



Notice is hereby given that a meeting of the Stewart Island/Rakiura Visitor Levy Subcommittee will be held on:

Date: Thursday, 13 June 2024
Time: 1:00 PM
Meeting room: Stewart Island Pavilion
Venue: 7 Ayr St, Stewart Island

Stewart Island/Rakiura Visitor Levy Subcommittee Agenda OPEN

MEMBERSHIP

Chairperson	Cr Julie Keast	
Members	Lyndon Cleaver	ISS McKay
	Aaron Conner	Stewart Island/Rakiura Community Board
	Lania Edwards	Local Iwi
	Bruce Ford	Community representative
	Bill Moffatt	South East Air
	Paul Norris	Real NZ
	Bruce Robertson	Finance and Assurance
	Cr Jon Spraggon	Local councillor

IN ATTENDANCE

Karen Purdue	Community partnership leader
Kirsten Hicks	Committee advisor

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

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

Health and safety – emergency procedures

Toilets – The location of the toilets will be advised at the meeting.

Evacuation – Should there be an evacuation for any reason please exit via the exits indicated at the venue.

Earthquake – Drop, cover and hold applies in this situation and, if necessary, once the shaking has stopped we will evacuate the building to a safe location.

Phones – Please turn your mobile devices to silent mode.

Recording - These proceedings may be recorded for the purpose of live video, both live streaming and downloading. By remaining in this meeting, you are consenting to being filmed for viewing by the public.

Terms of Reference – Stewart Island/Rakiura Visitor Levy Allocation Subcommittee

TYPE OF COMMITTEE	Subcommittee
SUBORDINATE TO	Stewart Island/Rakiura Community board
LEGISLATIVE BASIS	Subcommittees delegated powers by Council as per schedule 7, clause 32, LGA 2002.
MEMBERSHIP	<p>The subcommittee consists of the following members appointed by Council:</p> <p>Chairperson:</p> <p>The chair of the subcommittee for the 2022 to 2025 triennium will be Councillor Julie Keast.</p> <p>Members:</p> <ul style="list-style-type: none"> • a representative from or recommended by each of the approved operators named under the Stewart Island/Rakiura Visitor Levy Policy • one community board representative • the chair of the Finance and Assurance Committee • a member from Stewart Island/Rakiura • a member to represent iwi • the councillor for Stewart Island/Rakiura Ward
QUORUM	Majority of members
FREQUENCY OF MEETINGS	One meeting per annum or as required
SCOPE OF ACTIVITIES	The Stewart Island/Rakiura Visitor Levy Allocation Subcommittee is responsible for governance of the Stewart Island/Rakiura visitor levy fund and setting strategic objectives to act as the basis for assessing applications for funding.
DELEGATIONS	<p>The Stewart Island/Rakiura Visitor Levy Allocation subcommittee shall have the following delegated powers and be accountable to Council for the exercising of these powers:</p> <ol style="list-style-type: none"> (a) determining strategic outcomes for the Stewart Island/Rakiura visitor levy fund (b) making decisions regarding funding applications to the Stewart Island/ Rakiura visitor levy fund. (c) setting policy in relation to the collection and enforcement of the Stewart Island/Rakiura visitor levy.

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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

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

4 Extraordinary/urgent items

To consider, and if thought fit, to pass a resolution to permit the committee 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.”**

5 Confirmation of minutes

- 5.1 Meeting minutes of Stewart Island/Rakiura Visitor Levy Subcommittee, 27 June 2023

6 Public participation

Notification to speak is required by 12noon at least one clear day before the meeting. Further information is available at www.southlanddc.govt.nz or by phoning 0800 732 732.



Stewart Island/Rakiura Visitor Levy Subcommittee OPEN MINUTES

UNCONFIRMED

Minutes of a meeting of Stewart Island/Rakiura Visitor Levy Subcommittee held in the Stewart Island Pavilion, Ayr St, Oban on Tuesday, 27 June 2023 at 9.46- 10.17am.

PRESENT

Chairperson	Cr Julie Keast	
Members	Lyndon Cleaver	ISS-McKay
	Aaron Conner	Stewart Island/Rakiura Community Board
	Bruce Ford	Community representative
	Bruce Robertson	Finance and Assurance (via Teams)
	Cr Jon Spraggon	Local councillor

APOLOGIES

Lania Edwards	Iwi representative
Bill Moffatt	South East Air
Paul Norris	Real NZ

IN ATTENDANCE

Mark Day	Community facilities manager
Karen Purdue	Community partnership leader
Kirsten Hicks	Committee advisor

1 Apologies

Apologies for non-attendance were received from Lania Edwards, Bill Moffatt and Paul Norris.

Moved Councillor Jon Spraggon, seconded Aaron Conner and resolved
That the Stewart Island/Rakiura Visitor Levy Subcommittee accepts the apologies for non-attendance from Lania Edwards, Bill Moffatt and Paul Norris.

2 Leave of absence

There were no requests for leave of absence.

3 Conflict of interest

Aaron Conner and Councillor Jon Spraggon both declared a conflict of interest in item 7.1
Stewart Island Visitor Levy funding allocations – March 2023

4 Extraordinary/urgent items

There were no extraordinary/urgent items.

5 Confirmation of minutes

Resolution

Moved Bruce Ford, seconded Cr Jon Spraggon and resolved

That the Stewart Island/Rakiura Visitor Levy Subcommittee confirms the minutes of the meeting held on 9 June 2023 as a true and correct record of that meeting.

6 Public participation

There was no public participation

Reports

7.1 Stewart Island Visitor Levy funding allocations - March 2023

Record No: R/23/5/23474

Community partnership leader Karen Purdue and Community facilities manager Mark Day were in attendance for this item.

Both Cr Jon Spraggon and Aaron Conner declared an interest in this item.

Members of the subcommittee noted that \$48,529 has already been committed from multi-year grant applications. There is one new application for funding – from the Stewart Island/Rakiura Community Board of up to \$150,000 for costs associated with the rebuild of the Ulva Island wharf. The shortfall of funds available for distribution and applications (\$3062) could be covered by way of an application to Council for unbudgeted expenditure.

The subcommittee were informed that resource consents have been lodged, and discussions are currently underway with the Department of Conservation to connect the proposed wharf to the existing track network. Originally the tender combined both the construction and installation of the facility, but it has proved to be more cost effective to split the two tasks. This allows for construction to be undertaken off island, which has reduced costs. Environment Southland have asked for an additional report (assessment of the impact on the character of the location) and this will push the time out. Possible variables which may affect the delivery time of this project include stakeholder objections and any requirement to go through the environment court.

The subcommittee noted that the existing wharf at Post Office Cove was at the end of its life and Environment Southland have indicated that they would issue only one coastal permit for Ulva Island.

A discussion took place about any restrictions that should be placed on the new facility (relating to load/weight limits and possibly weather conditions). It was noted that some cruise ships operate quite large tenders, with drivers who may not be familiar with local conditions. It was suggested that any restrictions be discussed with existing operators, prior to their implementation.

Resolution

Moved Bruce Ford, seconded Lyndon Cleaver and resolved

That the Stewart Island/Rakiura Visitor Levy Subcommittee:

- a) **Receives the report titled “Stewart Island Visitor Levy funding allocations - March 2023” dated 15 June 2023.**
- b) Determines that this matter or decision be recognised not significant in terms of Section 76 of the Local Government Act 2002.
- c) Determines that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with Section 79 of the act determines that it does not require further information, further assessment of options or further analysis of costs and benefits or advantages and disadvantages prior to making a decision on this matter.
- d) Notes that there is \$ 221,673 held in the Stewart Island/Rakiura Visitor Levy Fund reserves.
- d) Notes that the budget for allocation of grants from the Stewart Island/Rakiura Visitor Levy Fund for the current financial year is \$146,938, compared with the requested funding of \$150,000.

-
- e) Notes that the \$48,529 listed in the current year commitments are from multi-year grants allocated in the March 2022 funding round
 - h) Receives funding applications from the following organisations:
 - Stewart Island Rakiura Community Board
 - i) Approves/~~declines~~ a grant to Stewart Island Rakiura Community Board of up to \$150,000 for costs associated to rebuild the Ulva island wharf

The meeting concluded at 10.17am

CONFIRMED AS A TRUE AND CORRECT RECORD AT A
MEETING OF THE STEWART ISLAND/RAKIURA
VISITOR LEVY SUBCOMMITTEE HELD ON TUESDAY
27 JUNE 2023

DATE:.....

CHAIRPERSON:.....

Stewart Island/Rakiura Visitor Levy funding allocations - May 2024

Record no: R/24/5/33429

Author: Kathryn Cowie, Community liaison officer

Approved by: Sam Marshall, Group manager customer and community wellbeing

Decision

Recommendation

Information

Purpose

- 1 The purpose of this report is for the Stewart Island/Rakiura Visitor Levy Subcommittee to consider applications received for the 2024 funding round.

Executive summary

- 2 The Southland District Council Stewart Island/Rakiura Visitor Levy Fund is available to groups and organisations to assist with projects, activities and/or services used by visitors; for the benefit of visitors; or to mitigate the adverse effects of visitors on the environment of the island.
- 3 There is one funding round per year, closing on the second Friday of May.
- 4 The financial report as at 30 April 2024 and summary of applications received for consideration for this funding round, are contained in the report for review and approval. Committee members have been given copies of the full applications prior to this meeting.
- 5 There is \$273,305 budgeted for grants this financial year, and \$441,518 in total available in reserves to distribute.
- 6 A total of five applications have been received, with requests totalling \$266,822 for this financial year, and \$34,688 in the next financial year as one applicant has a multi-year request.

Recommendation

That the Stewart Island/Rakiura Visitor Levy Subcommittee:

- a) **Receives the report titled “Stewart Island/Rakiura Visitor Levy funding allocations - May 2024”.**
- 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) Notes that there is \$441,518 held in the Stewart Island/Rakiura Visitor Levy Fund reserves.
- e) Notes that the budget for allocation of grants from the Stewart Island/Rakiura Visitor Levy Fund for the 2023/24 financial year is \$273,305, compared with the requested funding of \$301,510.
- f) Receives applications from the following organisations:
 1. Toi Rakiura Arts Trust
 2. Stewart Island / Rakiura Community Board
 3. Rakiura Heritage Trust
 4. Stewart Island Promotions Association
 5. Stewart Island Rakiura Community & Environment Trust
- g) Approves/declines a grant of \$1,560 to Toi Rakiura Arts Trust to assist with costs of artist workshops on the island.
- h) Approves/declines a grant of up to \$200,000 to the Stewart Island/Rakiura Community Board for costs associated with the Golden Bay masterplan stage 1 – walking track from Ayr Street to Trail Park.
- i) Approves/declines a grant of \$30,000 to the Rakiura Heritage Trust to assist with operational costs.
- j) Approves/declines a grant of \$574 to the Stewart Island Promotions Association to assist with the free waterfront wifi project.
- k) Approves/declines a grant of \$69,376 (\$34,688 each year for two years) to the Stewart Island Rakiura Community & Environment Trust to assist with their community and visitor engagement project.

Background

- 7 The Southland District Council (Stewart Island/Rakiura Visitor Levy) Empowering Act 2012 was passed into law on 26 March 2012. The act empowers Council to set and collect levies and obtain

revenue from visitors to Stewart Island/Rakiura through the implementation of the Stewart Island/Rakiura Visitor Levy Policy.

- 8 Under the act, funds must be used to better provide services, facilities, amenities for island visitors, or mitigate environmental effects.
- 9 In 2018, the Stewart Island/Rakiura Visitor Levy Policy was reviewed and in 2019 the new Stewart Island/Rakiura Visitor Levy Policy Bylaw was implemented (see attached).
- 10 The Stewart Island/Rakiura Visitor Levy Bylaw outlines levy collection from visitors who travel to the island via private or chartered transportation. Only one payment is required per person for the duration of their stay on the island.
- 11 The Stewart Island/Rakiura Visitor Levy Policy Subcommittee has the delegated authority and will make decisions to approve applications from the Stewart Island/Rakiura Visitor Levy Fund. The subcommittee will meet annually to review applications and allocate funding.
- 12 The subcommittee is the subordinate decision-making body of the Stewart Island/Rakiura Community Board. Councillors and the Stewart Island/Rakiura Community Board will be informed of funding decisions via memoranda. Council's Annual Report will contain an itemised statement of the Stewart Island/Rakiura Visitor Levy fund each year.
- 13 Although the subcommittee has complete discretion when allocating funds, the visitor levy policy guides them to allocate funding as per the percentages below:
 - Council/community owned infrastructure 60-70% of funds available annually
 - operational costs 20-25% of funds available annually
 - community projects 5-10% of funds available annually

The financial report for the Stewart Island Visitor Levy Fund as of 30 April 2024 is as follows:

Southland District Council Stewart Island/Rakiura Visitor Levy as at 30 April 2024			
2022/23 Year	Summary	Actual to date	Annual Budget
125,435	Opening Balance, 1 July 2022	134,281	-
	<u>Add</u>		
176,586	SI Levy	303,848	273,305
286,600	Fund reserved for prior year commitments	277,173	-
5,269	Interest - Operating Investment	10,199	-
5,591	Interest 2023/24*		4,689
599,481	Total Funds	725,501	277,994
	<u>Less</u>		
178,600	Current year commitments	-	-
98,573	Prior year commitments (not yet uplifted)	248,573	-
188,027	Prior year grants paid out	28,600	
	Administration Fee	6,810	
-	Miscellaneous Grant	-	273,305
465,200	Total	283,983	273,305
134,281	Funds Held in Reserves (Available for distribution)	441,518	4,689

Notes:
* Interest earned on reserves for the period has not been included. The actual amount will not be known until the end of the financial year when the interest allocation across Council's total investments and associated reconciliation of reserves is finalised at the end of the financial year.

Applications

1. Toi Rakiura Arts Trust

Seeks funding to assist with the cost of hosting a series of artist workshops on the island.

Eligibility assessment

This application is deemed eligible on the basis that it is consistent with section 6(b) of the act.

Allocation category

Community projects.

Strength of application (i.e. the extent to which s 6(b) of the act is met)

The workshops are aimed at creating experiences to attract visitors, especially during the winter months. If successful, Toi Rakiura would like the workshops to become an annual or bi-annual event.

Alignment with the Southland Murihiku Destination Strategy's guiding principles "Manaakitanga – making sure visitor's needs are addressed".

Aligns with the Southland Murihiku Destination Strategy's activation area of product development.

The amount requested is .57% of the funds available this year and sits under the 5-10%

		funding allocation guidelines set out in the visitor levy policy guide for community projects.
Documentation Requirements Met	n/a	Outline of project or work (including a timeline) provided
	n/a	Scale conceptual plans including site plans included (if project involves physical works)
	n/a	Resource or building consent required
	X	Business plan including costs and on-going funding requirements provided
	√	Legal status of application provided (eg charitable trust or body corporate)
	√	Assessment of how the project will benefit visitors provided
Total Project Cost		\$11,823
Amount Requested		\$1,560

2. Stewart Island Rakiura Community Board

Seeks funding to assist with Golden Bay masterplan project – Stage 1 – walking track from Ayr Street to Traill Park.

Eligibility assessment This application is deemed eligible on the basis that it is consistent with section 6(b) of the act

Allocation category Council owned infrastructure.

Strength of application (ie the extent to which s 6(b) of the act is met) The walking track will ultimately provide safer and easier access to the Golden Bay wharf area for visitors when the delivery of the masterplan is complete. There is currently no formally easily identified access to Golden Bay apart from the road.

Alignment with the Southland Murihiku Destination Strategy's guiding principles "Manaakitanga – making sure visitor's needs are addressed", and "Hanga/Whairawa – striving for the wellbeing and economic prosperity of our region and community".

Aligns with the Southland Murihiku Destination Strategy's activation area of infrastructure.

The community board received \$140,000 from the visitor levy in 2022 for a geotechnical and survey services report for the new Halfmoon Bay to Golden Bay walkway.

Accountability for the 2022 grant has been provided.

The upper amount of \$200,000 requested is 73% of the funds available this year and sits above the 60-70% funding allocation guidelines set out in the visitor levy policy guide for Council/community owned infrastructure. This is a project contained in the LTP.

Documentation Requirements Met

- √ Outline of project or work (including a timeline) provided
- √ Scale conceptual plans including site plans included (if project involves physical works)
- n/a Resource or building consent required
- X Business plan including costs and on-going funding requirements provided
- √ Legal status of application provided (eg charitable trust or body corporate)
- √ Assessment of how the project will benefit visitors provided

Total Project Cost

\$239,854

(estimate from contractors document June 2023)

Amount Requested

Up to \$200,000

3. Rakiura Heritage Trust

Seeks funding to assist with operational costs for the Rakiura museum.

Eligibility assessment

This application is deemed eligible on the basis that it is consistent with section 6(b) of the act

Allocation category

Operational costs

Strength of application (i.e. the extent to which s 6(b) of the act is met)

To meet visitor needs, the museum is open 7 days per week with the exception of Christmas day. The museum is faced with ever increasing non-negotiable costs (e.g. insurance, electricity, diesel) to keep the museum operational, and also faces difficulty in recruiting volunteers to assist on the weekends. The Rakiura museum provides visitors with the opportunity to gain insight into the historical, cultural and economic foundations of Stewart Island, and also provides bathroom facilities to tourists.

Alignment with the Southland Murihiku Destination Strategy’s guiding principles “Whanaungatanga/Together – a regional, coordinated approach, ensuring the benefits of tourism are shared throughout”,

“Ohanga/Whairawa – striving for the wellbeing and economic prosperity of our region and community”, “Manaakitanga – making sure visitor’s needs are addressed”, Kaitiakitanga – Guardians of a special place, and “Hanga/Whairawa – striving for the wellbeing and economic prosperity of our region and community”, “Diversity – reflected in the cross cultural stories made accessible in the museum”.

Aligns with the Southland Murihiku Destination Strategy’s activation areas of product development and marketing and promotion.

The Rakiura Heritage Trust received \$30,000 in 2020 and \$20,000 in 2022 for operational costs associated with running the museum.

The trust provided an accountability report for the \$20,000 received in 2022. An accountability form for the 2020 grant was not located.

The amount requested is 11% of the funds available this year and sits under the 20-25% funding allocation guidelines set out in the visitor levy policy guide for operational costs. When combined with the other applications in this round for operational costs the total amount requested is 23.6% of funds available which continues to sit under the 20-25% threshold.

Documentation Requirements Met

- n/a Outline of project or work (including a timeline) provided
- n/a Scale conceptual plans including site plans included (if project involves physical works)
- n/a Resource or building consent required
- X Business plan including costs and on-going funding requirements provided
- √ Legal status of application provided (eg charitable trust or body corporate)
- √ Assessment of how the project will benefit visitors provided

Total Project Cost	\$304,957
Amount Requested	\$30,000

4. Stewart Island Promotion Association Inc.

Seeks funding to assist with the free waterfront wifi project – offering free wifi to visitors along the waterfront of Halfmoon Bay.

Eligibility assessment	This application is deemed eligible on the basis that it is consistent with section 6(b) of the act
Allocation category	Community projects
Strength of application (i.e. the extent to which s 6(b) of the act is met)	<p>This is a service that the island likes to provide, especially as visitors often need to do forward bookings for travel around the Southland region whilst on the waterfront at Halfmoon Bay.</p> <p>Alignment with the Southland Murihiku Destination Strategy’s guiding principles “Manaakitanga – making sure visitor’s needs are addressed”, and “Hanga/Whairawa – striving for the wellbeing and economic prosperity of our region and community”.</p> <p>Aligns with the Southland Murihiku Destination Strategy’s activation area of infrastructure.</p> <p>The Stewart Island Promotion Association Inc received \$1,068 in 2021 to assist in the provision of visitor wifi.</p> <p>An accountability form was received for the funding granted in 2021.</p> <p>The amount requested is .2% of the funds available this year and sits under the 5-10% funding allocation guidelines set out in the visitor levy policy guide for community projects.</p>
Documentation Requirements Met	<ul style="list-style-type: none"> √ Outline of project or work (including a timeline) provided n/a Scale conceptual plans including site plans included (if project involves physical works) n/a Resource or building consent required X Business plan including costs and on-going funding requirements provided √ Legal status of application provided (eg charitable trust or body corporate) √ Assessment of how the project will benefit visitors provided
Total Project Cost	\$705
Amount Requested	\$574

5. Stewart Island Rakiura Community and Environment Trust (SIRCET)

Seeks funding to assist with the costs of their Community & Visitor engagement project – specifically the employment of the Community Liaison person.

Eligibility assessment

This application is deemed eligible on the basis that it is consistent with section 6(b) of the act

Allocation category

Operational costs.

Strength of application (i.e. the extent to which s 6(b) of the act is met)

The community liaison person coordinates projects that benefit the community and the environment, which can include facilitating volunteer activities for visitors (e.g. checking & clearing pest traps), education programmes for visiting school groups and organizing events on the island.

Alignment with the Southland Murihiku Destination Strategy's guiding principles "Whanaungatanga/Together – a regional, coordinated approach, ensuring the benefits of tourism are shared throughout", "Ohanga/Whairawa – striving for the wellbeing and economic prosperity of our region and community", "Manaakitanga – making sure visitor's needs are addressed", Kaitiakitanga – Guardians of a special place, and "Hanga/Whairawa – striving for the wellbeing and economic prosperity of our region and community", and "Diversity".

Aligns with the Southland Murihiku Destination Strategy's activation areas of product development, marketing and promotion, and sustainability.

The Community and Environment Trust received \$56,000 in 2022 to assist in the costs of employing a community liaison officer. This was a multi year grant of \$28,000 per year for two years.

Accountability for the 2022 grant allocation from for the period November 2022-November 2023 has been received. Accountability for the 2023-2024 period is due November 2024. A partial accountability report has been provided for the 2023-2024 period.

The amount requested is 12.6% of the funds available this year and sits under the 20-25% funding allocation guidelines set out in the visitor levy policy guide for operational costs. When combined with the other application for operational costs in this funding round the total amount requested is 23.6% of funds available which continues to sit under the 20-25% threshold.

Documentation Requirements Met	<ul style="list-style-type: none"> √ Outline of project or work (including a timeline) provided n/a Scale conceptual plans including site plans included (if project involves physical works) n/a Resource or building consent required X Business plan including costs and on-going funding requirements provided √ Legal status of application provided (eg charitable trust or body corporate) √ Assessment of how the project will benefit visitors provided
Total Project Cost	\$82,376 (over two years)
Amount Requested	\$34,688 per year for two years(\$69,376 total)

Issues

14 There are no issues to consider.

Factors to consider

Legal and statutory requirements

15 Aligns with the Southland District Council’s Stewart Island/Rakiura Visitor Levy Fund Policy Bylaw.

Community views

16 The Stewart Island/Rakiura Visitor Levy Policy Subcommittee has appointed representatives to represent the views of the Stewart Island/Rakiura community. It is generally accepted that infrastructure applications from Stewart Island Rakiura Community Board have community support as they are listed in Southland District Council’s Long Term Plan and have been through this consultation process.

Costs and funding

17 There is currently \$441,518 held in the Stewart Island/Rakiura Visitor Levy reserves, and \$273,305 budgeted to spend in the 2023/24 financial year.

18 Requests for this funding round total \$266,822 for this financial year, and \$34,688 for the next financial year, as one applicant has a multi-year request.

19 Any amount allocated over the 2023/24 budget of \$273,305 will require an unbudgeted expenditure report to Council.

Policy implications

20 Aligns with Southland District Council’s Stewart Island/Rakiura Visitor Levy Fund bylaw.

Analysis

Options considered

- 21 The options considered are to either approve the applications, decline the applications or pay a proportion of the requested funds.

Analysis of Options

Option 1 – approve the funding applications in full or part

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none">fulfils the purpose of the Stewart Island/Rakiura Visitor Levy pursuant to the Southland District Council (Stewart Island/Rakiura Visitor Levy) Empowering Act 2012eligible groups and organisations would be positioned to deliver their proposed projects and initiatives.	<ul style="list-style-type: none">less money will be retained in the Stewart Island/Rakiura Visitor Levy Fund.

Option 2 – decline part of or the full application

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none">there will be more money retained in the Stewart Island/Rakiura Visitor Levy Fund.	<ul style="list-style-type: none">the purpose of the Stewart Island/Rakiura Visitor Levy pursuant to the Southland District Council (Stewart Island/Rakiura Visitor Levy) Empowering Act 2012 may not be fulfilled.eligible groups and organisations may not secure the required funding to deliver their proposed projects and initiatives.

Assessment of significance

- 22 Not considered significant.

Recommended option

- 23 The recommended option is “option 1 – approves the funding applications in full or part”.

Next steps

- 24 Advise applicants the outcome of their application and arrange payment of the grants awarded.

1 Attachments

- A FINAL Stewart Island Rakiura Visitor Levy Policy PDF - adopted 17 May 2023 - amended on 13 December 2023 [↓](#)
- B Destination Strategy guiding principles and activation areas [↓](#)



Stewart Island/Rakiura Visitor Levy Policy

Group responsible: Democracy and community

Date approved: 12 December 2012

Date amended: 17 May 2023

File number: R/23/4/17740

1.0 Purpose

This policy provides guidance on governance and administration of the Stewart Island/Rakiura visitor levy. The policy outlines who is liable to pay levies and revenue and how levies and revenue will be collected, administered, allocated and enforced.

2.0 Background

Although Stewart Island/Rakiura has a small resident population, it is a destination for a large number of short-term visitors. This creates a unique funding challenge for Council.

The Southland District Council (Stewart Island/Rakiura Visitor Levy) Empowering Act 2012 (the act) was passed into law on 26 March 2012. The act empowers Council to set and collect levies and obtain revenue from visitors to Stewart Island/Rakiura. Under the act, funds must be used to better provide services, facilities, amenities for island visitors, or mitigate environmental effects.

3.0 Definitions

ACCOUNTABILITY FORM	This is a form that must be completed by applicants after they have received funding, so Council is informed how the applicant has spent the funds and so Council is aware of any benefits that have been achieved with the funds
ACTIVITY	Has the meaning given in s.5(1) of the Local Government Act 2002: A good or service provided by, or on behalf of, a local authority or a council-controlled organisation; and includes— (a) the provision of facilities and amenities; and (b) the making of grants; and (c) the performance of regulatory and other governmental functions



APPROVED OPERATOR	<p>A person who owns or operates or is otherwise in control of a transport vessel and who enters into a contract with the Council—</p> <ul style="list-style-type: none"> (a) relating to the provision of a service to carry to or from the island passengers who, but for the contract, would be visitors to the island; and (b) providing for revenue to be collected from the passengers; and (c) that has the effect of bringing passengers carried by the operator within the definition of an excluded visitor; and (d) including any other terms and conditions that may be agreed from time to time by the approved operator and the Council <p>The Approved Operators are RealNZ Limited (currently trading as Stewart Island Experience), Stewart Island Flights Limited and ISS McKay Limited on behalf of the cruise ships</p>
A STAFF MEMBER	A staff member from Council
BYLAW	Means the Stewart Island/Rakiura Visitor Levy Bylaw
CONTRACTOR	A contractor approved by Council
COUNCIL	Southland District Council
DEPENDENT	A person primarily under the care and responsibility of another person, living with that person as a member of their family and substantially reliant on that person for financial support
EXCLUDED VISITOR	<p>A person who is not to be treated as a visitor because the person—</p> <ul style="list-style-type: none"> (a) travels to the island under a contract of carriage with an Approved Operator; or (b) is the owner or is otherwise in control of a transport vessel or is employed, or under contract, to work on a transport vessel; or (c) is one whose visit is entirely within the boundaries of the Rakiura National Park; or (d) is visiting the island for a continuous period of 21 days or more; or (e) is a person under the age of 18 years on the date of arrival on the island
FREEDOM TRAVELLER	A visitor who travels to the island by means other than as a passenger of an Approved Operator. This includes chartered vessels and independent travel. It does not include people who travel via the ferry (with RealNZ Limited), scheduled flights (Stewart Island Flights) or cruise ships
GST	Goods and services tax chargeable under the Goods and Services Act 1985



ISLAND	Stewart Island/Rakiura
LEVY	The sum of money (inclusive of GST) collected under the Stewart Island/Rakiura Visitor Levy Bylaw from persons who are visitors to the island
MĀORI LAND	Has the meaning given in s.4 of the Te Ture Whenua Māori Act 1993: Māori customary land and Māori freehold land
RAKIURA MAORI LANDS TRUST	The Rakiura Māori Lands Trust is governed by seven trustees appointed by the Māori Land Court upon recommendation from the beneficial owners. The Rakiura Māori Lands Trust holds lands and funds in trust for many Rakiura Māori descendants
RATEPAYER	A person who is named on a current rates notice of a rating unit on the island. Only persons who are named on current rates notices are considered to be ratepayers, regardless of who funds rates payments
RESIDENT	A person recognised as living on the island for electoral residency purposes under s.23 of the Local Electoral Act 2001
REVENUE	Revenue (inclusive of GST) collected from excluded visitors, in place of any levy imposed by the Stewart Island/Rakiura Visitor Levy Bylaw, by an Approved Operator in accordance with a contract entered into for the purpose with Council
SUBCOMMITTEE	The Stewart Island/Rakiura Visitor Levy Allocation Subcommittee
TENANT	A person who has a tenancy agreement for a rating unit on the island under the provisions of the Residential Tenancies Act 1986
THE ACT	The Southland District Council (Stewart Island/Rakiura Visitor Levy) Empowering Act 2012
TRANSPORT VESSEL	(a) means a ship, aircraft, or other vessel carrying passengers to or from the island, whether or not— (i) there is a charge for any or all of those passengers; or (ii) any charge is part of a tourist package; or (iii) the vessel is operated commercially; or (iv) the vessel is used for freight as well as passengers; and (b) includes— (i) a regular ferry or air service to the island; and (ii) a cruise ship whose passengers disembark to land on the island
VISITOR	Any person who—



	<p>(a) travels to or from the island, whether for a single day or for any continuous period of less than 21 days, by any transport vessel; but</p> <p>(b) is not a person who,—</p> <p>(i) for the purposes of the Local Government (Rating) Act 2002, is a ratepayer in respect of a rating unit on the island; or</p> <p>(ii) is a resident of the island by virtue of being a resident for electoral residency purposes under s.23 of the Local Electoral Act 2001; or</p> <p>(iii) is a tenant of a rating unit for the purposes of the Residential Tenancies Act 1986; or</p> <p>(iv) is the spouse, civil union partner, de facto partner, or dependent of a ratepayer or tenant; or</p> <p>(v) is a beneficiary of the Rakiura Māori Land Trust or who has an ownership interest in a Māori land block on the island; or</p> <p>(vi) is an excluded visitor.</p>
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4.0 Collection

The act provides for the collection of money from two sources:

1. **revenue;** and
2. **levy.**

The definitions of revenue and levy are found in section '3.0 Definitions' above. Council will set the revenue and levy at the same amount.

Through contractual arrangements, Council will collect revenue from passengers who travel with Approved Operators. Approved Operators include RealNZ Limited (currently trading as Stewart Island Experience), Stewart Island Flights Limited and ISS McKay Limited on behalf of the cruise ships. Passengers will pay the Approved Operator in accordance with the terms of carriage (i.e. the revenue will form part of their ticket price). If the passenger travels via an Approved Operator and pays a local or child fare, the Approved Operator will not charge the revenue.

Under the bylaw, Council will collect the levy. The levy will be collected from freedom travellers (i.e. those who are visitors under the act, so it does not include people who travel with an Approved Operator). Where a person is a freedom traveller the categories of exemption outlined in Clause 4.1 below apply. This means that if a freedom traveller is not exempt, he or she will have to pay the levy.

4.1 Who pays

All individuals travelling to Stewart Island/Rakiura, including freedom travellers, must pay the levy or pay revenue to an Approved Operator unless they are exempt under the following:



- residents, ratepayers and tenants of Stewart Island/Rakiura and their spouses, civil union partners, de facto partners, or dependents;
- beneficiaries of the Rakiura Māori Land Trust or individuals who have an ownership interest in a Māori land block on the island;
- visitors who remain on the island for any continuous period of 21 days or more;
- owners of a transport vessel or individuals employed under contract to work on a transport vessel;
- individuals whose visit is entirely within the boundaries of the Rakiura National Park; or
- persons under the age of 18 years on the date of arrival on the island.

Where the resident or ratepayer exemption applies to a person, the exemption does not automatically apply to the whole family or group. The exemption applies to the ratepayer(s) set out on the rates notice and their spouse, civil union partner, de facto partner and dependents. This does not include visiting adult children or grandchildren (unless they are dependents).

Holiday home owners are exempt if they are a ratepayer on the Council's rates notice. However, beneficiaries of family trusts will not be exempt unless they are designated by name as ratepayers on Council rates notice, or they meet one of the other reasons for exemption outlined above.

The exemption does not apply to visiting trades-people unless the person stays for more than 21 consecutive days. Visitors undertaking volunteer work are also required to pay the levy unless they fall within a category of exemption.

Visiting entirely within the boundaries of the Rakiura National Park means the person visiting does not arrive or leave through the township of Oban.

5.0 Calculation

The amount of the levy is set out in the bylaw and is \$5.00 before 1 October 2023, \$10.00 on or after 1 October 2023, and \$15.00 on or after 1 October 2025. The revenue is set at the same amount.

If Council decides to increase the levy amount, Approved Operators will receive 15 months lead in time before they start collecting the new amount and the increase will not take effect until 1 October in the year following the decision to adopt a new or amended bylaw and policy.

5.1 Arrangements with Approved Operators

Approved Operators will collect revenue on behalf of Council in accordance with contractual arrangements. The contractual arrangements will be negotiated for each Approved Operator taking into account the individual circumstances of each transport business.

Apart from ISS McKay Limited, Approved Operators will collect revenue from passengers on both inbound and outbound journeys (half the revenue amount each way). This allows for passengers who use different modes of transport to travel to and from the island and allows the revenue to be apportioned across the modes of transport on an equitable basis.

ISS McKay Limited will collect the revenue amount from each passenger (carried to or from Stewart Island/Rakiura (or its internal waters) on behalf of Southland District Council. This applies regardless of



whether or not that passenger disembarks and regardless of the number of times the passenger disembarks and embarks.

5.2 Collection of the levy from freedom travellers

The bylaw outlines levy collection from visitors who travel to the island via private or chartered transportation (i.e. freedom travellers). The levy is payable when the visitor arrives on the island. Council has provided a collection box to receive payments or payment can be made at any Council office. The collection box is placed on the Main Wharf in Oban. Freedom travellers can deposit levy payments at this location at any time. Council may also enter into agreements with agents operating chartered vessels, to collect the levy from passengers on behalf of Council.

Only one payment is required per person for the duration of their stay on the island. Travel to neighbouring islands (excluding the mainland) will not constitute leaving the island.

6.0 Proof of exemption

Persons who are not required to pay the visitor levy or revenue can apply for a Southland District Council photo identification card. Southland District Council photo identification cards will be accepted as proof of exemption by Approved Operators and agents. They will also be accepted by enforcement officers monitoring compliance with the bylaw.

A Southland District Council photo identification card will be issued and renewed at no cost to the applicant. Renewing a Southland District Council photo identification card will require confirmation of entitlement using documentation as set out in Appendix A. Photographs will also be updated at the time of renewal. It is the responsibility of the card holder to advise the Council of any change in contact details or exemption status.

The card remains the property of Southland District Council. Cards are not transferable and cardholders retain sole responsibility for use of the card issued to them. A replacement fee will apply to lost or damaged cards. This fee will be set out in the Southland District Council Schedule of Fees and Charges.

Agreements between Council and Approved Operators with respect to exemption identification are reached on an individual basis and may differ. A Southland District Council photo identification card may be required by the Approved Operator at the time of ticket purchase or boarding the vessel for an exemption to be granted.

Each Approved Operator may choose to compile a list of names eligible for local fares. Eligibility for a local fare is a commercial decision made at the discretion of Approved Operators and is not influenced or administered by Council. Individuals can contact Approved Operators to ascertain whether they maintain such a list and to determine their eligibility for inclusion. Eligibility for local fares may mean that there is no requirement to apply for and carry a photo identification card when travelling.

6.1 Application for exemption

An application to receive a Southland District Council photo identification card can be made by downloading the form from Council's website, attending the Southland District Council office located at

