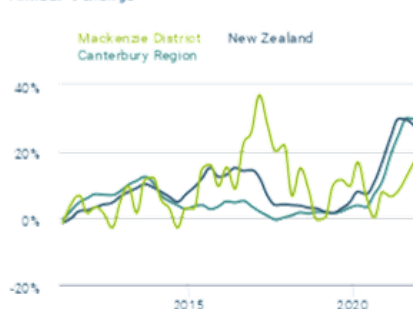
### Annual change in house value

Annual % change in house value December 2020 - December 2021



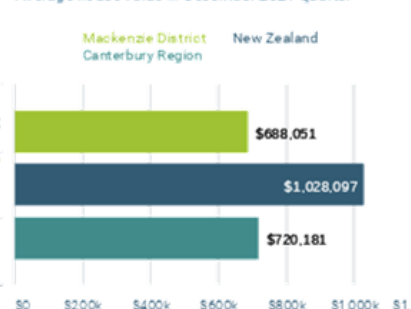
### House value growth

Annual % change



### Average current house value

Average house value in December 2021 quarter



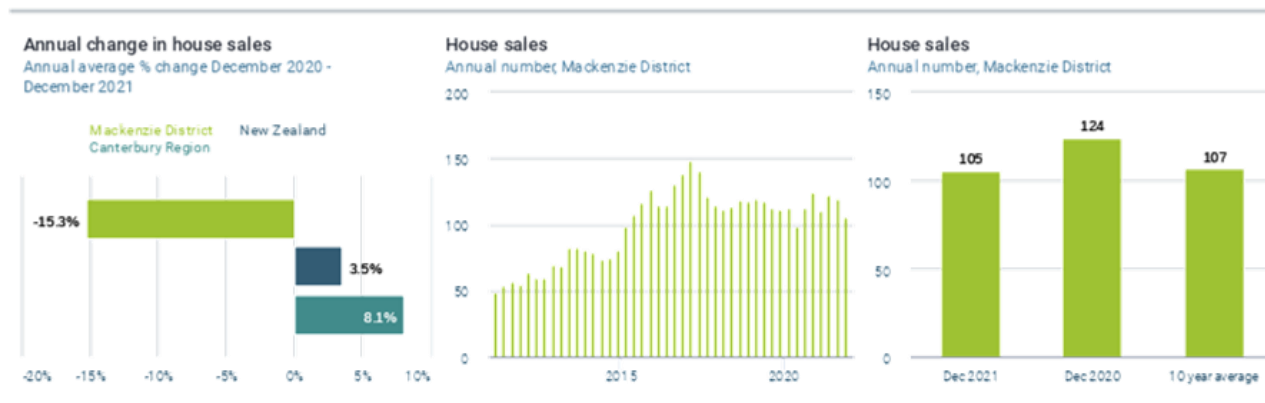
## Highlights for Mackenzie District

- The average current house value in Mackenzie District was up 17.4% in December 2021 compared with a year earlier. Growth underperformed relative to New Zealand (27.3%) and Canterbury Region (29.5%).
- The average current house value was \$688,051 in Mackenzie District in December 2021. This compares with \$720,181 in Canterbury Region and \$1,028,097 in New Zealand.

## National overview

House prices in New Zealand were sitting up 23%pa in December, with prices across the country reaching incredible highs over the year. Price growth across the country has been absurd over the past year, driven by incredibly low interest rates encouraging buyers into the market, and demand outstripping supply pushing prices up even further. It appeared as though there was no end in sight for house price growth, however the most recent months show the market has begun to turn a corner. Annual price growth has started to flatten off from earlier highs, driven by new lending restrictions making it harder for buyers to access credit.

## House sales



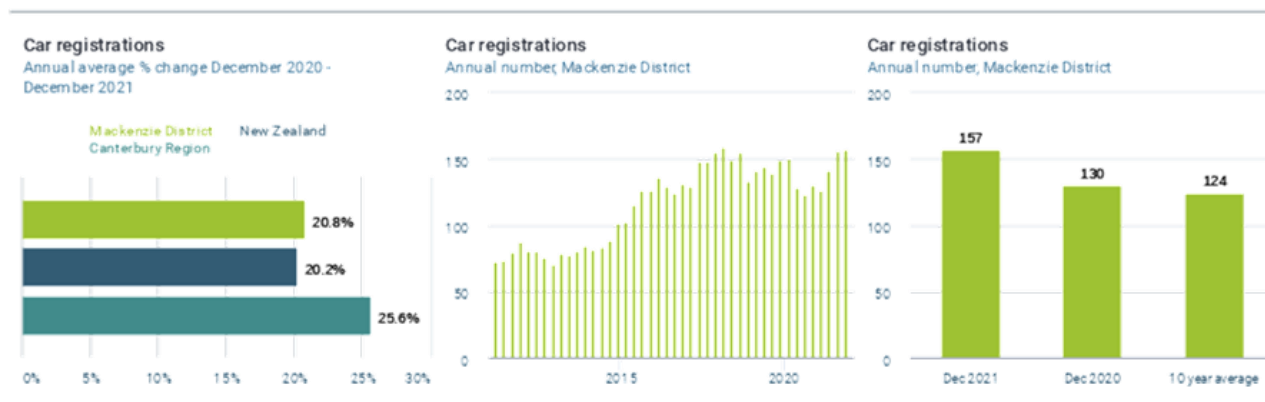
### Highlights for Mackenzie District

- House sales in Mackenzie District in the year to December 2021 decreased by 15.3% compared with the previous year. Growth outperformed relative to Canterbury Region (8.1%) and New Zealand (3.5%).
- A total of 105 houses were sold in Mackenzie District in the 12 months ended December 2021. This compares with the ten year average of 107.

### National overview

House sales grew 3.5% over the year to December 2021. House sales have seen a dramatic slowdown in the second half of the year, after strong growth in the first half of 2021. The initial decline in sales was driven by a lack of available supply, with not enough houses being available on the market for buyers. However, particularly in recent months, new lending restrictions have made it harder for buyers to access credit and sales are continuing to drop despite listing numbers picking back up.

## Car registrations



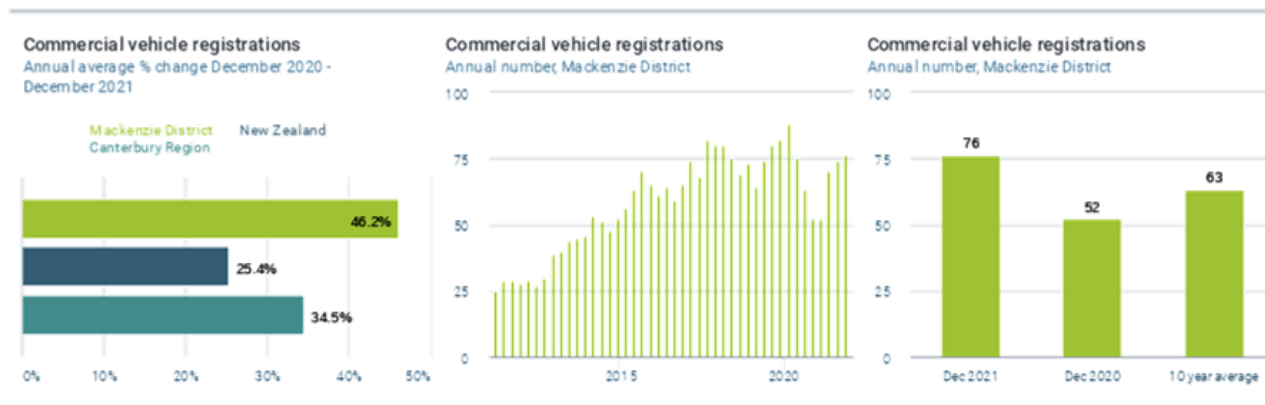
### Highlights for Mackenzie District

- The number of cars registered in Mackenzie District increased by 20.8% in the year to December 2021 compared with the previous 12 months. Growth was higher than in New Zealand (20.2%) and lower than in Canterbury Region (25.6%).
- A total of 157 cars were registered in Mackenzie District in the year to December 2021. This compares with the ten year average of 124.

### National overview

New car registrations ended 2021 at a new annual record, with solid lift in the December month to see year-end growth sitting at 20%pa. Full-battery EV registrations rose 142% in 2021, accounting for 4.0% of total registrations – double their share in 2020. The new car market continues to go gangbusters, although used cars are still struggling, with less supply and sometimes eye-wateringly high prices. The 2022 year could see momentum in the car market shift back a gear, due to a range of factors. Interest rates are heading higher, and consumer confidence has weakened considerably, which is expected to limit household spending.

## Commercial vehicle registrations



### Highlights for Mackenzie District

- The number of commercial vehicles registered in Mackenzie District increased by 46.2% in the year to December 2021 compared with the previous 12 months. Growth was higher than in New Zealand (25.4%) and Canterbury Region (34.5%).
- A total of 76 commercial vehicles were registered in Mackenzie District in the year to December 2021. This is higher than the ten year annual average of 63.

### National overview

Total new commercial registrations were up 34%pa in the December quarter, leaving commercial registrations in the 2021 year sitting 25% higher than 2020. There were nearly 51,000 new commercial vehicle registrations in 2021, the most we have on record since 1991. The bounce-back has been reflective of the boom in construction, high commodity prices, but also making up for the lack of activity in 2020. Early 2022 is expected to see this pickup in activity continue, particularly ahead of Clean Car Standard fees for higher-emitting vehicles (like some utes) entering in April 2022.



## 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.

### Employment (place of residence)

Employment data is based off a range of Stats NZ employment datasets, and represents the number of filled jobs, based on the area of residential address for the employee (rather than workplace address). This place of residence location means that the employment series reflects trends in employment of an area's residents, which may be different to trends in employment at businesses in an area, particularly when there are strong commuting flows. The most recent quarter is based off the average of Monthly Employment Indicator (MEI) filled jobs from Statistics New Zealand for the past three months, with previous quarters being backcasted using the percentage change in the quarterly Business Data Collection dataset published by Statistics New Zealand.

### 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) to TA level by applying TA shares to the national total. Each TA's share of industry output is based on labour market 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 2021 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 values (dollar value) are sourced from CoreLogic. The levels quoted in the report are average values for the quarter.

## Jobseeker Support Recipients

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.

Data presented for the September 2013 quarter onwards is provided by the Ministry of Social Development (MSD). Data prior to September 2013 are Infometrics estimates based on re-grouping pre-July 2013 benefit categories to be consistent with the post-July 2013 benefit categories. The pre-July 2013 benefit categories used to estimate the number of Jobseekers Support recipients are: Unemployment Benefit and Unemployment Benefit Hardship; Unemployment Benefit Training and Unemployment Benefit Hardship Training; Sickness Benefit and Sickness Benefit Hardship; Domestic Purposes Benefit - Sole Parent (if youngest child is 14 or over); Women Alone and Widow's Benefit (without children or with children 14 or over)

## Tourism Expenditure

New Tourism Electronic Card Transactions (TECTs) are an interim replacement for the Monthly Regional Tourism Estimates (MRTes). We have removed our previous timeseries of MRTes and published the three annual snapshots provided in the TECTs. The TECTs reflect the expenditure for all electronic card transactions (ECTs) in New Zealand related to tourism. Marketview use a base of spending on the Paymark network (approximately 70 per cent of total ECT spend) to scale up to total ECT spend.

## 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 Rate

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.

## Weekly Rents

Rents (\$ per week) are sourced from monthly data provided by MBIE and averaged across each quarter or year using weighted geometric means. Rental data pertains to averages from data collected when bonds are lodged and does not control for specifications of the home (eg. size, number of bedrooms, age of home, etc).

**6.6 APPROVAL FOR EXEMPTION TO THE PROCUREMENT POLICY - TEKAPO CCTV SYSTEM**

**Author:** Joni Johnson, Engineering Manager

**Authoriser:** David Adamson, General Manager Operations - Acting

**Attachments:** 1. MEMORANDUM Tekapo CCTV Procurement Plan  

**PURPOSE OF REPORT**

This report requests Council to approve an exception to the Procurement Policy to allow for the direct purchase of CCTV equipment and installation in Tekapo from Allied Alarms at a cost of \$90,987.

**STAFF RECOMMENDATIONS**

1. That the report be received.
2. That Council approve an exception to the Procurement Policy to allow for the direct purchase of CCTV equipment and installation from Allied Alarms at a cost of \$90,987.

**BACKGROUND**

Mackenzie District Council has agreed to provide a CCTV system in Tekapo to assist with police efforts to reduce and solve crime. The original request came to MDC staff in 2019 from the Tekapo Community Board and Tekapo Constable Brad Morton. The Tekapo Community Board has been liaising throughout this time with a well-established security firm in Timaru, Allied Alarms.

- Allied Alarms is a well-respected firm supplying numerous other Councils in the South Island with security systems.
- Allied Alarms is a proven supplier to Mackenzie District Council. Allied Alarms was engaged in the past to install CCTV equipment in Twizel and currently is under a maintenance agreement with MDC for that equipment.
- Allied Alarms invested significant time with the Community Board and with Tekapo Constable Morton to design a CCTV system unique to the needs and the topography in Tekapo.
- The total cost of the project is \$90,987. Council has agreed to fund the project in three stages, the first to be completed in this fiscal year for a cost of Approval for The remainder of the work will take place over the next two fiscal years.

**POLICY STATUS**

Clause 5.7.2 of the Procurement Policy (see below) requires Council to approve this exemption process.

**5.7.2 Exceptions to the Standard Procedure**

*Where an exception to the standard procurement is required, a proposal must be presented to Council for approval. The proposal must include:*

- *Evidence documenting the reason for the exception*
- *A procurement plan developed and submitted with the request for exception*
- *Confirmation that estimated contract costs are over the \$50,000 threshold. Note that application for approval of exceptions can only be sought for estimated contract costs over \$50,000.*

The rational for the exemption is outlined with in the attached Procurement Plan.

**SIGNIFICANCE OF DECISION**

The proposal does not trigger Council's Significance and Engagement Policy.

**OPTIONS**

The Council has two options:

**Option 1:** Approve the exemption as proposed and purchase the CCTV equipment and installation from Allied Alarms.

**Option 2:** Do not approve the exemption and request that staff go to the open market to obtain the CCTV equipment and installation.

**CONSIDERATIONS****Legal**

NA

**Financial**

NA

**Other**

The Tekapo CCTV project has been delayed for two years. Allied Alarms has provided advice, design, and strategic assistance throughout this time. Going to an open market will give a competitive advantage to other suppliers who will bid on Allied Alarm's design but did not invest any resources to create the design that MDC.

Allied Alarms is already a proven supplier to MDC and has a positive reputation among other South Island Districts. We are able to bench mark costs against those received by other Councils to ensure value for money.

**CONCLUSION**

This report seeks Council approval for an exemption to Council's Procurement Policy, allowing the direct purchase of CCTV equipment and installation from Allied Alarms at a cost of \$90,987.

**MEMORANDUM**

From: Joni Johnson

To: David Adamson

Date: 29 March 2022

RE: Tekapo CCTV Procurement Plan

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This memorandum outlines the Procurement Plan for purchasing \$90,987 of CCTV equipment and installation in Tekapo. The Plan is a requirement of the Procurement Policy for projects requesting an exception to the standard procedure (section 5.7.2 of the Procurement Policy.)

The Tekapo CCTV project is considered to be a Low-value, low-risk project.

**Statement of Requirements**

1. Q: How will the CCTV supplier be selected? A: Allied Alarms was selected based on past positive experience with Mackenzie District Council.
2. Q: How can council be assured that we will receive value for our money and a competitive price? A: Allied Alarms works on a relationship business model. They offer competitive prices of well-designed systems to build a relationship with the customer and earn repeat business. They are well known by other Councils in the area for offering competitively priced goods and services.
3. Q: Who will manage the supplier? A: Joni Johnson, Engineering Manager
4. Q: What is the complete description of goods and services to purchase? A: See attached quote from Allied Alarms.

**Risk Management**

1. Q: What are the key risks to the procurement process? A: CCTV system will not deliver results promised; CCTV equipment will malfunction/require frequent repair; Supplier will not deliver equipment purchased at price quoted; supplier will default on contract.
2. Q: What is the likelihood of each risk; how will the risks be managed? A: Because of Allied Alarm's reputation and past performance for Council, these risks are determined to be minor and do not require mitigation plans.

**Procurement Strategy**

1. Q: Why was the exemption to the normal procurement method chosen? A: Allied Alarms has provided advice, design, and strategic assistance over the past two years and has designed a system unique to MDC's requirements in Tekapo. Going to an open market will give a competitive advantage to other suppliers who will bid on Allied Alarm's design but did not invest any resources to create the design.

**Conflict of Interest**

1. Q: Are there any conflicts of interest, real or perceived? A: There are no conflicts of interest.



**Budget**

1. Q: What is the funding source for this project? A: Stage 1 (\$41,748) will be funded through the Facilities account for Township Projects; Stage 2 and 3 will be similarly funded for the remaining amount (\$49,239) during the next two fiscal years.

**Evaluation**

1. Q: What are the benefits and disadvantages in the evaluation method chosen? A: Benefits are Allied Alarms' experience and reputation in the CCTV market; System design is included in the price of the components, compared to a separate design contract and purchase contract; Council is using a known supplier with a proven track record of delivering on contracts. Disadvantages are another supplier may have been able to provide a superior design at a lower cost. Given Allied alarm's understanding of the Tekapo area and the limited number of CCTV security firms with a similar knowledge base, this seems to be an unlikely disadvantage.

**Contract**

1. Q: What provisions will be made for the management of contract to ensure deliverables are met? A: Joni Johnson, Engineering Manager, will manage the contract using good PM techniques.

**6.7 PARKING AREA AT DOG KENNEL CORNER - WAKA KOTAHI**

**Author:** Rachael Willox, Planning

Aaron Hakkaart, Manager - Planning

**Authoriser:** David Adamson, General Manager Operations - Acting

**Attachments:** 1. Report on an Application for Notice of Requirement [↓](#)   
2. Plans of Proposed Parking Area [↓](#) 

**PURPOSE OF REPORT**

To make a recommendation on an application for a Notice of Requirement lodged by Waka Kotahi – New Zealand Transport Agency: to designate additional land adjacent to SH8 at ‘Dog Kennel Corner’ to provide an additional parking/viewing area (RM210141) pursuant to sections 169, 171, and 176 of the Resource Management Act 1991 (the Act).

**STAFF RECOMMENDATIONS**

1. That the report be received.
2. That the application for the Notice of Requirement lodged under RM210141 be processed on a non-notified basis pursuant to Section 169 of the Resource Management Act 1991.
3. That the Council recommends to Waka Kotahi – New Zealand Transport Agency, that in accordance with Section 171(2)(a) of the Resource Management Act 1991 that Mackenzie District Council **confirms the Notice of Requirement lodged under RM210141 without any specific conditions.**
4. Council in accordance with section 176A(2)(c), **waives the requirement for an Outline Plan for the activities associated with the construction of the parking/viewing area lodged under RM210141.**

**BACKGROUND**

Waka Kotahi – New Zealand Transport Agency (Waka Kotahi) has lodged an application for a Notice of Requirement (NoR) to create a new designation in the shape of a rectangular area measuring 135m (L) x 40m (W) and totalling 5,400m<sup>2</sup> to be used as a car parking/viewing area, on State Highway 8 (SH8). The new designation is located at 3101 State Highway 8, Burkes Pass, which is approximately 470 metres west of Dog Kennel Corner, on land currently owned by Glenrock Station.

The project involves works both within the existing SH8 corridor, which is already designated (Designation 22) in the Mackenzie District Plan (MDP); and adjacent works within land owned by Glenrock Station. It is these later works that are the subject of the NoR.

Works involve the construction and operation of a small carpark area to provide for the safe parking of vehicles near Dog Kennel Corner (a popular viewing point for tourists). The proposed works also involve a new accessway to the carpark area and the widening of the northern lane of SH8, which will help ease traffic congestion and improve road safety.

In addition to the NoR the Requiring Authority seeks an Outline Plan waiver for the physical works pursuant to section 176A of the Resource Management Act 1991 (the Act).

Based on the assessment in the attached report, the proposed works are not likely to have adverse actual and potential effects on the environment. The proposed designation will provide long-term certainty for Waka Kotahi and the community that tourists can safely stop to enjoy the views at Dog Kennel Corner while maintaining traffic safety on SH8. In the same way, the proposal allows the community to provide for their social, economic, and cultural wellbeing, and health and safety in line with the purpose of the Act.

It is considered that that NoR can be processed on a non-notified basis and that the NoR can be confirmed without any specific conditions. Furthermore, it is considered that the requirement for an Outline Plan to carry out the physical works can be waived.

## **POLICY STATUS**

N/A

## **SIGNIFICANCE OF DECISION**

The proposal is not significant in terms of Council's Significance and Engagement Policy. The decision making process is managed under the Resource Management Act 1991, and the Operative Mackenzie District Plan 2004.

## **OPTIONS**

### **Notification**

Section 169 of the Act sets out that the notification consideration with respect of the NoR. The considerations set out in the attached report are similar to those included in sections 95A to 95E in relation to a resource consent application and include consideration of whether special circumstances apply. Council can either process the application for the NoR on a publicly notified, limited notified or non-notified basis.

### **NoR Recommendation**

Unlike a typical resource consent, in relation to a NoR the consent authority does not make a decision, but instead makes a recommendation to the Requiring Authority (Waka Kotahi).

Section 171(2) sets out the four options for a territorial authority having considered a Notice of Requirement under the balance of the matters contained in section 171, as follows:

- (2) *The territorial authority may recommend to the requiring authority that it—*
  - (a) *confirm the requirement;*
  - (b) *modify the requirement;*
  - (c) *impose conditions;*
  - (d) *withdraw the requirement.*

The statutory assessment and recommendation options are set out in Section 5 of the attached report.

## **CONSIDERATIONS**

### **Legal**

Council has authority to make recommendations on the NoR pursuant to Section 169 and 171 of the Resource Management Act 1991, and recommendations on applications for Outline Plan Waivers pursuant to section 176(A).



**Financial**

The are no financial implications of this recommendation on Council.

**CONCLUSION**

Pursuant to Section 169 of the Act and based on the assessment in the attached report, it is recommended that the application for the NoR lodged under RM210141 **be processed on a non-notified basis**.

Based on the assessment included in the attached report, it is recommended that Council recommend to the requiring authority that it **confirms the Notice of Requirement without any specific conditions**. Under section 171(3), the territorial authority must give reasons for its recommendation under subsection (2). The reasons for the recommendation are included in the report attached.

**FURTHERMORE, IN ACCORDANCE WITH SECTION 176A(2)(C), IT IS RECOMMENDED THAT THE TERRITORIAL AUTHORITY WAIVES THE REQUIREMENT FOR AN OUTLINE PLAN IN RELATION TO THE PROPOSED WORKS, WITH THE DETAILS SET OUT IN THE AEE SUBMITTED WITH THE NOTICE OF REQUIREMENT AND THE UPDATED PLANS ATTACHED TO THIS REPORT BEING OF SUFFICIENT DETAIL TO SATISFY THE STATUTORY REQUIREMENTS SET OUT IN SECTION 176A(3) OF THE RMA.**



**REPORT ON AN APPLICATION FOR NOTICE OF REQUIREMENT  
PURSUANT TO SECTION 168 OF THE RESOURCE MANAGEMENT ACT 1991 – RM210141**

<b>Applicant:</b>	Waka Kotahi NZ Transport Agency
<b>Application Description:</b>	Proposal to Designate Additional Land Adjacent to SH8 at 'Dog Kennel Corner' to Provide an Additional Parking/Viewing Area
<b>Application Status:</b>	Not Applicable
<b>Property Address:</b>	3101 State Highway 8, Burkes Pass
<b>Legal Description:</b>	RUN 330 Section 1 Survey Office Plan 4905 Title No. CB7B/447 (Glenrock Station)
<b>Valuation Reference:</b>	25300 09200
<b>District Plan Zone:</b>	Rural Mackenzie Basin Subzone (Scenic Grasslands, High Visual Vulnerability Area and Mackenzie Basin Outstanding Natural Landscape)
<b>Author:</b>	Nick Boyes
<b>Date of Report:</b>	3 February 2022

## **1.0 INTRODUCTION**

This report has been prepared on behalf of the Mackenzie District Council (the Council) as consent authority in accordance with section 42A of the Resource Management Act 1991 (RMA). It should be noted that the recommendations made in this report are made at the time of writing with the information available. The recommendations herein are in no way binding, and it should not be assumed that the territorial authority will reach the same conclusions.

My name is Nicholas (Nick) Brian Boyes. I am an independent planning consultant. I hold a Bachelor of Science (majoring in Plant and Microbial Science and Geography) from the University of Canterbury (1997) and a Master of Science (Resource Management) (Hons.) from Lincoln University (1999). I have worked in the field of planning/resource management since 1999, the last 20 years as a planning consultant.

I confirm I have read the Code of Conduct for Expert Witnesses and agree to comply with it. In that regard I confirm that this planning report is written within my area of expertise, except where otherwise stated, and that I have not omitted to consider material facts known to me that might alter or detract from the opinions expressed.

This report effectively acts as an audit of the Notice of Requirement (NoR) originally lodged with the Council in November 2021 by GHD Ltd. A request for further information was made on 29 November 2021 and that information submitted to Council on 15 December 2021.

In summary, I agree with the assessment and conclusions made in the NoR and recommend that the Mackenzie District Council in turn recommend to the requiring authority that it confirm the requirement pursuant to section 171(2)(a) of the RMA.

## **2.0 PROPOSAL, SITE & HISTORY DESCRIPTION**

### **2.1 DESCRIPTION OR PROPOSED WORKS**

The project involves works both within the existing State Highway 8 (SH8) corridor, which is already designated (Designation 22) in the Mackenzie District Plan (MDP); and adjacent works within land owned by Glenrock Station. It is these later works that are the subject of this Notice of Requirement (NoR).

In summary, the proposed works involve the construction and operation of a small carpark area to provide for the safe parking of vehicles near Dog Kennel Corner (a popular viewing point for tourists). The proposed works also involve a new accessway to the carpark area and the widening of the northern lane of SH8, which will help ease traffic congestion and improve road safety.

The works within the existing Designation also include road widening on the northern lane which is required to allow cars to safely pass other cars that are waiting to turn into the carpark area. The road is proposed to be widened by approximately 2.5m for a 90m extent and will provide approximately 300m sight distance to the east and west of the access. These works are considered minor in scale and is in line with the purpose of the existing SH8 designation (state highway purposes) and will provide safety improvements for SH8 traffic. The access design will be to NZTA Standards. Given the nature of these works they are not considered further in this report, which focusses on the new works outside the existing designation for which this NoR relates.

The AEE submitted with the NoR describes the proposal describes the land required for the new designation is a rectangular area measuring 135m (L) x 40m (W) and totalling 5,400m<sup>2</sup>. The size of the new carpark area (including landscaping and picnic areas) within the designation is proposed to be approximately 1,100m<sup>2</sup>. The balance area not occupied by the new carparking area is to be set aside by Waka Kotahi should a larger carpark area be required in the future.

The carpark area will be unsealed and will not have specific or defined car parking spaces; rather it will be an open car park area designed for short term parking for those wishing to stop safely and admire the open vista of the Mackenzie Basin and take photographs. Once the carparking area is established, the southern boundary will be edged with reused local stone boulders, new low-level planting, and a picnic table.

The general sequence of works will be:

- a) Surface scraping to establish carpark area
- b) Build up and compact base course in layers
- c) Finish with metal surface, and
- d) Complete landscaping.

The NoR states that the earthworks required for the carpark area (including landscaping) are cut of 325m<sup>3</sup>, and fill of 385m<sup>3</sup>.

More detailed information relating to the landscaping proposed for the site was requested. In response additional comments were provided from Kim Goodfellow (Registered Landscape Architect

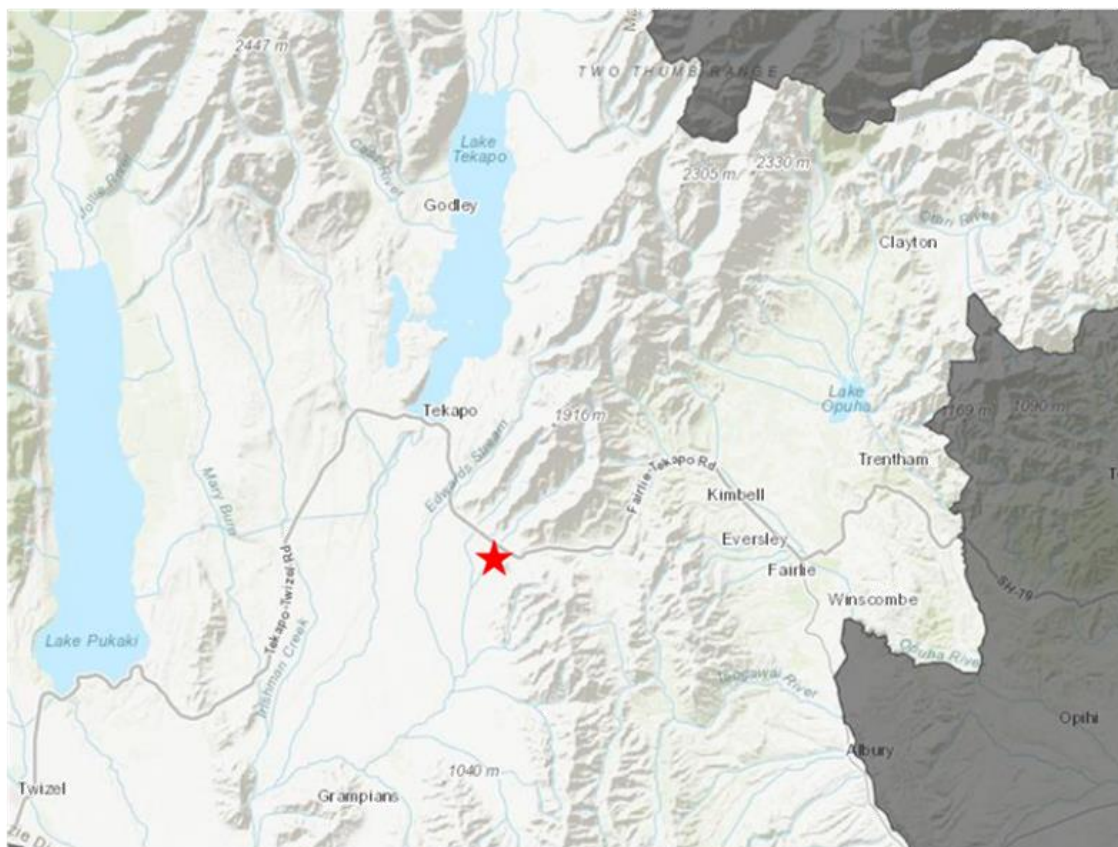
(NZILA) and Director of The Goodfellow Group Ltd), this included updated plan showing greater detail and a planting concept of the proposed works. These updated plans are **attached**.

The Requiring Authority seeks an Outline Plan waiver for these works pursuant to section 176A. It is considered an Outline Plan of Works waiver is appropriate from Council for the formation of the vehicle crossing and additional seal widening within the existing designation. The assessment below will consider whether an Outline Plan waiver be granted in relation to the proposed works subject of this NoR being outside the existing designation.

## 2.2 SITE DESCRIPTION

The subject site is located at 3101 State Highway 8, Burkes Pass and is zoned Rural in the Operative Mackenzie District Plan (2004). The land is part of a much wider run holding of some 7185ha. This is legally described as RUN 330 Section 1 Survey Office Plan 4905 Title No. CB7B/447 (being Glenrock Station).

The location of the site is illustrated in **Figure 1** and an aerial photograph of the site is provided as **Figure 2**.



**Figure 1: Location Map (Source: Canterbury Maps).**





**Figure 2: Aerial Photograph of the Site (Source: Canterbury Maps).**

The site is flat and is currently used for extensive rural high country pastoral grazing. It contains no buildings or structures, and no significant flora/fauna values are present. The surrounding environment is rural in character and very open. The landscape is varied with wide-open spaces and mountains to the distance.

The adjoining SH8 has a posted speed of 100km/h.

In the response to the request for additional information, Kim Goodfellow described the site as follows:

*The surrounding planting is described as quite typical to what is found in the harsh climate throughout the Mackenzie Basin, where ground conditions are quite inhospitable to many plant communities i.e. dry, very stony, and with low nutrient values and therefore can only sustain hardy or naturally occurring plant species. The existing vegetation around the carpark has a predominant character of mixed exotic grasses and invasive weed species, and with a native grass element.*

A specific site visit was not undertaken in relation to this application; however, the location of the site is such that the author has passed the site on numerous occasions and has visited Glenrock Station specifically previously so is familiar with the area.

### **2.3 SITE HISTORY/BACKGROUND**

There is no consenting history relevant to the consideration of this NoR.

### 3.0 MACKENZIE DISTRICT PLAN

#### 3.1 ZONING AND COMPLIANCE ASSESSMENT

The subject site is zoned Rural within the Operative Mackenzie District Plan 2004 (the MDP). As a NoR the activity status is not particularly relevant to the statutory consideration. Notwithstanding, for the purpose of assessment it is relevant to note that the site is within the Mackenzie Basin Subzone, which is included as an Outstanding Natural Landscape (ONL). Also, the site is subject to the Scenic Grasslands overlay and in an Area of High Visual Vulnerability. In addition, it is noted that the Holbrook Scenic Viewing Area is located next to the subject site. However, the proposal will not encroach onto this area.

### 4.0 NATIONAL ENVIRONMENTAL STANDARDS (NES)

A total of six National Environmental Standards are currently in effect, as follows:

- The National Environmental Standard for Assessing and Managing Contaminants in Soil to Protect Human Health;
- The National Environmental Standard for Sources of Drinking Water;
- The National Environmental Standards for Telecommunication Facilities;
- The National Environmental Standards for Electricity Transmission Activities;
- The National Environmental Standards for Plantation Forestry; and
- The National Environmental Standards for Air Quality.

None of these NES are considered of particular relevance to the consideration of this NoR.

### 5.0 STATUTORY CONSIDERATION

The primary statutory considerations in relation to a NoR received by a territorial authority are set out in sections 168, 169 and 171.

**Section 168 (1)** sets out that:

*A Minister of the Crown who, or a local authority which, has financial responsibility for a public work, may at any time give notice in the prescribed form to a territorial authority of its requirement for a designation—*

- a) for a public work; or*
- b) in respect of any land, water, subsoil, or airspace where a restriction is necessary for the safe or efficient functioning or operation of a public work.*

The NoR received is in accordance with this provision.

**Section 169** sets out how the territorial authority shall process a NoR in terms of further information, notification, submissions, and hearing. Specifically in relation to notification considerations, section 169(2) sets out that unless the territorial authority applies section 170, sections 92 to 92B and 96 to 103 apply to the notice of requirement with all necessary modifications and as if—

- a) a reference to a resource consent were a reference to the requirement; and*
- b) a reference to an applicant were a reference to the requiring authority; and*
- c) a reference to an application for a resource consent were a reference to the notice of requirement; and*
- d) a reference to a consent authority were a reference to the territorial authority; and*

- e) *a reference to an activity were a reference to the designation; and*
- f) *a reference to a decision on the application for a resource consent were a reference to a recommendation by the territorial authority under section 171.*

Unlike a typical resource consent, in relation to a NoR the consent authority does not make a decision, but instead makes a recommendation to the Requiring Authority. The statutory assessment and recommendation options are set out in Section 171, as follows:

- (1A) *When considering a requirement and any submissions received, a territorial authority must not have regard to trade competition or the effects of trade competition.*
- (1) *When considering a requirement and any submissions received, a territorial authority must, subject to Part 2, consider the effects on the environment of allowing the requirement, having particular regard to—*
  - (a) *any relevant provisions of—*
    - (i) *a national policy statement;*
    - (ii) *a New Zealand coastal policy statement;*
    - (iii) *a regional policy statement or proposed regional policy statement;*
    - (iv) *a plan or proposed plan; and*
  - (b) *whether adequate consideration has been given to alternative sites, routes, or methods of undertaking the work if—*
    - (i) *the requiring authority does not have an interest in the land sufficient for undertaking the work; or*
    - (ii) *it is likely that the work will have a significant adverse effect on the environment;*  
*and*
  - (c) *whether the work and designation are reasonably necessary for achieving the objectives of the requiring authority for which the designation is sought; and*
  - (d) *any other matter the territorial authority considers reasonably necessary in order to make a recommendation on the requirement.*
- (1B) *The effects to be considered under subsection (1) may include any positive effects on the environment to offset or compensate for any adverse effects on the environment that will or may result from the activity enabled by the designation, as long as those effects result from measures proposed or agreed to by the requiring authority.*
- (2) *The territorial authority may recommend to the requiring authority that it—*
  - (a) *confirm the requirement;*
  - (b) *modify the requirement;*
  - (c) *impose conditions;*
  - (d) *withdraw the requirement.*
- (2A) *However, if the requiring authority is the Minister of Education or the Minister of Defence, the territorial authority may not recommend imposing a condition requiring a financial contribution (as defined in section 108(9)).*
- (3) *The territorial authority must give reasons for its recommendation under subsection (2).*

## **6.0 ASSESSMENT OF EFFECTS**

The assessment below is undertaken in accordance with the statutory considerations set out in section 171 of the RMA as outlined above. As is set out in the Fourth Schedule to the RMA, the assessment below is undertaken at a scale that is commensurate with the adverse effects of the proposal and is a summary of the matters included in the requiring authority's assessment submitted with the application.

### **6.1 Trade Competition (Section 171 (1A))**

The proposed works give no rise to the matter of trade competition.



## 6.2 National Policy Statement/Coastal Policy Statement (Section 171 (1)(a)(i) (ii))

No NPS or the NZCPS are considered relevant to the consideration of the proposed works adjacent to SH8.

## 6.3 Regional Policy Statement (Section 171 (1)(a)(iii))

Section 7.1 of the AEE submitted with the NoR includes an assessment against the relevant provisions contained in the Canterbury Regional Policy Statement (CRPS). This considers the policy framework set out in Chapter 5 relating to 'Land Use and Infrastructure'.

I agree with the assessment set out therein that the proposed works will result in positive effects in relation road and traffic safety for all users of SH8.

Given the status of the site within the Mackenzie Basin ONL, it is considered that the provisions contained in Chapter 12 relating to Landscape are also relevant. In that regard it is noted that **Objective 12.2.1** states:

### **12.2.1 Identification and protection of outstanding natural features and landscapes**

*Outstanding natural features and landscapes within the Canterbury region are identified and their values are specifically recognised and protected from inappropriate subdivision, use, and development*

The amended proposal submitted following the request for additional information is considered to meet this objective by providing a suitably landscaped area to compliment the landscape and provide an appropriate location for motorists to safely stop and enjoy the outstanding landscape values of the Mackenzie Basin.

Overall, I agree with the assessment contained in the NoR that the proposal does not raise any conflict with the CRPS.

## 6.4 Mackenzie District Plan (Section 171 (1)(a)(iv))

Section 7.2 of the AEE submitted with the NoR includes an assessment against the relevant provisions contained in the MDP.

The key aspects of the policy framework contained in the MDP are considered to be Rural **Objective 3B** relating to landscape values and accompanying **Policy 3B7** relating to development adjacent to State Highways. Other considerations include Rural **Objective 11** in terms of Rural Infrastructure, **Policy 11A**, and Transportation **Objective 1** and **Policy 1A**.

These were all assessed in the AEE submitted. The proposal is considered consistent with the MDP policy framework in that it will:

- provide a safe area for traffic to stop and enjoy the existing panoramic vista of the location.
- The vegetation currently on site is modified pasture grass with very little in terms of indigenous vegetation present.
- No buildings are proposed, and the low-level planting will be retained at a low height in order to avoid detracting from or limiting the views that tourists are stopping.
- State Highway 8 is regionally significant infrastructure and maintaining its safe and efficient operation is critical.

- The new carpark area (and the associated access and widening) will improve the efficiency and safety of SH8 by providing a formal pull over area which will enable vehicles to move off SH8 and stop safely.
- The associated widening on the northern lane will allow vehicles to safely pass other vehicles that might be waiting to turn into the carpark area.
- The proposed landscaping and planting proposal will be consistent with the character of the area, as detailed in the RFI response quoted below (from Kim Goodfellow):

*"The planting design response for Dog Kennel carpark is derived from native plant species that are naturally found in this alpine or tussock grassland environment, and which also will provide visual amenity to the visitor stopping point and avoid high levels of future maintenance. The planting design will help to visually 'frame' the visitor area to help make it legible to drivers therefore assisting safety considerations along State Highway 8, yet the planting is of low height (e.g., 700mm high at maturity) to be consistent with the low-lying character of the surrounding tussock vegetation and also not obstruct distant or scenic views which the stopping point seeks to celebrate.*

*Recycled local stone boulders of various sizes are also incorporated into the landscape design to further reinforce the consistency with this material found in the surrounding landscape and these stones are arranged in an organic arrangement to create amenity and visual interest. All planting works will be implemented in accordance with 'NZTA P39 Planting Specification (2013)' including ground preparation, plant supply, implementation and maintenance".*

The only effects of the proposal are considered to relate to temporary construction effects. In this regard the AEE sets out that construction is anticipated to take approximately one month to complete and will be limited to the typical working hours of 7am and 6pm Monday to Saturday. Vehicle movements to and from the site per day are expected to be minimal, with a small number of site staff, a digger and a roller on the site at any one time. When materials need to be removed and/or brought to site there will be a small number of additional truck movements on any one day, but this will not be regular or constant throughout the construction period. Traffic safety will be maintained during construction through the implementation of a construction traffic management plan, prepared by the contractor and approved by Waka Kotahi. On that basis any construction impacts can be adequately managed by the requiring authority subject to standard construction design and methodology.

Overall, the proposal is not considered to raise any policy conflicts with the MDP.

## **6.5 Consideration of Alternatives (Section 171 (1)(b))**

Section 171(1)(b) sets out that consideration of alternatives of undertaking the work, only if:

- (i) *the requiring authority does not have an interest in the land sufficient for undertaking the work; or*
- (ii) *it is likely that the work will have a significant adverse effect on the environment; and*

In this case Waka Kotahi NZ Transport Agency do not currently own the land. Therefore, regardless of the consideration of the effects of the proposed works, a consideration of alternatives is necessary. In this regard I disagree with the assessment included in Section 5 of the AEE, which states that *"The consideration of alternative sites was not deemed necessary"*.

Notwithstanding. The written approval of the landowner was supplied with the information submitted in response to the request for further information. Furthermore, it is understood that Waka Kotahi is currently in the process of obtaining approval from the landowners to secure the purchase of the land for the purpose of these works.

There is a history of motorists heading south stopping in this area of SH8 as it is the first opportunity to view the large open expanse of the Mackenzie Basin. I agree that the construction and operation of the new carpark area is the safest option available. Further, I agree that the construction of the carpark area will be undertaken using standard construction methodology and appropriate traffic management procedures. On that basis I agree that no assessment of alternative sites or construction methods are necessary.

#### **6.6 Whether the Proposed Works are Reasonably Necessary (Section 171 (1)(c))**

As already discussed above, the works are considered necessary to improve (enhance), and continue to provide for, the safety for users on SH8 and are in accordance with the statutory objectives of Waka Kotahi NZ Transport Agency.

#### **6.7 Any Other Matter (Section 171 (1)(d))**

This section of the RMA allows territorial authority to consider any other matters it considers reasonably necessary in order to make a recommendation on the requirement. Given the nature of the proposed works and the less than minor adverse effects on the environment, no other matters are considered to be relevant in this case.

#### **6.8 Positive Effects (Section 171 (1B))**

The RMA makes it clear that the effects to be considered under subsection (1) may include any positive effects on the environment to offset or compensate for any adverse effects on the environment that will or may result from the activity enabled by the designation, as long as those effects result from measures proposed or agreed to by the requiring authority.

I agree with the AEE that there will be several positive effects as a result of the proposal. Once the carpark area is constructed, tourists will have a safe place to stop and take in the vista. This will relieve pressure on SH8 and increase safety levels as vehicles will no longer be stopping on the shoulder of SH8 itself. There are no buildings proposed, so there will be no additional bulk as the carpark will be at grade and constructed to a high-quality level. The picnic area will increase amenity levels and the low-level landscaped finishing will be appropriate for the surrounding pastoral, rural environment.

#### **6.9 Conclusion**

Based on the above assessment, the proposed works are not likely to have adverse actual and potential effects on the environment. It is agreed with the summary set out in the AEE that the proposed new designation will provide long-term certainty for Waka Kotahi and the community that tourists can safely stop to enjoy the views at Dog Kennel Corner while maintaining traffic safety on SH8. In the same way, the proposal allows the community to provide for their social, economic and cultural wellbeing, and health and safety in line with the purpose of the RMA.

### **7.0 NOTIFICATION ASSESSMENT**

Section 169 sets out that the notification consideration with respect of the NoR are as those set out in section 149ZCB (Notification) and section 149ZCC (Limited Notification). Such assessment is to be undertaken in accordance with sections 149ZCE (adverse effects likely to be more than minor) and section 149ZCF (affected persons).

The considerations set out therein are similar to those included in sections 95A to 95E in relation to a resource consent application and include consideration of whether special circumstances apply.

### **7.1 Public Notification**

In this instance public notification is not considered to be required as:

- a) The proposed works are not considered to result in adverse effects which are more than minor (section 149ZCB(2)(a));
- b) The requiring authority has not requested public notification (section 149ZCB(2)(b)); and
- c) There is no rule or national environmental standard that requires public notification of the notice (section 149ZCB(2)(c)).

Furthermore, there are no rules or NES requiring public notification of the proposed works (section 149ZCB(3)(a)); and no special circumstance are considered to exist in relation to the consideration of the proposed works (section 149ZCB(3)(b)).

On that basis it is considered that the proposed works adjacent to SH8 by Waka Kotahi NZ Transport Agency do not require public notification.

### **7.2 Limited Notification**

Section 149ZCC sets out that a territorial authority must then decide whether there is any person affected (under section 149ZCF).

In this case it was decided that the underlying landowner, being Glenrock Station, was an affected person in relation to the proposed works on their land. The requiring authority was advised of this in the request for further information dated 29 November 2021.

The written approval of Glenrock Station was subsequently provided, which meant they were no longer an effected person in accordance with section 149ZCF(3)(a)).

Therefore, it is recommended that the NoR can be processed on a non-notified basis.

## **8.0 PART 2 MATTERS**

Part 2 of the Resource Management Act stipulates the purpose and principles of the RMA. The purpose of the Act is to promote the sustainable management of natural and physical resources. The various principles provided under Part 2 support this purpose. It is considered that the proposed works accord with Part 2 of the RMA.

## **9.0 CONCLUSION**

The assessment above sets out an audit of the AEE submitted with the NoR by Waka Kotahi NZ Transport Agency for works within and adjacent to SH8.

Primarily these works are put forward to increase traffic safety by providing a safe place for motorists to pull off the carriageway and admire the landscape values of the Mackenzie Basin.

Section 171 of the RMA prescribes what a territorial authority must consider when considering a NOR. Those matters have been assessed above and based on that assessment it is considered appropriate that this requirement be confirmed.

Additionally, it is considered that sufficient information has been in response to the request for additional information, particularly in relation to the additional detail included in the proposed plans, that the proposal can now satisfy the requirements under section 176A of the RMA.

As such, it is considered that a subsequent Outline Plan need not be submitted to the Mackenzie District Council in relation to these works as the details of the carpark area works are sufficiently incorporated into the designation.

## 10.0 RECOMMENDATION

Section 171(2) sets out the four options for a territorial authority having considered a NoR under the balance of the matters contained in section 171, as follows:

- (2) *The territorial authority may recommend to the requiring authority that it—*
  - (a) *confirm the requirement:*
  - (b) *modify the requirement:*
  - (c) *impose conditions:*
  - (d) *withdraw the requirement.*

Based on the assessment above, it is recommended that the MDC in turn recommend to the requiring authority that it **confirm the requirement without any specific conditions**.

Under section 171(3), the territorial authority must give reasons for its recommendation under subsection (2). The reasons for the recommendation are included in the report above.

Furthermore, in accordance with section 176A(2)(c), it is recommended that the territorial authority **waives the requirement for an Outline Plan** in relation to the proposed works, with the details set out in the AEE submitted with the NoR and the updated plans attached to this report being of sufficient detail to satisfy the statutory requirements set out in section 176A(3) of the RMA.

Reported on and recommended by:



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Nick Boyes  
Consultant Planner

Date: **3 February 2022**

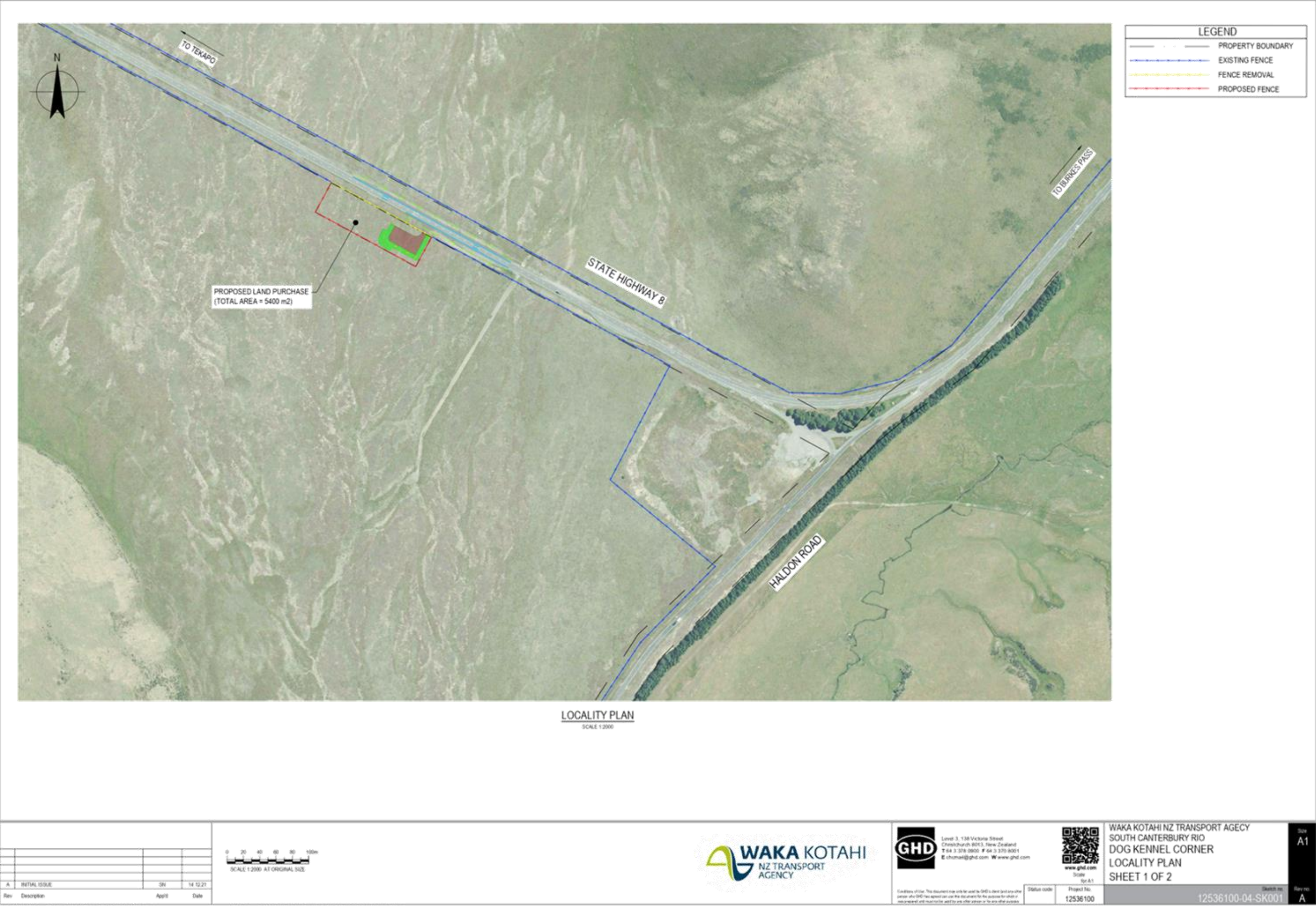
### Attachments:

WAKA KOTAHI NZ TRANSPORT AGENCY  
SOUTH CANTERBURY RIO  
DOG KENNEL CORNER  
Project No. 12536100, Sheets 1 and 2 Rev A, submitted to Council under cover letter dated 15 December 2021

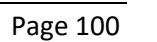












**6.8 LOCAL GOVERNMENT FUNDING AGENCY (LGFA) JOINT AND SEVERAL GUARANTEE REPORT**

**Author:** Paul Numan, General Manager Corporate Services  
**Authoriser:** Angela Oosthuizen, Chief Executive  
**Attachments:** Nil

**PURPOSE OF REPORT**

Mackenzie District Council ("MDC") is currently a non-guaranteeing borrower from the Local Government Funding Agency (LGFA). As a non-guarantor, MDC is charged an additional 10 basis points (0.10%) for all LGFA sourced debt except for Commercial Paper for which the 10 basis point add on does not apply.

Our Long-Term Plan projections reflect a need for borrowing of more than the \$20 million LGFA non-guaranteeing limit.

Should MDC not become a guaranteeing local authority:

- Council will have to rethink our capital delivery program or
- Incur higher interest costs if we must go to a commercial bank.

This report asks Council to decide whether to become a guaranteeing local authority or not.

**STAFF RECOMMENDATIONS**

1. That Council receives the LGFA Joint and Several Guarantee report.
2. That Council becomes a guaranteeing local authority.
3. That Council approves utilising the services of Buddle Finlay to assist with the legal services required to facilitate the process for accession (joining as a guaranteeing local authority).

**BACKGROUND**

Our forecast capital program of capital expenditure is predicting that our borrowings will exceed \$20 million. To continue with the best rates that the LGFA offers we will need to become a guaranteeing local authority.

Miles O'Connor from Bancorp has provided a comprehensive risk assessment to provide some details of the LGFA joint and several guarantee which is reflected below:

By way of background, MDC is currently a non-guaranteeing borrower from the LGFA. This status limits MDC's total borrowings from the LGFA to \$20.0 million. As a non-guarantor, MDC is charged an additional 10 basis points (0.10%) for all LGFA sourced debt except for Commercial Paper for which the 10 basis point add on does not apply.

One of the fundamental aspects of the LGFA is the Guarantee, which helps the agency to achieve its S&P Global Ratings ("S&P") long term credit rating of 'AAA', the same rating as the New Zealand government. To be able to achieve the pricing that the LGFA does, it needs its S&P credit rating to remain at this level.

The security granted by each of the guarantors under their respective Debenture Trust Deeds secures their obligations under the Guarantee. The guarantee has the following features:

The Guarantee applies to all participating guaranteeing borrowers who will be liable in the event of a default by any of the borrowers. The exception to this is that, if a local authority borrows less than \$20.0 million, it is not compulsory to participate in the Guarantee, but it will be charged an additional 10 basis points on its borrowing.

If a Council's borrowings from the LGFA are greater than \$20.0 million then participation in the Guarantee is compulsory. Of the 74 member Councils to date, 65 are guarantors.

In relation to the potential liability, there are several factors that significantly lessen the possibility that the Guarantee would be called, and these include:

### **The financial position of the LGFA**

As at 31 December 2021, the LGFA had paid up capital of \$25.0 million, unpaid capital of \$20.0 million and retained earnings of \$74.8 million. In addition, it had \$259.9 million of Borrower Notes that can be converted to equity at the sole discretion of the LGFA Board. LGFA has the same credit rating as the New Zealand Government at AAA

### **Access to Liquidity**

The LGFA has access to a standby funding facility from the Debt Management Office (in effect the New Zealand Government) of \$700.0 million, which can be increased to \$1.5 billion at the request of the LGFA. The current level of \$700.0 million helps the agency to avoid paying unnecessary commitment fees. In addition, as at 22 March 2022., the LGFA had \$1.88 billion invested in financial market instruments.

### **Initial and ongoing credit analysis by the LGFA**

Prior to being accepted as a borrower from the LGFA, all Councils have their financial metrics analysed by the LGFA to ensure that they meet the financial covenants required.

Credit analysis is updated annually to ensure ongoing compliance with covenants and this analysis is also forward looking, based on the Council's latest Annual Plan and Long Term Plan.

The LGFA Board of Directors approves all new LGFA borrowers and, in doing so, must be satisfied that the applicant Council currently meets, and is able to maintain, compliance with the financial covenants.

### **Oversight**

The Office of the Auditor General, Audit New Zealand and the Department of Internal Affairs all provide oversight of the local government sector. Under the Local Government (Financial Reporting and Prudence) Regulations Act 2014, Councils are required to report annually on performance against six benchmarks, as follows:

- Rates affordability
- Debt affordability
- Essential services
- Debt servicing
- Debt control
- Operations control.

If the Central Government becomes concerned about the operational integrity of individual councils, a six step intervention process is possible. This is as follows:

- Request information
- Appoint a Crown Review Team
- Appoint a Crown Observer
- Appoint a Crown Manager
- Appoint a Commission
- Call an election.

A covenant breach is an event of review. After 30 days, the LGFA can seek repayment of loans.

If a Council is in default, the remedies flow from the Debenture Trust Deed that is the overarching security arrangement. The Trustee can appoint a Receiver and a Special Rate (property tax) can be levied on all properties in the region to meet the Council's obligations to the LGFA. The property tax is unavoidable and is a first ranking security over the property. Thus, the defaulting ratepayer's property can be sold if the owner does not pay the Special Rate.

If all these measures were unsuccessful, then the LGFA Board of Directors could call on the Guarantee from all Councils. The call under the Guarantee will be calculated on a pro rata basis, comparing a Council's rating base with the total rating base of all guarantors. MDC's implied exposure would be around 0.15% of the total amount called.

Current Council guarantors must quantify the value of the potential obligation faced when accounts are prepared. The Audit Office accepts Councils assigning a nil value to this contingent liability. This implies that the 'risk' attached to the Guarantee is immaterial. This is further reinforced by the comments of S&P in relation to the Guarantee when reviewing Council and LGFA ratings.

It is important to note that no Council has ever been placed in receivership in New Zealand. Prior to a Council being placed in receivership, we would expect that there would be some form of government intervention such as happened with Kaipara District Council, Environment Canterbury and Tauranga City Council (albeit the latter two for non-financial reasons). However, it must be noted that the Central Government does not guarantee the obligations of either the LGFA or its members.

The LGFA requires a Compliance Certificate from all LGFA borrowers to be sent to the LGFA by 30 November each year. This includes an affirmation that the Council has adhered to the four financial covenants that apply to all borrower Councils. The certificate must also include the following:

- Rates revenue and non-rates revenue
- Finance expenses

- Borrowings including details of financial instruments
- Grants, subsidies and capital expenditure contributions
- Cash and cash equivalents held.

This information is forwarded to all guaranteeing Councils.

### **The Mechanics of a Council Default**

In the event of a Council default, a Receiver will be appointed, and the loan recovered over time. The important point to note is that Councils are guaranteeing the financial obligations of the LGFA, not those of other Councils. This means that if a Council defaulted, it would be unlikely to trigger a call under the Guarantee unless the directors of LGFA thought that it would threaten the financial viability of the LGFA. Therefore, if a Council defaulted, it basically becomes a timing issue for the LGFA:

The main factor that the LGFA Board would need to consider is that, if a Council defaulted, is it a liquidity or timing issue as opposed to a capital issue. If it is liquidity or timing issue, the LGFA has considerable access to liquidity:

- The \$1.5 billion standby facility from the New Zealand Government
- Liquid assets portfolio – approximately \$1.88 billion as at 22 March 2022
- Ability to issue more LGFA debt (bonds or bills)
- \$20.0 million of uncalled capital.

This means that the most likely scenario in the event of a Council default is that LGFA would manage any liquidity issues and look to recover the loan plus interest over whatever number of years is deemed by the Receiver to be affordable. In the short term there would not be any actual liquidity to be raised as the loan is already outstanding. It would become a liquidity issue only to the extent that LGFA was relying in the loan to be repaid. However, in most cases Council loans would normally have been rolled over which means no cash was coming in anyway.

It is also important to note that, for Councils that are meeting the balanced budget test, they will produce significant surplus cash which could be applied to debt reduction if they defer capital expenditure.

In terms of its capital base, on a risk adjusted basis, LGFA has a similar level of capital to the major banks operating in New Zealand.

### **MDC Process to Move from a Non-Guarantor to Guarantor**

The process to transition from a Non-Guarantor to a Guarantor is straightforward. Council signs an Accession Deed to the LGFA Guarantee and Indemnity Deed and signs an Accession Deed to the LGFA Equity Commitment Deed. The Chief Executive completes the Accession Deeds under delegation.

### **Strategic Goals and Outcomes**

An economic environment that encourages growth in a way that sustainably supports the community.



## POLICY STATUS

No breach of our Treasury Management Policy is triggered by this decision.

## SIGNIFICANCE OF DECISION

Significant decisions by Council are considered in terms of the Significance and Engagement Policy.

In determining the degree of significance for decisions that impact on the financial impact of the Council and residents consideration of the following criteria is to be considered;

- The magnitude of the net costs of the proposal or decision to the Council
- The degree of impact on rates and debt,
- The financial impact on missed opportunities, time delays, and or cost of not making a decision.

In terms of the Policy the criteria are considered to fall on a continuum and in terms of Financial Impact a decision or proposal that substantially affects Council debt, rates of the financial figures in any one year or more of the Long Term Plan are likely to be considered High Significance.

In terms of engagement guide within the Policy the options would include consult, involve, collaborate and empower.

However Section 4. 4 (e) of the Significance and Engagement Policy confirms that Council will not engage when the matter has already been addressed by the Councils policies or plans, which have previously been consulted on.

Further the Council Significance and Engagement Policy section **3.2** provides guidance as follows;

*This Policy **will not apply to decisions that have been in the Long Term** or Annual Plan unless there is a significant change being proposed to the initial decision reflected in the respective plans.*

The **Long-Term Plan 2021-2031** (Page 31) outlines the following;

***We're taking on External debt*** While Council has not previously had external debt, our ten year capital expenditure program requires external borrowing. If these works were not funded by external borrowing, the impacts on rates would be significantly higher. The use of external borrowing ensures appropriate levels of service are maintained for our infrastructure and facilities. In one area however, pending the outcome of central government reform, Council has made a conscious decision to borrow externally for the Three Waters capital expenditure. ***The LTP will see external borrowings utilised, increasing from \$17m at the end of June 2022 to a peak of \$33.3m by 25/26. It is expected that by the end of 2031 external debt will be \$6.5m.***

*In the first few years of the plan, the Council has taken on large amount of debt to fund major capital projects. As Council accumulates investment funds and reserves, these are utilised to pay down the debt. This means debt decreases sharply from \$ 33.3m in 2025/2026 to \$6.5m in 2030/2031. This aggressive repayment of debt may be reviewed in subsequent years if unanticipated projects arise.*

In summary Council has considered the significance of the decision and whether engagement is required and has determined this is not required in terms of the Significance and Engagement Policy.

## OPTIONS

Council has several options:

- Remain a non-guaranteeing local authority.
- Become a guaranteeing authority (preferred).



- Source additional funding from commercial banks at a higher rate of interest.
- Rethink its capital development program to keep borrowing under \$20 million.

## **CONSIDERATIONS**

### **Legal**

At the recommendation of Bancorp - two legal firms were approached to facilitate the process for accession which is as follows;

- Receiving and reviewing the relevant accession documents prepared by the LGFA's solicitors;
- Preparing and liaising with the LGFA's solicitors in respect of the following documents:
  - Stock Security Certificate
  - Stock Issuance Certificate
- Preparing and issuing an opinion to the LGFA Security Trustee; and
- Attending to settlement and liaising with the relevant registrar to issue the security stock.

Buddle Finlay estimated their fee to assist the Council to accede as an LGFA guarantor to be between \$3,800 - \$4,200 plus GST and disbursements. Simpson Grierson estimated their fees for acting for the Council in a guarantee accession to be approximately \$5,000 (plus GST and disbursements).

The recommendation is Council utilises the services of Buddle Finlay.

### **Financial**

Should Council not become a guaranteeing local authority there will be a negative financial impact or the capital programme must be reduced.

### **Other**

Not applicable

## **CONCLUSION**

Council is currently a non-guaranteeing borrower from the LGFA. This status limits MDC's total borrowings from the LGFA to \$20 million.

Our Long-Term Plan projections reflect a need for borrowing of more than the \$20 million LGFA non-guaranteeing limit.

This report recommends Council become a guaranteeing local authority and utilises the services of Buddle Finlay to facilitate the process.

**6.9 ANNUAL REPORT 2020/21 FOR COUNCIL ADOPTION**

**Author:** Paul Numan, General Manager Corporate Services

**Authoriser:** Angela Oosthuizen, Chief Executive

**Attachments:** Nil

**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 present the Annual Report for 2020/21 for adoption.

The Audit and Risk Committee reviewed the draft Annual Report for 2020/21 at their meeting on 5 April 2022 and recommended that the Council adopt the 2020/21 Annual Report in accordance with section 98 of the Local Government Act 2002.

The completed Annual Report with Audit Opinion will be tabled at the Council meeting and circulated to the elected members during the meeting, to be followed by printed copies made available to councillors on request.

**STAFF RECOMMENDATIONS**

1. That Council receives this report.
2. That Council notes the recommendation from the Audit and Risk Committee.
3. That Council adopts the 20/21 Annual Report in accordance with section 98 of the Local Government Act 2002.

**BACKGROUND**

The Local Government Act 2002 (s98) specifies that the purpose of an Annual Report is:

- a) To compare the annual activities and the actual performance of the local authority in the year with the intended activities and the intended level of performance as set out in respect of the year in the Long-Term Plan (LTP) and the Annual Plan (AP); and*
- b) To promote the local authority's accountability to the community for the decisions made through the year by the local authority.*

The Annual Report explains what we have achieved in the last year and explains how we spent rates and the value the community received. It compares our achievements and progress to what was planned to be achieved, in this case in Year Three of the Long-Term Plan 2018-2028. A copy of the Annual Report for 2020/21 is attached to this report.

Council is also required to prepare a summary of the information contained in its full Annual Report. The Annual Report Summary for 2020/21 is being prepared and will be provided to Council shortly.

Council did not meet the statutory deadline due to Auditor staff shortages and Covid-19 and the Audit was delayed until February 2022. The Executive Director from Audit New Zealand Stephen Walker advised Council the following in his letter dated 14 October 2021;

*We will also support you when it comes to managing any implications resulting from the completion of your audit after statutory timeframes.*

*We will include a paragraph, in our audit report, where noting that the audit is completed later than is required by legislation, regulation, or your founding documents, because of the auditor shortage in New Zealand and the consequential effects of Covid-19, including lockdowns.*

The audit process provides a level of comfort that the Council's assets both financial and non-financial are being prudently managed. The Annual Report has been audited by Audit New Zealand and an audit opinion will be issued upon adoption.

Within one month of the adoption of the Annual Report, the Annual Report and Summary is required to be made publicly available.

**Key Information Contained in the Annual Report*****Snapshot of the Year***

The Annual Report and Annual Report Summary tell the story of Councils performance over the last financial year, from 1 July 2020 to 30 June 2021 and covers both financial and non-financial performance for the year. The emphasis in the front section of the Annual Report is on informing the community of progress made with Council's major projects as well as stories and highlights of the past year.

The focus of the 2020/2021 Annual report is Laying the Foundations and reflects on what we have achieved on behalf of our communities over the past financial year.

**Financial Performance**

Council achieved a before tax surplus favourable against budget and we struck a lower than planned rates increase for 2020/21 after considering the impact that COVID is having on our community.

**Development of the 2021-2031 Long term Plan - "Time for a Change"**

The management team worked on finalizing and delivering our Long-Term Plan 2021 -2031 during 2020/2021, with the final plan being adopted in December 2021.

### **Good progress was made in moving Te Manahuna Ki Uta forward**

We actively progressed our Te Manahuna Ki Uta project as we partnered with Iwi and other key stakeholders to develop a destination plan for Tourism for our district.

### **Planning projects to deliver critical Improvements in Infrastructure**

Although the physical delivery of the Three Waters Stimulus Projects was delayed, we focused on the design and planning to ensure once this was finalised effective project management would effectively deliver these critical improvements in Three Waters.

### **Development of Spatial plans to help frame our future**

Following on from the commencement of the spatial planning work in 2019/20, the spatial planning project went through a multistage process for each township that included substantial engagement with each community around the spatial plan development. This consultation culminated in the adoption of the Spatial Plans by Council on 29 June 2021.

### **Plan Change 18**

On 22 June 2021 Council adopted Plan Change 18 which addresses the management of Indigenous Biodiversity within the Mackenzie District.

### **Staffing and Reform**

Finding the right people for available jobs is an ongoing challenge and in the local government sector there is significant reform. We continue to monitor and provide feedback on these reforms as maintaining a strong local voice for our communities needs remains paramount.

### **Non-financial Performance**

Each of Council's activities, or group of activities, has performance measures with targets to determine the quality and effectiveness of the services provided by Council. These measures, which are set in the Long-Term Plan, include mandatory performance measures.

The following shows Council performance against the 56 measures set in the Long-Term Plan 2018-28:

The results against the performance measures and targets for the 2020/21 year are shown as Achieved, Not Achieved or Not Applicable, if the target relates to a different time period.

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#### **Results for 2020/21**

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Achieved	43
Not Achieved	13
Not Applicable until 2021/22	0

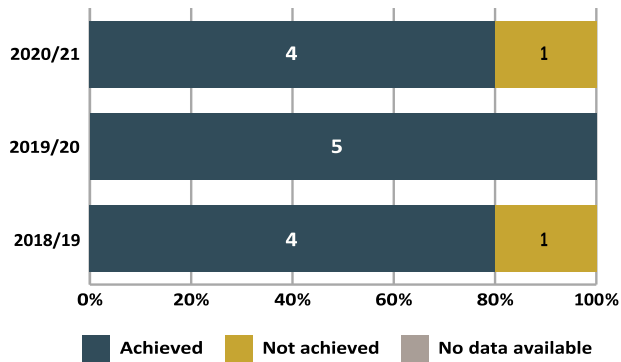
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Overall, the year-end result for the 2020/21 performance targets is a 77% (43 of 56) achievement level. This compares with 77% (2019/20) and 76% (2018/19) and is reflective of some targets being aspirational and others having dependencies outside of our control

### **Assessment of performance against measures and targets for 2020/21**

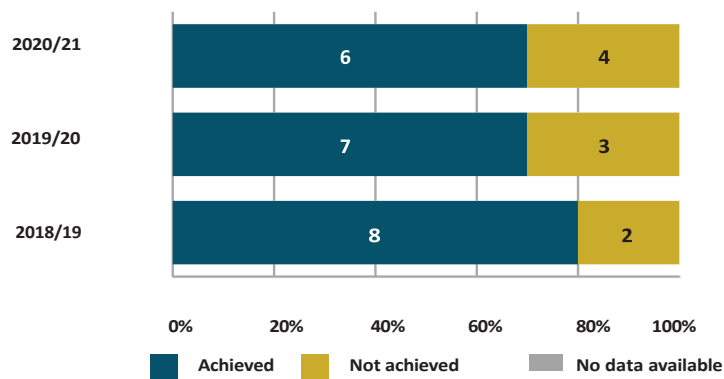
### Governance and Corporate Services

We achieved 80% of our non-financial performance standards in the governance and corporate services activity.



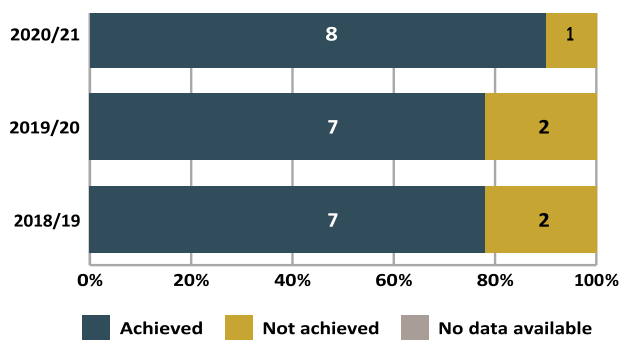
### Water Supplies

We achieved 60% of our non-financial performance standards in the water supply activity



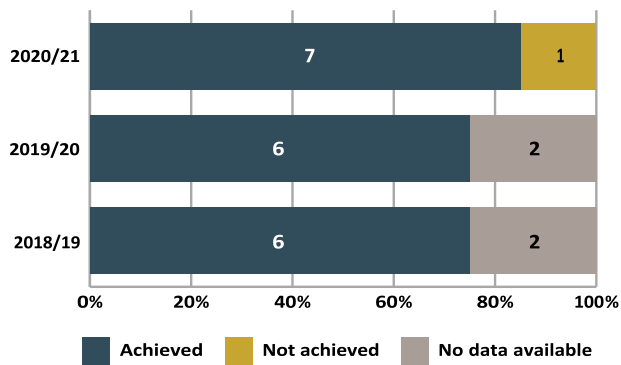
### Wastewater

We achieved 89% of our non-financial performance standards in the wastewater activity.



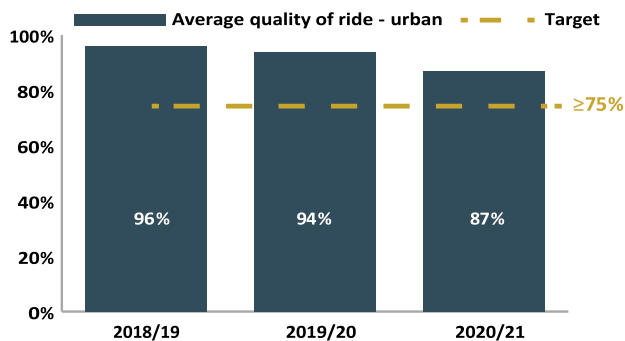
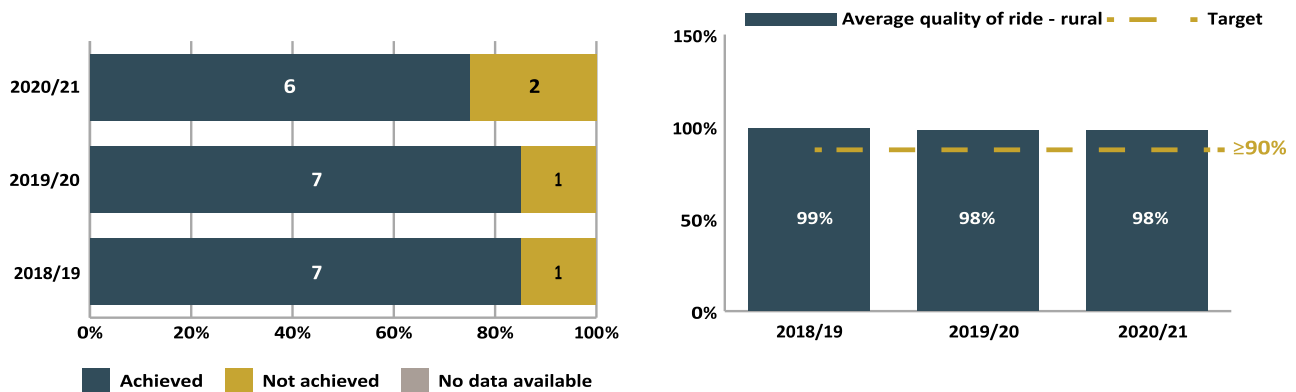
### Stormwater

We achieved 87.5% of our non-financial performance standards in the stormwater supply activity



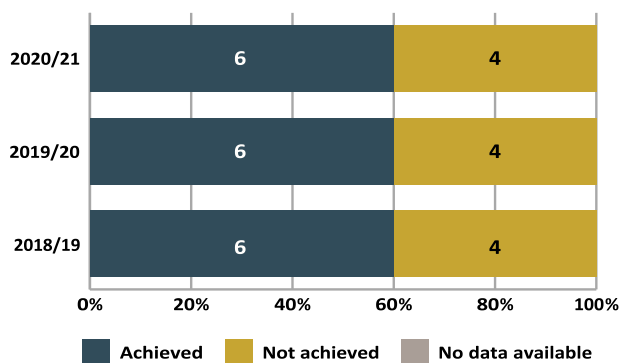
## Roading

We achieved 75% of our non-financial performance standards in the roading activity



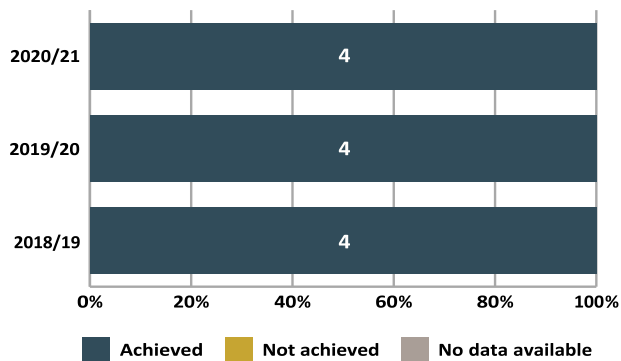
## Regulatory Services

We achieved 67% of our non-financial performance standards in the regulatory services activity.



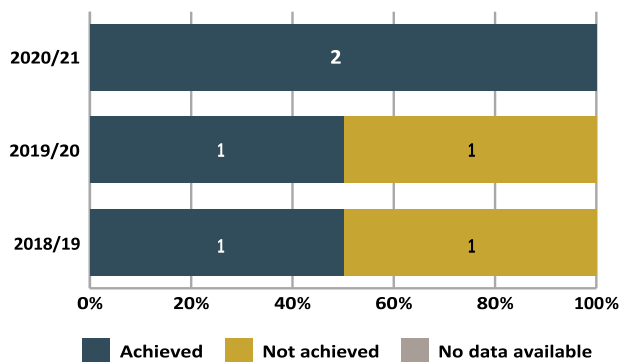
## Community & Township Services

We achieved 100% of our non-financial performance standards in the community and township services activity.



## Tourism, Economic Development and Commercial Activities

We achieved 100% of our non-financial performance standards in the tourism, economic development and commercial activities



## Financial Performance and highlights

- The financials reflect increased activity in the district over the previous year with an overall surplus against budget.
- Subsidies and Grants received totalled \$4.16 million. This was received primarily from Central Government and helped co fund investment in Tourism, Camping, the Mayoral taskforce for Jobs initiative as well investing in our roading and 3 waters infrastructure.
- We struck a lower than planned rates increase for 2020/21 after considering the impact that COVID is having on our community.
- We continue to run a strong balance sheet with cash reserves of \$11.6 million at 30 June 2021.
- We invested \$6 million in capital expenditure (excluding vested assets)
- We continue to hold no external debt although this will change in 2021/2022 as our Capex programme ramps up.
- The value of the of our Land and Buildings increased by \$2.3 million, our Forestry Plantations value by \$886,000 and we received \$757,000 worth of carbon credits.



**CONCLUSION**

The Audit and Risk Committee has reviewed the Annual Report for the 2020/21 financial year in accordance with the requirements of the Local Government Act 2002.

Following review on 5 April 2022, the Audit and Risk Committee has recommended that the Council adopt the 20/21 Annual Report at their meeting on 12 April 2022.

The completed Annual Report with Audit Opinion will be tabled at the meeting and circulated to the elected members during the meeting, to be followed by printed copies made available to councillors on request.

## **7 COMMUNITY BOARD RECOMMENDATIONS**

### **7.1 MINUTES OF TWIZEL COMMUNITY BOARD MEETING - 7 MARCH 2022**

**Author:** Arlene Goss, Governance Advisor

**Authoriser:**

**Attachments:** 1. Minutes of Twizel Community Board Meeting - 7 March 2022

#### **RECOMMENDATION**

1. That the Minutes of the Twizel Community Board Meeting held on Monday 7 March 2022 be received.
2. That Council notes the following resolutions passed by the Twizel Community Board:
  - That the Community Board approves in principle the painting of a mural on the wall to the east of the Market Place shops facing Two Thumb Drive, subject to the Twizel Promotions and Development Association submitting a mock-up of the proposed artwork for approval by the Community Board.
  - That the Community Board supports the removal of the block of Wilding Pines on the Glen Lyon Road Reserve from Nuns Veil Road to Opposite the Pump Track, and further, that a landscape plan be developed for replanting this area with amenity tree species. And that trees that are not wilding pines are retained.
  - That the adjoining land owners and leasee of the holiday park are consulted with before the work is carried out and if there are any problems it can come back to the community board.
  - That the Twizel Community Board supports in principle the proposal from the Twizel Heritage Group to site a historic house on the ex-project office site in Twizel on Wairepo Road, subject to council approval.
  - That the Twizel Community Board allocates \$10,000 from the township fund to the Twizel Heritage Group towards the relocation of the worker's house, subject to council approving the project.



**Mackenzie**

DISTRICT COUNCIL

## **Unconfirmed MINUTES**

**Twizel Community Board Meeting**

**7 March 2022**

**MINUTES OF MACKENZIE DISTRICT COUNCIL  
TWIZEL COMMUNITY BOARD MEETING  
HELD ON ZOOM  
ON MONDAY, 7 MARCH 2022 AT 3.00PM**

**PRESENT:** Chairperson Jacqui de Buyzer, Member Tracey Gunn, Member Renee Rowland, Member Amanda Sargeant, Cr Emily Bradbury

**IN ATTENDANCE:** Mayor Graham Smith, Cr Anne Munro, Cr James Leslie, Angela Oosthuizen (Acting Chief Executive), David Adamson (General Manager Operations – Acting), Brian Milne (Community Services Officer), Tom O’Neil (Community Services Officer), Arlene Goss (Governance Advisor), Joni Johnson (Engineering Manager), Angie Taylor (Twizel Township Supervisor), Keiller MacDuff (Timaru Herald/Stuff)

**1 OPENING**

The chairperson opened the meeting and welcomed everyone.

**2 APOLOGIES**

An apology for lateness was received from member Amanda Sargeant.

**3 PUBLIC FORUM**

The chairperson read out the following email from Shawn Norman. Matters raised by Mr Norman were discussed at the end of the meeting.

Hallo Twizel Community Board members

Arlene has suggested I write to you all with points I would like raised for action:

1. I talked to two gentlemen who were looking at the proposed line of a zig-zag ramp from the car park to the MDC/Info Centre. They suggested I talk to you. My concern is that much of the tussock and beech trees on that bank will be destroyed. Please make every effort to retain our high country look. Whatever you approve, please make sure that that it does not settle on flat grass that needs watering and mowing throughout summer.
2. A "Twizel Walkway" AA yellow and black sign has been removed from its position at the foot of ManMade Hill opposite the end of North West Arch. The post is still there so it should be an easy job to replace the missing sign.
3. The junction of Max Smith Drive and Ostler Road is dangerous for pedestrians and cyclists to cross. A "Cyclists Slow" sign is needed to warn motorists coming up the hill.

May I congratulate the council on the excellent "white paths" which are very popular and well used by walkers and cyclists.

Thank you for your attention.

Shaun Norman

#### 4 DECLARATIONS OF INTEREST

There were no declarations of interest.

#### 5 REPORTS

##### 5.1 MINUTES OF TWIZEL COMMUNITY BOARD MEETING - 31 JANUARY 2022

###### COMMITTEE RESOLUTION TWCB/2022/240

Moved: Member Renee Rowland

Seconded: Member Tracey Gunn

1. That the Minutes of the Twizel Community Board Meeting held on Monday 31 January 2022 be received and confirmed as an accurate record of the meeting.

**CARRIED**

##### 5.2 COMMUNITY BOARD FINANCIAL REPORT

The chairperson asked how the township budget was decided. Brian Milne explained that he had decided on the amount when the budgets were done, taking into account what had been spent the previous year and what was planned for the coming year.

###### COMMITTEE RECOMMENDATION

Moved: Chairperson Jacqui de Buyzer

Seconded: Member Tracey Gunn

That the community board financial report be received.

##### 5.3 TWIZEL COMMUNITY BOARD GENERAL UPDATE

The purpose of this report was to provide the Twizel Community Board with a general update on several projects and actions related to the Twizel area in general and Community Board specifically.

Brian Milne updated the community board on the matters in his report.

Market Place Update – This work may require cutting down some beech trees if they cannot be relocated. Work on the veranda will also take place. Mr Milne was asked to talk to Hydro café before work began. The chief executive also asked Mr Milne to work with Twizel staff and ensure they had everything they needed to continue working from a portacom during this project. The portacom was going where the old radio shack used to be located.

*Member Amanda Sargeant joined the meeting at 3.12pm.*

Consultation on the Ohau Road Reserve plan would begin soon on Let's Talk. The results of this would come to a future meeting.

The option of buying the compactor bin for Twizel was discussed. There was a possibility that an application could be made to MBIE for money to buy the bin. The council exec was meeting later this week to draw up a list of ideas for things that might be funded by MBIE.

The community board asked for the purchase of the compactor bin to be included on this list.

They also suggested a trial of opening the transfer station on Sunday mornings at peak times. Angie Taylor agreed that a trial when Twizel was heading into the busy time again would be useful.

Good progress was being made on the Twizel Events Centre. David Adamson answered questions on current work and building compliance.

Pool Heating – Contract is about to let and the work will be done this winter.

Wall Mural – Tom O'Neil was waiting to hear back from one of the shop owners on whether the proposed wall can be used. With their permission the work could start in the next month or so. The artist would need to bring a mock up of the design to the community board first. This would be circulated to the community board.

Irrigation – Identifying places where irrigation was needed to keep council gardens going. Wider irrigation would be reviewed in the future. Discussion took place on fire risk and public expectations of green grass.

Brian Milne has been talking to the holiday park about removing a stand of wilding pines. The chairperson said some of the trees in that area were not wilding pines and they were planted as a wind break. Cr Leslie said some of the trees were infected with needle blight and were dying. These posed a fire risk.

Mr Milne said he planned to come back to the community board with a landscape plan to re-plant the area. He was talking to the holiday park about this projects.

The community board asked that the area be cleaned up after the trees were cut down. The chairperson asked for those trees that were not wilding pines to be left. Mr Milne agreed.

Single man's hut – There was still a need to investigate the status of the land. This was not urgent for the Heritage Committee because the hut still needed to be restored.

#### **COMMITTEE RESOLUTION TWCB/2022/241**

Moved: Chairperson Jacqui de Buyzer

Seconded: Member Tracey Gunn

1. That the report be received.
2. That the Community Board approves in principle the painting of a mural on the wall to the east of the Market Place shops facing Two Thumb Drive, subject to the Twizel Promotions and Development Association submitting a mock-up of the proposed artwork for approval by the Community Board.
3. That the Community Board supports the removal of the block of Wilding Pines on the Glen Lyon Road Reserve from Nuns Veil Road to Opposite the Pump Track, and further, that a landscape plan be developed for replanting this area with amenity tree species. And that trees that are not wilding pines are retained.

4. That the adjoining land owners and leasee of the holiday park are consulted with before the work is carried out and if there are any problems it can come back to the community board.

**CARRIED**

#### **5.4 GENERAL BUSINESS AND COUNCILLOR UPDATE**

Angie Taylor updated the community board on progress with the introduction of the green waste bins.

The chairperson then invited Rick Ramsay from the Twizel Heritage Group to speak about a project to site a heritage house in Twizel.

He said the intent was to have an original house that demonstrated what it was like to live in the village during the power scheme days. This project was not connected to the separate project to locate a single-man's hut, which was planned to be located near the golf club. The house location would be near The Musterer's Hut. The deadline to claim the house was the end of May.

Mr Ramsay did not think resource consent was required because it was a permitted activity, however building consent would be needed. The building regulatory officer would be asked to compile a list of regulatory options for the building, depending on end use. The status of the land would require a title search. Mr Ramsay said the land was owned by council and was zoned RecA.

Regarding end use, there were three options – static display, display with public access, or manned information centre. Mr Ramsay anticipated the building would be council-owned but maintained by the community.

The chairperson said the community board supported the project and discussed a grant.

Was there a need to discuss this further with the community?

The Mayor asked if a concept plan or drawing could be provided.

It was noted that there was a timeframe to meet with this project. Final approval would need to come from council, as this was council-owned land.

The community board agreed to allocate \$10,000 from the township fund towards this project, subject to council approval.

#### **COMMITTEE RESOLUTION TWCB/2022/242**

Moved: Chairperson Jacqui de Buyzer

Seconded: Member Amanda Sargeant

1. That the Twizel Community Board supports in principle the proposal from the Twizel Heritage Group to site a historic house on the ex-project office site in Twizel on Wairepo Road, subject to council approval.
2. That the Twizel Community Board allocates \$10,000 from the township fund to the Twizel Heritage Group towards the relocation of the worker's house, subject to council approving the project.

**CARRIED**



## **5.5 GENERAL BUSINESS AND COUNCILLOR UPDATE**

Cr Bradbury updated the community board on council activity. Then the chief executive spoke about Covid testing sites that would be set up in the district. There were 17 active cases at the time of the meeting.

Various council projects were underway and going well.

The Mayor said council was considering the major changes posed by Three Waters reform, RMA reform and the future of local governance.

## **5.6 LATE ITEM - ENGINEERING MANAGER'S UPDATE**

Joni Johnson outlined the main points of her report.

The community board asked for more information about the bollards on Boundary Terrace. As part of the LED street light upgrade they would be upgraded to LED and made compliant with Dark Sky rules.

Regarding Christmas decorations, Joni Johnson outlined the cost estimates for decorations in Twizel. Councillor Emily Bradbury then outlined the work of the new Mistletoe Christmas Committee in Twizel, formed by the TPDA. She was the council liaison person on the committee.

They were currently working on buying a 6m Christmas Tree for Twizel. It cost \$25,000 and there was only a month to get the order underway. Joni Johnson suggested that the committee reach out to her if they had any questions.

## **5.7 ACTION LIST**

**Sealing of Long Parking Bay carpark** – Completed. Remove from list.

**Twizel Youth Centre** – A meeting is planned with the community to address community-wide needs.

**Man-made Hill** – Another spray of the broom has taken place.

**Twizel Events Centre** – A deep clean has been done by contractors from Timaru. Remove from list.

**Speed Petition** – Remove from list.

**Twizel Market Place Upgrade** – Contract has been let. Remove from list.

**Christmas Decorations** – Remove from list.

**Twizel Liquor Ban Signs** – Tom O'Neil is working on this.

**Golf club rubbish disposal** – Discussions yet to take place with golf club.

**Matters raised by Shaun Norman** – The governance advisor offered to put these matters into the service request system. Brian Milne said he was aware of the signage problem but was waiting for the introduction of new council signage to address this.

Regarding the signage at the intersection, Cr Bradbury this was a blind corner and needed a sign to be seen as cars were going up the rise, to warn them of bikes and pedestrians. Joni Johnson would ask the roading manager to look into this.

**The Meeting closed at 4.45pm.**

**The minutes of this meeting were confirmed at the Twizel Community Board Meeting held on 11 April 2022.**

.....  
**CHAIRPERSON**

**7.2 MINUTES OF TEKAPO COMMUNITY BOARD MEETING - 9 MARCH 2022**

**Author:** Arlene Goss, Governance Advisor

**Authoriser:**

**Attachments:** 1. Minutes of Tekapo Community Board Meeting - 9 March 2022

**RECOMMENDATION**

1. That the Minutes of the Tekapo Community Board Meeting held on Wednesday 9 March 2022 be received.
2. That Council notes the following resolution passed by the Tekapo Community Board:
  - That the Tekapo Community Board approves the reimbursement of \$100 to member Sharron Binns for two gifts given by the community board.



**Mackenzie**

DISTRICT COUNCIL

# **Unconfirmed MINUTES**

**Tekapo Community Board Meeting**

**9 March 2022**

**MINUTES OF MACKENZIE DISTRICT COUNCIL  
TEKAPO COMMUNITY BOARD MEETING  
HELD ON ZOOM  
ON WEDNESDAY, 9 MARCH 2022 AT 3.00PM**

**PRESENT:** Chairperson Steve Howes, Member Chris Scrase, Member Caroll Simcox, Member Sharron Binns, Cr Matt Murphy

**IN ATTENDANCE** Cr Murray Cox, David Adamson (General Manager Operations – Acting), Brian Milne (Community Services Officer), Tom O’Neil (Community Services Officer), Arlene Goss (Governance Advisor), Joni Johnson (Engineering Manager), Keiller MacDuff (Timaru Herald)

**1 OPENING**

The chairman opened the meeting and welcomed everyone.

**2 APOLOGIES**

**COMMITTEE RESOLUTION TKCB/2022/207**

Moved: Member Sharron Binns

Seconded: Cr Matt Murphy

That apologies be received from Mayor Graham Smith, Chief Executive Angela Oosthuizen and Property and Commercial Manager Fiona McQuade.

**CARRIED**

**3 PUBLIC FORUM**

There was no public forum.

**4 DECLARATIONS OF INTEREST**

There were no declarations of interest.

**5 REPORTS**

**5.1 MINUTES OF TEKAPO COMMUNITY BOARD MEETING - 2 FEBRUARY 2022**

**COMMITTEE RESOLUTION TKCB/2022/208**

Moved: Member Caroll Simcox

Seconded: Member Sharron Binns

1. That the Minutes of the Tekapo Community Board Meeting held on Wednesday 2 February 2022 be received and confirmed as an accurate record of the meeting.

**CARRIED**

## **5.2 COMMUNITY BOARD FINANCIAL REPORT**

This report was taken as read. The community board asked if the figure for the bike stands was a placeholder. Brian Milne confirmed this.

## **5.3 TEKAPO COMMUNITY BOARD GENERAL UPDATE**

The purpose of this report was to provide the Tekapo Community Board with a general update on several projects and actions related to the Tekapo area in general and Community Board specifically.

Brian Milne went through the highlights of his report.

- Makatua Reserve development is progressing well, with a delay for the roofing iron on the shelter. Grass areas will be seeded or top dressed soon.
- Bike stands are ordered and will arrive near the end of next month.
- The contract for the Lakefront development was close to going out to tender. The community board asked to view the final procurement document.
- There was discussion on the role of the Tekapo Hall custodian. There was no budget for this role so staff were considering different approaches. A job description would be written and this matter would come back to the community board.
- Regarding work on the proposed fire break near the township. This would involve a lot of work by both Council and FENZ. This matter would be workshopped by council and the community board would be invited to attend.
- Further discussion was held on other areas of pine trees that posed a fire risk.

## **5.4 ENGINEERING MANAGER'S UPDATE**

David Adamson spoke to this report. He apologised that the engineering manager was attending another meeting. Representatives from central government visited Tekapo today to see progress on projects they are funding.

Other matters in the report were updated. The de-sludging of the Tekapo wastewater ponds was underway and would be finished by next week.

The community board asked about the type of surface that would be used on the pathway from Peppers. Mr Adamson said he would ask the roading manager for this information and circulate it.

Why were staff still awaiting quotes for the CCTV system? This was due to council policy requiring three quotes when spending over \$10,000. Mr Adamson said he would ask the engineering manager to update the community board on this project.

## 5.5 GENERAL BUSINESS AND COUNCILLOR UPDATE

**The chairman asked for an update on Covid restrictions for community facilities** – Mr Adamson said current rules would be maintained until the country got over the current peak of infections. It was necessary to keep some community sites ready for emergency use as testing sites. Council was taking advice from the district health board on this. Mr Adamson said if the current Covid wave went as modelled we could start reducing mandates in about 4-6 weeks.

**Western Carpark Improvement** – The community board had a catch up with the roading manager on site recently. The board understood that the roading manager would write up a list of actions resulting from the meeting. An action point was requested on this matter; with David Adamson to follow up with the roading manager.

**District Plan Review** - Cr Murphy said the district plan review was gaining momentum. The governance advisor offered to forward the timetable from the last council meeting to the board members.

**Traffic at the Church of the Good Shepherd** - Member Carol Simcox raised an issue with the brown road sign that points to the Church of the Good Shepherd on SHW85. This sign belonged to Waka Kotahi. She asked that it be removed and replaced with a new sign with clear direction pointing to the carpark, to direct buses to the carpark. David Adamson said Waka Kotahi had told him they did not agree with that approach because the sign was for all travellers, not just buses. Mr Adamson agreed with educating the bus companies as an alternative. He asked for the names of the bus companies, and asked the community board to take photos of the buses. The chairman asked to add traffic management at the church to the action list.

**Sports Trust Update** – A sports trust has been set up, called the Lake Tekapo Recreational Sports Trust. They would approach council at a later date.

**Green waste bins** – David Adamson outlined this initiative. The community board questioned how these would be managed by holiday home owners. Brian Milne suggested that the solid waste manager attend a meeting to talk about this. Mr Adamson showed the community board the leaflet that would be given to every household with their green bin.

**Reimbursement** – The community board passed a resolution to allow a \$100 reimbursement to member Sharron Binns, who paid for two gifts given by the community board. Another reimbursement was also needed to pay for containers that were replaced in the Tekapo Hall kitchen. This money would come from the hall budget, managed by Brian Milne.

### COMMITTEE RESOLUTION TKCB/2022/209

Moved: Chairperson Steve Howes

Seconded: Cr Matt Murphy

That the Tekapo Community Board approves the reimbursement of \$100 to member Sharron Binns for two gifts given by the community board.

**CARRIED**

*The engineering manager joined the meeting at this point.*



## 5.6 COMMUNITY BOARD ACTION LIST

**Tekapo Bus Shelter** – Council has received Tourism Infrastructure Fund money towards two bus shelters in Tekapo. The engineering manager said she was looking at mobile bus shelters and would like feedback from the community board on where to locate them. This decision is not urgent as the bus shelters would not be built on-site.

**Tekapo Walkway from Simpson Lane to Main Carpark** – The roading manager met with community board members on site. This may become a site for a bus shelter. Cr Murphy asked that this project be given a higher priority. Mr Adamson offered to bring back a report on what money was committed so the community board could look at whether there was uncommitted budget that could go towards this. This may not be at the top of the district's footpath list.

Discussion took place on whether money from the subdivision reserve could go towards this. Doing this would require a report to council.

**Tekapo Rabbit Control** – This was complicated in an urban area. Current regional council rabbit control strategies were for rural areas. Was it possible to draw up a specific rabbit control strategy for Tekapo? Mr Adamson will continue to investigate this.

**Tekapo CCTV Cameras** – Joni Johnson said she would be seeking three bids for this work, as per council's procurement policy. Privacy issues had been addressed with police. Aiming for July this year.

**Request from Tekapo Trails and Tekapo Art Donation** – Action completed. Remove from list.

**General matters** - Brian Milne suggested including contractor representatives in the walkaround planned between himself and the community board and this was agreed.

Cr Cox offered to send information about the history of the Murray Place firebreak area to staff and the community board.

Tom O'Neill notified the community board that he had been working on new liquor ban signs for the townships and these would go up soon.

**The Meeting closed at 4.32pm.**

**The minutes of this meeting were confirmed at the Tekapo Community Board Meeting held on 13 April 2022.**

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**CHAIRPERSON**

**7.3 MINUTES OF FAIRLIE COMMUNITY BOARD MEETING - 10 MARCH 2022**

**Author:** Arlene Goss, Governance Advisor

**Authoriser:**

**Attachments:** 1. Minutes of Fairlie Community Board Meeting - 10 March 2022

**RECOMMENDATION**

1. That the Minutes of the Fairlie Community Board Meeting held on Thursday 10 March 2022 be received.
2. That Council notes the following resolutions passed by the Twizel Community Board:
  - That the amount of \$32,000 be approved from the Fairlie Township Project Budget to undertake Stage One works to establish a dog park on the area of land adjacent to the Opihi River/Allandale Bridge.



**Mackenzie**

DISTRICT COUNCIL

**Unconfirmed MINUTES**

**Fairlie Community Board Meeting**

**10 March 2022**

**MINUTES OF MACKENZIE DISTRICT COUNCIL  
FAIRLIE COMMUNITY BOARD MEETING  
HELD ON ZOOM  
ON THURSDAY, 10 MARCH 2022 AT 4.30PM**

**PRESENT:** Chairperson Damon Smith, Leaine Rush, Angela Habraken, Cr Murray Cox

**IN ATTENDANCE:** Mayor Graham Smith, Cr Anne Munro, David Adamson (General Manager Operations – Acting), Brian Milne (Community Services Officer), Tom O’Neil (Community Services Officer), Arlene Goss (Governance Advisor), Joni Johnson (Engineering Manager).

**1 OPENING**

Chairperson Damon Smith notified the community board by text that he was having computer difficulties so the deputy chairperson, Angela Habraken, opened the meeting.

**2 APOLOGIES**

**COMMITTEE RESOLUTION FCB/2022/164**

Moved: Member Leaine Rush

Seconded: Cr Murray Cox

That the apologies be received from Property and Commercial Manager Fiona McQuade, and from chief executive Angela Oosthuizen.

**CARRIED**

**3 PUBLIC FORUM**

There was no public forum.

**4 DECLARATIONS OF INTEREST**

There were no declarations of interest.

**5 REPORTS**

**5.1 MINUTES OF FAIRLIE COMMUNITY BOARD MEETING - 3 FEBRUARY 2022**

**COMMITTEE RECOMMENDATION**

Moved: Cr Murray Cox

Seconded: Member Leaine Rush

1. That the Minutes of the Fairlie Community Board Meeting held on Thursday 3 February 2022 be received and confirmed as an accurate record of the meeting.

## 5.2 COMMUNITY BOARD FINANCIAL REPORT

Cr Cox asked if the cost of the Village Green drone footage should come from the new public toilet budget. Brian Milne said the use of the drone was related to the need for a landscape plan for the village green, so the money was in the correct budget.

Council will consider adding \$30,000 to the township budget in the annual plan. This will be a decision of Council.

Discussion took place on whether the community board should have an informal talk about the projects they would like to fund, and come to council in a fortnight with a recommendation.

*Chairman Damon Smith joined the meeting at 4.46pm.*

### COMMITTEE RESOLUTION FCB/2022/165

Moved: Member Angela Habraken

Seconded: Cr Murray Cox

That the community board financial report be received.

**CARRIED**

## 5.3 FAIRLIE COMMUNITY BOARD GENERAL UPDATE

The purpose of this report was to provide the Fairlie Community Board with a general update on a

number of projects and actions related to the Fairlie area in general and Community Board specifically.

**Fairlie Cemetery Memorial Wall** - This matter went before Council and the result of this discussion was outlined to the community board by David Adamson.

Leaine Rush noted some inconsistencies between what the working group told her, and what they told Council, then outlined her discussion with the working group. She suggested that the working group come to the community board's next meeting to firm up the location and design. This included talking to the RSA about the proposed location. A firmer plan was required before a grant could be approved.

**Dog Park** – Brian Milne hoped to get this underway in the next month and asked the community board to approve spending \$32,000 from the township budget. This was approved by resolution.

**Public Toilets** – The chairman asked if it was possible to change the design of the roof to reflect a railway theme. Brian Milne said he had spoken to the designers about this and they did not believe it was the right approach. They did not want to look backwards. The community board expressed dissatisfaction that they had not had an opportunity to provide feedback on the design. There were concerns the stone cladding in the plan would not match the stone look of other buildings in Fairlie like the council office.

David Adamson suggested speaking to the designers to see if it was too late to make changes to the cladding. He was asked to do this and come back to the community board. The designers would push back because they believed they have created something modern and would not want to go back 30-50 years to what was done in the past. The Mayor suggested that if the stone was

not the same, the colour could be. Also needed to address a potentially slippery surface. The deadline to spend the money was June 30.

David Adamson said he would meet with the person who raised concerns about the design next week to explain the reasons behind the concept.

The chairman asked Mr Adamson to talk to the designer about the cladding and paving in the design and report back to the community board.

#### **COMMITTEE RESOLUTION FCB/2022/166**

Moved: Cr Murray Cox

Seconded: Member Angela Habraken

1. That the amount of \$32,000 be approved from the Fairlie Township Project Budget to undertake Stage One works to establish a dog park on the area of land adjacent to the Opihi River/Allandale Bridge.

**CARRIED**

#### **5.4 ENGINEERING MANAGER'S UPDATE**

Joni Johnson went through the contents of her report.

The community board did not have any questions.

#### **5.5 GENERAL BUSINESS AND COUNCILLOR UPDATE**

Cr Murray Cox said the green waste bins had been approved and will be rolled out on March 21. They will be collected every week and are the same size as the yellow bin.

The annual plan is underway and the district plan review project plan was approved at Council. There will be rolling hearings as different areas are addressed.

David Adamson showed the community board the information that would be given to each household with the new green bins. Kerbside collection day in Fairlie will change to Fridays.

#### **5.6 COMMUNITY BOARD ACTION LIST**

**Community Centre Kitchenette** – no update. Brian Milne offered to follow up on this and send an email to the community board next week.

**Peace Trees** – This contract will go to the market soon and action is expected within the next few months.

**The Meeting closed at 5.30pm.**

**The minutes of this meeting were confirmed at the Fairlie Community Board Meeting held on 14 April 2022.**

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**CHAIRPERSON**



## **8 CONFIRM COUNCIL MINUTES**

### **8.1 MINUTES OF COUNCIL MEETING - 8 MARCH 2022**

**Author:** Arlene Goss, Governance Advisor

**Authoriser:**

**Attachments:** 1. Minutes of Council Meeting - 8 March 2022

#### **RECOMMENDATION**

That the Minutes of the Council Meeting held on Tuesday 8 March 2022 be received and confirmed as an accurate record of the meeting.



# **Mackenzie**

DISTRICT COUNCIL

## **Unconfirmed MINUTES**

**Ordinary Council Meeting**

**8 March 2022**

**MINUTES OF MACKENZIE DISTRICT COUNCIL  
ORDINARY COUNCIL MEETING  
HELD ON ZOOM  
ON TUESDAY, 8 MARCH 2022 AT 9.30AM**

**PRESENT:** Mayor Graham Smith, Deputy Mayor James Leslie, Cr Anne Munro, Cr Stuart Barwood, Cr Murray Cox, Cr Emily Bradbury, Cr Matt Murphy

**IN ATTENDANCE:** Angela Oosthuizen (Chief Executive), David Adamson (Acting General Manager Operations), Paul Numan (General Manager Corporate), Alexis Gray (General Manager People and Culture), Aaron Hakkaart (Planning and Regulatory Manager), Fiona McQuade (Property and Commercial Manager), Arlene Goss (Governance Advisor), Chris Clarke (Communications Advisor), Sandy Hogg (Finance Manager), Joni Johnson (Engineering Manager), Keiller Macduff (Timaru Herald)

**1 OPENING**

The Mayor declared the meeting open and Cr Munro gave a karakia.

**2 APOLOGIES**

There were no apologies.

**3 VISITORS**

**10.00am:** District Plan consultants Louise Taylor and Clare Lenihan joined the meeting to discuss the district plan review. Item 6.2 in the agenda.

**10.30am:** Lydia Stoddart from ChristchurchNZ joined the meeting to discuss the ChristchurchNZ report. Item 6.3 in the agenda.

**11.15am:** Members of the Fairlie Memorial Wall Working Group joined the meeting to request council support for the memorial wall. Item 6.6 in the agenda.

**4 DECLARATIONS OF INTEREST**

There were no declarations of interest.

**5 BEREAVEMENTS**

The Mayor noted the bereavement of Glenys White of Albury, wife of Jim. She died on February 28.

**6 MAYOR'S REPORT**

**6.1 MAYORAL ACTIVITIES REPORT**

The Mayor noted that things had been busy with a high workload for staff, who were dealing with local government reform as well as more capital projects.

He sits on a mayoral group for economic reform and listed some of the larger economic projects planned in the South Canterbury region.

Cr Munro noted that the difficulties faced in Mackenzie, related to reforms, rates inflation and workload, were the same issues faced by all councils.

The Mayor said it had been great to work with New Zealand Rowing to ensure the rowing event went ahead at Lake Ruataniwha.

He has also met with the Mayors of Timaru, Waimate and Waitaki to discuss issues around Covid. The chief executives had been asked to work together to bring more shared services.

## **7 REPORTS**

### **7.1 CHIEF EXECUTIVE'S REPORT**

The chief executive took the report as read and noted the highlights. Questions from councillors included the following matters:

- Are the public being informed of the outcome of their service requests? The chief executive said she would work with the customer services manager to ensure requests are being closed out properly.
- Recruitment includes another executive assistant. This was to allow proactive forward planning of council meetings and workshops, and also to allow backup for current administrative staff.
- Are there plenty of people applying for roles? This would depend on the role. Council was getting a lot of overseas applicants who were not eligible to work in New Zealand.
- How would public consultation on Te Manahuna Ki Uta/Destination Mackenzie be carried out in a Covid environment? A plan was being drawn up and would include a mixed approach.
- Public demand has increased in the community facilities area.

#### **RESOLUTION 2022/16**

Moved: Cr Anne Munro

Seconded: Cr Stuart Barwood

The report be received.

**CARRIED**

### **7.2 DISTRICT PLAN REVIEW APPROACH AND INDICATIVE WORK PROGRAMME**

The purpose of this report was to seek amendments to previous Planning and Regulatory Committee resolutions as they relate to the District Plan Review. Council was also asked to amend a resolution as it pertained to the forming of a Steering Group to assist with the District Plan Review. District Plan consultants Louise Taylor and Clare Lenihan joined the meeting for this item.

**RESOLUTION 2022/17**

Moved: Cr Emily Bradbury

Seconded: Deputy Mayor James Leslie

That the report be received.

**CARRIED**

**RESOLUTION 2022/18**

Moved: Deputy Mayor James Leslie

Seconded: Cr Emily Bradbury

2. That Council amends resolution 2 from the item "1. District Plan Review" of its meeting of 30 October 2012 as follows:
  2. *That the Committee agrees to commence a ~~partial~~ review of the District Plan under section 73 and 79 of the RMA.*
3. That Council amends resolution 3 from the item "6.3 District Plan Review" of its meeting of 3 October 2017, as follows:
  3. *That the Committee confirm that the District Plan Review ~~is to~~ covers all provisions (noting other than those that are subject to Plan Changes 18 and 19 have already been notified) ~~13~~*
  4. *That the review of the relevant District Plan provisions is undertaken as a staged process through two or more First Schedule processes*
  5. ~~*That no Council led plan changes be progressed prior to the Proposed District Plan being notified*~~
4. That Council receives the Mackenzie District Plan Review, proposed work programme and acknowledge this as a working document that is able to be adjusted when required to reflect circumstances currently unknown.

**CARRIED**

**RESOLUTION 2022/19**

Moved: Cr Stuart Barwood

Seconded: Cr Murray Cox

5. That Council amends resolution 2021/26 of its meeting of 6 March 2021, as follows:
  2. *Council establish a Steering Group, ~~as outlined within this report,~~ to provide direction to the District Plan Review ~~and 3 Waters Reform Projects,~~ and further that,*
  3. *Council appoints the Mayor, Cr Leslie and Cr Munro to the Steering Group.*

6. That Council adopts the proposed 'Terms of Reference' for the Steering Group.

7. That Council notes that detailed engagement will occur, with this to be designed around each stage of the review; and that a specific branding for the District Plan has been proposed and will be used for all material released by Council as part of the District Plan Review Project

**CARRIED**

#### **RESOLUTION 2022/20**

Moved: Mayor Graham Smith

Seconded: Cr Murray Cox

That Council delegates to the chair of the planning committee and the chief executive the ability to appoint representation from runanga and the independent member.

**CARRIED**

### **7.3 QUARTERLY REPORT FROM CHRISTCHURCHNZ.**

Lydia Stoddart joined the meeting and updated the council on tourism activity within the wider region and Mackenzie district.

#### **RESOLUTION 2022/21**

Moved: Cr Anne Munro

Seconded: Cr Matt Murphy

That the report be received.

**CARRIED**

### **7.4 COUNCIL MONTHLY FINANCIAL REPORT - DECEMBER 2021**

Finance manager Sandy Hogg took the report as read. Discussion included the following matters:

- A lot of subsidies and grants have not come in from central government yet, particularly in roading.
- Payment has just been received from the harvesting of trees.
- There would be a delay with work on the Fairlie council building.
- The chief executive said staff were working on providing more regular financial reports, and she would also like to see a projection to identify what would be carried forward into the next financial year.
- Crown infrastructure funding would be extended to June.
- The land for the new Fairlie water treatment plant has been sorted. Everything is agreed to, surveyed, and there is agreement on price. This matter will be workshopped with councillors.
- Council has not spent any borrowed money but this is ready to go if needed. Need to lock in some low interest rates before they start rising.

- Consultant spend is high because of problems around the LTP. Actively working to make sure council is less reliant on consultants. This is being reflected in our next annual plan.

**RESOLUTION 2022/22**

Moved: Cr Stuart Barwood

Seconded: Cr Matt Murphy

That the monthly financial report for December 2021, for Mackenzie District Council be received.

**CARRIED**

**7.5 QUARTERLY PORTFOLIO REPORT - BANCORP TREASURY SERVICES**

Investments were fairly static at present. Council has taken out two term deposits in January and the interest rates were starting to go up. The chief executive noted that Bancorp would be helpful when Council borrowed money in the near future.

Paul Numan said Bancorp had been asked to turn the council into a guaranteeing member of LGFA. Mr Numan was asked to bring a report to council on this. The chief executive believed public consultation would be needed to make this change.

**RESOLUTION 2022/23**

Moved: Cr Murray Cox

Seconded: Cr Emily Bradbury

1. That the report be received.

**CARRIED**

The meeting adjourned for a short break and reconvened at 10.10am.

**7.6 MEMORIAL WALL FOR FAIRLIE CEMETARY**

The Mayor welcomed the members of the Memorial Wall Working Group to the meeting.

Acting General Manager Operations David Adamson noted that the plan presented to Council was different to the plan that was approved in principal by the community board. He asked that the matter be referred back to the community board to advance it further.

He noted that the site proposed in the agenda was within the RSA circle, so consultation with the RSA would be required before approving the site.

Francie Edge asked if there were any questions. The Mayor asked why the wall had to be so high. She said they had not considered the height and everything was subject to change. C

Cr Munro said she liked the use of macrocarpa in the design and asked if the wood was coming from the local district. The working group said they were open to that. The design was conceptual at this stage and these details were not finalised. They recognised that more detailed design work would be required.



Cr Cox asked if the working group were happy with the relocation of the wall, and would that location allow for an extension of the wall if required. The working group said the location was never decided and this was their first preferred site. The current design allowed for 70 plaques.

Cr Barwood supported the project and asked where the money from the sale of plaques would go. The working group said they had not thought about this but believed the funds would go back to the community.

The Mayor noted the council would pick up the cost of the maintenance of the wall.

Cr Cox asked if this money could come from unspent capital funding allocated to cemeteries. Finance manager Sandy Hogg said this was possible.

David Adamson asked that the community facilities manager be consulted before money was committed.

The council agreed to approve the plan and location in principal, noting that this would go back to the community board and further work was needed to determine the appropriate source of funding.

**RESOLUTION 2022/24**

Moved: Cr Anne Munro

Seconded: Cr Murray Cox

1. That Council receives the request from the Fairlie Memorial Wall Working Party.

**CARRIED****RESOLUTION 2022/25**

Moved: Cr Anne Munro

Seconded: Cr Stuart Barwood

2. That Council approves in principal the plan and location of the Memorial Wall in the Fairlie Cemetery as presented by the working party.

**CARRIED****7.7 NEW COMMERCIAL RESIDUAL WASTE FEE**

This report proposed a new fee for residual waste from commercial waste operators at the Twizel Resource Recovery Park.

Solid waste manager Angie Taylor said the introduction of green bins was on track and this service would begin on Monday, March 23. A green bin would be provided to every property that currently had bins.

The new fee covered the costs of disposal, transport, waste levy and management fee at the recovery park. Timaru District Council would bill Council for this fee and it would be on-charged to the contractor. Council was still using Envirowaste as contractor.

**STAFF RECOMMENDATIONS**

1. That the report on a new commercial residual waste fee be received.

**RESOLUTION 2022/26**

Moved: Cr Stuart Barwood

Seconded: Cr Anne Munro

2. That a new commercial residual waste fee of \$262.24 ex GST is added to the fees and charges for solid waste effective from 21st March, 2022.

**CARRIED****8 COMMUNITY BOARD RECOMMENDATIONS****8.1 MINUTES OF TWIZEL COMMUNITY BOARD MEETING - 31 JANUARY 2022****RESOLUTION 2022/27**

Moved: Cr Emily Bradbury

Seconded: Cr Matt Murphy

1. That the Minutes of the Twizel Community Board Meeting held on Monday 31 January 2022 be received.
2. That Council notes the following resolutions passed by the Twizel Community Board:
  - That a grant of \$500 be approved in response to the application from the Twizel Wood Gatherers towards the cost of equipment hire.
  - That the Draft Ohau Road Reserve Development Plan (attached to the agenda) be approved for release for community feedback.

**CARRIED****8.2 MINUTES OF TEKAPO COMMUNITY BOARD MEETING - 2 FEBRUARY 2022****RESOLUTION 2022/28**

Moved: Cr Emily Bradbury

Seconded: Cr Matt Murphy

1. That the Minutes of the Tekapo Community Board Meeting held on Wednesday 2 February 2022 be received.
2. That Council notes the following resolutions passed by the Tekapo Community Board:
  - That the Urban Effects hoop bike stands design with A2O logo insert be approved.
  - That bike stands purchase and installation be funded from the Township Projects budget with an estimated cost of \$20,000. To be in stainless steel finish.
  - That the offer of the donation of the Sculpture "Spacesaver" be gratefully accepted, to be located on the Lakefront Reserve. The final location to be confirmed by the Board Chair and the Community Services Manager.

**CARRIED****8.3 MINUTES OF FAIRLIE COMMUNITY BOARD MEETING - 3 FEBRUARY 2022****RESOLUTION 2022/29**

Moved: Cr Emily Bradbury

Seconded: Cr Matt Murphy

1. That the Minutes of the Fairlie Community Board Meeting held on Thursday 3 February 2022 be received.
2. That Council notes the following resolutions passed by the Fairlie Community Board:
  - That the Fairlie Community Board elects Damon Smith to fill the vacancy of chairperson that was created by the passing of Les Blacklock.
  - That the Fairlie Community Board elects Angela Habraken as deputy chairperson.
  - That a grant of \$538 be declined in response to the application from the Fairlie Bowling Club towards the cost of building consent fees.
  - That a grant of \$250 be approved in response to the application from the Mackenzie Amateur Swim Club towards the cost of repairing the club's dive boards.
  - That the removal of the mature Douglas Fir Trees on the southern boundary of McLean Park be approved

**CARRIED****9 CONFIRM COUNCIL MINUTES****9.1 MINUTES OF COUNCIL MEETING - 8 FEBRUARY 2022****RESOLUTION 2022/30**

Moved: Mayor Graham Smith

Seconded: Cr Anne Munro

That the Minutes of the Council Meeting held on Tuesday 8 February 2022 be received and confirmed as an accurate record of the meeting.

**CARRIED****9.2 MINUTES OF ENGINEERING AND SERVICES COMMITTEE MEETING - 15 FEBRUARY 2022****RESOLUTION 2022/31**

Moved: Mayor Graham Smith

Seconded: Cr Anne Munro

1. That the Minutes of the Engineering and Services Committee Meeting held on Tuesday 15 February 2022 be received and the recommendations therein be adopted.

**CARRIED**

### **9.3 MINUTES OF COMMERCIAL AND ECONOMIC DEVELOPMENT COMMITTEE MEETING - 15 FEBRUARY 2022**

#### **RESOLUTION 2022/32**

Moved: Mayor Graham Smith

Seconded: Cr Anne Munro

1. That the Minutes of the Commercial and Economic Development Committee Meeting held on Tuesday 15 February 2022 be received and the recommendations therein be adopted.

**CARRIED**

### **9.4 MINUTES OF PLANNING AND REGULATIONS COMMITTEE MEETING - 15 FEBRUARY 2022**

#### **RESOLUTION 2022/33**

Moved: Mayor Graham Smith

Seconded: Cr Anne Munro

1. That the Minutes of the Planning and Regulations Committee Meeting held on Tuesday 15 February 2022 be received and the recommendations therein be adopted.

**CARRIED**

### **9.5 MINUTES OF AUDIT AND RISK COMMITTEE MEETING - 14 DECEMBER 2021**

#### **RESOLUTION 2022/34**

Moved: Mayor Graham Smith

Seconded: Cr Anne Munro

1. That the Minutes of the Audit and Risk Committee Meeting held on Tuesday 14 December 2021 be received and the recommendations therein be adopted.

**CARRIED**

## **10 PUBLIC EXCLUDED MINUTES**

**10.1 MINUTES OF PUBLIC EXCLUDED COUNCIL MEETING - 8 FEBRUARY 2022****RESOLUTION 2022/35**

Moved: Cr Anne Munro

Seconded: Cr Murray Cox

That the Public Excluded Minutes of the Extraordinary Council Meeting held on Tuesday 8 February 2022 be received and confirmed as an accurate record of the meeting.

**CARRIED**

**10.2 MINUTES OF PUBLIC EXCLUDED COMMERCIAL AND ECONOMIC DEVELOPMENT COMMITTEE MEETING - 15 FEBRUARY 2022****RESOLUTION 2022/36**

Moved: Cr Anne Munro

Seconded: Cr Murray Cox

1. That the Minutes of the Public Excluded Commercial and Economic Development Committee Meeting held on Tuesday 15 February 2022 be received and the recommendations therein be adopted.

**CARRIED**

**10.3 MINUTES OF PUBLIC EXCLUDED PLANNING AND REGULATIONS COMMITTEE MEETING - 15 FEBRUARY 2022****RESOLUTION 2022/37**

Moved: Cr Anne Munro

Seconded: Cr Murray Cox

1. That the Minutes of the Public Excluded Planning and Regulations Committee Meeting held on Tuesday 15 February 2022 be received and the recommendations therein be adopted.

**CARRIED**

**10.4 MINUTES OF PUBLIC EXCLUDED AUDIT AND RISK COMMITTEE MEETING - 14 DECEMBER 2021****RESOLUTION 2022/38**

Moved: Cr Anne Munro

Seconded: Cr Murray Cox

1. That the Minutes of the Public Excluded Audit and Risk Committee Meeting held on Tuesday 14 December 2021 be received and the recommendations therein be adopted.

**CARRIED**

The Meeting closed at [enter time](#).

The minutes of this meeting were confirmed at the Ordinary Council Meeting held on 12 April 2022.

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**CHAIRPERSON**