



Notice is hereby given that an Ordinary Meeting of Southland District Council will be held on:

**Date:** **Wednesday, 21 June 2017**  
**Time:** **1pm**  
**Meeting Room:** **Council Chambers**  
**Venue:** **15 Forth Street**  
**Invercargill**

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## **Council Agenda**

**OPEN**

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### **MEMBERSHIP**

<b>Mayor</b>	Mayor Gary Tong
<b>Deputy Mayor</b>	Paul Duffy
<b>Councillors</b>	Stuart Baird Brian Dillon John Douglas Bruce Ford Darren Frazer George Harpur Julie Keast Ebel Kremer Gavin Macpherson Neil Paterson Nick Perham

### **IN ATTENDANCE**

<b>Chief Executive</b>	Steve Ruru
<b>Committee Advisor</b>	Fiona Dunlop

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**Full agendas are available on Council's Website**  
**[www.southlanddc.govt.nz](http://www.southlanddc.govt.nz)**

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**Note:** The reports contained within this agenda are for consideration and should not be construed as Council policy unless and until adopted. Should Members require further information relating to any reports, please contact the relevant manager, Chairperson or Deputy Chairperson.



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**1 Apologies**

At the close of the agenda no apologies had been received.

**2 Leave of absence**

At the close of the agenda the following requests for Leave of Absence were received:

Councillors Duffy, Keast and Kremer

**3 Conflict of Interest**

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

**4 Public Forum**

Notification to speak is required by 5pm at least two days before the meeting. Further information is available on [www.southlanddc.govt.nz](http://www.southlanddc.govt.nz) or phoning 0800 732 732.

**5 Extraordinary/Urgent Items**

To consider, and if thought fit, to pass a resolution to permit the Council to consider any further items which do not appear on the Agenda of this meeting and/or the meeting to be held with the public excluded.

Such resolution is required to be made pursuant to Section 46A(7) of the Local Government Official Information and Meetings Act 1987, and the Chairperson must advise:

- (i) The reason why the item was not on the Agenda, and
- (ii) The reason why the discussion of this item cannot be delayed until a subsequent meeting.

Section 46A(7A) of the Local Government Official Information and Meetings Act 1987 (as amended) states:

“Where an item is not on the agenda for a meeting,-

- (a) that item may be discussed at that meeting if-
  - (i) that item is a minor matter relating to the general business of the local authority; and
  - (ii) the presiding member explains at the beginning of the meeting, at a time when it is open to the public, that the item will be discussed at the meeting; but
- (b) no resolution, decision or recommendation may be made in respect of that item except to refer that item to a subsequent meeting of the local authority for further discussion.”

**6 Confirmation of Council Minutes**

- 6.1 Meeting minutes of Council, 6 April 2017 and 7 June 2017



# **Significance and Engagement Policy**

**Record No:** R/17/5/11419

**Author:** Robyn Rout, Policy Analyst

**Approved by:** Rex Capil, Group Manager Community and Futures

Decision

Recommendation

Information

## **Purpose**

- 1 This report presents the draft Significance and Engagement Policy (the “Policy”) to Council for adoption.

## **Executive Summary**

- 2 On the 17<sup>th</sup> of May 2017 the Community and Policy Committee endorsed the draft Policy after it had been released for consultation. The Committee also recommended to Council that the draft Policy be adopted.
- 3 This Policy provides clarity on how Council will:
  - determine the significance of particular issues, proposals, decisions or matters; and
  - identify community views; and
  - engage with the community.
- 4 The draft Policy is included as an attachment to this report.

## **Recommendation**

### **That the Council:**

- a) **Receives the report titled “Significance and Engagement Policy” dated 26 May 2017.**
- b) **Adopts the Significance and Engagement Policy.**

## **Attachments**

- A Draft Significance and Engagement Policy [!\[\]\(8134b5476de36b4fd1f82e8a3cb19300\_img.jpg\)](#)

## SOUTHLAND DISTRICT COUNCIL SIGNIFICANCE AND ENGAGEMENT POLICY

This policy applies to: Council, Elected members, Council staff and the general public

### DOCUMENT CONTROL

Policy owner: Chief Executive	TRIM reference number: r/16/11/19694	Effective date: To be confirmed
Approved by: Council	Date approved: To be confirmed	Next review date: 2020

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## SIGNIFICANCE AND ENGAGEMENT POLICY

Southland District Council has developed the Significance and Engagement Policy (the Policy) to determine the significance of issues within the District, and how to align our engagement with the public based on the degree of significance of the issue. The Policy aligns with provisions the Local Government Act (2002) (the Act).

### 1 PURPOSE

1.1 The purpose of this policy is:

- to enable the local authority and its communities to identify the degree of significance attached to particular issues, proposals, decisions or matters; and
- to provide clarity about how and when communities can expect to be engaged in decisions about different issues, proposals, decisions or matters; and
- to inform Council, from the beginning of a decision-making process about
  - the extent of any public engagement that is expected before a particular decision is made; and
  - the form or type of engagement required.

1.2 This policy will also guide staff on:

- the extent that options are identified and assessed; and
- the degree benefits and costs are quantified; and
- the extent and detail of information considered; and
- the extent and nature of any written record kept on legal compliance; and
- on the extent Council must consider the views and preferences of people likely to be affected by, or to have an interest in a matter;

as these decisions should be undertaken in proportion to significance of the matter.

### 2 THE GENERAL APPROACH

The Council will follow a three-step process to inform decision-making:

**Step 1 - Determine significance** - the Council will use particular factors to decide if a matter is of higher or lower significance. This part of the policy also gives guidance on what to do if a matter is of high significance.

**Step 2 - Identify community views** - the Council will determine what it knows about community views and identify if there is a need for more information.

**Step 3 - Deciding on an approach to community engagement** - the level of significance and what the Council wants to know about community views will guide Council on an appropriate level of engagement, and how and when to engage. This part of the Policy provides clarity on how and when communities can expect to be engaged in different issues. It also identifies how Council will respond to community preferences about engagement.

### 3 STEP 1 - DETERMINING THE LEVEL OF SIGNIFICANCE

- 3.1 Significance is about measuring the degree of importance of an issue, proposal, decision, or matter. Council has to determine how people, services, facilities and infrastructure in the District will be affected. Significance is a continuum ranging from matters that have a low impact/risk and therefore low significance, right up to matters that have very high levels of impact/risk and significance.
- 3.2 During the development stages of an issue, proposal, decision or matter, significance should be considered as it will guide both the extent options should be developed, and the degree to which advantages and disadvantages are assessed. Significance should also be considered when determining the appropriate extent and type of community engagement.

#### **Factors to Assess Significance**

- 3.3 Council will take into account the following factors when determining the level of significance. These factors are of equal weighting. The greater the cumulative impact of the matter as assessed by these factors, the more significant the issue, proposal, decision or matter will be. Significance means the degree of importance of the matter as assessed by its likely impact on, and likely consequences for:
  - the current and future social, economic, environmental or cultural wellbeing of the district or region;
  - people who are likely to be particularly affected by or interested in, the issue, proposal decision or matter;
  - the capacity of Council to perform its role, and the financial and other costs of doing so;
  - the ownership or function of a strategic asset.
- 3.4 Council may also take into account knowledge it has previously gained about the community and its views on an issue to assess whether the matter has a high level of significance.
- 3.5 When determining the significance of a matter that could have a high level of significance, it is recommended that Council staff discuss the importance of the matter to Māori through Council's partnership with Te Ao Mārama Incorporated, or to take the matter to Te Roopu Taiao forum, which is a meeting of local councils and iwi.
- 3.6 Committees of Council and elected bodies can also be used to help assess the significance of a matter.

#### **Strategic Assets**

- 3.7 In respect to "strategic assets", a key consideration is whether an asset is essential to the continued delivery of an "outcome" that Council considers important for the well-being of the community. Decisions to transfer ownership or control of a strategic asset to or from Council cannot be made unless they are first included in the Long Term Plan.
- 3.8 For the purpose of section 76AA(3) of the Act, Council considers the following assets, or a network of assets, to be strategic assets:
  - Roading/bridge network as a whole.
  - Individual water treatment plants and reticulation networks.

- Individual township sewerage treatment plants and reticulation networks.
- Individual township stormwater reticulation networks.
- Portfolio of District Reserves (Parks/Reserves).
- Stewart Island Electricity Supply Authority.
- Te Anau Airport at Manapouri.
- Community housing as a whole.

***What to do if a matter is significant***

- 3.9 If a matter is considered to be significant, reports will include a statement indicating why this conclusion was reached. The statement will include an explanation of which factors indicate the decision is significant, the potential implications of the decision, the range of community views that might exist, and whether there is a need for a further degree of community engagement before a final decision is made.
- 3.10 Where the proposal or decision is considered to be significant, the report will also include a statement addressing the appropriate observance of Sections 77, 78, 79, 80, 81, 82 and 82A of the Act as applicable, together with the corresponding degree of community engagement considered.

#### **4 STEP 2 - IDENTIFY COMMUNITY VIEWS**

- 4.1 Step 2 involves Council identifying what it already knows about the community views on a matter, and identifying if there is a need to get more information about community views. Community views are the views and preferences of people likely to be affected by, or to have an interest in, the matter. Determining how Council will identify community views may lead to community engagement. The process of how Council will decide if it needs to seek more information to understand the views in the community is outlined in Appendix 1. In general, Council will take steps to identify community views in the circumstances described below.

***When Council will identify community views***

***When it is required by legislation***

- 4.2 The Council will consider community views when it has a legislative requirement to do so (as set out by the Local Government Act 2002, Resource Management Act 1991, Reserves Act 1977, and Land Transport Management Act 2003). Examples of when Council will identify community views include the adoption and amendment/s to both the Long Term Plan and a bylaw, transfer of ownership of a significant strategic asset, and changes to financial policies. Council may identify community views more broadly than what is legally required.

***When it relates to a significant matter***

- 4.3 Subject to consideration of factors in paragraph 3.3 of this Policy, the Council will identify community views whenever a 'significant decision' needs to be made. A significant decision is one which has been identified as such under this Policy. Note: a 'significant' decision will not automatically trigger consultation or application of the Special Consultative Procedure (SCP). An outline of what Council must do when it is required to use or adopt the special consultative procedure is outlined in Appendix 4. Further information on the SCP is in sections 86, 87, and 93A of the LGA 2002.

***For some matters that are not considered significant***

- 4.4 In general, where a matter is not considered significant under this Policy, the Council is unlikely to seek additional information on community views. However, in some situations where Council staff deem community involvement or notification is appropriate, informal feedback or notification processes may be followed.

**When Council may not seek additional information on community views**

- 4.5 Information is always necessary for the decision making process. However, there are times when it is not necessary, appropriate or possible to seek additional information on community views. If this is the case, Council will make this determination in accordance with the criteria below and notwithstanding any legislative requirements. The Council will not identify community views when:
- The matter is not of a nature or significance that requires consultation (LGA 2002, s82(4)(c))
  - The Council already has a sound understanding of the views and preferences of the persons likely to be affected by or interested in the matter (s82(4)(b) LGA 2002);
  - There is a need for confidentiality or commercial sensitivity (s82(4)(d) LGA 2002);
  - The costs of consultation outweigh the benefits of it (s82(4)(e) LGA 2002);
  - Engagement will not be beneficial as it will not influence the decision (for example if there is only one or very limited viable options available, there may be no benefit in engaging with the community);
  - The matter has already been addressed by the Council's policies or plans, which have previously been consulted on;
  - An immediate or quick response or decision is needed or it is not reasonably practicable to engage;
  - Works are required unexpectedly or following further investigations on projects, already approved by the Council;
  - Business as usual - the works required are related to the operation and maintenance of a Council asset and responsible management requires the works to take place;
  - When Council has consulted on the unchanged issue in the last 24 months.
- 4.6 Where the above listed circumstances apply and community feedback is not sought, the Council is still required to give consideration to the views and preferences of persons likely to be affected by, or to have an interest in, the matter (LGA 2002 section 78 (1)). The LGA 2002 requires that this consideration be in proportion to the significance of the matters affected by the decision (section 79 (1)).

**5 STEP 3 - DECIDING ON AN APPROACH TO COMMUNITY ENGAGEMENT**

- 5.1 Once Council has determined the significance of a matter and has determined it needs more information on the range of views held, Council will consider how and when it should engage with the community. Depending on the matter being considered and the stakeholders involved, the preferred method(s) or combination of

engagement tools will be identified and applied to meet the goals of the specific engagement.

- 5.2 Council will respond to community preferences about engagement, including the form of consultation that may be desirable, by informing and seeking guidance from Councillors. Council will also use engagement methods that have proven over time to be effective at informing the public and generating responses.
- 5.3 There is a variety of ways in which the Council engages with the community. In this policy, the types of engagement described relate specifically to Council, Community Board and delegated decision-making. The types of engagement described are given as a guide, and Council is not limited to or by the stated methods of engagement.
- 5.4 The significance of the issue, proposal or decision will influence the extent Council explores and evaluates options and obtains the views of affected and interested parties.
- 5.5 Council will apply the principles of s82 of the Act when determining engagement. Council will select the engagement method that it considers most appropriate in the circumstance.

#### **Factors to Consider**

##### ***Southland District Council's strong community focus***

- 5.6 The Southland community is at the heart of Council's purpose, vision and mission; therefore, engagement will reflect the need for community input into Council decision-making.
- 5.7 The Council is also keen to build on existing relationships and networks with individuals and communities, and look to extend the range of parties involved in the community engagement as appropriate. The Council will work to ensure the community is sufficiently informed to understand the issue(s) or proposal, options and impacts and has time to respond, so they are able to participate in engagement processes with confidence.

##### ***Legislative Considerations***

- 5.8 When Council makes decisions, often legislation will prescribe the consultation and decision-making procedures required. This includes the procedures to be used for public notification, considering submissions and making decisions. Section 82(5) of the LGA 2002 says that where specific consultation is required under the LGA, or any other enactment, and if inconsistent with any s82 principle – the other provisions will prevail (to the extent of the inconsistency). Those other Acts include, among others, the Reserves Act 1977, the Biosecurity Act 1993, Land Transport Act 1998 and the Resource Management Act 1991.
- 5.9 There are a number of decisions that can only be made if they are explicitly provided for in the Council's LTP as set out by the LGA 2002 Amendment Act 2014. These are:
  - to alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, including a decision to commence or cease any such activity;
  - to transfer the ownership or control of a strategic asset to or from the Council.

- 5.10 In addition, Council is required at times to use a Special Consultative Procedure (SCP), as set out in section 83 of the LGA. The SCP is a prescribed process for consultation set out in the LGA. In brief, the SCP requires Council to issue and widely distribute a proposal, which is open for consultation for at least a month, and the community can provide its views. The SCP may also be used for any other decision Council wishes to consult on, and generally this will be when a matter is of high significance. The requirement or use of the SCP does not preclude the need to engage with affected communities. The use of the SCP is predominantly a reflection of the significance of an issue, which in turn identifies the need for appropriate community engagement. Schedule 2 outlines when an SCP is required, and what is required under Section 83.

#### ***Remaining flexible***

- 5.11 It is important that Council does not use a homogenous approach, and that engagement tools are appropriate to the location, significance of the issue, and community affected. Differing levels and forms of engagement may be required during the varying phases of consideration and decision-making on an issue or proposal, and for different community groups or stakeholders. The Council will review the appropriateness and effectiveness of the engagement strategy and methods as the process proceeds. There may be occasions in which the Council chooses to carry out engagement at a level higher than that indicated by the significance of the decision as part of its commitment to promote participatory democracy.
- 5.12 Council will also be open to new and developing methods of engagement through the use of technology and innovation.

#### ***The role of Elected Members***

- 5.13 This policy recognises the role of elected representatives, both Councillors and Community Board members, as valued and recognised conduits to the communities they represent. Council, when engaging with affected or interested communities, will recognise the relationship elected members have with the location, specific communities and individuals affected by consultation or engagement initiatives. Participation of elected representatives is an essential step to consider, in light of broader community good, when initiating any project requiring engagement.

#### ***Engagement with Iwi/Māori***

- 5.14 A strategic focus for Council is maintaining and enhancing our partnership with Maori. Council has a strong partnership with Te Ao Mārama Incorporated, and encourages openly engaging with iwi/Maori through this channel or through the Te Roopu Taiao forum.

#### ***The Level of Engagement***

- 5.15 Using the International Association of Public Participation engagement spectrum as a basis<sup>1</sup>, the method(s) of engagement adopted by the Council before it makes a decision may depend on whether or not:
- The matter is of low or no significance (eg, technical and/or minor amendments to a bylaw or Council policy) and there may be a very small group of people affected by or with an interest in the decision. Council is unlikely to engage on these matters;

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<sup>1</sup> International Association of Public Participation [IAP2]. (2007). IAP2 Spectrum of Public Participation. Retrieved from [http://c.ymcdn.com/sites/www.iap2.org/resource/resmgr/imported/IAP2%20Spectrum\\_vertical.pdf](http://c.ymcdn.com/sites/www.iap2.org/resource/resmgr/imported/IAP2%20Spectrum_vertical.pdf) on 2 January 2017.

- The matter is significant only to a relatively small group of people or is of low impact to many. They should be informed about the problem, alternatives, opportunities and/or solutions and/or consulted so that any concerns, alternatives and aspirations they have are understood and considered;
- The matter is significant not only to a small group of people particularly affected but also to a wider community that may have an interest in the decision to be made. They may be informed, consulted and/or involved to seek public input and feedback on analysis, alternatives and/or decisions.
- For more significant matters the Council may elect to collaborate, or partner, with a community in any aspect of a decision including the development of alternatives and the identification of preferred solutions. This is more likely to occur where there is a distinct group of affected or particularly interested people.

5.16 Depending on the level of significance and the nature of the issue, proposal or decision being made, by using a range of engagement methods communities may be empowered to participate in the decision-making process.

### **How and when we will Engage**

- 5.17 Once the appropriate level of engagement has been assessed (in accordance with paragraphs 5.15 and 5.16 above), Council will then consider the range of engagement methods that are appropriate. This process support community participation through an Engagement Spectrum Approach.
- 5.18 Council will select the method it considers appropriate in the circumstance, taking into account a range of factors, such as who is affected or who is likely to have a view. Council will remain flexible in its approach to engagement, to ensure that the most appropriate methods are used.
- 5.19 Table 1 below outlines Southland District Council's engagement spectrum. The table gives guidance on how and when communities can expect to be engaged in particular matters, relative to their significance. The table also gives examples of what significance has been placed on particular matters in the past, and what types of community engagement has been used for those matters. The table is also a valuable tool for Council staff to inform on the extent of public engagement that might be expected on a matter before a decision is made, and the form or type of engagement that may be required and appropriate.

Low level of significance			High level of significance		
Level	Inform	Consult	Involve	Collaborate	Empower
What it involves	To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions.	To obtain public feedback on analysis, alternatives and/or decisions.	To work directly with the public throughout the process to ensure that public concerns and aspirations are consistently understood and considered.	To partner with the public in each aspect of the decision including the development of alternatives and the identification of the preferred solution.	To place final decision making is in the hands of the public.

Low level of significance		High level of significance			
Level	Inform	Consult	Involve	Collaborate	Empower
Types of matters we might use this type of engagement for	Minor change to how Council manages groups of activities  Upgrade of a reserve area	Long Term Plan and Annual Plan where there are significant changes from the content of the LTP for that financial year.  Policies such as the Easter Sunday Shop Trading Policy and the Unmanned Aerial Vehicle Policy.	Development of options for a policy change that is deemed significant e.g. moving from land to capital value for rating purposes.	Development options for a new large capital project which has a community focus and has a large number of options e.g. Te Anau Waste Water Project	Community halls
Examples of engagement tools Council might use	Council newsletter, Weekly/daily newspapers, Community newsletters, Electronic messages (eg, email, online newsletters, social media posts), Flyers, Website, Radio.	Submissions, Hearings, Feedback processes, Surveys, Open Days.	Local meetings, Social media, Targeting existing organisations within the community eg, service clubs.	Talking with communities, Key partnerships with existing community organisations, Hall committees.	Community Boards, Community Development Area Subcommittees.
When the community can expect to be involved	Council will generally advise the community when a decision is made.	Council will advise the community when a draft decision is made and generally provides the community with up to four (4) weeks to participate and respond.	Council will generally provide the community with a greater lead-in time to allow them time to be involved in the process.	Council will generally involve the community at the start to scope the issue, again after information has been collected and again when options are being considered.	Council will generally involve the community at the start to scope the issue

Table 1: Southland District Council's Engagement Spectrum Approach

## 6 ROLES AND RESPONSIBILITIES

Party/Parties	Roles and Responsibilities
Communications Manager, Management Team	Ensure that engagement with the community meets the degree of significance determined by Council
Council	<ul style="list-style-type: none"><li>• Determine degree of significance of an issue</li><li>• Determine whether or not to engage</li><li>• Link level of significance to appropriate levels of engagement</li><li>• Use determined level of significance to decide how much time, money and effort the Council will invest in exploring and evaluating options and obtaining the views of affected and interested parties.</li></ul>

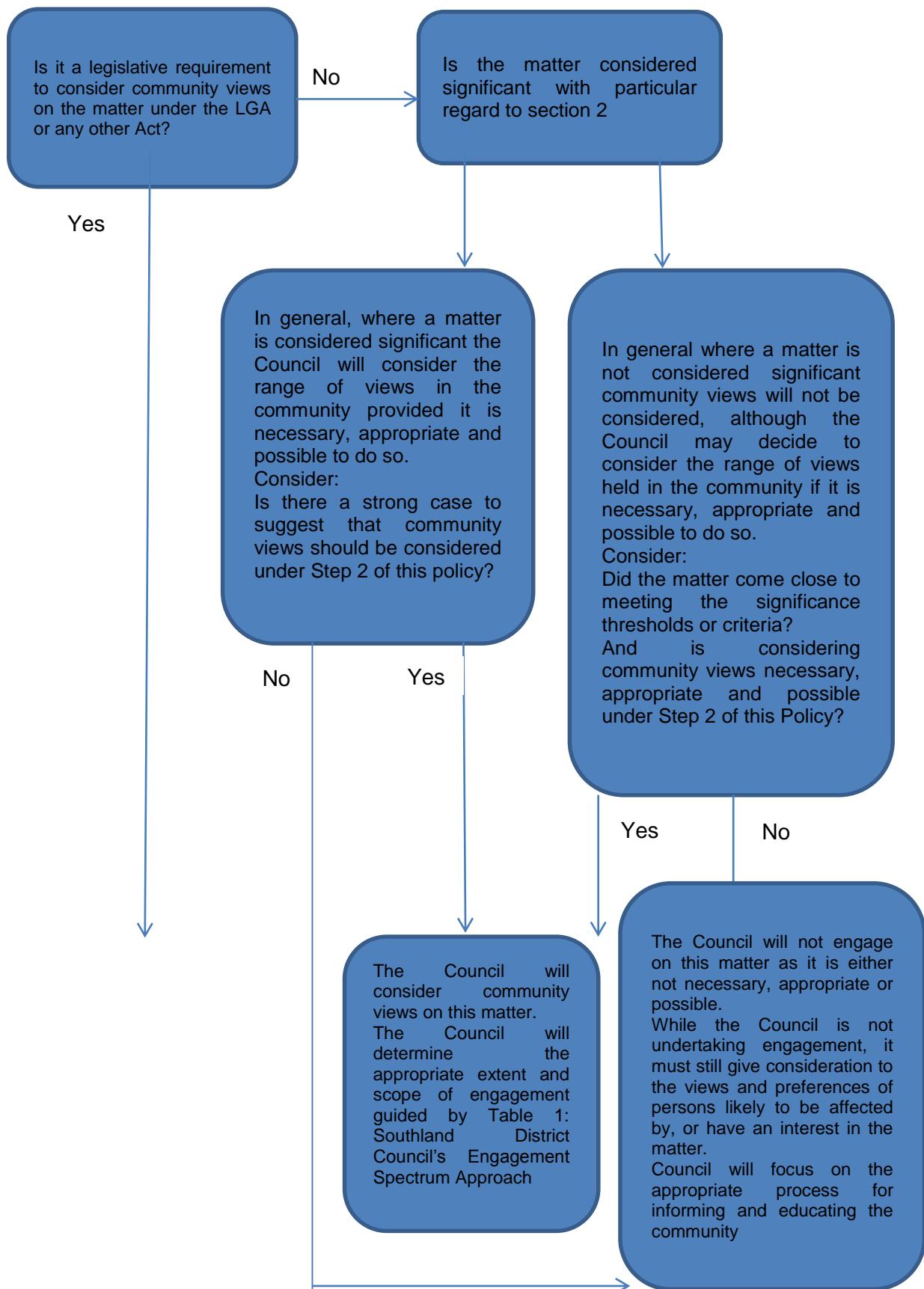
## 7 ASSOCIATED DOCUMENTS

Local Government Act (2002).  
Southland District Council Engagement Strategy

## 8 REVISION RECORD

The Policy will be reviewed at each triennial, aligned with Council elections.

Date	Version	Revision Description
28 January 1999	N/A	Consultation Policy
27 November 2003	R/03/7/6677	Consultation Policy
26 June 2003	R/09/9/13601	Significance Policy
28 June 2006	R/12/1/808	Significance Policy
29 October 2014	R/14/8/11821	Significance and Engagement Strategy
2017	R/16/11/19694	Significance and Engagement Strategy

**9 APPENDICES****APPENDIX 1: SIGNIFICANCE AND ENGAGEMENT FLOWCHART**

## APPENDIX 2: SPECIAL CONSULTATIVE PROCEDURE

The Local Government Act 2002 requires Council to use the Special Consultative Procedure for:

- adoption of or amendment to the LTP (including significant amendments to the Revenue and Financing Policy)
- revocation, adoption or amendment to a bylaw
- transfer of ownership of a significant strategic asset

It is important to note that formal consultation by a special consultative procedure is a structured process outlined in legislation and supported by case-law. This type of consultation still applies in some decision making processes. In other engagement processes, however, there are no explicit statutory or legal rules constraining or defining community engagement processes. The Local Government Act 2002 has given local authorities the ability to determine this as appropriate for their communities.

At the time of writing this policy there are a number of other acts that require use of the Special Consultative Procedure, including but not limited to:

- Sale and Supply of Liquor Act 2012,
- Local Government Act 1974,
- Building Act 2004,
- Local Government (Rating) Act 2002,
- Psychoactive Substances Act 2013,
- Dog Control Act 1996,
- Waste Minimisation Act 2008,
- Freedom Camping Act 2011,
- Land Transport Management Act 2003
- Biosecurity Act 1993
- Civil Defence Emergency Management Act 2001
- Maritime Transport Act 1994.

Section 83 of the LGA states the requirements of the SCP. This section is included below.

### 83 Special Consultative Procedure

- 1 Where this Act or any other enactment requires a local authority to use or adopt the special consultative procedure, that local authority must -
  - (a) prepare and adopt -
    - (i) a statement of proposal; and
    - (ii) if the local authority considers on reasonable grounds that it is necessary to enable public understanding of the proposal, a summary of the information contained in the statement of proposal (which summary must comply with section 83AA of the Act; and
  - (b) ensure that the following is publicly available:
    - (i) the statement of proposal; and

- Item 7.1 Attachment A
- (ii) a description of how the local authority will provide persons interested in the proposal with an opportunity to present their views to the local authority in accordance with section 82(1)(d) of the Act; and
  - (iii) a statement of the period within which views on the proposal may be provided to the local authority (the period being not less than 1 month from the date the statement is issued); and
  - (c) make the summary of the information contained in the statement of proposal prepared in accordance with paragraph (a)(ii) of the Act (or the statement of proposal, if a summary is not prepared) as widely available as reasonably practicable as a basis for consultation; and
  - (d) provide an opportunity for persons to present their views to the local authority in a manner that enables spoken English, Māori, and/or New Zealand sign language interaction between the person and the local authority, or any representatives to whom an appropriate delegation has been made in accordance with Schedule 7 of the Act; and
  - (e) ensure that any person who wishes to present his or her views to the local authority or its representatives as described in paragraph (d)
    - (i) is given a reasonable opportunity to do so; and
    - (ii) is informed about how and when he or she may take up that opportunity.
2. For the purpose of, but without limiting, subsection (1)(d), a local authority may allow any person to present his or her views to the local authority by way of audio link or audio visual link.

# Risk management review project

Record No: R/17/6/12873

Author: Shannon Oliver, Planning and Reporting Analyst

Approved by: Rex Capil, Group Manager Community and Futures

Decision

Recommendation

Information

## Purpose

- 1 The purpose of this report is to provide a project scope and terms of reference for reviewing council's risk management practices to Council for approval. Included in the scope is the development of a risk management framework and a review of the current policy.

## Executive Summary

- 2 The Finance and Audit Committee recommended at the 7 June 2017 meeting that Council endorses the project scope and terms of reference for the risk management review project. Council's approach to risk management is still in the development phase and it is acknowledged further work is required. There have been a number of recent developments in this area that reflect business improvement opportunities
- 3 At a recent Society of Local Government Managers Risk Management Forum held in February 2017, best practice suggested that the risk management journey should be a three year planned process. In year one it is proposed to review the current risk policy and to develop a comprehensive framework
- 4 The proposed project scope is attached to this report along with the current Risk Management Policy.

## Recommendation

### That the Council:

- a) Receives the report titled "Risk management review project" dated 14 June 2017.
- b) Determines that this matter or decision be recognised as not significant in terms of Section 76 of the Local Government Act 2002.
- c) Determines that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with Section 79 of the Act determines that it does not require further information, further assessment of options or further analysis of costs and benefits or advantages and disadvantages prior to making a decision on this matter.
- d) Approve of the project scope and terms of reference for the risk management review project.

## Content

### Background

- 5 Council has currently a number of risk management practices including a risk register and quarterly reporting cycle. The risk register is reviewed by the Executive Leadership Team and a report is produced for the Finance and Audit Committee.

**Council  
21 June 2017**

- 
- 6 Council has a Risk Management Policy that was adopted in December 2014 but it is now overdue for review. This policy is attached for information purposes.
  - 7 Council does not operate within a clearly defined risk management framework currently.

**Issues**

- 8 The current policy needs to be reviewed.
- 9 A risk management framework needs to be developed.
- 10 The success of the framework will depend on the ability to embed risk management throughout the Council systems and procedure and processes.

**Factors to Consider****Legal and Statutory Requirements**

- 11 The Finance and Audit Committee has responsibility for:
  - “Reviewing whether Council has in place a current, comprehensive and effective risk management framework and associated procedures for effective identification and management of the Council’s significant risks;
  - “Considering whether appropriate action is being taken to mitigate Council’s significant risks.”
- 12 Section 10 of the Local Government Act 2002 defines the purpose of local government is to enable:
  - 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.

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.

- 13 In order to provide good quality services, appropriate risk management practices need to be in place.

**Community Views**

- 14 Community views have not been sought as this project relates to internal operational practices. There would be an expectation from the community that Council adopted a best practice approach as per the Finance and Audit committee terms of reference.

**Costs and Funding**

- 15 At this point in time no indication of the proposed budget is available. A project brief will be developed as a result of this project scope being endorsed by the Finance and Audit Committee which will include a project budget.

### **Policy Implications**

- 16 Any future changes to risk management need to comply with Council policies

### **Analysis**

#### **Options Considered**

#### **Analysis of Options**

##### **Option 1 – Support the Project Scope and Terms of Reference to allow the Risk Management Review Project to proceed**

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none"> <li>• Best practice principles are adhered to</li> <li>• Provides direction and endorsement of the approach to be actioned</li> </ul>	<ul style="list-style-type: none"> <li>• Require additional resource or reallocation of existing resource once detail is determined.</li> </ul>

##### **Option 2 – Not support the Project Scope and Terms of Reference and not allow the Risk Management Review Project to proceed**

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none"> <li>• Require additional resource or reallocation of existing resource once detail is determined.</li> </ul>	<ul style="list-style-type: none"> <li>• Best practice principles are not adhered to</li> <li>• Does not provide direction and endorsement of the approach to be actioned</li> </ul>

### **Assessment of Significance**

- 17 The report is not considered significant in relation to the Council's Significance and Engagement policy.

### **Recommended Option**

- 18 Option 1 – Support the project scope and Terms of reference to allow the risk management review project to proceed.

### **Next Steps**

- 19 Require officers to develop a project brief and project budget to allow the project to proceed to the next stage

### **Attachments**

A Risk Management Policy [↓](#)

B Risk Management Review Project - Project Scope and Terms of Reference [↓](#)

# SOUTHLAND DISTRICT COUNCIL RISK MANAGEMENT POLICY

This policy applies to: Council, Elected members and Council staff.

## DOCUMENT CONTROL

<b>Policy owner:</b> Chief Executive	<b>TRIM reference number:</b> r/14/9/14091	<b>Effective date:</b> 29 October 2014
<b>Approved by:</b> Activities Performance Audit Committee	<b>Date approved:</b> 29 October 2014	<b>Next review date:</b> November 2015

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## RISK MANAGEMENT POLICY

### 1. PURPOSE

The Southland District Council is a territorial authority and governed by the Local Government Act 2002. The Council is responsible to the people of the District.

Council has a wide-range of obligations such as legal, financial, regulatory, political, social and cultural obligations.

Council recognises the need to manage risks for all activities of Council. In today's ever-changing environment it is especially important to understand Council's risks in order to be proactive in mitigating our exposure to risks and consequences. Risk assessments result in better more informed decisions.

This policy exists to:

- Make risk management a reality of how we do things,
- Integrate best practice risk management into policy, planning and operational decisions based on Joint Australian New Zealand Standard - Risk Management - Principles & Guidelines (AS/NZ ISO 31000:2009),
- Develop a holistic approach to managing a range of risks facing Council,
- Develop awareness and common understanding of Council's risk management expectations,
- Incorporate risk management into all key decision-making processes, business planning and reporting,
- Embed best practice risk management into every day work in a balanced, structured and cost effective way,
- Provide risk management training and learning opportunities for Council and employees.

Council recognises risk management is an integral component of its operations, from the setting of priorities right through to the achievement of goals and milestones. Risk management occurs not as a one-off management or control exercise but as an on-going requirement for all staff to identify opportunities that should enhance Council's objectives and address risks that may negatively impact on the achievement of those objectives.

## 2. DEFINITIONS AND ABBREVIATIONS

Term	Meaning
Acceptable Risk	A risk that is suitable as is given the context in which Council operates.
Effect	An effect is a deviation from the expected.
Objectives	Objectives can have different aspects (such as financial, health and safety, and environmental goals) and can apply at different levels (such as strategic, organisation-wide, project, product and process).
Risk	<p>Risk is the effect of uncertainty on objectives.</p> <ul style="list-style-type: none"> <li>• Risk is often characterised by reference to potential events and consequences, or a combination of these.</li> <li>• Risk is often expressed in terms of a combination of the consequences of an event (including changes in circumstances) and the associated likelihood of occurrence.</li> </ul>
Risk Appetite	This is the level of risk that Council accepts to be allowed as determined in Section 3.5.
Risk Management	Risk management is the culture, process and structures that are directed towards the effective management of potential opportunities and adverse effects.
Risk Management Process	The risk management process is the systematic application of management policies, procedures and practices to the tasks of establishing the context, identifying, analysing, evaluating, treating, monitoring and communicating risks.
Risk Tolerance	Is the resilience of the Council to overcome the consequences of an event, normally expressed as a financial sum or recovery period.
Tolerable Risk	A risk that is bearable given the context in which Council operates after the risk has been assessed and treated to the best extent given the resources required, but is still not acceptable to Council.
Uncertainty	Uncertainty is the state, even partial, of deficiency of information related to, understanding or knowledge of an event, its consequence, or likelihood.

## 3. POLICY DETAILS

### 3.1 Background

Within the Council, a formal approach to risk management is in its establishment phase - beginning with this policy and the implementation of a formal risk register and reporting process.

Risk management best practice has shifted from the traditional operational focus into enterprise-wide risk management. Council needs to reflect this shift in its practices. The Council recognises the need to develop and apply a Risk Management Policy to all its objectives and across all organisational levels of the Council.

Risk management is an iterative process. As risks are identified and reviewed/managed periodically, this information becomes more accurate and therefore resulting in more informed decision-making.

The Council is a complex and diverse organisation that is increasingly aware that to meet its long term objectives risks should be managed.

### 3.2 Overview

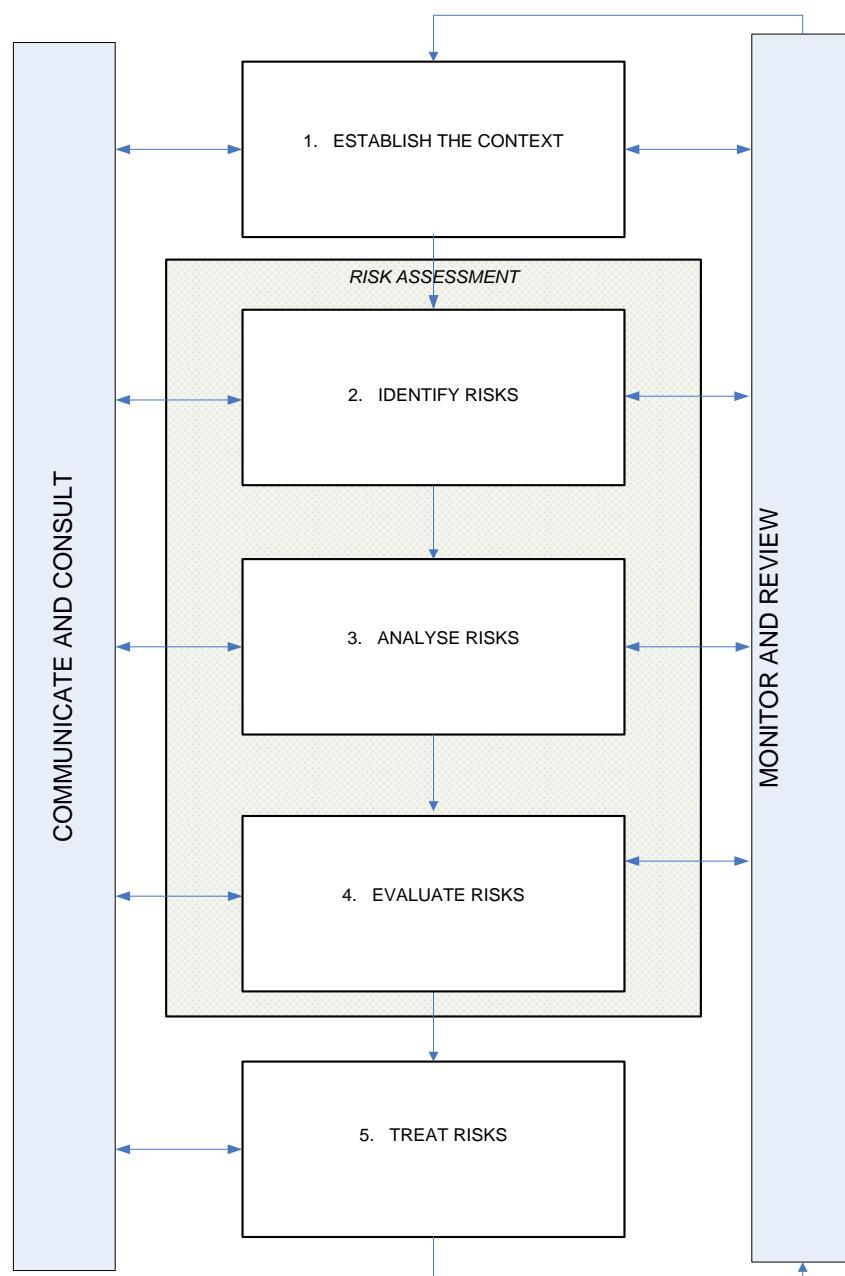
The Council recognises that risk management is not an isolated activity, nor a yearly compliance activity. To be truly effective, risk management must integrate into the organisational structure and the objectives of the Council. The integrated framework below visually represents the inter-relationship between:

- Risk management process
- Focus
- Organisational Structure



This matrix shows that the risk management process applies to all the objectives of the Council and penetrates down through from the highest *level* of the Council organisational structure to the very lowest level. In turn, it should also be clear that objectives do not sit in isolation at each level in the organisation structure but that each part of the Council structure works to support the strategic objectives.

The risk management process is illustrated below:



### 3.3 Establish the Context

Southland District Council is a territorial local authority. The internal environment, governance structure, powers, duties, authorities, codes of conduct, values and ethics and responsibilities are primarily determined by the Local Government Act (2002).

In the same way that commercial enterprises are accountable to their shareholders, Council is accountable to the people of Southland District. Most citizens expect Council to have higher standards than the private sector of stewardship and prudence in safeguarding and spending the public purse.

A focus on risk management will reflect a new organisational culture and in turn influences the setting of strategies and objectives.

The recent amendments to the LGA 2002 have changed the focus of Council from:

*Section 10(b) ‘to promote the social, economic, environmental, and cultural well-being of communities, in the present and for the future.’*

to -

*‘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.’*

Council is moving towards the formal management of its risks to compliment this new focus.

#### ***Objectives of Council***

The strategic objectives of the Council are set out in the Long Term Plan and these establish the basis of the Council activities and operations, in particular the discrete projects the Council will undertake to meet the wants and expectations of people of the District. In addition to the strategic objectives, the Council has operational objectives to meet the demand for both statutory and non-statutory Council services. Setting objectives drives the operational activities required and sets the reporting requirement for monitoring to ensure alignment with objectives. In setting objectives, it is essential that consideration is given to the Council’s risk appetite and tolerance.

### 3.4 Identify Events (risks)

Once objectives are set then events that may stop, delay or otherwise hinder the achievement of objectives are considered. To assist in identifying events it can be useful to categorise these. The categories below are not an exhaustive list but a guide to assist in identifying what can happen.

Internal (direct influence):

- Governance,
- Delivery of commitments,
- Customers,
- Operations,
- People,
- Processes,
- Technology,

- Information management,
- Financial,
- Legal and regulatory compliance,
- Assets.

External (indirect, limited or no influence):

- Reputation,
- Partners,
- Election outcomes,
- Statutory changes,
- Socio cultural,
- Environment,
- Economic.

Definitions of the above risk categories are in Appendix 1.

### 3.5 Analyse and Evaluate Risks

By identifying what events can happen we can now consider what effect the occurrence would have on achieving the objective(s). To assess what the affect would be Council needs to consider the likelihood, or probability, that the event will occur and the impact, or consequence(s), of the occurrence.

Please refer to the tables in Appendix 2.

Score	Consequence	Probability
1	Insignificant	Rare
2	Minor	Unlikely
3	Moderate	Moderate
4	Major	Likely
5	Extreme	Almost Certain

The Executive Leadership Team is responsible for assessing risk.

Council will plot the probability against the consequence to create a risk profile that helps to prioritise risks based on their probability and consequence. This in turn assists in determining the most appropriate actions to respond to the prioritised risks.

When assessing the probability of a risk, consideration will be given to the risks occurrence (risk velocity). A risk may occur as a sudden event or due to a series of events over time. A risk that requires a series of events is less probable of occurring than an event that can occur in an instant.

The following table demonstrates the actions required given the assessment:

Guide	Action Required
Acceptable	Risk is insignificant. To be managed by operational staff/managers.
Unacceptable but tolerable	Risk may be unacceptable. Department Manager to manage risk to ensure risk is tolerable. Executive staff need to be informed.
Unacceptable	Risk is unacceptable. Requires a formal assessment and managed by the Executive Leadership Team to mitigate.
Intolerable	Risk is too great. Requires a formal assessment and details of all possible treatments. To be managed by the Executive Leadership Team with the Activities Performance Audit Committee being informed.

### 3.6 Treat Risks

In considering the best way to manage a risk, the Council will consider the following options:

Response	Description
Avoid	Avoiding the risk by deciding not to start or continue with the activity that gives rise to the risk.
Accept	Taking or increasing risk in order to pursue an opportunity.
Remove Source	Removing the risk source.
Change Likelihood	Changing the likelihood.
Change Consequence	Changing the consequence.
Share	Sharing the risk with another party or parties (including contracts and risk financing).
Retain	Retaining the risk by informed decision.

There are no set rules in applying these options, although generally low risk activities are acceptable and higher risk activities are only undertaken if there is a statutory duty or if there are significant rewards. In considering the identified risks, one must firstly consider the context of the activity that creates the risk to decide whether an option is available. Equally, the options are not mutually exclusive and for some identified risks, the optimum solution will be a combination of the options.

All treatments recorded against a risk will be assigned an owner. That owner will be responsible to ensure that the treatment is working as expected or to report any concerns or failures of the treatment.

### **3.7 Information and Communication**

To be effective, risk management requires a reporting structure that ensures that data and information be captured and communicated at an appropriate level to enable decisions.

There is a continual process of event identification, assessment and response that requires the best information available.

- All staff responsible for risks will receive a quarterly report of their risks to manage.
- All staff will inform the Assurance Officer of potential new risks and any changes to a risk or their treatments.
- All staff responsible for a risk will ensure that all other parties (internal and external) are informed of the risk and treatments in place.
- The Activities Performance Audit Committee will receive a KPI report on the risks of Council at every meeting with commentary from the Assurance Officer.
- Every year after 30 June the Activities Performance Audit Committee will report to Council on the risk management process.
- The risk register and policy will be able to be accessed via the intranet (to view).

### **3.8 Monitoring**

The Activities Performance Audit Committee is responsible for monitoring the management of Council risks. (effectively the governing body to risk management).

All staff are responsible for monitoring the risks and controls in their various areas.

The Assurance Officer is responsible for monitoring staff compliance to risk management.

The Executive Leadership Team will ensure all staff comply with this policy and instigate disciplinary action if/when required.

### **3.9 Risk Appetite and Tolerance**

Council accepts that each group/department/area can set its own appetite and tolerance, but must use as a very minimum the colour-coding of the risk matrix as highlighted in Section 3.5 as a proxy for appetite and tolerance.

The Council recognises the limitations of risk matrices as a guide to appetite and tolerance, particularly in relation to high consequence/low probability and high probability/low consequence risks.

### **3.10 Risk Register**

The Council uses risk register to record identified risk, consequences, probability, controls to be used, and ownership (responsibility).

To ensure consistency, use of a standard template, (Appendix 3), is required.

#### 4. ROLES AND RESPONSIBILITIES

Risk performance measures will be developed for staff and management to complement their work/function performance measures.

##### 1. Council

Elected Councillors have a responsibility to the local community to govern the Council. Proper governance requires that members know and understand the risks to attaining the strategic objectives of the Council. Members are accountable for their policy decisions and should ensure decisions appropriately balance the risks and rewards.

##### 2. Activities Performance Audit Committee

The Activities Performance Audit Committee is responsible for ensuring that Council has appropriate risk management and internal control systems in place, monitoring organisational performance in managing risk and forming a view on the overall risk profile and its acceptability.

##### 3. Chief Executive

The Chief Executive is accountable to the Council and is responsible for the implementation of the Risk Management Policy approved by the Council and for ensuring that an appropriate risk reporting mechanism exists between officers and Council.

##### 4. Executive Leadership Team

The Executive Leadership Team is responsible for the management of risks that affect the attainment of strategic objectives or that are a material threat to the operational capacity or reputation of the Council.

##### 5. Executive Staff

Executive Staff are responsible for the management of operational risks that affect the attainment of their objectives or that are a material threat to the operational capacity or reputation of their group.

##### 6. Managers

Managers are responsible for the management of operational risks that affect the delivery of their objectives or that are a material threat to the operational capacity or reputation of their area.

##### 7. Assurance Officer

Create and implement processes required to successfully implement the policy. Provide training for affected parties. Administer processes and compile reports as required.

##### 8. Staff

Staff are responsible for the day to day management of risks that affect the performance of their duties with the Council and subject always to the policies, plans and procedures of the Council.

**9. Treatment Owners**

All staff assigned the responsibility of managing a treatment will be responsible to ensure that the treatment is working as expected or to inform the Assurance Officer when the treatment has failed or concerns they have in its effectiveness.

**5. REFERENCES**

Joint Australian New Zealand International Standard - Risk Management - Principles and Guidelines AS/NZS ISO 31000:2009

**6. REVISION RECORD**

Date	Version	Revision Description

## 7. APPENDICES

### Appendix 1 - Risk Categories

#### 1. Internal (Direct influence)

<b>Governance</b>	Risk arising from the performance of duties of officers and elected representatives. Propriety/compliance with relevant requirements/ethical considerations.
<b>Delivery of commitments</b>	Risks to the development, planning and delivery of political commitments within the Long Term Plan (LTP). Consultation and communication, project management and project delivery issues.
<b>Customers</b>	Meeting needs, wants and expectations of customers in respect of Council facilities, service standards and service provision.
<b>Operations</b>	Risk arising from the day-to-day operations of Council groups and project teams. Risks that affect service delivery standards and best practice. The ability of the Council to compete and provide best value to in the provision of services. Opportunities to reduce waste and inefficiency.
<b>People</b>	Risks related to people and their well-being. Staff talent, recruitment and retention issues, including market competitiveness. Management protocols, training, development and capacity issues. Health and safety, disability and discrimination issues. Resilience and ability to change.
<b>Processes</b>	Risk associated with internal processes and how they relate to each other. The adequacy, efficient and effectiveness of these processes. The interface with other processes.
<b>Technology</b>	Risks arising from current provision of technology and changing demand/capacity. Use or misuse/security of new or existing technology. Obsolescence of current systems; opportunities arising from new technology.
<b>Information management</b>	Risks that affect the Council's ability to store, retrieve and use data and information, including adequacy for decision-making and protection of privacy.
<b>Financial</b>	Risks that affect the finances or financial planning of the Council. Includes fraud, management, control and ability to meet financial commitments and support strategies and objectives.
<b>Legal and Regulatory compliance</b>	Risk from failing to comply with statutory or common law, delegations, regulations, consents and contractual obligations, including failure to address changes to law in policy and procedures.
<b>Assets</b>	Risks that cause loss or damage to assets owned or operated by the Council to provide services. Includes land, property, equipment, information.

**2. External (Indirect, limited or no influence)**

<b>Reputation</b>	Confidence and trust stakeholders have in the organisation. Risks that may directly, or indirectly, damage the reputation of the Council or any of its elected members or key personnel.
<b>Partners</b>	Risk relating to partnerships, alliances, new ways of working, stakeholder management.
<b>Election outcomes</b>	Change of government (central and local), cross-cutting policy decisions, machinery of government changes. Includes the exertion of political influence to set or change policy, direction, objective, strategy, etcetera. Potential ratepayer dissatisfaction and/or change in direction.
<b>Statutory changes</b>	New or changed statutory environment.
<b>Socio cultural</b>	Social and cultural demographic changes that effects demand for services. Stakeholder expectation changes over time.
<b>Environmental</b>	Environmental changes such as climactic changes and Acts of God.
<b>Economic</b>	Risk relating to the economic environment. Changes in the demand for Council services, production, distribution, and consumption of goods and services.

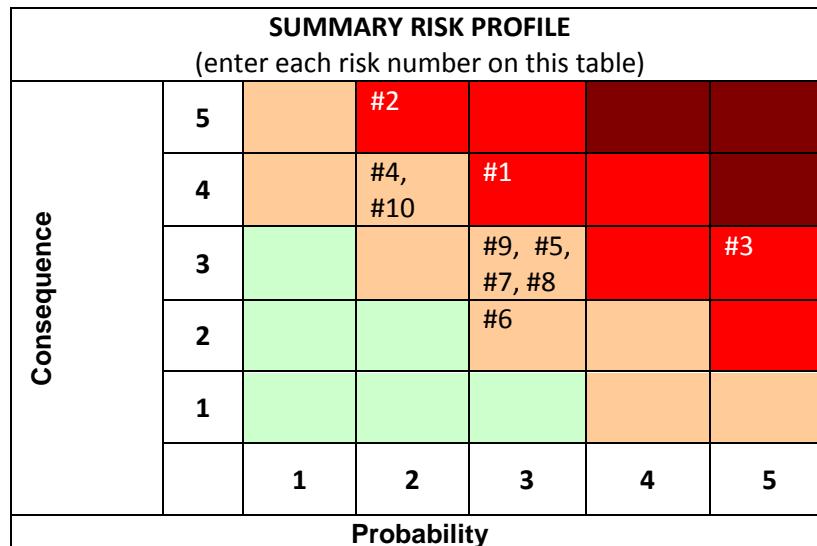
## Appendix 2 - Consequence and Probability Tables

**Consequence Table**

Score	Consequence	Description
1	Insignificant	Event will have little, or no, effect on the objective(s).
2	Minor	Event will have some effect on achieving the objective(s), but well within tolerable limits.
3	Moderate	Event will affect the achievement of the objective(s), but within tolerable limits.
4	Major	Event will affect the achievement of objective(s), beyond tolerable limits. Remedial action will be required.
5	Extreme	Event will affect the viability of the objective(s), may be too late or too costly to take remedial action.

**Probability Table**

Score	Probability	Description
1 (0-20%)	Rare	Will only happen within a year if Council is unfortunate.
2 (20-40%)	Unlikely	Is unlikely to occur within a year given all considerations.
3 (40%-60%)	Moderate	Is likely to occur within a year given all considerations.
4 (60%-80%)	Likely	Will happen within a year unless Council is fortunate.
5 (80%-100%)	Almost Certain	Will happen within a year.



The above graph is coloured to reflect the likely risk responses described in Section 3.5. Responses range from Accept (green) to Avoid (deep red).

**Appendix 3 - Consequence and Probability Tables****Item 7.2 Attachment A**

Risk #	Risk Description	Classification	Risk Type	Activity	Consequences	Objective(s) affected	Consequence ranking	Probability	Current Treatments (with owner)	Consequence ranking (after treatments)	Probability (after treatments)	Planned Mitigations (Treatments)	Consequence ranking (after planned treatments)	Probability (after planned treatments)	Owner

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## **Project Scope and Terms of Reference**

### **Southland District Council Review of the Risk Management Framework and Policy**

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**Version Control**

Version	Date updated	Document	By Who
Draft	26 April 2017	Project Scope	Shannon Oliver
For comment		Project Scope	Rex Capil
F&A committee adopted	June 2017	Project Scope	Shannon Oliver

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## PROJECT OVERVIEW

Project Sponsor:	Rex Capil - Community and Futures Group Manager
Project Coordinator:	To be appointed
Project Name:	Risk Management Review Project
Project Start Date:	To be confirmed
Project End Date:	To be confirmed

### Project Purpose

At the March Finance and Audit committee meeting it was agreed that council officers be directed to: **Requests a risk management review project to be established to develop a project scope and terms of reference to be considered at the June 2017 Finance and Audit committee meeting.**

The purpose of the Risk Management Review Project work is to:

- Develop a comprehensive, robust and effective risk management framework, policy and associated procedures.
- Ensure best practice models are used.

At a recent Society of Local Government Managers Risk Management forum held in February 2017, best practice suggested that the risk management journey should be a three year planned process.

YEAR ONE	Focusing on the development of the risk policy and framework, developing a top down risk profile, integration into Audit and Risk committee reporting, communicating within the organisation and training.
YEAR TWO	Focusing on aligning with strategy timelines, articulating the risk appetite, integrate into decision making and reporting, drill down risk profiles e.g. H&S, Development of a risk based internal audit programme, embedding the risk culture.
YEAR THREE	Includes reviewing technology options and a risk culture survey.

This review project relates to the work to develop a risk management framework and a review of the current policy.

The Risk Management framework and policy will assist to:

- Provide effective identification and management of the Council's significant risks.
- Ensure appropriate action is being taken to mitigate Council's significant risks.
- Ensure there are associated procedures for effective identification and management of the Council's significant risks.

## Background

The Southland District Council has recently formed a Finance and Audit Committee. As part of the terms of reference for the Committee it states that it is responsible for:

- (a) "Reviewing whether Council has in place a current, comprehensive and effective risk management framework and associated procedures for effective identification and management of the Council's significant risks;
- (b) Considering whether appropriate action is being taken to mitigate Council's significant risks."

Council's approach to risk management is still in the establishment and development phase with further work required. The current policy is due for review. There have been a number of recent developments in this area and work is required to improve the systems we have in place so they reflect best practice and are fit for purpose of what we require in the future.

Work in the risk management area is a work in progress and will require a priority focus as deemed appropriate in the coming years.

As part of this process and as per the Finance and Audit committee terms of reference it is intended that this committee will play an integral part in the establishment and development phase of risk management work.

This project will focus on the work required in year one of the risk management journey.

## Objectives

Objectives for this project are:

- To establish the scope, schedule and requirements for development of risk management work within Council.
- To ensure the process meets statutory requirements and best practice.
- To ensure that councillors and other elected representatives are involved and kept updated throughout development of the project

## Definitions

Risk management is about identifying events that might happen in the future that will have an impact on Council's objectives, then working out what further action, if any, is appropriate (and cost-effective) to manage and mitigate the risk.

Risks are uncertain future events that could impact on the organisation's ability to achieve its objectives.

Compliance refers to adhering with the company's policies, procedures, laws and regulations.

## Project Scope

Risk management is a planned approach to identify, analyse and manage the risks within the council.

The scope of work includes:

- Development of a risk management framework.
- Review and update the Council policy and procedures relating to risk.
- Presenting the recommendation report to the Finance and Audit Committee and Council.
- Developing an action plan including estimate of budget, human resource requirements and timeframes for implementation.

- Developing an internal communications and engagement plan for the project.

## WITHIN THE SCOPE

The project to give consideration to:

- Risk management framework
- Risk management policy
- Risk management register
- Risk system and processes
- Risk reporting
- Team plan – risk register
- Office of the Audit General - Three lines of defence model
- Incorporation into Asset Management Plans
- Risk treatment planning (with owners and timeframes for implementation)
- Uses the principles of risk management in developing the framework.

## OUTSIDE OF THE SCOPE

The project does not include:

- Integration with current business processes and training to staff
- Ongoing implementation of risk and compliance
- Legal compliance framework
- Programme to manage legal compliance including a legal spend register – set up register for purchase of legal advice and register legal opinions.

## Project Context

### Background

Council's Risk Management systems need to be updated to align to support business improvement objectives. The current policy is now out of date. A comprehensive risk framework needs to be developed and our approach to risk management practices.

### Delivery

A consultant will be used to develop the framework and review and recommend appropriate systems be put in place for risk management within council.

### What do we need to take into account?

- Statutory requirements
- Current systems and processes
- Future projects
- Budget
- Existing resources
- Future resources
- That we create an approach that is robust but not unwieldy to implement and monitor
- Fit for purpose for the local government environment

**How to get an integrated system?**

- Create an approach that is robust but not unwieldy to implement, monitor or report on
- Fit for purpose for the local government environment
- Ensure the approach will fit within our current reporting structures

**What are the interdependencies?**

- Procurement policy
- Asset Management Plans
- Project machine
- Long Term Plan
- Organisational projects – digitisation, core systems, remuneration, performance framework, internal audit

**Standards**

Ensure all risk management is to the latest best practice standards (AS/NZS ISO 31000:2009).

**Consultant Requirements**

Experience of Consultant in:

- Local Government
- Risk Management

**Key Deliverables**

The key deliverables for the project are:

- Risk Management Framework
- Updated Risk Management Policy

**Reporting and Monitoring**

Reports will be provided to ELT on the progress of the project and will address the following information:

- Stage of the process.
- Key milestones met or missed.
- Gaps in information.
- New information.
- Recommendations for the next stage of the project.

**Stakeholder engagement and consultation**

A stakeholder engagement plan and communications plan will be developed to support the risk management review process.

The Stakeholder Engagement Plan and Communications Plan will use communications channels and the processes that best meet the needs of stakeholders and state clear timeframes.

# Recent Changes to the Resource Management Act and implementation

Record No: R/17/6/12412

Author: Marcus Roy, Team Leader Resource Management

Approved by: Bruce Halligan, Group Manager Environmental Services

Decision

Recommendation

Information

## Summary

- 1 The Resource Management Act 1991 (RMA) has recently been amended, with the passage of the Resource Legislation Amendment Act 2017 in April. The amendments are considered the most comprehensive package of reforms to the RMA since its inception.
- 2 Although there are a number of areas where the changes will have implications for SDC, the most significant implications are in planning. The RMA now provides for the development of National Planning Standards, which will set requirements for how plans are written and their contents. In addition, there are two new plan-making processes - the streamlined planning process and the collaborative planning process. Individually, councils can choose whether to use one of the new processes as an alternative to the usual planning process.
- 3 It is difficult to fully assess the implications of all the changes, because the actual extent and timeframes for change are still unknown. It is likely that, apart from the National Planning Standards and the 10 day consent processing, Most of the changes can be accommodated within normal processes. Staff will provide further advice on specific implementation issues as detail becomes available and as different projects progress through to the Regulatory and Consents Committee.

## Background

- 4 The Resource Legislation Amendment Act 2017 was enacted on 18 April 2017. It contains numerous changes to the Resource Management Act 1991 (RMA), many of which have significant implications for territorial authorities.
- 5 The Ministry for the Environment has created 16 fact sheets on the changes that Councillors may wish to peruse. They are available at the following link:

[www.mfe.govt.nz/publications/rma/resource-legislation-amendments-2017-fact-sheet-series](http://www.mfe.govt.nz/publications/rma/resource-legislation-amendments-2017-fact-sheet-series).

An overall summary is attached as **Appendix 1**

## National Planning Standards

- 6 A new type of national direction has been introduced in the form of National Planning Standards, which will form a standardised national framework for RMA plans and policy statements. National planning standards must give effect to National Policy Statements and be consistent with any National Environmental Standards, and RMA regulations.

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- 7 National planning standards may specify a range of matters, including national policy direction and content of plans and regional policy statements. The standards may require planning documents to include specific provisions, or allow councils to choose from a set of provisions. They may apply nationally, or only to specific regions or districts. The standards may specify timeframes for giving effect to the standards, including that different timeframes can apply to different councils.

The standards must cover the following topics:

- A standard structure and form for policy statements and plans, including references to National Policy Statements, National Environmental Standards and regulations.
- Standardised definitions.
- Requirements for electronic functionality and accessibility of plans and policy statements.

- 8 The first set of national planning standards (prepared by the Ministry for the Environment) must be Gazetted within two years of Royal Assent (by 19 April 2019). There are two tracks for making our District Plan consistent with the Standards depending on whether the direction in the legislation is mandatory (in which case no Schedule 1 process is required) or discretionary (in which case a Schedule 1 process is required). If a Schedule 1 process is required, amendments must be made within five years of gazettal. If not, amendments must be made within one year.

- 9 There will be a window for a formal submission on the National Planning in April 2018. Depending on the nature of the proposed Standards, a submission may be prepared on behalf of SDC.

#### **Alternative processes for making plans**

- 10 There are two new process options for making a Plan, as alternatives to the RMA Schedule 1 process: a streamlined planning process and a collaborative planning process.

##### *Streamlined planning process*

- 11 Councils can make a request to the Minister for the Environment to use a streamlined planning process for a proposed plan, plan change or variation, to ensure that the process is proportional to the issues being addressed. As a minimum, any streamlined planning process must provide for consultation with affected parties, public or limited notification, an opportunity for written submissions, a report on submissions, and an evaluation under Section 32. The Minister must consult with the council(s) on the process he/she is proposing be used, however the council(s) agreement is not required.

- 12 Once a process is determined by the Minister, councils must comply with that process. At the end of the process, the planning document must be submitted to the Minister for approval. The Minister may approve the document, refer it back for further consideration, recommend specific changes, or decline it. The key advantage for the streamlined planning process is that decisions cannot be appealed through the Environment Court, although they can still be judicially reviewed through the High Court.

- 13 SDC would need to carefully assess the particulars of any situation if considering asking the Minister for a streamlined planning process. Although the process may be cheaper and/or faster than the standard planning process, there is no guarantee that would be the case and SDC may have limited say in how the process runs. In addition, the Minister, rather than SDC, would be making final decisions on the plan.

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*Collaborative planning process*

- 14 The changes also enable councils to adopt a collaborative planning process as an alternative planning track when undertaking a review or change, or preparing a new plan or policy statement, including a combined Regional and District Plan.
- 15 The collaborative planning process relies heavily on front end participation by a community to incentivise participation and collaborative outcomes prior to starting a policy process. Any future decisions by SDC regarding the process will need to be informed by careful consideration of the benefits, opportunities, costs and risks of using this process compared to the usual Schedule 1 process.

**Changes to consenting processes**

- 16 There are a number of changes to consenting processes that collectively aim to streamline consenting processes and provide more certainty for applicants. Most of these changes are designed to reduce the time and cost of getting consent for housing developments, so generally affect territorial authorities that have high growth. However, some changes will affect SDC and our applicants as follows:

*Resource consent exemptions*

- 17 Resource consents are required when the position or size of a structure in relation to a boundary triggers a rule. The effects of this breach are entirely on the adjoining neighbour so the RMA is being amended to enable these breaches to be exempt from consent where the neighbouring approval has been received.

*Notification triggers*

- 18 Changes have been introduced relating to the threshold for notifying or limited notifying a resource consent application. New preclusions have been introduced to only trigger public notification in certain circumstances. There are only minor changes to the preclusions on limited notified applications.
- 19 One of the potential issues that could arise with these amendments is the extent of public participation in large projects. As the notification process has changed there will likely be fewer consents that are publicly notified and therefore fewer parties will be able to submit on these projects or appeal decisions.

*Waiving consents for “marginal or temporary” breaches*

- 20 A new power to waive the need for a consent has been introduced which enables SDC to waive consent requirements if the activity only involves a “marginal or temporary” rule breach. This is an attempt to reduce the cost and time of getting permission where the environmental effects are indistinguishable from a permitted activity. The power and discretion to waive the need for consent sits with the SDC and there is no formal mechanism for applicants to apply for a waiver. However, it allows permission to be given quickly and cheaply where appropriate.

*10 day processing*

- 21 A fast track consenting process has been introduced for activities in the District Plan that have a “controlled” activity status and an electronic address for service has been provided. All fast track applications must be processed in 10 working days as opposed to 20 working days.

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- 22 At present Council's processing times for consents average between 14-18 working days. Accordingly, some process improvements will need to be made to ensure that these consents meet the statutory timeframes and so that refunds on consents processed outside of timeframes is kept to a minimum.

*Fixing charges*

- 23 A new ability for the government to make regulations requiring councils to fix the charges for some types of resource consent applications has been introduced. The intention is to provide clarity for customers and encourage efficiency by allowing easy comparisons of costs between councils for equivalent applications. The regulations, if made, will:
- Create a schedule of activities that councils must fix charges for.
  - Require councils to fix charges for payment of hearings commissioners determining plan changes or resource consent applications.
  - Require councils to fix, in advance, the overall charge payable by the applicant for the hearing of a resource consent application or a plan change.

- 24 The regulations will not determine any charge itself - SDC must determine this independently if the regulation is made. However, the fixing of charges could affect the extent to which our costs are recovered from applicants, so the appropriate charge would need to be carefully considered so that it is not unduly onerous for applicants but also so that the general ratepayer is not unduly subsidising individual applicants.

**Directing councils to acquire land**

- 25 A change has been introduced which enables a person to appeal to the Environment Court on a plan change if they consider a new rule renders their land "incapable of reasonable use". The Court can now direct councils to acquire the land under the Public Works Act 1981 instead of changing the proposed provision. This would primarily be in relation to biodiversity or another matter of national importance outlined in Section 6.
- 26 There is a risk that SDC could be required to acquire land through a resource consent process if it progresses to an appeal. This may lead to unforeseen expenditure as a worst case scenario. Although acquiring land is a possibility, there would also be a number of opportunities to mediate and consider the merit in upholding the resource consent requirements if there is a significant risk to SDC.

**Natural hazards**

- 27 The 'management of significant risks from natural hazards' has been added to the matters of national importance that decision-makers must recognise and provide for under Section 6 of the RMA. Assessments of subdivision consent applications must also now consider all risks from natural hazards.
- 28 This change provides SDC with a clearer mandate to manage the risks from natural hazards, it will change the way in which decisions are made around natural hazards and it will put more emphasis on applicants providing robust natural hazard reports on locations that are particularly susceptible to natural hazards.

**Other changes**

- 29 Power to strike out submissions: Hearings commissioners deciding consent applications now have the power to strike-out frivolous and vexatious submissions. This power is being extended to include striking out a submission that is supported only by evidence that purports to be independent expert evidence, but has been prepared by a person who is not an expert.

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This may affect the conduct of consent applicants in hearings, but only if they use witnesses who purport to be experts when they are not.

- 30 Biodiversity offsets and environmental compensation: councils are now required to have regard to any measure proposed or agreed by an applicant to ensure positive effects on the environment that offset or compensate for any adverse effects on the environment in considering resource consent applications.

*Iwi Participation Arrangements*

- 31 The changes provide for *Mana Whakahono a Rohe: Iwi participation arrangements*. The purpose of iwi participation arrangements is to provide a mechanism for iwi authorities (those authorised to represent an iwi) and local authorities to discuss, agree and record ways in which tangata whenua may participate in resource management and decision-making processes under the RMA.
- 32 There are also the following new requirements for councils:
- Before notifying a policy statement, plan or change, provide a draft to iwi authorities and have particular regard to any advice received (allowing adequate time and opportunity for advice).
  - Summarise all advice received by iwi authorities in Section 32 reports.
  - Consult iwi authorities on whether it is appropriate to appoint a commissioner with understanding of tikanga Maori and the perspectives of local iwi or hapu on a hearing panel for a policy statement, plan or change.
- 33 These iwi participation changes are likely to have little or no effect on SDC operations due to the long-standing relationships already established between SDC and tangata whenua. The Charter of Understanding between SDC (along with other councils) and Te Ao Mārama sets out how SDC will involve tangata whenua in council decision-making, including in planning processes under the RMA. It is normal practice for SDC to work closely with and seek advice from Te Ao Mārama when preparing draft policy statements, plans and changes and when appointing hearing panels for policy statements, plans and changes.

*Minor changes:*

- (a) Focus on improved collaboration with adjoining TAs for policy development, consultation and transferring of powers.
- (b) Requirement to provide sufficient capacity for land development, future housing and business demand.
- (c) Removal of hazardous substances under the RMA as these are better provided for under existing legislation.
- (d) Introduction of limited notified plan changes in certain circumstances for discrete changes.
- (e) Removal of financial contributions under the RMA - contributions collected for servicing growth will be through the LTP from April 2022.
- (f) Changes to public notices - reliance on electronic servicing.

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- 34 This report gives you an overview of the RMA changes. As indicated above, some of the changes are still being developed by MfE (for example the national planning standards) and therefore the exact details of how the legislation will look are still unknown. As these different aspects of the amendment are consulted on and implemented, I will provide updates to Council on the key matters so that Council is informed on the implications for SDC.

## **Recommendation**

**That the Council:**

- a) **Receives the report titled “Recent Changes to the Resource Management Act and implementation” dated 15 June 2017.**

## **Attachments**

- A Summary of RMA amendments 2017 [!\[\]\(c62390091f07539e5e0874410d5afb08\_img.jpg\)](#)



## Overview of changes introduced by the Resource Legislation Amendment Act 2017

This fact sheet provides an overview of the changes introduced by the Resource Legislation Amendment Act 2017 and links to fact sheets providing more detail about the changes.

### National Direction - in force at various times

Changes introduced by the Resource Legislation Amendment Act 2017	Find out more in the fact sheet
"The management of significant risks from natural hazards" is a new matter of national importance in section 6 of the Resource Management Act 1991 (RMA).	
Decision-makers are subject to new procedural principles under the RMA.	Revised functions for RMA decision makers
Councils have new functions to ensure that there is sufficient residential and business development capacity to meet expected demand.	
The explicit function for councils to control hazardous substances is removed from the RMA.	
A variety of changes are made to the scope and process for developing National Environmental Standards (NES) and National Policy Statements (NPS).	New options for national direction
Regulations may prohibit or remove rules that duplicate or overlap with other legislation.	
New National Planning Standards must be in place within 2 years of Royal Assent, to improve consistency of RMA plans and policy statements.	
Subdivision of land is permitted unless it contravenes a rule in a NES or district plan.	Revised functions for RMA decision makers

## Plan-making - in force from the day after Royal Assent

Changes introduced by the Resource Legislation Amendment Act 2017	Find out more in the fact sheet
Councils may request approval from the Minister for the Environment to use a streamlined planning process.	A new optional streamlined planning process
Councils may use a collaborative planning process.	A new optional collaborative planning process
Changes enhance Māori participation in resource management processes, including new Mana Whakahono a Rohe: Iwi participation arrangements.	Changes to Maori participation in the RMA
Councils may use limited notification for plan changes, if all directly affected parties can be identified.	Changes to the standard planning track
Councils must request approval from the Minister for the Environment, if an extension to the two year time limit for making decisions on a proposed plan or plan change is needed.	
Proposed regional policy statement provisions may be given effect to by regional or district plan provisions, if the provisions are part of a combined plan.	
Existing designations may be included in partial district plan reviews (not just full district plan reviews).	

## Consenting - in force from 6 months after Royal Assent

Changes introduced by the Resource Legislation Amendment Act 2017	Find out more in the fact sheet
Councils must deem "boundary activities" (defined in section 87AAB) to be permitted if criteria are met, including that the affected neighbour's written approval is provided.	New consent exemption and fast-track processes
Councils may exempt activities from needing a resource consent for 'marginal or temporary' rule breaches, if criteria in section 87BB are met.	
Councils have 10 days to process resource consent applications for district land-use activities that have 'controlled' status, as well as any other types of activities that may be set in regulations.	
A new step-by-step process is set to determine whether to notify resource consent applications.	Changes to resource consent notification
Resource consent applications for certain activities cannot be notified.	
Regulations may preclude notification of certain activities, or limit who may be considered 'affected'.	New options for national direction
Decision makers on resource consents or notices of requirement must have regard to any measures proposed to achieve positive effects on the environment, to offset or compensate for any adverse effects.	New matters to consider for resource consents and designations
Regulations may require councils to fix charges for certain consent decisions, commissioners and hearings.	New options for national direction
Certain types of objections must be heard by an independent commissioner if requested by an applicant.	Changes to objections and Environment

Changes introduced by the Resource Legislation Amendment Act 2017	Find out more in the fact sheet
A submission may now also be struck out if it: <ul style="list-style-type: none"> <li>• contains offensive language; or</li> <li>• is supported only by evidence that purports to be independent expert evidence, but has been prepared by a person who is not.</li> </ul>	Court processes  Changes to public notices, electronic servicing and submission strike out
Appeals to the Environment Court are precluded for certain activities.	Changes to objections and Environment Court processes

## Courts - in force from the day after Royal Assent

Changes introduced by the Resource Legislation Amendment Act 2017	Find out more in the fact sheet
Changes to Environment Court processes:	
<ul style="list-style-type: none"> <li>• The Environment Court may delegate more of its functions to commissioners or judges sitting alone.</li> <li>• The Environment Court may require people with authority to make decisions to attend judicial conferences and mediation.</li> <li>• Regulations may set criteria for the Environment Court registrar to waive, reduce or postpone fees.</li> </ul>	Changes to objections and Environment Court processes  New options for national direction
The Environment Court may direct councils to acquire land under section 85 of the RMA if the land owner and council agree.	Changes to objections and Environment Court processes

## Process changes - in force at various times

Changes introduced by the Resource Legislation Amendment Act 2017	Find out more in the fact sheet
Electronic public notification requirements and electronic servicing of documents: <ul style="list-style-type: none"> <li>• Greater servicing of documents to parties via online platforms</li> <li>• RMA public notices must be clear and concise, and available on publicly accessible websites.</li> </ul>	Changes to public notices, electronic servicing and submission strike out
Councils must monitor efficiency and effectiveness of their processes.	Revised functions for RMA decision makers
Various changes are made to board of inquiry processes to reduce cost and complexity.	Changes to the board of inquiry process
The Environmental Protection Authority may provide secretarial and support services to decision-makers appointed under any Act that amends or overrides RMA processes (where major hearings are held).	
Councils will not be able to charge financial contributions under the RMA (from 5 years after Royal Assent).	Changes to the standard planning track

Changes introduced by the Resource Legislation Amendment Act 2017	Find out more in the fact sheet
<p>Changes to Heritage Protection Orders (HPOs):</p> <ul style="list-style-type: none"> <li>Heritage Protection Authorities (HPAs) that are body corporates may not give notice for a HPO over private land.</li> <li>The Minister for the Environment may transfer responsibility for a HPO to another HPA.</li> </ul>	<a href="#">Changes to heritage protection under the RMA</a>

## Minor/technical changes- in force from the day after Royal Assent

Changes introduced by the Resource Legislation Amendment Act 2017	Find out more in the fact sheet
Regulations may exclude stock from water bodies.	<a href="#">New options for national direction</a>
Amendments ensure stock water takes are treated equally for natural persons, trusts or a company.	<a href="#">Revised functions for RMA decision makers</a>
Regional councils may use a simplified process to search for an owner, and remove, abandoned coastal structures in certain circumstances, rather than a formal inquiry under the Marine and Coastal Area (Takutai Moana) Act 2011.	<a href="#">Revised functions for RMA decision makers</a>
Regulations may prescribe the form and content of water permits and discharge permits.	<a href="#">New options for national direction</a>
Classes in Schedule 3 of the RMA no longer apply to fresh water.	<a href="#">Revised functions for RMA decision makers</a>

## Changes to other legislation - in force at various times

Changes introduced by the Resource Legislation Amendment Act 2017	Find out more in the fact sheet
Concession and access arrangement application processes in the Conservation Act 1987 are aligned with resource consents under RMA.	<a href="#">Alignment of Conservation Act and Reserves Act processes with the RMA</a>
A joint process may be used if a proposal involves a publicly notified plan change or resource consent application under the RMA alongside a recreation reserve exchange under the Reserves Act 1977.	<a href="#">Changes to land acquisition under the Public Works Act</a>
Changes to land acquisition processes under the Public Works Act 1981.	<a href="#">Changes to the board of inquiry process</a>
Changes to the Exclusive Economic Zone and Continental Shelf (Environmental Effects) Act 2012 (EEZ Act) come into force on 1 June 2017 and include alignment of the process for decision making on certain marine consent applications under the EEZ Act with that for Boards of Inquiry for Nationally Significant Proposals under the RMA.	<a href="#">For further information about the EEZ Act regime go to mfe.govt.nz/marine</a>
Other changes to the EEZ Act include new requirements regarding decommissioning offshore petroleum production facilities; providing a new tool for national direction; and a number of amendments to existing provisions, including transitional and enforcement provisions.	<a href="#">For further information about the EEZ Act regime go to mfe.govt.nz/marine</a>

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Making Aotearoa New Zealand  
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New Zealand Government



# Bridge Weight Restriction Postings 2017/2018

Record No: R/17/5/11486

Author: Hartley Hare, Roading Asset Management Engineer

Approved by: Ian Marshall, Group Manager Services and Assets

Decision

Recommendation

Information

## Purpose

- 1 To comply with the Transport Act 1962 and Heavy Motor Vehicle Regulations 1974, the road controlling authority for any territorial area is required to confirm, at least annually, any weight limit postings necessary for bridges on the roading network and to revoke any restrictions which no longer apply. This report provides the information to be able to fulfil this requirement. Council last confirmed its bridge postings in late June 2016.

## Executive Summary

- 2 This report updates the list of posted bridges within the Southland District. The posting weight limits are based on detailed six yearly inspections and follow up analysis carried out in 2014, as well as the 2016 posted bridge inspections and work carried out since.
- 3 The attached schedule (Appendix A) contains changes to bridge postings as a result of bridge upgrade and replacement work carried out in the 2016/2017 financial year, along with specific one off issues that have been investigated.
- 4 As work is currently underway on a number of bridges covered by this report, an update on those bridges can be provided at the meeting.
- 5 In summary:
  - In 2016 Stantec (formerly MWH) inspected or attempted to inspect all of Southland District Council's posted bridges, the bulk of which are timber.
  - Of the total number of bridges there are 65 posted at less than 100% Class I.
  - Of the total number of bridges there are 14 that require a revision of the previous posted restriction.
  - Of the total number of bridges there are a significant number that have indications of internal defects (i.e. rot/decay) requiring further investigation by either drill coring or non-destructive methods.
  - The lack of objective internal verification, as a supplement to hammer sounding, exposes Council to significant risk. Further verification methods are therefore recommended and action is underway on this.
  - The adoption of central loading when setting posting, without consideration of eccentric loading, departs from best practice and exposes Council to significant risk. Further quantification of this risk is provided with this report and consideration of upgrade options and/or reposting is recommended.

Council  
21 June 2017

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## Recommendation

That the Council:

- a) Receives the report titled “Bridge Weight Restriction Postings 2017/2018” dated 13 June 2017.
- b) Determines that this matter or decision be recognised as not significant in terms of Section 76 of the Local Government Act 2002.
- c) Determines that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with Section 79 of the Act determines that it does not require further information, further assessment of options or further analysis of costs and benefits or advantages and disadvantages prior to making a decision on this matter.
- d) Confirms that in accordance with the Transport Act 1962 and Heavy Motor Vehicle Regulations 1974 the maximum weight and speed limits for heavy motor vehicles on bridges as listed on the attached schedule (Appendix A) be imposed.
- e) Continue to rely on the Central on Bridge (COB) restriction to limit posting restrictions but it mitigates some of this risk by taking further action to promote compliance, particularly for those restriction which have curved approaches and where posting restriction between central on bridge and no central on bridge are at least 20% and carry more than two heavy vehicles a day.
- f) Notifies the weight limits to the New Zealand Police, New Zealand Transport Agency and by public notice in daily newspapers.

## Content

### Inspection Process

- 6 In the 2016 round of inspections Stantec (formerly MWH) have initiated a multi-level assessment in order to provide improved understanding and to better address the variable level of risk associated with each type of defect. For each beam inspected there are three types of defects that are picked up, specifically:
  - External Condition Assessment – determining the condition of the member based on its external visual appearance (i.e. cracking, crack depth, surface tolerance, etc.). This is typically a value between 100% and 80%.
  - External Defect Assessment – determining any further reduction in capacity resulting from an external visible defect in the beam cross section that can be measured (i.e. external decay, rebates, significant cracking, moisture content, etc.). This factor is typically applied as a negative percentage reduction to the external condition assessment.
  - Internal Sounding Assessment – determining an “indicative” condition of the member based on sounding (hitting with a hammer). As this method is highly subjective it requires further verification by drill coring or an alternative objective non-destructive method. This factor is typically applied as a negative percentage reduction to the

external condition assessment and also raises a “**red flag**”, indicating a higher priority for further internal verification.

- 7 It is recommended that all structures should have some measure of objective internal condition assessment carried out (drilling or non-destructive testing (NDT)) on a periodic basis (i.e. 10 years). For any bridges that have an internal defect noted via sounding, these structures should be prioritised for further assessment to verify the presence of decayed timber within the member.
- 8 It should be noted that this more detailed format of assessment has been only partially applied to the 2016 round of inspections in order to retain and identify beams indicated by previous inspectors as having some form of internal defect, while minimising undue and significant changes to the current postings. With the additional information provided by drill coring and/or alternative NDT the full assessment can be applied over the next round of inspections.

### **Posting Assessment Process**

- 9 The posting assessment process used generally aligns with Section 7 of the NZ Transport Agency Bridge Manual – Evaluation of Bridges and Culverts. Bridge member capacities are typically calculated based on ultimate limit state loading and adopting the following assumptions:
  - Assume all timber is Mixed Australian Hardwood (MAH).
  - Assume strength classification of F17, based on table 2.1 of AS1720.1 (1988), adopting MAH, Structural No. 2, seasoned.
  - Characteristic strengths are given in table 2.4 of AS1720.1 (2010).
- 10 It should be noted that the current posting process does depart from full compliance with the NZ Transport Agency Bridge Manual, in that an allowance has been made for posting to be based on a centrally placed vehicle and not an eccentrically placed vehicle (i.e. against the kerb). The resultant/effect of this is that many of our bridges have as little as 50% of the posted capacity for eccentrically placed vehicles. Accepting that most vehicle tend to stay reasonably central, the above assumption has some merit. However, it is a clear departure from best practice and does expose SDC to a higher level of risk and potential litigation in the event of a structural failure occurring.
- 11 It is recommended that Council take further measures to address eccentric loading on bridges and review of their posted capacities, specifically:
  - Prioritise bridges with the greatest difference between central and eccentric loading.
  - Determine social/economic effects of reduced posting on typical traffic using the route.
  - Consider options for reduced posting, kerb to kerb narrowing, and strengthening of the outer beams.
- 12 Appendix B provides details on the bridge postings with and without the central on bridge restriction along with some of the risk factors.

## Background

- 13 In 2014 there was a major increase in posted bridges and changes to existing postings as a result of the six yearly detailed inspections carried out of the bridge network. After the inspections were carried out, the timber beam spans were analysed to check their capacities to carry heavy traffic, taking into account the visible deterioration in the condition of the beams. This resulted in a total of 115 bridges being posted. Work in the 2014/2015 and 2015/2016 years resulted in this number being reduced to 99.
- 14 Since the 2016 postings were approved the following changes have occurred to reduce the restrictions on the bridge network:
- 2862.001 Taylors Bush Road has been removed and replaced with a pipe.
  - 3004.002 Lang Road has been upgraded to 100% Class 1, but still with a speed and central on bridge restriction.
  - 3144.001 Tomogalak Road has been upgraded to 100% Class 1, but still with a speed and central on bridge restriction.
- 15 Tenders have been let to replace the following bridges with precast concrete box culvert bridges. These were expected to be completed by 30 June but there have been unexpected delays with obtaining consents from Department of Conservation due to concerns they have regarding potential impediment to fish passage through the box culverts, despite these being buried 300 mm below the natural stream bed level. These concerns are still being worked through.
- 16 If they can be resolved in time, the bridges could potentially be built or under construction by the time the new postings are advertised, allowing the schedule to go out as shown. An update on progress with these can be provided at the meeting. The five bridges involved are:
- 2896.001 Dipton Flat Road.
  - 1528.001 Halcrow Road.
  - 2466.002 Valley Road.
  - 1703.001 Waianiwā Oporo Road.
  - 1067.001 Wairata Road.
- 17 Over the coming year there are several bridges due to be upgraded or replaced. The full programme for 2017/18 is currently being finalised.
- 18 During the bridge posting considerations in 2016, a number of bridges were either not posted or not downgraded because it was expected that they would be upgraded, replaced or removed from the SDC network in the short term. Unfortunately, due to resourcing pressures within the Transportation Team, not as much progress has been able to be made on these as was hoped. The following downgrades and postings are therefore regarded as prudent to deal with these longer term bridges:
- 3582.001 Mararoa Road was planned to be replaced but complex funding issues means that this may need to stay in service for a few years yet. The risk of leaving this posting at 60% for this period is too great and this should be reduced to 50%.
  - 2827.001 Wadworth Road is a substantial steel and timber bridge, on a high concrete abutment, leading directly into a paddock. The bridge deck is in poor condition and the plan has been to talk to the landowner regarding the need for the bridge and who should own it. From an extent of network point of view it appears very hard to justify Council continuing to maintain this bridge. Given its condition it may be prudent to post

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the bridge until these discussions have been resolved. The actual level of suggested posting is still to be determined but can be advised at the meeting.

- 2560.001 Tussock Creek Grove Bush Road is another substantial bridge leading into a significant land area with a long history. Originally this bridge provide the only access onto the area of land but the landowner has now installed their own new bridge on the other side of the land area. When the bridge was the only access an agreement was reached to upgrade the bridge to Class 1 standard and then hand it over to the landowner. The upgrade was carried out in 1994 with funding shared between SDC, Environment Southland and the landowner but the responsibility for the bridge was not legally fully handed over to the landowner at the time. The condition of the bridge deck is raising concerns and if it is going to take some time to get off the SDC books it may be prudent to place a restriction on this bridge. The actual level of suggest posting is still to be determined but can be advised at the meeting.
- 19 Since the 2016 posting the following have occurred leading to the need to post or lower the posting on the following bridges:
- 1281.001 Mataura Island Titiroa Road has been resealed which has highlighted an issue with excessive movement in a six year old laminated timber deck. The cause of this excess movement is still being worked on but in the meantime it is regarded as prudent to slow heavy traffic down on the bridge and restrict it to central on bridge.
  - 2895.001 Benmore Road has had a few deck planks replaced which has highlighted that much of the deck is at risk, especially if large vehicles apply loading to the outer edge of the cantilever deck which extends 700 mm beyond the outside support beams. The bridge is currently posted at 50% Class 1, 10 km/hr and central on bridge. Unfortunately with the large bridge deck overhang, very wide agricultural vehicles and condition of the deck, the deck planks are failing. Given the limited use of the bridge and the high cost of upgrading or replacing the bridge, it may be prudent to maximise the life from the bridge by restricting it to light narrow vehicles. Measures are underway to narrow down the access onto the bridge which could be further enhanced by reducing the overall posting to 30% of Class 1, maximum 2600 kg axle weight, 10 km/hr and central on bridge.
- 20 SDC has one additional posted bridge, which is bridge number 3302.001 on Riversdale Pyramid Road. This bridge is shared with Gore District Council (GDC) who take the responsibility for its posting and notification requirements. As GDC has the formal jurisdiction for this bridge it has not been included in our SDC postings. This bridge is due to be replaced in 2017/2018.
- 21 The attached schedule (Appendix A) includes 96 bridges for which weight and/or speed restrictions, in terms of the Heavy Motor Vehicle Regulation 1974, are still necessary. The schedule has three less weight limit postings than the previous 2016 Bridge Posting Council report. The changes in bridge postings from the 2016 report are shown in the schedule in bold italics.
- 22 It is proposed that the Council accepts the attached schedule of bridge restrictions (Appendix A) and authorises the advertising and notification of the list in accordance with meeting the requirements of the Transport Act 1962 and the Heavy Motor Vehicle Regulations 1974.
- 23 This requires that notification of the restricted weight limit posting or speed limits are advertised at least once annually to remain legally enforceable. This requirement is now due as the last public notification was carried out on 6 July 2016.
- 24 The objective of the decision is to maintain a suitable level of safety for road users and to limit any further structural damage resulting from unsustainable overloading.

## Issues

- 25 The restricted bridges can cause a range of difficulties for those people who need them to transport heavy freight. The posted bridge listing continues to be used as a deficiency register to prioritise the bridge upgrading and renewal programmes in the coming years.
- 26 Limited by the available funding for this work, only those bridges with restrictions that cause the greatest commercial hardship or present the highest safety risk will be prioritised to be upgraded or replaced initially. The Economic Network Plan will continue to play a significant part in developing and defining these priorities, as well as feedback from major users such as Fonterra and forestry companies.
- 27 Several bridges on the posting list are still being reviewed in terms of their status in relation to the extent of the roading network they provide access to and service. A few of these are not a part of council's maintained network and council roading is scheduling those to be removed where and when possible. There are also off road bridges not currently on this list which need detailed review to see if they can still safely carry Class 1 traffic, as well as discussions with landowners regarding the need for and ownership of these bridges.
- 28 Each bridge on the posting list is subject to ongoing consideration of the alternatives which include:
  - Potential upgrading or replacement where this is justified in terms of the level of service that SDC can afford to provide.
  - How to effectively better manage 'Long Term' postings where the bridge is low use and the restriction is causing limited problems.
  - Potential removal of the bridge from the network register under Council's Extent of Network Policy.
- 29 The current use of the central on bridge restriction is not a standard restriction covered by the regulations. It is a pragmatic approach that has been used by SDC for a number of years to avoid excessive restrictions and manage the bridge asset to maximise its value and life.
- 30 Discussions with the NZ Transport Agency indicate that very few, if any, other RCAs use this central on bridge restriction. This does not mean it is wrong, it is just not a standard practice covered by the regulations. This means that the restriction is not legally enforceable and acts more as an advisory sign.
- 31 The Transport Agency will not tell SDC what to do regarding the use of the central on bridge restriction as it sees that it is up to SDC how it manages its network within the various legal requirements governing all RCAs, including the risks on the network. They do support appropriate measures that provide better access for trucks across the network. It needs to be noted that there is a risk that if people fail to comply with the central on bridge condition and this leads to a failure and truck crash, Council could potentially have some liability issues to defend.
- 32 The risks are greatest where there is a substantial difference between the bridge weight restriction with and without the central on bridge restriction, the bridge approach is curved and there are greater heavy traffic volumes.
- 33 In terms of dealing with the risks, Council has the full range of options between fully accepting the risk of continuing with the central on bridge restriction in all cases, in the knowledge that this has worked satisfactorily in the past, and down grading all posting restrictions to those that would apply under full eccentric loading.

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- 34 The most conservative option would lead to major inconvenience for a significant number of road users and accelerated pressure on the bridge replacement and upgrade budgets.
  - 35 In between the two extremes of the range of options, there are a continuum of options which Council could choose, depending on where the balance is struck between risks and trying to minimise the adverse effects of bridge restrictions.
  - 36 It is requested that where to strike this balance be discussed and agree at the Council meeting. As an example, there are currently six bridges which have curved approaches, a difference in posting restrictions between central on bridge and no central on bridge of at least 20% and carry more than two heavy vehicles a day on average. Of these one has no alternative route available.
  - 37 In total there are 11 bridges which rely on the central on bridge restriction to minimise the weight restriction, have curved approaches and are not currently due for short term upgrade.
  - 38 There are 45 bridges on the list that benefit from a posting upgrade through the use of central on bridge restriction. 31 of these benefit by greater than 10%, 21 by more than 20% and 11 by more than 30%. A version of the spreadsheet in Appendix B can be used during the meeting to trial different options to understand their effects on the bridging network, to help strike the right balance.

## Factors to Consider

### Legal and Statutory Requirements

- 39 The annual setting and advertising of weight restrictions is a requirement of the Transport Act 1962 and the Heavy Motor Vehicle Regulations 1974.

### Limitation of Liability & Disclaimer

- 40 It should be noted that the engineering decisions on the posting requirements for each bridge carried out by Stantec are based on weighing up the available data, unknowns and risks and applying engineering judgement to come up with recommendations. The available information includes what can be seen visually, felt and heard (from hitting beams with a hammer) to try to best estimate their overall condition. In some cases there has also been limited load testing of individual beams to try to help calibrate the engineering judgement.
- 41 The unknowns include many critical items, including:
  - The species and strength grade of timber used to build the bridges.
  - As-built plans of the original bridge.
  - Items that cannot be seen because they are either buried or internal to the structural members.
- 42 This assessment has included determining the degree of decay within timber members via sounding (hitting with a hammer). As timber is a highly variable material that can have well hidden and critical defects, it is recommended that further testing be undertaken including a programme of internal verification of the soundness of timber members. This will mitigate some of the risks associated with the above unknowns and align the inspection process with industry practice.
- 43 This could involve drilling small holes in the beams to try to identify areas of rot, or more extensive non-destructive testing such as the use of ultra sound. Testing of the timber beams to determine the species of timber should also be carried out to maximise the available strength from specific species. Work is currently underway looking at the options to carry out this work.

### **Community Views**

- 44 Where the weight restriction on a bridge impacts heavily on a community or particular road user, the weight restriction can be discussed and economic options considered for strengthening or replacing existing bridges, or options for improving alternative routes can be investigated.

### **Costs and Funding**

- 45 The ‘cost of advertising’ in providing notification of council’s bridge postings are minor compared to the asset gains and protection realised. This is funded by the Roading Network and Asset Management budget.

### **Policy Implications**

- 46 The posted bridges generally meet the Land Transport Activity Management Plan requirements, the NZ Transport Agency funding requirement and policies, the council’s Extent of Network Policy and the Heavy Motor Vehicle Regulations of 1974.
- 47 It should be noted that NZ Transport Agency standards expect that posted bridges will be inspected annually to allow the restrictions to be updated and confirmed. SDC generally only get this done every second year due to the number of bridges involved. Where there are specific issues these are dealt with as required.

## **Analysis**

### **Options Considered**

- 48 The option of taking no action is not suitable in this case as it would result in ‘unsafe’ structures being used by road users with potentially serious or fatal consequences.
- 49 In all cases the suggested weight restrictions have been set to provide a balance between safety and limiting damage to the structures, as well as setting reasonable limits for the type of vehicles using the bridges.

### **Analysis of Options**

#### **Option 1 – Impose Conservative Lower Posting Limits**

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none"> <li>• Provides increased protection to bridges, slowing down the rate of degradation of the bridge.</li> <li>• Reduces risk of failure if an issue not fully identified during an inspection means the carrying capacity of the bridge is less than estimated.</li> </ul>	<ul style="list-style-type: none"> <li>• Imposes greater cost on landowners and heavy transport industry when required to either take detours or run more truck movements with lighter loads.</li> </ul>

### **Option 2 – Avoid Reliance on Central on Bridge Restriction**

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none"> <li>• Complies more strictly with NZ Transport Agency procedures.</li> <li>• Reduces risk of people ignoring or failing to comply with restrictions, leading to failure of mainly outside beams.</li> <li>• Generally more conservative so also has some advantages as Option 1</li> </ul>	<ul style="list-style-type: none"> <li>• Imposes greater cost on landowners and heavy transport industry when required to either take detours or run more truck movements with lighter loads.</li> <li>• Likely to increase pressure to replace and upgrade bridges sooner due to increased restrictions.</li> <li>• Fails to maximise the useful life of the asset.</li> </ul>

### **Option 3 – Impose Conservative Lower Posting Limits**

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none"> <li>• Higher postings mean fewer restrictions such that a lower cost is imposed on the heavy traffic industry</li> </ul>	<ul style="list-style-type: none"> <li>• There is a higher risk of failure as during inspections not all areas of internal rot in timber members can be identified.</li> <li>• Higher loads will lead to more rapid deterioration of the marginal bridge structures. This will lead to the need to replace the structure sooner</li> </ul>

50 This report is based on trying to achieve a reasonable balance of the above options

### **Assessment of Significance**

51 It is determined that this matter is not significant in terms of Section 76 of the Local Government Act 2002.

### **Recommended Option**

- 52 Council consider options to address central vs eccentric loading in the posting assessment. These can include acceptance of the current use of this restriction or development of a policy or priority system to deal with these restrictions. If the status quo is to be changed, structures could be prioritised on greatest risk (maximum difference between central and eccentric capacity, approach alignment, traffic use, etc.) and further works or reposting carried out to mitigate those risks.
- 53 It is proposed that Council accepts the attached list, or a modified version subject to the above, and authorises the advertising of the list in accordance with the requirements of the Transport Act 1962 and the Heavy Motor Vehicle Regulations 1974.
- 54 It is requested that Council discuss and agree how it wishes to deal with the risks outlined in this report.
- 55 The objective of the decision is to maintain a suitable level of safety for road users and to also limit damage to the Council's bridge asset from unsuitable loads crossing bridges.

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## **Next Steps**

- 56 Following the Council meeting, the bridge restrictions will be advertised and notified to the New Zealand Police, the New Zealand Transport Agency and the Heavy Transport Industry.
- 57 Work will continue on refining the postings by better understanding the bridge member conditions. Work will also continue on priority bridge upgrades and replacements as part of an overall bridge strategy.
- 58 Council will consider options for further internal verification of timber members using objective testing procedures (drill coring or other NDT), and select a preferred option to progress. This further assessment will begin with high risk structures, with an indication of some internal defect (from sounding), but will eventually be carried out on all timber beam bridges.
- 59 The next full round of posting inspections is scheduled to be carried out in 2018, but follow up inspections will be ongoing.

## **Attachments**

- A 2017 Bridge Posting Data - Appendix A [!\[\]\(dd58fe1c9dd4cd9a38118e37c5f05775\_img.jpg\)](#)
- B 2017 Central on Bridge - Appendix B [!\[\]\(09aa683ae1a7d7eccaa497959f2ec2c2\_img.jpg\)](#)

Structure Number	Name of Road	Name of Waterway	Weight Limits Max Wt on Any Axle (kg) Position on Bridge	Gross And Axle Weight (% Class I)	Max Speed Limit (km/hr)
1692.001	Allison Rd 1	Otakau Cr Trib	Central on bridge	100%	30
2861.001	Anderson Rd 4	Bastion Cr	Central on bridge	100%	10
3248.001	Argyle Rd	Steven Burn	Central on bridge	80%	10
1164.001	Ashers Rd	Gorge Cr	Central on bridge	80%	10
1253.001	Badwit Rd	Waituna Cr	Central on bridge	80%	10
2865.001	Benmore Otapiri Rd	Winton Stm	Central on bridge	100%	10
2865.003	Benmore Otapiri Rd	Winton Stm Trib	Central on bridge	80%	10
2865.004	Benmore Otapiri Rd	Winton Stm Trib	Central on bridge	100%	30
2895.001	Benmore Rd	Oreti R	4600 Central on Bridge	<b>30%</b>	10
3143.002	Biggar Rd 2	Tomogalak Stm Trib	Central on bridge	90%	10
1186.001	Birch Rd	Waituna Cr	Central on bridge	80%	10
1296.002	Braid Rd	Waimahaka Stm Trib	Central on bridge	80%	10
2494.001	Breeze Rd	Mossburn Cr	Central on bridge	70%	10
1606.001	Bridge Inn Rd	Waikiwi Stm	Central on bridge	100%	10
3346.001	Bruce Rd	Mandeville Drain	Central on bridge	80%	10
2825.001	Caird Rd	Otapiro Stm	Central on bridge	60%	10
3353.001	Carter Rd	Waimea Stm	Central on bridge	60%	10
2563.001	Channel Rd 1	Makarewa Flood Ch	Central on bridge	60%	10
1183.001	Cook Rd	Waituna Cr Brch	Central on bridge	70%	10
3654.001	Cumming Rd	Stag Stm		100%	10
1565.002	Davidson Rd 3	Gold Cr	Central on bridge	100%	10
2647.001	Deans Rd	Winton Stm		70%	10
2896.001	Dipton Flat Rd	Dipton Stm	Central on bridge	100%	10
3015.004	Dipton Mossburn Rd	Dipton Stm	Central on bridge	100%	30
2371.002	Dunearn Rd	Terrace Cr Trib	Central on bridge	80%	10
3598.002	Dunrobin Valley Rd	Aparima R Trib		90%	10
3598.003	Dunrobin Valley Rd	Aparima R Trib		80%	10
3363.001	Duthie Rd 2 (Bdy Rd)	Kelvin Stm	Central on bridge	100%	10
2115.003	Feldwick Rd	Orauea R	Central on bridge	90%	10
3347.001	Fortune Rd	Mckeller Stm	Central on bridge	100%	10
1373.001	Frazer Rd (Bdy Rd)	Waiarikiki Stm	Central on bridge	80%	10
1992.001	Fryer Rd	Taunoa Stm	Central on bridge	80%	10
1057.001	George Rd	Waikawa R W Brch	Central on bridge	40%	10
2373.001	Harbour Endowment Rd	Henderson Cr Trib	Central on bridge	100%	30
2373.002	Harbour Endowment Rd	Henderson Cr	Central on bridge	90%	10
1498.001	Hedley Rd	Titipua Stm	Central on bridge	100%	10
3902.002	Horseshoe Bay Rd	Backwater		80%	10
2476.001	Howden Rd	Lochiel Stm	Central on bridge	90%	10
3736.001	Hume Rd	Mataura R	Central on bridge	100%	30
3342.001	Kingsbury Rd	McKeller Stm	Central on bridge	70%	10
1332.001	Klondyke Rd	Caddon Burn	Central on bridge	100%	10
3407.002	Lake Monowai	Waiau River	7,000	28,500kg	10
3407.003	Lake Monowai Rd	Canal		70%	10
3407.004	Lake Monowai Rd	Lake Overflow		80%	10
3004.002	Lang Rd 2	Dipton Stm	Central on bridge	<b>100%</b>	10
1376.001	Lauderdale Bush Rd	Marairua Stm	Central on bridge	100%	30
2066.005	Lillburn Monowai Rd	Dean Burn Trib	Central on bridge	90%	10
2623.001	Mandeville Rd	Makarewa R Trib	Central on bridge	100%	10
3582.001	Mararoa Rd	Mararoa R	Central on bridge	<b>50%</b>	10
1065.001	Marinui Rd	Marinui Stm	Central on bridge	100%	10
<b>1281.001</b>	<b>Mataura Island Titiroa Rd</b>	<b>Mataura Island Backwater</b>	<b>Central on bridge</b>	<b>100%</b>	<b>10</b>
1334.002	Matheson Rd 2	Cadden Burn	Central on bridge	80%	10
2826.001	McBride Rd	Otapiri Stm		60%	10
1504.001	McDonald Rd 2	Hedgehope Stm	Central on bridge	70%	10
3002.002	McDonald Rd 4	Dipton Stm Trib	Central on bridge	100%	10
1584.001	McKerchar Rd 1	Myross Cr	Central on bridge	80%	10
2515.001	McKinnon Rd 2	Mossburn Cr	Central on bridge	80%	10
2444.001	McLeish Rd 2	Middle Cr	Central on bridge	90%	10
3048.001	McLeod Rd 2 North	Okaiterua Stm	Central on bridge	100%	10
3224.001	McRorie Rd	Washpool Cr	Central on bridge	60%	10
1172.001	Moffat Rd 1	Moffat Cr	Central on bridge	90%	10
3158.002	Murphy Rd	Black Swamp Drain		90%	10
2475.001	Nelson Rd	Lochiel Stm	Central on bridge	20%	10
9567.001	Off Ardlussa Cattleflat Rd 1	Mataura R Trib		60%	10
9568.001	Off Ardlussa Cattleflat Rd 2	Mataura R Trib	Central on bridge	70%	10
2619.001	Off Hall Rd	Makarewa R Trib	Central on bridge	20%	10
9576.001	Off Webb Rd	Thornbury Stm		90%	10
1206.001	Orr Rd 1	Duck Cr N Brch	Central on bridge	80%	10
2828.007	Otapiri Mandeville Rd	Ruhtra Stm	Central on bridge	100%	30
3694.001	Parawa Station Rd	Parawa Stm	Central on bridge	100%	10

## Item 8.1 Attachment A

3245.012	Piano Flat Rd	Charcoal Cr	Central on bridge	80%	10
1002.001	Progress Valley Rd	Waikawa R Trib	Central on bridge	100%	30
2503.001	Pullar Rd	Grove Bush Cr	Central on bridge	60%	10
2128.001	Purvis Rd	Orauea Stm Trib	Central on bridge	100%	10
2897.001	Riverside School Rd	Dipton Stm	Central on bridge	90%	10
2897.002	Riverside School Rd	Dipton Stm Trib	Central on bridge	60%	10
1733.001	Ross Rd	Taunamau Cr		70%	10
2596.001	Scott Rd 2	Makarewa R	Central on bridge	50%	10
2555.001	Sharks Tooth Rd	Sharks Tooth Cr	Central on bridge	80%	10
2661.001	Smith Rd 3	Oreti R Trib	Central on bridge	70%	10
3652.005	Sutherland Rd	Murray Cr	Central on bridge	80%	10
3618.001	Taylor Rd 4	Oswald Stm		60%	10
2526.001	Thomsons Crossing Rd West	Winton Stm		60%	10
3144.001	Tomogalak Rd	Tomogalak Stm	Central on bridge	<b>100%</b>	10
2856.002	Turnbull Rd	Winton Stm Trib	Central on bridge	100%	10
<b>2560.001</b>	<b>Off Tussock Ck Grove Bush</b>	<b>Makarewa R Trib</b>		<b>TBA</b>	
<b>2827.001</b>	<b>Wadworth Rd</b>	<b>Otapiro Stm</b>		<b>TBA</b>	
1168.001	Waghorn Rd	Currans Cr	Central on bridge	50%	10
1166.002	Waituna Lagoon Rd	Currans Cr Trib	Central on bridge	100%	30
2654.001	Welsh Rd East	Winton Stm		10%	10
3617.001	West Dome Station Rd	Oswald Stm Trib	Central on bridge	100%	10
3147.001	Wilson Rd 7	Larnach Stm	Central on bridge	80%	10
2858.001	Winton Channel Rd	Bastion Cr	Central on bridge	100%	30
1355.001	Woods Rd 1	Oware Stm	Central on bridge	90%	10
1321.001	Wyndham River Rd	Kuriwai Cr		10%	10
1328.001	Wyndham Valley Rd	Don Cr		90%	10
<b>Structure Number</b>	<b>Name Of Road</b>	<b>Name Of Waterway</b>	<b>Weight Limits Max Wt on Any Axle (kg) Position on Bridge</b>	<b>Gross And Axle Weight (% Class I)</b>	<b>Max Speed Limit (km/hr)</b>
2896.002	Dipton Flat Rd	Dipton Stm Trib	Central on bridge	70%	10
1528.001	Halcrow Rd	Waihopai R	Central on bridge	70%	10
2862.001	Taylors Bush Rd	Winton Stm Trib		60%	10
2466.002	Valley Rd	Oporo Cr Brch	Central on bridge	60%	10
1703.001	Waianiwa Oporo Rd	Oreti R Trib	Central on bridge	50%	10
1067.001	Wairata Rd	Waimahaka Stm	Central on bridge	70%	10

Structure Number	Name of Road	Name of Waterway	Weight Limits Max Wt on Any Axle (kg) Position on Bridge	Gross And Axle Weight (% Class I)	Max Speed Limit (km/hr)	Posting if Remove Central on Bridge	Posting Reduction	Risks of COB
1692.001	Allison Rd 1	Otakau Cr Trib	Central on bridge	100%	30	60%	40%	On curve
2861.001	Anderson Rd 4	Bastion Cr	Central on bridge	100%	10	50%	50%	Curved approach
3248.001	Argyle Rd	Steven Burn	Central on bridge	80%	10	65%	15%	Reasonably straight approach
1164.001	Ashers Rd	Gorge Cr	Central on bridge	80%	10	80%	0%	On straight
1253.001	Badwit Rd	Waituna Cr	Central on bridge	80%	10	70%	10%	On straight
2865.001	Benmore Otapiri Rd	Winton Stm	Central on bridge	100%	10	75%	25%	Near curve
2865.003	Benmore Otapiri Rd	Winton Stm Trib	Central on bridge	80%	10	70%	10%	Reasonably straight
2865.004	Benmore Otapiri Rd	Winton Stm Trib	Central on bridge	100%	30	55%	45%	On straight
2895.001	Benmore Rd	Oreti R	4600 Central on Bridge	50%	10	5%	45%	Breakage of large cantilever deck planks. Will narrow down approach on to bridge.
3143.002	Biggar Rd 2	Tomogalak Stm Trib	Central on bridge	90%	10	60%	30%	Near curve
1186.001	Birch Rd	Waituna Cr	Central on bridge	80%	10	40%	40%	Between two bends - 30 vpd alternative available
1296.002	Braid Rd	Waimahaka Stm Trib	Central on bridge	80%	10	55%	25%	On straight near T intersection
2494.001	Breeze Rd	Mossburn Cr	Central on bridge	70%	10	55%	15%	Straight approach on a track
1606.001	Bridge Inn Rd	Waikiwi Stm	Central on bridge	100%	10	70%	30%	Straight approach
3346.001	Bruce Rd	Mandeville Drain	Central on bridge	80%	10	80%	0%	Okay
2825.001	Caird Rd	Otapiri Stm	Central on bridge	60%	10	55%	5%	Reasonably straight near intersection
3353.001	Carter Rd	Waimea Stm	Central on bridge	60%	10	55%	5%	Curved approach
2563.001	Channel Rd 1	Makarewa Flood Ch	Central on bridge	60%	10	50%	10%	Curved approach
1183.001	Cook Rd	Waituna Cr Brch	Central on bridge	70%	10	50%	20%	Straight approach
3654.001	Cumming Rd	Stag Stm		100%	10	100%	0%	
1565.002	Davidson Rd 3	Gold Cr	Central on bridge	100%	10	60%	40%	Straight approach
2647.001	Deans Rd	Winton Stm		70%	10	70%	0%	Does not need COB
2896.001	Dipton Flat Rd	Dipton Stm	Central on bridge	100%	10	50%	50%	On straight
2896.002	Dipton Flat Rd	Dipton Stm Trib	Central on bridge	70%	10	35%	35%	Being replaced
3015.004	Dipton Mossburn Rd	Dipton Stm	Central on bridge	100%	30	60%	40%	Curved approach
2371.002	Dunearn Rd	Terrace Cr Trib	Central on bridge	80%	10	55%	25%	Straight approach
3598.002	Dunrobin Valley Rd	Aparima R Trib		90%	10	90%	0%	
3598.003	Dunrobin Valley Rd	Aparima R Trib		80%	10	80%	0%	

## Item 8.1 Attachment B

3363.001	Duthie Rd 2 (Bdy Rd)	Kelvin Stm	Central on bridge	100%	10	55%	45%	Straight approach
2115.003	Feldwick Rd	Orauea R	Central on bridge	90%	10	70%	20%	One slightly curved approach
3347.001	Fortune Rd	Mckeller Stm	Central on bridge	100%	10	55%	45%	Straight approach
1373.001	Frazer Rd (Bdy Rd)	Waiarikiki Stm	Central on bridge	80%	10	45%	35%	On a curve
1992.001	Fryer Rd	Taunoa Stm	Central on bridge	80%	10	70%	10%	Curved approach and hill
1057.001	George Rd	Waikawa R W Brch	Central on bridge	40%	10	30%	10%	On straight
1528.001	Halcrow Rd	Waihopai R	Central on bridge	70%	10	70%	0%	Being replaced
2373.001	Harbour Endowment Rd	Henderson Cr Trib	Central on bridge	100%	30	90%	10%	Straight approach
2373.002	Harbour Endowment Rd	Henderson Cr	Central on bridge	90%	10	50%	40%	Straight approach
1498.001	Hedley Rd	Titipua Stm	Central on bridge	100%	10	90%	10%	Straight approach
3902.002	Horseshoe Bay Rd	Backwater		80%	10	80%	0%	
2476.001	Howden Rd	Lochiel Stm	Central on bridge	90%	10	55%	35%	On curve
3736.001	Hume Rd	Mataura R	Central on bridge	100%	30	70%	30%	Curve on to bridge
3342.001	Kingsbury Rd	McKeller Stm	Central on bridge	70%	10	65%	5%	Straight approach
1332.001	Klondyke Rd	Caddon Burn	Central on bridge	100%	10	75%	25%	Straight approach
3407.002	Lake Monowai	Waiau River	7,000	28,500kg	10		#VALUE!	
3407.003	Lake Monowai Rd	Canal		70%	10	70%	0%	
3407.004	Lake Monowai Rd	Lake Overflow		80%	10	80%	0%	
3004.002	Lang Rd 2	Dipton Stm	Central on bridge	100%	10	80%	20%	On straight
1376.001	Lauderdale Bush Rd	Marairua Stm	Central on bridge	100%	30	90%	10%	Short straight over bridge
2066.005	Lillburn Monowai Rd	Dean Burn Trib	Central on bridge	90%	10	60%	30%	Straight approach
2623.001	Mandeville Rd	Makarewa R Trib	Central on bridge	100%	10	70%	30%	Curved approach
3582.001	Mararoa Rd	Mararoa R	Central on bridge	50%	10	45%	5%	Slightly curved approach
1065.001	Marinui Rd	Marinui Stm	Central on bridge	100%	10	65%	35%	On straight
1281.001	Mataura Island Titiroa Rd	Mataura Island Backwater	Central on bridge	100%	10	80%	20%	Curve at one end
1334.002	Matheson Rd 2	Cadden Burn	Central on bridge	80%	10	40%	40%	Straight over bridge
2826.001	McBride Rd	Otapiri Stm		60%	10	60%	0%	
1504.001	McDonald Rd 2	Hedgehope Stm	Central on bridge	70%	10	60%	10%	Curved approach
3002.002	McDonald Rd 4	Dipton Stm Trib	Central on bridge	100%	10	100%	0%	Okay
1584.001	McKerchar Rd 1	Myross Cr	Central on bridge	80%	10	70%	10%	Straight approach
2515.001	McKinnon Rd 2	Mossburn Cr	Central on bridge	80%	10	60%	20%	Curved approach
2444.001	McLeish Rd 2	Middle Cr	Central on bridge	90%	10	65%	25%	Straight
3048.001	McLeod Rd 2 North	Okaiterua Stm	Central on bridge	100%	10	65%	35%	Straight approach
3224.001	McRorie Rd	Washpool Cr	Central on bridge	60%	10	45%	15%	Straight approach
1172.001	Moffat Rd 1	Moffat Cr	Central on bridge	90%	10	55%	35%	Straight approach
3158.002	Murphy Rd	Black Swamp Drain		90%	10	90%	0%	

2475.001	Nelson Rd	Lochiel Stm	Central on bridge	20%	10	10%	10%	Straight near intersection
9567.001	Off Ardlussa Cattleflat Rd 1	Mataura R Trib		60%	10	60%	0%	
9568.001	Off Ardlussa Cattleflat Rd 2	Mataura R Trib	Central on bridge	70%	10	55%	15%	Farm paddock entrance
2619.001	Off Hall Rd	Makarewa R Trib	Central on bridge	20%	10	20%	0%	Okay
9576.001	Off Webb Rd	Thornbury Stm		90%	10	90%	0%	
1206.001	Orr Rd 1	Duck Cr N Brch	Central on bridge	80%	10	65%	15%	On straight
2828.007	Otapiri Mandeville Rd	Ruhtra Stm	Central on bridge	100%	30	70%	30%	Straight in hollow
3694.001	Parawa Station Rd	Parawa Stm	Central on bridge	100%	10	60%	40%	Straight approach near intersection
3245.012	Piano Flat Rd	Charcoal Cr	Central on bridge	80%	10	45%	35%	Straight
1002.001	Progress Valley Rd	Waikawa R Trib	Central on bridge	100%	30	55%	45%	Curved approach
2503.001	Pullar Rd	Grove Bush Cr	Central on bridge	60%	10	50%	10%	Straight
2128.001	Purvis Rd	Orauea Stm Trib	Central on bridge	100%	10	75%	25%	Between two curves
2897.001	Riverside School Rd	Dipton Stm	Central on bridge	90%	10	50%	40%	Straight
2897.002	Riverside School Rd	Dipton Stm Trib	Central on bridge	60%	10	30%	30%	Straight
1733.001	Ross Rd	Taunamau Cr		70%	10	70%	0%	Due to upgrade
2596.001	Scott Rd 2	Makarewa R	Central on bridge	50%	10	50%	0%	Okay
2555.001	Sharks Tooth Rd	Sharks Tooth Cr	Central on bridge	80%	10	50%	30%	Straight
2661.001	Smith Rd 3	Oreti R Trib	Central on bridge	70%	10	50%	20%	Straight
3652.005	Sutherland Rd	Murray Cr	Central on bridge	80%	10	45%	35%	Straight
3618.001	Taylor Rd 4	Oswald Stm		60%	10	60%	0%	
2862.001	Taylors Bush Rd	Winton Stm Trib		60%	10	60%	0%	
2526.001	Thomsons Crossing Rd West	Winton Stm		60%	10	60%	0%	
3144.001	Tomogalak Rd	Tomogalak Stm	Central on bridge	100%	10	80%	20%	Curved approach
2856.002	Turnbull Rd	Winton Stm Trib	Central on bridge	100%	10	60%	40%	Straight
2466.002	Valley Rd	Oporo Cr Brch	Central on bridge	60%	10	35%	25%	Being replaced
1168.001	Waghorn Rd	Currans Cr	Central on bridge	50%	10	40%	10%	On straight
1703.001	Waianiwā Oporo Rd	Oreti R Trib	Central on bridge	50%	10	50%	0%	Being replaced
1067.001	Wairata Rd	Waimahaka Stm	Central on bridge	70%	10	45%	25%	Being replaced
1166.002	Waituna Lagoon Rd	Currans Cr Trib	Central on bridge	100%	30	50%	50%	On short straight
2654.001	Welsh Rd East	Winton Stm		10%	10	10%	0%	
3617.001	West Dome Station Rd	Oswald Stm Trib	Central on bridge	100%	10	95%	5%	Curved approach
3147.001	Wilson Rd 7	Larnach Stm	Central on bridge	80%	10	60%	20%	Straight approach
2858.001	Winton Channel Rd	Bastion Cr	Central on bridge	100%	30	80%	20%	Curve beyond bridge
1355.001	Woods Rd 1	Oware Stm	Central on bridge	90%	10	60%	30%	On straight
1321.001	Wyndham River Rd	Kuriwai Cr		10%	10	10%	0%	
1328.001	Wyndham Valley Rd	Don Cr		90%	10	90%	0%	On straight
2827.001	Wadworth Rd						0%	

3626.003	Hillas						0%	
2560.001	Off Tussock Ck Grove Bush						0%	

# Unbudgeted expenditure request for a contribution to the Fiordland Retirement Housing Trust

Record No: R/17/6/12941

Author: Anne Robson, Chief Financial Officer

Approved by: Rex Capil, Group Manager Community and Futures

Decision

Recommendation

Information

## Purpose

- 1 The Te Anau Community Board (the Board) has received a request from the Fiordland Retirement Housing Trust (the Trust) for a grant of \$40,000.
- 2 The Board met on the 14 June 2017 and resolved to recommend to Council to approve the request subject to a number of conditions. The monies will be advanced from the Te Anau Luxmore Subdivision Reserve, which is monies collected from property development that Council undertook on property within the Te Anau area.

## Executive Summary

- 3 The Board have received a request from the Fiordland Retirement Housing Trust for a grant of \$40,000. The Trust is a charitable organisation set up for the purpose of developing elderly person housing in Te Anau.
- 4 The funding request is to assist the trust to undertake further project definition phases, including refining the initial concept and clarifying costs and risks before proceeding to the resource consent application and sales campaign.
- 5 Further to Council agreeing to underwrite \$20,000, a change is proposed to the Trust's trust deed. This change will result in any funds that remain in the Trust on dissolution or windup being given to Council/Board. These monies will subject to being used on projects to support the elderly in the community.
- 6 There was a high level of support to the request at the Board meeting, from those who did not declare an interest, subject to conditions. These conditions are
  - The repayment of the contribution, at a time practical to the Trust. This enables this contribution to be returned to the Board untagged, unlike any other funds that may be returned on dissolution or windup.
  - That should the development not proceed that any plans and work undertaken by the Trust becomes the intellectual property of the Council.
- 7 The Board recognised that the Trust has no assets and there is risk that the monies may not be repaid.

Council  
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## Recommendation

That the Council:

- a) Receives the report titled “Unbudgeted expenditure request for a contribution to the Fiordland Retirement Housing Trust” dated 15 June 2017.
- b) Determines that this matter or decision be recognised as not significant in terms of Section 76 of the Local Government Act 2002.
- c) Determines that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with Section 79 of the Act determines that it does not require further information, further assessment of options or further analysis of costs and benefits or advantages and disadvantages prior to making a decision on this matter.
- d) Approves unbudgeted expenditure in the form of a \$40,000 contribution to the Fiordland Retirement Housing Trust from the Luxmore Subdivision Reserve subject to the following conditions:
  - a) That in the event that the trust does not proceed with the project, that any plans and work undertaken by the Trust becomes the intellectual property of the Southland District Council.
  - b) That the trust repay the \$40,000 when practically possible.
  - c) That the \$40,000 returned, will not be subject to any conditions that the Trust may impose on any other funds returned to Council.
- e) Acknowledges that the \$40,000 contribution is not secured and that there is a level of risk that the monies may not be returned to the Community Board.

## Content

### Background

- 8 The Fiordland Retirement Housing Trust (the Trust) is a Charitable Trust set up principally for the purposes of “support for the provision, promotion, future maintenance and administration of retirement housing and to investigate the viability and implement as appropriate, the provision of other retirement services for the benefit of the residents of Fiordland” as described in clause 3.1(a) of their trust deed.
- 9 The Trust is currently progressing plans to undertake an elderly persons housing development in Te Anau. They have indicated that the current status of the project is that
  - a) Council has agreed to the transfer of land for \$1 to the trust. Currently lawyers are finalising the caveats to the unit title.
  - b) A grant of \$20,000 has been provided by a third party to fund works leading to the resource consent and development of marketing materiality.

**Council  
21 June 2017**

- 
- c) The Community Trust of Southland has agreed to a low interest loan of \$1M to fund design, development and construction. Funds will be released on resource consent being obtained and deposits on 6 properties.
  - d) The Trust has appointed the Logic Group who will provide a turnkey arrangement for the land development, property design and construction.
- 10 Additionally the Southland District Council has agreed to underwrite early project costs of \$20,000.
- 11 In making a request to the Community Board, the Trust said that initially based on their feasibility study they were informed that to reach the milestones for release of the CTOS money, it would cost around \$20,000 which was covered from the third party grant.
- 12 However, in progressing to the next stage and working to appoint a development consultant they said it became apparent to them that they needed to invest more to refine the concept and clarify costs and risks before proceeding with a resource consent application and marketing programme. The overall cost now being \$60,000 hence a shortfall of \$40,000.
- 13 In asking for a grant, the trust have indicated that they are making an amendment to their trust deed as agreed with Council that will mean that upon winding up any remaining monies will be returned to the Council/Board to be used in support of the elderly in the community.
- 14 In considering the funding request, the Board has indicated that it wants to attach some conditions to the contribution. The conditions the Board think appropriate are
- That the Trust repay the monies when practically appropriate.
  - That should the development not progress that the plans and works completed to that date become the property of Council.
  - That the \$40,000 when returned to the Board, not be subject to any conditions that any other monies that may be returned to the trust be subject to.
- 15 In considering the conditions the thinking was that although on winding up monies will be returned to the Council/Board, these will effectively be tagged for use in supporting the elderly. They felt it is appropriate that the monies granted come back to the Luxmore Reserve from which they were advanced, untagged. Additionally if the development does not go ahead they would like to receive the plans that were undertaken to date as they may be of use in the future.

**Issues/Risks**

- 16 As noted to the Community Board, there is a risk that the \$40,000 will not be repaid. The trust owns no assets that the funds can be secured against. This is only the start of the project, and as with all construction projects until sale contracts are entered into and the construction is complete there is a high level of risk at all stages.
- 17 Additionally although the trust is indicating that upon liquidation or dissolution any monies remaining will be paid to the Te Anau Community Board for the purposes of this trust ie: in support of the elderly in the community, there is no guarantee that there will be any funds remaining.

## **Factors to Consider**

### **Legal and Statutory Requirements**

- 18 It is most likely that due to the conditions that are being suggested to accompany this grant the monies will be recorded as an asset on Council's balance sheet rather than recorded as a grant. This is due to accounting rules requiring that in considering an asset you need to consider substance over form. Although a grant is being considered, the conditions around the grant, namely the expected repayment, indicates an asset of Council rather than an expense to Council.

### **Community Views**

- 19 The Council has not recently sought any community views on this. However a number of documents and community meetings over the years have indicated the need. Concept plans prepared in 1999 and reviewed again in 2011 indicated the need for elderly person housing in the community. It was also identified at a community meeting "Lets go Te Anau".

### **Costs and Funding**

- 20 The Trust is requesting a grant of \$40,000 from the Community Board.
- 21 The Board has agreed to the funding coming from the Luxmore Subdivision Reserve which has a balance of \$1,020k at the 30 June 2016, projected to be \$1,074K at the 30 June 2017.

### **Policy Implications**

- 22 Council's current financial delegations require Council to approve expenditure not included within the Long Term Plan or Annual Plan.

## **Analysis**

### **Options Considered**

- 23 To make a contribution or not of \$40,000 to the Fiordland Retirement Housing Trust

### **Analysis of Options**

**Option 1 – Approve an unbudgeted grant to the Fiordland Retirement Housing Trust of \$40,000, funded from the Luxmore Reserve, subject to a number of conditions as noted above.**

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none"> <li>• None directly for Council.</li> <li>• Assists the Trust, with a community project.</li> </ul>	<ul style="list-style-type: none"> <li>• There is a degree of risk that repayment will not occur.</li> </ul>

**Option 2 – Discuss other options with the Trust.**

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none"> <li>• If Council has any concerns then further discussion can occur.</li> </ul>	<ul style="list-style-type: none"> <li>• Depending on the discussion, there will be a delay in payment to the Trust if approval is given in the future.</li> </ul>

### **Option 3 – Decline the request**

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none"> <li>• Eliminates any risk of repayment not occurring.</li> </ul>	<ul style="list-style-type: none"> <li>• None for the Council</li> <li>• The Trust will need to find the additional funding elsewhere.</li> </ul>

### **Assessment of Significance**

24 This matter is not deemed to be significant in terms of Council's significance policy.

### **Recommended Option**

25 Option 1 – Approve an unbudgeted grant to the Fiordland Retirement Housing Trust of \$40,000 funded from the Luxmore Reserve subject to a number of conditions as noted above.

### **Next Steps**

- 26 At the conclusion of Council's meeting the Community Board Chair will be advised of the outcome, in order for the Board to advise the Trust.
- 27 A letter will be drafted to the Trust advising of the grant and the conditions around the grant, for formal response agreeing to the terms.
- 28 Payment of the grant will be made.

### **Attachments**

A Fiordland Retirement Housing Project letter - 17 May 2017 [↓](#)

Fiordland Retirement Housing Trust  
c/o Brian McCandless  
31 Patience Bay Drive  
Te Anau 9679

17 May 2017

Rachel Cockburn,  
Chair,  
Te Anau Community Board  
Via email: <mailto:grant.rachel@xtra.co.nz>

Dear Rachel,

**Fiordland Retirement Housing Project**

I understand that both Ann Carran and Ebel Kramer have discussed the current status of our project with you. I now write to formally request your assistance in progressing development to the stage that we can market the properties.

The current status of the project is as follows:

- Council has agreed to transfer the land for \$1 and our lawyers are currently finalising the caveats to the Unit Title.
- The PH Vickery Trust has provided a grant of \$20,000 to fund seed-corn activity leading to Resource Consent and the development of marketing material. This was the figure based on a recommendation by our Feasibility Study consultants.
- The Community Trust of Southland has agreed to provide a low interest loan of \$1,000,000 to fund design, development and construction. This loan is dependent on Resource Consent being granted and deposits placed for the first 6 properties.
- We have recently selected high quality a consortium led by the Logic Group for land development, property design and construction under turnkey arrangements.

The Logic proposal includes a further project definition stage to refine the initial concept and clarify costs and risks before going ahead with the Resource Consent application and sales campaign. This further work will

cost almost \$60,000. Our Trustees view this as a prudent further risk reduction measure, which has the potential to save greater costs further downstream.

Whilst not increasing overall project costs, the Logic proposal does nevertheless have a significant impact on spend profiles during the early stage of the project. In short, we are some \$40,000 short of funds to get to the stage where we can safely market the properties and release the CTOS funding stream.

I write to request that the Community Board consider providing a grant of \$40,000 to cover this shortfall. You should be aware that we have agreed a form of words with SDC for an amendment to our Trust Deed as follows:

**"If upon liquidation or dissolution there remains after satisfaction of all debts and liabilities, any property, that property shall not be paid to or distributed amongst the Trustees of the Trust, but shall be paid to or distributed for charitable purposes carried out exclusively within New Zealand to the Southland District Council to be held by them on trust for the purposes of this trust and to be used for those purposes by the direction of the Te Anau Community Board"**

In other words, any operating surplus at the end of the project will be returned to you to be used in support of the elderly in the community.

I understand that the Community Board has a workshop planned for the afternoon of 14<sup>th</sup> May. I would be happy to attend this meeting to cover any supplementary questions that the Board might have.

I will copy this note to Steve Ruru, Ebel Kramer and Sarah Greaney to keep them in the loop

Thank you for agreeing to consider this proposal. I look forward to hearing from you in the near future.

Yours sincerely,

Brian McCandless,  
Chair,  
Fiordland Retirement Housing Trust



# **Southland Cycling Strategy - Governance Group Council Representative**

**Record No:** R/17/6/12918

**Author:** Ian Marshall, Group Manager Services and Assets

**Approved by:** Ian Marshall, Group Manager Services and Assets

Decision

Recommendation

Information

## **Background**

- 1 The Southland Cycling Strategy was developed in late 2016 in order to form the basis of a coordinated approach to cycling in the region. The Strategy is a joint vision of the Invercargill City Council, Southland District Council, Gore District Council and Environment Southland and has had significant input from the public and from key stakeholders in the cycling community.

## **Purpose**

- 2 It is intended that the Southland Cycling Strategy will better enable the region to build on its proud cycling history and maximise the economic, social and health benefits cycling can offer the community.
- 3 The outcomes of the Strategy are far-reaching and intended to guide council direction and spending where funding allows.
- 4 The strategy recommendations fall into seven key areas:
  - (a) Improve Basic Infrastructure to Encourage More People to Cycle.
  - (b) Develop and Promote a Suite of High Quality Cycling Experiences.
  - (c) Implement Programmes to Encourage People to Cycle and Raise Safety Awareness.
  - (d) Support Community Cycling Activities and Participation-Based Events.
  - (e) Assist the Rejuvenation of Competitive Cycling Events.
  - (f) Support Development of Local Cycle Commissionable Tourism Products and Partnerships.
  - (g) Implement Strong Leadership Communication and Cooperation.

## **NZTA**

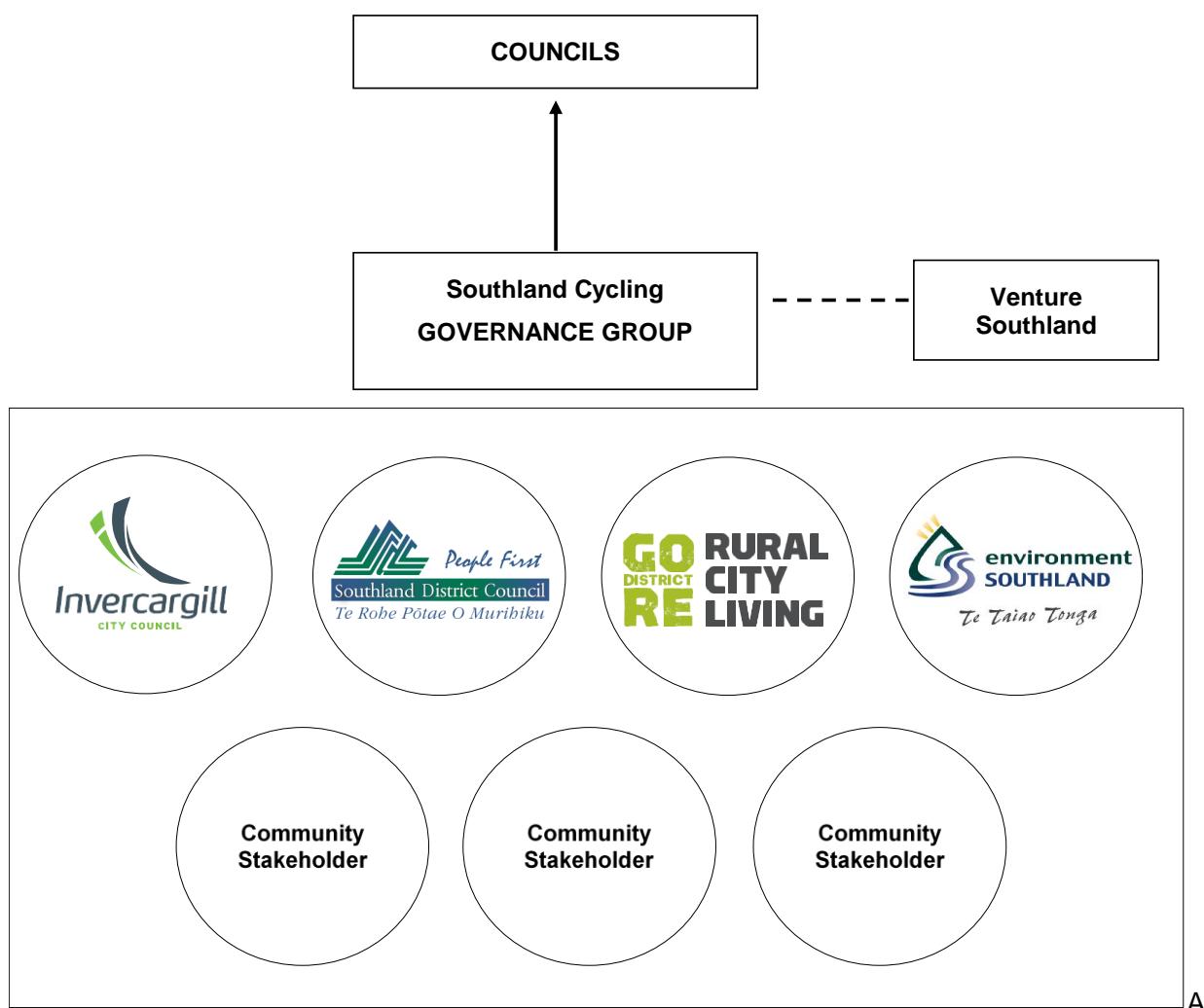
- 5 It is also important to note changes occurred during the time that the document was being developed. In particular further increases in central government funding and the evolving significant role of the NZTA in regards to the future of cycling in New Zealand
- 6 With this in mind, the NZTA are seen as a key stakeholder and are providing valuable, guidance and feedback. It was the intention to align this document with future possible funding streams and priorities for funding as identified by the NZTA, which are supporting stakeholders by providing a clear and early planning and investment signals to provide stakeholders with investment confidence.
- 7 NZTA Chief Executive, Fergus Gammie, recently in Invercargill, commented positively on their support of the Southland Regional Cycling Strategy.

**Council**  
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## Governance

- 8 The need now is for a Governance Group to be established to provide leadership and coordinate actions for the implementation of the strategy. This group is intended to be made up of a nominated representative of each of the three councils, along with Environment Southland and be joined by three individuals representing community cycling interests.
- 9 The process for nomination for these three community positions would be determined by the Governance Group Council representatives. A report incorporating this recommendation is being presented to each Council.
- 10 Invercargill City Council and Gore District Council have each selected a councillor for the Governance Group.

## Governance Structure



A

## Terms of Reference for Southland Cycling Governance Group

- 11 The Governance Group shall be a high level forum with the overarching responsibility to guide the implementation of the Southland Cycling Strategy 2016-2026.
- 12 It will discuss and find solutions on strategic issues relating to the Southland Cycling Strategy 2016-2026.

**Council**  
**21 June 2017**

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- 13 It will be responsible for guidance of (and shall provide advice and recommendations to) a Cycling Key Stakeholder Implementation Group and councils who are implementing key recommendations from the Strategy.
- 14 It shall ensure that there is an overall regional approach to the development of cycling in Southland including alignment of current and future cycling projects and initiatives as well funding strategic planning/guidance.

## **Recommendation**

**That the Council:**

- a) **Receives the report titled “Southland Cycling Strategy - Governance Group Council Representative” dated 15 June 2017.**
- b) **Appoints one Councillor to be the Southland District Council representative on the Southland Cycling Strategy Governance Group.**

## **Attachments**

There are no attachments for this report.



# Unbudgeted expenditure - Waikaia Community Development Area - Footpath Paving in front of Switzers Museum

Record No: R/17/6/12963

Author: Kelly Tagg, Community Partnership Leader

Approved by: Ian Marshall, Group Manager Services and Assets

Decision

Recommendation

Information

## Purpose

- 1 The purpose of this report is to seek approval from Council for the payment of a grant of \$25,000 plus GST to Switzers Museum Inc to assist with the cost of completing the paving in front of the Switzers Museum in Waikaia.

## Executive Summary

- 2 The Waikaia Community Development Area Subcommittee resolved to recommend to Council at its meeting on 31 May 2017 that a grant of \$25,000 plus GST be made to Switzers Museum Inc; such payment to be made from the Waikaia General Reserve.
- 3 This recommendation was moved by Member Coats and seconded by Member Dickson. One member declared a conflict of interest as treasurer of the Museum and took no part in the discussions or voting. The recommendation was carried with four members in favour and two opposed.
- 4 The total Waikaia Reserve balances are forecast to be \$220,702 at 30 June 2017, of that, the general reserve balance is forecast to be \$98,455.
- 5 The only project budgeted for at this point in time in the long term plan is the replacement of the township lawn mower.
- 6 Attached to this report is a copy of the report prepared for the Waikaia CDA meeting on 31 May 2017.

## Recommendation

That the Council:

- a) Receives the report titled "Unbudgeted expenditure - Waikaia Community Development Area - Footpath Paving in front of Switzers Museum" dated 15 June 2017.
- b) Approves the payment of an unbudgeted grant to Switzers Museum Inc in the amount of \$25,000 plus GST to be funded from the Waikaia General Reserve.

## Attachments

- A Report to Waikaia CDA Subcommittee - 31 May 2017 [Download](#)

**Waikaia Community Development Area Subcommittee**  
31 May 2017



## **Approval for payment of an additional grant to the Switzers Waikaia Museum**

Record No: R/17/5/11927

Author: Kelly Tagg, Community Partnership Leader

Approved by: Ian Marshall, Group Manager Services and Assets

Decision

Recommendation

Information

### **Purpose**

- 1 To seek a recommendation from the Waikaia Community Development Area Subcommittee to Council that an additional grant of up to \$25,000 plus GST be made to the Switzers Museum Inc to assist with the cost of completing the paving in front of the Switzers Museum in Waikaia.

### **Executive Summary**

- 2 Representatives from the Switzers Museum have approached the Waikaia CDA to enquire if it would consider funding the additional paving work outside the museum and shop in order to complete the project.
- 3 This is a Switzers Museum Inc project; the estimated total project cost to pave the area in front of museum and shop (which includes some Council funded footpath) is understood to be approximately \$32,000 plus GST.
- 4 The Community Engineer advises that part of the paving work involving the footpath is able to be funded from the local Waikaia street works budget; it is estimated that these works will cost approximately \$7,000 plus GST and will be deducted from the estimated project cost of \$32,000 plus GST.
- 5 It is proposed that payment of this grant, if approved, be made from the Waikaia General Reserve. The current balance of which is forecast to be approximately \$98,455 as at 30 June 2017.
- 6 A previous grant of \$75,000 was paid to Switzers Museum Inc in November 2015.
- 7 Council's Terms of Reference for Community Development Area Subcommittee's stipulate that CDA's have the following financial delegations;
  - a) Approving expenditure within the limits of annual estimates.
  - b) Approving unbudgeted expenditure for locally funded activities up to the value of \$10,000.
- 8 If the CDA wishes to approve this grant application a recommendation to Council to approve the grant as unbudgeted expenditure will need to be made. This can be considered at the Council meeting scheduled for June 21, 2017.
- 9 The CDA may also wish to consider if it wishes to impose any conditions for the grant.

**Waikaia Community Development Area Subcommittee**  
**31 May 2017**



**Recommendation**

**That the Waikaia Community Development Area Subcommittee:**

- a) **Receives the report titled “Approval for payment of an additional grant to the Switzers Waikaia Museum” dated 30 May 2017.**
- b) **Recommends to Council that a grant of \$25,000 plus GST be made to Switzers Museum Inc; such payment to be made from the Waikaia General Reserve**
- c) **Considers if any conditions be imposed on the payment of the grant.**

**Attachments**

There are no attachments for this report.



## Minutes of the Finance and Audit Committee Meeting dated 15 March 2017

Record No: R/17/6/12848

Author: Fiona Dunlop, Committee Advisor

Approved by: Fiona Dunlop, Committee Advisor

Decision

Recommendation

Information

### Recommendation

That Council receives the minutes of the Finance and Audit Committee meeting held 15 March 2017 as information.

### Attachments

A Minutes of Finance and Audit Committee Meeting dated 15 March 2017 (separately enclosed)

Item 9.3



## Minutes of the Finance and Audit Committee Meeting dated 26 April 2017

Record No: R/17/6/12850

Author: Fiona Dunlop, Committee Advisor

Approved by: Fiona Dunlop, Committee Advisor

Decision

Recommendation

Information

### Recommendation

That Council receives the minutes of the Finance and Audit Committee meeting held 26 April 2017 as information.

### Attachments

A Minutes of Finance and Audit Committee Meeting dated 26 April 2017 (separately enclosed)



## Minutes of the Athol Community Development Area Subcommittee Meeting dated 22 March 2017

Record No: R/17/6/12929

Author: Rose Knowles, Committee Advisor/Customer Support Partner

Approved by: Rose Knowles, Committee Advisor/Customer Support Partner

Decision

Recommendation

Information

### Recommendation

That Council receives the minutes of the Athol Community Development Area Subcommittee meeting held 22 March 2017 as information.

### Attachments

A Minutes of Athol Community Development Area Subcommittee Meeting dated 22 March 2017 (separately enclosed)

Item 9.5



## Minutes of the Garston Community Development Area Subcommittee Meeting dated 22 March 2017

Record No: R/17/6/12928

Author: Rose Knowles, Committee Advisor/Customer Support Partner

Approved by: Rose Knowles, Committee Advisor/Customer Support Partner

Decision

Recommendation

Information

### Recommendation

That Council receives the minutes of the Garston Community Development Area Subcommittee meeting held 22 March 2017 as information.

### Attachments

A Minutes of Garston Community Development Area Subcommittee Meeting dated 22 March 2017 (separately enclosed)



## Minutes of the Mossburn Community Development Area Subcommittee Meeting dated 13 March 2017

Record No: R/17/6/12926

Author: Rose Knowles, Committee Advisor/Customer Support Partner

Approved by: Rose Knowles, Committee Advisor/Customer Support Partner

Decision

Recommendation

Information

### Recommendation

That Council receives the minutes of the Mossburn Community Development Area Subcommittee meeting held 13 March 2017 as information.

### Attachments

A Minutes of Mossburn Community Development Area Subcommittee Meeting dated 13 March 2017 (separately enclosed)

Item 9.7



## Minutes of the Waikaia Community Development Area Subcommittee Meeting dated 20 March 2017

Record No: R/17/6/12925

Author: Rose Knowles, Committee Advisor/Customer Support Partner

Approved by: Rose Knowles, Committee Advisor/Customer Support Partner

Decision

Recommendation

Information

### Recommendation

That Council receives the minutes of the Waikaia Community Development Area Subcommittee meeting held 20 March 2017 as information.

### Attachments

A Minutes of Waikaia Community Development Area Subcommittee Meeting dated 20 March 2017 (separately enclosed)



## Exclusion of the Public: Local Government Official Information and Meetings Act 1987

### Recommendation

That the public be excluded from the following part(s) of the proceedings of this meeting.

#### **C10.1 Stewart Island/Rakiura Golden Bay Wharf Ownership**

#### **C10.2 Public Excluded Minutes of the Finance and Audit Committee Meeting dated 15 March 2017**

#### **C10.3 Public Excluded Minutes of the Finance and Audit Committee Meeting dated 26 April 2017**

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
Stewart Island/Rakiura Golden Bay Wharf Ownership	s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person.  s7(2)(h) - The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.  s7(2)(i) - The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists.
Public Excluded Minutes of the Finance and Audit Committee Meeting dated 15 March 2017	s7(2)(b)(ii) - The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.  s7(2)(h) - The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.  s7(2)(i) - The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists.

Public Excluded Minutes of the Finance and Audit Committee Meeting dated 26 April 2017	<p>s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person.</p> <p>s7(2)(h) - The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.</p> <p>s7(2)(i) - The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</p>	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists.