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

Date:	**Wednesday, 15 March 2017**
Time:	**2pm**
Meeting Room:	**Council Chambers**
Venue:	**15 Forth Street**
	Invercargill

Council Agenda

OPEN

MEMBERSHIP

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

IN ATTENDANCE

Chief Executive	Steve Ruru
Committee Advisor	Fiona Dunlop

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Full agendas are available on Council's Website
www.southlanddc.govt.nz

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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PUBLIC EXCLUDED

Procedural motion to exclude the public **74**

C10.1 Land Encroachment ANZAC Memorial Gates

C10.2 Fiordland Retirement Housing Trust

C10.3 Alternative Coastal Route Improvement Project - Tender Results

C10.4 Te Anau Wastewater - Land Access and Acquisition Agreement

1 Apologies

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

2 Leave of absence

At the close of the agenda no requests for leave of absence had been received.

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 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, 23 February 2017

Proposed Southland District Plan - Further Amendments

Record No: R/17/2/3088
Author: Courtney Ellison, Senior Resource Management Planner - Policy
Approved by: Bruce Halligan, Group Manager Environmental Services

☒ Decision ☐ Recommendation ☐ Information

Purpose

1 To seek approval to commence the scoping and preparation of a variation to the Proposed District Plan 2012.

Executive Summary

2 The Proposed District Plan 2012, is a living document that should always be reviewed to ensure it is meeting the needs of its community. Since the decisions on the Proposed District Plan were released in October 2014, most of the plan has had legal effect and the rules have been applied to development activities.

3 In response to the plan now being implemented and other activities such as the new Signs and Objects on Roads and Footpaths Bylaw being developed, a number of potential changes to the Proposed District Plan have been identified.

4 On 23 February 2017, the Regulatory and Consents Committee passed a resolution recommending to Council "that staff progress the preparation of a variation to the Proposed District Plan 2012."

5 This report seeks approval from the full Council for staff to start the preparation of a variation that would address the matters raised in this report.

Recommendation

That the Council:

a) Receives the report titled "Proposed Southland District Plan - Further Amendments" dated 8 March 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 the scoping and preparing of a variation to the Proposed District Plan 2012.

Content

Background

6 The Proposed District Plan is a living document that should always be reviewed to ensure it is meeting the needs of its community. Since the decisions on the Proposed District Plan were released in October 2014, most of the plan has had legal effect and the rules have been applied to development activities. Through implementing the plan, some potential improvements have been identified.

7 This report outlines some of the potential improvements that could be included in a variation to the Proposed District Plan.

Issues

8 Sandwich Boards - These are now regulated under the Signs and Objects on Roads and Footpaths Bylaw 2016 which comes into effect on 1 July 2017. This bylaw is intended to replace the rule relating to sandwich boards in the District Plan, therefore a variation to the District Plan is required to remove those rules.

9 Duplication of functions between DOC and SDC - As part of Variation 2 to the Proposed District Plan, some changes were proposed to reduce the duplication of functions and processes for people currently undertaking activities on public conservation land. Some concerns with the public consultation process were raised and consequently these changes were not progressed. However, it is considered that these changes could be investigated further in consultation with key stakeholders.

10 Commercial activities and carparking requirements - The Proposed District Plan introduced the concept of commercial precincts in nine of the 20 Urban Zones. Outside of those commercial precincts, commercial activities require a consent. The intention of this rule is to encourage commercial developments within the existing central business area, and encourage the vibrancy of these town centres. However in those townships without a commercial precinct it is considered a review of the rules could enable some development within defined parameters. As part of this it is also considered the parking requirements and when they are triggered could be reviewed. This all contributes to the philosophy of the 'ease of doing' business which came through the Southland Regional Development Strategy.

11 General Infrastructure Standards - It has become apparent that the general standards in the infrastructure section could become quite restrictive, which goes against the general philosophy of the section to enable infrastructure activities, while still ensuring effects are managed. Therefore the extent of the general standards could be reviewed.

12 Other discrete changes may arise during the preparation of a variation.

Factors to Consider

Legal and Statutory Requirements

13 Any changes to the District Plan will be required to follow the variation process as outlined in the Resource Management Act 1991 (RMA). This process includes assessing the benefits and costs of the changes through a Section 32 report, public notification of the changes, submissions and hearings, with the final decisions of the Council being subject to appeal.

Community Views

14 Community views would be sought through the formal consultation process outlined in the First Schedule of the RMA. This includes two opportunities for making submissions, and the opportunity for submitters to speak on the content of their submissions at a hearing.

15 It is also proposed that initial stakeholder consultation with affected organisations or communities would be undertaken as part of the development of the variation, prior to the formal consultation process required under the RMA. This would include discussions with the relevant Community Boards or Community Development Area Subcommittees where changes would directly affect their communities.

Costs and Funding

16 There are costs associated with undertaking a variation, including staff time, consultation costs, printing/distribution of documents, public notices and hearings. The work would be undertaken within current District Plan budgets. As an indication, the likely costs up to the point of notifying the variation could be approximately $3000 and 120 hours of staff time, and following notification, up to the release of decisions approximately $6000 and 100 hours of staff time. These costs can vary depending on the number and nature of submissions, and any costs beyond the release of decisions depends on whether the decisions are appealed or not.

Policy Implications

17 The District Plan should always be reviewed to ensure it meets the requirements of the community and is achieving its intended outcomes. This proposed variation is intended to continue to ensure the District Plan remains relevant.

Analysis

Options Considered

18 Council can decide whether or not a variation should be progressed by staff. Both options are evaluated below.

Analysis of Options

Option 1 – Progress the development of a variation

Advantages	*Disadvantages*
• Amendments to the District Plan can be progressed to ensure the plan remains relevant for communities. • Duplication of processes, where it overlaps with other regulatory frameworks such as bylaws or concessions processes can be minimised.	• Costs and staff and committee time in the variation process and any associated appeal processes.

Option 2 –

Advantages	*Disadvantages*
• No staff time or resources would be required.	• Inefficiencies caused by current duplications of process, and uncertainty around rules would continue or grow.

Assessment of Significance

19 It is not considered that these potential changes to the proposed District Plan are significant in terms of Council's Significance and Engagement Policy as they are ongoing refinements of the existing regulatory framework.

Recommended Option

20 It is recommended that Option 1 is approved and that a draft variation is prepared to address those issues outlined in this report.

Next Steps

21 If Council approves of a variation being undertaken the process would be as follows:

- Develop a draft variation and undertake the Section 32 cost benefit analysis.
- Report to Regulatory and Consents Committee with the draft variation, seeking approval to undertake preliminary consultation with key stakeholders and elected representatives.
- Undertake preliminary consultation with key stakeholders and elected representatives.
- Report to Regulatory and Consents Committee with the draft variation and Section 32 report, seeking a recommendation to Council to approve the variation for public notification in accordance with the Resource Management Act (RMA).
- Report to Council seeking approval to notify the variation in accordance with the RMA.
- Publicly notify the variation for submissions.
- Summarise submissions received.
- Publicly notify the Summary of Submissions, for further submissions.
- Staff prepare Section 42 Recommending Reports for the hearings.
- Hearings.
- Hearing Panel to make and release decisions, which are then subject to appeal.

Attachments

There are no attachments for this report.

Proposed Road Stopping - 182 Mandeville Kingston Crossing Road

Record No: R/17/2/3018
Author: Kevin McNaught, Strategic Manager Property
Approved by: Ian Marshall, Group Manager Services and Assets

☒ Decision ☐ Recommendation ☐ Information

Purpose

1 To consider a request from adjoining landowner to purchase the portion of Mandeville Kingston Crossing Road which has been occupied in conjunction with their property for many years.

Executive Summary

2 The width of the legal road at this location is 40.23 metres. The formation is constructed approximately on the centreline of the legal alignment. The road has been fenced a safe distance from the carriageway but well within the legal road boundary.

3 The strip of road, about 13 metres wide has been occupied by the adjoining landowner for approximately 50 years and upon which has been constructed two buildings.

4 The Strategic Manager Transport considers that, the current fence is at a safe distance from the road formation and that the fenced width of the road is sufficient to meet all foreseeable access requirements in this location.

Recommendation

That the Council:

a) Receives the report titled "Proposed Road Stopping - 182 Mandeville Kingston Crossing Road" dated 8 March 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) Agree to stop the portion of Road at 182 Mandeville Kingston Crossing Road being Section 1, SO Plan 507232 using the provisions of the Public Works Act 1981 if approved by the Minister of Lands and transfer the land to the adjoining landowner by way of amalgamation in the gazette notice at a value determined by a registered valuer.

Content

Background

5 Mandeville Kingston Crossing Road was laid off with a perpendicular width of 40.23 metres (2 chain). The carriageway has been constructed near the centre of the legal alignment and the adjoining owners some many years ago, have fenced the road margin at a safe distance from the formation, but this has included a 13.12 metre strip of the legal road in with the operational area of the adjacent farm property.

6 There are two existing buildings erected on the subject strip of road. The age of these is unknown but will be greater than 10 years. When planning was underway for a new shed this occupational issue was identified.

7 The landowners have arranged a survey of the subject area of road (SO 507232). This shows the age of the current occupation fence as 50 years and the area of the subject portion of road to be 1,855 square metres.

8 The landowners have applied to purchase the land defined as Section 1 on SO 507232, at market value, in order to formalise the existing occupation.

9 Given the topography of the site, a large flat area exists just inside the fence where the existing buildings are, however over the current boundary the land slopes away making building much more expensive if not impossible.

Issues

10 The issue identified at this stage is that the adjacent landowner cannot build additional sheds in close proximity to his existing ones as the land has been identified as road.

Factors to Consider

Legal and Statutory Requirements

11 It is considered that there are grounds to use the provisions of the Public Works Act 1981 in this situation but that requires the approval of the Minister through Land Information New Zealand. The bases for this position is that the proposal does not materially affect the interest of the public in being able to use this road given the 27 meters of road to be left.

Community Views

12 It is reasonable to expect that the community would expect to see Council adopt a pragmatic approach to resolving this issue.

Costs and Funding

13 The survey costs and market value based on “added value” to the adjoining property will be paid by the applicant as they have agreed to this.

Policy Implications

14 None identified.

Analysis

Options Considered

15 The options are to accept request to stop road or to decline it.

Analysis of Options

Option 1 - Stop road

Advantages	*Disadvantages*
• Allows neighbouring landowner to further utilise the flat land near the existing sheds.	• None identified given that the Strategic Transport Department have no issue with the proposal.

Option 2 - Decline request

Advantages	*Disadvantages*
• None identified.	• Will make operations more difficult for neighbour as any future building would need to be placed further away from existing buildings. • Topography makes new buildings almost impossible given sloping land on the owners side of existing boundary.

Assessment of Significance

16 Not significant.

Recommended Option

17 Option 1 Stop road.

Next Steps

18 Proceed with request to Minister to stop road and amalgamate.

Attachments

A Aerial photograph - 182 Mandeville Kingston Crossing Road ⇩
B SO 507232 ⇩

Item 8.1 Attachment A

CoreLogic Emap

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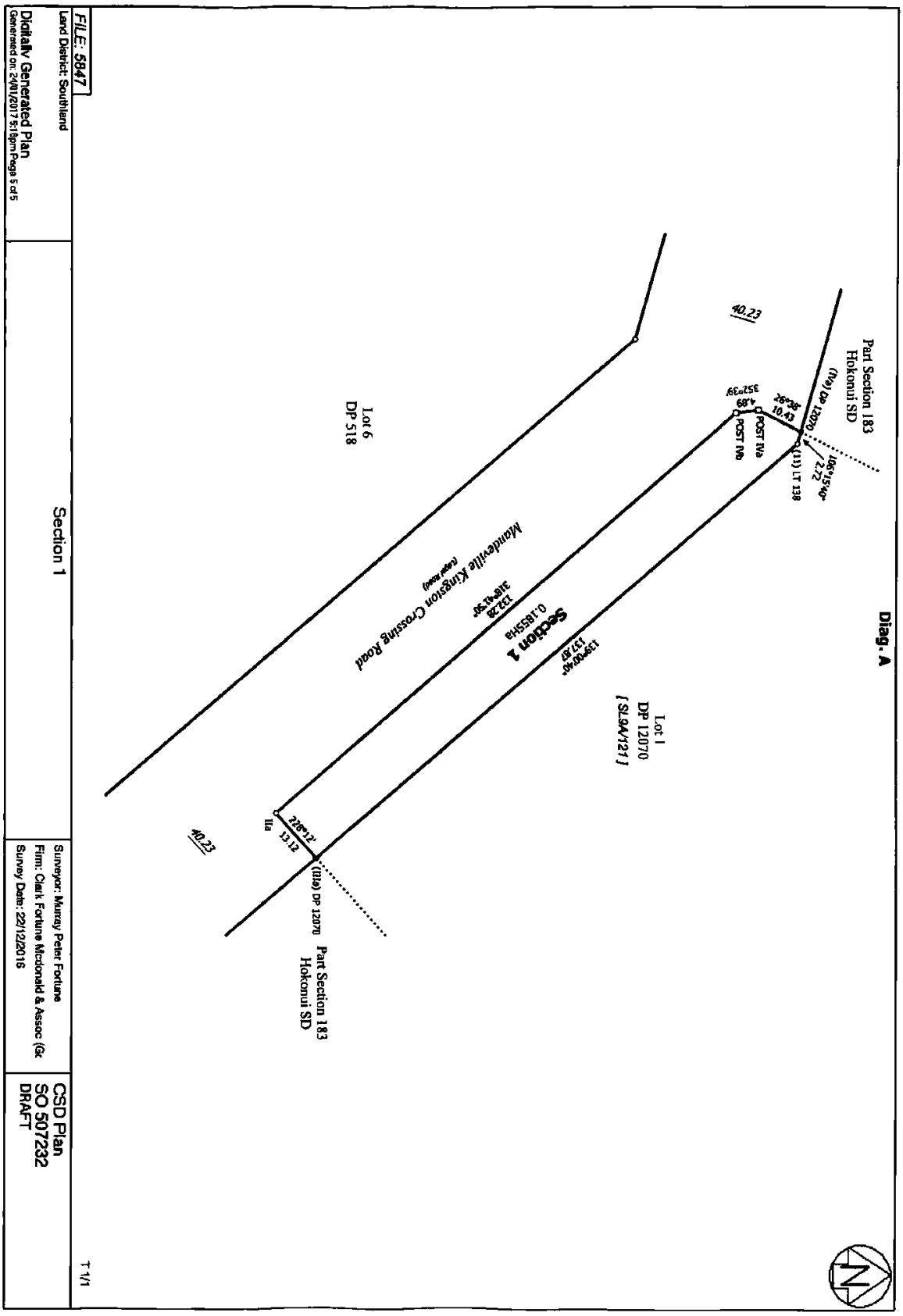
Aerial imagery accuracy +/- 0.5m.
Property boundaries and legal descriptions sourced from LINZ.
1-3m property boundary accuracy in urban areas.

Item 8.1 Attachment B



Assessment of Need for Section 17A Reviews - Outstanding Services

Record No: R/17/3/3724
Author: Ian Marshall, Group Manager Services and Assets
Approved by: Ian Marshall, Group Manager Services and Assets

☒ Decision ☐ Recommendation ☐ Information

Purpose

1 The purpose of this report is to inform Councillors of the status of services, as yet, not reviewed in terms of the requirement under Section 17A of the Local Government Act 2002. From the information in this report including attachments the Council will be able to make a decision whether to carry out specific reviews or to not carry out a review.

2 The criteria for that decision making is set out in Section 17A of the Act, this report discusses the services in the context of these criteria.

Executive Summary

3 The Local Government Act 2002 Section 17A outlines the requirements for local authorities to review the Delivery of Services.

4 The Council has already carried out a number of reviews of services in accordance with Section 17A. This report covers assessment of the other services that have not been reviewed.

5 A number of the services not already reviewed have been assessed in accordance with the criteria in Section 17A and the recommendation is they not be reviewed. The main reason being the cost of the review outweighs the potential benefit and or other imminent changes will negate the review findings

6 The services identified that should be reviewed are the group of services that come under the Community Services portfolio. The 17A reviews that are required, have to be completed by August 2017.

Recommendation

That the Council:

a) Receives the report titled "Assessment of Need for Section 17A Reviews - Outstanding Services" dated 8 March 2017.

b) Determines that this matter or decision be recognised 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) Notes the requirement under Section 17A of the Local Government Act 2002 to review the delivery of services and that a number of the Council's services have already been reviewed under Section 17A of the Act.

e) Agrees that based on Section 17A(3) and the information at hand, the following activity groups are not required to be reviewed:

1. **District leadership (excluding forestry).**
2. **Wastewater.**
3. **Stormwater.**
4. **Water supply.**

f) Agrees that after consideration of the provisions of Section 17A Delivery of Services of the Local Government Act 2002, the following activities are required to be reviewed:

1. **Community services; excluding community assistance, Stewart Island Electricity Supply and Heritage.**
2. **Forestry.**

Content

Background

7 Section 17A Delivery of Services of the LGA 2002 requires that councils undertake a formal review of how they deliver their services. Subsection 1 of Section 17A of the Act states:

> *"A local authority must review the cost-effectiveness of current arrangements for meeting the needs of communities within its district or region for good-quality.*

8 Southland District Council (Council) engaged Morrison Low to assist Council to determine which activities are required to be reviewed in accordance with Section 17A of the Local Government Act (Act). The activities assessed were limited to those that the Council had not already reviewed or had been reviewed in a regional assessment.

9 Morrison Low were provided with a list of activities that would be used as a basis for the next Long Term Plan 2018-2028. They have undertaken an assessment of which activities are required to be reviewed under Section 17A of the Act based on the information provided from Council and discussions with Council officers.

10 The full list of the Council's activities is listed in Appendix 2 of the report. The activities already reviewed are listed in the Executive Summary of the attached report.

Issues

11 The issues are, Section 17A of the Act requires the Council to undertake an assessment of the need to carry out a review of each service. That assessment will inform the Council about which services do not need to be reviewed and which services do need to be reviewed in terms of Section 17A of the Act.

12 A number of the Council's services have already been reviewed under Section 17A.

Factors to Consider

Legal and Statutory Requirements

13 The legislative requirement for delivery of service reviews is laid out in the Local Government Act 2002 Section 17A:

14 *(1) A local authority must review the cost-effectiveness of current arrangements for meeting the needs of communities within its district or region for good-quality local infrastructure, local public services, and performance of regulatory functions.*

15 The timing of reviews is set out in 17A(2):

16 *(2) Subject to subsection (3), a review under subsection (1) must be undertaken—*

(a) in conjunction with consideration of any significant change to relevant service levels; and
(b) within 2 years before the expiry of any contract or other binding agreement relating to the delivery of that infrastructure, service, or regulatory function; and
(c) at such other times as the local authority considers desirable, but not later than 6 years following the last review under subsection (1).

17 Exemptions are described in Section 17A(3)

18 *Despite subsection (2)(c), a local authority is not required to undertake a review under subsection (1) in relation to the governance, funding, and delivery of any infrastructure, service, or regulatory function—*

(a) to the extent that the delivery of that infrastructure, service, or regulatory function is governed by legislation, contract, or other binding agreement such that it cannot reasonably be altered within the following 2 years; or
(b) if the local authority is satisfied that the potential benefits of undertaking a review in relation to that infrastructure, service, or regulatory function do not justify the costs of undertaking the review.

19 Although the timing of reviews is set out in subsection (2) there is a requirement in the transitional provisions (Schedule 1AA) that require the first assessments to be carried out within three years of the commencement of Section 12. Given the Date of Assent of the Act is 7 August 2014 then the three year limit is effectively 7 August 2017.

20 Transitional provision relating to delivery of services:

(1) A local authority must complete its first reviews under section 17A in relation to governance, funding, and delivery of any infrastructure, service, or regulatory function within 3 years of the commencement of section 12 of the Local Government Act 2002 Amendment Act 2014.

Community Views

21 The community views in relation to this issue have not been sought. Council has no discretion in terms of the legislation to make a decision on this issue dependant on the communities' views.

Costs and Funding

22 The work Morrison Low have done to date has been funded from the Group Manager Services and Assets consultancy budget. The estimate to carry out the multiple reviews proposed in this report is $45,000. This full amount of funding for this work is not able to be covered in the Group Manager Services and Assets budget in the 2016/17 year. However if the work is staged over the last period of 2016/17 and the first quarter of 2017/18 it will be affordable within those budgets.

23 The recommendation is that the work be approved as unbudgeted expenditure within the Group Manager Services and Assets consultancy budget and the funding for that be provided from the operational reserve.

Policy Implications

24 There is no policy that specifically covers the issues in this report. The legislative obligation to carry out the reviews arose from the 2014 amendment to the Local Government Act.

25 The services under review are all activities allowed for in the 10 Year Plan.

Analysis

Options Considered

26 The options considered in terms of this report relate to whether to review services, or not. This means the options are not mutually exclusive. There are options to review some of or all of the services that are not already reviewed.

27 The options set out below propose that the group of services identified in the Morrison Low report as needing to be reviewed are considered as a group. Conversely the group of services identified in the Morrison Low report as not needing to be reviewed, are considered as a group.

28 Another option is that any one specific service be considered separately either for inclusion or exclusion in the list of services to be reviewed.

Analysis of Options

29 **Option 1 –**

- **Review the services Forestry and Community services; excluding Community Assistance, Electricity Supply and Heritage and;**

  not review the services; Wastewater, Stormwater, Water Supply and District Leadership (excluding forestry)

Advantages	*Disadvantages*
• Complies with requirements of Section 17A of the LGA. • Creates opportunity to identify improvement opportunities for each of the services. • Money and resources are not wasted reviewing services unnecessarily.	• Cost of carrying out the review may exceed the benefits. • Some minor improvement opportunities may be missed.

30 **Option 2 –**

- **Modify the list of services to be reviewed and the list not to be reviewed by adding or deleting specific services.**

Advantages	*Disadvantages*
• All the services, considered by the Council to be important, are reviewed.	• Reviewing a greater number of services increases the scope of work and hence the cost. • Some reviews will cost more than the value then having the review adds.

Assessment of Significance

31 Decisions on the issues in this report are not considered significant under Council's Engagement and Significance Policy.

Recommended Option

32 The recommendation is that the following activities are required to be reviewed:

(a) Community Services; excluding Community Assistance, Electricity Supply and Heritage.
(b) Forestry.

Next Steps

33 Upon confirmation by Council of the reviews to be carried out, the scope of work will be confirmed with Morrison Low and it will be engaged to carry out the work. The completion deadline will be July 2017.

34 This will allow the reviews to be approved by the Council prior to the August deadline.

Attachments

A Assessment of Services to Review under Section 17A of the LGA ⇩

Southland District Council

Assessment of services to review under section 17A of the LGA

January 2017

Document status

Ref	Version	Approving director	Date
2223	Final	Ewen Skinner	January 2017

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Executive summary

Southland District Council (Council) has asked Morrison Low to assist Council to determine which activities are required to be reviewed in accordance with section 17A of the Local Government Act (Act). Section 17A requires local authorities to regularly review the cost effectiveness of the way they provide local infrastructure and regulatory services. The Act identifies triggers and exceptions to these reviews. Councils are required to complete the first round of reviews by August 2017.

To date, Council has reviewed the following services:

- libraries
- roads and footpaths
- solid waste
- building control
- resource management
- environmental health
- animal control.

The purpose of this report is to identify which additional activities are required to be reviewed in accordance with section 17A.

Recommendations

An assessment of the remaining council activities has been undertaken and based on the information available, and discussions held with council officers, we have identified the following activities that are required to be reviewed:

1. After consideration of the provisions of section 17A Delivery of services of the Local Government Act 2002, that the following activities are required to be reviewed:
    a. Community services excluding community assistance, electricity supply and heritage
    b. Forestry
2. That based on section 17A(3) and the information at hand, the following activity groups are not required to be reviewed prior to August 2017:
    a. District leadership (excluding forestry)
    b. Waste water
    c. Stormwater
    d. Water supply
3. That those activities identified in recommendation 2 above are included in a forward review programme post August 2017.
4. That the Council initiates discussions at a regional level to discuss the provision of emergency services and to determine whether a review of this service is required.

In identifying these services, this report does not consider the merits of any alternative delivery model. The purpose of this report is solely to identify those activities that are required to be reviewed.

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Context

Section 17A Delivery of services of the LGA requires that councils undertake a formal review of how they deliver their services. Subsection 1 of section 17A of the Act states:

> *"A local authority must review the cost-effectiveness of current arrangements for meeting the needs of communities within its district or region for good-quality local infrastructure, local public services, and performance of regulatory functions."*

The Act goes on to specify that a review must be undertaken in the following circumstances (paraphrased):

- when a significant change to the level of service is proposed
- within two years of a contract or binding agreement expiring (relating to the delivery of that service, regulatory function or infrastructure)
- at any other time, but no later than six years following the last review.

The Act also identifies exceptions for when a review is not required, which are as follows:

- where that service is governed by contract, legislation or a binding agreement that cannot be reasonably altered within the following two years; or
- if the benefits of undertaking a review do not justify the costs incurred in undertaking a review.

Where a review is required to be undertaken, as a minimum, the review must consider the following:

- governance and funding by council alone or in a 'joint committee' of one or more councils
- service delivery by:
  - Council; or
  - a CCO owned by council or jointly owned with another shareholder; or
  - another council; or
  - another person or agency (noting that a "person" could be a contractor corporate and "agency" could be some form of joint arrangement with say NZTA).

This report focuses on identifying the services that are required to be reviewed. It does not discuss the service delivery options described above as those would be considered in undertaking the reviews of the services themselves.

For completeness, section 17A of the Act is set out in full in Appendix 1.

Approach

Morrison Low met or held teleconferences with senior managers and key Council officers to understand the current service delivery arrangements. In those meetings we discussed any known issues, and any proposed changes to the levels of service, of which there were none identified. We have not consulted with any other council as part of this process.

In considering those services that trigger a review under section 17A(2) of the Act, the next step was to identify if any of the exceptions in section 17A(3) applied, and if there were any other compelling reasons as to why a review should or should not be undertaken at this time.

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Activity classification

Southland District Council is in the process of re-categorising its activities in preparation for the Long Term Plan 2018-2028. This comprises 29 activities within nine activity groups as follows:

- community services
- regulatory services
- emergency management
- district leadership
- solid waste
- roads and footpaths
- wastewater
- stormwater
- water supply.

A full list of the activity groups and sub groups is included in Appendix 2.

Services that have been reviewed

Southland District Council has completed section 17A reviews for the following activities:

- libraries
- roads and footpaths
- solid waste (regional review through Wastenet Southland)
- regulatory services
  - building control
  - resource management
  - environmental health
  - animal control
  - heritage.

We understand that heritage has been considered as part of the section 17A reviews in the regulatory services activity group even though it sits as part of the community services activity group. For the purposes of this report, no further consideration of these services is required.

Assessment of services

As identified above, Council provided Morrison Low with a list of activities that will be used as a basis for the next Long Term Plan 2018-2028. We have undertaken an assessment of which activities are required to be reviewed under section 17A of the Act based on the information provided from Council and discussions with Council officers. Our assessment is outlined below.

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Community services

The community services activity group includes the following activities:

- community assistance
- parks and reserves
- cemeteries
- community facilities
- community housing
- library services
- public toilets
- airports (Te Anau - Manapouri)
- electricity supply (Stewart Island)
- heritage.

Libraries and heritage have already been reviewed and therefore no further consideration of that activity is required.

Morrison Low was advised that there are approximately 73 contracts in the community services activities as identified below. Information on the total value of the contracts was not available at the time of writing this report.

Service	Number of associated contracts
Parks and reserves	27
Public toilets	17
Community centres/halls	8
Offices and buildings	8
Cemeteries	8
Community housing	5
	73

All of the 73 contracts expire between now and the end of 2019 and therefore trigger a review under section 17A of the Act. Given the impending expiry of some contracts, the review of this activity group should be prioritised.

Community assistance

Under the community assistance activity there are two distinct and quite different activities. On the one hand, Council provides grants and donations that residents can apply for and, on the other hand, Council operates community based work-schemes that provides the opportunity for offenders to fulfil their Community Service sentences

The grants and donations activity is managed by the Communications Manager while the work-schemes activity is resourced by 2.5 full time equivalents. Given the scale of the activity, we consider that the costs of undertaking a review of this small activity would outweigh the benefits of undertaking a review.

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Airports

Council currently owns the Te Anau-Manapouri airport, a strategic asset in terms of Section 76AA(3) of the Act.

There are no scheduled services at the airport, however, the airport is used by businesses and tour operators and provides air-based emergency access. There are no upgrades or new assets planned for the airport for the next 10 years[1], and no significant changes to the level of service is planned over the next 10 years[2]. There is a targeted rate to fund the "initial capital costs of developing and now operating the Te Anau-Manapouri airport facility."[3]

The Chief Executive Officer of the airport is the current Group Manager Services and Assets of Southland District Council, however, the management of the airport is outsourced. The outsourcing contract has expired and has been extended year on year and therefore this service needs to be reviewed.

Electricity supply

Council supplies power to customers on Stewart Island through the Stewart Island Electrical Supply Authority (SIESA). SIESA is a business unit of council that also provides waste collection, ownership and operation of the Rakiura Recovery Centre. Full cost recovery is expected to be achieved through user charges, with pricing reviewed annually to ensure the long term financial sustainability of the service.

It is estimated that to undertake a high level review of the electricity activity could cost in the order of $10,000. Given that there no significant changes to the level of service for the community service activity group of activities proposed[4],there are no contracts due to expire and the costs of undertaking a review are likely to outweigh the benefits, this activity should not be reviewed at this time. A further assessment against the provisions of the Act should be scheduled as part of forward planning for those activities currently assessed as not requiring a review.

Emergency management

The emergency management activity group is specific to Emergency Management Southland, a stand-alone entity set up by all Southland local authorities (Environment Southland, Gore District Council, Invercargill City Council and Southland District Council) that was formed in 2009 to deal with the requirements of the Civil Defence Emergency Management Act 2002. As participants in this group, each council has equal participation in, and control of, emergency management services. As such, any review of this service needs to be undertaken at a regional level and it is recommended that discussions commence with all participating councils to establish if a review is required and, if so, develop a collaborative approach to undertake the review at the regional level.

[1] Southland District Council Long Term Plan 2015-2025, page 44
[2] Ibid page 45
[3] Ibid page 140
[4] Southland District Council Long Term Plan 2015-2025, page 45

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District leadership

The district leadership activity group is made up of the following activities:

- customer support
- information management
- forestry
- representation and advocacy
- community partnerships
- finance
- people and capability
- communications and community engagement
- strategy and policy

In speaking with Senior Management, we understand that there are service delivery improvement initiatives underway in customer support and information management that impact on all of Council. These new initiatives were introduced as part of the reorganisation initiated in 2015. The management structure and position descriptions were designed to implement these changes. Until this work has been completed, or reached a key milestone or decision point that warrants a review of the activity, a review of the remaining district leadership activities would result in cost outweighing the benefits at this time, and the review would be in isolation of the implementation of the improvement initiatives.

Customer support

In October 2015 the Chief Executive introduced a change proposal to create a 'dynamic, effective, efficient organisation'. The change was driven by community expectations and legislative reform and resulted in changes to the structure of council and how council delivered some of its services. One of the outcomes that was considered to be a priority was to "ensure that our customers remain the central focus of any proposed changes"[5]. While this change proposal was not instigated under the umbrella of section 17A, there is clear alignment in the intent and outcome of the proposal with the purpose of providing cost effective customer services.

One of the fundamental changes proposed was the establishment of a single customer experience team which included a new group manager that was integrated with libraries, area office services and customer services provided from Invercargill. The intent of the team was to "integrate, modernise and streamline our systems, processes and practices so that we can delivery excellent customer service across all of our activities."[6] This involved bringing all of the council's front-line staff into one team to focus on standardising systems and processes and delivering consistent service. Libraries were integrated within this team to provide enhanced service across all area offices and with the possibility of more standard opening hours.

[5] Southland District Council change proposal, page 2
[6] Ibid, page 5

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In March 2016 a Group Manager Customer Support was appointed. As such, the customer support group area is in the process of implementing a range of changes to deliver on the desired outcomes from the review. A customer strategy has been developed and there is a significant work programme to implement improvements from the review. As the implementation of the review is currently underway, now is not the time to undertake a further review. Improvements are still being implemented and a review would be assessing a transitioning service rather than the future state that is envisaged through the review. Until all improvements are implemented and full benefit realisation can be measured across the council (as this activity touches every part of council), the costs of undertaking a review would outweigh the benefits. An assessment against the provisions of the Act should be scheduled as part of forward planning for those activities currently assessed as not requiring a review.

Information management

Information management services are currently delivered in-house or via shared service arrangements with various mixes of the neighbouring councils of Environment Southland, Invercargill City Council, Gore District Council and Clutha District Council. (e.g. GIS services are hosted by Invercargill City Council). An officer subcommittee is in place to investigate and implement an IT Shared Services Strategy.

In 2015 the Information Management Group developed a strategic plan 2015-2020 which identified five key strategic focus areas being:

1. data is a valuable asset
2. mobile workforce
3. fit for purpose solutions
4. digital enablement
5. aligned delivery capability

Focus area 3 – fit for purpose solutions includes a core systems review to establish whether the current applications are fit to meet organisational requirements. Council's current core application platform consists of a variety of applications that are either historical, custom developed, developed in-house, or were purchased to address specific problems. As such, there is little integration between the applications and the solutions that have been put in place over the last ten years. For this reason, Council decided that there was a need to "review core applications for their fit with the organisational requirements and to replace or consolidate legacy applications"[7], data and workflow and ad-hoc solutions that have evolved organically over more than 10 years. The review focuses on the core areas of Council being:

- financial management
- customer support
- asset management
- regulatory management
- corporate support services

Council is currently developing a programme for the project which is expected to take approximately five years to complete.

The Information Management group is also undertaking a digitisation project which involves the digitisation of Council's property files and associated historic building records.

[7] Information Management Group Strategic Plan 2015-2025, dated 6 August 2015, Page 9

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In getting to this point, a stocktake or high level review of the service has been carried out, albeit not under the umbrella section 17A process. Because the review of core services is underway, it is not the right time to undertake a review of information management. Information management activities touch all parts of council and, because of current service delivery arrangements, also impact on other councils. In undertaking this work, there will be some critical points that will either trigger or need to be considered as part of a section 17A review. This could result in a joint review with other councils, as decisions on what platform, programmes and software are made, and how this can work across the Southland region. Therefore, it would not be cost effective at this time to undertake a review of this activity. An assessment against the provisions of the Act should be scheduled as part of forward planning for those activities currently assessed as not requiring a review.

Forestry

Council owns approximately 1600 hectares of forests, with the purpose of providing an alternative funding source that pays a dividend to Council in order to help keep rates down. A contract is in place for the growing, harvesting and management of the forest.

It is our understanding that the current contract has, or will shortly, expire and, as such, a review under section 17A of the Act is required.

In undertaking a review of this commercial activity, there may be benefit in Council considering whether a combined change in service delivery and governance is appropriate for all of its commercial activities, which should include the airport and electricity supply activities.

Other district leadership activities

As identified previously, the customer support and information management activities touch on all parts of council. We are also aware that there are currently community conversations occurring about future activities. The results of these conversations will influence activities and how they are delivered and would need to be considered as part of a section 17A review.

A review of the remaining district leadership activities prior to the implementation of improvements or key decisions being made in customer support and information management would be based on current levels of service, processes or procedures that will change. For example, there is the potential for new rating software that will change the way Council undertakes their rating process. Once improvements are in place, Council can consider those improvements in reviewing the way they deliver representation and advocacy, community partnerships, people and capability, communications and community engagement and strategy policy activities. For these reasons, we consider the cost of undertaking a review of these remaining district leadership activities would outweigh the benefits of a review at this time.

An assessment against the provisions of the Act should be scheduled as part of forward planning for those activities currently assessed as not requiring a review.

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Waste water, stormwater and water supply

The essential three waters infrastructure that council manages includes 12 community water supply schemes, 18 wastewater schemes and 26 stormwater schemes.

Council collects a targeted rate on wastewater and water supply. There is no significant level of service change planned for the stormwater, waste water and water supply activities in the next 10 years. [8]

The provision of three waters services are managed through significant long term contracts. It is our understanding that there is approximately five years left on the contracts governing three waters. While these long term contracts mean that a review is not required under the Act, we understand that the Council may be considering some changes to decision making, policy and strategies that could impact on contracts. If this is the case, a mid-contract review would be appropriate. If no change is proposed, an assessment against the provisions of the Act should be scheduled as part of as part of forward planning for those activities currently assessed as not requiring a review, commencing before two years of the contract expiring.

Conclusions

We have assessed each of Council's services to determine if a review under section 17A of the Act is required. We have identified that the commercial services activity group, excluding community assistance, electricity supply and heritage, are required to be reviewed.

From the district leadership activity group, forestry has also been identified as being required to be reviewed. We also recommend that discussions at a regional level be initiated to discuss the provision of emergency services activities.

A forward programme of reviews is required to be developed to ensure that the waste water, stormwater, water supply and district leadership activities (excluding forestry) that are currently assessed as not requiring a review are scheduled in the future to meet the requirements of the Act.

[8] Ibid, page 83, 88, 94

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Appendix 1 Section 17A of the Local Government Act

(1) A local authority must review the cost-effectiveness of current arrangements for meeting the needs of communities within its district or region for good-quality local infrastructure, local public services, and performance of regulatory functions.

(2) Subject to subsection (3), a review under subsection (1) must be undertaken –

a) In conjunction with consideration of any significant change to relevant service levels; and

b) Within 2 years before the expiry of any contract or other binding agreement relating to the delivery of that infrastructure, service, or regulatory function; and

c) At such other times as the local authority considers desirable, but not later than 6 years following the last review under subsection (1).

(3) Despite subsection (2)(c), a local authority is not required to undertake a review under subsection (1) in relation to the governance, funding, and delivery of any infrastructure, service or regulatory function –

a) to the extent that the delivery of that infrastructure, service, or regulatory function is governed by legislation, contract, or other binding agreement such that it cannot reasonably be altered with the following 2 years; or

b) if the local authority is satisfied that the potential benefits of undertaking a review in relation to that infrastructure, service, or regulatory function do not justify the costs of undertaking the review.

(4) A review under subsection (1) must consider options for the governance, funding, and delivery of infrastructure, services, and regulatory functions, including, but not limited to, the following options:

(a) responsibility for governance, funding, and delivery is exercised by the local authority:

(b)responsibility for governance and funding is exercised by the local authority, and responsibility for delivery is exercised by—

(i) a council-controlled organisation of the local authority; or

(ii) a council-controlled organisation in which the local authority is one of several shareholders; or

(iii) another local authority; or

(iv) another person or agency:

(c)responsibility for governance and funding is delegated to a joint committee or other shared governance arrangement, and responsibility for delivery is exercised by an entity or a person listed in paragraph (b)(i) to (iv).

(5) If responsibility for delivery of infrastructure, services, or regulatory functions is to be undertaken by a different entity from that responsible for governance, the entity that is responsible for governance must ensure that there is a contract or other binding agreement that clearly specifies—

(a) the required service levels; and

(b) the performance measures and targets to be used to assess compliance with the required service levels; and

(c) how performance is to be assessed and reported; and

(d) how the costs of delivery are to be met; and

(e) how any risks are to be managed; and

(f) what penalties for non-performance may be applied; and

(g) how accountability is to be enforced.

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Appendix 2 Proposed activity categorisation

Activity Group	Activity
Community Services	Community Assistance
Community Services	Parks & Reserves
Community Services	Cemeteries
Community Services	Community Facilities
Community Services	Community Housing
Community Services	Library Services
Community Services	Public Toilets
Community Services	Airports
Community Services	Electricity Supply
Community Services	Heritage
Regulatory Services	Building Control
Regulatory Services	Resource Management
Regulatory Services	Environmental Health
Regulatory Services	Animal Control
Emergency Management	Emergency Management Southland
District Leadership	Representation and Advocacy
District Leadership	Community Partnerships
District Leadership	Customer Support
District Leadership	Information Management
District Leadership	Finance
District Leadership	People and Capability
District Leadership	Communications and Community Engagement
District Leadership	Strategy and Policy
District Leadership	Forestry
Solid Waste	Solid Waste Management
Roads and Footpaths	Roads and Footpaths
Wastewater	Wastewater
Stormwater	Stormwater
Water Supply	Water supply
Total	**9 Activity Groups**
	29 Activities

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Grazing Part Mokoreta Cemetery Land

Record No: R/17/3/3770
Author: Virginia Dillon, Property Officer
Approved by: Ian Marshall, Group Manager Services and Assets

☒ Decision ☐ Recommendation ☐ Information

Purpose

1 The purpose of the report is to consider a recommendation that grazing of part of the Mokoreta cemetery be allocated to Steven Craig Bevins.

Executive Summary

2 The Licence issued to Steven Bevins for grazing stock on part of the Mokoreta Cemetery expired on 31 October 2016.

3 It is proposed that a new licence be issued to Mr Bevins for a term of five years from 1 November 2016.

Recommendation

That the Council:

a) Receives the report titled "Grazing Part Mokoreta Cemetery Land" dated 8 March 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) Resolves that a licence under the Reserves Act 1977 over part of the Mokoreta cemetery being Section 3, SO 10516 and part of Part Section 35, Block IV, Mokoreta Survey District be issued to Steven Craig Bevins for a term of five years from 1 November 2016 at an annual rental of $1,500 plus GST.

e) Resolves that the draft licence agreement as appended be approved.

Content

Background

4 The Mokoreta cemetery contains 7.2340 hectares, yet only a very small amount was used for actual burials.

5 The land contained in the licence contains 6.56 hectares and is described as Section 3, SO Plan 10516 and part of Part Section 35, Block IV, Mokoreta Survey District.

6 The cemetery is located at 117 Mokoreta Tahakopa Road.

7 This property was historically owned by way of vesting in the Otago Boys and Girls High School Board. In 1893 the Mokoreta Cemetery Act removed the vesting in the Board and made provision for the Governor to appoint trustees to run it. In 1966 the cemetery was closed and the property vested in the Southland County Council.

8 The property is still subject to the Burial and Cremations Act 1964, in particular the sections that relate to closed cemeteries, which control what Council can, should and should not do.

9 Section 43 (1) says that "…*the closed cemetery shall thenceforth be maintained in good condition by such individual, body corporate or local authority…"* and

10 Section 43 (2) states that "*A closed cemetery shall not be sold or leased or otherwise disposed of or diverted to any other purpose."*

11 The current licence issued to the adjoining landowner, S Bevins, expired on 31 October 2016.

12 Clauses in the proposed licence are:

Term:	Five years from 1 November 2016.
Annual rental:	$1,500 plus GST.
Clause 1:	Solely for grazing of sheep and cattle.
Clause 6:	Licensee not permitted to cut down any trees or brush without the prior consent of Council.
Clause 7:	General farming activities permitted including cropping.

13 The $1,500 annual rental suggested is the amount that Mr Bevins is currently paying. The Waihopai Toetoes ward members have indicated that Mr Bevins keeps the land tidy and maintains it to a high standard and believe the rental to be appropriate.

14 Mr Bevins indicated via telephone that he wishes to enter into a new licence and agrees with the draft conditions. The draft licence forwarded to Mr Bevins included a clause that "The Licensee will allow the Licensor to use any part or parts of the said land for public recreation purposes on a daily basis" however it is not considered that the clause is appropriate for a cemetery reserve.

15 Mr Bevins owns and farms the land adjoining the cemetery.

Factors to Consider

Legal and Statutory Requirements

16 The Burial and Cremation Act restricts the leasing of a closed cemetery, however it does not prohibit a grazing licence which is different to a lease. Therefore no issues are seen to exist with the document attached.

17 The licence documentation is standard for this type of arrangement therefore no issues are seen to stop Council entering into the agreement.

18 A draft licence agreement is appended for Council's consideration.

19 The licence agreement sets the terms under which the licence is issued and the obligations of the parties.

Community Views

20 The views of the Council are deemed to represent those of the community.

Costs and Funding

21 The rental is credited back to the funds of the Waihopai Toetoes ward.

Policy Implications

22 None identified.

Analysis

Options Considered

23 There are two options available to the Board:

24 To issue a licence to Mr Bevins; and

25 To decline to issue a licence to Mr Bevins.

Analysis of Options

Option 1 - Issue a licence to Mr and Mrs McLaren

Advantages	*Disadvantages*
• As an adjoining owner the licensee will be in a position to keep an eye on the land. • Maintenance of the land.	• None identified.

Option 2 - Decline to issue a licence to Mr and Mrs McLaren

Advantages	*Disadvantages*
• None identified.	• The Council may end up being liable for the costs of maintenance if no other licensees can be arranged.

Assessment of Significance

26 Not considered to be significant.

Recommended Option

27 Option 1 is recommended.

Next Steps

28 Licence documentation will be sent for signing.

Attachments

A Licence grazing part Mokoreta cemetery ⇩

LICENCE UNDER THE RESERVES ACT 1977 TO GRAZE

AN AGREEMENT made this _____ day of _____ 2017.
Whereas the Southland District Council, a body corporate under the Local Government Act 2002(hereinafter together with its successors and assigns called "the Licensor") has under the provisions of Section 74 of the Reserves Act 1977 authorised a Licence to be issued to STEVEN CRAIG BEVINS (hereinafter referred to as the "Licensee") over all that area containing 6.5600 hectares more or less situated in the Land District of Southland and being Section 3, SO Plan 10516 and part of Part Section 35, Block IV, Mokoreta SD.

AS the same is more particularly delineated on the plan attached hereto and thereon outlined in bold black lines.

NOW THEREFORE the Licensor doth hereby licence and authorise the Licensee to occupy the land described herein for a term of five years commencing on the 1st day of November 2016.

SUBJECT to the payment of an annual rent of $1,500 per annum plus Goods and Services Tax payable in advance on the 1st day of November in each and every year

AND SUBJECT ALSO to the following conditions, viz:

1. The Licensee shall pay to the Licensor the rent hereinbefore provided and will for and during the term pay punctually all taxes and other charges which may be lawfully imposed upon him as occupier of the land.

2. The Licensee shall use the land solely for the purpose of grazing sheep or cattle.

3. The Licensee shall not at any time during the said term assign, sublet, mortgage or otherwise dispose of his interest or any part thereof in the lease without the consent of the Licensor.

4. The Licensee will use and manage the said land in a good and husbandlike manner and not impoverish or waste the soil thereof.

5. The Licensee will to the satisfaction of the Licensor control the said land from gorse, broom, and all noxious plants, and keep clear rabbits and other vermin.

6. The Licensee will not break up any part of the said land, nor cut down any trees or brush, without the prior consent of the Licensor.

7. The Licensee shall be permitted to use the land for general farming activities including cropping.

8. The Licensee will not erect any buildings on the said land without the prior consent of the Licensor.

9. The Licensee will at all times during the term keep all buildings, fences, gates, enclosures and other structures and improvements now erected or made or which may hereinafter be erected or made on the land or on the boundaries thereof in good repair order and condition and yield up the same at the expiration or sooner determination of the said term.

10. That in the event of the Licensee wishing to surrender this Licence during the currency of the term such surrender may be accepted by the Licensor on such condition as the Licensor may deem appropriate, including a condition that the Licensee shall be required to bear and pay any local body rates payable under the lease from the date of acceptance of the surrender until the date at which the Licence would have expired had surrender not been accepted or the end of the rating period, whichever is the sooner.

11. The Licensee shall permit any person or persons appointed by the Licensor to inspect the land and all buildings, erections and installations and the Licensee will immediately comply with all directions from the Licensor in regard to any matter whatsoever.

12. The Licensee will not do or permit or suffer anything to be done in or upon the land and any buildings thereon or any part or parts thereof which may be or become a nuisance or annoyance or cause damage or inconvenience to the Licensor or to the owners or occupiers of any neighbouring land or premises.

13. Nothing contained or implied in this Licence shall be deemed to confer on the Licensee the right to acquire the fee simple of the said land.

14. The Licensee will throughout the term of his Licence to the satisfaction of the Licensor cut and trim all live fences and hedges upon the land and keep clean and clear from weeds and keep open all creeks, drains, ditches and watercourses which may be constructed after the commencement of the term of this Licence.

    Provided that if there is any breach of this covenant the Licensor may do any work necessary to remedy the breach and charge the Licensee the reasonable cost of the work.

15. The Licensee shall erect and maintain all boundary fences and shall assume all the obligations that may be imposed on the Licensor by operation of law in regard to fencing on the land or along the boundaries.

16. All or any of the powers and functions exercisable by the Licensor under these presents may from time to time be exercised by the Chief Executive of the Licensor or by any person authorised in that behalf by the Chief Executive.

17. In the event of a breach of any of the conditions of this licence, this licence may be determined at any time by the Licensor in respect of the whole or any portion of the land upon the Licensor giving to the Licensee one calendar months' notice in writing of his intention so to determine this lease.

18. Upon the expiration or sooner determination of this Lease either as to the whole or any part of the said land the Licensee shall not be entitled to compensation for any improvements effected by him but he may within such time as the Licensor shall determine remove all buildings, enclosures, fencing, or other improvements effected or purchased by him and should this lease be determined as to part of the said land then the Licensor shall make such adjustment to the rent payable as he shall in his discretion deem fit and proper.

19. The Licensee will apply fertiliser to the land annually in keeping with acceptable farm management practices.

20. The licensee if grazing any stock near any water body as defined by the Resource Management Act 1991 shall fully comply with the relevant provisions of that Act, the District Plan and any regional plan.

IN WITNESS WHEREOF THESE PRESENTS HAVE BEEN EXECUTED BY THE PARTIES HERETO THE DAY AND YEAR FIRST ABOVE WRITTEN.

THE COMMON SEAL OF THE)
SOUTHLAND DISTRICT COUNCIL)
as Licensor was hereunto affixed)
in the presence of)

_____ Mayor

_____ Chief Executive

SIGNED by the abovenamed)
STEVEN CRAIG BEVINS) _____
As Licensee in the presence of:)

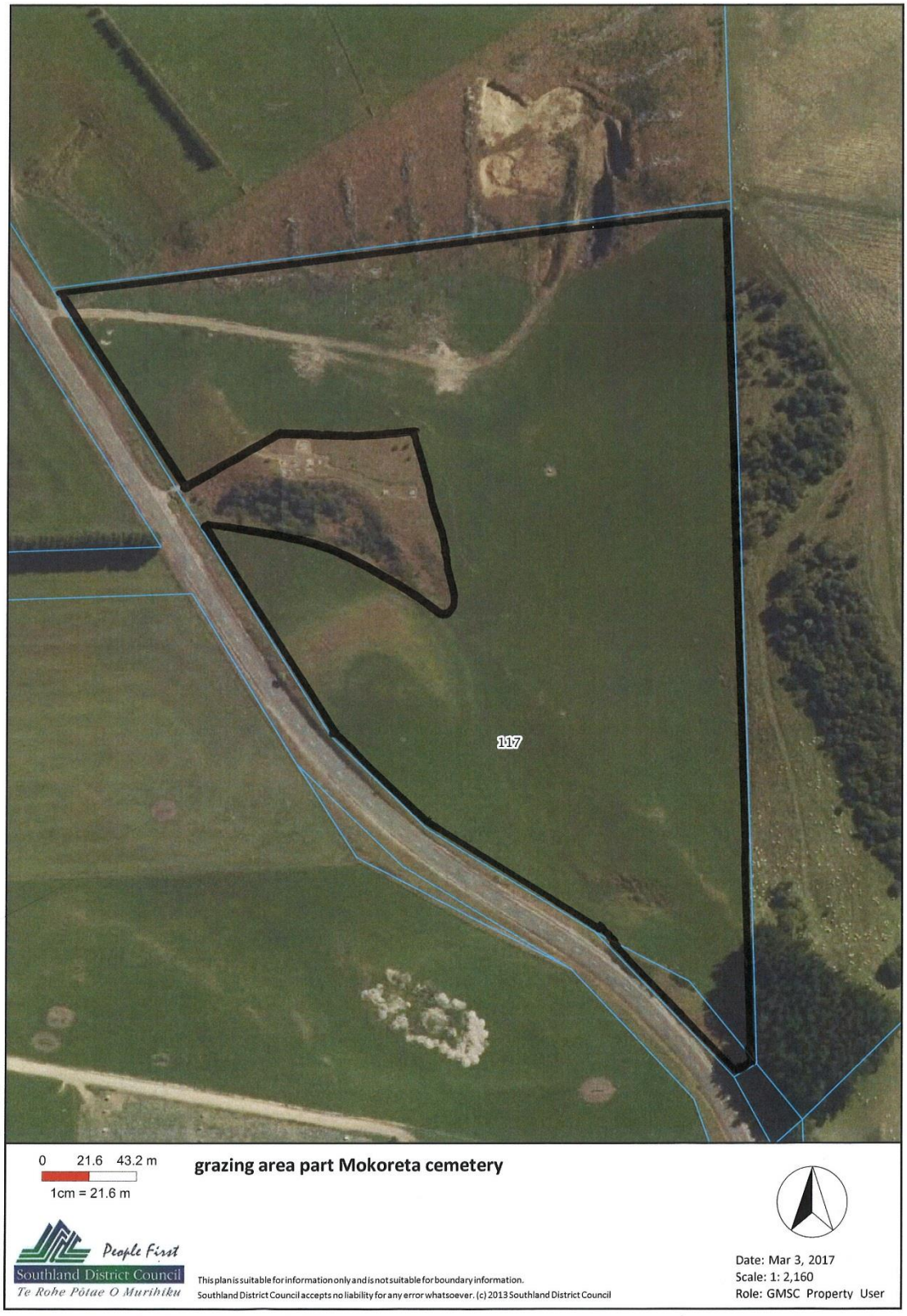
_____ Licensee

_____Witness Name

_____Witness Signature

_____ Occupation

Item 8.3 Attachment A



Address

Delegation to Approve and Execute Licences for Structures in Riverton Harbour

Record No: R/17/3/4254
Author: Ian Marshall, Group Manager Services and Assets
Approved by: Ian Marshall, Group Manager Services and Assets

☒ Decision ☐ Recommendation ☐ Information

Background

1 Over the last few years, action has been taken to licence all the structures (wharves, slipways and boat ramps) in Riverton Harbour downstream of the SH99 Palmerston Street Bridge.

2 Initially this required the Southland District Council to obtain a consent under the Resource Management Act from Environment Southland for approval for structures on the seabed. Now Council has that consent all the privately owned structures within that consented area can be licensed to the Council.

3 A long and arduous process has recently seen licences sent to all wharf "owners" and the licences are now being returned, signed by the licensees.

4 Council delegations for "The management and control of the assets is limited to the specific points in the "Scope of Activity" paragraph. As such there is no delegation for this activity hence Council is the only body that can execute the licences. This means affixing the Council's common seal and signing by the Mayor. At a time when Council is working hard to improve the efficiency of services to Council customers, requiring transactions of this type to pass through a formal Council report process, application of the Council seal and signing by the Mayor is unnecessarily bureaucratic, inefficient and wasteful.

Discussion

5 The nature of the licences is such that they are not high risk and compare with licences to graze and roadline licences. The low risk aspect of administration and management of these Council assets (including the non-Council owned wharves that sit on that part of the harbour floor over which Council holds a resource consent from Environment Southland, thus enabling it to grant the licences) suggests that the delegation to deal with all matters should sit with the Strategic Property Manager.

6 The process of Council gaining a resource consent and then licensing the structure owners has been discussed and agreed with the Harbour users and the Harbour Committee.

7 Wharf owners want prompt action when they have a buyer for their wharf. The nature of the actions required, granting licences, accepting surrenders and issuing suspension of termination notices for breach of licence conditions, logically sit with the Strategic Property Manager.

8 Community consultation can still be included and it is suggested that when actions are required, that the Strategic Property Manager will discuss the proposal with the Riverton Harbour Subcommittee Chair, and their views are taken into consideration, when making the decision. Actions taken will then reported to the next Subcommittee meeting.

9 If there are "issues" with a particular action, the Strategic Property Manager can escalate the matter up to the Group Manager Services and Assets to determine.

10 Furthermore, the Subcommittee can provide governance guidance at it's meetings without having to wait for a specific case to prompt this. In addition the Asset Management Plans can provide guidance as necessary when reviewed.

Recommendation

That the Council:

a) Receives the report titled "Delegation to Approve and Execute Licences for Structures in Riverton Harbour" dated 8 March 2017.

b) Delegates authority to approve and execute licences for structures within the consented area in the Riverton Harbour to either one of the Strategic Manager Property or the Group Manager Services and Assets.

Attachments

There are no attachments for this report.

Management Report

Record No: R/17/3/3820
Author: Steve Ruru, Chief Executive
Approved by: Steve Ruru, Chief Executive

☐ Decision ☐ Recommendation ☒ Information

Chief Executive

Fresh Water Management

1 In mid-February Government announced a number of initiatives aimed at improving the quality of fresh water. The 'headline' announcement was the setting of a target to make 90% of NZ's rivers and lakes swimmable by 2040 which is seen as being a challenging national objective.

2 The package of announcements made included:

- Proposed amendments to the National Policy Statement on Freshwater Management to require that specific requirements be included in the relevant resource management plans to manage nitrogen and phosphorous, monitor macroinvertebrate to monitor ecological health of waterways and generally strengthen the requirements to monitor and improve water quality
- The release of 'swimmability maps' for each region in New Zealand which compare water quality between regions
- The establishment of a $100 million Freshwater Improvement Fund to assist projects aimed at improving water quality
- The promotion of national regulations to exclude stock from waterways. On rolling and steep land the requirement will apply where the waterway is over 1 metre wide. The regulations will progressively come into effect from now until 2030.

3 Local authorities are required to give effect to the provisions included in a National Policy Statement. As a result it can be expected that the Land and Water Plan being promoted by Environment Southland will be amended to take account of these new requirements once they are formally confirmed.

4 It can be expected that there will be further amendments made to the way in which water is managed in the future. It is seen, for example, that there is a need to create a more integrated approach to the development of water policy across both central and local government so that policy related to water management standards, allocation rules, land use, the development of three waters infrastructure and the funding of such is developed within a coherent framework.

5 The amendments will have an impact on this Council as an infrastructure provider where there will be an expectation that we will continue to 'raise the bar' in terms of the standard of our discharges and the way in which we utilise drinking water etc.

LGNZ Excellence Programme

6 As part of a broader programme of work designed to lift the performance and reputation of the sector as a whole LGNZ launched, last year, the Local Government Excellence Programme.

7 The programme provides for an independent assessment of participating Councils by an independent panel. While the assessment is performed against a limited number of metrics it is still a valuable tool for identifying opportunities for improvement.

8 The results for the first of the Foundation Councils to have participated in the programme are expected to be released in the near future. Officers are of the view that this Council should also choose to participate in the programme at an appropriate time. Consideration will be given to the timing of when this should be.

Around the Mountain Cycle Trail (ATMCT)

9 Work is continuing to look at the options that Council has in relation to how it might progress development of the ATMCT following release of the Environment Court decision to overturn the resource consent for the proposed upper Oreti section of the trail.

10 While Council has appealed the Environment Court decision it is appropriate that Council complete a wider review of its options in light of that decision and the current status of the project more generally. As part of the current review process there are a range of factors that need to be considered. These include:

- The current stage of development and the reasons for Council originally becoming involved in developing the trail
- The range of community views that exist on how Council should move from here
- The contractual commitments that Council has with other funders including the Crown. In this regard it is noted that Council has a contractual commitment to complete stages 1 and 2 of the Trail
- The costs and benefits associated with each of the different options
- The risks associated with each option.

11 Officers are currently drafting a report that outlines the options that exist and the factors that Council needs to consider in making a decision about it might move forward from here. It is expected that this report will be presented to Council in the near future.

Te Anau Wastewater

12 Following the signing of the Deed of Agreement with Fiordland Sewage Options in December work is now proceeding with the first phase of work to evaluate the Smith Block. This includes the negotiation of an access and purchase agreement with the owners of the Smith Block and an initial round of consultation with stakeholders including the neighbouring property owners, Te Ao Marama, Fish and Game, Department of Conservation and Guardians of the Lake.

13 Once an access Agreement is finalised arrangements will be made for Pattle Delamore Partners (PDP) to undertake initial site investigation works. The findings from this work, along with the feedback from stakeholder consultation and an overall assessment of risks, will assist with determining whether Council should proceed to a full investigation programme.

14 A report summarising the findings from the phase 1 work will be taken to the Te Anau Wastewater Project Committee and subsequently Council during May.

Southland Regional Development Strategy (SoRDs)

15 A further meeting of the Mayoral Forum was held on 14 February to further progress the work that is developing a proposed new structures to drive implementation of the SoRDS Action Plan and regional development in the future.

16 At the meeting a good level of agreement was reached as to a potential model for moving forward. This model is now being written up into a paper that will be presented to Councillors from the four Southland Councils at a workshop on 13 March.

17 A key feature of the model that is being put forward is the desire to create an agency that has a 'whole of region' approach and buy-in. This means that any entity needs to be owned and funded by entities other than just local government. There needs to be a demonstrable buy-in and pooling of the resources that are held across the Region as a whole. Unless this occurs then Southland will simply not compete with other regions nor succeed in reversing the 'mega-trend' challenges we face.

18 During the Mayoral Forum discussions there has also been considerable emphasis placed on the need to have a purely skills based Board managing any new Agency and also ensure that a separate strategic tourism entity is created. The need to make a significant lift in the way in which the Region approaches the development of Tourism was one of the key recommendations coming out of the SoRDS Action Team for this area.

19 The outcomes from the 13 March workshop will be reported to each of the four Southland Councils and the other entities that need to be formally involved in the new structures over the next few months to enable the necessary formal decisions to be made. There will also be a need for a public consultation process to be completed to enable the proposed model to be implemented.

Urban Development Authorities

20 To facilitate faster development within urban areas the Government is currently giving consideration to passing legislation that would allow for the creation of Urban Development Authorities.

21 The legislation would allow nationally or locally significant urban development projects to access more enabling development powers and land use rules. The new urban development authorities could have, for example, the power to assemble parcels of land, develop site specific plans, reconfigure infrastructure and to construct a mix of public and private buildings within the defined development area.

22 While the proposal is largely of relevance to cities and major urban areas it is part of the wider resource management package that Government is looking at to make development more enabling.

Information Management

Digitisation Project

23 Work is continuing on the Property File Digitisation project which has seen almost two thirds of the paper volume previously held at Council shipped for processing.

24 This work has provided valuable insight to other areas of Council and how these areas operate with the existing paper environment. A number of planned pieces of work as part of this project are in the early stages to provide new tools and applications for Council officers to work with digital files.

Virtual Desktop Environment

25 The roll out of the updated virtual desktop environment has started with approximately 50% of Council staff moved to the new environment. This move has been required to ensure that new tools being introduced operate in an optimal way. The new environment will address some historical performance gaps when using some of the high end applications such as the GMSC GIS (Geographical Information System) and Asset Management applications.

Dashboards

26 Council officers are also progressively developing a new dashboard and reporting systems for staff to be able to access data held within the various applications and external sources of data. These are being developed to operate in real time with the data being used able to highlight trends and issues early to allow Council officers to investigate in a proactive manner.

GIS Web Tool

27 Council has also changed the GIS tool used by the public to access property data. This has been received positively from the main users of the tool. The tool will be updated in June which will provide additional functionality enabling users to interact with the data/images/maps more easily.

Core Systems and Business Improvement

28 Over the past months, Council officers have held a number of workshops to go over the various parts of process mapping, how to correctly structure your processes, and using the ProMapp tool.

29 This tool will be used to capture the organisation, group, team and individual processes currently undertaken by staff as well as a way to identify where process improvement can be undertaken. Officers are already seeing the benefits with some initial quick wins being achieved.

30 One of the bigger review pieces of work that is currently under way is with the Land Information Memorandum (LIM) and Change my Address. Both of these processes feature high on the new RFS reporting dashboards mentioned above.

Environmental Services Group

Service Delivery Review

31 The Council's Section 17A Local Government Act Service Delivery Review for Regulatory and Environmental Services was presented to the first meeting of the Regulatory and Consents Committee on 23rd February 2017, by Alicia McKay the external local government and business practice consultant who provided inputs into this process.

32 This Service Delivery Review reviewed the delivery of services across the Council's Environmental Services Group functions, benchmarked against a number of other Councils, and made recommendations for the future.

33 Generally the review found that key statutory functions were being well delivered, but there were opportunities for improvement in on-line delivery, further collaboration with other Councils, possible further outsourcing, and greater competition in some procurement methods. This was a very useful continuous improvement process, and an action plan around recommendations will be developed and brought forward to the Committee in the future.

Building Control

34 The audit team from IANZ was at Council from 27 February to 1 March for the Council's 2-yearly Building Control reaccreditation audit. The auditors have recommended that Council be reaccredited, with 1 Corrective Action Required (CAR) and 7 strong recommendations. This is a positive outcome for Michael Marron Team Leader of Building Solutions and the Building Control team. The auditors commented positively on the technical knowledge within the team, the general robustness of processes, and the cooperative approach from staff to the audit process.

35 The CAR related essentially to the processes followed in three of the sample commercial consents audited. The auditors commented that the staff involved were technically competent, but the material submitted with the applications was not as robust as it should have been and should not have been approved on that basis. They have requested an action plan from Council as to how we will address this issue moving forward to avoid a reoccurrence, and this will be formulated and forwarded back to IANZ within their specified two month timeframe, hopefully considerably sooner.

36 Most of the strong recommendations were in the area of document and process control and these were not issues with regard to approval of substandard work. These will also be talked through in the team and an action plan formulated to address these strong recommendations.

37 Council's next reaccreditation audit will be in 2019. IANZ has signalled that this will occur under a new more prescriptive framework, but also a fees structure which reflects time spent which should hopefully reward good preparation and performance.

38 The value of consents continue to track behind that of last year which can be attributed to the overall down turn in the economy. The value of farm buildings is up dramatically this can be attributed to the new dairy hub being constructed in the District. Average cost of a residence has increased from $946 to $1315 or .39%. This highlights the additional complexity in the builds. If the consented work is to be carried out in the next 12 months it will equate to about 240 inspections.

Resource Management

39 An application for resource consents for the proposed Rakiura Heritage Centre has been received on 1 March for a site in central Oban. At time of writing, the Resource Planning team were reviewing the application.

40 As recently reported in the Southland Times, an application to alter the designation for State Highway 1 in the Edendale area is pending and expected to be received by mid- March. This will then proceed through the formal processing and decisionmaking path as outlined in the Resource Management Act 1991.

41 Mediation on the remaining District Plan appeals has been delayed by extended judicial leave, but is scheduled to commence with two days in April.

Animal Control

42 The Council's Annual Dog Control report, a legal requirement of the Dog Control Act 1996, was considered and approved by the Regulatory and Consents Committee on 23 February 2017 and has been forwarded to the Department of Internal Affairs .

43 Council has entered into contractual arrangements with ADT Armourguard and the Invercargill City Council which will assist in providing better overall coverage for Animal Control functions throughout the District, by supplementing Council's in-house team as required. Those agencies' staff have been suitably warranted by Council and given appropriate training in our processes. Another advantage of these arrangements is that it

mitigates some key health and safety risks in a series of functions which are some of the Council's higher risk areas.

Environmental Health/Alcohol Licensing

44 A key focus in the Alcohol Licensing area currently is clearing a backlog of existing premises renewals by 1 July 2017. This work was progressing pre-Xmas but was delayed somewhat by a raft of special license applications for pre-Xmas and post-Xmas events.

45 There is also a strong focus on transferring on-licensees to the new Food Act 2014 regime by 31 March 2017; they are in the first group of businesses that have to transition. The majority have transferred, and the team are following up with the small number remaining.

Heritage

46 Johanna Massey, Roving Museum Officer, presented to the Regulatory and Consents Committee on 23rd February 2017 on the Waikaia Museum redevelopment. Work on this exciting heritage project is continuing at the time of writing, the stone cladding was being applied to the exterior of the building.

Community & Futures

Community Partnership

47 Consultant Sandra James from Christchurch has been contracted to undertake the Stewart Island Wharves Community and Stakeholder engagement. Sandra has significant experience in Local Authority and community-led engagement and will have her first visit to the Island on 22 March to speak with a few key stakeholders. This will help Sandra determine the engagement process, and the way in which the Islanders are best to be consulted. While on the Island Sandra will have a tour by road, and then by water taxi to see the wharves first hand. Following this initial visit, Sandra will return to the Island and Invercargill in the weeks following to facilitate the community and stakeholder engagement process. We anticipate this will be completed by early-mid May.

48 Information has been sent to approximately 1,300 ratepayers and residents in the Edendale/Wyndham Community Board area that provides an update on Council services and facilities. The update includes information on the old Area office, Wyndham Hall, and the Museum Building.

49 Feedback is being sought from the Te Anau community regarding how they would like to see Te Anau be "even better". The project will be completed by October 2017 in order to feed into the Long Term Plan.

50 Consultation and engagement with the landowners adjoining the Smith's Block on Sinclair Road has commenced with 17 meetings being held to date and newsletter communications.

Council Strategic Workshop

51 Council hosted a Strategic Workshop from 1-3 February 2017 at which Councillors and officers worked through various strategic issues and opportunities facing the District. The format of the workshop involved staff facilitating a variety of sessions in which Councillors were provided with opportunities to consider various scenarios and offer their future aspirations for the district and Council.

52 There were some common themes which emerged throughout the discussions and these will be captured to assist with the development of the Council's LTP 2018-2028 – specifically related to Councils, Vision, Mission and Strategic Objectives. A summary of the Workshop discussions is currently being collated and prepared to provide an overview of the workshop. The key themes from the workshop have been well utilised by officers in discussions with local community boards, CDA election meetings and other community organisations.

CDA Election Process

53 The month of March sees Council facilitating the CDA Subcommittee election process – with 19 election meetings to be held from 1 March to 25 March 2017. The Mayor, Deputy Mayor, local Councillors and officers attend and lead the election meetings.

54 The meetings also provide an opportunity for public feedback and conversations relating to local and district wide issues. The election process is based on the SDC Community Development Area Subcommittee Terms of Reference as approved by Council in October 2016. As part of the Terms of Reference there is clearly defined candidate, nominator and voting eligibility criteria for these Council Subcommittees. Whilst this has created some concerns in some areas it has provided a consistent approach for the process. It has also informed and identified wider issues and opportunities related to future community governance options which will be considered as part of the Community Governance Review and Representation Review to be completed in 2018.

Community Governance Project and Representation Review

55 Further work continues to investigate opportunities for the development of Council's Community Governance Structure for 2019 and beyond.

56 Officers are considering the current situation and undertaking a comparative analysis of the current structure against various scenarios. This requires consideration and clarification of the purpose of community governance entities and how they can assist in achieving community and council desired outcomes. The work undertaken involves in the next 12 months the need for explicit community engagement and involvement in understanding the future focus and structures required to achieve this. The outputs from this phase of the project will inform the representation review process which is to be undertaken in 2018.

Corporate Performance Framework

57 The Corporate Performance Framework project has developed to the stage that the ELT have considered and provided feedback. An effective Corporate Performance Framework is fundamental for Council in support of effective planning, delivery, reporting, evaluating and creating accountabilities for organisational performance.

58 This project will support and inform the design and implementation of business improvement processes and core systems to drive accountabilities and the monitoring of performance against objectives. It has been identified that there is a significant amount of work required to be undertaken over a period of time to develop and implement an effective Corporate Performance Framework for Council. A report will be presented to the Community and Policy Committee in due course explaining in greater detail the scope of this project and key milestones required.

Risk Management

59 Officers recently attended a SOLGM facilitated Risk Management Forum. This highlighted that work in the risk management area is a 'work in progress' and will require a priority focus over the next three years. The journey will involve revising and refining the development of a risk policy and framework; development of a top down risk profile; integration into the

Finance and Audit Committee work programme; alignment with strategy; articulating the risk appetite; rationalising the risk register; undertaking monitoring; and development of a risk based internal audit programme.

People and Capability

60 In January 2017 an Animal Control Officer had a serious motor vehicle accident while he was undertaking duties. The staff member suffered a broken arm and had an overnight stay in hospital. This incident was a notifiable event under the new Health and Safety legislation and has been notified to Work Safe. They have notified us they will not be undertaking any investigations. Council staff have undertaken an investigation and a number of recommendations have been made including development of a driver fatigue policy.

61 In February 2017, Council contracted Simpson Grierson to undertake a Health and Safety Gap Analysis. The gap analysis included a review of Council's Health and Safety Management System, discussions with key operational leaders and visits to operational locations and discussions with workers and key contractors. The result of the Gap Analysis is a written report, which is due early March 2017. The report will cover findings and include recommendations.

62 Another group of Leaders at Southland District Council are undertaking the Accelerated Leadership Programme. This is the third cohort of leaders at Southland District Council to undertake this programme. The five month programme, developed by SOLGM, is a highly interactive and practical programme that is designed to allow participants, over 5 workshops, to increase their leadership capacity.

Customer Support

63 The Winton Library has seen a decline over the last year in people utilising our late night service. After reviewing the numbers of people using the services on the late nights, we have established there is less need for the evenings and more need for a longer Saturday. After consultation with Councillors, Staff and the Community Board, we will be moving to Monday – Friday 8:30am - 5pm and Saturday 10am – 3pm. This will begin from 3rd April 2017.

64 In Nightcaps we are consulting with active borrowers and the Takitimu Primary School regarding the current library service given the low usage of the service we currently provide. Our aim to provide a sustainable service that meets the demand for the residents at Nightcaps. A number of options will be explored including a regular Book Bus service or books couriered to customers. At this stage a meeting with impacted borrowers and representatives from the school is planned for 7 March 2017, and from here we will look at potential solutions for the community.

Services and Assets Group

Te Anau Manapouri Aerodrome Usage

65 The final aircraft movement statistics have come in for 2016. Data has been collected for all aircraft movements from 2009. There has been a 74% increase in the number of flights over the period up until the end of 2016. The peak year for movements was 2012 with 1,211 aircraft landings. Following this period a moderate decline occurred with 945 occurring in 2014. A steady recovery has occurred following the 2014 dip to 1,063 at the end of 2016. A steady increase in large aircraft movements has attributed to dedicated services for the Tauck Tours, aircraft reliability and the increased reliability of the approach system into the airport.

Service Delivery Reviews

66 Under the Local Government Act 2002 Council is required to have completed all of its initial round of section 17A service delivery reviews by August 2017.

67 An assessment of the progress made to date and where other reviews that might be needed has been completed. In a number of cases it is seen that there is little benefit in completing a review and hence the recommendation being put to Council is that they not be progressed. It is proposed, however, that a review of the group of services that come under the Community Services portfolio be progressed.

Land and Water Plan Implementation

68 Under the National Policy Statement for Freshwater Management (NPS-FM) water quality and quantity are to be maintained and improved, and any over allocation to be phased out over time. Environment Southland (ES) is required to set environmental limits by 2025, with all "communities" required to meet those limits in due course. They are progressing this work via their proposed Water and Land Plan.

69 To assist with addressing the impacts of these changes on local authority infrastructure ES have formed a 3 Waters officer working group. The objectives of the Group are to work through the implications of the new freshwater standards, develop an agreed approach to the re-consenting of local authority infrastructure and ensure that the organisational objectives are aligned.

Recommendation

That the Council:

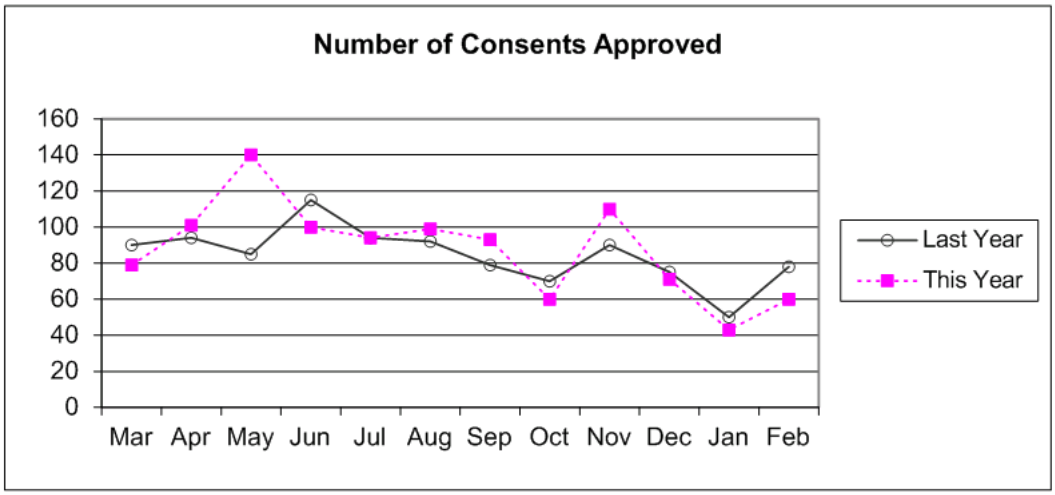
a) Receives the report titled "Management Report" dated 8 March 2017.

Attachments

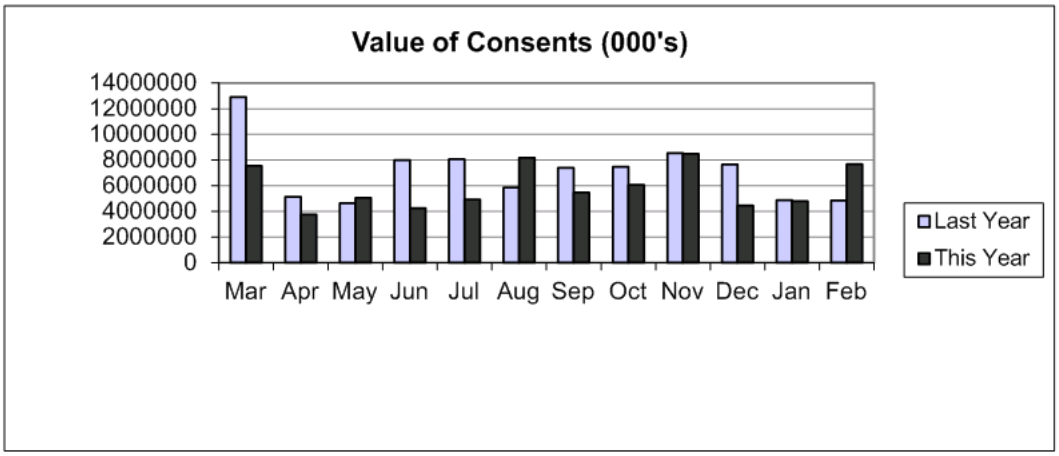
A Consents Database Graph - February 2017 ⇩
B Building Consets Issued Numbers - February 2017 ⇩
C Building Consent Issued Values - February 2017 ⇩

Southland District Council Building Consents

Monthly Report - February 2017



Percentage Changes - Total Consents		
From:	Last month	39.53%
	This month last year	-23.08%
	Cumulative year this month last year	3.75%



Percentage Changes - Total Dollars		
From:	Last month	60.37%
	This month last year	58.52%
	Cumulative year this month last year	-17.30%

Building Consent Issued Numbers

Decision Month	2012	2013	2014	2015	2016	2017	Total
January	71	55	81	72	50	43	372
February	82	64	46	77	78	60	407
March	123	96	115	90	79	0	503
April	103	96	103	94	101	0	497
May	175	143	158	85	140	0	701
June	105	119	118	115	100	0	557
July	135	92	118	94	94	0	533
August	106	91	101	92	99	0	489
September	77	75	103	79	93	0	427
October	93	90	88	70	60	0	401
November	86	84	82	90	110	0	452
December	71	68	85	75	71	0	370
Total	1227	1073	1198	1033	1075	103	5709

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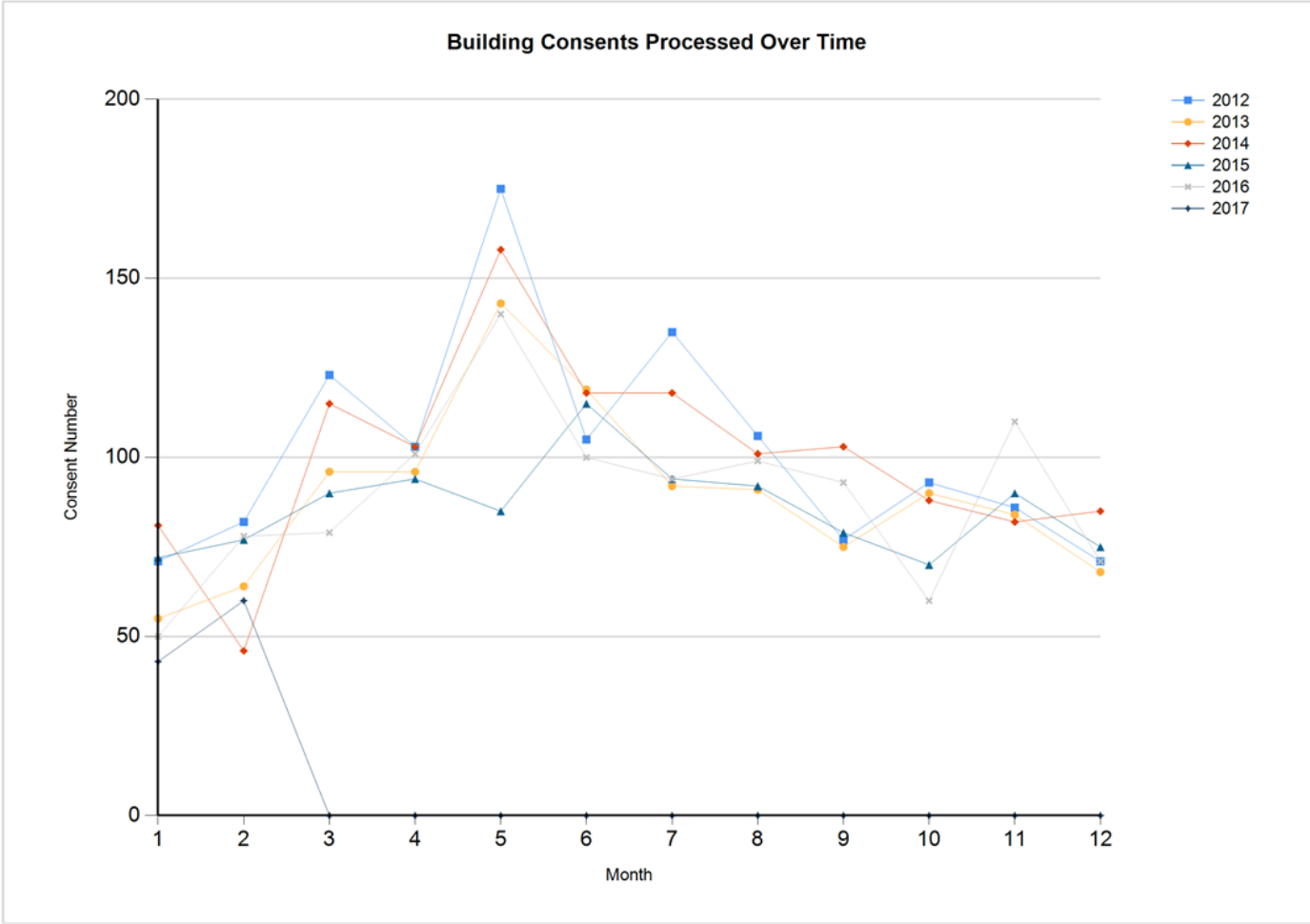
Item 8.5 Attachment B



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Building Consent Issued Values

Decision Month	2012	2013	2014	2015	2016	2017	Total
January	$8,761,841	$5,430,178	$11,004,801	$8,187,785	$4,887,663	$4,792,520	$43,064,788
February	$7,094,309	$6,822,148	$3,923,722	$9,907,900	$4,848,585	$7,685,823	$40,282,487
March	$10,712,479	$6,061,045	$9,212,772	$12,900,191	$7,537,689		$46,424,176
April	$6,871,776	$4,875,339	$8,223,725	$5,127,436	$3,756,350		$28,854,626
May	$13,153,910	$8,452,973	$11,929,819	$4,653,849	$5,048,003		$43,238,554
June	$5,907,098	$5,755,189	$8,642,715	$8,010,777	$4,253,356		$32,569,135
July	$5,745,579	$3,863,110	$9,514,841	$8,076,255	$4,923,057		$32,122,842
August	$5,564,201	$8,869,939	$8,738,431	$5,855,620	$8,149,207		$37,177,398
September	$5,429,701	$6,177,080	$11,813,442	$7,393,073	$5,456,971		$36,270,267
October	$6,420,178	$8,861,336	$11,173,980	$7,475,727	$6,073,094		$40,004,315
November	$5,682,807	$8,136,544	$9,540,239	$8,538,326	$8,481,838		$40,379,754
December	$6,911,079	$8,710,688	$13,174,785	$7,645,900	$4,447,994		$40,890,446
Total	$88,254,958	$82,015,569	$116,893,272	$93,772,839	$67,863,807	$12,478,343	$461,278,788

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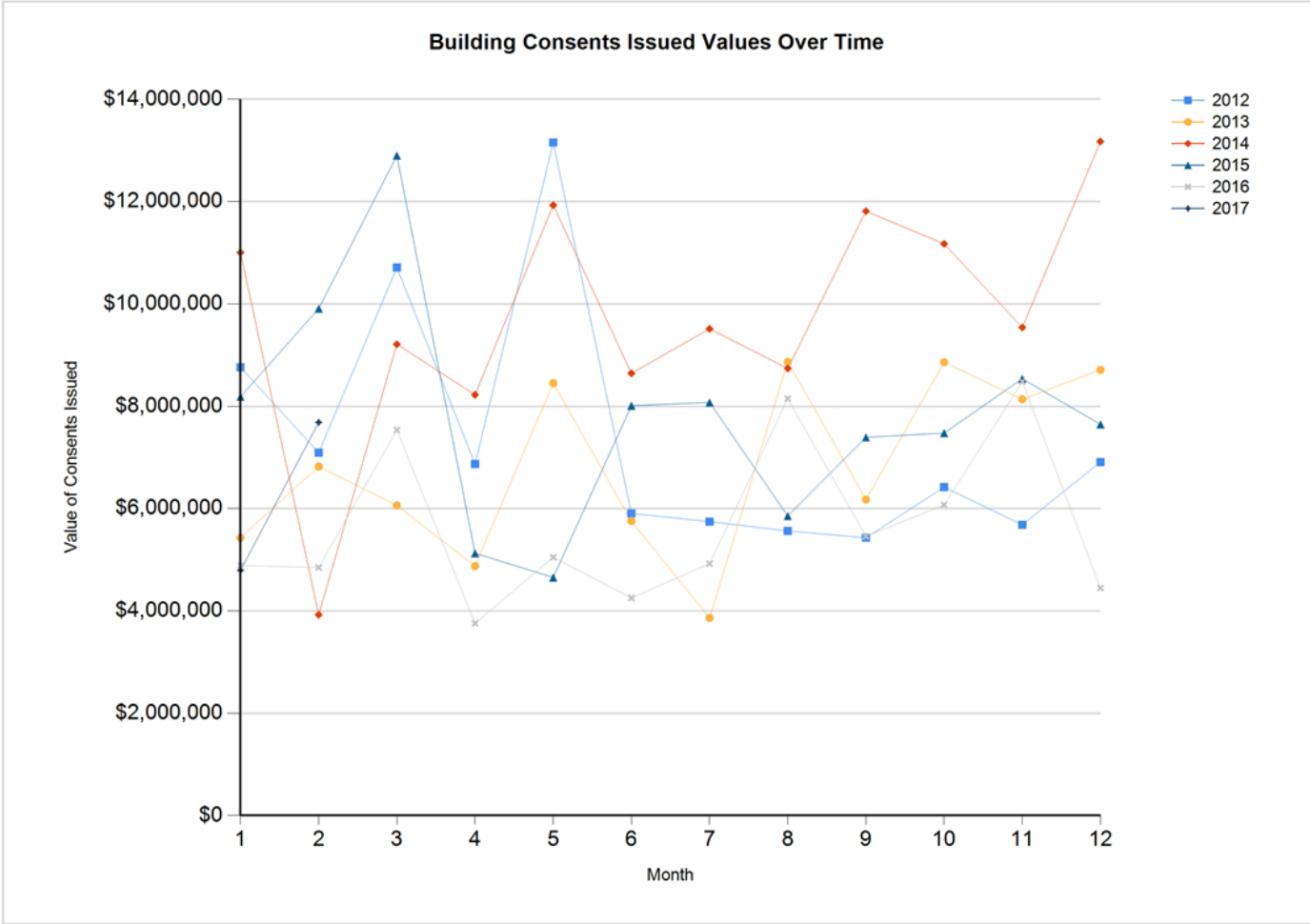
Item 8.5 Attachment C



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Te Anau Wastewater Discharge Project Committee - Terms of Reference

Record No: R/17/2/2810
Author: Steve Ruru, Chief Executive
Approved by: Steve Ruru, Chief Executive

☒ Decision ☐ Recommendation ☐ Information

Purpose

1 To enable Council to approve revised terms of reference for the Te Anau Wastewater Discharge Project Committee.

Executive Summary

2 The Council has executed a Deed of Agreement with Fiordland Sewage Options which requires Council to assess the viability of the Smith Block, as an alternative to the Kepler Block, for wastewater disposal.

3 The decision to enter into the Deed of Agreement changed the scope of the project which was previously being pursued. In light of these changes Council asked officers to report back with suggested changes to the terms of reference for the Te Anau Wastewater Project Discharge Committee.

4 Attached are revised terms of reference which attempt to reflect the change in scope and the work that now needs to be completed prior to Council proceeding into the construction phase. This paper seeks Council approval for the revised terms of reference.

Recommendation

That the Council:

a) Receives the report titled "Te Anau Wastewater Discharge Project Committee - Terms of Reference" dated 8 March 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 the Terms of Reference for the Te Anau Wastewater Discharge Project Committee dated 15 March 2017.

Content

Background

5 At its meeting on 21 December 2016 the Council approved a Deed of Agreement with Fiordland Sewage Options (FSO), which provided for:

- Council agreeing to proceed with investigation of the Smith Block to determine whether it is a viable alternative when compared to the consented Kepler scheme.
- Council being able to determine at any stage during the investigations not to proceed further with the investigation if it concludes that the Smith block is not a viable alternative to the Kepler.
- Council deciding at the end of the investigation and consenting programme whether to proceed with either the Kepler or Smith options.
- FSOI agreeing to withdraw their appeals against the Kepler consents with costs lying where they fall.

6 The decision to approve the Deed of Agreement meant that the scope of the work to be progressed changed considerably from being a peer review exercise to consideration of one particular alternate disposal site. As a result Council asked officers to report back with revised Terms of Reference for the Te Anau Wastewater Discharge Project Committee.

7 Previously, the Committee had, for example, been charged with completing the peer review process and making recommendations to Council as to how it should proceed with the project given the findings of that review. The Deed of Agreement provides that Council must evaluate, in accordance with the steps outlined in the appendix, the Smith Block to determine whether it is a viable option relative to the Kepler Block. The Council can then make a decision about which option it wishes to pursue.

8 In these circumstances it would be appropriate for the Council to revise the Committee's Terms of Reference to reflect the change in focus of the project.

Issues

9 There is a need for the Council to consider the changes that should be made to the terms of reference for the Te Anau Wastewater Project Discharge Committee given the changes in scope of the project following execution of the Deed of Agreement.

10 The decision that the Council needs to make should have regard to the current status of the project, its risk profile and the assistance that the Committee can usefully provide to Council given the work that will be needed to oversee the project from its current point through to completion.

Factors to Consider

Legal and Statutory Requirements

11 Under the Local Government Act 2002 a local authority is able to establish the committees, sub-committees and other sub-ordinate decision making bodies that it considers appropriate.

12 All such committees are subject to the ultimate control of and must comply with any general or specific directions given by the Council. They also represent Council and are able to make decisions that are binding on Council.

Community Views

13 In forming the Project Committee in 2015 the Council was conscious of the need to ensure that there was a conduit via which the views of the local communities could be identified and considered as part of Council's decision making process. This position is not changed by the changes to the terms of reference outlined in this paper.

Costs and Funding

14 Costs of the Project Committees operations will be met from the Governance budgets.

Policy Implications

15 The Project Committee will need to operate within the Council governance policies including its code of conduct and standing orders.

Analysis

Options Considered

16 The options considered are to approve the revised terms of reference for the Te Anau Wastewater Discharge Project Committee (with modifications), Do Nothing which would mean retention of the current terms of reference or use the Services and Assets Committee to provide governance oversight of the project.

Analysis of Options

Option 1 – Revise the Terms of Reference

Advantages	*Disadvantages*
• Will ensure that the terms of reference for the Committee reflect the current status of the project following execution of the Deed of Agreement. • The Committee will be focussed on the issues that are importance to successful delivery of the project. • Council can manage the aspects that it sees as important to successful delivery of the project.	• Will mean changes to the current terms of reference.

Option 2 – Do Nothing

Advantages	*Disadvantages*
• Committee would continue to operate under existing terms of reference.	• Committee will not necessarily be focussed on implementation of the Deed of Agreement that Council has negotiated with FSO. • Work of the committee may not reflect the priorities that Council has for the project which creates a risk of duplication of activity with the Assets and Services Committee as it seeks to fill the vacuum.

Option 3 – Services and Assets Committee

Advantages	*Disadvantages*
• An existing structure. • Would reduce the additional costs associated with having a separate Committee overseeing the Wastewater project. • Experienced committee members versed in the governance role and familiar with financial and project management. • Committee members relatively independent from the local influences. • Low marginal cost to transact the project business.	• Members more removed from the Community of interest • Community members may feel disenfranchised through not having local elected representatives on the committee. • More difficult to appoint an external professional to assist with governance of the project. • The community may feel the Council is not listening to their concerns.

Assessment of Significance

17 The issue being considered relates to whether the Council should revise the terms of reference that it has set for the Te Anau Wastewater Discharge Project to reflect the Deed of Agreement with FSO.

18 While there will be a good level of interest in this decision from the Te Anau and Manapouri communities a decision about the terms of reference for the Committee is not considered to be significant.

Recommended Option

19 The recommended option is that Council approve the revised Terms of Reference.

Next Steps

20 The revised Terms of Reference will be reported to the next formal meeting of the Committee.

Attachments

A Te Anau Wastewater Discharge Project Committee - Terms of Reference ⇩

SOUTHLAND DISTRICT COUNCIL
TE ANAU WASTEWATER DISCHARGE PROJECT COMMITTEE
TERMS OF REFERENCE

Authorising Body:	*Southland District Council*
Title:	*Te Anau Wastewater Discharge Project Committee*
Approval Date:	15 March 2017
Delegated to:	
Alternative Role:	
Legislation:	

1. PURPOSE

The Te Anau Wastewater Discharge Project Committee shall assist the Southland District Council to progress implementation of the Te Anau Wastewater Discharge Project in accordance with the project scope approved by Council and the Deed of Agreement that it has entered into with Fiordland Sewage Options.

2. ROLE OF THE PROJECT COMMITTEE

The Southland District Council has entered into a Deed of Agreement with Fiordland Sewage Options (FSO). The Deed creates a contractual framework within which Council has agreed to progress the Te Anau Wastewater Discharge Project.

The Committee is required to provide guidance and assistance to the Council as it proceeds with meeting its obligations under the Deed and subsequent implementation of its preferred option.

The specific responsibilities of the Project Committee are to:

a) Provide advice on how the Council might progress implementation of the Deed of Agreement it has with FSO

b) Provide advice on how it might undertake the investigation of the Smith Block in accordance with the programme and budget approved by Council

c) Provide advice on how Council might consult with and communicate with the community, affected parties and other stakeholders in an appropriate manner about the project and the disposal of wastewater generated in Te Anau

d) Monitor the progress that is being made in progressing the evaluation of the Smith Block given the regulatory and timeframe constraints within which Council needs to operate. These include the need to ensure that Council has a consented wastewater discharge option available at all times

e) Assist with the development of a robust business case for Council consideration in relation to the treatment and disposal systems which should be developed to meet the needs of the Te Anau community into the future

f) Monitor the progress that is made in delivering on the overall project, and any sub-projects, relative to the approved milestones, budgets and project scope and business cases

g) Provide guidance and where appropriate recommendations to Council, on how any variations between actual and planned delivery might be best addressed

h) Ensure that appropriate reporting systems are maintained to provide accurate and timely information to the Committee and Council

i) Provide advice to Council on the assessment of project risks and appropriate mitigation strategies given the overall scope of the project

j) Assist with providing information to the Te Anau Community Board and the Manapouri Community Development Area Subcommittee on the project

k) Recommend to Council any changes to the project objectives, timelines, budget and deliverables that the Committee consider might be required

l) Ensure that Committee decisions and processes are well documented in accordance with Council policies and its statutory requirements.

2. DELEGATIONS

The Te Anau Wastewater Discharge Project Committee has delegated authority to provide advice and monitor the progress being made with the project in accordance with the responsibilities outlined above.

The Project Committee does not have delegated authority in relation to the following matters:

a) The expenditure or committal of Council funds

b) Approval of project timetable(s) and budget(s) within which the different stages of the project need to be progressed

c) Negotiation and approval of any Land Access, Acquisition or Disposal Agreements

d) Approval of the final business case and/or decisions in relation to the type of treatment and disposal systems to be developed

e) Approval of the procurement strategy and/or methods to be used for services and other works which need to be progressed as part of the project

f) The approval of any tenders or other expenditure associated with the project

g) Negotiation, approval or limitation of any other contractual arrangements that Council might have and/or put in place including with its staff.

3. MEMBERSHIP

The membership of the Te Anau Wastewater Discharge Project Committee shall be:

a) His Worship the Mayor, who will be the Committee Chair.

b) Don Mowat, as a representative from Te Ao Mārama Incorporated.

c) Allan Youldon

d) Shirley Mouat

e) Rachel Cockburn

f) Cr Ebel Kremer

g) Alan Bickers.

4. CHAIRPERSON

The Chairperson is responsible for:

a) The efficient functioning of the Project Committee; and

b) Setting the agenda for Project Committee meetings; and

c) Ensuring that all members of the Project Committee receive sufficient timely information to enable them to be effective Project Committee members.

5. QUORUM

The quorum at any meeting of the Project Committee shall be not less than five members of the Project Committee including the Mayor and/or Councillor.

6. FREQUENCY OF MEETINGS

The Project Committee shall meet as often is necessary to make decisions in a timely manner so that the project stays on time.

7. RELATIONSHIPS WITH OTHER PARTIES

The primary relationship of the Project Committee will be with the Project Management Team through the Project Manager. The Project Committee will report via progress reports and meeting minutes to the Southland District Council.

8. CONTACTS WITH MEDIA AND OUTSIDE AGENCIES

The Project Committee Chairperson is the authorised spokesperson for the Project Committee, in all matters where the Project Committee has authority or a particular interest.

The Communications Manager will manage the formal communications between the Committee and its constituents and for the Committee in the exercise of its business.

Correspondence with central government, other local government agencies or other official agencies will only take place through Council staff and will be undertaken under the name of the Southland District Council.

9. CONDUCT OF AFFAIRS

The Committee shall conduct its affairs in accordance with the *Local Government Act 2002,* the *Local Government Official Information and Meetings Act 1987,* the *Local Authorities (Members' Interests) Act 1968*, Council's Standing Orders and Code of Conduct.

10. PUBLIC ACCESS AND REPORTING

Notification of meetings to the public and public access to meetings and information shall comply with Standing Orders, but it should be noted that:

- Any meetings of the Project Committee are subject to Standing Orders.
- Workshops meetings solely for information and discussions and at which there no resolutions or decisions are not subject to Standing Orders.
- Extraordinary meetings of the Project Committee may be held in accordance with Standing Orders.
- The public may be excluded from the whole or part of the proceedings of the meeting and information withheld on one or more of the grounds specified in the Local Government Official Information and Meetings Act 1987 Section 48.

The Project Committee shall record minutes of all its proceedings and after adoption at its next meeting will present the minutes to the next available Council meeting.

11. REMUNERATION

Remuneration will be in accordance with Elected Members' Remuneration Policy or as otherwise approved by Council.

12. FUNDING AND BUDGETS

Funding for the Te Anau Wastewater Discharge Project Committee will align with Council's Revenue and Financing Policy.

The Te Anau Wastewater Discharge Project Committee shall have no authority to expend or commit Council to the expenditure of funds.

Remuneration and expenses will be funded from the allocated budget within the Council's governance budget.

13. RELEVANT DOCUMENTS

Te Anau Wastewater Discharge Deed of Agreement.

Minutes of the Wallacetown Community Board Meeting dated 6 December 2016

Record No: R/17/2/3291
Author: Fiona Dunlop, Committee Advisor
Approved by: Fiona Dunlop, Committee Advisor

☐ Decision ☐ Recommendation ☒ Information

Recommendation

That Council receives the minutes of the Wallacetown Community Board meeting held 6 December 2016 as information.

Attachments

A Minutes of Wallacetown Community Board Meeting dated 6 December 2016 (separately enclosed)

Minutes of the Stewart Island/Rakiura Community Board Meeting dated 6 December 2016

Record No: R/17/2/3292
Author: Kirsten Hicks, Committee Advisor/Customer Support Partner
Approved by: Kirsten Hicks, Committee Advisor/Customer Support Partner

☐ Decision ☐ Recommendation ☒ Information

Recommendation

That Council receives the minutes of the Stewart Island/Rakiura Community Board meeting held 6 December 2016 as information.

Attachments

A Minutes of Stewart Island/Rakiura Community Board Meeting dated 6 December 2016 (separately enclosed)

Minutes of the Edendale-Wyndham Community Board Meeting dated 28 February 2017

Record No: R/17/3/3739
Author: Fiona Dunlop, Committee Advisor
Approved by: Fiona Dunlop, Committee Advisor

☐ Decision ☐ Recommendation ☐ Information

Recommendation

That Council receives the minutes of the Edendale-Wyndham Community Board meeting held 28 February 2017 as information.

Attachments

A Minutes of Edendale-Wyndham Community Board Meeting dated 28 February 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 Land Encroachment ANZAC Memorial Gates
C10.2 Fiordland Retirement Housing Trust
C10.3 Alternative Coastal Route Improvement Project - Tender Results
C10.4 Te Anau Wastewater - Land Access and Acquisition Agreement

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
Land Encroachment ANZAC Memorial Gates	s7(2)(g) - The withholding of the information is necessary to maintain legal professional privilege. 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.
Fiordland Retirement Housing Trust	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)(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.
Alternative Coastal Route Improvement Project - Tender Results	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.	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.

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
Te Anau Wastewater - Land Access and Acquisition Agreement	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)(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.