

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

**Date:** Thursday, 27 April 2017  
**Time:** 1pm  
**Meeting Room:** Council Chambers  
**Venue:** 15 Forth Street  
Invercargill

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## Council Agenda

### OPEN

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#### MEMBERSHIP

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

#### IN ATTENDANCE

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

Contact Telephone: 0800 732 732  
Postal Address: PO Box 903, Invercargill 9840  
Email: [emailsdc@southlanddc.govt.nz](mailto:emailsdc@southlanddc.govt.nz)  
Website: [www.southlanddc.govt.nz](http://www.southlanddc.govt.nz)

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



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**1 Apologies**

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

**2 Leave of absence**

At the close of the agenda 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](http://www.southlanddc.govt.nz) or phoning 0800 732 732.

**5 Extraordinary/Urgent Items**

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

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

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

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

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

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

**6 Confirmation of Council Minutes**

There are no minutes available for confirmation.



## Proposed Road Stopping - Main Road Stewart Island

Record No: R/17/2/3580  
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 the Rakiura Heritage Centre Trust to stop an additional 3m2 of road on Main Road Stewart Island as part of the development on the adjacent land by the Trust.

### Executive Summary

- 2 In 2012 a small portion of Main Road Stewart Island was stopped as part of the development of the Rakiura Heritage Centre Trust. Further refinements of the site and building has identified a further small area of 3m2 is also required to ensure the building is situated entirely on the private property and not over the boundary on the road owned by Council.
- 3 Council's approval to the road stopping is required to allow the next step of the process to proceed.

### Recommendation

That the Council:

- a) Receives the report titled "Proposed Road Stopping - Main Road Stewart Island" dated 13 April 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 to approve the stopping of 3m2 of road on Main Road Stewart Island being Section 1 SO 507936 pursuant to the Public Works Act 1981 and when stopped being amalgamated with the adjoining CFR 611929.

## Content

### Background

- 4 In 2012 Council approved the stopping of a small portion of Main Road on Stewart Island to help facilitate the proposed new heritage centre being planned by the Rakiura Heritage centre Trust. The reason for the stopping was to ensure the main portion of the building was located totally on the land being leased from the NZ Fire Service by the Trust. The veranda for the building was being treated as a verandah like anywhere else in the district i.e. it can be built out over the footpath.
- 5 To meet the requirements of the NZ Fire Service in relation to the buildings location on the site, a minor movement is required, for which an additional portion of road is requested to be stopped. While this is only 3m<sup>2</sup> it ensures that all footings and cladding are located within the title boundary.

### Issues

- 6 Given the area is only 4.88m by 0.77m and Main Road is 30m wide there are no issues identified.

### Factors to Consider

#### Legal and Statutory Requirements

- 7 Council's resolution is required to allow the process to proceed. It is planned to seek the approval of the Minister of Lands to use the Public Works Act 1981 given no public access is being affected by the proposal.

#### Community Views

- 8 None sought given the small area and as its an addition to a previous road stopping for the same purpose.

#### Costs and Funding

- 9 The Trust are paying for the survey and the road stopping so it is intended not to charge for the land or Council staff time.

#### Policy Implications

- 10 None identified

## Analysis

### Options Considered

- 11 Agree or decline the request

### Analysis of Options

#### Option 1 – Agree with request

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none"><li>Allows building to be located correctly on the property by not being constructed over the boundary, thus not creating further issues or delays</li></ul>	<ul style="list-style-type: none"><li>Non identified</li></ul>



**Option 2 – Decline request**

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none"><li>• None identified</li></ul>	<ul style="list-style-type: none"><li>• Will create location issues for the Trust with NZ Fire Service and SDFC building control if built as planned.</li></ul>

**Assessment of Significance**

- 12 Not significant

**Recommended Option**

- 13 Option 1 agree with request.

**Next Steps**

- 14 Advise Trust of decision.

**Attachments**

- A Request for approval for final Formal Road (part) Stopping - Rakiura Heritage Centre Trust - Part of Main Road, Oban, Stewart Island [↓](#)



16 February 2017

Opus International Consultants Ltd

P +64 3 211 3580

Kevin McNaught  
Property Manager  
Southland District Council  
PO BOX 903  
Invercargill

Invercargill Office  
Opus House, 65 Arena Avenue  
PO Box 647, Invercargill 9840  
New Zealand

Ref: VQ421.26

### Rakiura Heritage Centre Trust – Request for Formal Road (part) Stopping – Part of Main Road, Oban, Stewart Island

Dear Kevin

Further to our meeting in late 2016 regarding the Rakiura Heritage Centre Trust's proposed additional part-road stopping to accommodate the final Heritage Centre positioning on the site at 6 Argyle Street (11 Main Rd, Oban), I herein apply for Council's consideration of the final Road Stopping Plan and Draft SO 507936 as attached.

The 0.0003ha area of Main Road proposed to be stopped is described as 'Section 1 SO 507936 (DRAFT)'. This additional area is necessary to accommodate the Centre building in the position where it meets the NZFSC set-back requirements and accounts for all footings and cladding of the proposed new Heritage Centre as shown in the Road Stopping Plan.

Council requested that the application include the Fire Service and Trust's formal consents to the amalgamation of the proposed stopped road parcel with the adjacent NZFSC land, under the Public Works Act 1981. These are attached.

The following matters are those which the Fire Service and the Trust are now in agreeance, in respect of the proposed development and its potential eventualities, in addition to the formal development agreement previously entered into between the two parties.

#### Agreement from the Fire Service has been received to the following matters:

- 1) That the proposed Heritage Centre will be no closer than 4m to the existing Oban Fire Station building façade (measured from cladding to cladding of each building - not including the spouting of both buildings and not including the amenity step-out in the NZFSC building), as shown in the "ROAD STOPPING PLAN" dated 17.10.16;
- 2) That the car-parks on NZFSC land and shown on the site plan, shall be provided by the Trust following the completion of the Centre construction;
- 3) That the Trust shall propose, and the final lease subdivision include, a covenant on the Computer Freehold Register of the proposed lease area to prevent the Trust using the space between the two buildings for storage or other permanent or temporary occupation, with this area to be kept clear for Oban Fire Station amenity purposes;
- 4) That the covenant area and space between the two buildings shall retain existing natural ground level; and,

- 5) That should the Trust's proposed development not proceed within the proposed lease area, those portions of stopped road (existing and proposed) included in the lease area, shall be surrendered by the Fire Service back into the ownership of the Southland District Council at the earliest convenience.

The Trust has a biennial funding round available for application in March, by which it hopes to have all necessary applications submitted for approval. Failure to reach lodgement by these dates may result in the project cessation.

Your prompt and ongoing attention in these matters is appreciated.

Regards



Sarah Hamilton  
Resource Management Planner

Encl. Road Stopping Amalgamation 2017 – Consent from RHCT  
Road Stopping Amalgamation 2017 – Consent from NZFSC  
Road Stopping Plan  
SO 507936 (Approved as to Survey)

## Consent to Road Stopping Amalgamation Pursuant to the Public Works Act 1981

Pursuant to Section 116 of the Public Works Act 1981, THE NEW ZEALAND FIRE SERVICE COMMISSION consents to the Minister for Land Information New Zealand declaring the portion of road described in the Schedule to this notice to be stopped and, pursuant to sections 117(3)(b) and 120(3) vested in the COMMISSION as adjoining owner and amalgamated with Computer Freehold Register 611929

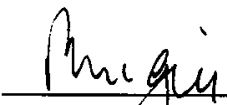
### SCHEDULE

Southland Land District

Area	Descriptions
0.0003ha (approx.)	Legal Road (part Main Road) adjoining Section 1 SO 459872 and Lot 1 DP 286 and being Section 1 SO 507936 on the scheme plan attached.

**SIGNED for and on behalf of**

**NEW ZEALAND FIRE SERVICE COMMISSION by:**

  
 Print Name: PAUL MCGILL

Position: ACTING CE/NATIONAL COMMANDER

Dated at WELLINGTON this 7<sup>th</sup> day of FEBRUARY 2017.

In the presence of:

**Witness:**

**Occupation:**

**Address:**

Tracey-Lea Morgan  
EA to CE  
2 Marong Rd  
Hatfield, Wgm.

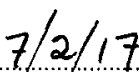
**Certificate of non-revocation and non-suspension of  
enduring power of attorney**

**Item 8.1 Attachment A**

I, **PAUL MCGILL**, Deputy National Commander of Wellington, certify that:

- 1 On 5 March 2013, New Zealand Fire Service Commission granted to me an enduring power of attorney, registered at LINZ as Supplementary Document 1323216, to execute on its behalf any of the following documents (and documents that are incidental to or give effect to the following):
  - 1.1 the sale and purchase of land (including the disposal of land)
  - 1.2 the leasing and subleasing (registered or unregistered) of land (and renewals, surrenders, variations, transfers, and assignments of lease, and rent reviews)
  - 1.3 the licensing and sublicensing of third parties to occupy land (and renewals, surrenders, variations, transfers, and assignments of licence, and licence fee reviews)
  - 1.4 the licensing and sublicensing of the New Zealand Fire Service Commission to occupy land (and renewals, surrenders, variations, transfers, and assignments of licence, and licence fee reviews)
  - 1.5 the caveating of land (and withdrawals of caveat and consents of caveator)
  - 1.6 the creation of easements (and variation and surrender of easements)
  - 1.7 the creation (and surrender or termination) of covenants and encumbrances
  - 1.8 boundary adjustments
  - 1.9 the amalgamation (and merger) of land titles
  - 1.10 the creation of new land titles, and
  - 1.11 service agreements, management agreements and facilities deeds for facilities on land owned by third parties, or in relation to occupation by third parties of New Zealand Fire Service Commission facilities.
- 2 I have not received notice of an event revoking my authority to act under the enduring power of attorney.
- 3 I have not received written notice from New Zealand Fire Service Commission suspending my authority to act under the enduring power of attorney.

  
 Signature of **PAUL MCGILL**

  
 Date signed

948364\_1

**Notes****Definition of an event revoking the power of attorney**

An 'event revoking the power of attorney' means any of the following events in which the enduring power of attorney ceases to have effect:

- the donor revokes the power while mentally capable of doing so
- the donor dies
- the attorney gives notice of disclaimer in accordance with section 104 of the Protection of Personal and Property Rights 1988
- the attorney dies, or is adjudged bankrupt, or becomes a patient within the meaning of the Mental Health (Compulsory Assessment and Treatment) Act 1992 detained in a hospital under that Act, or becomes subject to a personal order under Part 1 of the Protection of Personal and Property Rights Act 1988 or a property order under Part 3 of the Protection of Personal and Property Rights Act 1988, or otherwise becomes incapable of acting
- in the case of an enduring power of attorney that appoints more than one attorney with joint but not several authority, one of the attorney's dies, or is adjudged bankrupt, or becomes a patient within the meaning of the Mental Health (Compulsory Assessment and Treatment) Act 1992 detained in a hospital under that Act, or becomes subject to a personal order under Part 1 of the Protection of Personal and Property Rights 1988, or a property order under Part 3 of the Protection of Personal and Property Rights 1988, or otherwise becomes incapable of acting
- a Court revokes the appointment of the attorney pursuant to section 105 of the Protection of Personal and Property Rights 1988.



## Title Plan - SO 507936

Item 8.1 Attachment A

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**Survey Number** SO 507936  
**Surveyor Reference** 6-VQ421.26/005SO  
**Surveyor** John Clifford Thompson  
**Survey Firm** Opus International Consultants Ltd (Alexandra)  
**Surveyor Declaration**

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### Survey Details

<b>Dataset Description</b>	Section 1		
<b>Status</b>	Initiated		
<b>Land District</b>	Southland	<b>Survey Class</b>	Class A
<b>Submitted Date</b>		<b>Survey Approval Date</b>	
		<b>Deposit Date</b>	

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### Territorial Authorities

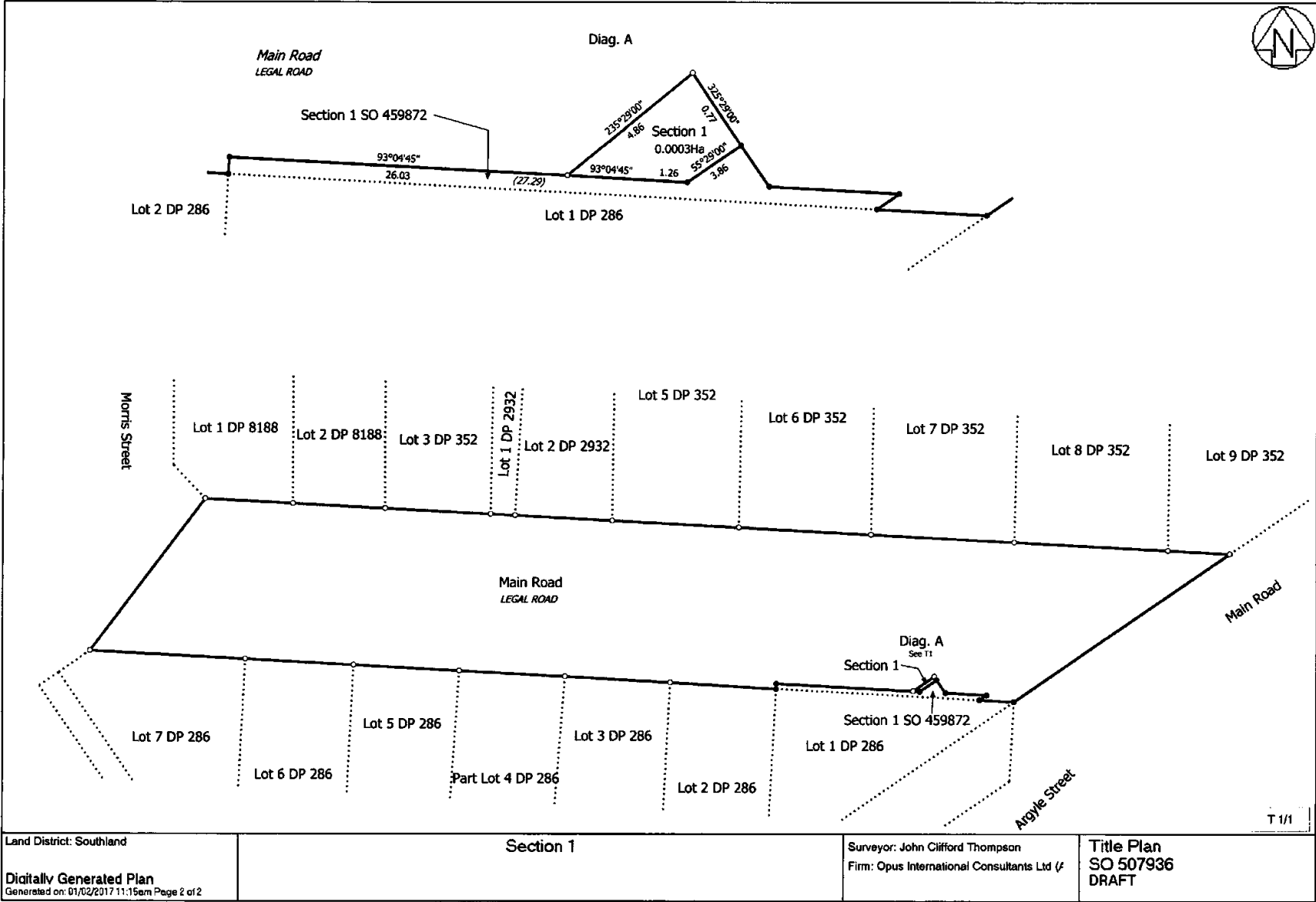
Southland District

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### Created Parcels

Parcels	Parcel Intent	Area	CT Reference
Section 1 Survey Office Plan 507936	Legalisation	0.0003 Ha	
CSC Parcel Number: 2	Road		
<b>Total Area</b>		0.0003 Ha	

Item 8.1 Attachment A







## Consent to Road Stopping Amalgamation Pursuant to the Public Works Act 1981

Pursuant to Section 116 of the Public Works Act 1981, THE RAKIURA HERITAGE CENTRE TRUST consents to the Minister for Land Information New Zealand declaring the portion of road described in the Schedule to this notice to be stopped and, pursuant to sections 117(3)(b) and 120(3) vested in the adjoining owner and amalgamated with Computer Freehold Register 611929

### SCHEDULE

Southland Land District

Area	Description
3.384m <sup>2</sup> (approx..)	Legal road (part Main Road) adjoining Section 1 SO 459872 and Lot 1 DP 286 and being Section 2 on road stopping plan attached (subject to survey)

**SIGNED for and on behalf of**

**THE RAKIURA HERITAGE CENTRE TRUST by:**

M. A. Hopkins

Print Name: Margaret A. Hopkins

Position: Chairperson

Dated at Stewart Island this 12th day of January 2017.

In the presence of:

**Witness:**

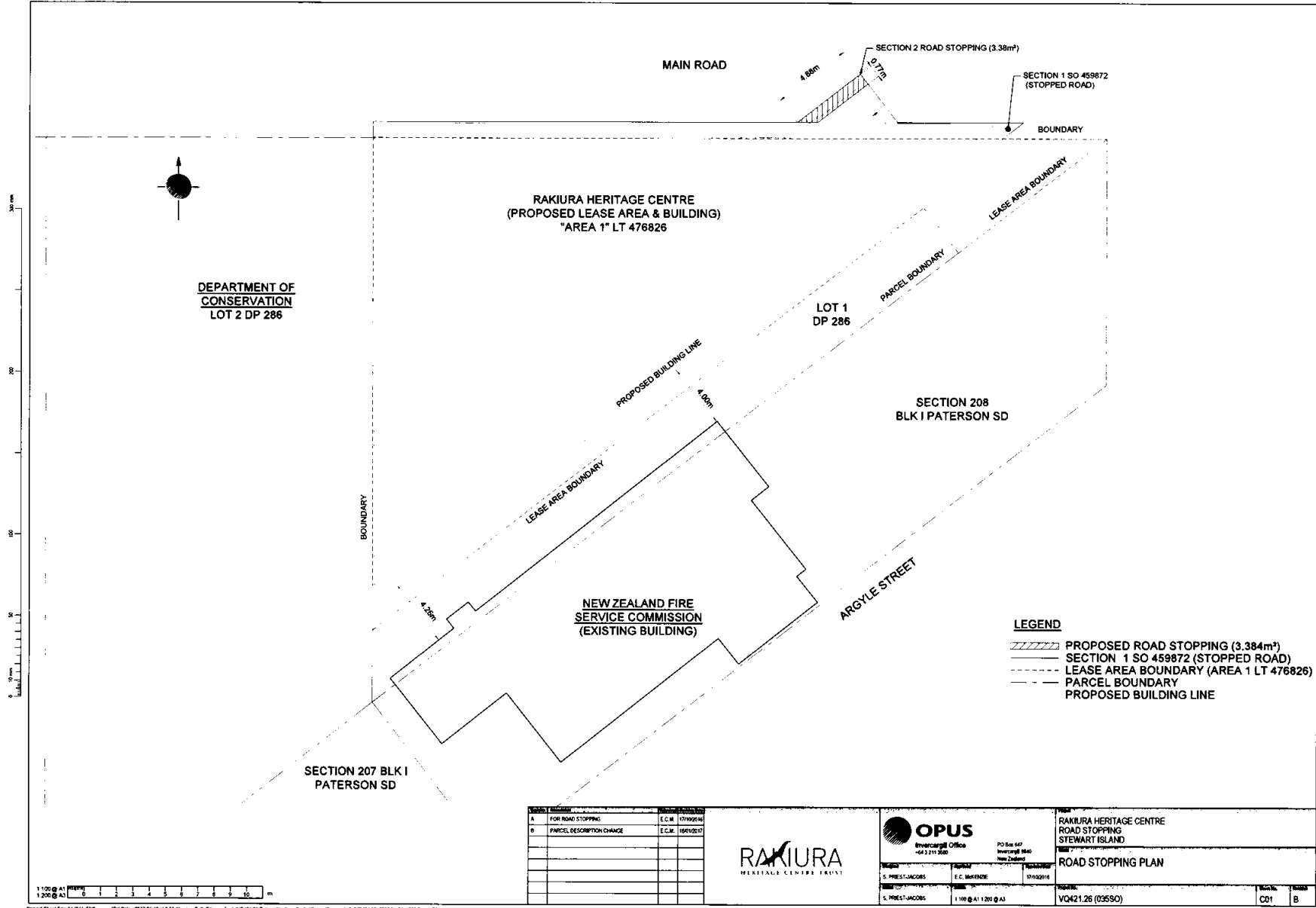
**Occupation:**

**Address:**

Shona Sangster  
Administrator  
108B Elgin Terrace  
Stewart Island

Item 8.1 Attachment A

Item 8.1 Attachment A





## Title Plan - SO 507936

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**Survey Number** SO 507936  
**Surveyor Reference** 6-VQ421.26/005SO  
**Surveyor** John Clifford Thompson  
**Survey Firm** Opus International Consultants Ltd (Alexandra)  
**Surveyor Declaration** I John Clifford Thompson, being a licensed cadastral surveyor, certify that:  
     (a) this dataset provided by me and its related survey are accurate, correct and in accordance with the  
     Cadastral Survey Act 2002 and the Rules for Cadastral Survey 2010, and  
     (b) the survey was undertaken by me or under my personal direction.  
 Declared on 07 Feb 2017 04:35 PM

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### Survey Details

<b>Dataset Description</b>	Section 1		
<b>Status</b>	Approved as to Survey		
<b>Land District</b>	Southland	<b>Survey Class</b>	Class A
<b>Submitted Date</b>	07/02/2017	<b>Survey Approval Date</b>	14/02/2017
		<b>Deposit Date</b>	

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### Territorial Authorities

Southland District

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### Created Parcels

Parcels	Parcel Intent	Area	CT Reference
Section 1 Survey Office Plan 507936	Legalisation	0.0003 Ha	
	Road		
<b>Total Area</b>		<u>0.0003 Ha</u>	

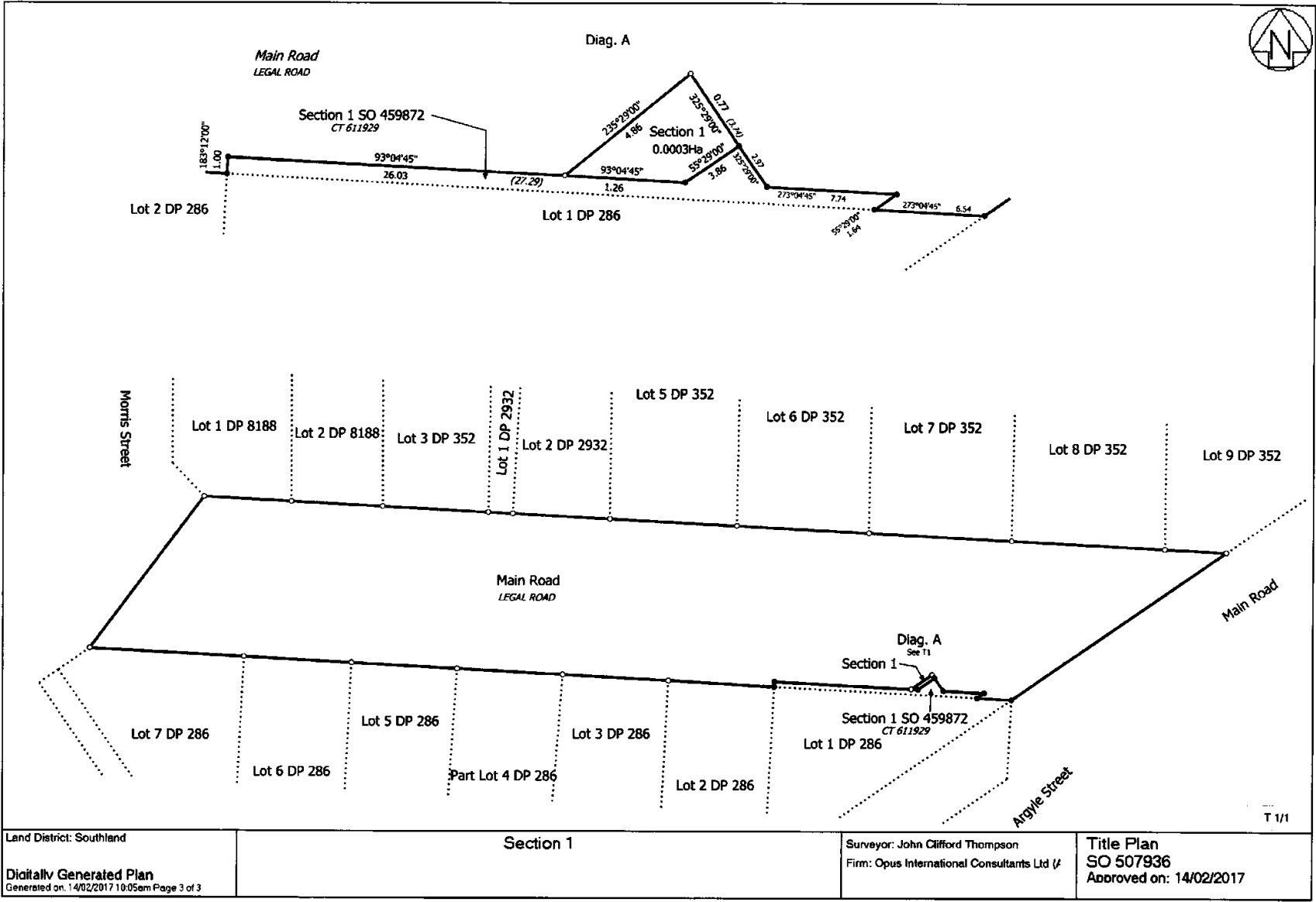
## Schedule / Memorandum

SCHEDULE OF AREAS			
Plan Number: <b>SO 507936</b>	Land Registration District: <b>SOUTHLAND</b>	Surveyors Reference: <b>6-VQ421.26/005SO</b>	
ROAD TO BE STOPPED			
SHOWN	ADJOINING	CT REFERENCE	AREA
SECTION 1	Section 1 SO 459872	611929	0.0003 ha

**Opus International Consultants Limited**  
 Alexandra Office, 69 Tarbert Street  
 Phone +64 3 440 2400

PO Box 273, Alexandra 9340, New Zealand  
 Website: [www.opus.co.nz](http://www.opus.co.nz)







## Request to Transfer Ownership of Council's Rural Fire Vehicles and Plant and Equipment to the Southern Rural Fire Authority

Record No: R/17/3/5518  
Author: Kate Westenra, Finance Assistant  
Approved by: Anne Robson, Chief Financial Officer

☒ Decision ☐ Recommendation ☐ Information

### Purpose

- 1 To seek Council approval to the request from the Southern Rural Fire Authority (SRFA) to transfer ownership of Council's Rural Fire Vehicles and Plant and Equipment to the SRFA.

### Executive Summary

- 2 Council is the owner of various vehicles and pumps which is being used by the Southern Rural Fire Authority.
- 3 The SRFA has asked all of its members to consider transferring assets that they own that are currently being used by the SFRA to them for nil value. This reflects that since 2003, the SRFA has covered the costs for insurance, repairs and replacement of these assets.
- 4 They are making this request further to the amalgamation they are about to undertake with Fire and Emergency New Zealand (FENZ).

## Recommendation

That the Council:

- a) **Receives the report titled “Request to Transfer Ownership of Council's Rural Fire Vehicles and Plant and Equipment to the Southern Rural Fire Authority” dated 11 April 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 to transfer the following assets to the Southern Rural Fire Authority at nil value.**

Asset
Fire Engine - SG7641
Isuzu FTS 12H Tanker - ZI4629
Homemade trailer - S5725
Fire Engine - KO4284
Fire Engine - DQ3995
Isuzu Truck - KM5022
Pumps X 10

## Content

### Background

- 5 Prior to August 2003 the Southern Rural Fire Authority (SRFA) was the Southland District Council Rural Fire Authority which was run by the Southland District Council. During the existence of the Southland District Council Rural Fire Authority various assets were purchased (see Attachment A).
- 6 On 7 August 2003, the Southern Rural Fire Authority was established which combined the rural fire fighting activities of The Southland District Council, the Gore District Council, the Invercargill City Council, the Department of Conservation Southland Conservancy (DOC) and the Southern Plantations Rural Fire District (SPRFD). As part of the discussion it was agreed to leave the ownership of these assets with the Southland District Council.
- 7 Although Council has continued to own these assets since 2003 SRFA has covered the costs for insurance, repairs and replacements.
- 8 During 2016 the Government reviewed the fire service in New Zealand, the decision was made to amalgamate the New Zealand Fire Service, the National Rural Fire Authority and all Rural Fire Authorities to form Fire and Emergency New Zealand (FENZ).
- 9 As part of the amalgamation process with FENZ, assets owned by SRFA will be transferred.



- 10 The SRFA have discussed with all their members the suggestion that the assets owned by each of them that the SRFA use and maintain be transferred to the SRFA at nil value. This recognises the age of these assets, the SRFA has been in existence 14 years and that the costs of insurance and maintenance has been paid for over this time by the SRFA.
- 11 As such, this report is a recognition of the request from the SRFA to transfer the assets, noted in attachment A at a nil value.
- 12 Additionally, there are four pieces of land that the Council owns that the SRFA operate fire stations from. The Drummond and Garston fire stations are on Council land. The Waikawa and Athol fire stations are on land that hold caveats for Council to have first option to buy back the land for \$1.00 before it gets offered to other parties. The discussion around these properties will be undertaken in a separate report to Council.

### **Issues**

- 13 The amalgamation with Fire and Emergency New Zealand (FENZ) on 1 July 2017 will include the transfer of all Southern Rural Fire Authority's assets. FENZ will be responsible for covering all operating and replacement costs. These assets are to stay in the Southland District where they will continue to operate.
- 14 The SRFA is required to be the registered owner of all assets to be transferred to FENZ on 1 July 2017.

### **Factors to Consider**

#### **Legal and Statutory Requirements**

- 15 A formal change of ownership for the vehicles must be undertaken to transfer these to the SRFA.

#### **Community Views**

- 16 None canvassed, however these assets will still be operated within the Southland District where they are currently based.

#### **Costs and Funding**

- 17 As per the attached schedule, the total cost of these assets was \$108,686 when Council purchased them initially. Currently the book value of these assets is zero.
- 18 Attachment A outlines the current market value of the items SRFA are looking for Council to approve transferring to them. The vehicles have been independently valued. Staff from the SRFA have estimated the market value of the pumps.
- 19 Should Council agree to transfer the assets to the SRFA for no value, the Council will still be required to reflect the market value as the sale price in its financial accounts. In Council's profit and loss this will be displayed as a donation to SRFA on the expense side and depreciation recovered on the income side, resulting in a nil profit overall. There will be no change in the balance sheet as currently the assets are depreciated to zero. The fixed asset register will show the sale price as market value and the amount of depreciation recovered as the same amount.
- 20 The assets are insured by the Southland District Council, however this cost is on charged to the SRFA.

- 21 Any cost associated with the transfer of ownership is to be paid by the SRFA.

### Policy Implications

- 22 None identified.

### Analysis

#### Options Considered

- 23 Agree with the request or not.

#### Analysis of Options

##### Option 1 - Agree with the request to transfer rural fire assets to the Southern Rural Fire Authority for nil value.

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none"><li>• Assets no longer Council's responsibility.</li><li>• Removes any financial or health and safety responsibilities.</li></ul>	<ul style="list-style-type: none"><li>• Council could technically sell these assets at a market value.</li></ul>

##### Option 2 – Sell assets to the Southern Rural Fire Authority at market value

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none"><li>• Asset no longer Council's responsibility.</li><li>• Removes any financial or health and safety responsibilities.</li></ul>	<ul style="list-style-type: none"><li>• Council will need to cover the operational costs of these assets going forward.</li></ul>

##### Option 3 - Decline the request from Southern Rural Fire Authority

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none"><li>• Asset remains in Council ownership.</li><li>• Asset is available to be sold at market value.</li></ul>	<ul style="list-style-type: none"><li>• Council retains overall financial and health and safety responsibilities for the assets.</li></ul>

#### Assessment of Significance

- 24 The matter is not significant in terms of Councils Significance Policy.

#### Recommended Option

- 25 Option 1 - Agree with the request to transfer rural fire assets to the Southern Rural Fire Authority for nil value.

#### Next Steps

- 26 If Council agrees to the recommendation, arrange the transfer of ownership of the vehicles noted and remove these assets from Councils insurance policies.

- 27 Notify Southern Rural Fire Authority of Councils decision so that a formal transfer of assets and insurance can be arranged.
- 28 Record the disposal of the assets in Councils financial accounts according to accounting standards.

## **Attachments**

- A Southern Rural Fire Assets on the Southland District Council Asset Register [↓](#)

## Item 8.2 Attachment A

## Southland District Council Fixed Asset Schedule

Asset Class	Description 1	Description 2 Title	Opening Costs	Total Accum Depn	Closing Book Value	Valuation - Market Value
VEH	SG7641	Fire Engine	16,000.00	16,000.00	-	10,000.00
VEH	ZI4629	Isuzu FTS 12H Tanker	26,272.00	26,272.00	-	17,500.00
VEH	S5725	Home Made Trailer	2,725.14	2,725.14	-	700.00
VEH	KO4284	Fire Engine	10,000.00	10,000.00	-	5,000.00
VEH	DQ3995	Fire Engine	2,223.00	2,223.00	-	5,000.00
PLANT		Pump	14,530.80	14,530.80	-	500.00
PLANT		Pump	4,598.00	4,598.00	-	500.00
PLANT		Pump	4,598.00	4,598.00	-	500.00
PLANT		Pump	5,291.00	5,291.00	-	500.00
PLANT		Pump	3,249.40	3,249.40	-	500.00
PLANT		Pump	1,857.02	1,857.02	-	500.00
PLANT		Pump	100.00	100.00	-	500.00
VEH	KM5022	Truck	7,000.00	7,000.00	-	7,000.00
PLANT		Pump	752.00	752.00	-	500.00
PLANT		Pump	4,745.00	4,745.00	-	500.00
PLANT		Pump	4,745.00	4,745.00	-	500.00
			108,686.36	108,686.36	-	50,200.00

## Libraries Progress Update

**Record No:** R/17/3/7297  
**Author:** Lynda Hodge, Manager District Libraries  
**Approved by:** Trudie Hurst, Group Manager Customer Support

☐ Decision ☐ Recommendation ☒ Information

### Purpose

- 1 To provide a progress update to council on the recommendations made in the Service Delivery Review tabled with Council in April 2016.

### Executive Summary

- 2 Following our update in December 2016, further work has been completed relating to the Service Delivery Review. Attachment A sets out where we are with the recommendations. Given there are some with significant impacts in terms of cost, these will be reviewed with the Executive Leadership Team and Council so as to be included in the Long Term Plan. In summary, 11 of the recommendations are complete, 6 are under action and 5 are dependent on other council streams of work or projects.
- 3 In early March, one of the highlights was the successful opening of the Vince Boyle Collection at the Winton Library. Vince was a well-respected teacher, author, historian and raconteur who recorded the stories of local families and had 23 books published of clubs, social groups, landowners, schools, various communities and events. He was a meticulous researcher and avid library user and upon his death his widow, Eileen, donated a significant portion of his private collections of writings and manuscripts to the Winton Library with the proviso that this be made available to members of the public. Funded by a grant from Southland Heritage Trust a the Vince Boyle Heritage collection was established in a "living room" situation within the Winton Library and this allows all users to sit in a cosy and comfortable space and enjoy the collection. This was launched in early March, in the presence of many Boyle family members, press, councillors and invited guests. On-going interest has been significant.
- 4 We have initiated a review of service for the Nightcaps Community Library which operates from the Takitimu Primary School. This review has been completed with the relevant stakeholders: active borrowers, the Principal and Board of Trustees at the Takitimu Primary School and the CDA. All are understanding of the decision and can see the rationale to change the service. Depending on final numbers, the current solution is to provide for customers with a Bookbus stop or arrange for books to be delivered directly to active borrowers via the courier service if they cannot get to the Winton or Otautau Library. The Board of Trustees at Takitimu Primary were happy to go along with our recommendation that we withdraw services from the Community Library given that there seems to be little demand or interest. They would be very grateful to SDC for the continued support and maintenance of Symphony, as it would be something the school could not afford as a stand-alone entity, and value this contribution very much. They are also happy to assist with the disposal of the current collection, after we have retrieved the items we require, and will ensure they are offered to local readers in the first instance and that any funds gained will be reinvested in library resources.
- 5 Winton Library moved to new hours as of the first of April. There will no longer be "late night" openings as these have lost appeal to almost all library users. Saturday openings will be

from 10am to 3pm and these will match the times recently introduced at Te Anau. This appears to better reflect community activities. Feedback from the Community Board, Councillors and staff has been positive about the changes and we will monitor customer feedback and use of the library on an ongoing basis. Saturday 1s April was the first day with the change of hours. Librarians noted a number of residents, children and visitors to Southland were in the library and impromptu feedback from these customers was positive.

- 6 The use of the Press Reader Database has continued to grow since its introduction in November 2016 with February seeing nearly double the users compared to November. Appendix B outlines use of our libraries and their services across the district including WiFi and the in-branch computers. There is a definite shift of people bringing their own devices to the library rather than using the computes we have. We will monitor this and if usage continues to decline we may adjust the number of computers we have available and utilise the space in other ways.
- 7 **Error! Not a valid link.**In collaboration with the 20/20 Trust and REAP Southland, Winton Library has been allocated a suite of 6 laptops to assist with the delivery of a community-based digital literacy programme for adults. This programme offers the opportunity for anyone wanting basic computer knowledge who wishes to build on skills relevant to their work and life. Public Libraries are now recognised as places for 21<sup>st</sup> century learning. Literacy is their core component, and digital literacy is now an integral part of their service. Sitting at the heart of their communities, public libraries help create a sense of belonging and they respond to the needs of the people who use them. They celebrate cultural diversity and with well qualified staff, are able to create and promote opportunities for lifelong learning in a safe and inclusive environment.

## Recommendation

That the Council:

- a) **Receives the report titled “Libraries Progress Update” dated 4 April 2017.**

## Attachments

- A LMS 17 A Review of SDC Libraries update April 2017 [↓](#)
- B Quarterly Statistics SDC Libraries Jan - Mar 2017 [↓](#)



### Library 17A Review progress of recommendations

Recommendation	Commentary	Progress
In conjunction with ICC and GDC develop a strategy that looks to promote the notion of "Southland Libraries for all" brought to you by ICC, SDC and GDC.	Had first meeting with ICC, discussed opportunities which may exist and confirmed continuance of Summer Reading programme, reciprocal membership agreement and exploring "one card" option. Other opportunities would be considered if there were no, or very low, cost implications. Will involve GDC in future meetings.	Completed
Grow the depth and range of digital content and promote this service to rural residents as broadband spreads through the District.	Hold an extensive, and growing, collection of e-resources and hold classes to assist residents in the use of their devices. The Stepping Up partnership which we are just entering into with the 20/20 Trust and Southern REAP will bring opportunities to assist with digital literacy for adults and young people and be responsive to the digital needs of the community. Initially this will be introduced at Winton however the resources provided by the Trust will allow for classes to be held throughout the District.	Initial recommendation completed however extended programme will be ongoing.

Recommendation	Commentary	Progress
Join Kōtui for provision of the LMS and to take advantage of collaborative opportunities; connect Stewart Island to the LMS at the time of going live with Kōtui or earlier if this is not likely to happen in 2016/2017.	The current partnership arrangement leaves SDC in a vulnerable position should there be any unusual event as we are solely reliant on a single ICC staff member for support. Membership of the Kotui group would provide on-going support 24/7, access to additional features, including enhanced reporting tools, and the integration of resources to a single search. There are one-off migration costs of \$55,175 and a modest increase in annual support charges of \$6000. Moving to Kotui would also allow the exploration of "latch-key" access across our libraries, benefitting those with reduced hours in particular.	To be completed as part of the Core Systems review. Stewart Island now operating on Symphony and finding enhanced benefits for their users i.e. online membership details, catalogue searching options, access to Library databases.
Use Enterprise discovery layer as the SDL's website and link this from the Council's website; budget \$15,000 for a one-off design cost to get the template properly designed.	Absence of a fully functioning website inhibits communication and access in an on-line world. The use of the Enterprise model from the Kotui platform would allow for customisation and bring all content together in an easy-to-search place. One=design costs would be around \$15,000 however it is proposed that by using the communications Dept. experience and expertise it would be possible to do this in-house.	Complete as part of the branding project
Plan for and fund the introduction of RFID within the next three years.	RFID terminals are becoming the industry standard for Libraries as they allow for autonomy and with circulation, free up staff for customer support and interaction and provide a much higher level of security for resources. The likely cost to install RFID for all resources, across six sites, and security gates	Investigate costs and seek approval for funding



Recommendation	Commentary	Progress
	at Winton and Te Anau would be in the vicinity of \$150,000.	
Introduce Wi-Fi on the Bookbus and use with tablets to promote access to eBooks and databases, and provide access to the internet for users of the Bookbus.	Wi-Fi available on the Bookbus and tablets have been introduced, on a loan basis, for residents in a "try before they buy" concept.	Completed
Investigate the slow connections to Council's systems.	Appear to be little different to elsewhere in Council.	Completed
Increase the range of available eBooks and eMagazines and begin to promote this as a viable option particularly for those remote from libraries. This will need a sustainable campaign and good education and training of SDL's staff to be effective. As part of this campaign have tablet and/or eBook readers available for use in libraries so that staff can demonstrate these to customers.	Recently entered a partnership agreement with Gore, Queenstown Lakes/Central Otago, Invercargill, Clutha and Dunedin Libraries to purchase a further collection of e-resources which adds approximately 4000 more items to our collections. PressReader has also been purchased for Southland District residents, giving access to 70 plus newspapers and 400 plus magazines in a variety of languages. In the first month uptake has been very significant.	Completed
Outsource up to 80% of collection supply to shelf ready and develop standing orders for fiction and selected non-fiction based on community profiles. Phase this in over a two-three year period if necessary.	Investigations into this are on-going to ensure readiness following the introduction of RFID.	Dependent on the introduction of RFID
Reduce excessive duplication of fiction titles after consultation with affected community boards	Have introduced a "hot pick" collection of highly popular fiction which can be loaned to branches for eight weeks only and reduced the purchased number of these items by 33%.	Completed

Recommendation	Commentary	Progress
Get comparative pricing from two or three magazine suppliers, including the local bookseller such as Paper Plus	Have changed magazines from subscription basis to "single copy supply" to ensure high turnover, lower cost demand is met. Will evaluate on a six monthly basis.	Completed
Reduce stack collections in branches and return to central stack for selection by other libraries	Undertaken strict weeding regime at all branches and have investigated alternative disposal method for old/outdated stock, rather than offering all at book sales. Local schools to be approached regarding junior materials.	Completed
Seek opportunities to develop a new community hub and library/service centre in Winton in partnership with other community, commercial, health or educational organisations. Fund for this redevelopment in the next 10 Year Plan.	A number of libraries and service centres have been visited to look at best operational sites with communities similar to SDC area. Seeking to incorporate the best of everything in any proposal which may be presented.	Under investigation
Consult with the Stewart Island community to investigate whether a self-service model in some form would be worth trialling at this library.	The self-issue machine allows volunteers to operate the Library without the need for significant training.	Completed.
In collaboration with the Nightcaps school and community investigate whether alternative service models would be acceptable.	Community and school consultation will be undertaken over the coming months to establish the best service model to fit with community needs.	Under action, completion by June 2017
At such time as the Council may be reviewing the community and service needs of Tuatapere and surrounding districts, work with the community and the Waiau Memorial Trust to see how a wider range of library services	Consultation with the Waiau Memorial Trust will be undertaken during the coming months to ensure the best possible range of Library services is offered for their residents. A regular annual meeting with the Trust will be	Under action, completion by June 2017

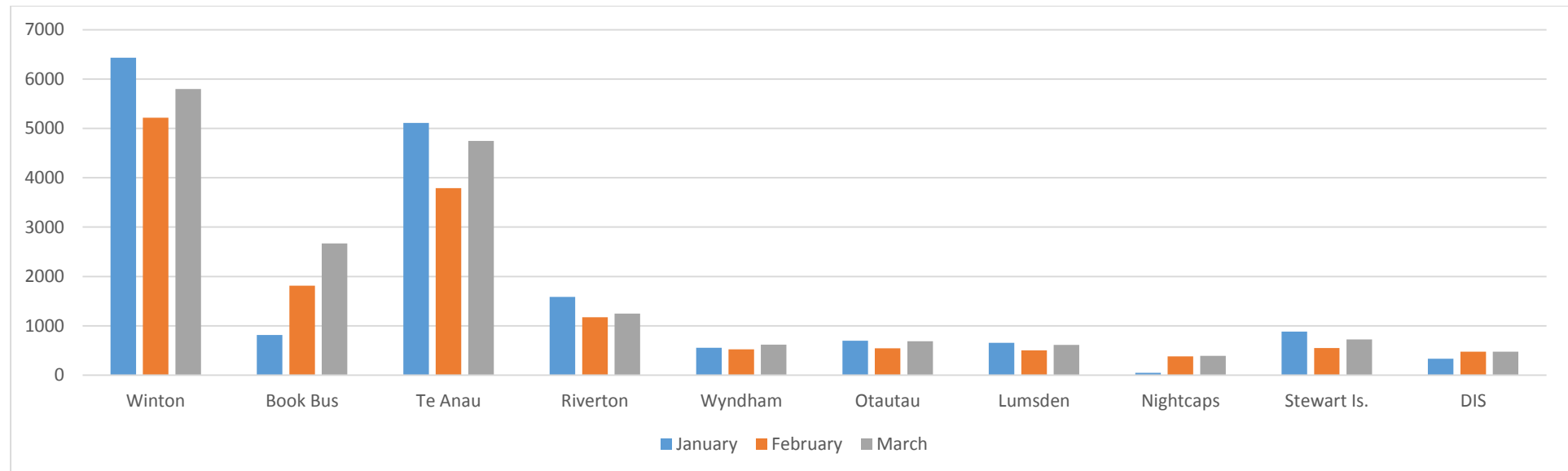
Recommendation	Commentary	Progress
could be offered. In the meantime instigate a regular annual meeting with the Trust to support and review the agreement.	organised for May 2017.	
The District Libraries Manager develops service delivery standards in collaboration with the Customer Support Team Leader and produces an Annual Plan for clarity around priorities.	To be part of the longer planning and development process.	Under action completion by December 2017
A realignment of roles is done to clarify the responsibilities and skills needed to deliver the service following the Customer Support restructure and the out sourcing of collection supply.	Already undertaken with the appointment of Customer Support Partners and the realignment of specialist Library positions. Training in new roles is under action and will be an on-going process as demands require.	Completed
Ensure staff have the opportunity to participate in professional development and receive ongoing training.	Supporting staff to undertake training and personal development opportunities as they arise. Ensuring all staff are made aware of these opportunities and that any course attendance becomes part of the on-going training schedule.	Completed
Be open to partnership opportunities that are aligned with SDL's objectives and bring new users to libraries, eg partnership with rural education institutions to provide resources and services from various library locations.	Discussions with Southern REAP are about to be held to look at commonalities and to explore opportunities for collaborative ventures.	Under action.
Develop a more comprehensive and systematic system for collecting, using and reporting on library data, particularly around electronic use.	Installation of Kotui, with 24/7 support, will provide more robust data and RFID will capture trends in stock usage and people movement through our buildings.	Dependant on move to Kotui and RFID

Recommendation	Commentary	Progress
Use focus groups of non-users, telephone surveys, use data and other mechanisms to gather information on user and non-user needs for the various communities of interest to inform service development.	The next stage of development.	Under investigation
Consider reviewing the current funding mechanism for libraries to determine whether the mix of uniform annual charge and targeted local rate is the most equitable way of funding libraries.	This will be reviewed with Council in a workshop for the LTP	In Progress
Develop a 10 year investment plan, both operational and capital for the next 10 years to phase in the recommendations in this report.	On-going.	Part of 2018-2028 LTP

## Appendix 2 – Quarterly statistics from 1 January 2017 – 31 March 2017

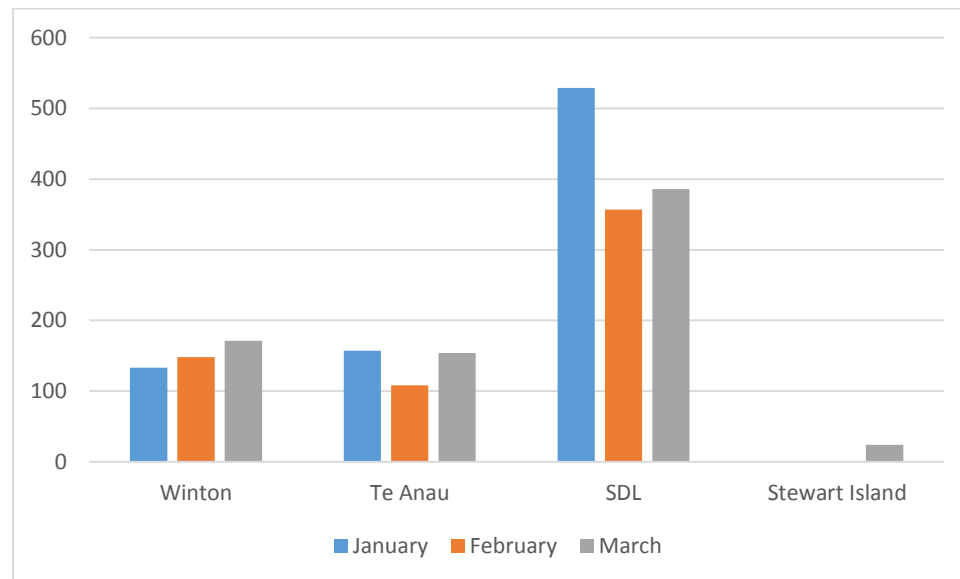
Branch issues (including issues, renewals, and self-issue)

	Winton	Book Bus	Te Anau	Riverton	Wyndham	Otautau	Lumsden	Nightcaps	Stewart Is.	DIS	TOTAL
January	6431	816	5113	1587	557	700	658	46	885	335	<b>17128</b>
February	5215	1814	3790	1173	524	545	501	382	550	475	<b>14969</b>
March	5799	2670	4748	1249	621	688	611	393	725	475	<b>17979</b>
Total	<b>17445</b>	<b>5300</b>	<b>13651</b>	<b>4009</b>	<b>1702</b>	<b>1933</b>	<b>1770</b>	<b>821</b>	<b>2160</b>	<b>1285</b>	<b>50076</b>
2016 total	17455	4834	10142	3898	1834	1863	1628	718	n/a	6029	48401



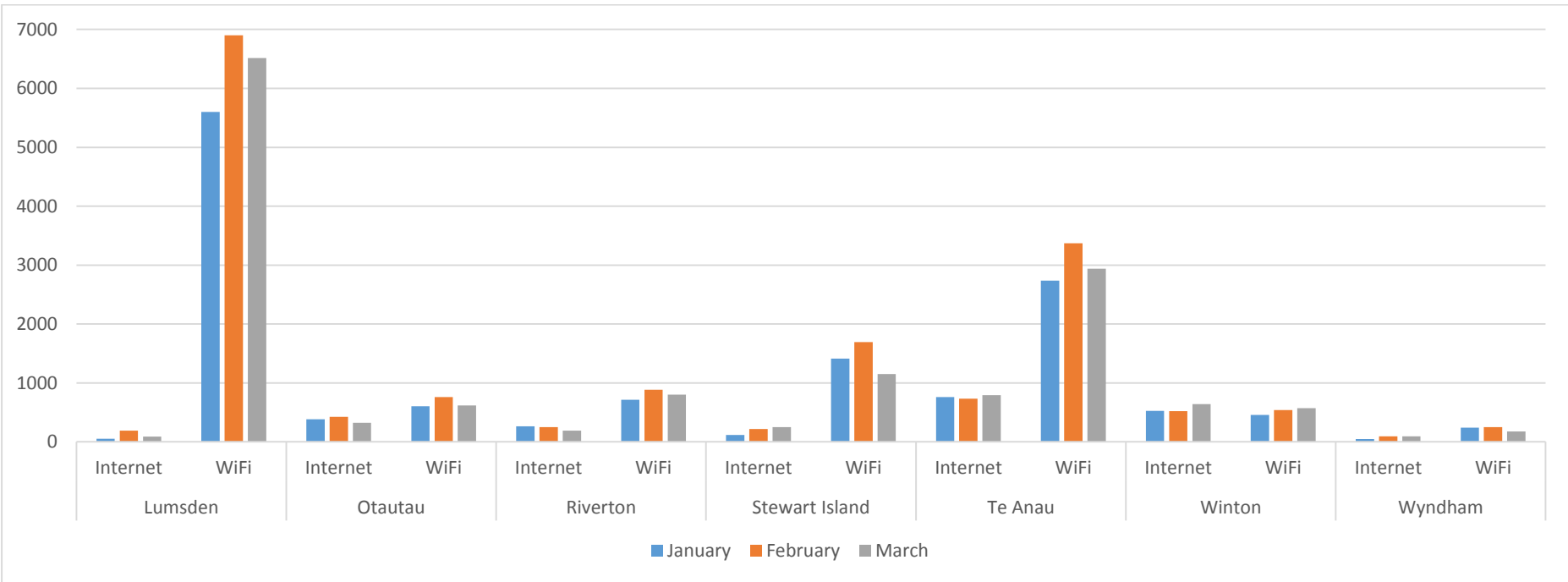
## Processing (number of books process checked per month)

	Winton			Te Anau			SDL			Stewart Island			TOTALS		
	Jan	Feb	Mar	Jan	Feb	Mar	Jan	Feb	Mar	Jan	Feb	Mar	Jan	Feb	Mar
Adult fiction	64	80	46	56	40	58	231	136	200	0	0	5	351	256	309
Adult nonfiction	10	9	11	4	7	5	106	120	54	0	0	1	120	136	71
Large Print	0	0	0	0	0	0	26	0	22	0	0	0	26	0	22
Magazines	0	0	26	38	17	40	35	9	0	0	0	0	73	26	66
Children's fiction	39	42	53	43	24	41	46	38	54	0	0	16	128	104	164
Children's nonfiction	3	9	5	2	4	3	27	19	12	0	0	2	32	32	22
Picture books	17	8	30	14	16	7	58	35	32	0	0	0	89	59	69
Non-book	0	0	0	0	0	0	0	0	12	0	0	0	0	0	12
<b>2017 totals</b>	<b>133</b>	<b>148</b>	<b>171</b>	<b>157</b>	<b>108</b>	<b>154</b>	<b>529</b>	<b>357</b>	<b>386</b>	<b>0</b>	<b>0</b>	<b>24</b>	<b>819</b>	<b>613</b>	<b>735</b>
<i>2016 totals</i>	<i>130</i>	<i>147</i>	<i>122</i>	<i>84</i>	<i>111</i>	<i>103</i>	<i>302</i>	<i>347</i>	<i>484</i>	<i>4</i>	<i>11</i>	<i>3</i>	<i>520</i>	<i>616</i>	<i>712</i>



APNK usage (Internet on APNK Computers and WiFi connections from devices)

	Lumsden		Otautau		Riverton		Stewart Island		Te Anau		Winton		Wyndham	
	Internet	WiFi	Internet	WiFi	Internet	WiFi	Internet	WiFi	Internet	WiFi	Internet	WiFi	Internet	WiFi
January	53	5601	381	601	264	712	117	1414	760	2737	526	458	49	239
February	188	6109	423	758	249	882	219	1691	731	3370	519	540	92	249
March	88	6513	321	616	189	803	248	1151	790	2938	642	570	95	177



WiFi usage at Lumsden continues to soar – nearly 6500 users in March – and this has the potential to affect the traditional level of service on offer. A close watch will be kept on this to ensure local users are not impacted by this.

Press Reader usage

Month	Total usage per month
November 2016	6578
December 2016	6550
January 2017	9951
February 2017	12063
March 2017	8532



## Community Trust of Southland - Proposal to include Milford Sound in Area

**Record No:** R/17/4/7429  
**Author:** Steve Ruru, Chief Executive  
**Approved by:** Steve Ruru, Chief Executive

☐ Decision ☒ Recommendation ☐ Information

### Report

- 1 Milford Sound has traditionally fallen within the boundary of the Community Trust of Otago although it is within the Southland Region.
- 2 Council has been approached by the Community Trust of Southland (CTOS) who would like Council's support for them to engage with the Community Trust of Otago around a boundary change to allow Milford Sound to come under their area.
- 3 Southlanders would presume that Milford Sound is already part of the Community Trust of Southland's area and it would seem logical that it is transferred so that it aligns with the boundaries of the Southland District Council and Environment Southland. This will that the entities are all working within the same 'Southland' geography.
- 4 Council already administers the area through the Milford Community Trust and also as part of its role as a shareholder in Milford Sound Tourism Ltd (previously Milford Development Authority).
- 5 It is felt that if Milford Sound was to form part of CTOS's area that as a significant partner in SoRDS it would enable them to play a greater part in the whole of Southland approach rather than having a key area being excluded. Note that Milford Sound is a significant national tourist icon that will pay an important role in the future development of tourism across the region.
- 6 If Council were to support this proposal CTOS would then progress discussions with the Community Trust of Otago and if agreement is reached then a public consultation phase would begin. As part of any transfer there would also be a transfer of funds from the Community Trust of Otago to CTOS.

### Recommendation

**That the Council:**

- a) **Receives the report titled "Community Trust of Southland - Proposal to include Milford Sound in Area" dated 5 April 2017.**
- b) **That Council write a letter of support to the Community Trust of Southland endorsing the proposal to engage with the Community Trust of Otago around a boundary change to incorporate Milford Sound into the Community Trust of Southland's area.**

### Attachments

There are no attachments for this report.



## Management Report

Record No: R/17/4/7794  
Author: Steve Ruru, Chief Executive  
Approved by: Steve Ruru, Chief Executive

☐ Decision ☐ Recommendation ☒ Information

### Chief Executive

#### Te Anau Wastewater Discharge Project

- 1 Following the signing of the Deed of Agreement with Fiordland Sewerage Options (FSOI) in December, work was progressed to negotiate an access and purchase agreement with the owners of the Smith Block and undertake initial consultation with stakeholders including the neighbouring property owners, Te Ao Marama, Fish and Game, Department of Conservation and Guardians of the Lake.
- 2 The initial engagement with stakeholders showed that there were mixed views on the proposal with some being supportive, others being neutral while others were raising a number of concerns. Having a diverse range of views being expressed at an early stage is to be expected.
- 3 Initial discussions with the Smith's commenced in early February 2017. The negotiation process was progressing largely as expected prior to a letter being received on 22 March indicating that the Smith's no longer wished to proceed with the proposed sale. This effectively means that it will be no longer possible to use this land and as a result all work currently under way to plan for initial engineering investigations of the site has ceased.
- 4 The Deed of Agreement that Council has with FSOI means, from a contractual perspective, that if the Smith Block is found to not be viable then Council is able to proceed with implementation of the Kepler option. There is, however, a need for Council to firstly, formally determine whether it believes that the Smith Block option is no longer viable and then determine what steps it wishes to take.
- 5 A report summarising the findings from the Phase 1 work will be taken to the Te Anau Wastewater Project Committee on 21 April and subsequently to Council on 17 May.

#### Southland Regional Development Strategy (SoRDs)

- 6 A meeting of Councillors from all four Southland Councils was held in Gore on 13 March to outline and seek feedback on the work that has been progressed to date to develop a proposed new structure to drive implementation of the SoRDS Action Plan and regional development in the future.
- 7 At the meeting there was a good level of engagement in the strategic challenges facing the region, the question of what the region needed to do differently if it is to remain competitive on the national stage and the range of options that might exist for leading regional development across the region in the future.
- 8 While there might be some debate about what structures would best serve the region in the future it is clear that unless Southland pools and then looks to apply the skills and resources that it does have in a coordinated manner then the region will simply not compete on the national and international stage.
- 9 Recent economic data released on regional GDP shows, for example, that from 2011 - 2016 Southland's economy grew by 3.7 percent as compared with the national average of 23.8%.

As a result Southland's share of national GDP reduced by 20%. While these results reflect the recent down-turns in the primary sector they do serve to reinforce the importance of the region taking some bold and significant steps if it is to remain relevant on the national stage.

- 10 The need for Southland to 'pull together' and work in a cohesive fashion has also been emphasised recently by the publication of the *Upper North Island Story*. This publication which has been released by the Upper North Island Strategic Alliance, a collective of the Councils from Northland, Auckland, Waikato and Bay Plenty, outlines the national significance from an economic development, population and growth perspective of the four regions as they collectively account for 50 - 60% of NZs population and GDP. It also outlines the challenges that lay ahead as their share of the national wealth continues to increase and the steps that they collectively need to take to manage these pressures.
- 11 Following the meeting in Gore work is now underway to progress the work needed to 'flesh out' the preferred model of creating a new entity, which would be established as a Council Controlled Organisation (CCO) but with shareholdings from a range of entities from across the broader business and community sectors. As part of the model it is also seen as important that a separate 'arm' of entity which is focussed on the development of tourism across the region be developed.
- 12 There will be a need for a community consultation process to be followed by the four Councils before the new entity can be formed. It is proposed that this process be completed via a joint committee/hearings panel process. It is anticipated that the formal reports seeking endorsement for this process will be brought to Council in May or June.

#### **Local Government Act 2002 Amendment Bill**

- 13 The Local Government Act 2002 Amendment Bill, which implements the Better Local Services reforms, was referred to the Local Government and Environment Select Committee last year.
- 14 The Bill proposed substantial changes to the role of the Local Government Commission (LGC); the current local government re-organisation provisions; created new categories of CCOs, and provides a power for the Minister of Local Government to set performance measures for services.
- 15 As part of the package of reforms it was also proposed that the LGC be given the power to initiate reforms at an individual service level at any time including having the ability to remove individual service delivery into a CCO without the agreement of the Council(s) concerned and/or their ratepayers. This particular proposal raised a significant level of concern across the sector and was the subject of a number of submissions to the Select Committee.
- 16 The new Minister of Local Government has now announced that the Bill will be amended to require that the creation of CCOs will require the support of the affected local authorities. The ability for the Minister to impose new non-financial performance measures for different activities is also to be removed.
- 17 The Select Committee was due to report back to Parliament at the end of March. It will need to finalise any amendments needed to reflect the above changes but then can be expected to report back in the near future. Hence, it is expected that the Bill will proceed through the balance of its parliamentary process in the next few months.

#### **Fresh Water Management**

- 18 Following on from the recent Government announcements on the management of Freshwater and in particular its 'headline' goal of making 90% of waterways swimmable by 2040 LGNZ has now announced the creation of a Water 2050 project. The overall aim is to

lead debate about the creation of a coherent policy framework that leads to greater integration of policy discussions, particularly the setting of standards with communities' ability to pay for the necessary infrastructure to achieve those standards. The affordability issue is a significant one for this district and a number of other rural and provincial districts which have small communities, a number of which have declining populations.

- 19 Other important issues that will be considered as part of this policy work include the setting of freshwater quality and quantity – standards, rights and allocation, land use, three waters infrastructure, cost and affordability, and options for funding the required infrastructure.

#### **Land Transport Government Policy Statement (GPS)**

- 20 The Government Policy Statement (GPS) on land transport is used to set the strategic framework within which LTNZ allocates the approximate \$3 billion of Government funding used to support the development of land transport. The latest draft is currently out for consultation.
- 21 There are a number of factors that are influencing the change in transport demand, including population growth particularly around urban areas in the upper North Island, increased heavy freight movement, with tonnages moved projected to increase by 50% by 2042, and growth in tourism. Given these demands the draft GPS proposes that the focus should remain on the current priority areas of economic growth and productivity, road safety and value for money.

#### **Better Urban Planning Report**

- 22 The Productivity Commission released its final Better Urban Planning report on 29 March. The report represents the final outcome from the Commission's 'blue-skies' review of the current urban planning system in New Zealand.
- 23 In its report the Commission makes 64 recommendations, including having one new piece of planning legislation to replace the current Resource Management Act, that would support and govern both the built and natural environments. The recommendations include providing greater clarification of the statutory objectives, making it mandatory to develop a regional spatial plan; creating a new process for the review of formal planning documents before they come into effect; more tools for councils to fund infrastructure; and better stewardship of the planning system.
- 24 The development of a Regional Spatial Plan for Southland was one of the core recommendations coming out of the SoRDS Ease of Doing Business Team work. The Productivity Commission report proposes that Regional Councils should lead the production of these plans which should place a particular focus on strategic land-use development over a 30 to 50 year period. In addition to informing future land use decisions the spatial plans would also be expected to provide a focus for infrastructure planning and development.
- 25 The report is also proposing that notified regulatory plans (eg District Plans and the Regional Policy Statement) would be subject to a formal review process by an Independent Hearings Panel (IHP) that would be appointed by an independent statutory agency. In effect the Panel would have the right to 'veto' provisions that a local authority may put within one of its statutory documents. Appeals to the Environment Court would only be allowed on points of law. This would represent quite a significant change to the current approach in which the final responsibility for such documents sits with local authorities.
- 26 The Government will now consider the recommendations in the Commission's report. It can be expected that their response and decisions on what recommendations are to be implemented will be announced in due course.

### **Customary Marine Title Application**

- 27 Te Runanga o Ngai Tahu have made an application to the High Court under the Marine and Coastal Area Act 2011 to have a customary marine title recognised over the marine and coastal area surrounding much of the South Island. Council, along with most other South Island local authorities have been formally served with notice of the application as required under the Act. There is also a requirement for the application to be publicly notified.
- 28 Council has the right to express an interest in appearing before the High Court to comment on the proposal. There is a requirement for any expression of interest to be lodged within 20 working days. Officers are giving consideration to whether this Council should register an interest so that it has the ability to make submissions should it consider it appropriate to do so.
- 29 Customary marine title can be granted over a coastal area if an applicant can show that they have exclusively used and occupied an area since 1840. The rights that are granted to a party holding a customary title are outlined in section 62 of the Act but include:
- The right to give or decline permission for activities requiring resource consent;
  - The right to protect wahi tapu;
  - The right to create a planning document for the area.
- 30 Local authorities are required to take the content of a planning document into account in their decision making processes once it has been developed.

## **Information Management**

### **Digitisation Project**

- 31 Work is continuing on the Property File Digitisation project which has seen approximately 80% of the paper volume previously held at Council shipped for processing.
- 32 Council has agreed on the revised scope for the remaining project which is planned to be completed by the end of 2017. The results of the imagery being received post digitisation has been very pleasing with a number of examples of the new digital copy providing much more clarity and improved quality than the original.
- 33 We will also release a new tool that will be available internally first that will allow staff and eventually the general public to access the digitised records from anywhere.

### **Virtual Desktop Environment**

- 34 The roll out of the updated virtual desktop environment has started with approximately 80% 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.
- 35 The feedback that we have received on the new environment has been very encouraging which has been pleasing to know that the move to the 64bit environment has delivered what we had hoped and planned for.

### **Dashboards**

- 36 Council staff have completed an additional part to the council dashboard tool. This is being used for accessing the various reports that are used by staff and contractors. The tool which

allows for a single source for accessing reports has been received very well from staff with a launch competition receiving 12 team responses.

### **Change of Address**

- 37 A new Change of Address form and internal process is being developed for use by staff and the public will be promoted shortly. The change of address is one of the high volume requests by the Customer Support team and the new process will streamline the process whilst also maintaining a reliable and accurate name and address information

## **Environmental Services Group**

### **Resource Management Act Amendments**

- 38 The amendments to the Resource Management Act have now been enacted. There are a number of significant changes relevant to all councils such as a more nationally templated approach to planning documents, elevation of the importance of natural hazards matters, compressed timeframes and simplified processes for simple activities, and changes to Iwi participation arrangements.
- 39 A detailed report on these changes and their implications will be presented to Council for information at a later date.

### **Earthquake Prone Amendments to the Building Act 2004**

- 40 These take effect on 1 July 2017. Council has received correspondence from MBIE on various arrangements which all councils need to make in advance of the amendments and the Team Leader of Building Solutions is working through these now.

### **Environmental Services Service Delivery Review Action Plan**

- 41 Following the completion in February 2017 of the Service Delivery Review under Section 17A of the Local Government Act 2002 for the Council's Regulatory and Environmental Services and the recommendations contained in this document, an Action Plan was prepared and presented to the Regulatory and Consents Committee at its meeting on 6 April 2017.
- 42 This was approved by the Committee and will be actioned progressively over the next 18 months.

### **Building Control**

- 43 The number of building consents issued this month is down 11% on the same month last year, and these numbers were down 23% (February) and 11% (January) relative to their respective months in 2016. There are a number of consent applications on hold and the gap between the number of issued consents in 2017 and the number of issued consents in 2016 should reduce further next month.
- 44 As outlined above, the number of building consents issued so far this year is down on what was issued last year. However, a vacancy for a consent processor has been filled and Neal Tuckey started in this role on 4 April 2017. This will increase the department's capacity to process more consents per month. We continue to receive consent applications at a rate of approximately four per day on average. Hence whilst, consent numbers are down overall for the year relative to 2016, the number of new consent applications appears to be more consistent in recent times.
- 45 This month there is a much more even distribution of the location of consents issued across the District. Winton and the southeast of the District has a noted increase in activity.

While the department has one less inspector and one less consent processor currently than in 2016 the team has carried out as many inspections as last year and issued nine less consents for the month. This shows the commitment of the team to meet the unpredictable workflows within the department.

#### **New Dog Registration Discounts**

- 46 Council is proposing to introduce discounts into the new dog registration fees from 1 July 2017 that will apply to non-working dogs only. The discounts will be for neutering, containment, and responsible ownership. The purpose of the new fees is to encourage responsible ownership, and to reduce wandering and aggression incidents in the District. Currently, the fee is \$30, and this will continue to be the base fee if all three discounts are applied.

#### **Food Act**

- 47 The Environmental Health staff have almost completed transitioning the food businesses with alcohol On Licences to the new Food Act 2014, with this group being the first that are required to transition by 31 March 2017. The next significant group that will have to transition by March 2018 are the food service/retail businesses that do not have On Licences; eg some cafés and takeaways.

#### **Freedom Camping**

- 48 The Tuatapere Community Board has requested “No Freedom Camping Zone Begins” signs at the four entrances to the town, making it the second town in the District with this type of town entrance signage, the other being Te Anau. This request followed concerns from a local camping ground operator who advised that people were camping illegally in the town and sneaking in and using the camping ground facilities.

#### **Rakiura Heritage Centre**

- 49 Resource consent was lodged on 1 March to construct a heritage centre at 6 Argyle Street, Oban. This application is currently on hold and once all of the necessary information is received, it will be limited notified to the property owners and occupiers within close proximity to the site.

#### **Notice of Requirement (Edendale)**

- 50 The application to realign State Highway 1 was publicly notified on Saturday, 8 April submissions will close on 11 May. The decision will be made by an Independent Commissioner following a hearing.

#### **District Plan Appeals**

- 51 This has not made any progress since the last report. Council is still waiting for the Environment Court judge to sign off on mediation dates for the remaining appeals.
- 52 Progress is being made on Council's evidence for Environment Southland's Water and Land Plan hearings which are due to be held towards the end of May. Council submitted primarily in relation to the organisation's core business (infrastructure affordability, equitable requirements across different activities, timing of rules having effect etc).



### **Non-notified Resource Consents**

- 53 Resource consent application numbers remain at relatively subdued levels, with limited large scale development currently occurring in the District. Most consents are being processed within the statutory processing timeframes.

## **Community & Futures**

### **CDA Elections**

- 54 During the month of March, Council facilitated 19 CDA election meetings. Meetings were attended by some of the following Council representatives – Mayor, Deputy Mayor, Councillors, CEO, Group Manager Community and Futures, Community Partnership Leaders, Committee Advisers. Attendance at the meetings varied – with some having 30 or so members of the public attending while others had 4. The majority of meetings did not require an election as 6 or less members were nominated in these instances. Some publicity was received around Council adhering to the Terms of Reference as approved by Council at its 26 October 2016 meeting related to the associated eligibility criteria for being nominated, being a nominator or being able to vote.
- 55 This consistent approach assisted Council in delivering on its approved process. What it also did was provide a forum where some of these issues around local community governance, fair and effective representation and what does all this mean for the upcoming Representation Review were able to be discussed and a general consensus was identified on these issues by the majority of the CDA election meetings. The timeliness of being able to have these conversations as part of the CDA election meetings has been appreciated to provide further insights for the Community Governance Review and Representation Review projects underway.

### **Community Governance Project and Representation Review Project update**

- 56 The Community Governance Project has been identified by Council as an important strategic project to assist Council in delivering its priority goals of:
- A dynamic, effective and efficient Council;
  - The Southland Way – empowering our communities;
  - Growing our communities.
- 57 The Representation Review project is a requirement under the Local Electoral Act 2001.
- 58 There are three processes that form the representation review project:
- A review of the electoral system;
  - A review of Maori representation;
  - A review of representation arrangements.
- 59 The Community Governance Project and associated background work undertaken over the past 18 months and the community engagement to be undertaken over the next nine months assists with providing background information and a context for the Representation Review project.
- 60 The overall review intent focuses on developing the community governance and representation framework to work more effectively and efficiently for Council and its communities.

- 61 It is important to recognise there are two projects that will complement each other – the Community Governance Review project and the Representation Review project.
- 62 The working premise of the community governance review is that there is a desire and commitment to make the future governance structure work best for the Southland district, by ensuring strong district decisionmaking while empowering local communities to participate in decisionmaking processes that reflect the needs and requirements of the district's diverse communities.
- 63 The community governance review and representation review projects are aimed at enhancing community involvement so council governance structures are fit for the future and fit for purpose.
- 64 The representation review project is aimed at ensuring there is fair and effective representation across the district.

#### **Stewart Island Wharves**

- 65 The Stewart Island Wharves Community & Stakeholder engagement is underway. In late March consultant Sandra James visited Stewart Island and toured the wharves by water taxi with Cr Ford, followed by a number of meetings with people on the Island including local Iwi, Community Board Chair, Tourism operators, and local business owners. Sandra will return to the Island in early May to speak more widely with the community there, and will also conduct a widespread social media forum for input from those interested parties who do not live on the Island. The purpose of the engagement is to look at the medium and long term user needs of the wharves on the Island, and includes their use, ownership, maintenance and ongoing costs.

#### **Research Completed**

- 66 Two pieces of research recently undertaken have been completed; the Stewart Island Community Facilities Assessment and the Community Organisation and Volunteer Sector research. Once these have been received by Council they will be made available to the wider public and interested parties. The anticipated timeframe around this will be early-mid May 2017.

#### **Leadership Plan Workshops**

- 67 Community Partnership Leaders are currently facilitating, with assistance from Venture Southland Community Development staff, a number of Leadership Plan Workshops throughout the District. Workshops are being held in Winton, Lumsden, Otautau, Stewart Island, Tuatapere, Te Anau and Wyndham. The workshops involve all eight Community Boards and 19 Community Development Subcommittee Areas and District Councillors. The aim of the workshops are to provide an opportunity for locally elected members to meet together, collaborate, share ideas for working with other Boards, to discuss the future of their towns and villages and share how their local plans can help shape the future of the District as a whole.

#### **Service Delivery Scoping Project**

- 68 A consultant has been engaged to undertake a Community Futures Service Delivery Scoping Project in conjunction with the Community Futures and Customer Support Team. The Consultant is currently finalising the project plan. The expected completion date is July 2017.

#### **Venture Southland Business Plan**

- 69 Each year Venture Southland develops a Business Plan detailing its proposed activities, key performance indicators and budget. The Business Plan is required to be developed in

accordance with the Venture Southland Agreement 2014 - 2017 and the letter of expectation sent by combined owner councils and the letter of expectation sent by Southland District Council regarding the Community Development priority projects which are specific to the Southland District Council.

- 70 The Agreement outlines the information to be included in the Business Plan and the process to be followed as it is developed.
- 71 The Community and Policy Committee endorsed the VS BP 2017 - 2018 at its 5 April meeting.

### **2017/2018 Annual Plan**

- 72 The feedback process for the 2017/18 Annual Plan has now been completed with Council receiving feedback from nine groups/individuals on the plan (including one from staff). Six groups spoke to the Council about their feedback on 6 April 2017. A range of issues were raised including funding requests, working with accessibility specialists during design and considering ways to assess/improve accessibility of Council infrastructure, connections to the Curio Bay wastewater scheme, working with Real Journey's on their upgrade of Pearl Harbour visitor facilities and a range of other expenditure and rating issues including AMCT, Rooding Rate Model, TR maximum and roading programme.
- 73 Council made decisions on the feedback on 6 April 2017. The key financial changes included providing a one-off grant in 2017/18 for the Hollyford Conservation Trust (\$10,000 GST excl) and increase in the Regional Heritage Rate (\$5 per rating unit GST incl), both to be funded from reserves/existing budgets. The Council also approved a number of changes to project timing, including projects to be carried forward from 2016/17 into 2017/18 and corrections to fees and charges and grants. The rate increase is expected to remain at 3.64% signalled in the Annual Plan Update 2017.
- 74 Council staff will proceed with development of the Annual Plan document itself prior to it being presented to the 7 June 2017 Council meeting for adoption. At this meeting Council will also be asked to set the rates for the 2017/18 financial year.

### **People and Capability**

- 75 In February 2017, Council contracted Simpson Grierson to undertake a Health and Safety Gap Analysis. The gap analysis included a review of Southland District Council's Health and Safety Management System, discussions with key operational leaders and visits to operational locations and discussions with workers and key contractors.
- 76 The intent of the exercise was to compare our current practices with good practice so that we could identify areas for improvement. The report identifies a number of opportunities for improving our current Health and Safety practices. A prioritised Action Plan for addressing each of the recommendations will now be developed and taken back to the Finance and Audit Committee for their approval and subsequent monitoring of progress.
- 77 Clare Sullivan has been appointed as Governance and Democracy Manager. Clare has over 25 years' experience in local and central government and values the importance of democracy and democratic processes. Clare began at Council on 3 April 2017 and is very keen to get out and about and attend various Community Board meetings and upcoming CDA meetings.
- 78 In March, we had forty two of our front line staff attend a MH101 workshop. This is a one day workshop that has given our people the tools to recognise, relate and respond to those who need support for their mental health and wellbeing. Feedback on the workshop was

outstanding and confidence in recognising signs and symptoms and confidence in knowing how to respond raised significantly.

- 79 In late March we held our staff forums in the newly refurbished Memorial Hall in Winton. We hold these in two sessions of 3 hours each to ensure we continue to provide customer support over the period. The majority of staff attended. The purpose of the staff forum was to outline our direction and priorities for the next 12 months, to introduce our culture focus of working together, to introduce our new health and safety video and to provide a chance for interaction with colleagues from different offices.

## **Customer Support**

- 80 Customer Support has now integrated staff from a variety of departments to the Customer Support area. This is a time of transition and learning for the team as we take on a variety of tasks for Council and look to broaden the knowledge of staff and aim to resolve 80% of customer enquiries at the first point of contact for the customer. We are taking on a range of services that are unfamiliar to many of the team so we are continuing to share and learn new tasks across the team.
- 81 In March we tested our first online customer satisfaction survey. Further work is needed on the survey content and questions and we will be phoning some customers without email addresses so we have a large enough sample size. Responses so far have allowed us to resolve some outstanding issues and follow up for customers plus reduce the time spent phoning and collating the data by staff.
- 82 The new library hours for Winton have begun and for the first Saturday we received positive feedback from patrons and staff. We will continue to monitor this as we go forward.
- 83 At Nightcaps we are now in the process of meeting with the CDA to gain agreement on a solution as the Takitimu Primary School Board of Trustees is supportive of the change in service. Lynda Hodge and Kelly Tagg will continue to work with the stakeholders looking to make the change, if possible, before winter.

## **Services and Assets Group**

### **Te Anau Wastewater Odour Issue**

- 84 During late February and early March there have been a number of odour issues at the existing Te Anau wastewater treatment plant. Testing showed that dissolved oxygen levels in the aeration pond had reduced significantly.
- 85 The issues appear to have been caused by a variety of factors including septic tank waste being dumped in the ponds. A number of steps were taken in response to the issues including the introduction of additional aeration, stabilisation of the ponds pH through the dosing of lime and the introduction of a nutrient rich food source (trade name Ensol 5000) to promote algal regrowth.
- 86 The ponds have now recovered and are performing as expected. Staff are moving, however, to increase aeration in the ponds to reduce the risks of similar incidents occurring in the future.

### **Alternative Coastal Route Improvement Project**

- 87 This project involves the Sealing, Otta sealing and associated improvement of approximately 23 kilometres of road on the last unsealed section of the alternative coastal route along the Southern Scenic Route and the two main side journeys of this section.
- 88 At its 15 March meeting Council approved the awarding of a tender for this project to the Roothing Company. Work is now progressing with the implementation of this contract including the sourcing of the gravel needed to advance the project.

### **Riversdale and Nightcaps Wastewater Resource Consents**

- 89 In October 2016 Environment Southland issued new resource consents for the Riversdale and Nightcaps wastewater treatment plant discharges. The release of these decisions followed an extensive period of consultation between the two Councils and affected parties with an interest in these discharges.
- 90 Without prior warning to this Council, the consents were issued with the term of the consents reduced from 15 years to 7 years in the case of Nightcaps and from 25 years to an effective 9 years for consent which takes effect once upgrade works, budgeted to cost \$2.4 million, are completed at Riversdale which serves some 240 properties.
- 91 Given the reduction in term of the consents a decision was made to appeal the ES decision. Following a mediation process new terms of 10 years for Nightcaps and 15 years for Riversdale have now been agreed. Officers are satisfied that the agreement reached is a good outcome for both Councils. It finds a balance between ensuring that this Council has a reasonable period of certainty over the conditions it needs to meet while also recognising that there will need to be further upgrades to meet the requirements in the Land and Water Plan.

### **Havelock North Drinking Water Inquiry**

- 92 The Government established an Inquiry into the issues relating to the contamination of the Havelock North Water Supply last year. The inquiry was originally due to report back to Government by 31 March 2017. The report back date has now been extended and split into two separate phases.
- 93 Stage 1 will address matters relating directly to the Havelock North water contamination incident and the response to that incident. It will include findings of fact and fault. Stage 1 is now due to be reported back by 12 May 2017.
- 94 Stage 2 will address the broader systemic issues and provide recommendations about managing water supply across New Zealand. It will examine the existing statutory and regulatory regimes involved in delivering drinking-water to see if improvements can be made. Stage 2 of the Inquiry is now due to be reported back by 8 December 2017.
- 95 The recommendations coming out of Stage 2 of the Inquiry are expected to be of significance for all local authorities.

## Recommendation

That the Council:

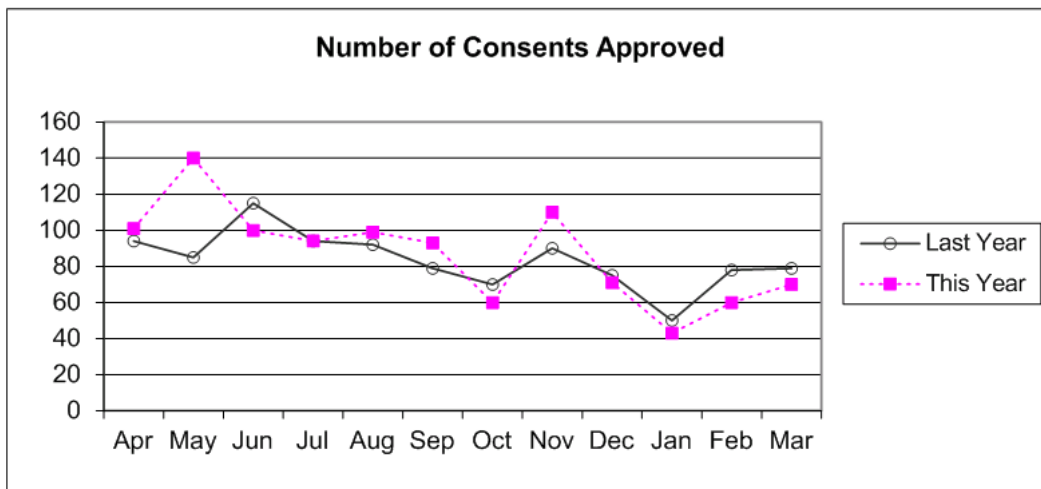
- a) Receives the report titled “Management Report” dated 10 April 2017.

## Attachments

- A Appendix A - Consents Database Graph March 2017 [↓](#)
- B Appendix B - Building Consent Issued Numbers March 2017 [↓](#)
- C Appendix C - Building Consents Issued Values March 2017 [↓](#)
- D Appendix D - Resource Consents November 2016 - February 2017 [↓](#)

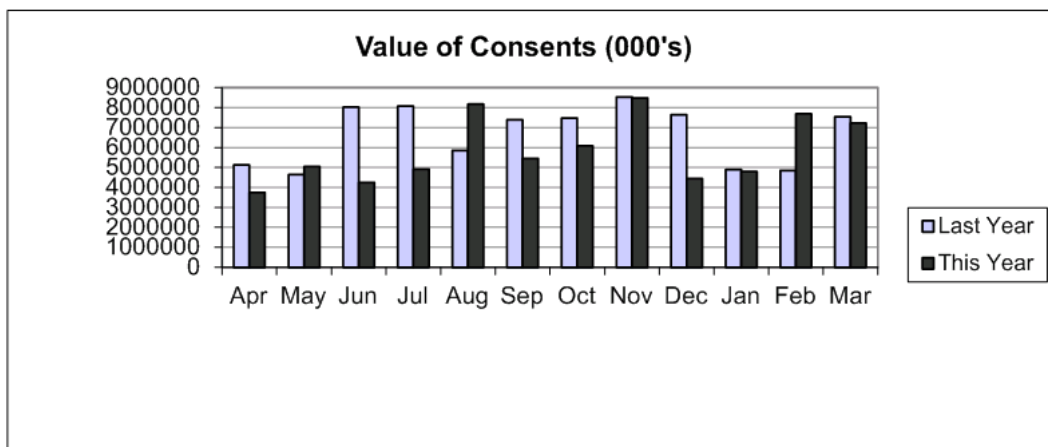
## Southland District Council Building Consents

### Monthly Report - March 2017



#### Percentage Changes - Total Consents

From:	Last month	16.67%
	This month last year	-11.39%
	Cumulative year this month last year	4.00%



#### Percentage Changes - Total Dollars

From:	Last month	-6.00%
	This month last year	-4.15%
	Cumulative year this month last year	-12.15%

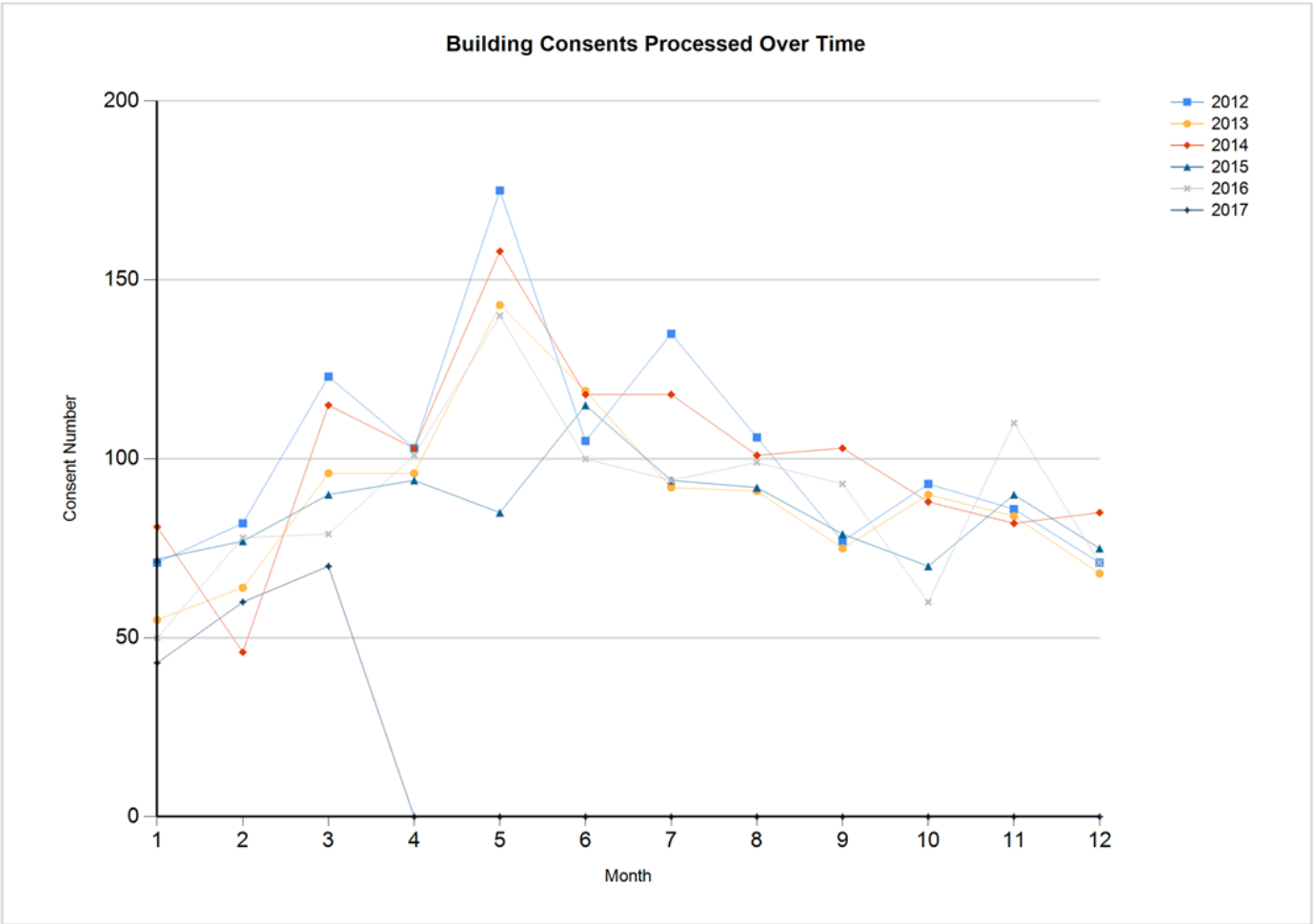
## Item 8.5 Attachment B

**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	70	573
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
<b>Total</b>	<b>1227</b>	<b>1073</b>	<b>1198</b>	<b>1033</b>	<b>1075</b>	<b>173</b>	<b>5779</b>

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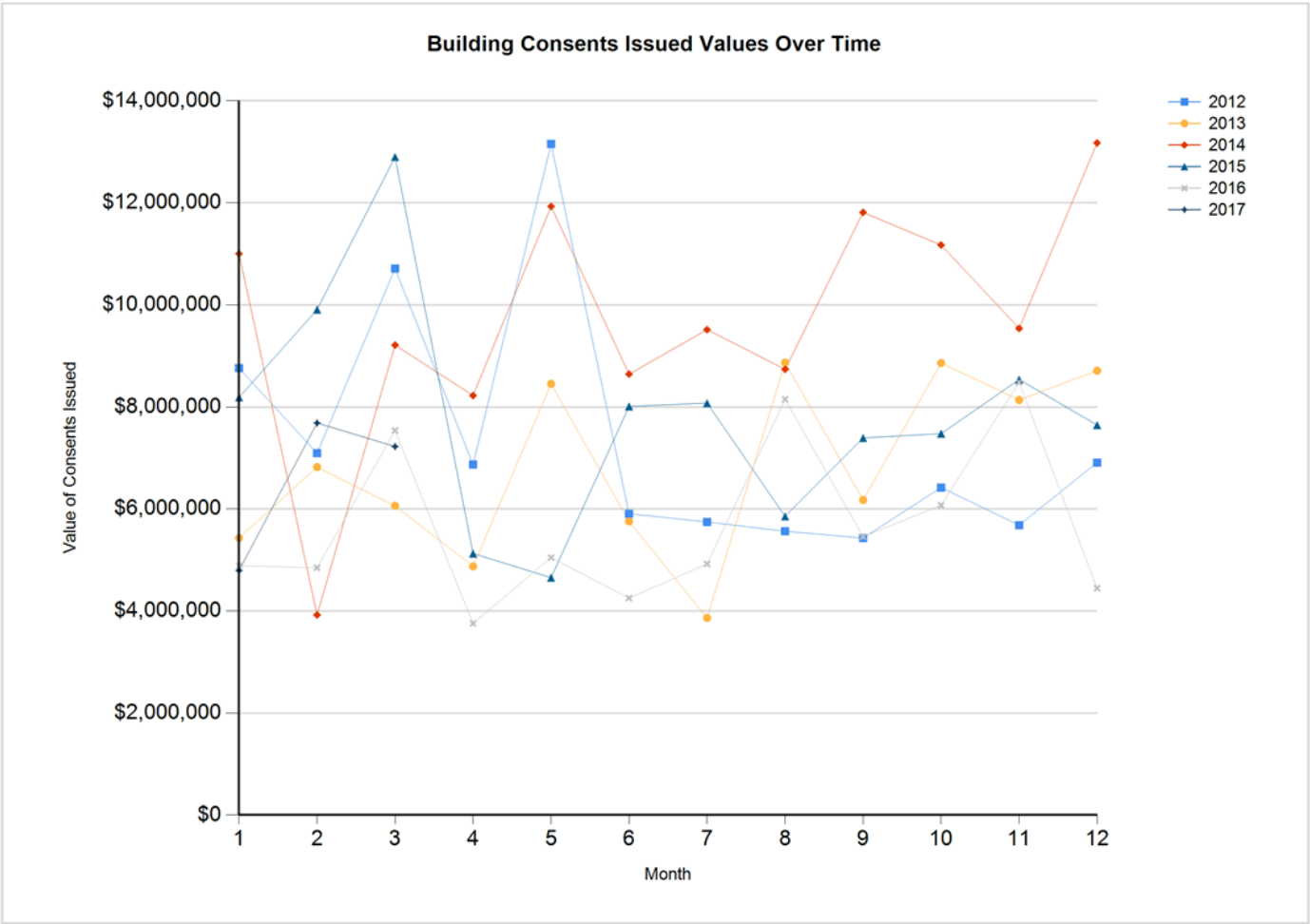
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## Item 8.5 Attachment C

**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	\$7,225,025	\$53,649,201
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
<b>Total</b>	<b>\$88,254,958</b>	<b>\$82,015,569</b>	<b>\$116,893,272</b>	<b>\$93,772,839</b>	<b>\$67,863,807</b>	<b>\$19,703,368</b>	<b>\$468,503,813</b>

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## November 2016

## Item 8.5 Attachment D

Application Number	Applicant	Address	Ward	Description of Application	Working Days (from receipt of all information)	Total Costs Incurred	Processing Officer	Decision Date
2016/53001	C J Sara and D C Sara	36 Kamahi Road, Stewart Island	Stewart Island/ Rakiura	Construct 3 x one bedroom lodge units for accommodation.	28	1,860.00	Theresa Cameron	8/11/2016 Limited Notified
2016/53025	Wairaurahiri Jet (1994) Limited	1260 Clifden Highway, Orawia - Pukemaori	Waiau Aparima	To jet boat commercially on the Lower Waiau River.	30	1,680.00	Theresa Cameron	10/11/2016
2016/53033	Fonterra Limited Chch	60 North Road, Edendale	Waihopai Toetoes	Section 127 - Change of Conditions related to 360/10/09/302.	31	3,592.00	Theresa Cameron	14/11/2016
2016/53084	Golden Bush Mining Limited	1473 Orepuki Riverton Highway, Colac Bay - Pahia	Waiau Aparima	To undertake alluvial gold mining.	20	746.00	Olivia Krielen	18/11/2016
2016/53144	Winton Engineering Limited	57A Great North Road, Winton	Winton Wallacetown	Build up section with river gravel by 150 mm to meet building consent requirements.	9	600.00	Olivia Krielen	3/11/2016
2016/53182	Glenhope Limited	7D Moore Road, Winton	Winton Wallacetown	(Opus) Urban Subdivision - Three new allotments.	20	1,737.50	Marcus Roy	11/11/2016
2016/53191	Riverton Racing Club Incorporated	20B Otaitai Bush Road, Otaitai Bush	Waiau Aparima	To relocate a building platform and construct a dwelling and shed within that building platform.	18	720.00	Olivia Krielen	4/11/2016
2016/53197	Richard Wilden Design Limited and JAP Byfield	23B Kamahi Road, Stewart Island	Stewart Island/ Rakiura	To build a sleepout which breaches the front yard setback and height recession plane rules.	20	600.00	Olivia Krielen	18/11/2016
2016/53198	N L Mirfin	1000 Manapouri Te Anau Highway, Te Anau	Mararoa Waimea	Commercial guided fishing activities.	12	600.00	Jennifer Green	16/11/2016
2016/53201	Braemuir and Dunnet Family Trust	39 Hicks Road, Stewart Island	Stewart Island/ Rakiura	Erect a storage shed.	20	600.00	Olivia Krielen	24/11/2016
2016/53204	M L Dobbins	7 Wohlers Road, Stewart Island	Stewart Island/ Rakiura	Section 127 - Change of Conditions related to 360/10/16/131.	10	120.00	Jennifer Green	14/11/2016
2016/53207	Transpower New Zealand Limited	170 Trotter Road, Longbush	Waihopai Toetoes	To replace transmission poles.	20	600.00	Olivia Krielen	30/11/2016
2016/53208	Golden Bush Mining Limited	276 Dryden Road, Colac Bay - Pahia	Waiau Aparima	Land use consent under the NES.	20	746.00	Olivia Krielen	21/11/2016
2016/53210	Southland District Council	631 Athol Five Rivers Highway, Five Rivers - Parawa	Mararoa Waimea	Formation and use of a track to be used as a cycle trail.	2	480.00	Marcus Roy	15/11/2016

## December 2016

Application Number	Applicant	Address	Ward	Description of Application	Working Days (from receipt of all information)	Total Costs Incurred	Processing Officer	Decision Date
2012/53195	Kaka Ridge Trustees Limited	20 Kaka Ridge Road, Stewart Island	Stewart Island Rakiura	Urban Subdivision - 15 new allotments - split consent please see	0	748.26	Jennifer Green	21/12/2016 Declined
2012/53196	Kaka Ridge Trustees Limited	20 Kaka Ridge Road, Stewart Island	Stewart Island Rakiura	Indigenous vegetation modification - To remove approximate area of 7,500 m <sup>2</sup> of Indigenous vegetation	0	748.26	Jennifer Green	21/12/2016 Declined
2015/53188	Real Journeys Limited	24 Milford Sound Highway, Milford Sound	Mararoa Waimea	To install a satellite dish including signage	9	1050.00	Theresa Cameron	22/12/2016
2016/53123	J B M Mendelssohn and M J Dudfield	55 Charles Nairn Road, Te Anau	Mararoa Waimea	Rural Subdivision - Five new allotments - Bundle consent with 360/10/16/123 - Land Use Consent - BLD platforms	93	9,043.25	Olivia Krielen	2/12/2016 Limited Notified - Declined
2016/53137	J B M Mendelssohn and M J Dudfield	55 Charles Nairn Road, Te Anau	Mararoa Waimea	Land Use Consent -To construct a dwellinghouse within each of the building platforms identified on Lots 2 3 4 and 5 - Bundle Consent with 360/10/16/123	93	9,043.25	Olivia Krielen	2/12/2016 - Limited Notified - Declined
2016/53143	Department of Conservation Invercargill Office	3238 Te Anau Milford Highway, Te Anau Downs	Mararoa Waimea	Remove indigenous vegetation	45	1200.00	Marcus Roy/Jennifer Green	22/12/2016 - Withdrawn
2016/53148	L A A McGregor and B J McGregor	48B Egerton Road, Winton	Winton Wallacetown	Rural Subdivision - Three new allotments - Bundled consent 360/10/16/149 - Land Use Consent - To amend the Building Platform	47	369.36	Kelwyn Osborn	12/12/2016 - Discount of \$273.24
2016/53149	L A A McGregor and B J McGregor	48B Egerton Road, Winton	Winton Wallacetown	Amend building platform - Bundled consent 360/10/16/148 - Subdivision three lots	47	369.36	Kelwyn Osborn	12/12/2016
2016/53152	P J W Brown and R A Harrison	259 Sinclair Road, Te Anau	Mararoa Waimea	Visitor accommodation up to 12 people	32	1017.00	Olivia Krielen	7/12/2016
2016/53154	N J & M M Parkinson Limited	354 Waimahaka Fortification Road, Tokanui	Waihopai Toetoes	Earthworks - Gravel extraction	5	600.00	Kelwyn Osborn	22/12/2016
2016/53195	C A Smith	95 Wilson Road, Glencoe	Winton Wallacetown	Two lot boundary adjustment	31	801.00	Kelwyn Osborn	19/12/2016 - Discount of \$99.00
2016/53196	W R Harrington and F M Harrington	50 Caswell Road, Te Anau	Mararoa Waimea	Section 348 - Creation of a private Right of Way	19	500.00	Theresa Cameron	7/12/2016
2016/53199	S P Robertson	28 Athol Five Rivers Highway,	Mararoa Waimea	To establish and operate an art gallery	31	600.00	Kelwyn Osborn	22/12/2016

## Item 8.5 Attachment D

Application Number	Applicant	Address	Ward	Description of Application	Working Days (from receipt of all information)	Total Costs Incurred	Processing Officer	Decision Date
		Athol						
2016/53202	Duoreges Limited	223 Kapuka South Road, Ashers	Waihopai Toetoes	Erect a steel framed standoff shelter	19	600.00	Theresa Cameron	1/12/2016
2016/53206	The Green Light Company Limited	777 Wilderness Road, Hillside	Mararoa Waimea	Two lot subdivision	14	840.00	Theresa Cameron	8/12/2016
2016/53211	Eglinton Properties Limited	95 Eglinton Street, Winton	Winton Wallacetown	Section 221(3) -Cancellation of Consent Notice 248499.3	24	536.00	Olivia Krielen	9/12/2016
2016/53214	E F Murray	47 Elswick Street, Waikaia	Mararoa Waimea	Separate titles to two lots	20	918.00	Olivia Krielen	19/12/2016
2016/53215	Southern Dairy Hub Limited Partnership	175 McLean Road, Branxholme	Winton Wallacetown	To extract gravel	1	1586.00	Jennifer Green	21/12/2016
2016/53216	S N Kemp and T A McKay	1181 Otatau Nightcaps Road, Woodlaw	Waiau Aparima	Relocate shed to 4 metres from the road boundary	11	600.00	Olivia Krielen	9/12/2016
2016/53219	M T Woutersen	70 Woodlands Cemetery Road, Woodlands	Waihopai Toetoes	Building platform within 150 metres of neighbours' dwellings	6	600.00	Theresa Cameron	22/12/2016
2016/53220	A J Caldwell and J W Caldwell	12 Douglas Street, Winton	Winton Wallacetown	Section 243(e) - Cancellation of right of way easement	15	360.00	Theresa Cameron	21/12/2016
2016/53221	John Young Farming Limited	1 Hastings Street, Ohai	Waiau Aparima	Section 348 - Create Right of Way	8	500.00	Jennifer Green	21/12/2016
2016/53223	D M Day	500 Ellis Road, Acton	Mararoa Waimea	Boundary adjustment subdivision of land zoned Rural	12	600.00	Jennifer Green	19/12/2016
2016/53225	J D Langford	48 Durham Street, Winton	Winton Wallacetown	Subdivision to create two lots	10	660.00	Olivia Krielen	22/12/2016

## January 2017

Application Number	Applicant	Address	Ward	Description of Application	Working Days (from receipt of all information)	Total Costs Incurred	Processing Officer	Decision Date
2016/53185	Nathan McDermott Building Limited	6 Crimea Street, Wyndham	Waihopai Toetoes	To build a lean-to shed on existing building to store vehicles	20	840.00	Theresa Cameron	10/01/2017
2016/53205	Birchwood Hunt Incorporated	407 Jubilee Hill Road, Otautau	Waiau Aparima	House and keep 30-40 Harrier hounds	6	600.00	Kelwyn Osborn	6/01/2017
2016/53209	N J Bennett	9 Smith Place, Stewart Island	Stewart Island Rakiura	Boundary adjustment	32	528.00	Kelwyn Osborn	6/01/2017 - Discount of \$72.00
2016/53218	McCallum Livestock Limited	1059A Winton Lorneville Highway, Lochiel	Winton Wallacetown	Section 125 Extension to Timeframe - 360/10/06/261 for a period of five years	17	500.00	Kelwyn Osborn	6/01/2017
2016/53222	T C Ciaffoni and J E Ciaffoni	472C Te Anau Milford Highway, Te Anau	Mararoa Waimea	Construct a single unit accommodation unit	9	600.00	Kelwyn Osborn	6/01/2017
2016/53224	A W Smellie and J I Smellie	130 Wallacetown Lorneville Highway, Makarewa	Winton Wallacetown	Building platform within 150 m of neighbours dwelling	13	600.00	Theresa Cameron	12/01/2017
2016/53228	Porpoise Bay Limited	531 Waikawa Curio Bay Road, Slope Point - Curio Bay	Waihopai Toetoes	Section 127 - Change of conditions - 2.1 and 21 of 360/10/15/144	20	500.00	Marcus Roy	25/01/2017
2016/53230	Fiordland Lakeview Apartments Limited	46 Lakefront Drive, Te Anau	Mararoa Waimea	To construct a new 10 unit motel	18	840.00	Olivia Krielen	31/01/2017
2016/53233	G W Halder and L M Halder	251 Oreti School Road, Oreti Plains	Winton Wallacetown	Section 348 - Create Right of Way	9	500.00	Olivia Krielen	19/01/2017
2016/53234	R A Vick	105 Ramparts Road, Te Anau	Mararoa Waimea	To excavate building site for a house and shed	14	600.00	Olivia Krielen	26/01/2017

## February 2017

## Item 8.5 Attachment D

Application Number	Applicant	Address	Ward	Description of Application	Working Days (from receipt of all information)	Total Costs Incurred	Processing Officer	Decision Date
2016/53192	W A Black and S A Black	52 Sandy Brown Road, Te Anau	Mararoa Waimea	Urban subdivision - two lots	25	1320.00	Theresa Cameron	28/02/2017
2016/53200	McDermott Coaches Limited	24 Moore Road, Winton	Winton Wallacetown	To replace a 10,000 litre diesel tank	28	600.00	Jennifer Green	7/02/2017
2016/53212	M J O'Rourke and M C O'Rourke	39 Taylor Road East, Rakahouka	Winton Wallacetown	Subdivision consent - three lots and to locate a building platforms on Lots 2 and 3 which will not comply with minimum separation distance	27	446.00	Jennifer Green	14/02/2017
2016/53213	M J O'Rourke and M C O'Rourke	39 Taylor Road East, Rakahouka	Winton Wallacetown	Land use - three lots and to locate a building platforms on Lots 2 and 3 which will not comply with minimum separation distance - linked to 360/10/16/212	27	446.00	Jennifer Green	14/02/2017
2016/53217	Forest Management Limited	309C McKenzie Road, Waikaia - Cattle Flat	Mararoa Waimea	Plant Douglas Fir in a Mountain Overlay Area	6	600.00	Theresa Cameron	13/02/2017 Withdrawn
2016/53229	G A Railton and A J Railton	(TEMPORARY ADDRESS ONLY) 190 Tihaka Beach Road	Waiau Aparima	To build within 150 metres from an exiting dwelling, within a Coastal Hazard Zone	1	600.00	Kelwyn Osborn	21/02/2017
2016/53231	W A Lawton and M H Herdman	157 Taramoa Road, Argyle Corner	Winton Wallacetown	Create four lots	20	600.00	Jennifer Green	23/02/2017
2017/53001	David L Dumbleton Family Trust	248 Coal Pit Road, Edendale	Waihapai Toetoes	Section 127 - Change of Resource Consent Condition 09/275 - extraction of 20,000 m <sup>3</sup> per year for a 10 year period, not exceeding 200,000 m <sup>3</sup>	20	500.00	Olivia Krielen	3/02/2017
2017/53002	M C McCurdy and H P McCurdy	122 Milton Street, Riverton South	Waiau Aparima	To construct a shed within a ONFL	20	600.00	Theresa Cameron	20/02/2017
2017/53003	M G Smith and K J Rodger	231 Java Road, Centre Bush	Winton Wallacetown	Construct an unspecified dwelling within the building platform	19	600.00	Olivia Krielen	9/02/2017
2017/53004	J C Ferguson and R J Ferguson and D L Dumbleton and others	123 Crescent Road, Edendale	Waihapai Toetoes	Subdivision of land in the Rural Resource Area for a boundary adjustment	13	600.00	Olivia Krielen	9/02/2017
2017/53006	Milford Sound Infrastructure Limited	13 Gravelpit Lane, Milford Sound	Mararoa Waimea	Construct a utilities trench for the provision of power, gas, water, wastewater and telecom services	20	600.00	Olivia Krielen	17/02/2017
2017/53009	D R Frew	34 Ivy Street, Riverton Rocks	Waiau Aparima	For a boundary adjustment subdivision	15	300.00	Jennifer Green	27/02/2017
2017/53019	D R Frew	34 Ivy Street, Riverton Rocks	Waiau Aparima	Section 241 application - to cancel the existing amalgamation condition	15	300.00	Jennifer Green	27/02/2017



## Financial Report for the month ended 28 February 2017

**Record No:** R/17/4/7769  
**Author:** Robert Tweedie, Management Accountant  
**Approved by:** Anne Robson, Chief Financial Officer

☐ Decision ☐ Recommendation ☒ Information

### Background

1. This report outlines the financial results for the eight months to 28 February 2017 or 67% of the financial year.
2. The Monthly and YTD Actual results, in the attached Summary Monthly Financial Report, are compared to the Full Year Budget (Projection) in the 2016/2017 Annual Plan Budget. The projection values include any carried forward items approved by Council in August 2016 and will include any changes as a result of October forecasting that Council approved. The 2016/2017 Annual Plan budget is shown in the Monthly Financial Summary Report as the Full Year Budget (Budget).

### Overview

3. The Summary Monthly Financial Report consolidates the business units within each of the key areas of the Executive Leadership Team (ELT) responsibility. The following commentary focusses on the year to date (YTD) results excluding GST.
4. The Detailed Monthly Financial Report includes more detailed explanations and commentary on variances by the Executive Leadership Team. Commentary generally focuses on the year to date (YTD) results and, where specified, monthly results.
5. Part of the monthly review involves budget managers phasing or timing their budgets in conjunction with the Finance team. Where phasing of budgets has not occurred, one twelfth of annual budgeted cost is used to calculate the monthly budget.
6. In the Council Summary and Detail Reports, the values in the columns for:
  - The Monthly Budget is phased, where appropriate, and includes forecasting.
  - The YTD Budget is the Annual Plan, carry forwards and forecasting year to date.
  - The Full Year Budget is the LTP budget for the year.
  - The Full Year Projection is the forecasted year end result.
7. The first round of forecasting for the first four months has been adopted. The revised budgets are included in the monthly, year to date budgets and projection.
8. Council staff will continue to refine the format of this report to enhance the financial information reported. We welcome any feedback or suggestions on further improvements that could be made to this report.
9. Phasing of budgets occurs in the first 2 months of the financial year, at forecasting and when one-off costs have actually occurred. This should reduce the number of variance explanations due to timing.

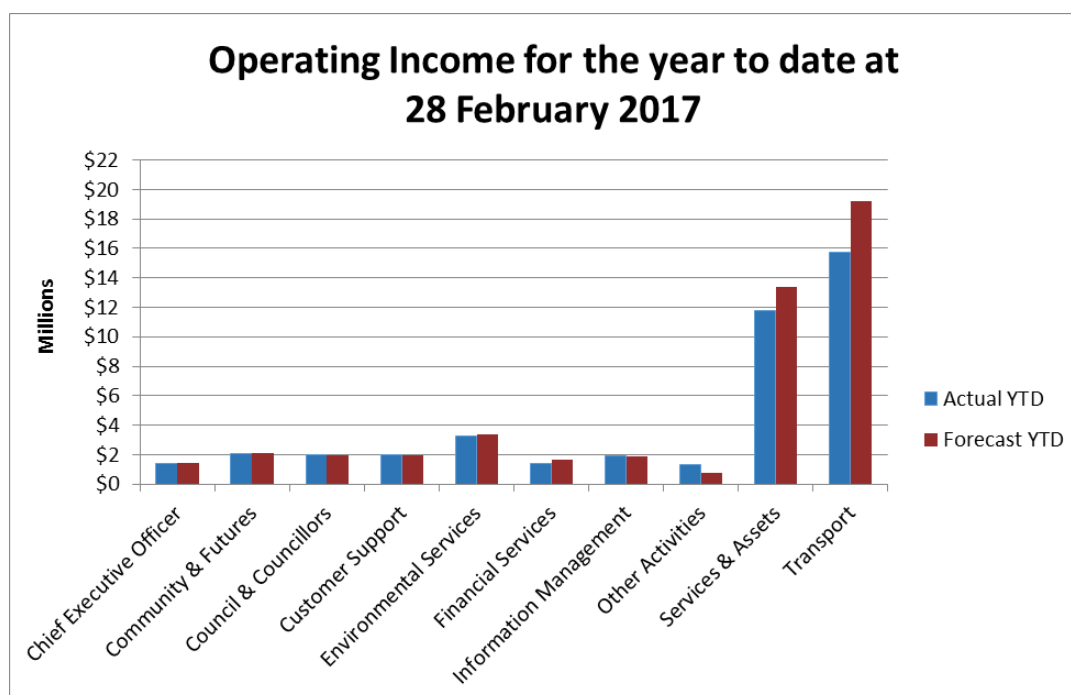
10. The Council Summary Report (actuals vs *phased and forecast* budget) year to date are as follows:

YEAR TO DATE	Actual	Budget	Variance	Act to Bgt
<b>INCOME</b>	\$ 42.7M	\$ 47.8M	(\$5.1M)	↓ (11%)
<b>OPERATING EXPENDITURE</b>	\$ 32.3M	\$ 34.4M	\$ 2.1M	↑ 6%
<b>NET SURPLUS / (DEFICIT)</b>	\$ 10.4M	\$ 13.4M	-\$ 3.0M	↓ (23%)

YEAR TO DATE	Actual	Budget	Variance	Act to Bgt
<b>CAPITAL EXPENDITURE</b>	\$ 8.9M	\$ 18.0M	\$ 9.1M	↓ 50%

### Income

11. Operating Income is \$5.1M (11%) under budget year to date (\$42.7M actual vs \$47.8M budget).



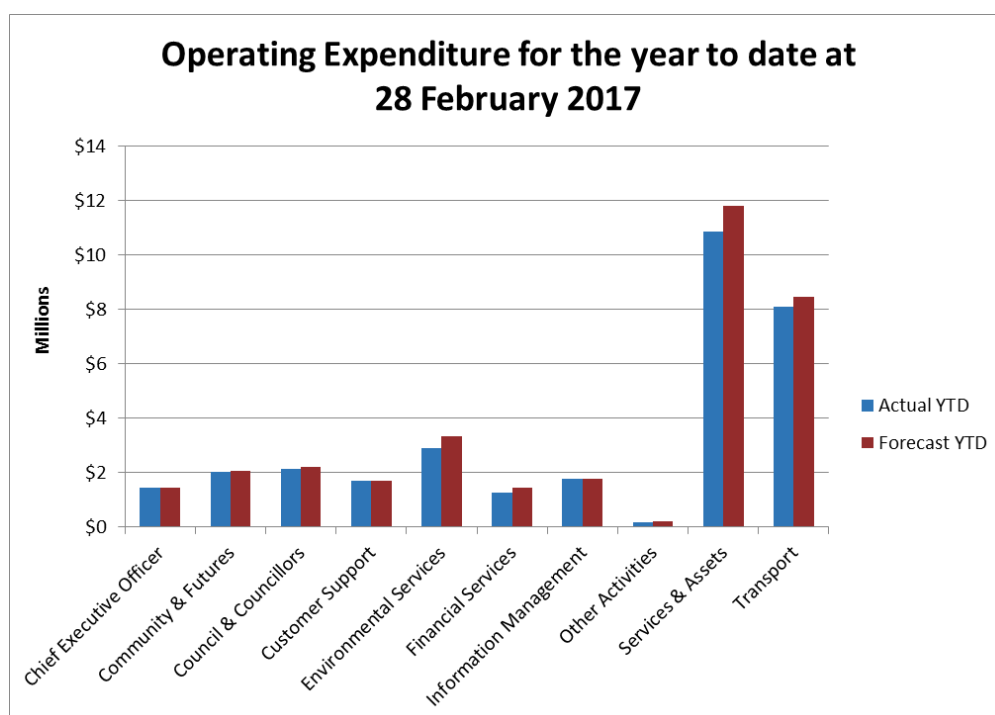
12. Other Activities is over budget due to:

- A grant of \$105K was returned to the allocations committee. This was originally allocated to the Edendale Hall project which is no longer going ahead.
- External interest income on operating investments is higher than budgeted. Annual budget assumptions were made based on the level of cash reserves of projected capital works that were going to be undertaken. Cash reserves which would have been applied to these projects have resulted in higher cash reserves than budgeted earning additional interest income.

13. Services and Assets are under budget.
- Community Engineers and Engineering Consultants business units are internally funded and under budget year to date. The costs are lower for both these business units against budget but forecast to be on target by the end of the year.
  - To date, forestry sales have been below budget but are set to increase now that logging has commenced at Dipton. Dipton sales are forecast to be ahead of target by year end due to better sale prices and greater than expected volumes. Additionally the creation of some access tracks have also resulted in additional harvesting occurring.
14. Transport and Roding income is below budget year to date. This year's capital works programme has commenced but still behind the planned schedule which directly affects the level of income from NZTA. The work programme and NZTA funding is still planned to be on budget by year end.

### Operating Expenditure

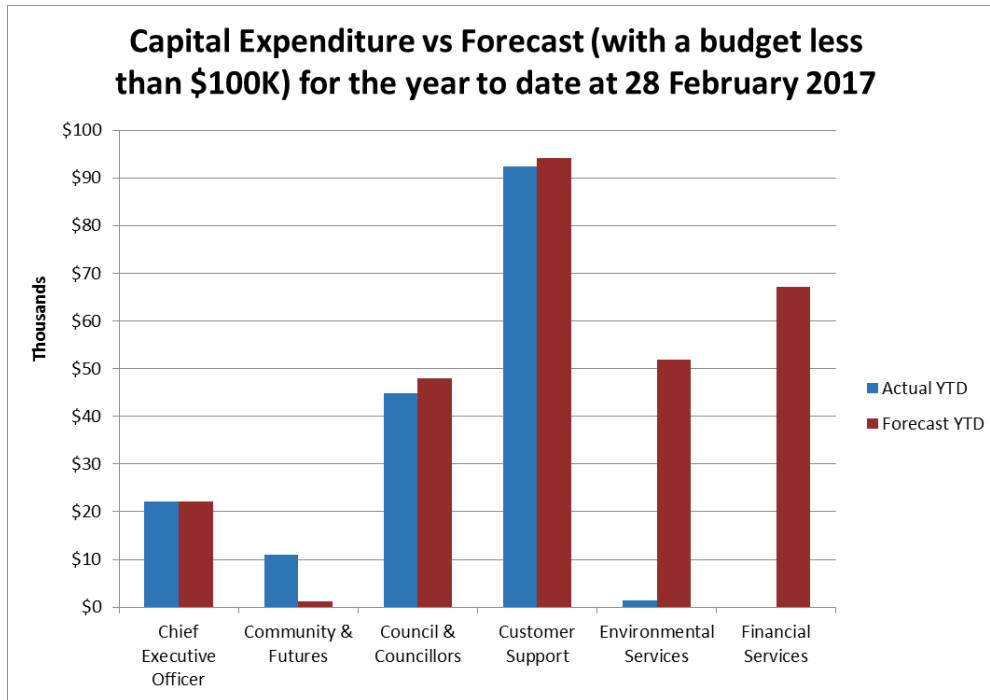
15. Operating Expenditure is \$2.1M or 6% under budget for the year to date (\$32.3M actual vs \$34.4M budget).



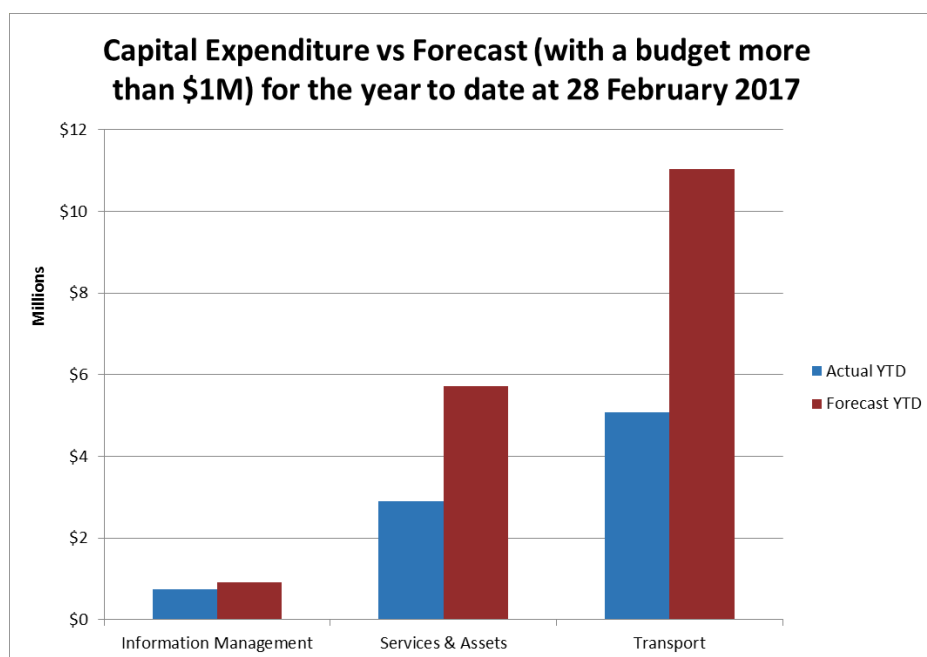
16. Environmental Services is below budget due to reduced staffing levels particularly in resource consents and planning.
17. Within Financial Services, insurance and valuation roll costs are estimated to be well below budget for the year as well as savings due to staff vacancies.
18. Services and Assets are under budget by \$0.9M. Logging at Dipton has commenced later than expected but it is forecast that expenditure will be on target by year end.
19. Transport and Roding operational maintenance costs are slightly behind budget but are expected to be in line with budget by year end.

### Capital Expenditure

20. Capital Expenditure is \$9.1M (50%) under budget year to date (\$8.9M actual v \$18M budget).



21. Community and Futures capital expenditure relates to office furniture purchased in the Policy and Governance areas. This will be funded from savings in the business unit or the district operating reserves.
22. Due to a current review of the vehicle policy, vehicles within a number of areas have not yet been replaced. The capital budget above for Environmental services is for vehicle replacements.
23. Additionally, Financial Services has not yet replaced the Council pool vehicle or started the office upgrades. The office upgrade is due to start during April and will under budget.



24. Capital expenditure for Services and Assets is overall \$2.8M below budget. Projects in Water (\$1.6M behind budget) and Sewerage (\$0.9M behind budget) are still in the design and tender phase and yet to commence. Work on the Winton Water Main replacement has begun and will continue through until June. At this stage it is anticipated that the Riversdale Sewerage Treatment upgrade will not be undertaken. A portion of the total Annual plan cost has been removed as part of the last forecasting round, some funds have been retained for a possible land purchase. Water and Waste projects to the value of \$2M have been moved to 2017/18.
25. Overall roading capital expenditure is \$5.9M less than budgeted for the year to date due to weather conditions. The resealing programme and tendered projects is expected to increase significantly to meet the target by year end.

### **Balance Sheet**

26. Council's financial position as at 28 February 2017 is detailed below and is for the activities of Council only. The balance sheet as at 30 June 2016 represents the audited balance sheet for activities of Council and includes SIESA and Venture Southland.
27. Current Assets (Other Financial Assets) at 30 June 2016 includes loans to Venture and SIESA. An additional amount of \$10M in term deposits was disclosed under Other Financial Assets. This is in line with reporting standards for deposits with a term of 90 days or more at year end.
28. At 28<sup>th</sup> February 2017, Council had \$13M invested in four term deposits ranging from one to three month maturities as follows:

Bank	Amount	Interest Rate	Date Invested	Maturity Date
ANZ	\$ 2,000,000	2.89%	29-Nov-16	29-Mar-17
ASB	\$ 5,000,000	3.50%	30-Nov-16	30-May-17
BNZ	\$ 3,000,000	2.85%	28-Feb-17	18-May-17
WPC	\$ 3,000,000	3.40%	30-Nov-16	19-Apr-17

29. Funds on call:

Balance at 28 February 2017	Bank	Interest Rate
\$ 5,012,462	BNZ	0.30%
\$ 2,000,000	Westpac	1.55%

The high level of deposits is due to the third instalment of rates being collected at the end of February.

30. The movement in Property, Plant and Equipment is the budgeted depreciation for the year to date.
31. The reduction in internal loans are the repayment of loans. These are loans to the local communities raised in June each year.
32. The increase in Non-Current Assets (Intangible Assets) is the acquisition costs for the Council's digitisation software.

**SOUTHLAND DISTRICT COUNCIL  
STATEMENT OF FINANCIAL POSITION  
28 February 2017**

Item 9.1

	Actual 28-Feb-17	Actual 30-Jun-16
<b>Equity</b>		
Retained Earnings	721,396,507	727,868,332
Asset Revaluation Reserves	628,114,960	628,114,960
Other Reserves	30,676,903	31,174,431
Fair Value Reserve	1,983,063	1,983,063
	<b>1,382,171,433</b>	<b>1,389,140,785</b>
<b>Represented by:</b>		
<b>Current Assets</b>		
Cash & Cash Equivalents	18,857,448	5,714,785
Trade and Other Receivables	1,548,969	5,854,023
Inventories	85,148	98,991
Other Financial Assets	421,198	12,511,753
	<b>20,912,763</b>	<b>24,179,551</b>
<b>Non-Current Assets</b>		
Property, Plant and Equipment	1,351,421,945	1,358,059,613
Intangible Assets	2,646,799	2,177,601
Forestry Assets	12,951,000	12,951,000
Internal Loans	18,214,372	19,992,918
Work in Progress	2,849,290	2,779,101
Other Financial Assets	3,647	3,956
	<b>1,388,087,053</b>	<b>1,395,964,188</b>
<b>TOTAL ASSETS</b>	<b>1,408,999,816</b>	<b>1,420,143,740</b>
<b>Current Liabilities</b>		
Trade and Other Payables	4,560,614	6,696,612
Contract Retentions and Deposits	433,795	449,416
Employee Benefit Liabilities	1,147,191	1,341,157
Development and Financial Contributions	2,286,209	2,285,557
Borrowings	0	51,092
Landfill Contingency	14,000	14,000
	<b>8,441,808</b>	<b>10,837,833</b>
<b>Non-Current Liabilities</b>		
Employment Benefit Liabilities	147,051	147,051
Provision for Decommissioning	25,151	25,151
Internal Loans - Liability	18,214,373	19,992,919
	<b>18,386,575</b>	<b>20,165,121</b>
<b>TOTAL LIABILITIES</b>	<b>26,828,383</b>	<b>31,002,954</b>
<b>NET ASSETS</b>	<b>1,382,171,433</b>	<b>1,389,140,785</b>

## Recommendation

That the Council:

- a) **Receives the report titled “Financial Report for the month ended 28 February 2017” dated 11 April 2017.**

## Attachments

- A Council's District Activities Summary Monthly Financial Report - 28 February 2017 [↓](#)
- B Council's District Activities Detailed Monthly Financial Report - 28 February 2017 [↓](#)





## **DISTRICT COUNCIL ACTIVITIES**

(ATTACHMENT TO THE REPORT TO COUNCIL)

# **SUMMARY MONTHLY FINANCIAL REPORT FOR FEBRUARY 2017**

**Key Financial Indicators**

<i>Indicator</i>	<i>Actual</i>	<i>Target*</i>	<i>Variance</i>	<i>Compliance</i>
External Funding: Non rateable income/Total income	29%	≥ 36%	-7%	⊗
Working Capital: Current Assets/Current Liabilities	2.48	≥0.39	2.09	✓
Debt Ratio:** Total Liabilities/Total Assets	0.62%	≤0.82%	-0.20%	✓
Debt To Equity Ratio: Total Debt/Total Equity	0.00%	≤0.01%	-0.01%	✓

\* All target indicators have been calculated using the 2016/17 Annual Plan figures.

\*\* Excludes internal loans.

**Financial Ratios Calculations:****External Funding:**

Non Rateable Income
Total Income

This ratio indicates the percentage of revenue received outside of rates. The higher the proportion of revenue that the Council has from these sources the less reliance it has on rates income to fund its costs. This is a financial prudence benchmark on Rates Income affordability set by Council.

This ratio was under the target at the end of February due to NZTA roading revenue that Council wasn't entitled to yet and not receiving the final grant for the Cycle Trail due to delays in its completion.

**Working Capital:**

Current Assets
Current Liabilities

This ratio indicates the amount by which short-term assets exceed short term obligations. The higher the ratio the more comfortable the Council can fund its short term liabilities.

**Debt Ratio:**

Total Liabilities
Total Assets

This ratio indicates the capacity of which the Council can borrow funds. This ratio is generally used by lending institutions to assess entities financial leverage. Generally the lower the ratio the more capacity to borrow.

**Debt to Equity Ratio:**

Total Debt
Total Equity

It indicates what proportion of equity and debt the Council is using to finance its assets.

For the period ending February 2017

## Council Summary Report



	Monthly				YTD				Full Year Budget			
Income	Actual	Budget	Variance	Var %	Actual	Budget	Variance	Var %	Budget	Projection	Variance	Var %
Chief Executive Officer	112,878	137,426	(24,548)	(18%)	1,371,590	1,435,447	(63,857)	(4%)	2,141,745	2,141,745	-	-
Community & Futures	250,108	264,791	(14,682)	(6%)	2,033,648	2,118,326	(84,678)	(4%)	3,177,489	3,177,489	-	-
Council & Councillors	243,387	246,890	(3,504)	(1%)	1,975,621	1,975,122	499	-	2,963,922	2,963,922	-	-
Customer Support	262,181	245,687	16,494	7%	2,023,510	1,965,496	58,014	3%	2,948,244	2,948,244	-	-
Environmental Services	308,036	369,336	(61,300)	(17%)	3,235,750	3,382,482	(146,733)	(4%)	4,867,538	4,867,538	-	-
Financial Services	167,586	202,864	(35,279)	(17%)	1,427,537	1,673,101	(245,564)	(15%)	2,593,131	2,534,745	(58,386)	(2%)
Information Management	213,193	237,261	(24,068)	(10%)	1,904,590	1,898,089	6,501	-	2,847,133	2,847,133	-	-
Other Activities	334,102	101,873	232,229	228%	1,285,885	760,284	525,601	69%	1,530,012	1,530,012	-	-
Services & Assets	1,326,684	1,647,839	(321,155)	(19%)	11,739,844	13,387,122	(1,647,278)	(12%)	18,941,677	20,157,567	1,215,890	6%
Transport	1,872,613	3,139,654	(1,267,041)	(40%)	15,740,522	19,190,038	(3,449,516)	(18%)	29,098,745	29,326,645	227,900	1%
<b>Total</b>	<b>5,090,767</b>	<b>6,593,621</b>	<b>(1,502,854)</b>	<b>(23%)</b>	<b>42,738,497</b>	<b>47,785,507</b>	<b>(5,047,010)</b>	<b>(11%)</b>	<b>71,109,636</b>	<b>72,495,040</b>	<b>1,385,404</b>	<b>2%</b>
	Monthly				YTD				Full Year Budget			
Operating Expenditure	Actual	Budget	Variance	Var %	Actual	Budget	Variance	Var %	Budget	Projection	Variance	Var %
Chief Executive Officer	73,274	196,800	123,526	63%	1,427,844	1,435,236	7,392	1%	2,240,976	2,240,976	-	-
Community & Futures	248,017	250,378	2,361	1%	2,016,919	2,056,827	39,908	2%	3,155,182	3,155,182	-	-
Council & Councillors	97,028	78,749	(18,279)	(23%)	2,127,345	2,192,611	65,266	3%	2,980,327	3,028,928	(48,601)	(2%)
Customer Support	227,089	206,034	(21,055)	(10%)	1,697,443	1,697,460	18	-	2,584,457	2,594,157	(9,700)	-
Environmental Services	340,131	387,208	47,076	12%	2,879,289	3,326,445	447,156	13%	5,115,012	5,115,012	-	-
Financial Services	146,047	159,159	13,112	8%	1,251,640	1,434,658	183,019	13%	2,333,876	2,260,424	73,452	3%
Information Management	188,202	215,503	27,302	13%	1,770,961	1,755,893	(15,068)	(1%)	2,726,526	2,677,607	48,919	2%
Other Activities	182,157	12,034	(170,123)	(1414%)	158,276	204,424	46,148	23%	1,493,388	1,493,388	-	-
Services & Assets	1,346,785	1,568,514	221,729	14%	10,864,290	13,100,077	2,235,787	17%	15,509,128	17,360,018	(1,850,890)	(12%)
Transport	993,916	1,667,991	674,075	40%	8,091,437	13,056,533	4,965,096	38%	12,584,678	12,584,678	-	-
<b>Total</b>	<b>3,842,645</b>	<b>4,742,369</b>	<b>899,724</b>	<b>19%</b>	<b>32,285,444</b>	<b>40,260,165</b>	<b>7,974,721</b>	<b>20%</b>	<b>50,723,550</b>	<b>52,510,370</b>	<b>(1,786,820)</b>	<b>(4%)</b>
	Monthly				YTD				Full Year Budget			
	Actual	Budget	Variance	Var %	Actual	Budget	Variance	Var %	Budget	Projection	Variance	Var %
<b>Net Surplus/(Deficit)</b>	<b>1,248,122</b>	<b>1,851,252</b>	<b>(603,129)</b>	<b>(33%)</b>	<b>10,453,053</b>	<b>7,525,343</b>	<b>2,927,710</b>	<b>39%</b>	<b>20,386,086</b>	<b>19,984,670</b>	<b>(401,416)</b>	<b>(2%)</b>
	Monthly				YTD				Full Year Budget			
Capital Expenditure	Actual	Budget	Variance	Var %	Actual	Budget	Variance	Var %	Budget	Projection	Variance	Var %
Chief Executive Officer	-	22,222	22,222	100%	22,222	22,222	-	-	-	22,222	(22,222)	-
Community & Futures	869	145	(724)	(498%)	11,078	1,162	(9,916)	(853%)	1,743	1,743	-	-

## Item 9.1 Attachment A

For the period ending February 2017

## Council Summary Report



Council & Councillors	-	20,086	20,086	100%	44,795	47,938	3,143	7%	47,938	47,938	-	-
Customer Support	18,325	11,766	(6,559)	(56%)	92,349	94,125	1,777	2%	123,021	141,188	(18,167)	(15%)
Environmental Services	-	6,485	6,485	100%	1,334	51,879	50,545	97%	77,819	77,819	-	-
Financial Services	-	3,398	3,398	100%	-	67,187	67,187	100%	40,780	80,780	(40,000)	(98%)
Information Management	107,002	114,167	7,165	6%	737,342	913,333	175,991	19%	3,141,081	1,370,000	1,771,081	56%
Services & Assets	(235,629)	716,238	951,867	133%	2,913,184	5,729,905	2,816,721	49%	12,449,250	8,594,858	3,854,392	31%
Transport	511,151	2,617,349	2,106,198	80%	5,083,172	11,029,667	5,946,495	54%	17,297,491	17,727,491	(430,000)	(2%)
<b>Total</b>	<b>401,718</b>	<b>3,489,634</b>	<b>3,087,916</b>	<b>88%</b>	<b>8,905,476</b>	<b>17,957,419</b>	<b>9,051,944</b>	<b>50%</b>	<b>33,179,123</b>	<b>28,064,039</b>	<b>5,115,084</b>	<b>15%</b>

	Monthly				YTD				Full Year Budget			
Funding Adjustments	Actual	Budget	Variance	Var %	Actual	Budget	Variance	Var %	Budget	Projection	Variance	Var %
Chief Executive Officer	-	8,269	(8,269)	(100%)	-	66,154	(66,154)	(100%)	99,231	99,231	-	-
Community & Futures	(172)	(1,714)	1,541	(90%)	(17,600)	(5,787)	(11,812)	204%	(20,564)	(12,642)	7,922	(39%)
Council & Councillors	-	9,412	(9,412)	(100%)	23,056	75,296	(52,240)	(69%)	64,343	112,944	48,601	76%
Customer Support	(15,532)	(17,742)	2,210	(12%)	(124,254)	(141,933)	17,679	(12%)	(240,766)	(212,899)	27,867	(12%)
Environmental Services	-	27,108	(27,108)	(100%)	(15,526)	216,862	(232,388)	(107%)	325,293	325,293	-	-
Financial Services	(21,988)	(18,592)	(3,396)	18%	(175,900)	(148,733)	(27,167)	18%	(223,100)	(223,100)	-	-
Information Management	(2,337)	100,039	(102,376)	(102%)	(18,693)	800,316	(819,009)	(102%)	3,020,474	1,200,474	(1,820,000)	(60%)
Other Activities	-	(3,052)	3,052	(100%)	(105,000)	(24,416)	(80,584)	330%	(36,624)	(36,624)	-	-
Services & Assets	(19,224)	534,027	(553,251)	(104%)	(153,792)	4,272,213	(4,426,005)	(104%)	9,016,700	5,797,308	(3,219,392)	(36%)
Transport	-	(126,657)	126,657	(100%)	9,054	1,492,913	(1,483,859)	(99%)	783,424	985,524	202,100	26%
<b>Total</b>	<b>(59,252)</b>	<b>511,099</b>	<b>(570,352)</b>	<b>(112%)</b>	<b>(578,655)</b>	<b>6,602,885</b>	<b>(7,181,540)</b>	<b>(109%)</b>	<b>12,788,411</b>	<b>8,035,509</b>	<b>(4,752,902)</b>	<b>(37%)</b>



## **DISTRICT COUNCIL ACTIVITIES**

(ATTACHMENT TO THE REPORT TO COUNCIL)

# **DETAILED MONTHLY FINANCIAL REPORT FOR FEBRUARY 2017**



For the period ending February 2017

## Council Detail Report

	Chief Executive Officer											
	Monthly				YTD				Full Year Budget			
Income	Actual	Budget	Variance	Var %	Actual	Budget	Variance	Var %	Budget	Projection	Variance	Var %
Chief Executive	(15,964)	20,425	(36,389)	(178%)	434,968	443,001	(8,033)	(2%)	680,738	680,738	-	-
Civil Defence	21,180	21,414	(234)	(1%)	171,146	171,315	(168)	-	256,972	256,972	-	-
Community Outcomes	3,750	3,750	-	-	30,000	30,000	-	-	45,000	45,000	-	-
Council Elections	21,666	5,535	16,131	291%	57,182	44,277	12,904	29%	66,416	66,416	-	-
People and Capability	38,072	50,497	(12,425)	(25%)	346,014	403,979	(57,966)	(14%)	605,969	605,969	-	-
Rural Fire Control	24,430	24,700	(270)	(1%)	197,408	197,603	(194)	-	296,404	296,404	-	-
Shared Services Forum	-	-	-	-	56,444	56,439	5	-	56,439	56,439	-	-
SI Visitor Levy	19,743	11,104	8,639	78%	78,428	88,833	(10,405)	(12%)	133,807	133,807	-	-
<b>Total</b>	<b>112,878</b>	<b>137,426</b>	<b>(24,548)</b>	<b>(18%)</b>	<b>1,371,590</b>	<b>1,435,447</b>	<b>(63,857)</b>	<b>(4%)</b>	<b>2,141,745</b>	<b>2,141,745</b>	<b>-</b>	<b>-</b>
	Monthly				YTD				Full Year Budget			
Operating Expenditure	Actual	Budget	Variance	Var %	Actual	Budget	Variance	Var %	Budget	Projection	Variance	Var %
Chief Executive	38,176	51,968	13,792	27%	485,832	445,399	(40,433)	(9%)	679,654	679,654	-	-
Civil Defence	20	-	(20)	-	192,889	192,729	(160)	-	256,972	256,972	-	-
Community Outcomes	-	3,750	3,750	100%	50,000	30,000	(20,000)	(67%)	45,000	45,000	-	-
Council Elections	(2,167)	13,941	16,108	116%	101,136	111,525	10,389	9%	167,288	167,288	-	-
People and Capability	37,245	48,338	11,092	23%	346,014	395,654	49,641	13%	605,969	605,969	-	-
Rural Fire Control	-	74,101	74,101	100%	222,672	222,303	(369)	-	296,404	296,404	-	-
Shared Services Forum	-	4,703	4,703	100%	29,435	37,626	8,191	22%	56,439	56,439	-	-
SI Visitor Levy	-	-	-	-	(133)	-	133	-	133,250	133,250	-	-
<b>Total</b>	<b>73,274</b>	<b>196,800</b>	<b>123,526</b>	<b>63%</b>	<b>1,427,844</b>	<b>1,435,236</b>	<b>7,392</b>	<b>1%</b>	<b>2,240,976</b>	<b>2,240,976</b>	<b>-</b>	<b>-</b>
	Monthly				YTD				Full Year Budget			
	Actual	Budget	Variance	Var %	Actual	Budget	Variance	Var %	Budget	Projection	Variance	Var %
<b>Net Surplus/(Deficit)</b>	<b>39,604</b>	<b>(59,374)</b>	<b>98,978</b>	<b>(167%)</b>	<b>(56,254)</b>	<b>211</b>	<b>(56,465)</b>	<b>(26767%)</b>	<b>(99,231)</b>	<b>(99,231)</b>	<b>-</b>	<b>-</b>
	Monthly				YTD				Full Year Budget			
Capital Expenditure	Actual	Budget	Variance	Var %	Actual	Budget	Variance	Var %	Budget	Projection	Variance	Var %
Chief Executive	-	22,222	22,222	100%	22,222	22,222	-	-	-	22,222	(22,222)	-
Civil Defence	-	-	-	-	-	-	-	-	-	-	-	-
People and Capability	-	-	-	-	-	-	-	-	-	-	-	-
SI Visitor Levy	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>22,222</b>	<b>22,222</b>	<b>100%</b>	<b>22,222</b>	<b>22,222</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22,222</b>	<b>(22,222)</b>	<b>-</b>

**CHIEF EXECUTIVE COMMENTARY****Chief Executive**

Income in this business unit is 8% (\$2K) over budget predominantly due to higher rates penalties income (\$13K over) for the year. The charges are calculated quarterly so will fluctuate depending on the month. This revenue stream is income from ratepayers not paying on time.

Expenditure year to date is 9% (\$40K) over budget. This is mainly due to the annual membership of NZ Society of Local Government Managers (\$18K) and Consultants for the independent review of Around the Mountain Cycle Track (\$22k) year to date.

**Civil Defence**

Income and expenditure are on budget.

Rates collected are paid as a grant to Environment Southland for emergency management.

**Community Outcomes**

Income is on target year to date. This activity is internally funded.

The year to date overspend is as a result of \$50K being paid as part of the agreed SDC allocation to the SORDS project. The annual budget is \$45K and is expected to be \$5K over budget for the year.

**Council Elections**

Income 29% over budget. This activity partly funded from rates and nomination deposits.

An over spend on election costs of \$101K against a budget of \$111K year to date has resulted in expenses being 9% under budget. These expenses are expected to be within the full year budget of \$167K.

**People and Capability**

Income year to date is 14% (\$58K) under budget. This activity is internally funded and lower expenditure directly impacts on income allocated to this activity.

Expenditure year to date is 13% (\$50K) under budget year to date. This is mainly due to lower expenditure than budgeted on training (\$26K), other expenditure for OSH (\$6K) and consultants (\$12K). This activity is internally funded. The reduced expenditure impacts directly on income.

**Rural Fire Control**

Income and expenditure are on budget.

Rates collected are paid out as a grant to Southern Rural Fire.

This activity will be managed at a national level from 1 July 2017.

**Shared Services Forum**

Income is on target and expenditure is \$8K below budget for the year to date.

Additional consultant fees are expected for the establishment of SORDS.

**Stewart Island Visitor Levy**

Income is 12% (\$10K) behind budget as levies are still to be processed.

Last year, the bulk of the levies were collected over the summer months from December through to the end of May. Levies collected for the month was \$19K (\$9K over budget) indicating an upward trend in tourists visiting the island.





For the period ending February 2017

## Council Detail Report

	Community & Futures											
	Monthly				YTD				Full Year Budget			
	Actual	Budget	Variance	Var %	Actual	Budget	Variance	Var %	Budget	Projection	Variance	Var %
<b>Income</b>												
Communications and Engagement	109,194	95,224	13,970	15%	695,224	761,791	(66,567)	(9%)	1,142,687	1,142,687	-	-
Community Leadership	50,382	46,717	3,665	8%	394,002	373,733	20,269	5%	560,599	560,599	-	-
Governance	40,042	52,135	(12,093)	(23%)	401,288	417,082	(15,794)	(4%)	625,623	625,623	-	-
Strategy & Policy	50,490	70,715	(20,225)	(29%)	543,134	565,720	(22,586)	(4%)	848,580	848,580	-	-
<b>Total</b>	<b>250,108</b>	<b>264,791</b>	<b>(14,682)</b>	<b>(6%)</b>	<b>2,033,648</b>	<b>2,118,326</b>	<b>(84,678)</b>	<b>(4%)</b>	<b>3,177,489</b>	<b>3,177,489</b>	<b>-</b>	<b>-</b>
	Monthly				YTD				Full Year Budget			
	Actual	Budget	Variance	Var %	Actual	Budget	Variance	Var %	Budget	Projection	Variance	Var %
<b>Operating Expenditure</b>												
Communications and Engagement	107,621	90,412	(17,209)	(19%)	682,644	735,952	(53,308)	(7%)	1,121,580	1,121,580	-	-
Community Leadership	50,382	42,636	(7,746)	(18%)	394,002	359,763	(34,239)	(10%)	560,599	560,599	-	-
Governance	40,024	49,089	9,065	18%	401,139	405,341	(4,202)	(1%)	625,623	625,623	-	-
Strategy & Policy	49,990	68,241	18,251	27%	539,134	555,770	(16,636)	(3%)	847,380	847,380	-	-
<b>Total</b>	<b>248,017</b>	<b>250,378</b>	<b>2,361</b>	<b>1%</b>	<b>2,016,919</b>	<b>2,056,827</b>	<b>39,908</b>	<b>2%</b>	<b>3,155,182</b>	<b>3,155,182</b>	<b>-</b>	<b>-</b>
	Monthly				YTD				Full Year Budget			
	Actual	Budget	Variance	Var %	Actual	Budget	Variance	Var %	Budget	Projection	Variance	Var %
<b>Net Surplus/(Deficit)</b>	<b>2,091</b>	<b>14,413</b>	<b>(12,322)</b>	<b>(85%)</b>	<b>16,729</b>	<b>61,499</b>	<b>(44,770)</b>	<b>(73%)</b>	<b>22,307</b>	<b>22,307</b>	<b>-</b>	<b>-</b>
	Monthly				YTD				Full Year Budget			
	Actual	Budget	Variance	Var %	Actual	Budget	Variance	Var %	Budget	Projection	Variance	Var %
<b>Capital Expenditure</b>												
Communications and Engagement	-	145	145	100%	-	1,162	1,162	100%	1,743	1,743	-	-
Community Leadership	-	-	-	-	-	-	-	-	-	-	-	-
Governance	-	-	-	-	1,290	-	(1,290)	-	-	-	-	-
Strategy & Policy	869	-	(869)	-	9,788	-	(9,788)	-	-	-	-	-
<b>Total</b>	<b>869</b>	<b>145</b>	<b>(724)</b>	<b>(498%)</b>	<b>11,078</b>	<b>1,162</b>	<b>(9,916)</b>	<b>(853%)</b>	<b>1,743</b>	<b>1,743</b>	<b>-</b>	<b>-</b>

**COMMUNITY AND FUTURES COMMENTARY**

This group's Income is 4% (\$84K) under budget and expenditure is 2% (\$40K) under budget for the year-to-date.

**Communications and Engagement**

As this activity is internally funded, the expenditure impacts directly on the income allocated to this business unit.

Income is 12% under budget and expenditure is 11% under budget.

Expenditure was down mainly due to the First Edition Publication (Printing) being \$31K below budget year to date, \$17K on Communication and Public expenditure and \$12K underspent on General Projects.

**Community Leadership**

Income is 5% over budget and expenditure is 8% over budget year to date.

As this activity is internally funded the expenditure impacts directly on income allocation.

Expenditure reflects staff related costs of \$40K undertaking roles which had not been budgeted in this financial year.

**Governance**

Income is 1% under budget and expenditure is 1% under budget year to date. There are no significant variances this month.

As this activity is internally funded the expenditure impacts directly on income allocation.

Capital expenditure includes minor furniture acquisitions which were not budgeted.

**Strategy and Policy**

Income is on target year to date. As this activity is internally funded the expenditure impacts directly on income allocation.

Capital expenditure of \$9K was for furniture acquisitions as part of the office relocation which were not budgeted.



For the period ending February 2017

## Council Detail Report

	Council & Councillors											
	Monthly				YTD				Full Year Budget			
Income	Actual	Budget	Variance	Var %	Actual	Budget	Variance	Var %	Budget	Projection	Variance	Var %
Council and Councillors	65,193	66,752	(1,559)	(2%)	535,911	534,013	1,898	-	801,020	801,020	-	-
Council Contributions/Gran	32,590	32,950	(360)	(1%)	263,341	263,600	(259)	-	395,400	395,400	-	-
International Relations Commit	912	922	(10)	(1%)	7,369	7,376	(7)	-	12,303	12,303	-	-
Venture Southland	144,692	146,267	(1,574)	(1%)	1,169,000	1,170,133	(1,133)	-	1,755,199	1,755,199	-	-
Total	243,387	246,890	(3,504)	(1%)	1,975,621	1,975,122	499	-	2,963,922	2,963,922	-	-
	Monthly				YTD				Full Year Budget			
Operating Expenditure	Actual	Budget	Variance	Var %	Actual	Budget	Variance	Var %	Budget	Projection	Variance	Var %
Council and Councillors	80,276	82,046	(18,229)	(29%)	487,934	544,747	56,813	10%	832,425	832,425	-	-
Council Contributions/Gran	16,752	15,678	(1,075)	(7%)	312,210	313,061	851	-	380,400	415,400	(35,000)	(9%)
International Relations Commit	-	1,025	1,025	100%	600	8,202	7,602	93%	12,303	12,303	-	-
Venture Southland	-	-	-	-	1,326,600	1,326,600	-	-	1,755,199	1,768,800	(13,601)	(1%)
Total	97,028	78,749	(18,279)	(23%)	2,127,345	2,192,611	65,266	3%	2,980,327	3,028,928	(48,601)	(2%)
	Monthly				YTD				Full Year Budget			
	Actual	Budget	Variance	Var %	Actual	Budget	Variance	Var %	Budget	Projection	Variance	Var %
Net Surplus/(Deficit)	146,359	168,141	(21,782)	(13%)	(151,724)	(217,489)	65,764	(30%)	(16,405)	(65,006)	(48,601)	296%
	Monthly				YTD				Full Year Budget			
Capital Expenditure	Actual	Budget	Variance	Var %	Actual	Budget	Variance	Var %	Budget	Projection	Variance	Var %
Council and Councillors	-	20,086	20,086	100%	44,795	47,938	3,143	7%	47,938	47,938	-	-
Total	-	20,086	20,086	100%	44,795	47,938	3,143	7%	47,938	47,938	-	-

**COUNCIL AND COUNCILLORS' COMMENTARY**

This group's total Income is on target and total expenditure 3% below budget year to date.

**Council and Councillors**

Income is on target and expenditure is 10% under budget.

Councillors and board members' costs are \$14K under budget for the year. Training (Conferences and courses) \$25K and other expenditure (predominantly Catering) was also \$8K lower than budgeted.

**Council Contributions / Grants**

Income and expenditure is on target year to date

Committed grants have been allocated.

**International Relations Committee**

Income is on budget and expenditure is 93% (\$12K) under budget for this reporting period.

The International Relations Committee has been disestablished and now included under the Community and Policy Committee.

**Venture Southland**

Income and expenditure is on target year to date. This business unit consists of rates collected and the grant paid to Venture Southland.



For the period ending February 2017

## Council Detail Report

	Customer Support											
	Monthly				YTD				Full Year Budget			
	Actual	Budget	Variance	Var %	Actual	Budget	Variance	Var %	Budget	Projection	Variance	Var %
Income												
Area Offices	51,105	50,156	949	2%	422,804	401,249	21,555	5%	601,873	601,873	-	-
Customer Services	125,098	107,025	18,073	17%	906,908	856,199	50,709	6%	1,284,298	1,284,298	-	-
District Library	85,978	88,506	(2,528)	(3%)	693,799	708,049	(14,250)	(2%)	1,062,073	1,062,073	-	-
Total	262,181	245,687	16,494	7%	2,023,510	1,965,496	58,014	3%	2,948,244	2,948,244	-	-
	Monthly				YTD				Full Year Budget			
Operating Expenditure	Actual	Budget	Variance	Var %	Actual	Budget	Variance	Var %	Budget	Projection	Variance	Var %
Area Offices	21,359	21,864	505	2%	168,146	175,528	7,382	4%	262,985	262,985	-	-
Customer Services	125,077	104,611	(20,466)	(20%)	906,747	860,715	(46,032)	(5%)	1,324,298	1,324,298	-	-
District Library	80,652	79,558	(1,094)	(1%)	622,550	661,218	38,668	6%	997,174	1,006,874	(9,700)	(1%)
Total	227,089	206,034	(21,055)	(10%)	1,697,443	1,697,460	18	-	2,584,457	2,594,157	(9,700)	-
	Monthly				YTD				Full Year Budget			
	Actual	Budget	Variance	Var %	Actual	Budget	Variance	Var %	Budget	Projection	Variance	Var %
Net Surplus/(Deficit)	35,092	39,653	(4,561)	(12%)	326,068	268,036	58,032	22%	363,787	354,087	(9,700)	(3%)
	Monthly				YTD				Full Year Budget			
Capital Expenditure	Actual	Budget	Variance	Var %	Actual	Budget	Variance	Var %	Budget	Projection	Variance	Var %
Area Offices	3,272	-	(3,272)	-	8,691	-	(8,691)	-	-	-	-	-
Customer Services	-	-	-	-	295	-	(295)	-	-	-	-	-
District Library	15,053	11,766	(3,287)	(28%)	83,363	94,125	10,762	11%	123,021	141,188	(18,167)	(15%)
Total	18,325	11,766	(6,559)	(56%)	92,349	94,125	1,777	2%	123,021	141,188	(18,167)	(15%)

**CUSTOMER SUPPORT**

Overall YTD we are 18% ahead of plan however, because the last year we did not phase the costs across the year, this is subject to change with expenditure in March for the upgrade of the Customer Support work area and payment to Invercargill City Council for access to the library system – Symphony.

**Area Offices**

The transfer of the Stewart Island Area Office to combining with the Stewart Island Library has required some electrical, networking and building work so there is some capital expenditure, however this is expected to come under \$10,000 in total.

**Customer Support**

This area is 5% over budget due to travel and staff costs to maintain all of our sites being open with staff on extended leave or undertaking training in new systems and processes. This is expected to continue with more work being transferred across to the Customer Support area and more time required to coach and facilitate learning for staff.

**Libraries**

Income is still below plan due to a less money from recoveries such as fines and charges. Customers are renewing their books which reduces the income. We have received income for the bookbus service that visits parts of the Gore district now. Expenses are 6% below plan but in March payments for access to Symphony via Invercargill City Council will impact this.



For the period ending February 2017

## Council Detail Report

	Environmental Services											
	Monthly				YTD				Full Year Budget			
	Actual	Budget	Variance	Var %	Actual	Budget	Variance	Var %	Budget	Projection	Variance	Var %
Income												
Alcohol Licensing	13,567	17,052	(3,485)	(20%)	140,866	136,419	4,446	3%	205,290	205,290	-	-
Animal Control	11,966	15,100	(3,135)	(21%)	450,141	482,803	(32,662)	(7%)	555,620	555,620	-	-
Building Regulations	100,162	131,923	(31,761)	(24%)	937,220	1,055,380	(118,160)	(11%)	1,583,070	1,583,070	-	-
Enviro & Com Dev Admin	17,760	20,420	(2,660)	(13%)	142,199	163,357	(21,158)	(13%)	245,036	245,036	-	-
Environmental Health	13,906	10,704	3,202	30%	120,327	103,161	17,165	17%	145,978	145,978	-	-
Health Licensing	109	6,599	(6,490)	(98%)	98,734	101,058	(2,325)	(2%)	122,090	122,090	-	-
Museum	51,958	51,975	(17)	-	434,465	415,801	18,663	4%	623,702	623,702	-	-
Regulatory - Non Recoverab	11,135	11,258	(123)	(1%)	89,973	90,062	(89)	-	135,093	135,093	-	-
Resource Consent Processin	64,040	80,612	(16,572)	(21%)	632,468	644,895	(12,427)	(2%)	967,343	967,343	-	-
Resource Planning/Policy	23,434	23,693	(259)	(1%)	189,358	189,544	(186)	-	284,316	284,316	-	-
<b>Total</b>	<b>308,036</b>	<b>369,336</b>	<b>(61,300)</b>	<b>(17%)</b>	<b>3,235,750</b>	<b>3,382,482</b>	<b>(146,733)</b>	<b>(4%)</b>	<b>4,867,538</b>	<b>4,867,538</b>	<b>-</b>	<b>-</b>
	Monthly				YTD				Full Year Budget			
	Actual	Budget	Variance	Var %	Actual	Budget	Variance	Var %	Budget	Projection	Variance	Var %
Operating Expenditure												
Alcohol Licensing	14,664	16,683	2,019	12%	133,734	137,332	3,597	3%	212,409	212,409	-	-
Animal Control	41,124	50,354	9,230	18%	399,566	423,337	23,770	6%	656,828	656,828	-	-
Building Regulations	86,589	122,777	36,188	29%	917,822	1,012,501	94,679	9%	1,555,905	1,555,905	-	-
Enviro & Com Dev Admin	17,760	17,792	33	-	142,199	150,996	8,797	6%	236,348	236,348	-	-
Environmental Health	7,928	10,049	2,122	21%	104,833	105,529	696	1%	145,978	145,978	-	-
Health Licensing	8,603	9,627	1,025	11%	76,660	79,161	2,501	3%	122,090	122,090	-	-
Museum	82,789	46,087	(36,702)	(80%)	463,869	437,385	(26,485)	(6%)	623,702	623,702	-	-
Regulatory - Non Recoverab	-	-	-	-	31,339	47,283	15,944	34%	135,093	135,093	-	-
Resource Consent Processin	65,542	76,396	10,853	14%	537,550	629,929	92,379	15%	967,343	967,343	-	-
Resource Planning/Policy	15,133	37,442	22,309	60%	71,717	302,995	231,278	76%	459,316	459,316	-	-
<b>Total</b>	<b>340,131</b>	<b>387,208</b>	<b>47,076</b>	<b>12%</b>	<b>2,879,289</b>	<b>3,326,445</b>	<b>447,156</b>	<b>13%</b>	<b>5,115,012</b>	<b>5,115,012</b>	<b>-</b>	<b>-</b>
	Monthly				YTD				Full Year Budget			
	Actual	Budget	Variance	Var %	Actual	Budget	Variance	Var %	Budget	Projection	Variance	Var %
Net Surplus/(Deficit)	(32,096)	(17,872)	(14,224)	80%	356,460	56,037	300,423	536%	(247,474)	(247,474)	-	-
	Monthly				YTD				Full Year Budget			
	Actual	Budget	Variance	Var %	Actual	Budget	Variance	Var %	Budget	Projection	Variance	Var %
Capital Expenditure												
Animal Control	-	-	-	-	498	-	(498)	-	-	-	-	-
Building Regulations	-	3,403	3,403	100%	-	27,222	27,222	100%	40,833	40,833	-	-
Enviro & Com Dev Admin	-	3,082	3,082	100%	-	24,657	24,657	100%	36,986	36,986	-	-
Environmental Health	-	-	-	-	836	-	(836)	-	-	-	-	-
Health Licensing	-	-	-	-	-	-	-	-	-	-	-	-
Museum	-	-	-	-	-	-	-	-	-	-	-	-
Resource Consent Processin	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>6,485</b>	<b>6,485</b>	<b>100%</b>	<b>1,334</b>	<b>51,879</b>	<b>50,545</b>	<b>97%</b>	<b>77,819</b>	<b>77,819</b>	<b>-</b>	<b>-</b>

**ENVIRONMENTAL SERVICES COMMENTARY**

**Overall February 2017 monthly income for the Environmental Services Group was 17% (\$61,300) below budget at \$308,036 actual versus \$369,336 budget.**

Key features of this month's income were that Building Control income was 24% (\$31,761) below budget at \$100,162 actual, versus \$131,923 budget reflecting levels of activity, and Resource Consent Processing was 21% (\$16,572) below budget at \$64,040 actual versus \$80,612 budget. This is a reflection of relatively low levels of activity within the District, particularly large scale commercial and industrial activity, with Te Anau and Winton being the main exceptions to this.

Overall February 2017 monthly expenditure for the Environmental Services Group was 12% (\$47,076) below budget at \$340,238 actual v \$387,314 budget.

Most departments were well below budget expenditure-wise, reflecting a close focus on spending, which is important in the current economic/ development climate.

The only exception to this was "Museums" where expenditure was 80% (\$36,702) ahead of budget due the March invoice being paid early in February. This should correct itself next month.

Overall Group YTD Summary as at end of February 2017 of the 2016/2017 financial year:

**Overall Group YTD Income at the end of February 2017 for the 2016/2017 financial year is 4% (\$146,733) below budget, at \$3,235,750 actual versus \$3,382,482 budget.**

It is anticipated that if the current trend regarding levels of incoming development-related work continues, then overall Group income could be approximately \$250,000 below the original 2016/2017 Annual Plan income budget, at year end.

This is largely a reflection of the current development climate in the Southland District where, with the exception of the Te Anau area, development activity, particularly larger scale activity, has been relatively subdued. Some staff resourcing changes have been made to reflect these economic conditions, and this will continue to be monitored.

Overall Group YTD Expenditure at the end of February 2017 of the 2016/2017 financial year is 13% (\$440,019) below budget at \$2,887,279 actual versus \$3,327,298 budget.





For the period ending February 2017

## Council Detail Report

	Financial Services											
	Monthly				YTD				Full Year Budget			
Income	Actual	Budget	Variance	Var %	Actual	Budget	Variance	Var %	Budget	Projection	Variance	Var %
Financial Services	167,586	202,864	(35,279)	(17%)	1,427,537	1,673,101	(245,564)	(15%)	2,593,131	2,534,745	(58,386)	(2%)
Total	167,586	202,864	(35,279)	(17%)	1,427,537	1,673,101	(245,564)	(15%)	2,593,131	2,534,745	(58,386)	(2%)
	Monthly				YTD				Full Year Budget			
Operating Expenditure	Actual	Budget	Variance	Var %	Actual	Budget	Variance	Var %	Budget	Projection	Variance	Var %
Financial Services	146,047	159,159	13,112	8%	1,251,640	1,434,658	183,019	13%	2,333,876	2,260,424	73,452	3%
Total	146,047	159,159	13,112	8%	1,251,640	1,434,658	183,019	13%	2,333,876	2,260,424	73,452	3%
	Monthly				YTD				Full Year Budget			
	Actual	Budget	Variance	Var %	Actual	Budget	Variance	Var %	Budget	Projection	Variance	Var %
Net Surplus/(Deficit)	21,539	43,705	(22,166)	(51%)	175,897	238,442	(62,545)	(26%)	259,255	274,321	15,066	6%
	Monthly				YTD				Full Year Budget			
Capital Expenditure	Actual	Budget	Variance	Var %	Actual	Budget	Variance	Var %	Budget	Projection	Variance	Var %
Financial Services	-	43,398	43,398	100%	-	67,187	67,187	100%	40,780	80,780	(40,000)	(98%)
Total	-	43,398	43,398	100%	-	67,187	67,187	100%	40,780	80,780	(40,000)	(98%)

**FINANCIAL SERVICES COMMENTARY**

Operating expenditure is 13% (\$183K) under budget for the year to date. The annual maintenance cost of councils purchase order system (\$25k) is payable in April. Valuation Roll costs and insurance will be under budget at year end by \$55K. Staff vacancies has resulted in staff costs being \$47K under budget. A review of Council's outstanding debt and processes is currently underway, as a result of this debt collection costs are less than budgeted (\$25K). Currently Visa and Mastercard charges are \$10k behind budget however the fees associated with the payments of the third rates instalment will bring actual costs closer to budget. Consultants costs are also well under budget with assistance only recently being sought (\$17K).

As part of forecasting \$40k Capital expenditure has been set aside for renovations in the finance area, this will be funded from underspends above. It is expected that this business unit will be still be well under budget at year end.

As this activity is internally funded the reduced expenditure impacts income.



For the period ending February 2017

## Council Detail Report

	Information Management											
	Monthly				YTD				Full Year Budget			
Income	Actual	Budget	Variance	Var %	Actual	Budget	Variance	Var %	Budget	Projection	Variance	Var %
Information Management	151,015	151,720	(705)	-	1,237,320	1,213,757	23,563	2%	1,820,636	1,820,636	-	-
Knowledge Management	34,704	52,811	(18,107)	(34%)	400,164	422,487	(22,322)	(5%)	633,730	633,730	-	-
Property & Spatial Services	27,475	32,731	(5,256)	(16%)	267,105	261,845	5,261	2%	392,767	392,767	-	-
<b>Total</b>	<b>213,193</b>	<b>237,261</b>	<b>(24,068)</b>	<b>(10%)</b>	<b>1,904,590</b>	<b>1,898,089</b>	<b>6,501</b>	<b>-</b>	<b>2,847,133</b>	<b>2,847,133</b>	<b>-</b>	<b>-</b>
	Monthly				YTD				Full Year Budget			
Operating Expenditure	Actual	Budget	Variance	Var %	Actual	Budget	Variance	Var %	Budget	Projection	Variance	Var %
Information Management	126,231	134,436	8,206	6%	1,105,354	1,096,493	(8,860)	(1%)	1,673,358	1,673,358	-	-
Knowledge Management	34,496	49,589	15,093	30%	398,502	402,383	3,881	1%	660,401	611,482	48,919	7%
Property & Spatial Services	27,475	31,478	4,003	13%	267,105	257,017	(10,089)	(4%)	392,767	392,767	-	-
<b>Total</b>	<b>188,202</b>	<b>215,503</b>	<b>27,302</b>	<b>13%</b>	<b>1,770,961</b>	<b>1,755,893</b>	<b>(15,068)</b>	<b>(1%)</b>	<b>2,726,526</b>	<b>2,677,607</b>	<b>48,919</b>	<b>2%</b>
	Monthly				YTD				Full Year Budget			
	Actual	Budget	Variance	Var %	Actual	Budget	Variance	Var %	Budget	Projection	Variance	Var %
<b>Net Surplus/(Deficit)</b>	<b>24,992</b>	<b>21,758</b>	<b>3,234</b>	<b>15%</b>	<b>133,629</b>	<b>142,196</b>	<b>(8,567)</b>	<b>(6%)</b>	<b>120,607</b>	<b>169,526</b>	<b>48,919</b>	<b>41%</b>
	Monthly				YTD				Full Year Budget			
Capital Expenditure	Actual	Budget	Variance	Var %	Actual	Budget	Variance	Var %	Budget	Projection	Variance	Var %
Information Management	64	20,833	20,770	100%	108,888	166,667	57,779	35%	1,750,000	250,000	1,500,000	86%
Knowledge Management	106,938	93,333	(13,605)	(15%)	628,454	746,667	118,213	16%	1,391,081	1,120,000	271,081	19%
<b>Total</b>	<b>107,002</b>	<b>114,167</b>	<b>7,165</b>	<b>6%</b>	<b>737,342</b>	<b>913,333</b>	<b>175,991</b>	<b>19%</b>	<b>3,141,081</b>	<b>1,370,000</b>	<b>1,771,081</b>	<b>56%</b>

**INFORMATION MANAGEMENT COMMENTARY**

Overall Income is 0% (\$6K) over budget for the year-to-date.  
Overall Operating expenditure is 1% (\$15K) over budget for the year-to-date.  
The year-to-date position 6% (\$9K) under budget for the year-to-date.  
Capital expenditure is 81% under budget

**Information Management**

Income is 2% (\$23) over budget for the year-to-date.  
Expenditure is 8% (\$103K) over budget.  
The net year-to-date position is \$7K under budget.

**Capital Work:**

*Core Systems / Business Improvement Project:*

Work is continuing on the mapping and identification of existing processes that are used across Council. This work is being captured in an online tool called ProMapp.

Council offers have established a ProMapp user group which is being used to ensure that knowledge around the usage of ProMapp and recognising any issues that arise whilst undertaking this work as well as recognising the rewards of achieving successes.

The Chief Information Officer will be providing the Executive Leadership team a reporting on a scope and action plan to progress the Business Improvement and Core Systems project, which are seen as a key priority for Council moving towards the goal of becoming an efficient, effective and dynamic organisation. \$250K of the \$1.75M has been forecast to be spent in this financial year. The balance will be carried forward to future years for this project

**Knowledge Management**

Income is 5% (\$22K) under budget.  
Expenditure is 1% (\$4K) under budget year-to-date.  
Capital Expenditure is 16% less than budget. Council expects to spend \$271K less than on these projects for the year.

**Capital Work:**

*Digitisation Project:*

This project has been progressing well with a number of key components close to being completed and planning well underway for how the end result will be delivered to staff and customers.

Planning for the deployment of Public View which will be used for public access has also started with this expected in April 2017.

Council officers are working through some areas of data quality that will be impacting the delivery time and cost of the project. Once these are finalised we will report back to Council as to the overall impact to the budget this is expected in April.

Expenditure to date includes the purchase of Nova software licence and setup of Nova for Council's requirements, project management, and costs associated with packing and transporting files to Power Business Services premises in Auckland.

**Property and Spatial Services**

Income is 2% (\$5K) over budget. This mainly comes from internal income which includes overhead recoveries and GIS income.

Expenditure is 4% (\$10K) over budget.

Over expenditure variances included:

Consultants \$23K over budget year to date and in excess the annual budget. This was due to integration between GMSC (GIS Tool), Google Street view and the Pathway Smart Client. Savings in other expenditure items will ensure that costs are within budget by year end.



For the period ending February 2017

## Council Detail Report

	Other Activities											
	Monthly				YTD				Full Year Budget			
	Actual	Budget	Variance	Var %	Actual	Budget	Variance	Var %	Budget	Projection	Variance	Var %
Income												
Grant Allocation Committees	27,674	25,136	2,538	10%	260,772	146,391	114,381	78%	309,620	309,620	-	-
Operating investments	306,428	76,737	229,692	299%	1,025,113	613,893	411,220	67%	1,220,392	1,220,392	-	-
Total	334,102	101,873	232,229	228%	1,285,885	760,284	525,601	69%	1,530,012	1,530,012	-	-
	Monthly				YTD				Full Year Budget			
Operating Expenditure	Actual	Budget	Variance	Var %	Actual	Budget	Variance	Var %	Budget	Projection	Variance	Var %
Grant Allocation Committees	12,019	8,850	(3,169)	(36%)	131,790	178,951	47,161	26%	322,503	322,503	-	-
Operating investments	170,138	3,184	(166,954)	(5243%)	26,486	25,473	(1,013)	(4%)	1,170,885	1,170,885	-	-
Total	182,157	12,034	(170,123)	(1414%)	158,276	204,424	46,148	23%	1,493,388	1,493,388	-	-
	Monthly				YTD				Full Year Budget			
	Actual	Budget	Variance	Var %	Actual	Budget	Variance	Var %	Budget	Projection	Variance	Var %
Net Surplus/(Deficit)	151,945	89,839	62,106	69%	1,127,609	555,860	571,749	103%	36,624	36,624	-	-

**OTHER ACTIVITIES COMMENTARY****Grant Allocation Committees**

Year to date Income is 78% (\$114K) over budget. This is due to \$105K being returned by the Edendale Community Board which had previously been given for the Edendale Hall project which is no longer going ahead. Additionally, Creative Community and Sport NZ funding is expected to be approximately \$5K and \$3K over budget at year end respectively.

Year to date Expenditure is 26% (\$47K) under budget. The first Allocations committee meeting was held in December 2016 with grants totalling \$118K awarded. Additionally, grants totalling \$16K were awarded in December for the Ohai Railway Board. Creative NZ Grants were awarded in February, totalling \$14K, these were awarded later than usual due to changes to the committee structure.

**Operating Investments**

Income is \$525K over budget year to date.

- Interest earned on operating investments is \$259K over budget. Surplus cash has been invested as it has not been needed for the distribution of internal loans.
- Internal Interest received on loans is calculated monthly and is (\$2388K) less than budget year to date. This is mainly due to internal loan balances being less than budgeted. Council has set the interest rate to be charged on these loans as part of its 10 Year Plan process. Interest is being charged on a monthly basis on all internal loan draw-downs up until 30 June, end of the last financial year.
- Internal Interest is only calculated at year end on Reserves, Cost of Capital and Contribution balances and budgeted to be received at year end in June.



For the period ending February 2017

## Council Detail Report

	Services & Assets											
	Monthly				YTD				Full Year Budget			
	Actual	Budget	Variance	Var %	Actual	Budget	Variance	Var %	Budget	Projection	Variance	Var %
Income												
Area Engineers	80,168	97,725	(17,556)	(18%)	720,524	781,799	(61,274)	(8%)	1,172,698	1,172,698	-	-
Around Mountains Cycle Trail	6,593	3,417	3,176	93%	27,584	27,333	251	1%	541,000	41,000	(500,000)	(92%)
Council Property	92,530	76,878	15,651	20%	664,675	615,027	49,647	8%	925,562	925,562	-	-
District Reserves	13,752	13,904	(152)	(1%)	111,125	111,235	(109)	-	166,852	166,852	-	-
District Sewerage	280,520	290,544	(10,023)	(3%)	2,358,852	2,383,927	(25,075)	(1%)	3,500,579	3,555,579	55,000	2%
District Water	237,924	244,686	(6,761)	(3%)	2,092,354	2,102,317	(9,963)	-	3,230,030	3,230,030	-	-
Engineering Administration	43,150	42,320	830	2%	322,562	338,561	(15,998)	(5%)	507,841	507,841	-	-
Engineering Consultants	45,885	67,438	(21,553)	(32%)	454,594	539,503	(84,908)	(16%)	809,254	809,254	-	-
Forestry	-	276,895	(276,895)	(100%)	650,515	2,215,160	(1,564,644)	(71%)	1,661,850	3,322,740	1,660,890	100%
Property Administration	44,500	46,657	(2,157)	(5%)	360,641	373,257	(12,616)	(3%)	559,886	559,886	-	-
Public Conveniences	61,277	56,550	4,727	8%	468,066	452,402	15,664	3%	678,603	678,603	-	-
Road Safety Com. Advisor	-	3,082	(3,082)	(100%)	68,897	24,654	44,243	179%	36,991	36,991	-	-
Waste Management	319,452	321,513	(2,061)	(1%)	2,631,356	2,572,106	59,250	2%	3,863,337	3,863,337	-	-
Water Services	81,292	82,350	(1,057)	(1%)	652,545	658,797	(6,252)	(1%)	1,000,626	1,000,626	-	-
Work Schemes (CTF)	19,639	23,881	(4,242)	(18%)	155,552	191,045	(35,493)	(19%)	286,568	286,568	-	-
<b>Total</b>	<b>1,326,684</b>	<b>1,647,839</b>	<b>(321,155)</b>	<b>(19%)</b>	<b>11,739,844</b>	<b>13,387,122</b>	<b>(1,647,278)</b>	<b>(12%)</b>	<b>18,941,677</b>	<b>20,157,567</b>	<b>1,215,890</b>	<b>6%</b>
	Monthly				YTD				Full Year Budget			
	Actual	Budget	Variance	Var %	Actual	Budget	Variance	Var %	Budget	Projection	Variance	Var %
Operating Expenditure												
Area Engineers	80,156	87,051	6,895	8%	720,426	738,014	17,588	2%	1,148,316	1,148,316	-	-
Around Mountains Cycle Trail	4,186	17,167	12,981	76%	287,584	137,333	(150,251)	(109%)	41,000	206,000	(165,000)	(402%)
Council Property	63,120	61,750	(1,370)	(2%)	692,730	679,347	(13,383)	(2%)	911,347	926,347	(15,000)	(2%)
District Reserves	7,625	13,654	6,029	44%	65,632	109,526	43,894	40%	164,143	164,143	-	-
District Sewerage	163,671	276,847	113,176	41%	1,447,807	2,291,017	843,210	37%	2,215,317	2,215,317	-	-
District Water	168,347	264,521	96,174	36%	1,584,297	2,186,022	601,725	28%	2,474,615	2,474,615	-	-
Engineering Administration	43,150	38,838	(4,312)	(11%)	322,562	322,834	271	-	498,368	498,368	-	-
Engineering Consultants	45,885	67,438	21,553	32%	454,594	539,503	84,908	16%	809,254	809,254	-	-
Forestry	35,631	205,418	169,787	83%	680,219	1,685,694	1,005,475	60%	846,477	2,507,367	(1,660,890)	(196%)
Property Administration	42,160	43,348	1,188	3%	357,711	361,294	3,583	1%	559,886	559,886	-	-
Public Conveniences	48,624	48,797	173	-	377,295	407,585	30,291	7%	602,773	602,773	-	-
Road Safety Com. Advisor	9,455	2,538	(6,917)	(273%)	142,359	23,219	(119,141)	(513%)	36,991	36,991	-	-
Waste Management	494,606	317,544	(177,062)	(56%)	2,603,296	2,558,823	(44,473)	(2%)	3,805,379	3,805,379	-	-
Water Services	118,104	102,884	(15,220)	(15%)	954,361	887,307	(67,054)	(8%)	1,127,060	1,137,060	(10,000)	(1%)
Work Schemes (CTF)	22,063	20,718	(1,345)	(6%)	173,415	172,558	(856)	-	268,202	268,202	-	-
<b>Total</b>	<b>1,346,785</b>	<b>1,568,514</b>	<b>221,729</b>	<b>14%</b>	<b>10,864,290</b>	<b>13,100,077</b>	<b>2,235,787</b>	<b>17%</b>	<b>15,509,128</b>	<b>17,360,018</b>	<b>(1,850,890)</b>	<b>(12%)</b>
	Monthly				YTD				Full Year Budget			
	Actual	Budget	Variance	Var %	Actual	Budget	Variance	Var %	Budget	Projection	Variance	Var %
<b>Net Surplus/(Deficit)</b>	<b>(20,101)</b>	<b>79,325</b>	<b>(99,426)</b>	<b>(125%)</b>	<b>875,554</b>	<b>287,045</b>	<b>588,509</b>	<b>205%</b>	<b>3,432,549</b>	<b>2,797,549</b>	<b>(635,000)</b>	<b>(18%)</b>





For the period ending February 2017

## Council Detail Report

	Monthly				YTD				Full Year Budget			
	Actual	Budget	Variance	Var %	Actual	Budget	Variance	Var %	Budget	Projection	Variance	Var %
Capital Expenditure	-	9,061	9,061	100%	-	72,488	72,488	100%	108,732	108,732	-	-
Area Engineers	-	9,061	9,061	100%	-	72,488	72,488	100%	108,732	108,732	-	-
Around Mountains Cycle Trail	(73,640)	25,000	98,640	395%	128,664	200,000	71,336	36%	5,867,764	300,000	5,567,764	95%
Council Property	5,655	37,080	31,425	85%	48,834	296,640	247,806	84%	444,960	444,960	-	-
District Reserves	(10,417)	70,336	80,753	115%	738,372	562,687	(175,685)	(31%)	815,000	844,031	(29,031)	(4%)
District Sewerage	(66,509)	239,379	305,889	128%	1,022,284	1,915,034	892,750	47%	1,744,734	2,872,551	(1,127,817)	(65%)
District Water	(97,237)	319,082	416,319	130%	934,626	2,552,654	1,618,028	63%	3,300,757	3,828,981	(528,224)	(16%)
Engineering Administration	-	3,361	3,361	100%	-	26,885	26,885	100%	40,327	40,327	-	-
Engineering Consultants	-	-	-	-	-	-	-	-	-	-	-	-
Forestry	-	-	-	-	-	-	-	-	-	-	-	-
Property Administration	-	-	-	-	-	-	-	-	-	-	-	-
Public Conveniences	4,979	12,940	7,960	62%	16,527	103,517	86,990	84%	126,976	155,276	(28,300)	(22%)
Road Safety Com. Advisor	-	-	-	-	-	-	-	-	-	-	-	-
Waste Management	1,540	-	(1,540)	-	22,465	-	(22,465)	-	-	-	-	-
Water Services	-	-	-	-	1,412	-	(1,412)	-	-	-	-	-
Work Schemes (CTF)	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>(235,629)</b>	<b>716,238</b>	<b>951,867</b>	<b>133%</b>	<b>2,913,184</b>	<b>5,729,905</b>	<b>2,816,721</b>	<b>49%</b>	<b>12,449,250</b>	<b>8,594,858</b>	<b>3,854,392</b>	<b>31%</b>

**SERVICES AND ASSETS COMMENTARY (EXCLUDING TRANSPORT / ROADING)****Overall Financial Performance**

The overall financial performance of the Services and Assets group shows income and expenditure are under budget year to date.

Overall, income streams are 12% below budget. The forestry result is due to logging commencing in February at Dipton which will be realised in the last 4 months of the year. The revenue flow is not in line with the staged budgets and expected to be \$1.6M more than budget by year end.

Operating expenditure overall is 17% less than budget.

- Around the Mountains Cycle Trail legal expenses for legal and expert witness costs for the Environment Court hearing (\$150k over budget year to date). The outcome of the environment court is being contested and may result in future legal expenditure.
- District Sewerage is \$843K less than budget. Depreciation is \$788K year to date behind budget and will only have the cost entered in June. Internal Interest is \$88K behind budget as interest will only be entered in June when internal loan adjustments are entered.
- District Water is \$602K less than budget. Depreciation is \$513K year to date behind budget and will only have the cost entered in June. Internal Interest is \$39K behind budget as interest will only be entered in June when internal loan adjustments are entered.
- Forestry expenditure is 60% below budget at this point in time. Harvesting commences in February at Dipton and this will increase over the next 4 months.
- The Road Safety Community Advisor costs are 513% over budget. The portion of costs for Gore and Invercargill are not budgeted as they are passed on to Invercargill City Council (ICC), Gore District Council (GDC) and SDC (Transport Division). This business unit is balanced to zero at year end.

Capital expenditure is only 49% of the budgeted figure. Sewerage (\$1M) and District Water (\$2.1M) are under budget as they are in the design phase and not yet underway, or are underway but little costs have come to charge.

For the period ending February 2017



		Roading											
		Monthly				YTD				Full Year Budget			
		Actual	Budget	Variance	Var %	Actual	Budget	Variance	Var%	Budget	Projection	Variance	Var %
<b>Income</b>													
Contributions		-	-	-	-	(9,054)	-	(9,054)	-	-	-	-	-
Grants		733,283	1,999,867	(1,266,584)	(63%)	6,706,164	10,110,754	(3,404,590)	(34%)	15,187,248	15,415,148	227,900	2%
Internal Income		157	-	157	-	35,492	40,507	(5,015)	(12%)	288,938	288,938	-	-
Other Income		46,023	46,330	(308)	(1%)	285,433	329,068	(43,635)	(13%)	505,588	505,588	-	-
Rates		1,093,150	1,093,431	(281)	(0%)	8,722,487	8,706,942	15,546	0%	13,085,913	13,085,913	-	-
User Charges and Fees		-	26	(26)	(100%)	-	2,768	(2,768)	(100%)	31,058	31,058	-	-
<b>Total</b>		<b>1,872,613</b>	<b>3,139,654</b>	<b>(1,267,041)</b>	<b>(40%)</b>	<b>15,740,522</b>	<b>19,190,038</b>	<b>(3,449,516)</b>	<b>(18%)</b>	<b>29,098,745</b>	<b>29,326,645</b>	<b>227,900</b>	<b>1%</b>
<b>Direct Expenditure</b>													
Advertising		-	-	-	-	354	254	(100)	(39%)	769	769	-	-
Communications		426	544	117	22%	3,550	5,206	1,656	32%	7,770	7,770	-	-
Conferences and courses		1,210	1,522	312	21%	7,976	13,532	5,556	41%	16,915	16,915	-	-
Electricity		3,193	3,000	(193)	(6%)	29,954	24,000	(5,954)	(25%)	36,000	36,000	-	-
Fees and Charges		-	-	-	-	-	-	-	-	-	-	-	-
Financial Expenses		-	-	-	-	151	-	(151)	-	-	-	-	-
Insurance		-	-	-	-	2,438	2,731	293	11%	2,731	2,731	-	-
Other Expenditure		(35,622)	526	36,147	6878%	(175,136)	12,896	188,031	1458%	16,333	16,333	-	-
Postage and Stationery		43	10	(32)	(316%)	807	574	(233)	(41%)	1,025	1,025	-	-
Professional Services		(4,560)	154	4,714	3066%	8,782	24,446	15,664	64%	35,875	35,875	-	-
Rates		-	-	-	-	2,014	2,295	281	12%	2,295	2,295	-	-
Repairs and Maintenance	Emergency Reinstatement	88,747	8,585	(80,162)	(934%)	138,306	201,668	63,362	31%	268,710	268,710	-	-
	Environmental Maintenance	44,596	117,470	72,874	62%	761,004	704,822	(56,182)	(8%)	1,067,912	1,067,912	-	-
	General Projects	-	-	-	-	-	-	-	-	-	-	-	-
	Level Crossing Warning Devices	854	6,084	5,230	86%	6,310	22,815	16,505	72%	30,420	30,420	-	-
	Maint - General	(1,970)	427	2,397	561%	23,526	3,417	(20,110)	(589%)	5,125	5,125	-	-
	Network and Asset Management	132,822	231,797	98,976	43%	1,536,245	1,624,428	88,183	5%	2,321,667	2,321,667	-	-
	Routine Drainage Maintenance	33,421	47,610	14,190	30%	682,015	561,309	(120,705)	(22%)	932,177	932,177	-	-
	Sealed Pavement Maintenance	333,651	303,999	(29,651)	(10%)	2,125,962	2,097,595	(28,367)	(1%)	3,039,993	3,039,993	-	-
	Spraying	988	3,177	2,190	69%	27,060	25,417	(1,643)	(6%)	38,125	38,125	-	-
	Stock Underpasses Minor Improv	-	-	-	-	-	38,025	38,025	100%	76,050	76,050	-	-

		Roading											
		Monthly				YTD				Full Year Budget			
		Actual	Budget	Variance	Var %	Actual	Budget	Variance	Var%	Budget	Projection	Variance	Var %
	Street Lighting Transit	2,749	2,292	(457)	(20%)	26,685	18,333	(8,352)	(46%)	27,500	27,500	-	-
	Structures Maintenance	34,442	7,115	(27,327)	(384%)	279,475	115,478	(163,997)	(142%)	172,380	172,380	-	-
	Traffic Services Maintenance	34,959	45,825	10,866	24%	329,841	321,195	(8,445)	(3%)	509,539	509,539	-	-
	Unsealed Pavement Maintenance	208,681	190,932	(17,749)	(9%)	1,295,970	1,618,696	322,726	20%	2,382,424	2,382,424	-	-
Staff Costs		41,568	41,665	97	0%	354,360	358,319	3,959	1%	563,545	563,545	-	-
Travel and Accommodation		64	1,452	1,388	96%	4,583	7,831	3,249	41%	11,719	11,719	-	-
Vehicle Expenses		73	21	(52)	(251%)	5,253	380	(4,873)	(1282%)	(183)	(183)	-	-
<b>Total</b>		<b>920,334</b>	<b>1,014,208</b>	<b>93,874</b>	<b>9%</b>	<b>7,477,285</b>	<b>7,805,662</b>	<b>328,377</b>	<b>4%</b>	<b>11,566,816</b>	<b>11,566,816</b>	<b>-</b>	<b>-</b>
<b>Indirect Expenditure</b>													
Depreciation (Funded)		1,248,922	672,974	(575,948)	(86%)	9,996,515	5,383,790	(4,612,725)	(86%)	8,081,668	8,081,668	-	-
Internal Expenses		72,209	76,374	4,164	5%	598,144	631,596	33,452	5%	994,877	994,877	-	-
<b>Total</b>		<b>1,321,131</b>	<b>749,347</b>	<b>(571,784)</b>	<b>(76%)</b>	<b>10,594,659</b>	<b>6,015,386</b>	<b>(4,579,273)</b>	<b>(76%)</b>	<b>9,076,545</b>	<b>9,076,545</b>	<b>-</b>	<b>-</b>
<b>Net Surplus/(Deficit)</b>		<b>(368,852)</b>	<b>1,376,099</b>	<b>(1,744,951)</b>	<b>(127%)</b>	<b>(2,331,422)</b>	<b>5,368,990</b>	<b>(7,700,412)</b>	<b>(143%)</b>	<b>8,455,384</b>	<b>8,683,284</b>	<b>227,900</b>	<b>3%</b>
<b>Capital Expenditure</b>													
Capital Expenditure	Assoc Imprmnts - Acq LOS	10,127	-	(10,127)	-	10,619	-	(10,619)	-	-	-	-	-
	Bridges - Renewal	(14,773)	169,000	183,773	109%	56,042	416,000	359,958	87%	1,300,000	1,300,000	-	-
	Drainage Renewals - Acq LOS	14,819	71,004	56,185	79%	130,846	1,029,558	898,712	87%	1,183,400	1,183,400	-	-
	Drainage Renewals - Renewal	28,003	18,252	(9,751)	(53%)	191,116	176,436	(14,680)	(8%)	202,800	202,800	-	-
	Minor Improvements Acq LOS	13,811	247,788	233,975	94%	25,835	991,144	965,309	97%	1,027,564	1,457,564	(430,000)	(42%)
	Minor Improvements Renewals	27,321	-	(27,321)	-	312,176	-	(312,176)	-	-	-	-	-
	Other Equip - Acq LOS	-	-	-	-	65	-	(65)	-	-	-	-	-
	Pavement Rehab - Acq LOS	-	-	-	-	-	27,732	27,732	100%	55,463	55,463	-	-
	Pavement Rehab - Renewal	104,769	189,396	84,627	45%	284,249	647,934	363,686	56%	996,822	996,822	-	-
	Preventive Maint - Renewals	116	35,490	35,374	100%	14,217	101,400	87,183	86%	253,500	253,500	-	-
	Seal Rd Resurface - Acq LOS	(11,341)	700,000	711,341	102%	118,809	1,820,000	1,701,191	93%	2,800,000	2,800,000	-	-
	Seal Rd Resurface - Renewal	261,959	886,964	625,005	70%	2,267,529	3,443,506	1,175,978	34%	5,217,434	5,217,434	-	-
	Structure Component - Renewal	(3,336)	23,000	26,336	115%	70,694	172,500	101,806	59%	230,000	230,000	-	-
	Traffic Services - Acq LOS	1,528	27,665	26,138	94%	48,551	617,853	569,302	92%	922,169	922,169	-	-
	Traffic Services - Renewal	48,245	57,746	9,502	16%	407,923	433,098	25,175	6%	721,830	721,830	-	-
	Unsealed Rd Metal - Renewal	29,904	187,928	158,025	84%	1,144,501	1,127,571	(16,930)	(2%)	2,349,106	2,349,106	-	-
	Vehicles - Renewal	-	3,117	3,117	100%	-	24,935	24,935	100%	37,403	37,403	-	-
<b>Total</b>		<b>511,151</b>	<b>2,617,349</b>	<b>2,106,198</b>	<b>80%</b>	<b>5,083,172</b>	<b>11,029,667</b>	<b>5,946,495</b>	<b>54%</b>	<b>17,297,491</b>	<b>17,727,491</b>	<b>(430,000)</b>	<b>(2%)</b>

## TRANSPORT COMMENTARY

*Please note that the budgeted numbers for 16/17 have not been apportioned, therefore a number of the variances are as a result of timing issues.*

### Overall Financial Performance

#### Operating Income

YTD Income is \$15.7m versus a Budget of \$19.2m with a variance of \$3.4m or 18%. The variance is predominantly due to the timing of capital expenditure (\$3m).

#### Direct Expenditure

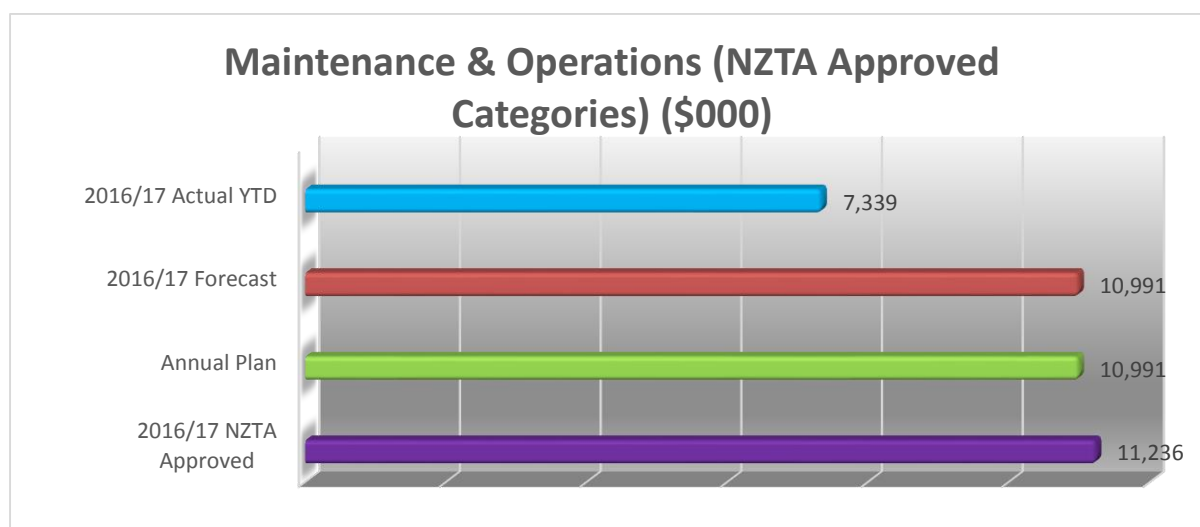
YTD Direct Expenditure is \$7.5m versus a Budget of \$7.8m with a variance of \$300k. The variance is due to an under spend in Network and Asset Management (\$88k) and Emergency Reinstatement (\$63k). The remainder is a series of over and underspends across multiple expense categories.

#### Capital Expenditure

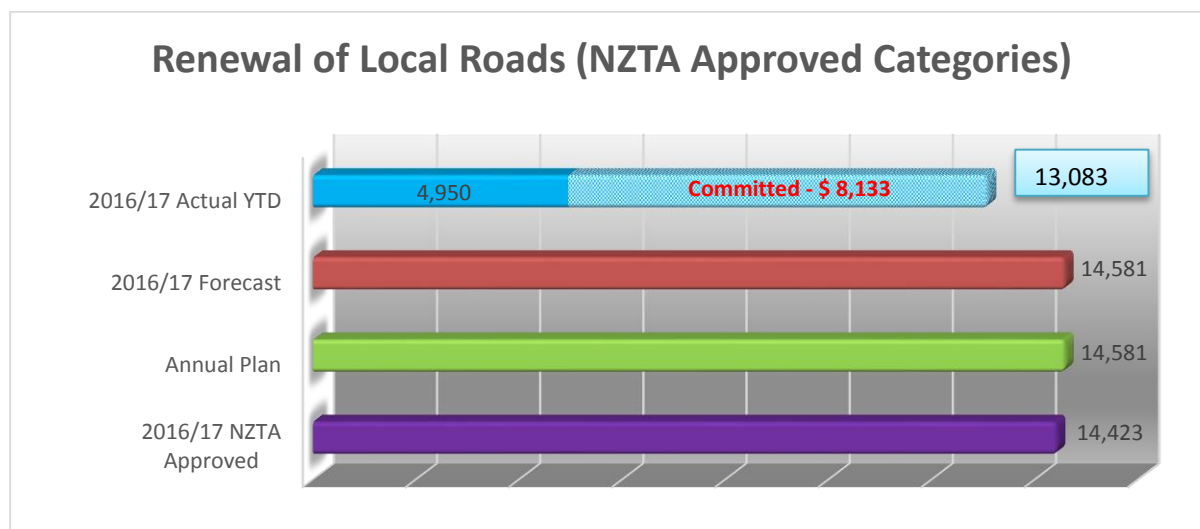
YTD Capital Expenditure is \$5.1m versus a Budget of \$11m with a variance of (\$5.9m). The variance is predominately due to the timing of Capital Expenditure. The variance is due to the reseals contract (\$1.2m) being behind due to the weather. Due to the timing of the Alternative Coastal Route Seal Extension (\$1.7m) the project is yet to be approved so this could impact overall Capital spend for the 2016/17 financial year. Other categories with significant underspends are Bridge Renewals (\$360k), Drainage Renewals (\$899k), Minor Improvements (\$653k), Pavement Rehabs (\$391k) and Traffic Services (\$594k).

### NZTA Performance

*The below information includes the main business activity for Council (excluding the Alternative Coastal Route Seal Extension and other Business Units that are fully funded by NZTA).*



Financial Tracking vs Plans (Maintenance)			
YTD	Forecast	Annual Plan	NZTA Approved
66.78%	66.67%	66.67%	65.32%



Financial Tracking vs Plans (Capital)			
YTD	Forecast	Annual Plan	NZTA Approved
33.95%	66.67%	66.67%	34.09%

#### NZTA Commentary

Maintenance continues to track well against budget with the expectation this will continue for the remainder of the year.

Capital Expenditure is tracking well below budget with weather causing major issues for our Reseal contractors. Three sites were completed over the January and February period of one of our contractors. Two crews are currently working with a sub-contractor expected to start on the 18<sup>th</sup> March. With the cost fluctuation indices having increased significantly since the contract was signed it is expected that the total cost of the Reseal programme will be approximately \$5.5m.

All of the 2016/17 Rehabilitations are under construction or have been tendered with the final Rehab Otapiri Gorge due to be completed in Oct 2017 which will see approx. \$700k carried forward into the 2017/18 financial year. Overall it is expected that this activity will be on budget at year end.

The Minor Improvement projects are under construction with the guardrails for Blackmount Redcliff well underway and designs continuing for 2017/18. Five bridges are currently tendered and at various stages of construction. An order has been placed for LED lights with the installation of LED's in Wallacetown expected to start prior to the end of March. Seal Widening and the Sealing of Bridge aprons are currently being programmed for inclusion in the 2017/18 works programme.

In order to fully utilise the Budget Strategic Roading has instructed SDC's Alliance partners to pull forward some Unsealed Road Metalling and complete additional Unsealed Road

Drainage Renewals. Our Alliance partners are confirming if they can complete the additional works due to the establishment of crushing plants etc.

At this stage Strategic Roding forecast that approx. \$1.2m will be carried forward into the 2017/18 financial year. The \$1.2m is made up of \$700k for Rehabs and \$500k for Reseals. To achieve the remainder of the 2016/17 Budget SDC is still largely reliant on weather and the resources of our contractors.

#### Other Commentary

The outcome of the Alternative Coastal Route decision by Council will dictate the utilisation of Strategic Roding's budget. If this project gets approval then any underspend will be carried forward, at this stage I cannot confirm what to forecast for the 2016/17 year (budget of \$2.8m) as weather will determine the amount of work achieved in the remaining 3 ½ months.

Special Purpose Roads will be under budget for both Expenditure and Income as this Business Unit is 100% funded from NZTA this has no overall impact on SDC. The Lower Hollyford Road has required no emergency works this year with preventative maintenance of \$14k spent the Chaslands Highway.

Transit Recoveries are expected to be on budget at year end, this Business Unit is also 100% funded by NZTA this has no overall impact on SDC.





## Southland Museum and Art Gallery Trust Board - Statement of Intent 2017/2018

Record No: R/17/3/3769  
Author: Bruce Halligan, Group Manager Environmental Services  
Approved by: Steve Ruru, Chief Executive

☐ Decision ☐ Recommendation ☒ Information

### Purpose

- 1 The purpose of this report is to forward the Southland Museum and Art Gallery (SMAG) Trust Board's Statement of Intent 2017/2018 (SOI) to Council as information.

### Executive Summary

- 2 The Southland Museum and Art Gallery Trust Board's Statement of Intent 2015/2016 has been prepared and was submitted to the Board for its consideration and approval.
- 3 This Statement of Intent and it has now been forwarded to Council as information, along with the Interim Annual Report and associated financial statements for the six months ended 31 December 2016.
- 4 Councillors Macpherson and Paterson are the Southland District Council representatives on the SMAG Trust Board.
- 5 It is also noted that the covering letter from the Board Chairperson Cr Lloyd Esler dated 16 February 2017 which accompanied this information (which was a copy of a letter sent to Invercargill City Council Chief Executive Mr Richard King) states that:

*"Because of the proposed developments and changes to the Invercargill Central Business District, the Trust Board will be reviewing its Key Priorities and these may be changed in the near future"*

## Recommendation

That the Council:

- a) **Receives the report titled “Southland Museum and Art Gallery Trust Board - Statement of Intent 2017/2018” dated 12 April 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) **Receives the attached Southland Museum and Art Gallery Trust Board Statement of Intent 2017/2018 and associated Interim Annual Report for the six months ended 31 December 2016 as information.**

## Attachments

- A Southland Museum and Art Gallery Trust Board - Statement of Intent for the Financial Year ending 30 June 2018 [↓](#)
- B Southland Museum and Art Gallery December 2016 Report edited [↓](#)
- C Copy of Southland Museum and Art Gallery letter to Southland District Council Chief Executive - Statement of Intent February 2017 [↓](#)

a) **SOUTHLAND  
MUSEUM AND ART  
GALLERY TRUST  
BOARD**

**STATEMENT OF INTENT**

**FOR THE FINANCIAL YEAR ENDING  
30 June 2018**



**The purpose of this Statement of Intent is to:**

- State publicly the activities and intentions of this Council Controlled Organisation for the year and the objectives to which those activities will contribute; and
- Provide an opportunity for shareholders to influence the direction of the organisation; and
- Provide a basis for the accountability of the board to their stakeholders for the performance of the organisation.

This Statement of Intent covers the year 1 July 2017 to 30 June 2018.

## **1. MISSION, VISION, STRATEGIC OBJECTIVES AND THE THREE YEAR PLANNING PERIOD**

### **1.1 Mission Statement**

- *To preserve and tell the story of Southland - the experience of people and places over time - and inspire Southlanders to explore and understand the world around them.*
- *Pupuri nga taonga tuku iho Mo nga uri whakatupu. Hold strongly on to the treasures that have been handed down to us and for future generations.*

### **1.2 Vision Statement**

- *Southland Museum and Art Gallery is the anchor that links and celebrates the stories of our people, land and culture.*

### **1.3 Strategic Objectives**

Through its activities the Southland Museum and Art Gallery Trust Board will:

- Commence the refurbishment and extension of the Museum and Art Gallery to enlarge exhibition and storage space and to enhance accessibility to the collection.
- Focus the Museum and Art Gallery as a regional facility in the community through the provision of exhibitions - local, national and international.
- Offer a variety of experiences to the people of Southland that they wouldn't otherwise have access to.
- Actively promote the Southland Museum and Art Gallery as a hub for other museums in the province.
- Work to maintain the presence of the *i-SITE/Information Centre* and work with the Department of Conservation to see what opportunities may exist for providing services on their behalf.

The principal activities, which contribute to the achievement of the objectives, are categorised into three areas:

1. The Collections - Caring for, developing, and researching collections.
2. The Community - Engaging communities, including iwi/Māori, in exploring the culture and heritage of Southland.

3. The Experience - Providing access to the collections and telling the Story of Southland through exhibitions, events, publications and learning programmes.

#### 1.4 Financial Planning Assumptions

The Southland Museum and Art Gallery Trust Board receives an annual grant from the Southland Regional Heritage Committee and Invercargill City Council. Income is also generated from the Museum and Art Gallery's shop (Momento), and café (Pyramid on Gala) and rental from the i-SITE/Information Centre located in the foyer, donations and entry fees for special touring exhibitions.

The Invercargill City Council holds the management contract from the Southland Museum and Art Gallery Trust Board who approve the management expenditure each year.

The Southland Museum and Art Gallery Trust owns the Museum and Art Gallery building and collections. The existing building requires extensive refurbishment and has insufficient storage and exhibition space to enable the facility to meet the community's needs. The Trust has minimal building reserves and will need to attract significant funding contributions from a wide range of sources. The cost of the proposed work is approximately \$40 million.

#### 1.5 Bicultural Development

Southland Museum and Art Gallery has developed a close working partnership with iwi through the Iwi Liaison Komiti, which has representatives from the four Southland runanga. The Iwi Liaison Komiti meets quarterly to discuss issues relating to the collections and exhibitions.

### 2. STATEMENT ON THE BOARD'S APPROACH TO GOVERNANCE

#### 2.1 Role of the Board

The Board is responsible for the governance of the Trust. The Board is responsible for setting the strategic direction of the Trust, approving the Statement of Intent and monitoring organisational performance.

#### 2.2 Board Membership

The Southland Museum and Art Gallery Trust Board is a Council Controlled Organisation with eight members and three ex officio members who represent the contributing authorities. The Board also has the authority to appoint additional members whose skills and experiences benefit the Trust and its functions.

#### INVERCARGILL CITY COUNCIL

Cr D J Ludlow  
Cr I L Esler  
Cr T Biddle

**SOUTHLAND DISTRICT COUNCIL**

Cr G Macpherson

Cr N Paterson

**GORE DISTRICT COUNCIL**

Vacant

**TANGATA WHENUA**

Jane Davis

**APPOINTMENTS BY THE ABOVE TRUSTEES**

Gwen Neave

Wallace Jack

**FRIENDS OF THE MUSEUM**

Jim Watson

**EX OFFICIO**

Manager - Paul Horner

Secretary/Treasurer - Director of Finance and Corporate Services, Invercargill City Council

**2.3 Management of the Southland Museum and Art Gallery**

The Southland Museum and Art Gallery Trust Board has a management contract with the Invercargill City Council for the operation of the Museum facility. The Council employs the Museum Manager and staff.

**2.4 Alignment with Community Outcomes**

The Southland Museum and Art Gallery Trust contributes towards the achievement of Invercargill's community outcomes.

<b>Community Outcome</b>	<b>Intermediate Outcomes</b>	<b>Activity's Contribution</b>
<b><i>Healthy lifestyles in a healthy environment.</i></b>	<i>Provide or promote the provision of a diverse range of excellent quality and safe indoor and outdoor recreational facilities, both natural and man-made.</i>	Provision of a facility that enables the collections, which focus on Southland, to be stored, maintained and exhibited in conditions that ensure their long term preservation; while providing a quality visitor experience.
<b><i>A city that is a great place to live and visit.</i></b>	<i>Promote Invercargill actively as a great place to live, work, play and visit.</i>  <i>Provide and promote a range of events that create vibrancy and build community.</i>	Provision of a facility with exhibitions and events that inspire and inform visitors of Southland's heritage and culture provide exhibitions of local, national and international interest.

### 3.0 OUTCOMES TO BE ACHIEVED FOR THE YEAR ENDED 30 JUNE 2017

Below are the outcomes planned by the organisation and the strategies that will be used to achieve these.

#### 3.1 The Collections

Caring for, developing, and researching collections.	
2017 Targets	Strategies to achieve Outputs
The collection is developed to enable the Museum to document, illustrate and explore Southland's unique natural and cultural heritage	<ul style="list-style-type: none"> <li>Collection is developed in accordance with collection management policies.</li> <li>Collection management policies are reviewed as required</li> <li>New acquisitions are considered according to the Collection Management Policy.</li> <li>New acquisitions are entered into Vernon CMS (Collection Management System).</li> <li>Existing CMS records are to be reviewed and updated in the future when funds are available.</li> <li>Collections items to have digital images made in the future when funds are available.</li> </ul>
Collections are maintained in optimal conditions for their long term preservation.	<ul style="list-style-type: none"> <li>Storage space environment is kept at controlled temperature.</li> <li>Storage space environment is kept at controlled humidity.</li> <li>Storage space is monitored for infestation by pests, moulds and pollutants.</li> <li>Deterioration by light is minimised.</li> </ul>
Prepare for building refurbishment and extension to enable internal environmental conditions to meet national/international guidelines.	<ul style="list-style-type: none"> <li>Prepare Redevelopment plans for consideration.</li> <li>Prepare the collection for shifting when the redevelopment project begins.</li> </ul>

#### 3.2 The Community

Engaging communities, including iwi/Māori in exploring the culture and heritage of Southland.	
2017 Targets	Strategies to achieve Outputs
Maintain strong relationships with iwi/Māori over issues relating to the collections, exhibitions and tuatara management.	<ul style="list-style-type: none"> <li>Iwi Liaison Komiti meet four times /year.</li> </ul>
Promotion of the Southland Museum and Art Gallery as a quality venue to visit for residents and visitors.	<ul style="list-style-type: none"> <li>Visitor numbers exceed 200,000/annum.</li> <li>Promotion of museum attractions and activities by website and Facebook and print media.</li> <li>Provide outreach to other museums and related organisations in the region</li> </ul>

## The Experience

Providing access to the collections and telling the Story of Southland through exhibitions, events, publications and learning programmes.	
2017 Targets	Strategies to achieve Outputs
Development and implementation of an annual visitor experience programme.	<ul style="list-style-type: none"> <li>Three semi-permanent exhibitions are delivered.</li> <li>A minimum of 12 short-term exhibitions, including 8 in the community access gallery, are presented annually.</li> </ul>
Development and delivery of inspiring education programmes to school children for the Ministry of Education contract for LEOTC (Learning Experiences Outside the Classroom).	<ul style="list-style-type: none"> <li>Over 25 new education programmes delivered to 4000 school students each year, including curriculum-linked and exhibition-related programmes.</li> </ul>

## 4.0 ACCOUNTING POLICIES

### 4.1 Basis Of Preparation

The Board has elected to apply PBE SFR-A (PS) Public Benefit Entity Simple Format Reporting - Accrual (Public Sector) on the basis that the Trust does not have public accountability (as defined) and has total annual expenses of less than \$2 million.

All transactions in the financial statements are reported using the accrual basis of accounting.

The financial statements are prepared under the assumption that the Trust will continue to operate in the foreseeable future.

The Trust is a reporting entity for the purposes of the Charitable Trusts Act 1957 and its financial statements comply with that Act.

The trustees of the Trust do not have the power to amend the financial statements after issue.

### 4.2 Goods And Services Tax (GST)

The Trust is registered for GST. All amounts in the financial statements are recorded exclusive of GST, except for debtors and creditors, which are stated inclusive of GST.

## 4.3 REVENUE

### 4.3.1 Grants and Donations

Council, government, and non-government grants are recognised as revenue when the funding is received unless there is an obligation to return the funds if conditions of the grant are not met ("use or return condition"). If there is such an obligation, the grant is initially recorded as a liability and recognised as revenue when conditions of the grant are satisfied.

### 4.3.2 Interest revenue

Interest revenue is recognised as it is earned during the year.



**4.3.3 Other revenue**

Revenue is measured at the fair value of consideration received.

**4.4 Expenditure**

All expenditure is recognised in the Statement of Financial Performance in the period in which it is incurred and expensed when the related services has been received.

**4.5 Income Tax**

The Trust is exempt from the payment of income tax. Accordingly no charge for income tax applies or has been provided for.

**4.6 Donated Services**

The work of the museum is dependent on the voluntary service of many individuals and organisations. Since these services are not normally purchased by the museum and because of the difficulty of determining their value with reliability, donated services are not recognised in the financial statements.

**4.7 Bank Accounts And Cash**

Bank accounts and cash comprise cash on hand, cheque or savings accounts, and deposits held at call with banks. Bank overdrafts are presented as a current liability in the statement of financial position.

**4.8 Debtors**

Debtors are initially recorded at the amount owed. When it is likely the amount owed (or some portion) will not be collected, a provision for impairment is recognised and the loss is recorded as a bad debt expense.

**4.9 Creditors And Accrued Expenses**

Creditors and other payables are measured at the amount owed.

**4.10 Property, Plant And Equipment**

Property, plant and equipment is recorded on the cost basis, less accumulated depreciation and impairment losses.

The Trust has elected not to revalue property plant and equipment and record the asset value on the cost basis.

**4.10.1 Additions**

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to the Trust and the cost of the item can be measured reliably.

**4.10.2 Depreciation**

Depreciation has been charged in the Financial Statements on the basis of the economic life rates recommended by the Inland Revenue Department as follows:

Buildings	2%	SL
Fit-out	9 - 40%	DV

**4.10.3 Exhibits and Collections**

The Trust has not recognised significant exhibits and donated assets because the values of these are not readily available. However the direct purchase costs of exhibits and art collections acquired during the year have been capitalised.

The collection is valued at \$10,000,000 for insurance purposes.

**4.11 TIER 2 PBE Accounting Standards Applied**

The Trust does not apply any Tier 2 Accounting Standards in preparing its financial statements.

**4.12 Changes In Accounting Policies**

There are no changes in accounting policy during the period. All accounting policies have been consistently applied throughout the period covered by these financial statements.

Southland Museum & Art Gallery Trust Board Inc

INTERIM ANNUAL REPORT  
FOR THE SIX MONTHS ENDED 31 DECEMBER 2016

*Southland Museum & Art Gallery Trust Board Inc*

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**Southland Museum & Art Gallery Trust Board Inc****ENTITY INFORMATION FOR THE SIX MONTHS ENDED 31 DECEMBER 2016****Legal name**

Southland Museum & Art Gallery Trust Board (the Trust)

**Type of entity and legal basis**

The Trust is incorporated in New Zealand under the Charitable Trusts Act 1957 and is domiciled in New Zealand

**The Trust's purpose**

The purpose of the Trust is to ensure prudent administration of the Museum facilities and collections within that facility and to monitor the management contract, which is currently with the Invercargill City Council.

**Structure of the Trust's operations, including governance arrangements**

The Trust comprises a board of ten trustees who oversee the governance of the Trust.

3 trustee's are appointed by Invercargill City Council

2 trustee's are appointed by Southland District Council

2 trustee's are appointed by trustee's appointed by Invercargill City Council & Southland District Council

1 trustee is appointed by Tangata Whenua

1 trustee is appointed by Friends of the Southland Museum & Art Gallery

1 trustee is appointed by Gore District Council

The current trustees are:

Cr Esler (Chairperson)	<i>Invercargill City Council</i>
Cr Ludlow	<i>Invercargill City Council</i>
Cr Biddle	<i>Invercargill City Council</i>
Cr Macpherson	<i>Southland District Council</i>
Cr Patterson	<i>Southland District Council</i>
G Neave	<i>Community Representative</i>
W Jack	<i>Community Representative</i>
J Davis	<i>Tangata Whenua</i>
J Watson	<i>Friends of the Southland Museum &amp; Art Gallery</i>
Vacant	<i>Gore District Council</i>

The Trust has a management contract with Invercargill City Council for the operations of the museum facilities.

**Main source of Trust's cash and resources**

Grants received from Southland Regional Heritage Committee and Invercargill City Council are the primary sources of funding to the Trust.

**Registered office**

108 Gala Street  
P O Box 1012  
Invercargill

**Postal address**

P O Box 1012  
Invercargill  
Phone (03) 219 9069  
Fax (03) 218 3872

**Auditor**

Audit New Zealand  
on behalf of the Auditor - General

**Bankers**

Westpac  
62 Kelvin St  
Invercargill

**Solicitors**

Preston Russell Law  
45 Yarrow St  
Invercargill

**Southland Museum & Art Gallery Trust Board Inc****STATEMENT OF SERVICE PERFORMANCE FOR THE SIX MONTHS ENDED 31 DECEMBER 2016****OUTPUTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2016**

Below are the outputs planned by the organisation and the strategies that will be used to achieve these.

<b>The Collections:</b> <b>A) Caring for Collections - Collections are managed and preserved in accordance with established standards and cultural requirements.</b> <b>B) Developing Collections - The collections are developed &amp; researched to enable the Museum to document, illustrate and explore Southland's unique natural and cultural heritage.</b>	
<b>2017 Outputs</b>	<b>Strategies to achieve Outputs</b>
The collection is developed to enable the Museum to document, illustrate and explore Southland's unique natural and cultural heritage	<ul style="list-style-type: none"> <li>Collection is developed in accordance with collection management policies.</li> <li>Collection management policies are reviewed as required</li> <li>New acquisitions are considered according to the Collection Management Policy.</li> <li>New acquisitions are entered into Vernon CMS (Collection Management System).</li> <li>Existing CMS records are to be reviewed and updated in the future when funds are available.</li> <li>Collections items to have digital images made in the future when funds are available.</li> <li>Project planned to review, update and verify records on database</li> </ul>
Collections are maintained in optimal conditions for their long term preservation.	<ul style="list-style-type: none"> <li>Storage space environment is kept at controlled temperature.</li> <li>Storage space environment is kept at controlled humidity.</li> <li>Storage space is monitored for infestation by pests, moulds and pollutants.</li> <li>Deterioration by light is minimised.</li> <li>No irreparable loss or damage is caused to collections or objects on loan.</li> </ul>
Prepare for building refurbishment and extension to enable internal environmental conditions to meet national/international guidelines.	<ul style="list-style-type: none"> <li>Prepare Redevelopment plans for consideration.</li> <li>Prepare the collection for shifting when the redevelopment project begins.</li> </ul>
<b>The Community – To recognise the Museum and Art Gallery as a place where our heritage is valued and promoted by engaging communities, including iwi/Maori, in exploring the culture and heritage of Southland.</b>	
<b>2016 Outputs</b>	<b>Strategies to achieve Outputs</b>
Maintain strong relationships with iwi/Maori over issues relating to the collections, exhibitions and tuatara management.	<ul style="list-style-type: none"> <li>Iwi Liaison Komiti meet four times /year.</li> </ul>
Promotion of the Southland Museum and Art Gallery as a quality venue to visit for residents and visitors.	<ul style="list-style-type: none"> <li>Visitor numbers exceed 200,000/annum.</li> <li>Promotion of museum attractions and activities by website and Facebook and print media.</li> <li>Provide outreach to other museums and related organisations in the region</li> </ul>

**Southland Museum & Art Gallery Trust Board Inc****STATEMENT OF SERVICE PERFORMANCE FOR THE SIX MONTHS ENDED 31 DECEMBER 2016**

<b>The Experience – To provide an inspiring, informed and rich programme of exhibitions, events, publications and learning opportunities through access to the collections and telling the Story of Southland.</b>	
<b>2017 Outputs</b>	<b>Strategies to achieve Outputs</b>
Development and implementation of an annual visitor experience programme.	<ul style="list-style-type: none"> <li>3 semi-permanent exhibitions are delivered.</li> <li>A minimum of 12 short-term exhibitions, including 8 in the community access gallery, are presented annually.</li> </ul>
Development and delivery of inspiring education programmes to school children audiences for the Ministry of Education contract for LEOTC (Learning Experiences Outside the Classroom).	<ul style="list-style-type: none"> <li>Over 25 new education programmes delivered to 4000 school students each year, including curriculum-linked and exhibition-related programmes.</li> </ul>

**OUTCOMES DELIVERED FOR THE SIX MONTHS ENDED 31 DECEMBER 2016**

Below are the comparisons of the organisation's actual outcomes against planned outcomes as contained in the Statement of Intent for the 2016 / 2017 financial year.

<b>The Collections:</b> <b>A) Caring for Collections - Collections are managed and preserved in accordance with established standards and cultural requirements.</b> <b>B) Developing Collections - The collections are developed &amp; researched to enable the Museum to document, illustrate and explore Southland's unique natural and cultural heritage.</b>			
<b>Strategies to achieve Outputs</b>	<b>2016-17 YTD Outcome</b>	<b>2016-17 Year Target</b>	
<ul style="list-style-type: none"> <li>Collection is developed and new acquisitions considered in accordance with collection management policies.</li> </ul>	Collection policy followed, 74 items acquired	Collection policy followed	
<ul style="list-style-type: none"> <li>Collection management policies are reviewed as required</li> </ul>	Koivi and Digital Access Policies being reviewed	Ongoing review of policies	
<ul style="list-style-type: none"> <li>New acquisitions are entered into Vernon CMS (Collection Management System).</li> </ul>	50%, a backlog being actioned	100%	
<ul style="list-style-type: none"> <li>Existing CMS records are to be reviewed and updated in the future when funds are available.</li> </ul>	73,433 to do, 1.2M likely	71,650 to do, 1.2M likely	
<ul style="list-style-type: none"> <li>Collections items to have digital images made in the future when funds are available.</li> </ul>	73,433 to do, 1.2M likely	71,650 to do, 1.2M likely	
<ul style="list-style-type: none"> <li>Project planned to review, update and verify records on database</li> </ul>	\$171k funding increase achieved	Procure \$600k funding increase	
<ul style="list-style-type: none"> <li>Storage space is kept at controlled temperature.</li> </ul>	Within range	Temp: 19°C ± 1°C.	
<ul style="list-style-type: none"> <li>Storage space is kept at controlled humidity.</li> </ul>	Within range	Relative Humidity: 50% ± 5%	
<ul style="list-style-type: none"> <li>Storage space is monitored for infestation by pests, moulds and pollutants.</li> </ul>	Two sightings in Store.	Minimum pests, moulds and pollutants found.	
<ul style="list-style-type: none"> <li>Deterioration by light is minimised.</li> </ul>	LED lights with movement sensors installed	Operation of lights is minimised	
<ul style="list-style-type: none"> <li>No irreparable loss or damage is caused to collections or objects on loan.</li> </ul>	No loss or damage observed, review w.r.t. Preventive Conservation.	No loss or damage observed	

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**Southland Museum & Art Gallery Trust Board Inc****STATEMENT OF SERVICE PERFORMANCE FOR THE SIX MONTHS ENDED 31 DECEMBER 2016****OUTCOMES DELIVERED FOR THE SIX MONTHS ENDED 31 DECEMBER 2016**

<b>The Collections:</b> A) Caring for Collections - Collections are managed and preserved in accordance with established standards and cultural requirements. B) Developing Collections - The collections are developed & researched to enable the Museum to document, illustrate and explore Southland's unique natural and cultural heritage.			
<b>Strategies to achieve Outputs</b>	<b>2016-17 YTD Outcome</b>	<b>2016-17 Year Target</b>	
• Prepare Redevelopment plans for consideration.	Plans on hold until SoRDS* project proposal considered.	"Developed Concept" report completed.	
• Prepare the collection for shifting when the redevelopment project begins.	\$170k added to operational budget	Reports & fund application for re-catalogue of collection.	

<b>The Community – To recognise the Museum and Art Gallery as a place where our heritage is valued and promoted by engaging communities, including iwi/Māori, in exploring the culture and heritage of Southland.</b>			
<b>Strategies to achieve Outputs</b>	<b>2016-17 YTD Outcome</b>	<b>2016-17 Year Target</b>	
• Iwi Liaison Komiti (representing the four Southland runanga; Waihopai, Oraka-Aparima, Hokonui, Awarua) meet four times / year.	3 meetings	4 meetings	
• Visitor numbers exceed 200,000/annum.	109,204	200,000	
• Promotion of museum attractions and activities by website and Facebook and print media.	51 print media	No target	
	50 F'book posts	No target	
• Provide outreach to other museums and related organisations in the region	154 hrs	No target	

<b>The Experience – To provide an inspiring, informed and rich programme of exhibitions, events, publications and learning opportunities through access to the collections and telling the Story of Southland.</b>			
<b>Strategies to achieve Outputs</b>	<b>2016-17 YTD Outcome</b>	<b>2016-17 Year Target</b>	
• 3 semi-permanent exhibitions are delivered.	6 Semi-permanent	3 Semi-permanent	
• A minimum of 12 short-term exhibitions, including 8 in the community access gallery, are presented annually.	2 Main	4 Main	
	3 Comm. Gallery	8 Comm. Gallery	
• Over 25 new education programmes delivered to 4000 school students each year, including curriculum-linked and exhibition-related programmes.	6 schools	25 schools	
	692 pupils	4,000 pupils	



**Southland Museum & Art Gallery Trust Board Inc****STATEMENT OF FINANCIAL PERFORMANCE FOR THE SIX MONTHS ENDED 31 DECEMBER 2016**

	<i>Note</i>	2016 \$	2015 \$
<b>Revenue</b>			
Grants and donations revenue	1	880,725	1,032,727
Interest revenue		893	2,380
Revenue from providing services	2	8,000	8,000
<b>Total Revenue</b>		<b>889,618</b>	<b>1,043,107</b>
<b>Expenses</b>			
Cost of providing services	3	871,562	766,834
Depreciation of property, plant, and equipment	4	36,251	41,762
<b>Total Expenses</b>		<b>907,813</b>	<b>808,596</b>
<b>Total Surplus / (Deficit)</b>		<b>(18,195)</b>	<b>234,511</b>

Item 9.2 Attachment B

The Statement of Accounting Policies and Notes are an integral part of, and should be read in conjunction with, these financial statements.

**Southland Museum & Art Gallery Trust Board Inc****STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2016**

	<i>Note</i>	<b>2016</b> \$	<b>2015</b> \$
<b>Assets</b>			
<i>Current assets</i>			
Bank accounts and cash	5	434,858	451,455
Debtors and prepayments	6	46,792	40,416
<b>Total current assets</b>		<b>481,650</b>	<b>491,871</b>
<i>Non-current assets</i>			
Property, Plant and Equipment	4	2,525,261	2,588,606
Redevelopment Capital Work in Progress		280,095	280,095
<b>Total Non - current assets</b>		<b>2,805,356</b>	<b>2,868,701</b>
<b>TOTAL ASSETS</b>		<b>3,287,006</b>	<b>3,360,572</b>
<b>Liabilities</b>			
<i>Current Liabilities</i>			
Creditors and accrued expenses	7	350	1,049
Unused donations and grants with conditions	8	52,769	52,769
<b>TOTAL LIABILITIES</b>		<b>53,119</b>	<b>53,818</b>
<b>TOTAL ASSETS less TOTAL LIABILITIES</b>		<b>3,233,887</b>	<b>3,306,754</b>
<b>Total Trust Equity</b>			
Accumulated surpluses	9	3,222,618	3,295,485
Reserves	9	11,269	11,269
<b>TOTAL TRUST EQUITY</b>		<b>3,233,887</b>	<b>3,306,754</b>

Lloyd Esler  
**CHAIRPERSON**

9 February 2017

Dean Johnston  
**TREASURER**

The Statement of Accounting Policies and Notes are an integral part of, and should be read in conjunction with, these financial statements.

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**Southland Museum & Art Gallery Trust Board Inc****STATEMENT OF CASH FLOWS FOR THE SIX MONTHS ENDED 31 DECEMBER 2016**

	<i>Note</i>	2016 \$	2015 \$
<b><i>Cash flows from operating activities</i></b>			
Receipts from grants and donations		879,611	1,023,786
Receipts from providing services		8,000	8,000
Interest receipts		893	2,380
Payments to suppliers		(878,375)	(843,600)
GST (net)		(5,327)	(6,253)
<b>Net cash flows from operating activities</b>		<b>4,801</b>	<b>184,313</b>
<b><i>Cash flows from investing and financing activities</i></b>			
Payments to acquire property, plant and equipment		(749)	(15,204)
Payments to acquire redevelopment capital work in progress		0	0
<b>Net cash flows from investing and financing activities</b>		<b>(749)</b>	<b>(15,204)</b>
<b>Net increase/(decrease) in cash for the period</b>		<b>4,052</b>	<b>169,109</b>
Add opening bank balance and cash balance		430,806	282,346
<b>Closing bank accounts and cash balance</b>	<b>5</b>	<b>434,858</b>	<b>451,455</b>

Item 9.2 Attachment B

The Statement of Accounting Policies and Notes are an integral part of, and should be read in conjunction with, these financial statements.

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**Southland Museum & Art Gallery Trust Board Inc****STATEMENT OF ACCOUNTING POLICIES FOR THE SIX MONTHS ENDED 31 DECEMBER 2016****ACCOUNTING POLICIES APPLIED****BASIS OF PREPARATION**

The Board has elected to apply PBE SFR-A (PS) Public Benefit Entity Simple Format Reporting - Accrual (Public Sector) Standard on the basis that the Trust does not have public accountability (as defined) and has total annual expenses of less than \$2 million.

All transactions in the financial statements are reported using the accrual basis of accounting.

The financial statements are prepared under the assumption that the Trust will continue to operate in the foreseeable future.

The Trust is a reporting entity for the purposes of the Charitable Trusts Act 1957 and its financial statements comply with that Act.

The trustees of the Trust do not have the power to amend the financial statements after issue.

The financial statements were authorised for issue by the Trust on 9 February 2017.

**GOODS AND SERVICES TAX (GST)**

The Trust is registered for GST. All amounts in the financial statements are recorded exclusive of GST, except for debtors and creditors, which are stated inclusive of GST.

**SIGNIFICANT ACCOUNTING POLICIES****REVENUE****Grants and Donations**

Council, government, and non-government grants are recognised as revenue when the funding is received unless there is an obligation to return the funds if conditions of the grant are not met ("use or return condition"). If there is such an obligation, the grant is initially recorded as a liability and recognised as revenue when conditions of the grant are satisfied.

**Interest revenue**

Interest revenue is recognised as it is earned during the period.

**Other Revenue**

Revenue is measured at the fair value of consideration received.

**EXPENDITURE**

All expenditure is recognised in the Statement of Financial Performance in the period in which it is incurred and expensed when the related services has been received.

**INCOME TAX**

The Trust is exempt from the payment of income tax. Accordingly no charge for income tax applies or has been provided for.

**DONATED SERVICES**

The work of the museum is dependent on the voluntary service of many individuals and organisations. Since these services are not normally purchased by the museum and because of the difficulty of determining their value with reliability, donated services are not recognised in these financial statements.

**BANK ACCOUNTS AND CASH**

Bank accounts and cash comprise cash on hand, cheque or savings accounts, and deposits held at call with banks. Bank overdrafts are presented as a current liability in the statement of financial position.

**DEBTORS**

Debtors are initially recorded at the amount owed. When it is likely the amount owed (or some portion) will not be collected, a provision for impairment is recognised and the loss is recorded as a bad debt expense.

**CREDITORS AND ACCRUED EXPENSES**

Creditors and other payables are measured at the amount owed.

**Southland Museum & Art Gallery Trust Board Inc****STATEMENT OF ACCOUNTING POLICIES FOR THE SIX MONTHS ENDED 31 DECEMBER 2016****PROPERTY, PLANT AND EQUIPMENT**

Property, plant and equipment is recorded on the cost basis, less accumulated depreciation and impairment losses.

The Trust has elected not to revalue property plant and equipment and record the asset value on the cost basis.

**Additions**

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to the Trust and the cost of the item can be measured reliably.

**Depreciation**

Depreciation has been charged in the Financial Statements on the basis of the economic life rates recommended by the Inland Revenue Department as follows:

Buildings	2%	SL
Fit-out	9 - 40%	DV

**Exhibits and Collections**

The Trust has not recognised significant exhibits and donated assets because the value of these are not readily available. However the direct purchase costs of exhibits and art collections acquired during the year have been capitalised.

The collection is valued at \$10,000,000 for insurance purposes.

**TIER 2 PBE ACCOUNTING STANDARDS APPLIED**

The Trust has not applied any Tier 2 Accounting Standards in preparing its financial statements.

**CHANGES IN ACCOUNTING POLICIES**

There are no changes in accounting policy during the period. All accounting policies have been consistently applied throughout the period covered by these financial statements.

## Southland Museum &amp; Art Gallery Trust Board Inc

## NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2016

1 GRANTS AND DONATIONS REVENUE	Note	2016	2015
		\$	\$
Grant - Invercargill City Council		332,204	324,618
Grant - Southland Regional Heritage Committee		545,008	458,061
Bequests received - cash		0	248,400
Donations received - cash		3,513	1,648
<i>Total grants and donations revenue</i>		<i>880,725</i>	<i>1,032,727</i>

Grants and donation revenue with conditions which have not been recorded as a liability:

Description	Original amount	Not fulfilled amount	Purpose and nature of the conditions
Estate C F Broadley - Bequests received - cash	\$36,654	\$36,654	The bequest requires the trust to spend the funds on Tuatara related expenses. Although the bequest is for a specific purpose, there is no obligation to return unspent funds, so no liability has been recorded for the unspent amount.
Estate D I Alloo - Bequests received - cash	\$248,400	\$208,757	The bequest requires the trust to spend the funds 2/3 on Natural History Gallery and 1/3 on Tuatara related expenses. Although the bequest is for a specific purpose, there is no obligation to return unspent funds, so no liability has been recorded for the unspent amount.

2 REVENUE FROM PROVIDING SERVICES	2016	2015
	\$	\$
Rental revenue	8,000	8,000
<i>Total revenue from providing services</i>	<i>8,000</i>	<i>8,000</i>

3 COST OF PROVIDING SERVICES	2016	2015
	\$	\$
Operating costs	1,351	1,155
Management Fee - Invercargill City Council	870,211	765,679
<i>Total cost of providing services</i>	<i>871,562</i>	<i>766,834</i>

**Southland Museum & Art Gallery Trust Board Inc****NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2016**

4 <b>PROPERTY, PLANT AND EQUIPMENT</b>	Buildings	Art Works	Total
	\$	\$	\$
<i>Carring amount at 1 July 2015</i>	1,823,098	791,222	2,614,320
Additions	11,048	5,000	16,048
Disposals (net of accumulated depreciation)	-	-	-
Depreciation expense	(41,762)	-	(41,762)
Impairment loss	-	-	-
<i>Carring amount at 31 December 2015</i>	1,792,384	796,222	2,588,606
<i>Carring amount at 1 July 2016</i>	1,764,541	796,222	2,560,763
Additions	749	-	749
Disposals (net of accumulated depreciation)	-	-	-
Depreciation expense	(36,251)	-	(36,251)
Impairment loss	-	-	-
<i>Carring amount at 31 December 2016</i>	1,729,039	796,222	2,525,261

The Trust has not recognised exhibits and donated art works because the value of these are not readily available. However the direct purchase costs of exhibits and art collections acquired during the year have been capitalised.

5 <b>BANK ACCOUNTS AND CASH</b>	2016	2015
	\$	\$
Westpac Cheque account	24,583	27,433
Westpac Redevelopment Account	139,282	138,656
Bank accounts		
- Bequest	64,645	283,040
- Baird Library	732	781
- Capital acquisition	5,616	1,545
Term Deposits		
- Bequest	200,000	0
<i>Total cash and cash equivalents</i>	434,858	451,455

Some restrictions exist on the cash reserve funds which are set aside for special purposes at the discretion of the Trustees.

**Southland Museum & Art Gallery Trust Board Inc****NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2016**

		<i>Note</i>	
<b>6</b>	<b>DEBTORS AND PREPAYMENTS</b>	<b>2016</b>	<b>2015</b>
		<b>\$</b>	<b>\$</b>
	Donations - Invercargill City Council	3,515	1,648
	GST - Inland Revenue	43,277	38,768
	<i>Total Debtors and prepayments</i>	46,792	40,416
<b>7</b>	<b>CREDITORS AND ACCRUED EXPENSES</b>	<b>2016</b>	<b>2015</b>
		<b>\$</b>	<b>\$</b>
	Invercargill City Council.	240	-
	Other payables	110	1,049
	<i>Total creditors and accrued expenses</i>	350	1,049
<b>8</b>	<b>UNUSED DONATIONS AND GRANTS WITH CONDITIONS</b>	<b>2016</b>	<b>2015</b>
		<b>\$</b>	<b>\$</b>
	Invercargill City Council - Redevelopment Grant	52,769	52,769
	<i>Total unused donations and grants with conditions</i>	52,769	52,769
The grant requires the Trust to spend the funds on the museum redevelopment project and has a "use or return" condition.			
<b>9</b>	<b>TRUST FUNDS</b>	<b>2016</b>	<b>2015</b>
		<b>\$</b>	<b>\$</b>
	<b>Accumulated surpluses</b>		
	<i>Balance as at 1 July</i>	3,240,813	3,060,974
	<i>Total Surplus / (Deficit) for the year</i>	(18,195)	234,511
	<i>Balance at 31 December</i>	3,222,618	3,295,485
	<b>Reserves</b>		
	<i>Education Service Reserve *</i>	11,269	11,269
	<i>Total trust funds</i>	3,233,887	3,306,754

\* The Education Service reserve comprises the remains of a grant from the Ministry of Education for the delivery of Curriculum Support Programmes. This grant is for the Learning Experiences Outside The Classroom (LEOTC) program.



***Southland Museum & Art Gallery Trust Board Inc*****NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2016**

10 COMMITMENTS	2016 \$	2015 \$
Commitments to receive services	1,740,422	1,531,357

The Trust Board has signed a management contract with the Invercargill City Council for the operation of the Museum. The contract can be terminated on 6 months written notice and is negotiated each year.

**11 CONTINGENCIES**

There are no known contingent liabilities or contingent assets at 31 December 2016 (31 December 2015: nil).

**12 POST BALANCE DATE EVENTS**

There have been no significant events between period end and the signing of the Financial Statements.



**COPY**

16 February 2017

The Chief Executive Officer  
Invercargill City Council  
INVERCARGILL

Dear Richard

**Southland Museum and Art Gallery Trust Board:  
Statement of Intent for year ending June 30 2018**

Please find attached the Statement of Intent of the Southland Museum and Art Gallery Trust Board for the year stated above and the 6 Month Financial Report.

Because of the proposed developments and changes to the Invercargill Central Business District, the Trust Board will be reviewing it's Key Priorities and these may be changed in the near future.

Yours faithfully

Lloyd Esler  
Chairperson  
Southland Museum and Art Gallery Trust Board

Cc: Steve Ruru, Southland District Council

## Finance and Audit Committee Terms of Reference

Record No: R/17/3/5827  
Author: Steve Ruru, Chief Executive  
Approved by: Steve Ruru, Chief Executive

☒ Decision ☐ Recommendation ☐ Information

### Purpose

- 1 To enable Council to consider a proposed change to the quorum for the Finance and Audit Committee.

### Background

- 2 At its meeting on 26 October 2016 Council approved terms of reference for the Finance and Audit Committee.
- 3 In establishing the Finance and Audit Committee, Council agreed that an external professional be appointed to the Committee to complement the skills that elected members bring to the Committee's work.
- 4 The quorum, included in the Terms of Reference, requires that the external professional must be present. In this regard the terms of reference currently provides:  
*The quorum at any meeting of the Finance and Audit Committee shall be three members (at least one external member must be present for a quorum to exist) which must comprise two Councillors plus one external appointee.*
- 5 The inclusion of this requirement could create a number of practical issues if the external professional is not able to attend for any reason. It is therefore proposed that the quorum be changed to simply require that at least three members of the Committee be present.

## Recommendation

That the Council:

- a) **Receives the report titled “Finance and Audit Committee Terms of Reference” dated 15 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 a change to the Terms of Reference for the Finance and Audit Committee so that the quorum provides:**

*The quorum at any meeting of the Finance and Audit Committee shall be any three members.*

## Attachments

There are no attachments for this report.

## Minutes of the Community and Policy Committee Meeting dated 14 December 2016

Record No: R/17/3/6135  
Author: Alyson Hamilton, Committee Advisor  
Approved by: Alyson Hamilton, Committee Advisor

☐ Decision ☐ Recommendation ☒ Information

### Recommendation

That Council receives the minutes of the Community and Policy Committee meeting held 14 December 2016 as information.

### Attachments

- A Minutes of Community and Policy Committee Meeting dated 14 December 2016 (separately enclosed)



## Minutes of the Community and Policy Committee Meeting dated 1 February 2017

Record No: R/17/3/6136  
Author: Alyson Hamilton, Committee Advisor  
Approved by: Alyson Hamilton, Committee Advisor

☐ Decision ☐ Recommendation ☒ Information

### Recommendation

That Council receives the minutes of the Community and Policy Committee meeting held 1 February 2017 as information.

### Attachments

- A Minutes of Community and Policy Committee Meeting dated 1 February 2017 (separately enclosed)





## Minutes of the Lumsden Community Development Area Subcommittee Meeting dated 5 December 2016

Record No: R/17/2/3474

Author: Rose Knowles, Committee Advisor/Customer Support Partner

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

☐ Decision

☐ Recommendation

☒ Information

### Recommendation

That Council receives the minutes of the Lumsden Community Development Area Subcommittee meeting held 5 December 2016 as information.

### Attachments

- A Minutes of Lumsden Community Development Area Subcommittee Meeting dated 5 December 2016 (separately enclosed)



## Minutes of the Manapouri Community Development Area Subcommittee Meeting dated 15 November 2016

Record No: R/17/3/6773

Author: Jenny Labruyere, Committee Advisor/Customer Support Partner

Approved by: Jenny Labruyere, Committee Advisor/Customer Support Partner

☐ Decision

☐ Recommendation

☒ Information

### Recommendation

That Council receives the minutes of the Manapouri Community Development Area Subcommittee meeting held 15 November 2016 as information.

### Attachments

- A Minutes of Manapouri Community Development Area Subcommittee Meeting dated 15 November 2016 (separately enclosed)



## Minutes of the Nightcaps Community Development Area Subcommittee Meeting dated 9 August 2016

Record No: R/17/3/6131  
Author: Alyson Hamilton, Committee Advisor  
Approved by: Alyson Hamilton, Committee Advisor

☐ Decision ☐ Recommendation ☒ Information

### Recommendation

That Council receives the minutes of the Nightcaps Community Development Area Subcommittee meeting held 9 August 2016 as information.

### Attachments

- A Minutes of Nightcaps Community Development Area Subcommittee Meeting dated 9 August 2016 (separately enclosed)



## Minutes of the Ohai Community Development Area Subcommittee Meeting dated 9 August 2016

Record No: R/17/3/6132  
Author: Alyson Hamilton, Committee Advisor  
Approved by: Alyson Hamilton, Committee Advisor

☐ Decision ☐ Recommendation ☒ Information

### Recommendation

That Council receives the minutes of the Ohai Community Development Area Subcommittee meeting held 9 August 2016 as information.

### Attachments

- A Minutes of Ohai Community Development Area Subcommittee Meeting dated 9 August 2016 (separately enclosed)





## Minutes of the Te Anau Basin Water Supply Subcommittee Meeting dated 8 November 2016

Record No: R/17/3/5818

Author: Jenny Labruyere, Committee Advisor/Customer Support Partner

Approved by: Jenny Labruyere, Committee Advisor/Customer Support Partner

☐ Decision

☒ Recommendation

☒ Information

### Recommendation

That Council receives the minutes of the Te Anau Basin Water Supply Subcommittee meeting held 8 November 2016 as information.

### Attachments

- A Minutes of Te Anau Basin Water Supply Subcommittee Meeting dated 8 November 2016 (separately enclosed)

Item 9.10



## Minutes of the Riverton Harbour Subcommittee Meeting dated 12 December 2016

Record No: R/17/3/6173  
Author: Alyson Hamilton, Committee Advisor  
Approved by: Alyson Hamilton, Committee Advisor

☐ Decision ☐ Recommendation ☒ Information

### Recommendation

That Council receives the minutes of the Riverton Harbour Subcommittee meeting held 12 December 2016 as information.

### Attachments

- A Minutes of Riverton Harbour Subcommittee Meeting dated 12 December 2016 (separately enclosed)



## Milford Community Trust Final Statement of Intent 2017-2020

**Record No:** R/17/3/6922  
**Author:** Jenny Labruyere, Committee Advisor/Customer Support Partner  
**Approved by:** Rex Capil, Group Manager Community and Futures

☒ Decision ☐ Recommendation ☐ Information

### Purpose

- 1 The purpose of this report is for Council to approve the Final Milford Community Trust Statement of Intent 2017-2020.
- 2 The draft Statement of Intent 2017-2020 was circulated to the Trust stakeholders namely Southland District Council, The Department of Conservation and Environment Southland for comment.
- 3 One submission was received from the Department of Conservation. The submission referred to the following;
  - Review of the Trust referred to the following; The trust deed to be reviewed likewise the charging mechanism with stakeholders including concessionaires
  - Camping ground facilities on the Milford side of the Homer Tunnel not considered by the Department as being a role for the Trust
  - Trust to acknowledge roading issues on the Village and Deepwater Basin roads.
- 4 The Trust noted the contents of the Department's submission at a Trust meeting held on 20 February 2017, and commented that the issues raised will be subject of discussion at a proposed strategic workshop, and subsequently adopted the Final Statement of Intent 2017-2020.

### Recommendation

**That the Council:**

- a) **Receives the report titled "Milford Community Trust Final Statement of Intent 2017-2020".**
- a) **Determines that this matter or decision be recognised as not significant in terms of Section 76 of the Local Government Act 2002.**
- b) **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 Final Statement of Intent 2017-2020.**

### Attachments

- A Final Milford Community Trust Statement of Intent 2017-2020 [↓](#)



# **MILFORD COMMUNITY TRUST**

## **DRAFT**

# **STATEMENT OF INTENT 2017 - 2020**

## Milford Community Trust

### STATEMENT OF INTENT

#### 1. Introduction

The Milford Community Trust was established in 2007 by the Southland District Council and the Department of Conservation with the assistance of Environment Southland for the purposes of providing leadership and governance for the Milford community.

The Trust Deed defines Milford as the developed area of land and adjacent coastal marine area at the end of State Highway 94 at the head of Milford Sound. It defines the Milford community as being the residents of Milford, the holders of concessions from the Crown operating at Milford and Iwi.

The purpose of this Statement of Intent (SOI) is to:

- Set out the proposed activities of the Trust.
- Provide an opportunity for stakeholders to influence the direction of the organisation.
- Provide a basis for accountability of the Trustees to their stakeholders for the performance of the organisation.

This Statement of Intent covers the three years from 1 July 2017 to 30 June 2020. The statement is updated annually.

#### 2. Objectives of the Trust

The objectives of the Trust are:

- (a) To manage and carry out services and undertake leadership, planning and advocacy for the general benefit of the Milford community so as to ensure as far as possible that the infrastructure of the community and its sense of identity, viability and wellbeing are maintained and enhanced.
- (b) To liaise with and communicate with all individuals, organisations, groups and other parties with interests in the Milford community for all purposes which are beneficial to the community.
- (c) To represent the interests of the Milford community to ensure that the natural environments and outstanding values of the Milford Sound area are safeguarded and protected for all residents and visitors to the area.
- (d) To monitor and maintain an overview of all activities and services provided within the Milford community.
- (e) To consider and report on all matters either referred to and/or delegated to it from time to time by the Department of Conservation and the Southland District Council and on any matter of interest or concern to the Milford community.

- (f) To access, use or invest funds and enter into arrangements, contracts and other agreements upon such securities or in such manner and upon such terms and conditions that the Trustees deem suitable for the purpose of furthering the objects and purposes of the Trust.
- (g) To carry out such other lawful activities which are incidental or conducive to attaining the objects and purposes of the Trust.

### 3. Statement on the Trust's Approach to Governance

#### Establishment

The Milford Community Trust was established in 2007 following a process of consultation with residents, agencies and businesses with interests in Milford in accordance with the special consultation process set out in the Local Government Act 2002. The inaugural meeting of the Trust was held on 18 April 2007.

The Trust was incorporated under the Charitable Trusts Act 1957 on 18 May 2007. The Charities Commission has approved the Trust as being exempt for tax purposes.

The Trust reports to the Southland District Council.

#### Trust Structure

In accordance with Section 9 of the Trust Deed, the Trust is governed by a board of seven Trustees. Current representatives from stakeholder groups are shown in the table below:

Designation	Name	Term Expires 30 June
Independent Chair	Michael Schuck	2017
Mararoa-Waimea Ward Councillor, ex-officio appointment	Ebel Kremer	Oct 2019
Milford Community Association elected representative	Brad Johnstone	2017
Milford Community appointee	Tim Holland	2020
Milford Community appointee	Jason Steele	2018
Milford Community appointee	Mike McConachie	2018
Milford Community appointee	Rosco Gaudin	2019

#### Trust Operations

The Trust Deed sets out the way in which business of the Trust is to be conducted. A strong driver is that the local Milford community should determine its own priorities and agree on the funding for these. The Trust strives to regularly review its performance and to be open and accountable to the community through public meetings. The Trustees also undertake to meet the regulatory and stakeholder requirements for governance, reporting and planning, particularly the local government reporting requirements and recognition of the National Park and World Heritage Area status of the Milford Sound *Piopiotahi* area.



### Resources Available to the Trust

Standing Orders, a Code of Conduct for Trustees and administrative support is available from Southland District Council.

### Significant Policies

The Trust has a comprehensive Communications Policy in relation to its activities. Where appropriate, other policy guidance is obtained from relevant council and other statutory authority policy. It is expected that a full set of all relevant policies will be developed within the period covered by this Statement.

## **4. The Nature and Scope of the Activities to be Under-taken**

### Vision

The Trust's vision is:

**The long-term sustainability of Milford Sound *Piopiotahi*.**

### Strategic Goals

The primary goals of the Trust are to:

- Provide leadership and governance for the Milford community in Milford Sound *Piopiotahi*.
- Monitor the adequacy of all arrangements to ensure sustainability.
- Advocate for the general benefit of the Milford community.
- Coordinate and communicate with all parties having interests in Milford Sound *Piopiotahi*.
- Undertake formal consultation on behalf of the Department of Conservation in relation to their services and facilities to be provided for the benefit of the Milford community.

Within the over-arching vision and strategic goals, the more specific focus areas for 2017- 2020 are:

### **Planning:**

- Planning to address specific issues: highway safety, control of illegal camping, toilet facilities, community facilities, and coordinated emergency response.

### **Communication:**

- Communicate the roles of the Trust and other authorities more clearly to the Milford community.
- Communicate the World Heritage Area status and relevance of this to Milford.
- Affirm the Trust role as a voice for the Milford community.
- Maintain closer relationships with Milford infrastructure providers.

- Provide clear information to concessionaires regarding intentions and implementation of Trust policies.
- Communicate with concessionaires and enquire of any planned activities they desire for the next three years and to adopt the SOI which is to be sent to all Concessionaires.

**Advocacy:**

- Advocate on behalf of the Milford community to central government, Environment Southland, Department of Conservation, Southland District Council, Iwi and other authorities.

Planned Activities/Services

**2017/18:**

- Advocate and assist with other organisations for strategic improvements in community planning in Milford Sound.
- Advocate and investigate funding options with other organisations for public toilets and shelter at the airport and completion of the walking track to the Lodge.
- Assist the Milford Community Association with the development of the Cleddau Village Recreation area which is to accommodate the community centre.
- Provide funding for medical support, services and facilities for Milford ERT station.
- Funding of the Team Leader Emergency Services and investigate the role of the Fiordland Medical Trust on emergency services.
- Review of the Trust and charging mechanism with stakeholders including concessionaires.
- Engage with NZTA for the development of the walking track from the airport to Deepwater Basin Road, car parking at the rock climbing area etc.
- Advocate the continuation of maintaining beautification and roading within the village.

**2018/19:**

- Advocate and assist with other organisations for strategic improvements in community planning in Milford Sound.
- Review the development of a future focused plan for the Milford ERT station including medical support and services.
- Provide funding for medical support, services and facilities for Milford ERT station.
- Purchase of emergency response equipment as required.
- Advocate and monitor camping ground facilities with affected organisations on Milford side of Homer Tunnel. (Trust to consider, is this the role of the Trust.)
- Advocate the continuation of maintaining beautification and roading issues within the village.
- Review of the requirements and funding of the Team Leader Emergency Services.

- Assist the Milford Community Association with the on-going development of the Cleddau Village Recreation Area to accommodate the community centre.
- Advocate with other organisations for public toilets and shelter at the airport and completion of the walking track to the Lodge. (Trust is operating in an advocacy role and funding options need to be investigated.)

**2019/20:**

- Advocate and assist with other organisations for strategic improvements in community planning in Milford Sound
- Provide funding for medical support, services and facilities for Milford ERT station.
- Purchase of emergency response equipment as required.
- Advocate maintaining beautification and roading issues within the village.
- Funding of the Team Leader Emergency Services if not already complete. (Recommend outcome of review noted in 18/19 for all medical services is relating to this activity.)
- Assist the Milford Community Association with the on-going development of the Cleddau Village Recreation Area which is to accommodate the community centre.
- Advocate with other organisations for public toilets and shelter at the airport and completion of the walking track to the Lodge. (Trust is operating in an advocacy role and funding options need to be investigated.)

**5. Ratio of Total Assets: Equity**

Total assets are defined to include cash, investment and bank balances, accounts receivable, investments, prepayments, fixed assets (net of accumulated depreciation), intangible assets (net of accumulated amortisation), loans (none), etc.

Total equity is defined to include accumulated funds and retained earnings.

The ratio of total assets to total equity is planned at 1:1.

**6. Significant Accounting Policies**

The following accounting policies have been adopted by the Trust.

**Revenue Recognition***Concessionaires Fees*

Revenue is recorded when the fee is due to be received.

*Donated Assets*

Revenue from donated assets is recognised upon receipt of the asset if the asset has a useful life of 12 months or more, and the value of the asset is readily obtainable and significant.

*Interest*

Interest revenue is recorded as it is earned during the year.

**Debtors**

Debtors are initially recorded at the amount owed. When it is likely the amount owed (or some portion) will not be collected, a provision for impairment and the loss is recorded as a bad debt expense. Debtors are shown as GST inclusive.

**Bank Accounts and Cash**

Bank accounts and cash comprise cash on hand, cheque or savings accounts, and deposits held at call with banks.

**Creditors and Accrued Expenses**

Creditors and accrued expenses are measured at the amount owed.

**Property, Plant and Equipment**

Property, plant and equipment is recorded at cost, less accumulated depreciation and impairment losses.

Donated assets are recognised upon receipt of the asset if the asset has a useful life of 12 months or more, and the value of the asset is readily obtainable and significant. Significant donated assets for which current values are not readily obtainable are not recognised.

For an asset to be sold, the asset is impaired if the market price for an equivalent asset falls below its carrying amount.

For an asset to be used by the Trust, the asset is impaired if the value to the Trust in using the asset falls below the carrying amount of the asset.

Depreciation is provided on a diminishing value basis that will write off the cost of the assets over their useful lives. This is calculated using the following rates:

Equipment 40% Diminishing Value

**Income Tax**

The Trust is exempt from income tax as it is a Charitable Trust registered with the Charities Commission.

**Budget Figures**

The budget figures are derived from the Statement of Intent as approved by the Trustees at the beginning of the financial year. The budget figures have been prepared in accordance with tier 3 standards, using accounting policies that are consistent with those adopted by the Trustees in preparing these financial statements.

## 7. Key Performance Targets

The Trust has two levels of indicators:

- (a) The first relates to the achievement of objectives set by the Trust and carried through to the Long Term Plan (LTP). These are agreed through a public consultation process undertaken by the Southland District Council. These targets can be changed only through a formal review of the LTP.
- (b) The second set of are generic internal performance measures:

Level of service	Key performance indicator	Actual	Target			Confirmation source
		16/17	17/18	18/19	19/20	
Maintain a structure that facilitates local decision-making.	Hold public forums in Milford each year.	1	1	1	1	Agenda/minute records on file which note meeting location
Keep the Milford community informed about Trust plans and outcomes.	Community newsletters following MCT meetings.	<i>Not achieved</i>	2	2	2	Copies of Community newsletters
Provide leadership and advocacy on major issues.	Number of Milford Community Trust meetings held annually.	4	4	4	4	Agenda/minute records on file.
Response to issues raised by the community.	Percentage of issues raised at Milford Community Association meetings responded to prior to next meeting.	100%	85%	85%	85%	Copies of Milford Community Association letters/minutes and MCT correspondence in response
Milford Community Association meetings	To be reported at MCT meetings.	<i>Not achieved</i>	4	4	4	Agenda/minutes records on file.

## 8. Information to be Reported to Council

In each year the Trust will comply with all reporting requirements under the Local Government Act 2002 (particularly Sections 66 to 69 of that Act). In particular, it will provide:

- A draft Statement of Intent detailing all matters required under the Local Government Act 2002 by 1 March each year for consideration prior to commencement of the new financial year.
- A half yearly report by the end of February each year (specific dates as set by Council).

- An annual report by the end of September each year (specific dates as set by Council).

Copies of the Trust's reports are forwarded to the other major stakeholder authorities, being the Department of Conservation and Environment Southland.

## 9. Activities for which Other Investment is sought

As usual, it is proposed that the annual concession charged will be increased by 10% plus GST. This will continue to be reviewed annually. For 2017/18, the total amount being sought from concessionaires is \$124,449 excluding GST. Any surplus funds will be held by the Trust in its bank account for future project funding.

Included within the Forecast Expenditure of the Trust is Management and Administration costs of \$29,731.

Allowance for Emergency Response Team (ERT) Plant and Equipment purchase is \$2,500.

Additionally grant expenditure has been included for contributions for;

- A walkway to be developed between the Airport and Deepwater Basin.
- The Emergency Service Provider \$46,920

Funding has also been included towards a potential Community Centre building. This still has to go through a planning process including consideration of ownership of the building. At this stage an allowance of \$110,000 has been included.

The operational and project costs are those which the Milford Community Trust considers will provide benefit for all concessionaires at Milford and should be recovered from the Milford concessionaires through the Implied Concession Activity Fee, apportioned as per the Department of Conservation apportionment of cost schedule. The costs indicated above in the supporting forecasted accounts are funded from the annual implied concession activity fee and monies held.

Future budgeted costs are indicative only and will be reviewed annually by the Trustees.

### Other Project Funding:

In addition to the above operational and project costs, there are also costs associated with other significant projects that fall either directly or indirectly under the influence of the Milford Community Trust but have all or a majority of proposed funding through means other than apportioned implied concessionaires fees. There may also be a portion of public good associated with these projects.

In this Statement of Intent the Trustees are not seeking any funding from Southland District Council or Environment Southland for the activities noted.

## 10. Estimate of Value of Stakeholders Investment

The net value of the stakeholders investment in the Trust is estimated to be valued at \$100. This value shall be reassessed by the Trustees on completion of the annual accounts or at any other time determined by the Trustees. The method of assessment will use the value of stakeholders funds as determined in the annual accounts as a guide.

## 11. Other Matters

No distribution is intended within the period of the Statement or succeeding years, noting the Trust's status as a charitable organisation.

Any subscription for, purchase or otherwise acquiring shares in any company or other organisation requires the prior approval of the Trustees.

**MILFORD COMMUNITY TRUST**  
**PROSPECTIVE FINANCIAL STATEMENTS 2017 - 2020**  
**Prospective Statement of Financial Performance**

Account Description	Actuals 2015/2016	Forecast Actuals 2016/2017	Budget 2017/2018	Budget 2018/2019	Budget 2019/2020
<b><u>Income</u></b>					
Concessionaires Income	102,849	113,135	124,449	136,893	150,583
Interest	2,998	-	-	-	-
	<b>105,847</b>	<b>113,135</b>	<b>124,449</b>	<b>136,893</b>	<b>150,583</b>
<b><u>Expenses</u></b>					
<b><u>Management/Administration</u></b>					
Accommodation and Meals	174	800	800	800	800
Administration	67	67	67	67	67
Advertising	546	600	600	600	600
Audit Fees	4,026	5,000	5,000	5,000	5,000
Bad Debts	676	-	-	-	-
Bank Fees	40	40	40	40	40
Catering Expenses	116	500	500	500	500
Chairperson's Fees	4,906	5,000	10,000	10,000	10,000
Depreciation	657	-	-	-	-
Equipment Write off	-	985	-	-	-
General Projects	499	500	500	500	500
Mileage	1,000	3,000	3,000	3,000	3,000
RNZ Licence	360	370	370	370	370
Room Hire	183	300	300	300	300
Trustees Fees	600	6,000	6,000	6,000	6,000
Trustees' Indemnity Insurance	2,455	2,504	2,554	2,605	2,657
	<b>16,305</b>	<b>25,666</b>	<b>29,731</b>	<b>29,782</b>	<b>29,834</b>
<b><u>Grants</u></b>					
Grant - Emergency Services Provider	43,312	46,000	46,920	47,858	48,816
Grant - Airport to Deepwater Basin Walkway	-	-	20,000	-	-
	<b>43,312</b>	<b>46,000</b>	<b>66,920</b>	<b>47,858</b>	<b>48,816</b>
<b><u>Operations &amp; Maintenance</u></b>					
ERT Plant & Equipment Purchases	-	2,500	2,500	2,500	2,500
Environment Southland - Consent Fees	-	-	15,000	15,000	15,000
	-	2,500	17,500	17,500	17,500
<b><u>Project Costs</u></b>					
Project Development and Planning	-	5,000	5,000	5,000	5,000
Cleddau Village Recreation Reserve	476	50,113	-	-	-
Cleddau Village Recreation Building	-	-	110,000	-	-
ERT Building	-	-	-	-	-
	<b>476</b>	<b>55,113</b>	<b>115,000</b>	<b>5,000</b>	<b>5,000</b>
<b>Total Expenses</b>	<b>60,093</b>	<b>129,279</b>	<b>229,151</b>	<b>100,141</b>	<b>101,150</b>
<b>Net Operating Surplus/(Deficit)</b>	<b>45,753</b>	<b>(16,144)</b>	<b>(104,703)</b>	<b>36,753</b>	<b>49,433</b>



## Prospective Statement of Changes in Equity

	Actuals 2015/2016	Forecast Actuals 2016/2017	Budget 2017/2018	Budget 2018/2019	Budget 2019/2020
Balance at 1 July	115,949	161,702	145,558	40,855	77,608
Net Surplus / (Deficit)	45,753	(16,144)	(104,703)	36,753	49,433
Equity at end of year	<b>161,702</b>	<b>145,558</b>	<b>40,855</b>	<b>77,608</b>	<b>127,041</b>

## Prospective Statement of Financial Position

	Actuals 2015/2016	Forecast Actuals 2016/2017	Budget 2017/2018	Budget 2018/2019	Budget 2019/2020
<b>Equity</b>					
Accumulated Funds	161,602	145,458	40,755	77,508	126,941
Trust Capital	100	100	100	100	100
	<b>161,702</b>	<b>145,558</b>	<b>40,855</b>	<b>77,608</b>	<b>127,041</b>
<b>Represented by:</b>					
<b>Current Assets</b>					
Accounts Receivable	100	100	100	100	100
Accrued income	83	-	-	-	-
Bank Account - 00	40,301	15,000	15,000	15,000	15,000
Bank Account - 25	61,742	31,453	-	-	-
Term Deposit	70,000	110,000	36,750	73,503	122,935
GST	-	-	-	-	-
<b>Total Assets</b>	<b>172,228</b>	<b>156,553</b>	<b>51,850</b>	<b>88,603</b>	<b>138,036</b>
<b>Non Current Assets</b>					
Equipment	985	-	-	-	-
<b>Total Assets</b>	<b>173,213</b>	<b>156,553</b>	<b>51,850</b>	<b>88,603</b>	<b>138,036</b>
<b>Current Liabilities</b>					
Accrued Expenses	5,797	5,797	5,797	5,797	5,797
Accounts Payable	516	-	-	-	-
GST	5,198	5,198	5,198	5,198	5,198
<b>Total Liabilities</b>	<b>11,511</b>	<b>10,995</b>	<b>10,995</b>	<b>10,995</b>	<b>10,995</b>
<b>Net Assets</b>	<b>161,702</b>	<b>145,558</b>	<b>40,855</b>	<b>77,608</b>	<b>127,041</b>



## Milford Community Trust Half Yearly Report for the Six Month Period to 31 December 2016.

**Record No:** R/17/3/7018  
**Author:** Jenny Labruyere, Committee Advisor/Customer Support Partner  
**Approved by:** Rex Capil, Group Manager Community and Futures

☐ Decision ☐ Recommendation ☒ Information

### Purpose

- 1 Council to note the contents of the Milford Community Trust – Half Yearly Report for the Period to 31 December 2016 and approve accordingly.
- 2 The Half Yearly Report for the Period to 31 December 2016 was circulated for the Trustees consideration and adopted at the Trust meeting held on 7 December 2016.

### Recommendation

That the Council:

- a) **Receives the report titled “Milford Community Trust Half Yearly Report for the Six Month Period to 31 December 2016.”**
- b) **Approves the “Milford Community Trust Half Yearly Report for the Six Month Period to 31 December 2016.**

### Attachments

- A Milford Community Trust Final Half Yearly Report for the Six Month Period to 31 December 2016. [↓](#)



# **MILFORD COMMUNITY TRUST**

## **FINAL**

## **HALF YEARLY REPORT**

## **FOR THE SIX MONTH PERIOD TO 31 DECEMBER 2016**

## Directory as at 31 December 2016

Settler:	Southland District Council	
Trustees:	Trustee	Term Expires
	Mike Schuck (Chair)	2017
	Rosco Gaudin	2019
	Brad Johnstone	2017
	Mike McConachie	2018
	Jason Steele	2018
	Tim Holland	2020
Councillor	Ebel Kremer	2019
Status:	Charitable Trust	
Trust Manager	Southland District Council – Chris Dolan	
Trust Secretary	Southland District Council - Jenny Labruyère	
Trust Capital:	100 dollars	
Key Partners/Stakeholders:	Southland District Council Department of Conservation Environment Southland	

### 1.0 **Introduction**

The Milford Community Trust was established in 2007 by the Southland District Council and the Department of Conservation, with the assistance of Environment Southland for the purpose of providing leadership and governance in Milford Sound *Piopiotahi*.

In terms of the Local Government Act, the Trust is defined as a Council Controlled Organisation reporting the Southland District Council. The Trust was incorporated under the Charitable Trusts Act 1957 on 18 May 2007. The Charities Commission has approved the Trust as being exempt for taxation purposes.

This report covers the six monthly period from 1 July 2016 to 31 December 2016.

### 2.0 **Chairman's Six Monthly Report: (Chairman - Mike Schuck)**

This report covers the six months from 1 July 2016 to 31 December 2016.

The main work that the Trust will undertake over the next year will be the building of a community centre. A site is secured and some funding set aside. Community consultation has produced a concept plan. The next step is to finalise the design and tender the work. Fundraising will then begin in earnest.

The Cleddau village sport court site preparation has been completed. The asphaltting has been delayed by the Christmas break and a very wet January. It is disappointing that the courts are taking so long to finish.

The review of the Milford Community Trust (MCT) Trust Deed will now be completed during 2017. This review will consider the functions and responsibilities of the Trust including a review of the charging mechanism for concession fees.

Long serving Trust Manager, Chris Dolan retired prior to Christmas. Chris has been the Trust Manager since the Trust's inception. He has been a diligent and professional manager who I miss greatly. The Trust will certainly miss his experience and knowledge.

On behalf of the Trust I would like to welcome new Trustee Tim Holland. Tim is the General Manager at Milford Sound Development Authority now known as Milford Sound Tourism Limited and began work in June.

I also welcome Simon Moran, Southland District Council, Community Partnership Leader, who will take over some of the work done by Chris Dolan.

Mike Schuck  
8 February 2017

### 3.0 Meetings

There were two meetings of the Trust held during this six month period.

### 4.0 Performance Report

Performance against key targets for the six monthly period was as follows:-

Levels of Service	Key Performance Indicator	Target	Actual Performance
Maintain a structure that facilitates local decision-making.	Hold public forums in Milford each year.	1	One held in Milford on 7 December 2016.
Keep the Milford community informed about Trust plans and outcomes.	Community newsletters  Face book page started October 2016 – well visited site with 31 members to date.	0	Nil to date. Going forward, activities carried out by the Trust will be included in the in the Fiordland Advocate.
Provide leadership and advocacy on major issues.	Number of Milford Community Trust meetings held annually.	4	2 meetings were held during this period.
Response to issues raised by the community.	Percentage of issues raised at Milford Community Association meetings responded to prior to next meeting.	100%	Issues raised by the Milford Community Association are attended to when required following meetings. Comment is provided through the action item responses.
Milford Community Association (MCA) meetings	To be reported at MCT meetings.	4	Two MCA meetings were held during this period. The Association Member updated Trustees at their meetings.

## 5.0 Activity Report

Progress against planned activities set out in the Statement of Intent for 2016-2019 are as follows:

Target	Status	Comments
Advocate and assist with other organisations for improvements in the public facilities at Deepwater Basin through the Concept Plan for this area	In progress	Other organisations are progressing these projects.
Working with other organisations to advocate for public toilets and shelter at the airport and completion of the walking track to the Lodge.	In progress	Walking track to Lodge ongoing. Airport issues still work in progress.
Assist Milford Community Association in the development of Cleddau Village Recreation area which is to accommodate village green/community centre.	In progress	Facilities at Recreation area or village green being installed and will be complete within the current financial year.
Provide funding for medical support, services and facilities for Milford ERT station.	On-going	Trust continuing to assist in providing support to the ERT station.
Continuation of funding of Team Leader of MERT (previously known as Emergency Services Provider).	On-going	Trust continues to provide financial assistance to employment of Team Leader of MERT
Assist with the redevelopment of the Bowen Falls walkway if this project is to proceed.	In progress	Grant monies labelled Bowen Falls Walkway to be re-labelled Airport to Deepwater Basin Walkway.
Engage with NZTA for the development of the walking track from the airport to Deepwater Basin Road, car parking at the rock climbing area etc.	In progress	Trust awaiting outcome from DOC before any further involvement.
Implement changes to any charging mechanism with all stakeholders in regard to the way fees are apportioned this includes undertaking a review of the Trust with stakeholders including concessionaires.	In progress	This will occur during forthcoming discussions on the review of the charging regime.
Advocate the continuation of maintaining beautification and roading within the village.	On-going	Beautification undertaken by contractor for ongoing maintenance.
Investigate change to Milford Rating Boundary to exclude Milford from Mararoa Waimea Rating boundary	In progress	Trust has requested Council to investigate Rating boundary change.
Trust to progress to facilitate and proceed with Community Centre in the Cleddau village	In progress	Site available, \$100,000 from concession fees put aside, undertaken community consultation. Awaiting further design concepts prior to seeking further fund raising assistance.

## 6.0 **Community Views**

Milford Community Association members and the Association's Trustees represent the views of the local community.

## 7.0 **Financial Considerations**

The Trust's financial report to 31 December 2016 is attached.

The actual cost of the recreation reserve facilities will be around \$55k compared to a budget of \$20k. The increased cost is as a result of actual tenders received. Funding of the project will be from existing savings.

As noted in the Chairman's report, initial concept plans for the recreation building have been undertaken. It is not expected that any significant costs will be incurred this year.

## 8.0 **Legal Considerations**

The Trust is required under Section 66 of the Local Government Act to submit a copy of the Half Yearly report to its stakeholders.

## 9.0 **SUMMARY**

The Milford Community Trust to adopt the Half Yearly Report to 31 December 2016 at its meeting held on 20 February 2017.

Jenny Labruière  
**Trust Secretary**  
**MILFORD COMMUNITY TRUST**



**Milford Community Trust**  
**Statement of Financial Performance**  
**For the period to 31 December 2016**

Actual 30/06/16	Account Description	Actual 31/12/16	Annual Budget
	<b><u>Income</u></b>		
102,849	Concessionaires Income	56,568	113,135
2,998	Interest - Received	1,264	-
<u>105,847</u>		<u>57,832</u>	<u>113,135</u>
	<b><u>Expenses</u></b>		
174	Accommodation and Meals	209	600
67	Administration Fees (Charities Commission Fee)	51	44
546	Advertising	-	3,000
4,026	Audit Fees	-	5,000
676	Bad Debts	-	-
40	Bank Fees	-	40
117	Catering Expenses	-	500
4,906	Chairperson's Fees	2,339	10,000
476	Cleddau Village Recreation Reserve	18,347	20,000
-	Cleddau Village Recreation Building	-	110,000
657	Depreciation	-	394
43,312	Emergency Services Provider	10,590	44,880
-	ERT Plant & Equipment Purchases	-	2,500
499	General Expenses (Audit Disbursements)	(371)	500
-	Loss on Disposal of Gym Equipment	985	-
1,000	Mileage	576	3,000
-	Project Development & Planning	-	5,000
360	Radio Tower	-	360
183	Room Hire	126	300
600	Trustees Fees	300	6,600
2,455	Trustees' Indemnity Insurance	2,455	1,720
<u>60,094</u>		<u>35,607</u>	<u>214,438</u>
<u><b>45,753</b></u>	<b>Net Operating Surplus/(Deficit)</b>	<u><b>22,224</b></u>	<u><b>(101,303)</b></u>
-	<b>Other Comprehensive Income</b>	-	-
<u><b>45,753</b></u>	<b>Total Comprehensive Income</b>	<u><b>22,224</b></u>	<u><b>(101,303)</b></u>

**Statement of Changes in Equity**  
For the period to 31 December 2016

Actual 30/06/16		Actual 31/12/16
115,949	Total Equity at beginning of year	161,702
<u>45,753</u>	Net Surplus / (Deficit)	<u>22,224</u>
<u><b>161,702</b></u>	Equity at end of year	<u><b>183,926</b></u>

**Statement of Financial Position**  
As at 31 December 2016

Actual 30/06/16		Actual 31/12/16
	<b>Equity</b>	
100	Trust Capital	100
<u>161,602</u>	Accumulated Funds	<u>183,826</u>
<u><b>161,702</b></u>		<u><b>183,926</b></u>
	<b>Represented by:</b>	
	<b>Current Assets</b>	
100	Accounts Receivable	65,152
83	Accrued Income	-
-	GST	-
40,301	Bank Account - 00	1,321
61,742	Savings Account - 025	154,972
<u>70,000</u>	Term Deposit	<u>-</u>
172,226	<b>Total Current Assets</b>	221,445
	<b>Non Current Assets</b>	
985	Equipment	-
<u>173,211</u>	<b>Total Assets</b>	<u>221,445</u>
	<b>Current Liabilities</b>	
5,797	Accrued Expenses	11,266
516	Accounts Payable	21,759
<u>5,198</u>	GST	<u>4,495</u>
11,511	<b>Total Liabilities</b>	37,520
<u><b>161,702</b></u>	<b>Net Assets</b>	<u><b>183,926</b></u>

**Milford Community Trust**  
**Statement of Cash Flows**  
**For the Period ended 31 December 2016**

<b>Actual</b>		<b>Actual</b>
<b>30/06/15</b>		<b>31/12/16</b>
	<b>Cash Flows From Operating Activities</b>	
102,173	Receipts from Concessionaires Income	-
2,915	Interest Received	1,329
(59,074)	Payments to Suppliers and Employees	(10,426)
3,331	Goods and Services Tax (net)	(6,654)
<b>49,345</b>	<b>Net Cash Flow from Operating Activities</b>	<b>(15,751)</b>
	<b>Cash Flow From Investing Activities</b>	
(70,000)	Investment in Term Deposit	-
-	Maturity of Term Deposit	70,000
<b>(70,000)</b>	<b>Net Cash Flow From Investing Activities</b>	<b>70,000</b>
	<b>Cash Flows From Financing Activities</b>	
-	Proceeds for Borrowings	-
-	Repayment of Borrowings	-
<b>-</b>	<b>Net Cash Flow From Financing Activities</b>	<b>-</b>
(20,655)	<b>Net Increase / (Decrease) In Cash</b>	54,249
122,700	Cash at 1 July	102,044
<b>102,044</b>	Cash at 31 December	<b>156,293</b>
	<b>Represented By</b>	
102,044	Cash and Bank	156,293
<b>102,044</b>		<b>156,293</b>



## 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 New Maintenance Alliance Contracts

#### C10.2 Proposed Amendments to Solid Energy Escrow Agreements - Request for Council approval

#### C10.3 Waituna Partnership - Freshwater Improvement Fund Application

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
New Maintenance Alliance Contracts	s7(2)(h) - The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.  s7(2)(i) - The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists.
Proposed Amendments to Solid Energy Escrow Agreements - Request for Council approval	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.
Waituna Partnership - Freshwater Improvement Fund Application	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.