



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

Date: **Wednesday, 1 May 2024**
Time: **10am**
Meeting room: **Council Chamber**
Venue: **Level 2**
20 Don Street
Invercargill

Council Agenda

OPEN

MEMBERSHIP

Mayor	Rob Scott
Deputy mayor	Christine Menzies
Councillors	Jaspreet Boparai
	Don Byars
	Derek Chamberlain
	Paul Duffy
	Darren Frazer
	Sarah Greaney
	Julie Keast
	Tom O'Brien
	Margie Ruddenklau
	Jon Spraggon
	Matt Wilson

IN ATTENDANCE

Chief executive	Cameron McIntosh
Committee advisor	Fiona Dunlop

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Online: [Southland District Council YouTube](#)

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 toilets are located outside of the chamber, directly down the hall on the right.

Evacuation – Should there be an evacuation for any reason please exit down the stairwell to the assembly point, which is the entrance to the carpark on Spey Street. Please do not use the lift.

Earthquake – Drop, cover and hold applies in this situation and, if necessary, once the shaking has stopped we will evacuate down the stairwell without using the lift, meeting again in the carpark on Spey Street.

Phones – Please turn your mobile devices to silent mode.

Recording - These proceedings are being 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.

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	Mā te manaaki mai	Through giving
	Mā te manaaki atu	And receiving respect
	Ka puawai te maramatanga	Understanding will bloom
	Tihei mauri ora	This is the essence of life
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Karakia Whakamutunga		
	Kia hora te marino	May peace be widespread
	Kia whakapapa pounamu te moana	May the sea be like greenstone
	Hei huarahi mā tātou i te rangi nei	A pathway for us all this day
	Aroha atu, aroha mai	Let us show respect for each other
	Tātou i a tātou katoa	For one another
	Hui e! Tāiki e!	Bind us all together!

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 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."

5 Confirmation of Council Minutes

5.1 Meeting minutes of Council, Wednesday 10 April 2024 and Wednesday 17 April 2024

6 Public Participation

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

Workshop to be live streamed at the end of the Council meeting.

A workshop on the district initiatives guiding principles is to be held after the meeting has concluded. Staff are seeking input from the elected members on updating the principles and are expecting that there will direction on what aspects of the guiding principles for the district initiatives fund are to be amended/changed. Time estimation for the workshop is 45minutes.



Council

OPEN MINUTES

Minutes of a meeting of Council held in the Council Chamber, Level 2, 20 Don Street, Invercargill on Wednesday, 10 April 2024 at 9.33am. (9.33am – 10.36am, 11am – 12.40pm, 1.05pm – 1.06pm, 1.34pm – 2.44pm (PE 11.28am – 12.40pm, 2.01pm – 2.44pm))

PRESENT – WEDNESDAY 10 APRIL 2024

Mayor Rob Scott
Deputy mayor Christine Menzies (9.33am – 10.36am, 11am – 12.40pm, 1.55pm – 2.44pm)
Councillors Jaspreet Boparai (10.32am – 10.36am, 11am – 12.40pm, 1.05pm – 1.06pm, 1.34pm – 2.44pm))
Derek Chamberlain (11.28am – 12.40pm, 1.05pm – 1.06pm, 1.34pm – 2.44pm)
Paul Duffy
Darren Frazer
Sarah Greaney
Julie Keast (9.33am – 10.36am, 11am – 12.40pm))
Tom O'Brien
Margie Ruddenklau (9.33am – 10.34am, 10.35am - 10.36am, 11am – 12.40pm, 1.05pm – 1.06pm, 1.34pm – 2.44pm)
Jon Spraggon
Matt Wilson

ABSENT

Councillor Don Byars

APOLOGIES

Councillor Jaspreet Boparai (lateness)
Councillor Derek Chamberlain (lateness)

IN ATTENDANCE

Chief executive - Cameron McIntosh
Committee advisor - Fiona Dunlop

PRESENT – WEDNESDAY 17 APRIL 2024 (PE 9.32AM – 9.34AM)

Mayor	Rob Scott
Deputy mayor	Christine Menzies
Councillors	Jaspreet Boparai
	Don Byars
	Derek Chamberlain (video call)
	Paul Duffy
	Darren Frazer
	Sarah Greaney
	Julie Keast
	Tom O'Brien
	Jon Spraggon
	Matt Wilson

NOT PRESENT FOR RECONVENED MEETING

Councillor Margie Ruddenklau

IN ATTENDANCE

Chief executive - Cameron McIntosh
Committee advisor - Fiona Dunlop

PRESENT – WEDNESDAY 24 APRIL 2024 (RECONVENED – COUNCIL CHAMBER, 20 DON STREET, INVERCARGILL) (11.03AM – 11.04AM, 11.32AM – 12.12PM)

Mayor	Rob Scott (11.32am – 12.12pm)
Deputy mayor	Christine Menzies
Councillors	Jaspreet Boparai
	Don Byars (11.03am – 11.04am, 11.32am – 11.55am, 11.58am – 12.12pm)
	Derek Chamberlain
	Paul Duffy (12.05pm – 12.12pm)
	Darren Frazer
	Sarah Greaney (11.32am – 12.12pm)
	Julie Keast
	Tom O'Brien (11.03am – 11.04am, 11.32am – 11.50am, 11.57am – 12.12pm)
	Margie Ruddenklau (video link) (11.32am – 12.12pm)
	Jon Spraggon (12pm – 12.12pm)
	Matt Wilson

IN ATTENDANCE

GM finance and assurance - Anne Robson
Committee advisor - Fiona Dunlop

Mayor Scott opened the meeting with a karakia timatanga as follows:

Mā te whakarongo	Through listening
Mā te kōrero	Through talking
Mā te ngakau	From the heart
Mā te wairua	From the spirit
Mā te manaaki mai	Through giving
Mā te manaaki atu	And receiving respect
Ka puawai te maramatanga	Understanding will bloom
Tihei mauri ora	This is the essence of life

1 Apologies

There were apologies for lateness from Councillors Boparai and Chamberlain.

Moved Cr Greaney, seconded Cr Keast and **resolved:**

That Council accept the apologies.

2 Leave of absence

Councillor Menzies requested a leave of absence from 13 June 2024 to 22 June 2024.

Moved Cr O'Brien, seconded Cr Keast and **resolved:**

That Council agrees the leave of absence request from Councillor Menzies from 13 June 2024 to 22 June 2024.

3 Conflict of Interest

There were no conflicts of interest declared.

4 Extraordinary/Urgent Items

There were no Extraordinary/Urgent items.

5 Confirmation of Council Minutes

Resolution

Moved Cr Frazer, seconded Cr Keast **and resolved:**

That the Council confirms the minutes of the meeting held on 6 March 2024 as a true and correct record of that meeting.

6 Public Participation

Wendy Joy Baker address the meeting in relation the 2022/2023 dog report. She also highlighted various issues with dogs in Nightcaps.

Reports

7.1 Around the Mountains Cycle Trail - September flooding repairs - unbudgeted expenditure

Record No: R/23/11/52515

Around the mountains cycle trail manager – Susan MacKenzie, Strategic manager transport – Hartley Hare and GM Infrastructure and capital delivery – Fran Mikulicic were in attendance for this item.

The purpose of the report was to seek approval from Council for unbudgeted expenditure for flooding repairs and improvements to Around the Mountains Cycle Trail following the heavy rain event in September 2023.

The rain event caused washouts and scouring on the trail rendering several areas as unpassable and other areas difficult to ride. The road between Walter Peak and Mavora Lakes sustained major damage and was closed for a week at the time. There were three major washouts between the Centre Hill shelter and Mossburn, and a further washout near Athol.

An application was made in November 2023 to the Ministry of Business Innovation and Employment's "Maintaining Great Rides – Extreme Events" fund was made in November 2023.

The total amount of \$290,693 plus GST for repairs was approved in March 2024, which is for 100% of the cost of repairs. No contribution will be required from Southland District Council.

Resolution

Moved Cr Greaney, seconded Cr Frazer **and resolved:**

That Council:

- a) **Receives the report titled "Around the Mountains Cycle Trail - September flooding repairs - unbudgeted expenditure" dated 5 April 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) **Approves the unbudgeted expenditure to repair and increase resilience of the Around the Mountains Cycle Trail for a total cost of \$290,693 plus GST to be fully funded by a grant to be received from the Ministry of Business Innovation and Employment.**

7.2 **Roading programme - September flooding repairs unbudgeted expenditure**

Record No: R/24/4/24912

Strategic manager transport – Hartley Hare and GM Infrastructure and capital delivery – Fran Mikulicic was in attendance for this item.

The purpose of the report was to seek approval from Council for unbudgeted expenditure for flooding repairs to the roading network as the result of the emergency event in September 2023.

Southland was struck by an extreme heavy rain event between 21-22 September 2023 and a state of emergency was declared. The resulting flooding resulted in wide spread road closures, traffic management and damage to the transport network.

New Zealand Transport Agency approval for work programmes for emergency reinstatement is provided for qualifying events on a case by case basis, with funding approved at the standard funding assistance rate of 52%. The work for this event was approved in March 2024, with the work to be completed in addition to the three-year programme approved in 2021.

Councils share of the costs will be met within existing budgets for emergency reinstatement and preventative maintenance renewals that have been accumulated over the three-year funding period 2021/22 – 2023/24.

Resolution

Moved Cr Ruddenklau, seconded Cr Duffy **and resolved:**

That the Council:

- a) **receives the report titled “Roading programme - September flooding repairs unbudgeted expenditure”.**
- b) **determines that this matter or decision be recognised as not significant in terms of Section 76 of the Local Government Act 2002.**
- c) **determines that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with Section 79 of the act determines that it does not require further information, further assessment of options or further analysis of costs and benefits or advantages and disadvantages prior to making a decision on this matter.**

- d) **Approves the unbudgeted expenditure for flood remediation works on the roading network of \$511,688 funded by Waka Kotahi.**
- e) **Notes that \$472,327 of expenditure to be funded by Council is included in existing budgets.**

7.3 Matuku water supply subcommittee - update delegations manual and discharge subcommittee

Record No: R/24/2/8832

Democracy advisor – Jayson Trent and GM strategy and partnerships (interim) – Michael Aitken was in attendance for this item.

The purpose of the report was for Council to agree to remove the delegations and to discharge the Matuku water supply subcommittee.

Council and Matuku Water Supply Limited engaged in a process to transfer the water permit, discharge permit and water plant, comprising the Matuku rural supply water scheme, from Southland District Council to Matuku Water Supply Limited.

Council at its meeting on 5 July 2023 approved the request to the transfer the Matuku rural water supply scheme to Matuku Water Supply Limited. This is an entity formed by the farmers who have property involved in the Matuku rural water scheme

On 28 September 2023 the transfer agreement between Southland District Council and Matuku Water Scheme Limited was executed.

Resolution

Moved Cr Ruddenklau, seconded Cr Wilson **and resolved:**

That the Council:

- a) **receives the report titled “Matuku water supply subcommittee - update delegations manual and discharge subcommittee”.**
- 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 discharge the Matuku water supply subcommittee.**
- e) **resolves to remove the following references, terms of reference and delegations, relating to the Matuku water supply subcommittee, from the delegations manual:**

Section in Delegation Manual	Text to be removed
Table of contents	Matuku
Section 8.5.1	Matuku <i>(remove from table)</i>
8.5.4	<ul style="list-style-type: none"> • Matuku <i>(remove from heading)</i> • Matuku Water Supply Subcommittee (Northern community board) • The total membership of the Matuku Water Supply Subcommittee will be six plus a councillor • The chairperson shall be elected by the vote of the subcommittee <i>(remove from 'membership' part of the table)</i> • Matuku Water Supply Subcommittee – 4 <i>(remove from 'quorum' part of table)</i> • Matuku Water Supply and <i>(remove from 'frequency of meetings' part of the table)</i> • Matuku <i>(remove from 'delegations' part of the table)</i>

7.4 Proposed Resource Management Act 1991 delegations

Record No: R/24/3/10087

The report was not considered.

7.5 Draft Government Policy Statement on land transport 2024-34 - Council's submission

Record No: R/24/3/22488

GM strategy and partnerships (interim) – Michael Aitken was in attendance for this item.

The purpose of the report was for Council to ratify the submission prepared by staff on the Draft Government Policy Statement on land transport 2024-34.

A proforma submission was lodged with the Ministry of Transport on 28 March 2024 to enable Council to provide feedback on the policy statement before the end of the consultation period of 2 April 2024.

Resolution

Moved Cr Greaney, seconded Cr Ruddenklau **recommendations a to c and d with a change (as indicated with underline and ~~strikethrough~~) and resolved:**

That Council:

- a) **receives the report titled "Draft Government Policy Statement on land transport 2024-34 - Council's submission" dated 5 April 2024 and associated attachment.**
- 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) **ratifies the submission on the Government Policy Statement land transport (included with this report as Attachment A of the officers report) that was lodged with the Ministry of Transport on 28 March 2024 ~~29 March 2024~~.**

7.6 Speed Management Plan Deliberation and Adoption

Record No: R/24/2/8087

Team leader , organisational policy – Chris Rout, Strategic manager transport – Hartley Hare and GM strategy and partnerships (interim) – Michael Aitken were in attendance for this item.

The purpose of the report was to provide information and to present options to Council to enable a final draft Speed Management Plan 2024-2027 for adoption.

Council endorsed a draft plan on 4 August 2023 and had received 58 submissions when consultation closed on 24 November 2023. The submissions received were considered by Council at the meeting on 13 December 2023.

It was noted that at the beginning of December 2023, the government made an announcement with respect to planned changes to speed management including changes to the Land Transport Rule: Setting of Speed Limits 2022 and the Government road safety strategy created a risk for Council's draft SMP.

Following further feedback from Councillors in February 2024 in relation to the government announcement and issues for consideration identified as a result of consultation, changes to the draft policy were incorporated into the final draft policy.

Councillor Wilson raised a proposal from the Ardlussa Community Board (below) to make an amendment to the speed limits on some roads at Waikaia.

Roads	Average operating speeds km/h	Existing speed limit (km/h)	Proposed speed limit (km/h)	Rationale
Riversdale – Waikaia Road	UNKNOWN	100	60 permanent	We are proposing a 60km/h permanent zone, adjacent to the Wellington Street bridge, covering approximately 250m from the southern approach to the bridge (from Riversdale) and 250m from the bridge to the north (toward Piano Flat). Vehicles already slow when approaching the township and are turning into the bridge, additionally increases to pedestrian and cycle crossing in this area is expected, requiring safer road speed.



(Councillor Boparai joined the meeting at 10.32am.)

(Councillor Ruddenklau left the meeting at 10.34am and returned at 10.35am.)

(The meeting adjourned for morning tea at 10.36am and reconvened at 11am.)

Following discussion on the speed management plan, the proposal from the Ardlussa Community Board would be considered. The meeting requested that the Chief Executive direct staff to expedite the proposal of the Ardlussa Community Board through public

consultation and subsequent Council approval for reduction in the speed limit noting that staff will include the correct road names and distances for the proposed 60km/h limit.

Resolution

Moved Cr Spraggon, seconded Cr Wilson **recommendations a to k with a new l (as indicated) and resolved:**

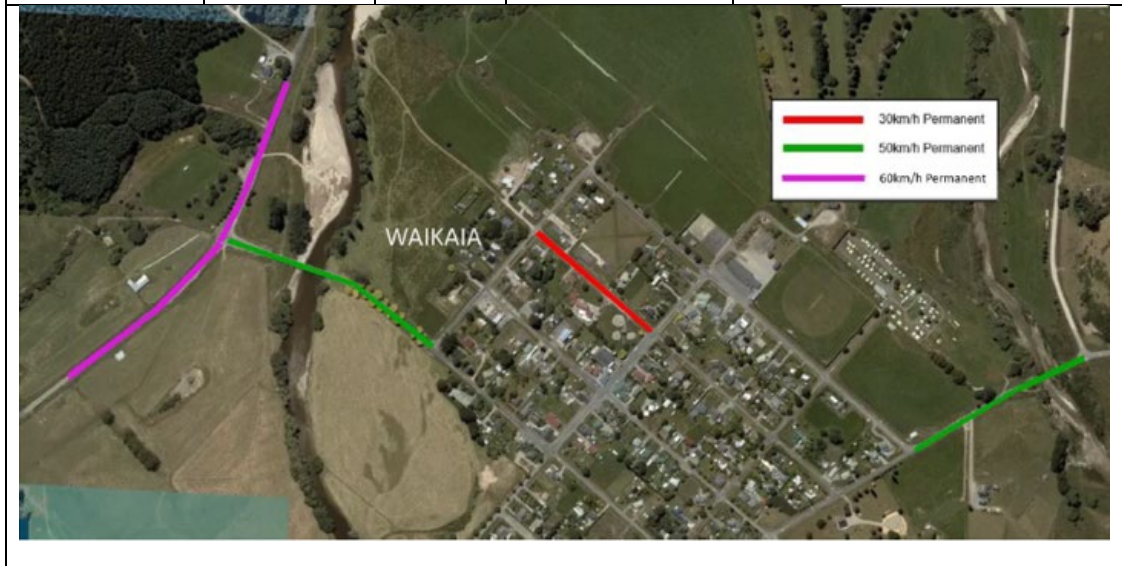
That the Council:

- a) **receives the report titled “Speed Management Plan Deliberation and Adoption”.**
- b) **determines that this matter or decision be recognised as 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) **Considers the feedback received on the draft Speed Management Plan 2024-2027.**
- e) **Considers and endorses one of the following options:**
 - i) **Option 1 – that Council proceed and make decisions now on the issues identified for the final draft Speed Management Plan 2024-2027, and adopt the final draft Speed Management Plan.**
 - ii) **Option 2 – that Council make decisions now on all the issues identified for the final draft Speed Management Plan 2024-2027, but defer adoption of the final draft Speed Management Plan until a Council meeting scheduled for the near future, in order to incorporate Council’s decisions into the final draft Speed Management Plan.**
 - iii) **Option 3 – that Council propose a different way forward.**
- f) **Agrees If Council wishes to make decisions now on the issues identified for the final draft Speed Management Plan 2024-2027, endorses the following options:**
 - i) **That Council considers impacts of government changes to speed management alongside issues and options identified from consultation for the draft Speed Management Plan.**
 - ii) **The permanent speed limit reductions around schools as proposed.**
 - iii) **The proposed speed limit reduction between the Bridge and Chester Street in Otautau is removed from the draft Speed Management Plan**

- and staff undertake further analysis of the speed management activities in this location for consideration as part of the next Speed Management Plan.
- iv) The speed limit changes on boundary roads as proposed.
 - v) The speed limit reductions for 70km/h roads in the locations as proposed.
 - vi) Additional consultation feedback is not included within the draft Speed Management Plan.
- g) **Agree If Council wishes to adopt the final draft Speed Management Plan 2024-2027 now, endorses the following changes that have been included in the final draft Speed Management Plan following public consultation:**
- i) **Changes to reflect amendments made to the Rule in December 2023.**
 - ii) **Removal of the proposed speed limit reduction between the Bridge and Chester Street in Otautau is removed from the draft Speed Management Plan.**
 - iii) **Adding the additional speed limit proposal set out in the Addendum to the draft Speed Management Plan relating to Te Anau School and Fiordland College released for consultation on 25 October 2023.**
 - iv) **Minor structural and wording changes to improve readability.**
- h) **Adopts the final draft of the Speed Management Plan 2024-2027 with the change to the State Highway references of State Highway 96 to State Highway 94.** (See further down the minutes for the decision to amend this clause.)
- i) **Resolves that the final draft Speed Management Plan 2024-2027 will come into effect on the day of certification by the Director of Land Transport.**
- j) **Ensures that in accordance with subsection 2.6(8) of the Land Transport Rule: Setting of Speed Limits 2022**
- **A copy of the Speed Management Plan will be published on Councils Internet Site**
 - **That details of the speed limits set under the Speed Management Plan will be listed along with whether those speed limits were consulted on in accordance with the Rule.**
- k) **Acknowledges that the Land Transport Rule: Setting of Speed Limits 2022 states that the Speed Management Plan will be reviewed within three years of being made.**

New I Request that the Chief Executive direct staff to expedite the proposal of the Ardlussa Community Board (as follows) through public consultation and subsequent Council approval for reduction in the speed limit with staff to include road names and distances for the proposed 60km/h limit.

Roads	Average operating speeds km/h	Existing speed limit (km/h)	Proposed speed limit (km/h)	Rationale
Riversdale – Waikaia Road	UNKNOWN	100	60 permanent	We are proposing a 60km/h permanent zone, adjacent to the Wellington Street bridge, covering approximately 250m from the southern approach to the bridge (from Riversdale) and 250m from the bridge to the north (toward Piano Flat). Vehicles already slow when approaching the township and are turning into the bridge, additionally increases to pedestrian and cycle crossing in this area is expected, requiring safer road speed.



7.7 Electronic District Plan (ePlan) implementation

Record No: R/24/3/9738

Team leader environmental policy – Francisco Barraza, Graduate environmental planner policy – Ashton Mismash and GM strategy and partnerships (interim) – Michael Aitken were in attendance for this item.

The purpose of the report was to seek approval for the implementation and notification of the (Electronic District Plan (ePlan) in accordance with Section 16 of the National Planning Standards 2019.

The National Planning Standards mandate that Councils implement an online interactive plan which encompasses all District Plan content and information, such as maps and policies.

The creation of the ePlan, a digital rendition of the District Plan, in line with the National Planning Standard requirements has been completed.

Resolution

Moved Mayor Scott, seconded Cr O'Brien **and resolved:**

That Council:

- a) **Receives the report titled “Electronic District Plan (ePlan) implementation”.**
- b) **Determines that this matter or decision be recognised as not significant in terms of Section 76 of the Local Government Act 2002.**
- c) **Determines that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with Section 79 of the act determines that it does not require further information, further assessment of options or further analysis of costs and benefits or advantages and disadvantages prior to making a decision on this matter.**
- d) **Approve the implementation and notification of the ePlan (electronic District Plan) as per section 16 of the National Planning Standards 2019.**

Standing order 24.5 – revisit and alteration of item 7.6 Speed Management Plan Deliberation and Adoption

Under standing order 24.5 the meeting was required to revisit item 7.6 - Speed Management Plan Deliberation and Adoption.

During discussion on the item earlier in the meeting, the references in the documents to the State Highway in Lumsden for the road in the vicinity of Northern Southland College and Lumsden School were incorrect. Attachments A and C of the officers report stated that the road was State Highway 96 when it is State Highway 94.

The meeting noted that 75% of the members present and voting must agree to the alteration for the resolution of clause h of item 7.6 Speed Management Plan Deliberation and Adoption.

Resolution

Moved Mayor Scott, seconded Cr Greaney **and resolved:**

That Council revisit item 7.6 Speed Management Plan Deliberation and Adoption and alter clause h of the resolution.

Resolution

Moved Mayor Scott, seconded Deputy Mayor Menzies **and resolved:**

That the Council agrees to amend 7.6 Speed Management Plan Deliberation and Adoption clause h as follows:

That the Council:

- h) Adopts the final draft of the Speed Management Plan 2024-2027 with the change to the State Highway references of State Highway 96 to State Highway 94.**

See further up the minutes for the full resolutions.

Public Excluded

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

Resolution

Moved Mayor Scott, seconded Cr Keast **and resolved:**

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

C8.3 Chief Executive's performance review

C8.2 Property Acquisition

C8.1 Investigation of proposed ownership transfer of Halfmoon Bay wharf on Stewart Island

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
Chief Executive's performance review	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person. s7(2)(c)(i) - the withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the	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.

	<p>authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information or information from the same source and it is in the public interest that such information should continue to be supplied.</p> <p>s7(2)(i) - the withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</p>	
Property Acquisition	<p>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.</p> <p>s7(2)(h) - the withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.</p>	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.
Investigation of proposed ownership transfer of Halfmoon Bay wharf on Stewart Island	<p>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.</p> <p>s7(2)(h) - the withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.</p> <p>s7(2)(i) - the withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</p>	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists.

(The public were excluded at 11.28am.)

(Councillor Chamberlain joined the meeting at 11.28am.)

(The meeting adjourned for lunch at 12.40pm and reconvened at 1.05pm.)

(The meeting returned to open at 1.06pm and then adjourned.)

(The meeting reconvened at 1.34pm.)

(Councillor Keast and Councillor Menzies were not present when the meeting reconvened.)

7.8 Draft revenue and financing policy for long term plan 2024-2034

Record No: R/24/4/25504

GM Finance and assurance – Anne Robson was in attendance for this item.

The purpose of the report was for Council to consider and approve the draft Revenue and Financing Policy for consultation further to its endorsement from the Finance and Assurance Committee.

It was noted that consultation on this policy would be from 9am 19 April 2024 until 5pm 20 May 2024.

The proposed rating changes for consultation will be undertaken via the Long Term Plan consultation process.

(During discussion, Councillor Menzies returned to the meeting at 1.55pm.)

Moved Cr Duffy, seconded Cr O'Brien recommendations a to h with changes to e and g (as indicated):

Recommendations a to c were put and declared CARRIED.

Recommendation d was put and declared CARRIED.

(Councillor Boparai requested that her dissenting vote be recorded.)

Recommendation e with an addition (as indicated) was put and declared CARRIED.

(Councillor Boparai requested that her dissenting vote be recorded.)

Recommendation f was put and declared CARRIED.

Recommendation g with an addition (as indicated) was put and declared CARRIED.

Recommendation h was put and declared CARRIED.

Resolution

That the Council:

- a) **receives the report titled "Draft revenue and financing policy for long term plan 2024-2034".**
- b) **determines that this matter or decision be recognised as significant in terms of Section 76 of the Local Government Act 2002.**
- c) **determines that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with Section 79 of the act determines that it does not require further information, further assessment of options or further analysis of costs**

- and benefits or advantages and disadvantages prior to making a decision on this matter.
- d) approves the draft Revenue and Financing Policy, as attached, subject to any amendments agreed at this meeting.
- e) agrees to the proposed rating changes for consultation via the Long Term Plan consultation process, subject to any amendments agreed at this meeting:
- i) five options for general rate funding of Te Anau – Manapouri airport (as outlined in the draft policy) as resolved by Council at its meeting 22 November 2023.
 - ii) proposed adjustments to the model used to calculate the roading rate differential including:
 - increasing the \$ per tonne for heavy vehicle sectors by \$0.25 (excl GST) per year for three years and increasing this from \$1.10 to \$1.35 (excl GST) in year one
 - increasing the fixed uniform targeted roading rate by \$10 (excl GST) per year for three years and increasing this from \$80 to \$90 (excl GST) in year one
 - moving non-commercial protected/indigenous native forests from the roading rate “forestry” differential category to “other”.
 - iii) removing the SIESA half charge rate and charging all properties within the Stewart Island Electricity Supply network area the SIESA full charge rate.
 - iv) reallocating the Te Anau Rural Water Supply 7.7 unit charge to the half and full charge rates.
 - v) expanding the Tokanui and Waimahaka hall rating boundaries to include properties in the closed Fortrose hall rating boundary.
 - vi) expanding the Wrights Bush and Waianiwa hall rating boundaries to include properties in the closed Otahuti hall rating boundary.
- f) agrees to the release of the draft Revenue and Financing Policy and associated rating changes for public consultation in accordance with section 82 of the Local Government Act 2002.
- g) notes that consultation on the draft Revenue and Financing Policy will take place prior to the LTP 2024-2034 consultation with final adoption of the policy occurring before 1 July 2024, in line with the Local Government Act 2002 from 9am 19 April 2024 to 5pm on 20 May 2024.
- h) acknowledges that in consulting and adopting the draft Revenue and Financing Policy separate to the LTP that monetary variances may occur that may require further changes to the policy post 1 July 2024.

Return to public excluded

Resolution

Moved Mayor Scott, seconded Cr O'Brien **and resolved:**

That Council returns to public excluded.

(The meeting returned to public excluded at 2.01pm.)

(The meeting adjourned at 2.44pm to reconvene at 9.30am on Wednesday 17 April 2024 at the Waikaia Rugby Club Rooms in Waikaia.)

PRESENT – WEDNESDAY 17 APRIL 2024

Mayor	Rob Scott
Deputy mayor	Christine Menzies
Councillors	Jaspreet Boparai
	Don Byars
	Derek Chamberlain (video call)
	Paul Duffy
	Darren Frazer
	Sarah Greaney
	Julie Keast
	Tom O'Brien
	Jon Spraggon
	Matt Wilson

NOT PRESENT FOR RECONVENED:

Councillor Margie Ruddenklau

(The meeting reconvened at 9.32am on Wednesday 17 April 2024 and adjourned at 9.33am to reconvene at 11am on Wednesday 24 April 2024 in the Council chamber at 20 Don Street in Invercargill.)

(In the absence of Mayor Scott, Deputy mayor Menzies reconvened the meeting at 11.03am on Wednesday 24 April 2024 and adjourned at 11.04am.)

(Mayor Scott reconvened the meeting at 11.32am.)

PRESENT – WEDNESDAY 24 APRIL 2024 (RECONVENED – COUNCIL CHAMBER, 20 DON STREET, INVERCARGILL) (11.03AM – 11.04AM, 11.32AM – 12.12PM)

Mayor	Rob Scott (11.32am – 12.12pm)
Deputy mayor	Christine Menzies
Councillors	Jaspreet Boparai
	Don Byars (11.03am – 11.04am, 11.32am – 11.55am, 11.58am – 12.12pm)
	Derek Chamberlain
	Paul Duffy (12.05pm – 12.12pm)
	Darren Frazer
	Sarah Greaney (11.32am – 12.12pm)
	Julie Keast
	Tom O'Brien (11.03am – 11.04am, 11.32am – 11.50am, 11.57am – 12.12pm)
	Margie Ruddenklau (video link) (11.32am – 12.12pm)
	Jon Spraggon (12pm – 12.12pm)
	Matt Wilson

(Mayor Scott joined the meeting at 11.32am.)
(Councillor Ruddenklau joined the meeting via video call at 11.32am.)
(Councillor O'Brien left the meeting at 11.50am.)
(Councillor Byars left the meeting at 11.55am.)
(Councillor O'Brien returned to the meeting at 11.57am.)
(Councillor Byars returned to the meeting at 11.58am.)
(Councillor Spraggon joined the meeting at 12noon.)
(Councillor Duffy joined the meeting at 12.05pm.)

Resolutions in relation to the confidential items are recorded in the confidential section of these minutes and are not publicly available unless released here.

The meeting concluded at 12.12pm on Wednesday 24 April 2024.

CONFIRMED AS A TRUE AND CORRECT RECORD AT A MEETING OF THE COUNCIL HELD ON WEDNESDAY 10 APRIL 2024.

DATE:.....

CHAIRPERSON:.....



Council

OPEN MINUTES

Minutes of a meeting of Council held in the Waikaia Rugby Club Rooms, 33 Wylam Street, Waikaia on Wednesday, 17 April 2024 at 9.33am. (9.33am – 10.50am)

PRESENT

Mayor	Rob Scott
Deputy mayor	Christine Menzies
Councillors	Jaspreet Boparai
	Don Byars
	Derek Chamberlain (via video call)
	Paul Duffy
	Darren Frazer
	Sarah Greaney
	Julie Keast
	Tom O'Brien
	Margie Ruddenklau (9.40am – 10.50am)
	Jon Spraggon
	Matt Wilson

APOLOGIES

Councillor Ruddenklau (lateness)

IN ATTENDANCE

Chief executive - Cameron McIntosh
General manager finance and assurance – Anne Robson
General manager regulatory services – Adrian Humphries
General manager customer and community wellbeing – Sam Marshall
Governance legal manager – Robyn Rout
Team leader communications – Chris Chilton
Committee advisor - Fiona Dunlop
Committee advisor – Rachael Poole
Community partnership leader – Kelly Tagg
Helpdesk support partner – Ricardo Katon

Mayor Scott opened the meeting with a karakia timatanga as follows:

Mā te whakarongo	Through listening
Mā te kōrero	Through talking
Mā te ngakau	From the heart
Mā te wairua	From the spirit
Mā te manaaki mai	Through giving
Mā te manaaki atu	And receiving respect
Ka puawai te maramatanga	Understanding will bloom
Tihei mauri ora	This is the essence of life

1 Apologies

There were apologies for lateness from Councillor Ruddenklau.

Resolution

Moved Mayor Scott, seconded Cr Boparai **and resolved:**

That Council accept the apology.

2 Leave of absence

There were no requests for leave of absence.

3 Conflict of Interest

There were no conflicts of interest declared.

4 Extraordinary/Urgent Items

There were no Extraordinary/Urgent items.

5 Confirmation of Council Minutes

There were no minutes to confirm.

6 Public Participation

There was no public participation.

Reports

7.1 Mayor's report

Record No: R/24/3/10342

Mayor Scott introduced his report and reported on meetings and events that he had attended during March 2024.

Councillor Greaney advised that Connected Murihiku was underway with a new website and had also submitted to the Invercargill City Council long term plan.

Mayor Scott advised that he had been to an onsite meeting with members of the Ardlussa Community Board, Southland District and Environment Southland staff and Councillor Wilson regarding the build-up of gravel around bridges.

Councillor Menzies advised that she would be presenting an update on the Around the Mountains Cycle Trail Trust update to the Council meeting on Wednesday 1 May 2024.

Councillor Duffy advised that the Southland Regional Heritage strategy Project Ark had been renamed and also successful in obtaining funding from external funding sources.

Councillor Wilson gave an overview of the latest information from the recent Regional Climate Change working group report and that he is one of the hearings panellists for the hearings to be held in May.

Mayor Scott advised that he had received the LGNZ four monthly report for member councils (November 2023 to February 2024 which had been attached to his report.

Ardlussa community board chair – Richard Clarkson was present to update the Council on what the community board had been involved with.

Chair Clarkson advised that:

- Gravel build up around bridges was a hot topic in the area and that removal of gravel at Tomogaluk is a case study
- New lighting has been installed at the Riversdale Community Centre for the public toilets especially when the hall is not in use
- Balfour lawn mowing contract is coming up for renewal. Traffic management is an issue
- There is interest in Kruger Street for subdivision
- There is beautification in Riversdale with bulb less kerbs and planter boxes
- Spatial planning to allow for growth in Riversdale.

Also to get a mention were the following projects which have been undertaken by outside groups over the last few years:

- Waikaia Trails Trust for the pump track and mountain bike trails
- Balfour Lions or the pump track and half basketball court in Balfour
- An art trail starting in Waikaia
- Riversdale community garden.

Northern community board chair – Greg Tither was present to update Council on what the community board had been involved with.

Chair Tither advised that:

- There had been a presentation of a community service award to Mossburn resident Jim Guyton
- Mossburn toilet upgrade to commence soon
- New welcome to Garston sign and BBQ to be installed soon
- There was an unveiling/opening of the new Soper Street in Athol
- The new playground in Lumsden is open and compliant
- Vandalism to the Lumsden public toilets is an issue with the thought that the installation of CCTV cameras could be a means for prevention and identification of offenders
- Lumsden helipad is to be opened on 28 April 2024
- A complementary letter had been received from some self-contained motorhome tourists who had stayed in Lumsden for two days. Their letter is as follows:

“We stayed in your town for 2 days in our fully self-contained motorhome and am writing to commend you on your freedom friendly town. The site was beautifully designed with a lot of expert foresight and information sharing on bill boards. Our experience was enhanced by the quaint historical buildings and the super friendly shop staff. I wish all towns could take a leaf out of your book and use your knowledge before designing their campsites. Thank you Lumsden and Dash at the council building.”

Oraka Aparima community board chair – Michael Weusten was present to update Council on what the community board had been involved with.

Chair Weusten advised:

- That feedback has been received on the use of the Thornbury hall “use it or lose it” communications
- A proposal for Bath Road is to be received by the Board and will be displayed at the library which indicates a plan for new toilets, BBQ units, picnic tables and bench seating
- That there is frustration regarding the wait for the quote for the Taramea Bay playground
- Completion of the Taramea Bay toilets is progressing and are expected to be completed by June 2024
- The Paua shell has been moved and resurfaced and to be relocated to Kohi Kohi park between the skate park and the waterfront. Traffic travelling in both directions on SH 99 will be able to see it
- Main Street is looking good due to the planting and maintenance of the garden troughs and barrels
- That trees are being removed from the roadside to allow the residents of Longwoods Bupa to have nice views of the estuary
- The Aparima Estuary Society has been wound up and the tracks have run into disrepair. It is understood that this land has been given to the QE2 Trust in perpetuity
- That Troy Holiday is championing mountain bike tracks and an update is to be given at the June 2024 board meeting
- That the Colac Bay Progress League and the Board are investing a cheaper option for the repair of the Colac Bay surfer statue

- Installation of steps down to the sea are being progressed with Environment Southland with the consent being extended for a further six months once final design and contractor are identified
- That feedback on CCTV cameras has been received for the installation at each end of Riverton and perhaps at the skate park and new location of the Paua shell with the Community Patrol and local Police also asking for cameras
- Traffic management for events is becoming a significant cost and are impacting on events (Christmas parade and ANZAC day)
- There are in four developments 50 to 60 sections underway (and also individual new houses) which will bring significant additional costs for infrastructure and ways for developers to contribute need to be found.

Oreti community board – Colin Smith was present to update Council on what the community board had been involved with.

Chair Smith advised:

- That the Board received the results of consultation around the redevelopment of Ellerslie Square in Wallacetown which is part of the Better Off Funding
- Progress on the Largs Street slip has commenced and won't be completed by winter
- Dipton Hall upgrade has commenced
- Sale of the Otapiri hall is in its final stages
- The sports hub in Winton is gathering momentum with the constitution just about finalised and the group is currently looking for people to become members of the Committee
- The Winton Helipad committee presented to the Board on their project to which the Board has indicated their support
- CCTV cameras in Winton have been an issue with the Board requesting a report from Council to have the budget reinstated to the LTP following the Board taking it out
- The Board are consulting on the draft master concept plan for Great North Road and ANZAC oval.

Vandalism and requests for CCTV cameras were two common themes during the reports from chairs.

(During the mayors report, Councillor Ruddenklau joined the meeting at 9.40am.)

Resolution

Moved Mayor Scott, seconded Cr Spraggon **and resolved:**

That the Council:

- a) receives the report titled "Mayor's report".**

7.2 Financial Report for the period ended 29 February 2024

Record No: R/24/3/23513

General manager finance and assurance – Anne Robson was present for the item.

The report presented to the meeting provided Council with an overview of the financial results for the eight months to 29 February 2024 by Council’s seven activity groups, as well as the financial position and the statement of cashflows as at 29 February 2024.

Resolution

Moved Deputy Mayor Menzies, seconded Cr Keast **and resolved**

That Council:

- a) **Receives the report titled “Financial Report for the period ended 29 February 2024” dated 12 April 2024.**

The meeting closed with a karakia whakamutunga as follows:

Kia hora te marino
Kia whakapapa pounamu te moana
Hei huarahi mā tātou i te rangi nei
Aroha atu, aroha mai
Tātou i a tātou katoa
Hui e! Tāiki e!

May peace be widespread
May the sea be like greenstone
A pathway for us all this day
Let us show respect for each other
For one another
Bind us all together!

The meeting concluded at 10.50am.

CONFIRMED AS A TRUE AND CORRECT RECORD AT A
MEETING OF THE COUNCIL HELD ON WEDNESDAY
17 APRIL 2024.

DATE:.....

CHAIRPERSON:.....

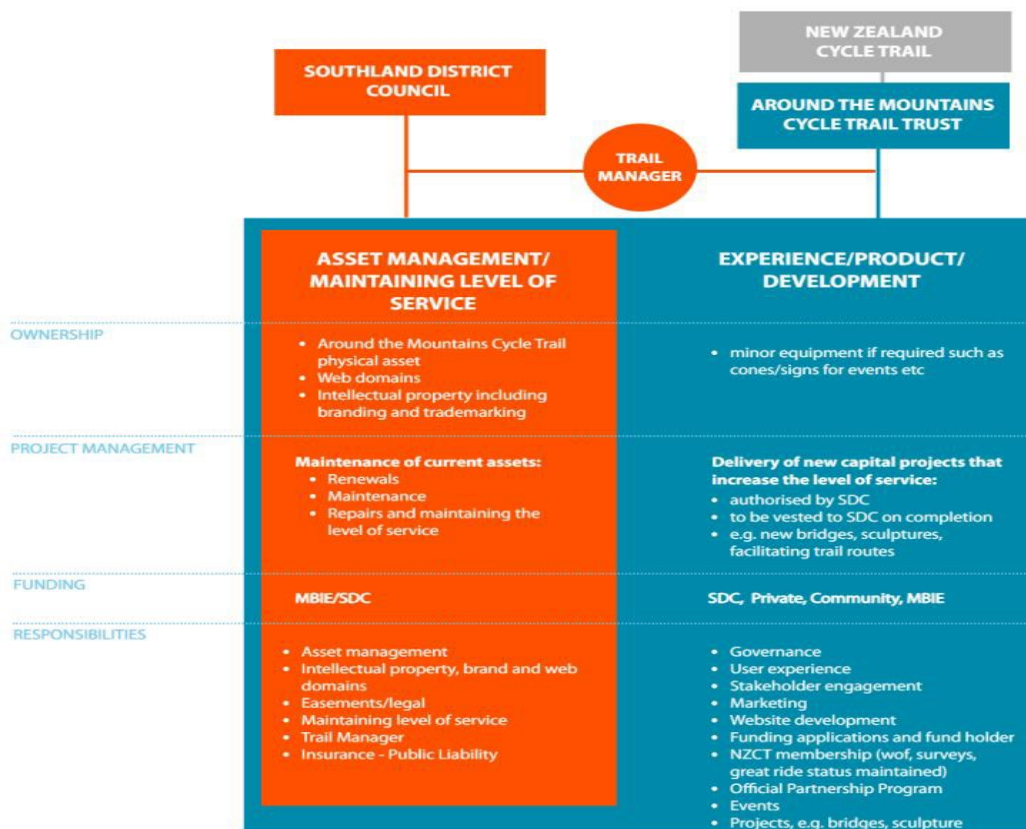
Around the Mountains Cycle Trail Trust Update

Record no: R/24/4/25240
Author: Fiona Dunlop, Committee advisor
Approved by: Michael Aitken, GM strategy & partnerships (interim)

Decision Recommendation Information

Update

- 1 Councillor Christine Menzies will present to update Council on the Trust in her position as the Southland District Council appointee.
- 2 Councillor Menzies will also be updating Council on the following:
 - progress of the Trust over the previous year.
 - provide information on the Trusts key areas of responsibilities as outlined in the attached diagram with a key focus on
 - o marketing – new website development, social media improvements and updated collateral for the trail – video and imagery
 - o updated data on trail usage and feedback from users
 - o current projects and future initiatives
- 3 The diagram below shows relationship between Council and the Trust.



Recommendation

That the Council:

- a) receives the report titled “Around the Mountains Cycle Trail Trust Update”.**
- b) thanks the Trust for their update.**

Attachments

There are no attachments for this report.

Sport NZ Rural Travel Fund allocations - March 2024 funding round

Record no: R/24/3/24726
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 Council to allocate funding for the Sport NZ Rural Travel Fund for the March 2024 funding round.

Executive summary

- 2 Southland District Council administers funding on behalf of the Sport NZ Rural Travel Fund. The purpose of this fund is to assist with transport expenses associated with participating in regular local sports competitions for youth aged five to 18.
- 3 A total of eight applications have been received for this round, which closed on 31 March 2024. The amount of funding available for distribution is \$13,749.
- 4 Recommendations for allocation based on the travel formula total \$9,400.

Recommendation

That the Council:

- a) receives the report titled "Sport NZ Rural Travel Fund allocations - March 2024 funding round".
- 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) Receives applications from the following:
 - Fiordland College
 - Central Southland College
 - Takitimu United Netball Club
 - Winton Football Club
 - Menzies College Netball Club
 - Northern Southland College
 - Mossburn School
 - Fiordland Netball Club
- e) Approves the allocation of funds for the Sport NZ Rural Travel Fund as follows:

1	Fiordland College	\$1,500
2	Central Southland College	\$1,500
3	Takitimu United Netball Club	\$400
4	Winton Football Club	\$1,000
5	Menzies College Netball Club	\$1,500
6	Northern Southland College	\$1,500
7	Mossburn School	\$1,000
8	Netball Fiordland	\$1,000

- f) Approves the financial report for the Sport NZ Rural Travel Fund as at 31 March 2024.

Background

- 5 The Sport NZ Rural Travel Fund was established in 2003 by Sport NZ with the purpose being to help remove the barrier of cost to participation in regular sport for those in rural communities.

- 6 The rural travel fund is administered on Sport NZ’s behalf by thirty-five eligible territorial authorities across Aotearoa.
- 7 Sports clubs and school based teams with young people aged between five and 18 years are eligible to apply for travel costs to regular sports competitions.
- 8 The fund is advertised regularly to the community. Advertisements are placed fortnightly in the Express newspaper leading up to closing dates, and in each publication of the Southland District Council First Edition magazine. It is also advertised on the SDC Facebook page, community board pages and other appropriate local pages. Intermittent radio advertising has also been done.
- 9 Applicants may apply at any time leading up to the closing dates on 31 March and 30 September each year.

Application Summary

Applications received	8
Funds available	\$13,749
Recommended total allocation	\$9,400

1 Fiordland College

To assist with the cost of school sports teams travelling to Invercargill and Gore for various competitions.

Km travelled: 20,000	Recommendation as per travel formula	\$1,500
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2 Central Southland College

To assist with the cost of school sports teams travelling around the district for various competitions.

Km travelled: 9,500	Recommendation as per travel formula	\$1,500
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3 Takitimu United Netball Club

To assist with the cost of club teams travelling around the district for weekly Saturday competition games.

Km travelled: 1,050	Recommendation as per travel formula	\$400
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4 Winton Football Club

To assist with the cost of club teams travelling around the district for various competitions.

Km travelled: 4,260	Recommendation as per travel formula	\$1,000
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5 Menzies College Netball Club

To assist with the cost of club teams travelling to Gore for weekly competitions.

Km travelled: 94,000	Recommendation as per travel formula	\$1,500
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- 6 **Northern Southland College**
To assist with the cost of school sports teams travelling around the district for weekly competitions.
Km travelled: 12,000 Recommendation as per travel formula \$1,500
- 7 **Mossburn School**
To assist with the cost of the school netball team travelling around the district for weekly competition games.
Km travelled: 3,900 Recommendation as per travel formula \$1,000
- 8 **Netball Fiordland**
To assist with the cost of club teams travelling around the district for weekly competition games.
Km travelled: 3,556 Recommendation as per travel formula \$1,000

The financial report for the Sport NZ Rural Travel Fund up to 31 March 2024 is as follows:

Southland District Council Sport NZ As at 29 February 2024			
Summary	Actual	Budget	
Opening balance, 1 July 2023	-	-	
Add:			
Grants Received*	18,749	18,749	
Reversal Prior Year Commitments	5,300	-	
Interest**	-	-	
Total	24,049	18,749	
Less:			
Current Year Commitments	5,000	18,749	
Prior Year Commitments	5,300	-	
Advertising	-	-	
Grants not uplifted and cancelled/Rcfunds	-	-	
Total	10,300	18,749	
Funds Available for General Distribution	13,749	-	
* Grants received includes all funding anticipated to be received during the financial year.			
** Interest earned for the period has not been included. The actual amount will not be known until the end of the financial year when interest is allocated across Council's investments (30 June 2024).			
Prior Year Commitments	Committed	Uplifted	Balance
Riversdale Rugby Football Club	1,400	1,400	-
Fiordland College	1,400	1,400	-
Menzies College	1,100	1,100	-
Northern Southland College	1,400	1,400	-
	5,300	5,300	-
Current Year Commitments	Committed	Uplifted	Balance
Fiordland College	1,500	-	1,500
Fiordland Hockey Club	1,000	1,000	-
Te Anau Cricker Club	1,500	1,500	-
Te Anau Tennis Club Inc.	1,000	1,000	-
	5,000	3,500	1,500

Issues

10 There are no issues to consider.

Factors to consider

Legal and statutory requirements

11 The fund is administered in accordance with the Sport NZ/Southland District Council investment schedule, including terms and conditions, for 2023/2024.

Community views

12 We know from feedback from applicants that the fund subsidies are appreciated by sports and school-based clubs within the District.

Costs and funding

13 Grants are covered by the funding provided by Sport NZ. The amount available for distribution for the 2023/24 financial year is \$18,749.

14 \$5,000 was allocated in the September 2023 funding round, which leaves \$13,749 remaining to distribute for the March 2024 round.

Policy implications

15 There are no policy implications.

Analysis

Options considered

16 The options for consideration are to approve and allocate funding to the applicants to assist with travel costs, or decline the applications.

Analysis of Options

Option 1 – approve and allocate funding to the applicants to assist with travel costs

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none">• fulfil Southland District Council’s agreement to administer the Sport NZ Rural Travel Fund on behalf of Sport NZ• sports clubs and schools in the District receive financial assistance, hopefully removing barriers for youth to engage in sports activities	<ul style="list-style-type: none">• there are no disadvantages

Option 2 – do not approve and allocate funding to the applicants to assist with travel costs

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none">• there are no advantages	<ul style="list-style-type: none">• Southland District Council would not fulfil its obligation to administer the Sport NZ Rural Travel Fund as per the investment schedule• some teams or individuals may miss out on participating in sports competitions if the cost to travel there is prohibitive

Assessment of significance

17 Not considered significant.

Recommended option

18 Option 1 – award the grants as per the recommendations.

Next steps

19 Applicants will be advised of the outcome and payment of grants will be arranged.

Attachments

There are no attachments for this report.

District Initiatives Fund - allocations for March 2024 funding round

Record no: R/24/3/24724
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 Council to allocate the District Initiatives Fund grants for the March 2024 funding round.

Executive summary

- 2 The Southland District Council District Initiatives Fund is available to groups and organisations to assist with a broad range of projects and initiatives in the Southland area that are of benefit to at least two community board areas. There are two funding rounds – one that closes on 30 September and one on 31 March.
- 3 A total of seven applications have been received for the current funding round, which closed on 31 March 2024. The amount of funding remaining for distribution for the 2023/24 financial year is \$41,946.
- 4 The full applications have been uploaded to The Hub for councillors to view before the Council meeting. There is also a list of all District Initiatives Fund grants to date uploaded to The Hub.
- 5 A summary of the seven applications with recommendations for funding are as follows:

Applications received	7
Total amount requested	\$73,128
Total amount available for distribution	\$41,946
Total recommendations for this round	\$41,946

Application summaries:

1 Citizens Advice Bureau Invercargill

Request assistance for operational costs to continue to provide services and support for Southland residents, particularly those most vulnerable and at risk in the community.

Total project cost	\$138,031
Amount requested	\$5,000
Recommendation	\$5,000

2 The South Island Branch of the Muscular Dystrophy Assn of NZ

Request assistance towards fieldworker travel costs in the Wallace Takitimu and Oreti areas. Fieldworkers check the living conditions of clients with rare neuromuscular conditions, providing referrals to DHB's, medical and other health professionals.

Total project cost	\$19,860
Amount requested	\$3,000
Recommendation	\$2,000

3 Royal NZ Plunket Trust

Request assistance towards the costs for their injury prevention service across the Southland district. Funds will assist with purchasing car restraints for babies and children to supply to those families who cannot afford to purchase their own. All of the Plunket injury prevention services are funded through grants and donations.

Total project cost	\$6,478
Amount requested	\$6,478
Recommendation	\$4,000

4 Amateur Radio Emergency Communications (AREC) Southland

Request assistance towards the cost to replace their communications support vehicle. AREC Southland provide communications support to LandSAR, Emergency Management Southland, and for various community events. Approximately 90% of their operations take place in the Southland district.

Total project cost	\$291,113
Amount requested	\$15,000
Recommendation	\$9,500

5 Southland Fish & Game Council

For assistance towards the costs associated to build a jetty/pier and to refurbish the boat ramp at Lake Monowai. These assets are used by Southlanders from all over the district.

Total project cost	\$64,072
Amount requested	\$10,000
Recommendation	\$5,000

6 Southland Land Search & Rescue Inc.

For assistance towards the costs associated with purchasing a custom trailer. The trailer will carry all their equipment and will have the capability to become a forward base due to power, IT and communications being inbuilt. It will be used as required all over the Southland district.

Total project cost	\$54,158
Amount requested	\$10,000
Recommendation	\$8,500

7 Otago Museum Trust Board

For assistance towards the costs associated bringing their 'Te Mana o Te Ha – Vape/Smokefree Science Showcase to various schools around the Southland District. It is a mobile, hands-on exhibition that demystifies the risks and impacts of smoking and vaping. Initial MBIE funding for the initial development and roll-out finishes in June 2024. They would like to tour the showcase in Southland from July – September 2024.

Total project cost	\$23,650
Amount requested	\$23,650
Recommendation	\$8,946

Recommendation

That the Council:

- a) receives the report titled “District Initiatives Fund - allocations for March 2024 funding round”.
- 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) Receives applications from the following:
 1. Citizens Advice Bureau Invercargill
 2. The South Island Branch of the Muscular Dystrophy Assn of NZ
 3. Royal NZ Plunket Trust
 4. Amateur Radio Emergency Communications (AREC) Southland
 5. Southland Fish & Game Council
 6. Southland Land Search & Rescue Inc.
 7. Otago Museum Trust Board
- e) Approves the allocation of funds from the District Initiatives Fund as follows:

1	Citizens Advice Bureau Invercargill	\$5,000
2	South Island Branch of the Muscular Dystrophy Assn of NZ	\$2,000
3	Royal NZ Plunket Trust	\$4,000
4	Amateur Radio Emergency Communications (AREC) Southland	\$9,500
5	Southland Fish & Game Council	\$5,000
6	Southland Land Search & Rescue	\$8,500
7	Otago Museum Trust Board	\$8,946

Background

- 6 Southland District Council’s community assistance activity seeks to contribute to a District of ‘proud, connected communities that have an attractive and affordable lifestyle’ by enabling Southland’s communities to be desirable places to live, grow up, work, run a business, raise a family and enjoy a safe and satisfying life. Through providing financial assistance by way of grant funding, community groups and individuals are supported to undertake their desired activities.
- 7 The aim of the District Initiatives Fund is to support organisations, facilities, amenities, programmes, activities and events at a district level. For the purpose of this fund, the term ‘district-level’ is defined as at least two community board areas.
- 8 The fund is advertised regularly to the community. Advertisements are placed fortnightly in the Express newspaper leading up to closing dates, and in each publication of the Southland District

Council First Edition magazine. It is also advertised on the SDC Facebook page, community board pages and other appropriate local pages. Intermittent radio advertising has also been done.

- 9 Applicants may apply at any time leading up to the closing dates on 31 March and 30 September each year.
- 10 For the 2023/2024 financial year, there is \$67,546 available for distribution through the District Initiatives Fund. This is to be allocated over two funding rounds.

Criteria

- 11 The purpose of the Southland District Council District Initiatives Fund is to support the development and implementation of initiatives within the Southland District area that are at a scale that provides benefits to the District as a whole or are of benefit to at least two community board areas. This includes the following:
 - non-council owned facilities and amenities
 - sport and recreational opportunities
 - community programmes, activities or events.
- 12 The criteria for the District Initiatives Fund is as follows:
 - there will be two funding rounds per year closing on 31 March and 30 September
 - the aim of the fund is to support facilities, amenities, programmes, activities and events at a district level
 - for the purpose of this fund, the term ‘district-level’ is defined as at least two community board areas
 - the fund is available to non-profit community organisations and community groups regardless of their legal status
 - applications must include the completed application form and any other supporting information
 - the fund is a subsidy-based scheme – applicants must contribute a reasonable amount towards the cost of the project
 - level of assistance is based on the merit of the project and potential benefits to the community
 - funding is not allocated retrospectively
 - in the case where the applicant is based outside of the Southland district – the allocation is assessed on the proportion of members and/or beneficiaries from the District.

Recommendations

- 13 The funding recommendations included in this report were developed in balance with the following considerations:
- amount of funding being requested
 - amount of funding available for allocation
 - total project cost
 - scope of District benefit
 - amount of self-fundraising and self-contribution
 - funding sought from elsewhere.

Issues

- 14 There are no issues to consider.

Factors to consider

Legal and statutory requirements

- 15 There are no legal and statutory requirements to consider. The granting of this fund aligns with Council's community assistance policy.

Community views

- 16 The councillors, as representatives of the Southland District will consider each application and how it benefits the region.

Costs and funding

- 17 For the 2023/2024 financial year there is \$41,946 remaining to allocate for this funding round.

Policy implications

- 18 There are no policy implications to consider.

Analysis

Options considered

- 19 The options are to either approve grants to applicants pursuant to the funding criteria or to decline the applications.

Analysis of options

Option 1 – Approve grants to applicants pursuant to the funding criteria

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none">• support community groups to achieve projects and initiatives that benefit Southland.	<ul style="list-style-type: none">• there are no disadvantages

Option 2 – Declines grants to applicants

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none">• there will be more money in the District Initiatives Fund for the next funding round	<ul style="list-style-type: none">• eligible groups and organisations may not be able to carry out their projects• Council is not meeting its commitment to help fund community projects and initiatives

Assessment of significance

20 Not considered significant.

Recommended option

21 The recommended option is “option 1 – allocates funding pursuant to the funding criteria”.

Next steps

22 Advise applicants of the outcome of the funding allocations and payments made accordingly.

Attachments

There are no attachments for this report.

Forecasted Financial Position for the year ending 30 June 2024

Record No: R/24/4/25606
Author: Joanie Nel, Senior accountant
Approved by: Anne Robson, Group manager finance and assurance

Decision Recommendation Information

Purpose

- 1 To inform Council of the expected year-end financial result compared to the Annual Plan 2023/2024 and to seek its approval of the resulting forecasted position.
- 2 To seek Council endorsement for unbudgeted expenditure requests, and the deletion and deferral of a number of projects further to the Finance and Assurance Committees endorsement.

Executive Summary

- 3 Forecasting the financial position for the year ended 30 June 2024, is intended to provide information about what has changed since the budget was approved, why it has occurred and what the result is expected to be at the end of the year. Only major changes have been included in this forecasting round. These changes are based on the best knowledge that the relevant staff have at a point in time and events can overtake this.
- 4 In considering the final position, staff consider what they planned to do in the 2023/2024 Annual Plan, the projects carried forward from 2022/2023 that were approved by Council on 20 September 2023, unbudgeted expenditure requests approved by Council or committees for the year to date, including the revised project prioritisation undertaken by staff in September 2023 and the expected year end position as a result of operational decisions and information.
- 5 The budgeted expenditure included in the 2023/2024 Annual Plan year was adopted on 21 June 2023. Since this date, a number of events have occurred that will change the year end position.
- 6 Overall revenue has increased by \$3.7 million. This is a combination of amounts to fund carry forward, (\$3.9 million, NZTA and grant funding mainly), a reduction in revenue due to the September 23 prioritisation process (\$1.3 million) and further changes as a result of this process (\$1.1 million). The \$1.1 million relates to the NZTA funding for the September 2023 flooding event, insurance recoveries for Edendale/Wyndham waste water treatment plant accident and the sale of land at Luxmore subdivision. Additionally, this is offset by a reduction in grants & subsidies, principally moving better off funding to 2024/2025 and changing interest indicated to be externally earned as part of the investment approach to internal, thereby reducing the interest paid in operational expenses by \$1.1 million.
- 7 Overall operating expenditure has increased by \$1.9 million. This is a combination of amounts carried forward from 2022/23 that was approved by Council in September 2023 (\$2.3 million), unbudgeted expenditure approved during the year (\$0.2 million) and further changes as a result of this forecasting process (\$0.6 million decrease). The net forecasting increase in operational expenditure of \$1.9 million is as a result of unplanned maintenance, waste disposal costs and the movement of some roading expenditure monies budgeted as capital but moved to operational to

meet increased costs in maintenance contracts being offset by a reduction in finance costs (\$2.5 million) due to the delay in our investment approach.

- 8 The majority of the forecast changes relate to capital spend. Capital expenditure has decreased by \$2.6 million predominantly due to projects which are proposed to be deferred to a later year as well as the transfer of roading capital expenditure to cover the additional costs increases in maintenance contracts.
- 9 The effect of the forecast changes on the Statement of Comprehensive Revenue and Expenditure and Statement of Financial Position are shown in attachments A and B. Staff have made no attempt to revisit the infrastructure or forestry revaluation. Although indications are that the volatility of the past few years will not occur this year. Staff have reviewed the depreciation charges and believe them to be fair and reasonable based on actual 2022/2023 and increased for inflation.
- 10 As part of the resolutions Council is being asked to endorse a number of unbudgeted expenditure requests that have not been considered by Council previously (refer attachment C). Additionally, there are a number of projects that have been identified as needing to be deferred to future years (attachment D). Projects that need to be brought forward from future years are included in attachment E.
- 11 In terms of the capital programme, the majority of works are in progress. There will be still be carry forwards at year end and generally this forecasting process has not attempted to estimate these. This will be due to issues such as consent conditions, discussions still occurring with communities, delays in finding office accommodation and resourcing, materials availability.
- 12 The Finance & Assurance Committee endorsed the forecasted position in its meeting on the 24th April 2024.
- 13 Subsequent to this meeting, staff have identified a further three expenditure items that staff are looking for unbudgeted expenditure approval for. These additions have been highlighted in yellow in this report as well as in Attachment C.
- 14 The additional expenditure relates to additional maintenance costs required for two community housing units, one in Otautau and the other in Edendale (\$46 thousand). On the 22nd of November 2023, a report requesting unbudgeted expenditure was presented to Council for repairs in these two units. The request was for \$300,000 to undertake repairs and reinstatement of both units. After discussion, Council decided to let the report lie on the table until staff report on the future of community housing in Southland District Council, which includes options of replacing both units. Council staff recognise that the report on the future still needs to be prepared however are recommending that the request be separated into two parts. One being the report to be prepared on the future. The second being the repair of the units to allow for tenanting to occur.
- 15 Since the November meeting, staff have investigated options for the units. As part of this they have identified that they can undertake a minimal number of repairs to make the units tenantable, that is estimated to cost \$46,000 whilst still progressing the report on the future of Community Housing.
- 16 Additionally, at the Finance and Assurance Committee meeting held on the 27th of March 2024, a report detailing the Deloitte audit engagement and proposal letters was presented. It was

resolved that the audit fee shortfall of \$2 thousand, to be funded from the District Operations reserve or operating surplus was to be included in the Forecasting round to be approved by Council. This was mistakenly omitted, hence its inclusion now.

Recommendation

That the Council:

- a) **Receives the report titled “Forecasted Financial Position for the year ending 30 June 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 the forecasted changes to Council’s year-end financial performance and position as detailed in attachment A and B.**
- e) **Approve the following unbudgeted expenditure and associated funding source:**

Business Unit	Expense	Amount	Funding Source
Te Anau Airport – Manapouri	Runways renewal	\$60,093	Loan
Stewart Island Visitor Levy	Operating costs	\$15,000	Grant
Mayoral Taskforce	Consultants	\$110,000	Grant
Creative communities NZ	Creative communities	\$17,988	Grant
Community housing collective	Maintenance general	\$55,000	Reserves
District water	Maintenance unplanned	\$220,000	General recoveries
Water supply Ohai/Nightcaps	Water renewal	\$112,555	Loan
Tuatapere library	Maintenance general	\$16,000	Reserves
Property sales	Commission and levies	\$10,174	Proceeds on sale
Property sales	Consultants	\$7,379	Proceeds on sale
Property sales	Legal costs	\$19,850	Proceeds on sale
Resource consent processing	Consultants	\$250,000	Reserves
Water supply overheads	Maintenance routine	\$125,000	Loan
District sewerage	Maintenance unplanned	\$150,000	Insurance recoveries
District sewerage	Maintenance routine	\$400,000	Loan
Beautification Stewart island	Improvements Ac LOS	\$50,000	Grant
Sewerage Edendale/ Wyndham	Sewerage renewals	\$300,000	Insurance recoveries
Toilets – Riverton Princess Street	Buildings renewal	\$300,000	Loan

Wheelie bins	Kerbside collection – recycling	\$75,000	Reserves
Wheelie bins	Waste disposal	\$150,000	Reserves
Community housing Edendale	Maintenance general	\$23,175	Loan
Community housing Otautau	Maintenance general	\$23,175	Loan
Financial Services	Audit fees	\$2,000	Reserves

f) Approve the deferral of the following items to the 2024/2025 financial year:

Business Unit	Project/Item	Amount	Funding Source
Better off funding	Consultants	(\$150,000)	Grant
Information services	Software renewal	(\$700,000)	Loan
Sewerage scheme Manapouri	Manapouri Wastewater treatment upgrade	(\$600,000)	Loan
Stormwater drainage Te Anau	Stormwater acquisition LOS	(\$1,000,000)	Loan
Resource planning/policy	General projects	(\$400,000)	Grant

g) Approve the bringing forward of the following project budgets from future financial years:

Business Unit	Project	Amount	Funding Source
District sewerage	District wide oxidation pond desludging	\$100,000	Loan

h) Notes staff continued intention to bring back a report on the future of Community Housing in Southland District.

Background

- 17 Forecasting enables transparency and informs Council of the anticipated year-end financial result. Forecasting was first undertaken in November 2015 and since then forecasting has been undertaken twice a year, at the end of October and the end of January or February, depending on meeting dates. However, due to time constraints and other significant work being undertaken across the organisation, this is the fourth year we have only held one forecasting round. Therefore, what would normally have been the second round of forecasting for the financial year, became the only opportunity to make changes to the budgets for the 2023/2024 financial year other than through separate approved unbudgeted expenditure reports. These unbudgeted expenditure reports have been tracked and updated in the financial projections to date.
- 18 The finance team, budget managers and their general managers have focussed on major changes in this forecasting round.

- 19 Changes due to forecasting have been included in the attachments as follows.
- Attachment A - shows the net effect of the changes to the statement of comprehensive revenue and expenditure for the year ended 30 June 2024
 - Attachment B - shows the effect of changes to the statement of financial position for the year ending 30 June 2024
 - Attachment C – provides details of unbudgeted expenditure to be approved as part of forecasting
 - Attachment D - provides details of the specific projects being deferred to future years
 - Attachment E - provides details of the specific projects being brought forward from future years
 - Attachment F – provides details of the changes to expenditure requiring CEO approval (under \$10,000)
- 20 The Chief Executive has delegated authority to approve unbudgeted expenditure under \$10 thousand associated with the district and therefore these forecast changes are excluded from the resolutions included in this report. For this round of forecasting, there is 1 item totalling \$10 thousand which is detailed in attachment F.
- 21 Staff have endeavoured to ensure that Community boards are aware of changes to local budgets including movements in local projects as part of the 2024/2025 annual plan direction setting meetings.
- 22 Staff have made no attempt to revisit any potential changes to infrastructure and forestry revaluations due to the volatility that can exist in determining these. At this stage, we do not believe that the volatility of previous years will be experienced this year.

Revenue

- 23 Overall revenue has increased by \$3.7 million. This is a combination of amounts to fund carry forward, (\$3.9 million, NZTA and grant funding mainly), a reduction in revenue due to the September 23 prioritisation process (\$1.3 million) and further changes as a result of this process (\$1.1 million). The \$1.1 million relates to the NZTA funding for the September 2023 flooding event, insurance recoveries for Edendale/Wyndham waste water treatment plant accident and the sale of land at Luxmore subdivision. Additionally, this is offset by a reduction in grants & subsidies, principally moving better off funding to 2024/2025 and changing interest indicated to be externally earned as part of the investment approach to internal, thereby reducing the interest paid in operational expenses by \$1.1 million.
- 24 At year end, income from resource consents will be less than budgeted, this is due to a mixture of factors including the fast tracking consent process and as a result of an increased number of discounts given due to not meeting the statutory 20 day turn-around. It has been identified that we have not yet invoiced the applicable government agency for the fast tracking consent. This will reduce the overall income deficit, so the additional \$200 thousand being requested from the District Operations Reserve currently we expect to be considerably more than needed however we still need to work through this area.

Operating Costs

- 25 Overall operating expenditure has increased by \$1.9 million. This is a combination of amounts carried forward from 2022/23 that was approved by Council in September 2023 (\$2.3 million), unbudgeted expenditure approved during the year (\$0.2 million) and further changes as a result of this forecasting process (\$0.6 million decrease). The net forecasting increase in operational expenditure of \$1.9 million is as a result of unplanned maintenance, waste disposal costs and the movement of some roading expenditure monies budgeted as capital but moved to operational to meet increased costs in maintenance contracts being offset by a reduction in finance costs (\$2.5 million) due to the delay in our investment approach.

Key explanations of the \$1.9 million of further changes to other council expenditure as a result of this forecasting process are as follows:

- 26 An additional \$1.2 million of roading operational expenditure has been included to cover inflation increases in the three main maintenance contracts. This has been met from reducing capital budgets. The result is no change to the overall roading spend but a change to the level of service delivered. There has also been a reduction in the budgeted costs for maintenance unsealed roads which represents the property owners share of costs relating to the Otta seal dust suppressant. This programme has been put on hold while previous work completed is being reviewed due to some sites not performing as expected. The budget relating to the work started for school signs has not been forecasted. The work is in the final stages of procurement, indication at this stage is that physical programme is expected to be completed by the end of the financial year and it may be completed under budget. This programme is a specific funding stream from Waka Kotahi and is unable to be used for other work.
- 27 As discussed previously, Council staff have been committed to improving the customer service experience in the resource consent area. To support this, a number of business improvement initiatives have been implemented along with a comprehensive training programme for staff. To allow this training to occur and the systems to be developed and imbedded, a higher use of consultants has been needed in the short term. This has been estimated at \$250 thousand to 30 June 2024, net of underspends in other lines, however it is hoped to be less than that as the use of consultants generally is removed. Funding is being proposed from the District Operations Reserve.
- 28 The district water budget for unplanned maintenance requires an additional \$220 thousand as increased repairs were required to the Riverton bridge pipe due to damage caused by a boat in a storm. This will be covered by the boat owner's insurance and is reflected in general recoveries.
- 29 Additional unplanned maintenance costs are required for Te Anau Rural Water supply (\$125 thousand) and \$400 thousand for district sewerage. All unplanned maintenance is now paid as part of the monthly claim under the new contract. Previously, maintenance works under \$5 thousand were included as part of the fixed monthly cost, with additional costs only being due if the total works were greater than this figure. This was not allowed for in the budgets due to these being prepared in 2022 and the contract going to the committee in March 2023. To fund these costs it is proposed to take out a loan over three years. Although staff have increased the unplanned maintenance budgets in the 2024-34 Long Term Plan, a review of the quantum is being undertaken now that we are nearly one year through the new contract to understand what annual cost may be required moving forward for budgeting purposes.

- 30 District sewerage also requires an additional \$150 thousand unplanned maintenance following an accident, to be funded by way of proceeds from an insurance claim.
- 31 Due to the investment policy changes not being implemented at this time, the finance costs has been decreased to \$784 thousand to reflect the interest on the current LGFA borrowings plus an allowance for potentially another \$5 million of borrowings before financial year end.
- 32 An additional \$150 thousand of waste disposal costs has been forecast to be funded by reserves. This is due to an increase in volumes disposed of compared to budgeted. The budget was based on the 2021/2022 volumes disposed, noting volumes for the current year are in line with those disposed of in 2022/2023. Additional kerbside collection recycling costs are also required for increased escalation costs in line with inflation (\$75 thousand) to be funded by the waste minimisation levy.
- 33 Subsequent to this meeting, staff have identified a further three expenditure items that staff are looking for unbudgeted expenditure approval for. These additions have been highlighted in yellow in this report as well as in Attachment C.
- 34 The additional expenditure relates to additional maintenance costs required for two community housing units, one in Otautau and the other in Edendale (\$46 thousand). On the 22nd of November 2023, a report requesting unbudgeted expenditure was presented to Council for repairs in these two units. The request was for \$300,000 to undertake repairs and reinstatement of both units. After discussion, Council decided to let the report lie on the table until staff report on the future of community housing in Southland District Council, which includes options of replacing both units. Council staff recognise that the report on the future still needs to be prepared however are recommending that the request be separated into two parts. One being the report to be prepared on the future. The second being the repair of the units to allow for tenanting to occur.
- 35 Since the November meeting, staff have investigated options for the units. As part of this they have identified that they can undertake a minimal number of repairs to make the units tenatable, that is estimated to cost \$46,000 whilst still progressing the report on the future of Community Housing.
- 36 Additionally, at the Finance and Assurance Committee meeting held on the 27th of March 2024, a report detailing the Deloitte audit engagement and proposal letters was presented. It was resolved that the audit fee shortfall of \$2 thousand, to be funded from the District Operations reserve or operating surplus was to be included in the Forecasting round to be approved by Council. This was mistakenly omitted, hence its inclusion now.

Capital Expenditure

- 37 Capital expenditure has decreased by \$2 million. This is a combination of amounts carried forward from 2022/2023 that was approved by Council in September 2023 (\$10.6 million), unbudgeted expenditure approved during the year (\$10 million reduction) and further changes as a result of this process, a reduction of \$2.6 million.
- 38 Edendale/Wyndham Sewerage requires additional renewal costs of \$300 thousand for reinstatement costs following an accident, to be funded by proceeds from an insurance claim.

- 39 The renewal project at the Riverton Princess street toilet requires an additional budget of \$300 thousand. This is forecasted to be funded from underspends in the toilet projects at Dunsdale, Mossburn and Nightcaps.
- 40 Roothing capital expenditure has been reduced by \$1.2 million to fund inflation increases in the three main maintenance contracts. The result is no change to the overall rooding spend but a change to the level of service delivered.
- 41 Attachment D includes the deferral of the following projects/items to 2024/2025:
- \$150 thousand consultants' costs funded by Better off funding
 - \$700 thousand software renewal costs as the implementation of the FMIS project is delayed while working with the vendor on the product
 - \$600 thousand towards the Manapouri Wastewater treatment upgrade project due to the design still in progress
 - \$1 million towards the stormwater drainage project in Te Anau as the re-design is in progress with capital delivery scheduled in 2024/2025
 - \$400 thousand for the spatial planning project funded from Better off funding, as a scoping plan is in preparation with delivery actions beginning in the 2024/2025 financial year.
- 42 Attachment E outlines 1 project totalling \$100 thousand proposed to be brought forward from the 2024/2025 financial year, being the completion of the district wide oxidation pond desludging.

Forecasted financial results

- 43 The 2023/2024 Annual Plan anticipated a deficit of \$9.2 million for the year ended 30 June 2024. As a result of carry forwards, approved unbudgeted expenditure and forecasting changes outlined in this report, the overall total forecast net deficit for the year is projected to be \$7.4 million. Refer to attachment A for detail of the forecasted statement of comprehensive income and expense.
- 44 The net asset position at 30 June 2024 was anticipated to be \$2.1 billion in the 2023/2024 Annual Plan. The forecast position after forecasting, adjusting for the actual 30 June 2023 results and other adjustments (carry forwards and unbudgeted expenditure), is projected to be \$2.6 billion. Refer to attachment B for detail of the forecasted statement of financial position.

Benchmarks

- 45 As part of the 2023/2024 Annual Plan, Council budgeted to achieve 104.9% of its benchmark of capital expenditure to exceed depreciation, on the four network infrastructure services (transport, stormwater, sewerage and water supply) in 2023/2024. The benchmark set by legislation is 100%. Currently, the benchmark is 53% for the actual results at 29 February 2024. After the changes proposed for forecasting, this benchmark is now expected to achieve 104%. The revaluations of these assets at year-end will have an impact on the depreciation, and accordingly this benchmark.

46 The remainder of the year-end benchmarks based on the revised forecasted results are as follows:

Benchmark	Quantified Limit	Planned as per LTP 23/24	Planned as per the AP 23/24	Revised Forecasted Result 23/24
Debt Affordability Benchmark - Net Debt	175%	78.9%	57.1%	35.0%
Balanced Budget Benchmark	100%	95.0%	91.7%	93.40%
Debt Servicing Benchmark	10%	2.25%	3.22%	0.74%

Issues

47 Forecasting is part of the ongoing process to enable Council to understand its year end result. This includes early identification of projects that will not be completed by the end of the current financial year. Forecasting also provides an opportunity to approve anticipated unbudgeted expenditure during the year. This should reduce the number of individual requests needing to be considered by Council. Any works not started or completed by year end will be included as part of the carry forward report presented to Council in August/September 2024.

Impact of forecasting on the works programme

48 The forecasting process has identified projects to be deferred and brought forward. Schedules of these projects are included in attachment D and E.

49 A summary of the movement of projects (both capital and operational) as a result of carry forwards and forecasting for the 2023/2024 year is as follows:

Financial activity	Other activities \$	Roading \$	Total \$
Projects as per 2023/2024 Annual Plan	27,648,674	26,043,261	53,691,935
Projects carried forward from 2022/2023	5,759,647	6,114,848	11,874,495
Projects approved via unbudgeted expenditure reports	1,618,665	52,881	1,671,546
September prioritisation adjustment	(8,930,032)	(3,493,729)	(12,423,761)
Total projects budget for 2023/2024	26,096,954	28,717,261	54,814,215
February forecasting movement	(1,103,870)	(1,524,128)	(2,627,998)
Expected project costs for 2023/2024	24,993,084	27,193,133	52,186,217

50 The capital programme for 2023/2024 is forecast at \$52.1 million. To summarise where staff are at with the project delivery to date,

- All of the three waters projects in the annual plan have started with the majority due for completion by the end of the financial year. There will be key multi-year projects that will require a carry forward into 2024/2025 in particular the Manapouri water treatment plant upgrade and waste water treatment plant upgrades for consent conditions.

- Discussions with the communities over their footpath renewals is still occurring, which may lead to further carry forwards in this area (total budget \$1.2million)
- Monies in relation to the Invercargill office (\$5 million) development are still in the budget to 30 June 2024, with staff continuing to look at options to get everyone back into one office.
- It is also expected projects being undertaken for communities will not be completed in full by year end due to resourcing and materials availability, in particular some of the toilet projects. Staff will continue to source and deliver as much as possible before year end. Carry forwards in this area will occur.

51 The September prioritisation adjustment changes have already been built into the 2024/2034 Long term plan total noted below.

52 Additional changes identified as part of this forecasting process, will affect year one of the 2024/2034 Long term plan and the quantum of projects to be delivered. This is summarised as below:

Projects as per 2024/25 of the Long Term Plan	\$
Projects for 2024/2025 per draft Long Term Plan (including Sept prioritisation projects)	68,349,565
Projects from 2023/2024 to be moved to 2024/25 (see Attachment D)	2,850,000
Revised Projects 2024/2025	71,199,565

53 In regards to the projects for 2024/2025, staff will review the impact of moving these projects from 2023/2024 and will if necessary include any changes in year one (2024/2025) of the 2024/2034 Long Term Plan staff submission report before it is finalised by Council in August 2024. As part of this, resourcing and material availability will be considered.

Impact of forecasting on rates

54 The changes indicated may impact future years rates requirements depending on how they are funded. Council generally only rates for loan repayments in the year following the loan being established, however in some cases rates may have been collected if it was expected that a loan would be drawn down and it wasn't as a result of resource delays etc. Where rates are collected these are transferred to the relevant rates reserve for use in the future. Additionally, some costs indicated may have flow on effects to future operational costs, where possible the 2024/2034 Long Term Plan has incorporated these.

55 The changes will not impact the rates for the current 2023/2024 year, as the rates have been struck for this year and three of four instalments have been invoiced. Generally, rates to repay loans used to fund projects are collected in the year following loan draw down however there may be a few instances where projects are expected to be completed in a year and for some reason they are not. As a result, collection of principal and interest may occur, should this happen the funds are transferred to the relevant rating reserve at year end to be used for costs going forward.

56 There is still a risk that the actual result achieved at 30 June 2024 differs from what has been forecasted and therefore this could give rise to over or under rating depending on the circumstances.

Factors to Consider

Legal and Statutory Requirements

57 There are no legal or statutory requirements in regards to forecasting Council’s end of year position.

Community Views

58 Changes proposed to capital and operational expenditure for townships have been or will be reported to the relevant community board.

Costs and Funding

59 The forecasting that has been completed shows that the net deficit after these forecasting charges are approved will be \$7.4 million (attachment A).

60 Overall capital expenditure is expected to decrease by \$2.6 million in this forecasting round as outlined in attachment B and discussed in this report.

61 The funding source for all forecasted changes are identified as part of this process and are predominantly, reserves, loans, external revenues sources (fees, charges, grants etc) and savings in current budgets. The impact on rates is addressed in the issues section of this report.

Policy Implications

62 Council staff must ensure that all expenditure is carried out within approved delegations. The current financial delegations only allow the chief executive to approve unbudgeted purchases of plant, capital items and goods or services expenditure up to \$10 thousand. Everything else must be approved by Council.

Analysis of Options

63 The options are to approve or not to approve, in full or part, the forecasted adjustments to the expenditure for the 2023/2024 Annual Plan.

Option 1 – Approve all forecast changes recommended including any adjustments agreed at the meeting

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none"> • Council are informed of anticipated changes from the 2023/2024 Annual Plan • Council has had the opportunity to prioritise expenditure to be incurred in the current financial year • Council staff are able to procure as required to provide services to the community in the most appropriate manner 	<ul style="list-style-type: none"> • deferral of projects which are going to be completed later and/or costing more than previously indicated

Option 2 – Do not approve, in part or in full, of the forecast changes recommended

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none"> • Council has more time to consider anticipated changes from the 2023/2024 Annual Plan • Council has the opportunity to prioritise expenditure to be incurred in the current financial year 	<ul style="list-style-type: none"> • processes may be delayed where further approval needs to be sought from Council before committing to additional expenditure • Impact of the flow on effect of changes may not be incorporated into the 2024/2025 Long Term Plan.

Assessment of Significance

- 64 The assessment of significance needs to be carried out in accordance with Council’s Significance and Engagement Policy. The Significance and Engagement Policy requires consideration of the impact on social, economic or cultural wellbeing of the region and consequences for people who are likely to be particularly affected or interested. The content of this report is not deemed significant.

Recommended Option

- 65 Option 1 – Approve all forecast changes recommended including any adjustments agreed at the meeting

Next Steps

- 66 Council staff will advise activity managers of the approval of unbudgeted expenditure and/or confirmed project amendments for the 2023/2024 financial year. Additionally, the approved forecasted information will be incorporated into Council financial systems and consequently future reporting, including any LTP submission report.
- 67 Staff will continue to work on the future of Community Housing report.

Attachments

- A Forecasted Financial Position for 30 June 2024 - Attachment A
- B Forecasted Financial Position for 30 June 2024 - Attachment B
- C Forecasted Financial Position for 30 June 2024 - Attachment C
- D Forecasted Financial Position for 30 June 2024 - Attachment D
- E Forecasted Financial Position for 30 June 2024 - Attachment E
- F Forecasted Financial Position for 30 June 2024 - Attachment F

ATTACHMENT A

**SOUTHLAND DISTRICT COUNCIL
FORECAST STATEMENT OF COMPREHENSIVE REVENUE AND EXPENDITURE
30-Jun-24**

	Annual Plan 2023/2024 (\$000)	Amounts Carried Forward from 2022/2023 (\$000)	Approved Unbudgeted Expenditure (\$000)	February 2023/2024 Forecast adjustments (\$000)	Forecast Result for 2023/2024 (\$000)
Revenue					
Rates	63,693	-	-	-	63,693
Other revenue	12,381	1,485	-	1,534	15,400
Interest and Dividends	1,911	-	-	(1,101)	810
NZTA	19,182	2,014	-	512	21,707
Grants and Subsidies	4,792	340	(1,287)	(683)	3,163
Other Gains/(Losses)	818	96	24	821	1,759
Vested Assets		-			0
Development and Financial Contributions	35	-	(31)	-	4
	102,812	3,935	(1,294)	1,083	106,535
Expenditure					
Employee Benefit Expenses	20,102	-	-	-	20,102
Depreciation and Amortisation	37,856	-	-	-	37,856
Finance Costs	3,309	-	-	(2,525)	784
Other Council Expenditure	50,779	2,316	201	1,983	55,278
	112,046	2,316	201	(542)	114,021
OPERATING SURPLUS/(DEFICIT)	(9,234)	1,619	(1,495)	1,624	(7,485)
Share of Associate Surplus/(Deficit)	-	-	-	-	-
SURPLUS/(DEFICIT) BEFORE TAX	(9,234)	1,619	(1,495)	1,624	(7,485)
Income Tax Benefit	-	-	-	-	-
SURPLUS/(DEFICIT) AFTER TAX	(9,234)	1,619	(1,495)	1,624	(7,485)
Gain/(Loss) on Property, Plant and Equipment Revaluations	49,081	-	-	-	49,081
TOTAL COMPREHENSIVE REVENUE AND EXPENSE	39,847	1,619	(1,495)	1,624	41,596

ATTACHMENT B

**SOUTHLAND DISTRICT COUNCIL
FORECAST STATEMENT OF FINANCIAL POSITION
30-Jun-24**

	Actual 30 June 2023 (\$000)	Movement Annual Plan 2023/2024 (\$000)	2022/2023 Carried forwards (\$000)	Approved Unbudgeted Expenditure (\$000)	February 2023/2024 Forecast adjustments (\$000)	Forecast Result for 2023/2024 (\$000)	Annual Plan 2023/2024 (\$000)
Equity							
Retained Earnings	713,035	(19,975)	1,619	(1,495)	1,624	694,809	701,471
Asset Revaluation Reserves	1,390,863	420,292				1,811,155	1,378,894
Fair Value Reserves	4,526	3,495				8,021	8,266
Other Reserves	42,745	1,374	2,818	879	(3,295)	44,521	38,145
TOTAL EQUITY	2,151,168	405,186	4,438	616	- 1,671	2,558,505	2,126,776
Current Assets							
Cash and Cash Equivalents	12,128	1,311			5,000	18,439	1,576
Trade and Other Receivables	8,019	(3,337)				4,682	10,984
Inventories	129	3				132	106
Work in Progress	-					0	-
Other Financial Assets	1,954	(10)				1,944	443
	22,230	(2,033)	0	0	5,000	25,197	13,109
Non Current Assets							
Property, Plant and Equipment	2,155,533	408,386	10,679	(10,073)	(2,628)	2,561,897	2,164,556
Intangible Assets	4,597	3,730	956	-	(800)	8,483	9,017
Forestry Assets	13,420	(310)				13,110	14,210
Internal Loans						0	-
Investment Portfolio						0	-
Investments in Associates	2,083	319				2,402	1,737
Other Financial Assets	545	2,028				2,573	40,608
	2,176,179	414,153	11,636	(10,073)	(3,428)	2,588,466	2,230,128
TOTAL ASSETS	2,198,408	412,120	11,636	(10,073)	1,572	2,613,663	2,243,237
Current Liabilities							
Trade and Other Payables	10,689	(3,293)				7,396	11,859
Deferred Revenue	2,224					2,224	
Contract Retentions and Deposits	515	(172)				343	572
Employee Benefit Liabilities	2,610	368				2,978	2,561
Development and Financial Contributions	1,023	(75)				948	1,550
Provisions	3					3	4
Borrowings	-	(1,000)			5,000	4,000	5,000
	17,064	(4,172)	-	-	5,000	17,892	21,546
Non-Current Liabilities							
Employee Benefit Liabilities	11	-				11	19
Provisions	8,365	3				8,368	
Borrowings	21,800	11,135	7,198	9,457	(1,757)	28,918	94,898
Internal Loans - Liability						0	-
	30,176	11,138	7,198	9,457	(1,757)	37,297	94,917
TOTAL LIABILITIES	47,240	6,966	7,198	9,457	3,243	55,190	116,463
NET ASSETS	2,151,168	405,154	4,438	(616)	(1,671)	2,558,473	2,126,774

ATTACHMENT C - Unbudgeted expenditure that requires Council resolution

Business Unit Name	Project no	Account Name	Further Comments	Funded from	Total 2023/2024 Budget	Forecasted total 2023/2024 Budget	2023/2024 February Forecasted variance
Te Anau Airport - Manapouri	P-10664	Runways - Renewal	Expenditure to allow for crack sealing to extend the life of the runway with the part reseal being delayed with the airport review underway.	Loan	\$1,282,295	\$60,186	\$60,093
SI Visitor Levy		Operating Costs	Administration fee incorporated into Real Journeys contract from 1st October 2023	Grant	\$0	\$15,000	\$15,000
Mayoral Taskforce		Consultants	LGNZ funding of Mayoral taskforce for jobs, Council agreed to entering into contract	Grant	\$0	\$110,000	\$110,000
Creative Communities N.Z.		Creative Communities	Received higher level of grant funding than budgeted which can be distributed	Grant	\$26,730	\$44,718	\$17,988
Community Housing Collective C		Maint - General	Additional maintenance needed	Reserves	\$129,844	\$184,844	\$55,000
District Water		Maint - Unplanned	Increase unplanned maintenance budget for Riverton bridge pipe repair costs to be recovered from the boat owner	General recoveries	\$100,000	\$320,000	\$220,000
Water Supply Ohai/Nightcaps		Water - Renewal	Utilise the district wide AC pipe renewal project for Nightcap Stage 2 projects and increase Nightcaps by \$110,000	Loan	\$265,735	\$1,361,947	\$112,555
Tuatapere Library		Maint - General	Handrail and window	Reserves	\$0	\$16,000	\$16,000
Property Sales		Commission and Levies	Forecast for Luxmore sale actuals	Proceeds on sale	\$41,160	\$51,334	\$10,174
Property Sales		Consultants	Forecast for Luxmore sale actuals	Proceeds on sale	\$37,621	\$45,000	\$7,379
Property Sales		Legal Costs	Forecast for Luxmore sale actuals	Proceeds on sale	\$20,580	\$40,430	\$19,850
Resource Consent Processing		Consultants	Increase budget as external contractors have been assisting with resource consent processing	Reserves	\$100,000	\$450,000	\$250,000
Water Supply Overheads		Maintenance - Routine	Reactive maintenance is paid as part of the monthly claim under the new contract, these reactive works are higher than planned due to ageing network and contractual changes	Loan	\$0	\$125,000	\$125,000
District Sewerage		Maint - Unplanned	Operational expenses following accident to be funded by insurance claim	Insurance Recoveries	\$100,000	\$250,000	\$150,000
District Sewerage		Maintenance - Routine	Reactive maintenance is paid as part of the monthly claim under the new contract, these reactive works are higher than planned due to aging network and contractual changes	Loan	\$1,900,000	\$2,300,000	\$400,000
Beautification - Stewart Is	P-10317	Improvements - Acq LOS	Previously removed as part of the September prioritisation process, the community board requested that the better off funding portion be reinstated into the current financial year during the LTP meetings	Grant	\$397,423	\$293,683	\$50,000
Sewerage Edendale/ Wyndham		Sewerage - Renewals	Reinstatement costs following accident to be funded by insurance claim	Insurance Recoveries	\$0	\$300,000	\$300,000
Toilets - Riverton Princess St	P-10390	Buildings - Renewal	Savings in Dunsdale, Mossburn and Nightcaps toilet projects used to offset the initial underbudgeting in the Riverton Princess St toilet project.	Loan	\$0	\$683,240	\$300,000
Wheelie Bins		Kerbside Collection - Recycling	Increased costs funded by waste minimisation levy	Reserves	\$800,000	\$875,000	\$75,000
Wheelie Bins		Waste Disposal	Increase in waste disposal costs due to an increase in the volumes disposed compared to budgeted volumes. The budget was based on the 2021/22 volumes disposed, noting volumes for the current year are in line with those disposed of in 2022/23	Reserves	\$1,204,980	\$1,354,980	\$150,000
Community Housing Edendale		Maintenance - General	Two units have been identified, one in Otautau and one in Edendale that require significant remedial work to be able to get tenants back into them.	Loan	\$0	\$23,175	\$23,175
Community Housing Otautau		Maintenance - General	Two units have been identified, one in Otautau and one in Edendale that require significant remedial work to be able to get tenants back into them.	Loan	\$0	\$23,175	\$23,175
Financial Services		Audit Fees	Shortfall in Audit fees (as discussed at Finance and Assurance)	Reserves	\$366,920	\$368,920	\$2,000
TOTAL					\$6,773,288	\$9,296,632	\$2,492,389

ATTACHMENT D - Items planned to be deferred to 2024/2025

Business Unit Name	Project no	Project/Account Name	Further Comments	Funded from	Total 2023/2024 Budget	2023/2024 February Forecasting variance
Better Off Funding		Consultants	CB resourcing funded by Better Off Funding moved to 2024/25	Grant	\$450,000	(\$150,000)
Information services		Software - Renewal	implementation of FMIS delayed while working with vendor on product.	Loan	\$856,184	(\$700,000)
Sewerage Scheme Manapouri	P-10459	Manapouri Wastewater treatment upgrade	Design is still in progress. This is a multi-year project which continues into the Long Term Plan and construction will now commence in 2024/25	Loan	\$2,123,820	(\$600,000)
Stormwater Drainage - Te Anau		Stormwater - Acquisition LOS	Redesign is in progress for this project with capital delivery in 2024/25	Loan	\$1,192,574	(\$1,000,000)
Resource Planning/Policy		General Projects	Spatial Planning better off funding project deferred to 2024/25, a scoping plan is in currently being prepared with delivery of actions beginning in the 2024/25 financial year.	Grant	\$400,000	(\$400,000)
TOTAL					\$ 5,022,578	(\$2,850,000)

ATTACHMENT E - Projects Brought Forward from Future Years

Business Unit Name	Project no	Project Name	Further Comments	Financial Year	Funded from	2023/2024 February Forecasting variance
District Sewerage	P-10452	Completion of district wide oxidation pond desludging	\$320,000 was moved to 2024/25 as part of the carryforward/prioritisation process, progress in current year has been better than expected	2024/2025	Loan	\$100,000
TOTAL						\$100,000

ATTACHMENT F - Unbudgeted expenditure under \$10,000 that requires CEO approval

Business Unit Name	Account Name	Comment	23/24 February Forecasted variance	Funding
Camping Ground - Wyndham	Other Council Expenditure	Repairs to existing camping ground building	\$10,000	Reserves
TOTAL			\$10,000	

Fiordland Trails Trust grant - unbudgeted expenditure request

Record no: R/24/4/26648
Author: Stella O'Connor, Community partnership leader
Approved by: Anne Robson, Group manager finance and assurance

Decision Recommendation Information

Purpose

- 1 The purpose of this report is for Council to consider whether or not it wishes to approve an unbudgeted expenditure grant of \$23,395 to the Fiordland Trails Trust from the Mararoa Waimea ward reserve. The grant would go towards the cost of obtaining the resource consent that was issued for the Te Anau to Te Anau Downs Trail from the Upukerora River to Boundary Creek.

Executive summary

- 2 The Fiordland Trails Trust (the trust) has been granted a resource consent to progress the Te Anau to Te Anau Downs Trail from the Upukerora River to Boundary Creek.
- 3 The project consent process and costs were underestimated in the trusts budget. The costs associated for obtaining a consent from the Southland District Council for consenting inputs and the consent hearing was \$33,568.26 (attachment A).
- 4 The Fiordland Community Board (the board) has indicated it wishes to apply to the Mararoa Waimea ward reserve for funds, as a grant to the Fiordland Trails Trust, to contribute to the costs of the resource consent for the trust. The board does not have delegated authority to approve expenditure from the Mararoa Waimea ward reserve.
- 5 The forecast balance of the Mararoa Waimea ward reserve as of 30 June 2024 is \$23,395. The ward councillors are supportive of the trusts request and the use of the Mararoa Waimea ward reserve as a grant to the trust.
- 6 The trust has spent close to \$120,000 ahead of being able to commence the physical work and there has been many hours of volunteer work put toward the trails.
- 7 An impact assessment report has been provided (attachment B) outlining the benefits that the trust activities are bringing to the Te Anau Basin and wider Southland community which are estimated to exceed \$3 million.

Recommendation

That Council:

- a) Receives the report titled “Fiordland Trails Trust grant - unbudgeted expenditure request”.**
- b) Determines that this matter or decision be recognised as not significant in terms of Section 76 of the Local Government Act 2002.**
- c) Determines that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with Section 79 of the act determines that it does not require further information, further assessment of options or further analysis of costs and benefits or advantages and disadvantages prior to making a decision on this matter.**
- d) Approves unbudgeted expenditure of \$23,395 excl GST (if applicable) as a grant to the Fiordland Trails Trust to contribute to the cost of their resource consent to be funded from the Mararoa Waimea ward reserve .**

Background

- 8 The Fiordland Trails Trust has been granted a resource consent to progress the Te Anau to Te Anau Downs Trail from the Upukerora River to Boundary Creek. Obtaining this consent was more expensive than the trust had budgeted for.
- 9 In total, the trust has spent close to \$120,000 ahead of being able to commence the physical work including the costs associated with obtaining a resource consent from the Southland District Council for consenting inputs and the consent hearing of \$33,568.26.
- 10 The trust is facing challenges to meet the underestimated costs of the resource consent and has approached the ward councillors and community board to see if some costs could be offset or discounted as Environment Southland does for registered charitable trusts.
- 11 The board and ward councillors are supportive of the trusts request and the use of the Mararoa Waimea ward reserve as a grant to the trust to contribute to the cost of the resource consent.
- 12 In support of the request the trust has supplied the ‘Lake2Lake Impact Assessment’ prepared by Angus and Associates that outline the benefits that the trust activities are bringing to the Te Anau Basin and wider Southland community which estimates the financial benefits for the year 2022/23 to exceed \$3 million.
- 13 Other benefits include positive impacts to health, social capital, environmental, events, mental health, educational use, attracting visitors and businesses.
- 14 The Fiordland Community Board have supplied a letter of thanks and support to the Fiordland Trails Trust (attachment C) which includes acknowledgement of the positive impact to the community of the Lake2Lake trail.
- 15 The community board also acknowledges the trusts countless volunteer hours and effort gone in to clearing areas of scrub and weed and replanting them with native plantings, leaving a positive carbon footprint for the health of the environment and for future generations.
- 16 The multi-use trails that the trust have created are aligned with the outcomes in the community board plan.

- 17 The trust incurs significant costs associated with the creation and maintenance of the trails and needs to constantly seek funding.

Issues

- 18 Council must determine whether or not it wishes to approve a grant to the trust to the cost of obtaining the resource consent.
- 19 The ward reserves are residual funds that were collected prior to the last representation review when ward rates were still collected.
- 20 Ward rates were collected based on the value of the land of the ratepayer. Therefore, rural ratepayers usually contributed more to the rate as their land had a higher land value.
- 21 The resource consent is a requirement for the trails, as the project has an impact on the environment and could affect people. The trails project is enabling increased recreational activity, which was previously funded from parks and reserves, so it is appropriate that the board apply to Council to use some of the residual ward reserves for this project.

Factors to consider

Legal and statutory requirements

- 22 The board and ward councillors do not have delegation to approve unbudgeted expenditure from the Mararoa Waimea ward reserve but are supportive of Council approving.
- 23 Council will ultimately need to make the decision on whether or not to approve unbudgeted expenditure for this activity.

Community views

- 24 The views of the community board are deemed to represent the views of the wider community.
- 25 The board has supplied a letter of thanks and support to the trust.

Costs and funding

- 26 The cost of the resource consent is \$33,568.26.
- 27 The balance of the Mararoa Waimea ward reserve at the 30 June 2024 will be \$23,395. This includes an allowance for interest calculated at 2% in line with Councils Annual Plan assumption.

Policy implications

- 28 Monies collected by rates must be used for the purposes to which they were collected. Monies collected by the Mararoa Waimea Reserve contributed towards costs of activities in these areas. Activities that were collected for was grants, open spaces, principally reserves, rubbish collection.

Analysis

Options considered

- 29 Council must consider whether or not it wishes to approve unbudgeted expenditure of up to \$23,395 from the Mararoa Waimea ward reserve to grant contribute to the costs of Council resource consent.

Analysis of Options

Option 1 – Approves unbudgeted expenditure as a grant to the Fiordland Trails Trust for \$23,395 from the Mararoa Waimea ward reserve to contribute to the cost of the resource consent.

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none">the project is able to proceed as soon as the funding is approved.Council can show their support for the project by assisting with funding.	<ul style="list-style-type: none">there will be less funding available for other projects in the area

Option 2 – does not approves unbudgeted expenditure as a grant to the Fiordland Trails Trust for \$23,395 from the Mararoa Waimea ward reserve to contribute to the cost of the resource consent.

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none">the Mararoa Waimea ward reserve funds will still be available to be used for other projects across the ward area	<ul style="list-style-type: none">the project is not able to progress until the funding is secured.

Assessment of significance

- 30 Under Council’s Significance and Engagement Policy this is not a significant issue.

Recommended option

- 31 Option one, approves unbudgeted expenditure as a grant to the Fiordland Trails Trust for \$23,395 from the Mararoa Waimea ward reserve to contribute to the cost of the resource consent.

Next steps

- 32 If approved, the trust will be informed and the grant funding made available.

Attachments

- A SDC invoice RMA application
- B Lake2Lake Trail Impact Assessment Summary
- C Letter to Fiordland Trails Trust from Fiordland Community Board



Southland District Council
Te Rohe Pōtae o Murihiku

PO Box 903
15 Forth Street
Invercargill 9840

0800 732 732
accounts@southlanddc.govt.nz
southlanddc.govt.nz

Tax Invoice

Fiordland Trails Trust
PO Box 24
Te Anau 9640

GST Reg No 51-850-238

TAX INVOICE NUMBER 1160017
DATE 16 Dec 2022
DEBTOR NUMBER 714261

Application No	RMA/2021/53314	Customer Ref
Description	Construct, maintain and operate a multi-use trail Upukerora Bridge to Boundary Creek	
Street Address	723 Te Anau Milford Highway, Te Anau	

DESCRIPTION	GST	FEE
RMA Application Additional Processing Fees	4,378.46	33,568.26

INVOICE TOTAL 33568.26

This Invoice includes GST of 4378.46



SOUTHLAND DISTRICT COUNCIL
PO BOX 903, INVERCARGILL 9810

Fiordland Trails Trust
PO Box 24
Te Anau 9640

DEBTOR NUMBER 714261
INVOICE NUMBER 1160017
TOTAL AMOUNT DUE 33568.26

Please refer to the Payment Options on the back of this Invoice

Please include as Reference: Customer Number 714261

Terms and conditions of supply of goods/services

Title in goods will not pass to the purchaser until payment has been made in full

Payment for goods or services supplied is due on the 20th of the month following the date of this invoice

If payment of the amount due is not made by the date then without prejudice to its other rights and remedies Southland District Council; in its absolute discretion shall be entitled to:

Charge interest on the outstanding balance at the rate of 2.5% above the interest rate for the time being charged by its banker on unsecured overdraft facilities used by Council; and

Recover from you the costs, including full legal costs, of collection companies of the outstanding balance; and terminate the supply to you

Southland District Council reserves the right (and it is our normal business practice) to seek credit information on credit customers and to provide information to credit reference and debt collection companies as to the fact that a credit application has been made and (in the case of debtors failing to meet their obligations) details of debtors and the debts.

Privacy statement

We respect your privacy and as a Council we are governed by the Privacy Act 2020. This act aims to provide better protection for individual privacy in relation to the collection, use, access, correction, and disclosure of personal information.

You can access your personal information at any time and request that we correct it if necessary. Otherwise access to your information is confined to authorised users only. We will not disclose your personal information to any third party unless we have your consent, or that person is providing a service to the Council and operates under the same privacy policy, or we are legally obliged to do so.

For more information on privacy issues: www.privacy.org.nz

PAYMENT OPTIONS

Council offers the following options for payment:

If you have **more than one account** to pay to Council, please ensure you complete a separate transaction for each account as you will have a **different billing number for each transaction**.



CREDIT CARD Payment may be made online using the Southland District Council website.
Please note: This service incurs a merchant fee.



ONLINE Payment can be made online using the Pay It option at www.southlanddc.govt.nz. We accept credit cards (Visa and Mastercard) and account2account for those who usually pay by eftpos.



E PAY Internet banking, telephone banking, bank transfer.
Please ensure the billing number (on the front of this document) is quoted with your payment.

IN PERSON

Payments accepted at any SDC offices/libraries in Riverton, Lumsden, Te Anau, Otautau, Winton, Oban and Wyndham or at 15 Forth Street, Invercargill.

Head to www.southlanddc.govt.nz for opening hours and locations or call our friendly staff on 0800 732 732.

Council's bank details are **BNZ 02 0924 0064987 00**

All enquiries can be made by email: accounts@southlanddc.govt.nz
or by phone 0800 732 732. Overseas callers please phone + 64 3 211 2500.

LAKE2LAKE TRAIL IMPACT ASSESSMENT

ECONOMIC IMPACT

Visitor expenditure + event-related expenditure + trail expenditure shows a direct economic contribution made by the Lake2Lake Trail to the Fiordland District in the year ending March 2023 is \$3.025 million

- More than 5100 visitors to Fiordland can be attributed to the Lake2Lake Trail
- Collectively, these visitors stayed more than 10,000 nights in the area
- 15% of trail users travelled to Fiordland only/mainly to experience the Lake2Lake Trail; a further 16% were visiting for other reasons but extended their stay to experience the trail
- Direct economic contribution accruing as a result of visitor expenditure in Fiordland was almost \$1.8million
- Events, including the Meridian Hydro Half Marathon and Mitre 10 Te Anau 10k, and the Spring Challenge, contributed \$981,118 to the local economy
- There has been a direct positive contribution to employment in Fiordland
- Businesses reported up to 13% of revenue could be attributed to the Lake2Lake Trail

REASON FOR TRAIL USE

- Exercise/improving fitness (68%)
- Be in the outdoors in nature (57%)
- Relaxation/peace and quiet (44%)
- Improving physical health (37%)
- Improve mental health (36%)
- Sightseeing (32%)
- Socialise (28%)

Other reasons included experience/learn about the natural environment, walking a dog, training for an event, experience/learn about local culture and heritage, participating in an event, paid working (part of my job), and other

TRAIL USERS

- 49% Fiordland residents
- 51% visitors
- 82% NZ residents
- 18% international visitors
- 60% female
- 51% aged between 50-59 years
- 59% biking
(of those, 52% mountain biking, 38% e-biking)
- 32% walking
- 7% running
- 2% other

OTHER IMPACTS

- Health benefits
- Social capital
- Environmental
(low-carbon tourist activity, active commuting, planting)
- Events
- Mental health benefits
- Use by schools
- Attracting visitors
- Attracting business

OTHER FINDINGS

- 82% of users rate their trail experience either 8, 9, or 10 out of 10
- Key highlights for trail users were scenery/views and the trail construction, design and maintenance
- Stakeholders describe the trail as an importance resource, adding value and enhancing other offerings in Te Anau/Fiordland



This information is from the Lake2Lake Trail Impact Assessment, produced by Angus & Associates for the Fiordland Trails Trust. The information is to Year End March 2023. The full report can be viewed online at www.fiordlandtrails.nz. For any enquiries please email info@fiordlandtrails.nz.



David Boniface
Chairperson
Fiordland Trails Trust
116 Town Centre
Te Anau

Dear David

The Fiordland Community Board would like to put in writing to the Fiordland Trails Trust this letter of thanks and support.

Firstly, thank you for all you have achieved for our region so far and for your commitment to continuing the pursuit of extending the multi-use cycle trail out to Te Anau Downs.

The recreational benefits for our community are clearly visible. There are locals on the Lake2Lake trail making full use of the resource daily, walking, running and cycling.

Schools make use of the trail and clubs have formed, including seniors' clubs, because the trail is there and is so beneficial for our community wellbeing.

Tourism is also positively impacted with cycle tourism becoming another feather in Fiordland's cap. This creates further opportunities for business and provides an already observable positive economic impact. It was good to see the recent Lake2Lake Trail Impact Assessment identify and put some significant figures around what impact this is having and the potential for more.

The fact that our communities are reaping all of these benefits and the trails are such a "green" and sustainable asset is exceptional.

We want to acknowledge that alongside the creation of the existing Lake2Lake trail and the extension that is now heading toward Te Anau Downs, that countless volunteer hours and effort have also gone in to clear areas of scrub and weed. The Trust has replaced the cleared areas with native plantings, leaving a positive carbon footprint for the health of our environment and for future generations.

The multi-use trails that the Trust has created tie in with a number of the outcomes in our Community Board Futures Plan:

- We will be a community that attracts business, investment, people and visitors
- We will be a community that protects and enhances its natural environment in a sustainable and regenerative manner
- We will be a community that enriches lifestyle through well thought-out planning

We are aware that the cost of continuing to do the great things that the Trails Trust does is expensive and that you need to constantly seek funding to continue your endeavours, therefore we would be happy for you to use this letter of support and thanks from the Fiordland Community Board alongside any applications for funding that you may make.

I am also happy to be contacted by phone if any of the entities that you apply to want to discuss the benefits of the Trails Trust in our Fiordland communities directly with me.

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Te Rohe Pōtae o Murihiku

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Yours Sincerely



Diane Holmes

Chairperson

Fiordland Community Board

Ph 027924 0557

Schedule of meetings from January 2025 to the end of the triennium

Record No: R/24/3/24696
Author: Fiona Dunlop, Committee advisor
Approved by: Michael Aitken, GM strategy & partnerships (interim)

Decision Recommendation Information

Purpose

- 1 The purpose of this report is to present a schedule of meeting dates for the rest of the triennium, for Council approval.

Executive Summary

- 2 The adoption of a meeting schedule assists in providing public notice about meetings and gives staff the ability to plan work around the schedule.
- 3 The schedule presented in this report proposes dates for Council and Finance and Assurance Committee meetings from January 2025 up to the end of the triennium in October 2025. The proposed dates incorporate requirements for the 2025/2026 Annual Plan.
- 4 Council has already adopted a schedule of Council and Finance and Assurance Committee meetings through to the end of 2024.
- 5 Since the beginning of the 2022/2025 triennium, Council has been meeting every second week on a Wednesday, and the Finance and Assurance Committee has been meeting once a quarter, also on a Wednesday. This is proposed to continue. It is also proposed to have a lighter meeting schedule over the month of July, to allow elected members and staff a small interval.

Recommendation

That Council:

- a) **Receives the report titled “Schedule of meetings from January 2025 to the end of the triennium ”.**
- 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) **Adopts the proposed schedule of Council and Finance and Assurance Committee meetings from January 2025 up to 8 October 2025:**

Date	Meeting	Time
Wednesday 29 January 2025	Council	9.30am
Wednesday 12 February 2025	Council	9.30am
Wednesday 19 February 2025	Finance and Assurance Committee	9.30am
Wednesday 5 March 2025	Council	9.30am
Wednesday 19 March 2025	Finance and Assurance Committee	9.30am
Wednesday 2 April 2025	Council	9.30am
Tuesday 15 April 2025 (Wednesday 16 April 2025 reserve day)	Council (draft annual plan hearings)	9.30am
Wednesday 30 April 2025	Council	10.00am
Wednesday 14 May 2025	Finance and Assurance Committee	10.00am
Wednesday 28 May 2025	Council	10.00am
Wednesday 11 June 2025	Finance and Assurance Committee	10.00am
Wednesday 25 June 2025	Council (adopt annual plan)	10.00am
Wednesday 30 July 2025	Council	10.00am
Wednesday 13 August 2025	Council	10.00am
Wednesday 27 August 2025	Council	10.00am
Wednesday 10 September 2025	Council	10.00am
Wednesday 24 September 2025	Finance and Assurance Committee	10.00am
Wednesday 8 October 2025	Council	9.30am

- e) **Agrees that a delegation is granted to the chief executive and the group manager finance and assurance to amend these meeting dates when necessary or required, but that the chief executive and the group manager finance and assurance must consult with the mayor and the chair of Finance and Assurance Committee prior to amending the dates.**

- f) Agrees that in 2025 Council meetings will be held in towns in the Southland District at least twice a year.**

Background

- 6 An approved schedule of meeting dates ensures meetings are publicly notified in accordance with the Local Government Official Information and Meetings Act 1987.

Issues

- 7 This report presents a schedule of meetings from the beginning of 2025 through to the end of the triennium (prior to the October 2025 local government elections).
- 8 The meeting schedule continues current practice of Council meetings being fortnightly and Finance and Assurance Committee meetings being quarterly. Additional Finance and Assurance Committee meetings are proposed in the schedule to meet requirements for the 2025/2026 Annual Plan. A larger gap is proposed between meetings in July 2025, to allow elected members and staff a brief interval.

Factors to Consider

Legal and Statutory Requirements

- 9 The statutory requirements for meetings and their notification of Council, committees and community boards are set out in the Local Government Act 2002 and the Local Government Official Information and Meetings Act 1987.
- 10 The Local Government Official Information and Meetings Act 1987 details the requirements for public notification of meetings.
- 11 The Local Government Act 2002 allows a schedule to be made for a future period, that can be amended. Notification of the schedule or any amendment to that schedule constitutes a notification of every meeting on the schedule or amendment.

Community Views

- 12 No specific community views have been sought on this matter. Having a meeting schedule helps the community to be aware of Council meetings. Meetings will be advertised in the month prior to the meeting.

Costs and Funding

- 13 The cost for advertising is provided for in the communications budget.

Policy Implications

- 14 There are no policy implications.

Analysis

Options Considered

- 15 There are two possible options – adopt a meeting schedule or not.

Analysis of Options

Option 1 – Adopt the proposed schedule of meetings

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none">• elected members, staff and the public are aware of the meeting dates for the year• staff can plan work around the meeting dates• the meeting schedule can be amended at a future date if required.	<ul style="list-style-type: none">• potential to create confusion when meetings need to be rescheduled.

Option 2 – Don't adopt the proposed schedule of meetings

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none">• meetings dates can be set as they are required.	<ul style="list-style-type: none">• increases the risk Council may not meet its statutory responsibility to notifying meetings• less transparent• elected members, staff and the public would have less notice about when meetings are.

Assessment of Significance

- 16 This decision has been assessed as not significant in relation to the Significance and Engagement Policy and the Local Government Act 2002.

Recommended Option

- 17 It is recommended Council proceed with Option 1 and adopt the proposed schedule of meetings.

Next Steps

- 18 If the schedule is adopted staff will advertise the meetings on a monthly basis.

Attachments

There are no attachments for this report.